



RCI Industries & Technologies Ltd.

CIN - L74900DL1992PLC047055

(An ISO 9001-2015 & 14001-2015 Certified Company)

Date: June 01, 2017

To,

Dy. General Manager,
Corporate Services Department

BSE LIMITED

P.J. Towers, 1st Floor,

Dalal Street, Fort

Mumbai – 400001.

BSE Code: 537254

Subject: Media Release & Result Update Investor Presentation

Dear Sir,

Please find enclosed herewith the Media Release & Result Update Investor Presentation. We request you to kindly take on record the same.

Thanking You,

Yours truly,

For RCI Industries & Technologies Limited

Abhishek Kedia
COMPANY SECRETARY & COMPLIANCE OFFICER
M. No. A33537

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CIN No. L74900DL1992PLC047055

Media Release

FY17 Revenues from operations at Rs 1,735 Crore, YoY growth of 37%

FY17 EBITDA over Rs. 52 Crore, YoY growth of 82 %

EBITDA margins at 3%, 76 bps YoY improvement

FY17 PAT at Rs. 36 Crore, YoY growth of 140 %

Financial performance in line with strategy of focusing on profitable growth through shift from trading to manufacturing

30th May, 2017, New Delhi: RCI Industries & Technologies Limited (BSE: 537254), is among the leading manufacturers of copper products in India. The Company is into the trade and manufacturing of flat and round products in copper, brass, stainless steel and special alloys has announced its audited results for the quarter & year ended March 31st, 2017.

Key Financials (Rs. Crore): -

Particulars	Q4 FY17	Q4 FY16	YoY%	FY17	FY16	YoY %
Revenue from Operations	542.79	473.02	14.75%	1734.83	1270.19	36.58%
EBIDTA	26.38	7.69	242.89%	52.33	28.73	82.15%
EBITDA margin (%)	4.86%	1.63%	323 bps	3.02%	2.26%	76bps
PAT	22.78	5.79	293.20	35.83	14.93	140.07%
PAT margin (%)	4.20%	1.22%	298 bps	2.07%	1.18%	89 bps
EPS	16.95	5.32		26.67	13.70	

Performance Highlights: -

For the year ended March 31st, 2017:

- Revenue from operations was at Rs. 1,735 crore in FY17, as against Rs. 1,270 crore in FY16, a YoY growth of 37%. This can be attributed to two factors – an increase in overall production capacity owing to the acquisition of a new unit exclusively for flat products and a shift in product portfolio towards an increasing number of value added



CIN No. L74900DL1992PLC047055

products.

- **EBITDA stood at Rs. 52 crore** in FY17 as against Rs. 29 crore in the FY16, **YoY growth of 82%**. Jump in employee cost is primarily on account of an increased number of employees from our acquisition. Increased operational and cost efficiencies have helped bring down raw material cost and inventories.
 - **EBITDA margin increased by 76 bps to 3%** as against 2 % in FY16
- **Profit After Tax was at Rs. 36 crore** in FY17 as against Rs.15 crore in FY16, **YoY jump of 140%**
- **PAT margin increased by 89 bps to 2%** as against 1% in FY16

For the quarter ended March 31st, 2017:

- **Revenue from operations was at Rs. 543 crore** in Q4FY17, as against Rs. 473 crore in Q4FY16, a **YoY growth of 15%**
- **EBITDA stood at Rs. 26 crore** in Q4FY17 as against Rs. 8 crore in the previous year , significant **YoY growth of 243%**
- **EBITDA margin increased by 323 bps in Q4FY17 to 5%** as against 2% in corresponding quarter of FY16
- **Profit After Tax was at Rs. 23 crore** in Q4FY17 as against Rs. 6 crore in the previous quarter, a **phenomenal growth of 293%**
- **PAT margin increased by 298 bps to 4%** as against 1% in Q4FY17

Management Comment:

Commenting on this development, Mr Rajiv Gupta, Chairman& MD, RCI Industries & Technologies Ltd. said,

"I am happy to share with you that in line with our strategy we have continued to focus on profitable growth through a shift from trading to manufacturing.

The year 2016 has been a turning point for our Company on many counts. The most important of these was start of the successfully-completed acquisition of M/s Devi Metal Technologies, a manufacturer of flat products copper strips, foils, coils & sheets in Baddi, Himachal Pradesh. This development has already made significant impact in the revenues for FY17 and we will see the full impact of the same once our capacity expansion is complete during the course of the year.



CIN No. L74900DL1992PLC047055

Our Company has continued to maintain its strong position in the trade and manufacture of copper products. Our ability to offer a complete portfolio of flat and round products in copper, brass and to a small extent in stainless steel and special alloys has made us a preferred partner with our customers.

The focus of the Company will continue to deliver value to our clients; to contribute to the manufacturing drive of the nation; give career & growth opportunities to our employees and grow profitability ultimately leading to maximization of shareholder value & return”.

