

JSHL/2021-22

October 28, 2021

BSE Limited

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Security Code No.: 539597

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
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Security Code No.: JSLHISAR

Subject: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Earnings presentation

Dear Sirs,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Earnings presentation of Jindal Stainless (Hisar) Limited ("the Company"), for the quarter and half year ended 30th September, 2021. The same is also being uploaded on the website of the Company- www.jshlstainless.com.

You are requested to please take the above information on record

Thanking you,

Yours Faithfully,
For **Jindal Stainless (Hisar) Limited**


Bhartendu Harit
Company Secretary



Encl: As above



JINDAL STAINLESS LTD and JINDAL STAINLESS (HISAR) LTD

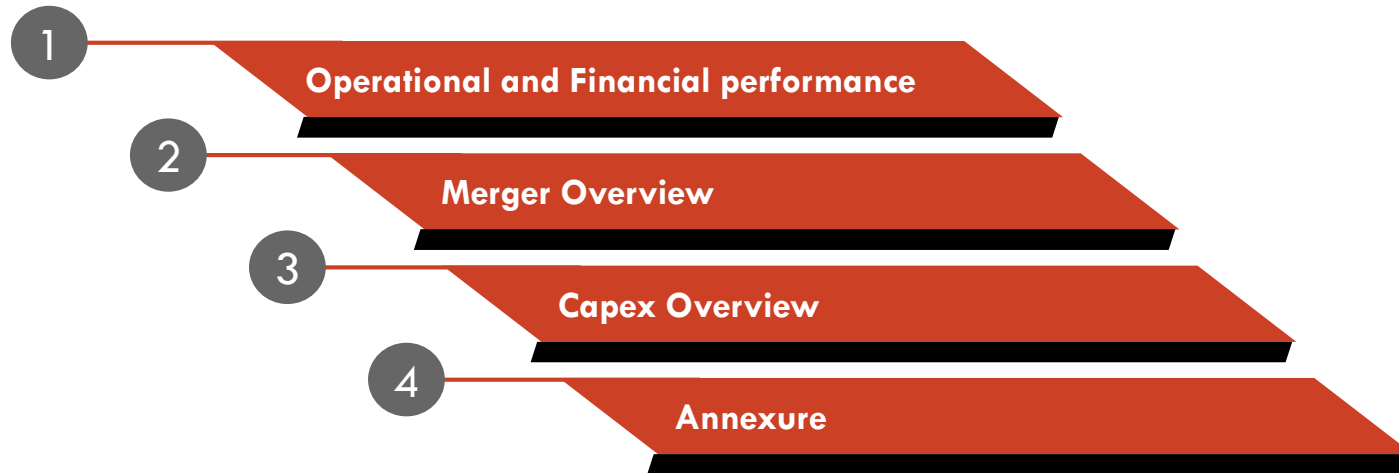
Q2 & H1FY22
Earnings Presentation

October 28, 2021



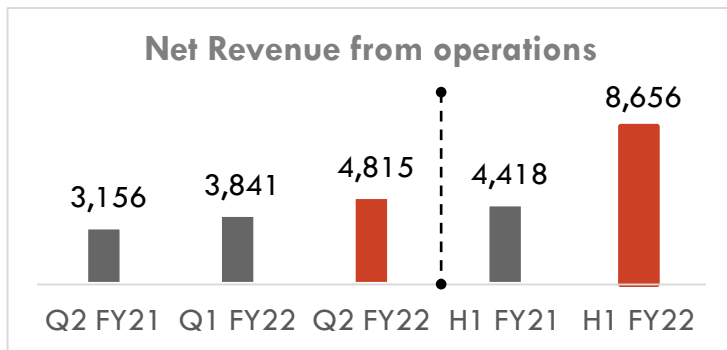
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Standalone Operational and Financial Performance

JSL: Key Financials Highlights – Q2FY22

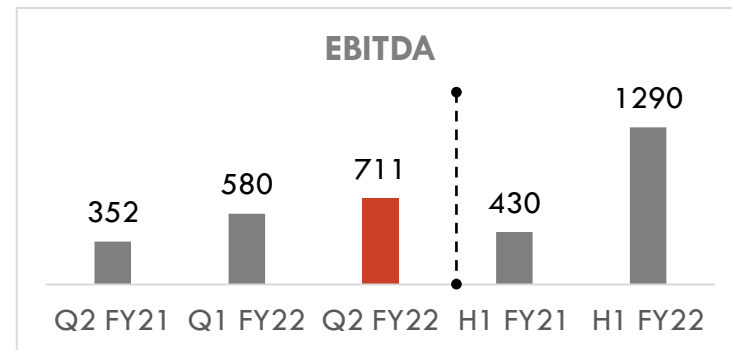


Shift (%)

QoQ: 25%

YoY: 53%

96%

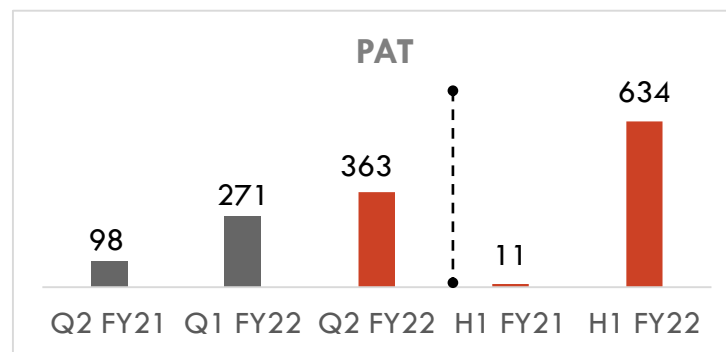


Shift (%)

QoQ: 23%

YoY: 102%

200%



Shift (%)

