

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 industrial atmosphere. A semi-transparent dark box is overlaid on the left side of the image, containing white text.

Q3 FY'20

Industry Update &
Key Performance Highlights

18th January, 2020

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

Q3 FY'20

HIGHLIGHTS

INDUSTRY UPDATE

COMPANY UPDATE

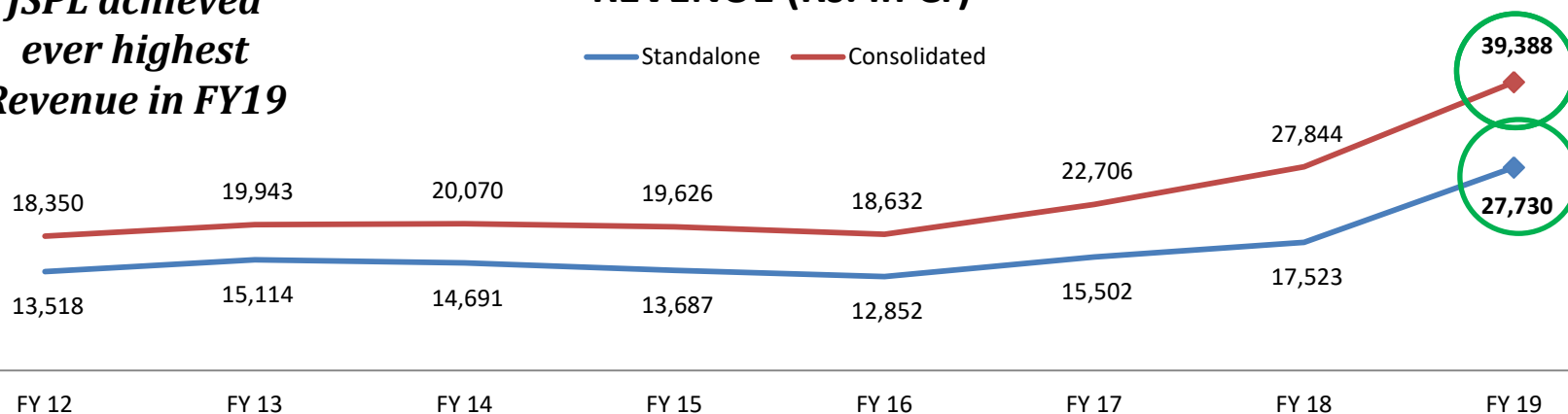


HIGHLIGHTS

JSPL achieved ever highest Revenue in FY19

REVENUE (Rs. In Cr)

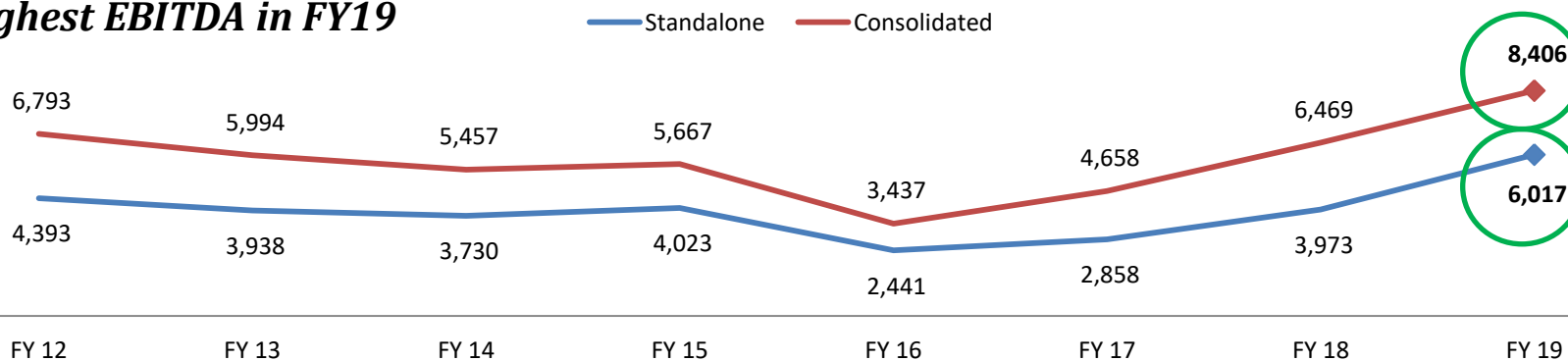
(Figures in Rs. Crores)



