



January 25, 2024

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai -400 001

Dear Sir,

Sub: Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Security Cover Certificate as at December 31, 2023

In compliance with Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022, please find enclosed the Security Cover Certificate in respect of the Non-Convertible Debentures (NCD) issued by the Company, ISIN: INE019A07431 as at December 31, 2023, certified by M/s. SRBC & Co., Chartered Accountants, Statutory Auditors of the Company.

Kindly take the same on record.

Thanking You

Yours faithfully
For **JSW Steel Limited**

Lancy Varghese
Company Secretary

Independent Auditor's Report on Security Cover and book values of the assets as at December 31, 2023 pursuant to the requirements of the SEBI circular dated May 19, 2022 for submission to SBICAP Trustee Company Limited (the "Debenture Trustee")

To

The Board of Directors
JSW Steel Limited
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

1. This Report is issued in accordance with the terms of the service scope letter agreement dated August 28, 2023 and master engagement agreement dated July 20, 2022, as amended with JSW Steel Limited (hereinafter the "Company").
2. We S R B C & CO LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing Security Cover as per the terms of Debenture Trust Deed and book value of assets as at and for the period ended December 31, 2023 in respect of 8.50% Secured, Redeemable, Non-Convertible Debentures (INE019A07431) amounting to INR 4,000 crores (hereinafter the "Statement") which has been prepared by the Company from the Board approved unaudited standalone financial results, underlying books of account and other relevant records and documents maintained by the Company as at and for the period ended December 31, 2023 pursuant to the requirements of the SEBI circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Circular"), and has been initialed by us for identification purposes only.

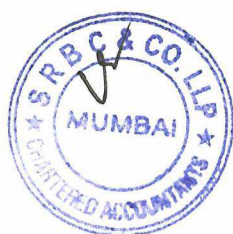
This Report is required by the Company for the purpose of submission with SBICAP Trustee Company Limited (hereinafter the "Debenture Trustee") of the Company to ensure compliance with the SEBI Circular in respect of its 8.50% listed Non-Convertible Debenture having Face value of INR 4,000 crores ('Debentures'). The Company has entered into an agreement with the Debenture Trustee vide agreement dated December 10, 2020 in respect of such Debentures.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management of the Company is responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Circular and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including maintenance of one hundred and twenty-five per cent security cover as per the terms of Debenture Trust Deed sufficient to discharge the principal amount and the interest thereon at all times for the non-convertible debt securities issued. The management is also responsible for providing all relevant information to the Debenture Trustee and for complying with the Security Cover as prescribed in the Debenture Trust Deed dated December 10, 2020 entered into between the Company and the Debenture Trustee ('Debenture Trust Deed').

Auditor's Responsibility

5. It is our responsibility to provide a limited assurance and conclude as to whether:
 - (a) the Company has maintained Security Cover as per the terms of the Debenture Trust deed as at December 31, 2023; and
 - (b) Book values of assets as included in Column F to G of the Statement are in agreement with the books of account underlying the unaudited standalone financial results of the Company as at December 31, 2023.
6. We have performed a limited review of the unaudited standalone financial results of the Company for the period ended December 31, 2023, prepared by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified conclusion dated January 25, 2024. Our review of those Standalone financial results was conducted in accordance with the 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 ("ICAI").



7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, our procedures included the following in relation to the Statement:
 - a) Obtained the Board approved unaudited standalone financial results of the Company for the period ended December 31, 2023.
 - b) Traced the book value of assets to the books of account of the Company underlying such unaudited standalone financial results.
 - c) Obtained and read the Debenture Trust Deed and noted that as per such deed the Debentures are secured by creating a first pari-passu charge on movable and immovable fixed assets belonging to the Company, both present and future at (i) Salem works in the state of Tamil Nadu, (ii) Cold Rolling Mill 1 & 2 at Vijayanagar, Karnataka and (iii) Upto 3.8 MTPA Steel Plant at Vijayanagar, Karnataka. The Company is required to maintain 1.25 times Security Cover in each of the above three properties against the debenture value assigned.
 - d) Traced and agreed the principal amount in respect 8.50% listed Non-Convertible Debenture amounting to INR 4,000 Crores ('Debentures') outstanding as on December 31, 2023 to the Board approved unaudited standalone financial results of the Company and the underlying unaudited books of account maintained by the Company as on December 31, 2023.
 - e) Obtained the list of security created in the register of charges maintained by the Company and traced the value of such assets on which charge is created to column F and column G of the Annexure A as applicable. We have not independently verified the completeness and correctness of such register of charges with Ministry of Corporate Affairs ('MCA') maintained charges and relied on the management for the same.
 - f) Registered Charge for Rupee Term Loan taken amounting to INR 750 Crore drawn on December 29, 2023 is has not yet been created. Management has represented that the Security will be created and charge will be filed within the permitted timelines under the Agreement.
 - g) Obtained the list and value of assets mortgaged under the Debenture Trust Deed against each of the three properties from the management and traced the total of such assets to column F of the Statement. Management has represented that all such assets are part of the assets mentioned in the point (c) above and mortgaged under the Debenture Trust Deed. We have relied on such representation and have not performed any independent procedures in this regard. Traced the value of such assets to Column F of the Statement and Board approved unaudited standalone financial results and the underlying books of account maintained by the Company as at and for the period ended December 31, 2023.
 - h) Obtained the list and value of assets placed under lien or encumbrance from the management for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Security Cover in respect of 8.50% listed non-convertible Debenture amounting to INR 4,000 Crores ('Debentures'). Management has represented the completeness of such assets and we have relied on the same and not performed any independent procedures in this regard. Traced the value of such assets to column G of the Statement.
 - i) Obtained the list and value of assets not secured from the management. Management has represented the completeness of such assets and we have relied on the same and not performed any independent procedures in this regard. Traced the value of such assets to Column H of the Statement.

