



**RCI Industries & Technologies Ltd.**

CIN - L74900DL1992PLC047055

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

**Date: September 13, 2017**

To,

Dy. General Manager,  
Corporate Services Department  
**BSE LIMITED**  
P.J. Towers, 1<sup>st</sup> 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



**Regd Office:** B-97, "All Heavens Building", Wazirpur Industrial Area, Delhi - 110 052 (INDIA)

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An ISO : 9001-2015, 14001-2015 Certified Company



CIN No. L74900DL1992PLC047055

## Media Release

**Q1 Revenue from operations at Rs. 554 Crore, YoY growth of 32%**

**Q1 EBITDA over Rs. 12 Crore, YoY jump of 86%**

**EBITDA margins at 2.22%, over 60 bps YoY improvement**

**Q1 PAT at Rs. 8.23 Crore, YoY jump of 190%**

13<sup>th</sup> September 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 Unaudited financial results for the quarter ended June 30<sup>th</sup>, 2017.

### Key Financials (Rs. Crore): -

Particulars	Q1 FY18	Q1 FY17	YoY%	FY17	FY16	YoY %
Revenue from Operations	553.83	419.04	32.16%	1734.83	1270.19	36.58%
EBIDTA	12.30	6.61	86.02%	52.33	28.73	82.15%
EBITDA margin (%)	2.22%	1.58%	64bps	3.02%	2.26%	76bps
PAT	8.23	2.84	190.16%	35.83	14.93	140.07%
PAT margin (%)	1.48%	0.68%	80bps	2.07%	1.18%	89 bps
EPS	6.13	2.60		26.67	13.70	

### Performance Highlights: -

For the quarter ended June 30<sup>th</sup>, 2017:

- Revenue from operations was at Rs. 553.83 crore in Q1FY18, as against Rs. 419.04 crore in Q1FY17, a YoY growth of 32.16%
- EBITDA stood at Rs. 12.30 crore in Q1FY18 as against Rs. 6.61 crore in the previous year, significant YoY jump of 86.02%
- EBITDA margin increased by over 60 bps in Q1FY18 to 2.22% as against 1.58% in corresponding quarter of FY17
- Profit After Tax was at Rs. 8.23 crore in Q1FY18 as against Rs. 2.84 crore in the previous quarter, a phenomenal growth of 190.16%



CIN No. L74900DL1992PLC047055

- **PAT margin increased by nearly 80 bps to 1.48%** as against 0.68 % in Q1FY17

**Management Comment:**

Commenting on the performance for the quarter ended 30<sup>th</sup> June 2017, Mr Rajiv Gupta, Chairman & MD, RCI Industries & Technologies Ltd. said,

*“I present the Q1FY18 results with a sense of gratitude and pride about RCI Industries & Technologies Ltd that continues to grow from strength to strength since we began our journey over two decades ago. For the last quarter, we have delivered (record / exceptional) results on the back of a strong performance in manufacturing.*

*This progress is a function of continually making important investments to build our capabilities — people, systems and product portfolio. We are committed to delivering the enhanced capacities and this result is testimonial to the same.*

*This financial year is a red-letter year in our journey and we look forward to the rest of the year.*

*On behalf of the board of directors, shareholders and the employees of RCI Industries & Technologies Ltd., I thank you for your continued support”.*

**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](http://www.rciind.com)**

**For any Investor Relations query, please contact:**

<b>Mr. Abhishek Kedia</b> <b>Company Secretary</b> <b>RCI Industries &amp; Technologies Limited</b> Email: <a href="mailto:investors@rciind.com">investors@rciind.com</a>	<b>Mr. Dheeraj Manwani / Ms. Shivangi Bubna</b> <b>Bridge Investor Relations Pvt. Ltd</b> Phone: +91-22-26873003 Email: <a href="mailto:dheeraj@bridge-ir.com">dheeraj@bridge-ir.com</a> / <a href="mailto:shivangi@bridge-ir.com">shivangi@bridge-ir.com</a>
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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  
Q1 FY18

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## Chairman's Message

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

*"I present Q1FY18 results with a sense of gratitude and pride about RCI Industries & Technologies Ltd that continues to grow from strength to strength since we began our journey over two decades ago. For the last quarter, we have delivered exceptional results on the back of a strong performance in manufacturing.*

*This progress is a function of continually making important investments to build our capabilities — people, systems and product portfolio. We are committed to delivering the enhanced capacities and this result is testimonial to the same.*

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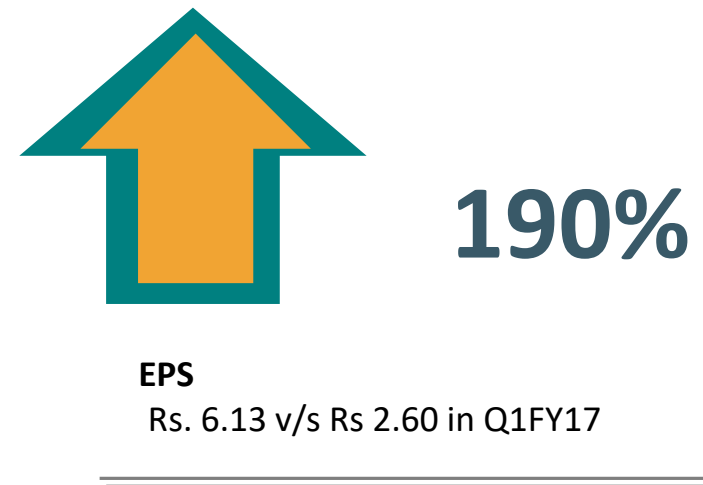
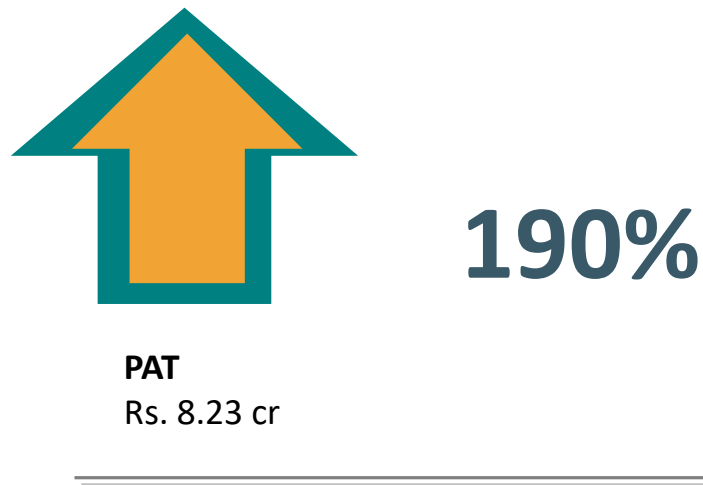
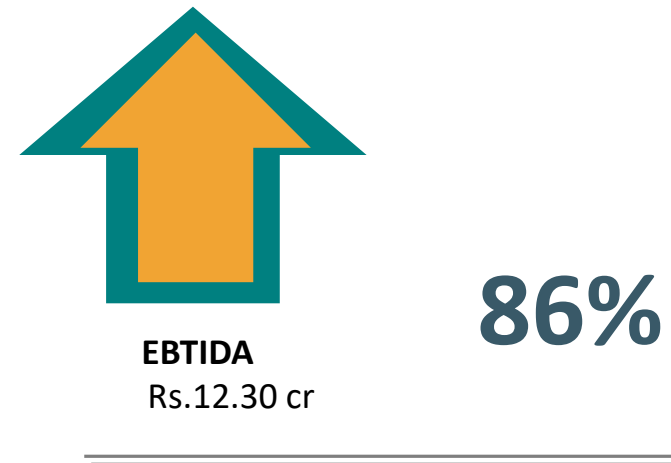
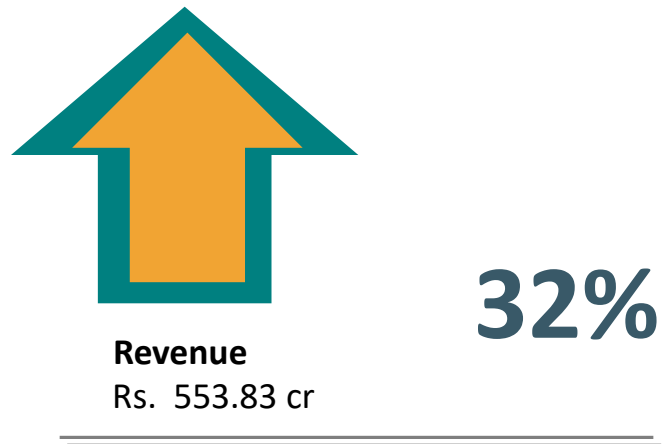






**Financial Highlights**

# Consolidated P&L Highlights – Q1FY18 v/s Q1FY17



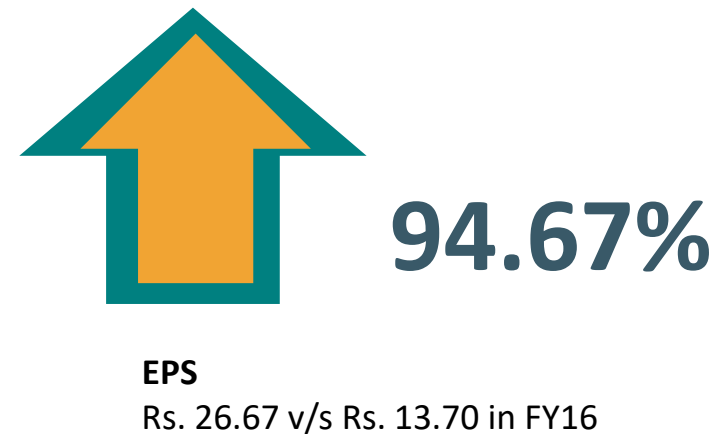
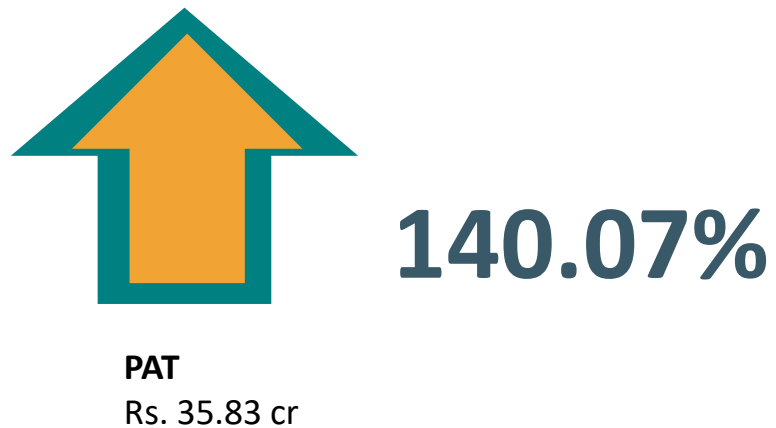
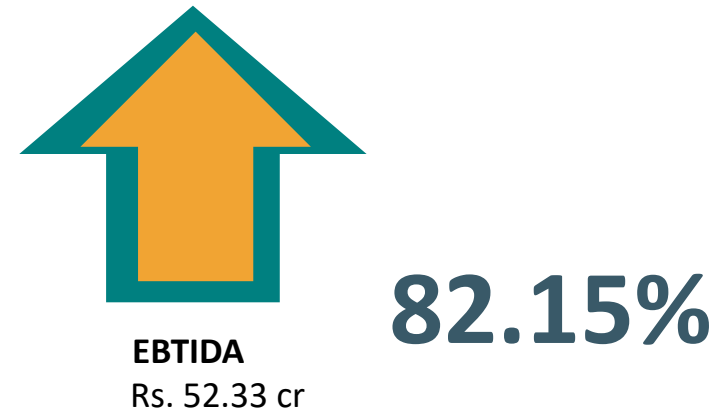
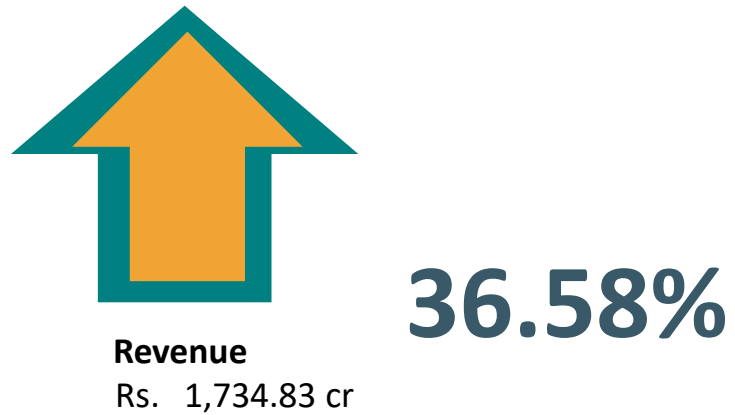
# Consolidated Q4FY17 Highlights



Rs. Cr	Q1 FY18	Q1 FY17	YoY %	Q4 FY17	QoQ%
<b>Total Income from Operations</b>	<b>553.83</b>	<b>419.04</b>	<b>32.16%</b>	<b>547.23</b>	<b>1.21%</b>
Raw Materials	529.93	397.17		504.19	
Employee Cost	1.79	1.00		2.09	
Other Cost	9.80	14.26		14.56	
Total Expenditure	541.53	412.43		520.84	
<b>EBITDA</b>	<b>12.30</b>	<b>6.61</b>	<b>86.02%</b>	<b>26.38</b>	<b>(52.14)%</b>
<b>EBITDA Margin</b>	<b>2.22%</b>	<b>1.58%</b>	<b>64 bps</b>	<b>4.82%</b>	<b>-260bps</b>
Interest	3.01	2.77		3.08	
Depreciation	0.82	0.43		0.91	
Other Income	1.13	0.18		1.69	
Profit Before Tax	9.61	3.59	167.55%	24.08	(60.10)%
Tax	1.37	0.75		1.29	
<b>PAT</b>	<b>8.23</b>	<b>2.84</b>	<b>190.16%</b>	<b>22.78</b>	<b>(63.87)%</b>
<b>PAT Margin</b>	<b>1.49</b>	<b>0.68%</b>	<b>81 bps</b>	<b>4.16%</b>	<b>-268bps</b>
Other Comprehensive Income	0.01	0.00		0.00	
<b>Total Comprehensive Income</b>	<b>8.23</b>	<b>2.84</b>	<b>190.06%</b>	<b>22.78</b>	<b>(63.89)%</b>
EPS in Rs.	6.13	2.60		16.96	

- EBITDA over Rs.12 Crore, YoY jump of 86% due to better operational efficiencies added capacity of flat products
- Revenue from operations at Rs. 554 Crore, YoY growth of 32% on account of increased production capacity in flat products
- PAT jumps to over 8 crores, compared to nearly 3 crores in the corresponding period in FY17

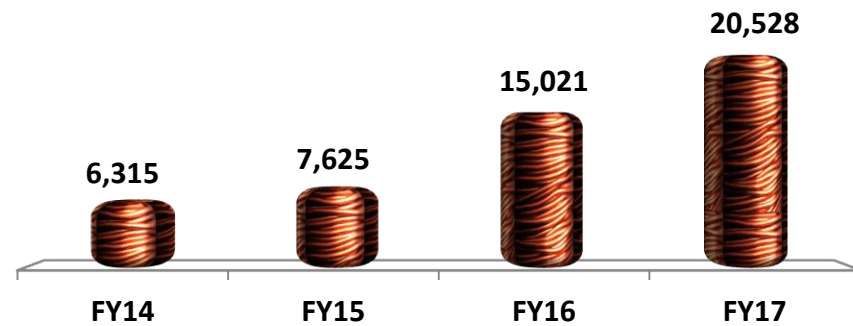
# Consolidated P&L Highlights – FY17



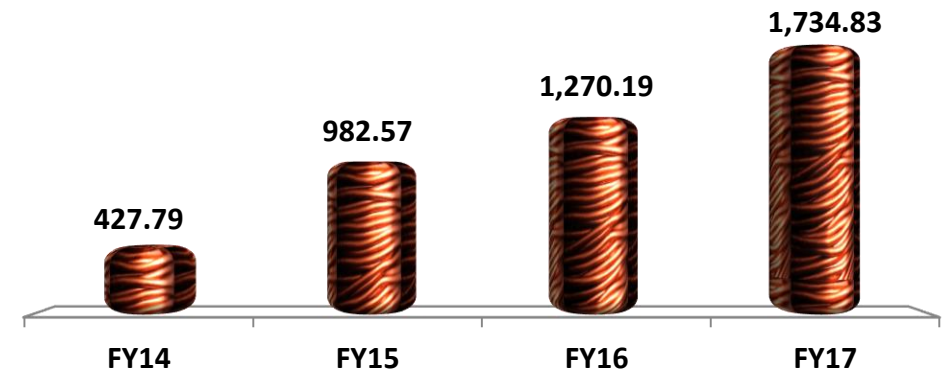
# Consolidated Annual Financial Highlights – FY17



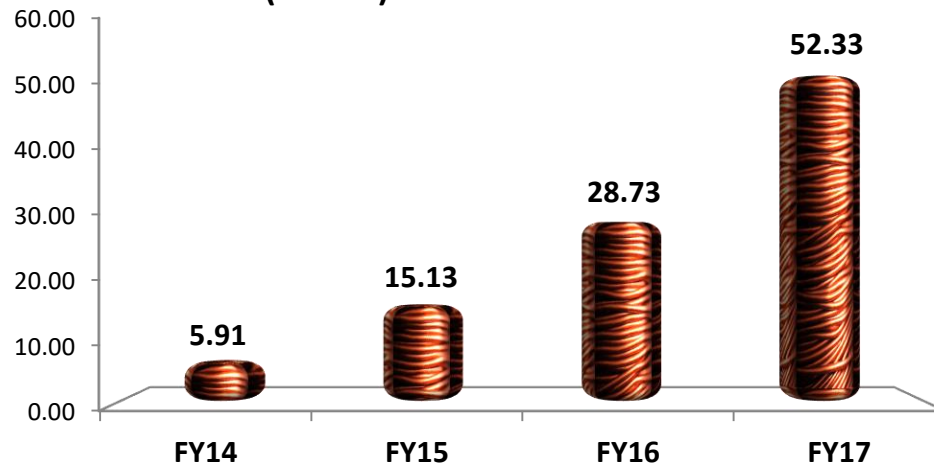
### Production Volume (MT)



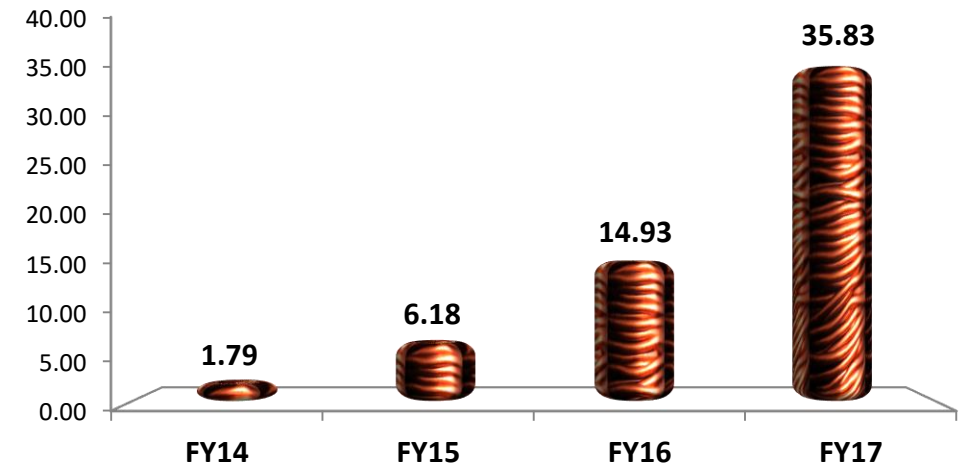
### Revenue (Rs. Crs)



### EBITDA (Rs. Crs)



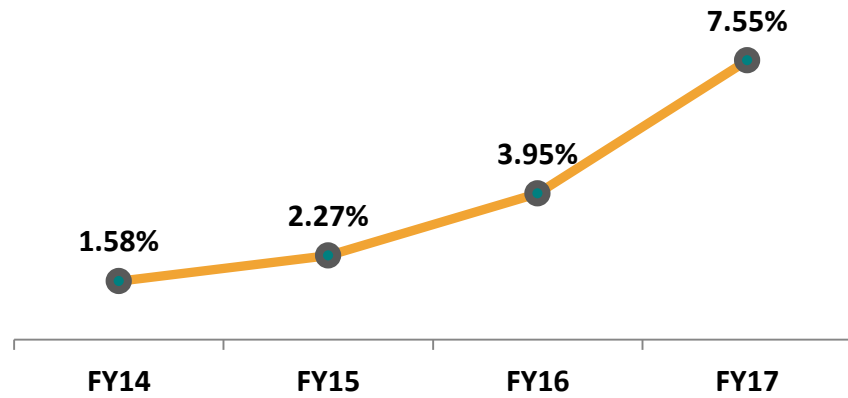
### PAT (Rs. Crs)



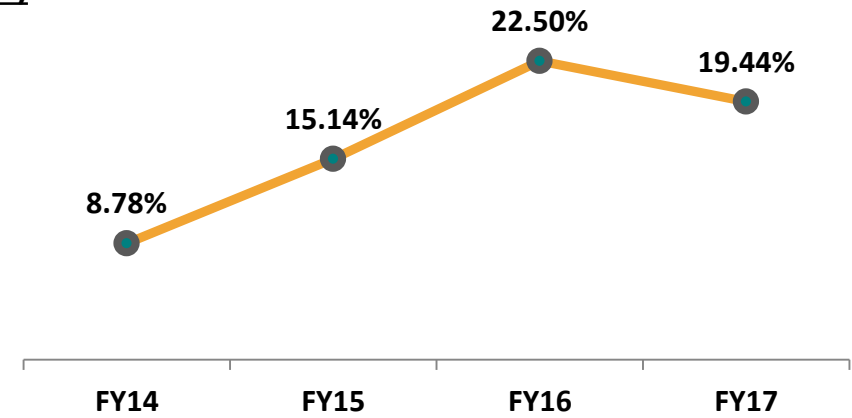
# Key Ratios



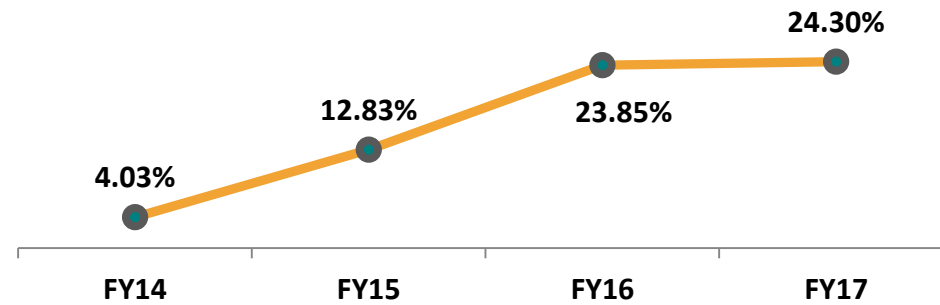
ROA (%)



RoCE (%)



RoE (%)



# Consolidated Annual Profitability Highlights – FY17



Rs. Cr	FY17	FY16	YoY %
<b>Total Income from Operations</b>	<b>1,734.83</b>	<b>1,270.19</b>	<b>36.58%</b>
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	
<b>EBITDA</b>	<b>52.33</b>	<b>28.73</b>	<b>82.15%</b>
<b>EBITDA Margin</b>	<b>3.02%</b>	<b>2.26%</b>	<b>76 bps</b>
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	
<b>PAT</b>	<b>35.83</b>	<b>14.93</b>	<b>140.07%</b>
<b>PAT Margin</b>	<b>2.07%</b>	<b>1.18%</b>	<b>89 bps</b>
<b>EPS in Rs.</b>	<b>26.67</b>	<b>13.70</b>	

- Increase in revenue on account of increased production capacity in flat products
- Increase in EBITDA due to better operational efficiencies and flat capacities

# Consolidated Balance Sheet Highlights FY17



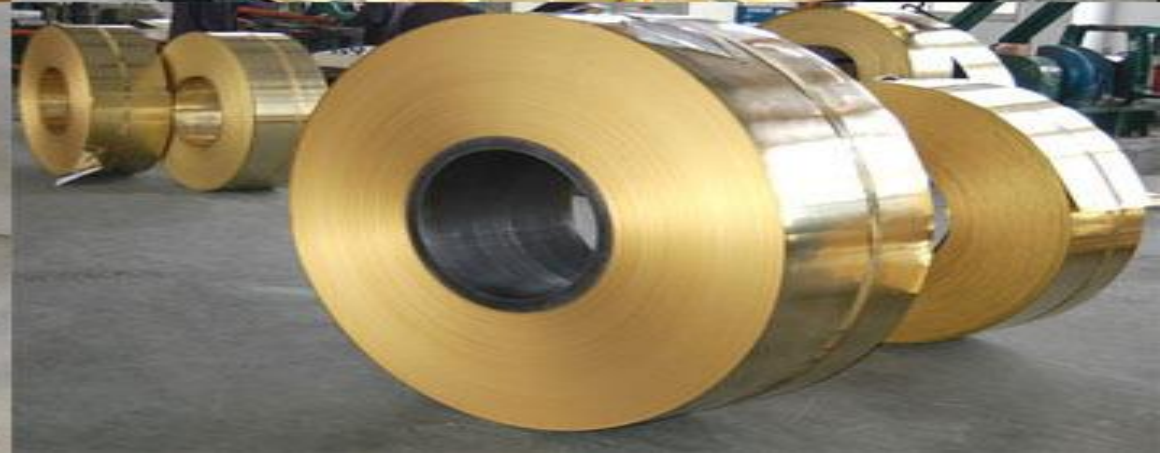
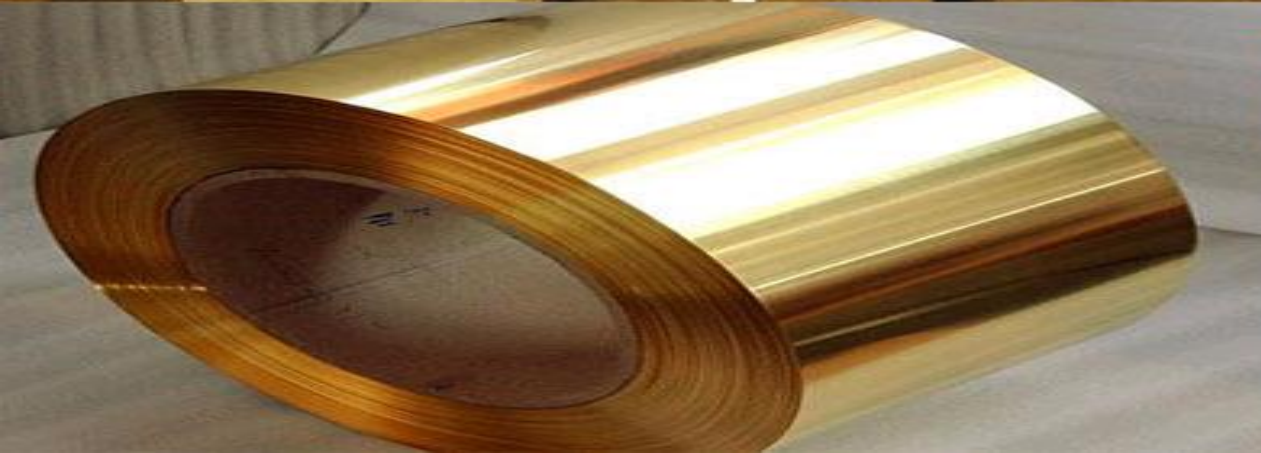
Rs. Cr	Mar-17	Mar-16
<b>Shareholder's Funds</b>	<b>147.44</b>	<b>62.58</b>
Share capital	13.44	10.90
Reserves & Surplus	134.01	51.68
<b>Non-current liabilities</b>	<b>31.36</b>	<b>70.93</b>
Long term borrowings	0.00	25.99
Deferred Tax liabilities	0.58	0.00
Other Long-Term liabilities	30.35	44.85
Long-Term Provisions	0.42	0.10
<b>Current liabilities</b>	<b>296.05</b>	<b>244.85</b>
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
<b>Total Equities &amp; Liabilities</b>	<b>474.84</b>	<b>378.36</b>

Rs. Crs	Mar-17	Mar-16
<b>Non-current assets</b>	<b>49.08</b>	<b>42.68</b>
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
<b>Current assets</b>	<b>425.76</b>	<b>335.68</b>
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
<b>Total Assets</b>	<b>474.84</b>	<b>378.36</b>





**Company Overview**



# Amongst leading manufacturers of Copper products in India



## Amongst leading manufacturers of Copper products in India

- **Head quartered in Delhi** with plants in Himachal Pradesh - RCI Copper & RCI Strips
- In addition to **copper**, capacity for **production of brass, stainless steel and special alloys**
- **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 at Nalagarh – 24,000 MT (Round products) and Baddi - 3,000 MT** - increase to **24,000 MT by FY19 (Flat Products)**
- Average capacity **utilization of both plants at 70-75%**
- **Advanced technology** and high graded raw material deployed
- Warehousing facilities in Delhi, Maharashtra and Rajasthan
- Global customer network **with strong presence in Middle East and Africa**
- **Diverse customer portfolio** - both domestic & overseas
- **200+** customers
- Products adhere to **ISO certifications** such as ISO 9001:2015 and 14001:2015

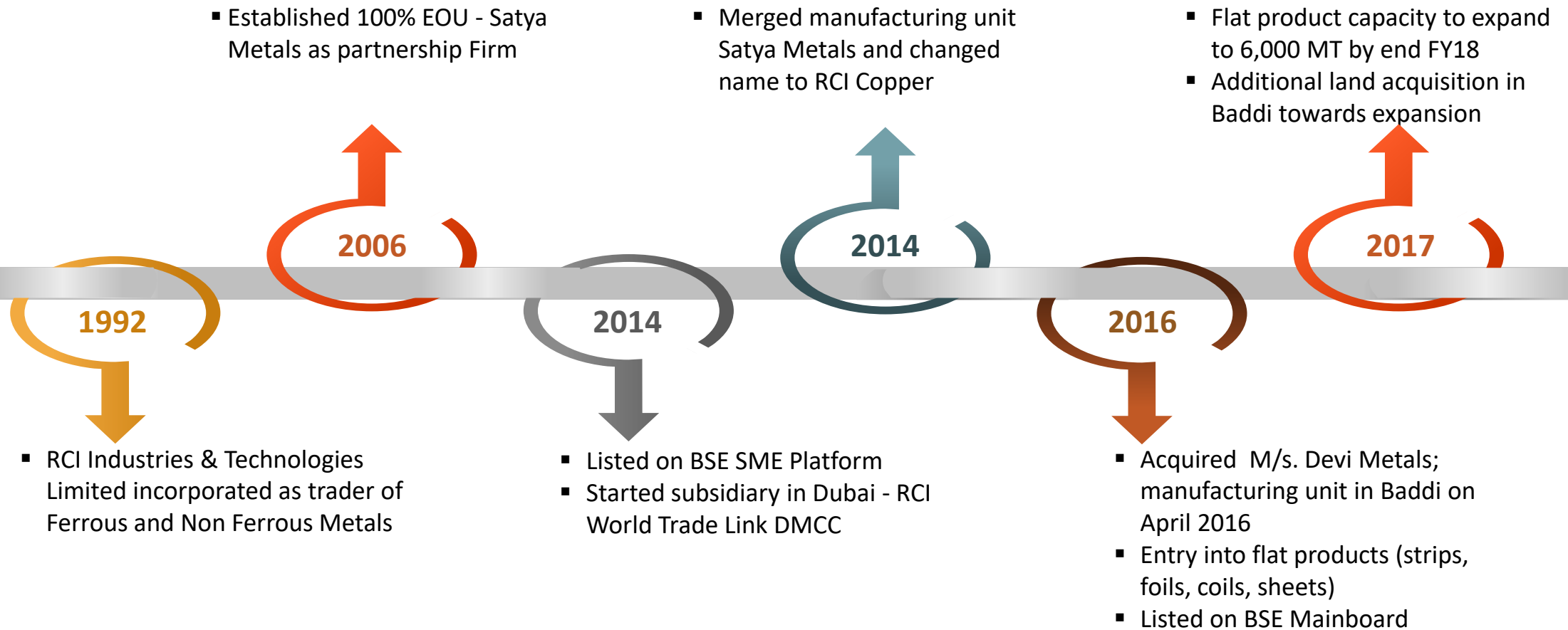
## Multi - product portfolio

## Manufacturing & warehouse facilities

## Strong customer base

## Products internationally certified

# 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 30 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

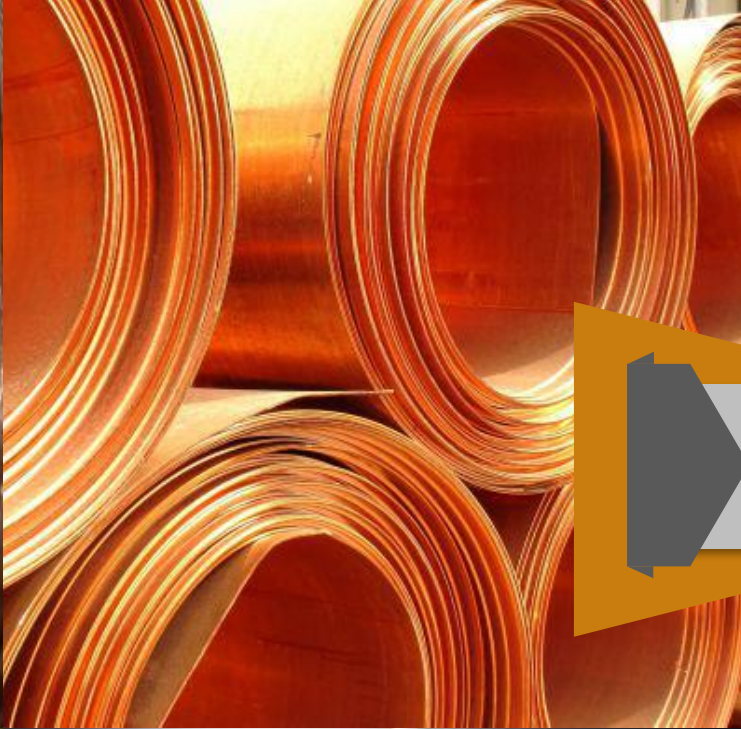


- B Com from Delhi University
- Experienced Corporate Planning professional with over 30 years experience
- Expertise in supply chain management and research & development

**Mr. I.P. Saboo**  
CFO



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



**Business & Industry Overview**



2008/11/7



## 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

## Tin Solder Wires/Strips and Bars

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

## Copper / Brass – Foils / Coils

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

## 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.

## Copper/Brass Special Alloys

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

## Indian Handicrafts

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



# Key Strengths

## Multi-Product Portfolio

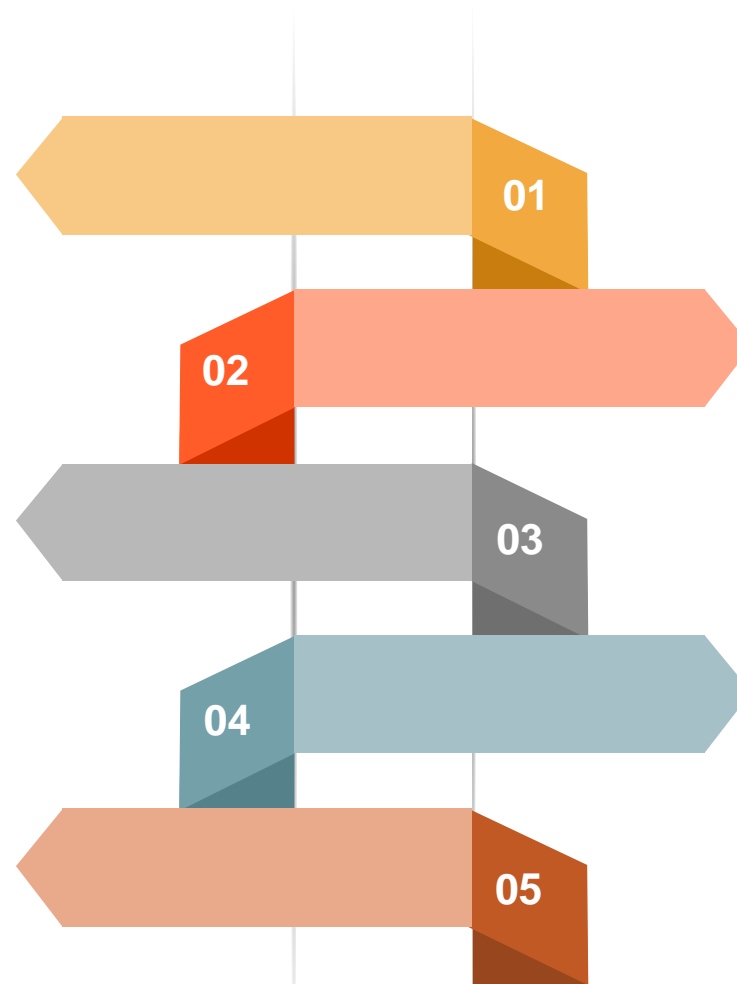
- Well balanced product mix
- Expanding range of products at regular intervals
- Expertise to re-roll / process any special materials
- Focus on expansion of Flat product portfolio

## 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

**Increased profitability with shift in product mix and sourcing cost efficiencies**



# 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 by FY19

**Average total capacity utilization 70– 75%**

## 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



Finolex



# 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 high margin 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 of flats

02

## Foray into Defence and the Mint

- Range of high-value products for supply to Defence and Mint segments
- Higher realizations
- 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. 80 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:

Company :	Investor Relations Advisors :	Advisors :
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