

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
JSW STEEL LIMITED**

Introduction

We have reviewed the accompanying Condensed Balance Sheet of JSW Steel Limited as on September 30, 2014 and the related Condensed Statement of Profit and Loss and Condensed Cash Flow Statement for the six month period then ended, and Selected Explanatory Notes. Management is responsible for the preparation and fair presentation of this Interim Financial Information in accordance with the Accounting Standard (AS) 25, 'Interim Financial Reporting', notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the Accounting Standard (AS) 25, 'Interim Financial Reporting', notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other accounting principles generally accepted in India.



Emphasis of matter

We draw attention to Note B(3) to the accompanying Interim Financial Information regarding the Company's assessment of the recoverable value of its investment of Rs. 7,665.4 million relating to JSW Steel USA Inc., a subsidiary of the Company, and recognition of provision of Rs. 1,683.2 million as at September 30, 2014 and that no provision is considered necessary against the loans aggregating to Rs 16,696.3 million and financial guarantees of Rs. 31,299.7 million, relating to the said subsidiary.

Our conclusion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

Mumbai, 30 October 2014



JSW STEEL LIMITED

CONDENSED BALANCE SHEET

| | (USD Million) | | | (Rupees in million) |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 30.09.2014 | As at 30.09.2014 | As at 31.03.2014 | As at 30.09.2013 |
| I. EQUITY AND LIABILITIES | | | | |
| (1) Shareholders' funds | | | | |
| Share capital | 173.2 | 10,671.9 | 10,671.9 | 10,671.9 |
| Reserves and surplus | 3,965.4 | 244,321.1 | 232,169.9 | 218,762.8 |
| | <u>4,138.6</u> | <u>254,993.0</u> | <u>242,841.8</u> | <u>229,434.7</u> |
| (2) Non-current liabilities | | | | |
| Long-term borrowings | 3,505.2 | 215,968.7 | 210,543.2 | 215,363.7 |
| Deferred tax liabilities (Net) | 426.0 | 26,244.6 | 19,085.1 | 12,311.7 |
| Other long term liabilities | 57.7 | 3,558.0 | 4,664.0 | 4,117.7 |
| Long-term provisions | 7.3 | 449.7 | 406.7 | 621.3 |
| | <u>3,996.2</u> | <u>246,221.0</u> | <u>234,699.0</u> | <u>232,414.4</u> |
| (3) Current liabilities | | | | |
| Short-term borrowings | 735.4 | 45,309.4 | 39,206.6 | 36,509.2 |
| Trade payables | 1,655.5 | 101,999.8 | 99,912.5 | 136,721.6 |
| Other current liabilities | 1,136.0 | 69,994.0 | 64,159.7 | 66,656.2 |
| Short-term provisions | - | - | 3,437.2 | - |
| | <u>3,526.9</u> | <u>217,303.2</u> | <u>206,716.0</u> | <u>239,887.0</u> |
| TOTAL | 11,661.7 | 718,517.2 | 684,256.8 | 701,736.1 |
| II ASSETS | | | | |
| (1) Non-current assets | | | | |
| Fixed assets | | | | |
| Tangible assets | 6,233.1 | 384,041.7 | 372,251.2 | 366,825.9 |
| Intangible assets | 10.6 | 650.1 | 699.6 | 559.5 |
| Capital work-in-progress | 1,042.6 | 64,236.1 | 67,896.6 | 60,045.7 |
| Intangible assets under development | 32.0 | 1,971.2 | 678.1 | 155.3 |
| | <u>7,318.3</u> | <u>450,899.1</u> | <u>441,525.5</u> | <u>427,586.4</u> |
| Non-current investments | 700.4 | 43,156.6 | 43,128.5 | 38,704.1 |
| Long-term loans and advances | 828.9 | 51,072.0 | 49,614.7 | 46,468.5 |
| Other non-current assets | - | - | - | 65.8 |
| | <u>8,847.6</u> | <u>545,127.7</u> | <u>534,268.7</u> | <u>512,824.8</u> |
| (2) Current assets | | | | |
| Current investments | - | - | 677.0 | 738.0 |
| Inventories | 1,293.0 | 79,667.8 | 61,965.7 | 58,288.0 |
| Trade receivables | 476.7 | 29,371.5 | 22,187.4 | 37,390.6 |
| Cash and cash equivalents | 54.4 | 3,352.6 | 4,657.2 | 7,815.8 |
| Short-term loans and advances | 990.0 | 60,997.6 | 60,500.8 | 84,678.9 |
| | <u>2,814.1</u> | <u>173,389.5</u> | <u>149,988.1</u> | <u>188,911.3</u> |
| TOTAL | 11,661.7 | 718,517.2 | 684,256.8 | 701,736.1 |

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For JSW Steel Limited

A Siddharth
Partner

RAJEEV PAI
Chief Financial Officer

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

Place: Mumbai,
Dated :

LANCY VARGHESE
Company Secretary



JSW STEEL LIMITED

CONDENSED STATEMENT OF PROFIT AND LOSS

| | (USD Million) | | (Rupees in million) | |
|--|---------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
| | For the Period Ended 30.09.2014 | For the Period Ended 30.09.2014 | For the Year Ended 31.03.2014 | For the Period Ended 30.09.2013 |
| I Revenue from operations | 4,177.7 | 257,402.6 | 492,954.3 | 228,460.0 |
| Less: Excise duty | 347.4 | 21,404.4 | 39,977.1 | 20,021.8 |
| | <u>3,830.3</u> | <u>235,998.2</u> | <u>452,977.2</u> | <u>208,438.2</u> |
| II Other income | 35.2 | 2,171.7 | 3,310.5 | 1,930.7 |
| III Total revenue (I + II) | <u>3,865.5</u> | <u>238,169.9</u> | <u>456,287.7</u> | <u>210,368.9</u> |
| IV Expenses: | | | | |
| Cost of materials consumed | 2,331.1 | 143,626.5 | 267,058.2 | 122,915.8 |
| Purchases of stock-in-trade | 21.8 | 1,344.9 | 4,948.1 | 3,987.6 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | (220.0) | (13,555.9) | (2,441.0) | (2,371.6) |
| Employee benefits expense | 76.8 | 4,730.2 | 7,995.8 | 4,043.8 |
| Finance costs | 234.1 | 14,426.3 | 27,401.3 | 13,307.7 |
| Depreciation and amortization | 221.1 | 13,625.6 | 27,258.8 | 13,291.3 |
| Other expenses | 826.8 | 50,938.7 | 87,590.2 | 40,031.6 |
| Total expenses | <u>3,491.7</u> | <u>215,136.3</u> | <u>419,811.4</u> | <u>195,206.2</u> |
| V Profit before exceptional items and tax (III-IV) | 373.8 | 23,033.6 | 36,476.3 | 15,162.7 |
| VI Exceptional items | | | | |
| Exchange loss (net) (refer note 8) | - | - | 16,923.0 | 16,923.0 |
| VII Profit before tax (V-VI) | 373.8 | 23,033.6 | 19,553.3 | (1,760.3) |
| VIII Tax expenses: | | | | |
| Current tax | 77.5 | 4,777.2 | 4,098.0 | - |
| Deferred tax | 120.2 | 7,403.0 | 6,208.2 | (565.2) |
| Less: MAT credit entitlement | (77.5) | (4,777.2) | (4,098.0) | - |
| | <u>120.2</u> | <u>7,403.0</u> | <u>6,208.2</u> | <u>(565.2)</u> |
| IX Profit for the year (VII-VIII) | <u>253.6</u> | <u>15,630.6</u> | <u>13,345.1</u> | <u>(1,195.1)</u> |
| X Earnings per equity share: (Refer note 11) | | | | |
| Basic | 1.0 | 64.0 | 53.9 | (5.6) |
| Diluted | 1.0 | 64.0 | 53.9 | (5.6) |

