



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN SPECIAL STEELS LIMITED

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Ref. VSSL:SCY:APR:2022-23

Dated: 30-Apr-2022

BSE Limited, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, 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
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SUB: COMPLIANCE OF REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) 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 Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2022.

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

**Q4 FY22 volumes at 41,596 MT
FY22 volumes at 1,73,308 MT**

**FY22 Revenue from Operations at Rs. 1,368.46 Crore – YoY increase
of 46.03%**

**FY22 EBITDA (including other income) at Rs. 202.58 Crore –
YoY increase of 74.17%**

FY22 PAT at Rs. 100.75 Crore – YoY increase of 127.97%

**EBITDA for the quarter is Rs. 14,320 per Ton
EBITDA for full year is Rs. 11,689 per Ton**

**Board recommended an increased dividend of Rs. 3.50 per
equity share compared to Rs. 1.50 last year**

29th April 2022, Ludhiana, Punjab: Vardhman Special Steels Limited (BSE: 534392. NSE: VSSL), Amongst India's leading producers of special steels catering to diverse sectors of automotive, engineering, tractor, bearing & allied industries, has announced its audited financial results for the fourth quarter and full year ended 31st March 2022 in the Board meeting held on 29th April 2022.

Key Financial Highlight (Rs. Crore): -

Particulars	Q4 FY22	Q4 FY21	Y-o-Y	Q3 FY22	FY22	FY21	Y-o-Y
Sales Volume (tonnes)	41,596	47,828	(13.03%)	44,723	1,73,308	1,50,265	15.33%
Revenue from Operations	343.35	334.48	2.65%	359.32	1,368.46	937.08	46.03%
EBIDTA*	59.56	54.68	8.93%	40.76	202.58	116.31	74.17%
PAT	29.19	26.36	10.74%	19.47	100.75	44.19	127.97%
Basic EPS (Rs.)	7.20	6.51	10.60%	4.81	24.87	10.94	127.33%

*including other income;

Performance Highlights: -

For the quarter ended March 31st, 2022:

- The volumes for the quarter stood at **41,596 tonnes** as against 47,828 tonnes in Q4 FY21.
- **Revenue from Operations stood at Rs. 343.35 crore** in Q4 FY22, as against Rs. 334.48 crore in Q4 FY21, registering growth of 2.65% over Q4 of last year despite lower volumes by 13.03%

mainly on account of price increases received during current year

- **EBITDA (including other income) for the quarter is Rs. 59.56 crore** as against Rs. 54.68 crore in Q4 FY21, increase of **8.93%** mainly on account of electricity duty exemption granted to the Company under industrial and business development policy 2017, amounting to Rs. 18.65 crores for the year Sept'19 to Mar'22
- **EBITDA for the quarter is Rs. 14,320 per Ton** as against Rs. 11,433 per Ton in Q4 FY21
- **Q4 FY22 PAT stood at Rs. 29.19 crore** as against profit of Rs. 26.36 crore in Q4 FY21, increase of **10.74%**

For full year ended March 31st, 2022:

- The volumes stood at **1,73,308 tonnes** as against 1,50,265 tonnes in FY21
- **Revenue from Operations stood at Rs. 1,368.46 crore** in FY22, as against Rs. 937.08 crore in FY21, growth of **46.03%**
- **EBITDA (including other income) is at Rs. 202.58 crore** as against Rs. 116.31 crore in FY21, increase of **74.17%** mainly due to higher sales volumes, price increases and higher operational efficiencies. It also includes the exemption from electricity duty amounting to Rs. 18.65 crores.
- **EBITDA for full year is Rs. 11,689 per Ton** as against Rs. 7,741 per Ton in FY21
- **FY22 PAT stood at Rs. 100.75 crore** as against profit of Rs. 44.19 crore in FY21, increase of **127.97% YoY**
- **Board recommended an increased dividend of Rs. 3.50 per equity share compared to of Rs. 1.50 last year**

Management Comment:

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

"We are happy to share that our financial & operational performance for Q4 FY22 has been a bit better than our guidance due to couple of one-off items. Due to a massive increase in raw material cost and our holding a larger inventory than normal, we got inventory gains. Further a pending government incentive got approved. During the full year we registered a strong revenue growth of 46.03% along with a good increase in EBITDA by 74%. Our net profits increased by 127.97%.

This is on account of increase in sales volumes, price increase, better cost control, higher operational efficiencies and inventory value gain and Rs. 18 crores one time gain due to past government incentives. A part of that will be recurring.

Raw material prices which rose significantly in the last quarter has impacted business results for Q4 and will impact Q1 of FY 23. Our industry was supposed to receive price increase and revision from



OEMs from April 1st which is still awaited. The quantum of increase will determine performance in FY23. Further in the previous year we repaid a part of our long-term loan and controlled overall borrowings leading to lower debt to equity.

Talking about our relationship with Aichi, we have made good progress with regards to product development and geographical expansion by providing new samples as per their standards. At the same time, I would also inform that the Company is moving as per planned strategies on various fronts to achieve its medium and long term targets.

I would like to take this opportunity to display my gratitude towards our customers, employees, suppliers, Banks and the Government for their unstinted, cooperation and support. Their faith in us and their continued support makes it easier for us to perform well and deliver returns for our shareholders.”

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 Automotive, Engineering, 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, Italy, Russia, Germany, Vietnam and Japan.

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 on 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, Maruti, Hyundai, Hero Moto Corp, Caterpillar, Hino Motors and Bajaj, among others.

For more details, please visit: 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. Kilimanjaro