



SATIA
INDUSTRIES
LIMITED

Manufacturer of Quality
writing, Printing & Speciality
Paper with ECO MARK
Date: 28.10.2022



The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400001	The Manager, Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Scrip Code: 539201	Symbol: SATIA

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Q2 & H1 FY 23 - Earning Updates

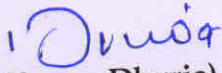
Dear Sir/ Madam,

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, We are enclosing herewith **Q2 & H1 FY 23 - Earning Updates.**

You are requested to take the same on record.

Thanking You,

Yours faithfully,
For Satia Industries Ltd


(Rakesh Kumar Dhuria)
Company Secretary



SATIA INDUSTRIES LIMITED
AN ISO 9001, 1400 & OHSAS 18001 COMPANY

CIN: L21012PB1980PLC004329

Registered Office: Village Rupana, Sri Muktsar Sahib – 152032, Punjab, India

Results for the Second Quarter and Half Year ended September 30, 2022

Satia Industries Limited Continues to Deliver Strong Operating Performance

Revenues for Q2FY23 stood at ₹ 4,593 Mn up by 146 % YoY

Profit After Tax stood at ₹. 508 Mn; up 151 % YoY

Total Revenue for H1FY23 stood at ₹. 8,763 Mn; up by 132 % YoY

Profit after Tax for H1FY23 stood at ₹. 811 Mn; up by 92% YoY

Satia Punjab, 28th Oct 2022: Satia Industries Limited (SIL) one of the leading Wood and Agro-based paper manufacturer in India, today announced its consolidated results for the Second Quarter and Half Year ended September 30, 2022.

Performance Summary - Q2 & H1 FY23

Particular (INR MN)	Q2FY23	Q2FY22	YoY Change	Q1FY23	QoQ Change	H1FY23	H1FY22	YoY Change
Revenue from Operations	4592.8	1867.7	146%	4170.4	10%	8763.3	3776.8	132%
EBITDA	924.7	355.5	160%	698.5	32%	1623.2	858.5	89%
EBITDA Margin (%)	20.1%	19.0%	110 bps	16.7%	338 bps	18.5%	22.7%	421 bps
Net PAT	508.2	202.7	151%	302.4	68%	810.6	421.8	92%
PAT Margin %	11.1%	10.9%	21 bps	7.3%	381 bps	9.2%	11.2%	192 bps
EPS	5.08	2.03	151%	3.02	68%	8.11	4.22	92%

Revenue and Profit Growth

- Revenue from operations **increased by 146% on YoY basis from ₹. 1,867.7 Mn in Q2FY22 to ₹. 4,592.8 Mn in Q2FY23**, mainly driven by better product mix and higher sales realization.
- The EBITDA **increased by 160% on YoY basis from ₹. 355.5 Mn in Q2FY22 to ₹. 924.7 Mn in Q2FY23** led by higher sales volume and higher realizations in the products.
- There was a rise in Cost of Materials Consumption on account of rise in raw material and chemical prices.
- Net profit stood at **₹. 508.2 Mn in Q2FY23, compared to ₹. 202.7 Mn in Q2FY22**
- **Volume** grew exponentially from **33090 MT in Q2 FY22 to 52000 MT in Q2 FY23** due to rise in demand of the premium products and operationalization of PM4.
- **EPS** grew by **151%** from **₹. 2.03 in Q2FY22 to ₹. 5.08 in Q2FY23**.
- **Return On Capital Employed** for H1FY23 is **23.2%**
- **Return On Equity** for H1 FY23 is **25.9%**.

*ROCE= (PBT+ Finance Charges)/ (Net Worth + debt)

*ROE= (PAT)/ (Net Worth)

Recent notable Developments (if any)

- The PM4 has commenced commercial production from 7th February 2022 and has an installed capacity of **100,000 TPA**. The new PM4 will enable SIL to have an **additional** capacity of **300 TPD** taking its' total capacity to **~700 TPD**.
- SIL had procured three orders one of **11000 MT** from NCERT, the second from Textbook production, Bhubaneswar for **9000 MT** paper, and third from MP Textbook Corporation for **7,000 tons**.

Management Comments (will be based on the performance)

Commenting on the financial results, Executive Director **Mr. Chirag Satia, said:**

*"We are pleased to deliver an excellent quarter and fiscal in terms of volume as well as increased profits. The **Revenue from Operations has increased by 10.1% in Q2 FY23 vis-à-vis Q1 FY23** mainly on the back of robust demand leading to higher sales volume with better realization. With the commitment and persistent efforts of the management and better utilisation of resources, we have recorded a **growth in EBITDA margins by 338 bps** in the current quarter as compared to the EBITDA margins in Q1 FY23.*

***The Educational sector along with increased exports lead the demand of paper across the nation** and our strong association with the various State Textbook corporations provides us a competitive edge. The current order book in hand stands at **55 days** with attractive price realization.*

***Despite key raw materials like agro, wood chips, and waste paper (Indian) witnessing a significant rise in H1 FY23**, our locational advantage of being in India's wheat belt has given us an edge over other players. This, along with cheap fuel from rice straw & other biomass, and strong backward integration from power to chemical requirements, aided in limiting the impact of macro headwinds and retaining relatively healthy margins for H1FY23.*

*We are elated to share that with the successful commissioning of PM4, we have added **100,000 TPA** to our installed capacity, taking our total installed capacity to **205,000 TPA**. We have imported this machinery from France, and it is one of the most advanced paper machineries in India. We estimate our revenues to grow by more than 90% with increase in profits for FY23"*

Outlook

- The management expect further growth in volumes for H2 FY23 as compared to H1 FY23 and expects to produce 80,000 tonnes additional paper from PM4 in FY23 contributing incremental revenue of INR 7000 million in FY23. The management expects that the EBITDA margins to expand by 100 bps in FY23.

About Satia Industries Limited:

Satia Industries Limited (SIL), is one of the largest Wood and Agro-based paper manufacturer in India. SIL was incorporated by Dr. Ajay Satia in 1980 and commenced its operations in 1984 with a small capacity of 4,850 tonne per year. It surprisingly overtook many of its peer in production, to achieve 1,41,525 MT in FY22 implying a capacity utilization of ~117%. SIL has successfully commissioned their PM 4 and has augmented its total installed capacity to 205,000 MTPA. In last three decades, SIL has witnessed a complete transformation in its operations, and it has become fully backward integrated having integrated pulping, chemical recovery, and power self-sufficiency. SIL has 540 acres of eucalyptus plantations, developed as per Karnal Technology, consumes total treated water discharge, and also compliments the future wood raw material requirements. SIL has a strong Pan-India distribution network with 70+ dealer and 3 branch offices located in Delhi, Chandigarh & Jaipur with total Employee strength of 2,019+.

For further information on the Company, please visit www.satiagroup.com

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