

Ref. No.SH/13/2021.  
3<sup>rd</sup> May, 2021

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> floor,  
Plot No. C/1, G. Block,  
Bandra-Kurla Complex,  
Bandra (East),  
MUMBAI – 400051

BSE Limited.  
Market-Operation Dept.,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Bldg., P.J. Towers,  
Dalal Street,  
Fort, MUMBAI 400023

**Sub: Audit Report with Unmodified Opinion**

**Ref: Declaration pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.**

In terms of the second proviso to Regulation 33(3)(d) of the SEBI Listing Regulations, 2015, as amended, we declare that LODHA & CO, Statutory Auditors of the Company have submitted Audit Reports for annual audited financial statements (standalone and consolidated) of the Company for the financial year ended 31 March 2021 with unmodified opinion(s).



For The Supreme Industries Limited




(P.C. Somani)  
Chief Financial Officer

**The Supreme Industries Limited**

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## The Supreme Industries Limited

### Press Release

THE SUPREME INDUSTRIES LIMITED (Supreme) ANNOUNCES AUDITED STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH, 2021.

#### **Mumbai, 3<sup>rd</sup> May, 2021**

The Supreme Industries Limited (Supreme), India's leading Plastics product manufacturing company, announced its Audited Standalone & Consolidated financial results for the Quarter and year ended 31<sup>st</sup> March, 2021, at its Board Meeting held today.

#### **[A] Standalone Results (Excluding Construction Business)**

<b>(Rs. in Crores)</b>						
	<b>Quarter ended</b>			<b>Year ended</b>		
	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>Change</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>Change</b>
Plastic goods sold (MT)	111238	103200	+8 %	409109	411521	-1 %
Plastics product turnover	2049	1380	+48 %	6177	5408	+14 %
Total income	2089	1405	+49 %	6373	5504	+16 %
Operating profit (PBIDT)	514	269	+91 %	1300	849	+53 %
Net profit before tax	459	212	+117 %	1078	623	+73 %
Net profit after tax	338	150	+125 %	801	493	+62 %

#### **[B] Consolidated Results (Excluding Construction Business)**

<b>(Rs. in Crores)</b>						
	<b>Quarter ended</b>			<b>Year ended</b>		
	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>Change</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>Change</b>
Consolidated total income	2088	1405	+49%	6361	5487	+16%
Consolidated operating profit (PBDIT)	584	276	+112%	1435	862	+66%
Consolidated net profit before tax	528	219	+141%	1212	636	+91%
Consolidated net profit after tax	450	114	+295%	978	464	+111%

#### **[C] Product Group Wise Performance**

Segment	Volume (MT)			Value (Rs. In crores)			OPM %	
	FY 2020-21	FY 2019-20	Change	FY 2020-21	FY 2019-20	Change	FY 2020-21	FY 2019-20
<b>Plastic Piping System</b>	294357	300772	-2 %	4099	3445	+19 %	22 %	16 %
<b>Industrial Products</b>	41451	38617	+7 %	761	673	+13 %	13 %	10 %
<b>Packaging Products</b>	54833	51353	+7 %	1035	960	+8 %	16 %	15 %
<b>Consumer Products</b>	18468	20779	-11 %	354	383	-8 %	21 %	19 %
<b>Total</b>	<b>409109</b>	<b>411521</b>	<b>-1 %</b>	<b>6249</b>	<b>5461</b>	<b>14 %</b>	<b>20 %</b>	<b>15 %</b>

**[D]** The Board of Directors has recommended payment of final dividend @ 850 % i.e. Rs. 17 /- per equity share on 12,70,26,870 Equity Shares of Rs.2/- each for the year ended 31st March, 2021 which together with Interim Dividend paid @ 250% i.e. Rs. 5/- per equity share aggregates to @ 1100 % i.e. Rs. 22 /- per equity share for the current year (Previous year @ 700% i.e. Rs. 14/- per equity share). Total outflow for dividend shall absorb a sum of Rs. 279 Crores as against Rs. 214 Crores (including tax on distribution) in previous year.

**[E]** The overall turnover of value added products increase to Rs. 2480 crores as compared to Rs. 2070 crores in the previous year achieving growth of 20%.

**[F] The Company has become debt free during the year and** has Cash Surplus funds of Rs. 759 crores as on 31st March, 2021 as against net Borrowings of Rs. 217 crores as on 31st March, 2020.

### **[G] Capex**

With expected growth in the businesses of several verticals, the Company took steps to put new production units and also expand capacity in several of its' existing units and incurred capex of Rs. 314 crores in the year 2020-21 and further committed Capex of about Rs. 198 Crs. which shall fructify for production & usage during current year.

