

Indag Rubber Limited

9M FY19 Unaudited Financial Highlights

Net Revenues at Rs. **130** Crores

EBITDA at Rs. **14** Crores;

PAT of Rs. **9** Crores;

Particulars (Rs. Crores)	9M FY19	9M FY18
Total Revenue*	130.1	124.4
EBITDA*	14.0	16.9
<i>EBITDA Margin (%)</i>	<i>10.7%</i>	<i>13.6%</i>
Profit After Tax	8.7	10.0

* Includes Other Income

Press Release: 13th February 2019, Delhi

Indag Rubber Limited, one of India's leading Tread Manufacturing Company, has declared its Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2018. The Results are in accordance with the Indian Accounting Standards (Ind AS)

Highlights of 9M FY19

- Total Revenue stood at Rs.130 crores for 9M FY19
- EBITDA for 9M FY19 stood at Rs.14 crores and Margins at 10.7%
 - Margins were impacted due to increased raw material prices which have not been completely passed on due to stiff market competition
 - We have also incurred high employee cost on the back of strengthening our sales, marketing and technical team which will benefit us going ahead
- Net Profit After Tax for 9M FY19 stood at Rs. 8.7 crores and Margins at 6.7%

Commenting on the Result, Mr. K. K. Kapur CEO, Indag Rubber Limited said,

*“ During the first nine months of this financial year, our Company has achieved a **Revenue of Rs. 130 crores with EBITDA and PAT of Rs. 14 and Rs. 9 crores respectively.** We have faced raw material pressure during the year which have not been completely passed on due to stiff competition. In addition to that, we have incurred high employee cost on back of strengthening our sales, marketing and technical team. This move should benefit the company going ahead.*

Tyre industry is estimated to grow by 7-9% over the next few years. The tyre industry in the country has witnessed large capacity expansion projects. The increase in demand for domestic tyres will further boost the demand for retreading too.

Radialization in CV segment continues to grow and has touched ~70% for truck OEM's while it is ~ 40% in the truck replacement segment. Further, low-cost radial imports from China have declined sharply due to the implementation of anti-dumping duty (ADD) which has benefitted domestic companies.

Post implementation of GST, we have seen a visible shift from the unorganized sector to the organized sector. During December 2018, GST rates on retreaded tyres have slashed from 28% to 18%. This move has been positive for the retreading industry.

We shall continuously strive to improve the efficiency of our operations in order to help us 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 gives "Lowest Cost per Kilometre" for tyres to the end users.

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.

For further information, please contact

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