



JSHL/BM-3/2019-20

November 14, 2019

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Security Code No.: JSLHISAR

**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 (Hisar) Limited ("the Company"), for the quarter and half year ended September 30, 2019. The same is also being uploaded on the website of the Company- [www.jshlstainless.com](http://www.jshlstainless.com).

Please take the above information on record.

Thanking You.

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

  
(Bhartendu Harit)  
Company Secretary

Encl: A/a

**Jindal Stainless (Hisar) Limited**

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**JSL**   
JINDAL STAINLESS

# Jindal Stainless (Hisar) Limited

Q2 & H1 FY20 Earnings Presentation  
November 14, 2019

# Disclaimer

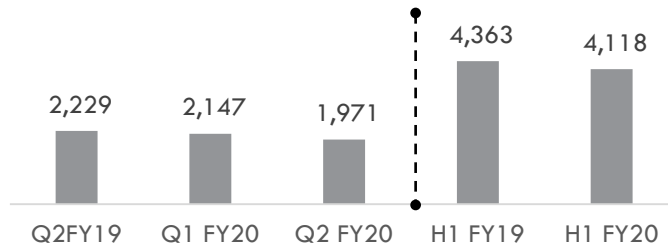
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# **Q2 & H1 FY20 Results Overview**

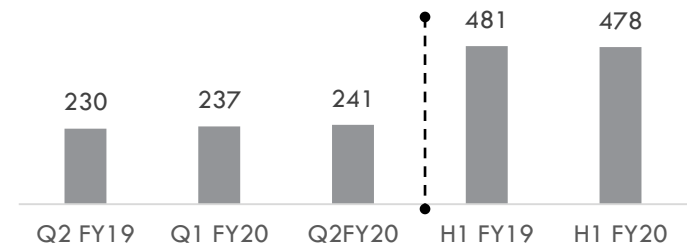
# Key Financials Highlights – Q2 & H1 FY20

## Net Revenue from operations



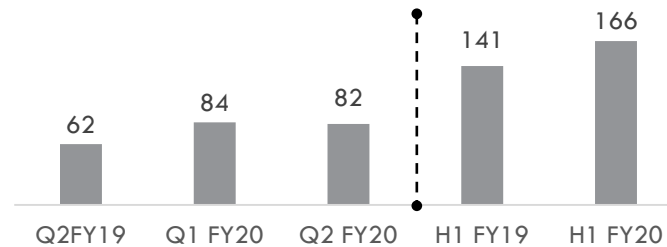
<b>Shift (%)</b>	<b>QoQ: (8%)</b>	<b>YoY: (12%)</b>	<b>(6%)</b>
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## EBITDA



<b>Shift (%)</b>	<b>QoQ: 2%</b>	<b>YoY: 5%</b>	<b>(1%)</b>
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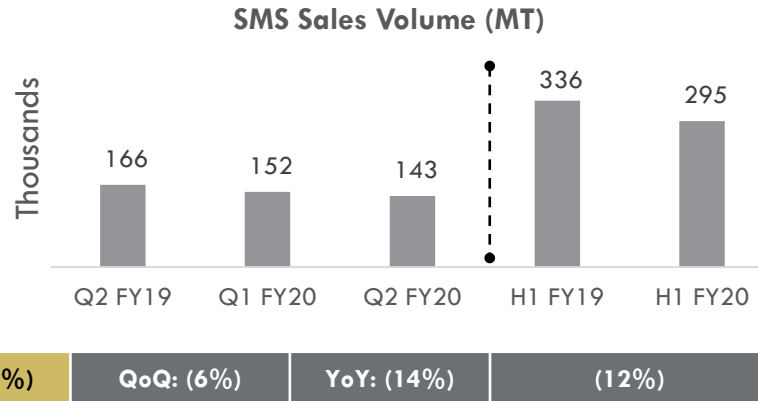
## PAT



