

New Delhi, 30th July 2021:

Jindal Saw Limited, a leading global manufacturer and supplier of Iron & steel pipe products, pipe-accessories and pellets, with manufacturing facilities in India, USA and UAE (MENA), today announced its financial results for the quarter ended June 30, 2021.

THE FINANCIAL HIGHLIGHTS (STANDALONE) ARE AS FOLLOWS:

| Particulars (Standalone financials) | Q1 FY22 | Q1 FY21 | Growth | FY21 |
|---|-----------------|-----------------|--------------|-----------------|
| | (Rs in Million) | (Rs in Million) | ~(%) | (Rs in Million) |
| | Unaudited | Unaudited | Y-o-Y | Audited |
| Total Income (#) | 24,744 | 14,056 | 76% | 89,098 |
| Total Expenditure: | | | | |
| Total Raw Material Cost (@) | 12,902 | 7,770 | | 51,096 |
| Staff Cost | 1,878 | 1,647 | | 6,854 |
| Other Expenses (#) | 5,849 | 2,533 | | 18,577 |
| EBITDA | 4,115 | 2,106 | 95% | 12,571 |
| Financial Costs (#) | 970 | 1,134 | | 4,043 |
| Depreciation | 877 | 822 | | 3,460 |
| Profit before extra-ord. items, discontinued ops. and Tax | 2,268 | 150 | | 5,068 |
| Exceptional Items – (Exp.)/income | - | - | | - |
| Discontinued ops-profit/(loss)-Net of Tax | - | - | | - |
| Profit before Tax (PBT) | 2,268 | 150 | 1412% | 5,068 |
| Provision for Tax | 785 | 50 | | 1,777 |
| PAT | 1,483 | 100 | | 3,291 |
| RATIOS | | | | |
| EBITDA to total income | 16.63% | 14.98% | | 14.11% |
| PBT to total income | 9.16% | 1.07% | | 5.69% |
| PAT to total income | 6.00% | 0.71% | | 3.69% |

Notes:

(#) Total Income, Other Expenses and Finance Costs includes impact of foreign exchange fluctuations. The Company follows a policy and strategy of natural hedging of foreign exchange exposures.

(@) Total Raw Material Cost includes goods traded in for Q1 FY22 is Rs 81 Mio. and Rs. 6 Mio for Q1 FY21.

Jindal Saw Consolidated Financials

| Particulars | Q1 FY22 | Q1 FY21 | FY21 |
|--|------------------|------------------|-----------------|
| | (Rs in Million) | (Rs in Million) | (Rs in Million) |
| | Unaudited | Unaudited | Audited |
| Total Income | 29,224 | 16,820 | 1,08,720 |
| EBITDA | 4,596 | 2,247 | 14,510 |
| Financial Costs | 1,213 | 1,351 | 4,928 |
| Depreciation | 1,122 | 1,075 | 4,589 |
| Profit before extra-ord. items and Tax | 2,261 | (179) | 4,993 |
| Exceptional Items – (Exp.)/income | - | - | - |
| Profit before Tax (PBT) | 2,261 | (179) | 4,993 |
| Provision for Tax | 803 | 87 | 1,716 |
| PAT from continuing Ops. | 1,458 | (266) | 3,277 |

OPERATIONAL & FINANCIAL HIGHLIGHTS

The quantitative Sales break up for the year ended 30th June 2021 are given here: -

| Products | Q1 FY22 | Q1 FY21 |
|-------------------------------------|-----------------|-----------------|
| | (~) MT | (~) MT |
| Pipes | | |
| - Large Diameter Saw Pipes | | |
| - L Saw | 44,200 | 7,300 |
| - H Saw | 51,300 | 84,700 |
| - Ductile Iron Pipes | 1,02,900 | 69,900 |
| - Pig Iron | 12,600 | 600 |
| - Seamless & Stainless Tubes | 46,800 | 26,500 |
| Total – Pipes & Pig Iron | 2,57,800 | 1,89,000 |
| Pellets | 3,66,200 | 2,05,900 |

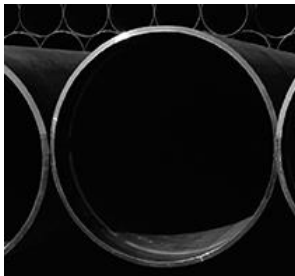
OPERATIONAL PERFORMANCE: OVERALL PRODUCTIVITY

- During the quarter ended 30th June 2021:
 - The Company produced:
 - ~ 2,64,300 MT of pipes & pig iron
 - ~ 3,61,300 MT pellets
 - In line with its operational process and deep business lineage, the Company experienced order booking, primarily from the water and industrial sector to the tune of ~Rs. 2400 crore.

