Jindal Steel & Power Limited

December 13, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating[1]	Rating Action
Long-term Bank Facilities	12,348.91 (Reduced from 14,599.41)	CARE AA-; Stable (Double A Minus; Outlook: Stable)	Revised from CARE A+; Stable (Single A Plus; Outlook: Stable)
Long-term / Short-term Bank Facilities	4,000.00	CARE AA-; Stable / CARE A1+ (Double A Minus; Outlook: Stable/ A One Plus)	Assigned
Short-term Bank Facilities	13,500.00 (Enhanced from 9,481.94)	CARE A1+ (A One Plus)	Reaffirmed
Total Bank Facilities	**29,848.91 (Rs. Twenty nine thousand eight hundred forty eight crore and ninety one lakh only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in the ratings assigned to the bank facilities of Jindal Steel & Power Limited (JSPL) factors in significantly better-than-expected operational performance during the current fiscal year supported by favorable demand and elevated steel prices amidst strong industry upcycle thereby resulting in robust operating profit and cash accruals during H1FY22 (refers to the period from April 1 to September 30). The revision in the ratings also favourably factors in a consistent reduction in consolidated debt levels in H1FY22 culminating in reduced finance cost, improvement in gearing and debt metrics and a stronger liquidity position. Going forward, the company is expected to sustain its healthy operating performance and maintain a comfortable leverage profile on the back of continually high steel prices and expectation of better volumes in seasonally better H2FY22 period after recession of monsoon season. CARE Ratings believes that the recently started expansion of 6 MTPA in Angul will not materially increase the company's leverage at the consolidated level as prepayments and scheduled debt repayments shall be largely offset by fresh drawdown of project debts. The ratings also take cognizance of JSPL bagging Kasia iron ore mine in recent auctions and commencement of Russel Vale coking coal mining in Australia thereby strengthening the company's raw material security and shareholder's approval for modified terms of JPL divestments which entails a reduction in consolidated debt, extinguishment of liabilities related to ICDs and advances, besides cash consideration of about Rs.3,015 crore.

The ratings continue to derive strength from the long track record of JSPL's promoters and management in the steel business, and their considerable technical expertise and commercial acumen garnered through several cycles. The ratings also factor in the integrated nature of its manufacturing process supported by proximity to coal and iron ore mines, sizable scale-up of its operations with the introduction of cost-efficient processes in recent past, and emphasis of the management on high-margin products with a significant proportion of value-added long steel products which have demonstrated less susceptibility to cyclical price movements. However, the ratings continue to be constrained by the sizable repayment obligation of overseas subsidiaries and their dependence on JSPL to service their debt obligations, inherent cyclical nature of the steel industry, and susceptibility of profit margins to volatile raw material prices and fluctuating steel prices, the risk being mitigated to an extent by the predominance of value-added products in its sales mix.

Rating Sensitivities

Positive Factors - Factors that could lead to positive rating action/upgrade:

- Sustenance of strong operating performance with PBILDT per tonne above Rs. 15,000 per tonne.
- Sustained improvement in consolidated gearing below 0.50 times and net debt-to-PBILDT to below 1.0 times
- Tie-up of debt and satisfactory progress on Angul expansion and ability to economically ramp up overseas mining operations.

Negative Factors- Factors that could lead to negative rating action/downgrade:

- Weaker than envisaged operating performance due to lower volumes or PBILDT per tonne below Rs.12,000.
- Increase in consolidated debt to PBILDT beyond 2.00 times.
- Any unplanned substantial capex/large acquisition/material increase in exposure towards subsidiaries, beyond envisaged levels.