QoQ: 34%

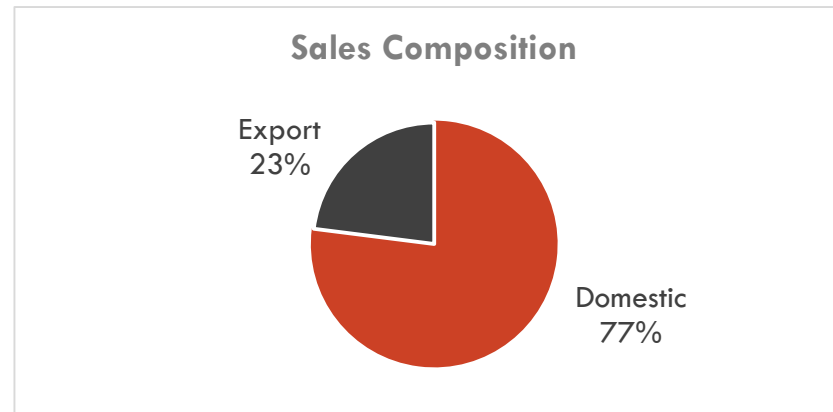
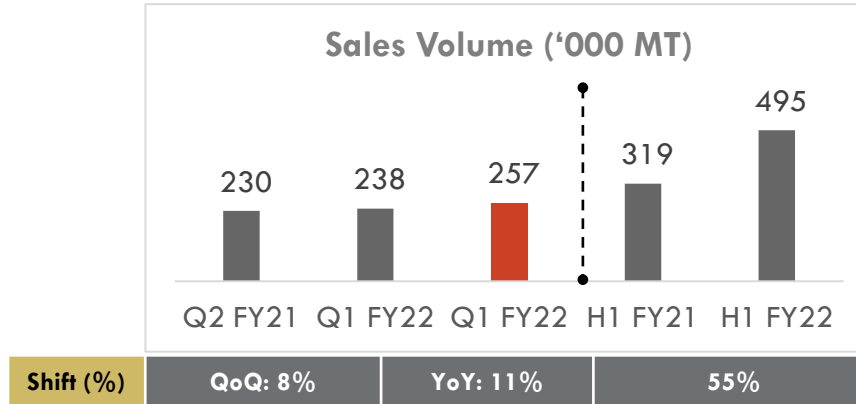
YoY: 271%

5511%

Note: All figures in INR crore unless stated otherwise

EBITDA for Q2 FY22 includes the net foreign exchange gain of INR 61 crore

JSL: Key Operational Update – Q2FY22

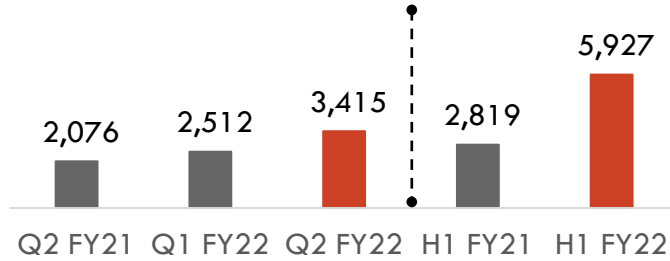


JSL: Q2&H1FY22 Financial and Operational Discussions (Standalone)

- **Revenue for Q2 & H1FY22 stood at INR 4,815 crore and INR 8,656 crore respectively**
 - An overall healthy demand environment post the second wave of COVID in Q1FY22 pulled up sales volume by 8% over Q1FY22, to 256,664 tonnes in Q2FY22
- **EBITDA reported at INR 711 crore and INR 1290 crore respectively for Q2 & H1FY22**
 - Major end-use segments like process industry, Pipe & Tube, Railways & Wagons, and Metro Rail grew during the quarter keeping the stainless steel demand firm resulting in improved volume mix
- **PAT for Q2 & H1FY22 stood at INR 363 crore and INR 634 crore respectively**
 - Net lenders' debt (excluding JSHL's debt) stood at INR 1,564 crore
 - With focused capital allocation, the interest cost during Q2 & H1 FY22 reduced by 37% YoY to INR 79 crore and INR 160 crore respectively

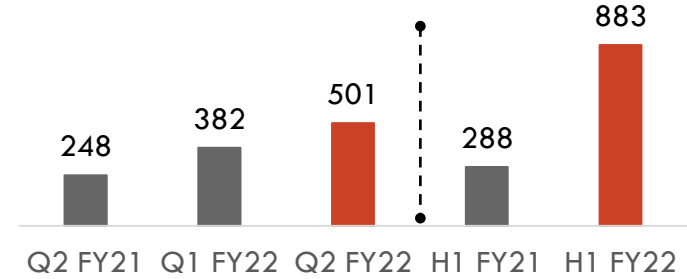
JSHL: Key Financials Highlights – Q2 FY22

Net Revenue from operations



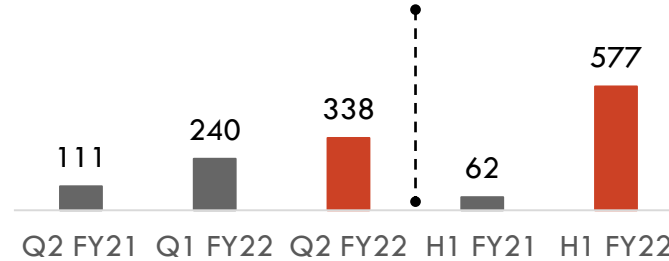
Shift (%)	QoQ: 36%	YoY: 64%	110%
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EBITDA



Shift (%)	QoQ: 31%	YoY: 102%	207%
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PAT

