

Jindal Steel & Power

Q1FY25 Earnings Presentation
24th Jul 2024



Safe Harbour Statement

This presentation may contain certain forward looking statements concerning steel sector, economy and JSP'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. This presentation is not intended, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities in JSP or any of its subsidiary undertakings or any other invitation or inducement to engage in investment activities, neither shall this presentation nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. Few numbers in this presentation are purely indicative & provisional and could change later. Estimates regarding economy, steel & power sector, company and related areas are purely indicative and could change with market conditions and host of other factors.

Building a nation of our dreams

OVER 3 DECADES OF
EXCELLENCE

JSP is focused towards building world-class capabilities to make India self-reliant and a global economic powerhouse



Company Snapshot

Macro and Sectoral Update

Business Update

Social Initiatives

Q1FY25 Results

Project Update



JSP at a Glance



Growth Focussed

Scaling up world-class, integrated steel production capacity

Innovative, value-added products to support India's infrastructure creation

High performance, customer-centric culture

Strong Balance Sheet

Net Debt/EBITDA at 1.0x

Expansion program to boost FCF

Targeting Net Debt / EBITDA < 1.50x across cycle

Sustainability Driven

World's first and largest coal gasification plant for steel-making

200 km eco-friendly slurry pipeline

Positively impacting 2.5 million lives



World-class Assets

Mining	Iron Making	Liquid Steel	Finished Steel
	10.42 MTPA → 16.82 MTPA	9.6 MTPA → 15.9 MTPA	7.25 MTPA → 13.75 MTPA
Iron-ore: Tensa 3.11 MTPA Kasia 7.5 MTPA Coal: Gare Palma IV/6 4 MTPA Utkal C 3.37 MTPA Utkal B1 & B2 8 MTPA Mozambique 5 MTPA South Africa 1.2 MTPA Australia 1.2 MTPA	Direct Reduce Iron (DRI) 3.12 MTPA → 4.92 MTPA Blast Furnace (BF) 7.30 MTPA → 11.90 MTPA	Steel Melting Shop (SMS) 9.60 MTPA → 15.9 MTPA	Plate Mill 2.5 MTPA → 3.0 MTPA Bar Rod Mill 2.40 MTPA Special Profiling Mill 0.75 MTPA Wire Rod Mill 0.60 MTPA Rail Mill 1.0 MTPA Hot Strip Mill 6 MTPA CRM Complex 1.2 MTPA (Downstream)
Raigarh (Chhattisgarh)	Angul (Odisha)	Barbil (Odisha)	Patratu (Jharkhand)
BF 3.05 MTPA DRI 1.32 MTPA SMS 3.6 MTPA Plate Mill 1.00 MTPA Rail Mill 1.0 MTPA Special Profiling Mill 0.75 MTPA CPP 824 MW	CGP 225,000 Nm3/Hr BF 4.25 MTPA → 8.85 MTPA DRI 1.8 MTPA → 3.6 MTPA SMS 6 MTPA → 12.3 MTPA Bar Rod Mill 1.4 MTPA Plate Mill 1.5 MTPA → 2.0 MTPA CPP 810 MW Pellet Plant 1 & 2 - 12MTPA ACPP-II 1050 MW Hot Strip Mill 6 MTPA CRM Complex 1.2 MTPA	Pellet Plant 9 MTPA	Wire Rod Mill 0.60 MTPA Bar Rod Mill 1.0 MTPA

Company Snapshot

Macro and Sectoral Update

Business Update

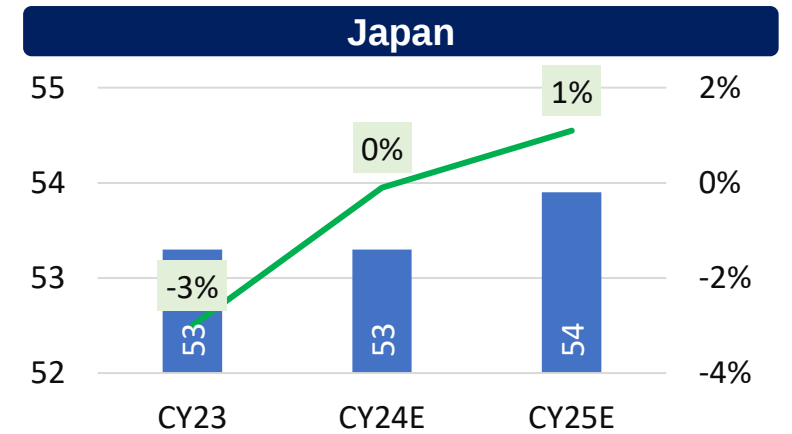
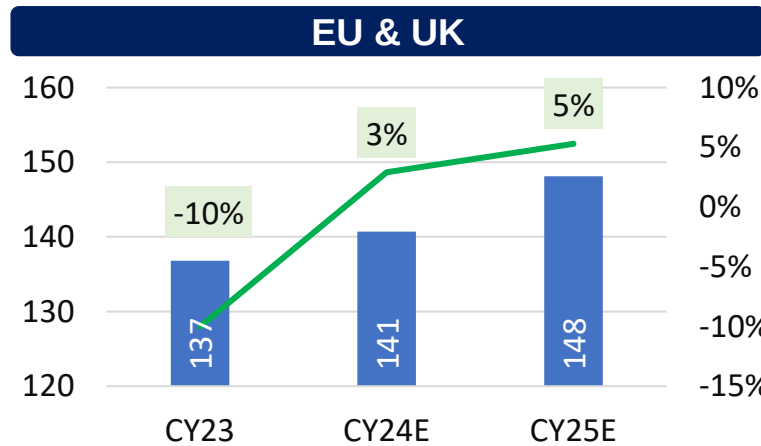
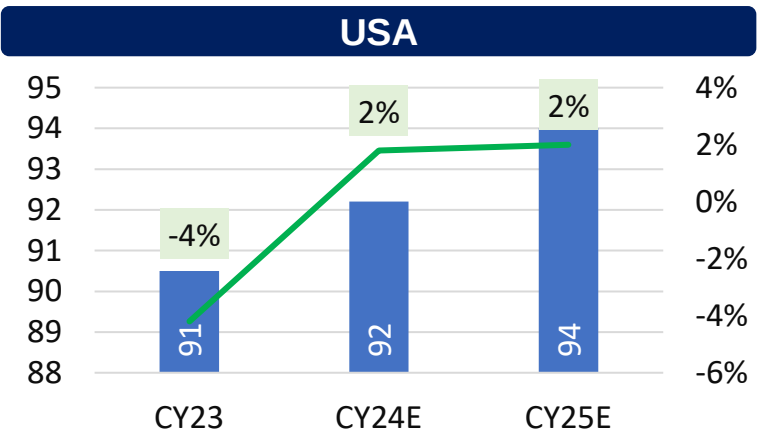
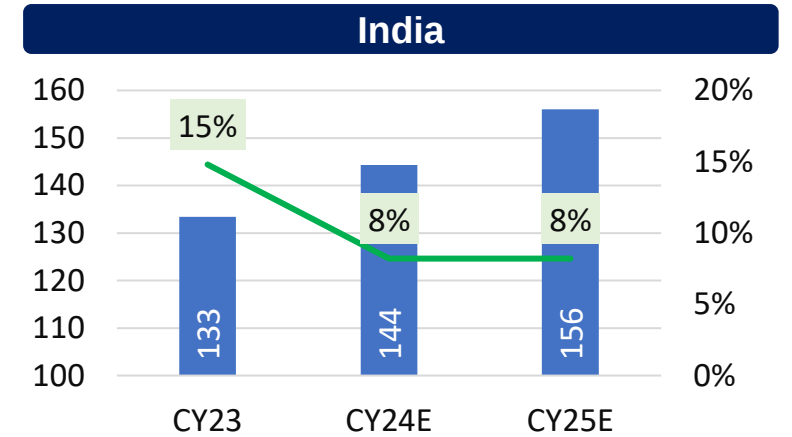
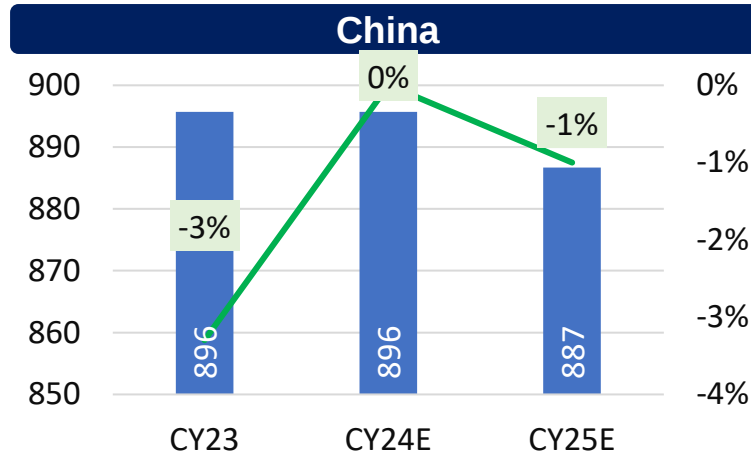
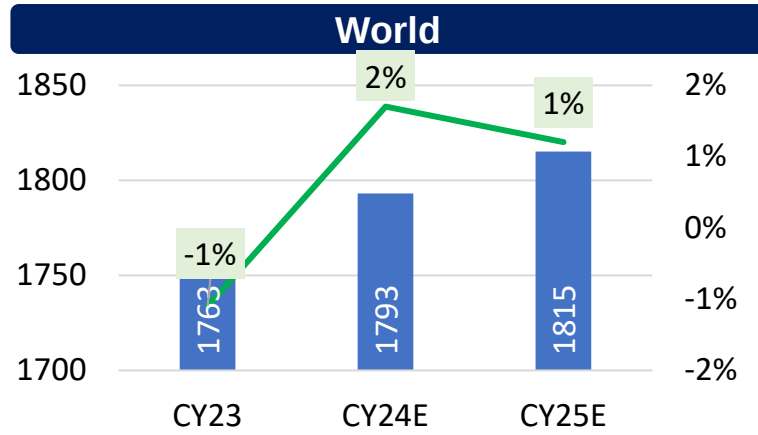
Social Initiatives

Q1FY25 Results

Project Update



India continues to drive global steel demand in CY24

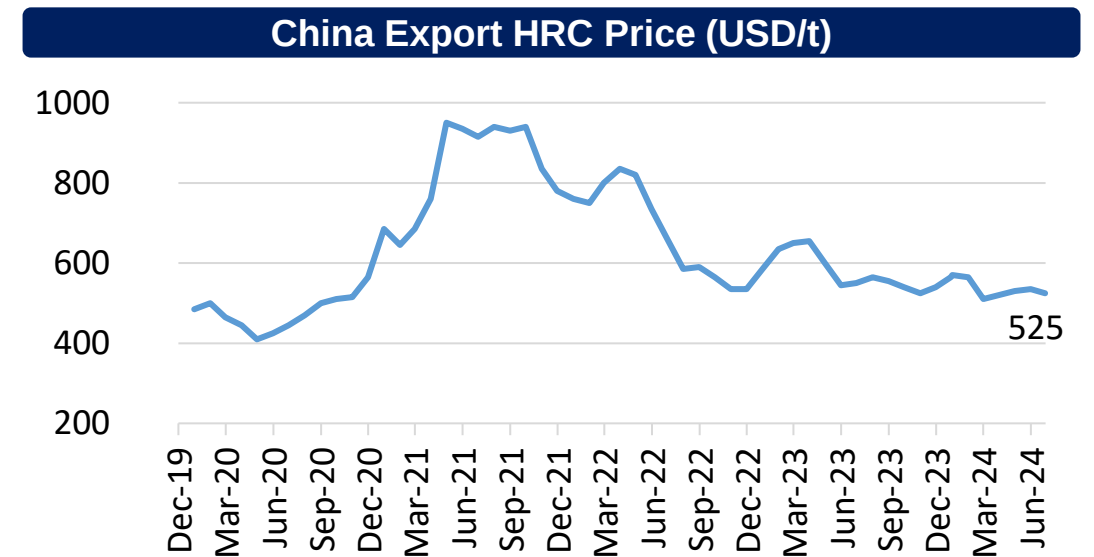
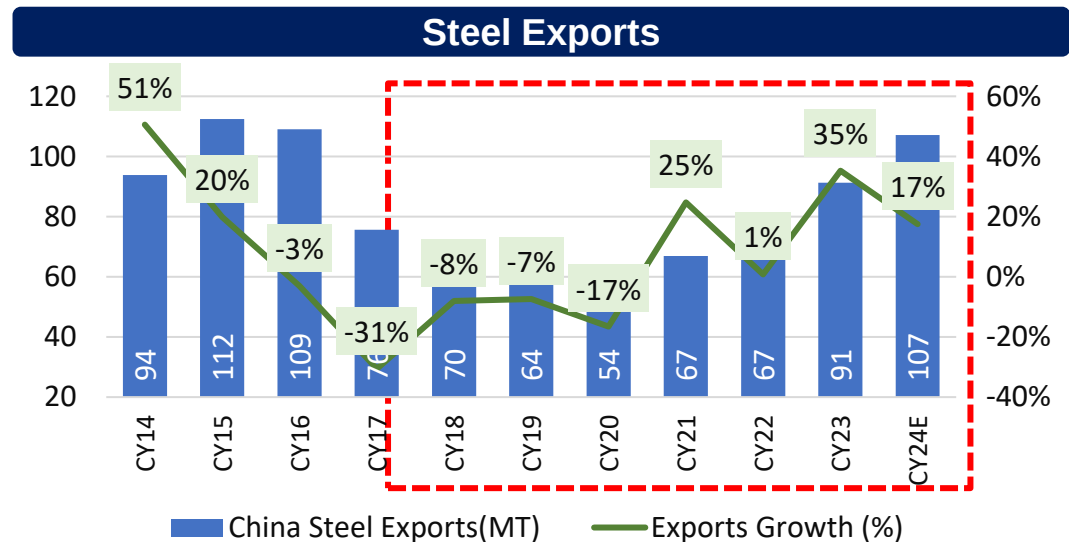
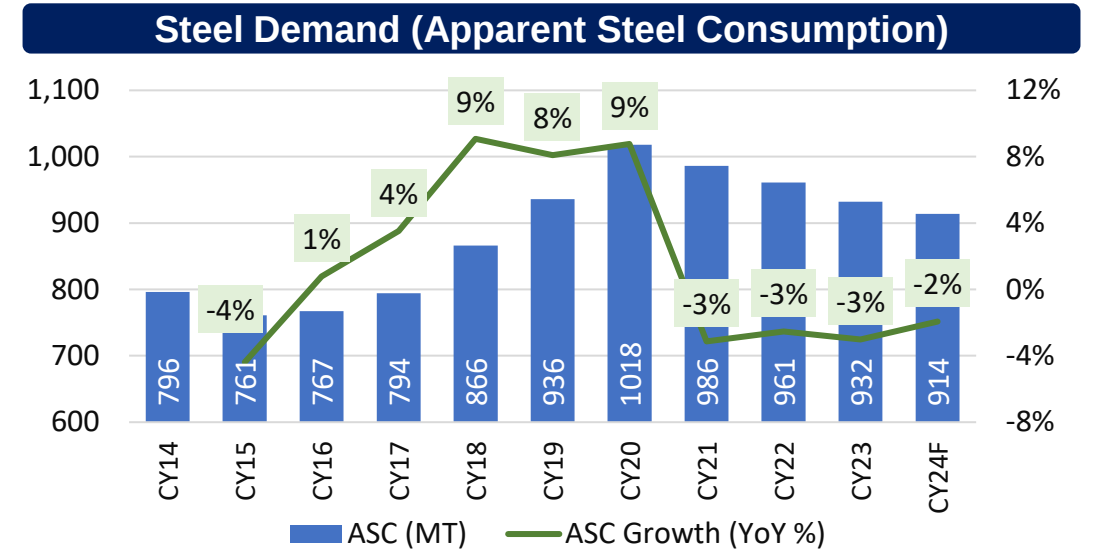
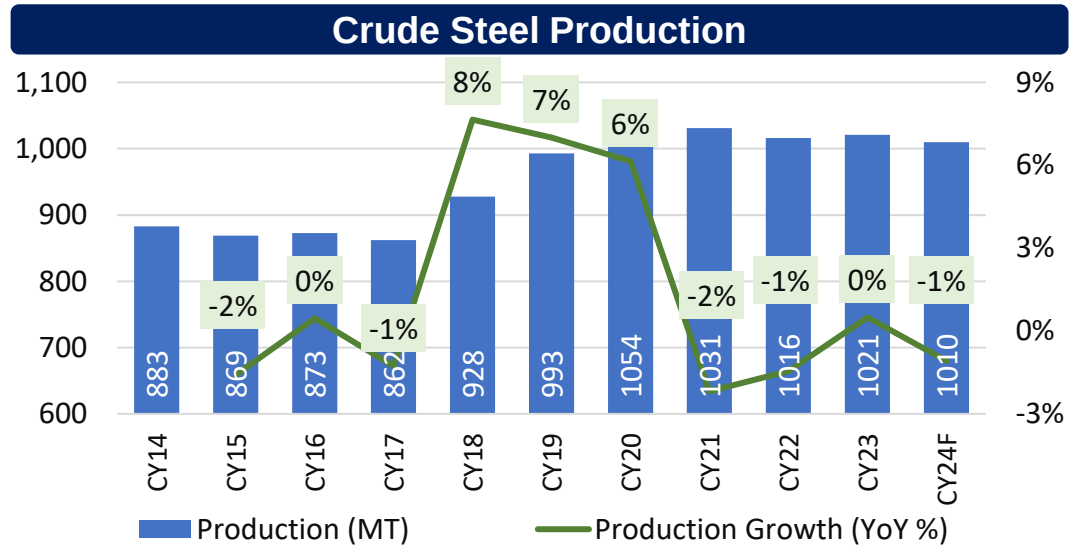


Steel Demand (MT) Demand Growth (YoY%)

Steel Demand (MT) Demand Growth (YoY%)

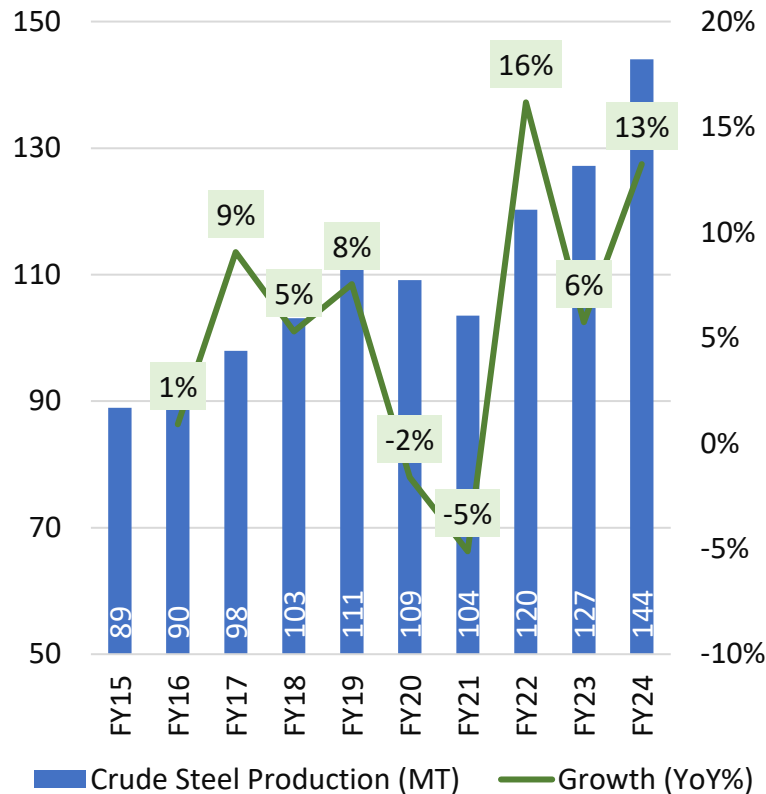
Steel Demand (MT) Demand Growth (YoY%)

China exports remain elevated due to low domestic demand

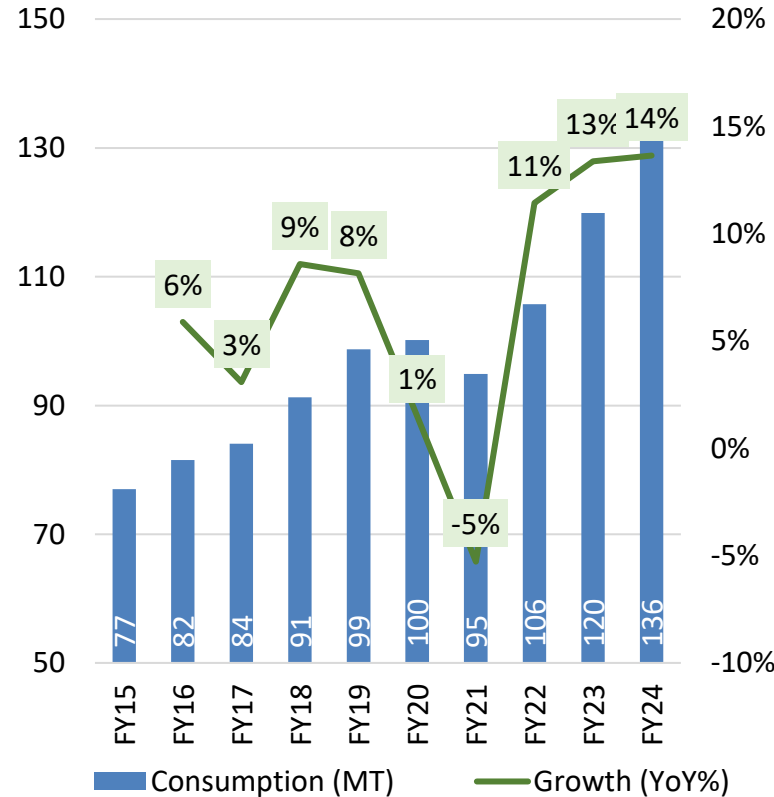


Robust India steel demand in line with strong real GDP growth

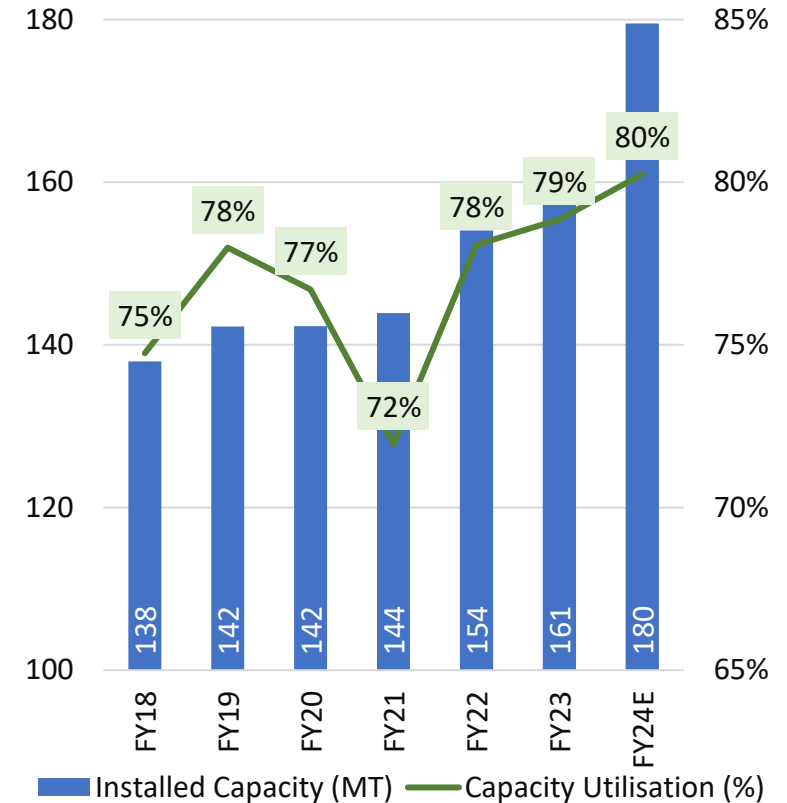
Crude Steel Production



Finished Steel Consumption



Crude Steel Capacity and Utilisation %

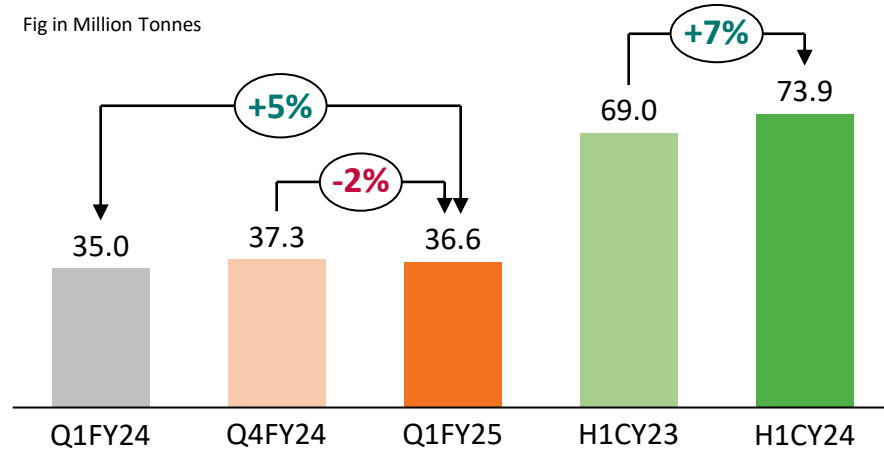


- **National Steel Policy, 2017** envisages India's steel production capacity of 300mt by 2030 by enhancing domestic per capita consumption to 160 kg
- Steel capacity and production continues to rise in line with Govt's vision of capacity/production of 300mt/258mt by 2030.

India Steel Scenario

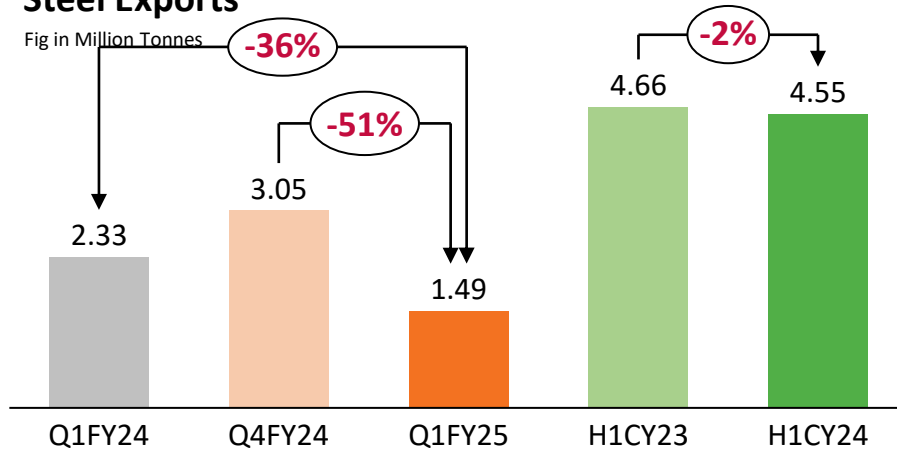
Crude Steel Production

Fig in Million Tonnes



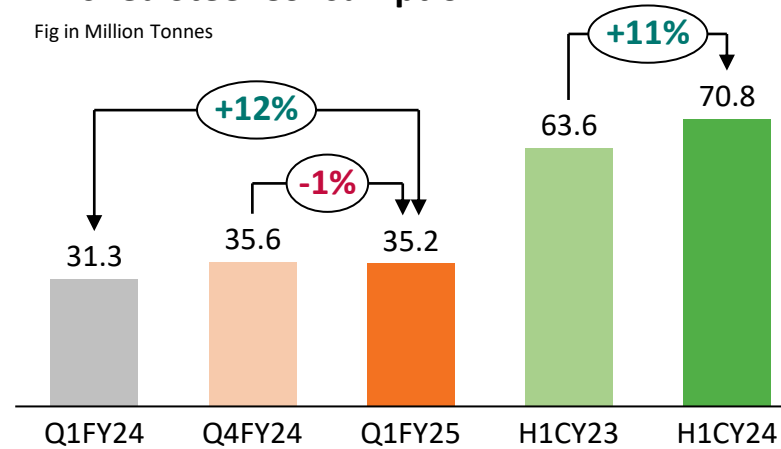
Steel Exports

Fig in Million Tonnes



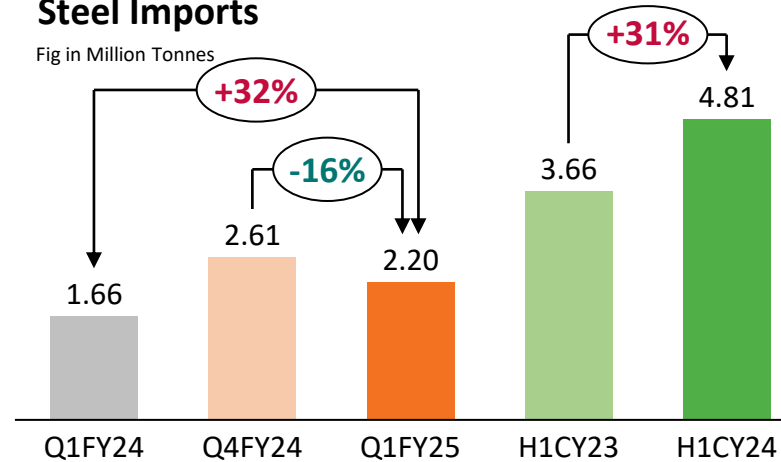
Finished Steel Consumption

Fig in Million Tonnes



Steel Imports

Fig in Million Tonnes



- Crude Steel production grew 5% YoY during Q1FY25 to 36.6mt and 7% YoY in H1CY24 to 73.9mt
- Finished steel consumption grew 12% YoY during Q1FY25 to 35.2mt and 11% YoY during H1CY24 to 70.8 mt driven by strong domestic demand
- Total Steel Exports declined by 51% sequentially during Q1FY25 primarily driven by lower exports of HRC. Steel exports declined 2% at 4.5mt during H1CY24. Steel exports were down both YoY and QoQ during Q1FY25 as international prices remained subdued
- Total Steel Imports declined by 16% sequentially during Q1FY25. However, imports were up by 32% YoY during the same period. For H1CY24, imports were up 31% YoY as international prices remained lower than domestic prices .
- Higher imports from China and FTA countries kept flat product prices in check in the domestic markets
- Inventory levels inched slightly up vis-a-vis Q4FY24.

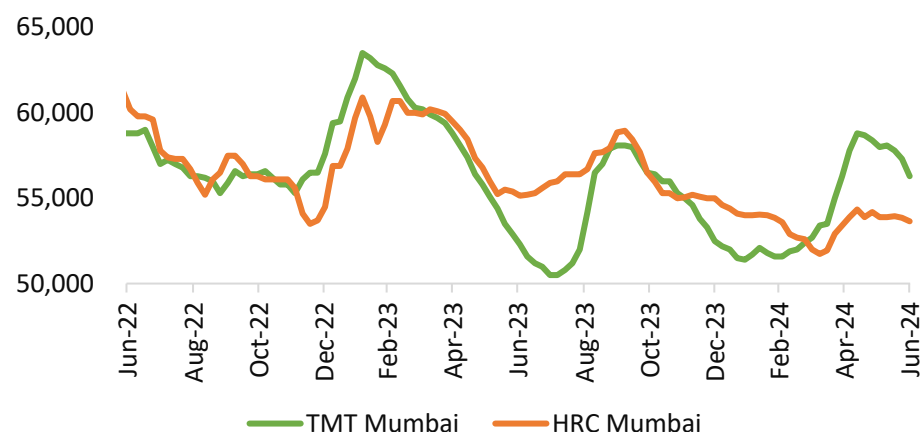
Note: Exports/import data includes semis

Source: JPC

Key Steel and RM Prices Trend

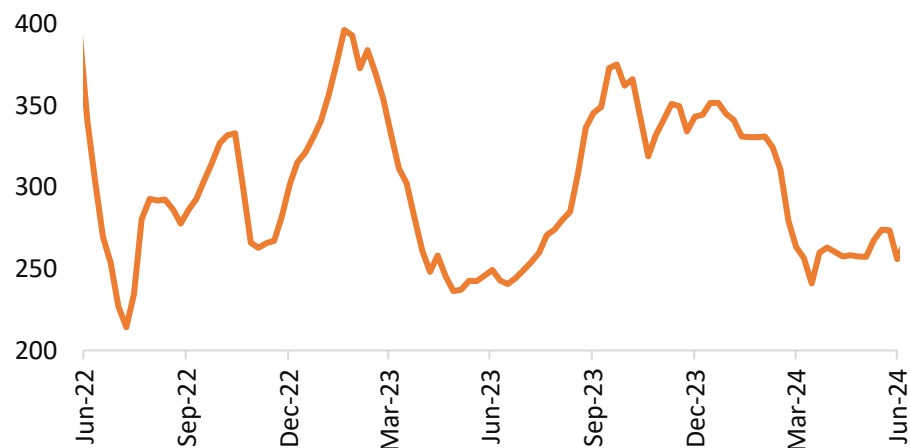
India HRC vs Rebar

Fig in ₹/tonnes



Coking Coal: Premium HCC (CNF Australia origin)

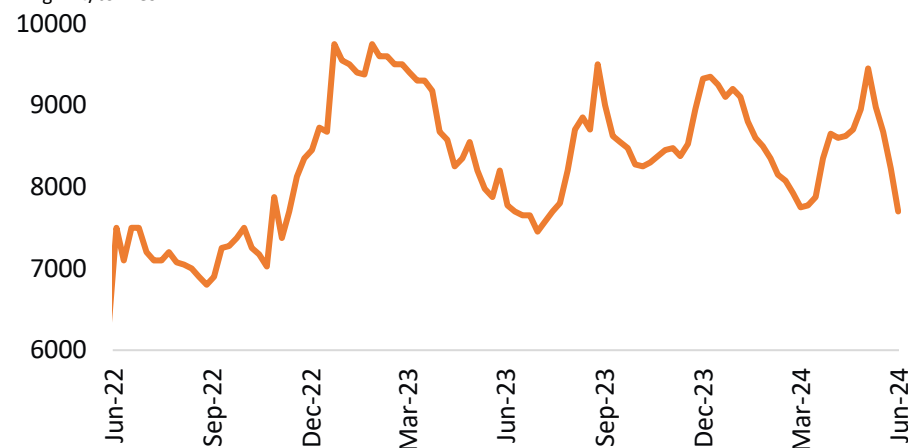
Fig in USD/tonnes



Source: Steelmint

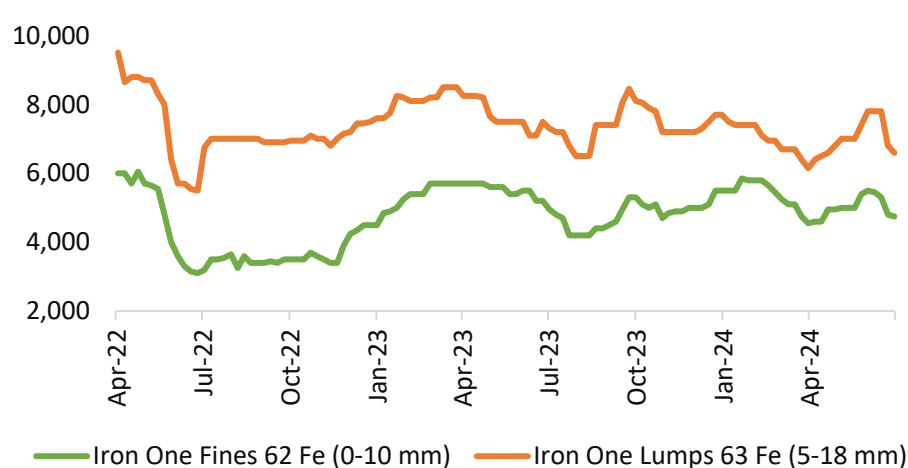
Domestic Pellet prices (Barbil)

Fig in ₹/tonnes



Iron Ore fines and Lumps (Odisha Index)

Fig in ₹/tonnes



- Indian Steel prices have shown mixed trends during Q1FY25
- While TMT prices have rallied due to significantly strong construction seasons, Flat product prices have remained static with downward bias as International prices remained subdued
- TMT has again moved to premium over HRC as construction season starts
- Iron ore fines and lumps prices have remained largely flat despite correction in flat steel prices
- PHCC prices remained soft trending in line with international steel prices

Company Snapshot

Macro and Sectoral Update

Business Update

Social Initiatives

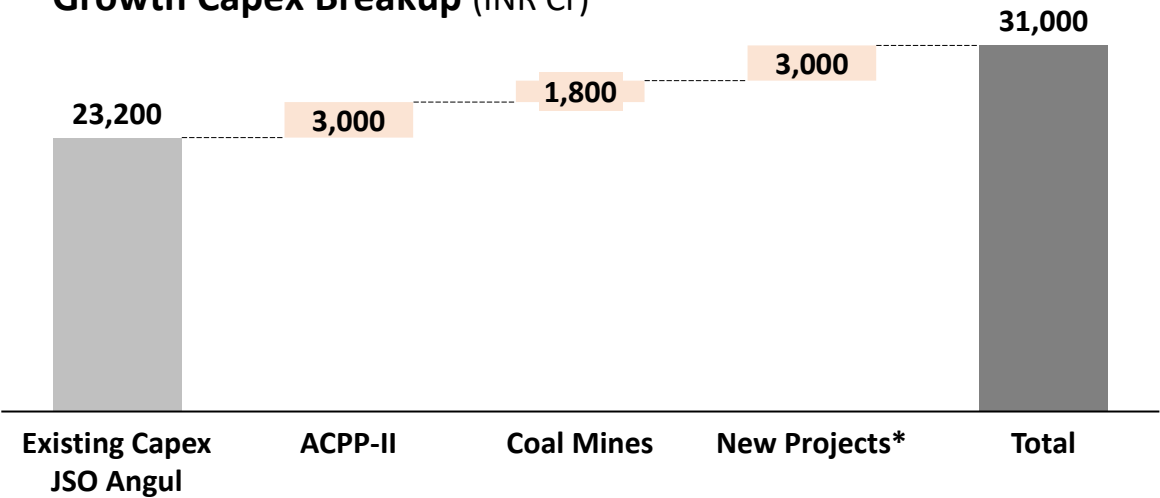
Q1FY25 Results

Project Update



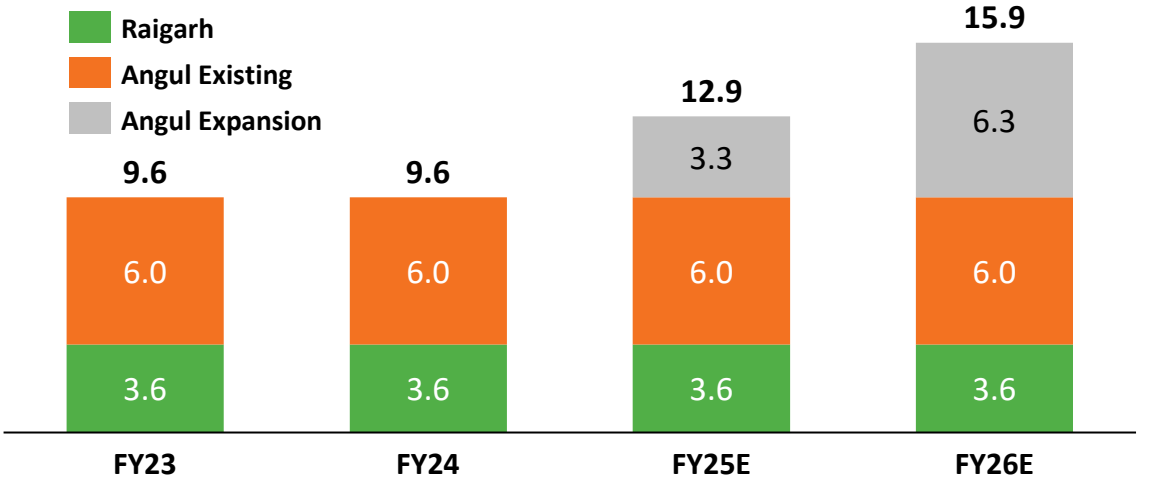
Scaling-up for Market Leadership

Growth Capex Breakup (INR Cr)

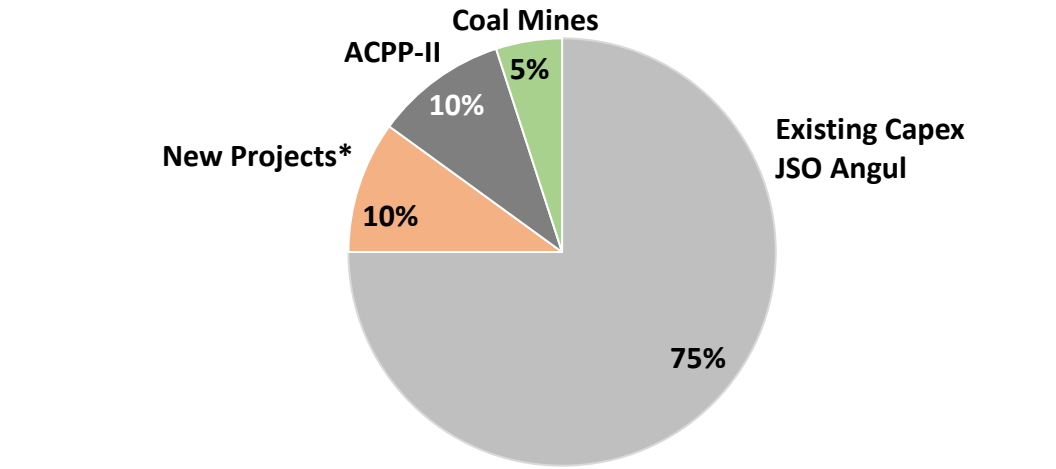


*New Projects include Q&T, Rakes, Micro Pelletization etc.

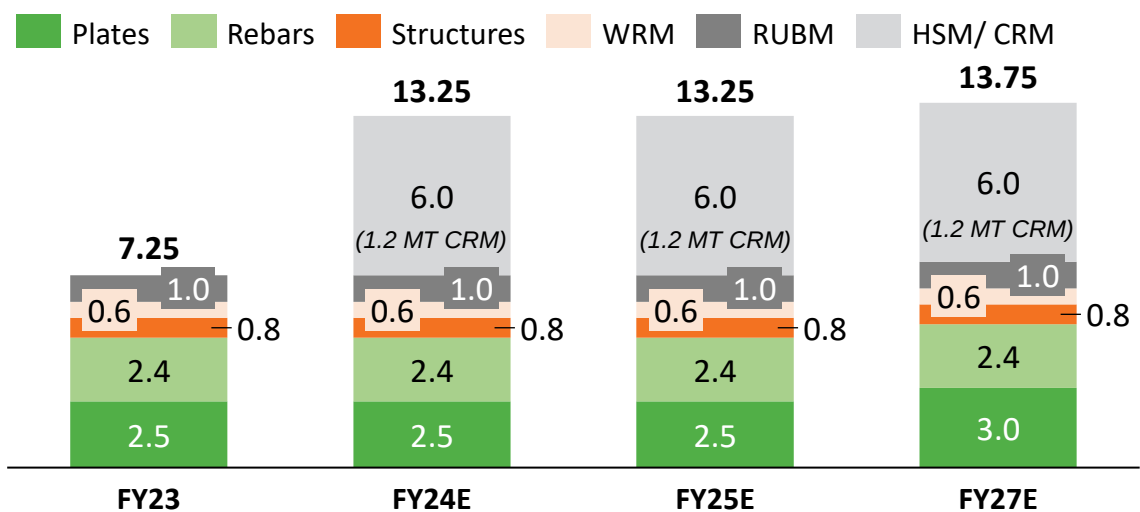
Crude Steel Capacity (MTPA)



Share of Capex Categories



Finished Steel Capacity (MTPA)



Strategically Aligned for Shipbuilding and Defense

High Growth & GoI Focus Segment

- ✓ US\$25B defense production target by 2025
- ✓ Promoting domestic manufacturing to reduce external dependence
- ✓ Estimated Rs. 4 Lakh Cr (US\$57B) contracts for domestic industry by 2027.



Jindal Steel & Power

JSP initiatives

- Pioneered development and supply of:
- ✓ DMR - **Submarine grade** steel plates [Sole Private supplier]
 - ✓ **Critical grades** for Battle, Armor tanks, Navy Ships, retractable bridges
 - ✓ Substituting Imports via **Track Shoe** offering
 - ✓ MoU with Indian Coast Guard for bolstering the supply of **indigenous marine-grade steel**

ICG signs MoU with Jindal Steel & Power



Indian Coast Guard and Jindal Steel & Power (JSP) entered into an MoU for the supply of indigenous marine grade steel to enhance the Indigenous Content

(IC) in Shipbuilding. The MoU assures a seamless supply of marine-grade steel to Indian Public & Private Shipyards involved in the new construction of ICG Ships.

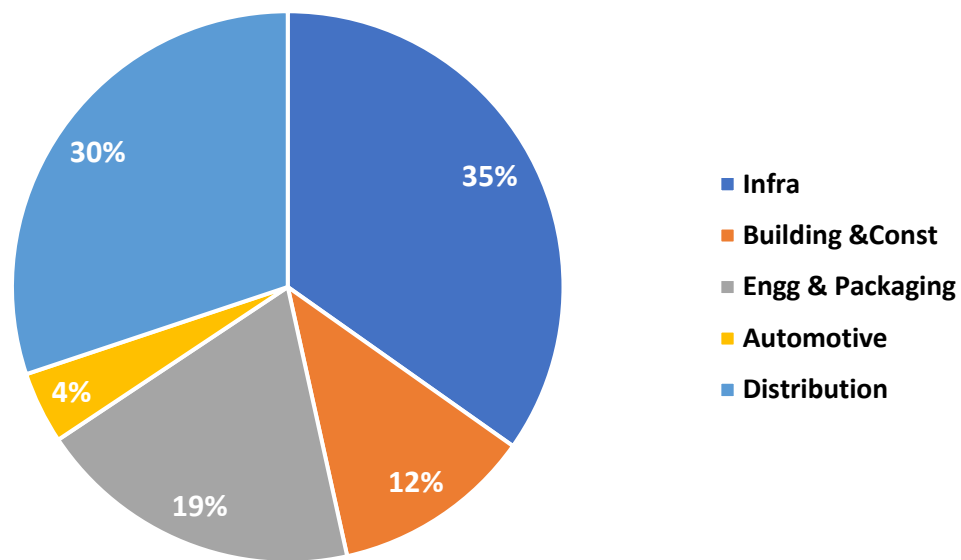
Collaborations to be “first choice”

- ✓ Main Battle Tanks (**CD 99**) Arjun Supplying Ballistic resistance plates
- ✓ Fleet ships (DMR) – **low carbon micro-alloys**
- ✓ Supplying across the Globe and hold all the Shipbuilding class Approvals

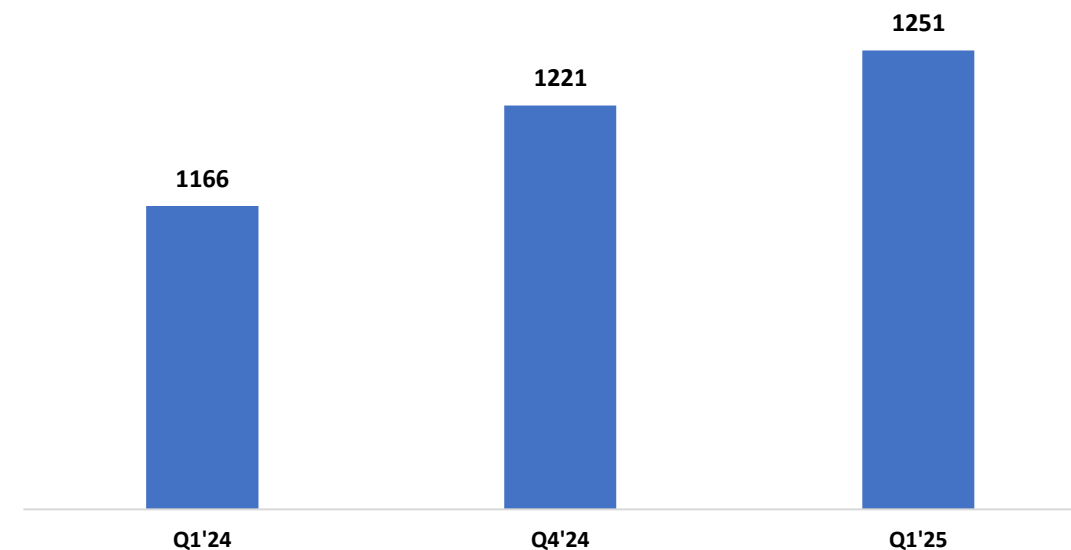


Sector wise & Value-added Sales

Customer Segments



Value added Sales, Kt



- ✓ QoQ 186 % growth in HR coil from new HSM in Angul by strategically focusing on Value added segments.
- ✓ 47 % share in Construction & Infrastructure Segment by Strategically developing Customized Product offerings in Plates, Structural, Rebar & Fabricated Solution.
- ✓ Driving up overall share of VAG Products through excellence and innovative solutions tailored to Customer requirements

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Awards & Recognitions



- **National CSR Award, by Ministry of Corporate Affairs, GoI (announced in Aug 22)**
 - CSR in Aspirational Districts/Difficult Terrains in Eastern India
 - Contribution in National Priority Areas and support to differently-abled
- **Golden Peacock CSR Award 2019** for holistic Corporate Social Responsibilities
- **Golden Peacock Award 2022** for Corporate Social Responsibility by the Institute of Directors
- **OTV Business Odisha Awards-2023** by OTV Network
- **Eastern India Leadership Awards 2023** for Best CSR Impact Initiative.
- **FAME National Award 2023** for Best CSR practices in Diamond Category.

Women Empowerment

- **Women Achievers Award 2019** to Chairperson, JSP foundation, Smt. Shallu Jindal by ASSOCHAM - **Best Women Empowerment Initiative**
- **The FICCI CSR Award 2019** for Women Empowerment
- **International Woman of the Year Award 2023** conferred to Chairperson JSP Foundation, Smt. Shallu Jindal by D' Tribes Chicago, USA
- **Best Women Empowerment Initiative'2023** by Interview Times

Health and Nutrition

- **Mahatma Award 2021** for Multi-dimensional social intervention to support the community during the COVID 19 Pandemic in India
- **FICCI CSR Award 2022** for the fight against COVID-19
- **Times Business Award** for Sustainable Rural Health Care by Times of India
- **IHW CSR Health Impact Gold Award-2023** for COVID Relief Initiatives in the Mega Projects Category.

Welfare of Differently abled Children.

- **10th Greentech CSR India Award 2023** for the Welfare of Divyangs

Sports

- **CSR Journal Excellence Award-2023** for contribution to the promotion of sports in rural and tribal areas.
- **Indian Social Impact Award 2024** for Best Sports Welfare Initiative of the Year

Water Conservation and Management

- **Green Tech CSR Award 2019**, for best practices in Natural Recourse Management in Watershed Development
- **AIBCF CSR & Sustainability Award 2024**, under Water Conservation and Management

CSR Sustainability

- **Odisha Leadership Award 2024** for Sustainable Community Development

Empowering our Communities



HEALTH & NUTRITION

VATSALYA aims to reduce Infant Mortality Rate and Maternal Mortality Rate. Benefitted **22253** women and infants in Q4 and 77673 during FY 2023-24. Over 7.2 lakh women and infants have been benefitted so far.

KISHORI EXPRESS addresses adolescent anemia control among adolescent girls. Benefitted **25252** adolescent girls by anemia level testing and counselling in Q4 and **93524** during FY 2023-24. Over 7.5 lakh girls benefitted so far.

PM'S TB MUKT BHARAT

Under Ni-Kshay Poshan Yojna of NTEP **3749** TB patients provided with nutrition support during Q4 of FY 2023-24. Gol. declared 10 GPs of Raigarh project locations as TB free areas.

JINDAL AROGYAM HOSPITALS

- Construction of 100 bedded multispecialty hospital in Angul and 19 bedded hospital in Barbil is in progress.
- Under Jindal Arogyam Seva, 6758 underprivileged people have received super-speciality facility free of cost during FY 2023-24.



EDUCATION

YASHASVI aims to educate young women and girls from an underprivileged background to become self-reliant with professional & technical courses

- **5630** girls and women enrolled in more than 350 educational institutes across 10 states . In Q4, over **4242** girls have been financially supported for both Higher Education and Vocation Skill Training.

JINDAL ASHA program for the rehabilitation and empowerment of children with special needs and for persons with disabilities. **124** children in Q4 and 441 children enrolled during FY 2023-24

- Special education for **5739** differently-abled children



SKILL EDUCATION

O.P. JINDAL COMMUNITY COLLEGES at Angul, Punjipanthra, and Patraru impart skills to 1780 (from April to December, 2023) rural and underprivileged youths in 14 various trades

- 1269 candidate in Q4 and 3515 candidates enrolled during FY 2023-24. Contributed **1.6 lakh+** youths to national skill pool and **3065** trainers and assessors

LIGHTHOUSE empowers and enskill young boys and girls in a participative, inclusive, and expressive manner

- During FY 2023-24, **756** youth from rural, semi-rural background are imparted industry & market focused employability skill training in Bhubaneswar, Angul & Barbil. 85% have been placed in organizations of national repute

Empowering our Communities



ENVIRONMENT AND AGRICULTURE

JINDAL VET SEVA Jindal Vet Seva, the Mobile Veterinary Ambulance for Animal Welfare was launched in August 2023 provided veterinary care to **10481** animals in Q4 and **19002** during FY 2023-24 from **86** nearby villages of Angul and Raigarh. Provided. 3500 farmers have been supported.

SUSTAINABLE LIVELIHOOD

2500+ micro-enterprises have been formed and livelihood options for over 30000 women and 20000 farmers have been created those are economically. This has enhanced the supplementary annual income women over Rs. 50,000/-.



ART AND CULTURE

- 72 ft Monumental Flag of India was installed at Raigarh Sports Stadium.

SPORTS

- Ms. Sweta Rani Mohanta won gold medal for India in the Moscow Star International Tournament 2024 at Russia during March 2024
- Mr. Ishwar Kumar – Para-Athlete of Asha the Hope Centre, Patratu participated in Special Olympics Asia Unified Football Competition at Dhaka, Bangladesh.

SOCIAL INCLUSION

UNDER PROJECT AASHIANA: 529 homeless people from 13 Indian states are given financial assistance to build their own homes under project AASHIANA. **449** have been financially supported in Q4 of FY 2023-24 in 2nd edition of Aashiana project.



SOCIAL INCLUSION

JINDAL PRAYAS CENTRE OF EXCELLENCE provides state-of-art facilities for holistic care and nourishment for **300+** abandoned and impoverished children in 2023-24

JINDAL ELDERLY CARE AND WELLNESS CENTER at Gadamuketswar in U.P.: Centre-based nourishment, clothing, physical, spiritual, mental health, and rehabilitation facilities to old age persons

- **500+** senior citizens are provided nourishment care over the year during FY 2023-24

NUTRITION AND HEALTH CARE SUPPORT TO DESTITUTE CHILDREN REHABILITATED IN CHIDRTEN HOMES: 600+ abandoned and underprivileged children being nourished in Odisha and Chhattisgarh

NUTRITION SUPPORT TO DESTITUTE AND ABANDONED CHILDREN, WOMEN AND ELDERLY UNDER MISSION ZERO HUNGER

- **3900286** underprivileged people supported with hot cooked food and dry rations in different business locations and other parts of the country in 2023-24.

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Q1FY25 Highlights – Consolidated

Gross revenue* Q1FY25	Adjusted EBITDA# Q1FY25	Adj. EBITDA per ton Q1FY25	PAT Q1FY25
₹15,788 Cr	₹2,831 Cr	₹13,527	₹1,338 Cr
Q4FY24 - ₹15,748 Cr Q1FY24 - ₹14,539 Cr	Q4FY24 - ₹2,512 Cr Q1FY24 - ₹2,704 Cr	Q4FY24 - ₹12,496 Q1FY24 - ₹12,696	Q4FY24 - ₹993 Cr Q1FY24 - ₹1,692 Cr

Q1FY25 Highlights - Consolidated

Steel Production Q1FY25	Steel Sales Q1FY25	Net Debt* Q1FY25	Net Debt to EBITDA(TTM) Q1FY25
2.05 MT	2.09 MT	₹10,462 Cr	1.0
Q4FY24 – 2.05 MT Q1FY24 – 2.04 MT	Q4FY24 – 2.01 MT Q1FY24 – 1.84 MT	Q4FY24 - ₹11,203 Cr Q1FY24 - ₹6,812Cr	Q4FY24 – 1.10 Q1FY24 -0.75

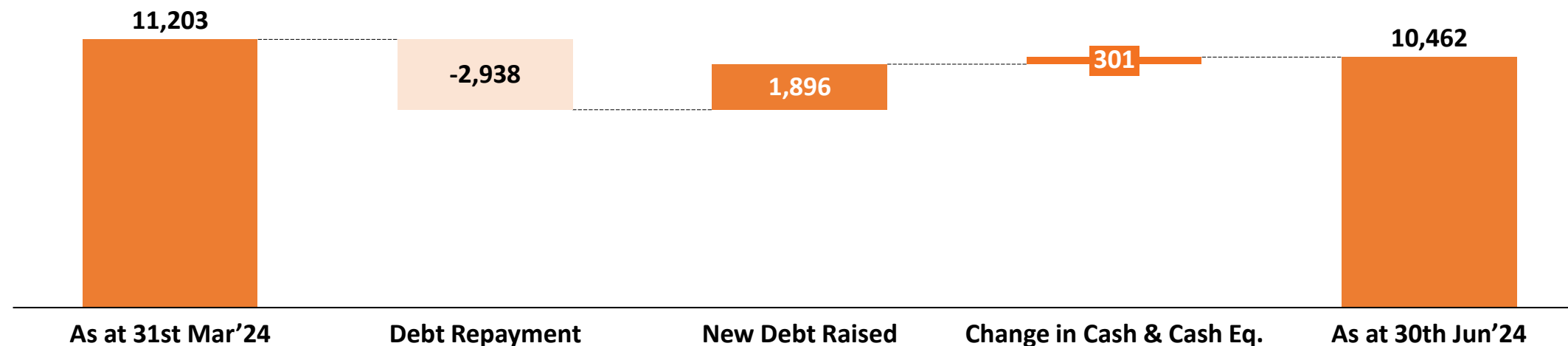
* Incl. GST (goods and service tax) and Other income

Adjusted for one-off FX Gain of INR 9 Cr in Q1FY25

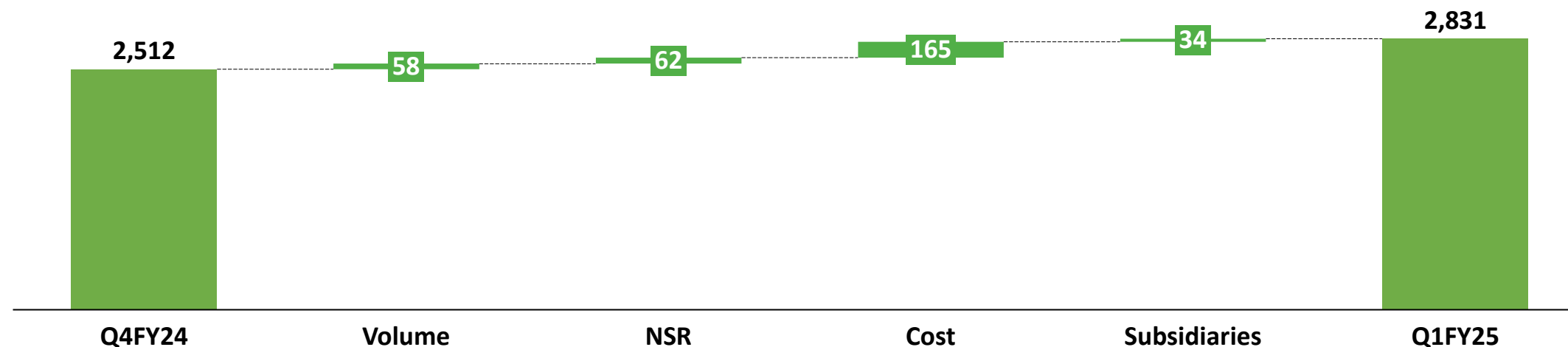
‡ Adjusted for one-off FX Loss of INR 68 Cr in Q4FY24 and INR 76 Cr in Q1FY24

Net Debt and EBITDA bridge

Consolidated Net Debt Movement (QoQ) (INR Cr)



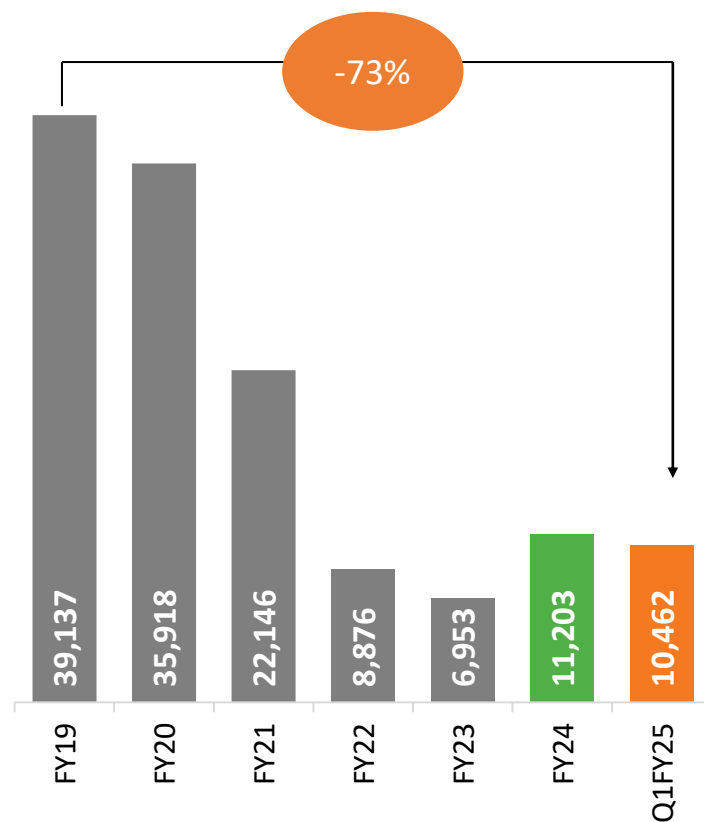
Consolidated Adjusted EBITDA Movement (QoQ) (INR Cr)



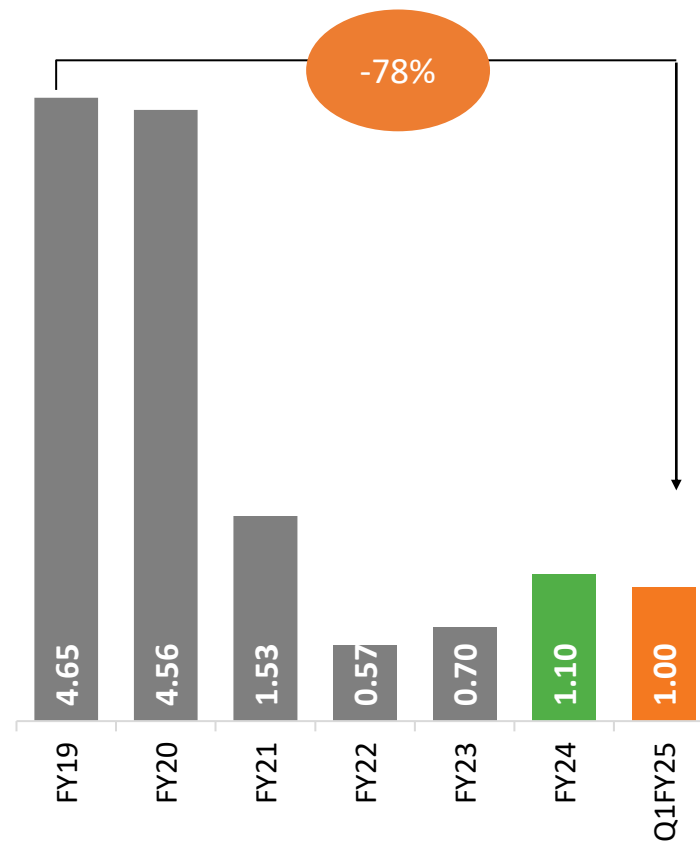
Strengthening Fundamentals to Drive Sustainable Growth

Consolidated Performance

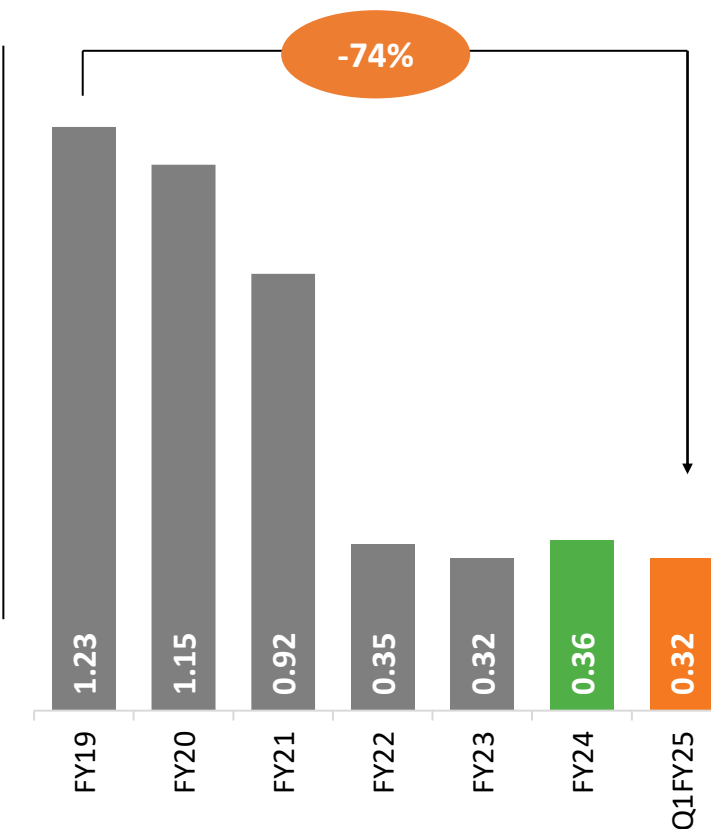
Net Debt (INR Cr)



Net Debt/EBITDA (x)



Debt/Equity (x)



Financial Performance - Consolidated

Q1FY25 Result

INR Crore	Quarterly Performance		
Particulars	Q1FY25	Q4FY24	Q1FY24
Gross Revenue*	15,788	15,748	14,539
Net Revenue	13,652	13,521	12,644
Adjusted EBITDA**	2,831	2,512	2,704
Depreciation + Amortization	683	995	588
Finance Cost (net)	332	321	329
PBT (before Exceptional)	1859	1163	1767
Exceptional Gain/(loss)	-	-	-
Reported PAT /(Loss)	1,338	933	1,692

* Incl. GST (goods and service tax) and Other income

** Adjusted for one-off FX Gain of INR 9 Cr in Q1FY25, FX Loss of INR 68 Cr in Q4FY24 and Loss of INR 76 Cr in Q1FY24

Financial Performance - Standalone

Q1FY25 Result

INR Crore	Quarterly Performance		
Particulars	Q1FY25	Q4FY24	Q1FY24
Gross Revenue*	14,929	15,847	14,220
Net Revenue	12,865	13,788	12,325
Adjusted EBITDA**	2,694	2,501	2,665
Depreciation + Amortization	564	563	540
Finance Cost (net)	183	210	258
PBT (before Exceptional)	1,975	1,762	1,870
Exceptional Gain/(loss)	-	-	-
Reported PAT /(Loss)	1,457	1,282	1,400

* Incl. GST (goods and service tax) and Other income

** Adjusted for one-off FX Gain of INR 5 Cr in Q1FY25, INR 18 Cr in Q4FY24 and FX Loss of INR 12 Cr in Q1FY24

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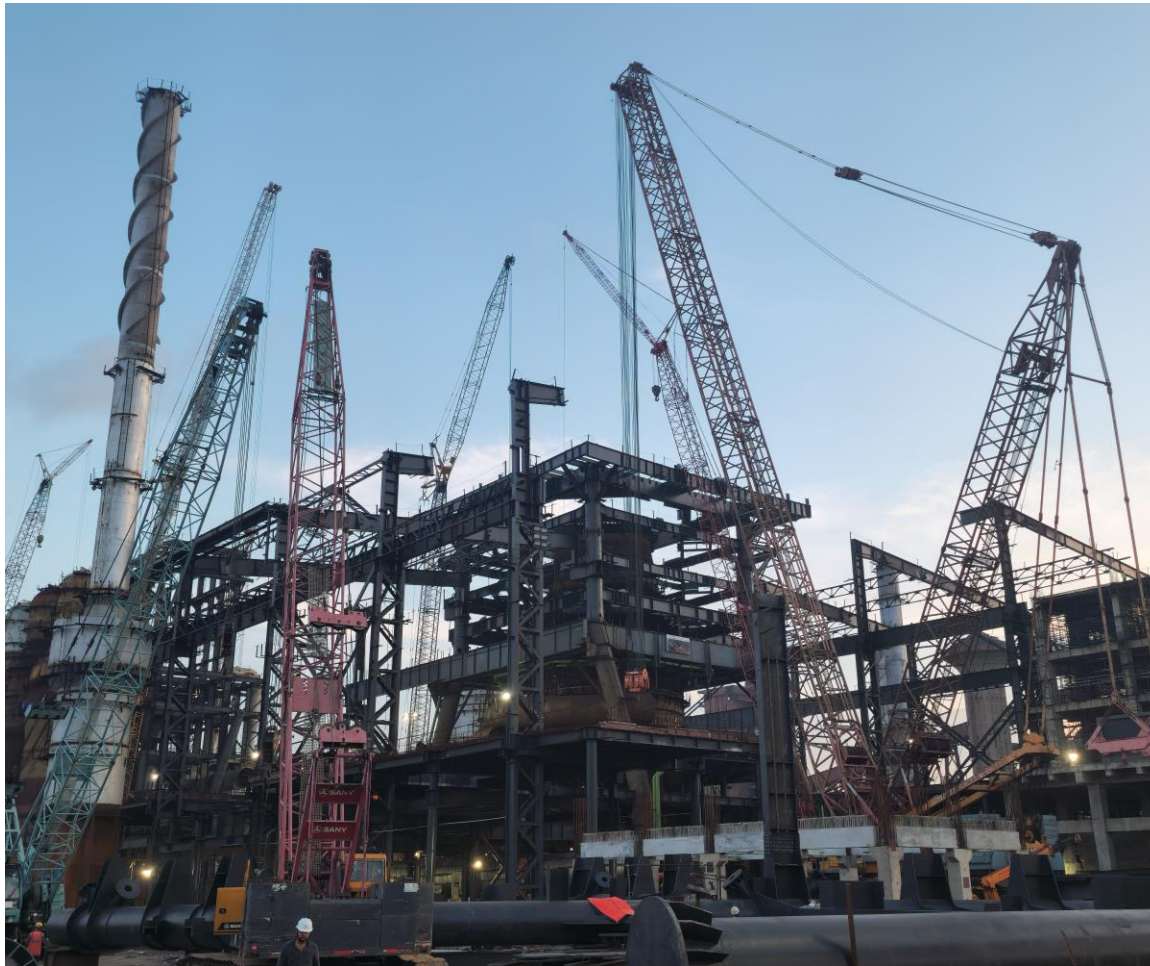


Project Completion Status

Projects	Indicative Timeline	Civil	Mechanical	Electrical
Pellet Plant – I		Commissioned		
HSM		Commissioned		
Slurry Pipeline	Q4FY25			
Pellet plant – II	Q4FY26			
BOF – II	Q4FY25			
ASU, Coke oven, RMHS	Q1FY26			
BF – II	Q4FY25			
ACPP – II	Q3FY25			
BOF – III	Q3FY26			
DRI – II	Q3FY26			
CRM Complex	Q1FY26			
Plate Mill	Q1FY27			

Project Status Update

Blast Furnace



Basic Oxygen Furnace



Project Status Update

Lime Dolo Plant



ACPP2



Project Status Update

Slurry Pipeline



RMHS



Project Status Update

HSM (Reheating Furnace 1, 2)



CRM



Thank you