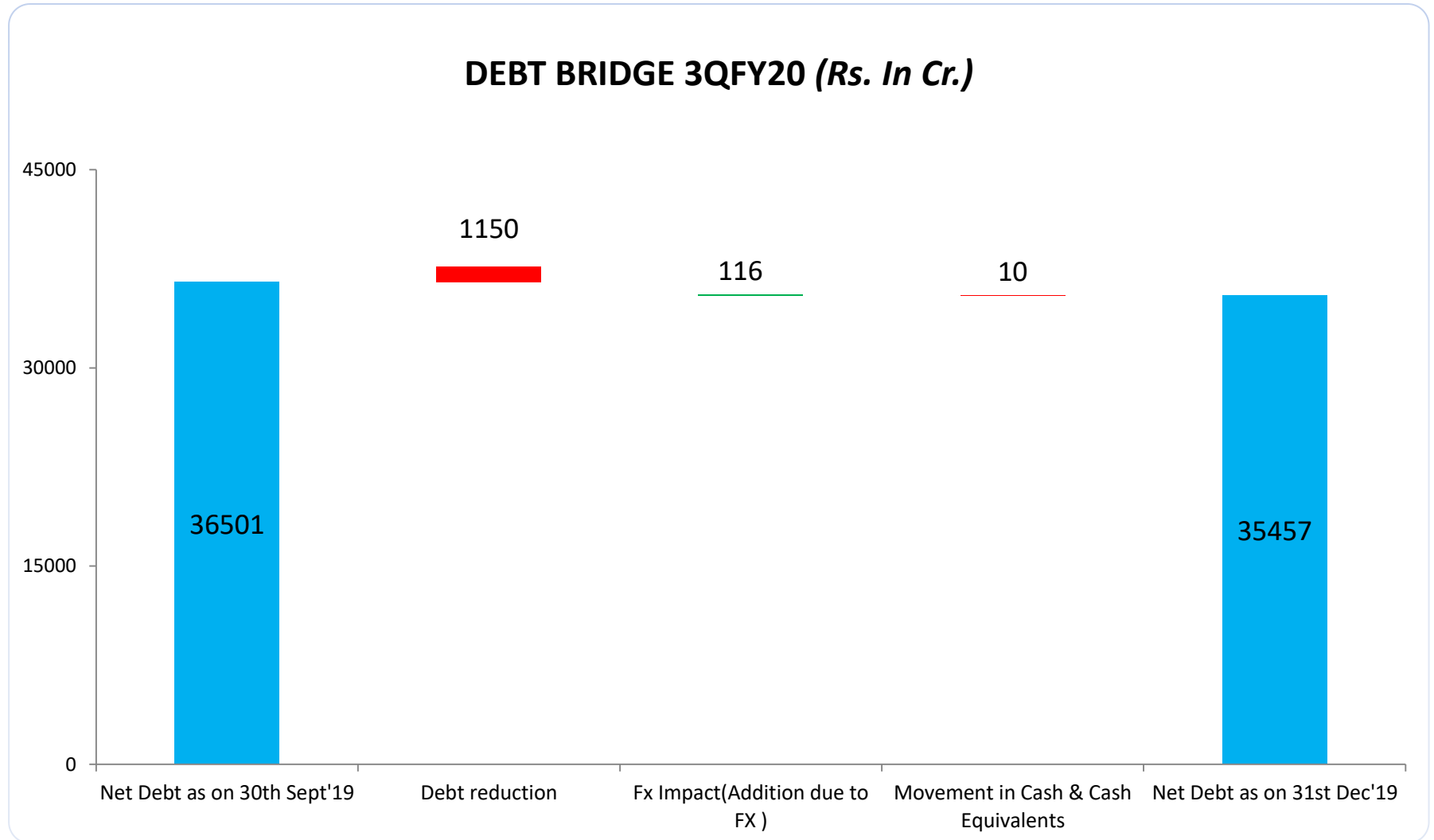
JSPL achieved ever highest EBITDA in FY19

EBIDTA (Rs. In Cr)

(Figures in Rs. Crores)



JSPL CONSOLIDATED DEBT BRIDGE QoQ



PRESENTATION OUTLINE

Q3 FY'20

HIGHLIGHTS

INDUSTRY UPDATE

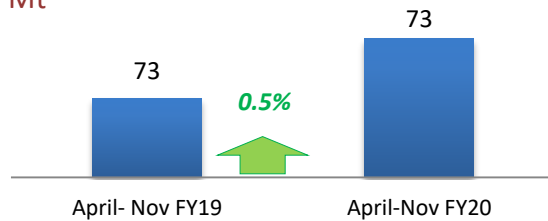
COMPANY UPDATE



INDUSTRY UPDATE

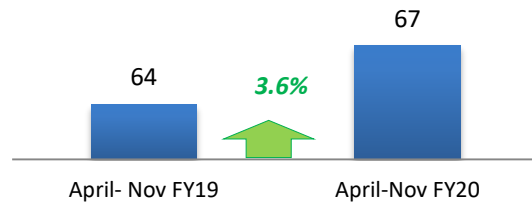
Indian Steel Industry : FY20 (April-Nov) Major Highlights

Fig in Mt



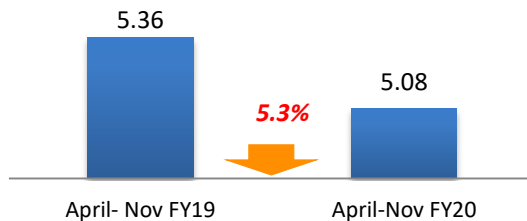
Crude Production (April – Nov FY20)

- ✓ The **Crude steel production** grew up by 0.5 % (y-o-y)
- ✓ Led by Non-flat steel (53% share; up by 5.7%) while the rest 47% was the share of Flat steel (down by 1.5%).



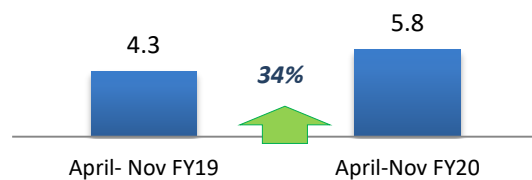
Finished Steel Consumption (April- Nov FY20)

- ✓ Finished **Steel Consumption Grew up by 3.6 %**
- ✓ Led by Non-flat steel (52% share; up by 9%) while the rest 48% was the share of Flat steel (up by 0.5%).



