



# JINDAL STAINLESS LIMITED

Q3 & 9M FY21  
Earnings Presentation

February 4, 2020



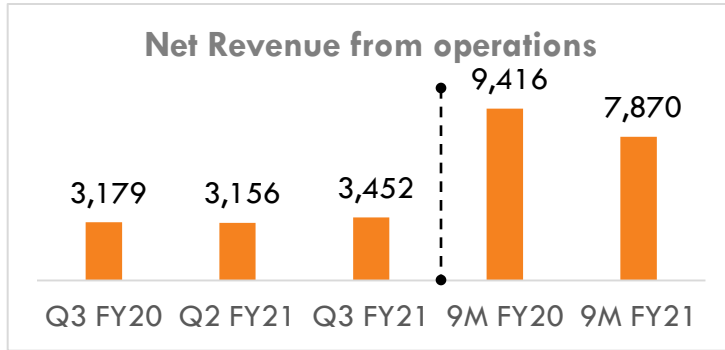
# Disclaimer

This presentation and the accompanying slides (the "Presentation"), which has been prepared by Jindal Stainless Limited (the "Company"), has been prepared purely for information purposes only and is not, and is not intended to be, an offer, or solicitation of offer, or invitation or recommendation or advise to buy or sell or deal with any securities of the Company, and shall not constitute an offer, solicitation or invitation or recommendation or advise to buy or sell or deal with any securities of the Company in any jurisdiction in which such offer, solicitation or invitation or recommendation or advise is unlawful or in contravention of applicable laws. No part, or all, of this Presentation shall be used or form the basis of, or be relied on or referred to in connection with, any contract or investment decision in relation to any securities of the Company. This Presentation is strictly informative and relating to the financial conditions, internal functioning, day to day operations, future events and projections etc. of the Company and this presentation shall not be used or relied upon or referred to in whole or in part, for any purpose whatsoever. The information in this Presentation is being provided by the Company and is subject to change without any notice or liability. This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, veracity, fairness, integrity, sufficiency and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and exhaustive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. This Presentation contains statements about future events and expectations that are forward-looking statements. These statements typically contain words such as "expects" and "anticipates" and words of similar import. Any statement in this Presentation that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. None of the future projections, expectations, estimates or prospects in this Presentation should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the Presentation. The Company assumes no obligations or responsibility to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements. You unconditionally and irrevocably acknowledge and undertake that you will be solely responsible for your own assessment of the market, the market position, the business and financial condition of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company. All the risks, liabilities or consequences arising out of or consequent to the use of or reliance on or reference to this Presentation and/or acting on the basis of the analysis/views formed by you, shall be solely borne by you. This Presentation speaks as of the date mentioned herein. Neither the delivery of this Presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since that date.

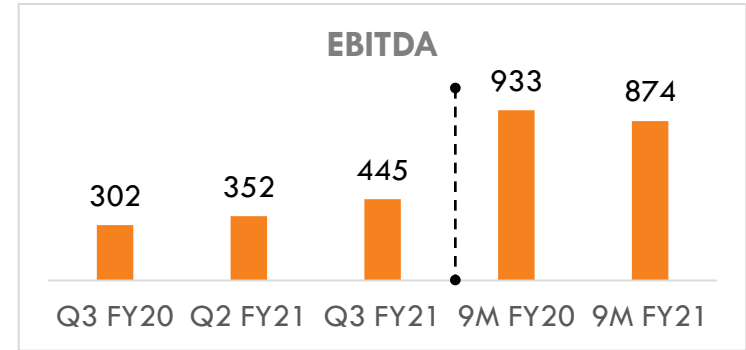


# Q3 & 9M FY21 Results Overview

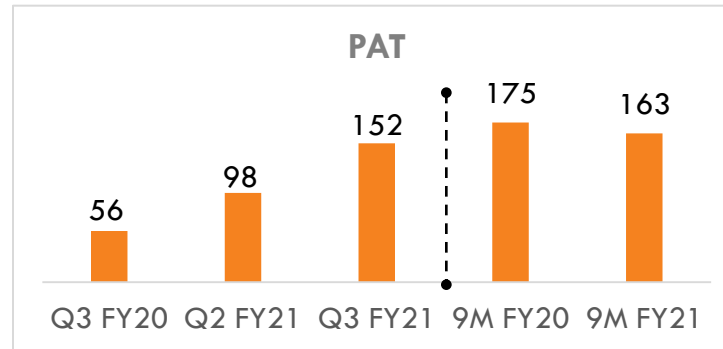
# Key Financials Highlights – Q3 & 9M FY21



