



# JINDAL STAINLESS LIMITED

Q2 & H1FY21  
Earnings Presentation

October 30, 2020



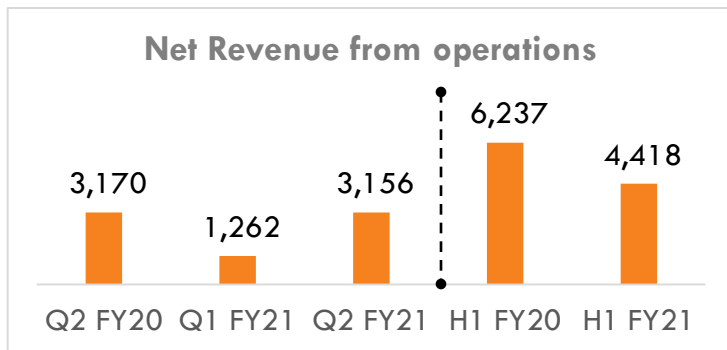
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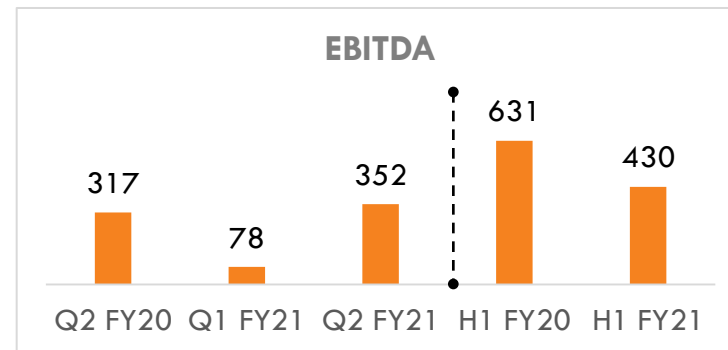


# Q2 & H1FY21 Results Overview

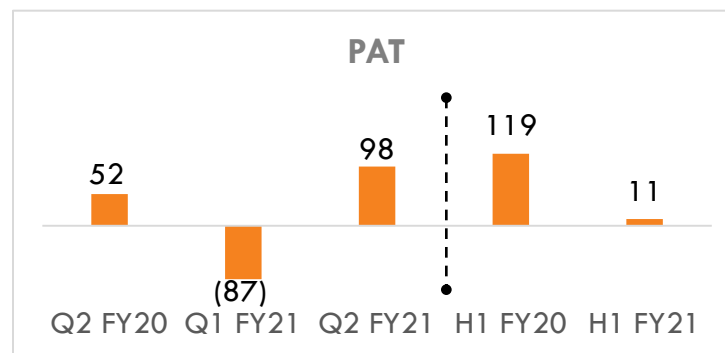
# Key Financials Highlights – Q2 & H1 FY21



<b>Shift (%)</b>	<b>QoQ: 150%</b>	<b>YoY: (0%)</b>	<b>(29%)</b>
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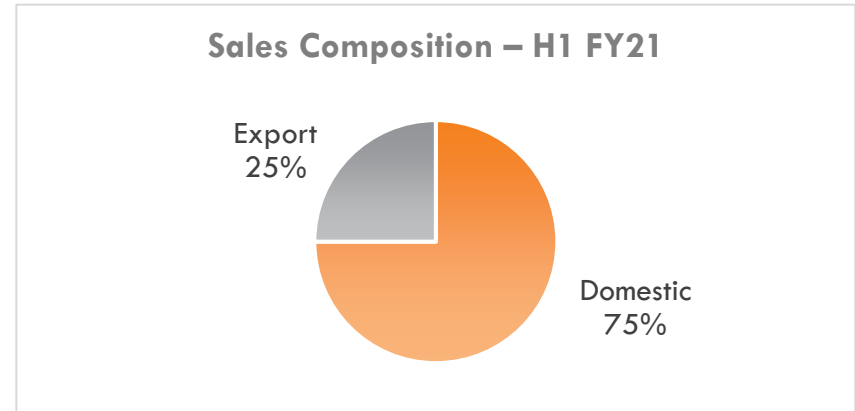
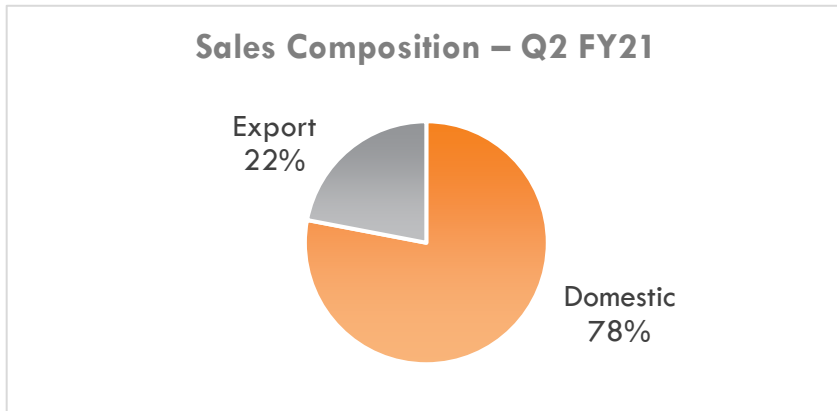
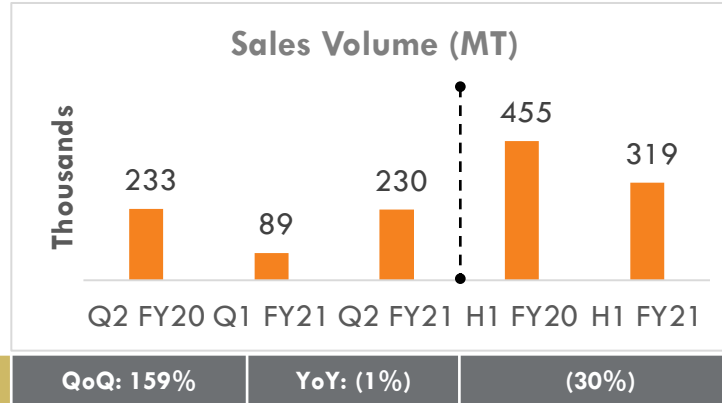


<b>Shift (%)</b>	<b>QoQ: 354%</b>	<b>YoY: 11%</b>	<b>(32%)</b>
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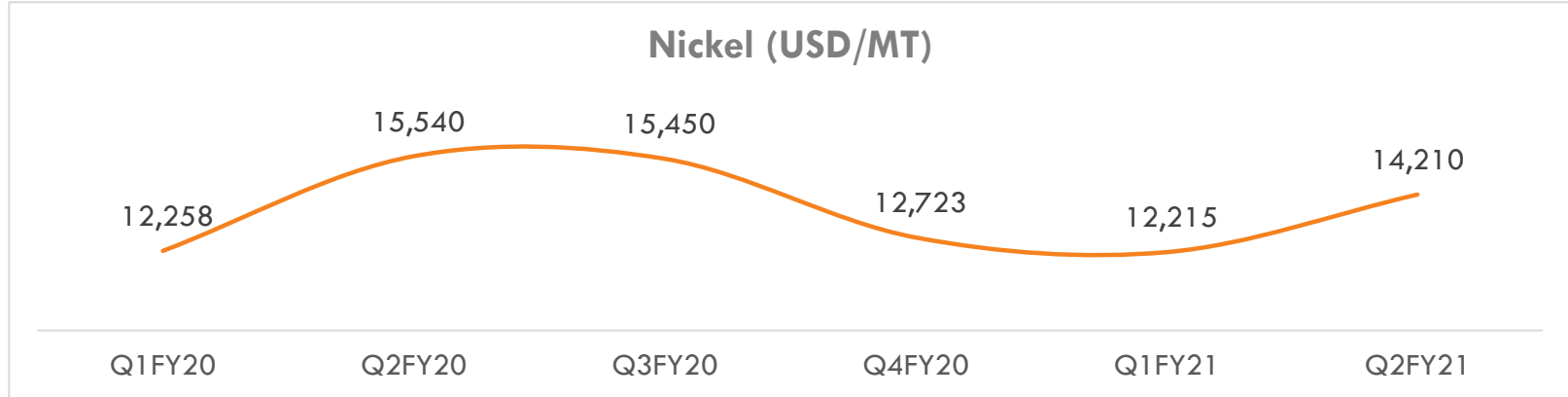


<b>Shift (%)</b>	<b>QoQ: NA</b>	<b>YoY: 88%</b>	<b>(90%)</b>
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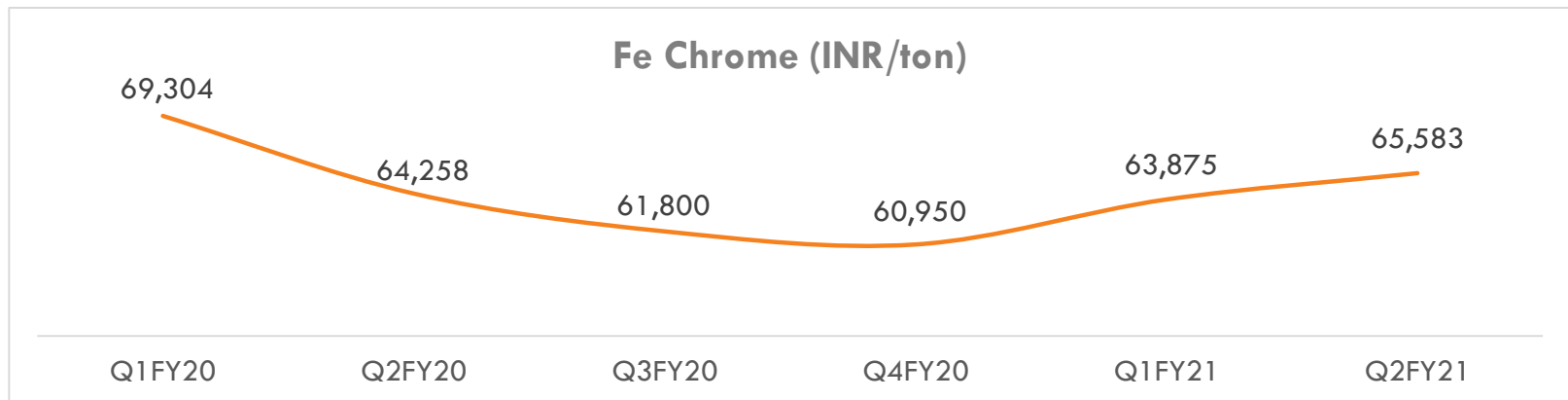
# Key Operational Update – Q2 & H1 FY21



# Key Raw Materials – Price Trend



**Note:** Average quarterly prices; Source: LME



**Note:** Average quarterly prices; Source: Steel Mint

# Q2 FY21 Financial and Operational Discussions (Standalone)

- **Revenue stood at Rs. 3,156 crore**
  - Backed by a gradual recovery in domestic demand throughout the second quarter, sales volume recovered to pre-COVID levels at 230 KT
- **EBITDA rose 11% Y-o-Y to Rs. 352 crore**
  - EBITDA/ tonne for Q2FY21 stood at Rs. 15,293, up 13% Y-o-Y
  - Streamlining production, inventory, and supply chain management according to the emerging customer needs helped JSL post strong operational performance
- **PAT surged by 88% Y-o-Y to Rs. 98 crore**
  - Finance costs fell by 13% Y-o-Y to Rs. 124 crore
  - Exceptional gains stood at Rs. 25 crore

# H1 FY21 Financial and Operational Discussions (Standalone)

- **Revenue stood at Rs. 4,418 crore**
  - Sales Volume stood at 319 KT backed by strong recovery in Q2FY21
- **EBITDA reported at Rs. 430 crore**
  - EBITDA/ tonne maintained at Rs. 13,469 despite covid-induced business challenges
- **PAT reported at Rs. 11 crore**
  - With consistent focus on deleveraging, Finance costs registered a 10% decline on Y-o-Y basis



# Management Comment



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

*“A better than expected rebound in business sentiment, coupled with JSL’s agile response in manufacturing and supply chain adjustments, led to improved financial and operational performance in Q2.*

*Aligned with market needs, we kept innovating and expanding our product basket to cater to customers in auto and railway segments. Going forward, we expect higher brand penetration in sub-urban markets through strategic partnerships via co-branded products.”*

# Abridged P&L Statement (Standalone)

Particular (Rs. crore)	Q2 FY21	Q2 FY20	YoY Change (%)	H1 FY21	H1 FY20	YoY Change (%)
Net Revenue from operations	3,156	3,170	(0%)	4,418	6,237	(29%)
Total Expenditure	2,804	2,853	(2%)	3,988	5,606	(29%)
EBITDA	352	317	11%	430	631	(32%)
EBITDA / ton	15,293	13,590	13%	13,469	13,852	(3%)
EBITDA margin (%)	11.2%	10.0%	116 bps	9.7%	10.1%	(38 bps)
Other Income	11	7	51%	21	17	22%
Finance Cost	124	143	(13%)	255	284	(10%)
Depreciation	95	104	(9%)	190	205	(7%)
Exceptional gain/(loss)*	25	7	233%	39	32	22%
PBT	169	85	98%	44	190	(77%)
Tax	71	33	113%	32	72	(55%)
PAT	98	52	88%	11	119	(90%)
PAT margin (%)	3.1%	1.6%	146 bps	0.3%	1.9%	(164 bps)
EPS (Diluted) in INR	2.0	1.1	90%	0.2	2.4	(90%)

\* Exceptional items represent net foreign exchange gain/(loss) and mark-to-market gain/(loss) on foreign exchange derivative, forward contracts

# Abridged P&L Statement (Consolidated)

Particular (Rs. crore)	Q2 FY21	Q2 FY20	YoY Change (%)	H1 FY21	H1 FY20	YoY Change (%)
Net Revenue from operations	3,314	3,291	1%	4,690	6,554	(28%)
Total Expenditure	2,969	2,973	0%	4,281	5,936	(28%)
EBITDA	345	318	8%	409	618	(34%)
EBITDA / ton	14,969	13,650	10%	12,809	13,577	(6%)
EBITDA margin (%)	10.4%	9.7%	73 bps	8.7%	9.4%	(72 bps)
Other Income	11	7	55%	21	17	25%
Finance Cost	128	147	(13%)	262	294	(11%)
Depreciation	103	108	(5%)	206	213	(3%)
Exceptional gain/(loss)*	26	7	294%	41	31	31%
Share of profit of investments gain/(loss)	(2)	(2)	NA	(20)	(1)	NA
PBT	149	75	99%	(18)	159	NA
Tax	68	35	93%	26	72	(64%)
PAT	81	40	104%	(43)	87	NA
PAT margin (%)	2.4%	1.2%	123 bps	NA	1.3%	NA
EPS (Diluted) in INR	1.7	0.8	113%	(0.8)	1.8	NA

\* Exceptional items represent net foreign exchange gain/(loss) and mark-to-market gain/(loss) on foreign exchange derivative, forward contracts

# Abridged Balance Sheet (Standalone)

ASSETS (Rs. crore)		As at 30 <sup>th</sup> Sep. 2020	As at 31 <sup>st</sup> Mar. 2020
<b>ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Property, Plant & Equipment		5,790	5,938
(b) Capital Work-in-progress		18	9
(c) Goodwill		-	-
(d) Other Intangible assets		32	31
(e) Intangible assets under development		3	2
(f) Investment accounted for using the equity method		-	-
<b>(g) Financial Assets</b>			
(i) Investments		489	487
(ii) Loans		110	110
(iii) Other financial assets		2	2
(h) Income tax assets (net)		28	25
(i) Other non-current assets		51	51
<b>2) Current assets</b>			
(a) Inventories		2,252	2,330
<b>(b) Financial Assets</b>			
(i) Investments		0	3
(ii) Trade receivables		774	779
(iii) Cash & cash equivalents		13	16
(iv) Bank balances other than (iii) above		29	28
(v) Loans		11	11
(vi) Other financial assets		59	76
(c) Other current assets		188	207
<b>Total Assets</b>		<b>9,849</b>	<b>10,108</b>

EQUITY AND LIABILITIES (Rs. crore)		As at 30 <sup>th</sup> Sep. 2020	As at 31 <sup>st</sup> Mar. 2020
<b>EQUITY AND LIABILITIES</b>			
(a) Equity Share capital		97	97
(b) Other Equity		2,636	2,560
(c) Non-controlling Interests		-	-
<b>LIABILITIES</b>			
<b>1) Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings		2,686	2,716
(ii) Other financial liabilities		102	102
(b) Provisions		11	10
(c) Deferred Tax Liabilities (net)		250	218
(d) Other non-current liabilities		312	324
<b>2) Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings		188	398
<b>(ii) Trade Payables</b>			
(a) Total outstanding dues of micro enterprises and small enterprises		112	87
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,222	2,345
(iii) Other financial liabilities		910	1,039
(b) Other current liabilities		321	212
(c) Provisions		1	1
(d) Current tax liabilities (net)		-	-
<b>Total Equity and Liabilities</b>		<b>9,849</b>	<b>10,108</b>

# Abridged Balance Sheet (Consolidated)

ASSETS (Rs. crore)		As at 30 <sup>th</sup> Sep. 2020	As at 31 <sup>st</sup> Mar. 2020
<b>ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Property, Plant & Equipment		5,985	6,148
(b) Capital Work-in-progress		22	13
(c) Goodwill		0	0
(d) Other Intangible assets		33	32
(e) Intangible assets under development		3	2
(f) Investment accounted for using the equity method		294	310
(g) Financial Assets			
(i) Investments		134	136
(ii) Loans		106	105
(iii) Other financial assets		2	2
(h) Income tax assets (net)		28	26
(i) Other non-current assets		72	76
<b>2) Current assets</b>			
(a) Inventories		2,501	2,739
(b) Financial Assets			
(i) Investments		0	3
(ii) Trade receivables		738	705
(iii) Cash & cash equivalents		40	40
(iv) Bank balances other than (iii) above		29	28
(v) Loans		5	5
(vi) Other financial assets		60	78
(c) Other current assets		196	227
<b>Total Assets</b>		<b>10,247</b>	<b>10,678</b>

EQUITY AND LIABILITIES (Rs. crore)		As at 30 <sup>th</sup> Sep. 2020	As at 31 <sup>st</sup> Mar. 2020
<b>EQUITY AND LIABILITIES</b>			
(a) Equity Share capital		97	97
(b) Other Equity		2,645	2,620
(c) Non-controlling Interests		10	13
<b>LIABILITIES</b>			
<b>1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		2,686	2,716
(ii) Other financial liabilities		102	102
(b) Provisions		17	17
(c) Deferred Tax Liabilities (net)		216	190
(d) Other non-current liabilities		312	324
<b>2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		427	646
(ii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises		112	87
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,315	2,572
(iii) Other financial liabilities		917	1,043
(b) Other current liabilities		390	248
(c) Provisions		1	1
(d) Current tax liabilities (net)		1	1
<b>Total Equity and Liabilities</b>		<b>10,247</b>	<b>10,678</b>

# Comfortable Debt Position

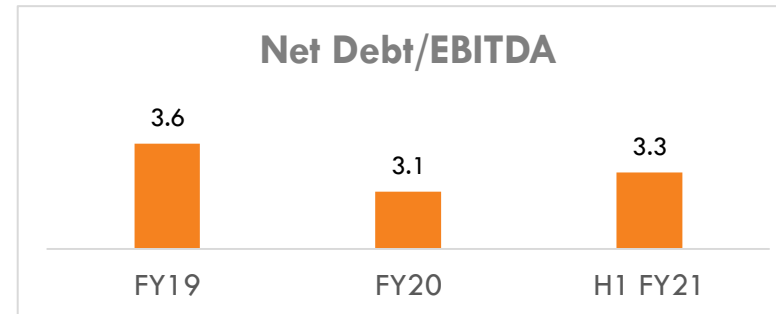
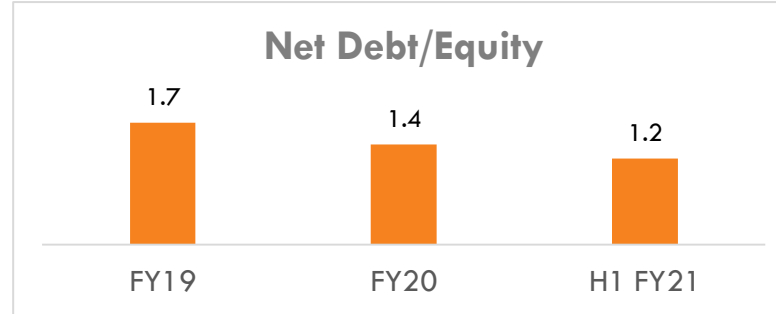
Borrowings (Standalone) (Rs. crore)	As on Sep.2020	As on Mar.2020	As on Mar.2019
<b>Long term debt</b>	2,169	2,357	2,050
<b>Inter corporate loan from related party</b>	900	900	900
<b>OCRPS*</b>	-	-	695
<b>Total Long term debt</b>	<b>3,069</b>	<b>3,257</b>	<b>3,645</b>
<b>Short term borrowing</b>	188	398	473
<b>Total Debt</b>	<b>3,257</b>	<b>3,655</b>	<b>4,118</b>
<b>Cash &amp; Investments</b>	42	44	14
<b>Net Debt</b>	<b>3,215</b>	<b>3,610</b>	<b>4,104</b>
<b>Long Term Debt Breakup:</b>			
-INR Debt	2,962	2,981	3,139
-Foreign Currency Debt	107	276	506

Note : \*Optionally Convertible Redeemable Preference Shares

Borrowings (Subsidiaries) (Rs. crore)	As on Sep.2020	As on Mar.2020	As on Mar.2019
<b>Long-Term Debt</b>	-	-	-
<b>Short-Term Debt</b>	<b>239</b>	<b>248</b>	<b>270</b>
<b>Total</b>	<b>239</b>	<b>248</b>	<b>270</b>

- Healthy Cash generation to comfortably support debt repayment
- Focus on further improving debt position going forward

# Key Financial Ratios (Standalone)



**Note:**

- 1) H1 FY21 calculations based on TTM figure
- 2) Net Debt includes short-term & long term debt less cash & investments

# About Us

Jindal Stainless Ltd. (JSL) is amongst the leading stainless steel manufacturing companies in the world and India's largest stainless steel manufacturer. The Company operates an integrated stainless steel plant at Jajpur, Odisha. The complex has a total stainless steel capacity of 1.1 million tonnes per annum.

JSL has the 'State-of-the-Art' machinery and engineering from the best of European suppliers, capable of producing globally competitive stainless steel products. The Company has a well-established distribution network with service centers in both domestic and an overseas market to serve its customers.

A leader and a name synonymous with 'Enterprise', 'Excellence' and 'Success', Company's ethos mirrors most characteristics similar to the metal it produces; akin to stainless steel JSL is innovative and versatile in its thought process; strong and unrelenting in its operations. JSL's growth over the last 4 decades has been backed by the excellence of its people, value driven business operations, customer centricity, adoption of one of the best safety practices in the stainless steel industry and a commitment for social responsibility.

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**Goutam Chakraborty / Shreya Sharma**

**Jindal Stainless Ltd**

**Tel:** +91 11 2618 8345

**Email:** [goutam.chakraborty@jindalstainless.com](mailto:goutam.chakraborty@jindalstainless.com)

[shreya.sharma@jindalstainless.com](mailto:shreya.sharma@jindalstainless.com)

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**Anoop Poojari / Devrishi Singh**

**Citigate Dewe Rogerson**

**Tel:** +98330 90434 / +91 98205 30918

**Email:** [anoop@cdr-india.com](mailto:anoop@cdr-india.com)

[devrishi@cdr-india.com](mailto:devrishi@cdr-india.com)





**Thank You**