

September 27, 2021

Jindal Steel & Power Limited: Ratings upgraded to [ICRA]A+(Positive)/[ICRA]A1+; rating upgraded and withdrawn for NCD programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based bank facilities	17,200.85	13,672.09	[ICRA]A+(Positive); upgraded from [ICRA]A(Stable), with revision in outlook
Long-term non-fund-based bank facilities	2,831.94	3,550.00	[ICRA]A+(Positive); upgraded from [ICRA]A(Stable), with revision in outlook
Short-term non-fund-based bank facilities	5,586.86	7,947.56	[ICRA]A1+; upgraded from [ICRA]A1
Total Bank Facilities	25,169.65	25,169.65	
Non-convertible Debentures (NCD)	12.40	-	[ICRA]A+(Positive); upgraded from [ICRA]A(Stable), with revision in outlook; and withdrawn

*Instrument details are provided in Annexure-1

Rationale

The rating upgrade factors in Jindal Steel and Power Limited's (JSPL or the company) sustained healthy and better-than-anticipated performance in recent quarters and a significant reduction in its debt levels, facilitating a material improvement in its credit metrics and liquidity profile. ICRA expects the company's consolidated Net Debt/ OPBDITA to decline to less than 1x by March 2022 from 4.60x in March 2020 and 1.54x in March 2021 (over expectations of less than 2.0 times for March 2021). Further, deleveraging and improvement in liquidity is estimated at an accelerated pace once the divestment of stake in its thermal power subsidiary, Jindal Power Limited (JPL), is concluded as per the revised terms of the deal. This remains a rating monitorable.

The company has a capital expenditure plan in Angul (Odisha) under a wholly-owned subsidiary, Jindal Steel Odisha Limited (JSOL), at an estimated outlay of Rs. 22,300 crore (gross of input tax credit). While this exposes the company to associated project risks, ICRA draws comfort from the company's established track record of over two decades in successful commissioning of greenfield/brownfield capacities and running its plants at healthy capacity utilisation. Further, the said capex is proposed to be partially debt-funded, in a debt-to-equity ratio of 70:30. Nevertheless, deleveraging, which is currently underway, together with scheduled amortisation of existing borrowings and phased implementation of the project, is expected to help the company maintain a comfortable leverage. In addition, the company's stated intent to maintain consolidated Net Debt/ OPBDITA at 1.5x or less and a minimum liquidity cushion of Rs. 1,500-2,000 crore at all times provides comfort on its liquidity profile and financial risk policies, given the cyclical nature of the sector.

The Positive outlook on JSPL's long-term rating reflects ICRA's expectation of a strong operating performance over the next 12 months in line with the improved operating environment in the domestic steel sector. Together with a material decline in the company's scheduled repayment obligations, this is expected to result in a further improvement in the company's debt coverage metrics. While ICRA expects the profitability levels to moderate hereafter, with the exhaustion of the royalty-paid iron ore fine reserves from third-party mines in May 2021 and the eventual normalisation of steel prices, the significant deleveraging is expected to help the company maintain a healthy financial risk profile and provide improved cushion to withstand cyclical downturns, despite the planned debt-funded capex programme. Further, there is expected to be improvement in financial risk profile on conclusion of the JPL divestment deal.

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 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 coal and iron ore procurement, in the absence of commensurate captive mines.

ICRA has also upgraded the rating outstanding for the Rs. 12.40-crore non-convertible debenture (NCD) programme of the company to [ICRA]A+(Positive) and withdrawn the same. The instrument has been fully redeemed, and rating has been withdrawn at the request of the company. This is in accordance with ICRA's policy on withdrawal and suspension.

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 iron ore mines. Through its overseas subsidiaries, JSPL has sizeable coking coal and thermal coal mining assets in Mozambique, Australia and South Africa. Although these assets have been sub-optimally utilised in the past owing to multiple factors, such as regulatory approvals and infrastructure issues, recent ramp up in mining activity in Mozambique and approvals received for one of the mines in Australia, are likely to improve captive availability, thereby reducing the group's exposure to volatility in raw material prices. This apart, JSPL has recently emerged as the preferred bidder for Kasia Iron ore mines in Odisha, which are located in proximity to its Barbil pellet plant. Once vested and operational, these mines would further enhance raw material security for the company. Further, the capacity expansion project being undertaken in Angul is expected to further improve scale efficiencies.

