



JSHL/BM-3/2016-17

November 24, 2016

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Sub.: Press Release

Dear Sir/Madam,

We are forwarding herewith the copy of Press Release in respect of unaudited standalone financial results of the Company for the quarter and half year ended 30th September, 2016.

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

Thanking you,

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


(Bhartendu Harit)
Company Secretary



Jindal Stainless (Hisar) Limited

CIN: L27205HR2013PLC049963

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Jindal Stainless (Hisar) Limited (JSHL)
Corporate Release

Performance (Standalone) for the
Quarter & Half Year ended 30th September 2016

Particulars	Unaudited					
	Q-o-Q Comparison			Y-o-Y Comparison		
	Q2	Q1	%	H1	H1	%
	2016-17	2016-17	Change	2016-17	2015-16	Change
	A	B	(A-B)/B	C	D	(C-D)/D
Sales - Stainless Steel (tons)	159,496	149,162	7%	308,657	319,987	-4%
Income from Operations (Gross)	1,708	1,647	4%	3,355	3,788	-11%
Income from Operations (Net of Excise Duty)	1,545	1,497	3%	3,042	3,428	-11%
EBITDA *	221	238	-7%	459	417	10%
EBITDA % (on net income from operations)	14.3%	15.9%		15.1%	12.2%	
Other Non-operating Income	10	6		16	14	
Financial Cost	98	99	-1%	197	256	-23%
Profit before depreciation	133	145	-8%	278	175	59%
Depreciation	66	66		132	142	
Exceptional Gain / (Loss)	13	(3)		10	(23)	
Profit before tax	79	76		155	11	
Profit after tax (PAT)	53	49	7%	102	11	872%

*EBITDA = Earning before Interest, Tax, Depreciation & Amortization and Other Income

- The financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act 2013 and other recognised accounting practices and policies to the extent applicable. Consequently, results for the half year ended 30th September 2015 have been restated to comply with Ind-AS to make them comparable.
- A Composite Scheme of Arrangement (the 'Scheme') amongst Jindal Stainless Limited (JSL) and Jindal Stainless (Hisar) Limited (JSHL/the Company), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) under the provisions of Section 391-394 of the Companies Act, 1956 and other applicable provisions of the 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 by the High Court).

Section I and Section II of the Scheme became effective on 1st November, 2015, operative w.e.f. 'Appointed Date 1' specified in the Scheme for Section I and II i.e.



close of business hours before midnight of 31st March 2014; accordingly the same was given effect to in the financial statements (Post Scheme) for the year ended 31st March 2015. In view of above, comparative figures for the quarter ended 30th September 2015 are not available, hence not given.

3. Sales volume of stainless steel has increased by 7% as a result of marketing efforts of the Company during the quarter ended 30th September 2016 as compared to previous quarter. However, dumping of stainless steel products in India, especially from China, is increasing which is putting pressure on the Indian stainless steel industry, due to which sales volume in the H1 of the FY 2016-17 has reduced by 4% as compared to H1 of FY 2015-16.
4. Present quarter witnessed an increase in the gross income from operations by 4% to Rs. 1,708 Crore from Rs. 1,647 Crore in the previous quarter. However, the EBITDA margin during the quarter was lower at 14.3% as against 15.9% in previous quarter on account of increased volume of low value added products. In addition, increase in the prices of the electricity has also impacted EBITDA margin during current quarter.

EBITDA margin during the H1 of FY 2016-17 has improved to 15.1% as compared to 12.2% in H1 of FY 2015-16 which is primarily due to firming of prices, overall improvement in operating efficiency and change in products mix.

5. During the quarter ended 30th September 2016, net profit has improved by 7% to Rs. 53 Crore as against Rs.49 Crore in quarter ended 30th June 2016.

The net profit during H1 of FY 2016-17 was Rs. 102 Crore as compared to Rs. 11 Crore in H1 of FY 2015-16, primarily due to increased EBITDA & reduction in interest cost and depreciation.

6. The Operations of the Ferro alloys unit of the Company situated at Kothavalasa in Vizianagaram district, Andhra Pradesh, which were under temporary shut down, are expected to be resumed by November / December 2016.
7. On 30th March, 2016, the Company had issued and allotted 12,50,00,000 Compulsory Convertible Warrants (CCW) of Rs.2/- each to promoter group entities on preferential basis. The CCW were convertible into equity shares at any time after 5 months but before 18 months from the date of allotment of CCW at a price to be determined in accordance with the pricing formula provided under Chapter VII of the SEBI (ICDR) Regulations, 2009. Accordingly, considering 30th August, 2016 as the Relevant Date, the Company fixed Rs. 52.64 as issue price of each equity share and on conversion of above stated CCW, the Company on 2nd September 2016 has allotted 47,49,240 nos fully paid up equity shares of Rs. 2 each.

**Outlook:**

The Global Economic plight continues amid slowdown in the volume of international trade and weak demand. International Monetary Fund (IMF) estimates economic growth will remain sluggish as surge in protectionist measures by advance economies will tend to slow trade further. IMF has lowered its global growth forecast to 3.1% for 2016 from its April forecast, as subdued outlook for advance economies drag the overall economic momentum. Impact of United Kingdom's exit from European Union and a fragile growth in US will lead to subdued growth. In contrast, emerging Asia and India in particular will grow at a better pace compared to rest of the world.

Global stainless steel production in 2016 is likely to remain flat as per International Stainless Steel Forum (ISSF). Indian stainless steel demand is expected to advance as consumption based reforms in infrastructure segment will drive stainless steel growth. However, with the most liberal trade rates in the world, India continues to suffer dumping from other countries especially from China. Low priced imports continue to distort the Indian market.

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.