

JSHL/2021-22

February 10, 2022

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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 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 nine months ended 31<sup>st</sup> December, 2021. 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: As above**



# JINDAL STAINLESS LTD and JINDAL STAINLESS (HISAR) LTD

Q3& 9MFY22  
Earnings Presentation

February 10, 2022



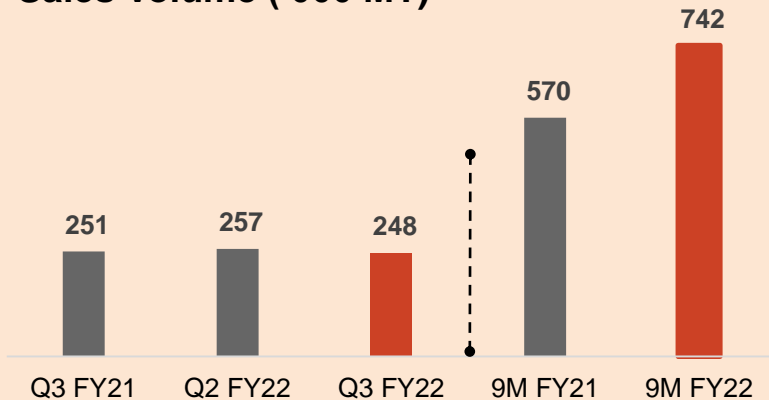
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# Standalone Operational and Financial Performance

# JSL: Key Financials Highlights – Q3FY22

## Sales Volume ('000 MT)



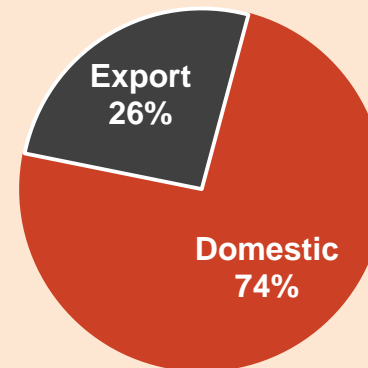
Shift (%)

QoQ: (4)%

YoY: (1)%

30%

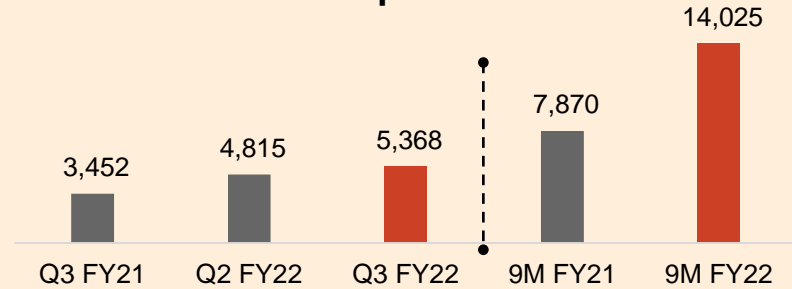
## Sales Composition



Continued to register profitable growth by harnessing export markets

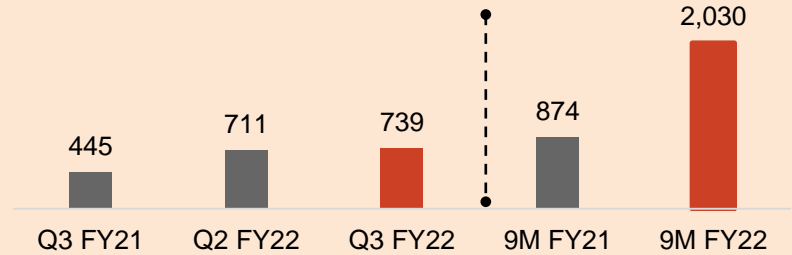
# JSL: Key Financials Highlights – Q3FY22

## Net Revenue from operations



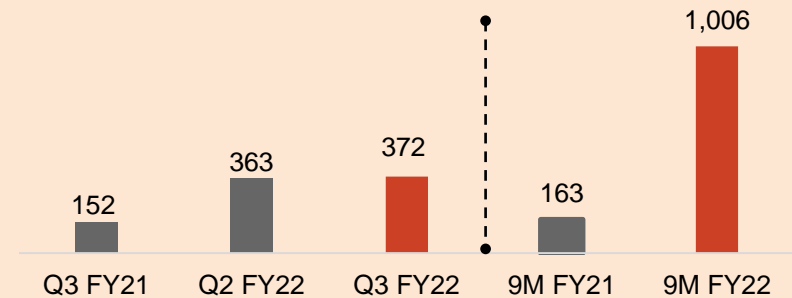
Shift (%)	QoQ: 11%	YoY: 56%	78%
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## EBITDA



Shift (%)	QoQ: 4%	YoY: 66%	132%
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## PAT

