



SURYA ROSHNI LIMITED

CIN -L31501HR1973PLC007543

2nd Floor, Padma Tower-1, Rajendra Place, New Delhi-110 008
Ph.: +91-11-25810093-96, 47108000 Fax : +91-11-25789560
E-mail : cs@surya.in Website : www.surya.co.in

SRL/se/19-20/21
August 2, 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, 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 – “THE COMPANY ANNOUNCES UNAUDITED FINANCIAL RESULTS FOR THE 1ST QUARTER ENDED 30TH JUNE, 2019” .

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, 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 ended June 30, 2019 at its Board Meeting held on August 02, 2019.

‘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. **Surya has been one of the Principal Sponsor of Rajasthan Royals IPL 2019 Team with visible Brand placement.**

Financial Results Highlights (Consolidated)

During Q1FY20, the Company registered growth of 11% in Revenue to Rs. 1,411 crores from Rs.1,270 crores in Q1FY19. The EBITDA increased to Rs. 84 crores in Q1FY20 as compared to Rs.75 crores during Q1FY19, registered a growth of 13%. The Profit before tax stood at Rs. 28 crores in Q1FY20 as compared to Rs. 27 crores in Q1FY19, a growth of 7%. Profit after tax remained at Rs.19 crores in Q1FY20 (due to completion of tax holiday period for Kashipur Plant)

The Steel Pipes & Strips segment has shown robust performance both in terms of volume growth and EBITDA margins despite drop in steel prices. The Lighting & Consumer Durables segment also performed well considering the prevailing market scenario and decreasing sales of conventional lamps.

Steel Pipes & Strips Segment Performance:

19% volume growth registered in Q1FY20 as compared to Q1FY19 wherein export grew by 34% and our thrust has been to expand product basket including for Galvanized Pipes. The Revenue of the segment during Q1FY20 was Rs. 1,093 crores as compared to Rs. 968 crores during Q1FY19, registered a growth of 13% impacted by drop in steel prices. The EBITDA has also registered 18% growth, stood at Rs.57 crores during Q1FY20 as compared to Rs. 48 crores during Q1FY19.

The company has procured total orders of Rs. 383 crores during Q1FY20 for the supply of API Grade 3 LPE Coated Pipes from Bharat Gas Resources Limited and Indian Oil Corporation Limited. The Company is expecting continuous flow of orders which will result in full capacity utilization of 3LPE Coated unit at Anjar during first full year of its operations. The growth in API Pipes division will further increase the capacity utilization of its existing ERW and Spiral Pipe mills.

The Steel Pipes and Strips segment looks promising with strong industry demand and efficiencies in manufacturing cost, which will continue to drive improvement in EBITDA margins per ton. The fixed assets turnover ratio is improving year on year considerably with focused and disciplined approach on investment. At its Gwalior (M.P) and Hindupur (A.P) units, the expansion of ERW pipes including Galvanized pipes of different types will be benefiting the company due to economies of scale and leveraging the existing infrastructure. Surya continues to enjoy leading position with strong thrust on export markets.

“Nal Se Jal” – Piped water for all

Surya remains optimistic on high attention from the policy makers on future availability of drinking water and expansion of the piped drinking water for all. By an estimate, reaching to 150 mn households could mean large spending on water related infrastructure creation over next 5 years, that would benefit various related industry and majorly the pipes industry of Steel Pipes and PVC Pipes where Surya operates.

Lighting & Consumer Durables Segment Performance:

During Q1FY20 the Company registered Revenue of Rs. 320 crores as compared to Rs. 304 crores in Q1FY19, a growth of 6%. The EBITDA has been Rs. 28 crores in Q1FY20 as compared to Rs.27 crores in Q1FY19, registering a growth of 3%. The EBITDA margins has an impact of higher advertisement cost during current quarter due to sponsorship of IPL 2019 team of Rajasthan Royals.

LED Lamps grew by 33% with stability in pricing. However, the price correction continues in other LED products. **The segment grew by 15% in Q1FY20 as compared to Q1FY19, without the conventional lighting,** which de grew by 19% with consolidation of production On account of model code of conduct coming in force ahead of general elections, the market witnessed delays in projects. LED now constitutes 75% of the total revenue of lighting division.

The Company registered a revenue growth of 14% in Fans and Appliances division. The company has increased its production capacity in PVC Pipes division by 3000 MTPA in May 2019, reaching upto 8,200 MTPA to augment stronger growth.

Surya has been aggressively expanding the product range of LED Lighting and continue to work towards improving productivity, automation and cost rationalization. The Company is introducing more premium range of LED Down-lighters, Battens, Lamps, Street Lights, Fittings and other decorative luminaires. With continuous technological innovations, the LED is undergoing yet another transformation from being ‘conventional’ to ‘connected’. **Surya, is now all set to move towards Smart LED Lighting.**

The Company has been awarded orders for supply of LEDs lights from EESL during Q1FY20 for **Rs.58.39 crore.** The company has started supplying and installing LED Street Lights towards the order received from Odisha Government which has also being increased to a total value of Rs. 88.85 crores (including operations and maintenance). These supply shall be through **wholly owned subsidiary namely “SURYA ROSHNI LED LIGHTING PROJECTS LIMITED”.**



Future Outlook:

Surya remains focussed on improving performance of both the segments and making them self-reliant & independent. The Company is making timely investments on built up of manufacturing facilities to get the benefit from the upcoming and growing sectors like Oil and Gas, City Gas Distribution, Water transportation etc. in addition to its existing sectors covering Infrastructure, Housing, Fire Fighting, Export markets etc. Sizeable opportunities are anticipated for the API pipes division of the Company by installation of 3LPE Coating facility which will enhance the capacity utilisation of both ERW and Spiral Pipes.

Surya continues to hold its leadership position in rural markets and now also increasing its focus on Tier-I cities. The Company shall be immensely benefited due to Government thrust to strengthen 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, City gas projects etc. The export will have further benefits of major international infrastructure development like Expo 2020 in Dubai and 2022 FIFA World Cup in Qatar.

Today, Surya actively engaged in offering diversified product portfolio across two distinct businesses and finds its applications across the areas in India and Globally. Each day is a day to deliver at Surya Roshni which quietly transforming the face of the Company and making it future ready, to achieve desired goals and to create long term values for our stakeholders.

Date: August 02, 2019

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.