Agenda

Overview

Value Proposition

Performance Overview

Business Environment
JSW Group – overview

Presence across the core sectors

JSW Steel*: India’s leading integrated steel producer (Steel making capacity: 18 MTPA)

JSW Energy*: Engaged across the value chain of power business (Operational plants’ capacity: 4,531 MW)

JSW Infrastructure: Engaged in development and operations of ports (Operational capacity: 33MTPA)

JSW Cement: Manufacturer of PSC, OPC and GGBS cement (Operational plants’ capacity: 6MTPA)

Market cap of listed businesses ($7,270 mn^)

- JSW Steel: 5,235
- JSW Energy: 2,035

As on Jun 30, 2016

* Listed company
^ USD/ ₹ = 67.6166 (RBI reference rate as on Jun 30, 2016)
JSW Steel – India’s leading steel manufacturer

- Installed capacity 18 MTPA, at strategic locations in South and West India
- Leading steel manufacturer in India
- Integrated manufacturing process
- Integrated steel manufacturing facilities – from raw material processing plants to value-added product capacities
- Pan India marketing and distribution network, export presence in ~100 countries across the 5 continents
- Strong distribution network and export presence
- Technological competence
- Combination of state-of-the-art steel making technologies: Corex, DRI, Blast Furnace
- Diversified product portfolio
- Extensive portfolio of products – HR, CR, galvanized/galvalume, pre-painted, tinplates, electrical steel (CRNO) TMT bars, wire rods, special steel bars, rounds and blooms
- Global presence
- International presence in mining assets (Chile, US and Mozambique) and value-added facilities (Plate and Pipe mill in US)
## Transformational journey to market leadership

<table>
<thead>
<tr>
<th></th>
<th>FY 2002</th>
<th>FY 2010</th>
<th>FY 2016</th>
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<tbody>
<tr>
<td>Capacity (MTPA)</td>
<td>1.6</td>
<td>7.8</td>
<td>18.0</td>
</tr>
<tr>
<td>Production (MTPA)</td>
<td>1.3</td>
<td>6.0</td>
<td>12.6</td>
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<tr>
<td>Revenue (USD mn)</td>
<td>262</td>
<td>2,939</td>
<td>6,313</td>
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<tr>
<td>EBITDA (USD mn)</td>
<td>42</td>
<td>627</td>
<td>941</td>
</tr>
<tr>
<td>EBITDA/ton&lt;sup&gt;(1)&lt;/sup&gt; (USD/ton)</td>
<td>33</td>
<td>110</td>
<td>77</td>
</tr>
<tr>
<td>Market Cap (USD mn)</td>
<td>80</td>
<td>3,485</td>
<td>4,676</td>
</tr>
<tr>
<td>Technology</td>
<td>Corex</td>
<td>Corex, BF</td>
<td>Corex, BF, DRI</td>
</tr>
<tr>
<td>Product Mix</td>
<td>Flats</td>
<td>Flats, long, special steel and value added</td>
<td>Flat, long, special steel &amp; high value-added auto, electrical grade</td>
</tr>
</tbody>
</table>

- **CAGR FY’02–16:** 19%
- **Capacity increased to 18MTPA in Mar’16**
- **CAGR FY’02–16:** 18%
- **CAGR FY’02–16:** 26%
- **CAGR FY’02–16:** 25%
- **CAGR FY’02–16:** 6%
- **Significant value creation with 59x increase in market value<sup>(2)</sup>**
- **Adopting industry leading technologies**
- **Continuously expanding product canvas with focus on high-end value-added products**

### Unrelenting progress through the economic cycles

1. Calculated as consolidated EBITDA/Saleable steel sales
2. From 31st March 2002 to 31st March 2016
3. USD/₹ = 66.3329 (RBI reference rate as on Mar 31, 2016)
Key Projects in progress/pipeline:

- Salem Works capacity expansion to 1.2MTPA
- 0.2MTPA Tin plate mill at Tarapur Complex
- Pipe Conveyor System for Iron ore and new Water Reservoir at Vijayanagar
- 1.5mtpa Coke Oven at DCPL (Dolvi Works)

Continuously evaluating opportunities to deliver value enhancing growth

(1) Southern Iron and Steel Company, (2) Amba River Coke Limited
**JSW – JFE strategic partnership**

- One of the largest FDI in the Indian Metals and Mining space – Equity infusion by JFE of ₹5,410 Crores (~$1.2 bn) for 14.99% equity stake
- Deleveraged Balance Sheet to support next phase of growth
- Access to cutting edge technologies and fast growing automotive steel market
- Operational excellence to result in cost reduction

**Value creation for both the partners**

**JSW Steel:**
- Focused expansion plans in India
- Optimized capital structure through deleveraging
- Access to cutting edge technologies

**JFE:**
- Presence in growing Indian market
- Future growth through equity participation
- Strategic production base in India for existing automobile customers

**Automotive technology agreements**

**Benefits to JSW Steel:**
- Access to fast growing auto steel market
- Short learning curve
- Application engineering
- New product development
- Benchmarking and personnel training

