



25th July, 2022

BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai – 400 001
Ph. 022 - 2272 3121, 2037, 2041,
Email: corp.relations@bseindia.com

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Ph. 022 -2659 8237, 8238, 8347, 8348
Email: cmlist@nse.co.in

Security Code No.: 532508

Security Code No. : JSL

Sub.: Press Release

Dear Sir(s),

We are enclosing herewith copy of Press Release being issued by the Company.

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

Thanking You.

For **Jindal Stainless Limited**




Navneet Raghuvanshi
Head Legal & Company Secretary

Enc. as above

Jindal Stainless Limited

CIN: L26922HR1980PLC010901

Gurugram Office: Stainless Centre, Plot No.- 50, Sector - 32, Gurugram - 122001
T: +91 124 449 4100 **E:** info@jindalstainless.com **Website:** www.jindalstainless.com, www.jslstainless.com

Registered Office: O.P. Jindal Marg, Hisar - 125005 (Haryana) India

Corporate Office: Jindal Centre, 12 Bhikaji Cama Place, New Delhi - 110066, India

T: +91 011-26188345, 41462000, 61462000 **F:** +91 11 41659169

Jindal Stainless Limited

Financial Results for the Quarter ended June 30, 2022

Q1FY23 Highlights

Consolidated performance:

- Revenue stood at INR 5,474 crores; up by 36% YoY
- EBITDA at INR 549 crores; down by 9% YoY
- PAT at INR 329 crores; up by 8% YoY

Standalone performance

- Revenue at INR 5,336 crores; up by 39% YoY
- EBITDA at INR 523 crores; down by 10% YoY
- PAT at INR 287 crores; up by 6% YoY
- Sales volume registered at 235,530 metric tonnes
- Net lenders debt stood at INR 2,098 crores

Gurugram, July 25, 2022: The Board of Directors of Jindal Stainless Limited (JSL) announced the unaudited financial results for the quarter ended June 30, 2022 today. JSL's standalone revenue, EBITDA and PAT stood at 5,336 crores, 523 crores, and 287 crores respectively during Q1FY23. The Company recorded a sales volume of 235,530 metric tonnes. Company's net external debt stood at INR 2,098 crores as on June 30, 2022, while it maintained its debt-to-equity ratio at ~0.6. Interest cost reduced by 17% to INR 67 crores for Q1FY23 as compared to CPLY. On a consolidated basis, JSL recorded a revenue of INR 5,474 crores, EBITDA of 549 crores, and PAT of 329 crores during Q1FY23.

Ongoing geopolitical tension and highly volatile macro-economic situation put pressure on the metal prices throughout Q1FY23. The initial phase of the quarter witnessed an upswing and raw material price hike across the world owing to the ongoing Ukraine-Russia conflict. However, raw material prices started melting down as globally speculative positions started unwinding and unnerved investors. Simultaneously, continuous dumping of imported stainless steel from China and Indonesia, resulted in the share of imports rising from 35% in Q1FY22 to 49% in Q1FY23.

JSL maintained a strong supply in railway wagons and railway coaches and contributed to the Indian Railways' dedicated push to ease transportation of commodities like coal and enhance passenger commute. The Company also registered a steady demand from the automobile sector during Q1FY23 where its supply upped by nearly 40% as compared to Q4FY22. The Company is undertaking joint development of new stainless steel grades with auto majors for suitable product level applications, timely deliveries, and proactive redressal of customer concerns. Additionally, JSL is developing special stainless steel finishes for major players in the lifts and elevators segment. Demand from metro sector continues to be steady with major national metro projects in the pipeline. However, the pipe and tube segment witnessed a low market demand and negative price sentiment due to a major price drop during this period.

Other key developments:

1. **Integrated stainless steel operations through JUSL acquisition:** JSL will acquire Jindal United Steel Limited (JUSL) as a wholly-owned subsidiary and become an integrated stainless steel manufacturing company with all the critical facilities under one umbrella. This would result in improved synergies between both the companies and preferred governance structure, thereby enhancing value for all the stakeholders. JUSL has been operating the hot strip mill (HSM) for rolling stainless steel and carbon steel slabs with its total capacity being enhanced to 3.6 MTPA. JUSL is also operating cold rolling mill (CRM) with a capacity of 0.2 MTPA for stainless steel applications.
2. **Imposition of export duty:** The Government of India imposed a 15% duty on steel and stainless steel exports in Q1FY23. This impacted 70-80% of JSL's export product portfolio consisting of specialized stainless steel products for various high-end applications like oil & gas, pharma, nuclear, petrochemicals, etc. Despite the situation, JSL continued to honor its commitment to the overseas customers. This export duty is also expected to impact Company's existing overseas investments. The domestic industry has made various representations to the Government to review this decision and is hopeful for the revocation of this duty.

