



JSL/BM-2/2017-18

May 12, 2017

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**Security Code No. : JSL**

**Sub.: Press Release**

Dear Sir/Madam,

We are forwarding herewith copy of Press Release in respect of unaudited / audited standalone and consolidated financial results for the quarter / year ended 31<sup>st</sup> March, 2017.

Kindly host the same on your website and acknowledge receipt of the same.

Thanking you,

Yours faithfully,  
For **Jindal Stainless Limited**

  
**(Anurag Mantri)**  
**Chief Financial Officer**



**Jindal Stainless Limited**

CIN: L26922HR1980PLC010901

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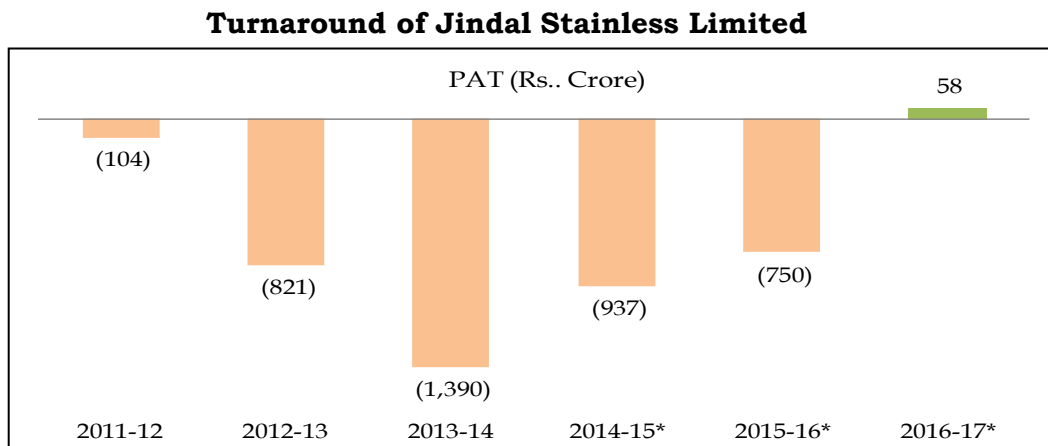
Website: www.jslstainless.com, www.jindalstainless.com



**Jindal Stainless Limited (JSL)**  
**Corporate Release**

**Performance (Standalone & Consolidated)**  
**for the Quarter & Year ended 31<sup>st</sup> March 2017**

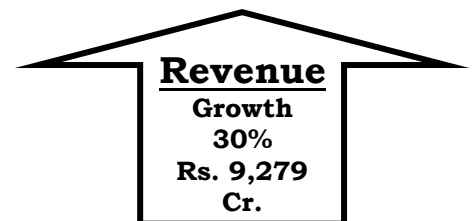
**Key Highlights:**



\* Post scheme numbers. And FY 2015 & 2016 doesn't includes the gain on account of the scheme

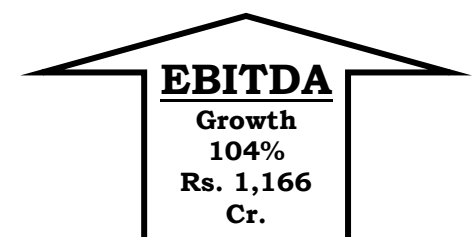
**Y-o-Y Comparison: FY-2017 vs FY-2016 (Consolidated)**

- Net Revenue growth 30% at Rs. 9,279 Cr.
- EBITDA growth 104%, at Rs. 1,166 Cr.
- Net Profit at Rs. 82 Cr. against loss of Rs. 557 Cr.



