

The Supreme Industries Limited

Press Release

THE SUPREME INDUSTRIES LIMITED (Supreme) ANNOUNCES UNAUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2020.

Mumbai, 23rd January, 2021

The Supreme Industries Limited (Supreme), India's leading Plastics product manufacturing company, announced its Unaudited Standalone & Consolidated financial results for the Quarter and Nine months ended 31st December, 2020, at its Board Meeting held today.

[A] Standalone Results (Excluding Construction Business)

(Rs. in Crores)

	Quarter ended 31.12.2020	Quarter ended 31.12.2019	Nine months ended 31.12.2020	Nine months ended 31.12.2019	Previous Year ended 31.03.2020
Plastic goods sold (MT)	111584	101393	297871	308321	411521
Plastics product turnover	1766	1356	4128	4028	5408
Total income	1851	1385	4284	4099	5504
Operating profit (PBIDT)	409	233	786	580	849
Net profit before tax	355	176	619	411	623
Net profit after tax	266	134	463	343	493

[B] Consolidated Results (Excluding Construction Business)

(Rs. in Crores)

	Quarter ended 31.12.2020	Quarter ended 31.12.2019	Nine months ended 31.12.2020	Nine months ended 31.12.2019	Previous Year ended 31.03.2020
Consolidated total income	1844	1374	4273	4082	5487
Consolidated operating profit (PBDIT)	455	222	851	587	862
Consolidated net profit before tax	401	165	684	418	636
Consolidated net profit after tax	312	123	528	350	464

[C] Product Group Wise Performance

Segment	Volume (MT)			Value (Rs. In crores)			OPM %	
	Q3'20	Q3'19	% Change	Q3'20	Q3'19	% Change	Q3'20	Q3'19
Plastic Piping System	76759	70431	9 %	1140	798	43 %	24 %	16 %
Industrial Products	11652	8801	32 %	216	157	38 %	13 %	11 %
Packaging Products	16785	16399	2 %	318	309	3 %	16 %	17 %
Consumer Products	6388	5762	11 %	117	104	12 %	23 %	18 %
Total	111584	101393	10 %	1791	1368	31 %	21 %	16 %

[D] The Company sold 111584 MT of Plastic goods and achieved net product turnover of Rs. 1766 Crores during the 3rd quarter of the current year against sales of 101393 MT of Plastic

goods and achieved net product turnover of Rs. 1356 Crores in the corresponding quarter of previous year achieving volume and product value growth of about 10 % and 30 %, respectively.

The Company sold 297871 MT of Plastic goods and achieved net product turnover of Rs. 4128 Crores during the Nine months of the current year against sales of 308321 MT and net product turnover of Rs. 4028 crores in the corresponding Nine months of previous year resulting volume degrowth of about 3 % and product value growth 2 %, respectively.

[E] The overall turnover of value added products increase to Rs. 758 crores during the current quarter as compared to Rs. 568 crores in the corresponding period of previous year achieving growth of 33 %.

[F] The Company has Cash Surplus funds of Rs. 432 crores as on 31st December, 2020 as against net Borrowings of Rs. 217 crores as on 31st March, 2020.

[G] Business Outlook

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

Business situation has become normal in all the segments where Company is operating. Company achieved a volume and value growth of 10% and 30% respectively in the 3rd quarter.

The Company's value added business has grown to Rs. 758 crores as compared to Rs. 568 Crores in comparable quarter of the previous year. The increase in volume sale supported by increase in the business of value added products have improved operating margin to 21.53% compared to 16.11% of the previous year in the same quarter. The OPM has also improved significantly due to inventory gain on account of rapid price increase of PVC resin to the extent of around Rs. 80 crores in the quarter.

The Crop situation in the Country is normal, which has boosted the rural income. The Rabi crop sowing has also been done in a larger area than the previous year. Company enjoyed good demand for its products from rural market and Tier III and Tier IV cities.

In the current quarter, the demand also got a fillip from the Housing market. Several Policy initiatives have facilitated brisk sale of ready to occupy housing units. Demand for Company's housing products has revived in Metro cities.

The demand for Furniture and Material handling products were higher compared to previous year. With a better offtake of consumer durables, the Company enjoyed good demand for its' industrial components business.

The Company's Packaging segment working was affected due to increase in its raw material prices which could be passed over with a time lag, which may happen in the current quarter.

Company has also introduced economy model of Tarpaulin also in Cross Laminated film segment having lower value addition. However, the overall demand for Cross Laminated film products for the year is expected at a higher level which may boost business to 21,000 MT in the year compared to 17,000 MT in the previous year.

Protective packaging division in this segment has also fared better as demand has come from Construction, Consumer appliances, yoga mats and other segments.

Plastic raw material prices remain at an elevated level. PVC resin prices have gone up by Rs. 23/- per kg in the quarter with an increase of 25% in its prices. The PVC prices remain even now at the elevated level. At the increased prices, there is a demand resistance from agricultural segment. It is expected that the resin prices may start softening by March.

The Company's CAPEX plan is going smoothly. Along with carried forward investment commitment of Rs. 182 crores, the Company has made a plan to invest around Rs. 400 crores in this year. The said investment is made mostly in its existing plants where additional construction activities are going on at Seven sites. Company is also now putting up new plants at three locations. Land for these plants have been already acquired at Orissa & Tamil Nadu. In Assam, the plant is being constructed on a lease agreement basis. Company aims to put all these new plants in production in the year 2021-22.

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 Limited

Sd/-
R. J. Saboo
VP (Corporate Affairs) & Company Secretary