Imports (April- Nov FY20)

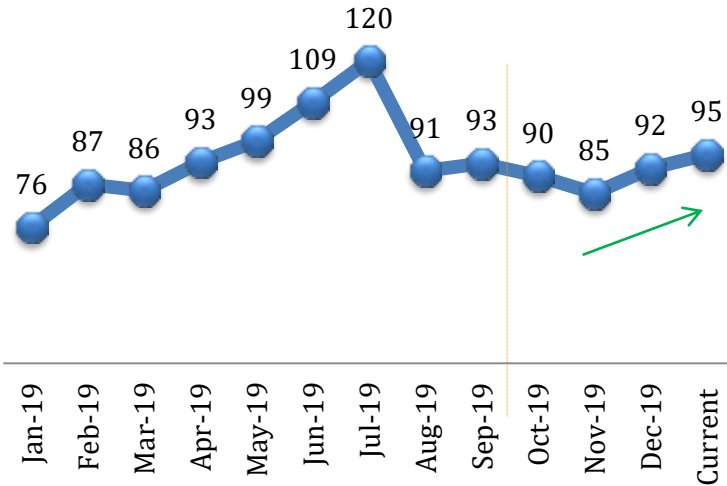
- ✓ Imports **decreased** by 5.3 %
- ✓ **Korea** (38%), **China** (18%) **Japan** (16%), & **Indonesia** (7%) remain the biggest exporters to India



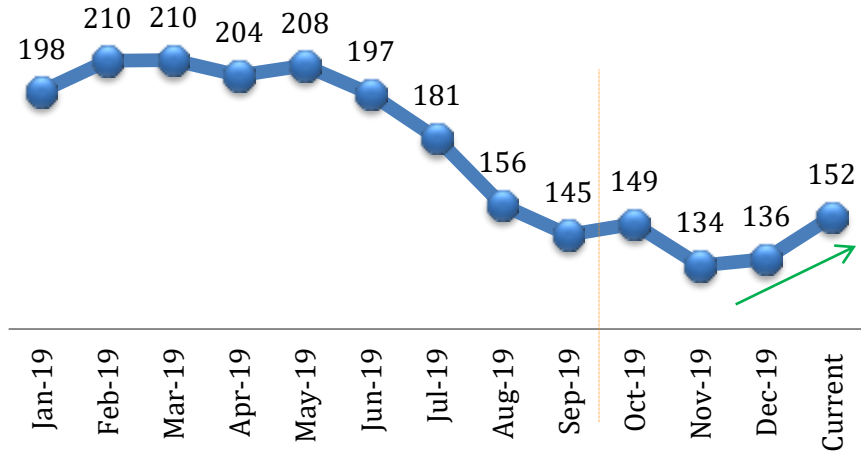
Exports (April – Nov FY20)

- ✓ **Exports Increased by 34% .**
- ✓ **Vietnam (30%), Nepal** (11%), **UAE**(9%), **Italy** (8%), remains biggest export destination

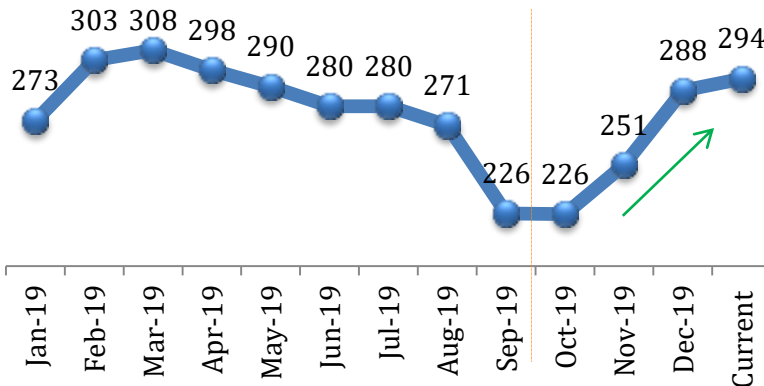
> Iron Ore : 62% CFR China (\$/MT)



> Met Coal : PLV FOB Australia (\$/MT)



> Scrap HMS (75:25): Turkish Import (\$/MT)