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For JSW Steel Limited

A Siddharth
Partner

RAJEEV PAI
Chief Financial Officer

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

Place: Mumbai,
Dated :

LANCY VARGHESE
Company Secretary



JSW STEEL LIMITED

CONDENSED CASH FLOW STATEMENT

| | (USD Million) | | (Rupees in million) | |
|---|-------------------------|-------------------------|-----------------------|-------------------------|
| | For the Period Ended | For the Period Ended | For the Year Ended | For the Period Ended |
| | 30.09.2014 | 30.09.2014 | 31.03.2014 | 30.09.2013 |
| A. Net cash generated from operating activities | 344.6 | 21,231.6 | 52,741.8 | 5,347.6 |
| B. Net cash generated from/(used in) investing activities | (383.1) | (23,602.3) | (47,375.4) | (16,461.9) |
| C. Net cash generated from/(used in) financing activities | 12.6 | 774.1 | (3,663.7) | 10,180.8 |
| D. Net increase/(decrease) in cash and cash equivalents | (25.9) | (1,596.6) | 1,702.7 | (933.5) |
| E. Cash and cash equivalents at beginning of period | 68.7 | 4,235.0 | 2,030.7 | 2,030.7 |
| F. Cash and cash equivalents at end of period | 42.8 | 2,638.4 | 4,235.0 | 1,598.8 |

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For JSW Steel Limited

A Siddharth
Partner

RAJEEV PAI
Chief Financial Officer

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

Place: Mumbai,
Dated :

LANCY VARGHESE
Company Secretary



JSW Steel Limited

A) ACCOUNTING POLICY

These condensed financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), using the same accounting policies that were applied in the preparation of the financial statements for the year ended 31 March 2014, except as described in Note B(7).

B) CONDENSED EXPLANATORY NOTES

1. Contingent liabilities:

| | | USD in million | Rs in million | | | |
|----|--------------------------------|--|------------------|------------------|-----------------|------------------|
| | | | As at 30-Sept-14 | As at 30-Sept-14 | As at 31-Mar-14 | As at 30-Sept-13 |
| 1) | Contingent liabilities: | | | | | |
| | a) | Bills Discounted | 484.7 | 29,866.4 | 32,855.6 | 29,852.8 |
| | b) | Guarantees provided on behalf of subsidiaries | 278.2 | 17,143.4 | 13,725.7 | 14,148.9 |
| | c) | Standby letter of credit facility availed from resident Indian Banks secured / to be secured by specific fixed assets of the company in relation to overseas long term borrowing by | | | | |
| | (i) | JSW Steel Holding (USA) INC | 400.1 | 24645.4 | 24039.9 | - |
| | (ii) | JSW Steel (Netherlands) B.V | 80.0 | 4929.1 | 4808.0 | - |
| | d) | Disputed claims/levies (excluding interest, if any), in respect of: | | | | |
| | (i) | Excise Duty | 85.1 | 5,246.1 | 4,419.5 | 2,083.5 |
| | (ii) | Custom Duty | 72.8 | 4,486.2 | 4,601.2 | 6,790.2 |
| | (iii) | Income Tax | 51.8 | 3,194.2 | 17.4 | 17.4 |
| | (iv) | Sales tax/ Special entry tax | 35.6 | 2,195.0 | 2,233.7 | 2,233.7 |
| | (v) | Service tax | 26.1 | 1,606.9 | 1,292.5 | 958.2 |
| | (vi) | Miscellaneous | 0 | 0.5 | 0.5 | 0.5 |
| | (vii) | Levies by local authorities | 0.5 | 30.4 | 30.4 | 30.4 |
| | (viii) | Claims by suppliers and other parties (including for Forest Development Tax) | 165.1 | 10,171.8 | 10,396.0 | 9,908.7 |
| | | In 2008, the State of Karnataka levied a Forest Development Tax (FDT) treating iron ore as a forest produce. Writ petitions filed by various stakeholders challenging the levy before Karnataka High Court are pending disposal. The Management of the Company has been legally advised that this is a fairly arguable case from the company's perspective and accordingly, the tax is considered as recoverable. Tax payments made under protest in the earlier years /tax payable are considered as 'contingent liabilities' | | | | |
| | d) | Arrears of fixed cumulative dividend on preference shares (CPRS) | 0.1 | 4.6 | 4.6 | 4.1 |



| | | | | | | | |
|----|---|--|-------|----------|----------|-----------|--|
| | | | | | | | |
| 2) | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | | 665 | 40,975.4 | 31,763.6 | 39,557.0 | |
| 3) | 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 Group 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. Such export obligations aggregate to | | 129.9 | 8,003.1 | 38,171.1 | 108,807.3 | |

2. On 3rd May 2013 the Bombay High Court sanctioned a Composite Scheme of Amalgamation and Arrangement (Scheme) under sections 391 to 394 of the Companies Act, 1956 amongst JSW Steel Limited, JSW Ispat Steel Limited, JSW Building Systems Limited, JSW Steel Coated Products Limited and their respective shareholders and creditors with 1 July 2012 being the appointed date. The certified copy of the scheme is filed with the Registrar of Companies (RoC) on June 1, 2013. Accordingly, effect of the scheme is considered in the financial statements of 2013-14.
3. In view of the losses for last few years from operations of JSW Steel USA Inc., a subsidiary of the Company, the Company has reassessed the recoverable value of its investment of Rs.7665.4 million, USD 124.4 million relating to the subsidiary as on 30th September 2014 having regard to the latest valuation of its fixed assets carried out by an independent valuer and recognized provision of Rs 1,683.2 million USD 27.3 million during the period ended September 30, 2014, and no provision is considered necessary against the loans aggregating to Rs.16,696.3 million, USD 271 million and the financial guarantees of Rs.31,299.7 million, USD 508 million, relating to the said subsidiary.
4. The carrying amount of investment in equity shares of JSW Severfield, India, a joint venture (JV) of the Company, is Rs 1,084.4 million, USD 17.6 million as at September 14 (31.03.2014 Rs 984.4 million, 30.09.2013: Rs 984.4 million). Having regard to its continued operating losses and current external economic environment, the Management of the Company has assessed whether the decline in the value of the said investment is 'other than temporary' in terms of Accounting Standard (AS) 13, Investments. On a careful evaluation of the business plans of the JV and expected profits based thereon, it has been concluded that the decline is temporary and accordingly, no provision is required.
5. Trade receivable includes Rs. 1,840.2 million, USD 29.86 million (31.03.2014: Rs. 1,840.2 million, 30.09.2013 Rs 1,840.2 million) recoverable from a customer towards supply of steel. The customer



has applied for corporate debt restructuring to CDR Cell and mentioned JSW Steel as their "critical and essential supplier" whose dues needs to be paid on priority basis. The scheme was approved by CDR empowered group during the year. Based on these developments, the company is reasonably confident about the recoverability of the said amount.