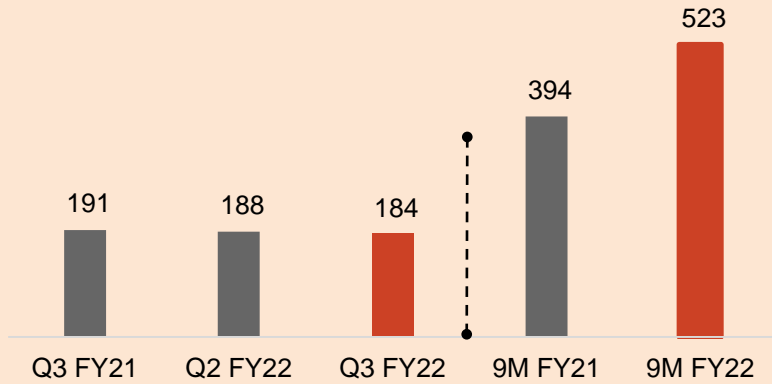


Shift (%)	QoQ: 3%	YoY: 145%	517%
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- Improved product mix, attuned to market demands, helped to remain agile and responsive to customer requirement
- Sharp focus on financial prudence and strong operating fundamentals

# JSHL: Key Financials Highlights – Q3FY22

## Sales Volume ('000 MT)



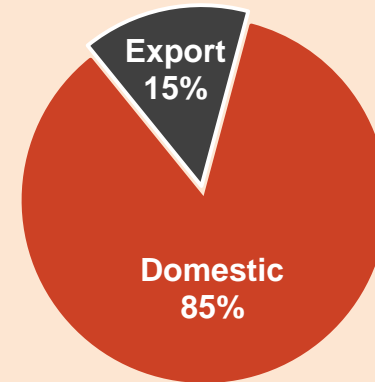
Shift (%)

QoQ: (2)%

YoY: (8)%

33%

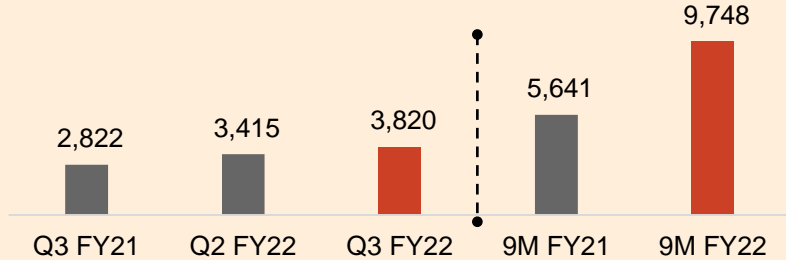
## Sales Composition



- Increased Specialty Products Division (SPD) sales by 32% on YoY basis
- Recorded highest ever quarterly sales in the Blade Steel and Precision Strip segments during Q3FY22

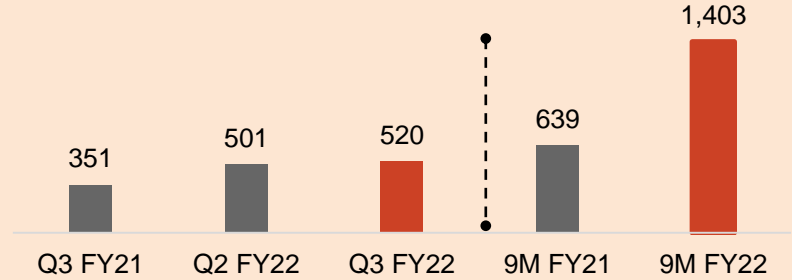
# JSHL: Key Financials Highlights – Q3FY22

## Net Revenue from operations



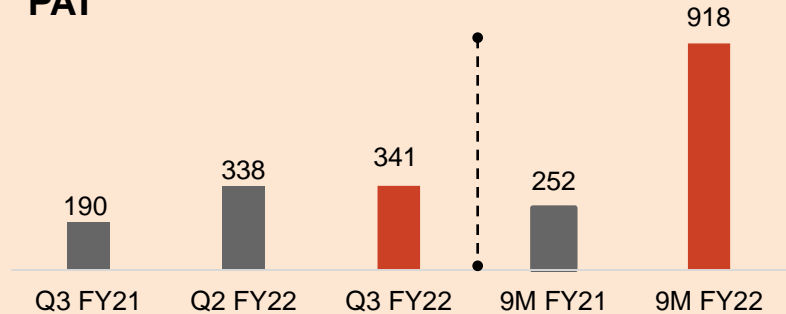
Shift (%)	QoQ: 12%	YoY: 35%	73%
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## EBITDA



Shift (%)	QoQ: 4%	YoY: 48%	120%
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## PAT



Shift (%)	QoQ: 1%	YoY: 79%	265%
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A dynamic product mix, augmented proportion of exports, and increased share of specialty products led to improved profitability



## Process Industry

- Desalination plants, Ethanol plant, Bio refinery, Fertilizer plants, fleet mode nuclear projects saw good demand
- Demand for special grades (Duplex, Super Austenitic, Chequered plates remain elevated)

## Railways – wagons, coaches, metros

- Outlook remains positive
- In coaches, higher demand expected in FY23
- Good demand visibility for various domestic and global metro projects