About RCI Industries & Technologies Limited:

Incorporated in the year 1992, RCI Industries & Technologies Limited is listed with BSE Ltd. Since inception the Company under the guidance of experienced promoters has responded to changing economic conditions.

Head quartered in Delhi, it is among the leading manufacturers of copper products in India. The Company is into the trade and manufacturing of flat and round products in copper, brass, stainless steel and special alloys. With two plants in Himachal Pradesh at Nalagarh and Baddi, RCI offers a wide range of customized products.

The Company has a global customer network with a strong presence in Middle East and African countries. It caters to a diverse customer portfolio of traders and manufacturers.

For more details, please visit: www.rciind.com

For any Investor Relations query, please contact:

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Caution Concerning Forward- Looking Statements:

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. RCI Industries & Technologies Ltd. is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.



RCI Industries & Technologies Limited

*Result Update Presentation
Q4 & FY17*

Disclaimer



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Chairman's Message

Commenting on the quarterly and full year audited results, Mr. Rajiv Gupta, Chairman & Managing Director, RCI Industries & Technologies Ltd. said:

"I am happy to share with you that in line with our strategy we have continued to focus on profitable growth through a shift from trading to manufacturing.

The year 2016 has been a turning point for our Company on many counts. The most important of these was start of the successfully-completed acquisition of M/s Devi Metal Technologies, a manufacturer of copper strips, foils, coils & sheets in Baddi, Himachal Pradesh. This development has already made significant impact in the revenues for FY17 and we will see the full impact of the same once our capacity expansion is complete during the course of the year.

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Financial Highlights

Consolidated P&L Highlights – Q4FY17 v/s Q4FY16



Revenue
Rs. 542.79 cr

14.75%



EBTIDA
Rs. 26.38 cr

242.89%



PAT
Rs. 22.78 cr

293.20%



EPS
Rs. 16.95 v/s Rs 5.32 in Q4FY16

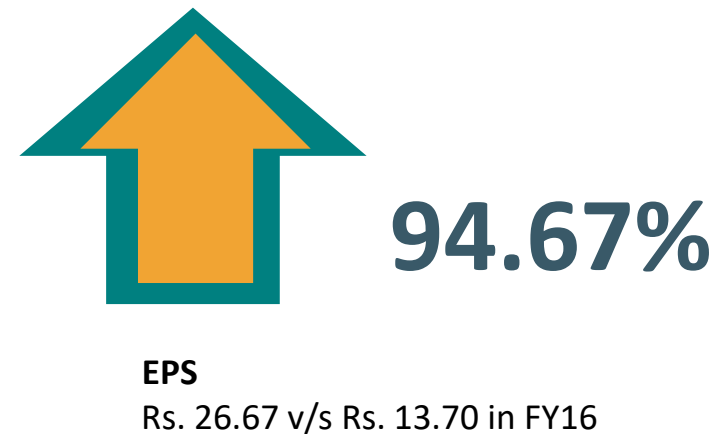
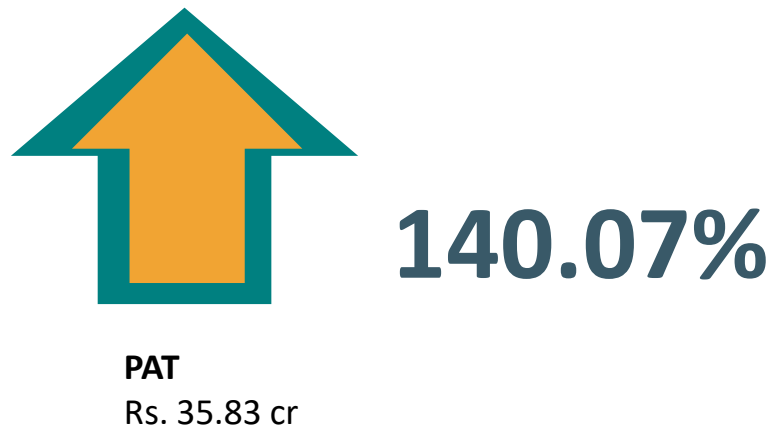
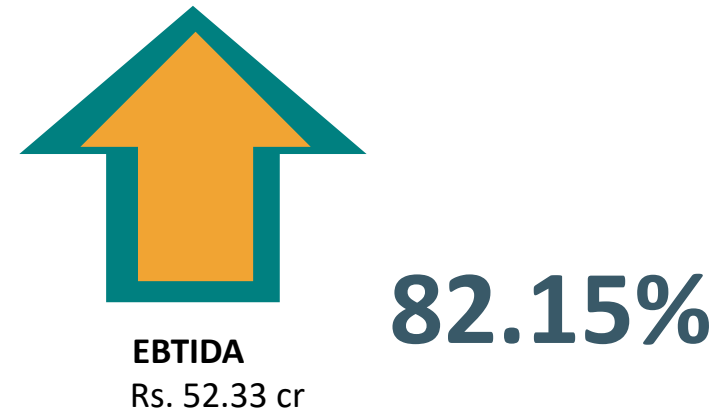
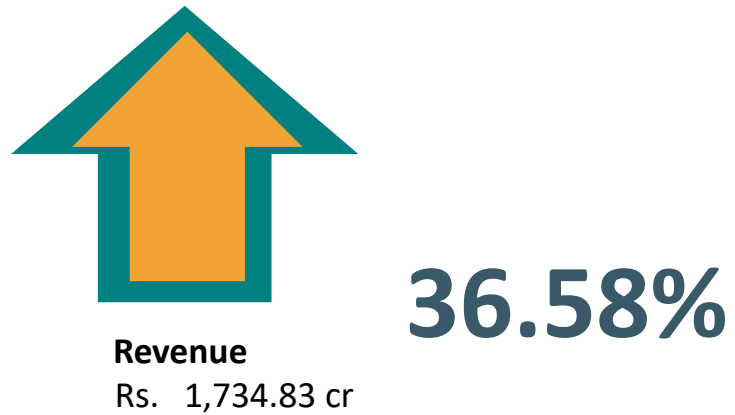
218.61%