6. Pursuant to the order of the Honourable Supreme Court dated 24 September 2014 regarding cancellation of the allotment of coal blocks, the Company has made an assessment of recoverable amounts of investments in and loans and advances to the subsidiaries, joint ventures and associates affected by the said order and recognized provision of Rs 212.0 million, USD 3.4 million as at September 30, 2014 considering the principle of conservatism. The Company has filed a Review Petition in the Honourable Supreme Court seeking review of the said order relating to cancellation of allocations of the coal blocks to the aforesaid companies.
7. Pursuant to Companies Act 2013 (the Act), becoming effective from 1 April 2014, the company has re-worked depreciation with reference to the estimated useful lives of fixed assets prescribed under Schedule II to the Act or useful life of fixed assets as per technical evaluation. As a result the charge for depreciation is lower by Rs. 1,035.2 million, USD 16.8 million for the Half year ended 30 September 2014. Further based on transitional provision in Note 7 (b) of Schedule II, an amount of Rs.472.9 million, USD 7.7 million (net of deferred tax) has been adjusted against the retained earnings.
8. Exceptional items represents effect of significant movement and volatility in the value of the Indian rupee against US dollar.

9. Segment reporting:

The company is primarily engaged in the business of manufacture and sale of iron and steel products. The company has identified two primary business segments, namely steel and power (used mainly for captive consumption), which in the context of Accounting Standard 17 on "segment reporting" constitute reportable segments.

Information about primary business segments



| Sr. No. | Particulars | Half Year Ended | | | Year Ended |
|---------|---|-----------------|--------------|--------------|--------------|
| | | USD MIO | (Rs. in Mio) | (Rs. in Mio) | (Rs. in Mio) |
| | | 30.09.2014 | 30.09.2014 | 30.09.2013 | 31.03.2014 |
| 1 | Revenue by Business Segment : | | | | |
| | Steel | 3,888.2 | 239,566.9 | 213,439.5 | 463,346.4 |
| | Power | 302.3 | 18,626.7 | 19,729.3 | 39,209.5 |
| | Others | 19.3 | 1,187.1 | - | 489.6 |
| | Total | 4,209.8 | 259,380.7 | 233,168.8 | 503,045.5 |
| | Less: Inter segment revenue | 379.5 | 23,382.5 | 24,730.6 | 50,068.3 |
| | Total Income | 3,830.3 | 235,998.2 | 208,438.2 | 452,977.2 |
| 2 | Segment results before Finance Costs and tax: | | | | |
| | Steel | 480.7 | 29,616.5 | 19,400.2 | 46,608.8 |
| | Power | 127.3 | 7,840.9 | 7,139.5 | 14,044.9 |
| | Others | 2.9 | 180.3 | - | (21.2) |
| | Total | 610.9 | 37,637.7 | 26,539.7 | 60,632.5 |
| | Less: Unallocable items | | | | |
| | Finance Costs | 234.1 | 14,426.3 | 13,307.7 | 27,401.3 |
| | Exceptional Item :Exchange Loss/(Gain) (net) | - | - | 16,923.0 | 16,923.0 |
| | Unallocable expense net of unallocable income | 2.9 | 177.8 | (1,930.7) | (3,245.1) |
| | Profit before Tax | 373.8 | 23,033.6 | (1,760.3) | 19,553.3 |
| 3 | Segment Capital Employed : | | | | |
| | (Segment assets less Segment liabilities) | | | | |
| | Steel | 7,185.7 | 442,733.8 | 384,562.5 | 421,215.0 |
| | Power | 324.2 | 19,977.7 | 18,541.0 | 21,213.4 |
| | Others | 25.0 | 1,542.0 | - | 1,655.0 |
| | Unallocated | (3,396.3) | (209,260.5) | (173,668.8) | (201,241.6) |
| | Total | 4,138.6 | 254,993.0 | 229,434.7 | 242,841.8 |

Notes:

1. Inter segment transfer from the power segment is measured at the rate at which power is purchased/sold from/to the respective electricity board.
2. Inter segment transfer from the steel segment is measured on the basis of fuel cost.
3. There is only one geographical segment i.e India .

10. Related parties disclosure as per Accounting Standard (AS)-18 :

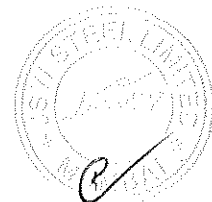
| Parties with whom the Company has entered into transactions during the period where control exists : | |
|--|---|
| 1 | Subsidiaries |
| | JSW Steel (Netherlands) B.V. |
| | JSW Steel (UK) Limited |
| | Argent Independent Steel (Holdings) Limited |
| | JSW Steel Service Centre (UK) Limited |
| | JSW Steel Holding (USA) Inc. |
| | JSW Steel (USA) Inc. |
| | Periama 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 |
| | Periama Handling, LLC |
| | Lower Hutchinson Minerals, LLC |
| | Caretta Minerals, LLC |
| | JSW Panama Holdings Corporation |
| | Inversiones Eroush Limitada |
| | Santa Fe Mining |
| | Santa Fe Puerto S.A. |
| | JSW Natural Resources Limited |
| | JSW Natural Resources Mozambique Limitada |
| | JSW ADMS Carvo Lda |
| | JSW Mali Resources SA |
| | JSW Steel Processing Centres Limited |
| | JSW Bengal Steel Limited |
| | JSW Natural Resources India Limited |
| | Barbil Beneficiation Company Limited |
| | JSW Jharkhand Steel Limited |
| | JSW Steel East Africa Limited |
| | Amba River Coke Limited |
| | JSW Energy (Bengal) Limited |
| | JSW Natural Resource Bengal Limited |
| | JSW Steel Coated Products Limited |
| | Peddar Realty Pvt Ltd |
| | Nippon Ispat Singapore (PTE) Limited |
| | EREBUS Limited |
| | Arima Holding Limited |
| | Lakeland Securities Limited |
| | |
| 2 | Associates |
| | Jindal Praxair Oxygen Company Private Limited |
| | Dolvi Coke Projects Limited |
| | Dolvi Minerals & Metals Private Limited |
| | |
| 3 | Joint Ventures |
| | Vijayanagar Minerals Private Limited |
| | Rohne Coal Company Private Limited |
| | JSW Severfield Structures limited |
| | Gourangdih Coal Limited |
| | Toshiba JSW Power System Private Limited |
| | MJSJ Coal Limited |
| | GEO Steel LLC |
| | JSW Structural Metal Decking Limited |
| | JSW MI Steel Service Center Private Limited |
| | JSW Vallabh Tin Plate Private Limited (w.e.f. from 16.04.2014) |
| | |



| | |
|---|--|
| 4 | Key Management Personnel (KMP) |
| | Mr. Sajjan Jindal |
| | Mr. Seshagiri Rao M V S |
| | Dr. Vinod Nowal |
| | Mr. Jayant Acharya |
| 5 | Relative of Key Managerial Personnel |
| | Mr. Parth Jindal |
| 6 | Enterprises over which Key Management Personnel and Relatives of such personnel exercise significant influence. |
| | JSW Energy Limited |
| | Jindal Stainless Limited |
| | JSW Realty & Infrastructure Private Limited |
| | Jindal Saw Limited |
| | Jindal Steel & Power Limited |
| | JSOFT Solutions Limited |
| | Jindal Industries Limited |
| | JSW Cement Limited |
| | JSW Jaigarh Port Limited |
| | Reynold Traders Private Limited |
| | Raj West Power Limited |
| | JSW Power Trading Company Limited |
| | JSW Aluminim Limited (ceased from 15.10.2013) |
| | O P Jindal Foundation |
| | JSW Infrastructure Limited |
| | South West Port Limited |
| | JSW Techno Projects Management Limited |
| | South West Mining Limited |
| | JSL Architecture Limited |
| | JSW Projects Limited |
| | Sapphire Technologies Limited |
| | Jindal Technologies & Management Services Private Limited |
| | JITF Shipping & Logistics (Singapore) PTE Limited |
| | JSW Foundation |
| | JSW Investment Private Limited |
| | AVH Private Limited |
| | JSW Bengaluru Football Club Private Limited |
| | JSW International Trade Corp PTE Limited |
| | Shadeed Iron & Steel Co LLC |