## Infrastructure

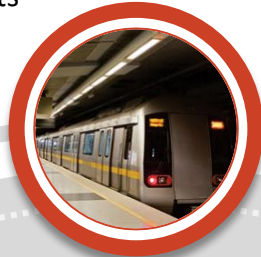
- Railways notified use of stainless steel for FOBs and ROBs in corrosion prone areas
- Lifts and escalators segment demand continuous to be strong

## Automobiles

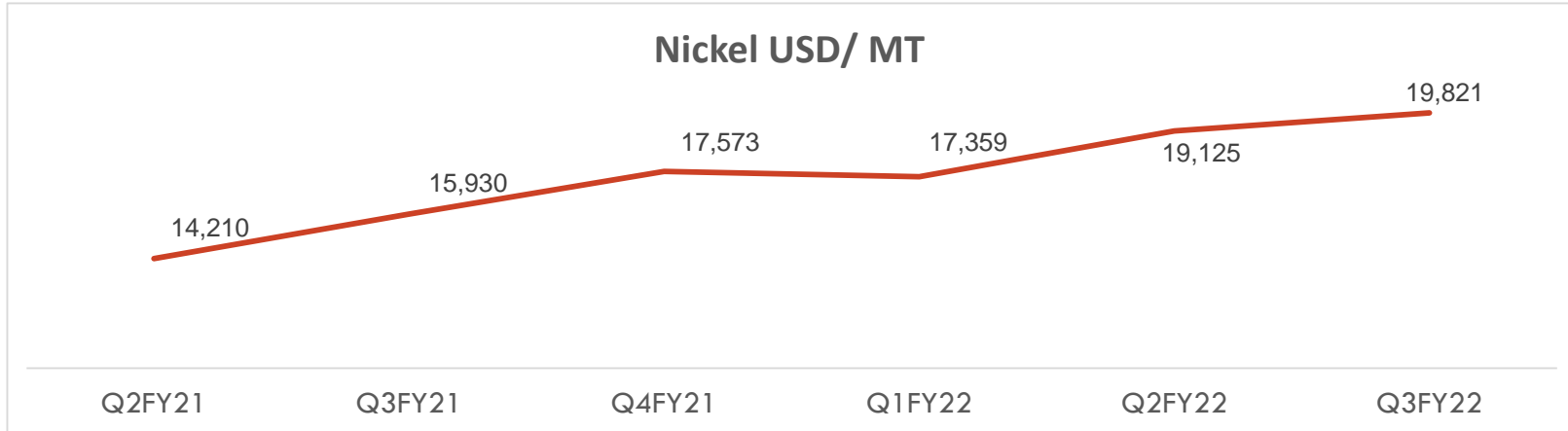
- Semiconductor shortage continues to be a challenge for Passenger Vehicles
- Two wheeler demand moderated

## Pipes & Tubes

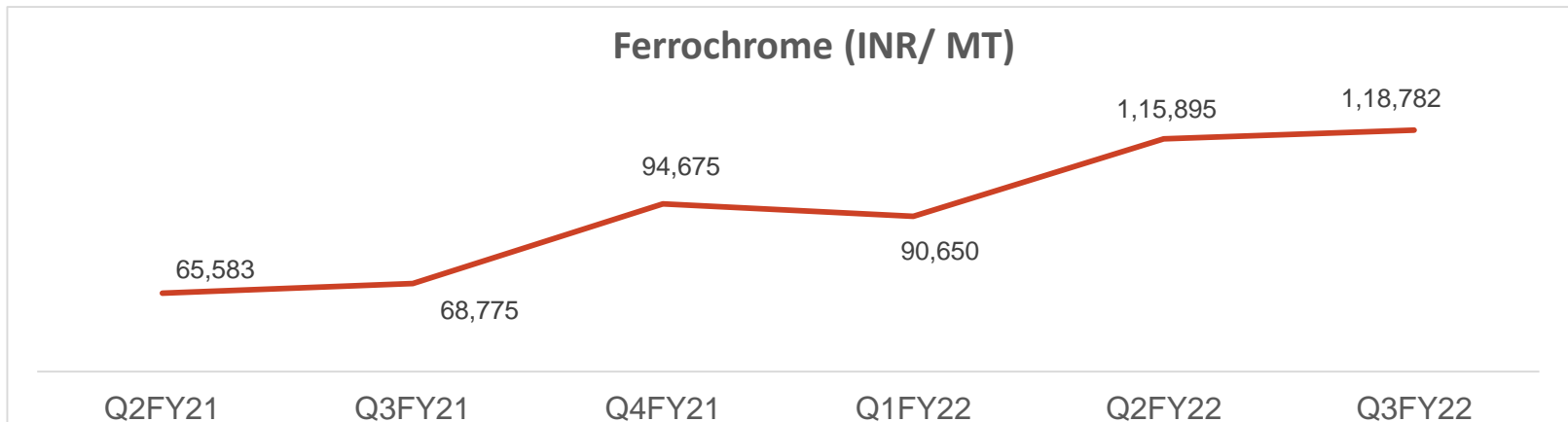
- Low market demand and higher raw material prices affected market sentiments
- Expected to grow backed by strong GDP growth



# Key Raw Materials- Price trend



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

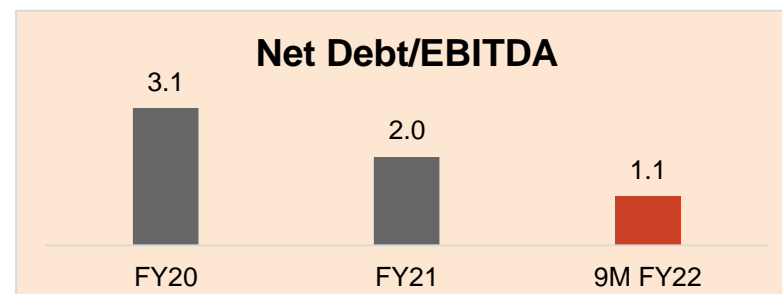
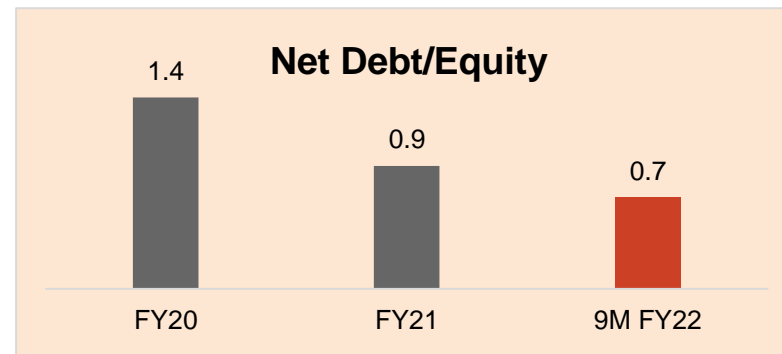


**Note:** Average quarterly prices; Source: Steel Mint

# JSL: Debt Position & Key Ratios

Borrowings (Standalone) (INR crore)	As on Dec 2021	As on Mar.2021	As on Mar.2020
<b>Lenders' Debt</b>			
Long term debt	1,373	1530	2,357
Short term borrowing	493	319	398
<b>Total Lenders' Debt</b>	<b>1,867</b>	<b>1849</b>	<b>2,755</b>
Inter corporate loan from related party	1,050	1,050	900
<b>Total Debt</b>	<b>2,917</b>	<b>2,899</b>	<b>3,655</b>
Cash & Bank balances	104	89	44
<b>Net Debt</b>	<b>2,812</b>	<b>2,810</b>	<b>3,610</b>

Borrowings (Subsidiaries) (INR crore)	As on Dec 2021	As on Mar.2021	As on Mar.2020
Long-Term Debt	47	60	-
Short-Term Debt	309	195	248
<b>Total</b>	<b>355</b>	<b>255</b>	<b>248</b>



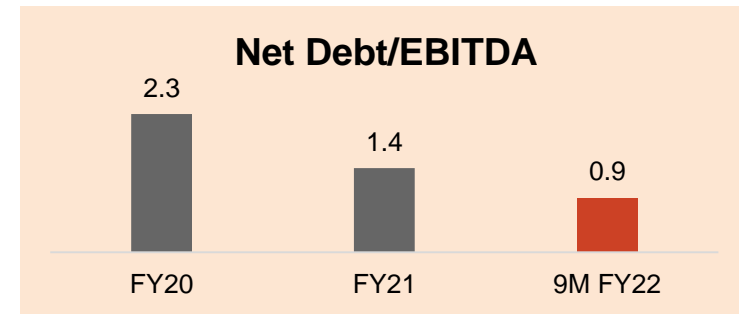
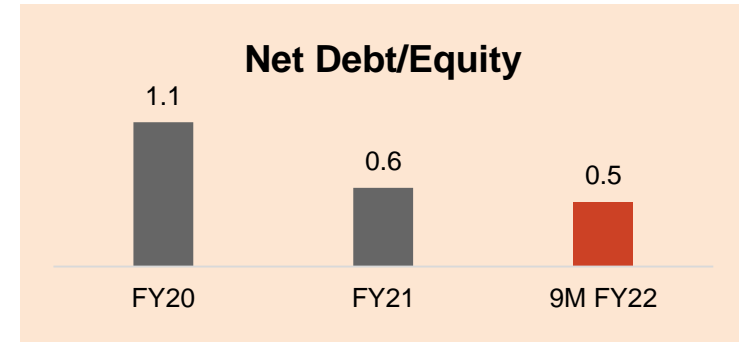
*Note: 9M FY22 calculations based on TTM figure*

CRISIL and India Ratings upgraded long term debt ratings to AA-/ Stable & reaffirmed A+/ stable for the short term

# JSHL: Debt Position & Key Ratios

Borrowings (Standalone) (INR crore)	As on Dec 2021	As on March 2021	As on March 2020
<b>Long term debt</b>	<b>1,211</b>	<b>1,250</b>	<b>1,929</b>
Short term borrowing (less than 12 months)	394	127	90
<b>Total Debt</b>	<b>1,604</b>	<b>1,376</b>	<b>2,019</b>
Cash & Bank balances	9	8	19
<b>Net Debt</b>	<b>1,595</b>	<b>1,368</b>	<b>2,000</b>

Borrowings (Subsidiaries) (INR crore)	As on Dec 2021	As on March 2021	As on March 2020
Long-Term Debt	7	14	33
Short-Term Debt	189	41	129
<b>Total</b>	<b>197</b>	<b>55</b>	<b>162</b>



*Note: 9M FY22 calculations based on TTM figure*

CRISIL, CARE and India Ratings upgraded long-term debt rating to AA- & CARE and India Ratings reaffirmed the short term debt rating to A1+

# 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**

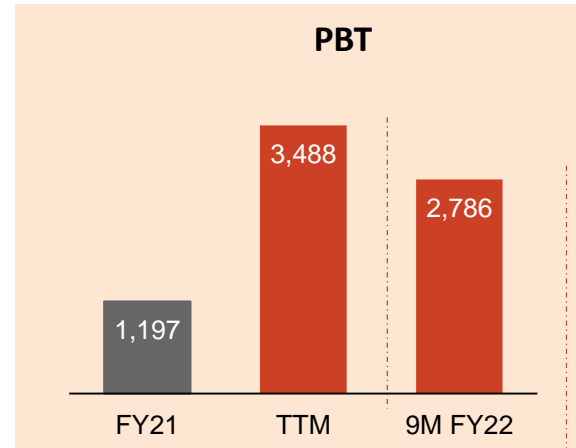
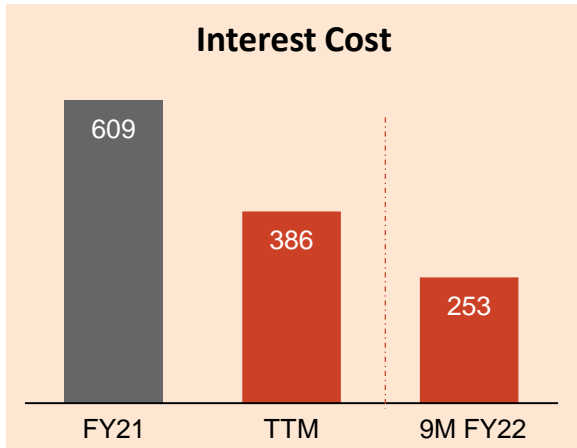
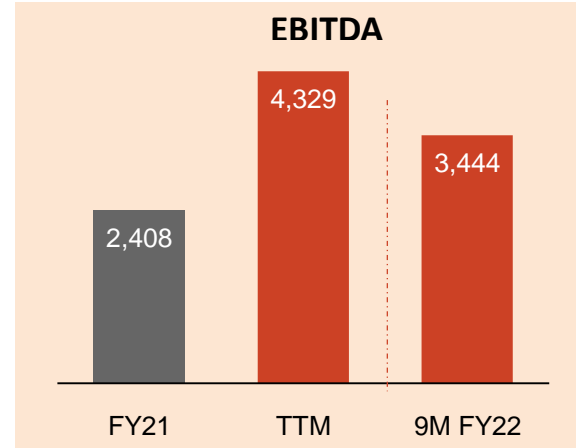
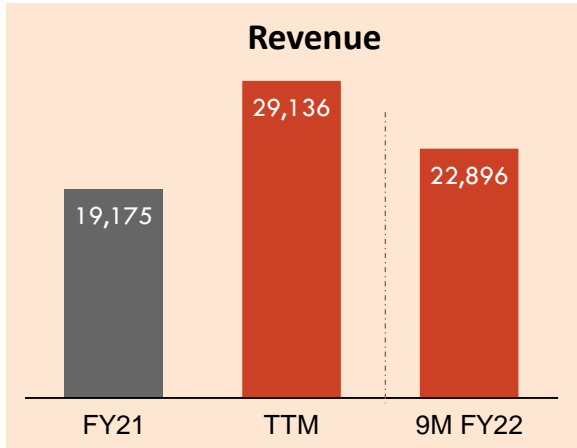
**Domestic**

