JSW Steel Limited

July 07, 2023

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	31,054.00 (Reduced from 33,116.00)	CARE AA; Stable	Reaffirmed
Long-term / Short-term bank facilities	11,421.00 (Reduced from 14,411.00)	CARE AA; Stable / CARE A1+	Reaffirmed
Short-term bank facilities	29,421.00 (Enhanced from 25,301.00)	CARE A1+	Reaffirmed
Issuer rating	0.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	340.00 (Reduced from 670.00)	CARE AA; Stable	Reaffirmed
Non-convertible debentures	500.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	4,000.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	4,000.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	-	-	Withdrawn
Commercial paper	2,500.00	CARE A1+	Reaffirmed
Commercial paper	2,500.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of the ratings assigned to the bank facilities and instruments of JSW Steel Limited (JSWSL) factors in the well-established position of JSWSL in the steel sector, being one of the leading integrated steel producers in the domestic market, having a diversified product profile and presence through manufacturing facilities across key strategic geographies, majorly catering to the southern, western and central Indian market. The ratings also factor in the group's strategy in securing captive iron ore and coal mine reserves, in an effort to continuously enhance its raw material security. Increasing share of value-added products, its flexibility to shift between the domestic and exports markets and rising share of raw material availability from captive mines, has enabled the company to withstand adverse industry cycles.

JSWSL witnessed moderation in profitability during FY23 (refers to the period from April 01 to March 31), largely on account of significant decline in finished steel prices as against volatile raw material prices (especially coking coal) and lower exports volumes owing to an imposition of export duty (from May 2022 to November 2022). Moderation in profitability was partially offset by increase in the saleable steel quantity with additional capacity onstream and the healthy demand from end-user industries during the second half of FY23. With the decline in raw material prices in Q3 and Q4 FY23, JSWSL has witnessed an improvement in its profitability margins. Consolidated sales of Indian operations for Q4FY23 was 6.35 mtpa. The company commissioned a 5-million tonne per annum (mtpa) capacity at Dolvi, Maharashtra, in FY22 and 0.75 mtpa was added to Bhushan Power and Steel Limited's (BPSL's) plant in Odisha in FY23 taking the total capacity to 29.7 mtpa as on March 31, 2023, in India and the US (including capacities under joint control).

Going forward, CARE Ratings Limited (CARE Ratings) expects, although raw material prices will continue to remain volatile, domestic steel players are better placed to partially pass on the increase in the raw material prices and record higher saleable steel volumes owing to strong domestic demand and improving exports volumes post removal of the export duty in November 2022.

The liquidity profile of JSWSL is supported by cash and cash equivalents (includes margin money) of ₹20,719 crore as on March 31, 2023. The total debt as on March 31, 2023, increased compared with March 31, 2022, due to borrowings on account of capex, forex impact on the borrowings and increase in revenue acceptances. CARE Ratings expects the debt levels to remain at similar levels, for at least 12-24 months with capital expenditure to be made for capacity addition as announced by the company.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

The company has announced capex expenditure of ₹51,925 crore to be incurred over a period of three years funded through mix of debt and cash accruals. The capex majorly comprises the Vijayanagar expansion, apart from BPSL expansion, investment in mines, downstream facilities and sustenance capex. Prioritisation of cash accruals and available cash towards capex will keep the debt levels at similar levels for the next two years.
With the moderation in solvency indicators (overall gearing and net debt/PBILDT) surpassing the envisaged level for FY23, CARE Ratings believes the same was largely on account of an exceptional rise in the raw material prices impacting the profitability for the year, in addition to the rise in working capital requirements. Going ahead, with significant correction in raw material prices along with normalisation of the industry cycle, CARE Ratings expects the same to improve over the next two-year period. Increase in the saleable steel quantity will further enable the company to generate additional cash from operations thereby improving the financial ratios with improvement in profitability and accretion to net worth.

The above rating strengths are, however, tempered by the company's presence in a highly cyclical steel industry, forex exposure and commodity pricing risk, and commitments towards various capital-intensive projects.