During the current year i.e. 2021-22, the Company envisages New Capex in the range of about Rs. 400 crores (including carry forward commitments of Rs. 198 Crs. at the beginning of the year), mainly on the following:

- Putting new unit at Assam to manufacture PVC Pipes and Roto & Blow Moulded products.
- Putting up a plastic product complex near Cuttack in Odisha where required land has already been purchased and taken possession thereof
- Putting up a plastic product complex near Erode in Tamilnadu. The Company has already taken possession of about 33 acre land from SIPCOT.
- Establishing capacity to manufacture olefin Fittings/ PEX Piping System at Jadcherla.
- Expanding capacities of its bath fitting products at Puducherry
- Adding varieties of new injection moulded fitting products in its plastic Piping products
- To add new models of Injection moulded furniture, Crates & pallets in the Company's range of furniture and Material Handling Products
- Adding several capacities of Water Tank moulds and additional Roto Moulding machines.
- To increase capacities of Industrial Component moulding at various location in view of increased business opportunities
- To add necessary equipment's at its Protective Packaging and performance packaging division
- To install Rooftop Solar energy generation plants at its various locations
- To install balancing equipment at various locations

**[H]** As a result of the nationwide lockdown imposed by the Government of India, the operations of the Company were temporarily disrupted at its various manufacturing facilities impacting production and dispatches from the second half of March 2020. The Company had resumed operations since last week of April 2020 / first week of May 2020 in compliance with the guidelines issued by respective authorities and is continuing to take adequate precautions for safety and wellbeing of its employees. In view of recent surge in Covid-19 cases, few states reintroduced some restrictions and the Company continues to be vigilant and cautious.

## **[I] Business Outlook**

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

The year under review was the toughest in the history of the Company. It started with an extreme negative outlook. The Company had to keep operations of its 24 plants' closed for most part of the month of April 2020 and could begin in a gradual manner from last week of April onwards.

In the last 10 days, just before the closing of the year, the business has again witnessed tough situation as Covid – 19 second wave started affecting the general public with alarming speed. The situation has become further volatile due to steep increase in Polymer prices. The increase in prices of PVC was steepest. In the last 40 years, international prices of PVC have never reached to the levels seen in April 2021 especially in India, some other Latin American countries and Turkey.

The Company however has come out of these two extreme adverse situations with unparalleled performance where the profit of the Company was highest in its 79 years of operations. This was partly supported by more than Rs. 200 crores inventory gain on account of raw material price increase which accrued in its operations for the year.

Even with temporary setback which the Company is experiencing in the month of April 2021, the Company has not reduced its Capex plan for the year 2021-22. In the current year, not only there will be brownfield expansion of capacities and new products at the existing plants but Company has also embarked on putting up three new greenfield plants in the states of Assam, Orissa and Tamilnadu during the current year.

The Government at the Centre and States has put the priority focus on Jal Jeevan Mission, Swatch Bharat Abhiyan, Sanitation and affordable houses to all and development of 100 smart cities on all India basis. NITI Aayog has declared following as growth drivers across the country:

- Government infrastructure spending
- Increasing construction
- Increasing Industrial production
- Rising demand from irrigation sector
- Replacement of aging Pipes
- Providing affordable house to all
- Heavy investment by Government in irrigation, housing and sanitization

Almost all the above growth drivers will boost the business of Plastic Piping System Division.

Cross Laminated film products demand will boost in the coming year as weather forecast by SKYMET the monsoon in India is predicted to be normal with no La Nina scare. The thrust in coming year in exports will be mainly on developing newer applications, entering new markets and targeting chain stores and super markets for sale through their online portals. The Company is also increasing its capacity from present 27,000 MT P.A. to 30,000 MT P.A. and expects the exports to grow further in the coming year apart from increasing the sale of Made Up products.

The Company's furniture range is sold on various e commerce portals through a few dedicated channel partners. Its E commerce business grew by 100 % during the year and consumer behavior during the year showed a major shift towards online shopping. The company along with its channel partners geared up its infrastructure to meet the sudden rising demand. The company is focused on increasing its online presence and product offerings and sees this as a future growth driver.

In Industrial Component division business conditions are not clear due to huge surge in Covid cases in the country necessitating to put across stringent curbs by various State Governments. However, company feels that Business scenario remains bullish in medium and long term with business friendly policies by the Government. Company has thus planned need based Capacity Augmentation to handle the projected increased demand going forward.

In Material handling division, Company has shown good growth in essential commodities, Retail, Industrial Sector, Fruits & Vegetable segment, e-commerce, retail, FMCG, Fisheries Jumbo Crates, Dairy segment and Injection moulded Dustbins. The Company plans to introduce new models in Pallets, Crates and Ice boxes in Roto Moulding and is well poised for growth in the current year.

In Composite LPG Cylinder division, The updated component design and improved plant processes following Poka-yoke system have yielded excellent results with no customer complaints received since Q3 2019. Repeated orders from existing as well as new customers stood testimony to the excellent quality of the current product offering. The largest Indian Oil Marketing Company, M/s Indian Oil Corporation Limited, purchased small quantity of Composite Cylinders in March 2021 for marketing trials in 4 cities of India. This augurs well for the long awaited introduction of Composite Cylinders in Indian market.

In Protective packaging division, Good growth is shown in Civil and export sector. New variant of interlock mat for various sports applications has been developed by using recycled material . The Company expects good business in the coming year.

Performance Packaging Film being part of intermediary to essential product category has done well particularly in dairy & oil industry. Continuous efforts to develop new products will help the division grow better and add more value added products in its fold. With available production capacity, improved product mix and focus on increasing customer base, the Company expects to achieve volume and value growth in this business in the current 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 Limited

RAJENDRAKUMAR  
JUGALKISHORE SABOO

Sd/-

R. J. Saboo

VP (Corporate Affairs) & Company Secretary

Digitally signed by RAJENDRAKUMAR JUGALKISHORE SABOO  
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