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

JSWSL: SECT: MUM: SE: 2026-27/07/22

July 27, 2026

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 : Moody's Rating upgrades JSW Steel to Investment grade with Baa3 issuer rating; outlook stable.

Dear Sirs,

Pursuant to Regulation 30(6) and 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), as amended, we wish to inform you that **Moody's Ratings**, **vide its Release dated July 27 2026 (IST), has upgraded JSW Steel Limited ("JSWSL") credit rating to Investment Grade with Baa3 issuer rating; stable outlook i.e. at the same level as India's sovereign rating**. Please find below the details of the rating action.

Name of the Company	Credit Rating Agency	Type of Credit Rating	Existing Rating	Rating Action/ Revised Rating
JSW Steel Limited	Moody's Ratings	Issuer Rating / Corporate Family Rating	Corporate Family Rating 'Ba1' Positive	Assigned Issuer Rating 'Baa3' Stable Outlook
		Senior Unsecured rating	'Ba1' Positive	**Upgraded** to 'Baa3' Stable Outlook
		Senior Unsecured bonds rating	'Ba1' Positive	**Upgraded** to 'Baa3' Stable Outlook
Jefferson County Port Authority		Senior Unsecured revenue bonds issued by Jefferson County Port Authority & Guaranteed by JSW Steel Ltd. rating	'Ba1' Positive	**Upgraded** to 'Baa3' Stable Outlook

A copy of the release issued by Moody's covering the rationale for the rating action is enclosed herewith.

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

The above disclosure will also be made available on the Company's website at www.jsw.in pursuant to Regulation 30(8) of the SEBI LODR.

This is for your information and records.

Yours faithfully,
For **JSW STEEL LIMITED**

MANOJ PRASAD SINGH

Digitally signed by MANOJ PRASAD SINGH
Date: 2026.07.27 19:48:37 +05'30'

Manoj Prasad Singh
Company Secretary
(In the Interim Capacity)

Enclosed: as above

cc: **Singapore Exchange Securities Trading Limited**
11 North Buona Vista Drive, #06-07,
The Metropolis Tower 2,
Singapore 138589

MOODY'S
RATINGS

Rating Action: Moody's Ratings upgrades JSW Steel to investment grade with Baa3 issuer rating; outlook stable

27 Jul 2026

Singapore, July 27, 2026 -- Moody's Ratings (Moody's) has assigned Baa3 long-term issuer ratings to JSW Steel Limited (JSW Steel) and changed the outlook to stable from positive.

At the same time, we upgraded JSW Steel's senior unsecured ratings and the guaranteed senior unsecured revenue bonds issued by Jefferson County Port Authority to Baa3 from Ba1; and withdrawn JSW Steel's Ba1 corporate family rating. The Baa3-rated notes at Jefferson County Port Authority are guaranteed by JSW Steel.

"The upgrade reflects sustained improvement in JSW Steel's credit profile through its position as India's largest steel producer with cost-competitive operations that are spread across multiple locations in India. Further, material debt reduction following its recent asset divestment is also supportive of the upgrade. We expect the company to balance its growth ambitions with financial discipline and to maintain credit metrics and financial policies consistent with an investment grade rating. JSW Steel is also well placed to capture the sustained growth in India's steel demand," says Hui Ting Sim, a Moody's Ratings Vice President.

RATINGS RATIONALE

JSW Steel's financial profile improved significantly following the sale of a 50% stake in Bhushan Power & Steel Limited (BPSL), which generated around INR373.5 billion ($3.9 billion) of gross proceeds that supported material debt reduction. Leverage, as measured by debt/EBITDA, will improve to 2.0x-2.5x over the next 12-18 months from 3.4x in its fiscal year ending March 2026 (fiscal 2025-26) and remain consistent with an investment-grade rating despite the company's sizeable growth investments. The company's net debt/EBITDA was at 2.0x in fiscal 2025-26.

The rating is also supported by JSW Steel's strong business profile as India's largest steel producer, with cost-competitive operations and exposure to favorable long-term growth in India's steel market. The company had crude steel capacity of 31.9 million tonnes per annum (mtpa) as of 31 March 2026 across Karnataka, Maharashtra, Tamil Nadu and Chhattisgarh. India is the world's second-largest steel market, and we expect domestic steel demand to grow at a 5%-7% compound annual growth rate through 2030, supported by infrastructure spending, construction activity and expanding industrial production.

The company benefits from a competitive cost position supported by its scale and strategically located assets. Its largest facility at Vijayanagar is located close to key iron ore mining regions in Karnataka, reducing raw material transportation costs and supporting supply security. Capacity additions at other locations have also reduced reliance on a single facility and improved diversification of its steelmaking footprint. Over the past two years, JSW Steel expanded capacity by around 25% through a 1.5 mtpa debottlenecking project and the commissioning of a new 5 mtpa brownfield plant at Vijayanagar. A further 5 mtpa expansion at Dolvi is scheduled for commissioning in fiscal 2027-28.

JSW Steel also pursues growth through strategic partnerships. Including joint ventures, steelmaking capacity in India was 36.4 mtpa as of 31 March 2026. In March 2026, the company divested BPSL's steel business to a 50:50 joint venture with JFE Holdings, Inc (Baa3 stable), generating proceeds for debt reduction. Separately, it plans to establish a 50:50 joint venture with POSCO (Baa1 negative) to develop a 6 mtpa integrated steel plant in Odisha.

These partnerships support risk-sharing for growth projects and provides access to technical expertise. However, they also increase organizational complexity and reduce control over a growing portion of future capacity because major investment and operating decisions require partner alignment. We assess these joint ventures qualitatively rather than through proportionate consolidation because we expect them to be largely self-funding and because the partners have credit quality comparable to or stronger than JSW Steel.

The deconsolidation of BPSL, which historically contributed around 10% of JSW Steel's EBITDA, will weigh on near-term earnings. However, we expect this impact to be more than offset by margin expansion and higher sales volumes at Vijayanagar and Dolvi over the next three years. We estimate JSW Steel's EBITDA will increase to INR330-INR350 billion over the next 12-18 months from around INR295 billion in fiscal 2025-26.

Our forecasts assume EBITDA per tonne of around INR10,500, broadly in line with the company's eight-year historical average. We expect margins to improve in fiscal 2026-27, supported by a strong first quarter in which EBITDA per tonne slightly exceeded INR15,000. Our forecasts do not incorporate any material impact from the Supreme Court's rulings on the right of states to levy taxes for mining activities in India as the financial implications remain uncertain.

JSW Steel plans to invest around INR1.3 trillion ($13 billion) over the next four to five years to support committed growth projects, including the addition of 16 mtpa of steelmaking capacity by fiscal 2029-30, further upstream integration and downstream expansion. The budget currently excludes any potential equity contributions to joint ventures. Our forecasts assume capital spending of around INR230 billion in fiscal 2026-27 and INR300 billion in fiscal 2027-28, resulting in negative free cash flow over the next two years.

Nonetheless, we expect debt to decline to INR700-INR800 billion over the next 12-18 months as divestment proceeds from the BPSL transaction are used to repay borrowings. Thereafter, debt will likely increase moderately as the company executes its capital spending program and potentially makes equity investments in its joint ventures.

Despite negative free cash flow, we expect financial discipline to remain supportive of the rating. JSW Steel has demonstrated a track record of scaling back investments during downturns to preserve cash flow and protect credit quality, while actual spending has generally been below budgeted levels.

LIQUIDITY

JSW Steel's liquidity will be inadequate over the next 12-18 months. Its cash and cash equivalents of INR409.9 billion and undrawn multiyear loan facilities of INR22 billion as of March 2026, along with our expectation of operating cash flow of around INR359 billion through December 2027, and proceeds of INR78.8 billion from JFE for the BPSL transaction, will be insufficient to cover its debt maturities, capital spending and dividends totaling INR953 billion as well as trade acceptances of INR198 billion. Our quantitative approach to liquidity assumes no access to capital or bank markets to provide an isolated view of estimated internal and committed sources of cash.

However, this can be accommodated at JSW Steel's current rating because we expect the company to maintain strong access to the domestic and international financial markets. JSW Steel has a long track record of successfully raising funding across bank loans, capital markets and export credit facilities, and maintains relationships with a broad group of lenders. As of March 2026, JSW Steel had short-term fund and non-fund based credit facilities of around INR231 billion (although uncommitted) available for drawdown.

STRUCTURAL CONSIDERATIONS

JSW Steel's senior unsecured bonds are rated Baa3, at the same level as its issuer rating. The bond-issuing entity, JSW Steel, has significant operations, along with its role as the holding company for the group. Thus, structural subordination risk is limited for bondholders.

As of 31 March 2026, secured debt accounted for 36% of JSW Steel's debt mix but the company retains a large pool of unencumbered assets.

OUTLOOK

The stable outlook reflects our expectation that JSW Steel will grow its earnings over the next 12-18 months as its sales volumes rise from production ramp-up at its expansion projects. We also expect the company to implement its growth plans with financial discipline and proactively manage the refinancing of significant debt obligations.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

JSW Steel's Baa3 rating is currently at the same level as India's sovereign rating. Given JSW Steel's credit profile is closely tied to India's economic cycles, we are unlikely to rate the company higher than the sovereign. Hence, JSW Steel's rating can be upgraded only if India's sovereign rating is upgraded, and the company's fundamental credit quality improves to be consistent with a higher rating.

An improvement in JSW Steel's fundamental credit quality will require the company to maintain conservative financial metrics through the cycle, with good liquidity and strong credit metrics that include debt/EBITDA lower than 3.0x and EBIT/interest higher than 4.0x through the cycle.

A downgrade of India's sovereign rating to Ba1 will lead to a downgrade of JSW Steel's rating, even if there is no deterioration in its financial profile. Downgrade pressure could arise if the company pursues aggressive debt-funded growth or high shareholder returns, indicating a higher risk tolerance; deterioration in the company's funding access that results in liquidity strain; higher reliance on secured debt in its debt mix; or structural shifts in industry conditions that pressure earnings for an extended period of time. Credit metrics indicative of a downgrade include Debt/EBITDA above 4.0x and EBIT/interest below 3.0x over an extended period of time.

PRINCIPAL METHODOLOGY

The principal methodology used in these ratings was Steel published in September 2025 and available at https://ratings.moodys.com/rmc-documents/450336. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

COMPANY PROFILE

JSW Steel Limited is one of India's largest steel producers with an installed steelmaking capacity of 31.9 mtpa as of 31 March 2026. Its international operations comprise (1) 1.2 million net tonnes per annum (mtpa) plate mills and 0.55 mtpa pipe mills in Texas; (2) a 3.0 mtpa hot rolling mill and a 1.5 mtpa electric arc furnace in Ohio; and (3) a 1.3 mtpa long steel rolling facility in Piombino, Italy.

JSW Steel generated consolidated revenues of $21 billion and consolidated EBITDA of $3.3 billion during fiscal 2025-26.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions.

For any affected securities or rated entities receiving direct credit support/credit substitution from another entity or entities subject to a credit rating action (the supporting entity), and whose ratings may change as a result of a credit rating action as to the supporting entity, the associated regulatory disclosures will relate to the supporting entity. Exceptions to this approach may be applicable in certain jurisdictions.

For ratings issued on a program, series, category/class of debt or security, certain regulatory disclosures applicable to each rating of a subsequently issued bond or note of the same series, category/class of debt, or security, or pursuant to a program for which the ratings are derived exclusively from existing ratings, in accordance with Moody's rating practices, can be found in the most recent Credit Rating Announcement related to the same class of Credit Rating.

For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

Moody's does not always publish a separate Credit Rating Announcement for each Credit Rating assigned in the Anticipated Ratings Process or Subsequent Ratings Process.

These ratings are solicited. Please refer to Moody's Policy for Designating and Assigning Unsolicited Credit Ratings available on its website https://ratings.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

The Global Scale Credit Rating(s) discussed in this Credit Rating Announcement was(were) issued by one of Moody's affiliates outside the EU and UK and is(are) endorsed for use in the EU and UK in accordance with the EU and UK CRA Regulation.

Please see https://ratings.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on https://ratings.moodys.com for additional regulatory disclosures for each credit rating.

Hui Ting Sim
VP - Ratings

Jacintha Poh
Exec Dir - Ratings

Releasing Office:
Moody's Investors Service Singapore Pte. Ltd.
71 Robinson Road #05-01/02
Singapore, 068895
Singapore
JOURNALISTS: 852 3758 1350
Client Service: 852 3551 3077