Detailed description of the key rating drivers

Key Rating Strengths

Robust operational performance: During H1FY22, on a consolidated level, the company reported 64% year-on-year (y-o-y) improvement in the operating income by registering an income Rs.24,259 crore during the half-year and a profit of Rs.5,100 crore (H1FY21: Profit of Rs. 1,133 crore) from continuing operations and Rs.2,693 crore (H1FY21: loss of Rs.439

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

crore) after including profit/loss from discontinued operations. The improvement was aided by higher sales volume coupled with upward movement in steel prices and spreads. The operating profit of JSPL (Standalone) improved from Rs.9,733 per tonne in FY20 (refers to the period April 1 to March 31) to Rs.19,085 per tonne in FY21 which further improved to Rs.24,520 per tonne in H1FY22. Consequently, the company's PBILDT margin also improved at a consolidated level to 37.80% for H1FY22 against 37.05% in FY21 and 29.77% in H1FY21. Going forward, the demand in the steel sector is expected to remain steady in the next few quarters. The company's ability to maintain growth in the sales volumes and report envisaged PBILDT/tonne, and to generate adequate accruals to support its capex and debt servicing obligations at the consolidated level, shall remain a key monitorable.

Increase in raw material security and capacity: JSPL has received an additional 1 MTPA Consent to Operate (CTO) for the Angul Blast furnace (CTO of 4.25 mtpa from 3.2 mtpa currently) raising its overall capacity to 9.60 MTPA as on September 30, 2021. Furthermore, the company has been awarded the lease of Kasia Iron Ore Mine in Odisha which has a large geological resource of 278 million tonnes of iron ore having an Environmental Clearance (EC) of 7.5 MTPA. The said mine which is only 17 km away from JSPL's Barbil pellet plant has significantly boosted its raw material security in view of the company's plans to raise its pellet capacity to 21 mtpa (from 9 mtpa now) by FY24 and steel capacity to 15.6 mtpa (from 9.6 mtpa) by FY25. Moreover, JSPL has also commenced coking coal mine in its Australian subsidiary the ramping of which shall remain key monitorable as it shall not only reduce the dependence of overseas operations on JSPL but also support profitability, especially in high coking coal price regimes.

Sizeable deleveraging: Strong operational cash flows, improving working capital and declining finance cost have all contributed towards continuous deleveraging in H1FY22. The overall gearing (including acceptances) of the company improved and stood comfortable at 0.60x as on September 30, 2021 as compared with 1.13 as on March 31, 2021 (1.35x as on March 31, 2020). During H1FY22, with repayments, pre-payments, and divestment of subsidiary*, the company was able to reduce its total debt (including LC acceptances) on a consolidated level by Rs.13,286 crore from Rs.32,074 crore as on March 31, 2021 to Rs.18,789 crore as on September 30, 2021. The debt coverage ratios of the company also improved marked by total debt to annualized PBILDT ratio of 1.02x as on September 30, 2021 (2.22x as on March 31, 2021) owing to healthy profitability during H1FY22 and a healthier interest coverage ratio of 8.80x during H1FY22 (H1FY21- 2.86, FY21- 4.84x) because of a decline in the interest cost coupled with healthier PBILDT. Going forward, CARE Ratings expects the company's leverage to remain at healthy levels on the back of the generation of healthy free cash flows.

Disinvestment in JPL: JPL is an independent power producer (IPP) with an installed capacity of 3400 MW as on March 31, 2021. JSPL holds 96.42% stake in JPL and in April 2021 announced divestment of its entire stake JPL to one of the promoter companies – Worldone Private Limited (WPL). The same is under process as approval of JPL and JSPL's lender is pending. JSPL holds total preference shares as recorded in the books of JSPL of Rs.2,963 crore as on March 31, 2021, in JPL which will be knocked off against the liability of Inter-corporate deposit (Rs.1,532 crore) and advances (Rs.2,854 crore). JSPL will further receive cash of Rs.3,015 crore against the equity investment made in JPL. While the completion of the divestment of JPL would help JSPL reduce its consolidated debt, any cancellation of the deal shall not materially impact its credit profile considering the large size of overall operations and balance sheet.