Consolidated Q4FY17 Highlights



Rs. Cr	Q4 FY17	Q4FY16	YoY %	Q3FY17	QoQ%
Total Income from Operations	542.79	473.02	14.75%	381.33	42.34%
Raw Materials	504.32	457.41		366.60	
Employee Cost	2.09	0.33		1.26	
Other Cost	10.00	7.58		1.74	
Total Expenditure	516.41	465.32		369.59	
EBITDA	26.38	7.69	242.89%	11.74	124.80%
EBITDA Margin	4.86%	1.63%	323 bps	3.08%	178
Interest	3.08	1.64		3.68	
Depreciation	0.91	0.29		0.53	
Other Income	1.69	0.76		0.21	
Exceptional Item	0.00	0.00		0.00	
Profit Before Tax	24.07	6.52		7.74	
Tax	1.29	0.73		0.57	
PAT	22.78	5.79	293.20%	7.17	217.76%
PAT Margin	4.20%	1.22%	298 bps	1.88%	232
EPS in Rs.	16.95	5.32		6.13	

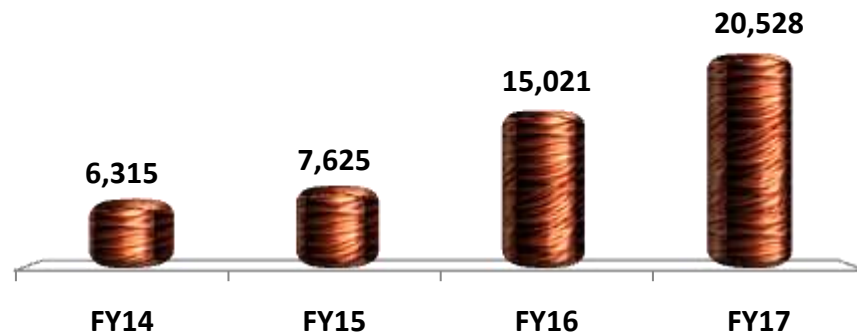
Consolidated P&L Highlights – FY17



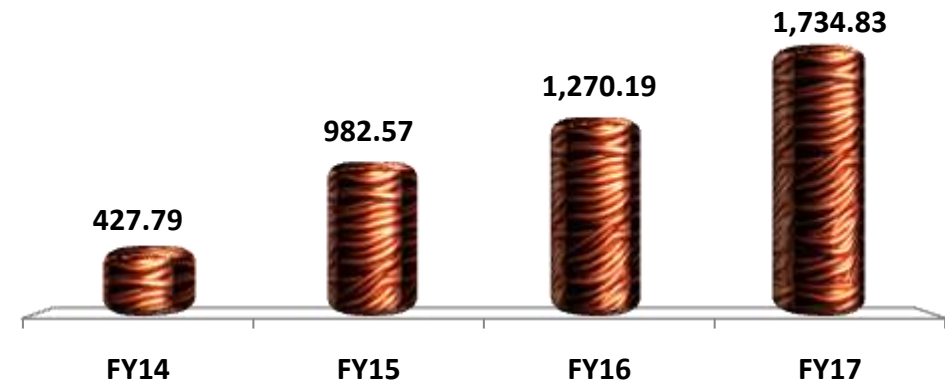
Consolidated Annual Financial Highlights – FY17



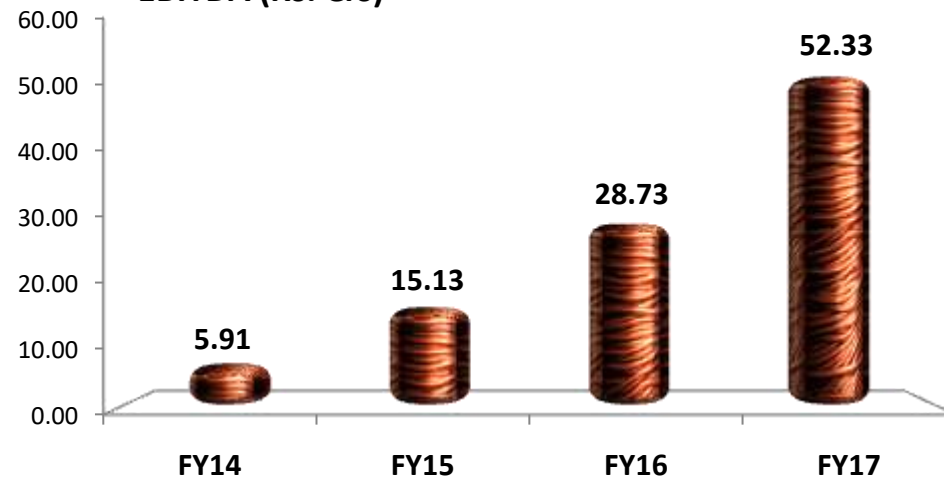
Production Volume (MT)



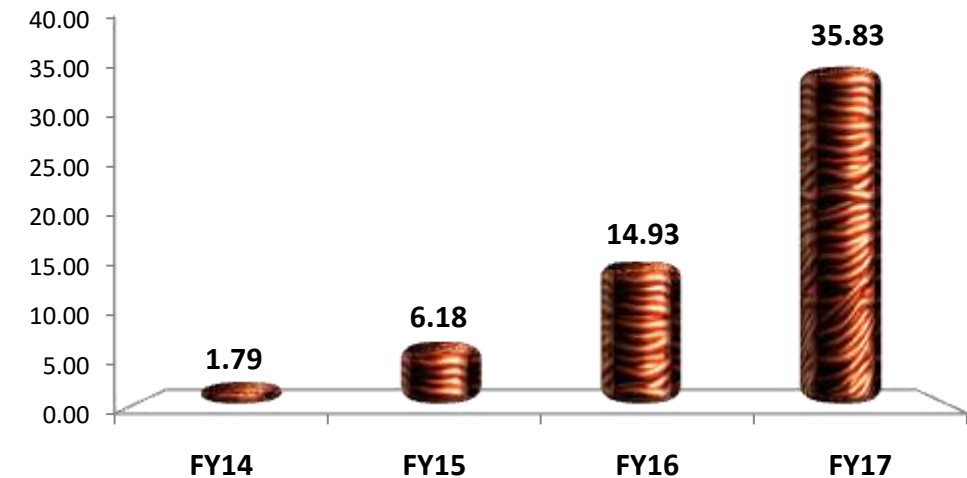
Revenue (Rs. Crs)



EBITDA (Rs. Crs)



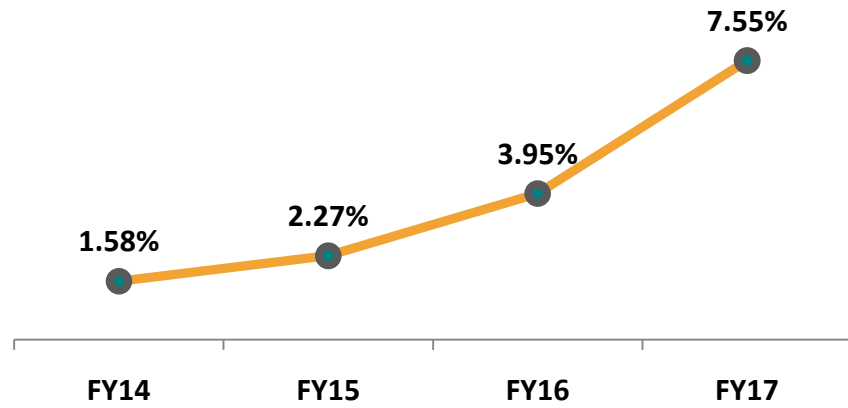
PAT (Rs. Crs)



