



# Vardhman

Delivering Excellence. Since 1965.

## VARDHMAN SPECIAL STEELS LIMITED

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**Ref. VSSL:SCY:JULY:2022-23**

**Dated: 25-July-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 the Un-audited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 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

**Q1 FY23 volumes at 52,265 MT – YoY increase of 19.58%**

**Revenue from Operations at Rs. 469.16 Crore – YoY increase of 42.11%**

**EBITDA (including other income) at Rs. 51.61 Crore**

**PAT at Rs. 30.30 Crore**

**EBITDA for the quarter is Rs. 9,875 per Ton**

### **Commenced Phase II of Aichi association with supply of Trial Orders**

25<sup>th</sup> July 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 unaudited financial results for the first quarter ended 30<sup>th</sup> June 2022 in the Board meeting held on 25<sup>th</sup> July 2022.

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

Particulars	Q1 FY23	Q1 FY22	Y-o-Y	Q4 FY22
Sales Volume (tonnes)	52,265	43,705	19.58%	41,596
Revenue from Operations	469.16	330.14	42.11%	343.35
EBIDTA*	51.61	53.71	(3.90%)	59.56
PAT	30.30	27.80	8.99%	29.19
Basic EPS (Rs.)	7.47	6.86	8.89%	7.20

\*including other income;

#### **Performance Highlights: -**

**For the quarter ended June 30<sup>th</sup>, 2022:**

- The **volumes for the quarter** stood at **52,265 tonnes** as against 43,705 tonnes in Q1 FY22 – YoY increase of 19.58%
- **Revenue from Operations stood at Rs. 469.16 crore** in Q1 FY23, as against Rs. 330.14 crore in Q1 FY22, registering growth of 42.11% over Y-o-Y – this growth is attributed to about 20% increase in volumes and about 20% due to price increase from the OEMs
- **EBITDA (including other income) for the quarter is Rs. 51.61 crore** as against Rs. 53.71 crore in Q1 FY22, a decline of 3.90% mainly on account of higher raw material prices
- **EBITDA per ton for the quarter is Rs. 9,875** as against Rs. 12,289 per ton in Q1 FY22

- **Q1 FY23 PAT stood at Rs. 30.30 crore** as against profit of Rs. 27.80 crore in Q1 FY22, **increase of 8.99%**. From 1<sup>st</sup> April 2022, we have switched over to new tax regime having an effective tax rate of 25.17%.

**Management Comment:**

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

*“Q1 FY23 has been a quarter that has witnessed strong headwinds in terms of raw material price fluctuations. While, the industry was negotiating a price increase with the OEMs, that has been due for sometime, we witnessed a sharp fall in raw material price in later half of May which significantly impacted the quantum of price increase we were supposed to obtain. This led to a pressure on the gross margins thereby impacting the EBITDA performance.*

*In terms of sales volume, we performed rather very well, registering a growth of about 20% and crossed 52,000 tons mark in the quarter. Another 20% increase in the turnover came from the price increases we got from the OEMs. The change in product mix towards value added products, as a part of the strategy, is an on-going process and about 2% increase in topline has come in due to this. The progress of the Aichi association continues with the commencement of phase II. After success of the sampling phase, the phase for supply of Trial order has already begun. This is in line with the expected timeline as stated earlier.*

*The entire team of Vardhman has put in an immense amount of effort to face the recent headwinds and deserves appreciation. I would also like to express my gratitude towards our customers, suppliers, Banks and the Government for their unstinted, cooperation and support. I assure my shareholders that we will keep up the momentum of efforts and hard work and keep performing as per stated targets.”*

**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, Bearings 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](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. Kilimanjaro*