February 14, 2020

Jindal Steel & Power Limited: Outlook revised to Positive

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- (Positive); revision in outlook from Stable to Positive
Long-term non-fund-based bank facilities	1,100.00	1,100.00	[ICRA]BBB- (Positive); revision in outlook from Stable to Positive
Short-term non-fund-based bank facilities	4,700.00	4,700.00	[ICRA]A3; outstanding
Short-term fund-based bank facilities	1,261.87	1,261.87	[ICRA]A3; outstanding
Long-term/Short-term Unallocated	2,750.00	2,750.00	[ICRA]BBB-(Positive)/[ICRA]A3; revision in outlook on long-term rating from Stable to Positive
Total Bank Facilities	**25,169.65**	**25,169.65**	
Non-convertible Debentures (NCD)	**1,447.20**	**1,447.20**	[ICRA]BBB- (Positive); revision in outlook from Stable to Positive

**Instrument details are provided in Annexure-1*

Rationale

The revision in outlook to Positive, on the long-term rating outstanding for Jindal Steel and Power Limited (JSPL), reflects an expected improvement in the company's business and financial risk profile, driven by the recent favourable ruling by the Hon'ble. Supreme Court allowing JSPL to lift its royalty-paid, iron ore fine stocks of ~12.2 MT (million tonne) after resumption of mining activity by Sarda Mines Private Limited (SMPL)[1]. These are expected to support the company's profitability and liquidity profile going forward. While revising the outlook to Positive, ICRA has also taken into consideration the resumption and ramp-up of the company's coal-gas-based, direct reduced iron (CGP-DRI) plant at Angul (Odisha), which is expected to facilitate a profitable scale-up in its operations. The aforesaid developments together with continued volumetric growth driven by healthy ramp-up of the company's large and modern capacities in Angul, favourable sales mix and improving efficiencies, are expected to drive an improvement in the performance of the company's domestic steel operations in the near to medium term, facilitating comfortable debt coverage metrics.

Further, the ratings continue to draw comfort 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 diversified and value-added product portfolio. The ratings, however, continue to be constrained by sizeable debt repayment obligations in JSPL's overseas subsidiaries, which remain partly dependent on the domestic entity for timely funding support, amid sub-

[1] Prior to this, the Court had given a favourable order allowing SMPL to resume its mining operations in the leased area for the remainder of its lease period, after complying with the direction to file an undertaking (to comply with all the rules, regulations and other mandatory provision for carrying out mining operations) and depositing the dues as assessed by CEC in its report dated 08.05.2019, by February 29, 2020.

optimal performance and inability to attain a self-sustained level of operations. In this context, ICRA notes that the company is in advanced stages of refinancing the debt obligations in its Mauritius entity, through Dollar Bond Issuance. While the size of the issuance is yet to be frozen, the said refinancing is expected to significantly reduce the company's consolidated repayment obligations over FY2020-FY2022, thereby reducing dependence on domestic entity for extending funding support. The company is also in advanced stages of restructuring its debt obligations in the Australian subsidiary, while also working on avenues to monetise certain non-core assets to deleverage its international operations. Although improved financial flexibility in JSPL's standalone balance sheet following recent developments provides comfort on its ability to extend support to overseas subsidiaries, if required, developments on these fronts and their timing remain crucial for the company's consolidated credit profile and hence remain key monitorables. ICRA, however, continues to draw comfort from JSPL's demonstrated ability to tap domestic and international capital markets for fund raising.

In addition, the ratings 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. While ICRA notes that access to sizeable iron-ore stocks and availability of iron ore from SMPL mines is likely to mitigate availability risks over the next two years, price risk remains to the extent of reliance on purchases from SMPL and market. Also, longer-term outlook will remain dependent on the company's ability to tap additional resources for meeting raw material requirements captively. Going forward, JSPL's ability to harness the potential of its enhanced steel capacities as well as international mining assets, while achieving healthy profitability and managing working capital cycle efficiently, will remain crucial determinants of its cash flows and, hence, the credit profile.

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 plant, as well as resumption of its CGP-DRI plant in January 2020. The integrated and large-scale operations augur well for its operating efficiencies. Further, the recent favourable rulings by the Hon'ble. Supreme Court, allowing JSPL to lift royalty-paid iron ore fine stocks of ~12.2 MT, is expected to ensure raw material security for the company's pellet/steel plant over the next two years, thereby supporting its profitability.

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. In addition, the company has diversified its 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 9M FY2020 (~19% YoY growth in steel sales) despite subdued demand trends (domestic steel consumption grew by 3.5% YoY in 9M FY2020 over 7.5% in FY2019), with ramp up in Angul operations. Although OPBDITA/MT declined to ~Rs 9,646/MT in 9MFY20, compared to ~Rs 12,472/MT in 9M FY2019, it remained better compared to peers in the industry supported by a favourable product mix and operational efficiencies. Besides product diversification benefits on a standalone basis, the company has a diversified operational and geographical presence across subsidiaries as well. These comprise a 3,400-MW thermal power generation capacity in Raigarh (Chhattisgarh) under Jindal Power Limited (JPL), a 2.4-MTPA steel unit in Oman, and coking/ anthracite coal mines in Mozambique, Australia and South Africa.

Financial flexibility reflected in demonstrated ability to mobilise capital - JSPL has demonstrated its ability to raise long-term funds as well as refinance its debt obligations in the past, which reflects favourably on its financial flexibility. The same is corroborated by its successful QIP (Qualified Institutional Placement) issuance of Rs. 1,200 crore in March 2018, priority loan of Rs.1,500 crore raised during FY2019[2] and fund-raising through warrant/equity issuance to promoter entities (Rs. 693 crore received during Q3 FY2018 and Q1 FY2020). JSPL had also divested non-core assets for raising funds (~Rs 2,051 crore), during the previous two fiscals (FY2018-FY2019). At present, the company is working on various liquidity alternatives to bridge the gap for meeting debt obligations in the overseas entities, by way of divestment of non-core assets, proposed dollar bond issuance in Mauritius subsidiary, restructuring of Australian debt, increasing focus on export prepayment facility, and raising funds against iron ore fines inventory etc. Proposed refinancing of debt obligations in Mauritius entity through a Dollar Bond Issuance is expected to ease liquidity and improve financial risk profile at consolidated level, though the extent of improvement remains contingent on the size, pricing and tenure of the issue. Besides, timely completion of this transaction remains pertinent. Further, the company is also in advanced stages of restructuring debt in its Australian subsidiary, while taking various steps for tapping alternative funding sources such as monetisation of overseas mining assets, and/or land parcel in Australia, which could support a faster deleveraging at the consolidated level thereby resulting in an improved financial risk profile.

In context of financial flexibility, ICRA notes that as on Dec 31, 2019, the promoters held 60.40% equity stake in the company, of which around 65.58% was pledged or encumbered. However, exposure against the encumbered shares is gradually declining.

Credit challenges

Leveraged capital structure and modest debt metrics; though improving, with deleveraging of balance sheet and scaling up of operations and profits– Large debt-funded capex undertaken by JSPL in the past (FY2012-FY2018) for setting up a steel and power plant in Angul and a pellet plant in Barbil (Odisha), resulted in high indebtedness. In addition, JSPL made sizeable overseas investments towards a steel capacity in Oman and thermal/coking coal mines in Mozambique, South Africa and Australia, besides domestic investments in power generation under its subsidiary, JPL[3]. Large borrowings for these investments, particularly in some of the overseas operations which have not generated commensurate returns, continue to keep JSPL's consolidated balance sheet highly leveraged, and debt metrics modest, as reflected by Debt/OPBDITA of ~4.8 times in 9M FY2020. This together with sizeable repayment obligations keeps company's debt coverage metrics modest, as reflected in an interest cover of 1.9 times and ~2 times in FY2019 and FY2020E respectively. Nevertheless, it is pertinent to note that the capital structure is gradually improving. The consolidated debt has declined to Rs. 36,000 crore as on December 31, 2019 from a peak level of over Rs. 47,000 crore as on March 31, 2016, with scheduled amortisation of term borrowings and optimisation of working capital. Simultaneously, leverage (as reflected by Debt/ OPBDITA) has corrected from over 14 times to ~4.8 times during the same period, with scale up in operations and profits. ICRA expects company's leverage metrics to improve further, with Consolidated debt/OPBDITA (excluding exceptional upside expected from the recent Court rulings) estimated to decline

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[2] *Priority loan of Rs. 1,500 crore tied up in FY2018*

[3] *ICRA has [ICRA]BBB+(Stable)/A2 ratings outstanding for the bank lines and [ICRA]BBB+(Stable) rating outstanding for the NCDs of JPL. For details, please refer to ICRA's website www.icra.in*

to less than 3.5 times by end of FY2021, driven by improved operating performance and reduction in debt. ICRA notes that the company is undertaking various steps to pare down debt at the consolidated level, including proposed disinvestment of overseas assets and refinancing of overseas debt. Apart from the sizeable scheduled repayments (~Rs 5,300 crore in FY2021), these steps could support a faster deleveraging at the consolidated level. Although improvement envisaged in scale and profits is also expected to keep company's debt coverage metrics comfortable in FY2021, outcome of these initiatives together with the proposed refinancing of debt in Mauritius entity, remain crucial determinant of company's capitalisation and coverage metrics and hence would remain key monitorables.

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 in the sector. Resultant pressures on operating cash flows made the company dependent on the monetisation of non-core assets as well as the 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. 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 the company exposed to price and supply risks for its key raw materials. While ICRA notes that access to sizeable iron-ore stocks and availability of iron ore from SMPL mines is likely to mitigate availability risks over the next two years, price risk remains to the extent of reliance on purchases from SMPL and market. Also, longer-term outlook will remain 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 company's exposure to volatility in raw material prices.

Liquidity position: Adequate

Although the scheduled long-term debt repayment obligations are sizeable at ~Rs. 5000-5,300 crore in FY2020 and FY2021, JSPL's cash flows at consolidated level are expected to remain adequate. These are being supported by working capital cycle contraction, besides increased reliance on additional sources such as short-term export advances, as well as limited capex requirements and continued roll-over of its short-term borrowings. Additionally, access to sizeable royalty-paid iron ore reserves from SMPL, after the recent Supreme Court ruling, is expected to further support the company's financial flexibility as well as liquidity profile over the next two years.

While assessing JSPL's liquidity, ICRA has taken a note of the fact that while the company's standalone liquidity profile remains comfortable, repayment obligations in the international subsidiaries are sizeable in the near term without commensurate cash flows from the underlying assets. Nevertheless, ICRA draws comfort from financial flexibility available at the consolidated level as well as advanced stage of refinancing/ restructuring/ de-leveraging initiatives in the international subsidiaries.

Rating sensitivities

Positive triggers – ICRA could upgrade JSPL's rating if a sustained growth in volumes, while achieving healthy profitability, and successful completion of ongoing refinancing/ restructuring/ deleveraging initiatives in overseas subsidiaries, result in a significant improvement in the company's consolidated capitalisation and debt-coverage metrics. Besides, an improvement in liquidity profile with reduced reliance on short-term funding and successful deleveraging/ refinancing/ restructuring in international subsidiaries could also be upgrade triggers.

Negative triggers – There could be a negative pressure on JSPL's rating if there is a delay in refinancing of international debt obligations. Besides, a material adverse shift in industry conditions which results in slower than expected growth or an unfavourable movement in realisations, significantly affecting the operating profits and leading to lower than estimated cash accruals could also be a downgrade trigger. Additionally, any sizeable debt-funded capex and/or investment which affects company's capitalisation and coverage metrics and/or elongation in working capital cycle which affects liquidity profile, would be negative triggers. Specific metrics that could trigger a negative rating action include a 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, 2019, the company had 9 subsidiaries, 83 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 manufacturing units are situated in Raigarh (Chhattisgarh), Angul (Odisha), Barbil (Odisha), Patratu (Jharkhand), and Oman. While 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, 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. 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 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). In comparison, the iron-making capacity (~1.8 mtpa) at its overseas operations in Oman uses the gas-based hot-briquetted iron (HBI) route.

