JSW Steel Limited

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

Ref: JSWSL: SEC: Mum: 2025-26/11/05
November 13, 2025

1.	**National Stock Exchange of India Ltd.** Exchange Plaza Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E), Mumbai – 400 051 **NSE Symbol: JSWSTEEL** ***Kind Attn: Listing Department***	**2.**	**BSE Limited** Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001. **Scrip Code No.500228** ***Kind Attn: Listing Department***

Sub: **Intimation of revision in ratings outlook under Regulation 30 (6) & 51(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations 2015")- Update on Credit ratings on revision in ratings outlook to "Stable" from "Rating Watch with Developing Implications'".**

Dear Sir,

In compliance with Regulation 30(6) and 51(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that India Ratings vide their Press Release dated November 12, 2025 affirmed the 'AA' Long Term Issuer Rating and ratings on Non- Convertible Debentures. India Ratings has changed the outlook on the ratings to 'Stable' from 'Rating Watch with Developing Implications'.

Please find below the details of revision in ratings outlook.

Name of the Company	Credit Rating Agency	Type of Credit Rating	Existing	Revised
JSW Steel Limited	India Ratings	Long-Term Issuer Rating	IND 'AA' Outlook: Rating Watch with Developing Implications	IND 'AA' Outlook: Stable
		Non- Convertible Debentures	IND 'AA' Outlook: Rating Watch with Developing Implications	IND 'AA' Outlook: Stable

A copy of the Press Release issued by India Ratings covering the rationale for revision in outlook is enclosed herewith.

This is for your information and records.

Yours faithfully,
For **JSW STEEL LIMITED**
MANOJ PRASAD SINGH Digitally signed by MANOJ PRASAD SINGH
Manoj Prasad Singh
Company Secretary
(In the Interim Capacity)

India Ratings Affirms JSW Steel's and its NCDs at 'IND AA'; Off Rating Watch with Developing Implications

Nov 12, 2025 | Iron & Steel

India Ratings and Research (Ind-Ra) has affirmed JSW Steel Limited's (JSWL) Long-Term Issuer Rating and its non-convertible debentures (NCD) at 'IND AA' while resolving the Rating Watch with Developing Implications. The Outlook is Stable. The detailed rating actions are as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Issuer rating	-	-	-	-	IND AA/Stable	Affirmed
Non-convertible debentures*	-	-	-	INR100,000	IND AA/Stable	Affirmed

*Details in Annexure

Analytical Approach

Ind-Ra continues to take a fully consolidated view of JSWL and its subsidiaries because of the close operational and strategic linkages among them.

Detailed Rationale of the Rating Action

Ind-Ra has resolved the Rating Watch following the Hon'ble Supreme Court's (SC) judgement, dated 26 September 2025, SC dismissed the appeals filed by the erstwhile promoters and certain operational creditors and upheld the judgement of the National Company Law Appellate Tribunal dated 17 February 2020 approving the JSWL's INR193.5 billion bid to acquire Bhushan Power and Steel Ltd (BPSL; owns 83.28%) through the corporate insolvency resolution process (CIRP) route, clarifying ownership and operational continuity of BSPL. Furthermore, in this order SC recalled its earlier judgement dated 2 May 2025 and permitting a review petition against the said judgement on 31 July 2025.

The affirmation reflects Ind-Ra's expectation of an improvement in JSWL's consolidated net adjusted leverage (including acceptances) FY26 onwards, supported by a healthy domestic demand and volume ramp up from the incremental commissioned capacities at Vijayanagar and BPSL. The EBITDA per tonne is likely to benefit from an increase backward integration for iron ore and coking coal through raw material security, a reduction in power cost from the increase share of renewable power and a higher share of the value-added products in the company's sales mix. The ratings continue to reflect JSWL's strong business profile on the back of its low-cost position (conversion costs). The net leverage increased to 4.4x in FY25 due to pricing pressure from low-cost Chinese exports, but improved back to 3.6x (annualised) in 1HFY26 and is likely to sustain below 3.5x from FY26 supported by increased sales volume and EBITDA per tonne. The ratings reflect the visibility of the net leverage to improve to around 3.5x over FY26-FY28 despite the ongoing capex, supported by higher EBITDA and healthy volume growth. Any lower-than-Ind-Ra-expected cash accrual from a steep moderation in commodity prices leading to lower EBITDA per tonne and an increase in the consolidated balance sheet net debt will remain a key monitorable.