In May 2022, the company has announced the amalgamation of JSW Ispat Special Products Limited (JISPL) with and into JSWSL. The said amalgamation is expected to be completed by Q2 FY24, subject to regulatory approvals from various stakeholders. The scheme of amalgamation is expected to bring operational synergies, going forward.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Adequate deleveraging of the capital structure through rationalisation of debt levels and/or equity infusion (improvement of overall gearing ratio and sustenance to below 1.50x).
- Consistent improvement in the net debt/profit before interest, lease rentals, depreciation and taxation (PBILDT) ratio (annual) to below 2.0x.

Negative factors

- Sustained level of debt and deterioration of the net debt/PBILDT to above 3.00x on a sustained basis.
- Any unforeseen large debt-funded capex or acquisitions, thereby impacting the overall capital structure to above 1.50x.

Analytical approach: CARE Ratings has adopted a consolidated approach. There are various subsidiaries, having significant operational and financial linkages. There is significant reliance of the subsidiaries on the parent, and business interlinkages are present between the parent and subsidiaries (The list of entities has been mentioned below under Annexure-6). The consolidated approach going ahead also considers the financials of JISPL, which upon getting required approvals, will be amalgamated into JSWSL.

Outlook: Stable

Stable outlook reflects that the rated entity is likely to maintain its dominant market position, which coupled with favourable demand scenario in the domestic market along with ramping-up of the added capacity shall enable it to sustain healthy business risk profile over the medium to long-term period.

Detailed description of the key rating drivers:

Key strengths

JSWSL's established presence in the Indian steel industry, strong track record of the management in project execution and cost management expertise

JSWSL, with a steelmaking capacity of 28.20 mtpa (including entities under joint control) in the domestic market as on March 31, 2023, has a considerable presence in the Indian steel industry. Its multi-location steel manufacturing facilities produce various upstream and downstream products. Over the past years, JSWSL has ramped-up its capacities in a timely and cost-effective manner to become one of the leading steelmakers in India. Furthermore, the company has managed to maintain competitive margins due to its efficient operations. Apart from turning around stressed acquired assets, the company has demonstrated a strong track record in greenfield and brownfield project execution a well as cost management expertise. The company successfully integrated BPSL to increase its presence in northern and eastern India. The likely amalgamation of JISPL with and into JSWSL will enable the company to increase its presence in central India. Moreover, JSWSL plans to take the near-term capacity in India to 37 mtpa (including capacities under joint control) in phases by FY25 through new capacity expansion and de-bottlenecking of existing facilities.

Wide product offering

JSWSL earns its revenues from a well-diversified portfolio of steel products. The product portfolio continues to be dominated by flat products with a share of around 75% of the total sales volume in FY23 (73% for FY22). The share of margin-accretive value-added and special products (VASP) stood at around 57% during FY23 as compared with 60% during FY22. Export sales accounted for about 13% of the total sales in FY23. Export sales have declined post duty imposition from May 2022 to November 2022. With the removal of export duty, export sales are expected to improve in FY24.

Moderation in performance in FY23; operating profitability improved in Q4FY23

In FY23, JSWSL reported an operating income of ₹165,960 crore, PBILDT of ₹18,547 crore and profit after tax (PAT) of ₹4,139 crore. Substantially reduced export sales impacted the revenue growth and profitability of the company for FY23. Further more, fall in realisation sequentially in Q2FY23 and Q3FY23 impacted the profitability. In Q4FY23, increase in realisation and volumes resulted in improved performance for the quarter.

Saleable steel sales increased to 22.39 mtpa in FY23 from 16.34 mtpa (Ex. BPSL) in FY22 on a consolidated level. Share of value-added and special products was 57% of the total sales in FY23 compared with 60% in FY22. The export sales declined to 13% in FY23 as against 28% in FY22 due to export duty imposed by the government.

Overseas subsidiaries, except for Ohio (US), Plates & Pipe Mill (US), and Piombino (Italy), posted profits at the operating level. Piombino's performance is likely to sustain in FY24 with rail orders from the Italian Government.