**General technical assistance agreements**

**Operational excellence and cost reduction for sustainable business operations by:**
- Improvement in quality, productivity, yield, and energy efficiency
- Sharing best maintenance, environment management, and safety practices
- Benchmarking, training and talent sharing
- Standardization of processes
Balanced corporate strategy

**Selective Growth**
- Maintain market share of 14-15% through selective organic and inorganic growth
- Undertake brownfield expansions at low specific investment cost per ton
- Consider inorganic opportunities that are value accretive

**Diversification of Product Profile and Customer Base**
- Increase proportion of high margin value-added products
- Diversify customer base, both within India and abroad
- Continue to focus on rural markets in India

**Backward & Forward Integration, and Focus on Resource Optimization**
- Continue to evaluate raw material assets in India and abroad to secure key raw material supplies and to reduce cost of production by targeting strategic tie-ups and investments
- Focus on cost reduction and energy efficiency

**Prudent Financial Principles**
- Continuously seeks to improve financial profile
- Manage capacity expansion and debt profile to capture market opportunities without excessive risk

**Sustainability with focus on Quality, R&D and Innovation**
- Committed to sustainable and eco-friendly technologies to drive growth
- Focus on Quality, R&D and Innovation to drive breakthrough cost efficiency
Following changes are yet to approved by JSW Steel ‘Board of Directors’:
1) KSIIDC has nominated Mr. Pankaj Kumar Pandey in place of Mr. Naveen Raj Singh,
2) JFE Steel Corporation has nominated Mr. Hiromu Oka in place of Mr. Kyoichi Kameyama
FY16 performance on sustainability matrixes

- Waste gases utilization: 98.5%
- Waste heat utilized: 71%
- Energy saved: 3.51 Mn GJ
- Liquid discharged from our Plants: 0%
- Waste recycled: 1897 MT
- Scrap recycled: 943,808 MT
- Recycled & reused water: 30%
- Decrease in LTIFR over FY 15: 9%
- Waste recycled: 0%

Award in 2016:
- JSW Steel received ‘Golden Peacock Innovative Product’ Award

Awards in 2015:
- JSW Steel awarded Porter’s Prize for ‘Leveraging Unique Activities’
- JSW Group received Porter’s Prize for ‘Creating Shared Values’
Agenda

Overview | Value Proposition | Performance Overview | Business Environment
A platform of strength and agility

1. Strong fundamentals to boost India steel demand
2. Multi-location manufacturing facilities in India
3. Strategic overseas presence
4. Diversified product profile
5. Domestic market leader with strong export presence
6. Strong sales and marketing platform
7. Focus on operational efficiency
8. Strategic expansion aided by strong project execution
9. Proven ability to acquire and turnaround assets
10. Robust financial profile
1 Strong fundamentals to boost India steel demand

- **Decisive mandate in India general elections**
  - Strong investor confidence and raised expectations of fast-paced decision-making and economic reforms

- **Upturn in overall GDP growth**
  - FY13: 5.1%, FY14: 6.9%, FY16E: 7.3%, FY17E: 7.7%

- **Infrastructure sector is a key focus area for the new government**
  - Infrastructure investment expected to reach ~$1 trillion during 2012-2017
  - New government is focused to give impetus to infrastructure sector

- **Automobile sector expected to turn around**
  - India projected to become 3rd largest automotive market in the world by 2016
  - Faster economic growth and government’s policies is likely to drive volumes and revive the automobile sector

- **Potential for substantial growth in steel consumption**
  - World Per Capita Consumption is ~215 Kgs.
  - India Per Capita Consumption is ~60 Kgs.

- **India steel consumption to rise at a faster rate**
  - India’s steel consumption was 61MT in 2015 and is expected to rise to ~64MT in 2016 and ~67MT in 2017

With the growth in economy, JSW Steel is well positioned to be part of the India growth story

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(1) Reserve Bank of India, (2) World Steel Association, World Bank, IMF, (3) World Steel Association and IMF, (4) 12th Five-Year Plan (India), (5) IHS Automotive, (6) Bubble size represents total steel demand of respective country
2 Multi-location manufacturing facilities in India

**Dolvi: 5 MTPA**
- 3.5 MTPA Blast Furnace
- 1.6 MTPA gas based DRI
- 55 MW Power Plant

**Vasind & Tarapur (JSCPL*)**
- 1.18 MTPA GP/GC
- 0.5 MTPA Colour Coating Line
- 30 MW Power Plant

**Kalmeshwar (JSCPL*)**
- 0.58 MTPA GP/GC
- 0.19 MTPA Colour Coating Line

**Vijayanagar: 12 MTPA**
- 1.7 MTPA Corex
- 10.4 MTPA Blast Furnaces
- 855 MW Power Plant

**Salem: 1 MTPA**
- 1 MTPA Blast Furnaces
- 0.5 MTPA Blooming Mill
- 60 MW Power Plant

Leveraging locational advantage to increase market share strategically in the Southern and Western regions of India
3 Strategic overseas presence

