



 Regd. Office: JSW Centre,

 Bandra – Kurla Complex,

 Bandra East, Mumbai – 400 051

 CIN
 : L27102MH1994PLC152925

 Phone
 : +91 22 4286 1000

 Fax
 : +91 22 4286 3000

 Website
 : www.jsw.in

August 11, 2023

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 June 30, 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 June 30, 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



SRBC&COLLP

Chartered Accountants

12th Floor, The Ruby 29 Senapati Bapat Marg Dadar (West) Mumbai - 400 028, India Tel: +91 22 6819 8000

Independent Auditor's Report on Security Cover and book values of the assets as at June 30, 2023 pursuant to the requirements of the SEBI circular dated May 19, 2022 for submission to SBICAP Trustee Company Limited (the "Debenture Trustee")

То

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 1, 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 of Security Cover as per the terms of Debenture Trust Deed and book value of assets as at and for the quarter ended June 30, 2023 in respect of 8.50% Secured, Redeemable, Non-Convertible Debentures (INE019A07431) amounting to INR 4,000 crores of the Company, as at June 30, 2023 (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 quarter ended June 30, 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 to 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 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 June 30, 2023; and
 - (b) the book values of assets as included in Column F to G of the Statement are in agreement with the Board approved unaudited standalone financial results and the underlying books of account and other relevant records and documents maintained by the Company as at and for the quarter ended June 30, 2023.
- 6. We have performed a limited review of the unaudited standalone financial results of the Company for the period ended June 30, 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 July 21, 2023. Our review of those 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"). Those Standards require that we plan and perform the review to obtain moderate assurance as to whether the standalone Ind AS financial results are free from material misstatement.

Chartered Accountants

- 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 June 30, 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 and interest accrued thereon of the Debentures outstanding as on June 30, 2023 to the Board approved unaudited standalone financial results and the underlying books of account maintained by the Company.
 - e) 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 on June 30, 2023.
 - f) 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 listed non-convertible debt security. 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.
 - g) 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.
 - h) 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 quarter ended June 30, 2023. We have relied on management representation for the completeness of such amounts and have not performed any independent procedures in this regard.
 - i) Examined and verified the arithmetical accuracy of the computation of Security Cover in the accompanying Statement.

Chartered Accountants

- j) Compared the Security Cover with the Security Cover required to be maintained as per Trust Deed.
- k) We have not performed any procedures on amounts given under Column K to Column O of the Statement.
- I) Obtained the bank statements and traced the date of repayment of principal and interest due during the period April 01, 2023 to June 30, 2023.
- 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 June 30, 2023. We have relied on the same and not performed any independent procedures in this regard.
- n) 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, read with notes given in the Statement 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 June 30, 2023; and
 - b) the book values of assets as included in Column F to G of the Statement are not in agreement with the Board approved unaudited standalone financial results and the underlying books of account and other relevant records and documents maintained by the Company as at and for the quarter ended June 30, 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

SHYAMSUNDAR R PACHISIA R PACHISIA Deter SHYAMSUNDAR R PACHISIA, c=IN, o=Personal, or c23.06.11 (T.24.35 + 0530')

per Shyamsundar R Pachisia Partner Membership Number: 049237 UDIN: 23049237BGXH0T6028

Place of Signature: Mumbai Date: August 11, 2023





JSW Centre, Bandra-Kurla Complex Bandra East, Mumbai – 400 051 Phone : 022- 4286 1000 Fax : 022- 4286 3000 Website : <u>www.jsw.in</u> CIN NO.L27102MH1994PLC152925

Statement of Security Cover Ratio and other information as at June 30, 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 June 30, 2023	Compliance Met
1.	Security Cover Ratio (Minimum	Upstream 3.8 MTPA – 2.37 times	Yes
	1.25 times)	CRM Complex 1 & 2 – 1.71 times	
		Salem Works – 1.72 times	
		(Refer Annexure A)	
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 SEBI circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines read with Regulation 54 and 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 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. 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.
- 7. 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 June 30, 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.



Part of O.P. Jindal Group

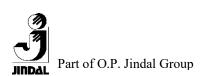


- 8. As at June 30, 2023, the Company has payables to project creditors / retention payments amounting to INR 2, 272 crores. Corresponding assets have been included in Column F and Column G of Annexure A since these payables are in the normal course of business.
- 9. Other debt disclosed under Column 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 PA

Rajeev Pai Chief Financial Officer Dated: 11 August 2023



n-Convertible [
axure A: 8.50% Secured Nor
Anney

nture

Annexure A. B.SUS Secured Non-Convertible Dependure																		
Column A	Column B	Column C	Column D	Column E		Column F		Column G	Column H	Column	Column J	Column K	Column L		Column M		Column N	Column 0
		Exclusive Charge	Exclusive Charge	Pari-passu Charge		Pari-passu Charge		Pari-passu Charge	Assets not offered as security	Elimination on (amount in negative)	Total (C to H)			Related to only t	Related to only those items covered by this certificate	r this certificate		
Particulars	Description of asset for which this certificate relate	Debt for which this	Other	Debt for which this	vssets shared by pa the certificate is i	ssets shared by pari-passu debt holder (includes debt for whic the certificate is issued & other debt with pari-passu charge)	Assets shared by pari-passu debt holder (includes debt for which the certificate is issued & other debt with pari-passu charge)	Other assets on which there is parl-passu charge		Debt amount considered more		Market C value for fo assets as	Carrying/book value for exclusive charge assets where market	Market value	Market value for pari passu charge Assets		Carrying/book value for pari-passu charge assets	Total value=
		certificate is being issued	lebt	certificate is being issued	Upto 3.8 MTPA Steel Plant at Vijayanagar Works	Cold Rolling Mill Complex- 1 & 2 at Vijayanagar Works	1 MTPA Steel Plant at Salem Works	(excluding terms covered in column F)		than once (due to exclusive plus pari-passu charge)		E	value is not ascertainable or applicable	Upto 3.8 MTPA Steel Plant at Vijayanagar Works	Upto 3.8 MTPA Steel Cold Rolling Mill-1 & 1 MTPA Steel Plant at Vijayanagar 2 at Vijayanagar Plant at Works Salem Works Salem Works	1 MTPA Steel Plant at Salem Works	where market value is not ascertainable or applicable	K+L+M+N
		Book value	Book value	Yes	Book value	Book value	Book value	Book value							Relating to Column	Column F		
Assets	Assets pertiaining to upto 3.8 MTPA Steel Plant at Vijayanagar Works. Cold Rolling Mill - 1 & 2 at Vijayanagar Works & 1 MTPA Steel																	
L L L	Plant at Salem Works	-	-		100.	1001	000.0				007.01	-			COT L	0000		100.01
Property, plant and Equipment	Freehold Land, buildings, Plant and Equipment, Furniture and Eivitures Vahioles and Aircrafts and Office animments				4,825	4,895	2,333	48,613	6,820		/0,486			9,555	5, /60	3,118		19,094
Capital Work-in-Progress	Capital Work-in-Progress including Capital Advances	~			2,762	291	313	7,002	1,111		11,479			1,681	1,861	146		3,688
Right of Use assets	Leasehold land, Rail Wagons	~	-					320			2,070							
Goodwill Intangible Assets	Goodwill Mining blocks, Softwares, Mining Rights and other mining cost				•				1,772	.	1,772					•••		
		-							000		000							
Intangible Assets under Development Investments	Softwares Investment in Subsidiarias Associates and Ioint Ventures and		-			•			390 27.613		390 27.613							
	other Non Current Investments								210/17		2 2 2							
Loans	Loans given to Subsidiaries and Other Group companies	~			•				6,891		6,891					•		
Inventories	Inventories	-			•	•		20,827	•	•	20,827			•		•		
Trade Receivables	Trade Receivables	-			•	•		8,297	, vic i	•	8,297 r 700			•	•	•		
Dank Defenses other then each and each	Dank Delanor other than carb and carb autimized		_						BC/'C	•	97/C	_						
bairt balances ourer uran cash anu cash equivalents	parik palances onier trian cash and cash equivalence								4,240		4,240							
Other assets	Derivative Assets (current and non-current), Other Financial				•		•	•	13,402	.	13,402				•	•		•
	Assets (current and non-current), Other Assets (current and	~~										_						
Tota	non-current) and current Lax Assets				7,587	5,186	2,646	85,060	72,753	.	1,73,232							
		_	_															
Liabilities		_																
Debt securities to which this certificate pertains Non Convertible Debentures	Non Convertible Debentures				2,000	1,000	1,000	•	•		4,000							
Other debt sharing pari-passu charge with above	Other debt sharing pari-passu charge with above Secured Rupee term loans/Non Convertible Debentures for				1,203	2,026	534		,	'	3,763							
dept	which pair passu charge is created including interest accrued but not due and MD AS adjustments																	
Other debt	Other Secured Loans not considered above							15,564		.	15,564		_					
Subordinated debt Rorrowings (Treorgrad)	Inserting Borrowings																	
Bank	Working Capital Loan	ľ								.	•							
Debt securities	Bond and Unsecured Non Convertible Debentures								18,204		18,204	_						
Others	Foreign Currency Loans, Rupee Term Loans and Capex								16,138	•	16,138							
Trade Pavables	Acceptance Trade Pavables							18 373	R 798		171 72		_					
Lease Liabilities	Lease Liabilities							-	1,778	.	1.778							
Provisions	Provisions					•			1,580		1,580							
Others	Derivative Liabilities (current and non-current), Other				•	•	•		19,267		19,267							
	Financial Liabilities (current and non-current). Other Liabilities (current and non-current). Current Tay Liabilities and Deferred																	
	Tax Liabilities excluding Interest accrued but not due																	
Tota					3,203	3,026	1,534	33,937	65,765	.	1,07,466			11,236	7,621	3,924		22,782
Cover on Book Value					2.37	1.71	1.72											
Cover on Market Value				-										3.51	2,52	2.56		
					Pari	Pari-Passu Security Cover Ratio	Ratio											

Pari-Passu Security Cover Ratio