

The Supreme Industries Limited

Press Release

THE SUPREME INDUSTRIES LIMITED (Supreme) ANNOUNCES AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE FOURTH QUARTER / YEAR ENDED 31ST MARCH, 2017.

Mumbai, 28th April, 2017

The Supreme Industries Limited (Supreme), India's leading Plastics product manufacturing company, announced its Audited Standalone & Consolidated financial results for the Fourth Quarter / Year ended 31st March, 2017, at its Board Meeting held today.

[A] Standalone Results

Particulars	Quarter ended 31 st March			(Rs. in Crores) Year ended 31 st March		
	2017	2016	Change (%)	2017 (12 Months)	2016 (12 Months)*	Change (%)
Plastic Goods Sold (MT)	95870	101467	(6)	340906	329350	4
Net Plastics Product Turnover	1242	1149	8	4376	4097	7
Total Turnover	1283	1200	7	4462	4214	6
Operating Profit (PBDIT)	245	219	12	770	713	5
Profit Before Tax and exceptional items	200	173	16	585	534	6
Profit Before Tax After exceptional items	200	165	21	585	526	11
Profit after Tax	127	103	24	379	343	7
Total Comprehensive Income	125	101	24	377	343	7

*Excluding Construction Business

[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



Particulars	(Rs. in Crores)		
	Year ended 31 st March		
	2017 (12 Months)	2016 (12 Months)*	Change (%)
Total Income	4467	4217	6
Operating Profit (PBDIT)	767	705	9
Profit Before Tax Before exceptional Items	582	525	11
Profit Before Tax After exceptional Items	582	517	13
Group Profit after Tax	428	369	16

*Excluding Construction Business

[C] The Board of Directors has recommended payment of final dividend @600% i.e. Rs. 12/- per equity share (including special dividend @250% i.e. Rs. 5 /- per equity share to commemorate the completion of 75th year of the Company) on 12,70,26,870 Equity Shares of Rs.2/- each for the year ended 31st March, 2017 which together with Interim Dividend paid @ 150% i.e. Rs. 3/- per equity share aggregates to @750% i.e. Rs. 15/- per equity share for the current year (Previous year @ 375% i.e. Rs. 7.50/- per equity share). Total outflow for dividend including tax on distribution absorb a sum of Rs. 229 Crores as against Rs. 115 Crores in previous year.

[D] Product Group wise Performance

Segment	Volume (MT)			Value (Rs. In crores)			OPM %	
	2016-17 (12 Months)	2015-16 (12 Months)	% Increase / Decrease	2016-17 (12 Months)	2015-16 (12 Months)	% Increase / Decrease	2016-17 (12 Months)	2015-16 (12 Months)
Plastic Piping System	235257	229820	2	2453	2290	7	16	15
Packaging Products	47616	46336	3	978	938	4	22	23
Industrial Products	38984	35335	10	623	569	9	14	13
Consumer Products	18797	17853	5	313	300	4	20	18
Composite	252	6		9	0			
Total	340906	329350	4	4376	4097	7	17	17

(E) The share of overall Sales in the Value added products has been 37.54 % of the Total Sales in the year ended 31st March, 2017 as against 36.63% in the corresponding previous year. The Company's focus remains to increase the share of value added products in its turnover.

(F) Total Borrowing of the Company stands at Rs. 228 crores as on 31st March, 2017 as against Rs. 413 crores as on 31st March, 2016.



Average Net Borrowing level during the current year remained at Rs.382 crores against Rs. 401 crores in the corresponding period in the previous year. Average Cost of Borrowings as on 31st March, 2017 came down to 6.56% p.a. as against 8.78% p.a. as on 31st March, 2016.

Total Debt-Equity ratio as on 31st March, 2017 came down to 0.15 times as against 0.34 times as on 31/03/16.

Company has no plans to increase its borrowing levels. It is committed to become virtual debt free in next year.

(G) Composite LPG Cylinders:

Company has signed MOU for supply of 250,000 Composite LPG Cylinders and received initial order for 30,000 pcs from its customer in Bangladesh. Supply of initial order quantity has been completed in last quarter of year under review. The same has been produced on continuous basis with 90% plant efficiency which boosted the morale and also given good experience of plant running for the first time.

Company has also made breakthrough in other overseas markets and some quantities have been supplied to various different countries. Company is also developing new sizes to add varieties to its offerings and is engaged in new developments to minimize product costs.

[H] Capex Plan:

The Company has incurred capex of Rs. 213 Crores during the Year under review. Further, Company envisages Capex in the range of about Rs. 300 to 350 Crores in FY 2017-18, mainly on the following:

- Setting up Green Field Plastic Product manufacturing Complexes in the Southern India and North East Regions and at Ghiloth in Rajasthan for Industrial Components
- To increase capacity and range of Roto Moulded Products
- To increase/install new capacities of Protective Packaging Products at Hosur, Malanpur and Kharagpur
- To invest in new capacity of Performance Packaging Film
- To invest in moulds for new varieties of Fittings and Bath Fitting Products
- To invest in moulds to enlarge range of furniture/blow moulded furniture products
- To invest in additional equipments for Cross Plastic Film
- To invest in increasing the capacity of Composite LPG Cylinders
- To invest in balancing equipments and automation at all the plants as may be required

The Company is confident of meeting its Capital Expenditure requirements through its internal accruals & suppliers' Credit. Company has no plans to



increase its borrowing levels. It is committed to become virtual debt free in next year.

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

The overall economy situation in our Country post demonetization looks robust. This will lead to higher growth in coming years for the Company as the Company's products mostly cater to domestic needs.

The business conditions look favourable due to execution of various initiatives announced and getting implemented by the Government i.e.

- Implementation of GST regime by 1st July 2017 which will integrate the Country's economy as one.
- Affordable Houses for all by 2022.
- Doubling the farmer's income by 2022 from the base year of 2016.
- Increased spending on irrigation, augmenting drinking water supply, strengthening sewerage and drainage network.

All these initiatives will boost Company's business and offers new business opportunities.

Polymer prices except PVC resin remained range bound at affordable level. However, due to demonetization, the polymer consumption growth in the previous year was around 9% resulting in countrywide consumption of around 15 million tons as against 13.7 million tons in the previous year.

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.

For further information, kindly contact:-
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For The Supreme Industries Ltd.


(R. J. Saboo)
AVP (Corporate Affairs) &
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