

JSHL Q1 net profit up by 23%, sales rise by 9%

Standalone (in Rs crore)			
Particulars	Q1FY 17-18	Q4FY16-17	Growth
Net sales	2218	2043	9%
EBIDTA	251	238	6%
PAT	74	60	23%

New Delhi, 7th August 2017: Gaining from increased realizations from its value added stainless steel grades, Jindal Stainless (Hisar) Limited [JSHL] registered a 23% quarter-on-quarter jump in its profit after tax at Rs 74 crore in Q1 FY 2017-18. The company delivered steady performance over the quarter with a gross revenue of Rs 2,410 crore and net revenue of Rs 2,218 crore, representing a QoQ growth of 8% and 9% respectively. The company's net worth rose to Rs 936 crore, up by 160% since March'15. Compared to corresponding period last year (CPLY), the quarter also witnessed increased melt production by 6% at over 1,72,000 tonnes.

The unaudited financial results of Jindal Stainless (Hisar) Limited for the quarter April-June '17 were taken on record by its Board of Directors here today. Vice Chairman of JSHL Mr Abhyuday Jindal termed the growth as a result of sustained emphasis on specialized and customized grades of stainless steel. "Our product differentiation and diversification strategy has held us in good stead. We will continue our relentless drive towards upgrading our offerings and finding new avenues for applications of stainless steel products. The true mettle of this magic metal is yet to be unleashed in our country since per capita consumption of stainless steel is way behind the world average," said the Vice Chairman.

Internationally acclaimed for its special stainless steel products, exports at JSHL stood at 19% of sales as against 15% in CPLY. Earnings Per Share for the quarter stood at Rs 3.15 (for the quarter not annualised). EBITDA at Rs 251 cr was higher by 6% in Q1 as compared to Rs 238 cr in last quarter. The multi-pronged cost savings initiative launched by the company helped in increased accumulated savings during the quarter. The lifestyle subsidiary of JSHL, JSL Lifestyle Limited and the service centre subsidiary, Jindal Stainless Steelway Limited also registered healthy y-o-y growth in the first quarter.

In a major shift towards IT enabled operations, JSHL accomplished complete migration to SAP HANA Enterprise cloud based services, making it the first manufacturing company to undertake this paradigm shift. In collaboration with globally renowned safety consultants, the company also implemented a comprehensive online safety portal. This is in sync with internationally benchmarked safety practices followed at JSHL. Production of cold rolled stainless steel increased by 7% to a level of 82,000 tonnes in Q1. This is likely to go up further in months to come due to various steps taken by the company. The dedicated

Research & Development Wing at JSHL developed a new grade, namely, *9 Chrome 1 Moly*, to cater to the demands of boiler grade steel. This market segment is new for JSHL and efforts are afoot to expand our presence in it.

Imports of stainless steel remained a concern despite the imposition of Quality Control Order. Imports of stainless steel flat products in India zoomed from over 19,000 tonnes in April '17 to over 42,000 tonnes in June '17. This continues to be a threat to domestic stainless steel producers. However, the new tax regime GST is expected to be beneficial for the entire steel sector, and for the company in particular.