

JSHL/BM-1/2019-20

May 24, 2019

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Security Code No.: 539597

Security Code No.: JSLHISAR

Sub: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Earnings presentation.

Dear Sir(s),

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Earnings presentation of Jindal Stainless (Hisar) Limited ("the Company"), for the financial year ended 31st March, 2019. The same is also being uploaded on the website of the Company- [www. jshlstainless.com](http://www.jshlstainless.com).

Please take the above information on record.

Thanking You.

Yours Faithfully,
For **Jindal Stainless (Hisar) Limited**

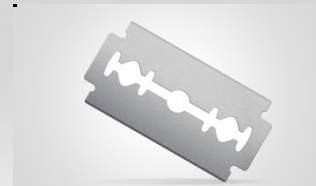
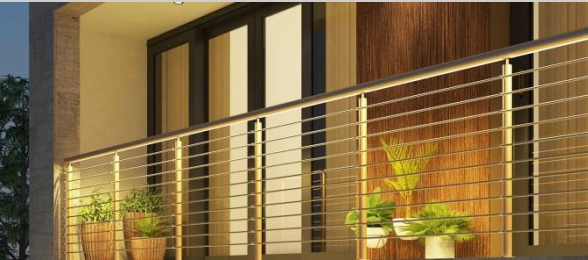

(Bhartendu Harit)
Company Secretary



Encl: A/a

JINDAL STAINLESS HISAR LIMITED (JSHL)

Q4 & FY19 Earnings Presentation – May 24, 2019



Disclaimer

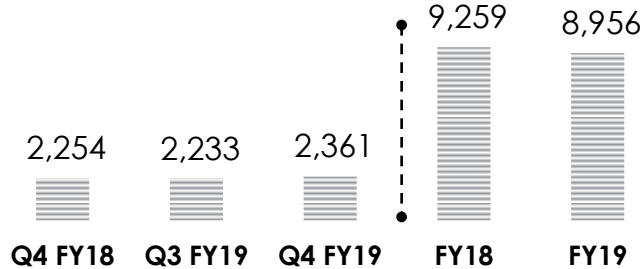
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Q4 & FY19 Results Overview



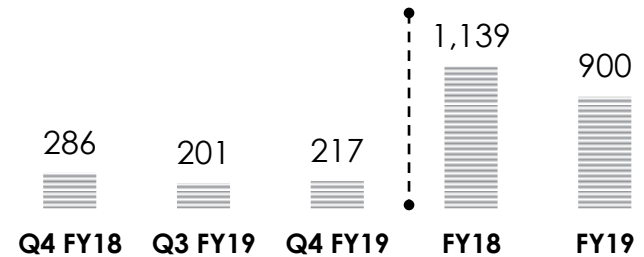
Key Financials Highlights – Q4 & FY19

Net Revenue from operations



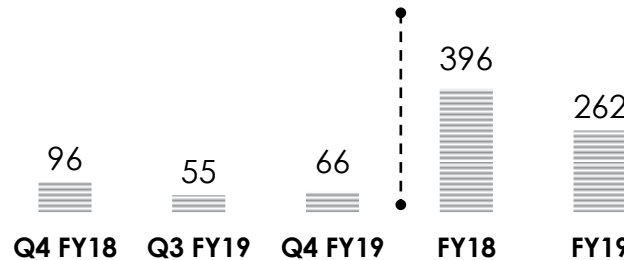
Shift (%)	QoQ: 6%	YoY: 5%	(3%)
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EBITDA



Shift (%)	QoQ: 8%	YoY: (24%)	(21%)
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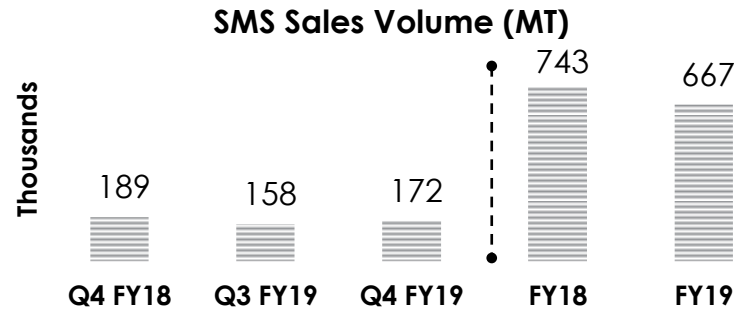
PAT



Shift (%)	QoQ: 19%	YoY: (32%)	(34%)
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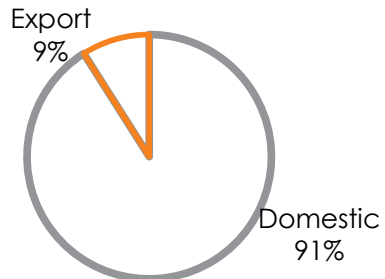
Note: Standalone financials; All figures in Rs. crore unless stated otherwise

Key Operational Update – Q4 & FY19

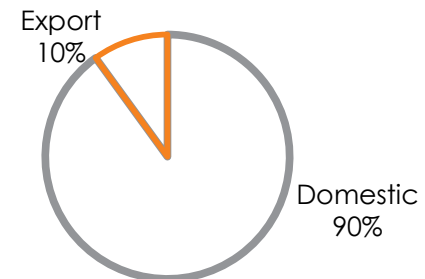


Shift (%)	QoQ: 9%	YoY: (9%)	(10%)
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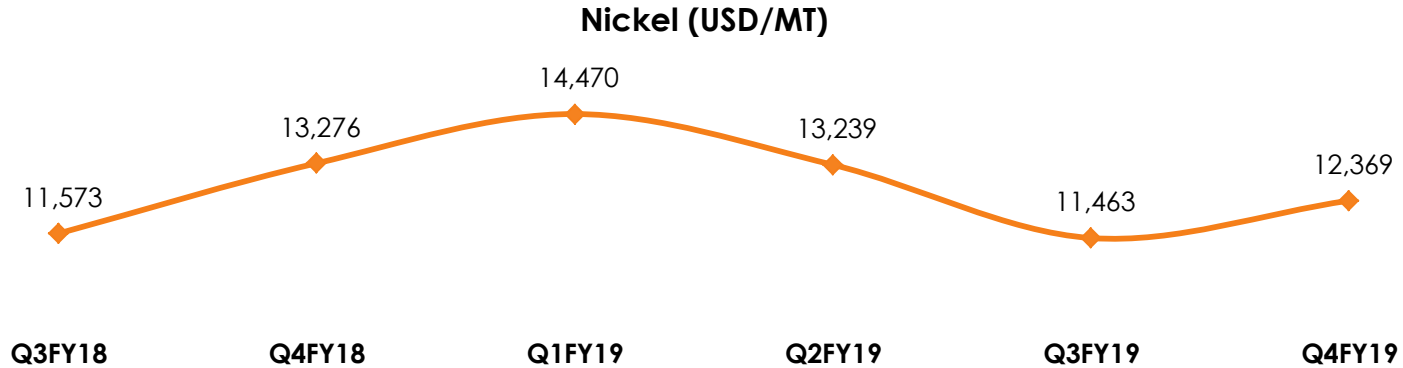
Sales Composition – Q4 FY19



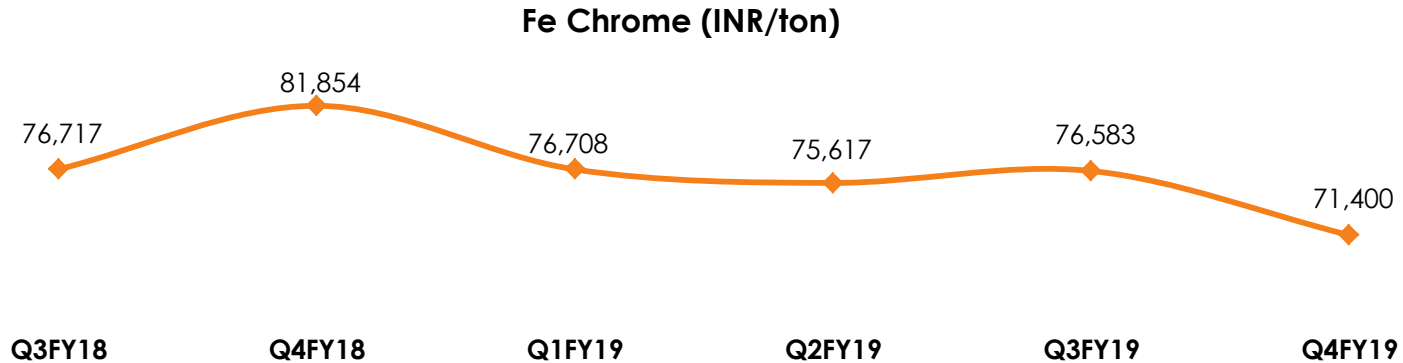
Sales Composition – FY19



Key Raw Materials – Price Trend



Note: Average quarterly prices; Source: Bloomberg



Note: Average quarterly prices; Source: Steel Mint

Q4 FY19 Financial and Operational Discussions

- **Net Revenue stood at Rs. 2,361 crore, up 5% Y-o-Y**
 - On a quarter-on-quarter basis, sales volume registered an improvement of 9% to 172,027 MT
 - Demand from railway, metro, and value added segments like blade steel, precision strips, and coin blanks, assisted the Company to maintain its top line, despite increased trade protectionism across the globe

- **EBITDA at Rs. 217 crore, down by 24% Y-o-Y**
 - The EBITDA increased by 8% on quarter-on-quarter basis with margins improving by 20 bps.

- **Net profit at Rs. 66 crore, down by 32% Y-o-Y**
 - Net profit on a quarter-on-quarter basis rose by 19%.

FY19 Financial and Operational Discussions

➔ **Net Revenue stood at Rs. 8,956 crore, down 3% Y-o-Y**

- Sales volume for the year stood at 666,807 MT
- Witnessed healthy increase in average realizations which supported revenue performance during the year
 - Higher contribution from Specialty Products and better product-mix assisted the Company report better realizations
 - Achieved the highest ever sales from Specialties Product Division (SPD) during FY19

➔ **EBITDA at Rs. 900 crore, down by 21% Y-o-Y**

- EBITDA declined due to inventory losses and higher cost of consumables driven primarily by graphite electrodes (2.5x) during FY19

➔ **PAT stood at Rs. 262 crore, down by 34% Y-o-Y**

- Interest cost declined by 12% to Rs. 348 crore Y-o-Y
- Healthy cash flow generation during FY19 enabled JSHL to sufficiently utilize this towards its working capital requirements. This led to lower interest outgo during the year
 - Total Debt reduced by Rs. 618 crore to Rs. 2,181 crore as on 31st March 2019; With continuous focus on deleveraging, the Company expects to further strengthen its balance sheet in FY20

Management Comment

Commenting on the performance, Mr. Abhyuday Jindal, Managing Director at Jindal Stainless Hisar Ltd. said:



“JSHL is India’s only producer of specialized grades of stainless steel products. These offerings, coupled with augmented domestic stainless steel demand, helped the company maintain its revenue despite challenging macroeconomic situations.

The misuse of existing free trade agreements has not only placed domestic industries under competitive disadvantage, but has also widened India’s trade deficit. Exports from countries like China are already subject to antidumping duties from several developed nations, including US and European countries. This leaves India as a soft target for excess dumping from China & Indonesia. We seek immediate support from the government to safeguard the interests of domestic stainless steel industry, and to prevent India from becoming a dumping ground for substandard and heavily subsidized imports.”

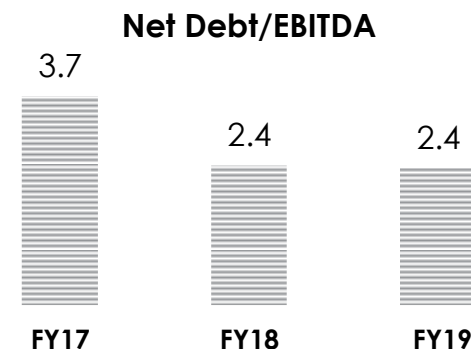
Abridged P&L Statement

Particular (Rs. crore)	Q4 FY19	Q4 FY18	YoY Change (%)	FY19	FY18	YoY Change (%)
Net Revenue from operations	2,361	2,254	5%	8,956	9,259	(3%)
Total Expenditure	2,144	1,968	9%	8,057	8,119	(1%)
EBITDA	217	286	(24%)	900	1,139	(21%)
EBITDA / ton	12,613	15,151	(17%)	13,491	15,342	(12%)
EBITDA margin (%)	9.2%	12.7%	350 bps	10.0%	12.3%	230 bps
Other Income	24	28	(14%)	96	112	(15%)
Finance Cost	86	93	(8%)	348	395	(12%)
Depreciation	71	67	7%	276	267	3%
Exceptional gain/loss	16	(2)	na	32	18	73%
PBT	100	152	(34%)	404	608	(34%)
Tax	34	56	(39%)	142	212	(33%)
PAT	66	96	(32%)	262	396	(34%)
PAT margin (%)	2.8%	4.3%	(150bps)	2.9%	4.3%	(140bps)
EPS (Diluted) in INR	2.8	4.1	(32%)	11.1	16.8	(34%)

Note: Standalone financials

Comfortable Debt Position

Description - Borrowings (Rs. crore)	As on March 2019	As on March 2018	As on March 2017
Long term debt	2,109	2,356	2,548
Short term borrowing (less than 12 months)	72	442	842
Total Debt	2,181	2,799	3,390
Cash & Investments	19	7	8
Net Debt	2,162	2,792	3,382
Long Term Debt Breakup:			
-INR Debt	2,109	2,356	2,548
-Foreign Currency Debt	-	-	-



➔ Healthy Cash generation to comfortably support debt repayment

Key Financial Ratios

	FY19	FY18	FY17
EBITDA margin (%)	10.0%	12.3%	13.4%
PAT Margin (%)	2.9%	4.3%	3.2%
Net Debt to Equity	1.4	2.2	3.9
Net Debt to EBITDA	2.4	2.4	3.7
Return on Equity (%)	18.9%	37.4%	28.9%
Return on Capital employed (%)	16.8%	24.4%	24.8%

Note:

- 1) Net Debt includes short-term & long term debt less cash & investments*
- 2) ROE(%) is calculated as PAT/Avg. Networth*
- 3) ROCE(%) is calculated as EBIT/Avg. Capital employed*

Contact Us

About Us:

Jindal Stainless Hisar Ltd. (JSHL) is the largest specialty stainless steel producer in India with a diversified value added product portfolio. The Company operates an integrated stainless steel plant at Hisar, Haryana with a total melting capacity of 0.8 million tonnes per annum.

JSHL's dedicated R&D division helps it to continuously innovate and develop high-value specialty products. Over the last 4 decades, the Company has been a market leader in domestic Stainless Steel production with a variety of products used in various applications from cookware to industrial and process engineering sectors.

JSHL's growth over the years has been backed by its cutting-edge Research & Development, world class manufacturing infrastructure, efficient distribution network, deep consumer insights and dedicated human resources.

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Thank You

