September 21, 2020

Jindal Steel & Power Limited: Ratings reaffirmed; removed from watch with negative implications and Stable outlook assigned

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based bank facilities	15,357.78	15,357.78	[ICRA]BBB-(Stable); reaffirmed and removed from watch with negative implications; Stable outlook assigned
Long-term non-fund-based bank facilities	1,100.00	1,100.00	[ICRA]BBB-(Stable); reaffirmed and removed from watch with negative implications; Stable outlook assigned
Short-term non-fund-based bank facilities	4,700.00	4,700.00	[ICRA]A3; reaffirmed and removed from watch with negative implications
Short-term fund-based bank facilities	1,261.87	1,261.87	[ICRA]A3; reaffirmed and removed from watch with negative implications
Long-term/Short-term Unallocated	2,750.00	2,750.00	[ICRA]BBB-(Stable)/[ICRA]A3; reaffirmed and removed from watch with negative implications, Stable outlook assigned on long-term rating
Total Bank Facilities	**25,169.65**	**25,169.65**	
Non-convertible Debentures (NCD)	**1,447.20**	**1,447.20**	[ICRA]BBB-(Stable); reaffirmed and removed from watch with negative implications; Stable outlook assigned

**Instrument details are provided in Annexure-1*

Rationale

The removal of Jindal Steel and Power Limited's (JSPL) ratings from watch with negative implications factors in abatement of the near-term liquidity/ refinancing risks related to the significant debt obligations in its international subsidiaries in Mauritius (Jindal Steel and Power (Mauritius) Limited, or JSPML) and Australia (Jindal Steel and Power (Australia) Limited, or JSPAL). The ratings had been placed on a watch following a delay by JSPL in arriving at a conclusive arrangement to reschedule/ refinance the international debt repayment obligations of these overseas subsidiaries amid Covid-19-led disruptions in the market. The rating watch also factored in the possibility of an adverse impact of the pandemic on global and domestic steel demand as well as realisations that could have hindered its ability to extend the required funding support to its international subsidiaries.

The rating reaffirmation factors in JSPL's healthy standalone operating performance in YTD FY2021, despite subdued demand trends and challenging market conditions. Its healthy operating performance (YoY growth of ~12% in steel sales volumes in 5M FY2021; OPBDITA/MT stood at ~Rs. 11,600/MT in Q1 FY2021, compared to ~Rs. 9,500/MT in full year FY2020) reflects favourably on its operational strengths and competitive positioning. Steadily improving production and sales volumes together with access to royalty-paid iron ore fines stock and favourable raw material prices have facilitated healthy improvement in the performance of the company's standalone steel operations, thereby improving the entity's ability to support the sizeable repayment obligations in the international subsidiaries. This apart, the company's liquidity profile has been supported by increased reliance on short-term export advances, and tie-up of additional lines of credit in the domestic balance sheet. ICRA expects JSPL to sustain healthy performance in its domestic steel operations in the current fiscal. Together with expectations of improved operating profits in the power business, and sustained decline in consolidated debt levels (with scheduled amortization across entities and divestment of the Oman entity), this is expected to facilitate an improvement in the company's consolidated capitalisation and coverage metrics in the near-term (estimated Debt/OPBDITA at less than 3.5 times in FY2021E).

Further, in Q1 FY2021, the company had entered into a revised agreement with the lenders of JSPML and had concluded restructuring of the debt in JSPAL, which allowed the Group (JSPL and its subsidiaries) to repay the outstanding dues (from March 2020 instalment) for these entities in three monthly instalments in June, July and September 2020. The June and July instalments have since been settled with support from JSPL's domestic operations, after taking requisite approvals from the RBI. While liquidity in the domestic entity is expected to remain adequate to cover the balance debt repayments of the international subsidiaries scheduled in FY2021, operational risks with respect to the same remain a monitorable as timely approvals (regulatory) for remittances to international subsidiaries remain crucial. Nevertheless, the company's demonstrated ability to obtain approvals for the past instalments in a timely manner provides comfort.