### US coal mines
- JSW Steel ownership: 100%
- Acquisition cost: $70 mn

### US plate and pipe mill
- JSW Steel ownership: 90%
- Acquisition cost: $810 mn
- Capacity: 1.2 Net MTPA Plates and 0.55 Net MTPA Pipes
- Acquired in 2007
- Opportunity for diversification in terms of products, markets and geographies

### Chile iron ore mines
- JSW Steel ownership: 70%
- Acquisition cost: $252 mn
- Started operations in FY11
- Maritime concession to develop cape size port in North Caldera

### Mozambique coal mines
- JSW Steel ownership: 100%
- Early stage development in progress

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Strategic overseas presence for backward integration and value-added facilities
Diversified Product Profile

Wide Offering of Flat and Long Products

- Slabs
- HRC
- HR Plates
- GC
- CRC
- Color Coated
- Billets
- Blooms
- TMT
- Wire Rods

Continuously Increasing Value Added Products

- Diversified portfolio to address growing demand for value-added steel
- Commissioned new facilities to further enrich product mix
- Leveraging JFE Steel’s well-established manufacturing technology for high value-added products for auto-grade steel

Developing New Products, Capturing Niche Markets

Automotive Grade Steel

- Enhanced focus on cold rolled, galvanised and galvanneal products for body panels of automobiles
- Manufactured at a new CRM2 complex

Color Coated Products

- Largest color coated facility to address construction, warehousing and roofing requirements
- State-of-the-art color coating line for appliance grade products used in consumer durables

Electrical Steel

- Commissioned Cold Rolled Non-grain Oriented (CRNO) steel plant to address domestic demand by substituting imports of high grade electrical steel

Continuously enriching product mix
Domestic market leader with strong export presence

- Penetrating further to capture growing domestic demand with unique marketing strategy – unique nationwide retail network (JSW Connect, JSW Shoppe, JSW Explore as well as non-exclusive retailers) of more than 6,583 outlets with footprints across 495 districts
- Leadership position in India (domestic sales surged by 20%YoY in FY16 vs. apparent steel demand growth of 4.5% in India) and largest exporter of steel products out of India
- Exports to high demand regions such as Asia, Middle East, Europe and the US – presence in over 100 countries
- Ability to re-align sales effort and shift between domestic and export market as per market conditions – strategically reduced share of exports to 12% of total sales as global steel consumption declined 3%YoY in CY15

Flexibility to shift between domestic and international markets based on market conditions

(1) Joint Plant Committee
6 Strong sales and marketing platform

Multi-sectoral volume growth

- Optimizing market mix and product mix to derive maximum benefit from sector growth
- Leveraging export presence
- New product approvals for Original Equipment Manufacturers (OEMs) and automotive customers
- Increase in value added products leading to incremental growth in focus sectors and also facilitating import substitution
- Focused on Retail Sales – increased reach and penetration

Segmented approach to address different retail segments

<table>
<thead>
<tr>
<th>Segment</th>
<th>Strategy</th>
</tr>
</thead>
</table>
| Metro / Urban            | ‘JSW explore’
  - Branded, multiple product service center for steel solutions
  - Just-in-time solution with in-house profiling lines and Value Added Services
  - Franchisee Model                                                                 |
| Urban / Semi-urban       | ‘JSW Shoppe’
  - Steel distribution
  - Enhanced customer experience                                                       |
| Semi-urban / Rural       | ‘JSW Shoppe Connect’
  - Smaller retail format linked to JSW explore/Shoppe
  - Last mile link to talukas/rural areas
  - Sales to end consumers and MSMEs                                                    |

Increased customer focus and market penetration
Focus on operational efficiency

Diverse blend of technology
- **Coke Making**: Recovery and Non-recovery Coke Ovens
- **Agglomeration**: Pelletisation and Beneficiation Plants
- **Iron Making**: Blast Furnace, Corex, Sponge Iron (DRI)
- **Steel Making**: Basic Oxygen Furnace (BOF), Electric Arc Furnace (EAF), Conarc
- **Casting**: Continuous Casting, Thin Slab Casting, Billet Casting

High labour productivity
- **Improving labor productivity**: Current production of ~1,055 tons/ employee\(^{(1)}\)
- In-house training programs internal faculty
- Continuously investing, building and enhancing competencies

Integrated operations
- **Integrated manufacturing facilities**: From pelletisation/beneficiation to downstream value-add capabilities
- Dedicated port and railway siding for logistics support
- 100% assured power supply through captive power plants and arrangements with JSW Energy and the power grid

Resulting in operational efficiency
- Reduced raw material costs
- Focus on process improvements
- Waste gas utilization for power generation
- Efficient operations resulting in low conversion cost

High level of integration and technological expertise leading to reduced production cost and time

\( (1) \) Total production (12.56MT) divided by total no. of employees on Company payroll (11,904) in FY16
Strategic expansion aided by strong project execution