**Offerings**

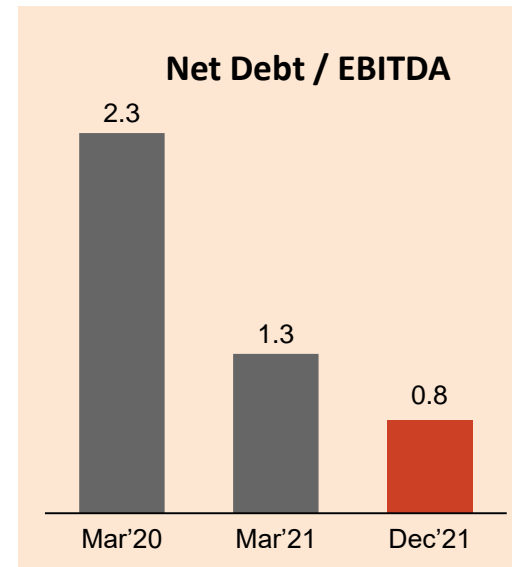
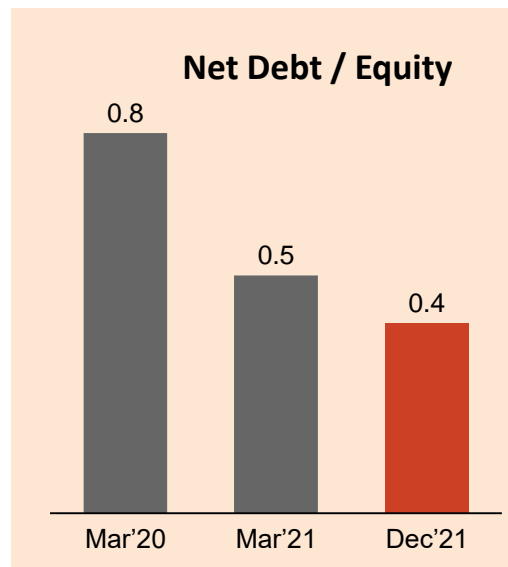
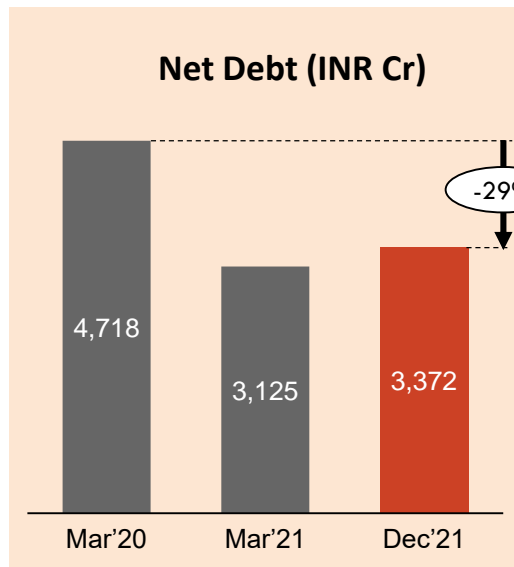
**High volume, wider width offerings. Actively catering to volume oriented sectors like Railways, Auto and Infrastructure**

**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



# Merger: JSL, JSHL

## APPOINTED DATE

- April 1, 2020

## MAJOR EVENTS EXPECTED COMPLETION IN H1 FY23

- 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 1<sup>st</sup> week of March'21, ahead of the expected time
- The Hon'ble NCLT, Chandigarh Bench has heard the first motion petition and reserved its order on February 08, 2022. The detailed order mentioning the date for convening the meeting of the shareholders and creditors is likely to be received within 2 to 3 weeks

# Annexure



# JSL: Abridged P&L Statement (Standalone)

Particular (Rs. crore)	Q3FY22	Q3FY21	YoY	Q2FY22	QoQ	9M_FY22	9M_FY21	YoY
			Change (%)		Change (%)			Change (%)
Revenue from operations	5,368	3,452	56%	4,815	11%	14,025	7,870	78%
Total Expenditure	4,629	3,007	54%	4,104	13%	11,995	6,995	71%
EBITDA	739	445	66%	711	4%	2,030	874	132%
EBITDA/ton	29,855	17,745	68%	27,685	8%	27,349	15,349	78%
EBITDA margin (%)	13.8%	12.9%	89 bps	14.8%	(99) bps	14.5%	11.1%	336 bps
Other Income	12	10	30%	15	(15%)	37	30	21%
Finance Cost	89	117	(24%)	79	13%	248	372	(33%)
Depreciation	90	93	(3%)	89	0%	270	283	(5%)
Exceptional gain/loss	0	7	NA	0	NA	0	45	NA
PBT	573	251	129%	557	3%	1548	295	426%
Tax	202	99	103%	195	4%	542	132	312%
PAT	372	152	145%	363	3%	1006	163	517%
PAT margin (%)	6.9%	4.4%	253 bps	7.5%	(61) bps	7.2%	2.1%	510 bps
EPS (Diluted) in INR	7.1	3.0	135%	7.0	2%	19.5	3.3	497%

# JSL: Abridged P&L Statement (Consolidated)

Particular (Rs. crore)	Q3FY22	Q3FY21	YoY	Q2FY22	QoQ	9M_FY22	9M_FY21	YoY
			Change (%)		Change (%)			Change (%)
Revenue from operations	5,670	3,585	58%	5,027	13%	14,729	8,275	78%
Total Expenditure	4,873	3,111	57%	4,279	14%	12,584	7,393	70%
EBITDA	797	473	68%	748	7%	2,146	882	143%
<i>EBITDA margin (%)</i>	14.1%	13.2%	85 bps	14.9%	(82) bps	14.6%	10.7%	391 bps
Other Income	12	7	67%	15	(15%)	36	28	29%
Finance Cost	93	121	(23%)	82	13%	261	383	(32%)
Depreciation	93	101	(8%)	93	0%	280	306	(9%)
Exceptional gain/loss	0	8	NA	0	NA	0	49	NA
Share of profit of investments gain/(loss)	31	6	38%	26	18%	82	(14)	NA
PBT	654	274	139%	614	7%	1723	256	573%
Tax	212	103	105%	202	5%	564	129	337%
PAT	442	170	160%	412	7%	1159	127	814%
PAT margin (%)	7.8%	4.7%	304 bps	8.2%	('40) bps	7.9%	1.5%	666 bps
EPS (Diluted) in INR	8.4	3.4	145%	7.9	6%	22.2	2.6	752%

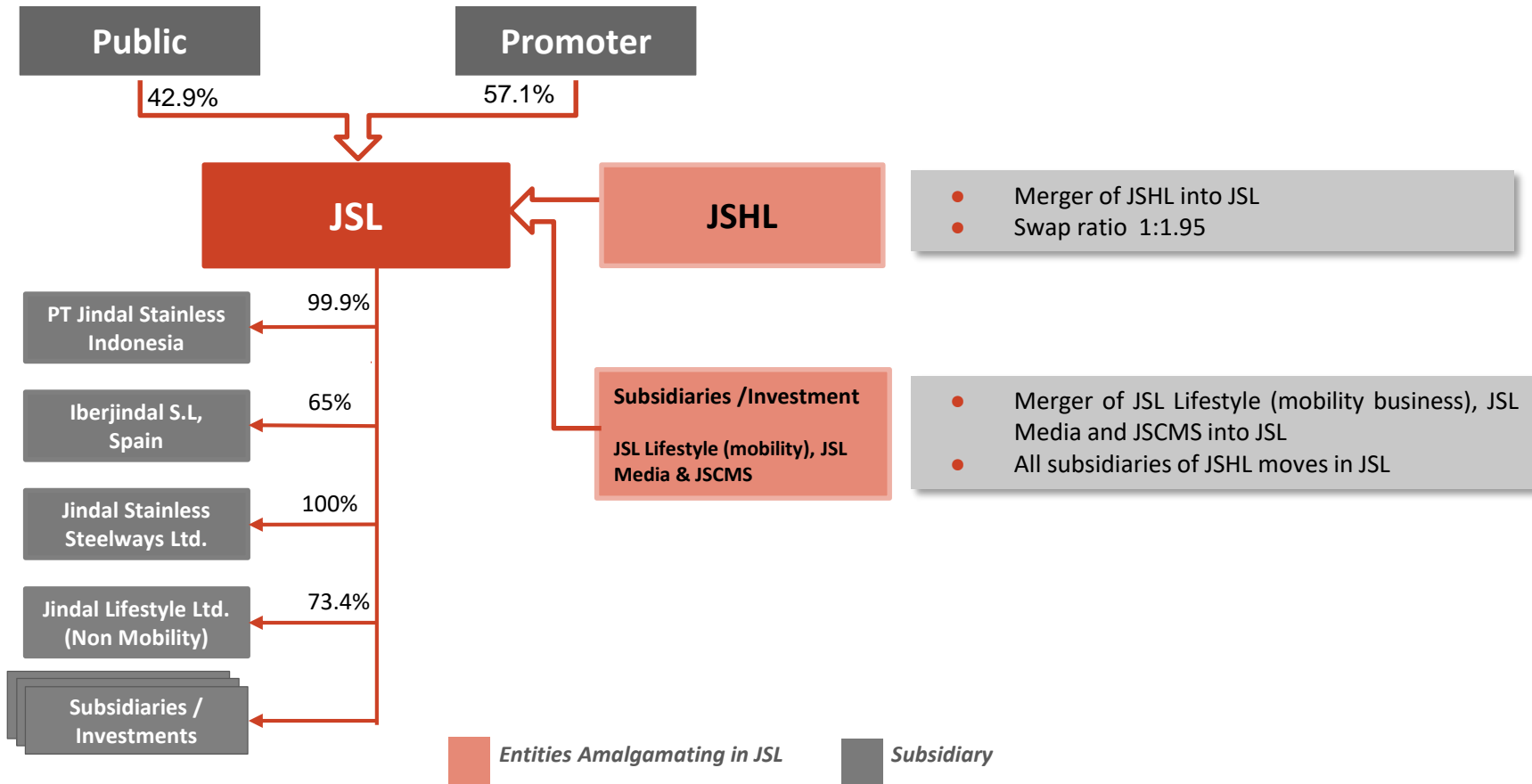
# JSHL: Abridged P&L Statement (Standalone)