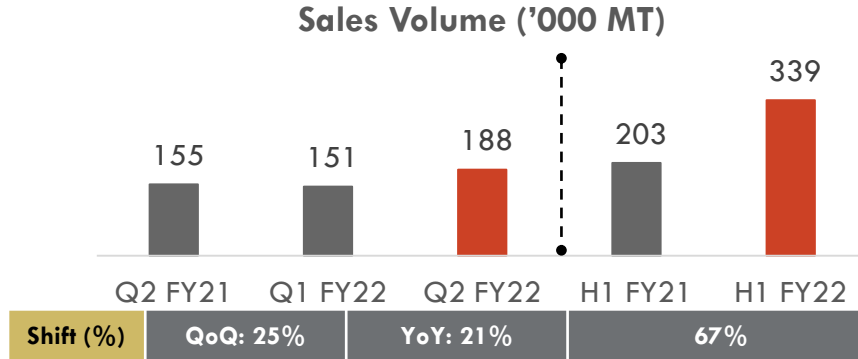


Shift (%)	QoQ: 41%	YoY: 203%	838%
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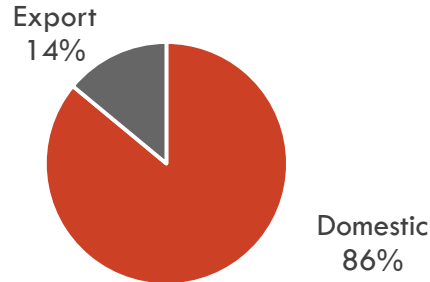
Note: All figures in INR. crore unless stated otherwise

EBITDA for Q2 FY22 includes the net foreign exchange gain of INR16 crore

JSHL: Key Operational Update – Q2FY22



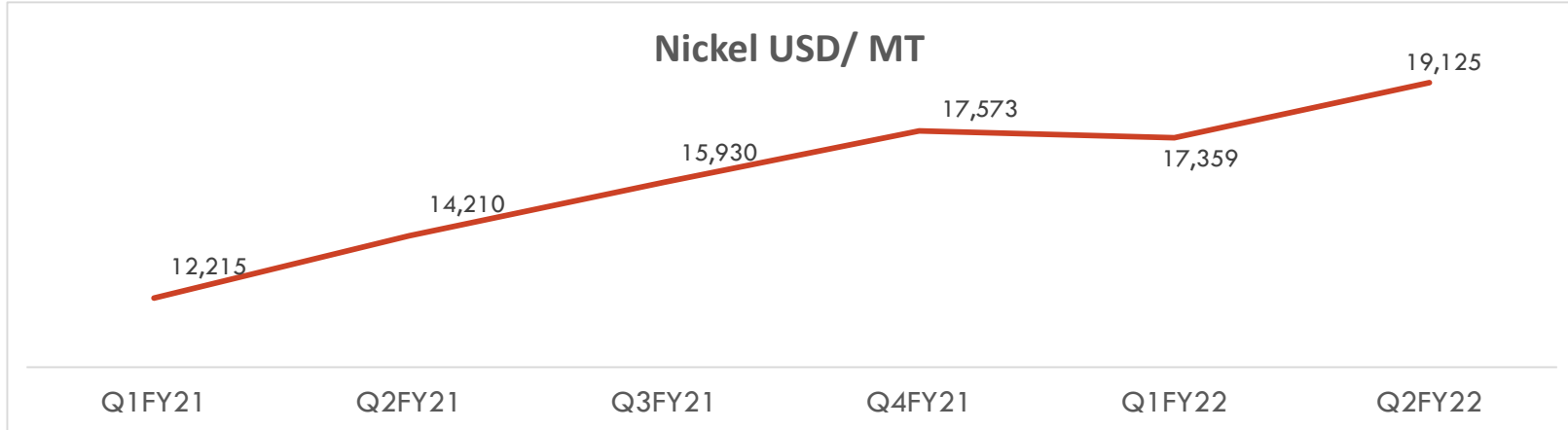
Sales Composition



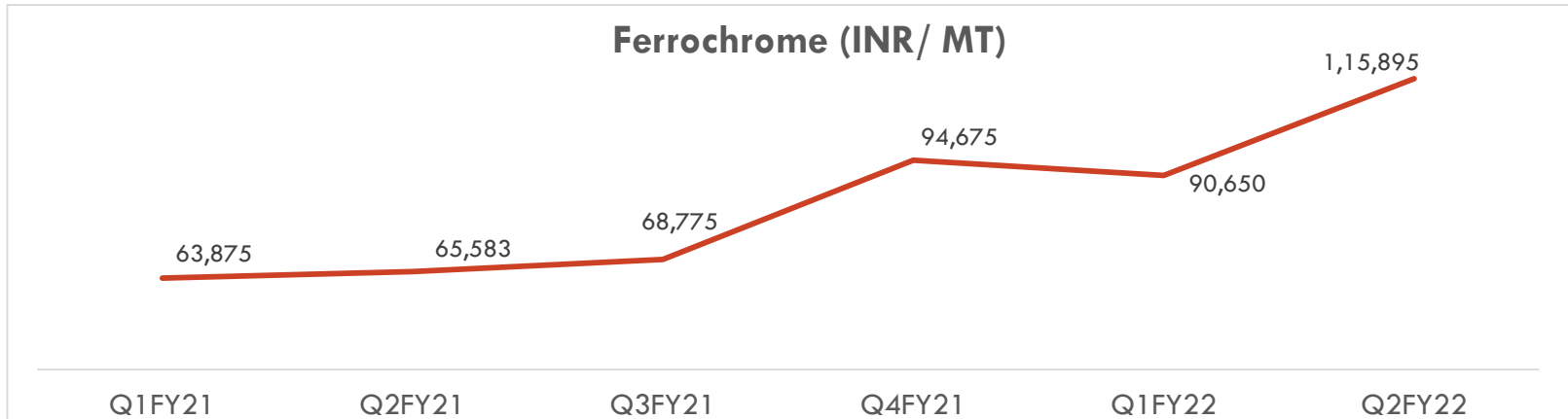
JSHL: Q2 & H1FY22 Financial and Operational Discussions (Standalone)

