

A large industrial furnace in a steel mill, with bright orange molten metal and sparks. The scene is filled with industrial machinery, including a large cylindrical vessel and various pipes and structural elements. The lighting is dominated by the intense heat of the molten metal, creating a dramatic and high-contrast environment. A semi-transparent dark blue box is overlaid on the left side of the image, containing white text.

Q1 FY'20

Industry Update &
Key Performance Highlights

14th August, 2019

SAMPLE TIP

This presentation may contain certain forward looking statements concerning Steel & power sector , Economy and JSPL's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, etc., interest and other fiscal costs generally prevailing in the economy. Past performance may not be indicative of future performance. We do not undertake to update our forward-looking statements.

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PRESENTATION OUTLINE

Q1 FY'20

HIGHLIGHTS

INDUSTRY UPDATE

COMPANY UPDATE



HIGHLIGHTS

Q1FY20 PERFORMANCE



STANDALONE

Revenue **8,237**
YoY **6%**



CONSOLIDATED

Revenue **11,099**
YoY **4%**

DOMESTIC



Steel & related products
volumes **1.51 Million Tonnes**
UP BY **16% YoY**



POWER



Jindal Power Limited

Revenue **1,114** up by **15%** YoY
Generation **2,982 MU** Up by **13 %** QoQ



RAIL



Rail deliveries up by **126% YoY**



MINING

Mozambique RoM Production **614 KT**
Up by **126% QoQ**



EBITDA

QoQ

↑ **18%**

JSPIL Consolidated

↑ **35%**

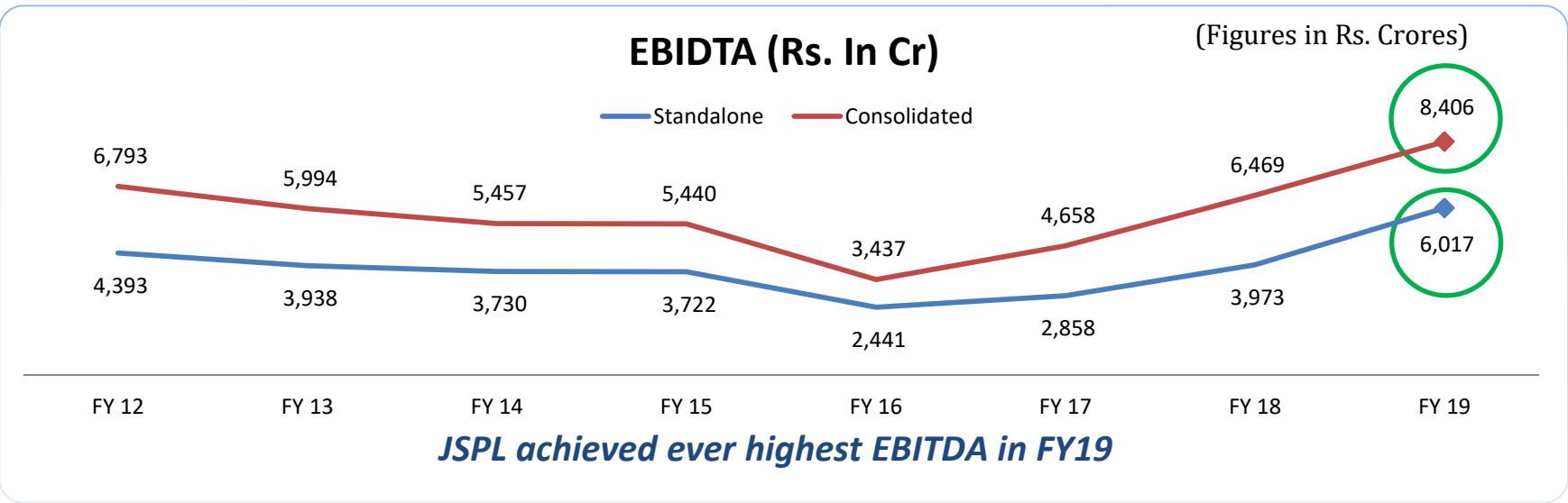
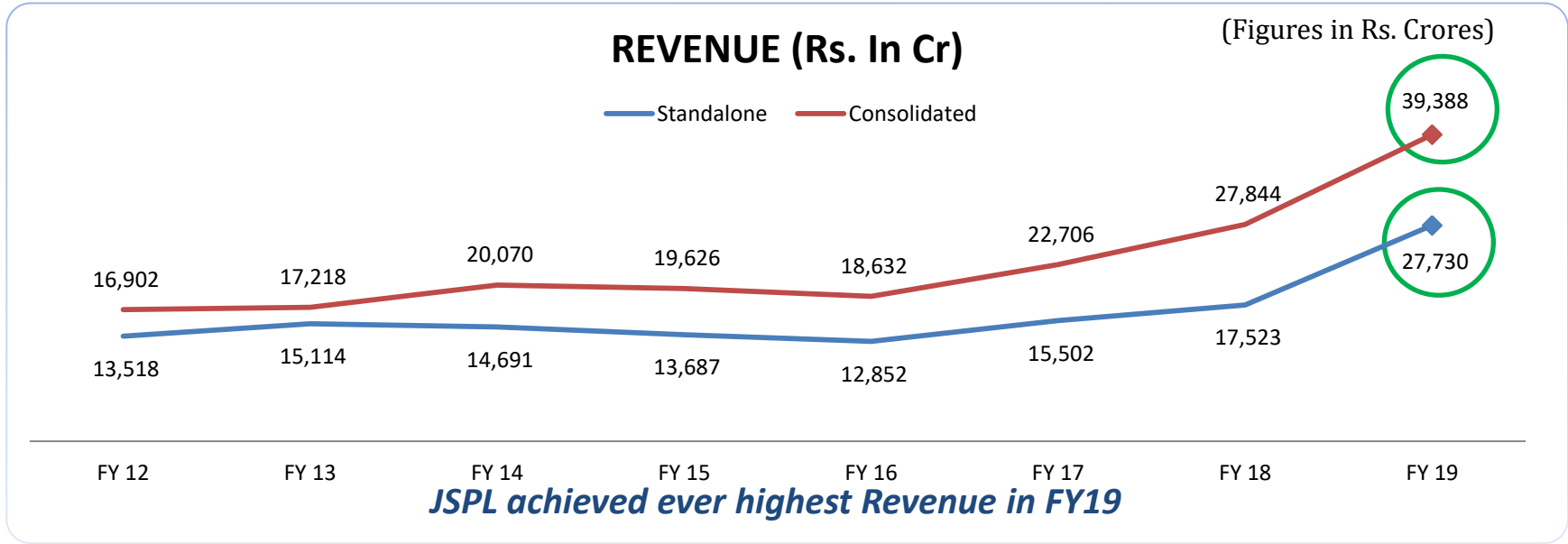
Jindal Power Limited