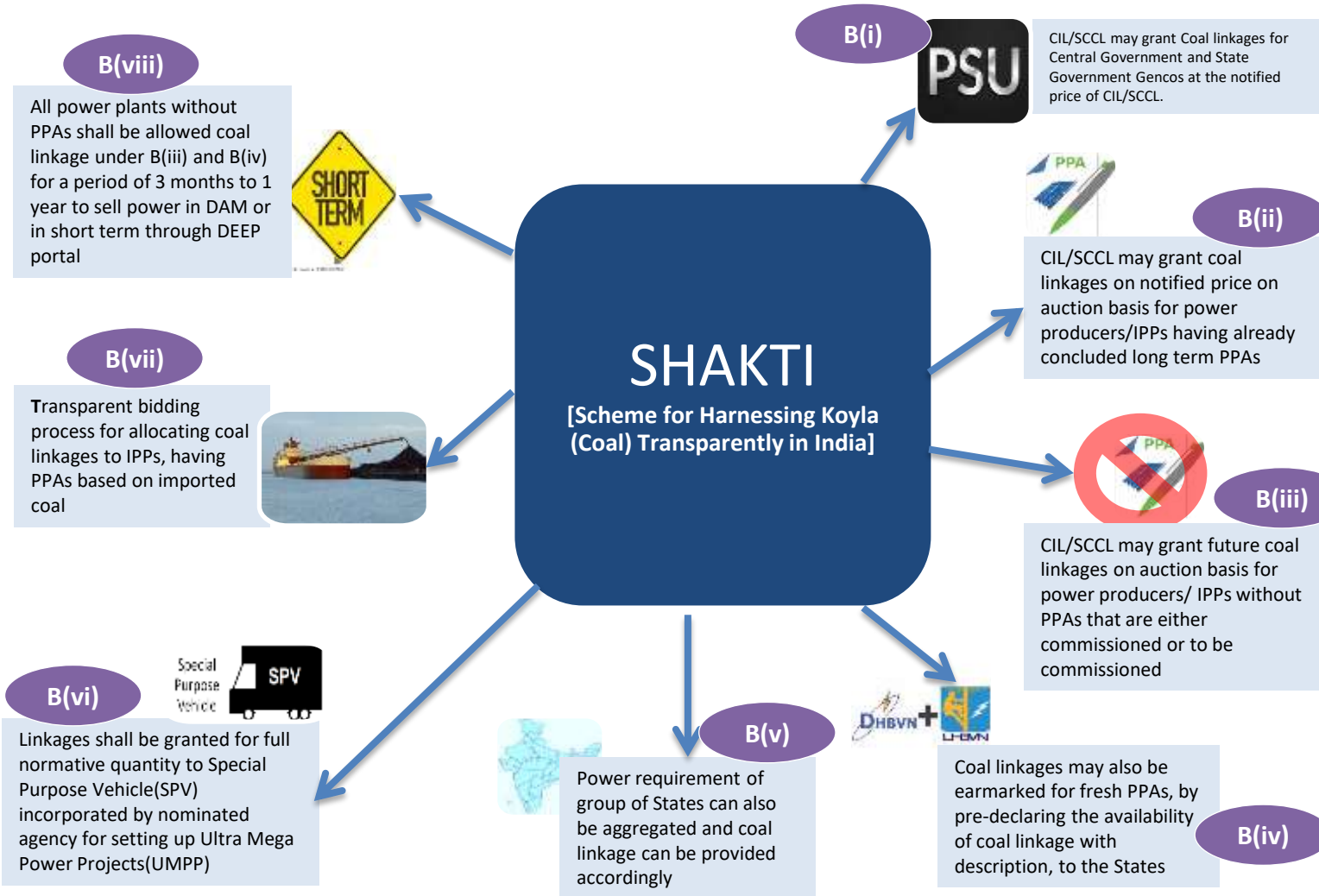


- Seaborne Iron ore & Coal prices remain strong due to robust demand from China
- Strong Recovery of Scrap Prices observed during December 2019

SHAKTI has been implemented to support thermal power plants without FSAs

SHAKTI Scheme

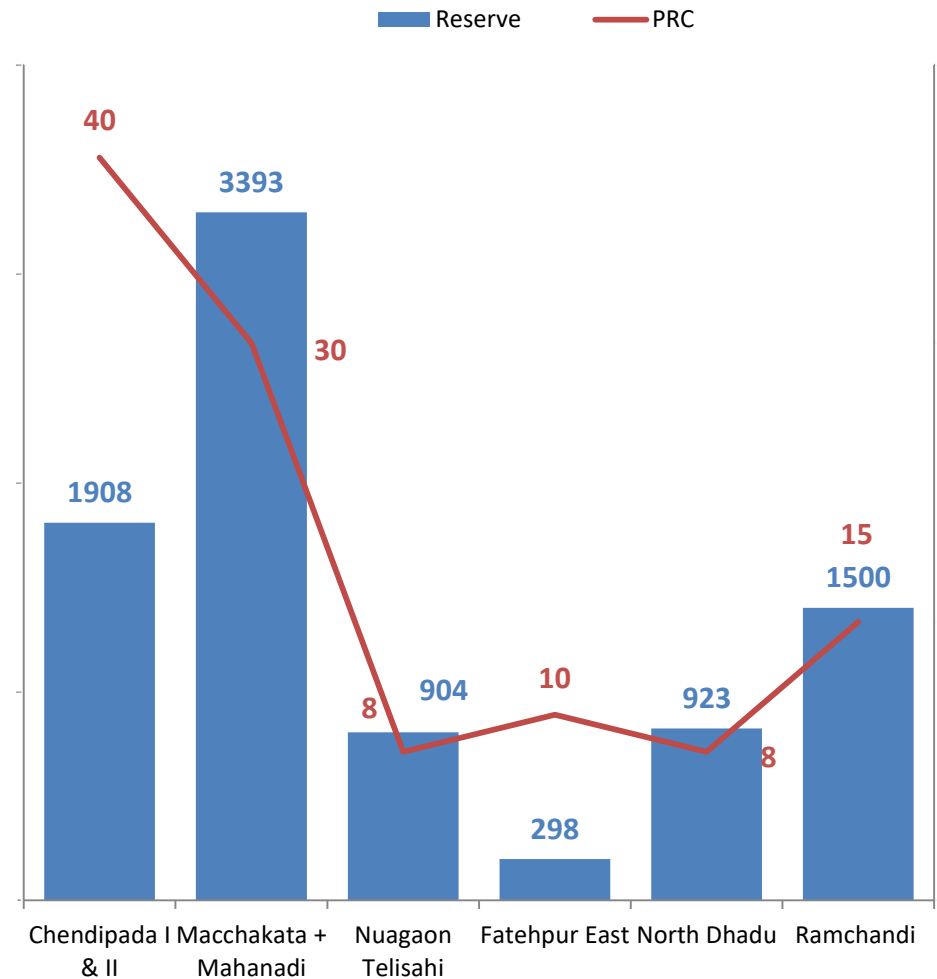
- In 2017, the government introduced a scheme for facilitating coal allocations through a policy known as 'Shakti'. Under this policy:
 - IPPs with existing PPAs and without LOAs/FSAs to be awarded fresh linkages through reverse bidding with discount on PPA tariff as bid parameter
 - For IPPs without PPAs, linkages shall be made available under the forward auction route with bid parameter being premium over the CIL notified price
 - The policy also has a provision to allocate domestic coal to projects based on imported coal through the auction route
- Coal-based generation capacity without FSAs is estimated at 28 GW in the private IPP segment.



