Jindal Stainless (Hisar) Limited

January 28, 2016

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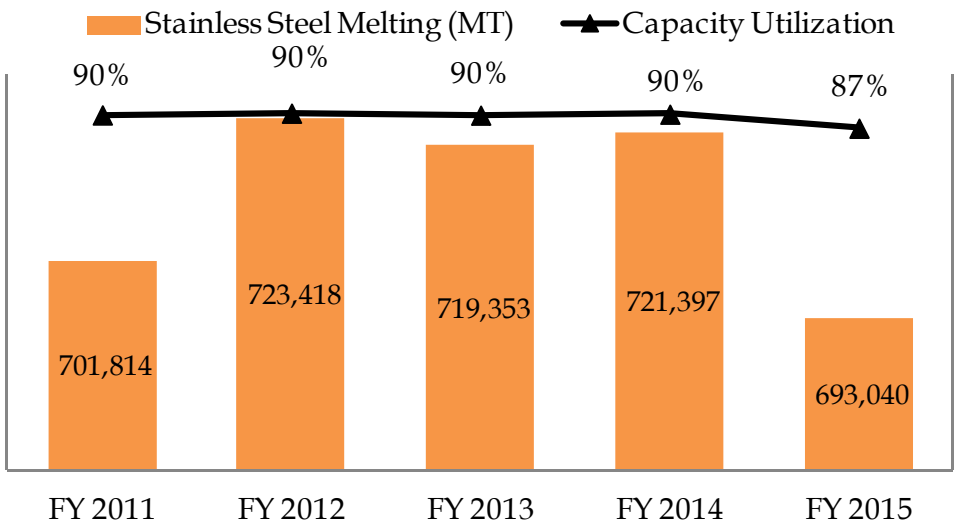
Company Overview

Jindal Stainless (Hisar) Limited

- Hisar Facility is the oldest facility of Jindal group;
- Contributed towards market leadership for Jindal Stainless;
- Wide range of products (slabs, hot rolled coils, cold rolled coils and special products – coin blank, blade steel, precision strip etc.)
    - One of the largest blade steel suppliers globally
- Only speciality stainless products plant
- Plant is approved by Auto majors, Railways, Govt. Mints
- Strong focus on R&D for new applications (Metro coach, Rail Coach and nuclear power etc)and process improvement
    - First in popularizing the 200 series throughout the world
- Productivity perhaps one of the best in Indian industry
- Caters to diversified market (from patta to nuclear plants); no single customer with over 5% of sales
- Projects in pipeline to add cold rolling & special products capacities leading to further value addition

JSHL - Capacities



Hisar Plant Facilities	Capacities Tons/annum
SMS	800,000
HR-Steckel	720,000
HR - Tandem Strip Mill	250,000
Plate	48,000
Cold Rolling	275,000
Special Products	25,000
Coin Blanking	10,000
Saleable Capacity	740,000

JSHL Extensive Reach to Customers

Reaching End Users

Jindal Stainless Steelways Ltd

Stainless Steel Service Center

Customized stainless steel products for various applications

JSL Architecture Ltd*

Fabrication & Designing

Fabricator for architectural building and construction segment

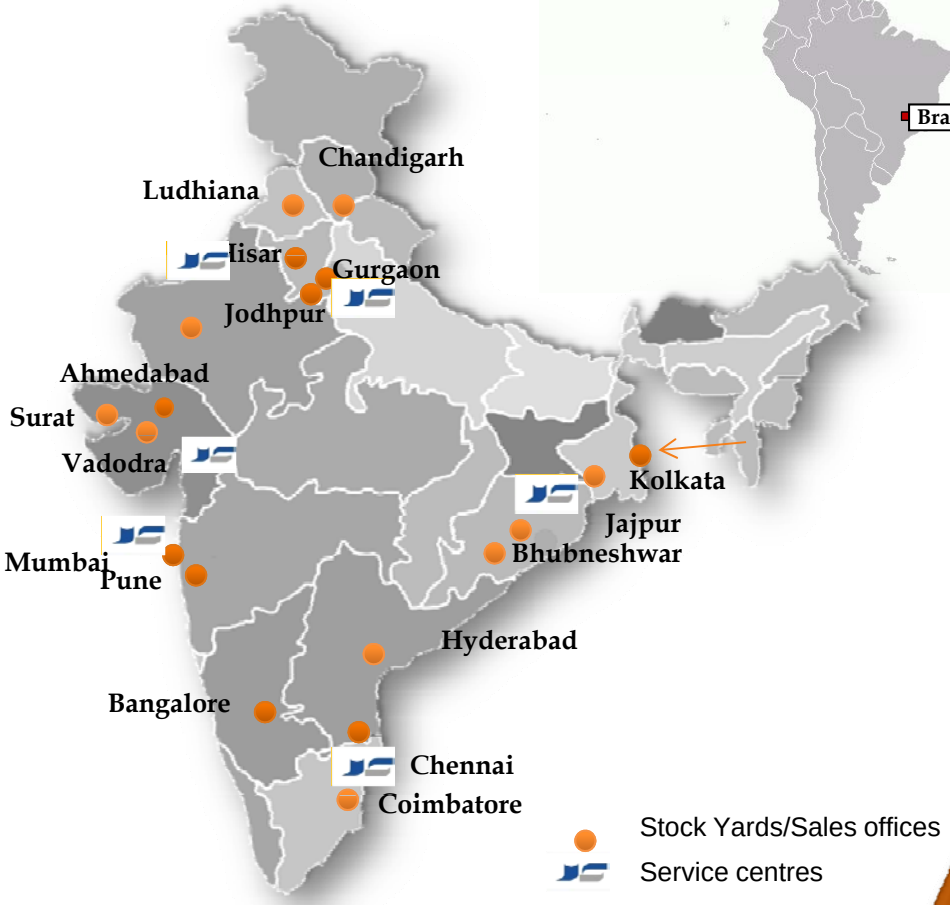
JSL Lifestyle Ltd*

Lifestyle Products

Manufacturer of lifestyle products and accessories under brand name Artdnox

**Pursuant to the court order dated December 1, 2015, JSL Architecture limited amalgamated with JSL lifestyle Limited through a Scheme of Amalgamation*

