

Shah Gupta & Co.

Chartered Accountants

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Mumbai - 400 001.

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Certificate on ESOP disclosures

Date: August 01, 2025

To,

The Board of Directors

JSW Cement Limited

JSW Centre,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051
Maharashtra, India.

JM Financial Limited

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai - 400 025
Maharashtra, India.

Axis Capital Limited

1st Floor, Axis House
Pandurang Budhkar Marg Mumbai
- 400 025
Maharashtra, India

Citigroup Global Markets India Private Limited

1202, 12th Floor, First International
Financial Centre
G-Block, C54 & 55,
Bandra Kurla Complex Bandra (East),
Mumbai 400 098
Maharashtra, India

DAM Capital Advisors Limited,

Altimus 2202, Level 22
Pandurang Budhkar Marg
Worli, Mumbai 400018
Maharashtra, India

Goldman Sachs (India) Securities Private Limited

9th and 10th Floor, Ascent-Worli
Sudam Kal Ahire Marg
Worli, Mumbai 400 025
Maharashtra, India

Jefferies India Private Limited

Level 16, Express Towers,
Nariman Point,
Mumbai –400 021
Maharashtra, India

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC
Plot No. 27, 'G' Block
Bandra Kurla Complex
Bandra (E),
Mumbai – 400051
Maharashtra, India.

SBI Capital Markets Limited

Unit No. 1501, 15th floor, A & B
Wing, Parinee Crescenzo Building,
Plot C- 38, G Block,
Bandra Kurla Complex
Bandra (East),
Mumbai-400051,
Maharashtra, India

(The aforementioned book running lead managers and any other book running lead managers appointed by the Company are collectively referred to as the **"Book Running Lead Managers"** or the **"BRLMs"**)

Dear Sir/Madam,

RE: Certificate on ESOP disclosures (the "Statement")

Sub: Proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of JSW Cement Limited ("the Company" and such offer, the "Offer")

1. This certificate is issued in accordance with the terms of our engagement letter dated March 12, 2024.
2. We, Shah Gupta & Co., Chartered Accountants, have been informed that the Company has filed the Draft Red Herring Prospectus with respect to the Offer (the **"DRHP"**) with the Securities and Exchange Board of India (**"SEBI"**), BSE Limited and National Stock Exchange of India Limited (collectively, the **"Stock Exchanges"**) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**"ICDR Regulations"**) and proposes to file (i) Red Herring Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies, Maharashtra at Mumbai (**"Registrar of Companies"** and such Red Herring Prospectus, the **"RHP"**); (ii) Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies (the **"Prospectus"**); and (iii) any other documents or materials to be issued in relation to the Offer (collectively with the DRHP, RHP and Prospectus, the **"Offer Documents"**).



3. We have been requested by the Company to examine the details of Employee Stock Ownership Plan 2016 and Employee Stock Ownership Plan 2021 (the “ESOP Schemes”). Employee Stock Ownership Plan 2016 has been approved by the board of directors of the Company on 9th February 2016, which was subsequently amended on 22nd April 2016, 26th April 2017, 23rd May 2020, 7th February 2024 and 21st February 2025 and the shareholders of the Company on 30th March 2016, which was subsequently amended on 21st May 2016, 30th May 2017, 22nd June 2020, 9th February 2024 and 20th March 2025. Employee Stock Ownership Plan 2021 has been approved by the board of directors of the Company on 9th November 2021, which was subsequently amended on 7th February 2024 and the shareholders of the Company on 30th November 2021, which was subsequently amended on 9th February 2024.

Management's Responsibility

4. The preparation of the information required for the purpose of this certificate is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the information, and applying an appropriate basis of preparation that are reasonable in the circumstances.
5. The Management is also responsible for ensuring that the Company complies with the requirements of the ICDR Regulations in relation to the Offer, Companies Act, 2013 and other applicable laws.

Practitioners' Responsibility

6. It is our responsibility to report the details of the ESOP Schemes.
7. The restated consolidated financial information of the Company and its Subsidiaries for the financial years ended March 31, 2025, 2024 and 2023, as prepared in accordance with the ICDR Regulations as amended, the Indian Accounting Standards, the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India and Companies Act, 2013, as amended and read with the rules, circulars and notifications issued in relation thereto (“**Restated Consolidated Financial information**”). These Restated Consolidated Financial information have been approved by the Board of Directors at their meetings held on July 22, 2025.

