October 25, 2023

Jindal Steel & Power Limited: [ICRA]AA (Stable) assigned to NCDs; ratings reaffirmed and rated amount enhanced for bank loans

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based (Cash Credit)	1897.50	2,000.00	[ICRA]AA (Stable); rating reaffirmed/ assigned for enhanced limits
Long-term fund-based (Term Loans)	5217.10	14,859.95	[ICRA]AA (Stable); rating reaffirmed/ assigned for enhanced limits
Short-term non-fund-based bank facilities	18,055.05	18,140.05	[ICRA]A1+; rating reaffirmed/ assigned for enhanced limits
Non-convertible debentures (NCDs)	--	5,000.00	[ICRA]AA (Stable); rating assigned
Total bank facilities	**25,169.65**	**40,000.00**	

**Instrument details are provided in Annexure-1*

Rationale

The rating action factors in the sequential improvement in Jindal Steel and Power Limited's (JSPL or the company) operating profitability in Q1 FY2024 and ICRA's expectation that the company will be able to sustain the same, going forward, on the back of healthy domestic demand from the end-user industries and better steel spreads. Besides, JSPL's business risk profile is supported by improving raw material security, with the company operationalising Gare Palma IV/6 coal mine in Chhattisgarh and nearing operationalisation of the Utkal B1 & B2 and the Utkal C coal blocks in Odisha, reducing the price and supply risks for thermal coal, one of its key raw materials.

JSPL's operating performance had moderated in FY2023 vis-à-vis FY2022, in line with other major domestic steel producers due to a deterioration in the operating environment of steel companies. However, ICRA expects considerable cost benefits from the availability of thermal coal at a significantly lower cost from these captive mines, considering JSPL's sizeable requirement of more than ~8 mtpa (at its current level of production) of coal for its syn gas-based, direct reduced iron (CGP-DRI) plant in Angul (Odisha), coal-based DRI plant in Raigarh (Chhattisgarh) and captive power plants in Angul and Raigarh. The aforesaid developments, together with favourable sales mix and addition of new capacities, are expected to improve the performance of the company's steel operations over the medium term. JSPL's operating margin improved to ~21% in Q1 FY2024 from ~18.5% in FY2023 with softening of coking coal prices in the recent months. The operating margin is expected to sustain at 19-20% in the current fiscal, amid expectation of lower raw material costs and ongoing cost rationalisation initiatives.

The company has commissioned its first of the two pellet plants as a part of the ongoing capacity expansion in Angul (Odisha) under its wholly-owned subsidiary, Jindal Steel Odisha Limited (JSOL). While most of the planned facilities under JSOL are expected to be commissioned in the coming quarters in a sequential manner, exposing the company to associated project risks, ICRA draws comfort from the company's established track record of successful commissioning of greenfield/brownfield capacities and running its plants at healthy capacity utilisation rates. The ratings also draw strength from JSPL's established position as one of the leading steel producers in India with a sizeable presence in pelletisation, mining and captive power generation. Its operational profile is characterised by its large scale and cost competitive operations, 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 key raw materials. Nonetheless, the company's ongoing initiatives, including setting up a slurry pipe line from Barbil to its Angul plant for cost-efficient transportation of iron ore fines from captive mines, operationalising its recently acquired power plant to cater to the additional power requirement of JSOL's facilities in the coming fiscals and availability of lower priced thermal coal from captive mines for operating the same are expected to improve the overall cost structure in the medium-to-long term. As these capex plans are partly debt funded and a part of JSOL's project loan is expected to be drawn down in the current fiscal, some moderation in JSPL's consolidated capital structure and coverage metrics is expected. Nevertheless, incremental cost savings, increased scale of operations from commissioning of the new facilities and ballooning repayment structure would keep the company's consolidated cash flows strong relative to its debt service obligations. In addition, scheduled repayment of existing standalone borrowings is expected to help the company maintain a comfortable capital structure in the medium term. JSPL's debt protection metrics continued to be healthy, as reflected in an interest cover of 8.2 times in Q1 FY2024 and 6.1 times in FY2023 and are expected to sustain at more than ~7 times in the current fiscal. The gearing stood at 0.3 times as on March 31, 2023 and is likely to sustain at less than ~0.5 times in FY2024. ICRA also draws comfort from the company's stated intent to maintain a consolidated Net Debt/ OPBDITA at 1.5 times or less and a minimum liquidity (including unutilised fund-based limits) cushion of ~Rs.2,500 crore on a sustained basis.