Captive mines and power generation to support cost

Iron ore is one of the key raw materials required for steel production. All 13 mines held by JSWSL have been operational (nine in Karnataka and four in Odisha), with 41% of the standalone operations iron-ore requirement met from the captive mines in FY23. Although these mines have been acquired at premium (payment linked to market price), it has led to consistency, availability, and yield improvement of iron ore, as reiterated by the management. Even so, the availability of captive mines can be considered as a long-term strategic advantage. For its coking coal requirement, the company is primarily dependent on imports, and hence, it is exposed to price volatility similar to other Indian players. The company continues to focus on backward integration by investing in its resource base to secure critical raw materials for the steel-making operations. The company has also set up a beneficiation plant, a coke oven plant, a pellet and sinter plant, thus helping yield improvements and cost reduction. As on March 31, 2023, the company has 1,770 MW of captive power capacity (includes BPSL 506-MW capacity).

Recently the company has been declared as preferred bidder for 1 Iron ore block in Maharashtra, 2 Iron ore blocks in Goa and 1 Iron ore block in Karnataka. The company has also been declared as preferred bidder for 2 coking coal mines in the state of Jharkhand. CARE Ratings notes the company plans to invest around ₹3,100 crore in new mines and make it operational in 2-3 years' time. The investment in new mines will ensure raw material security and reduce logistics cost.

Leveraged capital structure; solvency ratios to remain elevated in the near term

On a consolidated basis, the total debt level (including acceptances) stood at ₹107,615 crore as on March 31, 2023. The debt as on March 31, 2023 has increased from March 31, 2022, level due to borrowings on account of capex, forex impact on the borrowings and increase in the revenue acceptances. Forex impact was around ₹3,101 crore and revenue acceptances stood at ₹25,739 crore an increase by ₹9,220 crore from March 31, 2022.

The overall gearing ratio moderated to 1.65x as on March 31, 2023, from 1.37x as on March 31, 2022, due to debt addition and moderation in profitability. The net debt/PBILDT ratio stood at 4.69x as on March 31, 2023. However, comfort can be drawn from the cash and cash equivalents (includes margin money) of ₹20,719 crore available as on March 31, 2023. CARE Ratings believes that considering the capex plan of the company, which will be funded through a mix of debt and internal accruals, the debt levels are envisaged at similar levels for at least 12-24 months. However, with the increase in saleable steel quantity supported by strong domestic demand, increase in realisations and not-so-significant volatility in raw materials prices, the operating profitability is expected to improve for FY24, keeping the solvency ratios (overall gearing and net debt/PBILDT) within the acceptable levels.

Amalgamation of JISPL with/into JSWSL

JSWSL has announced the amalgamation of JISPL into and with JSWSL in May 2022, subject to regulatory approvals. The amalgamation is expected to be completed in Q2 FY24, subject to regulatory approvals from various stakeholders. Being into similar line of business, the amalgamation is expected to bring synergies in operations. The manufacturing facility of JSW Ispat Special Products Limited is in Raigarh, close to JSW Steel Limited's captive iron ore mines, with the proposed amalgamation, JISPL can source iron ore from captive mines of JSWSL as against procuring from merchant mines of JSWSL, since captive mines are closer to the plant, sourcing will result in bringing down cost of procurement. Furthermore, coke required by JISPL can be supplied by JSWSL bringing down the overall cost of raw material.

• Increase in capacity utilisation of JSWSL's rolling mill, intermediate products manufactured by JISPL can be rolled in JSWSL's plant in Vijayanagar and Anjar.
• Amalgamation to results in simplified structure and to reduce legal and regulatory compliance.
• JSWSL increased presence in central India.
• JISPL to benefit from technological support from JSWSL.

Acquisition of National Steel & Agro Industries Limited
National Steel & Agro Industries Limited (NSAIL) is a flat steel producer which includes cold rolled (CR) coils, galvanised sheets, colour coils and pre-painted sheets. For FY22, the company reported a turnover of ₹815 crore and net loss of ₹215 crore while in 9MFY23, the turnover was ₹468 crore with net loss of ₹48 crore. JSW Steel Limited through JSW Steel Coated Products Limited acquired the company for cash consideration of ₹621 crore.
NSAIL has an installed capacity of 300,000 TPA in the CR coils division, 330,000 TPA in the GP/GC unit and 170,000 TPA in the colour-coated coils division. In addition, it also has a captive power plant with an installed capacity of 6 MW. JSWSL has significant capacity of 13.5 mtpa in downstream facilities, producing value-added products and specialised products with higher margins. For FY23, VAP contributed 57% to sales. JSWSL is increasing its share of downstream and specialty steel used by auto to infrastructure sector.