Distribution Network



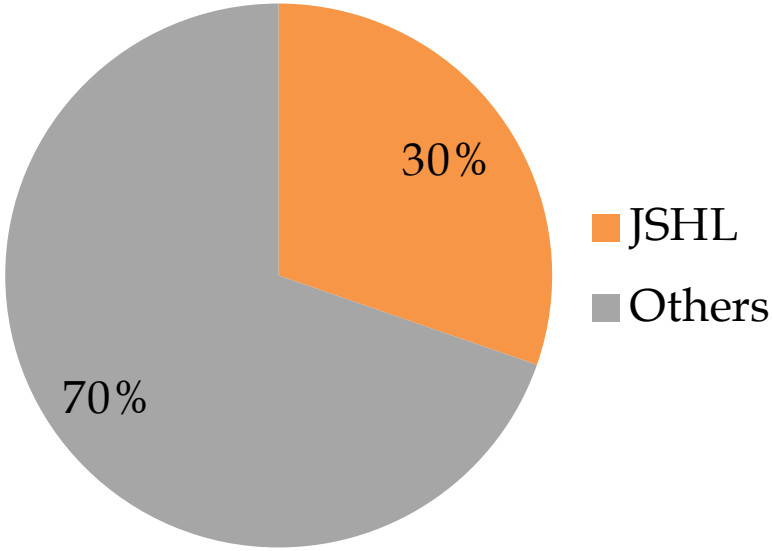
....With Forward Integration

- Widely Spread distribution Network
- High End Fabrication – Architecture Division
- 6 Domestic Service Centers
- International Service Center in Spain

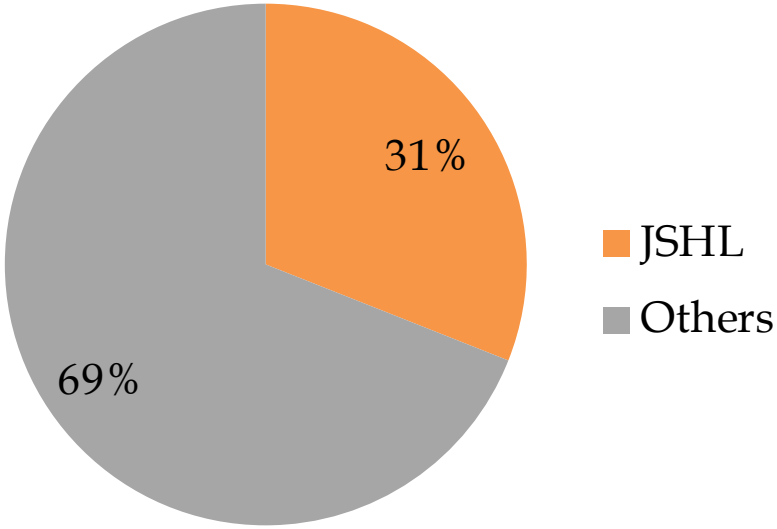
To reach end customer

JSHL- Share of Market

FY14-15



9M FY 15-16



Management estimates of domestic market share is excluding Hollowware and Special Product Domestic market segments

JSHL- Strategy

- To take production from the current estimated level of 670,000 TPA to over 720,000 TPA;

- To increase the proportion of value added/super high EBITDA products from about 3% to 4%;

- To increase the share of cold rolling value added product from the current level of about 35% to over 50%;

- Focus on product development & new application leveraging the R&D capabilities;

- Increase in Distribution penetration through own warehouses; and

- Increased distribution network at Tier II cities.

JSHL- Product Shift

Products (Qty in MT)	FY 14-15	FY15-16	FY16-17	FY17-18	FY18-19
Cold Rolled	265,000	275,000	312,000	350,000	395,000
Blade Steel	13,000	12,700	14,000	14,500	14,500
Precision	8,500	11,000	12,000	12,000	12,000
Flat	210,000	190,000	175,000	150,000	100,000

The above numbers are management estimates and are rounded off

Financial Performance – (JSHL Recasted)

Figures in Rs. Crore	12 Months	Half Yearly
Particulars	**FY 2014-15**	**2015-16**
Gross Sales	**8,124**	**3,787**
Total Revenue (net)	**7,401**	**3,446**
EBIDTA	**713**	**416**
Non- operating other income	23	14
Interest	447	256
Profit before depreciation	288	174
Depreciation	292	147
Exceptional Gain / (Loss)	16	(23)
Profit before tax	**12**	**4**
EBIDTA / Revenue (%)	**9.6%**	**12.1%**

JSHL- Conclusion

- JSHL's Hisar plant has been a steady performer over past 20 years;

- With de-merger from JSL, future performance also promises to be good;

- Steps have been taken to enter new areas such as defence, atomic energy, railways coaches, wagons etc;

- High specialized products such as coin blank, precision strips, blade steel give high EBITDA margins; and

- With shift in product mix towards cold rolling and value added products, company is targeting to achieve the CAGR of the top line between 15% to 20% per year

Thank You