


# Jindal


Poly Films




FY 2016  
Results Presentation  
June 2016

# Consolidated FY16 Performance Highlights

 -4%  
Revenue  
Rs. 7,226 Crs

 55%  
Operating Income  
Rs. 1,010 Crs

 530  
bps  
Operating Margin  
13.9%

 115%  
PAT after MI  
Rs. 371 Crs

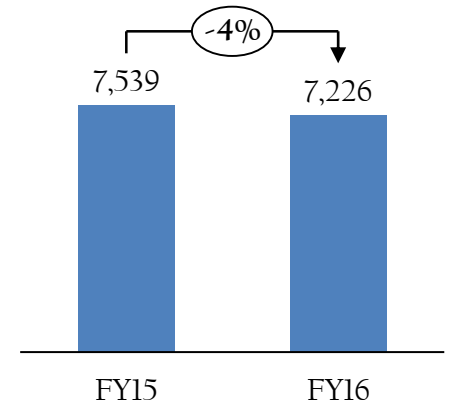
Lower raw material cost passed on to customers resulting in lower revenues

Continued Improvement in Jindal Films operations

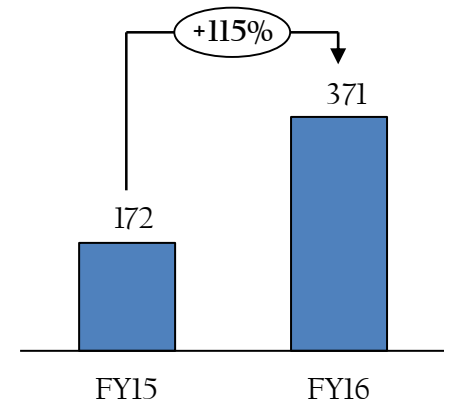
# Consolidated FY 16 Performance Highlights

- Revenue at Rs 7,226 Crores led by
  - Jindal Films 62.6% of sales
  - JPFL stand alone 36.6% of sales
  - Global Nonwovens Ltd 0.8% of sales
- Operating income at Rs 1,010 Crores a growth of 55%
  - Led by improved operating performance in Europe and US
- PAT grew by 115% to Rs 371 Crores
- Jindal Films – US and Europe
  - Revenue at USD 691 mn
  - Operating Income at USD 85 mn against USD 60 mn in FY15
  - PAT at USD 34 mn against USD 2 mn in FY15
- Jindal Photo Manufacturing Division merger:
  - Rs 157 Crores of Revenue
  - Rs 3 Crores of EBIDTA
  - As part of the Scheme of Arrangement, Company has issued- 17.387 lac shares in the ratio of 1 share for every 5.9 shares held in Jindal Photo Ltd

Operating Revenue Rs Crs



PAT Rs Crs



# Business Evolution



2014 – 2016

## Reorganization

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- Merged Manufacturing business of Jindal Photo
- 14,000 TPA Coater plant commissioned
- Received BRC Packaging and Packaging Materials – Standard Certified at Nasik Facility

2009 – 2013

## Acquired – Exxon Mobil BOPP films Business

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- Another 8.7 meter, thin PET film line was installed
- Acquired BOPP films business from Exxon Mobil, with 5 plants, R & D centre and 190 + registered patents.
- Demerged Investments in separate investments company, Jindal Poly Investments and Finance Co.
- 6th BOPP line in Nasik

2006 – 2008

## Leadership in BOPP

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- Yarn production discontinued
- Commissioned 3rd BOPP line of 45,000 TPA, - one of the largest in the world and becomes the largest producer of BOPP in India
- Commissioned 2 BOPP film lines capacity of 90,000 TPA (4th & 5th Line)

2004 – 2005

## Expansion – BOPET & BOPP

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- Expansion of BOPP capacity by 32,000 TPA & BOPET capacity by 25,000 TPA

1996 – 2003

## Entry – BOPET & BOPP

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- Started Manufacturing – BOPET Films at Nasik, Maharashtra
- Diversified into BOPP Films and entered the metallised films segment
- Acquisition of REXOR, France

1985 – 1993

## Polyester Yarn Business

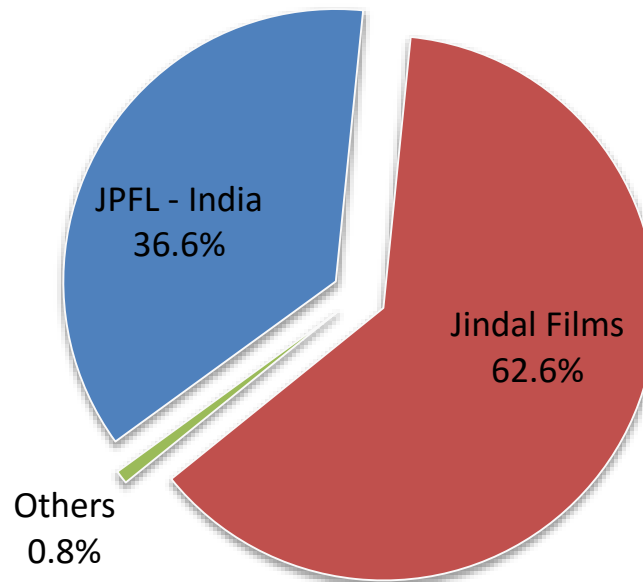
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- Commenced manufacturing of Polyester Yarns at Bulandshar, UP
- Backward Integration into manufacturing of polyester chips for captive use

## FY 16 Operating Revenues

### Jindal Poly Films

Leader in BOPP and BOPET films in India



### Jindal Films

Acquired BOPP films business

Leader in BOPP films in US and Europe, specialising in metalized and coated films



# Business Details



# Our Manufacturing Setup

	Number of lines				
	BOPET	BOPP	Coating	Metalizing	Non-Woven
India - Nasik	5 lines	6 lines	2 lines	10 lines	1 Line
Europe	-	9 lines	5 lines	2 lines	-
United States	-	6 lines	3 lines	1 lines	-
Total Installed Capacity	1,27,000 TPA	4,25,000 TPA			18,000 TPA
Scheduled Capacity Additions (in next 2 years)	-	1,61,000 TPA			-
Target Capacity	1,27,000 TPA	5.86,000 TPA			18,000 TPA

## Capex over the next 2 years:

- 3 additional BOPP lines one each in India, US and Europe
- Additional metalizing and coating capacities
- Capex of ~Rs 1,000 Crores

Expected Commissioning	
India	H1 FY2017
Europe	H1 FY2018
United States	H1 FY2018

# Speciality Films



## BOPET

## BOPP

## Coated Films / Metalized Films

### Product Characteristic

Improves shelf life of product and increases product appeal

Higher moisture retention properties, easy to recycle

Vacuum deposits of Aluminum on BOPET and BOPP Films to provide better barrier / Provides advanced barrier, print receptivity

### Applications

FMCG packaging, lamination to other plastic films  
Electronics, Stationary, Motor Insulation, Sequence for textile

Textile, Tape, FMCG packaging, Labels  
Lamination to Paper and other plastic films

Packaging of processed and semi processed food items with moisture, oxygen barrier & Metallic Yarn /  
Pressure sensitive labels and flexible packaging industry, other tailor made properties



# Global Nonwovens Ltd



## NonWovens

Polypropylene based nonwoven packaging solutions with REICOFIL Germany Technology

## Our Range

SS Rolls – Weight 10 – 17 GSM 60%  
SMS Rolls – Weight 12 – 55 GSM 40%

## Applications

Hygiene and medical applications

## Capacity

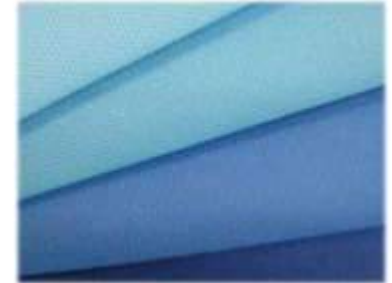
Nasik – plant commissioned on 1<sup>st</sup> July 2015,  
Capacity 18,000 TPA

## Market Potential

Presently 70% of India's requirement is imported, supplied to established brands in India

## Project Costing

Total Project cost of Rs 481 Crores – Rs 335 Crores Debt & Rs 146 Crores Equity  
Project under TUFS with interest and capital subsidy



# Financial & Operating performance



# Consolidated Financials: Q4 & FY16



Quarterly		YoY %	Particulars (Rs. in Crores)	Yearly		
Q4FY16	Q4FY15			FY16	FY15	YoY %
1,802	1,769	2%	Revenue	7,226	7,539	-4%
1,564	1,586		Operating Cost	6,215	6,888	
238	184	29%	Operating Income	1,010	650	55%
13.2%	10.4%		Operating Income Margin	14.0%	8.6%	
3	5		Other Income	20	14	
64	55		Depreciation	243	229	
22	32		Finance Cost	93	85	
2	-47		Exceptional (Gain)/Loss	4	-117	
157	55		PBT	698	233	
22	-17		Tax Expenses	188	46	
134	72	87%	PAT from ordinary activities	510	187	172%
0	-4		Loss from Discontinued Operations	-1	-5	
134	67		PAT	509	182	
1	-2		Associate interest	2	0	
55	1		Minority Interst	140	9	
79	64	23%	PAT after Minority Interest	371	172	115%
4.4%	3.6%		Net Profit Margin	5.1%	2.3%	

# Standalone Financials: Q4 & FY16

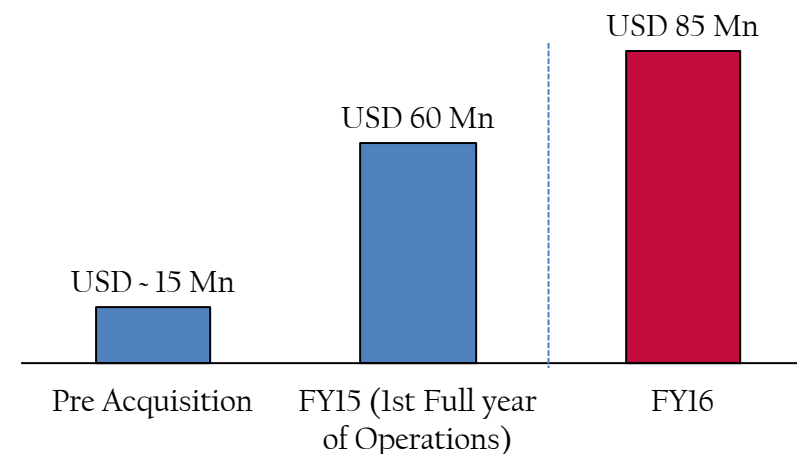
Quarterly			Particulars (Rs. in Crores)	Yearly		
Q4FY16	Q4FY15	YoY %		FY16	FY15	YoY %
631	666	-5%	Revenue	2,644	2,756	-4%
575	570		Operating Cost	2,271	2,469	
56	96	-42%	Operating Income	374	287	30%
8.8%	14.4%		Operating Income Margin	14.1%	10.4%	
13	20		Other Income	34	40	
16	15		Depreciation	59	58	
5	4		Finance Cost	36	29	
0	5		Exceptional (Gain)/Loss	-2	-3	
48	101		PBT	312	238	
30	42		Tax Expenses	105	79	
18	59	-70%	PAT from ordinary activities	207	159	30%
0	-4		Loss from Discontinued Operations	-1	-5	
17	55	-68%	PAT	206	153	34%
2.7%	8.2%		Net Profit Margin	7.8%	5.6%	

Previous year figures have been adjusted for the Merged Photo business

# Jindal Films (US & Europe) - P&L Statement

USD Million Financials as per EU – IFRS	FY16	FY15
Revenue	691	791
Operating Cost	606	732
<b>Operating Income</b>	<b>85</b>	<b>60</b>
<b>Operating Income Margin</b>	<b>12.3%</b>	<b>7.6%</b>
Depreciation	29	32
<b>Finance Cost</b>	<b>8</b>	<b>33</b>
<b>PBT</b>	<b>49</b>	<b>-4</b>
Tax Expenses	14	-6
<b>PAT from ordinary activities</b>	<b>34</b>	<b>2</b>
<b>Net Profit Margin</b>	<b>4.9%</b>	<b>0.3%</b>

Substantial improvement in profitability since acquisition



Euro to USD Rate: April 1, 2014 – March 31, 2015 (Average) 1 : 1.2812  
 April 1, 2015 – March 31, 2016 (Average) 1 : 1.1013



# Jindal Films (US & Europe) - Balance Sheet

USD Million Financials as per EU – IFRS	Mar '16	Mar '15
Shareholders Funds	177	129
Total Non-current Liabilities	156	175
Debt & finance	85	98
Other Long- term Liabilities	71	78
Total Current Liabilities	169	159
Debt & financing	45	55
Accounts payable	68	65
Other Current Liabilities	56	38
<b>TOTAL EQUITY &amp; LIABLITIES</b>	<b>502</b>	<b>463</b>
Non-Current Assets	246	234
Fixed Assets	243	231
Other Non Current Assets	3	3
Current Assets	256	230
Inventories	125	110
Trade Receivables	94	88
Cash & Cash Equivalents	13	13
Other Current Assets	24	19
<b>TOTAL ASSETS</b>	<b>502</b>	<b>463</b>
Net Debt to Equity Ratio	0.66	1.09
Net Working Capital	151	133

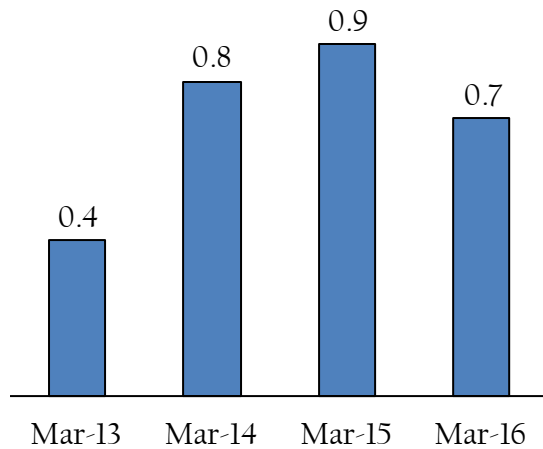
Euro to USD Rate:	March 31, 2015	1: 1.0759
	March 31, 2016	1: 1.1385



# Managing Debt at Comfortable Levels

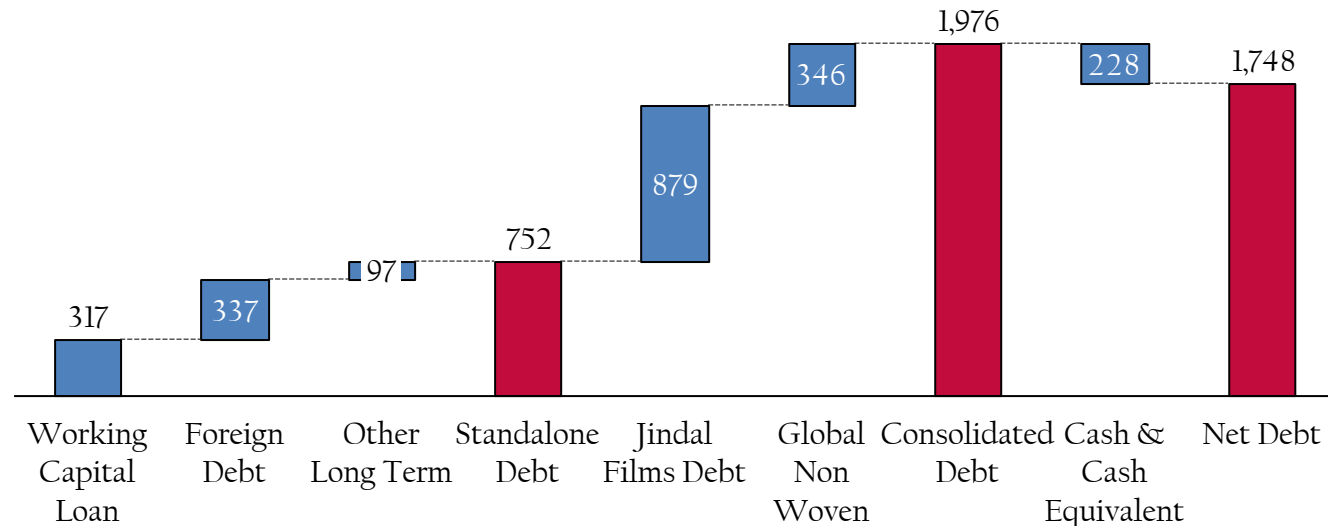
- Global Non Woven project under TUFS with interest and capital subsidy
- FY16 Financing Developments –
  - Refinancing of the acquisition loan of USD 93 Mn with a new loan from a consortium of Indian, European Banks and American Banks
  - The same has resulted in over all interest cost reduction as well
  - The new loan is without any recourse to / corporate guarantee of JPFL

Debt to Equity  
(Consolidated)



Mar – 16 Debt break up  
(Consolidated)

Rs Crores



# Balance Sheet



Standalone		Particulars (Rs. in Crores)	Consolidated	
Mar '16	Mar '15		Mar '16	Mar '15
		<b>Shareholders Funds</b>		
1,805	1,543	Net Worth	2,395	1,775
		Minority Interest	641	468
564	436	<b>Total Non-current Liabilities</b>	<b>1870</b>	<b>1954</b>
370	256	Long-term borrowings	1,249	1,229
193	180	Other Long- term Liabilities	621	725
642	590	<b>Total Current Liabilities</b>	<b>1807</b>	<b>1614</b>
317	264	Short Term Borrowings	532	483
158	205	Trade Payables	616	636
167	121	Other Current Liabilities	659	496
<b>3,010</b>	<b>2,568</b>	<b>TOTAL EQUITY &amp; LIABLITIES</b>	<b>6,713</b>	<b>5,812</b>
		<b>Non-Current Assets</b>		
2,203	1,686	Fixed Assets	4,116	3,434
1,441	1,199	Other Non Current Assets	3,403	2,994
762	487		713	440
808	883	<b>Current Assets</b>	<b>2597</b>	<b>2378</b>
41	126	Current Investment	69	139
275	268	Inventories	1,109	963
121	153	Trade Receivables	732	703
53	39	Cash & Cash Equivalents	158	125
318	296	Other Current Assets	528	447
<b>3,010</b>	<b>2,568</b>	<b>TOTAL ASSETS</b>	<b>6,713</b>	<b>5,812</b>
657	384	Net Debt	1,748	1,606
0.4	0.25	Net Debt to Equity Ratio	0.7	0.9
237	216	Net Working Capital	1,225	1,031

Previous year figures have been adjusted for the Merged Photo business

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