The Stable outlook on the [ICRA]AA rating reflects ICRA's expectations of continued healthy operating performance from improvement in steel spreads and healthy domestic demand in the near-to-medium term, leading to strong profits and cash accruals. Despite the ongoing debt-funded capex programme, the company's financial risk profile is expected to remain healthy on the back of significant deleveraging in the recent fiscals.

Key rating drivers and their description

Credit strengths

Improving raw material security – JSPL has sizeable coking coal, thermal/coking coal and anthracite coal mining assets in Australia, Mozambique and South Africa, respectively. These mines have steadily ramped up their production over the last two fiscals and can meet up to 45-50% of the company's coking coal requirement captively. For its iron ore requirements, JSPL has captive mines in Tensa and Kasia in Odisha. These can together meet up to 60% of the company's iron ore requirements at the company's current level of steel production. Further, with the operationalisation of Utkal B1 & B2 and Utkal C thermal coal mines in Odisha and recently operationalised Gare Palma IV/6 coal block in Chhattisgarh, together having environmental clearance to produce up to 15.37 mtpa, the company's 100% requirement for thermal coal can be met from these mines captively in the near as well as the medium term, i.e., post commissioning of the upcoming facilities of JSOL in Angul.

Cost competitiveness arising 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, thermal coal mines, 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 iron ore and thermal coal mines. JSPL has sizeable coking/thermal/anthracite coal mining assets in Mozambique, Australia and South Africa through its overseas subsidiaries. Further, the capacity expansion project, being undertaken in Angul, is expected to further improve scale efficiency. These apart, the ongoing cost savings initiatives including setting up of a slurry pipeline, procurement of additional rakes for efficient transportation of raw materials/finished goods and plans to develop the Paradip port, are expected to reflect in the form of higher OPBITDA/tonne in the upcoming fiscals, strengthening the operational profile of the company.

Established track record and diversified operations with forward integration into value-added products – JSPL has an established track record in the successful commissioning of greenfield/brownfield capacities in steel and power segments as well as in running its plants at healthy capacity utilisation. The company diversified its steel product portfolio over the years to include high value-added, finished steel products, besides other finished and semi-finished products. The multiple sale points across the steel value chain allow JSPL to cater to market requirements while optimising capacity utilisation and profitability. With incremental capacities getting commissioned under JSOL, the company's finished steel capacities will see a robust increase from 6.7 mtpa to 12.2 mtpa and at the same time will establish a healthy presence in the flats segment for the company.

Healthy financial risk profile – Together with limited capital outlays in the recent years, healthy operating performance has resulted in sizeable free cash flow generation, which has been used by the company to deleverage its balance sheet. JPL's divestment in the previous fiscal resulted in a cash inflow of ~Rs.3,000 crore and complete takeover of an amount of Rs. 4,386 crore (including inter corporate deposits of Rs. 1,533 crore), which JSPL owed to JPL. This further strengthened the company's credit metrics. ICRA estimates the company's consolidated Net Debt/ OPBDITA to remain healthy at less than 1.5 times in the current fiscal (despite sizeable debt drawdown for its ongoing debt-funded capex under JSOL) on the back of expectations of healthy profitability and accumulated cash and bank balances and liquid investments.

Credit challenges

Sizeable capex and associated risks – The company's ongoing capex at its Angul plant under JSOL, being funded in a debt to equity ratio of 68:32, exposes it to associated project risks. The capex will enhance the company's steel-making capacity by ~63% in a staggered manner to 15.90 million tonnes per annum (MTPA) by FY2025. The first of the two pellet plants under JSOL was commissioned in July 2023. This is the first facility to be commissioned under JSOL out of the upcoming facilities scheduled for commissioning in the upcoming quarters. The 5.5-mtpa hot-strip mill (HSM) is the next lined up facility, expected to be commissioned in Q3 FY2024. Though JSPL's established track record in successfully commissioning greenfield/brownfield capacities in the steel and power sectors provides comfort, the project remains exposed to the risk of time and cost overrun. Besides the long gestation period, the operational risks associated with the project will be heightened if the project commissioning coincides with a cyclical downturn in the sector. This apart, with the company's increased focus on value-added products, a new cold rolling mill complex has been added to the project recently, while some of the earlier planned facilities have been moved out of JSOL to JSPL. The changes in the configuration led to a marginal increase in the overall project cost by ~Rs.600 crore to Rs.19,650 crore (hard costs including GST), while pushing ahead the commissioning of facilities marginally by a quarter. The sanction terms, repayment schedule, loan amount, project COD etc., continue to be the same as earlier.

Inherent vulnerability of the steel business to volatility in metal 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, JSPL remains exposed to the volatility of the sector and has previously witnessed fluctuations in its operating profitability owing to the tough operating environment.

Susceptibility of profitability to volatility in raw material prices – Despite improving raw material coverage, the company's profitability remains susceptible to volatility in raw material requirements as it remains dependent on external purchases for ~50% of its coking coal and 40% of its iron ore requirements and 100% of its thermal coal requirements. Further, it is noted that the company's thermal coal requirements will be met captively, going forward. However, any challenge in ramping up of these mines will keep the company exposed to volatility in prices as it will continue to be partially dependent on coal linkages, e-auctions and imports for its thermal coal requirements.

Environmental and Social Risks

The steel industry is the one of the largest contributors to air pollution and emissions of carbon dioxide in the world, as primary steelmaking requires coal for reduction process and energy generation. This exposes JSPL to the risks of strict regulations or investments in alternative, environment-friendly steelmaking methods and technologies. Some of the key initiatives taken by the company in the recent fiscals to address the risk include installation of top pressure recovery turbine at its blast furnace, waste heat recovery boilers for power generation, modification of electric arc furnace (EAF) to neo-oxy furnace and installation of a vertical direct reduced iron (DRI) plant to consume waste gas from coke oven. The company has adopted a goal to reduce carbon emission below 2TCO2/TCS by 2030. Other initiatives taken by the company also include the company's ongoing efforts towards reducing reliance on road and rail transport to cut diesel consumption by setting up slurry pipeline and conveyor belts for transportation of raw materials.

Social risks for JSPL, like other ferrous entities, manifest from the health and safety aspects of employees involved in the mining and manufacturing activities. Casualties/accidents at the operating units due to gaps in safety practices could lead to production outages and invite penal action from regulatory bodies. The sector is exposed to labour-related risks and risks of protests/social issues with local communities, which might impact expansion/modernisation plans. Also, the adverse impact of environmental pollution in nearby localities could trigger local criticism. Some of the key initiatives taken by the company in this aspect include regular safety audits at all plant locations, identification of fatality risk potential conditions (FRCP) at the workplace and at colony premises by safety professionals, monitoring and closure of risk potential conditions and quarterly review of health and safety performance by the company's safety performance review forum.

Liquidity position: Adequate

JSPL's liquidity position is adequate, with free consolidated cash and liquid investments of more than ~Rs. 4,700 crore as on March 31, 2023, excluding the unutilised fund-based limits. ICRA expects JSPL's consolidated cash flow from operations as well as accumulated liquid balances to be sufficient to meet margin requirements for its capex as well as debt servicing requirements in the near to-medium term (balance repayment obligations of ~Rs. 1,182 crore in the current fiscal, i.e. Q1 FY2024 onwards).

Rating sensitivities

- **Positive factors –**The rating could be upgraded in case of sustained and significant growth in revenues, volumes and profitability, while maintaining strong credit metrics.

Negative factors – Pressure on JSPL's ratings could arise in case of a sustained deterioration in its operating performance, resulting in lower-than-anticipated sales volumes and profitability. Any significant time and cost overrun for the ongoing capex in Angul may also result in rating pressure. Any other sizeable debt-funded capex and/or investment affecting the company's credit metrics, with the consolidated net debt to OPBDITA ratio of more than 1.5 times, on a sustained basis may result in ratings downgrade.

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, 2023, the company had 12 subsidiaries, 50 stepdown subsidiaries, 2 associates and 4 joint ventures.

About the company

JSPL is one of India's leading primary steel producers with a significant presence in power generation and mining. Its manufacturing units are situated in Raigarh (Chhattisgarh), Angul (Odisha), Barbil (Odisha) and Patratu (Jharkhand). JSPL's integrated operations in India encompass capacities of 10.45 mtpa of iron making, 9.0 mtpa of pellets, 9.6 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, fabricated sections among other finished and semi-finished products. While about 70% of JSPL's domestic iron manufacturing capacity (~7.33 mtpa) is achieved 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.

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

	FY2022	FY2023
Operating Income (Rs. crore)	51,086	52,711
PAT (Rs. crore)	6,766	3,974
OPBDIT/OI (%)	30.0%	18.6%
PAT/OI (%)	13.2%	7.5%
Total outside liabilities/Tangible net worth (times)	1.1	0.8
Total debt/OPBDIT (times)	0.9	1.3
Interest coverage (times)	7.6	6.1

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation
Source: JSPL's financial statements, ICRA Research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current rating (FY2024) Type	Amount rated (Rs. crore)	Amount outstanding (Rs. crore)**	Date & rating in FY2024			Date & rating in FY2023	Chronology of rating history for the past 3 years: Date & rating in FY2022			Date & rating in FY2021		
					Oct 25, 2023	Sep 21, 2023	Apr 06, 2023	-	Jan 24, 2022	Sep 27, 2021	Apr 15, 2021 May 06, 2021	Dec 22, 2020	Sep 21, 2020	Jul 9, 2020 Apr 17, 2020
1	Term Loans	Long term	14,859.95	4,459.93	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Positive)	-	[ICRA]AA - (Stable)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@
2	Cash credit	Long term	2,000.00	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Positive)	-	[ICRA]AA - (Stable)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@
3	Non-fund-based	Long term	-	-	-	-	-	-	[ICRA]AA - (Stable)	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@
4	Non-fund-based	Short term	18,140.05	-	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	-	[ICRA] A1+	[ICRA] A1+	[ICRA] A1	[ICRA] A2	[ICRA] A3	[ICRA] A3@
5	Fund-based	Short term	-	-	-	-	-	-	--	--	--	--	[ICRA] A3	[ICRA] A3@
6	Unallocated	Long term/ Short term	-	-	-	-	[ICRA]AA- (Positive)/ [ICRA]A1+	-	--	--	[ICRA]A (Stable)/ [ICRA]A1	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB- (Stable)/ [ICRA]A3	[ICRA]BBB-@/ [ICRA]A3@
7	NCDs	Long term	5,000.00	0.00	[ICRA]AA (Stable)	-	-	-	--	*	[ICRA]A (Stable)	[ICRA]BBB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@

*** outstanding as on July 31, 2023*
@: Placed on rating watch with negative implications
**: Rating withdrawn*

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term fund-based (Cash Credit)	Simple
Long-term fund-based (Term Loans)	Simple
Short-term non-fund-based bank facilities	Very Simple
Non-convertible debentures (NCDs)	Very simple*

** Subject to change as per the terms of NCDs at the time of placement*

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term fund-based (Cash Credit)	--	-	-	2,000.00	[ICRA]AA (Stable)
NA	Long-term fund-based (Term Loans)	FY2015	-	Upto FY2030	14,859.95	[ICRA]AA (Stable)
NA	Short-term non-fund-based bank facilities	--	-	-	18,140.05	[ICRA]A1+
Unplaced	Non-convertible debentures (NCDs)	--	--	--	5,000.00	[ICRA]AA (Stable)

Source: Jindal Steel & Power Limited

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Jindal Power Limited	96.42%	Full Consolidation
Attunli Hydro Electric Power Company Limited	71.35%	Full Consolidation
Etalin Hydro Electric Power Company Limited	71.35%	Full Consolidation
Kamala Hydro Electric Power Company Limited	71.35%	Full Consolidation
Jindal Power Transmission Limited	95.70%	Full Consolidation
Jindal Hydro Power Limited	95.70%	Full Consolidation
Jindal Power Distribution Limited	96.38%	Full Consolidation
Ambitious Power Trading Company Limited	76.50%	Full Consolidation
Uttam Infralogix Limited	96.42%	Full Consolidation
Panther Transfreight Ltd.	96.42%	Full Consolidation
Kineta Power Limited	72.32%	Full Consolidation
Jindal Reality Limited	96.42%	Full Consolidation
Jagaran Developers Limited	96.42%	Full Consolidation
Jindal Resources(Mauritius) Ltd	96.42%	Full Consolidation
Jindal Angul Power Limited	100.00%	Full Consolidation
Jindal Steel & Power (Mauritius) Limited	100.00%	Full Consolidation
Pt Jindal Overseas	99.00%	Full Consolidation
Pt Bhi Mining Indonesia	99.00%	Full Consolidation
Pt Maruwai Bara Abadi	74.25%	Full Consolidation
Pt Sumber Surya Gemilang	98.01%	Full Consolidation
Skyhigh Overseas Limited	100.00%	Full Consolidation
Harmony Overseas Limited	100.00%	Full Consolidation
Jindal Steel Bolivia Sa	51.00%	Full Consolidation
Gas to Liquids International S.A	87.56%	Full Consolidation
JSPL Mozambique Minerais LDA	100.00%	Full Consolidation
Avion Mineraux Limited (Formerly known as Jindal Mining & Exploration Limited)	100.00%	Full Consolidation
Jindal Investment Holding Limited	100.00%	Full Consolidation
Jindal Africa Investments (Pty) Limited	100.00%	Full Consolidation
Osho Madagascar Sarl	100.00%	Full Consolidation
Jindal Madagascar Sarl	100.00%	Full Consolidation
Jindal Investimentos Lda	100.00%	Full Consolidation
Belde Empreendimentos Mineiros Lda.	100.00%	Full Consolidation
Eastern Solid Fuels (Pty) Ltd.	100.00%	Full Consolidation
Jindal Mining SA (Pty) Limited	73.94%	Full Consolidation
Jindal Steel & Power (Australia) Pty Limited	100.00%	Full Consolidation

