

May 30, 2022

BSE Ltd.
P. J. Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code : 500378

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051
Scrip Code : JINDALSAW


Sub. : Financial / Operational Highlights – Year / 4th Quarter Results – Regulation 30 SEBI
(Listing obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs,

The Board of Directors of Jindal Saw Limited has approved the Audited Financial Results for the Year/fourth quarter ended 31st March, 2022. A copy of the highlights of financial and operational performance which will be circulated to the investor's community and other stakeholders is being sent to you for your reference and record.

Thanking you,

Yours faithfully,
for JINDAL SAW LTD.,


SUNIL K. JAIN
COMPANY SECRETARY
FCS: 3056



Encl. : As above.

New Delhi, 30th May 2022:

Jindal Saw Limited, a leading global manufacturer and supplier of Iron & steel pipe products, pipe-accessories and pellets, with manufacturing facilities in India, USA and Abu Dhabi (United Arab Emirates), today announced its financial results for the Q4 FY 22 and full year ended 31st March 2022.

THE FINANCIAL HIGHLIGHTS (STANDALONE) ARE AS FOLLOWS:

Particulars (Standalone financials)	Q4 FY22	Q4 FY21	Growth ~(%)	FY22	FY21	Growth ~(%)
	(Rs in Million)	(Rs in Million)		(Rs in Million)	(Rs in Million)	
	Unaudited	Unaudited	Q-o-Q	Audited	Audited	Y-o-Y
Total Income (#)	33,447	32,374	3.31%	1,12,434	89,110	26.17%
Total Expenditure:						
Total Raw Material Cost (@)	20,710	19,437		66,004	51,096	
Staff Cost	1,907	1,740		7,703	6,854	
Other Expenses (#)	6,916	6,603		24,876	18,590	
EBITDA	3,914	4,594	-14.80%	13,851	12,570	10.19%
Financial Costs (#)	972	902		3,692	4,043	
Depreciation	933	951		3,718	3,460	
Profit before Tax (PBT with exceptional items)	2,010	2,741		6,441	5,067	
Exceptional Items	70	-		70	-	
Profit before Tax (PBT after exceptional items)	1,939	2,741		6,371	5,067	
Provision for Tax	790	977		2316	1,777	
PAT	1,149	1,764	-34.86%	4,055	3,290	23.25%
RATIOS						
EBITDA to total income	11.70%	14.19%		12.32%	14.11%	
PBT to total income	5.80%	8.47%		5.67%	5.69%	
PAT to total income	3.44%	5.45%		3.61%	3.69%	

Notes:

(#) Total Income, Other Expenses and Finance Costs are net of the impact of foreign exchange fluctuations. The Company follows a policy and strategy of natural hedging of foreign exchange exposures.

(@) Total Raw Material Cost includes goods traded in for Q4 FY 22 is nil and Rs. 137 Mio for Q4 FY 21.

JINDAL SAW: CONSOLIDATED FINANCIALS

Particulars (Consolidated financials)	Q4 FY22	Q4 FY21	Growth ~(%)	FY22	FY21	Growth ~(%)
	(Rs in Million)	(Rs in Million)		(Rs in Million)	(Rs in Million)	
	Unaudited	Unaudited	Q-o-Q	Audited	Audited	Y-o-Y
Total Income	40,117	38,311	4.71%	1,34,510	1,08,732	23.71%
EBITDA	4,424	5,222	-15.28%	15,546	14,509	7.15%
Financial Costs	1,194	1,112		4,601	4,928	
Depreciation	1,185	1,245		4,730	4,589	
Profit before Tax (PBT)	2,045	2,865		6,215	4,992	
Provision for Tax	827	999		2,456	1,715	
PAT	1,218	1,866	-34.73%	3,759	3,277	14.71%

OPERATIONAL & FINANCIAL HIGHLIGHTS

Financial Year 22 witnessed significant challenges for the business and operations. The unprecedented and often uni-directional volatility in prices of key commodities like coking coal, iron ore, steel, and oil etc. resulted in steep increase in cost of production and the logistics costs. The same got compounded by the military conflict between Russia and Ukraine.

The Company's business model has the right architecture to modulate its operating performance in order to withstand adverse macro impacts. However, industry dynamics and geo-politics at present leave little room for normalcy to prevail. The Company's business mix comprising SAW Pipes, DI Pipes & Fittings, Seamless Pipes & Tubes and Mining & Pellets provides natural diversification to cash flows and hedges against such market circumstances, balancing out downsides to any single product/segment.

