



## SURYA ROSHNI LIMITED

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SRL/se/19-20/37  
November 14, 2019

**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, 5<sup>th</sup> 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 – “**THE COMPANY ANNOUNCES UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2019**” .

This is for your information, please.

Thanking you,

Yours faithfully

For Surya Roshni Limited



**H B SINGAL**  
Sr. V.P & COMPANY SECRETARY

Enclosed: as above



## THE COMPANY ANNOUNCES UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER/ HALF YEAR ENDED SEPTEMBER 30, 2019

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 and half year ended September 30, 2019 at its Board Meeting held on November 14, 2019.

### **'SURYA' Brand Equity**

'Surya' Brand has a strong presence of more than four decades in India. It enjoys Pan India presence with extensive dealer network in both of its segments i.e. Steel Pipes & Strips and Lighting & Consumer Durables. **Surya, being one of the Principal Sponsor of Rajasthan Royals IPL 2019 Team, has also started aggressively advertising on TV for Steel Pipes.**

### **Financial Results Highlights (Consolidated)**

**The profitability of Steel Pipes and Strips segment has further improved due to better product mix giving high margins**, overcoming the impact of inventory losses due to decline in prices of steel. The Lighting and Consumer Durables segment witnessed stable sales in trade segment but decline in B2G sales. During Q2FY20, the Company registered Revenue of Rs. 1,322.55 crore and EBITDA of Rs. 84.88 crore as compared to Revenue of Rs 1,394.80 crore and EBITDA of Rs.84.82 crore in Q2FY19. The profit before tax stood at Rs. 29.98 crore and profit after tax at Rs. 22.48 crore in Q2FY20. The Company has elected to exercise the option of recently reduced income tax rate.

**During H1FY20, the Company registered Revenue of Rs.2,734.04 crore increased from Rs.2,665.27 crore in H1FY19, registered a growth of 3%. The EBITDA increased to Rs. 168.91 crore in H1FY20 as compared to Rs. 159.38 crore during H1FY19, registered a growth of 6%. The profit before tax stood at Rs. 58.44 crore and profit after tax at Rs. 41.68 crore in H1FY20. The company has reduced its debt by Rs. 53.30 crore in first half of the current financial year.**

Surya remains focused on value added products to generate higher returns and also on efficient utilization of its existing manufacturing facilities. The fixed assets turnover ratio is consistently improving with disciplined approach on investment.

### **Steel Pipes & Strips Segment Performance:**

The Revenue from operations of the segment during Q2FY20 was Rs. 1,016.59 crore as compared to Rs. 1,026.82 crore during Q2FY19 with volume growth of 6%. The EBITDA has registered 17% growth, stood at Rs. 60.36 crore during Q2FY20 as compared to Rs. 51.40 crore during Q2FY19. **The EBITDA per ton improved to Rs. 3,242 in Q2FY20 as compared to Rs. 2,967 in Q2FY19** (despite inventory losses in B2C due to drop in steel prices by about Rs. 3,500 during the current quarter). The margin improvement is due to improved products mix with strong sales growth of API pipes and exports sales (largely GI pipes).



The Revenue of the segment during H1FY20 was Rs. 2,109.60 crore as compared to Rs. 1,994.32 crore during H1FY19 **with volume growth of 13%**. **The EBITDA had registered 18% growth**, stood at Rs. 116.96 crore during H1FY20 as compared to Rs. 99.19 crore during H1FY19. The exports sales in volume grew by 38% and API & Spiral Pipes by 44% during H1FY20. The sales in Trade Segment remain stable due to delayed & heavy rains, continuous decrease in steel prices and muted demand.

**The company has been getting continuous orders for the supply of API Grade/ 3 LPE Coated Pipes for Oil and Gas pipelines, CGD and Water pipelines and the current order book stands at Rs. 480 crore.** The capacity at newly commissioned 3LPE coated unit at Anjar has been booked for the entire current financial year.

### **Lighting & Consumer Durables Segment Performance:**

The sales in Trade segment remained stable but B2G sales declined (largely EESL) from Rs. 114.26 crore Q2FY19 to Rs. 50.19 crore during Q2FY20 leading to Revenue from operations to stand at Rs.307.32 crore as compared to Rs. 368.31 crore. The EBITDA stood at Rs. 24.56 crore in Q2FY20 as compared to Rs.33.42 crore in Q2FY19. During H1FY20 the Company registered Revenue from operations of Rs. 627.76 crore as compared to Rs. 671.89 crore in H1FY19. The EBITDA had been Rs. 52.10 crore in H1FY20 as compared to Rs. 60.19 crore in H1FY19.

LED Lighting in trade registered 12% volume growth with declining prices, the conventional lighting de-grew by 23% during H1FY20 as compared to H1FY19. Going forward, the order book position has been strong and stands at Rs. 250 crore as on 30 September 2019. The segment generated higher operating cash flow which has resulted into debt reduction in the company.

With strong focus on expanding the LED product range for both B2C and B2B business, Surya continues to work towards improving productivity, automation and cost rationalization. **The company has ventured into LED Façade and Solar Lighting Products.** LBG division is getting orders for **Smart City, Railway Stations, Flyovers and bridges, Temple, Monuments and Tourist spots lighting.** Solar products include Solar Street Lights, solar panels, solar fans, solar roof top domestic lighting.

### **Progress of Odisha Greenfield Street Lighting Project (SPV)**

The Government of Odisha has awarded Greenfield Street Lighting Projects to the Company vide its LOA dated 14 November 2018 to be executed till June 2019. However, the execution got extended due to general/state elections, FANI cyclone as well as the time taken in procedural clearances and approvals inspite of company's best efforts and follow up for early execution. Presently the work is almost completed in 5 ULBs and progressing well for the remaining ULBs of which the revenue for supply and installation will be recognized in second half of the current financial year.





## Future Outlook:

Surya augmenting into newer growth opportunities in both its segments and making them self-reliant & independent. The Company has been driving benefits from the thrust of the Government on sectors like Oil and Gas, City Gas Distribution, Water transportation etc. in addition to existing sectors i.e. Infrastructure, Housing, Fire Fighting, Export markets etc. Sizeable opportunities are anticipated for the **API pipes division of the Company by timely installation of 3LPE Coating facility which is enhancing the capacity utilisation of both ERW and Spiral Pipes.**

Surya remains aggressive on building Brand value with new age advertisements and promotional activities. It continues to hold its leadership position in rural markets and also increasing its focus now on Tier-I cities. The Government's thrust on strengthening the Agricultural & Rural economy, increasing the capacity of Steel sector, generating solar power, wind power, housing for all, **Nal Se Jal scheme**, elevated tracks for Railways, Oil and Gas Sector, City Gas Distribution projects etc. will fuel the growth prospects for the company with its immense infrastructure already built in terms of large scale manufacturing facilities and wide spread distribution network. Surya remains committed to achieve desired goals and to create long term values for all the stakeholders.

**Date: November 14, 2019**

**Place: New Delhi**



*Raju*

**Raju Bista**  
**Managing Director**  
**DIN – 01299297**

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### *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](http://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.*