Steel outlook for FY24
As per World Steel Association, the demand for steel worldwide will witness a 2.3% growth in 2023 and 1.7% in 2024. The growth prospects and steel industry outlook in India is favourable. Recent changes in the export taxes and import duties on steel, complemented by the rising demand for affordable housing, infrastructure development and construction projects, has led to a PAN-India need for steel metal. Steel prices are expected to stay under pressure due to weak global demand and decline in coking coal prices.

Recent developments in the steel sector
The Ministry of Steel signed 57 MoUs with 27 companies for specialty steel under the PLI scheme. Under the scheme, the government has approved a sum of ₹6,322 crore for steel sector growth. The Budget 2023-24 presents several opportunities in other industries that would directly boost the steel consumption.

Regulatory risk – Removal of export duty imposed on iron ore, pellets and steel intermediaries by the Government of India
The Government of India has scrapped the duty levied by it on export of iron ore, pellets and steel intermediaries in November 2022.

Key weaknesses

Commitment towards various capital-intensive projects and related risks
The company has capex plans of ₹51,925 crore to be incurred during FY24-FY26, including ongoing capex as well as new capex projects announced. The capex plans include the expansion of the Vijayanagar (Karnataka) plant by 5 mtpa, 3 mtpa coke-oven plant at Vijayanagar supporting 5-mtpa capacity, BPSL expansion, mining infrastructure at Odisha mines, sustenance capex, and others. The capex will be funded through a mix of debt and internal accruals and available cash balance. JSWSL has completed a 5-mtpa expansion at Dolvi, Maharashtra, along with cost-saving initiatives, like pellet plant, coke oven, and captive power generation facilities in FY22. Furthermore, BPSL capacity expansion to 3.5 mtpa from 2.75 mtpa has also been completed in FY23. However, the timely ramp-up of the facilities as envisaged is paramount and will remain a key rating monitorable.

Exposed to foreign exchange risk
Owing to the high dependence on imports for its coking coal as well as foreign currency denominated debt, the company remains exposed to the forex risks, which is partially mitigated by way of its hedging policy, covering its revenue account fully on a gross basis and the next one year's debt service obligations. Also, the company has been a leading exporter, and hence, has a natural hedge to that extent.

Cyclicality of the steel industry
The steel industry is sensitive to shifting business cycles, including changes in the general economy, interest rates, and seasonal changes in the demand and supply conditions in the market. Apart from the demand-side fluctuations, the highly capital-intensive nature of steel projects along with delays in completion hinder the responsiveness of the supply-side to demand movements. This results in several steel projects bunching up and coming onstream simultaneously, leading to demand-supply mismatches.

Furthermore, the manufacturers of steel products are directly exposed to the volatility of the steel industry.

Liquidity: Adequate
The liquidity position is marked adequate with cash & cash equivalents (includes margin money) at ₹20,719 crore as on March 31, 2023. The projected cash accruals for FY24 as supported by cash and cash equivalent as on March 31, 2023, are adequate to cover its repayment and capex requirement for FY24. The repayment for FY24 of ₹14,618 crore can be comfortably met from operating cash flow and available liquidity. The working capital limits are utilised at around 66% during last 12-months ended March 2023. The working capital utilisation is expected to ease a little with correction in commodity prices in the near term. JSWSL, being the flagship company of the JSW Group with a leading position in steel industry, enjoys strong financial flexibility and strong access to capital markets.

Assumptions/Covenants: Not applicable

Environment, social, and governance risks
CARE Ratings believes that JSWSL's environment, social, and governance (ESG) profile supports its strong credit risk profile. The steel sector has a significant impact on the environment owing to being energy intensive, high-water consumption and waste generation and also carbon emission. The sector's social impact is characterised by health hazards, leading to a higher focus on employee safety involved in mining and manufacturing activities and well-being of the local community, given the nature of its operations. JSWSL has continuously focused on mitigating its environmental and social risks. Key highlights of the ESG initiatives are as below:

- To reduce specific carbon dioxide emission by more than 42% by 2030 compared to base year of 2005.
- To be carbon neutral at JSW Steel Coated Products Limited by 2030.
- Increased use of scrap in steel-making.
- To reduce specific energy consumption by 19% by 2030 compared to base year of 2005.
- ₹10,000 crore earmarked for investments to reduce carbon emissions through various initiatives.
- Transition to renewable power usage through collaboration with JSW Energy Limited. 958-MW capacity of renewable energy to be set up in phases.
- Focus on zero waste to landfill.