Experienced promoters with a long track record: JSPL, part of the Naveen Jindal group, was constituted in April 1998 by hiving off the Raigarh and Raipur manufacturing facilities of Jindal Strips Limited (JSL) into a separate company and, therefore, has a long track record of operations. Mr Naveen Jindal (Chairman) holds experience of around 30 years in the steel and power business. Mr Jindal is supported by Mr V.R. Sharma, Managing Director (experience of around 38 years in steel, cement, and power industry), further, the top management of the company is supported by a team of highly qualified professionals. The promoters of the company have demonstrated their support in the form of regular equity infusions; by way of issue of share warrants of Rs.673 crore to the promoters (issued in FY18 with 25% upfront receipt and converted into equity share in FY20 with receipt of remaining 75%) and fresh equity infusion of Rs.20 crore and company also raised equity through a qualified institutional placement (QIP) in FY18 of Rs.1,200 crore.

Emphasis on high margin value-added products: The company has a healthy balance in its product mix, with value-added products accounting for 66% of its sales in FY21 (PY: 62%). The company manufactures value-added products through its rail and universal beam mill, plate mill, medium and light section mill and bar mill. In addition, the company has a wire rod mill, pelletization and a cement plant. The high level of operational integration and presence in the value-added product segments enable the company to have a competitive cost of production and report better overall realizations and higher operating profits thereby limiting margin contraction during the down-cycle. Besides, the presence of the company across the entire steel value chain provides it the flexibility to sell its products at various stages of production. Notably, the company is largely into long products and specialty grade flats, where the threat of imports is lesser. Besides, the company has established itself as one of the preferred suppliers of rails (including specialty rails) to Indian Railways and its controlled entities including Dedicated Freight Corridor Corporation of India Limited (DFCCIL) and metro projects. JSPL has the capability to manufacture one of the longest rails in India.

Operational integration and efficiency-accretive investments in the recent past: The company sources a part of its iron ore requirement from its captive mines at Tensa, Orissa. Although the company has fully utilized its duty paid iron ore stock from SMPL, it has adequate iron ore stock for its current requirement while the future requirement is proposed to be met from Kasia iron ore mine and sourcing arrangements with OMC/NDMC and private mine owners in Odisha. The proximity of the mines to its manufacturing facility has helped the company to save freight cost and will continue to ensure the better availability of an adequate quantity of iron ore. The company meets part of its non-coking coal requirements from coal linkage, while the remaining requirement is met through e-auction/imports of coal. As an initiative to introduce cost-efficient processes of capacity expansion, a coal gasification plant was set up in Angul, Odisha, in May 2014. The facility uses high ash coal available in the vicinity of the site and converts it into synthetic gas, which is used along with coke oven gases for the production of direct-reduced iron (DRI).

Key Rating Weaknesses

Sizable repayment obligation of overseas subsidiaries: JSPL, through its wholly-owned subsidiary, Jindal Steel and Power (Mauritius) Limited (JSPML), has made overseas investments in the group. JSPML's investments span operating assets in South Africa, Mozambique and Australia. This includes coking coal mines in Australia, anthracite coal mines in South Africa and coking coal mines in Mozambique. The overseas subsidiaries of JSPL in Mauritius and Australia are dependent on JSPL's Indian operations for funds to repay their debt obligations. While JSPL's India operations generate sufficient surplus cash flows to take care of overseas debt repayments, the company's ability to timely arrange requisite regulatory approvals to remit funds to repay overseas debt or to refinance it with longer tenor shall remain a key monitorable.

Sizable capacity expansion project: JSPL had initiated enhancement of its existing steel manufacturing capacity from 9.6 MTPA as on September 30, 2021, to 15.60 MTPA and enhancement in its pellet capacity from 9 MTPA as on September 30, 2021 to 21 MTPA. With an estimated cost of around Rs.22,420 crore, the project is expected to be funded through a debt-equity proportion of 70:30. This project is being undertaken in a separately incorporated subsidiary (Jindal Steel Odisha Limited-JSOL). The company has incurred total cost of Rs.1,800 crore till November 24, 2021 by way of equity infusion from JSPL and Capex LC issuance. The pellet and hot strip mill project is expected to be partially (6 MTPA) complete by FY23 and the remaining 6 MTPA in FY24, while the steel manufacturing plant is expected to be complete by FY25. The company's ability to timely tie-up the debt, complete the project without any time cost overrun and ramp up the operations as envisaged shall remain key monitorable.

Susceptibility of profit margins to volatility in raw material prices: The company is partially dependent on third-party suppliers for both the key raw materials, viz., iron ore and coking coal which is largely met through imports. These raw materials have shown a volatile trend in prices over the years. The volatility in prices of raw materials is bound to impact the profitability of steel players in India. The company's basic steelmaking process involves a mix of DRI and blast furnace capacities which provide some flexibility during times of high coking coal prices. Additionally, the company has secured itself partially for its future coking coal requirements with its mines in Australia and Mozambique and iron ore requirement through its Tensa and Kasia iron ore mines. However, future benefits to the company would hinge upon its ability to economically ramp up production at these overseas coking coal mines..

Cyclical nature of steel industry: The steel industry is sensitive to business cycles, including changes in the general economy, interest rates and seasonal changes in the demand and supply conditions in the market. Furthermore, the producers of steel products are essentially price-takers in the market, which directly exposes their cash flows and profitability to the volatility of the steel industry. However, greater process integration, access to raw material inputs and a higher share of value-added products serve to de-risk steelmakers from the inherent cyclicality.

Industry Prospects: Steady vaccination ramp-up and easing of COVID-related restrictions are likely to help in broadening the recovery, and external demand conditions remain supportive. After remaining subdued in H1FY22, construction and infrastructure activities are expected to recover strongly in H2FY22 as a seasonally strong demand period sets in. This bodes well for JSPL with two-thirds of its product portfolio catering largely to India's Construction & Infrastructure sector. Declining iron ore prices could aid margins for the company going forward with part of this key raw material sourced from third parties at this juncture. The domestic steel industry, however, continues to grapple with the sharp rise in the coking coal prices. Premium Hard Coking coal has risen by 180% so far in FY22 and currently trading close to USD 350/t levels. However, the resumption of Russel Vale mine in Australia will provide some relief to JSPL from rising coking coal costs, with first shipment expected to reach JSPL India in December 2021.

<u>Liquidity: Strong</u>

JSPL's liquidity position improved and stood strong supported by reducing debt levels and healthy cash accruals. The projected cash accruals for FY22 supported by cash & cash equivalents available at the beginning of FY22 are adequate to cover its scheduled repayment obligation of Rs.6,803 crore. It has cash and cash equivalents of Rs.4,844 crore as on September 30, 2021. Besides JSOL, the company does not have any major debt funded capex plans in FY22. The working capital cycle of the company remained well managed to result in healthy cash flow from operations. The average fund-based working capital utilization of the company stood low at around 26% for the trailing 12 months ended October 2021.

Analytical approach:

CARE Ratings has adopted a consolidated approach on account of operational and financial linkages among the entities. The list of entities whose financials have been combined is mentioned in Annexure -6

Applicable Criteria
- Policy on default recognition
- Consolidation
- Factoring Linkages Parent Sub JV Group
- Financial Ratios – Non financial Sector
- Liquidity Analysis of Non-financial sector entities
- Rating Outlook and Credit Watch
- Short Term Instruments
- Manufacturing Companies
- Steel