- **Q2 & H1FY22 revenue reported at INR 3,415 crore and INR 5,927 crore respectively**
 - Normalisation of demand from all consumer-facing segments has led to rebound in sales volume, which grew by 25% to 188,178 tonnes in Q2FY22 over Q1FY22
- **EBITDA stood at INR 501 crore and INR 883 crore respectively for Q2 & H1FY22**
 - Primarily driven by higher volumes in both domestic and export market and with an increased share of SPD volumes, EBITDA grew by 31% QoQ. SPD sales grew by 31% YoY in Q2FY22, led by higher sales in the Blade Steel and Precision Strips segments.
- **PAT for Q2 & H1FY22 reported at INR 338 crore and 577 crore respectively**
 - Net Lenders' debt as on September 30, 2021 stood at INR 1,359 crore
 - Interest cost during Q2 & H1FY22 reduced by 69% and 62% YoY to INR 20 crore and INR 50 crore respectively

Key Raw Materials – Price Trend



Note: Average quarterly prices; Source: LME

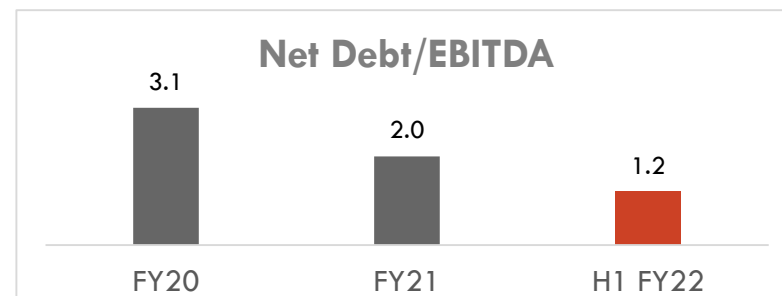
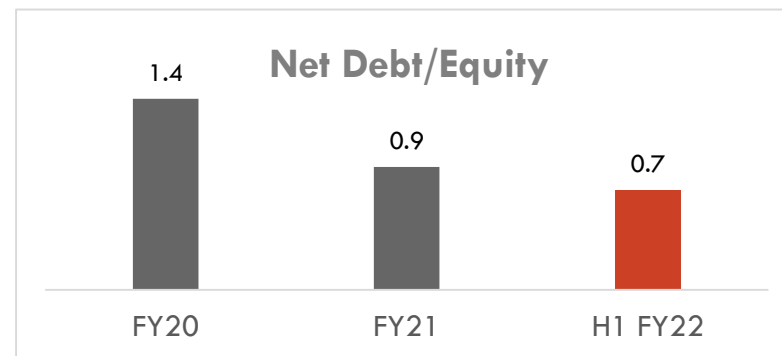


Note: Average quarterly prices; Source: Steel Mint

JSL: Debt Position & Key Ratios

Borrowings (Standalone) (INR crore)	As on Sep.2021	As on Mar.2021	As on Mar.2020
Lenders' Debt			
Long term debt	1,382	1530	2,357
Short term borrowing	247	319	398
Total Lenders' Debt	1,629	1849	2,755
Inter corporate loan from related party	1,050	1,050	900
Total Debt	2,679	2,899	3,655
Cash & Bank balances	65	89	44
Net Debt	2,614	2,810	3,610

Borrowings (Subsidiaries) (INR crore)	As on Sep.2021	As on Mar.2021	As on Mar.2020
Long-Term Debt	61	60	-
Short-Term Debt	281	195	248
Total	342	255	248



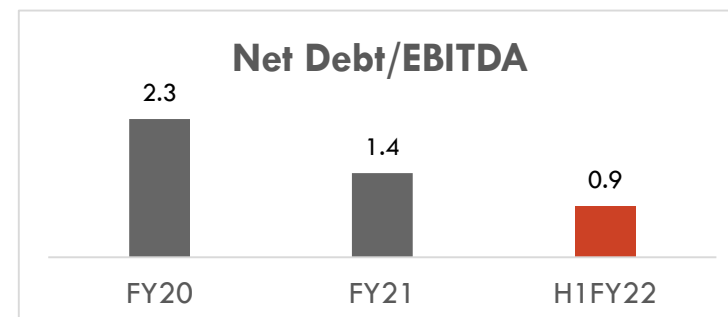
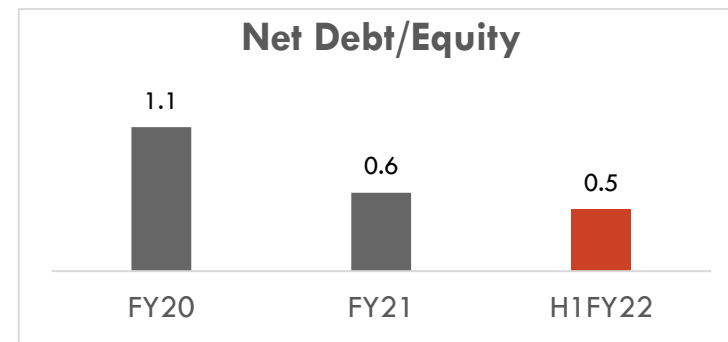
Note: H1 FY22 calculations based on TTM figure

CRISIL upgraded short term bank facilities to A1+ (highest rating) while, reaffirming A+/ stable for long term bank facilities