Examination of these Restated Consolidated Financial information have been conducted by the statutory auditor of the company in accordance with the ICDR Regulations as amended, the Indian Accounting Standards, the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India and Companies Act, 2013, as amended and read with the rules, circulars and notifications issued in relation thereto, whose examination report have been furnished to us by the management. Our reporting in the statement, in so far as it relates to this certificate is based on the consideration of the report from the statutory auditor.

- a. Obtained and reviewed copies of the ESOP Schemes of the Company;
- b. Compared the ESOP Schemes with the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended to ensure compliance;
- c. Obtained and reviewed the board resolutions passed in the meetings of the board of directors of the Company held on 9th February, 2016 and 9th November, 2021 for approving the ESOP Schemes.
- d. Obtained and reviewed the shareholders' resolution passed in the meetings of the shareholders of the Company held 30th March, 2016 and 30th November, 2021 for approving the ESOP Schemes.
- e. Obtained and reviewed the grant letters and exercise letters of employees on a sample basis.
- f. Reviewed the information in relation to the ESOP Schemes, annexed to this certificate as Annexure A, which has been prepared by the management of the Company.
- g. Obtained certified list containing details of active, resigned, retired, death, group transfer of employees of the Company and its subsidiary as on the date of certificate and relied on the same.
- h. Obtained declaration from key managerial personnel, senior management personnel and whole-time directors with respect to their intention to sell equity shares after listing.
- i. Obtained certified list of active employees and resigned/retired/death/group transfer of employees as on the date of certificate. and verified whether the ESOP option lapsed, forfeited, cancelled and encashed for the respective employees.
- j. Obtained Valuation Reports pertaining to assumptions as disclosed in Annexure A



8. We have conducted our examination of the information provided by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. 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.
9. Our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or 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 information, for the purpose of this certificate. Accordingly, we do not express such an opinion.
10. 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.

Conclusion

11. Based on our examination of the audited financial information for the Financial year ended March 31, 2025, 2024 and 2023, procedures as mentioned in paragraph 7 above, books of account and records and according to the information and explanations given to us, we hereby certify the following:
 - a. Nothing has come to our attention that causes us to believe that in terms of Regulation 5(2)(a) of SEBI ICDR Regulation, any employee stock options were granted to any person other than current and former employees (as defined in Regulation 2(1)(o) of the SEBI ICDR Regulations) of the Company and its Subsidiary Company and there are outstanding grants with any person other than such employees.
 - b. Employee Stock Ownership Plan 2016 and Employee Stock Ownership Plan 2021 as set out in **Annexure A** is in compliance with the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Other Matters

12. We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers based on written intimation received from the management until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from the management, Book Running Lead Managers and the legal counsels, each to the Company and the Book Running Lead Managers, can assume that there is no change to the above information.
13. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

Restriction on Use

14. This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsels appointed by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in Offer Documents. We also consent to the submission of this certificate as may be necessary, SEBI, Stock Exchanges, Registrar of Companies and to any regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.
15. This certificate has been prepared at the request of the Company solely for the purpose of the Offer and it should not be used by any other person or for any other purpose.

For **SHAH GUPTA & Co.,**

Chartered Accountants

Firm Registration No.: 109574W

Vipul K Choksi

Vipul K Choksi

Partner

M. No. 037606

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Place: Mumbai
Date: August 01, 2025

Legal Counsel to the Company as to Indian Law

Khaitan & Co.

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Annexure A

Employee Stock Ownership Plan 2016 ("ESOP 2016"):

As on the date of the red herring prospectus, 2,47,24,046 options have been granted by the Company under the ESOP 2016.

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025	From April 1, 2025 till the date of certificate
Total options outstanding (including vested and unvested options) as at the beginning of the period	14,814,659	13,210,078	12,218,642	11,780,988
Options granted during the year/period	Nil	Nil	Nil	Nil
No of employees to whom options are granted	Nil	Nil	Nil	Nil
Vesting period	Grant 1		Grant II	
	1 st April, 2016		1 st April, 2017	
	1 year i.e. 31.03.2017		50% in 3rd years i.e. 31.03.2020	
			50% in 3rd years i.e. 31.03.2021	
		50% in 4th years i.e. 31.03.2021		
		50% in 4th years i.e. 31.03.2022		
Exercise price of options in ₹ (as on the date of grant of options)	Sr no.		Exercise price on the date of grant (in ₹)	
	Date of grant			
	1.		68.70	
	2.		68.50	
	3.		42.77	
Options forfeited/ lapsed/ cancelled	Nil	Nil	Nil	Nil
Options encashed	1,604,581	991,436	437,654	343,642
Variation of terms of options	NA			
Money realized by exercise of options (in ₹)	Nil	Nil	Nil	Nil
Total number of options outstanding	13,210,078	12,218,642	11,780,988	11,437,346
Options exercised during the period/year	Nil	Nil	Nil	Nil
The total number of Equity Shares of face value ₹ 10 each that would arise as a result of full exercise of options granted (net of forfeited/ lapsed/ cancelled options)	13,210,078	12,218,642	11,780,988	11,437,346
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share' (in ₹)	1.37	0.90	(1.16)	NA
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the	NA			



Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025	From April 1, 2025 till the date of certificate
impact of this difference, on the profits of our Company and on the earnings per share of our Company				
Method of Valuation	Black Scholes valuation model			
Significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	Particulars	Date of grant		
		1st April, 2016	1st April, 2017	1st April, 2018
	Exercise price (₹)	68.70	68.50	42.77
	Average Expected volatility (%)	39.73%	39.73%	39.73%
	Dividend yield (%)	Nil	Nil	Nil
	Average Expected life (Years)	10 years	9 years	8 years
	Average Risk free interest rate (%)	6.70%	6.70%	6.70%
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three years	Not applicable because the Company had followed the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations i.e., as per the Indian Accounting Standard			
Intention of key managerial personnel, senior management personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue	Based on representation received from key managerial personnel, senior management personnel and whole-time directors we report that they do not have intention to sell their shares within three months after listing of Equity Shares pursuant to the Issue.			
Intention to sell Equity Shares arising out of the ESOP 2016 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	NA			

Note:

- The details of the outstanding options granted to the Key Managerial Personnel and Senior Management Personnel as on the date of this certificate is:

Name of the Key Managerial Personnel	Fiscal 2023	Fiscal 2024	Fiscal 2025	From April 1, 2025 till the date of certificate
Nilesh Narwekar	226,707	226,707	226,707	226,707
Narinder Singh Kahlon	319,802	319,802	319,802	319,802
Sneha Bindra	28,249	28,249	28,249	28,249



Name of the Senior Management Personnel	Fiscal 2023	Fiscal 2024	Fiscal 2025	From April 1, 2025 till the date of certificate
Barada Tripathy Nandan	128,318	128,318	128,318	128,318
Manoj Kumar Rustagi	135,945	135,945	135,945	135,945
Rajan Killikurussi	Nil	Nil	Nil	Nil
Hitendra Jariwala	149,912	149,912	149,912	149,912
Sumeet Chadha	Nil	Nil	Nil	Nil



Employee Stock Ownership Plan 2021 ("ESOP 2021") :

As on the date of the red herring prospectus 2,31,32,291 options have been granted by the Company under the ESOP 2021.

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025	From April 1, 2025 till the date of Certificate
Total options outstanding (including vested and unvested options) as at the beginning of the period	5,190,391	10,098,328	16,109,148	19,213,811
Options granted during the year/period	6,409,111	6,983,230	4,178,902	-
No of employees to whom options are granted	1,055	1,090	1,326	-
Vesting period	Grant 1 1st December, 2021 25% in 12 months i.e. 01.12.2022 25% in 16 months i.e. 01.04.2023 50% in 28 months i.e. 01.04.2024	Grant 2 1st April, 2022 25% in 12 months i.e. 01.04.2023 25% in 24 months i.e. 01.04.2024 50% in 36 months i.e. 01.04.2025	Grant 3 23rd February, 2024 25% in 12 months i.e. 23.02.2025 25% in 13 months i.e. 01.04.2025 50% in 25 months i.e. 01.04.2026	Grant 4 15th May, 2024 25% in 12 months i.e. 15.05.2025 25% in 23 months i.e. 01.04.2026 50% in 35 months i.e. 01.04.2027
Exercise price of options in ₹ (as on the date of grant of options)	Sr no. 1 2 3 4	Date of grant 1st December, 2021 1st April, 2022 23rd February, 2024 15 th May, 2024	Exercise price on the date of grant (in ₹) 10.00 10.00 63.00 100.00	
Options forfeited/ lapsed/ cancelled	1,327,686	328,121	756,743	147,050
Options Encashed	173,488	644,289	317,496	134,615
Variation of terms of options	NA			
Money realized by exercise of options (in ₹)	Nil	Nil	Nil	Nil
Total number of options outstanding	10,098,328	16,109,148	19,213,811	18,932,146
Total options vested (excluding the options that have been exercised) of face value ₹ 10	1,111,508	3,317,855	7,979,707	12,788,742
Options exercised during the period/year	Nil	Nil	Nil	Nil
The total number of Equity Shares of face value ₹ 10 each that would arise as a result of full exercise of options granted (net of forfeited/ lapsed/ cancelled options)	10,098,328	16,109,148	19,213,811	18,932,146



Employee wise details of options granted to:				
(i) Key Managerial Personnel				
a) Nilesh Narwekar (Whole-Time Director and Chief Executive Officer)	240,283	271,193	159,924	Nil
b) Narinder Singh Kahlon (Whole Time Director and Chief Financial Officer)	293,842	333,381	196,598	Nil
c) Sneha Bindra (Company Secretary)	13,004	15,214	7,790	Nil
(ii) Senior Management Personnel				
a) Barada Tripathy Nandan (Senior Vice President – Human Resources)	102,502	117,272	69,155	Nil
b) Manoj Kumar Rustagi (Chief Sustainability Officer)	99,487	109,733	64,710	Nil
c) Rajan Killikurussi (Head of Projects)	Nil	65,609	65,609	Nil
d) Hitendra Jariwala	134,898	169,937	100,212	Nil
e) Sumeet Chadha	Nil	Nil	Nil	Nil
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year/ period				
NA				
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant				
NA				
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share' (in ₹)	1.37	0.90	(1.16)	NA
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per share of our Company	NA			
Method of Valuation	Black Scholes valuation model			
Significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	Particulars	Date of grant		
		1st December, 2021	1st April, 2022	23rd February, 2024
	Exercise price (₹)	10.00	10.00	63.00
Average Expected volatility (%)	35.00%	31.91%	32.43%	28.79%



	Dividend yield (%)	Nil	Nil	Nil	Nil
	Average Expected life (Years)	5 years	5 years	5 years	1 year
	Average Risk free interest rate (%)	5.00%	5.66%	7.18%	7.20%
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three years	Not applicable because the Company had followed the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations i.e., as per the Indian Accounting Standard				
Intention of key managerial personnel, senior management personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue	Based on representation received from key managerial personnel, senior management personnel and whole-time directors we report that they do not have intention to sell their shares within three months after listing of Equity Shares pursuant to the Issue.				
Intention to sell Equity Shares arising out of the ESOP 2016 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	NA				

Note:

The details of the outstanding options granted to the Key Managerial Personnel and Senior Management Personnel as on the date of this certificate is:

Name of the Key Managerial Personnel	Fiscal 2023	Fiscal 2024	Fiscal 2025	From April 1, 2025 till the date of certificate
Nilesh Narwekar	489,873	761,066	920,990	920,990
Narinder Singh Kahlon	548,796	882,177	1,078,775	1,078,775
Sneha Bindra	23,374	38,588	46,378	46,378

Name of the Senior Management Personnel	Fiscal 2023	Fiscal 2024	Fiscal 2025	From April 1, 2025 till the date of certificate
Barada Tripathy Nandan	212,402	329,674	398,829	398,829
Manoj Kumar Rustagi	202,827	312,560	377,270	377,270
Rajan Killikurussi	Nil	65,609	131,218	131,218
Hitendra Jariwala	231,025	400,962	501,174	501,174
Sumeet Chadha	Nil	Nil	Nil	Nil

