JINDAL STAINLESS

JSHL/BM-3/2019-20 November 14, 2019

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Subject: Press Release

Dear Sirs,

We are enclosing herewith copy of Press Release in respect of unaudited standalone and consolidated financial results of the Company for the quarter and half year ended September 30, 2019.

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

Thanking You.

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

JINDAL STAINLESS (HISAR) LIMITED

(Bhartendu Harit)
Company Secretary

Encl: A/a

Jindal Stainless (Hisar) Limited Q2 profit rises by 33% to Rs 82 crore

Q2FY20 key highlights

Standalone (in Rs crore)

Particulars	Q2FY20	Q2FY19	Growth
PAT	**82**	**62**	**33%**
Net Revenue	**1,971**	**2,229**	**(12)%**
EBITDA	**241**	**230**	**5%**

New Delhi, November 14, 2019: Jindal Stainless (Hisar) Limited (JSHL) took on record its second quarter performance here today. The Company clocked net revenue of Rs 1,971 crore in Q2FY20, which was lower by 12% as compared to the corresponding period last year (CPLY). The company was able to maintain its EBITDA by aligning its product mix as per dynamic market conditions. EBITDA at Rs 241 crore registered an increase of 5% over CPLY. JSHL posted a 33% growth in Profit After Tax (PAT) at Rs 82 crore in Q2FY20, as compared to Rs 62 crore in CPLY. This was on account of EBITDA improvement and reduction in net interest costs. Stainless steel sales volume in Q2FY20 stood at 143,139 tonnes.

Commenting on the performance of the Company, **Managing Director, JSHL, Mr Abhyuday Jindal**, said, ***"Company's Specialty Products Division outperformed once again, catering to a wider international market. A responsive product-mix and consistent internal efficiencies helped us maintain our profitability, in spite of sluggish demand in some segments, dependence of fluctuating input market, and excessive imports from Indonesia."***

On a half yearly basis, H1FY20 PAT stood at Rs 166 crore while EBITDA was Rs 478 crore. H1FY20 sales volume was recorded at 295,012 tonnes, a decrease of 12% over H1FY19. Net revenue of the Company was Rs 4,118 crore in H1FY20.

Due to challenging economic situations and a surge in imports during Q2FY20, industry margins generally remained under pressure. Total imports from Indonesia in Q2FY20 shot up to around 1.4 lakh tonnes, a 16-fold increase over CPLY. In August 2019 alone, as per government data, of the total stainless steel imports of 1.6 lakh tonnes, Indonesian imports accounted for a 74% share, standing at a whopping 1.2 lakh tonnes. As a result, market prices were further distorted against the backdrop of weakened global demand. The stainless steel industry maintained its appeal to the government to review its existing free trade agreements (FTAs), and take quick remedial steps such as withdrawal from RCEP in order to provide a fair market situation for domestic manufacturing.

On the consumer front, JSHL canvassed to create awareness about usage of stainless steel in various applications. Arttdinox, the B2C brand of JSL Lifestyle Limited, a subsidiary of JSHL, was launched on leading e-commerce platforms to widen its reach beyond physical stores.

Jindal Stainless Steelway Ltd, the service centre arm and another subsidiary of JSHL, also sharpened its focus on retail selling and customer centricity. Meanwhile, the parent company, JSHL deepened its inroads into the defence and nuclear segments by providing customised solutions to strategic sectors.