JSHL: Debt Position & Key Ratios

Borrowings (Standalone) (INR crore)	As on Sep 2021	As on March 2021	As on March 2020
Long term debt	1,133	1,250	1,929
Short term borrowing (less than 12 months)	228	127	90
Total Debt	1,361	1,376	2,019
Cash & Bank balances	2	8	19
Net Debt	1,359	1,368	2,000

Borrowings (Subsidiaries) (INR crore)	As on Sep. 2021	As on March 2021	As on March 2020
Long-Term Debt	32	35	33
Short-Term Debt	134	69	129
Total	167	104	162



Note: H1 FY22 calculations based on TTM figure

CRISIL Ratings for the first time has rated the long-term bank facilities of JSHL as 'CRISIL A+'

Merger Overview



Complementing Strengths

JSL



JSHL



Key Plant Location

Jajpur, Odisha
Raw Material Hub, Port Proximity

Hisar, Haryana
Key Consumption Hub Proximity

Stainless Steel (SS) capacities

1.1 MTPA Integrated facility along with backward integration (Ferro Chrome and captive power plant)

0.8 MTPA with Specialized Product Division (SPD) including Blade Steel, Precision Strips and Coin Blank

Infrastructure, Technology and R&D

Latest European 'State-of-the-art' technology. India's largest SS manufacturer. Producing globally competitive SS products

Pioneer SS manufacturing in India. World's largest producer of SS strips for razor blades and India's largest producer of coin blanks

Service Center/Finishing Lines

Readily leveragable infrastructure for cost efficient brownfield expansion (800+ acre land)

International

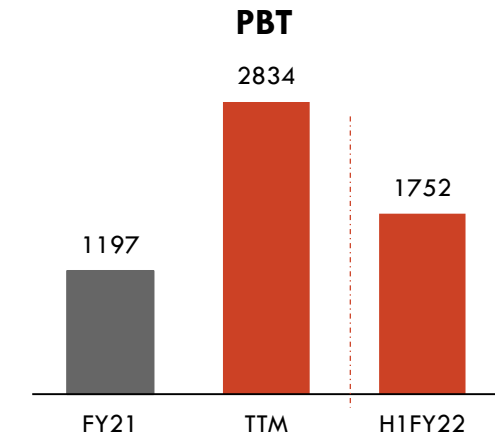
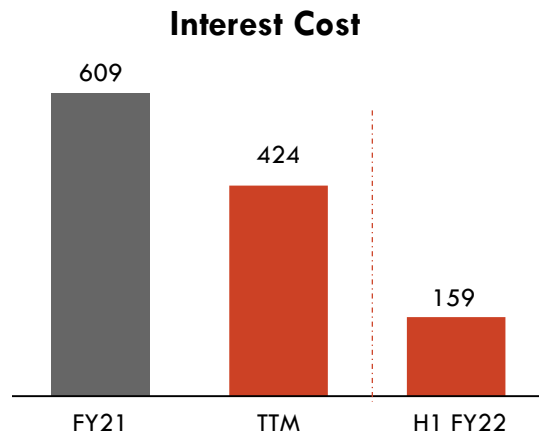
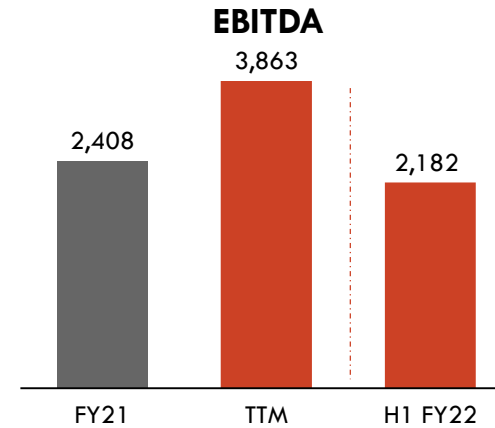
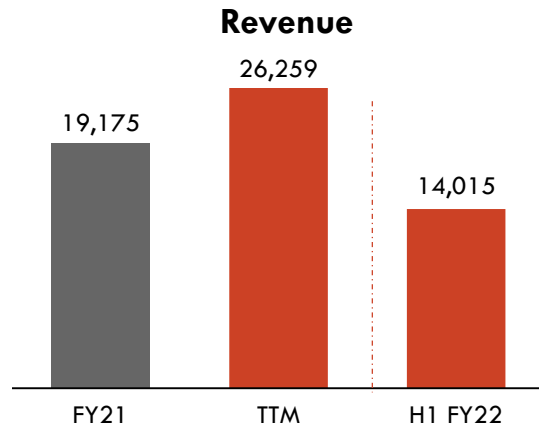
Domestic

