

December 22, 2020

## Jindal Steel & Power Limited: Ratings upgraded to [ICRA]BBB+(Stable)/[ICRA]A2 from [ICRA]BBB-(Stable)/[ICRA]A3

### 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	16,985.98	[ICRA]BBB+(Stable); upgraded from [ICRA]BBB-(Stable)
Long-term non-fund-based bank facilities	1,100.00	1,831.94	[ICRA]BBB+(Stable); upgraded from [ICRA]BBB- (Stable)
Short-term non-fund-based bank facilities	4,700.00	4,700.00	[ICRA]A2; upgraded from [ICRA]A3
Short-term fund-based bank facilities	1,261.87	--	--
Long-term/Short-term Unallocated	2,750.00	1,651.73	[ICRA]BBB+(Stable)/[ICRA]A2; upgraded from [ICRA]BBB-(Stable)/[ICRA]A3
<b>Total Bank Facilities</b>	<b>25,169.65</b>	<b>25,169.65</b>	
<b>Non-convertible Debentures (NCD)</b>	<b>1,447.20</b>	<b>364.80</b>	[ICRA]BBB+(Stable); upgraded from [ICRA]BBB- (Stable)

\*Instrument details are provided in Annexure-1

### Rationale

The rating upgrade factors in a better-than-expected performance trajectory of Jindal Steel & Power Ltd (JSPL's) standalone domestic steel operations, which together with ongoing deleveraging in its international subsidiaries is leading to a material improvement in its consolidated capitalisation and coverage metrics. This is reflected in a consolidated Net Debt (i.e. debt adjusted for free cash and bank balances) /OPBDITA of ~2.9 times in H1 FY2021 and less than 2.5 times in FY2021(E), compared to ~4.6 times in FY2020. Excluding exceptional upside from access to 12.2-MT iron ore fine reserve stocks this year, the consolidated Net Debt/ OPBDITA estimate for FY2021 stands revised to ~3.0 times, over the earlier estimate of less than ~3.5 times.

Despite challenging market conditions amid the outbreak of the pandemic, JSPL reported healthy volumetric growth (~13% YoY growth in 8M FY2021) in its steel sales vis-à-vis a 30% YoY decline in domestic steel consumption in 7M FY2021, reflecting favourably on its operational profile, which gathers strength from a diversified product profile and cost-efficient operations. Sustained volumetric growth together with an improvement in steel realisations amid pick-up in domestic steel demand, soft coking coal prices, and access to royalty-paid iron ore fine inventory when domestic iron ore prices have spiked, are expected to keep JSPL's steel spreads healthy in the near term. While upgrading the ratings, ICRA has noted a significant reduction in the company's consolidated borrowings to Rs. 29,560 crore as on September 30, 2020 from Rs. 36,824 crore as on March 31, 2020. Besides sizeable repayments (~\$207 million) in international subsidiaries in Mauritius and Australia during H1 FY2021 by way of remittances from the domestic entity, this has been facilitated by successful completion of the first tranche of the stake sale transaction in its Oman asset, Jindal Shaded Iron and Steel Co LLC (JSIS Oman). While the transaction by itself is expected to bring down JSPL's consolidated Debt/OPBDITA nominally, it is helping the group reduce its consolidated debt significantly. Pending conclusion of the transaction, assets and liabilities of its Oman asset continue to appear as 'held for sale' in the company's books.

While the scheduled repayment obligations in the company's international subsidiaries of Mauritius and Australia remain sizeable at ~\$230 million and \$489 million in H2 FY2021 and FY2022 respectively, a sustained improvement in the performance of domestic steel operations is expected to provide adequate cushion to the company to extend the required funding support, if needed. Even as downside risks remain with respect to steel demand or prices owing to prevailing uncertainties due to the pandemic, access to additional lines of credit in the domestic balance sheet provide additional liquidity buffer in case of any adverse shift in the scenario. Nevertheless, the company's ability to get requisite regulatory approvals for the remittances to international subsidiaries in a timely manner remains crucial. In this context, the company's demonstrated ability to obtain approvals for the past instalments in a timely manner provides comfort. Further, ICRA takes note of the company's stepped-up efforts for asset monetisation and refinancing of international debt obligations with a longer tenor debt. Any incremental development on these initiatives, which supports a further improvement in consolidated debt metrics, will be a credit positive.

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, as well as 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. Given that the company remains dependent on procurement from open market for nearly 80% of its iron ore requirement (barring the benefit from 12.2-MT iron ore fine reserves), recent supply shortage in Odisha and the consequent surge in domestic iron ore prices would be a concern, if the same persists for a longer duration.

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 a healthy performance in the near term. As a result, ICRA expects the consolidated coverage metrics to remain comfortable despite sizeable scheduled repayment obligations in the international subsidiaries, which do not have commensurate cash flows from the underlying assets. Together with our expectation of the company not undertaking any major capital expenditure (capex), this is likely to sustain the improving trajectory of credit metrics.

## 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, its plants are favourably located, in proximity to various coal and iron ore mines. The strengths are further augmented by continued healthy ramp-up in the company's Angul (Odisha) plant, which supports further operating cost efficiencies. Further, in January 2020, the Hon'ble Supreme Court had given a favourable ruling, allowing JSPL to lift royalty and tax-paid iron ore fine stocks of ~12.2 MT lying at third party premises, which was closed in March 2014 because of lack of environment clearances. This has assured raw material availability for the company's pellet/steel plant, for a 12 to 18-month period starting February 2020. Access to the royalty-paid iron ore inventory is supporting the company's profitability as well as liquidity profile in the current fiscal, particularly owing to a sharp surge in iron ore prices witnessed in recent months.

**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 8M FY2021 (~13% YoY growth in steel sales) despite subdued demand trends (vis-à-vis 3.70% YoY growth and 30.1% YoY decline in domestic steel consumption in FY2020 and 7M FY2021, respectively).

**Improving financial and liquidity profile** – JSPL is reporting a healthy improvement in operating performance of its domestic steel operations supported by successful ramp up of its Angul plant, a healthy product mix and benefit from access to royalty-paid iron ore fine reserves lying at third party premises (Sarda mines). The company reported an improvement in profitability with OPBDITA/MT of ~Rs. 12,215/MT in H1 FY2021, compared to ~Rs. 9,500/MT in full year FY2020. Sustained volumetric growth together with an improvement in steel realisations amid pick up in domestic steel demand, access to royalty-paid iron ore fine inventory as well as access to coking coal at favourable prices in the near term are expected to facilitate continued improvement in its performance in the current fiscal. Together with divestment from its Oman operations, tie-up of additional lines of credit and scheduled amortisation of term debt, this is supporting an ongoing improvement in JSPL's financial risk profile as well as liquidity position. While assessing JSPL's financial flexibility, ICRA has noted a gradual decline in pledged shareholding of the promoters in the company in the recent past. Promoters' pledged shareholding in JSPL (including shares locked under a Non-Disposal Undertaking<sup>1</sup>) declined from 61.03% as on April 17, 2020 to 57.28% as on June 30, 2020 and further to ~48.66% as on December 11, 2020 (out of 60.48% equity stake held by the promoters in the company)<sup>2</sup>, with a gradual reduction in the loan-against-shares exposure as well as recovery in share price in recent months.

## Credit challenges

**Sizeable scheduled repayment obligations in international subsidiaries in FY2021 and FY2022, whose cash flow dependence remains on domestic operations** – Despite a steady and healthy improvement in JSPL's standalone operational and financial risk profile, sizeable debt obligations in its subsidiaries in Mauritius and Australia, continue to constrain its consolidated debt coverage metrics. 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)<sup>3</sup>. ICRA notes that the company's power business under JPL (with debt of ~Rs. 7,177 crore at the end of March 2020) remains self-sustainable. Further, ICRA notes the developments with respect to 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 ~\$600 million and ~\$219 million, respectively, at the end of November 2020) 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. ICRA notes that the debt in these entities is guaranteed by the domestic entity. In the current fiscal, with healthy cash flows from operations, the company has already made sizeable repayments due in these entities by way of

<sup>1</sup> To the extent of 14.80% of promoter shareholding

<sup>2</sup> In comparison, pledged shareholding for the Naveen Jindal promoter group (NJPG) in JSPL has declined from 64.53% as on April 17, 2020 to 59.20% as on June 30, 2020, and further to 53.2% as on December 11, 2020 (out of ~39% equity stake held by NJPG in the company).

<sup>3</sup> Jindal Power Limited rated [ICRA]BBB(Stable)/[ICRA]A3+

funding support from the domestic entity and after obtaining requisite regulatory approvals for remittances. Going forward, a sustained improvement in the performance of domestic steel operations is expected to provide it adequate cushion to extend the required funding support for debt servicing in the international subsidiaries. Even as downside risks remain with respect to steel demand owing to prevailing uncertainties from the pandemic, access to additional lines of credit in the domestic balance sheet provides additional buffer on liquidity available in the domestic balance sheet. Further, as the industry scenario is gradually normalising, 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.

**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 the company dependent on external sources for coal from April 2015. Barring the current 12 to 18-month window, wherein the company is meeting a large part of its iron ore requirement from royalty-paid reserves, 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 and access to 12.2-MT iron ore fine reserve stocks, the lack of captive iron ore mines for the Angul operations and captive coal mines for steel and power operations, keeps it exposed to price and supply risks for its key raw materials. 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 its exposure to volatility in raw material prices.

### Liquidity position: Adequate

JSPL has sizeable debt repayments of ~Rs. 3,200 crore and ~Rs. 6,300 crore in H2 FY2021 and FY2022, respectively, at consolidated level (excluding repayments for JSIS Oman). While the repayments are sizeable and international entities (with total repayments of ~Rs. 1,700 crore and ~Rs. 3,500 crore in H2 FY2021 and FY2022, respectively) remain dependent on refinancing and/ or the parent entity for meeting the operational and financial obligations, ICRA expects the company’s consolidated cash flows from operations to be adequate to meet the consolidated repayment obligations in the near term. As on September 30, 2020, the company had unencumbered cash and equivalents of Rs. 650 crore on a consolidated level, besides unutilised fund-based bank facilities of ~Rs. 456 crore on the standalone balance sheet. Moreover, minimal capex requirements and access to additional undrawn lines of credit in the current fiscal (~Rs. 1,000 crore corporate loan) provide additional liquidity cushion.

### Rating sensitivities

**Positive triggers** – A positive rating movement could be driven by a sustained growth in volumes, while maintaining healthy profitability, together with deleveraging in international subsidiaries resulting in a continued improvement in the

company's capitalisation and debt-coverage metrics as well as liquidity profile. Additionally, favourable progress on raw material linkages, divestment of non-core/ international assets for de-leveraging and/or international debt refinancing initiatives, which translate into an improved operational/ financial risk profile, could be positive triggers for the rating.

**Negative triggers** – There could be a negative pressure on JSPL's rating in case of 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. Specific metrics that could trigger a negative rating action include a Consolidated Net Debt (i.e. debt adjusted for free cash and bank balances) to OPBDITA ratio of more than 3.0 times, on a sustained basis. Delay in refinancing of international debt obligations along with any unanticipated issues in getting approvals for remittances from domestic entity in a timely manner, which affects servicing of guaranteed obligations could also result in negative pressure on ratings.

## Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology for Entities in the Ferrous Metals Industry</a>
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 production capacities of 8.45 mtpa of iron, 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 manufacturing capacity (~5.33 mtpa) is through the blast furnace route, the balance (~3.12 mtpa) is achieved through direct-reduced iron (DRI).

JSPL also has a captive thermal power generation capacity of about 1,634 MW at its Raigarh and Angul plants. Besides, Jindal Power Ltd (JPL), a 96.43% subsidiary of JSPL, which is an independent power producer, has an installed thermal power capacity of 3,400 MW.

In addition, JSPL has steel manufacturing capacities in Oman, under Jindal Shadeed Iron and Steel Co LLC (JSIS Oman). The operations in Oman include production 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 over \$1 billion. Subsequently, on September 2, 2020, the company announced the sale of ~48.99% of its stake in JSIS Oman to Vulcan Steel, a subsidiary of Templar Investments Ltd., in the first tranche. 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.

## Key financial indicators (audited) – Consolidated

	FY2019	FY2020	H1 FY2021 <sup>^</sup>
Operating Income (Rs. crore)	39,222.4	36,896.3	16,574.5
PAT (Rs. crore)	(2,411.5)	(399.7)	(438.9)
OPBDIT/OI (%)	21.2%	21.1%	29.6%
RoCE (%)	2.2%	5.9%	5.5%
Total Outside Liabilities/Tangible Net Worth (times)	2.1	2.2	2.3
Total Debt/OPBDIT (times)	4.8	4.7	3.0
Interest Coverage (times)	1.9	1.9	2.8

Source: Company financials, ICRA research

<sup>^</sup>Based on abridged financials

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

## Rating history for past three years

S. No.	Instrument	Type	Amount Rated	Amount Outstanding	FY2021				Rating History for the Past 3 Years			
					Current Rating	Earlier rating			FY2020	FY2020	FY2019	FY2018
					22-Dec-2020	21-Sep-2020	9-Jul-2020	17-Apr-2020	14-Feb-2020	29-Jul-2019	03-May-2018	21-Apr-2017
1	Term Loans	LT	15,035.98	14,035.98*	[ICRA]BBB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- @	[ICRA]BBB- @	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D
2	Cash credit	LT	1,950.00	--	[ICRA]BBB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- @	[ICRA]BBB- @	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D
3	Non-fund-based	LT	1,831.94	-	[ICRA]BBB+ (Stable)	[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]A2	[ICRA]A3	[ICRA]A3@	[ICRA]A3@	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA]D
5	Fund-based	ST	--	-	--	[ICRA]A3	[ICRA]A3@	[ICRA]A3@	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA]D
6	Unallocated	LT/ST	1,651.73	-	[ICRA]BBB+ (Stable)/ [ICRA]A2	[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	364.80	364.80#	[ICRA]BBB+ (Stable)	[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 September 30, 2020 # Outstanding as on 15<sup>th</sup> December 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 [click here](#)

### 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	-	-	1,950.00	[ICRA]BBB+(Stable)
NA	Long-term non-fund-based bank facilities	Feb 2019	-	-	1,831.94	[ICRA]BBB+(Stable)
NA	Short-term non-fund-based bank facilities	Feb 2019	-	-	4,700.00	[ICRA]A2
NA	Long-term/Short-term Unallocated	NA	-	-	1,651.73	[ICRA]BBB+(Stable)/[ICRA]A2
NA	Term Loans	FY2009	-	FY2036	15,035.98	[ICRA]BBB+(Stable)
INE749A07474	NCD	8-Jan-10	9.8%	8-Jan-21	40.00	[ICRA]BBB+(Stable)
INE749A07441	NCD	24-Dec-09	9.8%	24-Dec-20	75.00	[ICRA]BBB+(Stable)
INE749A07466	NCD	25-Jan-10	9.8%	25-Jan-21	75.00	[ICRA]BBB+(Stable)
INE749A07458	NCD	19-Feb-10	9.8%	19-Feb-21	75.00	[ICRA]BBB+(Stable)
INE749A07433	NCD	26-Mar-10	9.8%	26-Mar-21	75.00	[ICRA]BBB+(Stable)
INE749A07276	NCD	29-Dec-09	9.8%	29-Dec-21	24.80	[ICRA]BBB+(Stable)

Source: Jindal Steel & Power Limited

## Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership (As on March 31, 2020)	Consolidation Approach
Jindal Power Limited	96%	Full Consolidation
Jindal Steel Bolivia SA	51%	Full Consolidation
Jindal Steel & Power (Mauritius) Limited (JSPML)	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
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 (JSIS Oman)	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

<b>Company Name</b>	<b>Ownership (As on March 31, 2020)</b>	<b>Consolidation Approach</b>
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
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
Jubilant 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

\* As on March 31, 2020. On September 2, 2020, JSPL announced that its wholly-owned subsidiary JSPML sold 48.99% stake in JSIS, Oman in the first tranche, with balance stake proposed to be sold in incremental tranche(s).

# As these are the subsidiaries of JSIS Oman, proportionate ownership reduced on divestment of stake in JSIS, Oman

## ANALYST CONTACTS

### Jayanta Roy

+91 33 7150 1100

[jayanta@icraindia.com](mailto:jayanta@icraindia.com)

### Nidhi Marwaha

+91 124 4545 337

[nidhim@icraindia.com](mailto:nidhim@icraindia.com)

### Annu Mendiratta

+91 124 4545 887

[annu.mendiratta@icraindia.com](mailto:annu.mendiratta@icraindia.com)

## RELATIONSHIP CONTACT

### L Shivakumar

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

### Ms. Naznin Prodhani

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

### Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited

### Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: [info@icraindia.com](mailto:info@icraindia.com)

Website: [www.icra.in](http://www.icra.in)

### Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

### Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2020 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents