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Chartered Accountants
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AUDITORS' REPORT ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF JSW STEEL LIMITED

We have reviewed the accompanying statement of Unaudited Financial Results of **JSW STEEL LIMITED** ("the Company") for the quarter ended June 30, 2012 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410- Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Without qualifying our opinion, we draw attention to note no. 2(b) of the Statement relating to the Company's assessment that no provision against the carrying amounts of its long term strategic investements and loans extended to its subsidiary, JSW Steel (USA) Inc. of Rs. 274056 lacs is presently necessary, for the reasons stated in the note.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed

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in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Management/Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Registration No. 117366W

P. B. Pardiwalla

P.B. Pardiwalla
Partner
Membership No. 40005
MUMBAI, July 26, 2012

JSW Steel Limited

Registered Office : Jindal Mansion, 5A, Dr. G. Deshmukh Marg, Mumbai- 400026.

PART I - Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June, 2012

(Rs. in Lacs)

Sr. No	Particulars	Standalone			
		Unaudited			Audited
		Quarter Ended			Year Ended
		30.06.2012	31.03.2012	30.06.2011	31.03.2012
1	**Income from operations**				
	a) Sale of Products				
	Domestic Turnover	834913	858564	628776	2876960
	Export Turnover	156063	170580	133915	588888
	Total	**990976**	**1029144**	**762691**	**3465848**
	Less: Excise Duty	87959	78022	56234	259801
	Net Sales	**903017**	**951122**	**706457**	**3206047**
	b) Other Operating Income	743	3345	481	6219
	Total Income from operations (net) (a+b)	**903760**	**954467**	**706938**	**3212266**
2	**Expenses**				
	a) Cost of materials consumed	579347	589468	469482	2103761
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(18739)	34516	(35637)	(29781)
	c) Employee benefits expense	17416	15281	17656	62587
	d) Depreciation and amortisation expense	46778	47198	38789	170817
	e) Power and Fuel	51200	48267	38142	168384
	f) Other Expenses	97257	101757	74342	344235
	Total Expenses	**773259**	**836487**	**602774**	**2820003**
3	**Profit from Operations before Other income, Finance Costs and Exceptional Items(1-2)**	**130501**	**117980**	**104164**	**392263**
4	Other Income	7227	4833	4777	17930
5	**Profit before Finance Costs and Exceptional Items (3+4)**	**137728**	**122813**	**108941**	**410193**
6	Finance Costs	40666	36773	22793	118641
7	**Profit after Finance Costs but before Exceptional Items (5-6)**	**97062**	**86040**	**86148**	**291552**
8	**Exceptional Items**				
	Exchange (Loss) / Gain (refer note 3)	(59205)	19917	(3521)	(82096)
9	**Profit before Tax (7-8)**	**37857**	**105957**	**82627**	**209456**
10	Tax Expense	10957	30739	24795	46870
11	**Net Profit after Tax (9-10)**	**26900**	**75218**	**57832**	**162586**
12	Paid up Equity Share Capital (face value of Rs. 10 per share)	22312	22312	22312	22312
13	Reserves excluding Revaluation Reserves				1793431
14	Earnings per share (EPS)				
	Basic (Rs.)	11.69	33.35	25.56	71.42
	Diluted (Rs.)	11.69	33.35	25.54	71.42

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JSW Steel Limited

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Part II - Selected Information for the Quarter ended June 30, 2012

(A) PARTICULARS OF SHAREHOLDING					
Sr. No	Particulars	Quarter Ended			Year Ended
		30.06.2012	31.03.2012	30.06.2011	31.03.2012
1	Public shareholding				
	- Number of shares	138224074	138572565	138974539	138572565
	- Percentage of shareholding	61.95%	62.11%	62.29%	62.11%
2	**Promoters and Promoter Group Shareholding**	84893126	84544635	84142661	84544635
	a) Pledged / Encumbered				
	Number of shares	43202999	36666599	23688055	36666599
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	50.89%	43.37%	28.15%	43.37%
	Percentage of shares (as a % of the total share capital of the company)	19.36%	16.43%	10.62%	16.43%
	b) Non-encumbered				
	Number of shares	41690127	47878036	60454606	47878036
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	49.11%	56.63%	71.85%	56.63%
	Percentage of shares (as a % of the total share capital of the company)	18.69%	21.46%	27.09%	21.46%

(B) INVESTOR COMPLAINTS		3 months ended 30.06.2012
	Pending at the beginning of the quarter	-
	Received during the quarter	84
	Disposed of during the quarter	84
	Remaining unresolved at the end of the quarter	-

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Notes :

1 **Segment-wise Revenue, Results and other information**

(Rs. in Lacs)

Sr. No.	Particulars	Standalone			
		Unaudited			Audited
		Quarter Ended			Year Ended
		30.06.2012	31.03.2012	30.06.2011	31.03.2012
1	**Revenue by Business Segment :**				
	Steel	917974	977808	725537	3305763
	Power	106400	85487	48093	271088
	Total	1024374	1063295	773630	3576851
	Less: Inter segment revenue	120614	108828	66692	364585
	Total Income	**903760**	**954467**	**706938**	**3212266**
2	**Segment results before Finance Costs and tax:**				
	Steel	45786	120992	90284	256826
	Power	25510	17448	10412	53560
	Total	71296	138440	100696	310386
	Less: Unallocable items				
	Finance Costs	40666	36773	22793	118641
	Unallocable expense net of unallocable income	(7227)	(4290)	(4724)	(17711)
	Profit before Tax	**37857**	**105957**	**82627**	**209456**
3	**Segment Capital Employed :**				
	(Segment assets less Segment liabilities)				
	Steel	2863739	2739695	2552360	2739695
	Power	185687	185936	193876	185936
	Unallocated	(1189562)	(1075882)	(966985)	(1075882)
	Total	**1859864**	**1849749**	**1779251**	**1849749**

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.

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2. a) During the quarter, the Company has made additional investments aggregating Rs. 8519 lacs in subsidiary, associate and joint venture companies.

   b) In respect of the Company's long term, strategic investment in one of its subsidiaries, JSW Steel (USA) Inc., the Company has reviewed and assessed its business plans and expected future cash flows. The company has also considered an independent valuation of a significant portion of its underlying tangible assets. Whilst the subsidiary may have a longer gestation period than originally envisaged, the Company has concluded that the decline is temporary and no provision against the carrying amounts of the investment and loans of Rs. 274056 lacs is presently necessary.

3. Due to the unusual depreciation in the value of the rupee against US dollar, the net foreign exchange loss has been considered by the Company as exceptional in nature.

4. Paid up equity share capital does not include an amount of Rs. 6103 lacs being the amount originally paid up on the equity shares forfeited in an earlier year.

5. Comparative financial information has been regrouped and reclassified, wherever necessary, to correspond to the figures of the current quarter.

6. The auditors of the Company have carried out a Limited Review of the Standalone Financial Results for the quarter ended 30 June 2012 in compliance with Clause 41 of the Listing Agreement. The Standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 26 July 2012.

For JSW Steel Limited

Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
26 July 2012

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

P.B.Pardiwalla
Partner
Mumbai, 26 July 2012