Strong project execution capabilities ....
- Experienced in-house project management team
- Supported by cross-functional team (commercial, finance and legal department)
- Established long-term relationship with key domestic and international suppliers
- Savings in procurement cost by negotiating firm prices for follow-on orders

... at low specific investment cost\(^{(1)}\)
- Reduced specific investment cost/ton of capacity expansion shows cost efficiency

Major new & on-going Projects

- **Vijayanagar Works:**
  - Pipe conveyor system for Iron ore and new water reservoir

- **Dolvi Works:**
  - 1.5mtpa Coke Oven at DCPL (Dolvi Works)

- **Salem Works:**
  - Capacity expansion from 1 MTPA to 1.2 MTPA by setting up certain new facilities and debottlenecking/ modification of existing facilities
  - Setting-up of Reheating Furnace in Bar Rod Mill, Coke Oven and Turbo Generator

- **Tarapur Works:**
  - Setting up 0.2MTPA Tin plate mill

Focus on low cost and returns accreting brownfield projects to capitalise on expected demand recovery

\(^{(1)}\) Vijayanagar works expansions
Proven ability to acquire and turnaround assets

JSW Steel has a proven track record of acquiring troubled assets and turning them around in record time by closely integrating them with its existing operations thus creating synergies and optimizing cost.

Case Study: Turnaround strategy at JSW Ispat’s Dolvi plant

### December 2010
- Plant under maintenance
- Loss making at EBITDA level
- High interest cost
- Financially distressed

### Completed Initiatives—FY2011–2015
- Infusion of equity
- Alignment of marketing strategies resulting in freight synergies and VAT benefits
- Reduction of high cost working capital funding
- Refinancing of existing debt
- Electricity sourcing from JSW Energy at competitive prices
- Commissioning of 4MTPA pellet plant\(^{(1)}\), 1MTPA coke oven\(^{(1)}\), waste gas based 55MW power plant, railway siding, and lime calcination plant

### FY2016-2017
- Capacity expanded to 5MTPA, ramp-up/stabilization is underway
- Further operational improvements underway

### Inability to service existing debt
- Inadequate cashflows
- Corporate debt restructuring (CDR) case

### Exit from CDR
- Generating positive profit after tax

### Operational improvements underway

Able to leverage an acquisition to maximum value accretion through application of knowledge and experience

\(^{(1)}\) Implemented in a wholly owned subsidiary Amba River Coke Limited.
## Robust financial profile

<table>
<thead>
<tr>
<th>Strong track record of volume growth</th>
<th>Achieved significant sales growth despite weak economic and sluggish domestic demand in past 2 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superior profitability supported by efficient operations</td>
<td>Resilient operations with improved EBITDA margin marked by several productivity and cost improvement measures in FY14 and FY15</td>
</tr>
<tr>
<td>Well-capitalized balance sheet</td>
<td>Adequate liquidity levels owing to prearranged funding in place for capacity expansions and a committed working capital facility</td>
</tr>
<tr>
<td>Financial flexibility to raise capital</td>
<td>Diverse sources of funding</td>
</tr>
<tr>
<td></td>
<td>Strong relationships with over 50 banks/financial institutions with access to low cost credit</td>
</tr>
<tr>
<td></td>
<td>Healthy mix of local and foreign currency debt</td>
</tr>
</tbody>
</table>
Historical EBITDA per ton – JSW Steel Standalone

<table>
<thead>
<tr>
<th></th>
<th>1QFY12</th>
<th>2QFY12</th>
<th>3QFY12</th>
<th>4QFY12</th>
<th>1QFY13</th>
<th>2QFY13</th>
<th>3QFY13</th>
<th>4QFY13</th>
<th>1QFY14</th>
<th>2QFY14</th>
<th>3QFY14</th>
<th>4QFY14</th>
<th>1QFY15</th>
<th>2QFY15</th>
<th>3QFY15</th>
<th>4QFY15</th>
<th>1QFY16</th>
<th>2QFY16</th>
<th>3QFY16</th>
<th>4QFY16</th>
<th>1QFY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA (Rs per ton)</td>
<td>6,678</td>
<td>6,945</td>
<td>6,978</td>
<td>7,028</td>
<td>6,854</td>
<td>6,948</td>
<td>7,028</td>
<td>6,948</td>
<td>8,052</td>
<td>8,524</td>
<td>8,524</td>
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<td>8,524</td>
<td>10,793</td>
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<tr>
<td></td>
<td>6,054</td>
<td>6,569</td>
<td>7,151</td>
<td>8,402</td>
<td>10,037</td>
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<td>10,037</td>
<td>10,037</td>
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<tr>
<td>Overview</td>
<td>Value Proposition</td>
<td>Performance Overview</td>
<td>Business Environment</td>
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</table>

