

JSHL/BM-5/2020-21

February 8, 2021

BSE Limited

Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai – 400 001
Email: corp.relations@bseindia.com
Security Code No.: 539597

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Email: cmlist@nse.co.in
Security Code No.: JSLHISAR

Subject: Press Release


Dear Sirs,

We are enclosing herewith copy of Press Release in respect of unaudited financial results of Jindal Stainless (Hisar) Limited for the quarter and nine months ended December 31, 2020.

Kindly host the same on your website and acknowledge receipt of the same.

Thanking you,

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


(Bhartendu Harit)
Company Secretary



Encl. As above

Jindal Stainless (Hisar) Limited

Financial Results for the Quarter ended December 31, 2020

Q3FY21 Highlights

Standalone performance:

- Sales volume stood at 191,272 tonnes, up by 22% YoY
- Revenue at INR 2,822 crores, up by 29% YoY
- EBITDA at INR 351 crores; EBITDA margin at 12.4%
- PAT at INR 190 crores; PAT margin at 6.7%
- Total debt stood at INR 1,869 crores

Consolidated performance:

- Revenue stood at INR 3,147 crores, up by 27% YoY
- EBITDA at INR 387 crores; EBITDA margin at 12.3%
- PAT at INR 270 crores; PAT margin at 8.6%

New Delhi, February 8, 2021: Jindal Stainless (Hisar) Limited (JSHL) today approved its Q3FY21 financial results. The quarter witnessed a steady economic recovery that led to higher stainless steel demand. JSHL's sales volume stood at 191,272 tonnes, registering an increase of 22% over the corresponding period last year (CPLY). Profit After Tax (PAT) and EBITDA of the company stood at INR 190 crores and INR 351 crores, respectively. Consistent focus on deleveraging helped bring down the finance cost by 23% over CPLY.

A quick normalisation in supply chain post the peak-COVID period, uptick in demand from rural and urban centres, and renewed efforts by the industry helped in reviving the stainless steel demand in a short span. During Q3FY21, strong demand was registered in the auto, pipe & tube, metro rail, and railway wagon segments. Moreover, sales of JSHL's Specialty Products Division (SPD) grew by 20% during Q3FY21 over CPLY.

Globally, stainless steel raw material prices followed an upward trajectory throughout Q3FY21. During the July-December 2020 period, Nickel prices surged by ~40%, Molybdenum prices increased by ~27%, while Copper and Ferrous Scrap grew by nearly 24% and 45% respectively. The landed cost of raw materials also witnessed a surge due to increase in shipping cost in the range of 30-35%, in comparison to the pre-COVID period. Consequently, a higher input cost impacted domestic stainless steel prices during Q3FY21. Additionally, imports continued to distort the domestic stainless steel market, constituting nearly one-fourth of the total domestic consumption.

The domestic-export share of sales volumes during the quarter, on a YoY basis, was as follows:

Geographical Segment	Q3FY21	Q3FY20
Domestic	92%	89 %
Export	8%	11%

Other key developments:

1. JSHL achieved a net debt reduction of INR 150 crores during the 9-month period. The Company's total debt reduced to INR 1,869 crores as on December 31, 2020, from INR 2,019 crores as on March 31, 2020.
2. The Indian government suspended the existing Countervailing Duty (CVD) on China and revoked the provisional CVD on Indonesia as per its announcement during the FY 2021-22 Union Budget. This decision will render the Indian borders unguarded from unwarranted imports of subsidised and cheap stainless steel finished products from China and Indonesia. The domestic industry will not only be forced to compete with the unfairly priced imports, but will also face adversity against its future investment plan for increasing capacity. Consequently, local job opportunities in the organised sector and MSMEs will be impacted. Foreign stainless steel players will now reap benefits of the Indian government's enhanced spending on infrastructure, further damaging the interests of domestic players.

Financial performance summary:

Figures in INR crore(s)

Particulars	Standalone						Consolidated					
	Q3FY 21	Q3FY 20	Change	9MF Y21	9MF Y20	Change	Q3FY 21	Q3FY 20	Change	9MF Y21	9MF Y20	Change
Net Revenue	2,822	2,191	29%	5,641	6,309	(11)%	3,147	2,484	27	6,297	7,133	(12)%
EBITDA	351	210	67%	639	688	(7)%	387	232	76%	721	753	(4)%
PBT	255	96	166%	338	350	(3)%	343	123	153%	448	429	3%
PAT	190	60	217%	252	226	12%	270	80	237%	344	288	21%

On a 9-month standalone basis, JSHL's sales volume was recorded at 394,157 tonnes. The Company registered a PAT of INR 252 crores, EBITDA of INR 639 crores, and net revenue of INR 5,641 crores.

Management's Comments:

Commenting on the performance of the Company, **Managing Director, JSHL, Mr Abhyuday Jindal**, said, ***"JSHL's performance is a result of our strong focus on streamlining operational capabilities, consistent process improvement, and addition of value-added products in our mix. However, the domestic stainless steel industry will be adversely impacted by the recent announcement in the Union Budget. Suspension and revocation of duties will grant smooth access to Chinese and Indonesian subsidised stainless steel products into the Indian market. This move will not only be detrimental for the organised players, but the MSME sector, which caters to 35% of the total stainless steel demand, would be forced to shut down. We urge the government to review this decision soon as it is against the essence of the 'Atmanirbhar Bharat' mission."***

- Follow us on [Facebook](#), [Twitter](#) and [LinkedIn](#)
- For previous releases by Jindal Stainless (Hisar) Limited, click [here](#).