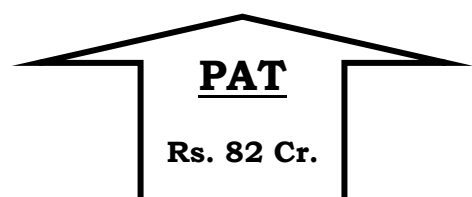
**Y-o-Y Comparison: FY-2017 vs FY-2016 (Standalone)**

- Stainless Steel Sales Volume growth 20%
- Stainless Steel Production Volume growth 20%
- Net Revenue growth 27% at Rs. 8,311 Cr.
- EBITDA growth 112%, at Rs. 1,107 Cr.
- Net Profit at Rs. 58 Cr. against loss of Rs. 559 Cr.



**Y-o-Y Comparison: Q4-2017 vs Q4-2016 (Standalone)**

- Stainless Steel Sales Volume growth 6%
- Stainless Steel Production Volume growth 12%
- Net Revenue growth 24% at Rs. 2,301 Cr.
- EBITDA growth 117%, at Rs. 313 Cr.
- Net Profit at Rs. 161 Cr. against loss of Rs. 172 Cr.



**Consolidated**

Particulars	Standalone									Consolidated		
	Q-o-Q Comparison			Y-o-Y Comparison						Y-o-Y Comparison		
	Unaudited			Unaudited			Audited			Audited		
	Q4 2016-17	Q3 2016-17	% change Q-o-Q	Q4 2015-16	% change Y-o-Y	FY 2016-17	FY 2015-16	% change Y-o-Y	FY 2016-17	FY 2015-16	% change Y-o-Y	
	A	B	(A-B)/B	C	(A-C)/C	D	E	(D-E)/E	D	E	(D-E)/E	
SS Sales Volume (MT)	152,258	154,280	-1%	143,722	6%	641,333	533,778	20%				
SS Production (MT)	181,906	183,073	-1%	162,311	12%	722,995	603,863	20%				
Revenue from Operation (Gross)	2,468	2,259	9%	1,996	24%	8,957	7,028	27%	9,925	7,644	30%	
Revenue from Operation (Net)	2,301	2,093	10%	1,860	24%	8,311	6,528	27%	9,279	7,144	30%	
EBITDA @	313	341	-8%	144	117%	1,107	521	112%	1,166	573	104%	
EBITDA % #	13.6%	16.3%		7.7%		13.3%	8.0%		12.6%	8.0%		
Non- operating other income	14	2		10		26	26		26	26		
Financial Cost	34	206	-84%	266	-87%	762	1,006	-24%	788	1,030	-24%	
Depreciation	79	78		82		308	298		325	316		
Exceptional Gain / (Loss)	32	2		(4)		26	(34)		26	(40)		
Profit / (Loss) before tax	246	62		(199)		89	(792)		114	(788)		
Profit/ (Loss) after tax	161	41		(172)		58	(559)		82	(557)		

@ EBITDA = Earnings before Interest, Tax, Depreciation & Amortization and Other Income

# EBITDA % is on revenue from operations (net)

- The Company has adopted Indian Accounting Standards (IND AS) prescribed under section 133 of the Companies Act, 2013, read with the Companies (Accounting Standard) Rules, 2015 w.e.f. April 1, 2016 and the above results have been prepared in compliance with IND AS. Consequently, the financial results for the quarter and year ended March 31, 2016 have been restated to comply with IND AS to make them comparable. The figure for the quarter ended March 31, 2017 are the balancing figures between audited figures in respect of full financial year and unaudited year to date figure upto December 31, 2016.
- EBITDA for the year ended stands at Rs. 1,107 crore (on standalone basis), showing an increase of 112% over the same period. This improvement in the EBITDA is outcome of the various steps taken by the company like change in the product mix, operational efficiencies and improvement in yields.
- The company achieved 91% capacity utilisation of stainless steel operations at Jajpur (Odisha) during FY-2017, as compared to 81% in FY-2016. This persistent growth is on account of consistent efforts in optimization of operations.
- The Company has recorded Net Profits of Rs. 82 Crore in FY 2017 (on consolidated basis), after several tough years.
- Finance Cost is net of interest reimbursement of Rs. 169.10 Crore and Rs. 236.74 Crore for the quarter and year ended 31st March, 2017 respectively, received from JCL & JUSL. The Company has entered into settlement agreement for delay in receipt of consideration from JCL & JUSL to recover interest reimbursement w.e.f. 1<sup>st</sup> April 2016 (consideration payable by them under the scheme). Hence the same has been given effect in the current quarter.



6. A Composite Scheme of Arrangement (the 'Scheme') amongst Jindal Stainless Limited (the Company/Transferor Company) and Jindal Stainless (Hisar) limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) under the provision of Sec 391-394 of the Companies Act, 1956 and other applicable provisions of Companies Act, 1956 and/ or Companies Act, 2013 was sanctioned by the Hon'ble High Court of Punjab & Haryana, Chandigarh (High Court) pursuant to its Order dated 21st September 2015 (as modified on 12th October, 2015). Section I and Section II of the Scheme became effective on 1st November, 2015, operative from the 'Appointed Date 1' specified in the scheme for section I and II i.e. close of business hours before midnight of March 31, 2014 [the same was given effect to in the revised financial statements for the year ended 31st March 2015] and Section III and Section IV of the Scheme has become effective on 24th September 2016 [i.e. on receipt of approvals from the Orissa Industrial Infrastructure Development Corporation (OIIDCO) for the transfer/grant of the right to use in the land on which Hot Strip (HSM Plant) & Coke Oven Plants are located to JUSL & JCL respectively as specified in the Scheme] operative from the 'Appointed Date 2' specified in the scheme for section III and IV i.e. close of business hours before midnight of March 31, 2015. The effect of above has been given in the revised financial statements for the year ended 31st March 2016.
7. As approved by shareholders in the EGM held on 11th February, 2017, the Company is in process (subject to approval of lenders) to allot 6,39,38,606 nos. of fully paid up equity shares of Rs. 2 each at Rs. 39.10 per share (including premium of Rs. 37.10 per share) and 15,90,41,880 nos. of optionally convertible redeemable preference shares (OCRPS) of Rs. 2 each at Rs. 39.10 per share (including premium of Rs. 37.10 per share) on conversion of FITL of Rs. 250 crore and Rs. 621.85 crore respectively.

On 23rd February 2017, Company has allotted 1,91,81,586 nos. of Compulsorily Convertible Warrants (CCW) of Rs. 2 each at Rs. 39.10 per CCW (including premium of Rs. 37.10 per CCW), Rs 2501.28 Lacs (Rs. 13.04 per CCW) paid up, to a promoter group entity and each warrant is eligible for equal nos. of equity shares. The amount raised have been used for the purpose for which the funds were raised.

The proposed conversion of FITL as mentioned above will strengthen the cash flows of the Company.



## **Outlook:**

The world economy is gaining momentum after a dull outturn in 2016. Economic growth is expected to increase to 3.5% in 2017 from 3.1% in 2016, as per International Monetary Fund (IMF). Improved economic activity is likely to push the growth further. Economic performance across most regions is recovering but US policy uncertainty poses a concern.

Growth in emerging markets including India remains subdued. IMF projects slowdown in Indian economy on account of demonetisation with GDP growth rate estimates revised to 7.2 % for 2017-18. Further, outlook for the Asian region remains sluggish with an exception of China.

As per International Stainless Steel Forum, global stainless steel production increased to 45.8 MT in 2016, China being the highest contributor. According to estimate by Steel and Metals Market Research (SMR), global stainless steel demand will increase by 4% in 2017. In India, domestic demand will grow by over 9% in next five years as per Indian Stainless Steel Development Association (ISSDA). Major demand is expected from the Architecture, Building and Construction (ABC) segment while Automobile, Railway and Transport (ART) will also provide stimulus. Prospects of normal monsoon project a GDP growth of above 7% in 2017-18.

**Date: May 12, 2017**

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*This release contains Company's projections, expectations or predictions and are forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price conditions in domestic and international market, changes in Government regulations, tax regimes, economic developments and other related and incidental factors. The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company.*