Domestic-export share of sales volumes during Q1FY23 was as follows:

Geographical Segment	Q1FY23	Q4FY22	Q1FY22
Domestic	75%	68%	80%
Export	25%	32%	20%

3. **Stainless steel foot-over-bridge for Indian Railways:** JSL supplied stainless steel for India's second stainless steel foot-over-bridge (FOB) unveiled at Srikakulam Road Railway Station, Waltair Division, East Cost Railway. The Company supplied its most cost-effective and superior quality stainless steel for structural applications, Jindal Durasafe, for this project. The Company also assisted Railways' fabricators with cost-effective stainless steel fabrication techniques and acted as a bridge between Railways, RDSO, and policy makers for developing custom-made solutions for the Indian Railways.
4. **Stainless steel supply for India's first Regional Rapid Transit System (RRTS):** JSL is supplying ~2000 metric tonnes stainless steel to Alstom for developing technologically-advanced and state-of-the-art trainsets for India's first Regional Rapid Transit System (RRTS). The Company will supply its world-class 301LN stainless steel grade in 2J finish for developing 210 trainsets. As India's first semi high-speed regional trainsets, the RRTS trainsets will function at a speed of 180 km/hour and will reduce commute time between Delhi and Meerut by ~40%.
5. **Merger update:** Post approval of the Shareholders and creditors of JSL and JSHL on April 23, 2022, both the companies had filed the second motion petition with Hon'ble NCLT. NCLT while hearing the second motion application on July 13, 2022 has directed to issue

notice(s) to the sectoral regulator(s). The next date of hearing is 18th October, 2022. The Company expects the process to be completed in due time in the next 4-5 months.

6. **Renewable Energy and ESG update:** JSL is actively working on building a roadmap to achieve its ESG and Decarbonisation goals, where Ernst & Young (EY) has been appointed as a partner in this effort. During Q1FY23, the Company continued to engage in green initiatives, such as, Installation of energy efficient pumps and motors-IE3 in SMS Caster & HBA Lines, as well as commissioning of oxygen fuel in Walking Beam Furnace, thereby saving on conventional fuel (oil, coal, etc.) as part of operational excellence projects. Additionally, the company is evaluating its environmental performance by using third-party assistance to inspect the stack, ambient air quality, work zone, effluent analysis, surface water, and ground water analyses at buffer zone locations. Also, JSL is actively evaluating renewable energy projects for its power requirements.
7. **Projects update:** All brownfield expansion projects announced in Q1FY22 are on track.

Financial Performance Summary (Figures in INR crores):

Particulars	Consolidated		
	Q1FY23	Q1FY22	Change
SS Sales Volume (MT)	235,530	237,852	(1)%
Total Revenue (net)	5,474	4,033	36%
EBITDA	549	601	(9)%
PAT	329	306	8%
Particulars	Standalone		
	Q1FY23	Q1FY22	Change
SS Sales Volume (MT)	235,530	237,852	(1)%
Total Revenue (net)	5,336	3,841	39%
EBITDA	523	580	(10)%
PAT	287	271	6%

Management Comments:

Commenting on the Company's performance, **Managing Director, JSL, Mr Abhyuday Jindal** said, *"JSL's focused approach on niche product development and an agile product mix helped the Company steer through an unprecedented and unsteady macro-economic challenges. The domestic stainless steel industry faced a double whammy during Q1FY23. On the domestic front, continued dumping of stainless steel imports from China and Indonesia led to unfair competition, while simultaneously exports were severely impacted due to a 15% duty imposition by the Indian Government. Despite these challenges, JSL successfully catered to an uplifted demand from key sectors like automotives and railways. Going forward, we are committed to developing a failsafe stainless steel ecosystem in the country by focusing on awareness, skill development, new product development, and identification of sustainable applications for stainless steel. Along with this, we are dedicatedly working towards achieving our ESG goals and transition to sustainable manufacturing."*

Press Release



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