Established track record and diversified operations with forward integration into value-added products – JSPL has an established track record of over 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 besides other finished and semi-finished products. The multiple sale points across the steel value chain allows JSPL to cater to market requirements while optimising capacity utilisation and profitability. This is corroborated by a strong volumetric growth reported by the company in FY2021 (~20% YoY growth in steel sales), despite subdued demand trends in domestic steel consumption during the year due to the pandemic.

Strong improvement in financial and liquidity profile, supported by robust profitability and deleveraging of balance sheet – Sustained scale up in volumes (barring temporary disruptions due to the pandemic), together with the recent surge in steel realisations, and access to royalty-paid iron ore fine reserves have resulted in a robust improvement in JSPL's operating and financial performance over the past five quarters. This is reflected in an all-time high OPBDITA/ MT of ~Rs. 28,097 in Q1 FY2022, compared to a 10-year average of Rs. 10,950 for the period ended FY2020. Together with limited capital outlays, this resulted in sizeable free cash flow generation, which have been used by the company to de-leverage its balance sheet. This has helped the company in materially strengthening its credit metrics. ICRA expects the company's consolidated Net Debt/ OPBDITA to decline to less than 1x by March 2022 from 4.60x in March 2020 and 1.54x in March 2021. Further, deleveraging and improvement in liquidity is estimated to happen at an accelerated pace once the divestment of stake in JPL is concluded as per the revised terms of the deal. The revised deal involves a complete takeover of an amount of Rs. 4,386 crore (interest-bearing) which JSPL owes to JPL, besides a cash inflow of Rs. 3,015 crore as consideration for equity and redeemable preference shares. On a consolidated basis, the deal is expected to result in a reduction in debt by about Rs. 6,000 crore, and an additional liquidity of around Rs. 3,000 crore. Accordingly, conclusion of the deal could result in a further improvement in the company's credit profile, and hence remains a rating monitorable. It is also noted that the company's leverage is expected to remain comfortable over the medium term, despite the sizeable debt-funded capex being undertaken.

While assessing JSPL's financial flexibility, ICRA has also 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) reduced from 57.28% as on June 30, 2020 to 39.52% as on June 30, 2021 as a percentage of promoter shareholding, with a gradual reduction in the loan-against-shares exposure as well as recovery in share price in recent months.

Credit challenges

Project risks associated with sizeable capex under a wholly-owned subsidiary – The company's capex at its Angul plant under JSOL at an estimated outlay of around Rs. 22,300 crore (gross of input tax credit) exposes it to associated project risks. The said capex will enhance the company's steel-making capacity by ~66%¹ in a phased manner to 15.9 million tonne per annum (MTPA) by FY2025. 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 risk of time and cost overruns. 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.

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 vagaries of the sector and has previously witnessed volatility in its operating profitability owing to the tough operating environment.

Susceptibility of profitability to volatility in raw material prices – JSPL sources part of its iron ore requirement from its captive mines in Tensa (Odisha), while most (~80%) of its requirement is sourced from private mine owners in the state. Over the 16-month period ended May 2021, the company met part of its iron ore requirements through access to 12.2-MT, royalty-paid iron-ore fine reserves lying at third-party premises. As the iron ore prices surged sharply during the past 12 months, this supported the company's operating profitability. However, the reserves are extinguished as of May 2021, and the company is back to being reliant on external sources for meeting ~80% of its iron ore requirement. It is noted that JSPL has recently emerged as the preferred bidder for Kasia Iron ore mines in Odisha, which are located in proximity to its Barbil pellet plant. Once vested and operational, these mines would further enhance raw material security for the company. The company's thermal coal requirements are met partially from coal linkages for the captive power and steel plant, while the rest is met through e-auctions and imports. Coking coal requirements are met through imports. JSPL, through its overseas subsidiaries, has sizeable coking coal and thermal coal mining assets across Mozambique, Australia and South Africa that can hedge up to 50% of its coking coal requirements. As output from its Mozambique mines has ramped up gradually in recent years and approval has been recently received for Russel Vale mines in Australia, ICRA expects increased hedge for its coking coal exposure over the near to medium term. Nevertheless, lack of adequate captive iron ore and coal mines for steel and power operations, keeps the company exposed to price and supply risks for its key raw materials.

Liquidity position: Strong

JSPL's liquidity position is **strong**, with consolidated cash and equivalents of over Rs. 4,400 crore as on August 31, 2021 including the unutilised fund-based limits. While the repayment obligations in the international subsidiaries are sizeable in FY2022 (repayments of around Rs. 3,450 crore), with these entities remaining dependent on refinancing and/ or the parent entity for meeting the funding gaps, ICRA expects JSPL's consolidated cash flows from operations as well as accumulated liquid balance to be more than sufficient to meet its capex as well as debt servicing requirements in the near term. Further, the company's cash flow from operations are expected to remain adequate to fund the margin requirements of the proposed capex at Angul, as well as its debt repayment obligations over the medium term.

Rating sensitivities

Positive factors – The following developments/ scenarios could trigger an upward rating action for JSPL:

¹ JSPL's existing steel-making capacity is ~8.6 MTPA, which is likely to be enhanced to ~9.6 MTPA on receipt of pending clearances for its already installed capacity of 1 MTPA at the Angul plant. Upcoming capex at Angul under JSOL will enhance its capacity by ~66% from 9.6 MTPA to 15.9 MTPA, in a phased manner, by FY2025.

Successful conclusion of JPL divestment deal, which contributes to improvement in consolidated operational and financial risk profile.

Sustained healthy profitability, capitalisation and debt coverage metrics.

Favourable progress on raw material linkages, including profitable and sustainable ramp up of operations in domestic/international mining assets, which translates into an improved operational risk profile.

Negative factors – Pressure on JSPL’s ratings could arise in case of the following scenario(s):

A prolonged pressure on demand which results in a sustained pressure on volumes and profitability.

Sizeable time or cost over runs in the ongoing project, or sizeable unanticipated debt-funded capex or acquisition, which adversely affect capitalisation and coverage metrics. Specific metrics include a Consolidated Net Debt (i.e., debt adjusted for free cash and bank balances) to OPBDITA ratio of more than 2 times, on a sustained basis.

Any unanticipated issues in getting approvals for remittances from any domestic entity in a timely manner, which affects servicing of guaranteed obligations.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Entities in the Ferrous Metals Industry Policy on withdrawal of credit ratings
Parent/Group Support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of JSPL. As on March 31, 2021, the company had nine subsidiaries, 80 stepdown subsidiaries, two associates and three joint ventures, which are all enlisted in Annexure-2. While the company proposes to divest its 96.4%-stake in Jindal Power Limited, the same has been considered for consolidation, as the deal is pending approvals from some stakeholders.

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 April 2021, the company announced that its board had approved divestment of its entire 96.42% equity interest in JPL, by way of sale of shares. On September 3, 2021, majority of the minority shareholders of the company approved a deal involving a bid from Worldone (a promoter group company) for an aggregate consideration of Rs. 7,401 crore. The conclusion of the deal, with a long stop date of 12 months from the date of execution of agreements with Worldone (August 7, 2021), is subject to receipt of approvals from other stakeholders.