**Agenda**
- Business Environment
- Performance Overview
- Value Proposition
- Overview
### Key highlights – 1QFY17

<table>
<thead>
<tr>
<th>Standalone performance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Highest ever quarterly Crude Steel production: 3.87 million tonnes</td>
<td></td>
</tr>
<tr>
<td>✓ Highest ever quarterly Saleable Steel sales: 3.34 million tonnes</td>
<td></td>
</tr>
<tr>
<td>✓ Highest ever quarterly Gross Sales: ₹11,908 crore</td>
<td></td>
</tr>
<tr>
<td>✓ Operating EBITDA : ₹3,098 crore</td>
<td></td>
</tr>
<tr>
<td>✓ Net Debt to Equity: 1.85x and Net Debt to EBITDA: 5.13x</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Consolidated performance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Gross Sales: ₹12,720 crore</td>
<td></td>
</tr>
<tr>
<td>✓ Operating EBITDA : ₹3,269 crore</td>
<td></td>
</tr>
<tr>
<td>✓ Net Debt to Equity: 2.27x and Net Debt to EBITDA: 5.69x</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key update</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ The Blast Furnaces at Vijayanagar and Dolvi, which were re-commissioned in 4QFY16, have started commercial production from 1st May 2016</td>
<td></td>
</tr>
<tr>
<td>✓ The company has transitioned to Ind-AS reporting from 1st April 2016</td>
<td></td>
</tr>
</tbody>
</table>
Quarterly volumes – standalone

Crude Steel Production

- **14% YoY**
- **21% QoQ**

<table>
<thead>
<tr>
<th></th>
<th>1QFY16</th>
<th>1QFY17</th>
<th>4QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat</td>
<td>2.50</td>
<td>2.74</td>
<td>2.38</td>
</tr>
<tr>
<td>Long</td>
<td>0.69</td>
<td>0.85</td>
<td>0.77</td>
</tr>
</tbody>
</table>

Saleable Steel Sales

- **8% YoY**
- **2% QoQ**

<table>
<thead>
<tr>
<th></th>
<th>1QFY16</th>
<th>1QFY17</th>
<th>4QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat</td>
<td>2.40</td>
<td>2.48</td>
<td>2.44</td>
</tr>
<tr>
<td>Long</td>
<td>0.62</td>
<td>0.74</td>
<td>0.78</td>
</tr>
<tr>
<td>Semis</td>
<td>0.08</td>
<td>0.12</td>
<td>0.07</td>
</tr>
</tbody>
</table>

*All figures are in million tonnes*
Quarterly sales highlights – consolidated

- Auto sales grew by 16% YoY compared to 12% YoY growth in Indian Automotive production
- Product mix improved with 4% YoY growth in value added & Special products sales
- Branded steel product’s sales grew by 15% YoY
- Export sales grew 39% YoY
- TMT sales grew 32%, CRCA sales grew 10% YoY and Colour Coated sales grew 8% YoY

Better export orders and realizations in international market cushioned flattish Domestic sales

Source: JSW Steel, * Domestic sales in million tonnes
^ Total sales in million tonnes – JSW Steel Standalone + JSW Steel Coated Products (net-off inter-company sales)
Quarterly retail sales highlights – consolidated

Branded steel product’s sales increased 15%YoY from 382 thousand tonnes to 440 thousand tonnes
TMT sales grew 45%YoY – Individual residential, commercial and infra projects were major contributors
Galvalume sales grew 24% – Industrial residential, construction and Infra projects were major contributors, and Colour Coated sales grew 9%YoY – Industrial residential segment was major contributors
Added 150 new Retailers to the network, engaged with 2,000+ influencer through 145 influencer meets and 200+ engineers through 5 plant visits
## New product development/approvals in 1QFY17

<table>
<thead>
<tr>
<th>Steel Type</th>
<th>End use</th>
</tr>
</thead>
<tbody>
<tr>
<td>340 HN CRCA</td>
<td>Skin Panel- Hood</td>
</tr>
<tr>
<td>SGARC40 Coated</td>
<td>Door Inner Commercial Vehicle</td>
</tr>
<tr>
<td>HS345 High Tensile HR</td>
<td>Domestic LPG cylinder</td>
</tr>
<tr>
<td>150M36 Alloy Steel Longs</td>
<td>Axle Shaft</td>
</tr>
<tr>
<td>815M17 Alloy Steel Longs</td>
<td>Crown wheel</td>
</tr>
<tr>
<td>220YD Coated</td>
<td>Floor Panel</td>
</tr>
</tbody>
</table>
## Financials – standalone