Applicable criteria
Policy on default recognition
Consolidation
Factoring Linkages Parent Sub JV Group
Financial Ratios – Non financial Sector
Issuer Rating
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Credit Watch
Short Term Instruments
Manufacturing Companies
Steel
Policy on Withdrawal of Ratings

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Commodities	Metals & Mining	Ferrous Metals	Iron & Steel

JSWSL is a part of the JSW group, which in turn, is a part of the O.P. Jindal group. The JSW group has presence across various sectors, such as energy, infrastructure, cement, paints, sports, realty and venture capital. JSWSL is one of the leading steel producers, with a steelmaking capacity of 29.7 mtpa in India and the US (including capacities under joint control). In India, its integrated steel manufacturing units are located in Vijayanagar Works, Karnataka (12.5 mtpa), Dolvi Works, Maharashtra (10 mtpa), Salem Works, Tamil Nadu (1 mtpa), BPSL plant in Jharsuguda, Odisha (3.5 mtpa), and JSW Ispat Special Products Limited (1.2 mtpa) to produce a wide range of flat and long steel products. There is a 1.5-mtpa capacity steel plant in Ohio, in the US. Furthermore, through its wholly-owned subsidiary, JSW Steel Coated Products Ltd, the company is one of the leading producers of value-added downstream steel products in India, specialising in galvanised sheets, galvalume products, and high-end colour-coated sheets.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (Abr.)	Q4FY23 (UA)
Total operating income	146,371	165,960	46,962
PBILDT	39,007	18,547	7,939
PAT	20,938	4,139	3,741
Overall gearing (times)	1.37	1.65	1.65
Interest coverage (times)	7.85	2.69	3.71

A: Audited; Abr: Abridged results; UA: UnAudited
The financials have been reclassified as per CARE Ratings' standards.

Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable
Any other information: Not applicable
Rating history for the last three years: Please refer Annexure-2
Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3
Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Commercial Paper-Commercial Paper (Standalone)	Proposed	-	-	7-364 days	2500.00	CARE A1+
Commercial Paper-Commercial Paper (Standalone)	Proposed	-	-	7-364 days	2500.00	CARE A1+
Fund-based - LT-Cash Credit		-	-	-	3108.00	CARE AA; Stable

Fund-based - LT-Term Loan		-	-	Sept-24	98.00	CARE AA; Stable
Fund-based/Non-fund-based-LT/ST		-	-	-	11421.00	CARE AA; Stable / CARE A1+
Issuer Rating-Issuer Ratings		-	-	-	0.00	CARE AA; Stable
Non-Convertible Debentures	INE019A07241	18-Mar-2013	10.34%	18-Jan-2024	340.00*	CARE AA; Stable
Non-Convertible Debentures	INE019A07258	20-May-2013	10.02%	20-May-2023	-	Withdrawn
Non-Convertible Debentures	INE019A07266	19-Jul-2013	10.02%	19-Jul-2023	500.00	CARE AA; Stable
Non-convertible Debentures	INE019A07415 INE019A07423 INE019A07449	October 04, 2018	8.79% 8.90% 8.76%	May 02, 2031	4000.00	CARE AA; Stable
Non-Convertible Debentures	INE019A07431	12-Oct-2020	8.50%	12-Oct-2027	4000.00	CARE AA; Stable
Non-fund-based - ST-BG/LC		-	-	-	29421.00	CARE A1+
Term Loan-Long Term		-	-	Mar-32	27848.00	CARE AA; Stable

*amount outstanding as on June 30, 2023. Issue size ₹1,000 crore.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Cash Credit	LT	3108.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable	1)CARE AA; Stable (07-Jul-21)	1)CARE AA-; Stable (29-Sep-20)