Particular (Rs. crore)	Q3 FY22	Q3 FY21	YoY	Q2 FY22	QoQ	9M FY22	9M FY21	YoY
			Change (%)		Change (%)			Change (%)
Net revenue from operations	3,820	2,822	35%	3,415	12%	9,748	5,641	73%
Total Expenditure	3,300	2,471	34%	2,914	13%	8,344	5,003	67%
EBITDA	520	351	48%	501	4%	1,403	638	120%
EBITDA/ton	28,259	18,335	54%	26,636	6%	26,815	16,199	66%
EBITDA margin (%)	13.6%	12.4%	119 bps	14.7%	(106 bps)	14.4%	11.3%	308 bps
Other Income	29	24	20%	28	5%	83	71	17%
Finance Cost	32	61	(48%)	20	60%	82	194	-58%
Depreciation	57	67	(15%)	57	1%	172	201	-15%
Exceptional gain/(loss)	0	8	(100%)	0	-	0	24	NA
PBT	460	255	81%	452	2%	1,233	338	265%
Tax	119	64	85%	115	4%	315	86	266%
PAT	341	190	79%	338	1%	918	252	265%
PAT margin (%)	8.9%	6.7%	218 bps	9.9%	(96 bps)	9.4%	4.5%	496 bps
EPS (Diluted) in INR	14.5	8.1	79%	14.3	1%	38.9	10.7	265%

# JSHL: Abridged P&L Statement (Consolidated)

Particular (Rs. crore)	Q3 FY22	Q3 FY21	YoY	Q2 FY22	QoQ	9M FY22	9M FY21	YoY
			Change (%)		Change (%)			Change (%)
Net revenue from operations	4,173	3,147	33%	3,743	11%	10,693	6,298	70%
Total Expenditure	3,604	2,759	31%	3,176	13%	9,145	5,576	64%
EBITDA	569	387	47%	567	0%	1,548	721	115%
EBITDA margin (%)	13.6%	12.3%	133 bps	15.1%	(151 bps)	14.5%	11.5%	302 bps
Other Income	30	26	17%	29	5%	87	81	7%
Finance Cost	36	65	(45%)	24	50%	93	206	-55%
Depreciation	63	73	(14%)	62	0%	189	219	-14%
Exceptional gain/(loss)	0	8	(100%)	0	-	0	24	-100%
Share of profit from associates gain/(loss)	146	60	143%	120	21%	371	47	696%
PBT	647	343	88%	630	3%	1,725	448	285%
Tax	132	73	80%	131	1%	352	103	243%
PAT	515	270	91%	499	3%	1,373	345	298%
PAT margin (%)	12.3%	8.6%	375 bps	13.3%	(98 bps)	12.8%	5.5%	736 bps
EPS (Diluted) in INR	21.8	11.4	91%	21.1	3%	58.0	14.6	298%

# Proposed Structure Post Merger



# Capex Overview





# Leveraging World class Jajpur 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 operations for Atmanirbhar Bharat

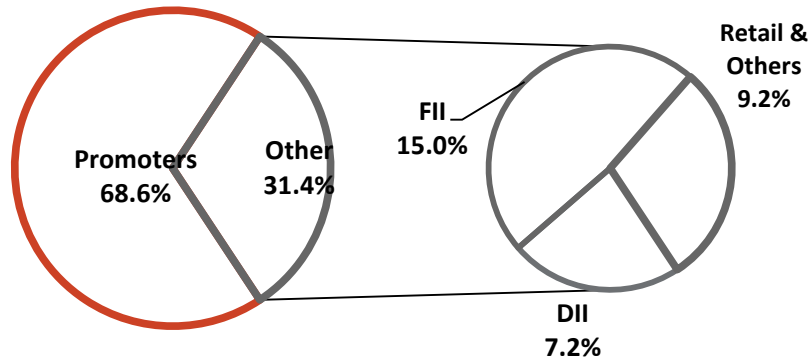
JSL Projects	Existing Capacity MTPA	Incremental Capacity MTPA	Total JSL MTPA	Est. Capex INR Cr	Est. Completion
SMS	1.10	1.00	2.10	<b>530</b>	Q3 FY23
Combo Line				<b>1,250</b>	Q4 FY23
HRAP	0.80	0.45	1.25		
CRAP	0.45	0.30	0.75		
Ferro Chrome	0.25	0.10	0.35	<b>315</b>	Q3 FY24
Quality Lab Expenses and Other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

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

# Shareholding Pattern

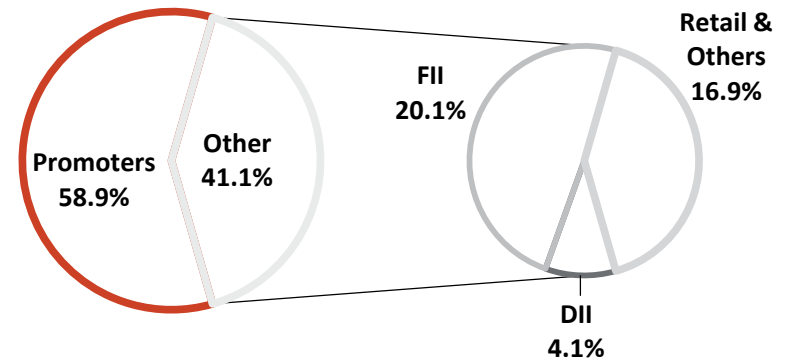
## JSL

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.

**Goutam Chakraborty / Shreya Sharma**

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**Thank You**