List of Key Rating Drivers

Strengths

- Capacity expansion ramp-up in FY26
- EBITDA per tonne to improve in FY26, supported by a higher operating leverage
- Strong business profile
- Raw material security through backward integration

Weaknesses

- Moderate balance sheet leverage on account of continued large capex
- Free cash flow to remain negative amid large capex planned
- Inherent industry and regulatory risks, and exposure to forex risks

Detailed Description of Key Rating Drivers

Capacity Expansion Ramp-up in FY26: The ratings reflect Ind-Ra’s expectation of a substantial ramp up of JSWL’s newly added brownfield capacity in Vijayanagar by 5 million tonnes per annum (mtpa) and that at its BPSL by 1mtpa FY26 onwards, in line with the management’s expectation. The increased volume growth is likely to be supported by a robust domestic demand from end-user industries. JSWL has planned a capex of around INR761.1 billion (including maintenance capex) over FY26-FY29, which includes carried forward capex towards the brownfield capacity expansion in Vijayagar and BPSL and the new capex towards the Dolvi phase III expansion by 5mtpa from the current 10mtpa, mining infrastructure at Odisha mines, the sustenance capex, pellet and coke oven plant, beneficiation plant and an expansion of its downstream capacity. The capex is likely to be funded through a mix of debt and internal accruals. JSWL plans to increase its total capacity in India in a phased manner to 42mtpa by September 2027 and further to 50mtpa by FY31 (December 2024: 34.2mtpa) through brownfield expansion and the de-bottlenecking of its existing facilities. Ind-Ra does not expect the company’s execution or financial closure risk to be high, given its project execution track record, and strong banking and capital market relations.

EBITDA per tonne to Improve in FY26, Supported by a Higher Operating Leverage: Ind-Ra expects JSWL’s EBITDA per tonne to be around INR10,000 in FY26, led by expanded volumes from the ramp up of the additional capacity in Vijayanagar (5mtpa) and in BPSL (1mtpa), a healthy demand from the end-user industries and benign input cost despite volatile steel prices. JSWL’s cost-efficiency programmes such as pellet plants, coke oven, sinter plant and captive power plants are likely to result in cost savings, leading to a higher profitability despite a fall in realisations, according to Ind-Ra. In FY25, the total sales volume increased 7% yoy to 26.45MT, supported by a healthy demand even as the realisation fell 9% yoy. The revenue fell 4% yoy in FY25 to INR1,688.2 billion (FY24: INR1,750.1 billion). For 1HFY26, the total sales volume increased 14% yoy to 14.02MT while realisation fell 7% yoy, leading to a 7% yoy increase in the revenue to INR883 billion. JSWL’s EBITDA per tonne declined to INR8,659 in FY25 from INR11,395 in FY24, aided by the correction in the realisation. The EBITDA per tonne improved back to INR10,479 in 1HFY26 on account of a correction in the raw material, despite a moderation in the realisation. The agency expects the EBITDA to benefit from an increase in the volumes from added capacities, supported by a continued healthy domestic demand from the end-user industries, the increasing backward integration and a higher share of the value-added products in the company’s sales mix in the medium term.

Strong Business Profile: JSWL has a significant cost advantage, as it benefits from locational advantage, low manpower costs and operational efficiencies. The backward integration from captive iron ore and coking coal mine (through auction) further ensure raw material security. JSWL has a leading market share in southern and western India with a diversified product profile, and the higher share of value-added products in JSWL’s sales mix of around 64% in 1HFY26 is an added advantage. JSWL’s strategic partnership with JFE Steel Corporation (Japan) for technology underpins the company’s efforts to develop value-added products. Additionally, JSWL has a low conversion cost per tonne compared to its domestic peers. The company’s business profile has strengthened following the acquisition of BPSL in March 2021, leading to an increase in its scale and value-added product mix, and access to eastern market where JSWL has its iron ore mines. JSW

Steel Coated Products Limited, a subsidiary of JSWL with 100% ownership, manufactures value-added downstream steel products in India. Furthermore, the amalgamation of JSW Ispat Special Products Limited in August 2023 has enabled JSWL to increase its presence in central India.

Raw Material Security through Backward Integration: JSWL has secured 24 iron ore mines through various auction process, of which 12 are operational (three in Odisha and nine in Karnataka), which together meet around 37% of the total iron ore requirement, ensuring raw material security. The captive iron ore is likely to increase over a period of time given the increased mining environment clearance (EC) limits for the existing mines and the commencement of operations of various mines in Karnataka (expects to commence three new mines in 1QFY27), Goa (expects to commence one mine in 3QFY26 and two in 2HFY27), Odisha and two blocks each in Maharashtra and Andhra Pradesh will commence in subsequent years. However, given these mines are obtained at auctioned premiums, the procurement price is linked to benchmark prices. The company imports its required coking coal and procures from domestic and international sources and hence is susceptible to price volatility. To reduce the volatility and increase security, JSWL plans to commission its three coking coal mines in India over the next two-to-three years, which is likely to generate 2mtpa of clean coking coal over the medium term. JSWL has also acquired two mines overseas - Illawarra mines in Australia which is an operating mine and the shipment of coking coal has commenced in FY26, and Minas De Revuboe Limitada (MDR), incorporated in the Republic of Mozambique, a pre-development stage hard coking coal mine. The company has also secured linkages with Coal India Limited. This is likely to result in increased backward linkage for coking coal over the medium term. Furthermore, JSWL met most of its power requirements for its domestic production through captive plants with a total capacity of around 2,000MW as on 31 March 2025.

Moderate Balance Sheet Leverage on account of Large Capex: The net adjusted leverage (including acceptances) increased in FY25 due to a continued pricing pressure from the low international steel prices. However, Ind-Ra expects the net adjusted leverage to revert to around 3.5x FY26 onwards (FY25: 4.4x; FY24: 3.4x), despite the ongoing capex, supported by a higher EBITDA per tonne and volumes from the expanded capacities. The net debt (including acceptances) increased marginally to INR1,060 billion at end-September 2025 (end-March 2025: INR1,018 billion, end-March 2024: INR953 billion) on account of the large capex and investments in working capital and to fund acquisitions. Ind-Ra believes JSWL's large capex programme, along with a moderation in the steel prices, despite lower raw material prices would constrain its free cash flows and keep the overall debt levels elevated over the medium term. The agency has not budgeted any large acquisition in its base case financial projection.

Free Cash Flow to Remain Negative amid Large Capex Plan: JSWL's capex has resulted in negative free cash flows over FY23-FY25 and the trend is likely to continue in FY26, given the large capex towards brownfield expansion and debottlenecking of the existing facilities, along with sizable investments in mining infrastructure. The capex, however, will be funded using a mix of debt and internal accruals, and the company has been raising debt for the purpose. Ind-Ra draws comfort from JSWL's diversified funding sources including Indian and foreign banks and capital markets.

Inherent Industry and Regulatory Risks and Exposure to Forex Risks: India's steel sector participants are exposed to significant cyclical demand changes, high volatility in raw material and end-product prices, and changes in government regulations. The Indian blast furnace route steel producers depend largely on the imports of coking coal, the supply of which is largely concentrated. China is the major global producer and any policy change will have implications on the industry operating margins. An increase in Chinese exports may resurface, despite the removal of export rebates due to a slump in the Chinese property market. Given JSWL's dependence on imports for coking coal and its large forex debt (accounting for about 58% of the consolidated debt as on 30 September 2025), the company remains exposed to forex risks. The raw material procurement is generally on foreign currency letter of credit and as such, the liabilities are exposed to currency volatility risks. However, the same is largely mitigated by JSWL's hedging policy, fully covering its revenue account and the next one year's debt servicing obligations, and the inherent linkage of steel realisations with foreign exchange rates.

Furthermore, as JSWL operates in a regulated industry, it faces risks of renewals or disputes of mining licences or an unexpected increase in the duties. Since JSWL is involved in mining operations, it is exposed to the SC's ruling of August 2024 on the retrospective payment of tax demand from April 2005 on mineral rights and mineral bearing lands to the state governments. However, the payments will be spread over 12 years, starting 1 April 2026 and no interest or penalties on demands for the period before 25 July 2024, will be levied for all assesses. The states are yet to announce their decision on the imposition of such retrospective tax. As per the management, the impact of the retrospective taxes at JSWL is likely to be modest considering the iron ore mines have been awarded by the government from 2018-19 and the bid premium payments for its mines to the government are nearly or over 100% of the market price. Ind-Ra will continue to monitor the impact of the Supreme Court ruling with respect to the taxation of mineral rights.

Liquidity

Adequate: At end-September 2025, JSWL had unencumbered cash and cash equivalents of around INR186 billion and consolidated unutilised working capital lines (fund- and non-fund-based) of INR330 billion and an undrawn term loan of INR53 billion. Ind-Ra expects the working capital requirements to remain high in FY26, due to its incremental volumes after the ramp-up of volumes in Vijaynagar and phase-II of BSPL. JSWL targets a capex outflow of around INR200 billion each year over FY26-FY28, of which it completed INR68 billion at end-September-2025. JSWL has scheduled repayments of INR67.5 billion in 2HFY26, INR169 billion in FY27 and INR171 billion in FY28. Given the capex budget for FY26-FY27, the agency expects JSWL to refinance a part of its debt maturities well in advance, given its track record of raising funds through capital markets and banks. The company's liquidity profile is also supported by its healthy financial flexibility and strong access to capital markets.

Rating Sensitivities

Positive: The consolidated net adjusted leverage improving to 2.5x, on a sustained basis, and a reduction in the refinancing needs could lead to a positive rating action.