						(06-Jul-22)		
2	Term Loan-Long Term	LT	27848.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable (06-Jul-22)	1)CARE AA; Stable (07-Jul-21)	1)CARE AA-; Stable (29-Sep-20)
3	Debentures-Non Convertible Debentures	LT	340.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable (06-Jul-22)	1)CARE AA; Stable (07-Jul-21)	1)CARE AA-; Stable (29-Sep-20)
4	Non-fund-based - ST-BG/LC	ST	29421.00	CARE A1+	-	1)CARE A1+ (06-Mar-23) 2)CARE A1+ (15-Sep-22) 3)CARE A1+ (06-Jul-22)	1)CARE A1+ (07-Jul-21)	1)CARE A1+ (29-Sep-20)
5	Fund-based/Non-fund-based-LT/ST	LT/ST*	11421.00	CARE AA; Stable / CARE A1+	-	1)CARE AA; Stable / CARE A1+ (06-Mar-23) 2)CARE AA; Stable / CARE A1+	1)CARE AA; Stable / CARE A1+ (07-Jul-21)	1)CARE AA-; Stable / CARE A1+ (29-Sep-20)

						(15-Sep-22) 3)CARE AA; Stable / CARE A1+ (06-Jul-22)		
6	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (08-Jun-20)
7	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable (06-Jul-22)	1)CARE AA; Stable (07-Jul-21)	1)CARE AA-; Stable (29-Sep-20)
8	Debentures-Non Convertible Debentures	LT	500.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable (06-Jul-22)	1)CARE AA; Stable (07-Jul-21)	1)CARE AA-; Stable (29-Sep-20)
9	Commercial Paper-Commercial Paper (Standalone)	ST	2500.00	CARE A1+	-	1)CARE A1+ (06-Mar-23) 2)CARE A1+ (15-Sep-22) 3)CARE A1+ (06-Jul-22)	1)CARE A1+ (07-Jul-21)	1)CARE A1+ (29-Sep-20)

10	Commercial Paper-Commercial Paper (Standalone)	ST	2500.00	CARE A1+	-	1)CARE A1+ (06-Mar-23) 2)CARE A1+ (15-Sep-22) 3)CARE A1+ (06-Jul-22)	1)CARE A1+ (07-Jul-21)	1)CARE A1+ (29-Sep-20)
11	Non-fund-based - LT-BG/LC	-	-	-				
12	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (08-Jun-20)
13	Debentures-Non Convertible Debentures	LT	4000.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable (06-Jul-22)	1)CARE AA; Stable (07-Jul-21)	1)CARE AA-; Stable (29-Sep-20)
14	Issuer Rating-Issuer Ratings	Issuer rat	0.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (26-Dec-22) 3)CARE AA (Is) (15-Sep-22) 4)CARE AA (Is) (06-Jul-22)	1)CARE AA (Is) (07-Jul-21)	1)CARE AA- (Is); Stable (29-Sep-20)
15	Non-fund-based - LT-Letter of credit	-	-	-				

16	Debentures-Non Convertible Debentures	LT	4000.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable (06-Jul-22)	1)CARE AA; Stable (07-Jul-21)	1)CARE AA-; Stable (29-Sep-20)
17	Fund-based - LT-Term Loan	LT	98.00	CARE AA; Stable	-	1)CARE AA; Stable (06-Mar-23) 2)CARE AA; Stable (15-Sep-22) 3)CARE AA; Stable (06-Jul-22)	1)CARE AA; Stable (07-Jul-21)	-

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Non Convertible Debentures (ISIN: INE019A07431)	Complex
3	Debentures-Non Convertible Debentures	Simple
4	Fund-based - LT-Cash Credit	Simple
5	Fund-based - LT-Term Loan	Simple
6	Fund-based/Non-fund-based-LT/ST	Simple
7	Issuer Rating-Issuer Ratings	Simple
8	Non-fund-based - ST-BG/LC	Simple
9	Term Loan-Long Term	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please click here