<table>
<thead>
<tr>
<th>Particulars</th>
<th>1QFY17</th>
<th>1QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>₹ Crores</td>
<td>USD mn</td>
</tr>
<tr>
<td>Gross Turnover</td>
<td>11,908</td>
<td>1,761</td>
</tr>
<tr>
<td>Net Sales</td>
<td>10,806</td>
<td>1,598</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>3,098</td>
<td>458</td>
</tr>
<tr>
<td>Other Income</td>
<td>44</td>
<td>7</td>
</tr>
<tr>
<td>Finance Cost</td>
<td>863</td>
<td>128</td>
</tr>
<tr>
<td>Depreciation</td>
<td>744</td>
<td>110</td>
</tr>
<tr>
<td>Exceptional Items</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>1,535</td>
<td>227</td>
</tr>
<tr>
<td>Tax</td>
<td>453</td>
<td>67</td>
</tr>
<tr>
<td>Profit after Tax</td>
<td>1,082</td>
<td>160</td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>1,214</td>
<td>180</td>
</tr>
<tr>
<td>Diluted EPS (₹)</td>
<td>44.78*</td>
<td></td>
</tr>
</tbody>
</table>

*Not Annualized

USD/ ₹ = 67.6166 (RBI reference rate as on Jun 30, 2016)
### Operating EBITDA movement – standalone

<table>
<thead>
<tr>
<th></th>
<th>₹ crore/ USD mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA 1QFY16 as per IGAAP</td>
<td>$223/1,505</td>
</tr>
<tr>
<td>Ind-AS Impact in 1QFY16</td>
<td>$25/172</td>
</tr>
<tr>
<td>EBITDA 1QFY16 as per Ind-AS</td>
<td>$248/1,677</td>
</tr>
<tr>
<td>Volume</td>
<td>$17/113</td>
</tr>
<tr>
<td>NSR</td>
<td>$5/37</td>
</tr>
<tr>
<td>Cost</td>
<td>$182/1,233</td>
</tr>
<tr>
<td>Mix</td>
<td></td>
</tr>
<tr>
<td>Ind-AS Impact in 1QFY17 vs. 1QFY16</td>
<td>(9)/($1)</td>
</tr>
<tr>
<td>EBITDA 1QFY17</td>
<td>$458/3,098</td>
</tr>
</tbody>
</table>

**USD/ ₹ = 67.6166 (RBI reference rate as on Jun 30, 2016)**

- **Volume**: 1,505 crore
- **NSR**: 1,677 crore
- **Cost**: 1,233 crore
- **Mix**: 1,137 crore
- **Ind-AS Impact in 1QFY17 vs. 1QFY16**: (9)/($1)
- **EBITDA 1QFY17**: 3,098 crore

**Notes:**
- EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization.
- Ind-AS: Indian Accounting Standards.
Operational performance – JSW Steel Coated Products

<table>
<thead>
<tr>
<th>Volumes</th>
<th>1QFY17</th>
<th>1QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>0.41</td>
<td>0.39</td>
</tr>
<tr>
<td>Sales</td>
<td>0.40</td>
<td>0.40</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key P&amp;L data</th>
<th>1QFY17</th>
<th>1QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>2,190</td>
<td>2,132</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>157</td>
<td>111</td>
</tr>
<tr>
<td>Profit after Tax</td>
<td>74</td>
<td>33</td>
</tr>
</tbody>
</table>
## Operational performance – US Plate & Pipe Mill

<table>
<thead>
<tr>
<th>Production (net tonnes)</th>
<th>1QFY17</th>
<th>1QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plate Mill</td>
<td>37,859</td>
<td>58,118</td>
</tr>
<tr>
<td>Utilization (%)</td>
<td>16%</td>
<td>23%</td>
</tr>
<tr>
<td>Pipe Mill</td>
<td>4,598</td>
<td>13,541</td>
</tr>
<tr>
<td>Utilization (%)</td>
<td>3%</td>
<td>10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sales (net tonnes)</th>
<th>1QFY17</th>
<th>1QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plate Mill</td>
<td>27,542</td>
<td>48,076</td>
</tr>
<tr>
<td>Pipe Mill</td>
<td>5,618</td>
<td>17,157</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key P&amp;L data</th>
<th>1QFY17</th>
<th>1QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>25.19</td>
<td>52.47</td>
</tr>
<tr>
<td>EBITDA + Other Income</td>
<td>(5.45)</td>
<td>(9.40)</td>
</tr>
</tbody>
</table>

Net tonnes = 0.907 metric tonnes
## Financials – consolidated

<table>
<thead>
<tr>
<th>Particulars</th>
<th>1QFY17</th>
<th>1QFY16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>रु Crores</td>
<td>USD mn</td>
</tr>
<tr>
<td>Gross Turnover</td>
<td>12,720</td>
<td>1,881</td>
</tr>
<tr>
<td>Net Sales</td>
<td>11,542</td>
<td>1,707</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>3,269</td>
<td>483</td>
</tr>
<tr>
<td>Other Income</td>
<td>33</td>
<td>5</td>
</tr>
<tr>
<td>Finance Cost</td>
<td>936</td>
<td>138</td>
</tr>
<tr>
<td>Depreciation</td>
<td>831</td>
<td>123</td>
</tr>
<tr>
<td>Exceptional Items</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>1,536</td>
<td>227</td>
</tr>
<tr>
<td>Tax</td>
<td>451</td>
<td>67</td>
</tr>
<tr>
<td>Share of Associates and Minority Interest</td>
<td>24</td>
<td>4</td>
</tr>
<tr>
<td>Profit after Tax</td>
<td>1,109</td>
<td>164</td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>1,191</td>
<td>176</td>
</tr>
<tr>
<td>Diluted EPS (रु)</td>
<td>45.88*</td>
<td></td>
</tr>
</tbody>
</table>

* USD/रु = 67.6166 (RBI reference rate as on Jun 30, 2016)

* Not Annualized
Net debit movement – consolidated

<table>
<thead>
<tr>
<th>Particulars</th>
<th>30.06.2016</th>
<th>31.03.2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalent (₹ crore)</td>
<td>1032</td>
<td>1288</td>
</tr>
<tr>
<td>Net Debt/Equity (x)</td>
<td>2.27</td>
<td>2.18</td>
</tr>
<tr>
<td>Net Debt/EBITDA (x)</td>
<td>5.69</td>
<td>6.39</td>
</tr>
</tbody>
</table>

*Net Debt excludes Acceptances

USD/ ₹ = 67.6166 (RBI reference rate as on Jun 30, 2016)
## Transition to reporting as per Ind-AS

<table>
<thead>
<tr>
<th>Ind-AS</th>
<th>Key areas of Impact</th>
<th>Impact on P&amp;L account</th>
<th>Impact on Balance sheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ind-AS 10</td>
<td>Final dividend liability recognized only upon approval by shareholders</td>
<td>NA</td>
<td>✓</td>
</tr>
<tr>
<td>Ind-AS 12</td>
<td>Deferred tax ‘temporary differences’ for past mergers, fair valuation and Ind-AS adjustments</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ind-AS 17</td>
<td>Certain arrangement with suppliers considered as financial leases — <em>Amba River Coke Limited, JSW Steel Salav, JSW Projects Limited, and Harsco India Private Limited</em></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ind-AS 27</td>
<td>ESOP trust accounted as part of JSW Steel — look through approach</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ind-AS 108</td>
<td>Operating Segment – Steel manufacturing is the only reportable segment</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Ind-AS 109</td>
<td>Financial Instruments – Preference shares, upfront fees, long term deposits and equity investments in JSW Energy Limited</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ind-AS 110</td>
<td>Consolidation of entities — <em>JSW Reality &amp; Infra Structure Private Limited (RIPL), Dolvi Minerals &amp; Metals Private Limited (DMML), and Dolvi Coke Projects Limited (DCPL)</em></td>
<td>✓*</td>
<td>✓</td>
</tr>
<tr>
<td>Ind-AS 111</td>
<td>Joint Ventures are accounted as per equity methods as compared to proportionate consolidation under IGAAP — <em>JSW Severfield Structures Limited, JSW MI Steel Service Centre Private Limited, JSW Vallabh Tinplate Private Limited, Geo Steel LLC, Rohne Coal Company Private Limited, Gourangdih Coal Limited, and Vijayanagar Mineral Private Limited</em></td>
<td>✓*</td>
<td>✓</td>
</tr>
</tbody>
</table>

* No impact on attributable profit
Impact of transition to reporting as per Ind-AS – Standalone

**Arrangements in the nature of lease**
- Following arrangements for raw material supplies & job work accounted as finance lease:
  - JSW Projects Limited
  - Amba River Coke Limited
  - JSW Steel (Salav)
  - HARSCO - Briquetting plant

**Deferred Tax Liability**
- Balance Sheet approach under Ind-AS
- Deferred tax liabilities on account of fair valuation of assets under past mergers recognised on transition date
- Effect of Ind-AS adjustments

**Dividend & ESOP trust**
- Recognition of dividend liability only upon approval by shareholders
- ESOP trust accounted as part of JSW Steel – look through approach

**Accounting for Preference Shares**
- Classification of preference shares as debt
- Fair valuation of preference shares
- Accrual of interest

**Fair valuation**
- Fair valuation of equity investment in JSW Energy Limited through other comprehensive income

---

**Impact on 1QFY17 Profit & Loss Account**

<table>
<thead>
<tr>
<th>Item</th>
<th>₹ crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>↑ 220</td>
</tr>
<tr>
<td>Depreciation</td>
<td>↑ 93</td>
</tr>
<tr>
<td>Finance Cost</td>
<td>↑ 154</td>
</tr>
<tr>
<td>Tax</td>
<td>↓ 39</td>
</tr>
<tr>
<td>Profit after Tax</td>
<td>↑ 12</td>
</tr>
</tbody>
</table>

**Impact on Balance Sheet as on 31.03.2016**

<table>
<thead>
<tr>
<th>Item</th>
<th>₹ crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Worth*</td>
<td>↓ 1,365</td>
</tr>
<tr>
<td>Borrowings</td>
<td>↑ 4,348</td>
</tr>
<tr>
<td>Property, plant and Equipment</td>
<td>↑ 4,309</td>
</tr>
<tr>
<td>Deferred Tax Liability</td>
<td>↑ 932</td>
</tr>
<tr>
<td>Other Assets (net)</td>
<td>↓ 394</td>
</tr>
</tbody>
</table>
### Impact of transition to reporting as per Ind-AS – Consolidated

#### Arrangements in the nature of lease
- Following arrangements for job work accounted as finance lease:
  - JSW Projects Limited
  - HARSCO-Briquetting plant

#### Consolidation of entities & JV accounting
- Entities consolidated as subsidiaries:
  - RIPL
  - DMMPL & DCPL
- Consolidation of joint arrangements as JV’s under equity method

#### Deferred Tax Liability
- Balance Sheet approach under Ind-AS
- Deferred tax liabilities on fair valuation of assets under past business combination recognised on transition date
- Effect of Ind-AS adjustments

#### Accounting for Preference Shares
- Classification of preference shares as debt
- Fair valuation of preference shares
- Accrual of interest

#### Fair valuation
- Fair valuation of equity investment in JSW Energy through other comprehensive income

### Impact on 1QFY17 Profit & Loss Account

<table>
<thead>
<tr>
<th>Item</th>
<th>₹ crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>↑ 97</td>
</tr>
<tr>
<td>Depreciation</td>
<td>↑ 36</td>
</tr>
<tr>
<td>Finance Cost</td>
<td>↑ 96</td>
</tr>
<tr>
<td>Tax</td>
<td>↓ 100</td>
</tr>
<tr>
<td>Other Adjustments*</td>
<td>↑ 34</td>
</tr>
<tr>
<td>Profit after Tax</td>
<td>↑ 99</td>
</tr>
</tbody>
</table>

### Impact on Balance Sheet as on 31.03.2016

<table>
<thead>
<tr>
<th>Item</th>
<th>₹ crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Worth**</td>
<td>↓ 2,899</td>
</tr>
<tr>
<td>Borrowings</td>
<td>↓ 2,741</td>
</tr>
<tr>
<td>Property, plant and Equipment</td>
<td>↑ 2,479</td>
</tr>
<tr>
<td>Deferred Tax Liability</td>
<td>↑ 2,767</td>
</tr>
<tr>
<td>Other Assets (net)</td>
<td>↑ 130</td>
</tr>
</tbody>
</table>

*Other Adjustments: Interest income, Share of minority, and Associates & JV, **Non cash
Global economy

- Global growth expectations are marked down as ‘Brexit’ increases economic as well as political uncertainty
- ‘Brexit’ is a dampener on any likely improvement in European growth outlook
- US growth appears to have improved in 2QCY16 but a likely shift in policy stance indicates lower confidence on sustained recovery
- Japan growth is expected to be weaker in 2QCY16, stronger Yen to continue to limit growth potential
- China 2QCY16 GDP growth was better than expected at 6.7%, within the official target range of 6.5%-7.0%

Source: Bloomberg, IMF and JSW Steel
Global steel scenario

Suppliers from surplus countries key to health of global steel industry

- Exports from China, Korea and Japan continue to flood global steel markets
- Japanese/Korean exports are at sharp discount to their domestic market prices
- Imposition of trade remedial measures in US drives clampdown of imports and rising spreads with Asian prices
- In the absence of effective tariff measures, SEA and MEA continue to see surge in imports

*Source: SBB, ISSB, IBIS, MySteel, Steel Mint, Bloomberg and JSW Steel*
Indian economy and steel industry

- Crude steel production increased by 4.8% YoY in 1QFY17.
- Apparent finished steel consumption grew by only 0.4% due to sluggish demand, especially in Jun’16.
- Steel imports, though down by 26% YoY in 1QFY17, remained at elevated levels.
- Overall imports fell by only ~1/3rd from pre-MIP^ level as against expectations of a 50% drop – widening and extension of MIP scope is imperative for the health of the industry.
- Normal monsoon and Seventh Pay Commission awards likely to drive consumer discretionary spending.
- Government’s measures to pump prime the economy and progress on various policy reforms key to drive an uptick in demand growth.

### Crude Steel Production

<table>
<thead>
<tr>
<th>Month</th>
<th>1QFY16</th>
<th>1QFY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan-16</td>
<td>22.7</td>
<td>23.8</td>
</tr>
<tr>
<td>Feb-16</td>
<td>19.8</td>
<td>19.9</td>
</tr>
</tbody>
</table>

### Apparent Finished Steel Consumption*

<table>
<thead>
<tr>
<th>Month</th>
<th>1QFY16</th>
<th>1QFY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan-16</td>
<td>4.8%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

**Steel production ramp-up is ahead of expected demand pick-up**

Source: JPC and JSW Steel, All figures are in million tonnes, *Apparent finished steel consumption net of double counting effect, ^Minimum Import Price
Certain statements in this report concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risk and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition within Steel industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, our ability to commission mines within contemplated time and costs, our ability to raise the finance within time and cost client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for steel, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which the Company has made strategic investments, withdrawal of fiscal/governmental incentives, impact of regulatory measures, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. The company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the company.
Thank you