

Indag Rubber Limited

Investor Release: 12th August 2021, Delhi

Indag Rubber Limited, one of India's leading tread manufacturing Company, has declared its Unaudited Financial Results for the Quarter Ended 30th June, 2021.

Q1 FY22 Financial Highlights

Particulars (Rs. Crores)	Q1 FY22	Q1 FY21
Total Revenue*	31.7	26.3
EBITDA*	-0.3	0.1
Profit After Tax	-0.8	-0.3

* Includes Other Income, On Consolidated Basis;

Key Highlights

- Q1 FY22 Revenues were impacted due to demand disruption caused by the localized lockdowns on account of 2nd wave of CoVID-19. However, the Company reported topline growth of 21% on account of low base of last year
- The Company has witnessed steep increase in raw material prices which was not completely passed on due to market competition and lower demand.

Commenting on the Result, Mr. Vijay Shrinivas, CEO Indag Rubber Limited said,

“Q1 FY22 was a challenging quarter. The resurgence of CoVID-19 in the start of the quarter resulted in consequent lockdown like restrictions of varying degrees across different regions of the country which caused demand disruption.

Our operations at manufacturing facilities were running smoothly and we took all necessary precautions ensuring the safety and well being of our employees. We have reported total income of Rs. 31.7 crores for Q1 FY22. Our margins were impacted by input cost inflation which was not completely passed on due to market competition and lower demand.

State of Indian economy by RBI reveals that the tapering of the second wave, coupled with an aggressive vaccination push, has brightened near term prospects for the Indian economy. While several high frequency indicators of activity are recovering, a solid increase in aggregate demand is yet to take shape.

Tyre Sector is witnessing huge capacity expansions being announced by many tyre companies. According to ICRA tyre industry is expected to grow in the current financial year supported by sharp recovery in OEM tyre demand , lower base of FY21, improved pace of vaccination, preference for personal mobility and healthy rural cashflows amid a normal monsoon forecast. With pick up in economic activities, transportation of goods has speed up which shall augur well for the demand of trucks and fleets thereby driving the demand for retreading in coming quarters.

We are focused to provide fleet owners with world class retreading solutions. We are continuously striving to improve the efficiency of our operations and strong focus on cost saving measures which shall help to enhance our performance going ahead.”

About Indag Rubber Limited

Indag Rubber Limited (IRL) is founded by Khemka Group during the early 80's. IRL pioneered the introduction of Cold Retreading Technology in India. Since then the company has provided Retreading material to customers ranging from Pre-cure Tread Rubber to Envelopes. IRL has state-of-the-art manufacturing unit established at Nalagarh Industrial Estate in Himachal Pradesh with an Annual Capacity to manufacture 20,000 tons of Precured Tread Rubber (PTR) along with allied items. With the Best Quality product and reasonable pricing with wide distribution network, Company provides Tread which promises "Lowest Cost per Kilometre" to our customers.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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