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May 8, 2017

The Bombay Stock Exchange
Phiroze Jeejeebhoy Towers,
Dalal Towers
Mumbai-400001

(Company code-1321)
(Scrip code-509162)

Sub: Investor Presentation of Q4 FY2017

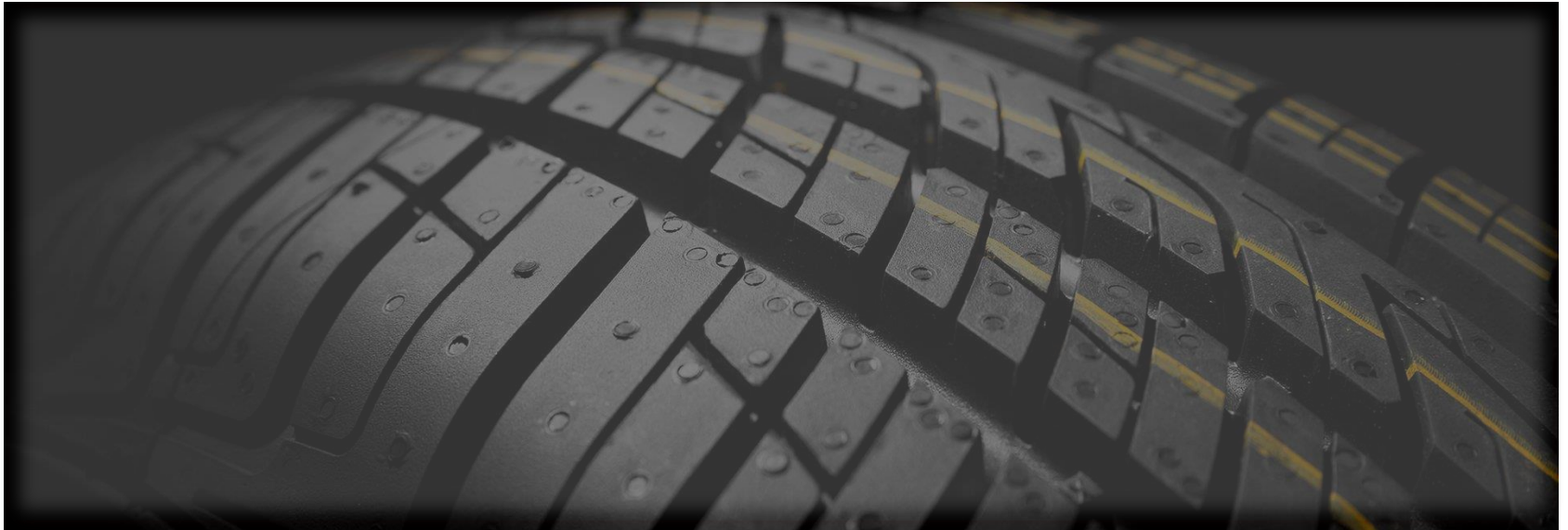
Dear Sir,

Enclosed please find the Investor Presentation of Q4 FY2017 for the information of the investors and public at large.

Thanking you.

For Indag Rubber Limited

Manali D. Bijlani
Company Secretary



INDAG RUBBER LIMITED

Safety & Reliability Mile After Mile.....

FY17 Investor Presentation

Safe harbor



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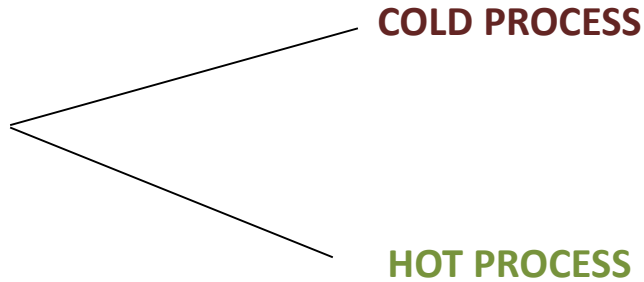


