

Independent Auditor's Report on the accounting treatment in the proposed scheme of amalgamation under Section 230 to 232 of the Companies Act, 2013, relevant rules thereunder, SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 read with SEBI Master Circular no. SEBI/HO/DDHS/DDHS-PoD1/P/CIR/2024/48, SEBI Master Circular No. SEBI/HO/DDHS/DDHS-PoD1/P/CIR/2023/108 and SEBI Operational Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103

To,
The Board of Directors,
JSW Steel Limited,
JSW Centre,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051

1. This certificate is issued in accordance with the terms of our service scope letter dated November 28, 2025, and master engagement agreement dated June 20, 2022 (as amended), with JSW Steel Limited (the "Company" or "Transferee Company" or "Resultant Company") pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Regional Director and other regulatory authorities in connection with the scheme of amalgamation as mentioned in paragraph 2 below.
2. We, S R B C & CO LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the management of the Company, to examine whether:
 - a) the accounting treatment given in clause 8 of Part II of the attached Proposed Scheme of amalgamation dated December 03, 2025 (the "Proposed Scheme" or "Proposed Scheme of Amalgamation") of Piombino Steel Limited (the "Transferor Company") with the Company and their respective shareholders, in terms of the provisions of sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ("the Act"), SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 read with SEBI Master Circular no. SEBI/HO/DDHS/DDHS-PoD1/P/CIR/2024/48, Operational Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 and SEBI Master Circular SEBI/HO/DDHS/PoD1/P/CIR/2023/108 ("SEBI Master Circulars") as amended, for compliance with the applicable accounting standards prescribed under section 133 of the Act, relevant rules thereunder and other generally accepted accounting principles in India (collectively referred to as 'applicable accounting standards'), read with General Circular No 09/2019 issued by the Ministry of Corporate Affairs dated August 21, 2019 (MCA Circular);
 - b) the Company after the amalgamation is capable of payment of interest and / or repayment of principal of its unsecured & secured redeemable, listed, rated, fully paid non-convertible debentures ("NCDs") as stated in clause 12 of Part II of the attached proposed scheme of amalgamation, in terms of the SEBI Master Circulars;

The Board of Directors of the Company have approved the accounting treatment as prescribed in the proposed scheme which is included in Annexure 1 and the attached declaration prepared by the management relating to capability of the resultant company for payment of interest and/or repayment of principal of the NCDs ("Undertaking") which has been initiated by us for identification purposes only included in Annexure 2.

Management's Responsibility

3. The management of the Company is responsible for preparation of the proposed scheme and preparation of the Undertaking and providing all the information in relation to the proposed scheme and Undertaking 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 Undertaking and the proposed scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. The proposed scheme and the Undertaking has been approved by the Board of Directors.
4. The management of the Company is also responsible for ensuring that the Company complies with the relevant laws and regulations, including the applicable accounting standards as aforesaid and circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also provides relevant information to the Regional Director or any other regulatory authorities in connection with the Proposed Scheme of amalgamation.



Auditor's Responsibility

5. Pursuant to the requirements of Act and SEBI Master Circulars, it is our responsibility to provide a limited assurance in form of conclusion based on our examination whether:
- the proposed accounting treatment as contained in the Annexure 1 is in compliance with the applicable accounting standards read with MCA circular;
 - the resultant company is capable of payment of interest and / or repayment of principal of its NCD's;
6. We have performed limited review on the unaudited standalone financial results of the Company for the quarter and half year ended September 30, 2025 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 vide our report dated October 17, 2025 ("financial results"). Our review of these financial results were conducted 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'). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement.
7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for special purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
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 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 statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion. Further, our examination did not extend to any aspects of legal or propriety nature of the Proposed Scheme and other compliances thereof. Nothing contained in this report, nor anything said or done in the course of, or in connection with the services that are subject to this report, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria and vary in nature, timing and extent than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, our procedures included the following:
- Obtained and read the Proposed Scheme and the proposed accounting treatment specified therein;
 - Obtained copy of resolution passed by the Board of Directors of the Company dated December 03, 2025 approving the Scheme;
 - Examined whether the proposed accounting treatment as per clause 8 of the Proposed Scheme is in compliance with the Applicable Accounting Standards;
 - Obtained the list of the borrowings and NCDs including their due dates for repayment;
 - Traced the contractual terms of NCDs to the trust deeds and underlying agreements;
 - Obtained the financial results and additional information pursuant to Regulation 52(4) and Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended for the quarter and half year ended September 30, 2025 of the transferee company which



was approved by the Board of Directors on October 17, 2025 and traced the current ratio, security coverage ratio and the balances of assets and liabilities;

- Obtained the statement comprising of provisional balances of assets and liabilities ("the statement") of the Resultant Company as at September 30, 2025 as stated in such Undertaking prepared by the management and adopted by the Board of directors;
- Agreed the financial information given in the statement to the underlying sub-ledgers, registers and other books and records;
- Tested the arithmetical accuracy of the total assets and total liabilities (including NCDs) and tested if the total assets is greater than total liabilities and the arithmetical accuracy for the calculation of current ratio and security coverage ratio and tested if those are greater than 1;
- Performed necessary inquiries with the management and obtained necessary representations from the management.