Traced the total of IND AS adjustments for the effective interest rate on secured debt securities, Interest accrued / payable on secured debt securities, and other debt facilities secured through assets available for debt securities to the books of account and records of the Company as at and for the period ended



S R B C & CO LLP

Chartered Accountants

December 31, 2023. We have relied on management representation for the completeness of such amounts and have not performed any independent procedures in this regard.

- k) Examined and verified the arithmetical accuracy of the computation of Security Cover in the accompanying Statement.
- l) Compared the Security Cover with the Security Cover required to be maintained as per Debenture Trust Deed.
- m) With respect to compliance with Financial Covenants the management has represented and confirmed that Company is not required to comply with any financial covenant as prescribed in the Debenture Trust Deed, as at December 31, 2023. We have relied on the same and not performed any independent procedures in this regard.
- n) We have not performed any procedures on amounts given under Column K to Column O of the Statement.
- o) Performed necessary inquiries with the management and obtained necessary representations.

Conclusion


11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:

- a) the Company has not maintained Security Cover as per the terms of the Debenture Trust deed as at December 31, 2023; and
- b) the book values of assets as included in Column F to G of the Statement are not in agreement with the books of account underlying the unaudited standalone financial results of the Company as at December 31, 2023.

Restriction on Use

12. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this Report for events and circumstances occurring after the date of this report.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003


per Vikram Mehta
Partner
Membership Number: 105938
UDIN: 24105938BKELWP7044



Place of Signature: Mumbai
Date: January 25, 2024



**Statement of Security Cover Ratio and other information as at December 31, 2023 in respect of
8.50% Secured, Redeemable, Non-Convertible debentures (INE019A07431) amounting to
INR 4,000 crores**

Compliance with Security cover including all Other Covenants, in respect of listed 8.50% Secured, Redeemable, Non- Convertible Debentures – Face Value of 10,00,000 each (“Debentures”) INE019A07431

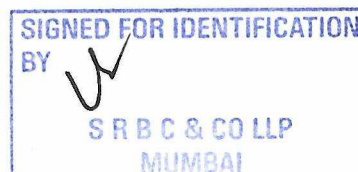
Sr. No.	Particulars	As on December 31, 2023	Compliance Met
1.	Security Cover Ratio (Minimum 1.25 times)	Upstream 3.8 MTPA – 2.68 times CRM Complex 1 & 2 – 1.67 times Salem Works – 1.87 times (Refer Annexure A)	Yes
2.	Financial Covenant compliance	Not Applicable	Not Applicable

Notes:

1. The above statement is prepared for submission to SBICAP Trustee Company Limited pursuant to requirements of Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines.
2. We confirm that assets included as part of Net Fixed Assets and Capital Work in Progress in Annexure A are part of (i) Salem works in the state of Tamil Nadu (ii) Cold Rolling Mill 1 & 2 at Vijayanagar, Karnataka (iii) Upto 3.8 MTPA Steel Plant at Vijayanagar, Karnataka and mortgaged against the 8.50% Secured, Redeemable, Non-convertible debentures as per the Debenture Trust Deed.
3. We confirm that the capital advances are exclusively towards Salem works, Cold Rolling Mill 1 & 2 and Upto 3.8 MTPA Fixed Assets and hence included as part of Capital Work in Progress in Annexure A.
4. We confirm that there are no other borrowings/debts taken by the Company other than mentioned in Annexure A which has first pari-passu charge on the (i) Salem works (ii) Cold Rolling Mill 1 & 2 (iii) Upto 3.8 MTPA Steel Plant fixed assets.
5. We confirm that "Other debt sharing pari-passu charge with above debt" includes Interest accrued but not due and Ind AS adjustment for effective interest rate adjustment on debt securities.
6. The Company has availed Rs.750 Cr Rupee Term Loan on 29 December 2023 and Security will be created and charge will be filed within the permitted timelines under the Agreement.
7. Trade payables includes certain acceptances from banks wherein the banks have charge on the assets of the company. Accordingly, certain portion of trade payables has been disclosed under Column G of Annexure A.



