



19th October, 2023

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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 today.

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

Enclosed as above

Jindal Stainless Limited

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Jindal Stainless announces financial results for the Quarter ended September 30, 2023

Q2FY24 highlights

Standalone performance:

- Sales volume at 543,619 MT, up by 26% YoY
- Net revenue at INR 9,720 crores, up by 14% YoY
- EBITDA at INR 1,070 crores, up by 54% YoY
- PAT at INR 609 crores, up by 74% YoY
- Net debt at INR 2,149 crores
- Net debt-to-equity ratio at ~0.2

Consolidated performance:

- Net revenue at INR 9,797 crores, up by 12% YoY
- EBITDA at INR 1,231 crores, up by 80% YoY
- PAT at INR 764 crores, up by 120% YoY

Gurugram, October 19, 2023: The Board of Directors of Jindal Stainless Limited today announced the Q2FY24 financial results. The company's standalone sales volume for the second quarter of FY24 stood at 543,619 metric tonnes (MT), up by nearly 26% year-on-year (YoY), owing to robust domestic demand and the company's agility in catering to the global markets amidst muted demand. The company's Q2FY24 standalone net revenue was recorded at INR 9,720 crores, an increase of 14% YoY. Standalone EBITDA stood at INR 1,070 crore, while standalone profit after tax (PAT) was at INR 609 crores. Net debt for the quarter was recorded at INR 2,149 crores and the net debt-to-equity ratio was maintained at ~0.2, which is one of the best in the metal segment. Net debt/EBITDA for the quarter improved to ~0.5. Meanwhile, consolidated net revenue grew by 12% YoY to reach INR 9,797 crores. Consolidated EBITDA and PAT were recorded at INR 1,231 crores and INR 764 crores, respectively.

The Board of Directors also approved payment of interim dividend @50% i.e. INR 1 per equity share (face value of INR 2 each) for FY24. The record date for determining the entitlement of members for the purpose of payment has been set as October 28, 2023. The dividend shall be

paid on or before November 17, 2023, i.e. within 30 days of the approval. The aggregate payout will be nearly INR 82.34 crores.

Domestic demand for stainless steel continued to rise. Ahead of the upcoming festive season, the company's sales in the auto segment – besides other consumer-facing segments – witnessed an uptick. In a historic moment for the company that strengthens its presence in aerospace, Jindal Stainless' indigenously developed heat-resistant, high-strength alloy steel grade was used in the motor casing of the Chandrayaan-3 that reached the lunar surface recently.

The unchecked inflow of subsidised and substandard foreign imports continued to distort the level playing field against Indian manufacturers, especially the MSME sector. The company maintained sales in certain global geographies with its continuous innovation and efforts to explore new markets and segments in the face of challenging macroeconomic conditions, weakened global demand and pricing pressure that affected export volumes on a QoQ basis.

| Geographical segment | Q2FY24 | Q1FY24 | Q2FY23 |
|----------------------|--------|--------|--------|
| Domestic | 87% | 83% | 94% |
| Export | 13% | 17% | 6% |

Financial performance summary (figures in INR crore)

| Particulars | Standalone | | | | | | |
|----------------------|------------|---------|----------------|---------|----------------|-----------|---------|
| | Q2FY24 | Q1FY24 | Change (Q-O-Q) | Q2FY23 | Change (Y-O-Y) | H1FY24 | H1FY23 |
| SS sales volume (MT) | 543,619 | 548,613 | -1% | 433,047 | 26% | 1,092,232 | 788,894 |
| Net revenue | 9,720 | 10,027 | -3% | 8,556 | 14% | 19,748 | 16,585 |
| EBITDA | 1,070 | 1,118 | -4% | 695 | 54% | 2,188 | 1,523 |
| PAT | 609 | 666 | -8% | 349 | 74% | 1,275 | 803 |

| Particulars | Consolidated | | | | | | |
|-------------|--------------|--------|----------------|--------|----------------|--------|--------|
| | Q2FY24 | Q1FY24 | Change (Q-O-Q) | Q2FY23 | Change (Y-O-Y) | H1FY24 | H1FY23 |
| Net revenue | 9,797 | 10,184 | -4% | 8,751 | 12% | 19,981 | 16,869 |
| EBITDA | 1,231 | 1,192 | 3% | 685 | 80% | 2,423 | 1,574 |
| PAT | 764 | 738 | 4% | 347 | 120% | 1,502 | 855 |

Other key developments:

- MoU between Jindal Stainless and IITB:** IIT Bombay signed an MoU with Jindal Stainless to establish a Chair Professorship at the institute to support and enhance research in industrial processes and product technologies in the stainless steel sector.
- Bureau of Indian Standards (BIS) certification for new stainless steel grades in the utensils and kitchenware segment:** The BIS introduced three grades – N5, N6, and N7 – under the standard IS 15997, meant exclusively for stainless steel used in utensils and kitchenware applications. It is an important decision for the welfare of the consumers, as critical issues of health and hygiene are involved in food contact material.
- Credit ratings:** JSL earned a credit ratings upgrade from AA- stable to AA stable from CARE Ratings, one of the country's leading credit rating agencies, on long-term bank facilities and non-convertible debentures. The rating on short-term bank facilities has been reaffirmed at CARE A1+. In a separate development, CARE Ratings also revised the long-term bank facilities of JUSL, a subsidiary of the company, from CARE AA-; Stable to CARE A+; Positive.
- PTJSI:** The Board in-principally approved the proposal to explore the option for selling/liquidating/divesting equity stake in its subsidiary, PT Jindal Stainless, Indonesia (PTJSI), at Gresik, Indonesia. The decision was taken in the wake of unfavourable market conditions in Indonesia due to the lack of a level playing field and competition with Chinese products. Most of the Indonesian market is dominated by Chinese players, and therefore, major markets such as the US and EU have levied severe trade protection measures on exports of stainless steel products from Indonesia. Consequently, the situation renders PTJSI – which has an installed capacity of ~12,000 metric tonnes per month but is operating at a utilisation of ~15% – unviable.
- First bilateral live transaction powered by public blockchain:** Jindal Stainless became the first Indian corporate to execute a path-breaking India-Singapore project to make the bilateral cross-border trade paperless and a smooth ride for all parties. The transaction

was powered by the TradeTrust framework, a digital utility that connects governments and businesses to public blockchain to enable trusted interoperability of electronic trade documents across different platforms.

6. **R&D:** The company successfully developed and supplied the DS 9513 grade for higher calibration ammunition testing in target plate applications as an import substitute, in line with the government's Make in India initiative.
7. **Sustainability and ESG:**
 - I. The successful trial of bio-coal at the electric arc furnace in the Hisar plant resulted in an average carbon recovery rate of 78% and a significant reduction in carbon emissions by 12,750 tonnes per annum.
 - II. Jindal Stainless also became a member of Responsible Steel, a global not-for-profit multi-stakeholder standard and certification initiative.
8. **Stainless Academy:** As part of its Stainless Academy initiative aimed at skill building and creating awareness about the benefits of stainless steel, Jindal Stainless as the market leader conducted 25 fabricator training programmes in various Indian states during Q2FY24.
9. **Awards and Recognition:**
 - I. For effective implementation of ISO 50001: Energy Management System & Best Case Study on Low Carbon & Carbon Neutral Initiatives in the *7th edition of CII National Energy Efficiency Circle Competition*.
 - II. Gold Award in *Energy and Environment Foundation Global Awards 2023*.
 - III. Winner of the 2nd Greentech Quality and Innovation award-2023 in *Quality Improvement Category*.

Management comments:

Commenting on the performance of the company, **Managing Director, Jindal Stainless, Mr Abhyuday Jindal**, said, ***"Our domestic sales are up by 15% YoY, buoyed by the government's push for stainless steel in strategic sectors. As we wait for the National Stainless Steel Policy, we are confident that the per capita consumption of stainless steel in India will increase from the current 2.8 kg in the coming years. Chinese imports have increased by nearly 55% YoY. This highlights the unchecked dumping of subsidised and substandard Chinese products in the Indian market. We hope the government will take notice of the continuous and rampant imports by China, which is hurting the sector, especially the MSMEs, as well the government's vision of an Atmanirbhar Bharat."***

About Jindal Stainless

India's leading stainless steel manufacturer, Jindal Stainless, has an annual turnover of INR 35,700 crore (US \$4.30 billion) in FY23, and is ramping up its facilities to reach 3 million tonnes of annual melt capacity in FY24. It has two stainless steel manufacturing facilities in India, in the states of Odisha and Haryana. Jindal Stainless has a worldwide network in 15 countries and one service centre in Spain. In India, there are 10 sales offices and six service centres. The company's product range includes stainless steel slabs, blooms, coils, plates, sheets, precision strips, blade steel and coin blanks.

Integrated operations have given Jindal Stainless the edge in cost competitiveness and operational efficiency, making it one of the world's top five stainless steel players (ex-China). Founded in 1970, Jindal Stainless continues to be inspired by a vision for innovation and enriching lives and is committed to social responsibility. The company boasts an excellent workforce, value-driven business operations, customer centricity and the best safety practices in the industry.

JSL remains committed to a greener, sustainable future, fuelled by environmental responsibility. The company manufactures stainless steel using scrap in an electric arc furnace, the least greenhouse gas emission route since it enables 100% recyclability with no reduction in quality, thereby achieving a circular economy. The company aims to reduce carbon emission intensity by 50% until FY 2035 (from FY 2022 baseline levels of 1.91 tonnes CO₂/tonnes of crude steel) and achieve Net Zero by 2050.

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