Going forward, ICRA notes that the company continues to step-up efforts towards refinancing/ asset-monetisation initiatives in the international subsidiaries, in line with its overall deleveraging initiatives as the industry scenario is gradually normalising. In June 2020, as part of the Group's deleveraging initiatives, JSPL had accepted a binding offer from Templar Investments Limited (a Mauritius based, promoter-group entity) to divest its entire stake in its Oman asset, Jindal Shadeed Iron and Steel Co LLC (JSIS Oman), at an enterprise value of $1.08 billion. Subsequently, on September 2, 2020, the Group announced sale of ~48.99% of its stake in JSIS Oman, to Vulcan Steel, a subsidiary of Templar Investments Ltd., in the first tranche. The consummation of the said transaction is expected to further help JSPL deleverage its consolidated balance sheet from the current levels, albeit nominally. Any incremental development on the ongoing refinancing/ asset-monetisation initiatives in the international subsidiaries may warrant a reassessment of the company's consolidated credit profile and remains a monitorable.

The ratings continue to draw strength from JSPL's established position as one of the leading steel producers in India with a sizeable presence in pelletisation, mining and power generation. Its operational profile is characterised by its large-scale and cost-competitive operations, experienced promoters and management, healthy track record in steel and power sectors, favourably located plants in proximity to various coal and iron ore mines, and a diversified and value-added product portfolio. The ratings, however, continue to be constrained by the inherent vulnerability of the steel business to volatility in metal prices as well as the price and supply risks associated with coal and iron ore procurement in the absence of commensurate captive mines. Going forward, JSPL's ability to continually harness the potential of its steel capacities as well as international mining assets, while achieving healthy profitability and efficiently managing its working capital cycle will remain key drivers of its credit profile.

The Stable outlook on JSPL's rating reflects ICRA's expectation that a continuing ramp up in the company's domestic steel volumes together with access to raw material at favourable prices will facilitate an improvement in its performance in the near-term. Together with the comfortable performance of the power business, this is expected to keep its consolidated coverage metrics comfortable despite sizeable scheduled repayment obligations in the international subsidiaries, which do not have commensurate cash flows from the underlying assets.

Key rating drivers and their description

Credit strengths

Cost competitiveness emanating from large-scale integrated operations and attractive plant locations – JSPL's steel manufacturing operations are vertically integrated, encompassing captive iron ore mines for partial capacity, coal washing, coke manufacturing, pelletisation, sponge iron manufacturing, power generation, and production of semi and finished steel products. Also, it's plants are favourably located, in proximity to various coal and iron ore mines. The strengths are further augmented by healthy ramp-up in the company's Angul (Odisha) plant, as well as resumption of its CGP-DRI plant since January 2020. The integrated and large-scale operations augur well for its operating efficiencies. Further, in January 2020, the Hon'ble. Supreme Court gave a favourable ruling in a case, allowing JSPL to lift royalty-paid iron ore fine stocks of 12.21 MT lying at a third-party premises (SMPL)[1]. This has assured raw material availability for the company's pellet/steel plant, for about two years starting February 2020, and has favourably supported its profitability as well as liquidity profile.

Established track record and diversified operations with forward integration into value-added products – JSPL has an established track record of nearly two decades in the successful commissioning of greenfield/brownfield capacities in the steel and power segments as well as in running its plants at healthy capacity utilisation. The company has diversified its steel product portfolio over the years to include high value-added, finished steel products such as heavy and medium structurals and rails besides other finished and semi-finished products (such as TMT bars, plates, coils, parallel flange beams and columns, rails, angles and channels, wire rods and fabricated sections). The multiple sale points across the steel value chain (sponge iron, pellets, pig iron, steel semis, finished steel, power, etc) aid flexibility in catering to market requirements while optimising capacity utilisation and profitability. This is corroborated by a strong volumetric growth reported by the company in FY2020 (~12% YoY growth in steel sales) and 5M FY2021 (~12% YoY growth in steel sales) despite subdued demand trends.

Improving scale of operations, particularly amid challenging market conditions, reflects favourably on competitive positioning, besides contributing to economies of scale- JSPL's performance in Q1 FY2021 was marked by a continued growth in steel sales volumes (~4% YoY growth in Q1 FY2021) despite lockdowns and a challenging operating environment amid the Covid-19 pandemic, and healthy profitability (OPBDITA/MT stood at ~Rs. 11,600/MT in Q1 FY2021, compared to ~Rs. 9,500/MT in full year FY2020). The profitability was supported by continued healthy ramp-up of its domestic steel operations as well as access to royalty-paid iron ore fines stock. Further, an increased focus on exports has helped the company maintain healthy sales volumes, even as demand in domestic market remained tepid, particularly during the lockdown phase. Post the lockdown phase, the company continues to report healthy growth in volumes (YoY growth of ~12% in steel sales volumes in 5M FY2021) and a reduction in share of exports, owing to a gradual pick-up in domestic demand. Given its steady ramp-up, the company is expected to report a healthy volumetric growth in the current fiscal despite Covid-19 induced challenges. Further, benefits of scale as well as savings on raw material costs continue to support its profitability and competitive positioning.

