

JSHL/BM-5/2021-22

February 9, 2022

BSE Limited

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Subject: Press Release (revised)

Dear Sirs,

We are enclosing herewith revised copy of Press Release in respect of unaudited financial results of Jindal Stainless (Hisar) Limited for the quarter and nine months ended December 31, 2021.

Kindly ignore the earlier one filed with the stock exchanges today and host this revised copy of Press Release on your website and acknowledge receipt of the same.

Thanking you,

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


Bhartendu Harit
Company Secretary

Encl. As above



Jindal Stainless (Hisar) Limited

Financial Results for the Quarter ended December 31, 2021

Q3FY22 Highlights

Consolidated performance:

- Revenue stood at INR 4,173 crore, up by 33% over Q3FY21
- EBITDA at INR 569 crore; up by 47% over Q3FY21
- PAT at INR 515 crore; up by 91% over Q3FY21

Standalone performance:

- Sales volume registered at 184,084 tonnes, down by 4% compared to Q3FY21
- Revenue at INR 3,820 crore, up by 35% over Q3FY21
- EBITDA at INR 520 crore, up by 48% over Q3FY21
- PAT recorded at INR 341 crore, up by 79% over Q3FY21
- Net lenders debt stood at INR 1,595 crore

New Delhi, February 9, 2022: The unaudited financial results of Jindal Stainless (Hisar) Limited (JSHL) for Q3FY22 were taken on record by its Board of Directors today. Leveraging its competitive edge in manufacturing value added stainless steel, JSHL increased sales of Specialty Products Division (SPD) by 32% on YoY basis. On a consolidated basis, JSHL registered a revenue of INR 4,173 crore, EBITDA of INR 569 crore, and PAT of INR 515 crore respectively. A dynamic product mix, augmented proportion of exports, and increased share of specialty products led to improved profitability for the Company. JSHL recorded highest ever quarterly sales in the Blade Steel and Precision Strip segments during Q3FY22. Company's standalone revenue, EBITDA and PAT grew by 35%, 48% and 79% respectively. Additionally, collaboration with international mints also fetched JSHL new contracts for coin blanks. Net external debt stood at 1,595 crore as on December 31, 2021.

The service centre arm of JSHL, Jindal Stainless Steelway Limited (JSSL), recorded a 5% YoY growth in net revenue, from INR 682 crore to INR 716 crore, and a 32% YoY growth in EBITDA, from INR 32 crore to INR 43 crore. JSL Lifestyle Ltd., the lifestyle subsidiary of JSHL, registered a 47% growth in revenue and 40% growth in EBITDA as compared to Q3FY21, reaching INR 114 crore and INR 13 crore respectively. The subsidiary witnessed a demand revival from the railways segment, while maintaining its focus on the OEM and homeware segments.

Domestic industry is confronted with surging imports from China and Indonesia that witnessed an exponential jump, increasing by 230% and 310% respectively, on a year-to-date basis in 2021-22 as compared to monthly average in FY 2020-21. To counter this, JSHL strategically increased its exports share during Q3FY22 as shown in the table below:

Geographical Segment	Q3FY22	Q3FY21	Q2FY22
Domestic	85%	92%	86%
Export	15%	8%	14%

Other key developments:

1. The first nine months of FY22 witnessed an 84% increase in stainless steel flat product import volumes compared to the average monthly imports in the last fiscal. Majority of these imports came from China and Indonesia. CVD on stainless steel products from China was revoked in the Union Budget 2022 for the apparent reason of containing high prices of metals. However, Between July 1, 2020 and January 1, 2022, prices of carbon steel scrap shot up by 92% from \$ 279 per ton to \$ 535 per ton, stainless steel scrap (304 grade) by 99% from euro 935 per ton to euro 1,860 per ton. Other raw material prices like nickel, ferrochrome and iron ore lumps too saw about 50%-100% price increase. MSMEs (comprising ~30% of the domestic stainless steel sector) are already reeling under the pressure of dumped and subsidised imports. This decision to revoke duties will further make competition tougher for the domestic turf.
2. CARE Ratings upgraded the rating of JSHL's long-term bank facilities to 'CARE AA-' from 'CARE A' with a stable outlook, while reaffirming 'CARE A1+' rating to the short-term bank facilities. As per the report released by CARE, the ratings derive strength from the experience of the group and its dominant market position in the stainless steel industry. India Ratings and Research also upgraded the rating assigned to JSHL's credit facilities to 'IND AA-' with stable outlook.
3. The Hon'ble NCLT, Chandigarh Bench has heard the first motion petition filed by the Company for its merger with Jindal Stainless Limited and reserved its order on February 8, 2022. The detailed order mentioning the date for convening the meeting of the shareholders and creditors for approving the Scheme of merger is likely to be received shortly.
4. The Company will be supplying ~2,000 MT stainless steel for the recently inaugurated Kanpur Metro rolled out by Uttar Pradesh Metro Rail Corporation (UPMRC). The scope of the metro project includes design and development of 201 coaches, with each coach consuming approximately 9-10 metric tonnes of stainless steel.
5. Sustainability and ESG efforts: JSHL has set an organizational target to reduce its carbon emissions by 10% by 2025, and net zero carbon-emissions by 2050. Some of the steps taken in this direction include signing a 3.5 MW solar rooftop contract, installation of premium energy efficiency class (IE3) motors and high efficiency pumps, replacing conventional lights with LEDs, exploring opportunities to utilize Green Hydrogen in AP lines, and feasibility study to replace fossil fuels with natural gas. JSHL's subsidiary, JSSL, is

also slowly transitioning to clean energy usage using solar power generation to replace thermal power.

6. Projects update: All brownfield expansion projects announced in Q1FY22 are on track.

Financial Performance Summary (Figures in INR crore):

Particulars	Consolidated					
	Q3FY22	Q2FY22	Change	9MFY22	9MFY21	Change
SS Sales Volume (MT)	1,84,084	1,88,178	(2)%	5,23,383	3,94,157	33%
Total Revenue (net)	4,173	3,743	11%	10,693	6,298	70%
EBITDA	569	567	-	1,548	721	115%
PAT	515	499	3%	1,373	345	298%
Particulars	Standalone					
	Q3FY22	Q2FY22	Change	9MFY22	9MFY21	Change
SS Sales Volume	1,84,084	1,88,178	(2)%	5,23,383	3,94,157	33%
Total Revenue (net)	3,820	3,415	12%	9,748	5,641	73%
EBITDA	520	501	4%	1,403	639	120%
PAT	341	338	1%	918	252	265%

On a QoQ basis, JSHL's revenue and EBITDA in Q3FY22 grew by 12% and 4% respectively. While imports captured more than one-third of the domestic market during the quarter, an agile product planning helped JSHL steer through. Strengthening its digitalization processes, JSHL also registered a considerable jump in its online order booking and achieved a 46% increase in its monthly transactions through online payment gateway during Q3FY22 as compared to Q2FY22.

On a 9-month basis, JSHL's PAT stood at INR 918 crore, while EBITDA was INR 1,403 crore. 9MFY22 sales volume was recorded at 523,383 tonnes and net revenue of the Company was INR 9,748 crores.

Management Comments:

Commenting on the performance of the Company, **Managing Director, JSHL, Mr Abhyuday Jindal**, said, *"JSHL's positive performance is backed by its operational excellence. Our specialty products have been the mainstay of our value added offering. Clubbed with proactive exports and agile product mix, we have been able to drive good growth despite dominance of China and Indonesia in Indian and international markets. We hope to increase the pie of stainless steel in the overall ecosystem through our market development efforts and awareness activities."*

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