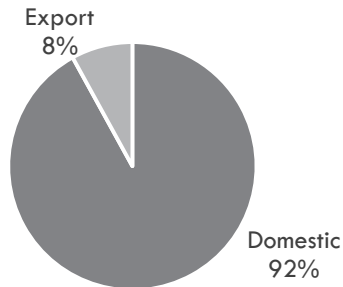
<b>Shift (%)</b>	<b>QoQ: (2%)</b>	<b>YoY: 33%</b>	<b>18%</b>
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Note: Standalone financials; All figures in Rs. crore unless stated otherwise

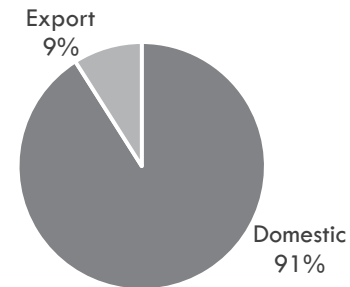
# Key Operational Update – Q2 & H1 FY20



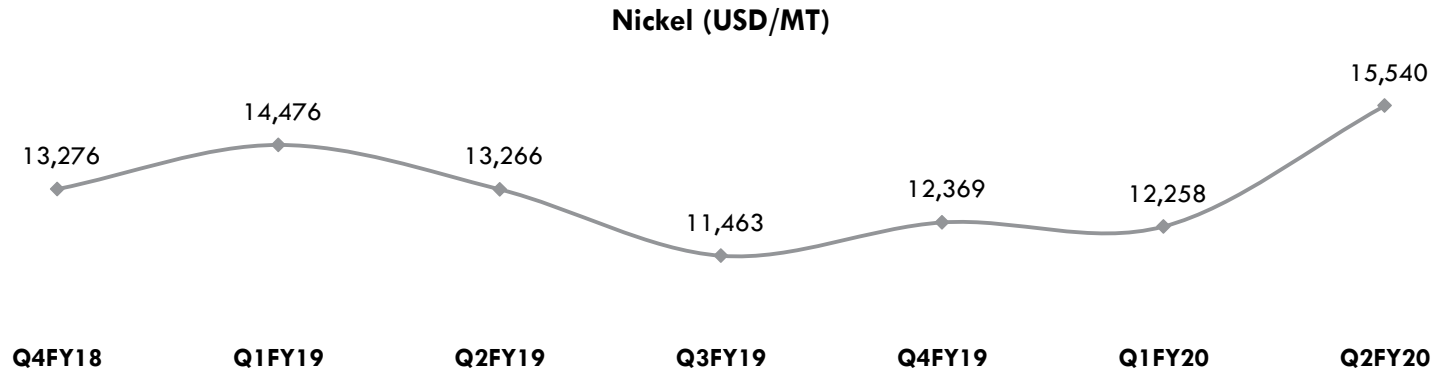
**Sales Composition – Q2 FY20**



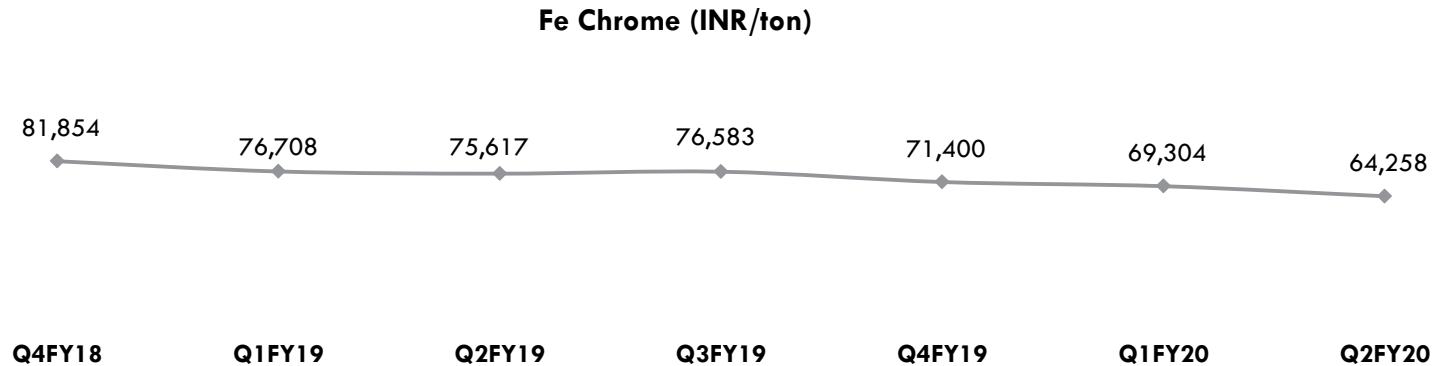
**Sales Composition – H1 FY20**



# Key Raw Materials – Price Trend



**Note:** Average quarterly prices; Source: LME



**Note:** Average quarterly prices; Source: Steel Mint

# Q2 FY20 Financial and Operational Discussions (Standalone)

- **Revenue stood at Rs. 1,971 crore, down 12% Y-o-Y**

- Sales volume was down 14% Y-o-Y and 6% Q-o-Q to 143,139 tones
- Average sales realizations was lower by 3% Q-o-Q but rose 3% Y-o-Y to Rs. 1,37,679 per tonne. The variance was primarily due to change in product mix

- **EBITDA rose 5% Y-o-Y to Rs. 241 crore**

- Responsive product mix, internal efficiencies and cost optimization helped in maintaining operating performance

- **Net profit at Rs. 82 crore, up by 33% Y-o-Y**

- Lower interest cost and slightly higher other income helped Y-o-Y PAT growth. Exceptional gain of Rs. 4 crore against loss of Rs. 6 crore also aided
- On Q-o-Q basis, PAT was marginally down by 2%, as lower exceptional gain more than offset the fall in interest costs



# H1 FY20 Financial and Operational Discussions (Standalone)

- **Net Revenue stood at Rs. 4,118 crore, down 6% Y-o-Y**

- Sales volume was down by 12% Y-o-Y at 295,012 tonne
- Average sales realizations improved by 8% on account of better product mix as the company continues to focus on value added products

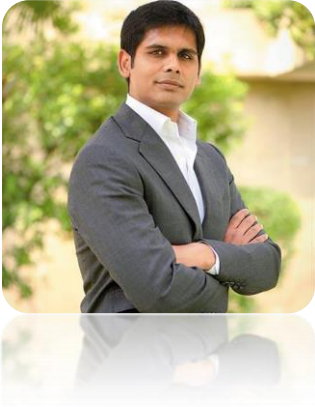
- **EBITDA at Rs. 478 crore, as against Rs. 481 in H1 FY19**

- EBITDA was stable on account of responsive product mix and internal efficiencies coupled with fall in stores and spare costs
- EBITDA/ tonne stood at Rs. 16,215 up 13% over CPLY

- **Net profit rose 18% Y-o-Y to Rs. 166 crore**

- PAT was aided by 9% fall in interest costs on Y-o-Y basis
- Other income rose 5% Y-o-Y while, exceptional gain stood at Rs. 15 crore against a loss of Rs. 6 crore

# Management Comment



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

*“Company’s Specialty Products Division outperformed once again, catering to a wider international market.*

*A responsive product-mix and consistent internal efficiencies helped us maintain our profitability, in spite of sluggish demand in some segments, dependence of fluctuating input market, and excessive imports from Indonesia.”*

# Abridged P&L Statement (Standalone)

Particular (Rs. crore)	Q2 FY20	Q2 FY19	YoY Change (%)	H1 FY20	H1 FY19	YoY Change (%)
<b>Net Revenue from operations</b>	<b>1,971</b>	<b>2,229</b>	<b>(12%)</b>	<b>4,118</b>	<b>4,363</b>	<b>(6%)</b>
<b>Total Expenditure</b>	<b>1,729</b>	<b>2,000</b>	<b>(14%)</b>	<b>3,640</b>	<b>3,881</b>	<b>(6%)</b>
<b>EBITDA</b>	<b>241</b>	<b>230</b>	<b>5%</b>	<b>478</b>	<b>481</b>	<b>(1%)</b>
<b>EBITDA / ton</b>	<b>16,858</b>	<b>13,840</b>	<b>22%</b>	<b>16,215</b>	<b>14,309</b>	<b>13%</b>
<b>EBITDA margin (%)</b>	<b>12.2%</b>	<b>10.3%</b>	<b>190 bps</b>	<b>11.6%</b>	<b>11.0%</b>	<b>60 bps</b>
<b>Other Income</b>	<b>26</b>	<b>24</b>	<b>8%</b>	<b>51</b>	<b>48</b>	<b>5%</b>
<b>Finance Cost</b>	<b>76</b>	<b>85</b>	<b>(10%)</b>	<b>156</b>	<b>171</b>	<b>(9%)</b>
<b>Depreciation</b>	<b>68</b>	<b>68</b>	<b>0%</b>	<b>134</b>	<b>135</b>	<b>(1%)</b>
<b>Exceptional gain/(loss)</b>	<b>4</b>	<b>(6)</b>	<b>NA</b>	<b>15</b>	<b>(6)</b>	<b>NA</b>
<b>PBT</b>	<b>127</b>	<b>95</b>	<b>33%</b>	<b>254</b>	<b>217</b>	<b>17%</b>
<b>Tax</b>	<b>44</b>	<b>33</b>	<b>33%</b>	<b>88</b>	<b>76</b>	<b>15%</b>
<b>PAT</b>	<b>82</b>	<b>62</b>	<b>33%</b>	<b>166</b>	<b>141</b>	<b>18%</b>
<b>PAT margin (%)</b>	<b>4.2%</b>	<b>2.8%</b>	<b>140 bps</b>	<b>4.0%</b>	<b>3.2%</b>	<b>80 bps</b>
<b>EPS (Diluted) in INR</b>	<b>3.5</b>	<b>2.6</b>	<b>33%</b>	<b>7.0</b>	<b>6.0</b>	<b>18%</b>

# Abridged P&L Statement (Consolidated)

Particular (Rs. crore)	Q2 FY20	Q2 FY19	YoY Change (%)	H1 FY20	H1 FY19	YoY Change (%)
<b>Net Revenue from operations</b>	<b>2,276</b>	<b>2,529</b>	<b>(10%)</b>	<b>4,649</b>	<b>5,006</b>	<b>(7%)</b>
<b>Total Expenditure</b>	<b>2,008</b>	<b>2,277</b>	<b>(12%)</b>	<b>4,128</b>	<b>4,459</b>	<b>(7%)</b>
<b>EBITDA</b>	<b>268</b>	<b>252</b>	<b>6%</b>	<b>521</b>	<b>547</b>	<b>(5%)</b>
<b>EBITDA margin (%)</b>	<b>11.8%</b>	<b>10.0%</b>	<b>180 bps</b>	<b>11.2%</b>	<b>10.9%</b>	<b>30 bps</b>
<b>Other Income</b>	<b>27</b>	<b>25</b>	<b>8%</b>	<b>53</b>	<b>51</b>	<b>5%</b>
<b>Finance Cost</b>	<b>85</b>	<b>89</b>	<b>(5%)</b>	<b>170</b>	<b>180</b>	<b>(6%)</b>
<b>Depreciation</b>	<b>74</b>	<b>72</b>	<b>3%</b>	<b>144</b>	<b>142</b>	<b>1%</b>
<b>Exceptional gain/(loss)</b>	<b>4</b>	<b>(5)</b>	<b>NA</b>	<b>15</b>	<b>(4)</b>	<b>NA</b>
<b>PBT</b>	<b>154</b>	<b>96</b>	<b>60%</b>	<b>306</b>	<b>294</b>	<b>4%</b>
<b>Tax</b>	<b>49</b>	<b>41</b>	<b>20%</b>	<b>95</b>	<b>95</b>	<b>1%</b>
<b>PAT</b>	<b>105</b>	<b>55</b>	<b>90%</b>	<b>210</b>	<b>200</b>	<b>5%</b>
<b>PAT margin (%)</b>	<b>4.6%</b>	<b>2.2%</b>	<b>240 bps</b>	<b>4.5%</b>	<b>4.0%</b>	<b>50 bps</b>
<b>EPS (Diluted) in INR</b>	<b>4.4</b>	<b>2.2</b>	<b>98%</b>	<b>8.8</b>	<b>8.1</b>	<b>8%</b>

# Abridged Balance Sheet (Standalone)

	ASSETS (Rs. crore)	As at 30th Sept. 2019	As at 31st March 2019
	<b>ASSETS</b>		
<b>1) Non-current assets</b>			
(a) Property, Plant & Equipment		1,926	1,971
(b) Capital Work-in-progress		91	88
(c) Goodwill		10	10
(d) Other intangible assets		7	8
(e) Intangible assets under development		4	2
(f) Investments in associates - equity method		-	-
(g) Financial assets			
(i) Investments		417	417
(ii) Loans		935	935
(iii) Others (financial assets)		30	29
(h) Deferred tax assets (net)		-	-
(i) Other non-current assets		23	11
<b>2) Current assets</b>			
(a) Inventories		1,388	1,311
(b) Financial Assets			
(i) Trade receivables		772	771
(ii) Cash & cash equivalents		2	18
(iii) Bank balances other than (ii) above		1	1
(iv) Others (financial assets)		153	114
c) Current tax assets (net)		-	-
d) Other current assets		52	85
<b>Total Assets</b>		<b>5,811</b>	<b>5,771</b>

	EQUITY AND LIABILITIES (Rs. crore)	As at 30th Sept. 2019	As at 31st March 2019
	<b>EQUITY AND LIABILITIES</b>		
(a) Equity Share capital		47	47
(b) Other Equity		1,635	1,470
(c) Non controlling interest			
<b>LIABILITIES</b>			
<b>1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		1,800	1,929
(ii) Other financial liabilities		2	-
(b) Provisions		19	16
(c) Deferred tax liabilities (net)		81	79
<b>2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		285	72
(ii) Trade Payables			
(i) Total outstanding dues of micro and small enterprises		51	78
(ii) Total outstanding dues of creditors other than micro and small enterprises		1,118	1,397
(iii) Other financial liabilities		449	424
(b) Other current liabilities		244	226
(c) Provisions		3	2
(d) Current tax liabilities (net)		76	32
<b>Total Equity and Liabilities</b>		<b>5,811</b>	<b>5,771</b>

# Abridged Balance Sheet (Consolidated)

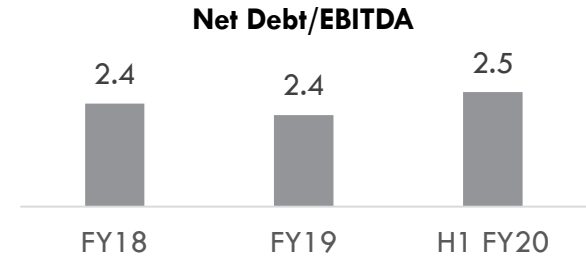
	ASSETS (Rs. crore)	As at 30th Sept. 2019	As at 31st March 2019
	<b>ASSETS</b>		
<b>1) Non-current assets</b>			
(a) Property, Plant & Equipment		2,046	2,093
(b) Capital Work-in-progress		102	92
(c) Goodwill		86	86
(d) Other intangible assets		18	11
(e) Intangible assets under development		4	2
(f) Investments in associates - equity method		653	622
(g) Financial assets			
(i) Investments		-	-
(ii) Loans		900	900
(iii) Others (financial assets)		35	33
(h) Deferred tax assets (net)		1	2
(i) Other non-current assets		25	12
<b>2) Current assets</b>			
(a) Inventories		1,585	1,477
(b) Financial Assets			
(i) Trade receivables		904	874
(ii) Cash & cash equivalents		4	19
(iii) Bank balances other than (ii) above		9	8
(iv) Others (financial assets)		175	118
c) Current tax assets (net)		2	5
d) Other current assets		111	142
<b>Total Assets</b>		<b>6,660</b>	<b>6,495</b>

	EQUITY AND LIABILITIES (Rs. crore)	As at 30th Sept. 2019	As at 31st March 2019
	<b>EQUITY AND LIABILITIES</b>		
(a) Equity Share capital		47	47
(b) Other Equity		2,014	1,806
(c) Non controlling interest		50	47
	<b>LIABILITIES</b>		
<b>1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		1,832	1,972
(ii) Other financial liabilities		10	-
(b) Provisions		24	21
(c) Deferred tax liabilities (net)		85	83
<b>2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		420	206
(ii) Trade Payables			
(i) Total outstanding dues of micro and small enterprises		52	78
(ii) Total outstanding dues of creditors other than micro and small enterprises		1,301	1,500
(iii) Other financial liabilities		480	455
(b) Other current liabilities		265	241
(c) Provisions		3	3
(d) Current tax liabilities (net)		77	38
<b>Total Equity and Liabilities</b>		<b>6,660</b>	<b>6,495</b>

# Comfortable Debt Position

Borrowings (Standalone) (Rs. crore)	As on Sept. 2019	As on March 2019	As on March 2018
Long term debt	2,002	2,109	2,356
Short term borrowing (less than 12 months)	285	72	442
<b>Total Debt</b>	<b>2,287</b>	<b>2,181</b>	<b>2,799</b>
Cash & Investments	4	19	7
<b>Net Debt</b>	<b>2,283</b>	<b>2,162</b>	<b>2,792</b>
<b>Long Term Debt Breakup:</b>			
-INR Debt	2,283	2,109	2,356
-Foreign Currency Debt	-	-	-

Borrowings (Subsidiaries) (Rs. crore)	As on Sept. 2019	As on March 2019	As on March 2018
<b>Long-Term Debt</b>	<b>35</b>	<b>52</b>	<b>51</b>
<b>Short-Term Debt</b>	<b>135</b>	<b>134</b>	<b>75</b>
<b>Total</b>	<b>170</b>	<b>185</b>	<b>126</b>



Note: - Net Debt/ EBITDA calculation based on Standalone financials  
 - H1 FY20 Net Debt/ EBITDA calculation based on TTM figure

Healthy cash generation to comfortably support debt repayment

# Key Financial Ratios (Standalone)

	H1 FY20	FY19	FY18
EBITDA margin (%)	11.6%	10.0%	12.3%
PAT Margin (%)	4.0%	2.9%	4.3%
Net Debt to Equity	1.4	1.4	2.2
Net Debt to EBITDA	2.5	2.4	2.4
Return on Equity (%)	18.6%	18.9%	37.4%
Return on Capital employed (%)	16.6%	16.8%	24.4%

**Note:**

- 1) H1 FY20 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



# About us

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.

A dedicated R&D Division helps JSHL foray into the development of innovative high-value specialty products. Over the last 4 decades, the company has been a market leader in domestic stainless steel production, catering to various applications, from kitchenware & lifestyle to industrial & process engineering sectors.

JSHL's growth over the years has been backed by its cutting edge research & development, world class manufacturing infrastructure, efficient distribution network, deep consumer insights and robust people practices.

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**Ramnik Gupta / Goutam Chakraborty**

**Jindal Stainless (Hisar) Ltd.**

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**Thank You**