Credit challenges

Sizeable debt obligations in international subsidiaries that constrain consolidated coverage metrics–Despite a steady ramp-up of operations and continued operational efficiencies in the domestic steel operations, further augmented by the raw material cost savings and improved liquidity position, the company's consolidated credit profile is constrained by the sizeable debt obligations in its subsidiaries, particularly in Mauritius and Australia. JSPL made sizeable overseas investments towards a steel capacity in Oman and coking coal mines in Africa and Australia in the past (F2012-FY2018), in addition to domestic investments in power generation under its subsidiary, Jindal Power Limited (JPL)[2]. ICRA notes that JPL and the steel manufacturing plant in Oman (with debt of about Rs. 7,200 crore and ~Rs. 5,600 crore respectively at the end of FY2020) are self-sufficient for debt servicing. Further, ICRA also notes the developments with respect to

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[1] *For details, refer to ICRA's previous rationale dated [February 14, 2020]*

[2] *Jindal Power Limited rated [ICRA]BBB(Stable)/[ICRA]A3+*

JSPL's divestment from Oman, which is expected to be concluded in the coming months. However, the subsidiaries in Mauritius and Australia (with debt outstanding of $765 million and $352.80 million respectively, at the end of March 2020, and current outstanding of $673.20 million and ~$316 million in Mauritius and Australia respectively) remain exposed to refinancing risks and/or reliance on funding support from JSPL's domestic operations as there is limited visibility on cash flows from the underlying assets in the international subsidiaries. This is more so as the repayment obligations in the said entities remain sizeable at ~$438 million in FY2021 and $487 million FY2022. However, healthy surplus accrual generation as well as improved liquidity position are helping the domestic/parent entity to timely extend the required support to the subsidiaries, which addresses the near-term concerns.

ICRA also notes that JSPL has demonstrated its ability to raise long-term funds as well as refinance its debt obligations in the past. Tough market conditions had increased its challenges, however, which impacted the company's ability to mobilise funds and refinance international debt through Dollar Bond Issuance earlier in Q4 FY2020. Nevertheless, JSPL continues to step-up efforts towards refinancing/ asset-monetisation initiatives in the international subsidiaries, in line with its overall deleveraging initiatives, as the industry scenario is gradually normalising. Successful completion of the ongoing refinancing/ deleveraging initiatives in overseas subsidiaries, resulting in a significant improvement in its capitalisation and debt-coverage metrics would be credit positive. Thus, any material development on this front will warrant a reassessment of the company's consolidated credit profile and remain a monitorable.

While pledged promoter shareholding continues to weigh on the company's financial flexibility, ICRA has taken note of a further release there. Promoters' pledged shareholding in JSPL (including shares locked under a Non-Disposal Undertaking[3]) declined, from 61.03% as on April 17, 2020 to 50.53% as on September 11, 2020 (out of 60.48% equity stake held by the promoters in the company)[4], with reduction in the loan-against-shares exposure recently. This followed a decline reported previously from 65.58% as on December 31, 2019.

Inherent vulnerability of the steel business to volatility in prices – JSPL operates in a cyclical industry with global overcapacity. While the company's cost-competitiveness coupled with a high level of integration in steel manufacturing operations reduces the susceptibility of its profitability to downturns in the steel industry, it is not totally protected from the vagaries of the sector and had earlier witnessed volatility in its operating profitability owing to the tough operating environment. Resultant pressures on operating cash flows made the company dependent on the monetisation of its non-core assets as well as refinancing of its debt obligations.