Annexure-6: List of subsidiaries as on March 31, 2023

Sr. No.	Name of companies/ Entities	Extent of shareholding as on March 31, 2023
1	JSW Steel (UK) Limited	100%
2	JSW Natural Resources Limited	100%
3	JSW Natural Resources Mozambique Limitada	100%
4	JSW ADMS Carvão Limitada	100%
5	JSW Steel (Netherlands) B.V.	100%
6	Periama Holdings, LLC	100%
7	JSW Steel (USA), Inc.	90%
8	Purest Energy, LLC	100%
9	Planck Holdings, LLC	100%
10	Caretta Minerals, LLC	100%
11	Lower Hutchinson Minerals, LLC	100%
12	Meadow Creek Minerals, LLC	100%
13	Hutchinson Minerals, LLC	100%
14	JSW Panama Holdings Corporation	100%
15	Inversiones Eurosh Limitada	100%
16	Santa Fe Mining S.A. (till August 31, 2022)	-
17	Santa Fe Puerto S.A. (till August 31, 2022)	-
18	JSW Jharkhand Steel Limited	100%
19	JSW Bengal Steel Limited	98.76%
20	JSW Utkal Steel Limited	100%
21	JSW Natural Resources India Limited	98,76%
22	JSW Energy (Bengal) Limited	98.76%
23	JSW Natural Resources Bengal Limited	98.76%
24	JSW Steel Coated Products Limited	100%
25	Amba River Coke Limited	100%
26	Peddar Realty Private Limited	100%
27	Nippon Ispat Singapore (PTE) Ltd	100%
28	Acero Junction Holdings, Inc	100%
29	JSW Steel USA Ohio, Inc	100%
30	JSW Industrial Gases Private Limited	100%
31	JSW Steel Italy S.r.L	100%
32	Piombino Logistics S.p.A – A JSW Enterprise	100%
33	GSI Lucchini S.p.A	100%
34	JSW Realty & Infrastructure Pvt Ltd	0%
35	Piombino Steel Limited (w.e.f October 01, 2021)	83.28%
36	Bhushan Power and Steel Limited (w.e.f October 01, 2021)	83.28%
37	Neotrex Steel Private Limited (w.e.f October 01, 2021)	80%
38	JSW Steel Global Trade Pte Limited (w.e.f January 27, 2022)	100%
39	JSW Vijayanagar Metallics Limited	100%
40	Vardhman Industries Limited	100%
41	JSW Vallabh Tin Plate Private Limited	100%
42	JSW Steel Italy Piombino S.p.A (formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	100%
43	JSW Retail and Distribution Limited (w.e.f. March 15, 2021)	100%
44	NSL Green Steel Recycling Limited (w.e.f July 05, 2022 to November 04, 2022)	-
45	Chandranitya Developers Limited (w.e.f November 04, 2022)	100%
	List of Joint Ventures/Associates	
1	Vijayanagar Minerals Private Limited	40%
2	Rohne Coal Company Private Limited	49%
3	Gourangdih Coal Limited	50%

Sr. No.	Name of companies/ Entities	Extent of shareholding as on March 31, 2023
4	JSW MI Steel Service Center Private Limited	50%
5	JSW MI Chennai Steel Service Center Private Limited	50%
6	JSW Severfield Structures Limited	50%
7	JSW Structural Metal Decking Limited	33.33%
8	Crexient Special Steels Limited (Consolidated)	48%
9	JSW One Platform Limited (w.e.f February 01, 2022) Consolidated	69.01%
10	NSL Green Steel Recycling Limited (w.e.f December 05, 2022)	50%
11	Ayena Innovations Private Limited (w.e.f March 10, 2023)	31%
12	JSW Renewable Energy (Vijayanagar) Limited (w.e.f April 09, 2022)	26%

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media Contact	Analytical Contacts
Name: Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in **Relationship Contact** Name: Saikat Roy Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in	Name: Padmanabh Bhagavath Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3407 E-mail: ps.bhagavath@careedge.in Name: Pulkit Agarwal Director **CARE Ratings Limited** Phone: +91-22- 6754 3505 E-mail: pulkit.agarwal@careedge.in Name: Hitesh Avachat Associate Director **CARE Ratings Limited** Phone: +91-22- 6754 3510 E-mail: hitesh.avachat@careedge.in

About us:
Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

For the detailed Rationale Report and subscription information, please visit www.careedge.in