

**Limited Review Report**

**Review report to  
The Board of Directors  
JSW ISPAT Steel Ltd.**

1. We have reviewed the accompanying statement of unaudited financial results of JSW ISPAT Steel Ltd. ('the Company') for the quarter ended 30<sup>th</sup> September, 2011 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. 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.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our review report, attention is drawn to the Sundry Debtors of Rs. 255.61 crores, which are overdue from Peddar Realty Pvt. Ltd. towards sale consideration of landed property along with interest thereon, have been considered good of recovery by the management in view of the market value of the underlying assets of the said debtor.
4. *Attention is also drawn to Note 1 of the accompanying statement of unaudited financial results regarding recognition of net deferred tax asset of Rs.1308.76 crores upto 31<sup>st</sup> March 2011, based on the future profitability projections made by the management. However, we are unable to express an opinion on the virtual certainty of achieving these projections as required by Accounting Standard 22, Accounting for Taxes on Income, and the consequential impact, if any, of the recognition of such deferred tax asset. This had also caused us to qualify our audit opinion on the financial statements for the year ended 30th June 2011.*  
*Had the impact of above item been considered, the loss for the quarter would have been Rs.1654.06 crores as against the reported loss of Rs.345.30 crores.*

5. Based on our review conducted as above, *subject to the effect of the observation in para 4 above*, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

*S. R. Batliboi*

For S. R. BATLIBOI & CO.  
Firm Registration Number : 301003E  
CHARTERED ACCOUNTANTS

*Hemal Shah*

The Ruby, 14th Floor  
29 Senapati Bapat Marg  
Dadar (W)  
Mumbai - 400 028

Dated: 10<sup>th</sup> November 2011.

Per Hemal Shah  
Partner  
Membership No. 42650