Part of O.P. Jindal Group

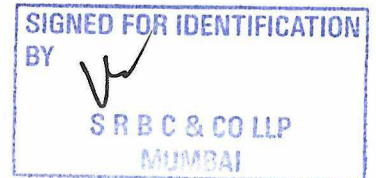




8. We confirm that Market value of assets (in column M of Annexure A) are as on March 31, 2021 and has been determined by an independent valuer, vide its report dated December 31, 2021 for Upto 3.8 MTPA Steel plant fixed assets & Cold Rolling Mill 1 & 2 and its report dated July 13, 2021 for Salem works.
9. As at December 31, 2023, the Company has payables to project creditors / retention payments amounting to INR 1,977 crores. Corresponding assets have been included in Column F, Column G and Column H of Annexure A since these payables are in the normal course of business.
10. Other debt disclosed under Column G of Annexure A are secured against specific fixed assets offered as security. Working capital loans disclosed under Column G of Annexure A & Trade payables (mentioned in Note-6 above) are secured by way of first pari-passu charge over the current assets disclosed in Column G of Annexure A & second pari-passu charge over the fixed assets disclosed in Column F and Column G of Annexure A.

For JSW Steel Limited

Rajeev Pai
Chief Financial Officer
Dated: 25 January 2024



Part of O.P. Jindal Group

Column A	Column B	Column C		Column D	Column E	Column F		Column G	Column H	Column I	Column J	Column K	Column L	Column M			Column N	Column O
		Exclusive Charge	Other Debt	Debt for which this certificate is being issued	Debt for which this certificate is being issued	Assets shared by pari-passu debt holder (includes debt for which the certificate is issued & other debt with pari-passu charge)	Book value	Book value	Other assets on which there is pari-passu charge (including items covered in column F)	Assets not offered as security	Debt amount considered more than once (due to exclusive plus pari-passu charge)	Total (C to H)	Market value for assets charged on exclusive basis	Carrying/book value for assets where market value is not ascertainable or applicable	Market value for pari-passu charge Assets (as on March 31, 2022)	Carrying/book value for pari-passu charge Assets where market value is not ascertainable or applicable	Total value - K1+M+N	
Assets	Assets pertaining to upto 3.8 MTPA Steel Plant at Vijayanagar Works, Cold Rolling Mill - 1 & 2 at Vijayanagar Works & 1 MTPA Steel Plant at Salem Works Freehold Land, buildings, Plant and Equipment, Furniture and Fixtures, Vehicles and Aircrafts and Office equipments Capital Work-in-Progress including Capital Advances																	
Right of Use assets	Leasehold land, Rail Wagons																	
Goodwill	Goodwill																	
Intangible Assets	Mining blocks, Softwares, Mining Rights and other mining cost Softwares																	
Investments	Investment in Subsidiaries, Associates and Joint Ventures and other Non Current investments																	
Loans	Loans given to Subsidiaries and Other Group companies																	
Inventories	Inventories																	
Trade Receivables	Trade Receivables																	
Cash and cash equivalents	Cash and cash equivalents																	
Bank Balances other than cash and cash equivalents	Bank Balances other than cash and cash equivalents																	
Other assets	Derivative Assets (current and non-current), Other Financial Assets (current and non-current), Other Assets (current and non-current) and Current Tax Assets																	
Total																		
Liabilities																		
Debt securities to which this certificate pertains	Non Convertible Debentures																	
Other debt sharing pari-passu charge with above debt	Secured Rupee term loans/Non-convertible debentures for which pair passu charge is created including interest accrued but not due and IND AS adjustments Other Secured loans not considered above																	
Other debt																		
Subordinated debt																		
Borrowings (Unsecured)																		
Bank	Working Capital Loan																	
Debt securities	Bond and Non-convertible debentures																	
Others	Foreign Currency Loans, Rupee Term Loans and Capex Acceptance																	
Trade Payables	Trade Payables																	
Lease Liabilities	Lease Liabilities																	
Provisions	Provisions																	
Others	Derivative Liabilities (current and non-current), Other Financial Liabilities (current and non-current), Other Liabilities (current and non-current), Current Tax Liabilities and Deferred Tax Liabilities excluding interest accrued but not due considered above separately																	
Total																		
Cover on Book Value																		
Cover on Market Value																		
Pari-Passu Security Cover Ratio																		

SIGNED FOR IDENTIFICATION
BY
S R B C & CO LLP
MUMBAI

