

February 06, 2019

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,
3719, 2039, 2272 2061
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
hsurati@nse.co.in
Security Code No. : JSL

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

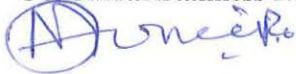
Dear Sir,

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 Limited (“the Company”), relating to the quarter / nine months ended 31st December, 2018. The same is also being uploaded on the website of the Company – www.jslstainless.com.

Please take the above information on record.

Thanking you,

Yours Faithfully,
For **Jindal Stainless Limited**



Navneet Raghuvanshi
Company Secretary



Encl: a.a.

CC: Luxembourg Stock Exchange
P.O. Box 165, L- 2011,
Luxembourg



Q3 & 9M FY19 Earnings Presentation – February 6, 2019

JINDAL STAINLESS LIMITED

Disclaimer

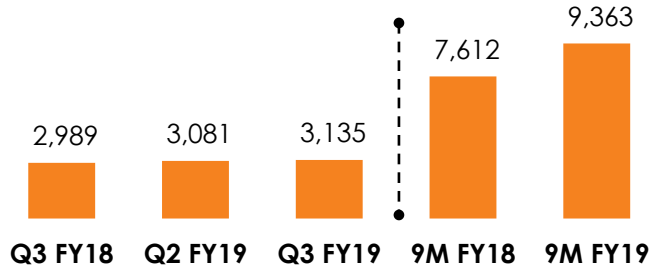
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Q3 & 9M FY19 Results Overview



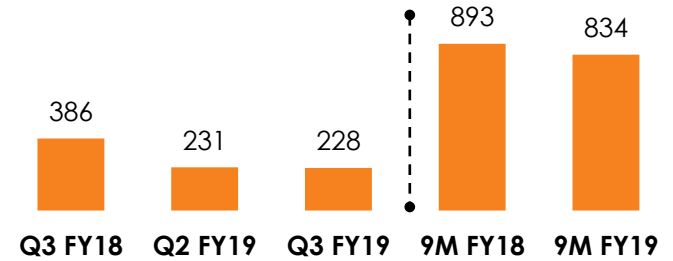
Key Financials Highlights – Q3 & 9M FY19

Net Revenue from operations



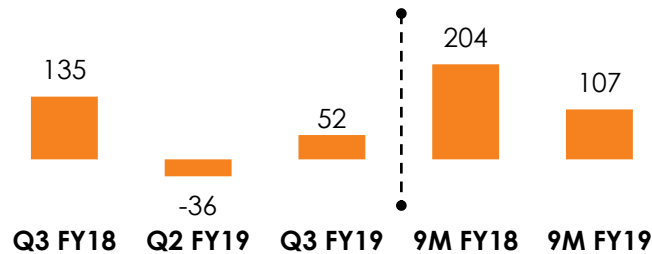
Shift (%)	QoQ: 2%	YoY: 5%	23%
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EBITDA



Shift (%)	QoQ: (2%)	YoY: (41%)	(7%)
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PAT

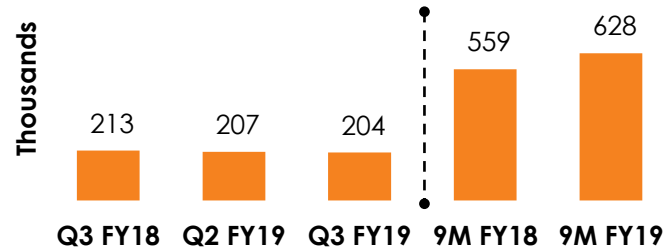


Shift (%)	QoQ: NA	YoY: (61%)	(48%)
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Note: Standalone financials; All figures in Rs. crore unless stated otherwise

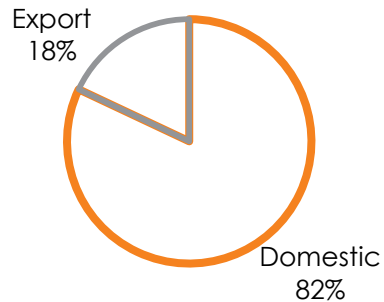
Key Operational Update – Q3 & 9MFY19

SMS Sales Volume (MT)

