

## The Supreme Industries Limited

### Press Release

THE SUPREME INDUSTRIES LIMITED (Supreme) ANNOUNCES UNAUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2017.

#### Mumbai, 30<sup>th</sup> October, 2017

The Supreme Industries Limited (Supreme), India's leading Plastics product manufacturing company, announced its Unaudited Standalone & Consolidated financial results for the Quarter and Half year ended 30<sup>th</sup> September, 2017, at its Board Meeting held today.

#### [A] Standalone Results

(Rs. in Crores)

Particulars	Quarter ended 30.09.2017	Quarter ended 30.09.2016	Half Year ended 30.09.2017	Half Year ended 30.09.2016	Previous Year ended 31st March 2017
Plastic Goods Sold (MT)	79029	66808	171225	163853	340906
Net Plastics Product Turnover	1044	864	2171	2037	4376
Total Turnover	1055	883	2217	2072	4462
Operating Profit (PBDIT)	154	136	313	338	770
Profit before tax	106	90	221	246	585
Profit after tax	69	58	144	159	377

#### [B] Consolidated Results

[Including results of (a) the Company's 100% Subsidiary Company viz. "The Supreme Industries Overseas (FZE) incorporated in SAIF Zone, UAE and (b) Associate Company viz. "Supreme Petrochem Limited", in which the Company holds 29.99% of its paid-up equity share capital

(Rs. in Crores)

Particulars	Quarter ended 30.09.2017	Quarter ended 30.09.2016	Half Year ended 30.09.2017	Half Year ended 30.09.2016	Previous Year ended 31st March 2017
Consolidated Total Income	1055	884	2217	2074	4467
Consolidated Operating Profit (PBDIT)	155	144	317	361	821
Consolidated Profit before tax	107	98	226	268	636
Consolidated Profit after tax	70	66	148	181	428

#### [C] Product Group wise Performance

Segment	Volume (MT)			Value (Rs. In crores)			OPM %	
	Q2'17	Q2'16	% Increase/ (Decrease)	Q2'17	Q2'16	% Increase/ (Decrease)	Q2'17	Q2'16
Plastic Piping System	52967	45266	17.01	567	483	17.33	12.27	16.50
Packaging Products	10751	8299	29.55	215	165	30.54	16.93	16.36
Industrial Products	10559	9023	17.02	185	150	23.47	12.82	12.93
Consumer Products	4749	4206	12.92	84	71	17.88	18.22	16.50
Composite	3	14	-	-	-	-	-	-
Total	79029	66808	18.29	1051	869	20.94	13.67	15.68





- (D) The Board of Directors has considered the payment of interim dividend for the financial year 2017-18 @ 150% i.e. Rs. 3/- per share of Rs. 2/- each and will be paid to the shareholders on the shares held as on the record date i.e. 7th November, 2017.
- (E) The share of overall Sales in the Value added products has been 37% of the Total Sales in the 2<sup>nd</sup> Quarter ended 30<sup>th</sup> September, 2017 as against 34% in the corresponding period of previous year. The Company's remains focused to increase the share of value added products in its turnover.

**(F) Capex**

Company envisages Capex in the range of about Rs. 425 to 450 Crores in FY 2017-18 and the same is progressing smoothly.

Company has been allotted and taken possession of 50 acres of land at concessional price by State Govt. of Telangana. Foundation ceremony was performed on 2<sup>nd</sup> September, 2017. Effective steps are being taken to accelerate the project work on 1<sup>st</sup> Phase of production. It's likely to commence during October-December'2018.

Company has finalised to put up HDPE Pipe Plant at Malanpur Unit III (M.P.). Construction work at the sight is in full swing. It's Likely to commence production during April - June, 2018.

Project work at Giloth ( Rajasthan) has commenced at full swing to manufacture Industrial Plastic Components. Its likely to go into production during April - June , 2018.

The Company expects better business growth potential going forward. Considering the same Company has increased investment plan to around to Rs. 450 Crores in this year compared to Rs. 350 crores as planned in beginning of the year. Increased investment outlay along with increased working capital requirement may require small debt to remain in the books of the Company instead of Company being debt free.

**(G) Business Outlook**

**Mr. M. P. Taparia, Managing Director, The Supreme Industries Limited, said:**

GST introduction has smoothened in the Company's operations by August. This has reflected in 18% Volume growth in this quarter. PVC prices were quite volatile in 1<sup>st</sup> half of current year. The demand for PVC pipe for agriculture use was low which has resulted in overall degrowth in PVC consumption by 6% in the country in first half of the year. To capture the business Company operated at a lower prices level in this segment. This with erosion in inventory valuation has eroded operating margin in the quarter.

The Company's intensive exports efforts over last one year has started yielding growth in export value. Company's exports have grown by 46% in the current half year as compared to corresponding period of previous year. The Company exported varieties of products to 42 countries. The Company will continue its drive to boost export business with a focus to penetrate in more countries over the years.

There are new petrochemicals plants gone into production in India and around India. Thus in spite of increase in crude prices, the Raw material prices remain range bound. Boost in





affordable house construction activities and increased infrastructure spending by the governments augur well to boost the Company's business in this year and beyond.

**About Supreme Industries Limited**

Supreme Industries Limited is India's leading plastics product manufacturer, offering a wide and comprehensive range of plastic products in India. The company operates in various product categories viz. Plastic Piping System, Cross Laminated Films & Products, Protective Packaging Products, Industrial Moulded Components, Moulded Furniture, Storage & Material Handling Products, Performance Packaging Films and Composite LPG Cylinders.

Supreme Industries has 25 technologically advanced manufacturing facilities located at various places spread across the country. The company has built-up excellent relationship with its distributors and is also providing orientation to them, in order to ensure proper service to ultimate customers.

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**For The Supreme Industries Limited**

**R. J. Saboo**

**(AVP Corp. Affairs & Company Secretary)**