Susceptibility of profitability to volatility in raw material prices– Till FY2015, JSPL had access to captive pit-head coal for its steel as well as power operations, which helped it in achieving strong profitability. However, these coal blocks were deallocated, making it dependent on external sources for coal from April 2015. At present, JSPL sources a part of its iron ore requirement from its captive mines in Tensa (Odisha), while the balance (70-80% requirement) is sourced from private mine owners in the state. Thermal coal requirements are met partially from coal linkage for the captive power and steel plant while the rest is met through e-auctions and imports. Coking coal requirements are met through imports. Thus, while the raw material risk is partially mitigated by JSPL's access to captive iron ore mines for part of the capacity, the lack of captive coal mines for steel and power operations and lack of captive iron ore mines for the Angul operations, keeps it exposed to price and supply risks for its key raw materials. While access to sizeable iron-ore stocks and availability of iron ore from SMPL mines has mitigated availability risks for nearly two years starting February 2020, price risk remains to the extent of reliance on purchases from SMPL and the market. Also, a longer-term outlook remains

[3] *to the extent of 14.80% of promoter shareholding*

[4] *In comparison, pledged shareholding for the Naveen Jindal promoter group (NJPG) in JSPL has declined from 64.53% as on April 17, 2020 to 52.78% as on September 11,2020 (out of ~39% equity stake held by NJPG in the company).*

dependent on the company's ability to tap additional resources for meeting raw material requirements captively and iron ore requirements from mines in proximity. Nevertheless, the location of JSPL's plants in mineral-rich states provides comfort. In this context, any additional linkages from mines in proximity can help it mitigate raw-material related risks. ICRA also notes that JSPL, through its overseas subsidiaries, has sizeable coking coal and thermal coal mining assets across Mozambique, Australia, and South Africa that, if tapped adequately, can significantly reduce the its exposure to volatility in raw material prices.

Liquidity position: Adequate

JSPL has sizeable debt repayments of ~Rs. 6,300 crore and ~Rs. 6,900 crore in FY2021 and FY2022, respectively at consolidated level (including ~Rs. 3,300 crore and ~Rs. 3,680 crore respectively in the international subsidiaries -Australia and Mauritius). While the repayments are sizeable and international entities remain dependent on the parent entity for meeting the operational and financial obligations, ICRA expects JSPL's consolidated cash flows from operations and undrawn lines of credit to be adequate to meet the consolidated repayment obligations in the near term. The company's liquidity position has been supported by its increased reliance on short-term export advances, contraction in working capital cycle and liquidation of sizeable iron ore inventory post the favourable court ruling, besides tie-up of a long-tenor corporate loan. While the near-term liquidity is expected to remain adequate, the company's ability to tie-up the balance portion of the additional credit line (Rs. 1,800 crore out of Rs. 2,800 crore), sustain a strong operating performance and/ or refinance international debt with longer maturities remains crucial for maintaining a comfortable liquidity profile in the next fiscal year.

Rating sensitivities

Positive triggers – Sustained growth in volumes, while maintaining healthy profitability, and successful completion of ongoing refinancing/ deleveraging initiatives in overseas subsidiaries, which result in a material improvement in the company's capitalisation and debt-coverage metrics as well as liquidity profile, would be positive rating triggers.

Negative triggers – There could be a negative pressure on JSPL's rating in case of weakening of the liquidity profile owing to factors including, but not limited to, pressures on performance, elongation in working capital cycle and delay in tie-up of proposed limits. Further, performance pressures that significantly affect the consolidated operating profits leading to lower than estimated cash accruals, and/or any sizeable debt-funded capex and/or investment that affects the company's capitalisation and coverage metrics could also result in negative pressure on ratings. Specific metrics that could trigger a negative rating action include a Consolidated Debt to OPBDITA ratio of more than 4.0 times, on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Entities in the Ferrous Metals Industry
Parent/Group Support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of JSPL. As on March 31, 2020, the company had nine subsidiaries, 80 stepdown subsidiaries, two associates and three joint ventures, which are all enlisted in Annexure-2.

About the company

JSPL is one of India's leading primary steel producers with a significant presence in power generation and mining. Its domestic manufacturing units are situated in Raigarh (Chhattisgarh), Angul (Odisha), Barbil (Odisha) and Patratu

(Jharkhand). JSPL's integrated operations in India encompass capacities of 8.45 mtpa of iron making, 9.0 mtpa of pellets, 8.6 mtpa of liquid steel and 6.55 mtpa of finished steel. JSPL's product range includes TMT bars, plates, coils, parallel flange beams and columns, rails, angles and channels, wire rods, and fabricated sections among other finished and semi-finished products. While about 63% of JSPL's domestic iron-making capacity (~5.33 mtpa) is through the blast furnace route, the balance (~3.12 mtpa) is through direct-reduced iron (DRI).

