JINDAL STAINLESS

11th November, 2019

JSL/BM-3/2019-20

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

Security Code No.: 532508

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. : JSL

Sub.: Press Release

Dear Sir(s),

We are enclosing herewith copy of Press Release in respect of unaudited financial results of the Company for the quarter and half year ended 30th September, 2019.

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

Thanking You.

Yours Faithfully,
For **Jindal Stainless Limited**

JINDAL STAINLESS LIMITED

Navneet Raghuvanshi
Company Secretary

Encl: A/a

Jindal Stainless Limited reports Q2FY20 PAT at Rs 52 crore

Key Highlights

Standalone (in Rs crore)

Particulars	Q2 FY 19-20	Q2 FY 18-19	% Change (YoY)
PAT	52	(36)	-
Net Revenue	3,170	3,068	3%
EBITDA	317	231	37%

New Delhi, 11 November, 2019: Jindal Stainless Limited (JSL) today reported its financial results for the second quarter of Financial Year period ended September 30, 2019. JSL registered standalone net revenue of Rs 3,170 crore during Q2FY20. Sales volume during the quarter stood at 233,328 tonnes, increasing by 13% over corresponding period last year (CPLY). EBITDA for Q2FY20 was recorded at Rs 317 crore. On a sequential quarter basis, EBITDA and revenue remained nearly flat, demonstrating the Company's constant efforts towards improving product mix and optimising costs. Q2FY20 PAT stood at Rs 52 crore, as against a loss of Rs 36 crore in Q2FY19. The net interest during the quarter ended September 30, 2019 fell by Rs 14 crore over CPLY. Exceptional gain in Q2FY20 was recorded at Rs 7 crore as against a CPLY loss of Rs 53 crore.

Commenting on the financial performance, Managing Director, JSL, Mr Abhyuday Jindal said, **"Despite moderate business sentiment, JSL was able to maintain a steady performance through consistent improvement in operational parameters and internal cost efficiencies. A weak global outlook was compounded by soaring imports from Indonesia over the last few months, adding pressure on margins. Even though the government's decision to withdraw from RCEP is a welcome move, it is not adequate to keep the domestic industry at the same level as its global peers. We have sensitised the government about other imminent issues plaguing the industry, and look forward to more such steps in the future."**

The quarter witnessed steep volatility in alloy prices. Nickel price increased sharply whereas ferro-chrome and mild steel scrap prices fell during the quarter, neutralising the raw material fluctuation on inventory valuation.

Margins remained under pressure due to the challenging macroeconomic situation and surge in imports during Q2FY20. **Total import from Indonesia in Q2FY20 stood at around 1.4 lakh tonnes, marking a 16x growth over CPLY, which was a little over 8,000 tonnes.** This adversely impacted the domestic manufacturing sector, corresponding employment generation, and market prices. This has necessitated the immediate need for review of existing free trade agreements (FTAs), and the industry has sought government intervention with trade remedial measures to check disproportionate imports into the country at a time when all other nations have safeguarded their own turfs.

The Company reported standalone half yearly PAT at Rs 119 crore, a jump of 2.2x from Rs 54 crore in CPLY. Sales volume in H1FY20 at 455,446 MT marked a growth of 8% over CPLY. With continuous effort towards deleveraging, the total net debt of the Company as on September 30, 2019 stood at Rs 3,827 crore, after a debt repayment of Rs 181 crore in H1FY20.

JSL kept pace with global benchmarked practices to improve its customer experience and raise its internal performance. The Company operationalised the second module of Hybris, an e-commerce platform, to digitally empower its customers through real time access to placement, payment, and tracking of orders. The Company launched efforts to commercialise newer applications of stainless steel such as E-rickshaw and stainless steel structurals in urban civil infrastructure. The Company signed a deal to start supply of material to be used in railway infrastructure like FOBs and ROBs, after obtaining due approval from Railways. Additional demand is expected in the coming quarters as Railways hiked its annual target for coach production this year. The co-branding scheme in pipes and tubes segment launched by the Company in July this year has started to yield positive results, and JSL is evaluating opportunities in other segments for similar tie-ups and brand promotion schemes.

JINDAL STAINLESS LIMITED