



An IS/ISO 9001, An IS/ISO 14001
& IS: 18001 Company



SURYA ROSHNI LIMITED

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SRL/se/20-21/14
July 30, 2020

The Secretary
The Stock Exchange, Mumbai
New Trading Ring, 14th Floor,
Rotunda Building, P.J.Towers,
Dalal Street, Fort,
MUMBAI - 400 001

The Manager
Listing Department
The National stock Exchange of India Ltd
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Re : PRESS RELEASE

Dear Sir,

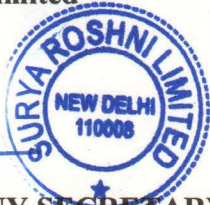
Please find enclosed herewith the copy of Press Release title – “SURYA ROSHNI ANNOUNCES UNAUDITED FINANCIAL RESULTS FOR THE 1st QUARTER ENDED 30th JUNE, 2020”.

This is for your information, please.

Thanking you,

Yours faithfully
For Surya Roshni Limited

B B SINGAL
Sr. V.P & COMPANY SECRETARY



Enclosed: as above

THE COMPANY ANNOUNCES UN-AUDITED FINANCIAL RESULTS FOR THE 1ST QUARTER ENDED JUNE 30, 2020

Surya Roshni Limited, the largest exporter of ERW Pipes, largest producer of ERW GI pipes and second largest Lighting Company in India, has declared its Unaudited financial results for the quarter ended June 30, 2020 at its Board Meeting held on July 30, 2020.

'SURYA' – The Brand Equity

'Surya' Brand has a strong presence of more than four decades in India. It enjoys strong Pan India presence with extensive dealer network in both of its segments i.e. Steel Pipes & Strips and Lighting & Consumer Durables.

Financial Results Highlights (Consolidated)

During this unprecedented period, our prime focus has been on resumption of operations after unlocking of the economy together with maintaining the health and safety of our employees. The business confidence picked up and gathered pace in June across all product categories. However, the outburst of COVID 19 and consequent lockdown has impacted the revenues and profitability of the Company during the reported quarter.

During the Q1FY21, in spite of adversities, the Company registered Revenue of Rs.887.10 crore as compared to Rs. 1,411.49 crore in Q1FY20. The EBITDA stands to Rs. 44.03 crore, Profit before tax Rs.2.90 crore and Profit after tax Rs.2.23 crore in Q1FY21. The major contributors have been GI pipes, Exports and API pipes in Steel pipe segment and Trade sales in Lighting segment. The quarter observed strong cash flow from operations, resulted in reduction of financial liabilities by Rs.264 crore during the quarter. The Company's thrust has been on continuous cost reduction, overhead rationalization, value added products, use of information technology and creating demand from different applications of its products which helped us to overcome the negatives of COVID 19 and set the path for future growth momentum.

Steel Pipes & Strips Segment Performance

The overall Revenue of the segment stands at Rs. 701.93 crore in Q1FY21 as compared to Rs. 1,093.01 crore during Q1FY20. The EBITDA stands at Rs.31.55 crore and Profit before Tax at Rs. 1.55 crore during Q1FY21. The EBITDA has been impacted by under absorptions of overhead due to lower capacity utilization in April and May 20 and decline in prices of steel.

The sales of Steel pipes segment shows momentum from mid May20 with unlocking and the sales for the month of **June20 was 95% of corresponding month of previous year.** The lower demand from automobile and appliances sector adversely effected the sales of CR strips. However, with picking up in these sectors, the division started receiving good orders and operations are getting normalized.



The Steel Pipes and Strips segment looks promising with increasing demand from rural India, agriculture sector, exports and for API pipes from Oil & Gas sector. The efficiencies in manufacturing cost, thrust on value added products and normalization of economic activities will further drive improvement in profitability.

The expansion of 3LPE coating facilities at Anjar is progressing for which order placing is in advance stage. The Company is regularly participating in tenders for Oil & Gas sector pipes for domestic as well as export market. The capacities shall remain fully engaged considering the orders in hand and in pipeline. **With this additional coating Line, the share of high value added pipes shall further increase.**

Lighting & Consumer Durables Segment Performance

During Q1FY21 the Company registered Revenue from operations of Rs. 186.41 crore as compared to Rs. 321.09 crore in Q1FY20. The EBITDA had been Rs. 12.50 crore and profit before tax Rs. 1.37 crore in Q1FY21. The sales and profitability impacted due to lower capacity utilisation and sales in lockdown period in April and May20. **There has been strong operating cash flows with lowering of working capital involvement. In last 12 months the division has reduced financial liabilities by Rs.209 crore.**

Post unlocking of the economy and opening of the markets, lifting picked up in June. The division has registered **104%** revenues in June20 as against the corresponding month. The synergy of operations, continuous modernisation and reduction in gas prices evidenced improved margins in conventional lighting products also. The Lighting business underway consolidation phase and shifting from unorganised sector which faced tough challenges from the pandemic.

Progress of Odisha Greenfield Street Lighting Project (SPV)

During Q1FY21, the Surya Roshni LED Lighting Projects Limited has registered a Revenue of Rs.6.05 crore which remained lower due to lockdown and deferment of sales from Directorate of Municipal Administration (DMA), Orissa. We are fully equipped for the project execution and expecting to fully complete in the current calendar year.

Future Outlook:

With the unlocking of the economy and policies of Government of India for **Aatma Nirbhar Bharat**, India is going to become global manufacturing hub in medium to long term, which shall further enlarge the scope of company's business activities and profitability considering our strong brand presence, extensive PAN India dealer network and leadership in exports of ERW pipes.


The Government thrust on projects like increasing the share of gas in energy mix, City Gas Distribution network and improved focus on domestic water segment, irrigation projects, 'Har Ghar Jal' scheme etc. will further boost the growth of steel pipes segment.



With strong emphasis of Government on **Local to Vocal**, higher demand from agriculture, manufacturing, exports and good monsoon, the growth in rural India is expected to be higher than urban in future. As company's major sale comes from rural, semi urban & exports and therefore, going forward, both the segments of the company shall be performing well.

Even as the gradual unlocking continues, fresh restrictions and temporary lockdowns still imposed in several cities, Surya, aligned its resources and taking all adequate measures to ensure that the businesses respond quickly to the evolving situation, so to achieve the desired goals and create long term value for its stakeholders.

Date: July 30, 2020
Place: New Delhi



Raju Bista
Managing Director
DIN - 01299297

Disclaimer:

We recommend that readers to refer to the detailed financial results of the company for the quarter/ year as available on the website of the company - www.surya.co.in. This document contains forward looking statements about the business, financial performance, skills and prospects of the company, which should be viewed in context of many risk issues and events that could cause the actual performance to be different from that contemplated in this document. We cannot assure that outcome of these forward looking statements will be realized.