

LEADING

WITH RESPONSIBILITY AND RESILIENCE

Dear Shareholders,

We are navigating a period of change, shaped by an evolving global political and policy landscape. While India remains on a transformative growth path, driving healthy steel demand, the steel industry faces a challenging environment marked by weak global demand and record Chinese steel exports, even as iron ore costs remain relatively elevated.

JSW Steel has been steadily growing with India and is now the country's largest steelmaker with domestic capacity of 34.2 MTPA. We are well-placed to pursue value-accretive growth and are targeting a domestic capacity of 50 MTPA by FY 2030-31. We are also augmenting our downstream and value-added capacities for producing steel for specialised applications. JSW Steel's inherent strength has been its ability to expand capacities at a competitive capex per tonne compared to global benchmarks, coupled with timely project execution and efficient operations. This has resulted in sustainable value creation for all our stakeholders and will continue to create long-term value.

Uncertainty related to tariffs imposed by the US has caused volatility in global markets. Trade barriers have been rising, with various countries either imposing measures or initiating action to protect their steel industries from unfair imports. This is altering global trade flows with surplus steel finding its way into India, posing significant challenges for Indian steelmakers. India has imposed a 12% safeguard duty on certain steel products for 200 days, based on a preliminary investigation undertaken by the Directorate General of Trade Remedies. We believe a longer-term solution is critical to ensure the competitiveness of Indian steel, create a level-playing field, and allow Indian steelmakers to earn a reasonable return on investments.

Demonstrating agility amid volatility

India's steel consumption grew 11.5% y-o-y to reach 152 MnT in FY 2024-25, resulting in approximately 16 MnT in incremental demand. This was the fourth successive year of double-digit demand growth. The government's strong infrastructure push is set to continue into FY 2025-26 with a planned outlay of ₹11.2 trillion. Further, growth in manufacturing, defence, renewable energy and real estate construction is expected to keep steel demand robust. Amidst this strong steel demand growth in India but a fairly challenging global environment, we achieved our highest ever production and sales volumes in FY 2024-25. Our consolidated revenue stood at ₹1,68,824 crore (US\$20.0 billion) and EBITDA at ₹22,904 crore (US\$2.7 billion).

Our performance in FY 2024-25 speaks volumes about JSW Steel's underlying strength and resilience. Further, the recently commissioned 5 MTPA capacity at JVML in Vijayanagar is ramping up well, which—along with the 1 MTPA expansion at BPSL completed in FY 2024-25 will drive higher production and sales in FY 2025-26.

Innovating to make steel more versatile

As India continues on its path of industrialisation and urbanisation, demand for advanced grades of steel is accelerating. This growth is fuelled by the need for stronger, lighter and more efficient materials in advanced manufacturing, as well as modern infrastructure projects, which demand superior performance and longer lifecycles. At JSW Steel, we are focused on growing our value-added steel products portfolio, with wider and specialised applications across end-user industries. During FY 2024-25, 62% of our sales volumes were in the form of value added and special products. We have added alloy steel capacity at BPSL, a colour-coated steel plant in Jammu and Kashmir, and augmented our Anjar plate mill with a Mulpic cooling system to enhance product quality.

Cold-rolled grain oriented (CRGO) electrical steel is witnessing strong demand for its application in transformers, generators, etc. We acquired Thyssenkrupp's CRGO steel facility in Nashik last year in a JV with JFE Steel of Japan. Ambitious plans are in place to scale up production and enhance operational efficiency. We are also setting up India's first fully integrated CRGO steel manufacturing facility at Vijayanagar, via the same JV. This will reduce India's import dependence for this grade of high-value steel.

We continue to invest in research and development with a strong focus on both innovation and sustainability. Our R&D teams are working closely with our customers to co-develop advanced steel grades that meet the exacting demands of modern applications. A major milestone has been the launch of Magsure, a patented, indigenously developed magnesium-based metallic coated steel for solar applications, offering high corrosion resistance.

Raw material security a strategic priority

JSW Steel today has a portfolio of 23 iron ore deposits with ~1.6 BnT of resources in India. Of the total, we have already operationalised 12 while the rest are at various stages of development.



SAJJAN JINDAL
Chairman & Managing Director

In order to utilise lower grade of iron ore (Fe content of 25-45%) occurring in the form of Banded Hematite Quartzite (BHQ) in some of our mines, our R&D team has developed a process that is currently being piloted and will pave the way for commercial-scale implementation.

In a bid to diversify our global coking coal sourcing, we completed the acquisition of a 20% effective stake in the Illawarra high-grade coking coal mines in Australia. We announced the acquisition of Minas de Revubôè, which hosts a large untapped reserve of coking coal in Mozambique. These assets will significantly strengthen our long-term access to high-quality coking coal. Additionally, we have secured access to three coking coal mines as well as coking coal linkages in India, which we are working to operationalise.

Enabling sustained cost leadership

JSW Steel has one of the lowest conversion costs globally. Our recent expansions have entailed 5 MTPA blast furnaces that provide economies of scale and reduce costs. JSW Steel has established a Centre of Excellence (COE), designed to drive innovation, cost optimisation, and sustainable value creation across the organisation. We have commissioned close to 1 GW of renewable energy capacity, along with an additional 1.5 GW approved for development. Renewable energy has the twin benefit of decarbonising our steel production as well as reducing power costs.

We have optimised our iron ore and coking coal sourcing and blends across plants, yielding significant cost synergies. We are pursuing geographic optimisation of iron ore sourcing, enabling us to reduce inbound logistics costs through shorter haulage routes and multimodal transport strategies. One of the enablers is the 300 km slurry pipeline connecting our captive mines in Odisha to the upcoming pellet plant in Jagatsinghpur.

Digital transformation driving future readiness

As a global leader in steel manufacturing, we recognise that future readiness demands more than operational excellence—it calls for a bold, enterprise-wide reinvention powered by digital transformation and innovation. Our strategic vision is to harness technology not as an enabler alone, but as a core driver of agility, resilience and sustainable value creation. We are strategically leveraging AI across key functions to drive operational excellence, enhance sustainability outcomes, and unlock greater productivity.

In FY 2024-25, we made significant strides by embedding advanced technologies across the entire value chain from mines to market. More than 2,900 critical assets were connected to predictive maintenance platforms, significantly enhancing asset performance and reliability. Looking ahead, we are committed to deepening our digital and AI-led transformation to build a fully connected, agile, and resilient enterprise.

We are on track to meet our emission reduction targets for 2030 and Net Neutral by 2050.



Building a sustainable tomorrow

At JSW Steel, sustainability is central to our decision-making. As one of the world's leading steelmakers, we are fully cognisant of our responsibility in addressing climate change. Our growth ambitions are aligned with the broader imperatives of decarbonisation and responsible resource management. We are on track to meet our emission reduction targets for 2030 and Net Neutral by 2050. Through our flagship SEED (Sustainable Energy, Environment and Decarbonisation) programme, we have charted a clear pathway for a 42% reduction in our specific CO₂ emissions by the end of this decade.

A critical enabler of this journey is our ambition to power our entire operations through renewable energy by 2030. Besides our energy transition, we have been redirecting waste gas and heat generated during steelmaking to our captive power plants. Both these initiatives not only reduce our carbon footprint but also enable cost efficiencies.

We are also evaluating setting up of a green steel facility in western India, which will be initially fuelled by natural gas before transitioning to green hydrogen once it becomes commercially viable. We are set to commission India's largest green hydrogen project for steelmaking at Vijayanagar, with an annual capacity of 3,800 tonnes, powered by 25 MW of renewable energy. This will be a key step in our decarbonisation journey. During the year, JSW Steel signed an agreement with BHP and Carbon Clean to explore the latter's CycloneCC technology for scaled implementation of CCU in steel making.

Our sustainability initiatives continue to garner global recognition. We retained our position among the top two global steel companies in the S&P Global Corporate Sustainability Assessment, and we remain constituents of the Dow Jones Sustainability Index (DJSI) World and Emerging Markets indices, reflecting our sustained leadership in ESG performance.

JSW Steel has also been awarded the Sustainability Champion 2025 recognition by the worldsteel Association consecutively for the seventh year. We received Responsible Steel certification for four plants covering 80% of our steel production.

Committed to Zero Harm

At JSW Steel, the safety and well-being of our people and communities is our utmost priority. We are committed to achieving Zero Harm across all our sites and are actively nurturing a safety culture that is intuitive, inclusive, and firmly institutionalised throughout the organisation.

Over the past year, we have scaled up several capability-building initiatives aimed at strengthening this safety-first culture. Our Safety Experience Centres, established at key plant locations, provide immersive, hands-on training environments for both employees and contract workers, thereby bridging the gap between awareness and behavioural change.

Other notable interventions include the rollout of a structured competency framework for safety professionals, the launch of the 'Felt Leadership' programme to instil personal accountability at every level of the organisation, cross-functional safety audits, and the deployment of a safety chatbot to enhance on-ground engagement. Our 'Safety Digital Vision' platform is also enabling smarter, data-led decision-making to pre-emptively identify and mitigate risks.

Empowering people, strengthening communities

Guided by our ethos of making a meaningful difference to the lives we touch, we are building communities through focused interventions across the areas of education, healthcare, skill development, and rural infrastructure, among others, benefitting around 3 million people. We remain guided by the belief that growth must be deeply human – anchored in dignity, opportunity, and shared prosperity.

From an organisational standpoint, we continue to invest in building a purpose-driven, future-ready workforce. Our people strategy is centred around creating an environment of continuous learning, meritocracy, and mutual respect. During the year, we accelerated the adoption of digital learning platforms, leadership development programmes, and inclusion initiatives that enable every JSW employee to grow, thrive and lead.

Looking ahead with resolve

In March 2025, JSW Steel became the most valued steel company in the world, which is a testament to the tremendous value created for shareholders over the years. The journey ahead holds even greater promise, and we step into the future with clarity of purpose and an unshakable belief in India's potential. As India accelerates its journey towards becoming a global economic powerhouse, we are confident that JSW Steel will continue to play a pivotal role in shaping the nation's future.

I would like to express my heartfelt gratitude to all our stakeholders for walking this journey with us, and for placing your trust in our vision. I am especially grateful to every member of the JSW Steel family for their exceptional dedication and resolve, which have enabled us to thrive amidst complexity and change.

I extend my appreciation to our esteemed Board of Directors for their wisdom and stewardship, which have been instrumental in defining the long-term success of our company.

As we look to the future, we do so with humility in our hearts, strength in our convictions, and a renewed sense of excitement and responsibility.

Sincerely,

Sajjan Jindal

Chairman & Managing Director