Negative: The following events, individually or collectively, could lead to a negative rating action:

- higher-than-Ind-Ra-expected debt-funded capex/acquisition and/or investment in joint venture/associates
- a substantial decline in the capacity utilisation and the EBITDA per tonne
- the adjusted net leverage (including acceptances) staying above 3.5x, on a sustained basis
- a sustained weak liquidity cushion and or the inability to reduce refinancing risk

Any Other Information

Standalone Financial Profile: On a standalone basis, JSWL contributed 76% to the total consolidated revenue during FY25 (FY24: 77%, FY23: 79%) and 80% to the consolidated EBITDA (78%; 83%). JSWL earned a revenue of INR1,277 billion in FY25 (FY24: INR1,351.8 billion, FY23: INR1,316.9 billion) and an EBITDA margin of 14% (16%, 12%). JSWL's standalone debt accounted for 70% of the consolidated debt at end-March 2025.

ESG Issues

ESG Factors Relevant to Rating: GHG Emissions and Air Quality under Environment has relevance and moderate impact to the credit rating of JSWL. Increased environmental compliance costs and capital expenditures in overseas subsidiaries may have a modest impact on the group's margins and cash flows in conjunction with other factors. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

About the Company

JSWL, a part of the JSW Group, is an integrated manufacturer of a range of steel products with an export presence in over 100 countries. JSWL has a total steel-making capacity of 35.7mtpa in India and the US (including capacities under joint control). The company's products include hot-rolled steel strips, sheets/plates, mild steel (MS) cold-rolled coils/sheets, MS galvanised plain/corrugated/colour-coated coils/sheets, steel billet, bars and rods. The company's largest facility in Vijaynagar, Karnataka, has a capacity of 17.5mtpa, followed by Dolvi, Maharashtra (10mtpa); Jharsuguda, Odisha (4.5mtpa under BPSL); Salem, Tamil Nadu (1mtpa) and JISPL (1.2mtpa). The products are used across end-user segments including industrials, infrastructure, automotive, and electrical applications among others. Additionally, company has a 1.5-mntpa capacity in Ohio, US. The company also has a plate and pipe mill business in the US and rolled products and grinding balls business in Italy, which are operated through its international subsidiaries. The promoters held a 44.8% stake in JSWL as on 31 December 2024 while the company had 83.28% stake in BPSL. It is among the leading producers and exporters of coated flat steel products in India. For value-added steel products, the company has a 100% subsidiary - JSW Coated Products Limited (JSCPL) - with manufacturing facilities at Vasind, Tarapur Khopoli, Bawal, Indore, Rajpura and Kalmeshwar in Maharashtra specialising in galvanised sheets, galvalume products, and high-end colour-coated sheets.

Key Financial Indicators

Particulars (Consolidated; INR billion)	1HFY26	FY25	FY24
Revenue	883	1,688.2	1,750.1
Operating EBITDA	146.9	229.0	282.4
Operating EBITDA margin (%)	16.6	13.6	16.1
Interest coverage (x)	3.2	2.7	3.5
Adjusted net leverage (including acceptances; x)	3.6	4.5	3.4
Source: JSWL; Ind-Ra			

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Rating Type	Rated Limits (million)	Current Ratings	Historical Rating/Outlook			
				13 May 2025	6 March 2025	7 March 2024	8 March 2023
Issuer Rating	Long-term	-	IND AA/Stable	IND AA/Rating Watch with Developing Implications	IND AA/Stable	IND AA/Stable	IND AA/Stable
Non-convertible debentures	Long-term	100,000	IND AA/Stable	IND AA/Rating Watch with Developing Implications	IND AA/Stable	IND AA/Stable	IND AA/Stable

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Non-convertible debentures	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity- indicators.

Annexure

Instrument	ISIN	Date of Issuance/ Allotment	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
Non-convertible debentures	INE019A07431	12 October 2020	8.50	12 October 2027	INR40*	WD
Non-convertible debentures (unused/proposed)					INR100	IND AA/Stable
Total#					**INR100**	

*Paid in full
does not include the withdrawn NCD
Source : JSWL

Contact

Primary Analyst
Abhishek Goyal
Senior Analyst
India Ratings and Research Pvt Ltd
DLF Epitome, Level 16, Building No. 5, Tower B DLF Cyber City, Gurugram Haryana - 122002
+91 124 6687200
For queries, please contact: infogrp@indiaratings.co.in

Secondary Analyst
Rohit Sadaka
Director
+91 33 4030 2503

Media Relation
Ameya Bodkhe
Marketing Manager
+91 22 40356121

About India Ratings

India Ratings and Research (Ind-Ra) is India's SEBI registered credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Corporate Rating Methodology

Policy for Placing Ratings on Rating Watch

The Rating Process