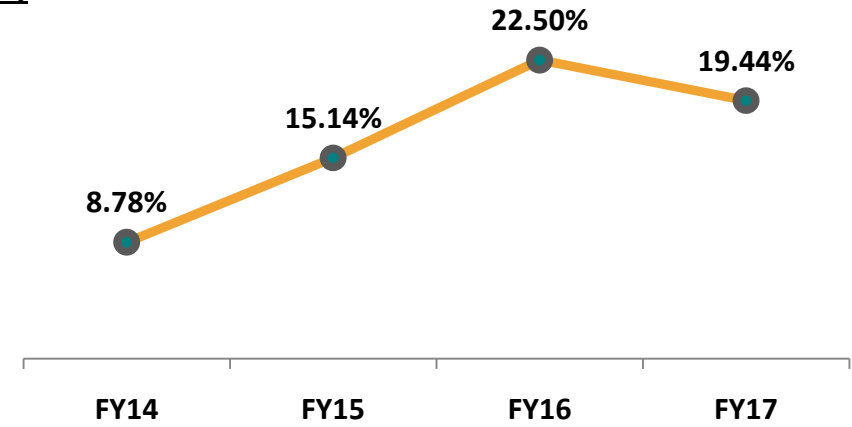
Key Ratios



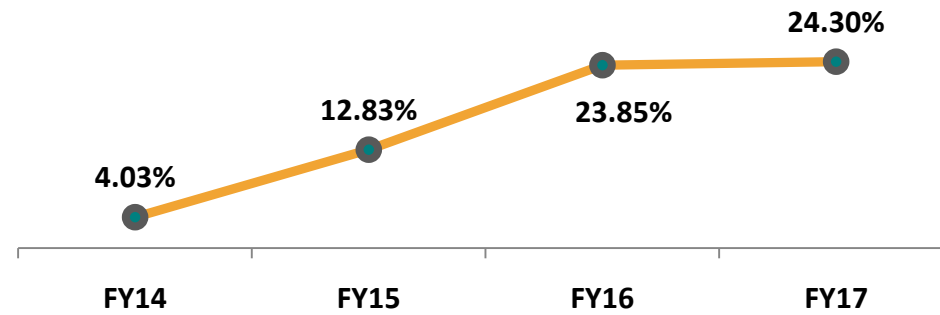
ROA (%)



RoCE (%)



RoE (%)



Consolidated Annual Profitability Highlights – FY17



Rs. Cr	FY17	FY16	YoY %
Total Income from Operations	1,734.83	1,270.19	36.58%
Raw Materials	1,657.03	1,220.05	
Employee Cost	5.60	1.16	
Other Cost	19.88	20.25	
Total Expenditure	1,682.50	1,241.47	
EBITDA	52.33	28.73	82.15%
EBITDA Margin	3.02%	2.26%	76 bps
Interest	12.87	12.19	
Depreciation	2.41	0.78	
Other Income	2.28	0.89	
Exceptional Item	0.00	0.00	
Profit Before Tax	39.33	16.65	
Tax	3.49	1.72	
PAT	35.83	14.93	140.07%
PAT Margin	2.07%	1.18%	89 bps
EPS in Rs.	26.67	13.70	

- Increase in revenue on account of increased production capacity through acquisition and shift in product portfolio towards high value products
- Increase in EBITDA due to better operational efficiencies

Consolidated Balance Sheet Highlights FY17



Rs. Cr	Mar-17	Mar-16
Shareholder's Funds	147.44	62.58
Share capital	13.44	10.90
Reserves & Surplus	134.01	51.68
Non-current liabilities	31.36	70.93
Long term borrowings	0.00	25.99
Deferred Tax liabilities	0.58	0.00
Other Long-Term liabilities	30.35	44.85
Long-Term Provisions	0.42	0.10
Current liabilities	296.05	244.85
Short Term Borrowings	121.02	76.06
Trade Payables	148.35	147.01
Other Current liabilities	23.80	20.03
Short-term provisions	2.88	1.75
Total Equities & Liabilities	474.84	378.36

Rs. Crs	Mar-17	Mar-16
Non-current assets	49.08	42.68
Fixed assets	39.96	4.77
Deferred tax assets	0.00	0.03
Non-current Investments	0.00	36.45
Long-term loans & advances	9.12	1.43
Other non-current assets	0.00	0.00
Current assets	425.76	335.68
Current investments	0.05	0.0
Inventories	72.02	74.15
Trade receivables	262.62	225.46
Cash & Cash equivalents	52.45	7.54
Short-term loans & Advances	37.95	27.24
Other Current Assets	0.67	1.29
Total Assets	474.84	378.36



Company Overview



Amongst leading manufacturers of Copper products in India



Amongst leading manufacturers of Copper products in India

- **Head quartered in Delhi** with two plants in Himachal Pradesh - RCI Copper & RCI Strips
- In addition to **copper**, capacity for **production of brass, stainless steel and special alloys**

Multi - product portfolio

- **Flat products** – copper, brass, aluminium and stainless steel sheets, strips, foils and coils etc
- **Round products** - annealed / un-annealed copper wires, bunched copper wires
- **Tin Alloys Solder, Lead - free Solder** – in form of bars, strips and sheets
- Handicrafts in brass and copper

Manufacturing & warehouse facilities

- **Manufacturing at Nalagarh – 24,000 MT and Baddi - 3,000 MT** - increase to **24,000 MT in Q1FY18**
- Average capacity **utilization of both plants at 60 - 70%**
- **Advanced technology** and high graded raw material deployed
- Warehousing in Delhi, Maharashtra and Rajasthan