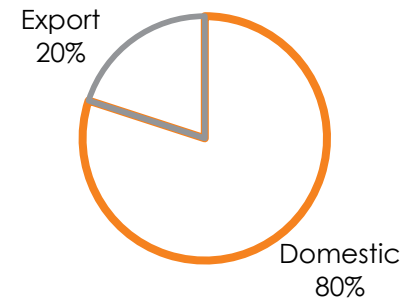


Shift (%)	QoQ: (1%)	YoY: (4%)	12%
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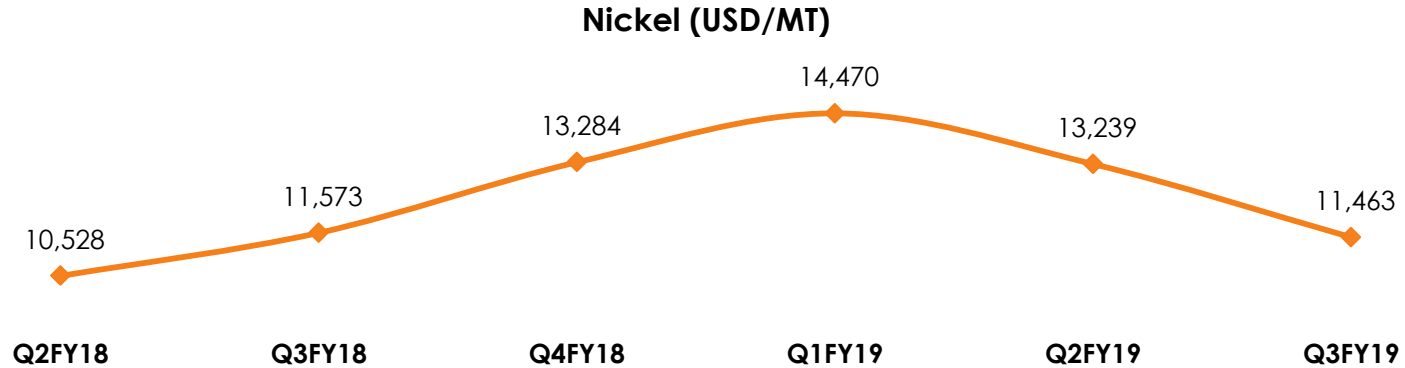
Sales Composition – Q3 FY19



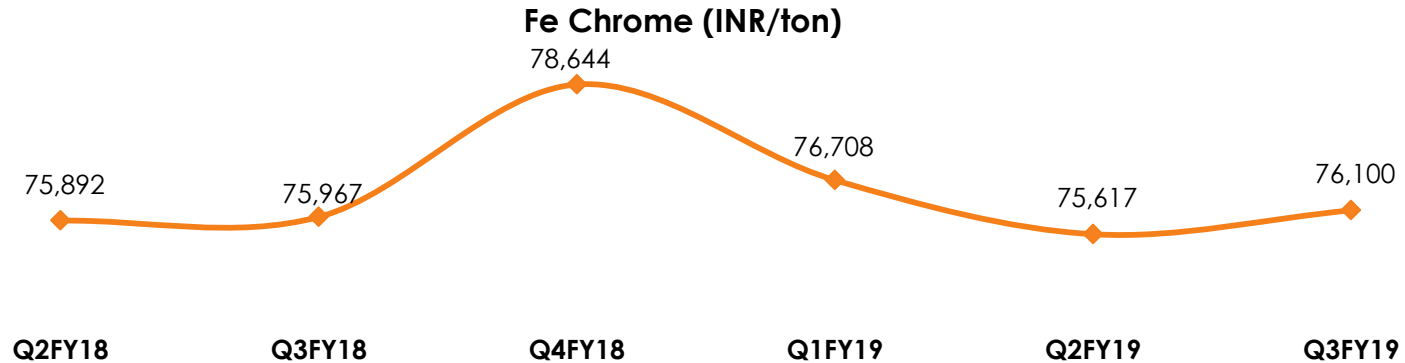
Sales Composition – 9M FY19



Key Raw Materials – Price Trend



Note: Average quarterly prices; Source: Bloomberg



Note: Average quarterly prices; Source: Steel Mint

Q3 FY19 Financial and Operational Discussions

➔ Net Revenue grows to Rs. 3,135 crore, up 5% Y-o-Y

- Sales volume registered a marginal decline of 4% to 204,083 MT, as falling nickel prices led to de-stocking and temporary postponement of buying decision by end-user segments. With stable outlook for nickel prices, the near-term demand outlook is positive as re-stocking of inventory at the consumer-end has already commenced
- Higher contributions from process industries and industrial pipe and tube segments supported the quarterly topline performance despite temporary slowdown in demand witnessed in sectors like railways, automobile and consumer durables
- Export volumes in the current quarter were temporarily lower than the average export volumes, due to the uncertainties around the trade sanctions and the quota system deployed by US and Europe respectively. Going forward, export volumes are gradually expected to pick up

➔ EBITDA at Rs. 228 crore, down by 41% Y-o-Y

- Higher consumable costs like power and fuel, lower sales volume coupled with inventory losses impacted EBITDA performance
- On a Y-o-Y basis, Nickel prices remained stable. However, Q3FY19 witnessed a falling nickel price trend scenario; in contrast to an increasing prices trend during Q3FY18. As the overall outlook on nickel prices remain stable, this trend is expected to normalize in the coming quarters

➔ Net profit at Rs. 52 crore, down by 61% Y-o-Y

- Exceptional gain of Rs. 75 crore registered during Q3FY19

9M FY19 Financial and Operational Discussions

- ➔ **Net Revenue grows to Rs. 9,363 crore, up 23% Y-o-Y**
 - Sales volume increases by 12% to 627,614 MT
 - Higher sales volume along with better realizations contributed towards revenue growth in 9M FY19
- ➔ **EBITDA at Rs. 834 crore, down by 7% Y-o-Y**
 - Adverse impact of raw material price movement led to inventory losses during the period
 - JSL continues to focus on improving operational efficiencies and cost rationalization through optimal capacity utilization
- ➔ **PAT stood at Rs. 107 crore, down by 48% Y-o-Y**

Management Comment

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



“Despite falling nickel prices and soft demand, we were able to maintain our performance in this quarter. This can be ascribed to our diversified product range. Our plant in Jajpur is equipped to cater to growing and varied demand from eastern India, right from kitchenware sector to prestigious projects such as Train 18.

Growth in subsequent quarters looks healthy, with orders lined up from railway, automobile, consumer durable, and white good sectors. This, however, does not mitigate the stress faced by domestic stainless steel industry on account of spiraling imports from FTA nations. Imports from Indonesia alone have increased by nine times in the last one year. There’s an urgent and immediate need of government intervention in the form of Anti Dumping or Anti Circumvention Duty for Indonesian imports.”

Abridged P&L Statement

Particular (Rs. crore)	Q3 FY19	Q3 FY18	YoY Change (%)	9M FY19	9M FY18	YoY Change (%)
Net Revenue from operations	3,135	2,989	5%	9,363	7,612	23%
Total Expenditure	3,140	2,834	11%	9,225	7,364	25%
EBITDA	228	386	(41%)	834	893	(7%)
EBITDA / ton	11,149	18,106	(38%)	13,283	15,973	(17%)
EBITDA margin (%)	7.3%	12.9%	(564 bps)	8.9%	11.7%	(282 bps)
Other Income	6	11	(46%)	19	35	(46%)
Finance Cost	147	154	(4%)	453	416	9%
Depreciation	86	77	12%	243	229	6%
Exceptional gain/loss*	75	38	97%	7	34	(79%)
PBT	76	204	(63%)	164	316	(48%)
Tax	23	70	(66%)	57	113	(49%)
PAT	52	135	(61%)	107	204	(48%)
PAT margin (%)	1.7%	4.5%	(284 bps)	1.1%	2.7%	(153 bps)
EPS (Diluted) in INR	1.0	2.3	(56%)	2.2	3.8	(41%)

Note: Standalone financials

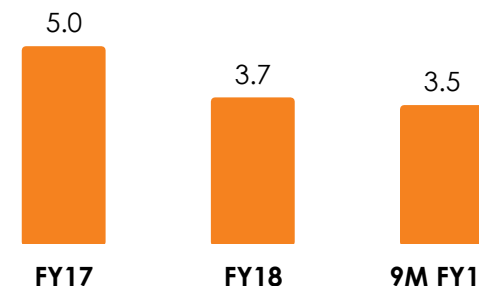
* Exceptional items represent net foreign exchange gain/(loss) and mark-to-market gain/(loss) on foreign exchange derivative forward contracts (for all periods presented)

Comfortable Debt Position

Description - Borrowings	As on Dec. 2018	As on March 2018	As on March 2017
Long term debt	2,122	2,457	3,405
Inter corporate loan from related party	900	900	485
OCRPS*	656	607	-
Total Long term debt	3,679	3,963	3,890
Short term borrowing (less than 12 months)	601	766	1,738
Total Debt	4,279	4,729	5,628
Cash & Investments	14	37	42
Net Debt	4,266	4,692	5,586
Long Term Debt Breakup:			
-INR Debt	3,168	3,248	2,902
-Foreign Currency Debt	510	715	988

Note : *Optionally Convertible Redeemable Preference Shares

Net Debt/EBITDA



Note: 9M FY19 Net Debt/ EBITDA calculation based on TTM figure

- Healthy Cash generation to comfortably support debt repayment
- Focus on further improving debt position going forward

Key Financial Ratios

	9M FY19	FY18	FY17
EBITDA margin (%)	8.9%	11.9%	13.3%
PAT Margin (%)	1.1%	3.0%	0.7%
Net Debt to Equity	1.7	2.0	3.2
Net Debt to EBITDA	3.5	3.7	5.0
Return on Equity (%)	9.5%	15.5%	3.5%
Return on Capital employed (%)	14.2%	15.6%	10.3%

Note:

- 1) 9M FY19 figures, except EBITDA and PAT margin, based on TTM
- 2) Net Debt includes short-term & long term debt less cash & investments
- 3) ROE(%) is calculated as PAT /Avg. Networth
- 4) ROCE(%) is calculated as EBIT /Avg. Capital employed

Annexure



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 0.8 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.

For further information please contact:

Goutam Chakraborty / Shreya Sharma

Jindal Stainless Ltd

Tel: +91 11 26188345

Email:

goutam.chakraborty@jindalstainless.com

shreya.sharma@jindalstainless.com

Anoop Poojari / Devrishi Singh

Citigate Dewe Rogerson

Tel: +91 22 6645 1211 / 1222

Email: anoop@cdr-india.com

devrishi@cdr-india.com

Thank You