Shift (%)	QoQ: 9%	YoY: 9%	(16%)
-----------	---------	---------	-------

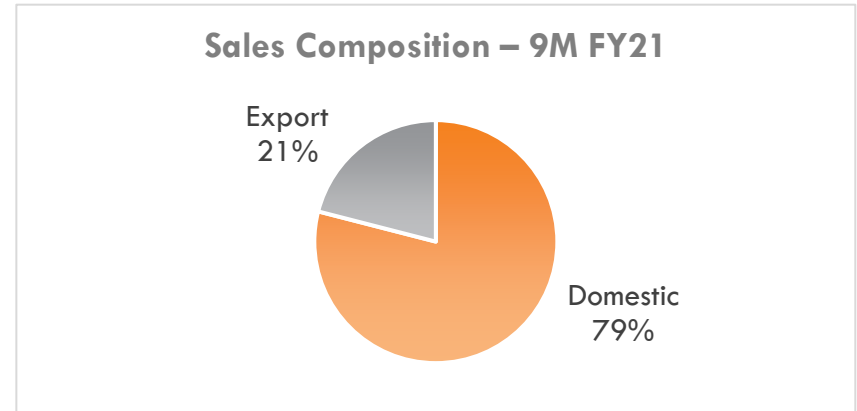
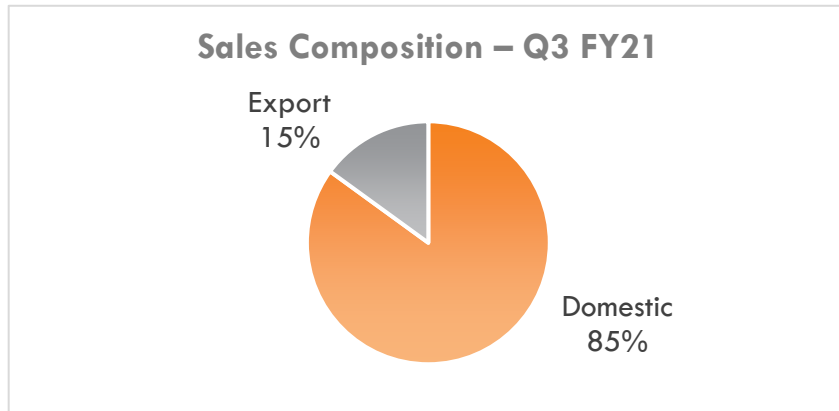
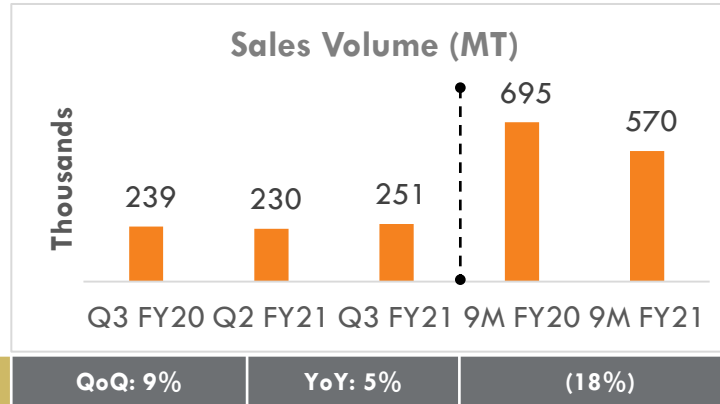


Shift (%)	QoQ: 26%	YoY: 47%	(6%)
-----------	----------	----------	------

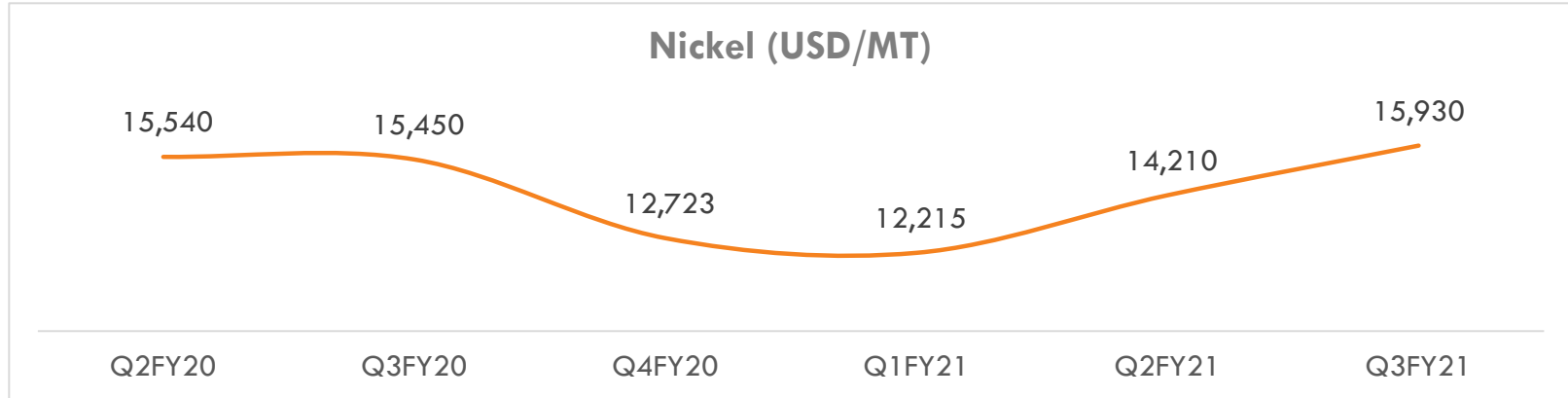


Shift (%)	QoQ: 55%	YoY: 170%	(7%)
-----------	----------	-----------	------

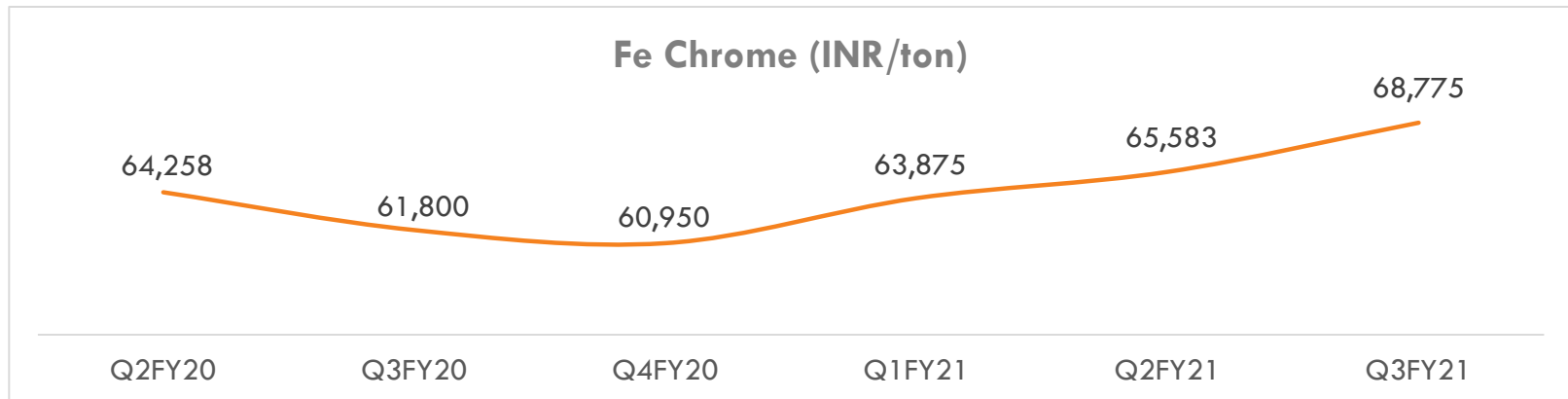
# Key Operational Update – Q3 & 9M FY21



# Key Raw Materials – Price Trend



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



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

# Q3 FY21 Financial and Operational Discussions (Standalone)

- **Revenue rose 9% Y-o-Y to Rs. 3,452 crore**
  - A V-shaped recovery in domestic Stainless steel demand bolstered sales volume to 250,562 tonne
  - Healthy revival was witnessed in end-user segments like Automotive, Piper & Tubes and Industrial fabrication
- **EBITDA stood at Rs.445 crore, up 47% Y-o-Y**
  - Increase in RM prices resulted in positive inventory valuation
  - Stores and spares and power and fuel costs declined by 9% each on Y-o-Y
- **PAT reported at Rs. 152 crore, up 170% Y-o-Y**
  - Continuous and accelerated deleveraging along with interest rate rationalisations brought down interest costs by 16% Y-o-Y to Rs. 117 crore

# 9M FY21 Financial and Operational Discussions (Standalone)

- **Revenue stood at Rs. 7,870 crore**
  - Despite COVID induced challenges, sales volume achieved 82% of the quantity sold during the same period last year
- **EBITDA reported at Rs. 875 crore**
  - EBITDA/ tonne at Rs.15,349 rose by 14% Y-o-Y
- **PAT stood at Rs. 162 crore**
  - Interest cost declined by 12% Y-o-Y to Rs. 372 crore as a result of continuous deleveraging and interest rate rationalisation
  - Total Debt reduced by Rs. 890 crore



# Management Comment



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

*“Buoyed by increasing demand in auto, P&T and hollowware sectors, the outlook for the domestic stainless steel market remains strong. However, the recent budget announcement for suspension of trade remedial measures will allow free flow of subsidized stainless steel products in the Indian market, which is a big setback for the domestic industry, which is already operating at 60% of its capacity. It is even more hurtful for the MSME sector, which caters to over 35% of the domestic stainless steel market.*

*We are hopeful that the Government will review its decision to help Indian manufacturers compete on a level-playing field, and give real impetus to the ‘Atmanirbhar Bharat’ mission.”*

# Abridged P&L Statement (Standalone)

Particular (Rs. crore)	Q3 FY21	Q3 FY20	YoY Change (%)	9M FY21	9M FY20	YoY Change (%)
Net Revenue from operations	3,452	3,179	9%	7,870	9,416	(16%)
Total Expenditure	3,007	2,877	5%	6,995	8,483	(18%)
EBITDA	445	302	47%	874	933	(6%)
EBITDA / ton	17,745	12,640	40%	15,349	13,435	14%
EBITDA margin (%)	12.9%	9.5%	337 bps	11.1%	9.9%	120 bps
Other Income	10	8	16%	30	26	15%
Finance Cost	117	140	(16%)	372	424	(12%)
Depreciation	93	105	(11%)	283	309	(8%)
Exceptional gain/(loss)*	7	25	(73%)	45	56	(20%)
PBT	251	91	175%	295	283	4%
Tax	99	35	183%	132	108	22%
PAT	152	56	170%	163	175	(7%)
PAT margin (%)	4.4%	1.8%	263 bps	2.1%	1.9%	21 bps
EPS (Diluted) in INR	3.0	1.1	171%	3.3	3.5	(6%)

\* 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)	Q3 FY21	Q3 FY20	YoY Change (%)	9M FY21	9M FY20	YoY Change (%)
Net Revenue from operations	3,585	3,302	9%	8,275	9,857	(16%)
Total Expenditure	3,111	3,003	4%	7,393	8,939	(17%)
EBITDA	473	300	58%	882	918	(4%)
EBITDA / ton	18,884	12,522	51%	15,481	13,213	17%
EBITDA margin (%)	13.2%	9.1%	413 bps	10.7%	9.3%	135 bps
Other Income	7	10	(26%)	28	27	6%
Finance Cost	121	144	(16%)	383	438	(12%)
Depreciation	101	109	(7%)	306	322	(5%)
Exceptional gain/(loss)*	8	24	(67%)	49	56	(12%)
Share of profit of investments gain/(loss)	6	(2)	NA	(14)	(3)	NA
PBT	274	79	247%	256	238	8%
Tax	103	27	279%	129	99	30%
PAT	170	52	229%	127	139	(9%)
PAT margin (%)	4.7%	1.6%	319 bps	1.5%	1.4%	12 bps
EPS (Diluted) in INR	3.4	1.1	225%	2.6	2.8	(8%)

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

# Comfortable Debt Position

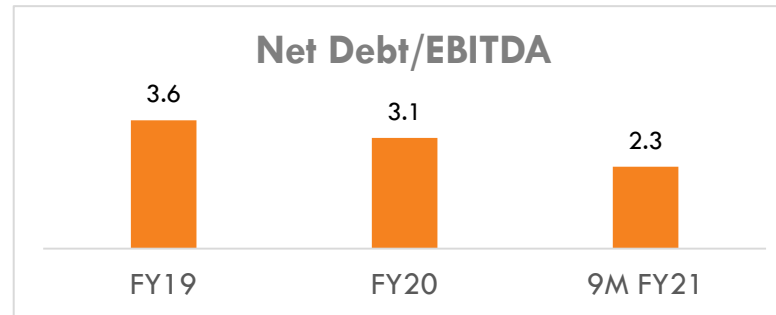
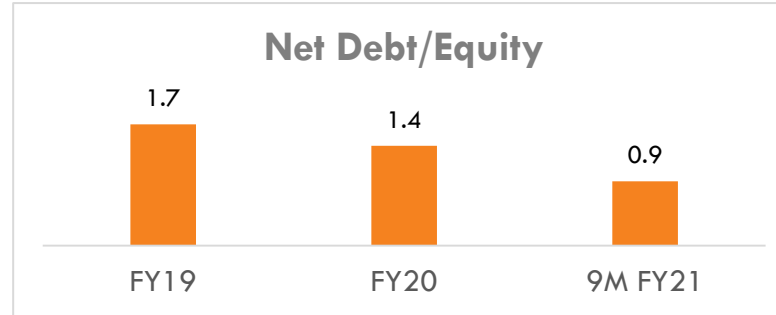
Borrowings (Standalone) (Rs. crore)	As on Dec.2020	As on Mar.2020	As on Mar.2019
<b>Long term debt</b>	1,659	2,357	2,050
Inter corporate loan from related party	900	900	900
<b>OCRPS*</b>	-	-	695
<b>Total Long term debt</b>	<b>2,559</b>	<b>3,257</b>	<b>3,645</b>
<b>Short term borrowing</b>	206	398	473
<b>Total Debt</b>	<b>2,765</b>	<b>3,655</b>	<b>4,118</b>
<b>Cash &amp; Investments</b>	150	44	14
<b>Net Debt</b>	<b>2,615</b>	<b>3,610</b>	<b>4,104</b>
<b>Long Term Debt Breakup:</b>			
-INR Debt	2,559	2,981	3,139
-Foreign Currency Debt	-	276	506

Note : \*Optionally Convertible Redeemable Preference Shares

Borrowings (Subsidiaries) (Rs. crore)	As on Dec.2020	As on Mar.2020	As on Mar.2019
<b>Long-Term Debt</b>	-	-	-
<b>Short-Term Debt</b>	<b>259</b>	<b>248</b>	<b>270</b>
<b>Total</b>	<b>259</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) 9M 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.

---

**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)

---

**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**