



# Vardhman

Delivering Excellence. Since 1965.

## VARDHMAN SPECIAL STEELS LIMITED

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Ref. VSSL:SCY:NOV:2018-19

DATED: 05-Nov-2018

The Deputy General Manager,  
Corporate Relationship Deptt,  
Bombay Stock Exchange Limited,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J Towers,  
Dalal Street, Fort,  
**MUMBAI-400001.**  
Scrip Code: 534392

The National Stock Exchange of India Ltd,  
"Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (East),  
**MUMBAI-400 051**  
  
Scrip Code: VSSL

**SUB: COMPLIANCE OF REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIRMENTS) REGULATIONS 2015.**

Dear Sir,

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find enclosed herewith Media Release on Un-Audited financial results of the Company for the quarter/half-year ended 30<sup>th</sup> September, 2018.

Kindly note and display the notice on your notice board for the information of the members of your exchange and general public.

Thanking you,

Yours faithfully,  
For VARDHMAN SPECIAL STEELS LIMITED

  
(Sonam Taneja)  
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

PAN NO.: AADCV4812B CIN: L27100PB2010PLC033930  
WWW.VARDHMANSTEEL.COM

## Media Release

**H1 FY19 Volume growth stood at 11% YoY at 84,053 MT**

**H1 FY19 Net Revenues at Rs 564.99 Crore, Y-o-Y growth of 38%**

**H1 FY19 EBITDA (excluding other income) at Rs. 33.16 Crore,  
Y-o-Y growth of 28.38%**

5<sup>th</sup> November 2018, Ludhiana, Punjab: Vardhman Special Steels Limited (BSE: 534392. NSE: VSSL), among India's leading producers of special steels catering to diverse sectors of engineering, automotive, tractor, bearing & allied industries, has announced its unaudited financial results for the quarter and half year ended September 30<sup>th</sup>, 2018.

### Key Financial Highlight (Rs. Crore): -

Particulars	Q2 FY19	Q2 FY18	Y-o-Y%	H1 FY19	H1 FY18	Y-o-Y%
Sales Volume (MT) (own manufactured)	42,466	38,142	11.34%	84,062	75,431	11.43%
Revenue from operations	295.49	207.06	42.71%	564.99	409.18	38.08%
EBIDTA*	15.32	14.52	5.51%	33.16	25.83	28.38%
PAT	7.07	5.83	21.27%	16.15	8.28	95.05%
EPS (Rs)	1.98	1.82	8.79%	4.52	2.85	58.06%

\*excluding other income

### Performance Highlights: -

For the quarter ended September 30<sup>th</sup>, 2018:

- The volume for the quarter stood at **42,466 MT** – a YoY growth of 11.34%
- **Revenue from operations stood at Rs. 295.49 crore** in Q2 FY19, as against Rs. 207.06 crore in Q2 FY18, a **Y-o-Y growth of 42.71%**, mainly on account of increase in sales volumes and realizations and due to sale of outsourced goods and sale of raw material in Q2FY19 - that was not there in the corresponding period of last year
- **EBITDA (excluding other income) for the quarter was Rs. 15.32 crore** as against Rs. 14.52 crore in the corresponding previous period, a **Y-o-Y growth of 5.51%**
- **Profit After Tax stood at Rs.7.07 crore** in Q2 FY19 as against Rs. 5.83 crore in Q2 FY18, a **Y-o-Y growth of 21.27%**
- EPS stood at Rs. 1.98 in Q2 FY19 as against Rs 1.82 in Q2 FY18, **Y-o-Y increase of 8.79%**

**For the First half ended September 30<sup>th</sup>, 2018:**

- The volume for the quarter stood at **84,053 MT** – a YoY growth of **11.43%**
- **Revenue from operations stood at Rs. 564.99 crore** in H1 FY19, as against Rs. 409.18 crore in H1 FY18, a **Y-o-Y growth of 38.08%**, mainly on account of increase in sales volumes and realizations and due to sale of outsourced goods and sale of raw material in Q2FY19 - that was not there in the corresponding period of last year
- **EBITDA (excluding other income) for the H1 was Rs. 33.16 crore** as against Rs. 25.83 crore in the corresponding previous period, a **Y-o-Y growth of 28.38%**. This growth was driven by opting for rich raw material mix that resulted in higher output combined with decrease in power tariffs
- **Profit After Tax stood at Rs. 16.15 crore** in H1 FY19 as against Rs. 8.28 crore in H1 FY18, a **Y-o-Y growth of 95.05%**
- EPS stood at Rs. 4.52 in H1 FY19 as against Rs 2.85 in H1 FY18, **Y-o-Y increase of 58.60%**

**Management Comment:**

Commenting on the result, **Mr Sachit Jain, Vice Chairman & Managing Director, Vardhman Special Steels Ltd.** said,

*“The first half of this year has been driven by higher volumes and increase in realizations. The rising cost of key raw materials continued to be a challenge. There was also some inflationary effect due to the spurt in raw material costs as a result of increasing steel and graphite electrode prices in the last six months. This has put some pressure on our profitability. However, we see this effect stabilizing over the coming months as we have already started to revise our price contracts.*

*Overall, we remain committed to our strategic agenda of delivering consistent, profitable volume led growth. I thank the entire team of ‘Vardhman Special Steels Limited’ for their untiring efforts, hard work, sincerity and high dedication. Also, I would like to thank our valued Shareholders, whose support and faith in our Company along with their critical inputs has given us the determination and ambition to grow from strength to strength.”*

**About Vardhman Special Steels Limited:**

*Incorporated in May 2010 as a Public Limited Company, Vardhman Special Steels Limited (VSSL) was vested with steel business undertaking of the parent company Vardhman Textiles Limited in 2011, pursuant to Scheme of Arrangement & Demerger.*

*Headquartered in Ludhiana, Punjab, VSSL is one of India’s leading producers of special steels, catering to diverse requirements of Engineering, Automotives, Tractors, Bearing and Allied Industries. The Company also takes care of steel requirements of select customers for forging applications in international markets of Thailand, Taiwan, Turkey, Russia and Spain.*





The Company's manufacturing facilities incorporate the latest cutting-edge manufacturing technology, ensuring highest levels of quality and compliance. VSSL's varied product suite comprises of billets, steel bars and rods and bright bars of various categories of special and alloy steels.

Leveraging state-of-the-art manufacturing facilities and vast experience in the domain, the Company has developed long term relationships with reputed and renowned customers globally, which include corporations such as Toyota, Hero Moto Corp, Caterpillar, Hino Motors, Maruti, Bajaj and Hyundai, among others.

For more details, please visit: [www.vardhmansteel.com](http://www.vardhmansteel.com)

For any Investor Relations query, please contact:

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**Caution Concerning Forward- Looking Statements:**

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.