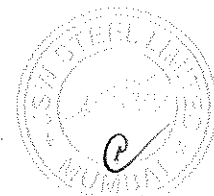
(Rs in Million)

| Particulars | Subsidiaries | Associates | Joint Ventures | Key Management Personnel | Relatives of Key Management Personnel | Enterprises over which KMP and relatives of such personnel exercise significant influence | Total |
|--|--------------|------------|----------------|--------------------------|---------------------------------------|---|-----------|
| 1. Transactions with Related Parties which are in Ordinary course of Business and on Arm's Length Basis | | | | | | | |
| Purchase of Goods / Power & Fuel / Services | 10,734.30 | 1,027.40 | 2.40 | - | - | 26,958.20 | 38,722.30 |
| | 6,488.00 | 1,935.90 | 3.40 | - | - | 24,061.10 | 32,488.40 |
| Material Taken on Loan Given Back | - | - | - | - | - | - | - |
| | - | - | - | - | - | 318.00 | 318.00 |
| Reimbursement of Expenses incurred on our behalf by | 51.70 | - | - | - | - | 18.10 | 69.80 |
| | 7.40 | - | 1.10 | - | - | 15.50 | 24.00 |
| Sales of Goods/Power & Fuel | 32,670.20 | 28.50 | 1,616.70 | - | - | 9,446.70 | 43,762.10 |
| | 61,780.20 | 80.40 | 450.70 | - | - | 19,150.50 | 81,461.80 |
| Other Income/ Other Operating Income | 1,021.30 | 373.80 | 13.60 | - | - | 266.00 | 1,674.70 |
| | 2,499.80 | 23.90 | 0.30 | - | - | 439.60 | 2,963.60 |
| Purchase of Assets/ Project Materials | 87.60 | - | 421.90 | - | - | 778.50 | 1,288.00 |
| | 180.70 | - | 988.00 | - | - | 2,734.90 | 3,903.60 |
| Sale of Assets | - | - | - | - | - | - | - |
| | 0.40 | - | - | - | - | - | 0.40 |
| Security /Lease deposits received | 39.10 | - | - | - | - | - | 39.10 |
| | - | - | - | - | - | - | - |
| Advance Received Back | - | - | - | - | - | - | - |
| | 380.00 | - | - | - | - | - | 380.00 |
| Lease and Other Advances refunded | - | - | - | - | - | 165.60 | 165.60 |
| | - | - | - | - | - | 289.50 | 289.50 |
| Loan given Received back | 74.40 | - | - | - | - | - | 74.40 |
| | 27,699.80 | - | - | - | - | - | 27,699.80 |
| Loan given | 4,132.80 | - | - | - | - | - | 4,132.80 |
| | 9,770.70 | - | - | - | - | - | 9,770.70 |
| Donation/CSR Expenses | - | - | - | - | - | 6.60 | 6.60 |
| | - | - | - | - | - | 95.20 | 95.20 |



(Rs in Million)

| Particulars | Subsidiaries | Associates | Joint Ventures | Key Management Personnel | Relatives of Key Management Personnel | Enterprises over which KMP and relatives of such personnel exercise significant influence | Total |
|--|--------------|------------|----------------|--------------------------|---------------------------------------|---|-----------|
| Recovery of Expenses incurred by us on their behalf | 319.10 | - | - | - | - | 10.30 | 329.40 |
| | 784.80 | - | 0.60 | - | - | 46.80 | 832.20 |
| Investments / Share Application Money given during the Period | 1,568.10 | - | 473.50 | - | - | - | 2,041.60 |
| | 6,108.20 | - | 347.40 | - | - | - | 6,455.60 |
| Investments / Share Application Money refunded during the Period | - | - | 40.50 | - | - | - | 40.50 |
| | - | - | - | - | - | - | - |
| Remuneration to key managerial personnel | - | - | - | 216.50 | 0.70 | - | 217.20 |
| | - | - | - | 268.10 | 1.20 | - | 269.30 |
| Interest Paid | - | - | - | - | - | 25.80 | 25.80 |
| | - | - | - | - | - | 431.60 | 431.60 |
| Guarantees and collaterals provided by the Company on behalf | 3,256.80 | - | - | - | - | - | 3,256.80 |
| | 30,072.90 | - | - | - | - | - | 30,072.90 |
| 2. Closing balance of related parties | | | | | | | |
| Trade payables | 2,650.80 | 91.10 | 14.30 | - | - | 4,311.70 | 7,067.90 |
| | 425.80 | 114.40 | 4.80 | - | - | 2,286.80 | 2,831.80 |
| Advance received from Customers | - | - | - | - | - | 199.50 | 199.50 |
| | - | - | - | - | - | 5.20 | 5.20 |
| Lease & Other deposit received | 57.20 | 38.30 | 130.00 | - | - | 206.90 | 432.40 |
| | 18.20 | 38.30 | 130.00 | - | - | 206.90 | 393.40 |
| Lease & Other deposit given | - | - | - | - | - | 2.90 | 2.90 |
| | - | - | - | - | - | - | - |
| Trade receivables | 9,219.90 | - | 130.10 | - | - | 1,133.10 | 10,483.10 |
| | 4,706.80 | - | 21.50 | - | - | 1,423.40 | 6,151.70 |
| Share Application Money Given | 69.00 | - | 155.10 | - | - | - | 224.10 |
| | - | - | 146.30 | - | - | - | 146.30 |
| Capital / Revenue Advance | 2,233.40 | - | 367.00 | - | - | 5,450.80 | 8,051.20 |
| | 3,282.80 | - | 262.60 | - | - | 5,275.50 | 8,820.90 |
| Loan and Advances given | 31,320.60 | 0.30 | 3.80 | - | - | 238.90 | 31,563.60 |
| | 25,609.60 | - | 3.80 | - | - | 73.60 | 25,687.00 |



(Rs in Million)

| Particulars | Subsidiaries | Associates | Joint Ventures | Key Management Personnel | Relatives of Key Management Personnel | Enterprises over which KMP and relatives of such personnel exercise significant influence | Total |
|--|--------------|------------|----------------|--------------------------|---------------------------------------|---|-----------|
| Investments held by the Company | 40,041.90 | 272.70 | 2,156.20 | - | - | 4,376.20 | 46,847.00 |
| | 38,543.20 | 272.70 | 1,732.00 | - | - | 4,376.20 | 44,924.10 |
| Loans/Advances/Deposits Taken | - | - | - | - | - | 2,043.20 | 2,043.20 |
| | - | - | - | - | - | 2,223.00 | 2,223.00 |
| Guarantees and collaterals provided by the Company on behalf | 46,717.90 | - | - | - | - | - | 46,717.90 |
| | 42,573.70 | - | - | - | - | - | 42,573.70 |

11. Earnings per share (EPS):

| | | Sept-14 | Sept-14 | March-14 | Sept-13 |
|--|---------|-------------|---------------|-------------|-------------|
| | | USD Million | Rs in Million | | |
| Profit after tax | | 253.7 | 15,630.6 | 13,345.1 | (1,195.1) |
| Less: dividend on preference shares (including corporate dividend tax) | | 2.7 | 167.4 | 326.5 | 163.2 |
| Profit after tax for equity share holders (numerator)- basic / diluted (A) | | 2,509.7 | 154,63.2 | 13,018.6 | (1,358.3) |
| Weighted average number of equity shares for basic EPS (denominator) (B) | Nos. | | 241,722,044 | 241,722,044 | 241,722,044 |
| Weighted average number of equity shares for diluted EPS (denominator) (C) | Nos. | | 241,722,044 | 241,722,044 | 241,722,044 |
| Earning per share – basic (A/B) | Rs./USD | 1.0 | 64.0 | 53.9 | (5.6) |
| Earning per share – diluted (A/C) | Rs./USD | 1.0 | 64.0 | 53.9 | (5.6) |
| Nominal value per share | Rs./USD | | 10 | 10 | 10 |

12. For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the period ended 30 September 2014 have been provided at a rate of US\$1.00 = Rs.61.6135, which was the exchange rate as reported by the RBI on 30 September 2014.



13. Figures of the previous year/period are regrouped and reclassified wherever necessary to correspond to figures of the current year. Figures of the previous year are not comparable on account of Composite Scheme of Amalgamation and Arrangement as referred to in note above

For JSW Steel Limited

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

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

Place: Mumbai
Date :



**INDEPENDENT AUDITORS' REVIEW REPORT ON CONDENSED CONSOLIDATED
FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF
JSW STEEL LIMITED**

Introduction

We have reviewed the accompanying Condensed Consolidated Balance Sheet of JSW Steel Limited as on September 30, 2014 and the related Condensed Consolidated Statement of Profit and Loss and Condensed Consolidated Cash Flow Statement for the six month period then ended, and Selected Explanatory Notes.

Management is responsible for the preparation and fair presentation of this Interim Consolidated Financial Information in accordance with the Accounting Standard (AS) 25, 'Interim Financial Reporting', notified under the Companies Act, 1956 (which continue to be applicable as per section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Interim Consolidated Financial Information based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Consolidated Financial Information are not prepared, in all material respects, in accordance with the Accounting Standard (AS) 25, 'Interim Financial Reporting', notified under the Companies Act, 1956 which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other accounting principles generally accepted in India.



Emphasis of matter

We draw attention to Note B(3) to the accompanying Interim Consolidated Financial Information regarding the Company's assessment that no provision for impairment of Fixed Assets (Carrying amount as at September 30, 2014 – Rs. 47,294.8 million) is presently necessary pertaining to Steel Operations of JSW Steel (USA), Inc., in terms of Accounting Standard (AS) 28, Impairment of Asset, for the reasons stated in the note.

Our conclusion is not qualified in respect of this matter.

Other matters

We did not review the interim financial information of sixteen subsidiaries, whose interim financial information reflect total assets (net) of Rs.105,026.6 million as at September 30, 2014, total revenues of Rs.59,244.2 million and net cash flows amounting to Rs. (299.3) million for the six month period ended on that date as considered in the Interim Consolidated Financial Information. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

The Interim Consolidated Financial Information include the interim financial information of twenty six subsidiaries and eight jointly controlled entities which have not been reviewed by their auditors, whose interim financial information reflect total assets (net) of Rs.26,658.4 million as at September 30, 2014, total revenue of Rs.5,611.3 million and net cash flows amounting to Rs.143.9 million for the six month period ended on that date, as considered in the Interim Consolidated Financial Information. The Interim Consolidated Financial Information also includes the Group's share of net profit of Rs.15.9 million for the period ended September 30, 2014, as considered in the Interim Consolidated Financial Information, in respect of an associate, based on its interim financial information which has not been reviewed by its auditor. Our conclusion, in so far as it relates to the amounts included in respect of these subsidiaries, jointly controlled entities and an associate, is based solely on such unaudited interim financial information.

Our conclusion is not qualified in respect of these matters.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. Siddharth
Partner
(Membership No. 31467)

Mumbai, 30 October 2014



JSW STEEL LIMITED

CONDENSED CONSOLIDATED BALANCE SHEET

| | USD in million | | Rupees in million | |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 30.09.2014 | As at 30.09.2014 | As at 31.03.2014 | As at 30.09.2013 |
| I EQUITY AND LIABILITIES | | | | |
| (1) Shareholders' funds | | | | |
| Share capital | 173.2 | 10,671.9 | 10,671.9 | 10,671.9 |
| Reserves and surplus | 3,532.2 | 2,17,633.3 | 2,08,711.5 | 1,98,885.5 |
| | <u>3,705.4</u> | <u>2,28,305.2</u> | <u>2,19,383.4</u> | <u>2,09,557.4</u> |
| Minority interest | 24.1 | 1,487.1 | 1,670.1 | 2,010.6 |
| (2) Non-current liabilities | | | | |
| Long-term borrowings | 4,479.9 | 2,76,019.5 | 2,67,026.2 | 2,37,126.2 |
| Deferred tax liabilities (net) | 459.6 | 28,318.0 | 21,234.2 | 14,212.3 |
| Other long term liabilities | 129.1 | 7,954.5 | 9,100.4 | 8,926.0 |
| Long-term provisions | 10.7 | 658.2 | 595.6 | 968.0 |
| | <u>5,079.3</u> | <u>3,12,950.2</u> | <u>2,97,956.4</u> | <u>2,61,232.5</u> |
| (3) Current liabilities | | | | |
| Short-term borrowings | 873.1 | 53,797.1 | 48,870.9 | 43,941.5 |
| Trade payables | 2,022.3 | 1,24,601.8 | 1,16,993.2 | 1,54,149.9 |
| Other current liabilities | 1,465.0 | 90,261.9 | 87,900.3 | 87,717.7 |
| Short-term provisions | 1.4 | 87.0 | 3,624.6 | 94.3 |
| | <u>4,361.8</u> | <u>2,68,747.8</u> | <u>2,57,389.0</u> | <u>2,85,903.4</u> |
| TOTAL | <u>13,170.6</u> | <u>8,11,490.3</u> | <u>7,76,398.9</u> | <u>7,58,703.9</u> |
| II ASSETS | | | | |
| (1) Non-current assets | | | | |
| Fixed assets | | | | |
| Tangible assets | 7,957.9 | 4,90,312.3 | 4,53,864.9 | 4,52,510.7 |
| Intangible assets | 15.0 | 922.6 | 975.9 | 854.6 |
| Capital work-in-progress | 1,114.0 | 68,637.3 | 93,289.7 | 75,896.7 |
| Intangible assets under development | 32.5 | 2,022.0 | 707.8 | 185.0 |
| | <u>9,119.4</u> | <u>5,61,874.2</u> | <u>5,48,838.3</u> | <u>5,29,447.0</u> |
| Goodwill on consolidation | 258.5 | 15,929.4 | 15,618.6 | 16,251.3 |
| Non-current investments | 90.2 | 3,557.4 | 5,947.3 | 5,200.6 |
| Deferred tax assets (net) | 0.4 | 25.8 | - | 1,243.2 |
| Long-term loans and advances | 851.1 | 52,440.1 | 51,317.0 | 53,217.9 |
| Other non-current assets | 2.9 | 179.7 | 175.0 | 250.5 |
| | <u>10,322.5</u> | <u>6,36,006.6</u> | <u>6,21,896.2</u> | <u>6,05,610.3</u> |
| (2) Current assets | | | | |
| Current investments | - | - | 680.1 | 741.2 |
| Inventories | 1,679.4 | 1,03,472.1 | 81,551.2 | 77,924.8 |
| Trade receivables | 444.2 | 27,371.5 | 22,924.4 | 29,018.6 |
| Cash and cash equivalents | 82.0 | 5,050.5 | 6,629.7 | 10,222.3 |
| Short-term loans and advances | 642.5 | 39,589.6 | 42,717.3 | 35,186.5 |
| | <u>2,848.1</u> | <u>1,75,483.7</u> | <u>1,54,502.7</u> | <u>1,53,093.4</u> |
| TOTAL | <u>13,170.6</u> | <u>8,11,490.3</u> | <u>7,76,398.9</u> | <u>7,58,703.9</u> |

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For JSW Steel Limited

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

A SIDDHARTH
Partner

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

Place: Mumbai,
Dated :



JSW STEEL LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

| | USD million | | Rupees in million | |
|---|----------------|-------------------|-------------------|-------------------|
| | For the | For the | For the | For the |
| | period Ended | period Ended | Year Ended | period Ended |
| | 30.09.2014 | 30.09.2014 | 31.03.2014 | 30.09.2013 |
| I. Revenue from operations | 4,772.0 | 2,94,018.3 | 5,54,315.1 | 2,53,380.7 |
| Less: Excise duty | 365.7 | 22,529.7 | 42,118.9 | 20,836.3 |
| | <u>4,406.3</u> | <u>2,71,488.6</u> | <u>5,12,196.2</u> | <u>2,32,544.4</u> |
| II. Other income | 13.0 | 801.5 | 858.1 | 702.5 |
| III. Total revenue (I + II) | <u>4,419.3</u> | <u>2,72,290.1</u> | <u>5,13,054.3</u> | <u>2,33,246.9</u> |
| IV. Expenses: | | | | |
| Cost of materials consumed | 2,660.1 | 1,63,899.4 | 3,02,217.9 | 1,39,959.5 |
| Purchases of stock-in-trade | 23.9 | 1,473.6 | 2,155.8 | 1,113.5 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | (236.6) | (14,579.5) | (1,921.8) | (4,667.3) |
| Cost of construction | 2.5 | 156.4 | 887.9 | 327.2 |
| Employee benefits expense | 123.6 | 7,613.8 | 12,982.4 | 6,488.8 |
| Finance costs | 275.7 | 16,985.1 | 30,478.6 | 14,743.0 |
| Depreciation and amortization | 267.2 | 16,463.0 | 31,826.1 | 15,528.9 |
| Other expenses | 955.9 | 58,896.4 | 1,04,219.4 | 47,048.3 |
| Total expenses | <u>4,072.3</u> | <u>2,50,908.2</u> | <u>4,82,846.3</u> | <u>2,20,541.9</u> |
| V. Profit before exceptional items and tax (III-IV) | 347.0 | 21,381.9 | 30,208.0 | 12,705.0 |
| VI Exceptional items | | | | |
| Exchange loss (net) | - | - | 17,127.5 | 17,127.5 |
| VII Profit before tax (V-VI) | 347.0 | 21,381.9 | 13,080.5 | (4,422.5) |
| VIII Tax expenses: | | | | |
| Current tax | 82.0 | 5,051.1 | 4,441.2 | 129.4 |
| Deferred tax | 118.3 | 7,291.6 | 9,043.3 | 776.5 |
| Less: MAT credit entitlement | (77.6) | (4,778.6) | (4,283.7) | (37.1) |
| | <u>122.7</u> | <u>7,564.1</u> | <u>9,200.8</u> | <u>868.8</u> |
| IX Profit after taxation but before minority interests and share of profits/loss of associates (VII-VIII) | <u>224.3</u> | <u>13,817.8</u> | <u>3,879.7</u> | <u>(5,291.3)</u> |
| X Share of (losses) / profit of minority | (3.6) | (218.8) | (504.4) | (240.4) |
| XI Share of (losses) / profit from associates (net) | 0.3 | 15.9 | 135.4 | 77.2 |
| XII Profit for the year (IX-X+XI) | <u>228.2</u> | <u>14,052.5</u> | <u>4,519.5</u> | <u>(4,973.7)</u> |
| X Earnings per equity share: | | | | |
| (1) Basic | 0.93 | 57.44 | 17.35 | (21.25) |
| (2) Diluted (see note) | 0.93 | 57.44 | 17.35 | (21.25) |

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For JSW Steel Limited

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

A SIDDHARTH
Partner

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

Place: Mumbai,
Dated :



JSW STEEL LIMITED

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| | USD in million | | Rupees in million | |
|---|----------------------------|----------------------------|--------------------------|----------------------------|
| | period Ended 30.09.2014 | period Ended 30.09.2014 | Year Ended 31.03.2014 | period Ended 30.09.2013 |
| A. Net cash generated from operating activities | 509.8 | 31,408.9 | 25,935.2 | 21,799.9 |
| B. Net cash used in investing activities | (499.5) | (30,777.7) | (56,712.6) | (34,587.4) |
| C. Net cash (used in)/generated from financing activities | (39.2) | (2,412.4) | 33,004.6 | 12,830.4 |
| D. Net (decrease)/increase in cash and cash equivalents | (28.9) | (1,781.2) | 2,227.2 | 42.9 |
| E. Cash and cash equivalents at beginning of period | 93.4 | 5,756.0 | 3,023.8 | 3,023.8 |
| F. Cash and cash equivalents at end of period | 64.5 | 3,974.8 | 5,756.0 | 3,571.7 |

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

For JSW Steel Limited

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

A SIDDHARTH
Partner

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

Place: Mumbai,
Dated :



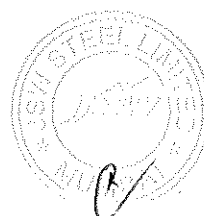
JSW Steel Limited (Consolidated)

A) ACCOUNTING POLICY

These condensed consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP), using the same accounting policies that were applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2014, except as described in Note B(6).

B) CONDENSED EXPLANATORY NOTES

| | | USD in million | Rs in million | | |
|-----------|---|--|------------------|-----------------|------------------|
| | | As at 30-Sept-14 | As at 30-Sept-14 | As at 31-Mar-14 | As at 30-Sept-13 |
| 1) | Contingent liabilities: | | | | |
| | a) Bills Discounted | 562.2 | 34,640.6 | 35,951.9 | 30,898.8 |
| | b) Guarantees | 24.0 | 1,480.5 | 1,458.3 | 218.5 |
| | c) Disputed claims/levies (excluding interest, if any), in respect of: | | | | |
| | (i) Excise Duty | 98.3 | 6,057.5 | 5,125.9 | 2,703.1 |
| | (ii) Custom Duty | 74.2 | 4,574.0 | 4,689.0 | 6,872.7 |
| | (iii) Income Tax | 51.8 | 3,194.2 | 17.4 | 17.4 |
| | (iv) Sales tax/ Special entry tax | 41.8 | 2,572.5 | 2,461.5 | 2,461.5 |
| | (v) Service tax | 31.2 | 1,921.8 | 1,561.0 | 1,260.8 |
| | (vi) Miscellaneous | 0.0 | 0.5 | 10.5 | 11.8 |
| | (vii) Levies by local authorities | 0.5 | 30.4 | 30.4 | 559.4 |
| | (viii) Claims by suppliers and other parties (including for Forest Development Tax) | 198.3 | 12,217.7 | 12,159.8 | 10,059.8 |
| | | In 2008, the State of Karnataka levied a Forest Development Tax (FDT) treating iron ore as a forest produce. Writ petitions filed by various stakeholders challenging the levy before Karnataka High Court are pending disposal. The Management of the Company has been legally advised that this is a fairly arguable case from the company's perspective and accordingly, the tax is considered as recoverable. Tax payments made under protest in the earlier years/tax payable are considered as 'contingent liabilities'. | | | |
| | d) Arrears of fixed cumulative dividend on preference shares (CPRS) | 0.1 | 4.6 | 4.6 | 1.9 |
| 2) | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 719.6 | 44,338.0 | 37,792.6 | 47,046.5 |
| 3) | Other Commitments: | | | | |
| | The Group 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. Such export obligations at year end aggregate to | 132.2 | 8,144.4 | 39,735.1 | 118,657.4 |



2. On 3rd May 2013 the Bombay High Court sanctioned a Composite Scheme of Amalgamation and Arrangement (Scheme) under sections 391 to 394 of the Companies Act, 1956 amongst JSW Steel Limited, JSW Ispat Steel Limited, JSW Building Systems Limited, JSW Steel Coated Products Limited and their respective shareholders and creditors with 1 July 2012 being the appointed date. The certified copy of the scheme is filed with the Registrar of Companies (RoC) on June 1, 2013. Accordingly, effect of the scheme is considered in the financial statements of 2013-14.
3. As at 30th September, 2014, the carrying amounts of the fixed assets (the cash generating unit) of Rs. 47,294.8 million (equivalent USD 767.6 million) pertain to steel operations at JSW Steel (USA) Inc, a subsidiary of the Company. In view of the losses from operations of the subsidiary in last few years, the Management of the Company has considered valuations of its fixed assets carried out by an independent external valuer and concluded that there is no provision for impairment is presently necessary with respect to carrying amounts of the CGU in terms of Accounting Standard (AS) 28, Impairment of Asset.
4. Trade receivable include Rs. 1840.2 million (equivalent USD 29.9 million) (as at 31 March 2014 - Rs 1840.2 million, As at 30 September 2013 - Rs. 1840.2 million) recoverable from a customer towards supply of steel. The customer has applied for corporate debt restructuring to CDR Cell and mentioned JSW Steel as their "critical and essential supplier" whose dues needs to be paid on priority basis. The scheme was approved by CDR empowered group during the year. Based on these developments, the company is reasonably confident about the recoverability of the said amount.
5. Pursuant to the order of the Honourable Supreme Court dated 24 September 2014 regarding cancellation of the allotment of coal blocks, the Group has made an assessment of recoverable amounts of investments in and loans and advances to the subsidiaries, joint ventures and associates affected by the said order and recognized provision of Rs 212.0 million (equivalent USD 3.4 million) as at 30 September 2014, considering the principle of conservatism. The Company has filed a Review Petition in the Honourable Supreme Court seeking review of the said order relating to cancellation of allocations of the coal blocks to the aforesaid companies.
6. Pursuant to Companies Act 2013 (the Act), becoming effective from 1 April 2014, the Group has re-worked depreciation with reference to the estimated useful lives of fixed assets prescribed under Schedule II to the Act or useful life of fixed assets as per technical evaluation. As a result the charge for depreciation is lower by Rs. 1,035.2 million (equivalent USD 16.8 million) for the half year ended 30 September 2014. Further based on transitional provision in Note 7 (b) of Schedule II, an amount of Rs.475.5 million (equivalent USD 7.7 million) (net of deferred tax) has been adjusted against the retained earnings.



7. Segment reporting:

The group is primarily engaged in the business of manufacture and sale of iron and steel products. The group has identified primary business segments, namely steel, power (used mainly for captive consumption) and others, which in the context of Accounting Standard 17 on "Segment Reporting" constitute reportable segments.

| Particulars | USD in million | Rs is million | | |
|--|---------------------------------|---------------------------------|-------------------------------|---------------------------------|
| | For the period ended 30.09.2014 | For the period ended 30.09.2014 | For the year ended 31.03.2014 | For the period ended 30.09.2013 |
| Revenue by Business Segment : | | | | |
| Steel | 4396.8 | 270,899.9 | 515,320.4 | 234,278.0 |
| Power | 312.4 | 19,247.2 | 40,783.3 | 20,393.4 |
| Others | 85.1 | 5,241.3 | 7,635.8 | 3,228.6 |
| Total | 4794.3 | 295,388.4 | 563,739.5 | 257,900.0 |
| Less: Inter segment revenue | 387.9 | 23,899.8 | 51,543.3 | 25,355.6 |
| Total Income | 4406.4 | 271,488.6 | 512,196.2 | 232,544.4 |
| Segment results before Finance Costs and tax: | | | | |
| Steel | 500.5 | 30,836.1 | 46,288.1 | 20,086.3 |
| Power | 128.4 | 7,912.9 | 14,393.6 | 6,992.6 |
| Others | (7.2) | (444.5) | (142.4) | 58.4 |
| Total | 621.7 | 38,304.5 | 60,539.3 | 27,137.3 |
| Less: Unallocable items | | | | |
| Finance Costs | 275.7 | 16,985.1 | 30,478.6 | 14,743.0 |
| Exceptional Item :Exchange Loss (net) | - | - | 17,127.5 | 17,127.5 |
| Unallocable expense net of unallocable income | (4.8) | (297.2) | (787.1) | (628.3) |
| Profit / (Loss) before Tax and after Share of Profit/(Loss) of Minority and Share of Profits / (Losses) of Associates (Net) | 350.8 | 21,616.6 | 13,720.3 | (4,104.9) |
| Segment Capital Employed : (Segment assets less Segment liabilities) | | | | |
| Steel | 8706.0 | 536,409.9 | 513,309.5 | 462,846.8 |
| Power | 335.0 | 20,638.0 | 21,936.0 | 18,967.7 |
| Others | 260.8 | 16,069.3 | 15,226.4 | 133,69.7 |
| Unallocated | (5,572.2) | (343,324.9) | (329,418.4) | (283,616.2) |
| Total | 3,729.6 | 229,792.3 | 221,053.5 | 211,568.0 |

1. Inter segment transfer from the power segment is measured at the rate at which power is purchased from/sold to the respective electricity board.
2. Inter segment transfer from the steel segment is measured on the basis of fuel cost.
3. Other business segment represents cement, mining and construction activities.



8. Related Parties disclosure as per Accounting Standard (AS) - 18:

A) List of Related Parties:

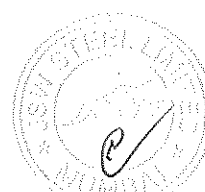
| Parties with whom the group has entered into transactions during the year / where control exists : | |
|--|---|
| 1 | Associates |
| | Jindal Praxair Oxygen Company Private Limited |
| 2 | Joint ventures |
| | Vijayanagar Minerals Private Limited |
| | Rohne Coal Company Private Limited |
| | Gourangdih Coal Limited |
| | Toshiba JSW Turbine and Generator Private Limited |
| | JSW Severfield Structures Limited |
| | Geo Steel LLC |
| | MJSJ Coal Limited |
| | JSW Structural Metal Decking Limited |
| | JSW MI Steel Service Center Private Limited |
| | JSW Vallabh Tinplate Private Limited |
| 3 | Key management personnel |
| | Mr. Sajjan Jindal |
| | Mr. Seshagiri Rao M V S |
| | Dr. Vinod Nowal |
| | Mr. Jayant Acharya |
| 4 | Relative of key management personnel |
| | Mr. Parth Jindal |
| 5 | Enterprises over which key management personnel and relatives of such personnel exercise significant influence |
| | JSW Energy Limited |
| | JSL Limited |
| | JSW Realty & Infrastructure Private Limited |
| | Jindal Saw Limited |
| | Jindal Saw USA LLC |
| | Jindal Steel & Power Limited |
| | JSOFT Solutions Limited |
| | Jindal Industries Limited |
| | JSW Cement Limited |
| | JSW Jaigarh Port Limited |
| | Reynold Traders Private Limited |
| | Raj West Power Limited |
| | JSW Power Trading Company Limited |
| | JSW Aluminim Limited |



| |
|---|
| Parties with whom the group has entered into transactions during the year/ where control exists : |
| O P Jindal Foundation |
| JSW Infrastructure Limited |
| South West Port Limited |
| JSW Techno Projects Management Limited |
| Sapphire Technologies Limited |
| St . James Investments Limited |
| South West Mining Limited |
| JSL Architecture Limited |
| JSW Projects Limited |
| JSW Bengaluru Football Club Private Limited |
| JSW Foundation |
| Jindal Technologies & Management Services Private Limited |
| JITF Shipping & Logistics (Singapore) PTE Limited |
| M/S Shadeed Iron & Steel Co. LLC |
| JSW International Tradecorp PTE Limited |
| Dolvi Coke Projects Limited |
| Dolvi Minerals & Metals Private Limited |
| AVH Private Limited |
| Jindal Stainless Steelway Ltd |
| Windsor Residency Private Limited |

Rupees in million

| Particulars | Associates | Joint Ventures | Key Management Personnel | Relatives of Key Management Personnel | Enterprises over which KMP and relatives of such personnel exercise significant influence | Total |
|---|------------|----------------|--------------------------|---------------------------------------|---|----------|
| B) Transactions with Related Parties | | | | | | |
| Purchase of Goods / Power & Fuel / Services | 1,027.4 | 1.2 | - | - | 27,456.6 | 28,485.2 |
| | 1,935.9 | 175.8 | - | - | 25,486.8 | 27,598.5 |
| Material Taken on Loan given back | - | - | - | - | - | - |
| | - | - | - | - | 318.0 | 318.0 |
| Reimbursement of Expenses incurred on our behalf by | - | - | - | - | 18.1 | 18.1 |
| | - | 0.7 | - | - | 15.5 | 16.2 |
| Interest Expenses | - | - | - | - | 0.7 | 0.7 |
| | - | - | - | - | 82.4 | 82.4 |
| Sales of Goods/Power & Fuel | 28.5 | 830.8 | - | - | 9,535.3 | 10,394.6 |
| | 80.4 | 251.0 | - | - | 19,391.2 | 19,722.6 |
| Other Income/ Other Operating Income | 373.8 | 0.4 | - | - | 266.0 | 640.2 |
| | 23.9 | 0.2 | - | - | 452.2 | 476.3 |
| Purchase of Assets/ Project Materials | - | 211.0 | - | - | 778.5 | 989.5 |
| | - | 494.0 | - | - | 2,734.9 | 3,228.9 |



| Particulars | Associates | Joint Ventures | Key Management Personnel | Relatives of Key Management Personnel | Enterprises over which KMP and relatives of such personnel exercise significant influence | Total |
|--|------------|----------------|--------------------------|---------------------------------------|---|---------|
| Lease and Other Advances refunded | - | - | - | - | 165.6 | 165.6 |
| | - | - | - | - | 289.5 | 289.5 |
| Donation/CSR Expenses | - | - | - | - | 6.6 | 6.6 |
| | - | - | - | - | 95.2 | 95.2 |
| Recovery of Expenses incurred by us on their behalf | - | - | - | - | 10.4 | 10.4 |
| | - | 4.7 | - | - | 47.8 | 52.5 |
| Investments / Share Application Money given during the Period | - | 236.8 | - | - | - | 236.8 |
| | - | 258.1 | - | - | - | 258.1 |
| Investments / Share Application Money refunded during the Period | - | 24.3 | - | - | - | 24.3 |
| | - | - | - | - | - | - |
| Remuneration to key managerial personnel | - | - | 195.1 | 0.6 | - | 195.7 |
| | - | - | 268.2 | 1.2 | - | 269.4 |
| Interest Paid | - | - | - | - | 25.8 | 25.8 |
| | - | - | - | - | 431.6 | 431.6 |
| C) Closing balance of related parties | | | | | | |
| Trade payables | 91.1 | 7.7 | - | - | 5,033.1 | 5,131.9 |
| | 114.4 | 21.8 | - | - | 2,910.8 | 3,047.0 |
| Notes Payable | - | - | - | - | 2,649.4 | 2,649.4 |
| | - | - | - | - | 2,584.3 | 2,584.3 |
| Advance received from Customers | - | - | - | - | 208.7 | 208.7 |
| | - | - | - | - | 12.6 | 12.6 |
| Lease & Other deposit received | 38.3 | 65.0 | - | - | 206.9 | 310.2 |
| | 38.3 | 65.0 | - | - | 206.9 | 310.2 |
| Lease & Other deposit given | - | - | - | - | 2.9 | 2.9 |
| | - | - | - | - | - | - |
| Trade receivables | - | 65.1 | - | - | 1,139.6 | 1,204.7 |
| | - | 10.8 | - | - | 1,427.6 | 1,438.4 |
| Share Application Money Given | - | 41.7 | - | - | - | 41.7 |
| | - | 77.2 | - | - | - | 77.2 |
| Capital / Revenue Advance | - | 186.8 | - | - | 5,395.0 | 5,581.8 |
| | - | 131.3 | - | - | 5,148.1 | 5,279.4 |
| Loan and Advances given | 0.3 | - | - | - | 298.8 | 299.1 |
| | - | - | - | - | 208.2 | 208.2 |
| Investments held by the Company | 272.7 | 279.1 | - | - | 4,376.2 | 4,928.0 |
| | 272.7 | 272.0 | - | - | 4,504.3 | 5,049.0 |
| Loans/Advances/Deposits Taken | - | - | - | - | 2,043.2 | 2,043.2 |
| | - | - | - | - | 2,223.0 | 2,223.0 |

Figures in bold represent current period numbers



9. Earnings per share (EPS):

| | | USD in million | Rs is million | | |
|--|---------|----------------------|----------------------|--------------------|----------------------|
| | | For the period ended | For the period ended | For the year ended | For the period ended |
| | | 30.09.2014 | 30.09.2014 | 31.03.2014 | 30.09.2013 |
| Profit after tax | | 228.2 | 14,052.5 | 4,519.5 | (4,973.7) |
| Less: Dividend on preference shares (including corporate dividend tax) | | 2.7 | 167.4 | 326.5 | 163.2 |
| Profit after tax for equity share holders (numerator)- basic / diluted (A) | | 225.5 | 13,885.1 | 4,193.0 | (5,136.9) |
| Weighted average number of equity shares for basic EPS (denominator) (B) | Nos. | 241,722,044 | 241,722,044 | 241,722,044 | 241,722,044 |
| Weighted average number of equity shares for diluted EPS (denominator) (C) | Nos. | 241,722,044 | 241,722,044 | 241,722,044 | 241,722,044 |
| Earnings per share - basic (A/B) | USD/Rs. | 0.93 | 57.44 | 17.35 | (21.25) |
| Earnings per share - diluted (A/C) | USD/Rs. | 0.93 | 57.44 | 17.35 | (21.25) |
| Nominal value per share | Rs. | | 10 | 10 | 10 |

10. For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the period ended 30 September 2014 have been provided at a rate of US\$1.00 = Rs.61.6135, which was the exchange rate as reported by the RBI on 30 September 2014.

11. Figures of the previous year/period are regrouped and reclassified wherever necessary to correspond to figures of the current period.

For JSW Steel Limited

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

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

Place: Mumbai

Date:



