

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/17-18/65

February 12, 2018

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 – “SURYA ROSHNI ANNOUNCES FINANCIAL RESULTS FOR QUARTER 3 & NINE MONTHS OF F.Y 2017-18”.

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.

SURYA ROSHNI ANNOUNCES FINANCIAL RESULTS **FOR QUARTER 3 & NINE MONTHS OF FY 2017-18**

Surya Roshni Limited, the largest GI Pipe manufacturer and the second largest manufacturer of lighting goods in the country, has declared its Unaudited financial results for the 3rd quarter and nine months ended 31st December, 2017 at its Board Meeting held on 12th February, 2018. The financial results of the company for the quarter ended 31st December, 2017 show overall significant growth.

The merger of Surya Global Steel Tubes Limited with the Company was completed on 11th January, 2018 having the appointed date as 1st April, 2016. Accordingly, the results have been reported considering the effect of merger. The Revenue from Operations (net of taxes) **for the quarter** ended 31st December, 2017 has increased by **31%** to Rs. **1,312.80** crore from Rs. 1,000.40 crore, Cash Profit increased by **28%** to Rs. **67.00** crore from Rs. 52.43 crore, Profit before tax (PBT) increased by **42%** to Rs. **45.20** crore from Rs 31.84 crore. The Profit after tax (PAT) stands at Rs. **31.02** crore from Rs. **23.07** crore, an increase of **34%** over the corresponding period of last year. The results signifies the impact of merger and rebounding of the performance of Steel Pipe and Strips Segment.

The Revenue from Operations (net of taxes) in the **first nine months** ended 31st December, 2017 has also increased by **25%** to Rs. **3,505.31** crore from Rs. 2,798.30 crore, Cash Profit increased by **18%** to Rs. **167.87** crore from Rs. **142.55** crore, Profit before tax (PBT) increased by **29%** to Rs. **102.88** crore from Rs. 79.76 crore. However, Profit after tax increased by 23% only to Rs 71.02 crore from Rs 57.59 crore on account of higher tax liability due to the sunset of benefits derived under Section 32AC of the Income Tax Act, over the corresponding period of last year.

Steel Pipes & Strips Segment Performance:

During the current quarter, the Revenue (net of taxes) has increased by **44%** to Rs. **975.21** crore from Rs. 678.78 crore (volume increased by 24%), EBIDTA increased by **22%** to Rs. **57.39** crore from Rs. 46.93 crore, Cash Profit increased by **36%** to Rs. **37.57** crore from Rs. 27.58 crore and Profit before tax (PBT) increased by **73%** to Rs. **20.93** crore from Rs. 12.12 crore over the corresponding quarter of the last year. The results are continuously improving Quarter by Quarter.

Further, during the first nine months of the current financial year 2017-18, the Revenue (net of taxes) of the segment also achieved a growth of **35%** to Rs. **2,520.96** crore from Rs. 1,864.50 crore, EBIDTA increased by **17%** to Rs. **148.72** crore from Rs. 126.71 crore, Cash Profit increased by **34%** to Rs. **92.16** crore from Rs. 68.65 crore and Profit Before tax (PBT) increased by **101%** to Rs. **42.51** crore from Rs. **21.16** crore over the corresponding period of last year. The improved performance of the segment is the result of steps taken for de-bottlenecking, Operational efficiencies, demand from Oil and Gas Sector, better negotiations, increasing share of organized sector and overall improved scenario of Steel Pipes business.

The Company has further installed 4th state of the art ERW Pipe Manufacturing Mill at its newly green field unit at Hindupur (A.P), thereby increasing production capacity of the unit to 1,50,000 MT per annum for production of Black, Section and GI pipes which should lead to benefits of economies of scale at lower capital cost and further increasing its market share, in the premium market of South India, savings in logistic cost thus strengthening the overall Steel Pipe business of the Company.

Lighting & Consumer Durables Segment Performance:

The Lighting & Consumer Durable Segment Revenue (net of taxes) during the quarter increased by **5%** to Rs. **338.05** crore from Rs. 321.68 crore, Cash Profit increased by **18%** to Rs. **29.43** crore from Rs. 24.85 crore and Profit Before tax (PBT) increased by **23%** to Rs. **24.27** crore from Rs. 19.72 crore over the corresponding quarter of the last year. The performance has been moderate with increase in profitability Quarter by Quarter basis.

The lighting industry is in the transformation phase wherein, the conventional lighting sources are de-growing and are being taken over by LED based Lighting sources (including Lamps, Down lighters, Batens, Tube Lights, Street Lights etc.). We, at Surya Roshni, manufacture all the LED products in-house, backed by strategic marketing initiatives and strong trade channel that help us making our presence across the country. The company has posted growth of approx. 38% in LED lights during the first nine months of the current financial year.

To further accelerate the growth, the Company has launched premium range of LED Down-lighters, Battens, Lamps, Street Lights, Flood Lights and other decorative luminaires. The Company has obtained contracts for supply of **LED** Street Lights and other lighting products worth Rs.220 crores (exclusive of taxes) from EESL and executing the same. Based on the present tendering participation, the Company is expecting more orders of Street Lights in times to come.

Other Key Matters:

The Anjar Unit (e-SGSTL) has successfully dispatched Pipes of Rs. 132 crore against the orders of Rs. 314 crore (excluding taxes) for supply of 3LPE coating API pipes to IOCL and shall supply the remaining quantity as per schedule. The Company is now also focusing on export markets in France, Ireland, Canada, Mexico, Central Europe etc. for large dia section pipes and looking for value added products which shall be helpful in improving the top line and bottom line.

The Company is setting up 3 LPE Coating Pipe manufacturing unit with installed capacity of 18,50,000 square meter external coating and 11,00,000 square meter internal coating for the pipes having diameter between 4" to 64" at its existing campus of Anjar-Gujarat. With the proposed coating facilities, the Company's presence in supply of pipes in Oil & Gas Sector as well as large dia pipe for water supply should increase which will also lead to higher capacity utilization of API & Spiral pipes in times to come.



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

Board of Directors at its meeting, has appointed Shri Sunil Sikka as an additional Director. Mr. Sikka, has an illustrious career of 4 decades and served Havells and Bajaj Electricals at top positions. He has also been the president of ELCOMA. During his tenure, he led multiple initiatives to accelerate growth in marketing of consumer electrical and lighting in India. His illustrious track record, value system and experience is vital for further strengthening the Company's Lighting and Consumer Durables Segment.

The Lighting & Consumer Durables and Steel Pipes & Strips businesses of the Company in the current scenario are growing at steady pace with tremendous scope of growth potential in future. As the two business verticals are not inter-related as both have different business dynamics. The Board had discussions on the above and decided that **Business Reorganization Committee** be hereby empowered to analyze, consult and come up to the Board with **alternative strategies of re-organization, separation or demerger of the two business verticals** of the Company and further authorized to appoint consultants/ advisors, Investment / Merchant Bankers for formulating the strategy in the overall interest of businesses as well as its stakeholders.

Future Outlook:

With emphasis through the National Steel Policy, for increasing the capacity of steel sector, improving road infrastructure, housing for all, Elevated tracks for Railways and redevelopment of railway stations, city gas projects, thrust on electrification, Bijli Har Ghar Yojana (Saubhagya) to electrify 40 million families in rural and urban areas, development of smart cities, substantial demand will be generated for the products of the Company.

Union Budget 2018 focuses on strengthening agricultural and rural economy of the Country through various schemes such as Bharat Mala Pariyojana,, Awas Yojna (building 1 crore houses), Ujjawala Yojana (providing LPG Connections to 8 crore women) and increase in custom duties. The future of the both the segments are bright as Government determination will open new scales of opportunities because of it having more presence in Tier 2 and Tier 3 Cities.

We as a team remain committed to maintain our diligence & passion at work, which shall take us closer to our vision of all round growth in both the segments of operations, resulting into increased top line & bottom line and higher levels of satisfaction for our stakeholders.

Raju

Raju Bista

Managing Director

DIN – 01299297

B