Commercial Mining –A Game Changer

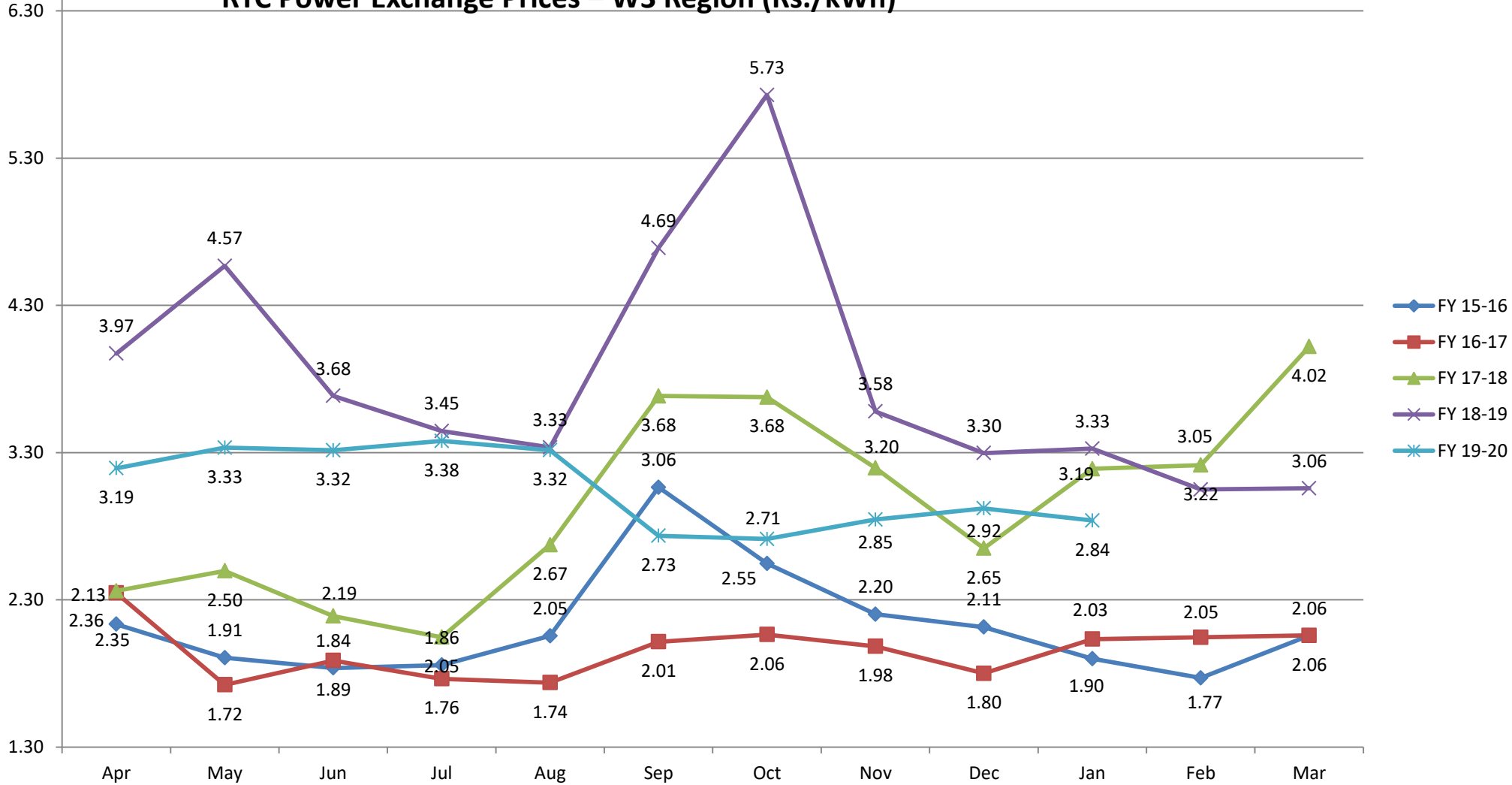
- On 8th Jan, 2020 , the Central govt. through an ordinance has opened up the coal sector completely for commercial mining for all local and global firms after **easing restrictions on end use and prior experience.**
 - MoC has released an initial list of **84 coal blocks** with sale of coal in multiple tranches. **Total reserve ~ 22,360 million MT**
 - No restriction on **end use and sale of coal**
 - Unexplored and partially explored coal blocks for mining through **prospecting license-cum-mining Lease (PL-cum-ML)**. Coal blocks with different grades and in a wide geographical distribution will now be available for allocation
 - Removal of restriction of **prior experience** will enable wider participation
 - Previously, out of 204 blocks were freed up for auction in 2015 , **only 29 have been auctioned so far**
 - **100% FDI** in commercial coal mining under the automatic route.

