Jindal Stainless Limited reports Q3FY20 PAT at Rs 56 crore

Key Highlights

Standalone (in Rs crore)

Particulars	Q3 FY 19-20	Q3 FY 18-19	% Change (YoY)
Net Revenue	3,179	3,128	-
EBITDA	302	228	33%
PAT	56	52	7%

New Delhi, February 11, 2020: The Board of Directors of Jindal Stainless Limited (JSL) today approved the financial results of the Company for Q3FY20. The Company recorded Profit After Tax (PAT) and net revenue at Rs 56 crore and Rs 3,179 crore respectively. EBITDA during Q3FY20 stood at Rs 302 crore, registering an increase of 33% as compared to the corresponding period last year (CPLY), while PAT grew by 7%. Sales volume rose by 17%, from 204,083 tonnes in CPLY to 239,283 tonnes in Q3FY20; however, margins remained under pressure due to imports. In line with its proposed plans, JSL also received the consent-to-operate (CTO) at an annual melt capacity of 1.1 million tonnes during this quarter. The company managed to log in good performance in exports with 39% growth, from 36,954 tonnes during CPLY to 51,369 tonnes in Q3FY20.

Commenting on the Company's Q3FY20 performance, **Managing Director, JSL, Mr Abhyuday Jindal** said, ***"As a result of robust product-mix and diversification into special grades, JSL has been able to deliver a steady performance despite challenging macro-economic environment. Demand from certain segments like automobiles remained muted in the quarter. Going forward, we will be able to leverage our strategic sourcing plan to minimise the impact of cost volatility for our raw material requirement. We are happy to note the government's initiative announced in the latest Budget, taking cognizance of the need to review operational FTAs. We hope that it will bring the domestic industry to the level playing field it deserves."***

JSL catered to an increased demand from the railways and metro segments. The share of special grades (duplex, super austenitic) also witnessed a rise during the quarter. JSL's performance during the 9-month period improved considerably. The Company reported PAT at Rs 175 crore and EBITDA at Rs 933 crore, registering an increase of 64% and 12% respectively over CPLY. During the April-December'19 period, total stainless steel imports soared to 640,000 tonnes, compared to about 350,000 tonnes in CPLY, a whopping rise of 82%. Due to continuous dumping of subsidised stainless steel products at irrational prices, the domestic stainless steel industry continued to suffer. While the onslaught of imports hampered the profitability of big producers, the dumping rendered capacities of several small producers idle, and turned them from producers to traders.