While the various pipe segments underperformed due to the significant increase in input costs, the pellet segment performance was at its best during FY 22 since commodity prices were at their peak. This suitably demonstrates the model is self-hedged where due to steep rise in the input prices the performance of Pipe segments got impacted however on the other hand pellet segment performed exceedingly well.

Given below is the update on the Strategic Business Units of the Company

The quantitative Sales break up for the year ended 31st March 2022 are given here:

Products	FY22	FY21
	(~) MT	(~) MT
Pipes		
- Large Diameter Saw Pipes		
- L Saw	1,28,400	1,57,500
- H Saw	2,61,400	3,48,300
- Ductile Iron Pipes	4,52,000	4,33,400
- Pig Iron	22,000	14,400
- Seamless & Stainless Tubes	2,05,000	1,58,300
Total – Pipes & Pig Iron	10,68,800	11,11,900
Pellets	15,17,400	12,64,500

- **During the Q4 FY 22 and for the year ended 31st March 2022.**

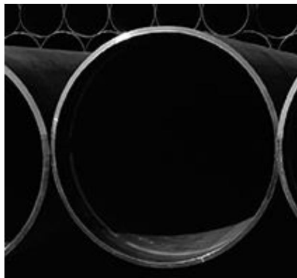
- **The Company produced:**

- Pipes and Pig Iron –
 - ~ 2,96,600 MT for Q4 FY 22, and
 - ~10,48,100 MT for FY 22
- Pellets-
 - ~ 3,83,700 MT for Q4 FY 22, and
 - ~14,99,000 MT for FY 22.

A DETAILED SEGMENT-WISE REVIEW IS PRESENTED BELOW.

IRON & STEEL PIPE SEGMENT PERFORMANCE – Q4 & FY22:

Saw Pipe Strategic Business Unit:



During Q4 FY22, the Company produced ~1.21 lac MT pipes as compared to ~1.79 lac MT of Pipes in Q4 FY21; lower production was primarily on account of moderate demand from this segment in FY 22. However, with progress towards normalization seen in steel prices together with pent-up demand, customers have started seeking bids. Consequently, the industry and the Company have started receiving orders. Based on the bidding done and expected to be done, we expect good number of orders from oil & gas sector in next few months.

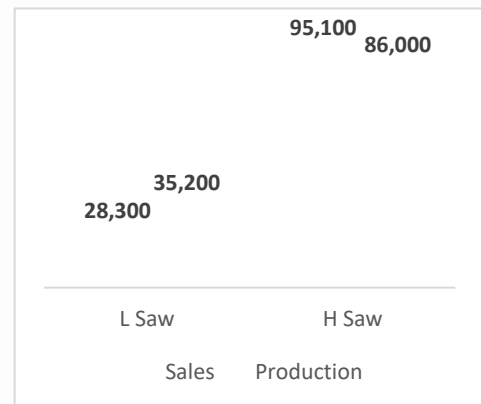
Further, with the stability in input cost and positive momentum on account of improvement in global markets the demand in exports is also expected to rise. Also given the Govt.'s focus on infra and water projects, the domestic demand in oil, gas and water segment is expected to support an improved momentum on outlook.

- Market leader with total capacity of ~1.50 million metric tons per annum between LSAW and HSAW pipes
- 6 Pipe Mills in India

Customer Segment
 Oil & Gas Transportation, Slurry and Water

Focus on growth:

Raw material prices play key role in order booking in this segment. Government' announcement to impose export tariffs on steel intermediaries and key steel products is likely to moderate the steel prices which will help to draw out new orders in coming quarters. The Current order book stands at ~2.31 lac MT. Order book comprises of mix of orders ~1.49 lac MT of H Saw and ~0.82 lac MT LSAW.



DI Pipes and Pig iron Strategic Business Unit:



During Q4 of FY 22, the Company has produced ~1.22 lac MT DI Pipe and pig iron as compared to ~1.31 lac MT in Q4 of FY21. The production was stable during the current financial year.

There is some relief in raw material prices in this quarter and we expect the input prices to remain in a band. This is expected to have positive impact on the profitability for this segment. The segment caters to the demand for water infrastructure which has significant support from the Central and State governments and hence the demand is expected to remain buoyant.