A detailed segment-wise review is presented below.

IRON & STEEL PIPE SEGMENT PERFORMANCE – Q1 FY22:

Saw Pipe Strategic Business Unit:



In Q1 FY2022, the Company produced ~1.01 lac MT SAW pipes which was higher by ~13% as compared to ~0.89 Lac MT of SAW Pipes in Q1 FY2021.

Execution is streamlining while accommodating fluctuating raw material supply, in line with build-up of demand. The Company's orders stood protected from volatility in trends of key inputs. Company is cautious in booking orders considering the significant volatility in raw material prices.

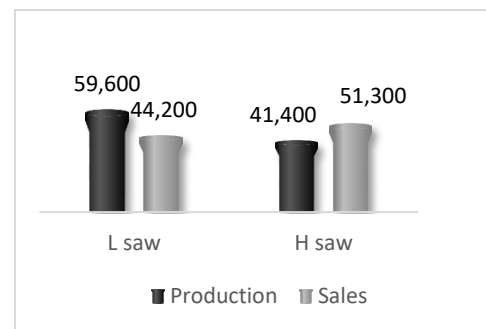
Firmness in international oil prices continues to support LSAW pipe outlook. Within India, the outlined plans to augment infrastructure is expected to support requirement across oil, gas and water segments which is expected to support the demand of SAW pipes.

- Market leader with total capacity of 1.50 million metric tons per annum between LSAW and HSAW pipes
- 6 Pipe Mills in India

Customer Segment
 Oil & Gas Transportation, Slurry and Water

Focus on growth:

The Company has managed to draw new business opportunities for SAW pipes in the 1st quarter. Current order book stood at ~2.17 lac MT. This comprised ~1.16 lac MT of H Saw and ~1.01 lac MT LSAW. Majority of H Saw orders cater to domestic water sector demand



DI Pipes and Pig iron Strategic Business Unit:



In 1st quarter of FY2022, the Company produced ~1.14 lac MT DI Pipe which was higher by ~58% as compared to ~0.72 lac MT in Q1 of FY2021.

The trend in production has shown marked improvement given higher execution and building order book. However increased raw material prices of Iron Ore and Coking Coal may impact the profitability in coming quarters.

Focus on growth:

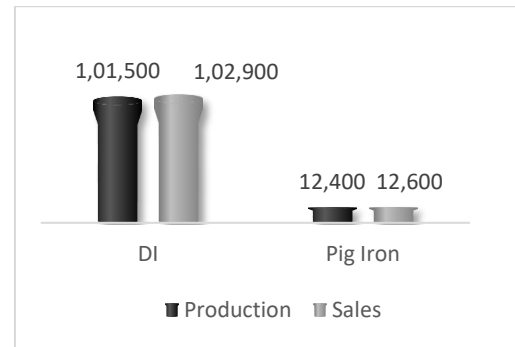
Continuing the trends of the previous year, in Q1 FY22, the orders showed a decent order book build up giving comfortable visibility. Present order book stood at ~5.63 lac MT of DI pipes giving visibility of more than one year.

Company continued to book new projects in water segment. Sharper focus from Government bodies on water resource management and supply is driving upsides in order booking.

- One of the largest Ductile Iron Pipe producers in India with presence in UAE and Europe. Total capacity (Global) of more than 0.8 million metric tons per annum
- Integrated Greenfield plant with largest capacity of DI pipes manufactured at a single location
- Largest Ductile Iron Fittings plant with size range of DN 80 mm to DN 2200 mm and annual production capacity of 180,00 MT per annum

Customer Segment

Systems transporting potable water, Industrial water, Irrigation water and Pressure sewage



Seamless Pipes Strategic Business Unit:



Given the firmness in oil & gas demand, the requirement for seamless pipes has enhanced with corresponding gains in segmental performance. The Company produced ~49,400 MT pipes in Q1 FY2022 which is higher by ~ 73% as compared to ~28,500 MT pipes in Q1 FY2021.