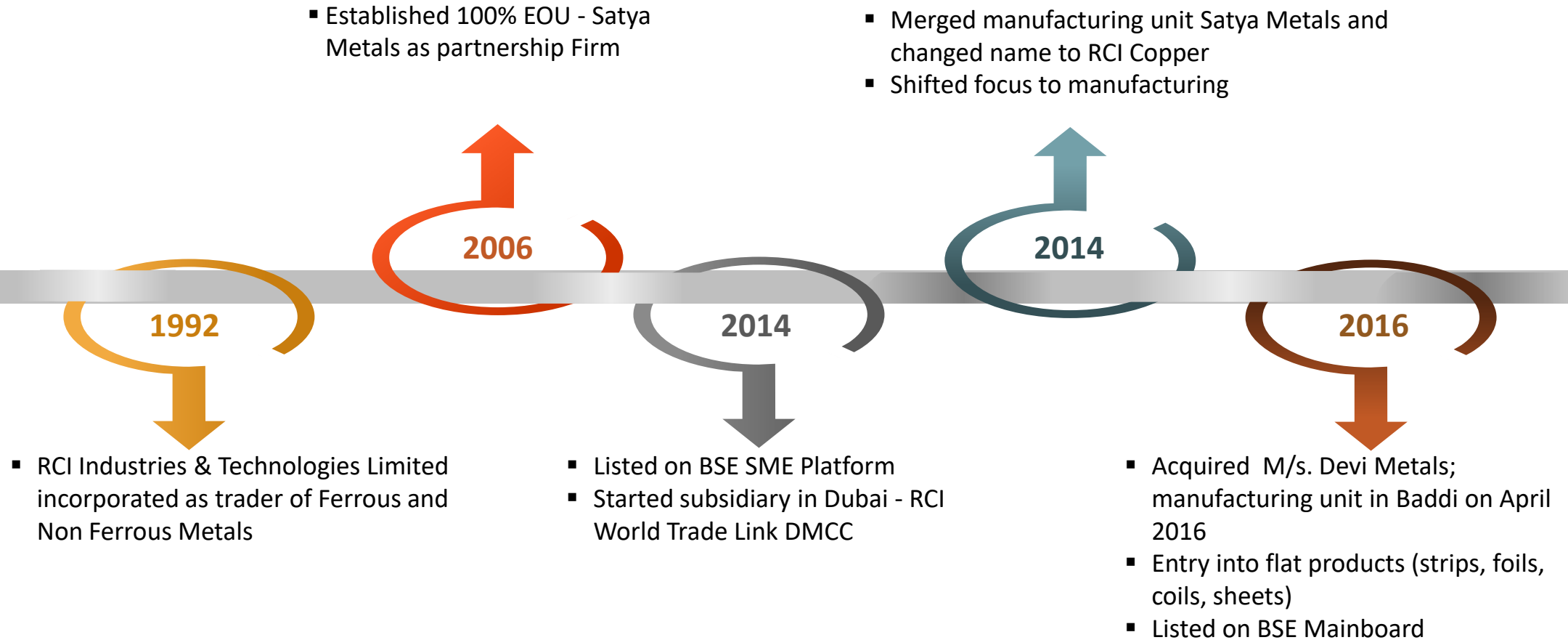
Strong customer base

- Global customer network **with strong presence in Middle East and Africa**
- **Diverse customer portfolio** - both domestic & overseas
- **75%** of sales **from top 10 customers**

Products internationally certified

- Products adhere to **ISO certifications** such as ISO 9001:2015 and 14001:2015

Journey So Far



.... Conscious shift from trading to manufacturing to offer an integrated product portfolio

Experienced Management Team



Rajeev Gupta
Chairman & MD



- Graduate in commerce from Hindu College, Delhi University
- Rich experience of 22 years in the industry

Mrs. Mamta Gupta
Director



- Graduate from Delhi University
- Experience in human relations
- Planned and directed strategies, development of advertising campaign, creative development

Mr. Raj Singh Jamwal
Director



- Retired Brigadier of Indian Army
- M.Sc in Defence Studies from Madras University and
- Diploma in Senior Defence management from Indore University
- Graduate Diploma in Strategic Studies from Australian University
- Masters in Management Studies from Osmania University

Mr. Anil Kumar Jain
Director

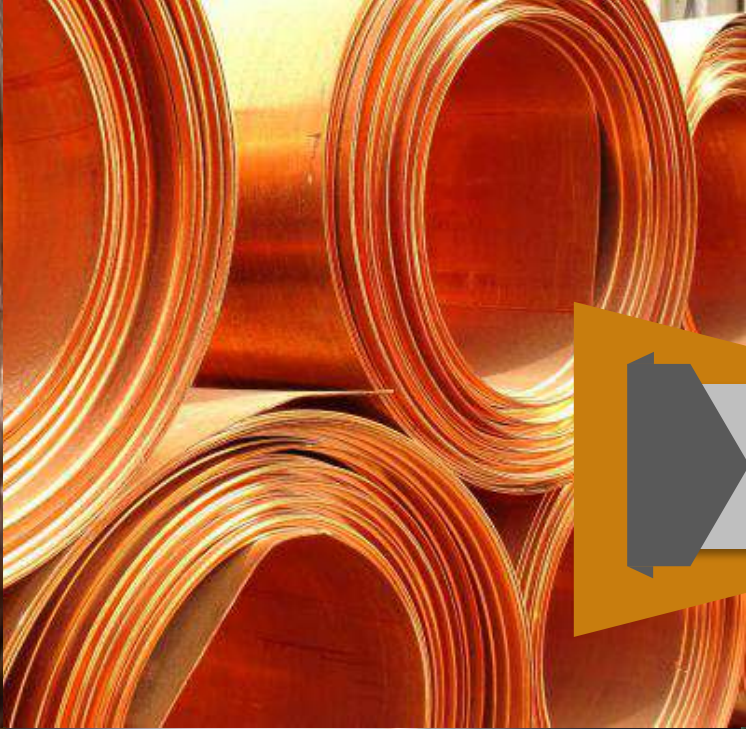


- B Com from Delhi University
- Experienced Corporate Planning professional with over 30 years experience
- Expertise in supply chain management and research & development

Mr. I.P. Saboo
CFO



- B.Com from Delhi University; Chartered Accountant; BGDDBA from Annamalai University
- Comprehensive experience of 30 years in Finance and Taxation



Business & Industry Overview





India - among top 20 major producers of copper globally

- In FY16, copper ore production in India at 39 lakh tonnes was 11% higher compared to the previous year
- Refined copper production in FY16 was ~7.9 lakh tonnes and the estimated consumption was ~ 6.5 lakh tonnes



India is one of largest copper importers alongside China, Japan, South Korea and Germany

- Falling prices of copper in international markets will benefit Indian manufacturers



Copper consumption in India recorded 5.9% CAGR in the last decade, second only to China

- Copper demand expected to grow at 9-10%
- Major consumers of copper products - Building and construction, engineering, transport & consumer durables
- Over 30% of India's copper demand comes from telecom sector and 26% from electrical sector



Key drivers for demand

- Required for end use sectors which are on fast growth track
- Government push for infrastructure development
- Expanding domestic market in rural areas

Diverse Product Portfolio with wide applications...



Annealed / Un-Annealed Copper Wire & Bunched Copper Wire

- Used in automotive cables, television & electronic Industry, construction
- High tolerance bunched copper wire ropes used as connectors due to its flexibility and strength

Copper / Brass – Foils / Coils

- Used in Automobiles: radiators, bulb and lamp caps, imitation jewellery, eyelets, thimbles, clocks, pens and various sheet metal pressed components

Copper/Brass Special Alloys

- Applications in houses, power grids and aircraft industry
- Used in construction, cement industry, ship building and allied industries

Tin Solder Wires/Strips and Bars

- Used in all electronic appliances & goods, PCB, Mobiles, etc.

Stainless Steel – Strips/Sheets/Foils/Coils

- Especially suited for small precision components requiring bending, drawing and punching operations
- Used in electrical, computer, telephone, watch, radio, tape recorders, thermostat, fountain pen, nibs, chemical industry, battery cell contacts flexible hoses etc.

Indian Handicrafts

- Over 1,000 handicraft products fabricated in Copper and Brass



Key Strengths



Multi-Product Portfolio

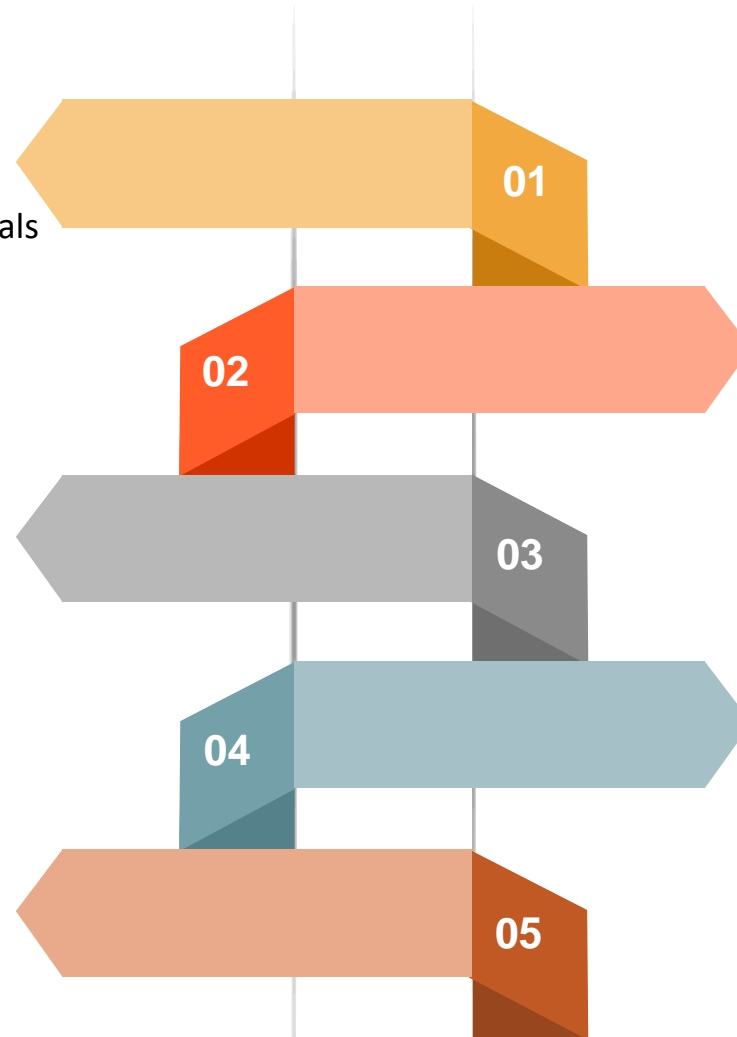
- Well balanced product mix
- Competitive pricing based on low making charges
- Expanding range of products at regular intervals
- Expertise to re-roll / process any special materials

Client Centric

- Commitment to customer satisfaction
- Catering to specific needs of diverse customer segments
- Competitive edge in achieving stable growth and gaining new clients

Focused Workforce

- Dynamic, experienced leadership
- Dedicated, well trained employee base



Innovative Ideas

- In-house R&D lab for new product ideas
- Swift response to market conditions
- Adaptability to changes in business landscape
- Utilization of advanced technology

Quality Standards & Assurance

- Adherence to quality standards at all stages of manufacturing
- High quality and prime grade raw material
- Checked for dimensional accuracy & temper at each stage
- Well equipped with all modern testing facilities to check for physical, mechanical and chemical properties

Manufacturing and Warehousing Facilities

Manufacturing

Manufacturing Unit for Copper/Brass - Wire, Handicrafts, Tin Solder bars / alloys at Nalagarh : -

- **Products Manufactured** - Annealed / un-annealed copper wires, bunched copper wires; Handicrafts and Art ware; Tin Solder/Alloys
- Capacity of 24,000 MT

Manufacturing Unit for Strips/Foils/Coils at Baddi : -

- **Products Manufactured** – Copper/Brass/Stainless -Sheets / Strips / Foils / Coils etc.
- Current capacity of 3,000 MT; to increase to 24,000 MT in Q1FY18

Average total capacity utilization 60 – 70%

Warehousing

Delhi - 200 sq. m. warehousing at Vishwas Nagar

Bhiwadi, Rajasthan - 780 sq. m. warehousing at Khushkhera

Panvel, Maharashtra – 2,000 sq. m. warehousing in FTWZ, SEZ



Key Customers



Certifications



ISO 9001-2015



ISO 14001-2015

Business Strategy



01

**Enhanced
product range**

- Manufacturing of wide range in round and flat products
- Value added products to meet complete customer requirement
- Customisation as per specifications including in special materials

Quality focus

02

- World Class Testing Equipments & laboratory which includes spectrometer from SPECTRO Analytical Instruments GmbH, Germany
- Commitment to maintain quality, delivery timings and volumes
- Products adhere to ISO certifications such as ISO 9001:2015 and 14001:2015

03

**Strengthening
customer
base**

- Secure repeat orders from existing customer base
- Expand product mix to meet all customer requirements
- Entering new customer segments – defence and the mint

**Entering new
geographies**

04

- RCI World Trade Link DMCC set up in Dubai focused on trade in the Middle East
- Exploring markets in Africa and Russia driven by expanding offerings portfolio



Way Ahead

Way Ahead



01

Shift from Trading to Manufacturing

- Increased production capacity
 - through acquisition
 - capacity enhancement
- Increased revenue and improved margins post enhanced capacities

02

Foray into Defence and the Mint

- New high-value products for supply to Defence and Mint segments
- In process of securing license for these segments

03

Focus on Value-Added Products

- To manufacture flat rolls which have better realisations
- To manufacture a unique tape (copper and stainless steel) which is currently imported
- Production at Baddi plant for tin strips / wire and other articles of tin

04

CAPEX for enhanced Production Capacity

- ~Rs. 50 crore capex towards enhancing existing capacity
- Capex done through preferential issue and internal accruals
- To increase capacity from 3,000 MT to 24,000 MT

Thank You



For further information, please contact:

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