JSPL also has a captive thermal power 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 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	9M FY2020*
Operating Income (Rs. crore)	39,372.1	28,184.8
PAT (Rs. crore)	(2,411.5)	(705.3)
OPBDIT/OI (%)	21.2%	20.0%
RoCE (%)	2.2%	NA
Total Outside Liabilities/Tangible Net Worth (times)	2.1	NA
Total Debt/OPBDIT (times)	4.7	4.8
Interest Coverage (times)	1.9	1.8
DSCR (excl. short-term debt/ prepayments)	1.0	0.9

Source: Company financials, ICRA research
**Based on abridged financials*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Rating (FY2020)					Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Current Rating 14-Feb-2020	Earlier Rating 29-Jul-2019	FY2019 03-May-2018	FY2018 21-Apr-2017	FY2016 10-Mar-16
1	Term Loans	LT	12,757.78	12,757.78*	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D	[ICRA]D
2	Cash Credit	LT	2,600.00	-	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D	[ICRA]D
3	Non-fund-based	LT	1,100.00	-	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D	[ICRA]D
4	Non-fund-based	ST	4,700.00	-	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA]D	[ICRA]D
5	Fund-based	ST	1,261.87	-	[ICRA]A3	[ICRA]A3	[ICRA]A3	[ICRA]D	[ICRA]D
6	Unallocated	LT/ST	2,750.00	-	[ICRA]BBB- (Positive)/ [ICRA]A3	[ICRA]BBB- (Stable)/ [ICRA]A3	--	--	--
7	NCDs	LT	1,447.20	-	[ICRA]BBB- (Positive)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]D	[ICRA]D

Amount in Rs. crore
Outstanding as on March 31, 2019

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-(Positive)
NA	Short-term Loans	NA	-	-	1,261.87	[ICRA]A3
NA	Bank Guarantee	Feb 2019	-	-	1,100.00	[ICRA]BBB-(Positive)
NA	Letter of Credit	Feb 2019	-	-	4,700.00	[ICRA]A3
NA	Long-term/Short-term Unallocated	NA	-	-	2,750.00	[ICRA]BBB-(Positive)/[ICRA]A3
NA	Term Loans	FY2009	-	FY2036	12,757.78	[ICRA]BBB- (Positive)
INE749A07185	NCD	Oct 12, 2009	9.8%	Apr 12, 2020	100.00	[ICRA]BBB- (Positive)
INE749A07193	NCD	Oct 22, 2009	9.8%	Apr 22, 2020	150.00	[ICRA]BBB- (Positive)
INE749A07219	NCD	Nov 24, 2009	9.8%	May 24,2020	150.00	[ICRA]BBB- (Positive)
INE749A07268	NCD	Dec 24, 2009	9.8%	Jun 24, 2020	150.00	[ICRA]BBB- (Positive)
INE749A07284	NCD	Jan 25, 2010	9.8%	Jul 25, 2020	150.00	[ICRA]BBB- (Positive)
INE749A07300	NCD	Feb 19, 2010	9.8%	Aug 19, 2020	150.00	[ICRA]BBB- (Positive)
INE749A07318	NCD	Mar 26, 2010	9.8%	Sep 26, 2020	150.00	[ICRA]BBB- (Positive)
INE749A07276	NCD	Dec 29, 2009	9.8%	Dec 29, 2021	37.20	[ICRA]BBB- (Positive)
INE749A07151	NCD	Aug 24, 2009	9.8%	Feb 24, 2020	50	[ICRA]BBB- (Positive)
INE749A07169	NCD	Sep 8, 2009	9.8%	Mar 8, 2020	40	[ICRA]BBB- (Positive)
INE749A07177	NCD	Oct 8, 2009	9.8%	Apr 8, 2020	80.00	[ICRA]BBB- (Positive)
INE749A07201	NCD	Nov 9, 2009	9.8%	May 8, 2020	80.00	[ICRA]BBB- (Positive)
INE749A07227	NCD	Dec 8, 2009	9.8%	Jun 8, 2020	80.00	[ICRA]BBB- (Positive)
INE749A07250	NCD	Jan 8, 2010	9.8%	Jul 8, 2020	80.00	[ICRA]BBB- (Positive)

Source: Jindal Steel & Power Limited

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
Kamala Hydro Electric Power Co. Limited	74%	Full Consolidation
Kineta Power Limited	75%	Full Consolidation

Company Name	Ownership	Consolidation Approach
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
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

Company Name	Ownership	Consolidation Approach
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
Nalwa Steel & Power Limited (ceased to be asssociate wef March 2018)	0%	--
Jindal Steel & Power (BC) Limited	100%	Full Consolidation

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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

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