Offerings

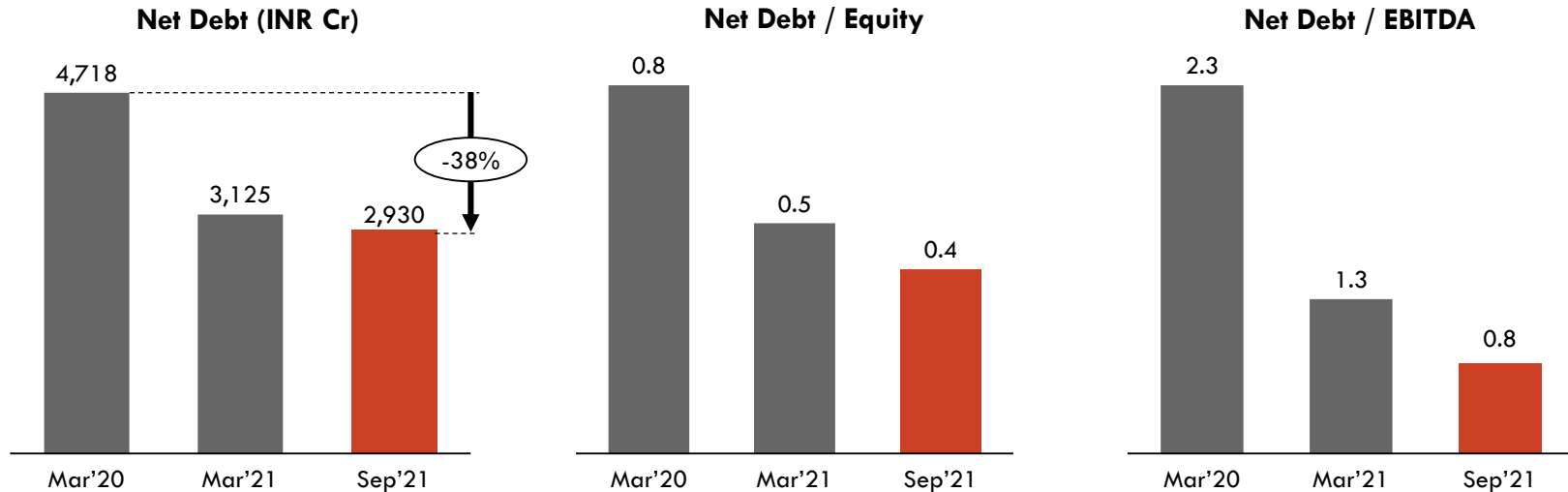
High volume, wider width offerings. Actively catering to volume oriented sectors like Railways, Auto and Infrastructure

Actively catering to SPD and Niche SS products

Resilient Operational Performance



Consolidating Balance Sheet Strength



- ✓ Consistent deleveraging has been strengthening the balance sheet
- ✓ Leverage ratios have been one of the best among peer companies, highlighting prudent financial management

APPOINTED DATE

- April 1, 2020

MAJOR EVENTS EXPECTED COMPLETION IN H2 FY22

- Board approval of the scheme of arrangement
- Stock Exchanges/SEBI approval
- Shareholders and Creditors approvals
- NCLT approval
- Implementation of Scheme

- Received Stock Exchanges/SEBI approval in 1st week of March'21, ahead of the expected time
- First motion application filed before the NCLT on March 17, 2021
- The petition is pending before Hon'ble NCLT, Chandigarh for approval

Capex Overview



Leveraging World class Jaipur Infra & Hisar Speciality Product Leadership

JSL - Doubling Stainless Steel Capacity

- ✓ Augmenting Stainless Steel Melt capacity from 1.1MTPA to 2.1MTPA
- ✓ Incremental downstream capacity HRAP & CRAP
- ✓ Enhanced backward integration & quality lab
- ✓ Brownfield expansion; relevant approvals in place
- ✓ World class European equipments
- ✓ Est. cost of INR 2,150 crore at <math><1/3^{\text{rd}}</math> of the greenfield capex cost

JSHL – Multiplying Speciality Products

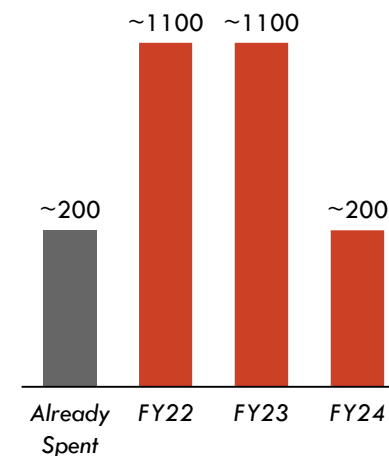
- ✓ Strengthening product mix with expansion in value added product segment
- ✓ Expanding the Precision Strip by 3x
- ✓ Expanding Blade Steel by 1.7x
- ✓ Leveraging leadership position in speciality products (SPD)
- ✓ Est. cost of INR 450 crore

Phase 1 of Precision Strip capacity expansion of 26ktpa commissioned well in time, doubling the total capacity to 48 ktpa

Integrated Expansion for Atmanirbhar Bharat

JSL Projects	Existing Capacity MTPA	Incremental Capacity MTPA	Total JSL MTPA	Est. Capex INR Cr	Est. Completion
SMS	1.10	1.00	2.10	530	Q3 FY23
Combo Line				1,250	Q4 FY23
HRAP	0.80	0.45	1.25		
CRAP	0.45	0.30	0.75		
Ferro Chrome	0.25	0.10	0.35	315	Q3 FY24
Quality Lab Expenses and Other balancing				55	
Sub Total JSL				2,150	

Estimated Capex Phasing (INR Cr)



JSHL Projects	Existing Capacity KTPA	Incremental Capacity KTPA	Total SPD KTPA	Est. Capex INR Cr	Est. Completion
Precision Strip	22	38	60	250	
PS Phase -1		26			Q2 FY22
PS Phase-2		12			Q4 FY23
Blade Steel	14	10	24	200	
BS Phase -1		6			Q2 FY23
BS Phase-2		4			Q2FY24
Sub Total JSHL				450	
Total Project Cost				2,600	



JSL: Abridged P&L Statement (Standalone)

Particular (Rs. crore)	Q2FY22	Q2FY21	YoY	Q1FY22	QoQ	H1FY22	H1FY21	YoY
			Change (%)		Change (%)			Change (%)
Revenue from operations	4,815	3,156	53%	3,841	25%	8,656	4,418	96%
Total Expenditure	4,104	2,804	46%	3,261	26%	7,366	3,988	85%
EBITDA	711	352	102%	580	23%	1,290	430	200%
EBITDA/ton	27,685	15,293	81%	24,378	14%	26,094	13,469	94%
EBITDA margin (%)	14.8%	11.2%	360 bps	15.1%	(34 bps)	14.9%	9.7%	518 bps
Other Income	15	11	32%	10	51%	24	21	16%
Finance Cost	79	124	(37%)	81	(3%)	160	255	(37%)
Depreciation	89	95	(6%)	91	(2%)	180	190	(6%)
Exceptional gain/loss	-	25	NA	-	NA	-	39	NA
PBT	557	169	231%	418	33%	975	44	2128%
Tax	195	71	175%	146	33%	341	32	950%
PAT	363	98	271%	271	34%	634	11	5511%
PAT margin (%)	7.5%	3.1%	443 bps	7.1%	47 bps	7.3%	0.3%	707 bps
EPS (Diluted) in INR	7.0	2.0	249%	5.4	31%	12.4	0.2	5278%

JSL: Abridged P&L Statement (Consolidated)

Particular (Rs. crore)	Q2FY22	Q2FY21	YoY	Q1FY22	QoQ	H1FY22	H1FY21	YoY
			Change (%)		Change (%)			Change (%)
Revenue from operations	5,027	3,314	52%	4,033	25%	9,059	4,690	93%
Total Expenditure	4,279	2,969	44%	3,432	25%	7,711	4,281	80%
EBITDA	748	345	117%	601	24%	1,349	409	230%
EBITDA margin (%)	14.9%	10.4%	447 bps	14.9%	(3 bps)	14.9%	8.7%	617 bps
Other Income	15	11	32%	10	51%	24	21	16%
Finance Cost	82	128	(36%)	85	(3%)	167	262	(36%)
Depreciation	93	103	(10%)	94	(2%)	187	206	(9%)
Exceptional gain/loss	-	26	NA	-	NA	-	41	NA
Share of profit of investments gain/(loss)	26	(2)	NA	24	9%	50	(20)	NA
PBT	614	149	312%	456	35%	1069	(18)	NA
Tax	202	68	195%	150	35%	352	26	1265%
PAT	412	81	410%	306	35%	717	(43)	NA
PAT margin (%)	8.2%	2.4%	576 bps	7.6%	60 bps	7.9%	-0.9%	NA
EPS (Diluted) in INR	7.9	1.7	370%	6.0	33%	13.9	(0.8)	NA

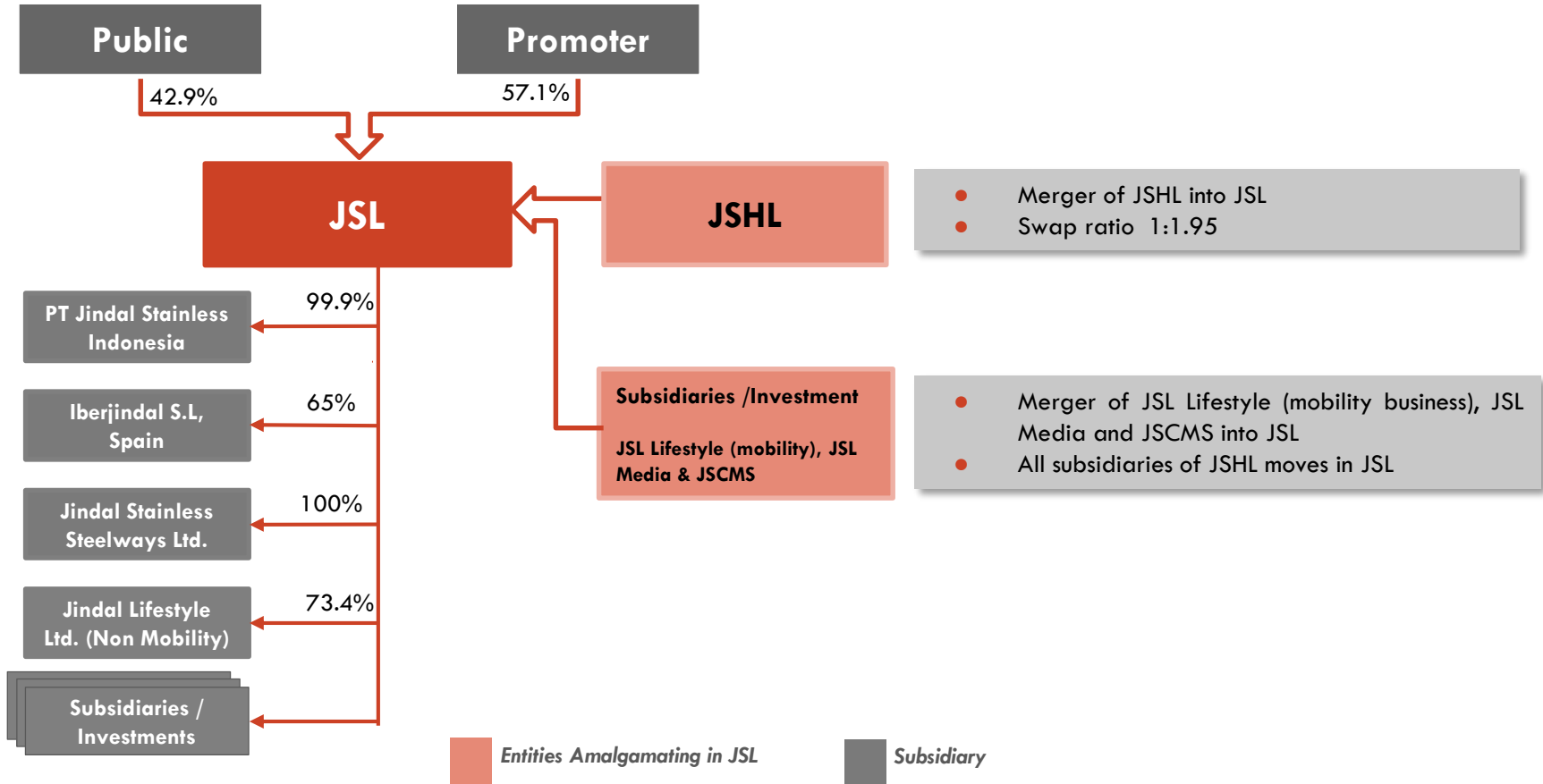
JSHL: Abridged P&L Statement (Standalone)

Particular (Rs. crore)	Q2 FY22	Q2 FY21	YoY	Q1 FY22	QoQ	H1FY22	H1FY21	YoY
			Change (%)		Change (%)			Change (%)
Net revenue from operations	3,415	2,076	64%	2,512	36%	5,927	2,819	110%
Total Expenditure	2,914	1,828	59%	2,130	37%	5,044	2,531	99%
EBITDA	501	248	102%	382	31%	883	288	207%
EBITDA/ton	26,636	15,958	67%	25,278	5%	26,031	14,185	84%
EBITDA margin (%)	14.7%	11.9%	273 bps	15.2%	-53 bps	14.9%	10.2%	469 bps
Other Income	28	24	16%	27	1%	55	47	16%
Finance Cost	20	65	(69%)	30	(34%)	50	133	-62%
Depreciation	57	68	(17%)	58	(2%)	115	134	-14%
Exceptional gain/(loss)	-	10	(100%)	-	-	-	15	NA
PBT	452	149	204%	321	41%	773	83	826%
Tax	115	38	204%	81	41%	196	22	795%
PAT	338	111	203%	240	41%	577	62	838%
PAT margin (%)	9.9%	5.4%	452 bps	9.5%	34 bps	9.7%	2.2%	755 bps
EPS (Diluted) in INR	14.3	4.7	203%	10.2	41%	24.5	2.6	838%

JSHL: Abridged P&L Statement (Consolidated)

Particular (Rs. crore)	Q2 FY22	Q2 FY21	YoY	Q1 FY22	QoQ	H1FY22	H1FY21	YoY
			Change (%)		Change (%)			Change (%)
Net revenue from operations	3,743	2,298	63%	2,776	35%	6,520	3,151	107%
Total Expenditure	3,176	2,007	58%	2,364	34%	5,540	2,817	97%
EBITDA	567	291	95%	412	37%	979	334	193%
EBITDA margin (%)	15.1%	12.7%	248 bps	14.9%	30 bps	15.0%	10.6%	442 bps
Other Income	29	30	(5%)	28	3%	57	55	3%
Finance Cost	24	69	(65%)	33	(29%)	57	142	-60%
Depreciation	62	74	(16%)	64	(3%)	126	146	-14%
Exceptional gain/(loss)	0	10	(100%)	0	-	0	16	-100%
Share of profit from associates gain/(loss)	120	27	346%	105	14%	225	(13)	NA
PBT	630	216	191%	448	41%	1,078	104	934%
Tax	131	48	175%	89	47%	220	29	648%
PAT	499	169	196%	359	39%	857	75	1047%
PAT margin (%)	13.3%	7.3%	598 bps	12.9%	39 bps	13.2%	2.4%	1078 bps
EPS (Diluted) in INR	21.1	7.1	198%	15.2	39%	36.3	3.1	1052%

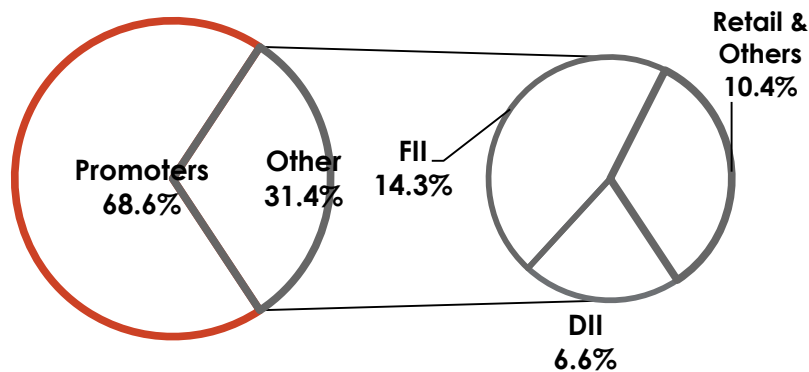
Proposed Structure Post Merger



Shareholding Pattern

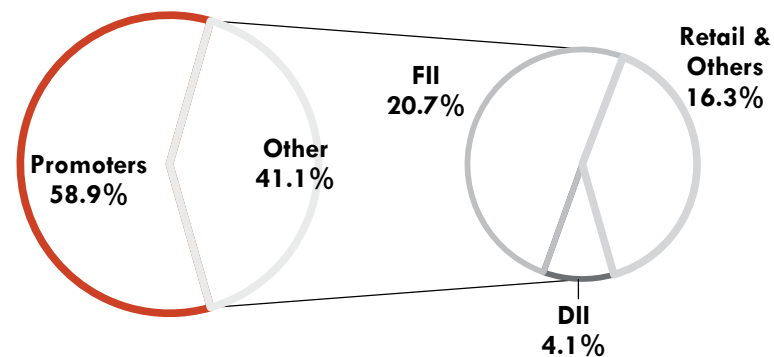
JSL

Floating Stock (%)



JSHL

Floating Stock (%)



Jindal Stainless Ltd.:

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.

Jindal Stainless (Hisar) Ltd.:

Jindal Stainless (Hisar) Ltd. (JSHL) is the largest specialty stainless steel producer in India with a diversified value-added product portfolio. The company operates an integrated stainless steel plant at Hisar, Haryana. JSHL has a total melting capacity of 0.8 million tonnes per annum.

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Thank You