



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN SPECIAL STEELS LIMITED

CHANDIGARH ROAD
LUDHIANA-141010, PUNJAB
T: +91-161-2228943-48
F: +91-161-2601048, 2222616, 2601040
E: secretarial.lud@vardhman.com

Ref. VSSL:SCY:FEB:2018-19

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The Deputy General Manager, Corporate Relationship Deptt, Bombay Stock Exchange Limited, 1 st Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street, Fort, MUMBAI-400001. Scrip Code: 534392	The National Stock Exchange of India Ltd, “Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 Scrip Code: VSSL
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**SUB: COMPLIANCE OF REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND
DISCLOSURE REQUIRMENTS) REGULATIONS 2015.**

Dear Sir,

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find enclosed herewith Media Release on Un-Audited financial results of the Company for the quarter/nine-months ended 31st December, 2018.

Kindly note and display the notice on your notice board for the information of the members of your exchange and general public.

Thanking you,

Yours faithfully,
For VARDHMAN SPECIAL STEELS LIMITED


(Sonam Taneja)
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

PAN NO.: AADCV4812B CIN: L27100PB2010PLC033930
WWW.VARDHMANSTEEL.COM

Media Release

9M FY19 Volume at 1,27,313 tonnes – YoY growth of 12%

9M FY19 Revenue from Operations at Rs 877.51 Crore, YoY growth of 40%

**9M FY19 EBITDA (including other income) at Rs. 58.54 Crore,
YoY growth of 21%**

9M FY19 PAT at Rs 22.36 Crore, YoY growth of 25%

2nd February 2019, Ludhiana, Punjab: Vardhman Special Steels Limited (BSE: 534392. NSE: VSSL), among India's leading producers of special steels catering to diverse sectors of engineering, automotive, tractor, bearing & allied industries, has announced its unaudited financial results for the quarter and nine months ended December 31st, 2018.

Key Financial Highlight (Rs. Crore): -

Particulars	Q3 FY19	Q3 FY18	Y-o-Y%	9M FY19	9M FY18	Y-o-Y%
Sales Volume (tonnes) (own manufactured)	43,258	38,275	13.02%	1,27,313	1,13,706	11.97%
Revenue from Operations	312.52*	218.42	43.08%	877.51*	627.60	39.82%
EBIDTA#	22.38	19.88	12.58%	58.54	48.54	20.60%
PBT	9.64	9.54	1.05%	23.65	17.82	32.72%
Tax	3.43	0.00	-	1.29	0.00	-
PAT	6.21	9.54	(34.91%)	22.36	17.82	25.48%
Basic EPS (Rs)	1.74	2.97	(41.41%)	6.26	5.93	5.56%

*includes sale of traded goods and raw material; #including other income

Performance Highlights: -

For the third quarter ended December 31st, 2018:

- The volume for the quarter stood at **43,258 tonnes** – a YoY growth of 13.02%, despite slowdown in the automotive industry
- **Revenue from Operations was Rs. 312.52 crore** in Q3 FY19, as against Rs. 218.42 crore in Q3 FY18, a **Y-o-Y growth of 43.08%**, mainly on account of increase in sales volumes and higher realizations and also due to sale of outsourced goods and raw materials in Q3FY19 - that was not there in the corresponding period of last year
- **EBITDA (including other income) for the quarter was Rs. 22.38 crore** as against Rs. 19.88 crore in the corresponding previous period, a **Y-o-Y growth of 12.58%**

- **Profit After Tax stood at Rs. 6.21 crore** in Q3 FY19 as against Rs. 9.54 crore in Q3 FY18, mainly on account of deferred tax accounted in Q3 FY19 as against no tax paid in Q3 FY18 (due to accumulated losses)
- Basic EPS stood at Rs. 1.74 in Q3 FY19

For the Nine Months ended December 31st, 2018:

- The volume for 9 months FY19 stood at **1,27,313 MT** – a YoY growth of 11.97%
- **Revenue from operations stood at Rs. 877.51 crore** in 9M FY19, as against Rs. 627.60 crore in 9M FY18, **Y-o-Y growth of 39.82%**, mainly on account of increase in sales volumes, higher realizations and due to sale of outsourced goods and raw materials in Q2 & Q3 FY19 - that was not there in the corresponding period of last year
- **EBITDA (including other income) for the 9M FY19 was Rs. 58.54 crore** as against Rs. 48.54 crore in the corresponding previous period, **Y-o-Y growth of 20.60%**. This growth was driven by higher volumes and operational efficiencies, despite increase in raw material costs
- **Profit After Tax stood at Rs. 22.36 crore** in 9M FY19 as against Rs. 17.82 crore in 9MFY18, **Y-o-y growth of 25.48%**
- EPS stood at Rs. 6.26 in 9M FY19 as against Rs. 5.93 in 9M FY18, **Y-o-Y increase of 5.56%**

Management Comment:

Commenting on the result, **Mr Sachit Jain, Vice Chairman & Managing Director, Vardhman Special Steels Ltd.** said,

“During the nine-month ended FY19, we have registered good volume growth of around 12%. Although there is a temporary slowdown in the automobile industry, we have been able to deliver good growth, on account of our strong relationship with our clients. Also, this slowdown in the industry in a way is helping us to build our inventory for our upcoming planned shutdown in first quarter next year. This plant shutdown is to increase our steel melting shop capacity. We expect this planned capacity expansion will help us to achieve our future goals and consistently deliver superior performance.

The consistent improvement in our operational efficiencies has enabled our Company to maintain EBITDA per tonne in the range of 4,500 – 6,000 per tonne, despite challenging scenario of increase in raw material costs.

Overall, we remain committed to our set agenda of delivering consistent, profitable volume led growth. I thank the entire team of ‘Vardhman Special Steels Limited’ for their untiring efforts, hard work, sincerity and high dedication. Also, I would like to thank our valued Shareholders, whose



support and faith in our Company along with their critical inputs has given us the determination and ambition to grow from strength to strength.”

About Vardhman Special Steels Limited:

Incorporated in May 2010 as a Public Limited Company, Vardhman Special Steels Limited (VSSL) was vested with steel business undertaking of the parent company Vardhman Textiles Limited in 2011, pursuant to Scheme of Arrangement & Demerger.

Headquartered in Ludhiana, Punjab, VSSL is one of India’s leading producers of special steels, catering to diverse requirements of Engineering, Automotives, Tractors, Bearing and Allied Industries. The Company also takes care of steel requirements of select customers for forging applications in international markets of Thailand, Taiwan, Turkey, Russia and Spain.

The Company’s manufacturing facilities incorporate the latest cutting-edge manufacturing technology, ensuring highest levels of quality and compliance. VSSL’s varied product suite comprises of billets, steel bars and rods and bright bars of various categories of special and alloy steels.

Leveraging state-of-the-art manufacturing facilities and vast experience in the domain, the Company has developed long term relationships with reputed and renowned customers globally, which include corporations such as Toyota, Hero Moto Corp, Caterpillar, Hino Motors, Maruti, Bajaj and Hyundai, among others.

For more details, please visit: www.vardhmansteel.com

For any Investor Relations query, please contact:

<p><i>Mr. Sanjeev Singla</i> <i>Vardhman Special Steels Limited</i> <i>Email: sanjeevsingla@vardhman.com</i></p>	<p><i>Mr. Amit Sharma / Mr. Smit Shah</i> <i>Bridge Investor Relations Pvt. Ltd</i> <i>Email: amit@bridge-ir.com /</i> <i>smit@bridge-ir.com</i></p>
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Caution Concerning Forward- Looking Statements:

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.