JSPL also has a captive thermal power capacity of about 1,634 MW at its Raigarh and Angul plants. Besides, Jindal Power Ltd., a 96.43% subsidiary of JSPL, which is an independent power producer, has an installed thermal power capacity of 3,400 MW. In addition to steel manufacturing capacities, JSPL's international operations include interests in coking coal mining assets in Australia, thermal/coking coal mining assets in Mozambique and anthracite coal mining assets in South Africa.

JSPL also has steel manufacturing capacities in Oman, under Jindal Shadeed Iron and Steel Co LLC. The operations in Oman include capacities of 1.8 mtpa of iron making, 2.4 mtpa of liquid steel and 1.4 mtpa of finished steel. The iron-making capacity at Oman uses the gas-based hot-briquetted iron (HBI) route. In June 2020, JSPL had accepted a binding offer from Templar Investments Limited (a Mauritius based, promoter-group entity) to divest its entire stake in JSIS Oman, at an enterprise value of $1.08 billion. Subsequently, on September 2, 2020, the company sold ~48.99% of its stake in JSIS Oman, to Vulcan Steel, a subsidiary of Templar Investments Ltd., in the first tranche.

Key financial indicators (audited) – Consolidated

	FY2019	FY2020
Operating Income (Rs. crore)	39,222.4	36,896.3
PAT (Rs. crore)	(2,411.5)	(399.7)
OPBDIT/OI (%)	21.2%	21.1%
RoCE (%)	2.2%	5.9%
Total Outside Liabilities/Tangible Net Worth (times)	2.1	2.2
Total Debt/OPBDIT (times)	4.8	4.7
Interest Coverage (times)	1.9	1.9

Source: Company financials, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information:

JSPL had availed the moratorium on payments (for bank facilities) falling due between March 2020 to August2020 as per Regulatory Package announced by the Reserve Bank of India (RBI) on March 27, 2020, and May 23, 2020.

JSPL has also availed moratorium on its Non-Convertible Debentures (NCD) issuances, for which approval was taken from the investors prior to the due dates. Based on the approval, the repayment date was extended by six months for different NCD issuances.

Rating history for past three years

S. No.	Instrument	FY2021			Current Rating	Earlier rating		Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding				FY2020	FY2020	FY2019	FY2018
					21-Sept-20	9-Jul-2020	17-Apr-20	14-Feb-2020	29-Jul-2019	03-May-2018	21-Apr-2017
1	Term Loans	LT	12,757.78	11,879.09*	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BBB-@	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D
2	Cash Credit	LT	2,600.00	-	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BBB-@	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D
3	Non-fund-based	LT	1,100.00	-	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BBB-@	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D
4	Non-fund-based	ST	4,700.00	-	[ICRA]A3	[ICRA]A3@	[ICRA]A3@	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA]D
5	Fund-based	ST	1,261.87	-	[ICRA]A3	[ICRA]A3@	[ICRA]A3@	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA]D
6	Unallocated	LT/ST	2,750.00	-	[ICRA]BBB- (Stable)/ [ICRA]A3	[ICRA]BBB-@/ [ICRA]A3@	[ICRA]BBB-@/ [ICRA]A3@	[ICRA]BBB- (Positive)/ [ICRA]A3	[ICRA]BBB- (Stable)/ [ICRA]A3	--	--
7	NCDs	LT	1,447.20	-	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BBB-@	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D

Amount in Rs. crore
** Outstanding as on March 31, 2020*
@: Placed on rating watch with negative implications

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	Feb 2019	-	-	2,600.00	[ICRA]BBB- (Stable)
NA	Short-term Loans	NA	-	-	1,261.87	[ICRA]A3
NA	Bank Guarantee	Feb 2019	-	-	1,100.00	[ICRA]BBB-(Stable)
NA	Letter of Credit	Feb 2019	-	-	4,700.00	[ICRA]A3(Stable)
NA	Long-term/Short-term Unallocated	NA	-	-	2,750.00	[ICRA]BBB-(Stable)/[ICRA]A3
NA	Term Loans	FY2009	-	FY2036	12,757.78	[ICRA]BBB- (Stable)
INE749A07151	NCD	Aug 24, 2009	9.8%	Feb 24, 2020*	50.00	[ICRA]BBB- (Stable)
INE749A07169	NCD	Sep 8, 2009	9.8%	Mar 8, 2020*	40.00	[ICRA]BBB- (Stable)
INE749A07177	NCD	Oct 8, 2009	9.8%	Apr 8, 2020*	80.00	[ICRA]BBB- (Stable)
INE749A07185	NCD	Oct 12, 2009	9.8%	Apr 13, 2020*	100.00	[ICRA]BBB- (Stable)
INE749A07193	NCD	Oct 22, 2009	9.8%	Apr 22, 2020*	150.00	[ICRA]BBB- (Stable)
INE749A07326	NCD	Nov 9, 2009	9.8%	Nov 10, 2020	80.00	[ICRA]BBB- (Stable)
INE749A07219	NCD	Nov 24, 2009	9.8%	Nov 24,2020	150.00	[ICRA]BBB- (Stable)
INE749A07375	NCD	Dec 8, 2009	9.8%	Dec 8, 2020	80.00	[ICRA]BBB- (Stable)
INE749A07359	NCD	Dec 24, 2009	9.8%	Dec 24, 2020	150.00	[ICRA]BBB- (Stable)
INE749A07334	NCD	Jan 8, 2010	9.8%	Jan 8, 2021	80.00	[ICRA]BBB- (Stable)
INE749A07383	NCD	Jan 25, 2010	9.8%	Jan 27, 2021	150.00	[ICRA]BBB- (Stable)
INE749A07367	NCD	Feb 19, 2010	9.8%	Feb 19, 2021	150.00	[ICRA]BBB- (Stable)
INE749A07342	NCD	Mar 26, 2010	9.8%	Mar 28, 2021	150.00	[ICRA]BBB- (Stable)
INE749A07276	NCD	Dec 29, 2009	9.8%	Dec 29, 2021	37.20	[ICRA]BBB- (Stable)

Source: Jindal Steel & Power Limited
**Repaid on respective due dates*

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Jindal Power Limited	96%	Full Consolidation
Jindal Steel Bolivia SA	51%	Full Consolidation
Jindal Steel & Power (Mauritius) Limited	100%	Full Consolidation
Skyhigh Overseas Limited	100%	Full Consolidation
Everbest Steel and Mining Holdings Limited	100%	Full Consolidation
Jindal Angul Power Limited	100%	Full Consolidation
JB Fabinfra Limited	100%	Full Consolidation
Trishakti Real Estate Infrastructure and Developers Limited	95%	Full Consolidation
Raigarh Pathalgaon Expressway Ltd	100%	Full Consolidation
Attunli Hydro Electric Power Company Limited	74%	Full Consolidation
Etalin Hydro Electric Power Company Limited	74%	Full Consolidation
Jindal Hydro Power Limited	100%	Full Consolidation
Jindal Power Distribution Limited	99%	Full Consolidation
Ambitious Power Trading company Limited	79%	Full Consolidation
Jindal Power Transmission Limited	99%	Full Consolidation
Jindal Power Ventures (Mauritius) Limited	100%	Full Consolidation