↑ **12%**

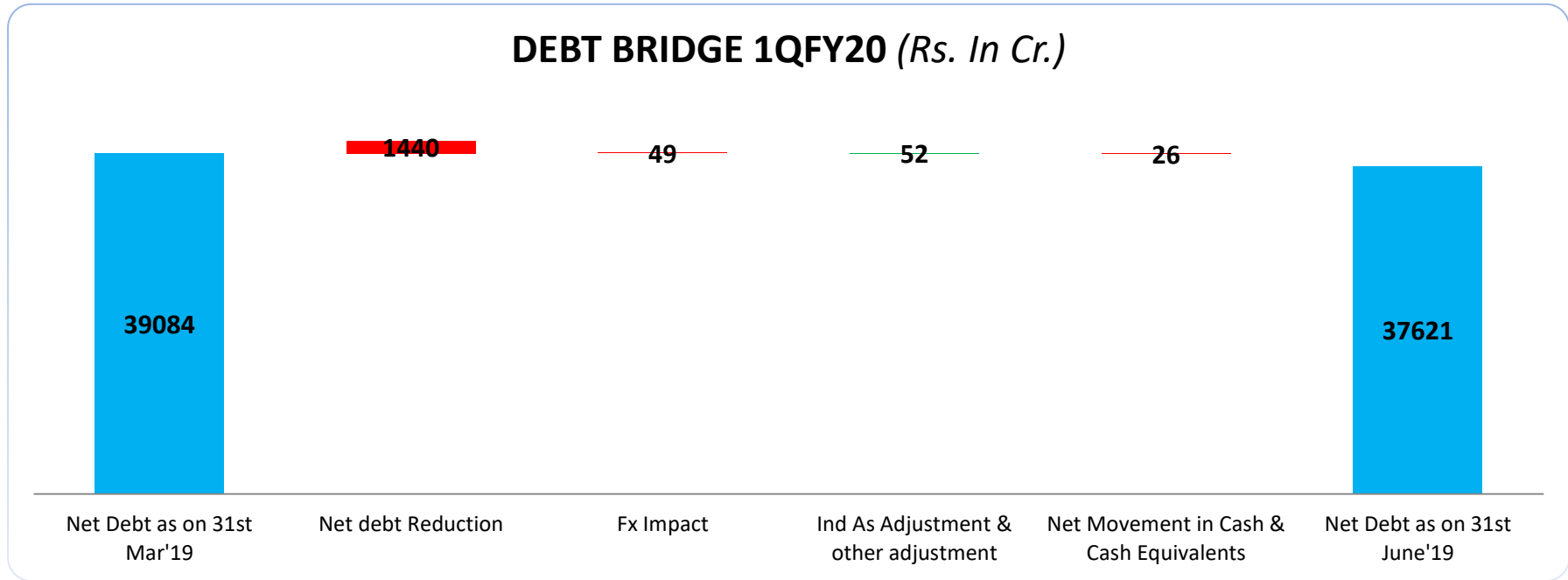
JSPIL Standalone

Figures in Rs. Crores





J SPL CONSOLIDATED DEBT BRIDGE QoQ



Approx. 30% of the long term debt repayment already done till date

Q1 FY'20

HIGHLIGHTS

INDUSTRY UPDATE

COMPANY UPDATE

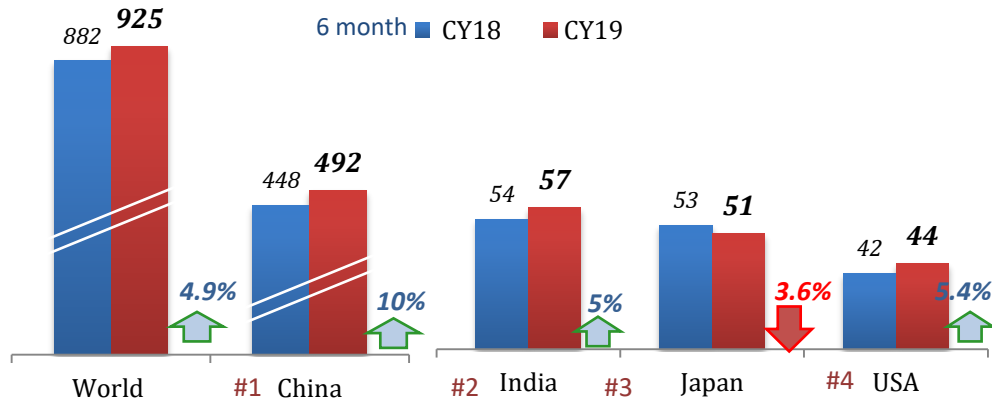


INDUSTRY UPDATE

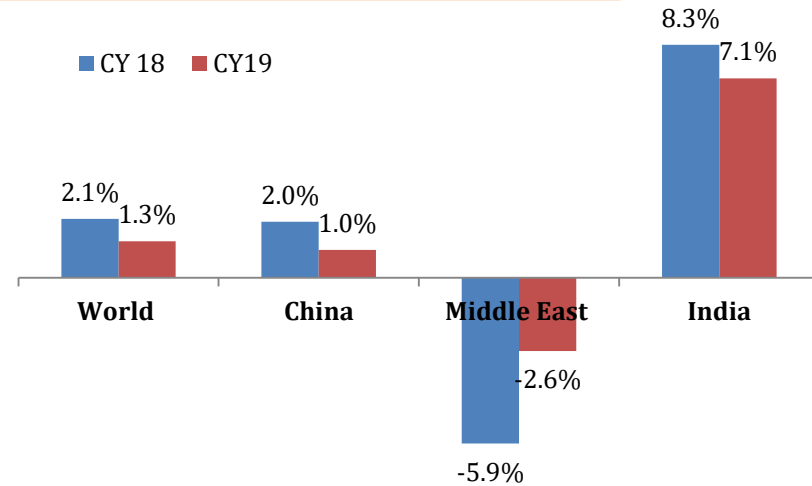
GLOBAL STEEL PRODUCTION INCREASED

> Global Steel Production improved significantly

Fig in Mt



> Indian among fastest growing steel market



- ✓ Healthy growth in world steel production led by China India etc.
- ✓ Chinese steel output strongest
- ✓ **Indian Demand** Outlook likely to remain **robust**
- ✓ **Middle East Steel Demand** remains muted in CY19 and is estimated to contract by 2.6% YoY.

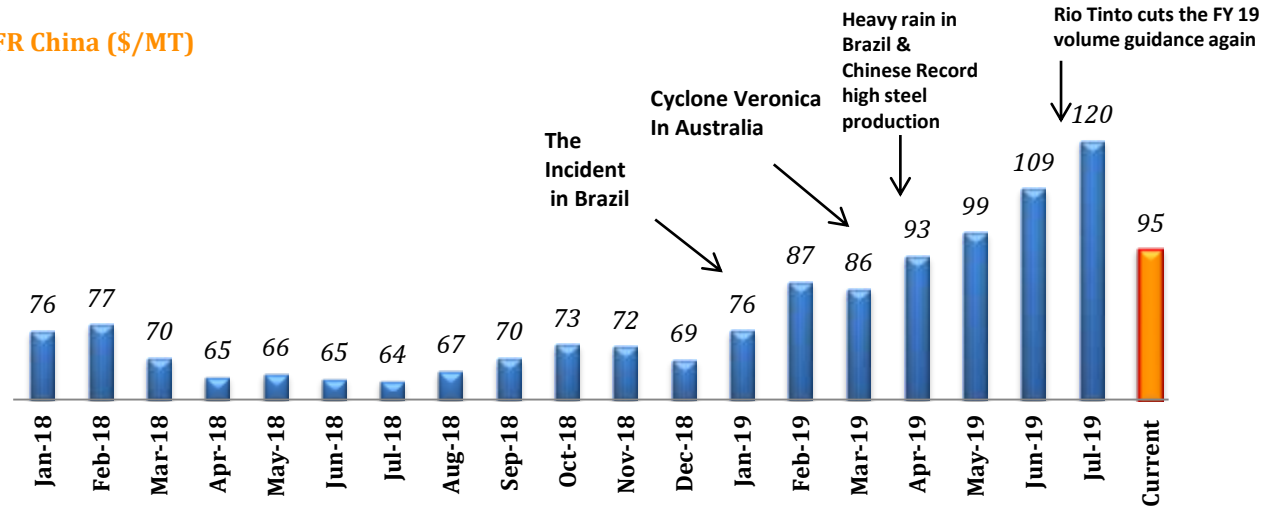
* Crude Steel equivalent

RAW MATERIAL PRICES REMAIN FIRM, WHICH SUPPORTED THE STEEL PRICES.

> Iron Ore :

- Seaborne Iron ore prices remain strong due to concerns for supply disruption.

CFR China (\$/MT)



> Met Coal

- Prices remains firm due to healthy demand from China & India.

PLV: FOB Australia (\$/MT)

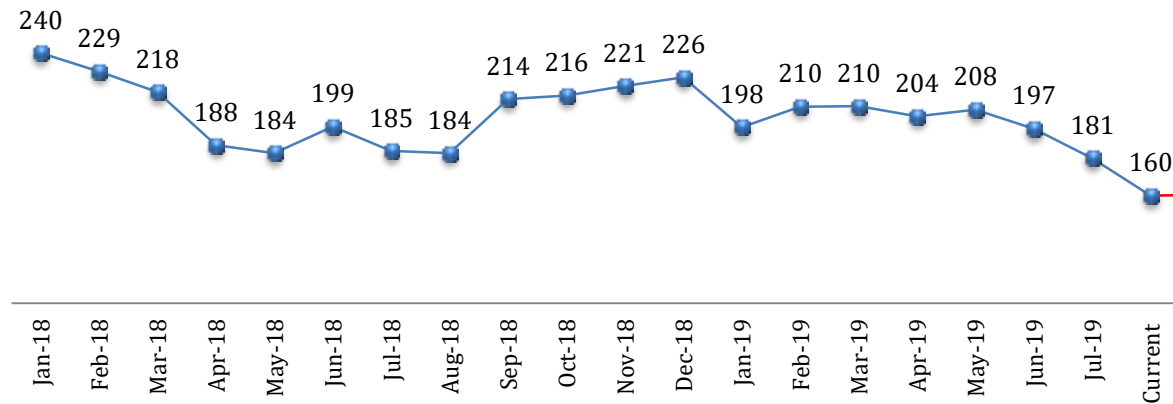
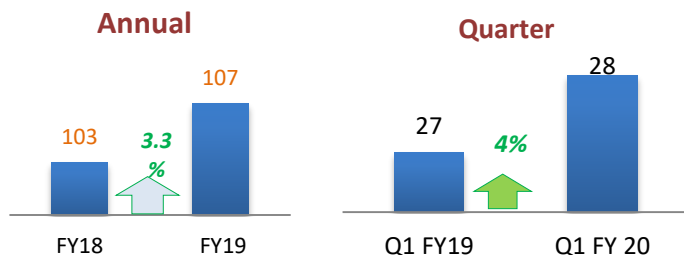
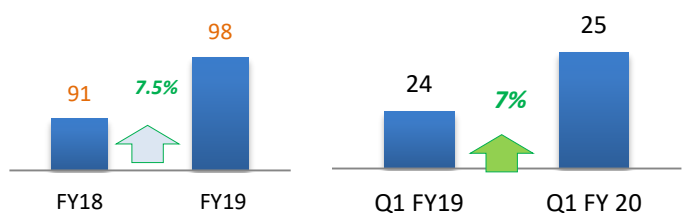


Fig in Mt



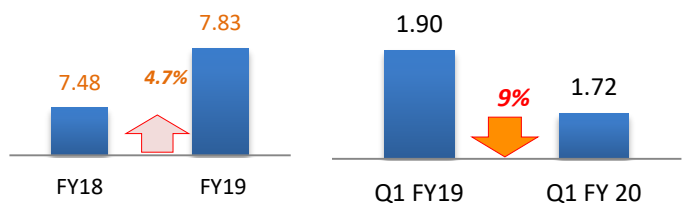
Crude Production (Q1 FY20)

- ✓ The **Crude steel production** grew by **4%** during Q1 FY '20 (y-o-y)



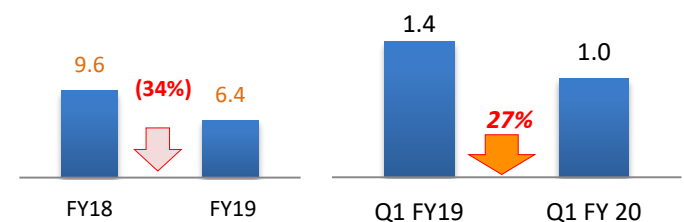
Finished Steel Consumption (Q1 FY20)

- ✓ Finished **Steel Consumption** Grew by **7%** during same period
- ✓ **Carbon Steel** Consumption increased by 9.8%, Alloy down by **20%** and **Stainless Steel** down by **35.5%**.



Imports (Q1 FY20)

- ✓ Imports **Decreased** by 9% (YoY)
- ✓ Korea (37%), China (14%), Japan (17%) & Indonesia (5%) remains the biggest exporters to India



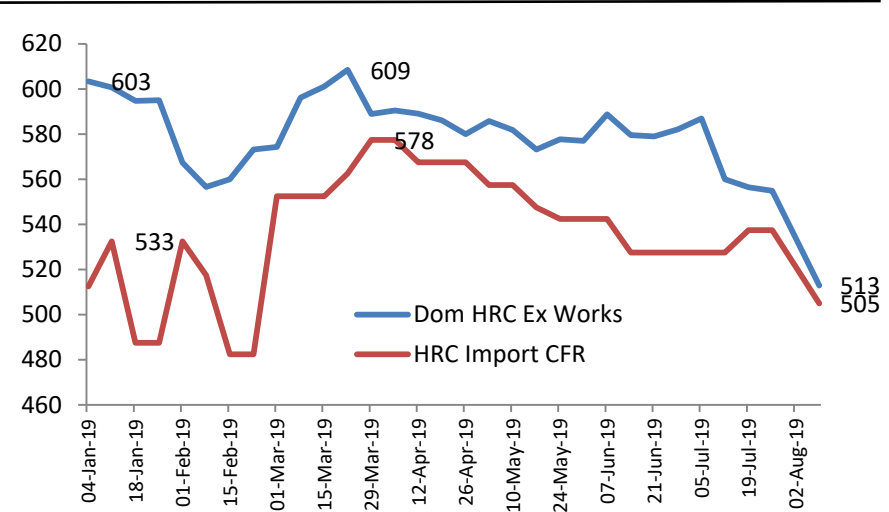
Exports

- ✓ **Exports decreased** by **27%**.
- ✓ Nepal (36%), Italy (9%), UAE (9%) remains the biggest export destination

IMPORT PARITY SET THE DIRECTION OF THE DOMESTIC FLAT STEEL MARKET

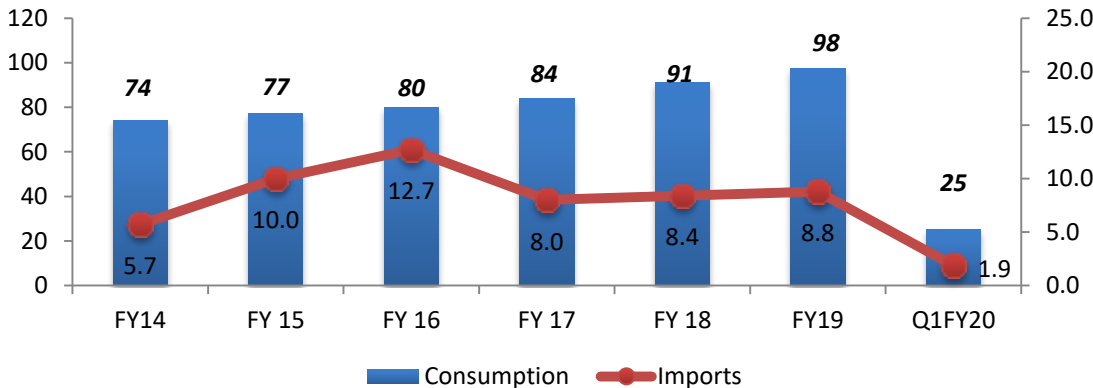
- ✓ Import parity set the Domestic prices
- ✓ Redirected imports from Japan + Korea increased into India,
- ✓ Domestic Prices softened in line with International Prices.

> Price Trend CFR India Vs Dom HRC Ex Works



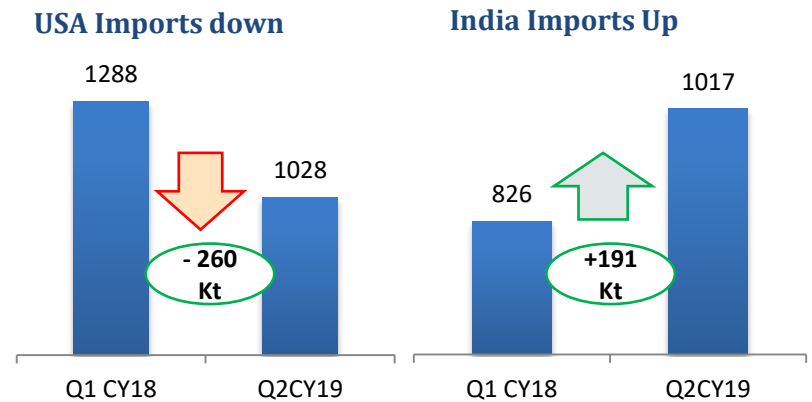
Indian Demand met by imports

Steel Consumption Vs Imports (fig in Mt)

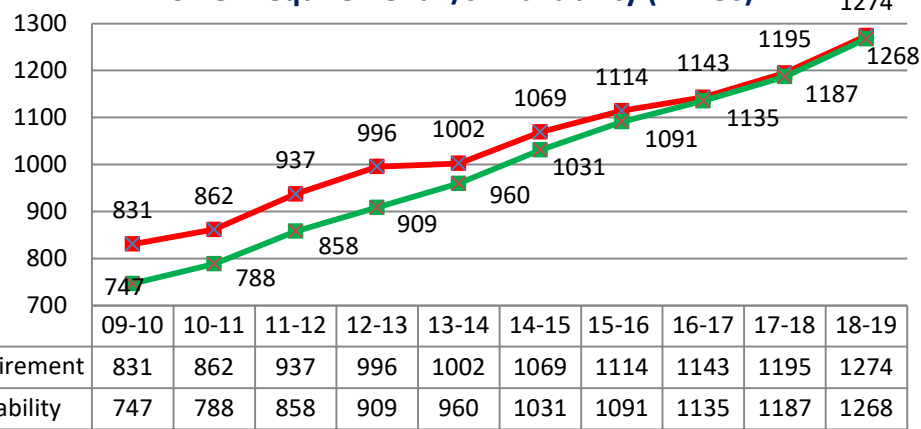


> Export from Korea + Japan Post Section 232

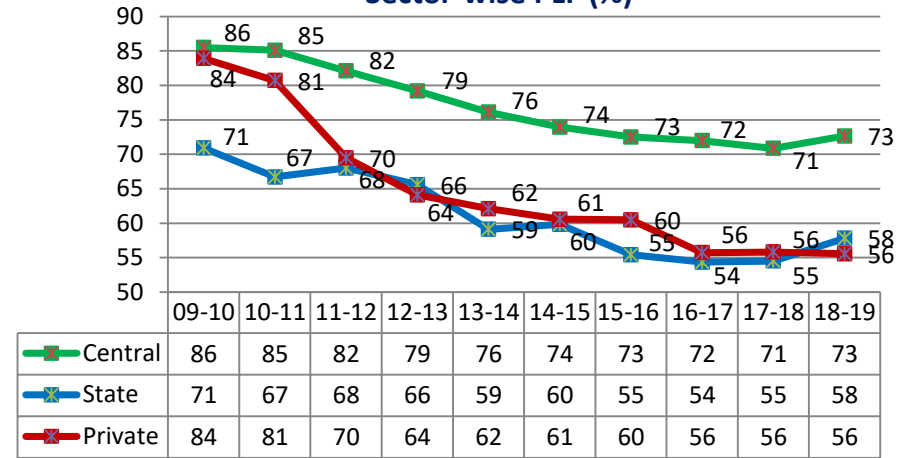
Fig in K MT



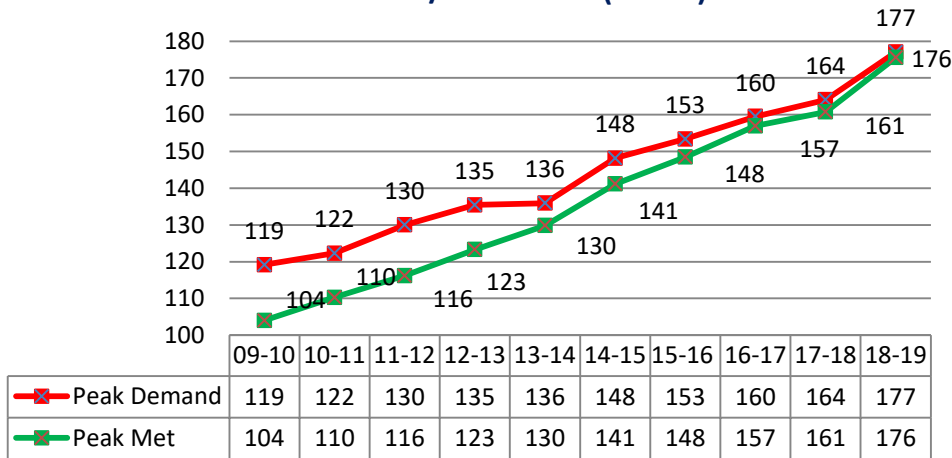
Power Requirement v/s Availability (in BUs)



Sector-wise PLF (%)



Peak Demand v/s Peak Met (in GW)