About the Company
JSPL, part of the O P Jindal group, was formed in April 1998 by hiving off the Raigarh and Raipur manufacturing facilities of Jindal Strips Ltd. (JSL) into a separate company. JSPL is amongst the leading integrated steel producers (ISPs) in the country. The company's key business activities include the manufacturing of sponge iron, steel products and power generation with its operations spread across Chhattisgarh (Raigarh and Raipur), Odisha (Barbil and Angul) and Jharkhand (Patratu) in India. JSPL has an installed capacity of 9.6 MTPA of liquid steel, 9.0 MTPA of pellet, and 6.55 MTPA of finished steel manufacturing in India as on September 30, 2021. The company also has power generation capacity of 1,634 MW (including captive) as on September 30, 2021, the surplus power from which is sold on merchant basis. Besides, it has a presence outside India with major operations in South Africa, Indonesia, Mozambique and Australia through its various subsidiaries. The company under process of divestment of its entire stake in one of its subsidiaries, JPL (96.42% stake).

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	H1FY22 (UA)
Total operating income	37,043	38,989	24,259
PBILDT	7,956	14,444	9,171
PAT	(400)	4,267	2,693
Overall gearing (times)	1.35	1.13	0.60
Interest coverage (times)	1.89	4.67	8.80

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	June 30, 2034	9869.98	CARE AA-; Stable
Fund-based - LT-Cash Credit	-	-	-	-	1600.00	CARE AA-; Stable
Non-fund-based - ST-BG/LC	-	-	-	-	13500.00	CARE A1+
Fund-based - LT-Term Loan	-	-	-	March 31, 2027	878.93	CARE AA-; Stable
Non-fund-based - LT/ ST-Letter of credit	-	-	-	-	4000.00	CARE AA-; Stable / CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (30-Dec-20) 2)CARE BBB-; Stable (06-Jul-20) 3)CARE BBB- (CWN) (17-Apr-20)	1)CARE BBB-; Stable (30-Aug-19)	1)CARE BBB-; Stable (08-Feb-19) 2)CARE BBB-; Stable (04-Apr-18)
2	Fund-based - LT-Term Loan	LT	9869.98	CARE AA-; Stable	1)CARE A+; Stable (06-Jul-21) 2)CARE A-; Stable (06-May-21) 3)CARE A-; Stable (01-Apr-21)	1)CARE BBB+; Stable (30-Dec-20) 2)CARE BBB-; Stable (06-Jul-20) 3)CARE BBB- (CWN) (17-Apr-20)	1)CARE BBB-; Stable (30-Aug-19)	1)CARE BBB-; Stable (08-Feb-19) 2)CARE BBB-; Stable (04-Apr-18)
3	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (06-Jul-21) 2)CARE A-; Stable (06-May-21) 3)CARE A-; Stable (01-Apr-21)	1)CARE BBB+; Stable (30-Dec-20) 2)CARE BBB-; Stable (06-Jul-20) 3)CARE BBB- (CWN) (17-Apr-20)	1)CARE BBB-; Stable (30-Aug-19)	1)CARE BBB-; Stable (08-Feb-19) 2)CARE BBB-; Stable (04-Apr-18)
4	Fund-based - LT-Cash Credit	LT	1600.00	CARE AA-; Stable	1)CARE A+; Stable (06-Jul-21) 2)CARE A-; Stable (06-May-21) 3)CARE A-; Stable (01-Apr-21)	1)CARE BBB+; Stable (30-Dec-20) 2)CARE BBB-; Stable (06-Jul-20) 3)CARE BBB- (CWN) (17-Apr-20)	1)CARE BBB-; Stable (30-Aug-19)	1)CARE BBB-; Stable (08-Feb-19) 2)CARE BBB-; Stable (04-Apr-18)
5	Non-fund-based - ST-BG/LC	ST	13500.00	CARE A1+	1)CARE A1+ (06-Jul-21) 2)CARE A2+ (06-May-21) 3)CARE A2+	1)CARE A2 (30-Dec-20) 2)CARE A3 (06-Jul-20)	1)CARE A3 (30-Aug-19)	1)CARE A3 (08-Feb-19) 2)CARE A3

					(01-Apr-21)	3)CARE A3 (CWN) (17-Apr-20)		(04-Apr-18)
6	Fund-based - ST-Working Capital Limits	ST	-	-	-	1)Withdrawn (30-Dec-20) 2)CARE A3 (06-Jul-20) 3)CARE A3 (CWN) (17-Apr-20)	1)CARE A3 (30-Aug-19)	1)CARE A3 (08-Feb-19) 2)CARE A3 (04-Apr-18)
7	Debentures-Non Convertible Debentures	-	-	-	-	-	-	1)CARE BBB-; Stable (04-Apr-18)
8	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (06-Jul-21) 2)CARE A-; Stable (06-May-21) 3)CARE A-; Stable (01-Apr-21)	1)CARE BBB+; Stable (30-Dec-20) 2)CARE BBB-; Stable (06-Jul-20) 3)CARE BBB- (CWN) (17-Apr-20)	1)CARE BBB-; Stable (30-Aug-19)	1)CARE BBB-; Stable (08-Feb-19) 2)CARE BBB-; Stable (04-Apr-18)
9	Debentures-Non Convertible Debentures	LT	-	-	1)CARE A+; Stable (06-Jul-21) 2)Withdrawn (06-Jul-21) 3)CARE A-; Stable (06-May-21) 4)CARE A-; Stable (01-Apr-21)	1)CARE BBB+; Stable (30-Dec-20) 2)CARE BBB-; Stable (06-Jul-20) 3)CARE BBB- (CWN) (17-Apr-20)	1)CARE BBB-; Stable (30-Aug-19)	1)CARE BBB-; Stable (08-Feb-19) 2)CARE BBB-; Stable (04-Apr-18)
10	Fund-based/Non-fund-based-LT/ST	-	-	-				
11	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (06-Jul-21) 2)CARE A-; Stable (06-May-21) 3)CARE A-; Stable (01-Apr-21)	1)CARE BBB+; Stable (30-Dec-20) 2)CARE BBB-; Stable (06-Jul-20) 3)CARE BBB- (CWN) (17-Apr-20)	1)CARE BBB-; Stable (30-Aug-19)	1)CARE BBB-; Stable (08-Feb-19) 2)CARE BBB-; Stable (04-Apr-18)
12	Fund-based - LT-Term Loan	LT	878.93	CARE AA-; Stable	1)CARE A+; Stable (06-Jul-21)	1)CARE BBB+; Stable (30-Dec-20)	1)CARE BBB; Stable	1)CARE BBB; Stable

					2)CARE A-; Stable (06-May-21) 3)CARE A-; Stable (01-Apr-21)	2)CARE BBB; Stable (06-Jul-20) 3)CARE BBB (CWN) (17-Apr-20)	(30-Aug-19)	(08-Feb-19) 2)CARE BBB; Stable (04-Apr-18)
13	Non-fund-based - LT/ ST-Letter of credit	LT/ST *	4000.00	CARE AA-; Stable / CARE A1+				

* Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ ST-Letter of credit	Simple
4	Non-fund-based - ST-BG/LC	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender-wise details of bank facilities please **click here**

Annexure-6: List of entities whose financials have been consolidated (as on March 31, 2021)

	Subsidiaries and Associates	Percentage Stake
	Subsidiaries	
1	Jindal Power Limited	96.43
2	Jindal Steel Bolivia SA	51.00
3	Jindal Steel & Power (Mauritius) Limited	100.00
4	Skyhigh Overseas Limited	100.00
5	Everbest Power Limited	100.00
6	Jindal Angul Power Limited	100.00
7	JB Fabinfra Limited	100.00
8	Trishakti Real Estate Infrastructure and Developers Limited	94.87
9	Raigarh Pathalgaon Expressway Ltd	100.00
10	Jindal Steel Odisha Limited (Incorporated in April, 2021 as a wholly owned subsidiary of JSPL)	100.00
	Subsidiaries of Jindal Power Limited*	
11	Attunli Hydro Electric Power Company Limited	74.00
12	Etalin Hydro Electric Power Company Limited	74.00
13	Jindal Hydro Power Limited	99.25
14	Jindal Power Distribution Limited	99.96
15	Ambitious Power Trading company Limited	79.34
16	Jindal Power Transmission Limited	99.25
17	Jindal Power Ventures (Mauritius) Limited	100.00
18	Kamala Hydro Electric Power Co. Limited	74.00
19	Kineta Power Limited	75.01
20	Uttam Infralogix Limited	100.00
21	Jindal Realty Limited	100.00
	Subsidiaries of Skyhigh Overseas Limited	
22	Gas to Liquids International S.A	87.56
23	Moonhigh Overseas Limited (w.e.f. 04-04-2020)	100.00
	Subsidiary of Jindal Power Ventures (Mauritius) Limited	
24	Jindal Power Senegal SAU	100.00
	Subsidiary of Uttam Infralogix Limited	
25	Panther Transfreight Limited	100.00
	Subsidiary of Jindal Realty Limited	

	Subsidiaries and Associates	Percentage Stake
26	Jagran Developers Private Limited	100.00
	Subsidiaries of Jindal Steel & Power (Mauritius) Limited	
27	Blue Castle Ventures Limited	100.00
28	Brake Trading (Pty) Limited	85.00
29	Fire Flash Investments (Pty) Limited	65.00
30	Harmony Overseas Limited	100.00
31	Jindal (BVI) Limited	97.44
32	Jindal Africa Investments (Pty) Limited	100.00
33	Jindal Africa SA	100.00
34	Jindal Botswana (Pty) Limited	100.00
35	Jindal Investimentos LDA	100.00
36	Jindal Investment Holding Limited.	100.00
37	Jindal KZN Processing (Pty) Limited	85.00
38	Jindal Madagascar SARL	100.00
39	Jindal Mining & Exploration Limited	100.00
40	Jindal Mining Namibia (Pty) Limited	100.00
41	Jindal Steel & Minerals Zimbabwe Limited	100.00
42	Jindal Steel & Power (BC) Limited	100.00
43	Jindal Steel & Power (Australia) Pty Limited	100.00
44	Jindal Tanzania Limited	100.00
45	JSPL Mozambique Minerals LDA	97.50
46	Jubiliant Overseas Limited	100.00
47	Landmark Mineral Resources (Pty) Limited	60.00
48	Osho Madagascar SARL	100.00
49	PT Jindal Overseas	99.00
50	Jindal Shadeed Iron & Steel L.L.C(Ceased to be subsidiary w.e.f. 31.03.2021)	-
51	Jindal Iron Ore (Pty) Limited (Formerly known as Sungu Sungu Pty limited)	74.00
52	Trans Asia Mining Pty. Limited	100.00
53	Vision Overseas limited	100.00
54	Wollongong Coal Limited	61.02
55	Jindal Steel DMCC	100.00
56	Jindal Mauritania SARL (Liquidated as on 02.05.2019)	100.00
57	Jindal Africa Consulting (Pty) Limited	100.00
	Others	
58	Belde Empreendimentos Mineiros LDA, a subsidiary of JSPL Mozambique Minerals LDA	100.00
59	Eastern Solid Fuels (Pty) Limited, a subsidiary of Jindal Mining & Exploration Limited	100.00
60	PT BHI Mining Indonesia, a subsidiary of Jindal Investment Holding Limited	99.00
61	PT Sumber Surya Gemilang, a subsidiary of PT. BHI Mining Indonesia	99.00
62	PT Maruwai Bara Abadi, a subsidiary of PT. BHI Mining Indonesia	75.00
63	Jindal Mining SA (Pty) Limited, a subsidiary of Eastern Solid Fuels (Pty) Limited	73.94
64	Bon-Terra Mining (Pty) Limited, a subsidiary of Jindal Energy SA (Pty) Limited	100.00
65	Jindal (Barbados) Holding Corp, a subsidiary of Jindal (BVI) Limited	100.00
66	Jindal Energy (Bahamas) Limited, a subsidiary of Jindal (BVI) Limited	99.98
67	Jindal Energy (Botswana) Pty Limited, a subsidiary of Jindal (BVI) Limited	100.00
68	Jindal Energy (SA) Pty Limited, a subsidiary of Jindal Africa Investments (Pty) Limited	100.00
69	Jindal Transafrica (Barbados) Corp, a subsidiary of Jindal (BVI) Limited	100.00
70	Jindal Resources (Botswana) Pty Limited, a subsidiary of Jindal Transafrica (Barbados) Corp	100.00
71	Trans Africa Rail (Pty) Limited, a subsidiary of Jindal Transafrica (Barbados) Corp	100.00
72	Sad-Elec (Pty) Limited, a subsidiary of Jindal Energy (SA) Pty Limited	100.00
73	Jindal (Barbados) Mining Corp, a subsidiary of Jindal (Barbados) Holding Corp	100.00
74	Jindal (Barbados) Energy Corp, a subsidiary of Jindal (Barbados) Holding Corp	100.00
75	Meepong Resources (Mauritius) (Pty) Limited, a subsidiary of Jindal (Barbados) Mining Corp	100.00
76	Meepong Resources (Pty) Limited, a subsidiary of Meepong Resources (Mauritius) (Pty) Limited	100.00
77	Meepong Energy (Mauritius) (Pty) Limited, a subsidiary of Jindal (Barbados) Energy Corp	100.00
78	Meepong Energy (Pty) Limited, a subsidiary of Meepong Energy (Mauritius) (Pty) Limited	100.00
79	Meepong Service (Pty) Limited, a subsidiary of Meepong Energy (Pty) Limited	100.00

	Subsidiaries and Associates	Percentage Stake
80	Meepong Water (Pty) Limited, a subsidiary of Meepong Energy (Pty) Limited	100.00
81	Peerboom Coal (Pty) Limited, a subsidiary of Jindal Africa Investment (Pty) Limited (under winding up)	70.00
82	Shadeed Iron & Steel Company Limited, a subsidiary of Jindal Shadeed Iron & Steel LLC(Ceased to be subsidiary w.e.f. 31.03.2021)	-
83	Southbulli Holding Pty Limited, a subsidiary of Wollongong Coal Limited	100.00
84	Oceanic Coal Resources NL, a subsidiary of Wollongong Coal Limited	100.00
85	Wongawilli Coal Pty Limited, a subsidiary of Oceanic Coal Resources NL	100.00
86	Koleka Resources (Pty) Limited, a subsidiary of Jindal Africa Investment (Pty) Limited (under winding up)	60.00
87	Legend Iron Limited, a subsidiary of Jindal Shadeed Iron & Steel L.L.C(Ceased to be subsidiary w.e.f. 31.03.2021)	-
88	Cameroon Mining Action SA, a subsidiary of Legend Iron Limited (Ceased to be subsidiary w.e.f. 31.03.2021)	-
89	Enviro Waste Gas Services Pty Ltd., Subsidiary of Wollongong Coal Limited	100.00
	Associates	
90	Goedehoop Coal (Pty) Limited	50.00
91	Thuthukani Coal (Pty) Limited	49.00
92	Jindal Steel Andhra Limited (incorporated during the year)	49.00
	Joint Ventures	
93	Jindal Synfuels Limited	70.00
94	Shresht Mining and Metals Private Limited	50.00
95	Urtan North Mining Company Limited	66.67

**Company has announced the divestment its stake (96.4%) in Jindal Power limited and the same has been approved by the shareholders in their EGM dated September 03, 2021*

Note on complexity levels of the rated instrument: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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