In addition to steel manufacturing capacities, JSPL’s international operations include 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	FY2021
Operating Income (Rs. crore)	39,222	36,896	38,989
PAT (Rs. crore)	(2,411.5)	(399.7)	4,267
OPBDIT/OI (%)	21.2%	21.1%	36.8%
RoCE (%)	2.2%	5.9%	14.1%
Total Outside Liabilities/Tangible Net Worth (times)	2.1	2.2	1.5
Total Debt/OPBDIT (times)	4.8	4.7	2.0
Interest Coverage (times)	1.9	1.9	4.5

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	Type	Current Rating (FY2022)		Chronology of Rating History for the past 3 years									
		Amount Rated (Rs. crore)	Amount Outstanding as of Mar 31, 2021 (Rs. crore)	Date & Rating in FY2022			Date & Rating in FY2021				Date & Rating in FY2020		Date & Rating in FY2019
				Sep 27, 2021	May 06, 2021	Apr 15, 2021	Dec 22, 2020	Sep 21, 2020	Jul 9, 2020	Apr 17, 2020	Feb 14, 2020	Jul 29, 2019	May 3, 2018
1	Term Loans	LT	12,072.09	15,600.85	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]BB B+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BB B- (Positive)	[ICRA]BB B-(Stable)	[ICRA]BBB -(Stable)
2	Cash credit	LT	1,600.00	--	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]BB B+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BB B- (Positive)	[ICRA]BB B-(Stable)	[ICRA]BBB -(Stable)
3	Non-fund-based	LT	3550.00	--	[ICRA]A+ (Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]BB B+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BB B- (Positive)	[ICRA]BB B-(Stable)	[ICRA]BBB -(Stable)
4	Non-fund-based	ST	7,947.56	--	[ICRA]A1+	[ICRA]A1	[ICRA]A1	[ICRA]A2	[ICRA]A3	[ICRA]A3@	[ICRA]A3	[ICRA]A3	[ICRA]A3
5	Fund-based	ST	--	--	--	--	--	[ICRA]A3	[ICRA]A3@	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA]A3
6	Unallocated	LT/ST	--	--	[ICRA]A+ (Positive)/[ICRA]A1+	[ICRA]A (Stable)/[ICRA]A1	[ICRA]A (Stable)/[ICRA]A1	[ICRA]BB B+ (Stable)/[ICRA]A2	[ICRA]BBB- (Stable)/[ICRA]A3	[ICRA]BBB-@/[ICRA]A3@	[ICRA]BB B- (Positive)/[ICRA]A3	[ICRA]BB B-(Stable)/[ICRA]A3	--
7	NCDs	LT	-	12.40 [^]	[ICRA]A+ (Positive); withdrawal	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]BB B+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB-@	[ICRA]BB B- (Positive)	[ICRA]BB B-(Stable)	[ICRA]BBB -(Stable)

@: Placed on rating watch with negative implications

[^] Redeemed before maturity date

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term fund-based bank facilities	Simple
Long-term non-fund-based bank facilities	Very Simple
Short-term non-fund-based bank facilities	Very Simple
Non-Convertible Debentures (NCDs)	Very Simple

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: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	Feb 2019	-	-	1,600.00	[ICRA]A+(Positive)
NA	Long-term non-fund-based bank facilities	Feb 2019	-	-	3,550.00	[ICRA]A+(Positive)
NA	Short-term non-fund-based bank facilities	Feb 2019	-	-	7,947.56	[ICRA]A1+
NA	Long-term/Short-term Unallocated	NA	-	-	-	[ICRA]A+(Positive)/[ICRA]A1+
NA	Term Loans	FY2009	-	FY2036	12,072.09	[ICRA]A+(Positive)
INE749A07276	NCD*	29-Dec-09	9.8%	02-Jul-21*	-	* ([ICRA]A+(Positive), withdrawn)

Source: Jindal Steel & Power Limited

*early redemption vis-à-vis original maturity date of December 29, 2021

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership (As on March 31, 2021)	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
Etaln 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 Infracore 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

Company Name	Ownership (As on March 31, 2021)	Consolidation Approach
Brake Trading (Pty) Limited	85%	Full Consolidation
Fire Flash Investments (Pty) Limited	65%	Full Consolidation
Harmony Overseas Limited	100%	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 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
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	61%	Full Consolidation
Jindal Steel DMCC	100%	Full Consolidation
Jindal Mauritania SARL	100%	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

Company Name	Ownership (As on March 31, 2021)	Consolidation Approach
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
Southbulli Holding Pty Limited	100%	Full Consolidation
Oceanic Coal Resources	100%	Full Consolidation
Moonhigh Overseas Limited	100%	Full Consolidation
Wongawilli Coal Pty Limited	100%	Full Consolidation
Koleko Resources (Pty) Limited	60%	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
Jindal Steel Andhra Limited	49%	Equity method
Thuthukani Coal (Pty) Limited	49%	Equity method
Jindal Steel & Power (BC) Limited	100%	Full Consolidation

[^] JSPL is in the process of divesting its 96.4% stake in Jindal Power Limited (JPL), for which shareholders' approval was received on September 3, 2021. The deal will be concluded after the pending requisite approvals are obtained. ICRA continues to take a consolidated view while assigning ratings to JSPL, including JPL's subsidiaries and step-down subsidiaries, pending conclusion of the said deal.

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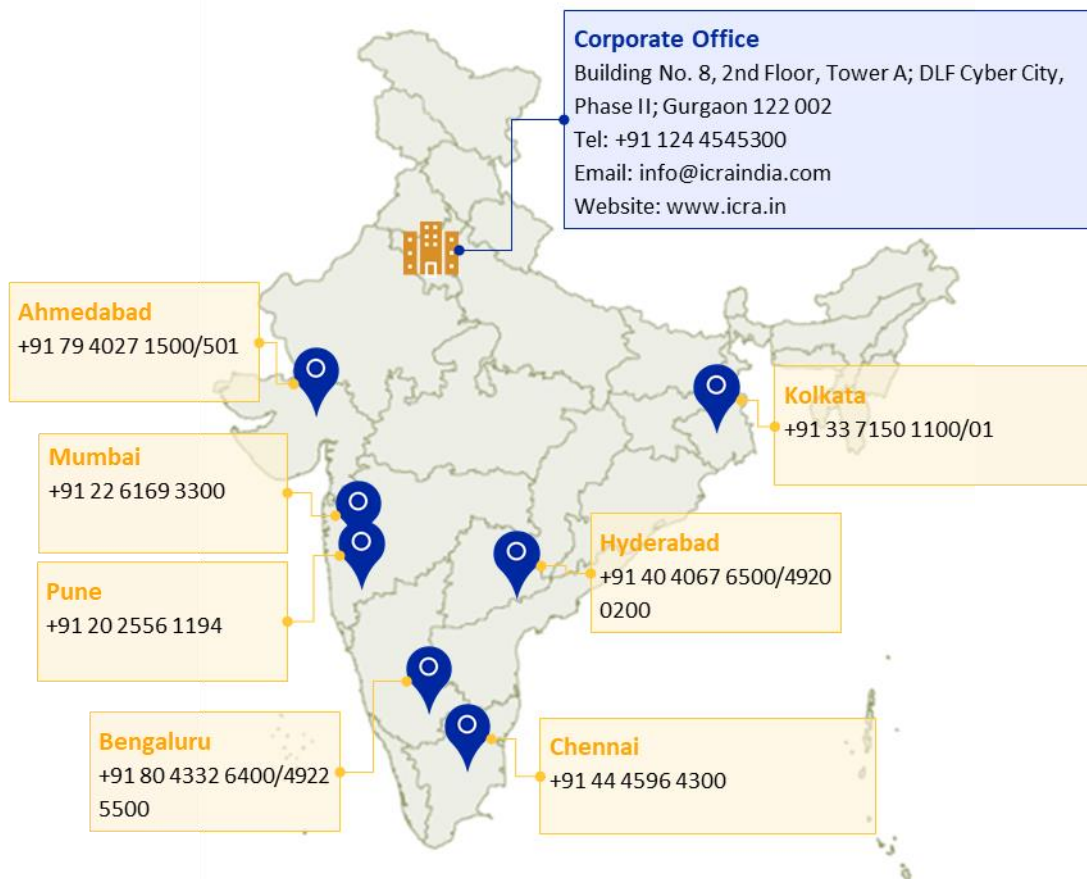
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