PLF for Private Sector decreased by 28% during last decade

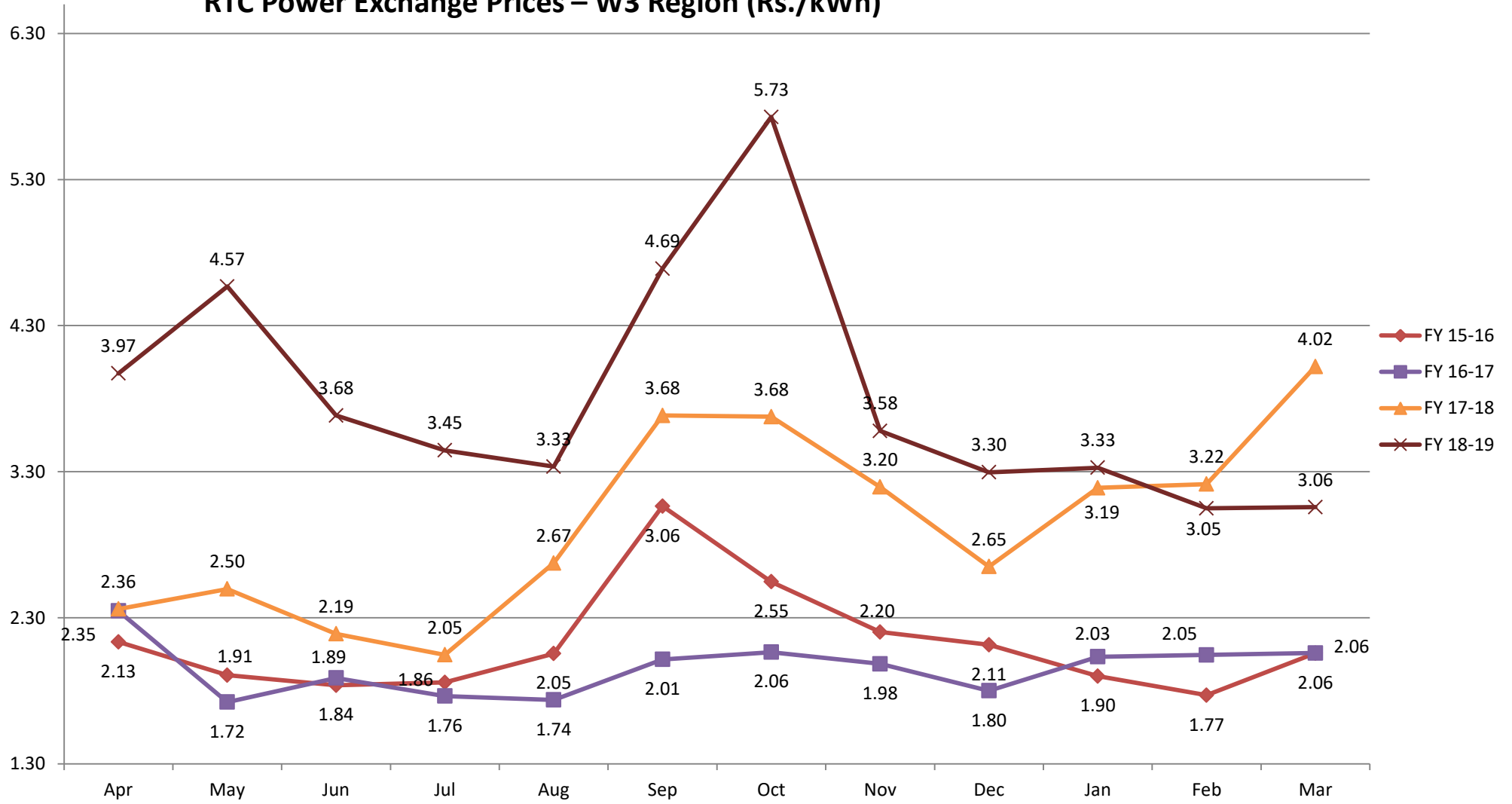
While Demand is increasing by ~6.6%, the fall in PLF of IPPs is due to coal shortage and rapid addition of conventional & renewable capacities.

Gap between Energy Requirement and Availability reduced to 0.5% in FY 18-19 as compared to 0.7% in FY 17-18.

Gap between Peak Demand and Availability reduced to 0.5% in FY 18-19 as compared to 2% in FY 17-18.

IEX CLEARING PRICE TREND

RTC Power Exchange Prices – W3 Region (Rs./kWh)



PRESENTATION OUTLINE

Q1 FY'20

HIGHLIGHTS

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COMPANY UPDATE



BUSINESS SEGMENTS

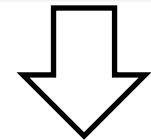
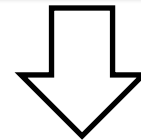
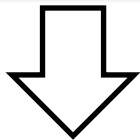
STEEL

POWER

GLOBAL VENTURES



Current Capacities – Domestic & Global



8.6 MTPA Steel*
3.11 MTPA* Iron ore
9 MTPA* Pellet Plant

IPP – 3400MW**
CPP – 1634 MW

2.4 MTPA Steel
Coal & Iron Ore
Mines

*Domestic

**1000 MW Divestment announced

STEEL CAPACITIES ACROSS LIFE CYCLE

IRON MAKING (10.25 MTPA)

DRI 3.12 MTPA

BF 5.33 MTPA

HBI 1.80 MTPA

LIQUID STEEL (11.00 MTPA)

SMS 11.00 MTPA

FINISHED STEEL (7.95 MTPA)

WRM 0.60 MTPA

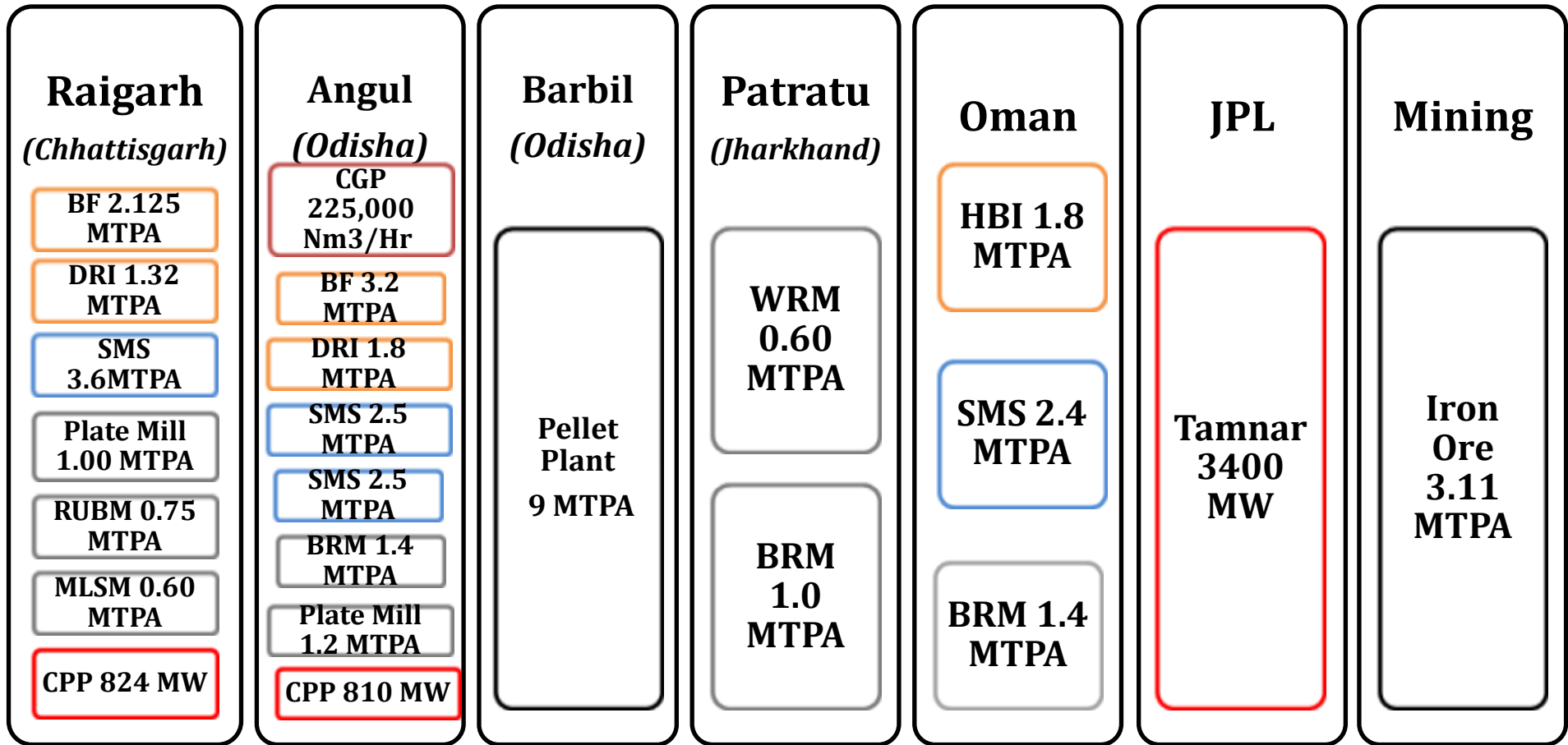
RUBM 0.75 MTPA

MLSM 0.60 MTPA

Plate Mill 2.20 MTPA

BRM 3.80 MTPA

DETAILED PLANT WISE CAPACITIES



Power
 Hot Metal
 Liquid Steel
 Finished Steel

MANIFOLD GROWTH IN THE LAST 5 YEARS

	FY '14		FY '19	
STEEL - INDIA	3 MTPA		8.6 MTPA	~2.86x
POWER	1,000 MW		3400 MW	3.4x
OMAN	0 MTPA		2.4 MTPA	Add
PELLET	4.5 MTPA		9 MTPA	~2x

All major capex completed – scale of growth is approx. Three Times

POTENTIAL FOR BIG LEAP

	FY19 CAPACITY	PRODUCTION IN FY19	UPSIDE POTENTIAL
STEEL - INDIA CAPACITY	8.6 MTPA	5.25 MTPA	64%
STEEL - OMAN CAPACITY	2.4 MTPA ⁽¹⁾	1.71 MTPA	40%
INDEPENDENT POWER CAPACITY	3,400 MW	1187 MW	186%
PELLET CAPACITY	9.0 MTPA	7.08 MTPA	27%

Upside potential remains to be exploited

JSPAL STANDALONE KEY FINANCIALS

Q4 FY 19	Q1 FY 20	% VAR	PARAMETER(IN CRORES OF INR)	Q1 FY 20	Q1 FY 19	% VAR
7,402	7,085	4%	Turnover	7,085	6,734	5%
1,440	1,608	12%	EBITDA	1,608	1,645	2%
19%	23%		EBITDA %	23%	24%	
576	567	2%	Depreciation + Amortization	567	577	2%
979	697	29%	Interest	697	605	15%
(115)	344		PBT (Before Exceptional)	344	463	26%
(1,654)	-		Exceptional	-	-	
(1,769)	344		PBT	344	463	26%
(1,154)	224		PAT	224	332	33%

Note: Red denotes decrease & Green denotes increase

JSPL - POWER CAPACITIES



Independent Power Projects (IPP)

PROJECT	CAPACITY (MW)	FUEL	CONFIGURATION	STATUS
TAMNAR 1*	1,000	Coal	4x250 MW	Operational
TAMNAR 2	2,400	Coal	4x600 MW	Operational

Captive power projects (within JSPL)

PROJECT	CAPACITY (MW)	FUEL	CONFIGURATION	STATUS
DCPP, RAIGARH	540	Coal	4x135 MW	Operational
JSPL, RAIGARH	284	Coal & waste heat	1x24 MW (Waste heat) 2x55 MW 6x25 MW	Operational
ANGUL, ODISHA	810	Coal	6 x135 MW	Operational

One of the largest thermal portfolios in India

JINDAL POWER LIMITED

96.43% subsidiary of JSPL



EUP - I
1000MW (4 X 250)

EUP - II
1200MW (2 X 600)

EUP - III
1200MW (2 X 600)

PPA ARRANGEMENTS

PROJECT	BUYER	TYPE	PERIOD		QUANTUM (MW)
			FROM	TO	
TAMNAR II (PHASE 1)	Tamil Nadu	Long Term	Feb-14	Sep-28	400
TAMNAR I		Medium Term	Sep-17	Aug-19	200
TAMNAR II (PHASE 1)	KSEB	Long Term	Jun-16	May-41	200
TAMNAR II (PHASE 1)		Long Term	Oct-17	Sep-42	150
TAMNAR II (PHASE 1)	Chhattisgarh	Long Term	After commercial operation of Unit and for complete life of plant		60
TAMNAR II (PHASE 2)		Long Term			60




Over 30% of total capacity tied up *

JPL KEY FINANCIALS

Q4 FY 19	Q1 FY 20	% VAR	PARAMETER(IN CRORES OF INR)	Q1 FY 20	Q1 FY 19	% VAR
999	1,114	12%	Turnover	1,114	968	15%
267	360	35%	EBITDA	360	314	15%
27%	32%		EBITDA %	32%	33%	
324	289	11%	Depreciation + Amortization	289	329	12%
236	217	8%	Interest	217	216	-
44	(3)		PBT (Before Exceptional)	(3)	(163)	98%
81	-		Exceptional	-	-	
(37)	(3)	91%	PBT	(3)	(163)	98%
13	23	77%	PAT	23	(134)	
368	286	22%	Cash Profit	286	166	72%
2,609	2,982	14%	Generation (million units)	2,982	2,751	8%

Note: Red denotes decrease & Green denotes increase

KEY CONTRACTUAL ARRANGEMENTS FOR JPL

		TAMNAR-I, 1,000 MW (EUP I)	TAMNAR-II - 1,200 MW (EUP II)	TAMNAR-II - 1,200 MW (EUP III)
FSA		<ul style="list-style-type: none"> Coal sourced through - market purchase and e-auction 	<ul style="list-style-type: none"> Long term linkage from Mahanadi Coal Limited (MCL) and South Eastern Coalfields Limited (SECL) 	<ul style="list-style-type: none"> Coal sourced through - market purchase and e-auction
PPA		<ul style="list-style-type: none"> Bilateral/short term/exchange TNEB - 200 MW 	<ul style="list-style-type: none"> TNEB - 400MW CSEB - 60MW KSEB - 200MW KSEB - 150MW 	<ul style="list-style-type: none"> CSEB - 60MW
EVACUATION		<ul style="list-style-type: none"> Open access available 	<ul style="list-style-type: none"> Open access available 	<ul style="list-style-type: none"> Open access available

Raw materials, transmission & PPAs in place for achieving higher PLF

SUMMARY OF INTERNATIONAL OPERATIONS

SHADEED, OMAN

- 1.8 MT HBI , 2.4 MT SMS Plant & 1.4MTPA Rebar Mill – an Integrated Steel Plant

MOZAMBIQUE, AFRICA

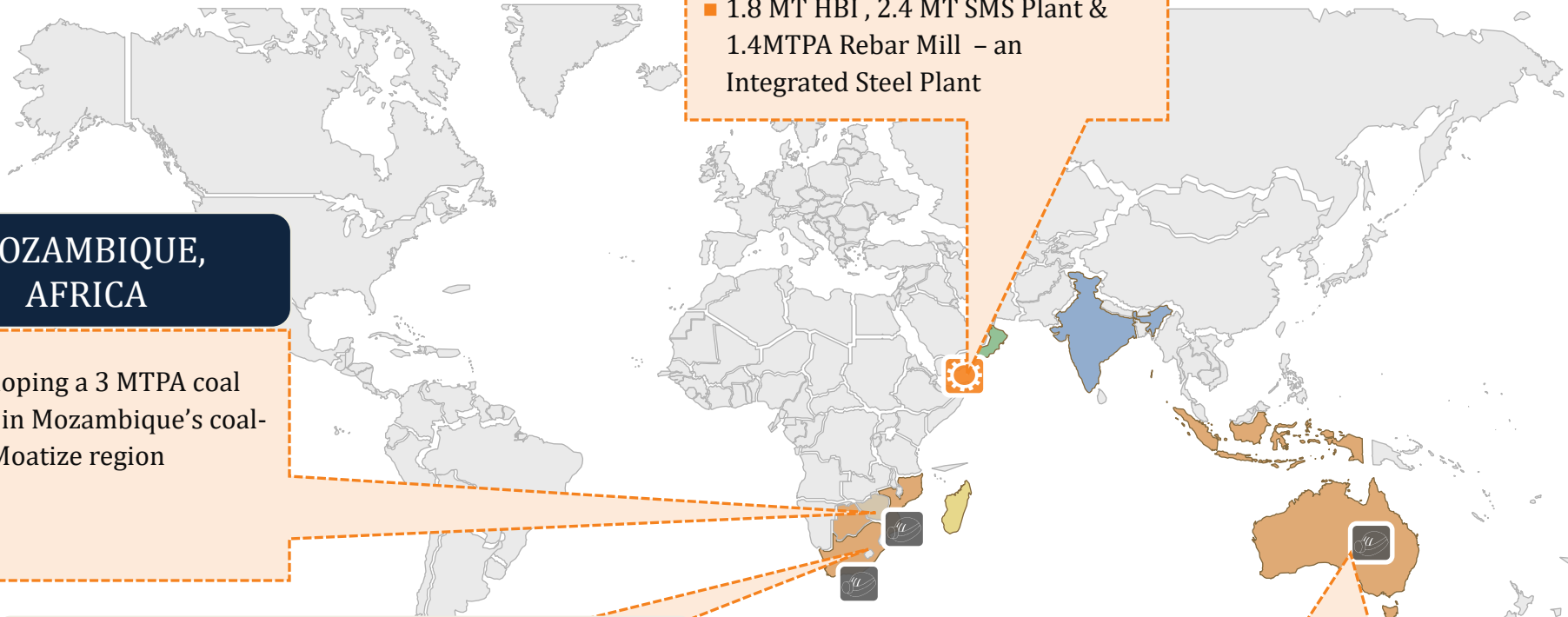
- Developing a 3 MTPA coal mine in Mozambique’s coal-rich Moatize region

SOUTH AFRICA, AFRICA

- JSPL’s Kiepersol Colliery produces Anthracite coal, sold domestically and internationally.

AUSTRALIA

- 60.3% stake in Wollongong Coal Ltd which comprises of two coking coal mines – Wongawilli and Russel Vale



HOLDING STRUCTURE FOR GLOBAL OPERATIONS

Jindal Steel & Power Ltd

Listed Operating Entity in India

Jindal Steel & Power (Mauritius) Ltd

Holding company for overseas business

Oman

2.4 MTPA Steel plant

Australia

Coking Coal

South Africa

Anthracite Coal

Mozambique

Thermal/ Coking Coal

JSPL CONSOLIDATED KEY FINANCIALS

Q4 FY 19	Q1 FY 20	% VAR	PARAMETER(IN CRORES OF INR)	Q1 FY 20	Q1 FY 19	% VAR
10,159	9,946	2%	Turnover	9,946	9,665	3%
1,845	2,173	18%	EBITDA	2,173	2,277	5%
18%	22%		EBITDA %	22%	24%	
2,373	1,054	56%	Depreciation + Amortization	1,054	1040	1%
1,163	1,109	5%	Interest	1,109	973	14%
(1,692)	11		PBT (Before Exceptional)	11	264	
(1,734)	-		Exceptional	-	-	
(3,426)	11		PBT	11	264	
(2,713)	(87)		PAT	(87)	110	

Note: Red denotes decrease & Green denotes increase

KEY CUSTOMERS & ADDING...

ODISHA



**INTEGRATED STEEL PLANT ,
ANGUL**

PELLET PLANT, BARBIL



INTEGRATED STEEL PLANT, RAIGARH



STEEL FABRICATION PLANT, PUNJIPATRA



HEAVY MACHINERY DIVISION, RAIPUR



TAMNAR, 3400 MW POWER PLANT



JHARKHAND



WRM & BRM, PATRATU



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THANK YOU