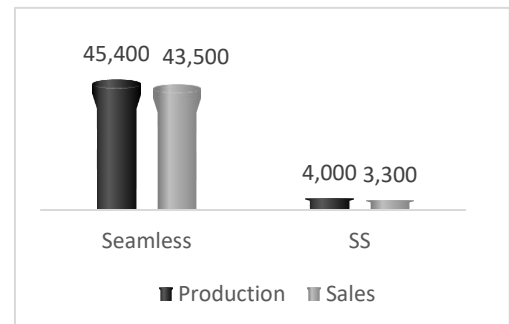
- Leading manufacturer of Seamless Tubes and Pipes with installed capacity of 3.5 Lakh MT per annum of carbon & alloy steel pipes and stainless steel
- Plant equipped with modern manufacturing machinery and boasts a state-of-the-art PQF Mill from SMS MEER, Germany

Customer Segment

Petroleum, Exploration, General Engineering, Power and Automotive

Focus on growth:

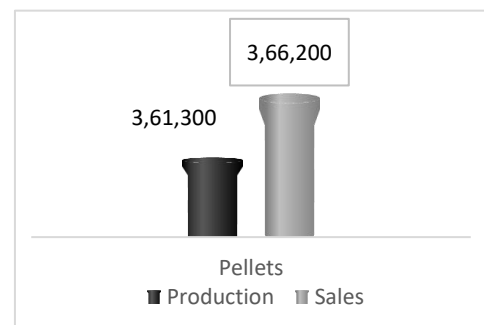
Demand trends for the segment from oil & gas industries have been healthy whereas commensurate with greater throughput in key end user industries like automobile and power sector the rise in requirement has found support. The present order book in stood at ~67,400 MT. This is expected to enhance in the coming quarters.



Iron Ore Mines and Pellet Strategic Business Unit:



The Company produced ~3,61,300 MT in Q1 FY22 which is 68% higher as compared to ~2,15,200 MT in Q1 FY21. During Q1 FY22, sale of pellets stood at ~ 3,66,200 MT, as compared to ~ 2,05,900 MT in Q1 of FY 21. The order book stood ~1.32 lac MT. Supported by higher pricing for iron ore and metals, the Company has continued to benefit in the pellets segment. With



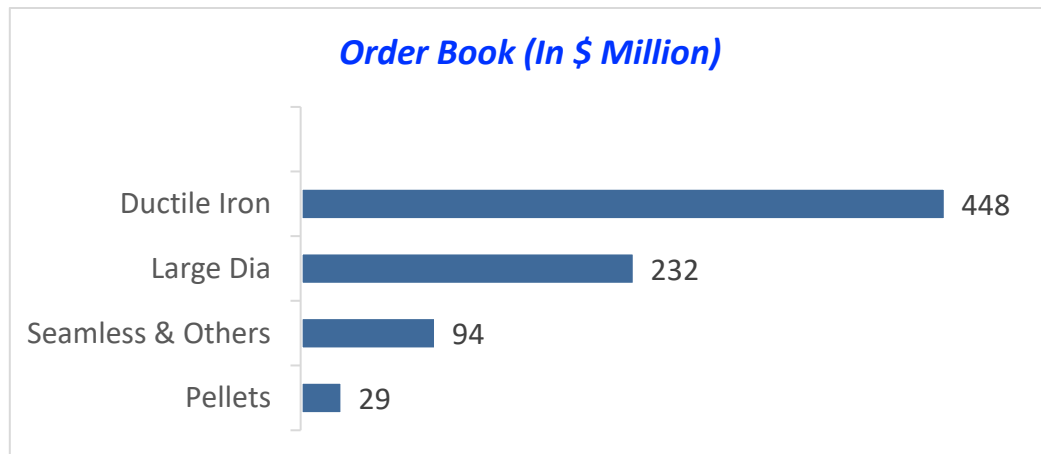
further uptrend in construction and infrastructure sectors, higher steel demand will aid margins. Increased realization in this segment has helped in sustained growth and margins on overall basis.

Customer Segment

Mainly used in Iron making processes like Modern blast furnace process, COREX, sponge iron and DRI making among others

ORDER BOOK POSITION

- The current order book for pipes and pellets is app. US\$ 803 million, the break-up is as under:



Concurrent to COVID 19 uncertainties, during the Quarter ended 30th June 2021, as against Sale of ~Rs. 24,174 million, the Company booked fresh orders of ~Rs. 24,000 million. Primarily these related to water segment.

- With volume of ~0.98 million MT (Pipes & Pellets), the order book gives comfort for the coming quarters of FY22. Orders for Large Diameter Pipes will see execution in next 9-12 months and whereas those for Ductile Iron Pipes, over the forthcoming 12-15 months. Current order book includes export of ~18%.
- The Company continues to benefit from enhanced exposure to private sector players/ EPC contractors in the industry. The end-user industry spread comfortably covers variety of industries across key domestic and export markets. Thus, as the business scales up, the volatility inherent to the piping sector will stand substantially reduced.

FINANCING AND LIQUIDITY - UPDATE ON DEBT POSITION

As at 30th June 2021, net institutional debt of the Company (at standalone level) was app. Rs. 28,103 million (~Rs. 29,760 million at 31st March, 2021) including long term loans and fund based working capital. This includes Net working capital borrowings (short term) of Rs. 11,990 million at 30th June, 2021 (~Rs. 10,050 million at 31st March, 2021) and Long-term Rupee Loans / Rupee NCDs of Rs. 16,113 million at 30th June, 2021 (~Rs. 19,710 million at 31st March, 2021). Company maintains sufficient working capital to manage its operations efficiently.

| Particulars (Rs. In Millions) | As on June 30, 2021 | As on June 30, 2020 |
|--|---------------------|---------------------|
| Standalone Debt | 28,103 | 38,538 |
| - Long Term Debt | 16,113 | 17,228 |
| - Net Short Term/ Working Capital Debt | 11,990 | 21,310 |
| Consolidated Debt | 36,870 | 46,422 |
| - Long Term Debt | 21,004 | 22,760 |
| - Net Short Term/ Working Capital Debt | 15,866 | 23,662 |

OTHER HIGHLIGHTS:

- (A) CARE Ratings has assigned and reaffirmed CARE A1+ (A OnePlus) for short term debt facilities including commercial papers and CARE AA for long term debt facilities and Non-Convertible Debentures
- (B) UAE operations: Jindal Saw Abu Dhabi Facility sold 50,217 MT (22,388 for Q1 2021) Ductile Iron Pipes for quarter ended 30th June 2021. The current order book is ~ 132,000 MT.
- (C) Jindal ITF Ltd. v/s NTPC case proceedings is being heard by Hon'ble High Court of Delhi. Due to second wave of Covid-19 situation and the lockdown in Delhi the hearings are now scheduled in early September 2021.

OUTLOOK:

The iron and steel pipe industry is one of the key sectors in the infrastructure development of India. The major growth drivers for the industry include demand emanating from domestic water infrastructure, oil exploration and transportation, construction, irrigation, infrastructure, and expansion of gas pipelines such as national gas grid and city gas distribution.

The world has faced an unprecedented blow by the pandemic and the human toll is continuing to grow as the infections continue to spiral across the globe. Due to the first wave of pandemic during 2020, the global steel pipes industry recorded a slump of 10.60% implying destruction of 7.3 million tonnes in consumption. (Source- CARE Ratings)

Steel consumption and demand for steel tubes and pipes are expected to improve in FY22 with higher levels of economic activities amid optimism that the vaccination program would facilitate normalization and stimulate economic recovery. There is a diverse requirement for steel pipes and tubes across several industries including, but not limited to, oil and gas, petrochemicals, power and energy, construction, water supply, and sanitation, etc. The government's focus to improve infrastructure is expected to boost the demand of the pipe products also. India is expected to become a preferred location for global manufacturing in the medium and long term led by initiatives such as Make in India, vocal for local, performance-linked incentives schemes and China plus one strategy being adopted by consumption-driven economies across the globe.

Jindal Saw: Way forward:

Jindal SAW has a balanced presence across segments, geographies and end-user industries. With leadership in large diameter, DI and seamless segments, the Company can draw benefits from higher investments in infrastructure renewal and creation. Given its robust industry relationships, it is in a position to sustain orders momentum. Given its thrust on a value-added portfolio, the Company is driving new opportunities. Financial performance going forward will be anchored by enhancement to margins and cash flows in line with the scale-up in executable opportunity.

ENDS-

ABOUT JINDAL SAW LTD.

Jindal Saw (NSE – JINDALSAW, BSE - 500378) is one of the largest global manufacturer and supplier of Iron & Steel pipe products and accessories with established track record. It has manufacturing facilities in India, USA and UAE (MENA) and key customers include world’s leading oil and gas companies, water bodies as well as engineering companies engaged in constructing oil and gas gathering, transportation, power generation and other industrial applications.

The Company has a unique business model which is well-diversified and de-risked to offer complete pipe solutions. It is the only producer in the world offering ‘Total Pipe Solutions’ including SAW Pipes, Ductile Iron Pipe and Seamless Tubes. Differentiated business model allows hedging of various risks and ensures that the Company operates and performs in the most diverse economic and geopolitical scenarios. It is one of the largest exporters of Steel pipes out of India. Five strategic business divisions include SAW Pipes, DI Pipes & Fittings, Seamless and Stainless-Steel Pipes and Tubes and Mining & Pellets.

For more information, please visit <http://www.jindalsaw.com> OR contact:

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Forward Looking Statements

This document contains statements that constitute “forward looking statements” including, without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward-looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance. Jindal Saw undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances.