



SATIA
INDUSTRIES
LIMITED

An ISO 9001, 14001 & 45001 company
CIN : L21012PB1980PLC004329

Manufacturer of Quality
Writing, Printing & Speciality
Paper with ECO MARK
GST IN : 03AACCS7233A1ZZ
www.satiagroup.com

IS 1848



SIL/CS

Date: 10.08.2024

The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400001 Scrip Code: 539201	The Manager Listing Department National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051. Symbol: SATIA
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Subject- Intimation under Regulation 30 and other applicable provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Press Release

Dear Sir/ Madam,

Pursuant to the Regulation 30 and other applicable provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to inform you that Satia Industries Limited has recorded Sequential Margin Growth in Q1FY25. The Press Release to be issued by the company in this regard is enclosed herewith.

This is for your information and records.

Thanking you,

Yours sincerely,
For Satia Industries Ltd

(Rakesh Kumar Dhuria)
Company Secretary



SATIA INDUSTRIES LIMITED

AN ISO 9001, 14001 & 45001

CIN: L21012PB1980PLC004329

Registered Office: Village Rupana, Sri Muktsar Sahib – 152032, Punjab, India

Satia Industries Records Sequential Margin Growth in Q1FY25

Punjab, 09 August 2024: Satia Industries Limited (SIL) one of the leading wood and agro-based paper manufacturer in India, announced its results for the first quarter ended June 30, 2024.

Performance Summary

Particulars (INR Mn)	Q1FY25	Q1FY24	YoY	Q4FY24	QoQ
Revenue from Operations	3,994	4,812	-17%	4,306	-7%
EBITDA	1,107	1,493	-26%	907	22%
EBITDA Margin (%)	27.7%	31.0%	-331	21.1%	664
Net PAT	511	841	-39%	394	30%
PAT Margin %	12.8%	17.5%	-470	9.2%	362
Diluted EPS	5.11	8.41	-39%	3.94	30%

Key Highlights

- Reflecting the broader industry trend and demand, the company's revenue **contracted 17% YoY to INR 3,994 Mn** during Q1FY25 as compared to INR 4,812 Mn during Q1FY24.
- Substantial reductions in raw material prices contributed significantly to the sequential improvement in **gross margins**, which increased from 56.0% in Q4FY24 to **59.1% in Q1FY25**.
- **EBITDA for Q1FY25 was INR 1,107 Mn** as compared to INR 1,493 Mn in Q1FY24. Our relationships with state textbook boards have helped us clocking better pricing amidst the industry challenges. In addition, our tight control on costs and operational efficiencies led to improvement in EBITDA margin which moved to 27.7% in Q1FY25 from 21.1% in Q4FY24.
- Net profit stood at **INR 511 Mn in Q1FY25**, vs INR 841 Mn in Q1FY24 and INR 394 Mn in Q4FY24.
- **EPS** for the quarter stands at **INR 5.11** as compared to INR 3.94 in Q4FY24.

Key Developments

- Satia Industries reported a steady volume of 53,648 MT despite challenging macro environment.
- SIL's effective cost control and backward integration initiatives contributed to improved margins.
- During Q1 FY25, the company has **prepaid term loans of INR 192 Mn**.

Management Comments

Commenting on the financial results, Executive Director **Mr. Chirag Satia, said:**

“Despite the seasonal downturn typical of June, demand was strong. While industry-wide prices and volumes declined, our company experienced a less severe impact on pricing. In tandem with the industry, our sales volume decreased slightly, resulting in a corresponding moderation of dispatches. This resulted in a slight decline in our revenues at INR 3,994 Mn for Q1 FY25.

Our unwavering focus on cost management has yielded impressive results. The significant drop in agro pulp prices, particularly wheat straw, coupled with the substantial reduction in fuel costs through our efficient rice straw boilers, positively impacted our bottom line. While the price of imported wood pulp increased, the overall cost structure benefited from these savings, leading to a noteworthy improvement in our EBITDA margins.

Our sustained operational efficiency is evident in our consistent year-over-year volume performance and expanding order book, a testament to our customers' enduring trust.

Furthermore, we are beginning to witness the early impact of the new education policy, which we anticipate will significantly influence our industry in the coming quarters. The gradual implementation of revised syllabi by the government is driving sustained demand. Our strong partnerships with state textbook boards position us favourably to capitalize on these growth opportunities.

To capitalise on the demand and strengthen our market position, we have embarked on strategic capital expenditure initiatives. We will be renovating our PM3, which will further enhance our production capacity. Simultaneously, the installation of a state-of-the-art Soda Recovery Boiler will optimize our operations. These projects, with a combined investment of approximately INR 350 crores over the next two years, will position us for long-term success.

Looking ahead, with stabilised raw material prices and planned Capex we are well-positioned to leverage our strategic initiatives, navigating external industry challenges effectively. Our commitment to delivering shareholder value through stable revenue streams, strategic cost management, and targeted investments remains unwavering. We maintain a positive outlook for the future, confident that our focused efforts will propel us towards continued success.”

About Satia Industries Limited:

Satia Industries Limited (SIL), is one of the largest Wood and Agro-based paper manufacturer in India. SIL was incorporated by Dr. Ajay Satia in 1980 and commenced its operations in 1984 with a small capacity of 4,950 tonne per year. It surprisingly overtook many of its peers in production achieve, to 2,13,804 MT in FY24 implying a capacity utilization of ~98%. SIL has successfully commissioned their PM 4 and has augmented its total installed capacity to 219,000 MTPA. In last three decades, SIL has witnessed a complete transformation in its operations, and it has become fully backward integrated having integrated pulping, chemical recovery, and power self-sufficiency. SIL has 540 acres of eucalyptus plantations, developed as per Karnal Technology, consumes total treated water discharge, and compliments the future wood raw material requirements. SIL has a strong Pan-India distribution network with 100+ dealers and three branch offices located in Delhi, Chandigarh & Jaipur with total Employee strength of 2,300+.

For further information on the Company, please visit www.satiagroup.com

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