Conclusion

11. Based on the procedures performed by us as referred to in paragraph 10 above and according to the information, explanations and management representations received by us, nothing has come to our attention that causes us to believe that:
- the proposed accounting as contained in the Annexure 1, is not in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable accounting standards notified by the Central Government under section 133 of the Act read with relevant rules thereunder and other Generally Accepted Accounting Principles and MCA circular;
 - the resultant company is not capable of payment of interest/repayment of principal of the NCDs being held by it as stated in clause 12 of Part II of the attached scheme of amalgamation;

Restriction on Use

12. This report has been issued at the request of the Company and is addressed to and provided to the Board of Directors pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Regional Director and any other regulatory authority in connection with the Scheme, and should not be used for any other person or purpose or distributed to anyone or referred to in any document without our prior written consent. Our examination relates to the matters specified in this report and does not extend to the Company as a whole. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it 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

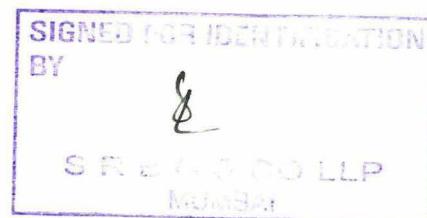

per Suresh Yadav
Partner
Membership Number: 119878
UDIN: 25119878BMNYZZ1685
Place of Signature: Mumbai
Date: December 03, 2025



Annexure 1 – Extract of Clause 8 of Part II of the Scheme of Amalgamation under Section 230 to 232 of the Companies Act, 2013 approved by the Board of Directors on December 03, 2025

Notwithstanding anything else contained in the Scheme, the Transferee Company shall account for the amalgamation of the Transferor Company in accordance with "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard ("Ind AS") 103 ("Business Combinations of entities under common control") notified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time in its standalone financial statements such that:

- 8.1 The Transferee Company shall record all the assets and liabilities of the Transferor Company, vested in it pursuant to the Scheme, at the carrying values as appearing in the consolidated financial statements of the Transferee Company and investments in subsidiary of the Transferor Company shall be recognised in accordance with the applicable Ind AS;
- 8.2 The identity of the reserves of the Transferor Company, shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the carrying values as appearing in the consolidated financial statements of Transferee Company;
- 8.3 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the Inter-Company balances between the Transferor Company and/or the Transferee Company, if any, appearing in the books of the Transferee Company and/or the Transferor Company shall stand cancelled and there shall be no further obligation in that behalf;
- 8.4 The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation and there shall be no further obligation in that behalf;
- 8.5 The Transferee Company shall credit an amount equal to face value/ nominal value of the equity shares issued to the shareholders of the Transferor Company pursuant to Clause 7.1 of the Scheme, to its share capital account;
- 8.6 The surplus, if any, arising after taking the effect of Clause 8.1 to 8.5 above shall be transferred to the Capital Reserve in the financial statements of the Transferee Company. The deficit, if any, arising after giving effect to Clause 8.1 to 8.5 above and adjustment of previously existing credit balance in capital reserve, if any, shall be debited to the Retained Earnings in the financial statements of the Transferee Company;
- 8.7 In case of any differences in accounting policy between each of the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy;
- 8.8 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger has occurred from the beginning of the comparative period;
- 8.9 For accounting purposes, the Scheme will be given effect on the date when all substantial conditions of the amalgamation of the Transferor Company with Transferee Company are completed; and

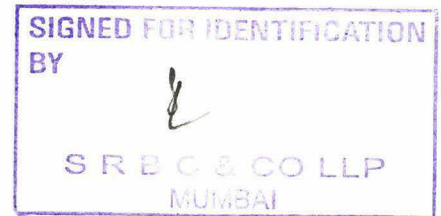




8.10 Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the requirements of applicable Ind AS and generally accepted accounting principles.

For **JSW Steel Limited**


(**Prabhakaran Chandrasekaran**)
Dy. Chief Financial Officer (Accounts & Taxation)





Annexure 2: Declaration on JSW Steel Limited's ("Resultant Company" or "Company") capability of payment of interest and/or repayment of principal amount of Non-Convertible Debentures ("NCDs") pursuant to SEBI Master Circular No. SEBI/HO/DDHS/PoD1/P/CIR/2023/108 ("SEBI Master Circular")

Dear Sirs,

1. This is regarding the Scheme of Amalgamation between JSW Steel Limited (the "Company" or "Transferee Company" or "Resultant Company") and Piombino Steel Limited (the "Transferor Company") as approved by the Board of Directors of the Company in their meeting held on December 03, 2025.
2. In connection with the requirements of Para (A)(6) of Part I of Annex-XII-A under Chapter XII of the SEBI Master Circular in connection with the Scheme, the Board of Directors of the Company have reviewed the principal outstanding in respect of unsecured & secured redeemable, listed, rated, fully paid non-convertible debentures ("NCDs") as stated in clause 12 of Part II of the attached scheme of amalgamation and its interest thereon in the Resultant Company pursuant to this Scheme.
3. Based on the balances of assets and liabilities of the transferee company as per the unaudited standalone financial results as at September 30, 2025 and the additional information pursuant to Regulation 52(4) and Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the total assets exceed the total liabilities (including NCDs) and the current ratio and security coverage ratio is greater than 1 respectively. Accordingly, there is adequate security coverage and the recoverability of the outstanding NCDs is established.
4. Based on provisional balances of assets and liabilities of the Resultant Company as at September 30, 2025, the Board of Directors have determined that the current ratio and security coverage ratio is greater than 1 and the total assets exceed the total liabilities (including NCDs) of the Resultant Company. Further, the Resultant Company is expected to generate cash flows.
5. Accordingly, the Board of Directors of the Company hereby confirm, that the total outstanding principal in respect of NCD and interest thereon, as referred to in paragraph 2 above, will get discharged in the due course as set out in the relevant NCD trust deeds. The said scheme of amalgamation with the Resultant Company will not impair its capability to service the principal and interest payable on issued NCDs.

For **JSW Steel Limited**


(Prabhakaran Chandrasekaran)
Dy. Chief Financial Officer (Accounts & Taxation)