About Retreading

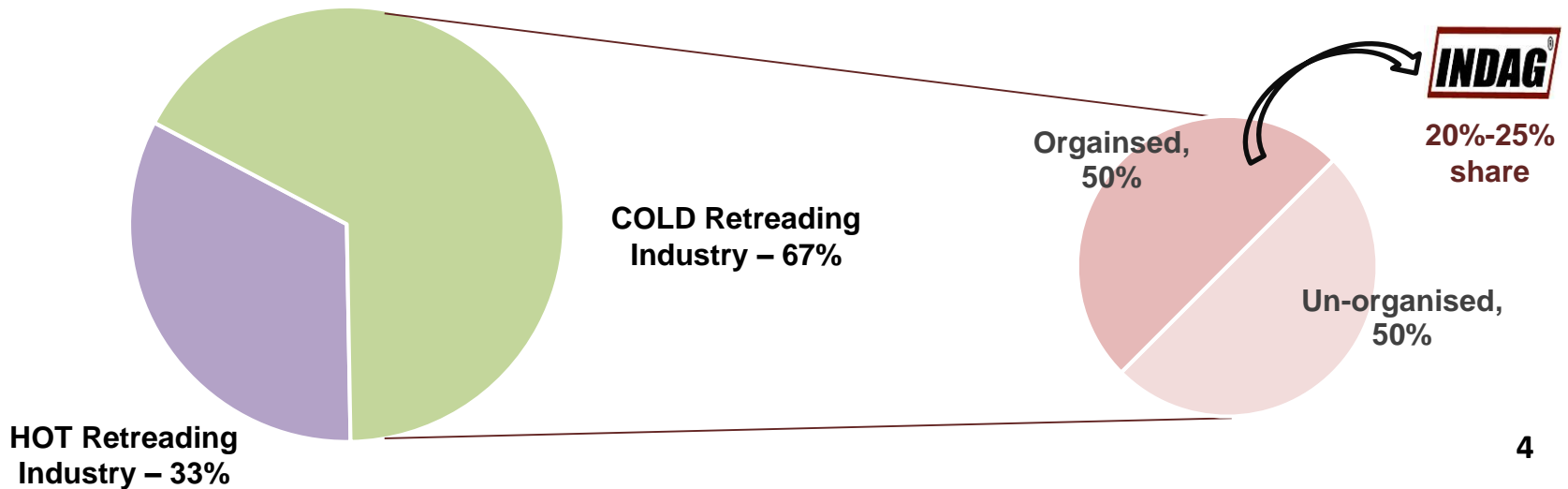
Retreading



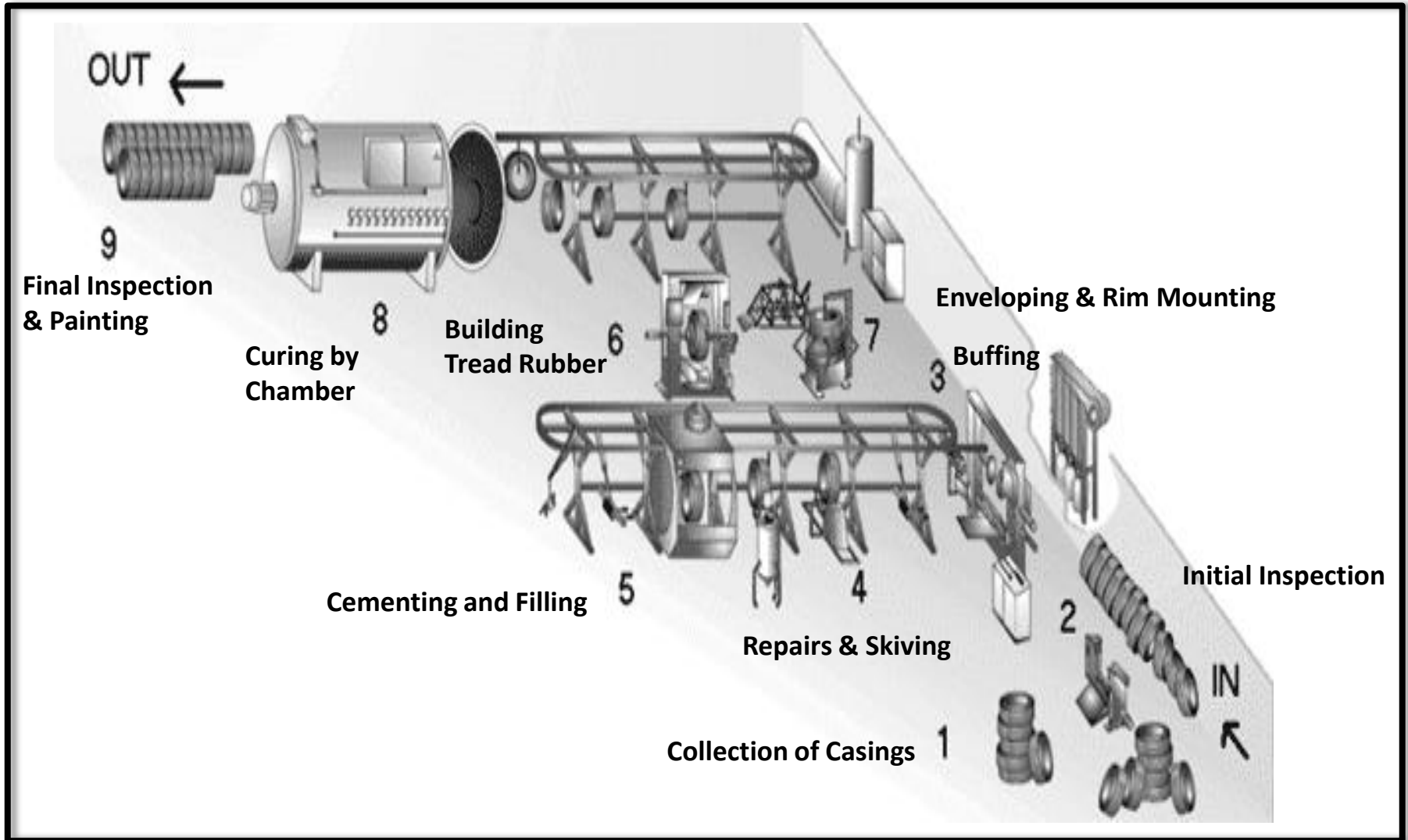
Retreading is a technology where the old tyres are made serviceable by removing worn out and damaged treads and replacing it with new treads



- Precured rubber of high density & available in various tread designs is lined with cushion gum before applying to a buffed casing
- Curing is done in a pressure chamber at low temperature 100°C & pressure
- Uncured rubber is added to a buffed casing & cured in the mold at temperatures of approximately 150°C-160°C
- This temperature allows uncured rubber to flow in the matrix forming the tread design during vulcanization



Retreading Process



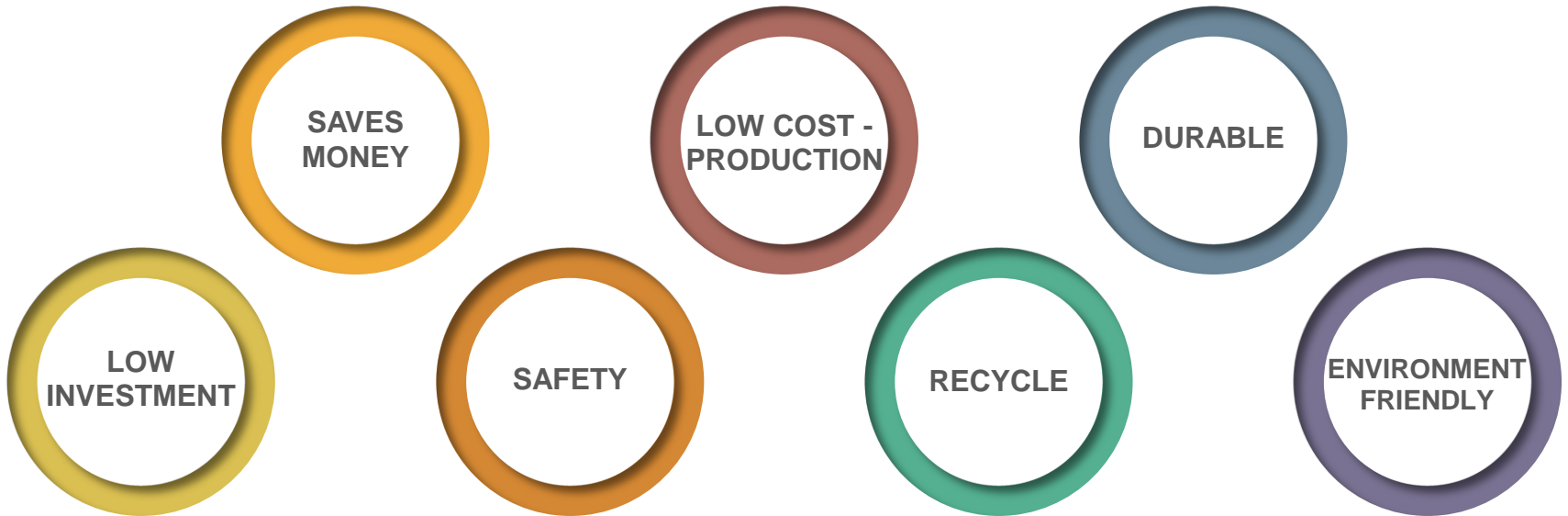
Benefits of Retreading



30%-50% of the price of New tyre with life nearly the same as New tyre

In retread tyre only 25% Natural rubber is used whereas; in new tyre around 80% of Natural rubber is required

Appropriate tread can last nearly the same as new tyre



SAVES MONEY

LOW COST - PRODUCTION

DURABLE

LOW INVESTMENT

SAFETY

RECYCLE

ENVIRONMENT FRIENDLY

Only required on the part of the retreading plant (no expensive moulds)

Tested to same stringent performance criteria as new tyre

Extends the life of used tyres thus saving even more energy, CO2 and raw materials with each product cycle

Requires ~7 gallons of crude oil to produce a retread as opposed to 22 gallons of oil to manufacture a new tyre



Business Overview

Company Overview



India's Most Trusted
Tread Manufacturing
Company



Pioneered **Cold Retreading**
technology in India

Presence in **All** type of
Commercial Segments



Best Quality with
Reasonable Pricing

**"Lowest Cost Per
Kilometre"**



Distributing through **25 Depots**
across Country

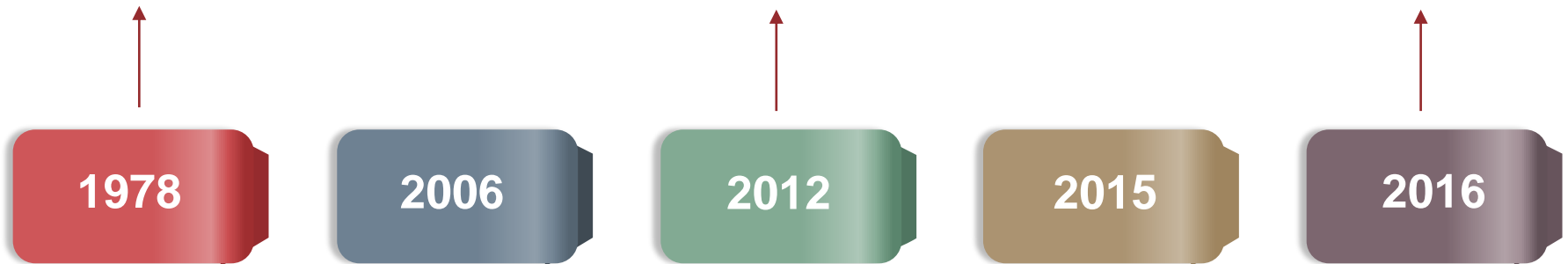
History



- 1978- Incorporated as JV between Khemka Group & M/s Bandag Inc, (USA)
- 1979- Set up plant at Bhiwadi (Rajasthan)
- 1984- Listed on BSE

- Increased capacity at Nalagarh plant from 6000 MT to 13800 MT
- Foray into Foreign market with launch of “Zoma” Brand

- Expanded Capacity from 13,800 MT to 20,000 MT



- 2006- JV was terminated with Bandag
- Khemka Group took over 38.3% share
- 2006- Set up plant at Nalagarh (Himachal Pradesh)

- Introduced Max Mile Brand in Indian Market
- Included as one of the best “Under 1Bn” company by Forbes Asia
- Certificate of Excellence from Inc 500 in 2012 & 2013

Products

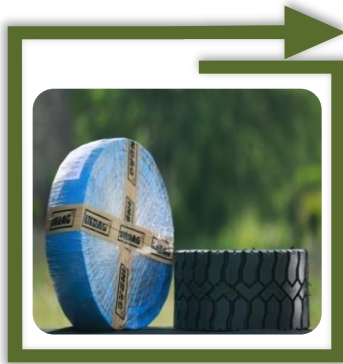


UN – VUNCUNIZED RUBBER STRIP GUM

- Capacity of 1,800MT
- Bonding gum for curing process
- Specifically manufactured to provide longer shelf life

UNIVERSAL SPRAY CEMENT

- Capacity of 1,800KL
- Solution available in Ready to use and Thick forms



PRECURED TREAD RUBBER

- Capacity of 20,000 MT
- Radial and Bias Range
- Range from Passenger to Truck/Bus Tyre
- OTR & Tractor

ENVELOPE

- Various allied products and spare tools used in retreading units/shops

Focused Management



Mr. Nand Khemka
Chairman & Managing Director



- M.S. in Foreign Trade & MBA in Production Management from the Columbia University, New York, U.S.A.
- Over 40 years of experience in promoting and running successfully various organizations

Mr. K K Kapur
CEO & Whole Time Director



- With the company since 2001, served as the CMD of GAIL & MD of Enron India (NG) until 1998
- Post-graduate in Mathematics Member of the Institute of Cost and Works Accountants of India with over 47 years of experience

Mr. Uday Khemka
Director



- Son of Mr. Nand Khemka having more than 24 years of Investment Banking & Entrepreneurial experience in Emerging markets
- Vice-Chairman of the SUN Group of companies

Mr. Shiv Khemka
Director



- Vice Chairman of SUN Group, founded in the early 90's
- Educated at Eton College, Brown University, and the Lauder program at The Wharton School, University of Pennsylvania

Focused Management



Ms. Bindu Saxena
Non Executive Director
(Independent)



Mr. P R Khanna
Non Executive Director
(Independent)



Mr. R Parameswar
Non Executive Director
(Independent)



Mr. Harjiv Singh
Non Executive Director
(Independent)



Mr. J K Jain
Chief Finance Officer



Mr. Nirmal Chaturvedi
Chief Operating Officer



Mrs. Manali D Bijlani
Company Secretary

Manufacturing Facilities



Single State of the art manufacturing unit Located at Nalagarh Industrial Estate in Himachal Pradesh

Advanced Technology in terms of machinery and equipment's

Modern Retreading Cum-Training centre to impart high quality



Brand – Indag, Zoma & Maxmile

Use superior raw material and pressed at a high pressure that gives high performance product both in term of mileage and tread life

Continuously R&D to develop superior compounds & enhance operational efficiencies



Only company who uses curing temperature of 99°C than others who cure at higher temperature of 125 -150°C

Flow of Business



Fleet Owners Run the Vehicles

Treads get Worn after certain Usage



Buy new Tire

OR

Retread the same Old Tire



If Cost of New Tyre is

Rs. 100



Savings
50-70%

Cost of Retreaded Tyre

Rs. 30-50



INDAG RUBBER LTD.

Manufactures & Supplies the

Best Quality with
Reasonable Pricing

Retreading Products to
Retreaders



Key Strengths & Opportunities

Our Key Strengths



**STRONG
DISTRIBUTION
NETWORK**

We have a PAN India Presence with over 25 depots

**TRAINING
IMPARTED**

Training imparted by Engineers who has unique qualifications of Retreading to achieve Highest standards of Quality while re-treading

INNOVATION

Innovations & Invention of Different Recipes & Patterns

**COST
EFFICIENCIES**

Cost Efficiencies have been maintained throughout thereby improving our Margins .

**STRONG
FINANCIALS**

We have a Strong Balance Sheet with zero Debt having High ROCE

**EXPANDED
CAPACITIES**

We expanded our capacities from 13,800 tonnes to 20,000 tonnes. This helps us to be ahead of the curve

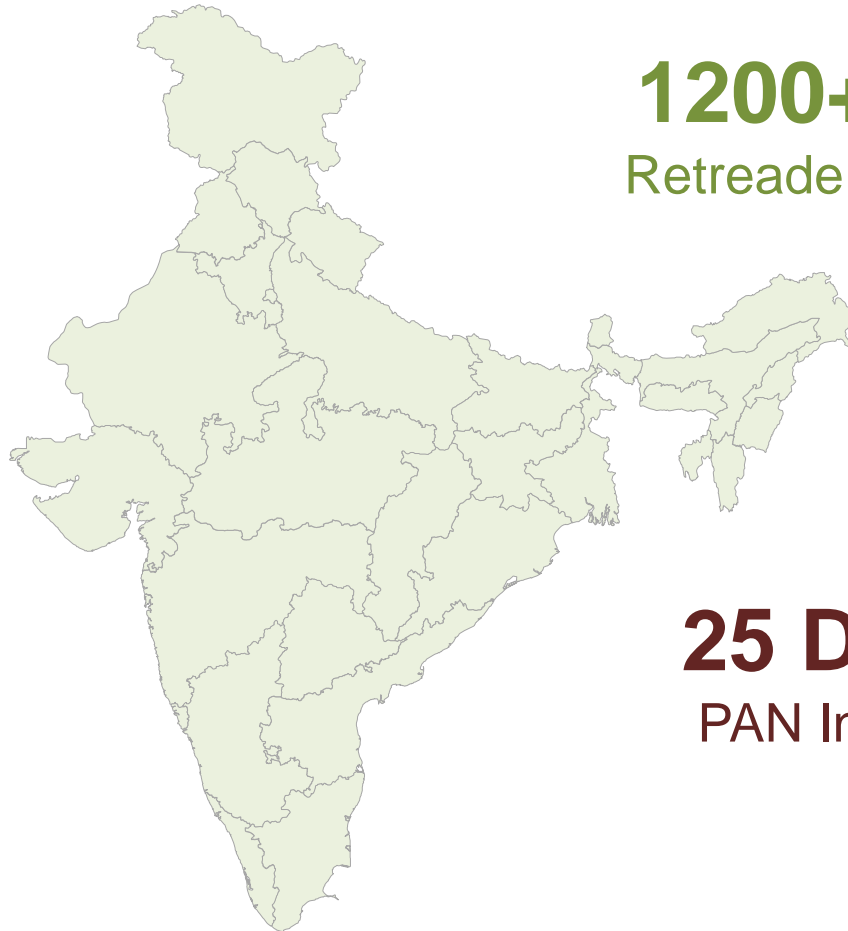
Strong Distribution Network



PAN India
Presence

1200+
Retreaders

100-150
Dealers

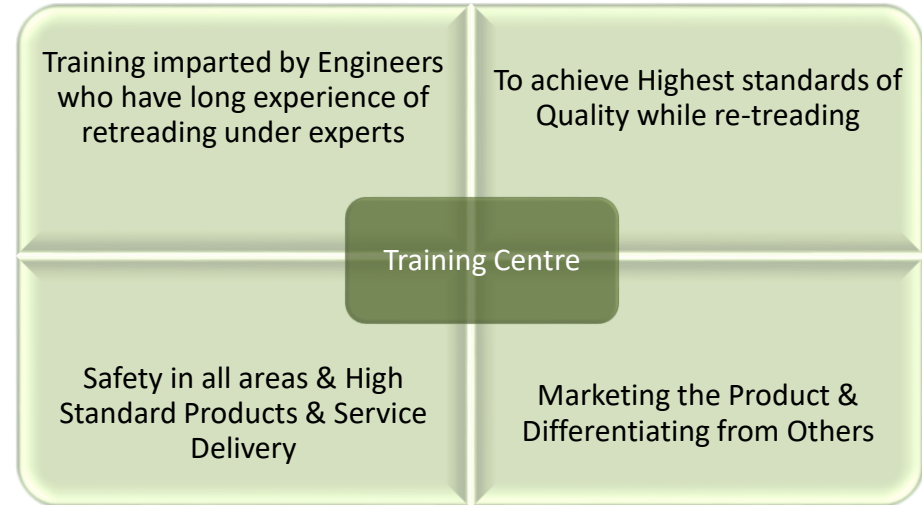


25 Depots
PAN India basis

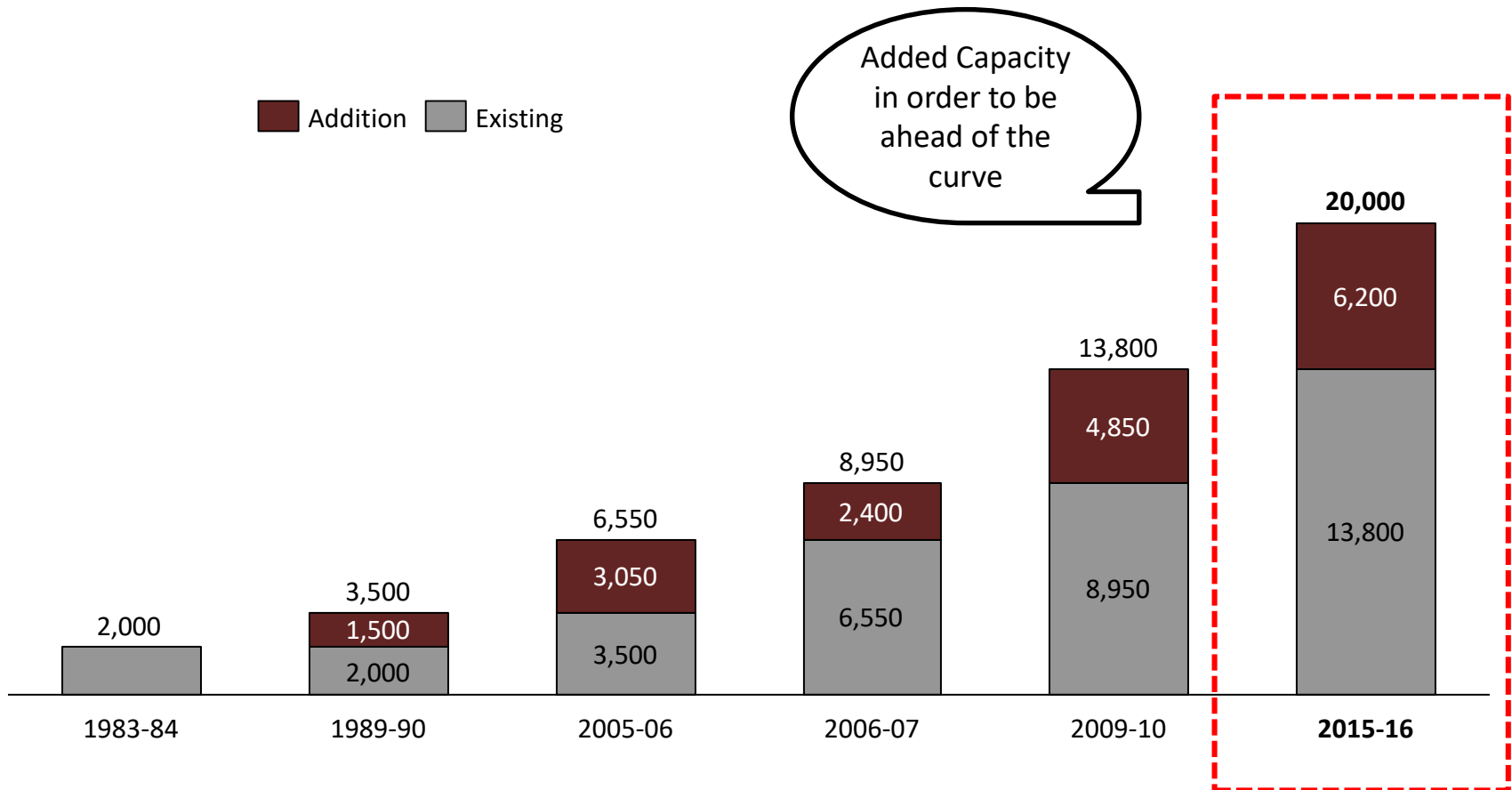
Training Retreaders



- ✓ Retreaders also get after-sales and support services
- ✓ Problem solving and helping with the machinery issues
- ✓ Logistic & warehouse support



Capacity Expanded



- Capacity expansion of 6,200 MTPA is on stream from Q1 FY17
- Capex spent of Rs. 7 crs. on Brownfield Expansion

Opportunities



Increase in Commercial Vehicle Sales especially the MHCV segment

Improving roads and support infrastructure



Implementation of GST will narrow the pricing difference between the organised and the un-organised



Increase in Radialisation in CV segment



Reduction in influx/dumping of Chinese tyres in India after demonetization

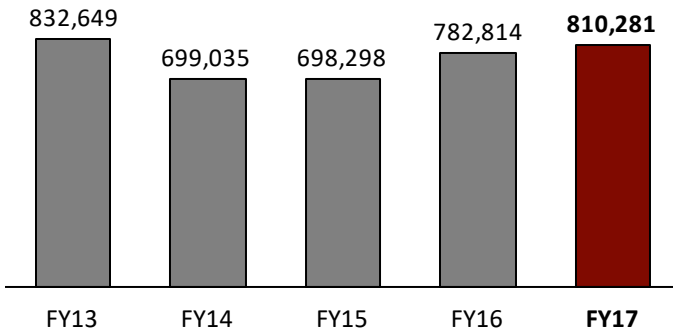
Will further reduce post GST Implementation



Increase in CV Sales

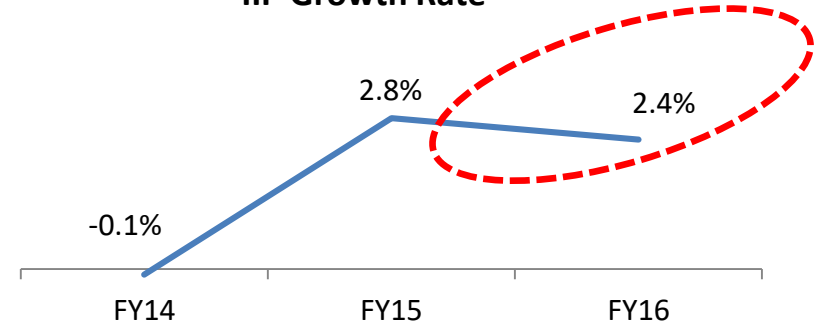


CV Production Trends

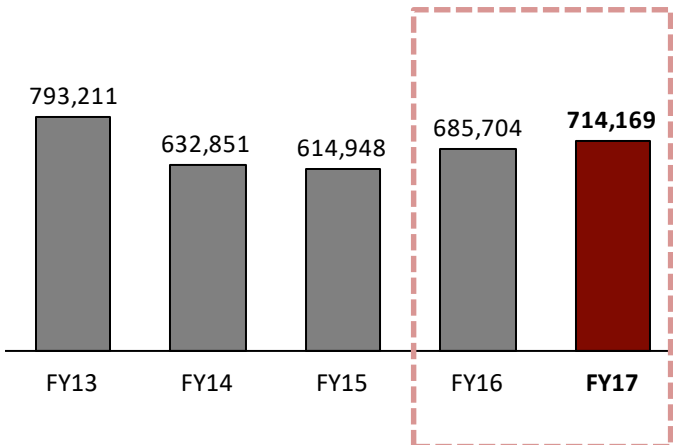


As Industrial Activity Picks up – More Demand for Commercial Vehicles for Movement of Goods – More Tires worn out – Retreading done on Tires

IIP Growth Rate



CV Domestic Sales Trends



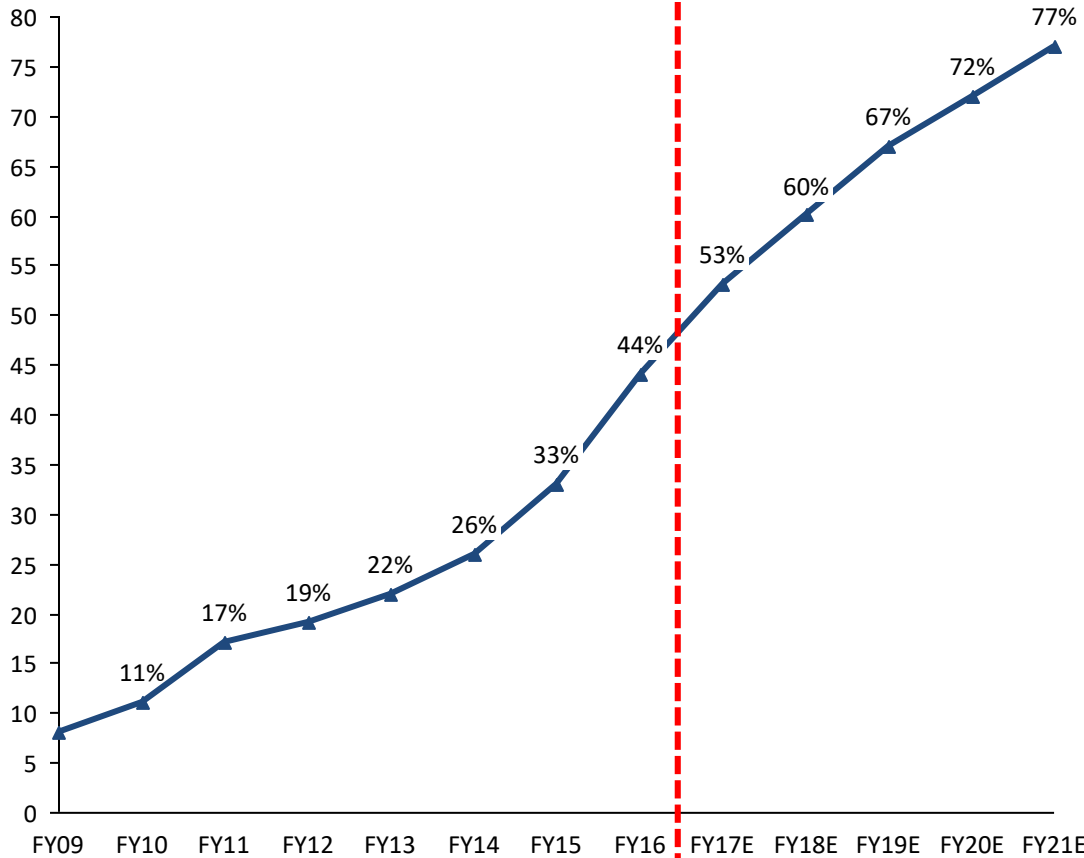
Retreading Industry Picks up with Lag effect

Large Opportunities for Retreading Business in coming years

Increase in Radialisation



Radialisation in Truck & Bus



Radialisation requires: Better Road conditions, No overloading & Proper Maintenance of Vehicles

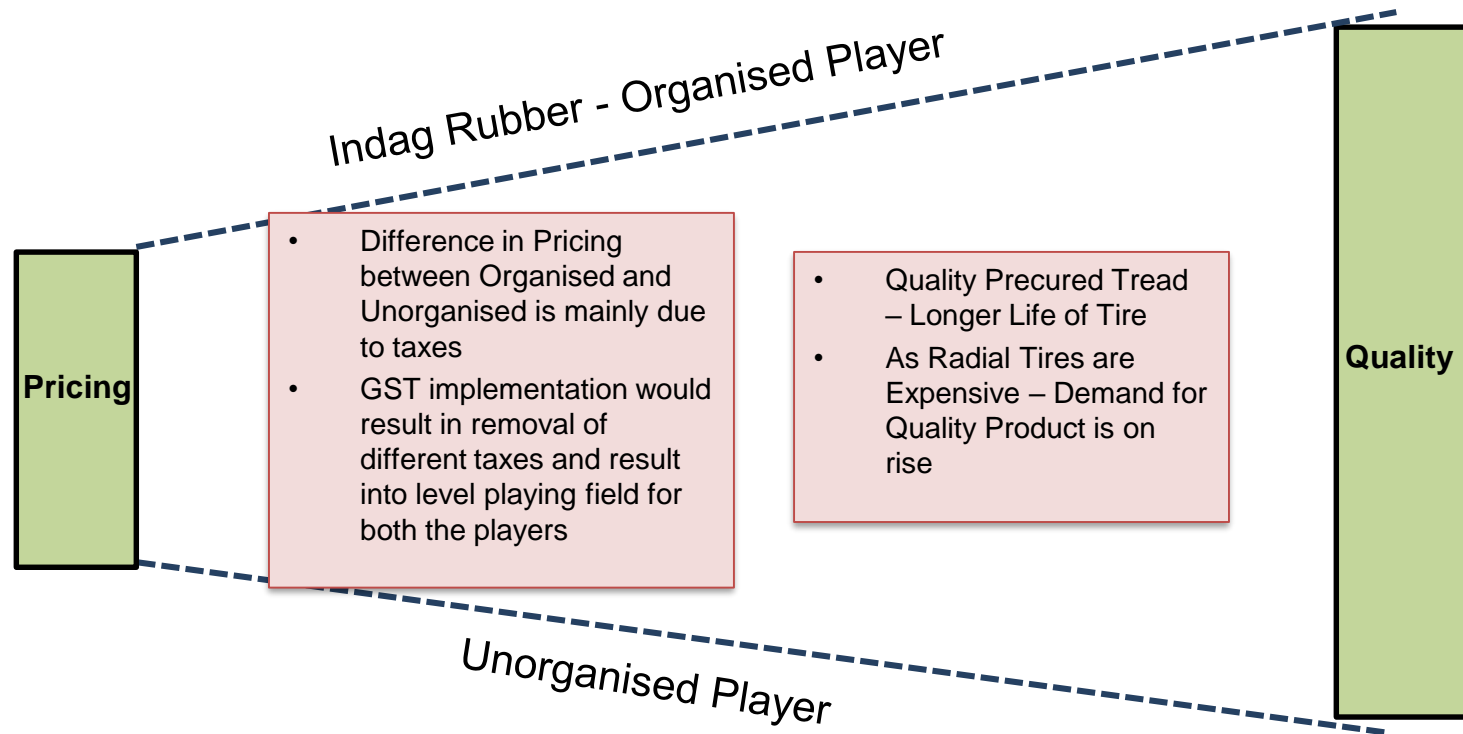
Better Road Conditions - Faster vehicles, running on radials will consume tyres more frequently, narrowing the gap in retreading time by covering larger distances in shorter durations

No Overloading & Proper Maintenance of Vehicles - Will help to reduce Casing Failure, which is pre-condition for Tire Retreading

GST - A Game Changer



Retreading was dominated by Unorganised Players – Slow Shift towards Organised



Company Offers - Best Quality with Reasonable Pricing



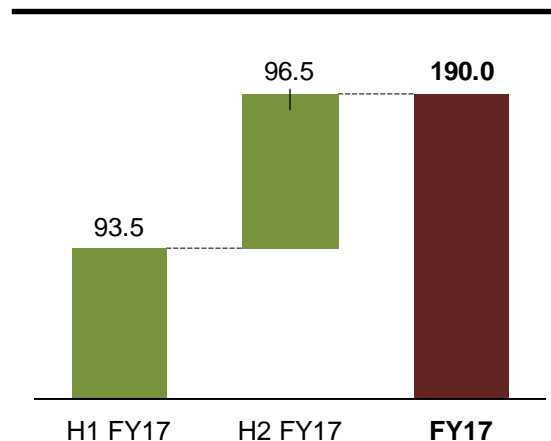
Financial Highlights

Financial Highlights

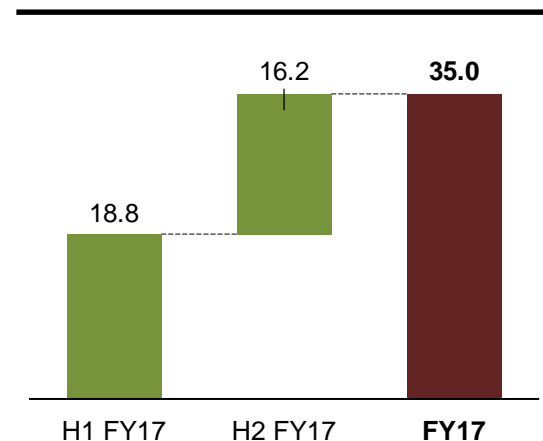


(Rs. In crs)

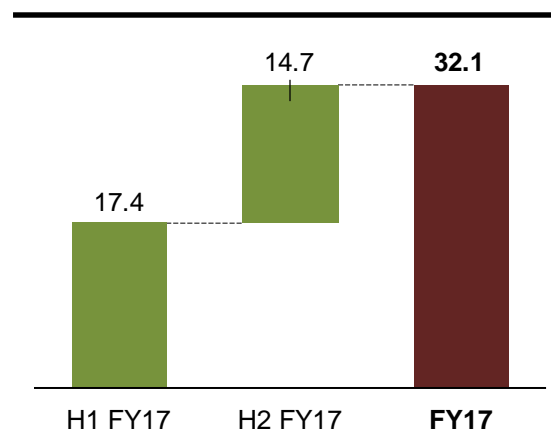
Revenue*



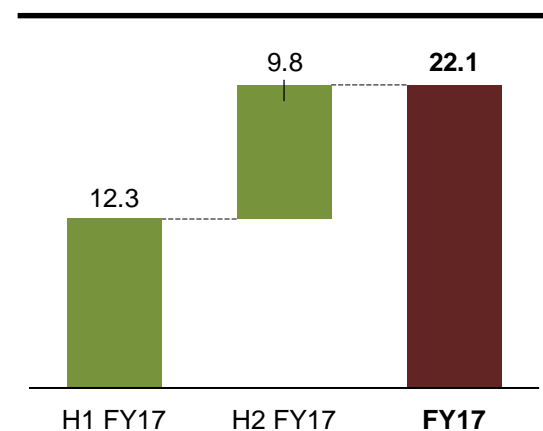
EBITDA*



EBIT

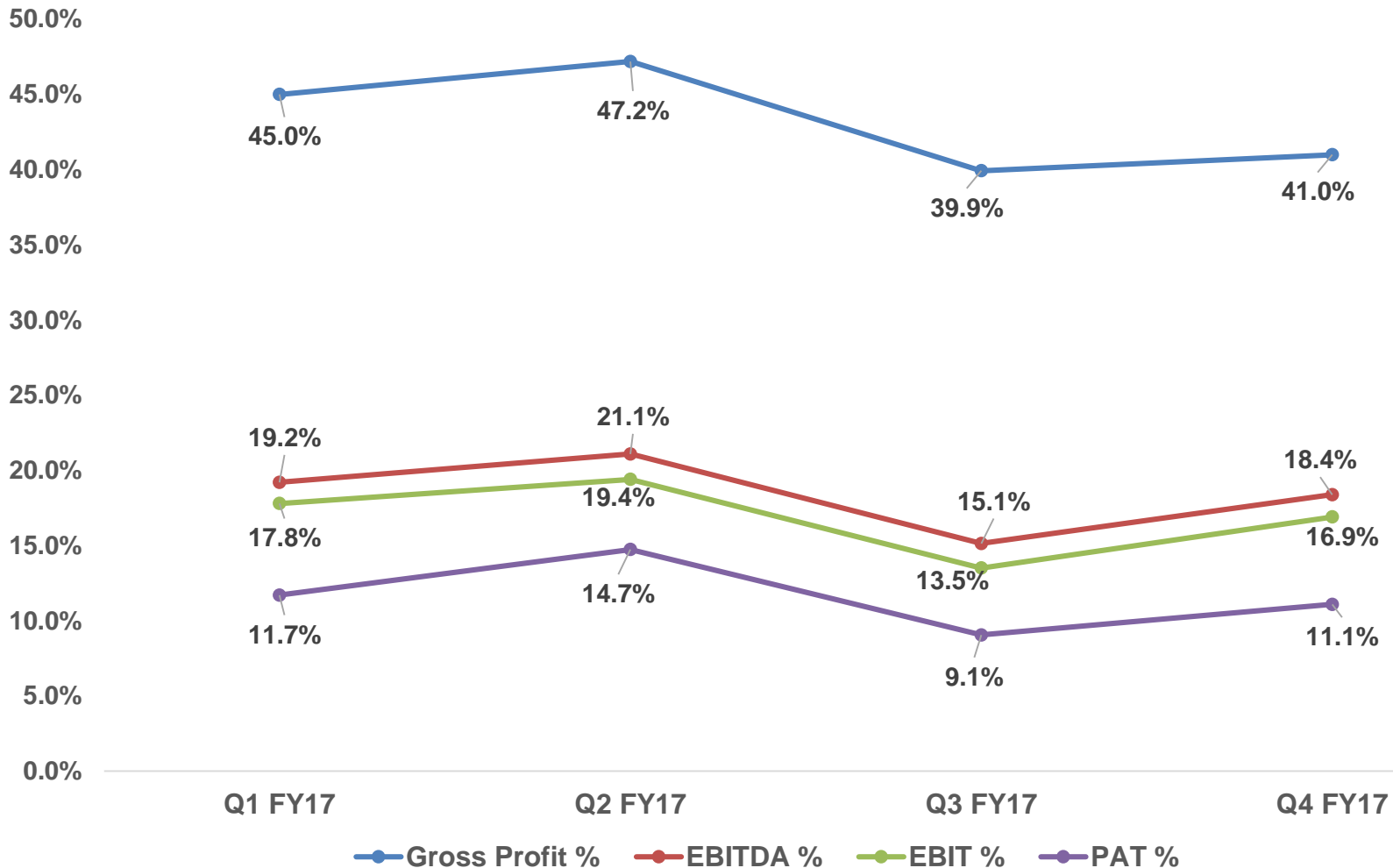


Profit After Tax



*incl. Other Income

Financial Highlights



Financial Highlights – Q4 FY17



Particulars (Rs. In Crs)	Q4 FY17	Q3 FY17	Q-o-Q
Total Revenue from Operations	49.57	45.01	
Other Income	1.10	0.81	
Total Revenue (incl. Other Income)	50.67	45.82	11%
Raw Material	29.90	27.52	
Gross Profit	20.77	18.30	14%
Gross Profit %	40.99%	39.93%	
Employee Expenses	4.70	4.77	
Other Expenses	6.75	6.59	
EBITDA	9.32	6.94	34%
EBITDA %	18.38%	15.14%	
Depreciation	0.77	0.77	
EBIT	8.55	6.17	39%
EBIT (%)	16.9%	13.5%	
Finance Cost	0.14	0.05	
Exceptional Items	0.00	0.00	
Profit before Tax	8.41	6.11	38%
Tax	2.79	1.97	
Profit after Tax	5.62	4.15	36%
PAT %	11.09%	9.05%	
EPS	2.14	1.58	

Financial Highlights – FY17



Particulars (Rs. In Crs)	FY17	FY16
Total Revenue from Operations	183.90	252.80
Other Income	6.08	5.08
Total Revenue (incl. Other Income)	189.99	257.88
Raw Material	107.89	150.69
Gross Profit	82.10	107.19
Gross Profit %	43.21%	41.57%
Employee Expenses	19.35	21.02
Other Expenses	27.71	35.23
EBITDA	35.04	50.94
EBITDA %	18.44%	19.76%
Depreciation	2.96	2.76
EBIT	32.08	48.18
EBIT (%)	16.9%	18.7%
Finance Cost	0.31	0.29
Exceptional Items	0.00	0.00
Profit before Tax	31.77	47.89
Tax	9.73	15.91
Profit after Tax	22.04	31.98
PAT %	11.60%	12.40%
EPS	8.40	12.18

Balance Sheet



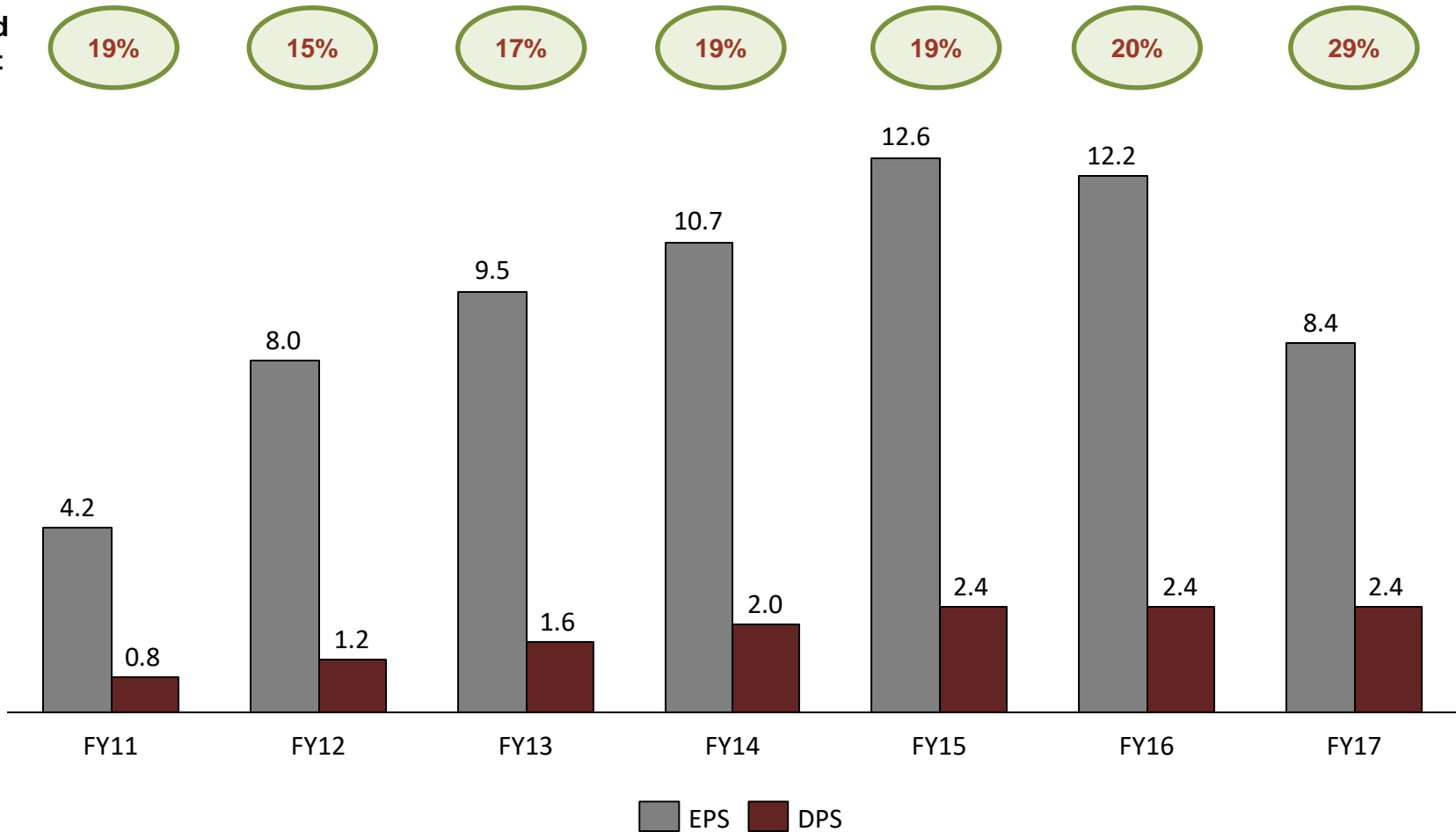
Liabilities (Rs. crs)	Mar-17	Mar-16
Share Capital	5.25	5.25
Total Reserves	166.34	151.87
Shareholder's Funds	171.59	157.12
Deferred Tax Liabilities (net)	3.30	2.62
Long Term Provisions	0.00	0.00
Total Non-Current Liabilities	3.30	2.62
Trade Payables	12.71	10.85
Other Current Liabilities	12.77	14.94
Short Term Provisions	1.49	1.16
Total Current Liabilities	26.98	26.96
Total Liabilities	201.86	186.70

Assets (Rs. crs)	Mar-17	Mar-16
Fixed Assets	30.98	31.80
Non Current Investments	61.63	53.70
Long Term Loans & Advances	0.90	1.23
Other Non-Current assets	0.31	0.04
Total Non-Current Assets	93.81	86.77
Current Investments	25.70	29.69
Inventories	41.42	29.35
Sundry Debtors	29.00	30.12
Cash and Bank	5.05	4.31
Short Term Loans and Advances	6.62	6.10
Other Current Assets	0.26	0.35
Total Current Assets	108.05	99.93
Total Assets	201.86	186.70

Consistent Dividend Pay-out



Dividend Pay-Out



*Adjusted EPS & DPS for the split



For further information, please contact

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