Few Large explored blocks on offer

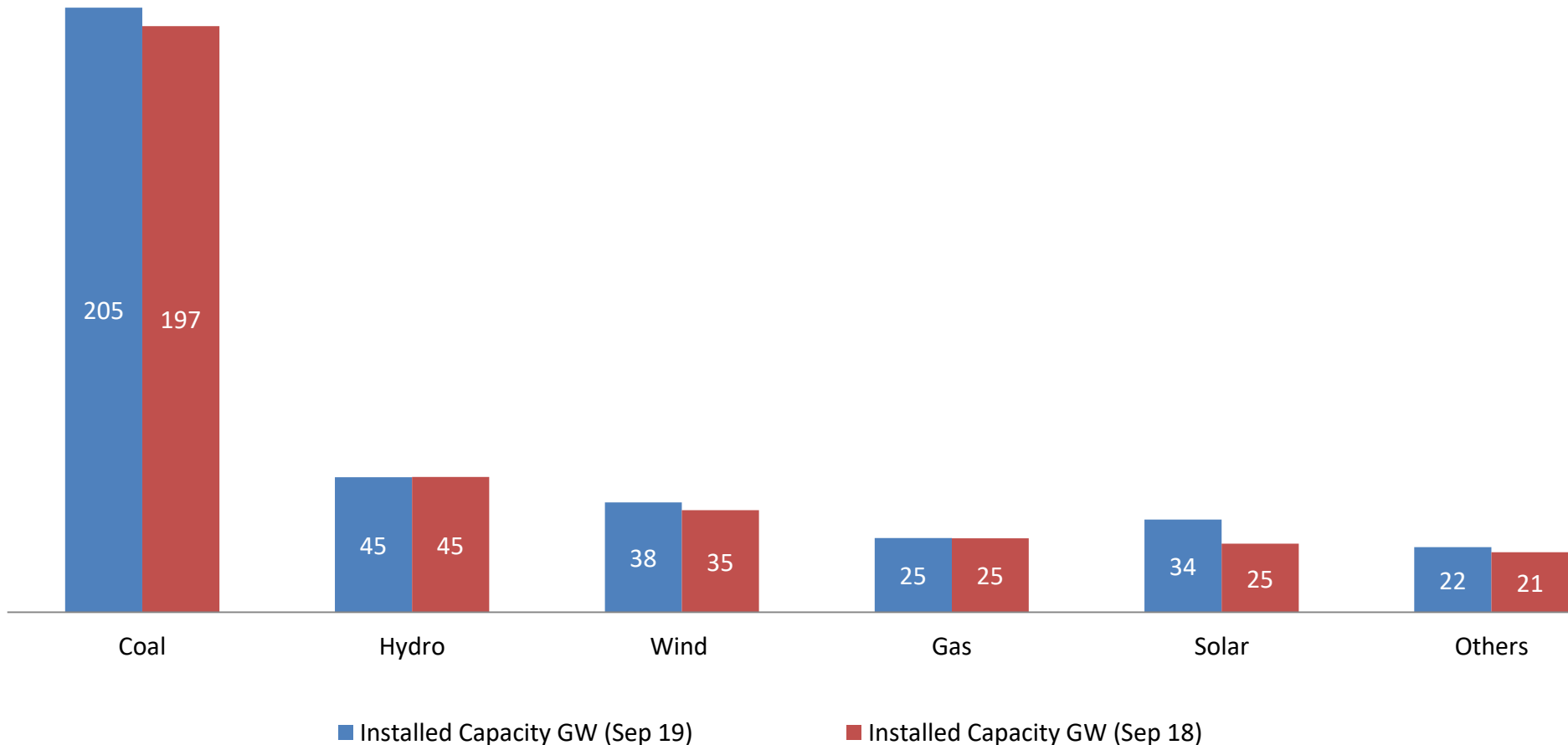


IEX CLEARING PRICE TREND

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



Installed Capacity in India as on 31st Dec 2019 is 369 GW vis-à-vis 347 GW as on 31st Dec 2018



PRESENTATION OUTLINE

Q3 FY'20

HIGHLIGHTS

INDUSTRY UPDATE

COMPANY UPDATE



COMPANY UPDATE

BUSINESS SEGMENTS

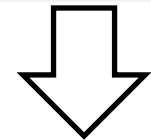
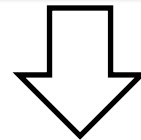
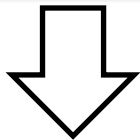
STEEL

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

STEEL CAPACITIES ACROSS LIFE CYCLE

IRON MAKING (10.25 MTPA)