Company Name	Ownership	Consolidation Approach
Jindal Steel & Minerals Zimbabwe Limited	100.00%	Full Consolidation
Jindal Tanzania Limited	99.00%	Full Consolidation
Jindal (BVI) Ltd	100.00%	Full Consolidation
Jindal Energy (Bahamas) Limited	100.00%	Full Consolidation
Jindal (Barbados) Energy Corp	100.00%	Full Consolidation
Jindal (Barbados) Mining Corp	100.00%	Full Consolidation
Jindal (Barbados) Holdings Corp	100.00%	Full Consolidation
Jindal Transafrica (Barbados) Corp	100.00%	Full Consolidation
Meepong Energy (Mauritius) Pty Limited	100.00%	Full Consolidation
Meepong Resources (Mauritius) Pty Limited	100.00%	Full Consolidation
Jindal Energy SA (Pty) Limited	100.00%	Full Consolidation
Bon-Terra Mining (Pty) Limited	100.00%	Full Consolidation
Jindal Energy (Botswana) (Pty.) Limited	100.00%	Full Consolidation
Jindal Resources (Botswana) (Pty.) Limited	100.00%	Full Consolidation
Meepong Resources (Pty) Ltd	97.44%	Full Consolidation
Meepong Energy (Pty) Ltd.	100.00%	Full Consolidation
Meepong Service (Pty) Ltd	100.00%	Full Consolidation
Meepong Water (Pty) Ltd.	100.00%	Full Consolidation
Trans Africa Rail (Pty) Ltd	100.00%	Full Consolidation
Jindal Mining Namibia (Pty) Limited	100.00%	Full Consolidation
Jindal Botswana (Pty) Limited	100.00%	Full Consolidation
Blue Castle Ventures Limited	100.00%	Full Consolidation
Brake Trading (Pty) Limited	85.00%	Full Consolidation
Fire Flash Investments (Pty) Limited	65.00%	Full Consolidation
Jindal Processing KZN (Pty) Limited	85.00%	Full Consolidation
Landmark Mineral Resources (Pty) Limited	60.00%	Full Consolidation
Peerboom Coal (Pty) Limited	70.00%	Full Consolidation
Wollongong Resources Pty Limited	100.00%	Full Consolidation
Wongawilli Resources Pty Limited	100.00%	Full Consolidation
Oceanic Coal Resources NL	100.00%	Full Consolidation
Southbulli Holding Pty Limited	100.00%	Full Consolidation
JB Fabinfra Limited	100.00%	Full Consolidation
Trishakti Real Estate Infrastructure and Developers Limited	94.87%	Full Consolidation
Jindal Steel DMCC	-	Full Consolidation
Jindal Iron Ore Pty Limited	74.00%	Full Consolidation
Koleka Resources (Pty) Limited	60.00%	Full Consolidation
Jindal Africa Sa	100.00%	Full Consolidation
Everbest Power Limited	100.00%	Full Consolidation
Trans Asia Mining Pte. Limited	100.00%	Full Consolidation
Raigarh Pathalgaon Expressway Limited	100.00%	Full Consolidation
Enviro Waste Gas Services Pty Ltd	100.00%	Full Consolidation
Jindal Africa Consulting (Pty) Limited	100.00%	Full Consolidation
Moonhigh Overseas Limited	100.00%	Full Consolidation
JSP Mettalics Limited	100.00%	Full Consolidation
Jindal Steel Odisha Limited	100.00%	Full Consolidation
Jindal Steel Chattisgarh Limited	100.00%	Full Consolidation
Jindal Steel JindalGarh Limited	100.00%	Full Consolidation
Jindal Steel USA Inc	100.00%	Full Consolidation
Jindal Synfuels Limited*	70.00%	Full Consolidation
Shresht Mining and Metals Private Limited	50.00%	Equity Method
Urtan North Mining Company Limited*	66.67%	Full Consolidation

Company Name	Ownership	Consolidation Approach
Goedehoop Coal (Pty) Limited	50.00%	Equity Method
Jindal Steel Andhra Limited	49.00%	Equity Method
Jindal Paradip Port Limited *	51.00%	Full Consolidation

ANALYST CONTACTS

Jayanta Roy
+91 33 7150 1100
jayanta@icraindia.com

Kaushik Das
+91 33 7150 1104
kaushikd@icraindia.com

Gaurav Singla
+91 124 4545366
gaurav.singla@icraindia.com

Devanshu Gupta
+91 124 4545321
devanshu.gupta@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

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

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.

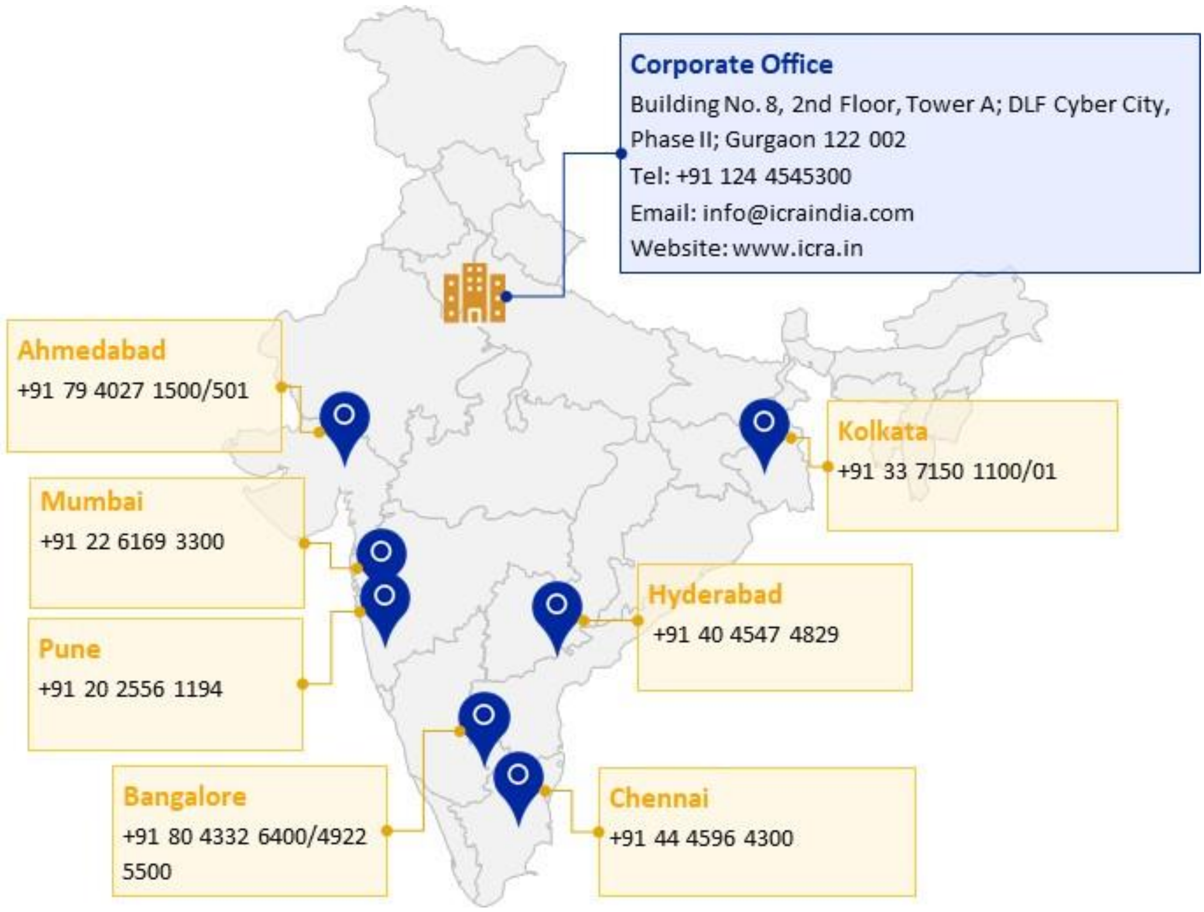
For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



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 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.