



SURYA ROSHNI LIMITED

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SRL/se/yks/23-24/12

August 11, 2023

The Secretary
The Stock Exchange, Mumbai
MUMBAI - 400 001
Scrip Code: 500336

The Manager (Listing Department)
The National stock Exchange of India Ltd
Mumbai - 400 051
NSE Symbol: SURYAROSNI

Re.: PRESS RELEASE- SURYA ROSHNI LIMITED ANNOUNCES Q1 FY24 RESULTS

Dear Sir,

This is with reference to our letter dated 26th July, 2023 intimating the date of the Board Meeting of Surya Roshni Limited, we wish to intimate the Outcome of Board Meeting held on 11th August, 2023, wherein the Company has approved the following:

- Unaudited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2023 along with the Limited Review Reports from the Statutory Auditors, M/s. Ashok Kumar Goyal & Co. on the aforesaid Standalone and Consolidated Financial Results

In this regard please find attached the Press Release titled:

PRESS RELEASE : SURYA ROSHNI LIMITED ANNOUNCES Q1 FY24 RESULTS

The meeting commenced at 2.00 P.M. and concluded at 3:00 P.M.

You are requested to kindly take the same on your records.

Thanking you,

Yours faithfully,
For Surya Roshni Limited

B. B. Singal
CFO & Company Secretary

Enclosed: as above

Surya Roshni Limited announces Q1 FY24 Results

- ✓ Celebrating 50 Years of Trust and Excellence
- ✓ Healthy volume growth of 20% in Steel Pipes and Strips
- ✓ Growth in Lighting and Consumer Durables by 11.5%
- ✓ Sustained performance driven by value added products and improved product mix

New Delhi, August 11, 2023: Surya Roshni Limited, the largest exporter of ERW Pipes, largest producer of ERW GI pipes and one of the largest Lighting Companies in India, has declared its unaudited financial results for the quarter ended June 30, 2023.

Consolidated Financial Performance Highlights

Particulars (In ₹ crore)	Q1 FY24	Q1 FY23	Change
Revenue	1,875	1,840	2%
EBITDA	116	71	65%
Profit after Tax (PAT)	59	22	166%

Q1FY24 Highlights

- Company reported a sustained growth momentum on YoY basis, driven by value added products and better volumes
- With softening of commodity prices and better volume led EBITDA improving by 65% to ₹ 116 crore; EBITDA margins for the quarter stood at 6.2%
- Profit after tax stood at ₹ 59 crore reporting a growth of 166%, on account of reduced finance cost
- Debt further reduced by ₹ 171 crore and debt to equity ratio for 30th June 2023 stands at 0.12x
- Focused on innovating new-aged products, premiumization coupled with marketing and advertising campaigns and expanding geographical footprint

Lighting and Consumer Durables Segment Performance

Particulars (In ₹ crore)	Q1 FY24	Q1 FY23	Change
Revenue	374	335	11.5%
EBITDA	33	22	52%
EBITDA Margins	8.83%	6.48%	235 bps
PBT	26	14	88%

Q1FY24 Highlights

- Due to a favorable business environment in both the B2B and B2C categories, Q1FY24 revenue increased by 11.5% YoY
- On account of improved private and government expansion plans; professional lighting business grew 27% whereas B2C business registered a modest growth
- EBITDA grew by 52% and margins improved to 8.83%, on the back of better product mix
- Launched various new products in FMEG segment to capture the upcoming festive season
- LED business grew by 8% backed by a volume led growth in products like LED Battens and Downlighters
- Continued downtrend in LED lighting bulbs replacement cost stood at 4.17% vs 4.57% in Q4 FY23
- Increased investments in advertising and marketing activities to enhance market share and brand visibility. Increased dealer and distributor engagement through various initiatives

Steel Pipe and Strips Segment Performance Highlights

Particulars (In ₹ crore)	Q1 FY24	Q1 FY23	Change
Revenue	1,503	1,504	-
EBITDA	83	49	70%
EBITDA/MT (Rs.)	4,388	3,103	41%
PBT	55	16	237%

Q1FY24 Highlights

- The revenue remained flattish due to lower of steel prices; however raw material prices are expected to stabilize in coming months
- Healthy performance in terms of EBITDA/MT led by a volume growth of 20%; domestic business registered a volume growth of 27% YoY and export business registered a volume growth of 6%
- Witnessing a steady order inflow in API Pipes and other value-added products; mainly driven from Oil & Gas, CGD and Water Transportation sectors
- Continued to maintain a healthy order book of more than ₹ 500 crore from oil and gas sector as well as export market
- Capex for Large-dia pipe at Anjar and for GP and CR coils/pipe at Hindupur is ongoing

Commenting on the results, Company's Managing Director, Mr. Raju Bista, said

"The overall performance of the company has been satisfactory given a robust volume growth. This benchmarks the company's ability to withstand economic headwinds.

Despite the seasonality and falling commodity prices, EBITDA grew by 65% and profit after tax recorded a healthy growth of 166%; supported by the demand in value added products, improved product mix and reduction in debt.

We firmly believe that these headwinds are temporary, and the company is poised for sustained growth in both the businesses.

In Lighting and Consumer Durables, the company has reported revenue growth of 11.5% YoY in Q1FY24. The company has experienced margin improvement to 8.8%, attributed to factors such as product mix and backward integration attributable to the PLI scheme. Along with this, new technological solutions and improved efficiency have also in reducing the cost and improving the turnaround time.

In the FMEG category, the company has successfully introduced a diverse range of new products, demonstrating its commitment to innovation and market expansion. This strategic move places the company in a favorable and advantageous position as it approaches the upcoming festive season.

The company has made substantial investment in improving product visibility by focusing on in-store excellence, internal merchandising, and enhancing in-store displays. Furthermore, the company has been investing in new age media technology for campaigns and advertisements.

Along with this, the company has been improving its distribution network with dealers and electricians in semi-urban and rural areas by launching numerous campaigns, making it one of the largest in the industry. The company will further enhance the outreach program through various ATL and BTL campaigns in FY24.

With private and government infrastructure expansion plans, the company received various esteemed projects during the quarter. On account of this, professional lighting business grew by 27%. The company has a strong order book in this segment and this trend is expected to continue in FY24"

In the Steel Pipes and Strips, the company experienced notable volume expansion, although the revenue was flattish in account of lower steel prices throughout the quarter.

During the quarter, EBITDA grew by 70% and profit before tax grew by 237%; this was supported by value added products, diverse product mix and healthy demand in export and domestic markets. The company has a orderbook of more than ₹ 500 crore as of 30th June 2023.

With improvement in infrastructure activities and stabilization of steel prices, the robust demand is expected to pickup in coming quarters. This trajectory will be further bolstered by our dedicated investments in technology, infrastructure, personnel, and innovative product offerings, ultimately delivering substantial value to our stakeholders.

Lastly, I am happy to share that the Board has approved a capex of ₹ 45 crore for CR modification and PVC at its existing units."

Adding further, Mr. Vinay Surya – Managing Director said,

"We started the year, with a healthy growth on profitability front. This performance is supported by combination of various factors like optimal product mix, comprehensive raw material sourcing strategy and prudent balance sheet management resulting in lower finance cost.

***In Lighting and Consumer Durables,** a robust growth 11.5% was seen during Q1FY24. This growth is ascribed from our B2B and B2C businesses. The company witnessed a steady growth in the professional lighting and expects this momentum to continue in FY24.*

The new aged lighting and consumer durables also seen a healthy demand in recent quarters. With this, the company has launched new products which will help us to capitalize on these emerging trends and solidify our position in the market.

With new product categories and our strategic investments in technology, advertisement and marketing, combined with our collaboration with distributors and retailers will help us achieve remarkable progress in coming quarters. This will also enable us to increase our market share and geographical footprint across the country.

***In the Steel Pipes and Strips,** In-spite of lower steel prices, company registered a healthy volume growth which was supported by the value-added products. EBITDA/MT for the quarter stood at ₹ 4,388.*

However, we expect stabilization in steel prices in coming months. The domestic and exports orderbook remains robust which reflects strong demand for API coated pipes and spiral pipes providing strong execution visibility and will lead to further improvement in capacity utilization. .

The company remains committed to ongoing investments in research and development, promotional initiatives, and new product introductions. These efforts will be coupled with efficient working capital management and debt reduction, all aimed at enhancing value for our shareholders."

Commenting on the financial performance, Mr. Bharat Bhushan Singal – CFO said,

*“For the **quarter**, **EBITDA and PAT grew by 65% and 166%** on YoY basis to ₹ 116 crore and ₹ 59 crore respectively.*

***In Lighting & Consumer Durables**, for the quarter, the revenue stood at ₹ 374 crore as against ₹ 335 crore registering a growth of 11.5%. EBITDA and PBT stood at ₹ 33 crore and ₹ 26 crore, registering a growth of 52% and 88% respectively.*

***In the Steel Pipes and Strips**, during Q1FY24, the company witnessed EBITDA growth of 70% YoY. Similarly, EBITDA/MT stood at ₹ 4,388 compared to ₹ 3,103 YoY. PBT grew by 237% to ₹ 55 crore.*

Improved capacity utilization, working capital optimization and cost rationalization has further reduced the debt by ₹ 171 crore. As of 30th June 2023, the debt to equity ratio stood at 0.12x.

As on 30th June 2023, ROCE improved by 758 bps and stood at 15.81% as compared to 8.23% last year. ROE stood at 12.49% as compared to 5.70% as on 30th June 2022 registering a growth of 679 bps.

As on 30th June 2023, the net working capital days stood at 64 days, inventory days stood at 50 days, debtor days stood at 37 days and creditor days stood at 23 days.”

About Surya Roshni Limited

Since its inception in 1973, Surya Roshni has transformed into an organization that has developed its Lighting & Consumer Durables business and built a stronghold in the Steel Pipes & Strips business. The company started with manufacturing of steel tubes in 1973, it then diversified by foraying into Lighting in 1984, PVC pipes in 2010 and into Consumer Durables like Fans and Home Appliances in 2014-15.

The Steel Pipes & Strips business manufactures a wide range of products and is the largest manufacturer of GI pipes in India and is the largest Exporter of ERW Pipes. The business has further strengthened with set-up of 3LPE Coating facility unit in 2018 (mainly to Oil & Gas and CGD sector) and Direct Forming Technology (DFT) in April 2022, whereas being one of the largest Lighting Companies in India, the Lighting business manufactures an array of conventional to modern LED lighting. The Consumer Durable business offers a variety of Fans and Home Appliances.

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

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact:

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