DRI 4.92 MTPA

BF 5.33 MTPA

LIQUID STEEL (11.00 MTPA)

SMS 11.00 MTPA

FINISHED STEEL (7.95 MTPA)

WRM 0.60 MTPA

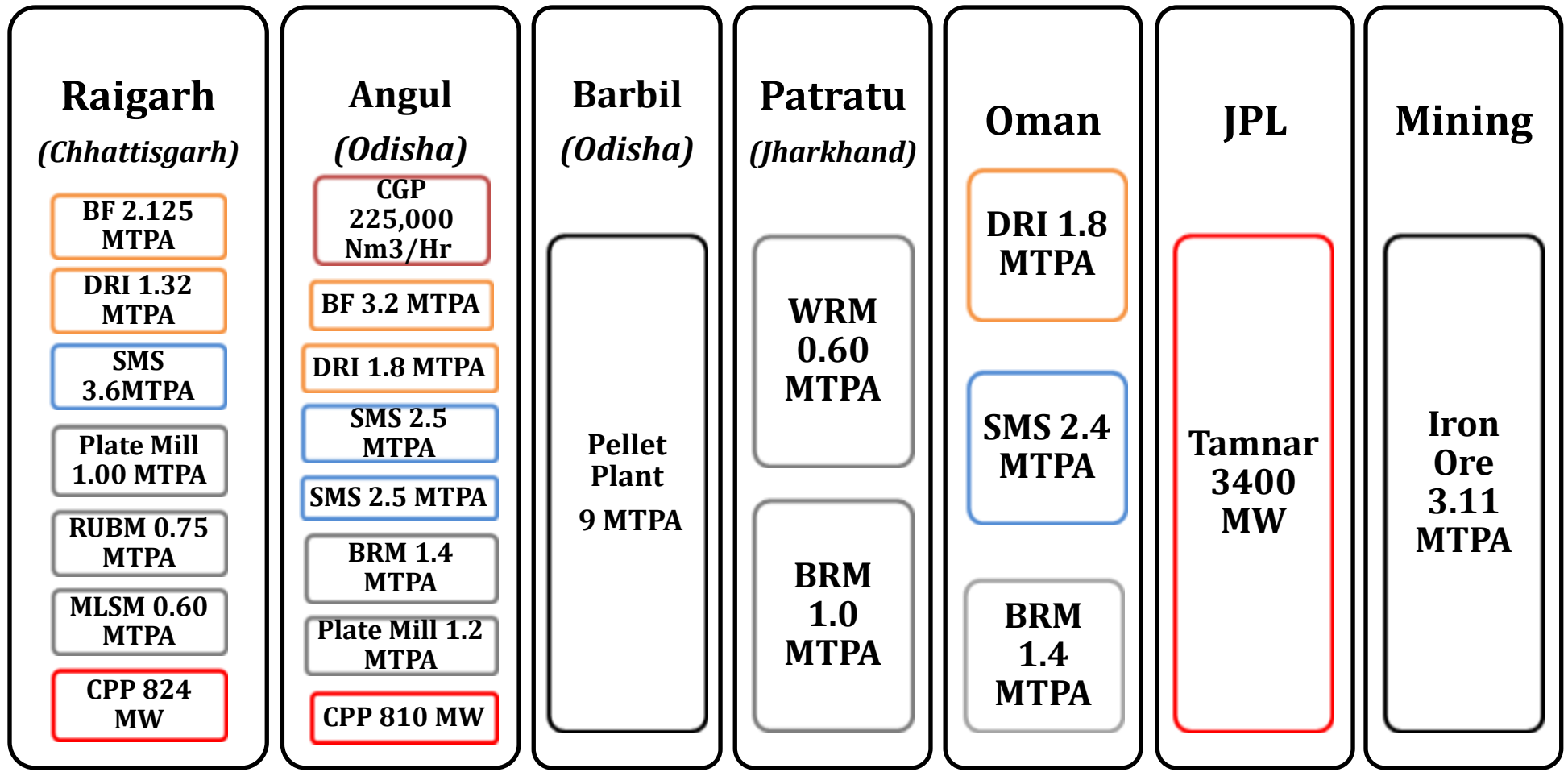
RUBM 0.75 MTPA

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	1.71 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

(Rs. In Crores)

Q2 FY 20	Q3 FY 20	PARAMETER	Q3 FY 20	Q3 FY 19
6,573	6,640	Turnover	6,640	6,731
1,255	1,352	EBITDA	1,352	1,480
19%	20%	EBITDA %	20%	22%
582	570	Depreciation + Amortization	570	572
657	634	Interest	634	635
16	148	PBT	148	287
15	97	PAT	97	177

PARAMETER	9 months FY 2019-20	9 months FY 2018-19
Turnover	20,298	20,314
EBITDA	4,215	4,577
EBITDA %	21%	23%
Depreciation + Amortization	1,720	1,731
Interest	1,988	1,916
PBT (Before Exceptional)	507	944
Exceptional		(255)
PBT	507	1,200
PAT	336	8912

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

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 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)		Long Term	After commercial operation of Unit and for complete life of plant		
TAMNAR II (PHASE 2)	Chhattisgarh	Long Term			

Close to 30% of total capacity tied up *




JPL KEY FINANCIALS

(Rs. In Crores)

Q2 FY 20	Q3 FY 20	PARAMETER	Q3 FY 20	Q3 FY 19
947	784	Turnover	784	1,004
299	257	EBITDA	257	273
32%	33%	EBITDA %	33%	27%
292	292	Depreciation + Amortization	292	334
214	219	Interest	219	219
(64)	(111)	PBT	(111)	(203)
(35)	(83)	PAT	(83)	(160)
228	181	Cash Profit	181	131
2,271	1900	Generation (million units)	1900	2,609

PARAMETER	9 months FY 2019-20	9 months FY 2018-19
Turnover	2845	2,883
EBITDA	917	889
EBITDA %	32%	31%
Depreciation + Amortization	874	996
Interest	649	657
PBT	(178)	(548)
PAT	(96)	(447)
Cash Profit	696	448
Generation (million units)	7152	7787

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 	<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 DRI , 2.4 MT SMS Plant & 1.4MTPA Rebar Mill – an Integrated Steel Plant

MOZAMBIQUE, AFRICA

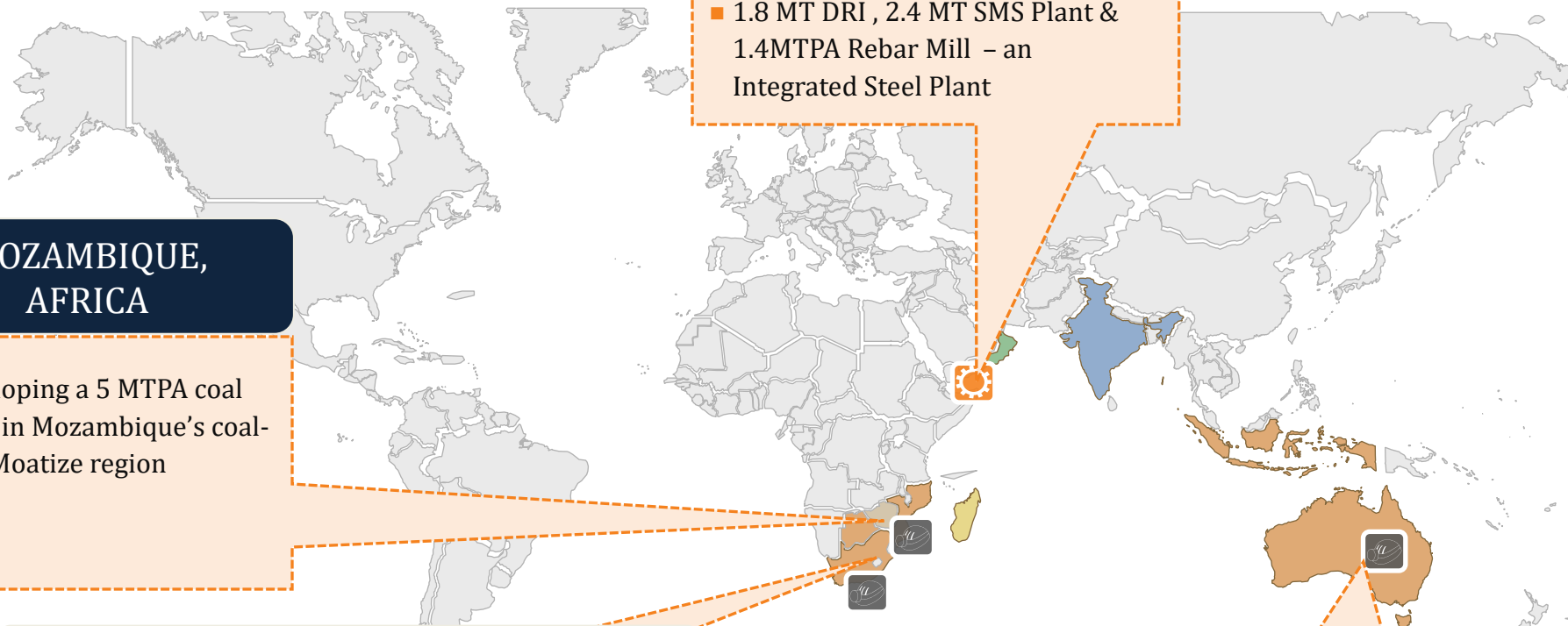
- Developing a 5 MTPA coal mine in Mozambique’s coal-rich Moatize region

SOUTH AFRICA, AFRICA

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

AUSTRALIA

- 60.38% 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

JISPL CONSOLIDATED KEY FINANCIALS

(Rs. In Crores)

Q2 FY 20	Q3 FY 20	PARAMETER	Q3 FY 20	Q3 FY 19
8,939	9,300	Turnover	9,300	9,566
1,642	1,820	EBITDA	1,820	2,077
18%	20%	EBITDA %	20%	22%
1,039	1,018	Depreciation + Amortization	1,018	1036
1,030	1,002	Interest	1,002	1042
(427)	(201)	PBT	(201)	14
(399)	(219)	PAT	(219)	(87)

PARAMETER	9 months FY 2019-20	9 months FY 2018-19
Turnover	28,185	29,213
EBITDA	5,634	6,561
EBITDA %	20%	22%
Depreciation + Amortization	3,110	3,107
Interest	3,142	3,101
PBT (Before Exceptional)	(616)	368
Exceptional	-	(255)
PBT	(616)	624
PAT	(705)	302

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