Company Name	Ownership	Consolidation Approach
Kamala Hydro Electric Power Co. Limited	74%	Full Consolidation
Kineta Power Limited	75%	Full Consolidation
Uttam Infralogix Limited	100%	Full Consolidation
Jindal Realty Limited	100%	Full Consolidation
Jagran Developers Private Limited	100%	Full Consolidation
Gas to Liquids International S.A	88%	Full Consolidation
Jindal Power Senegal SAU	100%	Full Consolidation
Panther Transfreight Limited	51%	Full Consolidation
All Tech Building System Limited	100%	Full Consolidation
Blue Castle Ventures Limited	100%	Full Consolidation
Brake Trading (Pty) Limited	85%	Full Consolidation
Enduring Overseas Inc	0%	Full Consolidation
Fire Flash Investments (Pty) Limited	65%	Full Consolidation
Harmony Overseas Limited	100%	Full Consolidation
Jin Africa Limited	0%	Full Consolidation
Jindal (BVI) Limited	100%	Full Consolidation
Jindal Africa Investments (Pty) Limited	100%	Full Consolidation
Jindal Africa Consulting (Pty) Limited	100%	Full Consolidation
Jindal Shadeed Iron & Steel L.L.C	99.99%	Full Consolidation
Jindal Africa SA	100%	Full Consolidation
Jindal Botswana (Pty) Limited	100%	Full Consolidation
Jindal Investimentos LDA	100%	Full Consolidation
Jindal Investment Holding Limited.	100%	Full Consolidation
Jindal KZN Processing (Pty) Limited	85%	Full Consolidation
Jindal Madagascar SARL	100%	Full Consolidation
Jindal Mining & Exploration Limited	100%	Full Consolidation
Jindal Mining Namibia (Pty) Limited	100%	Full Consolidation
Jindal Steel & Minerals Zimbabwe Limited	100%	Full Consolidation
Jindal Steel & Power (Australia) Pty Limited	100%	Full Consolidation
Jindal Tanzania Limited	100%	Full Consolidation
Jindal Zambia Limited	0%	Full Consolidation
JSPL Mozambique Minerals LDA	98%	Full Consolidation
Landmark Mineral Resources (Pty) Limited	60%	Full Consolidation
Osho Madagascar SARL	100%	Full Consolidation
PT Jindal Overseas	99%	Full Consolidation
Sungu Sungu Pty limited	74%	Full Consolidation
Trans Asia Mining Pty. Limited	100%	Full Consolidation
Vision Overseas limited	100%	Full Consolidation
Wollongong Coal Limited	60%	Full Consolidation
Jindal Steel DMCC	100%	Full Consolidation
Jindal Mauritania SARL	100%	Full Consolidation
Jindal Africa Liberia Limited	0%	Full Consolidation
Belde Empreendimentos Mineiros LDA	100%	Full Consolidation
Eastern Solid Fuels (Pty) Limited	100%	Full Consolidation
PT BHI Mining Indonesia	99%	Full Consolidation
PT Sumber Surya Gemilang	99%	Full Consolidation
PT Maruwai Bara Abadi, a subsidiary of PT.	75%	Full Consolidation
Jindal Mining SA (Pty) Limited	74%	Full Consolidation

Company Name	Ownership	Consolidation Approach
Bon-Terra Mining (Pty) Limited	100%	Full Consolidation
Jindal (Barbados) Holding Corp	100%	Full Consolidation
Jindal Energy (Bahamas) Limited	100%	Full Consolidation
Jindal Energy (Botswana) Pty Limited,	100%	Full Consolidation
Jindal Energy (SA) Pty Limited,	100%	Full Consolidation
Jindal Transafrica (Barbados) Corp	100%	Full Consolidation
Jindal Resources (Botswana) Pty Limited	100%	Full Consolidation
Trans Africa Rail (Pty) Limited	100%	Full Consolidation
Sad-Elec (Pty) Limited	100%	Full Consolidation
Jindal (Barbados) Mining Corp	100%	Full Consolidation
Jindal (Barbados) Energy Corp	100%	Full Consolidation
Meepong Resources (Mauritius) (Pty) Limited	100%	Full Consolidation
Meepong Resources (Pty) Limited	100%	Full Consolidation
Meepong Energy (Mauritius) (Pty) Limited	100%	Full Consolidation
Meepong Energy (Pty) Limited	100%	Full Consolidation
Meepong Service (Pty) Limited	100%	Full Consolidation
Meepong Water (Pty) Limited	100%	Full Consolidation
Peerboom Coal (Pty) Limited	70%	Full Consolidation
Shadeed Iron & Steel Company Limited	100%	Full Consolidation
Southbulli Holding Pty Limited	100%	Full Consolidation
Oceanic Coal Resources	100%	Full Consolidation
Wongawilli Coal Pty Limited	100%	Full Consolidation
Koleko Resources (Pty) Limited	60%	Full Consolidation
Legend Iron Limited	100%	Full Consolidation
Cameroon Mining Action (CAMINA) SA	90%	Full Consolidation
Enviro Waste Gas Services Pty Ltd.	100%	Full Consolidation
Jindal Synfuels Limited	70%	Full Consolidation
Urtan North Mining Private Limited	67%	Full Consolidation
Jubiliant Overseas Ltd	100%	Full Consolidation
Shresht Mining and Metals Pvt Ltd	50%	Equity method-
Goedehoop Coal (Pty) Limited	50%	Equity method
Thuthukani Coal (Pty) Limited	49%	Equity method
Jindal Steel & Power (BC) Limited	100%	Full Consolidation

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