- One of the largest producers of Ductile Iron Pipes having plants in India and in Abu Dhabi (UAE). Total capacity (Global) of ~ 0.8 million MTPA making the company the 3rd largest producers of DI Pipes globally
- Largest Ductile Iron Fittings plant with size range of DN 80 mm to DN 2200 mm and annual production capacity of 18,000 MT per annum

Customer Segment

Systems transporting potable water, Industrial water, Irrigation water and Pressure sewage

Focus on growth:

Because of steep increase in raw material price specially coking coal, the Company remained cautious for booking new orders in last two quarters of FY 22. The DI industry is seeking price variation clause in new orders and moreover new orders are being based on current raw material prices. The Company has started looking for new orders.

1,24,100	1,18,900
2,600 2,900	
Ductile	Pig Iron
Sales	Production

Seamless Pipes Strategic Business Unit:



Performance in this segment remains stable on account of steady demand from oil & gas and industrial sector. Company had produced ~0.54 lac MT pipes in Q4 FY22 as compared to ~0.56 lac MT pipes in Q4 FY21.

- One of the leading manufacturers of Seamless Tubes and Pipes with capability to produce carbon & alloy steel pipes and stainless steel (including stainless seamless pipes & Tubes and stainless welded pipes & tubes)
- The Company (51%) has entered in a JV with Hunting Energy Pte. Ltd Singapore (49%) to set up precision machine shop for premium connections.

Customer Segment

Petroleum, Exploration, General Engineering, Power and Automotive

Focus on growth:

Stable demand from Oil & Gas sectors and increase in demand from automobile and power sector will improve order booking in this segment. The current order book in this segment is ~0.68 lac MT. We expect the order book to improve in next few months.

48,200	48,400
4,500 5,200	
Seamless	SS
Sales	Production

Iron Ore Mines and Pellet Strategic Business Unit:



The Company has produced ~3.84 lac MT in Q4 FY22 as compared to ~3.67 lac MT in Q4 FY21. Corresponding sale of pellets was ~3.84 lac MT in Q4 FY2022, vis. a vis. ~3.54 lac MT in Q4 FY2021. The order book stood at ~1.08 lac MT.

The prices remained stable in Q4 FY 22 for pellets which in turn give stability in the profitability. With the expected increase in infrastructure activities, the demand is expected to remain stable in this segment.

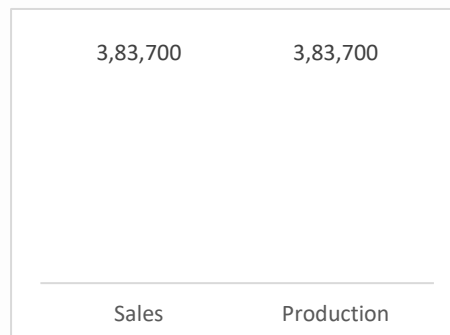
- North India Based Pellet Plant with capacity of 1.5 million metric tons per annum

Customer Segment

Mainly used in Iron making processes like Modern blast furnace process, COREX, sponge iron and DRI making among

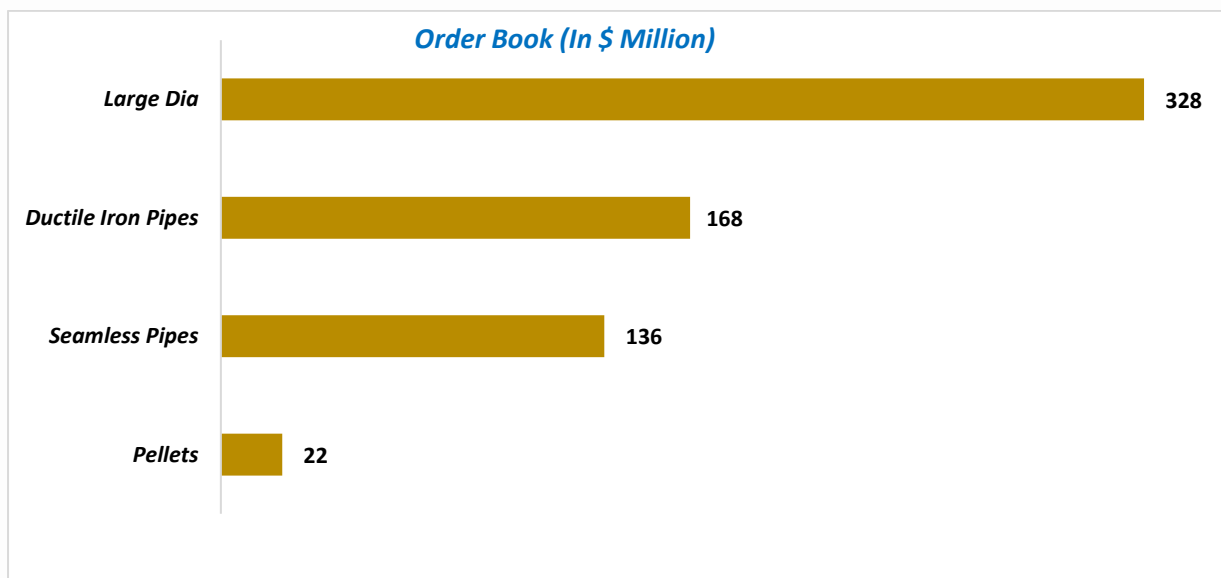
Focus on growth:

Imposition of tariffs on export of Pellets is expected to impact the demand and profitability of Pellet segment, in the short term.



ORDER BOOK POSITION

- The current order book for pipes and pellets is app. US\$ 654 million, the break-up is as under:



Considering the significant volatility in the raw material prices, the Company was cautious in booking new orders in Q4 FY22 as well. However, with the waiver in import duty on coking coal and imposition of export duty on steel intermediaries and key steel products effective 22nd May 2022, the Company expects the prices of steel prices to soften in the domestic market. The same is expected to boost the demand of steel pipes for oil, gas and water segments.

FINANCING AND LIQUIDITY - UPDATE ON DEBT POSITION

As of 31st March 2022, net institutional debt of the Company (at standalone level) was ~Rs. 36,559 million (~Rs 41,907 million on 31st December 2021) including long term loans and fund based working capital borrowings. This includes Net working capital borrowings (short term) of ~Rs. 22,726 million on 31st March 2022 (~Rs. 27,182 million on 31st December 2021) and Long-term Rupee Loans / Rupee NCDs of ~Rs. 13,833 million on 31st March 2022 (~Rs. 14,725 million on 31st December 2021). Company has sufficient working capital facilities to manage its operations efficiently.

Particulars (Rs. In Millions)	As on March 31 2022	As on March 31 2021
Standalone Debt	36,559	29,760
- Long Term Debt	13,833	19,710
- Net Short Term/ Working Capital Debt	22,726	10,050
Consolidated Debt	44,573	36,581
- Long Term Debt	17,703	24,368
- Net Short Term/ Working Capital Debt	26,870	12,213

OTHER HIGHLIGHTS:

Jindal SAW & Hunting Energy Services Pte Ltd (Hunting) Joint Venture:

- I. The Company has entered a collaboration with Hunting Energy Services Pte. Ltd, Singapore who is a global leader in precision technology for premium connections in Oil Country Tubular Goods (OCTG). A joint venture company ("JV") has been setup where JSAW holds 51% and the balance 49% is held by Hunting. Both shareholders have injected equity aggregating to Rs 30 Crore, as per their respective shareholding.
- II. Hunting, a technology leader, will impart its proven, patented premium connection threading license to the JV. JV will become a leading 'Centre of Excellence' with a global strategy and vision. The business will establish, a state-of-the-art precision machine shop ("Centre of Excellence") to thread premium connections including accessories for Indian and global markets, near the Nashik manufacturing complex of Jindal Saw with a proposed 130,000 sq. ft manufacturing footprint. Expected to be operational during FY 23, the facility will have Coupling Threading coupled with Pipe threading lines over time with an annual capacity of 50,000 metric tons.

Credit Ratings:

- I. CARE Ratings has assigned and reaffirmed "CARE A1+ (A One Plus)" for Short-term debt facilities including commercial papers and "CARE AA (Outlook Negative)" for Long-term debt facilities.
- II. Brickwork Ratings has assigned and reaffirmed "BWR AA with Stable Outlook" for Non-Convertible Debenture of Rs 5 billion.

UAE operations:

- I. Abu Dhabi (UAE) operations have reported improved performance for the year ended 31st March 2022. UAE has sold Ductile Iron Pipes ~220,000 MT (~204,000 for FY2021) for the year ended 31st March 2022 and has an order book of ~79,000 MT.

Update on Sathavahana Ispat Limited:

- I. Jindal Saw (JSAW) is one of the Resolution Applicant for Sathavahana Ispat Limited (SIL) which is going through a CIRP under IBC. SIL has a capacity of ~200,000 MTPA for producing DI Pipes, which is strategically located to cater to the South Indian water pipe requirements. If successful, this will add to JSAW's DI pipe capacity and significantly improve its market dominance. The entire process may take a few months for closure.

Jindal ITF Ltd. v/s NTPC:

- I. Jindal ITF Ltd. v/s NTPC case proceedings are being heard by Hon'ble High Court of Delhi and the hearings have now been scheduled in July 2022, post court vacations.

OUTLOOK:

- After a considerable diminution in 2020, the global economy staged a strong recovery in 2021, aided by robust fiscal policies and measures and a nearly 50% full vaccination rate. While recovery seems likely to run into 2022, geopolitical tensions, high inflationary pressure, supply-chain disruptions, and a projected tightening of global financial conditions stand to sabotage global GDP growth.
- A major concern as we emerge from the pandemic is inflation, which has further intensified due to the conflict between Russia and Ukraine. This has influenced the policy stance of central banks in several economies, prompting them to raise their rates.
- Despite the challenges, India has the potential to become one of the fastest growing major economies in the world. In 2022-23, India's GDP is expected to rise owing to positive business environment, robust industrial output, broad vaccine coverage, gains from supply-side reforms and regulatory ease, healthy export growth, and the availability of fiscal space to ramp up capital spending. The trajectory set for India's economy by the previous year's budget has been reinforced in the Union Budget 2022-23. The capex budget has been increased by 35.4% over the current year's budget predictions, amounting to 4.1% of GDP, which will fuel Gati Shakti's seven engines, bridging the infrastructure gap and making life easier. There is a lot of private investment taking place and consumption levels are rising as a result of increased employment. The capex generated by the government will also encourage private investment. The Production Linked Incentive (PLI) schemes in 14 sectors will further encourage private investment in order to boost export growth and allow for feasible import substitution in the country.

-ENDS-

ABOUT JINDAL SAW LTD.

Jindal Saw (NSE – JINDALSAW, BSE - 500378) has a business model that is well diversified in terms of strategic locations, markets, products, industries and customers. The business model designed to create a hedge against simultaneous risks and adverse macros, which allows it to operate and perform in difficult economic and geopolitical circumstances. The Company's domestic and exports markets are well balanced, and its businesses operate through four strategic business divisions including SAW Pipes, DI Pipes & Fittings, Seamless Pipes & Tubes and Mining & Pellets.

JSAW has geographically diversified operations spread across Kosi Kalan (Uttar Pradesh), Mundra (Gujarat), Nashik (Maharashtra), Indore (Madhya Pradesh) and Bellary, (Karnataka). The Company has further increased its presence in Bhilwara (Rajasthan), where, apart from having low grade iron ore mine, it has also implemented an iron ore beneficiation and a pellet plant.

JSAW has a healthy product portfolio with presence across major segments of the pipe industry viz. LSAW pipes, HSAW pipes, DI pipes, seamless pipes & tubes, anti-corrosion coated pipes, hot-pulled induction bends etc. Company's revenue is well balanced among various products with no single product contributing more than 30% to revenue. Most of the products contribute between 10% to ~30% of total revenue, thus providing diversification to cash flows and mitigation against market volatility related to any single product.

JSAW has strong presence in overseas market and most of the exports take place with Latin American countries and MENA region. ~ 50% of the company's revenues come from the water supply and sanitation (WSS) which is growing rapidly in India and globally. Company's exposure to Oil & Gas sector accounts for only one third of the total revenue. Due to its diversified portfolio, the Company has been able to protect itself from the downfall of Oil & Gas sector. JSAW has government as well as private sector clients in sectors and have strong domestic and international presence across brands.

For more information, please visit <http://www.jindalsaw.com> OR contact:

Rajeev Goyal / Vinay Gupta

Jindal Saw Limited

Tel: +91 11 41462330 / +91 11 41462200

Email: Rajeev.goyal@jindalsaw.com

Vinay.gupta@jindalsaw.com

Siddharth Rangnekar / Nishid Solanki

CDR India

Tel: +91 22 6645 1209 / 1221

Email: siddharth@cdr-india.com

nishid@cdr-india.com

Forward Looking Statements

This document contains statements that constitute "forward looking statements" including, without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward-looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance. Jindal Saw undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances.