

SH/13/2024 26<sup>th</sup> April, 2024

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-Operations Dept. 1<sup>st</sup> floor, New Trading Ring, Rotunda Bldg. P.J.Towers, Dalal Street, Fort, MUMBAI 400023

Sub.: Investor Presentation- March, 2024

Sirs

Enclosed please find Investor Presentation March, 2024

Please take the same on records

Thanking you,

Yours faithfully, For The Supreme Industries Ltd.

(R.J. Saboo)

VP (Corporate Affairs) & Company Secretary

Encl.: a/a.



#### **The Supreme Industries Limited**

**Regd. Office :** 612, Raheja Chambers, Nariman Point, Mumbai 400021, INDIA. **CIN :** L35920MH1942PLC003554 **PAN :** AAACT1344F

+91-022-6257 0000 / 6257 0025 sil\_narimanpoint@supreme.co.in



# INVESTORS PRESENTATION

## FY 2023-24





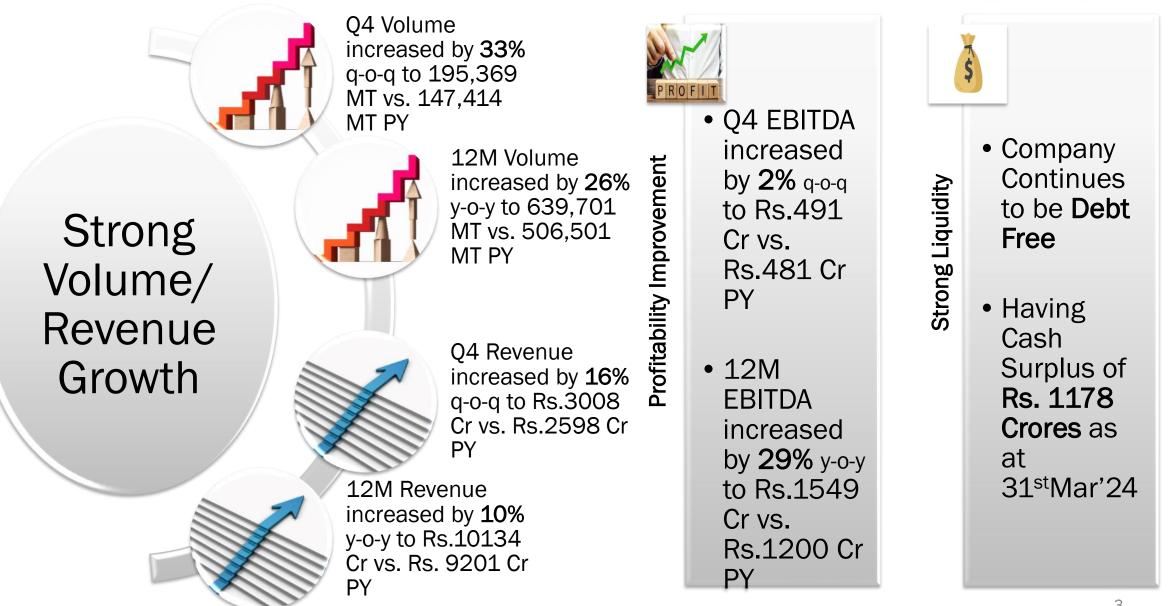
## **FLOW OF THE PRESENTATION**

- ✤ FINANCIAL PERFORMANCE HIGHLIGHTS
- ✤ KEY SEGMENT PERFORMANCE
- ✤ WORKING CAPITAL CYCLE
- ✤ THE SURPEME GROUP
- ✤ A CURTAIN RAISER THE SUPREME INDUSTRIES LTD.
- ✤ THE SUPREME INDUSTRIES LTD. AT A GLANCE
- ✤ SHAREHOLDING PATTERN
- ✤ ORGANISATION & MANAGEMENT TEAM
- ✤ BUSINESS VERTICALS
- ✤ PRODUCT PORTFOLIO GLIMPSE
- ✤ SUPREME PRESENCE IN INDIA
- ✤ VIRTUAL TOUR OF PLANTS
- ✤ TECHNICAL COLLABORATIONS
- BRAND PROMOTION & AWARENESS
- ✤ AWARDS & ACCOLADES
- ✤ SUSTAINABILITY
- THE INTANGIBLES BEYOND NUMBERS
- ✤ ADDRESSING RISKS
- ✤ THE WAY FORWARD
- ✤ COMMITMENT TO SHAREHOLDERS
- ✤ A RESPONSIBLE CORPORATE CITIZEN



## **FINANCIAL PERFORMANCE HIGHLIGHTS**





## FINANCIAL HIGHLIGHTS



				Rs. ir	n Crores	People who k	now plastics best
Year	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	CAGR
Sales Tonnage (in MT)	397983	411521	409109	393907	506501	639701	9.96
Y-o-Y Growth %	7.22	3.40	-0.59	-3.72	28.58	26.30	
Total Income	5551.52	5503.63	6383.59	7840.51	9283.35	10251.98	13.05
Y-o-Y Growth %	11.88	-0.86	15.99	22.82	18.40	10.43	
EBIDTA	749.22	848.75	1312.74	1309.89	1281.84	1666.32	17.34
EBIDTA %	13.50	15.42	20.56	16.71	13.81	16.25	
Depreciation	183.54	205.67	212.78	229.52	263.39	298.38	
EBIT	565.68	643.08	1099.96	1080.37	1018.45	1367.94	19.32
EBIT %	10.19	11.68	17.23	13.78	10.97	13.34	
Financial Expenses	26.00	20.18	22.05	5.15	8.02	16.11	
Profit Before Tax	539.68	622.90	1077.91	1075.22	1010.43	1351.83	
PBT %	9.72	11.32	16.89	13.71	10.88	13.19	
Profit After Tax	362.25	492.68	801.38	811.89	764.47	1016.17	22.91
PAT %	6.53	8.95	12.55	10.36	8.23	9.91	
EPS (basic FV Rs. 2)	28.52	38.79	63.09	63.91	60.18	80.00	
ROE (%)	21.00	24.71	33.49	26.88	21.14	24.36	
ROACE (%) (Pre tax)	29.20	29.48	43.65	35.91	28.39	32.97	

## FINANCIAL HIGHLIGHTS



Year	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Share Capital	25.41	25.41	25.41	25.41	25.41	25.41
Reserves & Surplus	1967.24	2107.18	2843.76	3362.53	3819.35	4473.09
Net Worth	1992.65	2132.59	2869.17	3387.94	3844.76	4498.50
Total Assets	3069.22	3448.41	3982.65	4540.36	5137.59	5944.94
Secured Loans	53.45	90.94	-	_	-	-
Unsecured Loans	108.97	320.00	-	-	-	-
Total Debt	162.42	410.94	-	-	-	-
Net Block / CWIP	1611.02	1700.66	1765.30	1923.05	2147.95	2471.04
Investments	63.80	38.82	38.96	21.87	22.30	28.94
Debt to Equity (x)	0.08	0.19	-	-	-	-

Rs. in Crores

## FINANCIAL HIGHLIGHTS



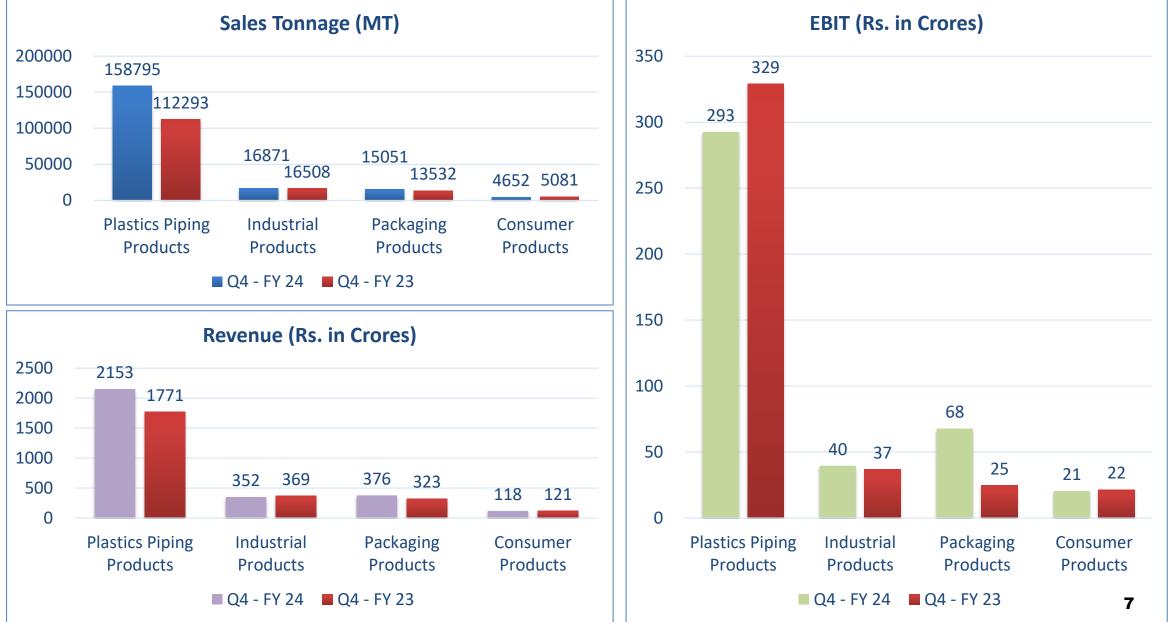
Rs. in Crores

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Cash Flow Summary						
Cash and Cash Equivalents at Beginning of year	29.15	30.61	218.50	759.46	517.54	737.68
Net Cash from Operating Activities	557.04	539.37	1245.69	470.98	891.39	1413.41
Net Cash Used in Investing Activities	(239.55)	(195.92)	(200.61)	(403.49)	(348.86)	(609.09)
Net Cash Used in Financing Activities	(316.03)	(155.52)	(505.50)	(310.31)	(326.97)	(381.69)
Effect of fair value of Liquid mutual funds	-	(0.04)	1.38	0.90	4.58	17.88
Net Inc/(Dec) in Cash and Cash Equivalent	1.46	187.89	540.96	(241.92)	220.14	440.51
Cash and Cash Equivalents at End of the year	30.61	218.50	759.46	517.54	737.68	1178.19

- Strong cash accruals and favourable capital structure, which provides financial flexibility to raise resources as and when required
- Positive cash flows at its operating as well as net level

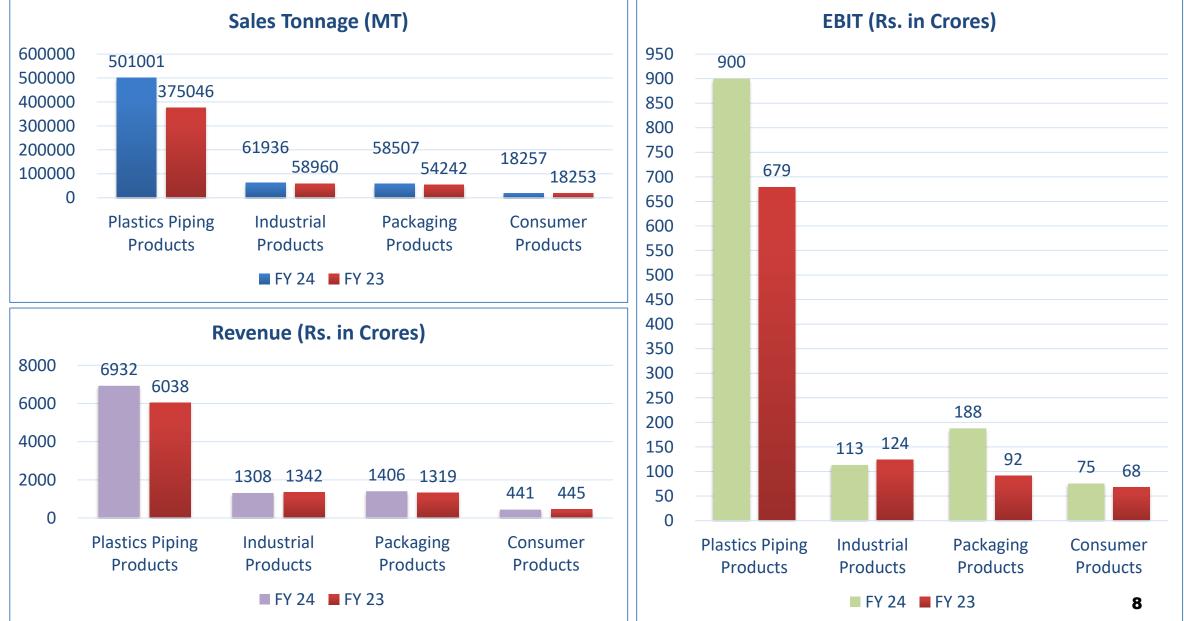
## **KEY SEGMENT PERFORMANCE – Q4 FY24**





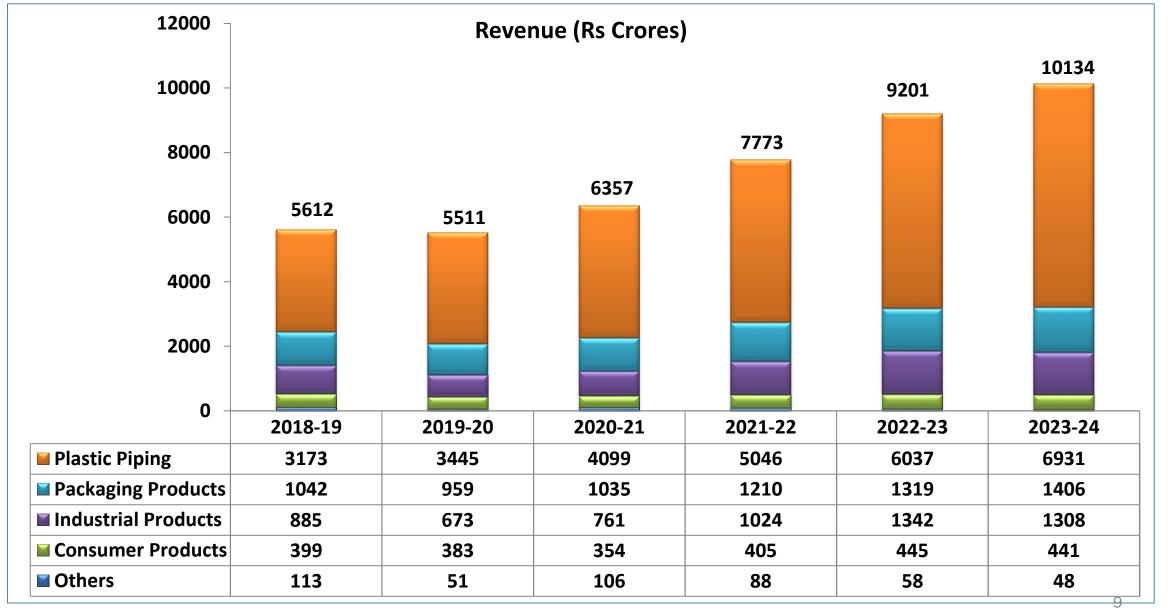
## **KEY SEGMENT PERFORMANCE – FY24**





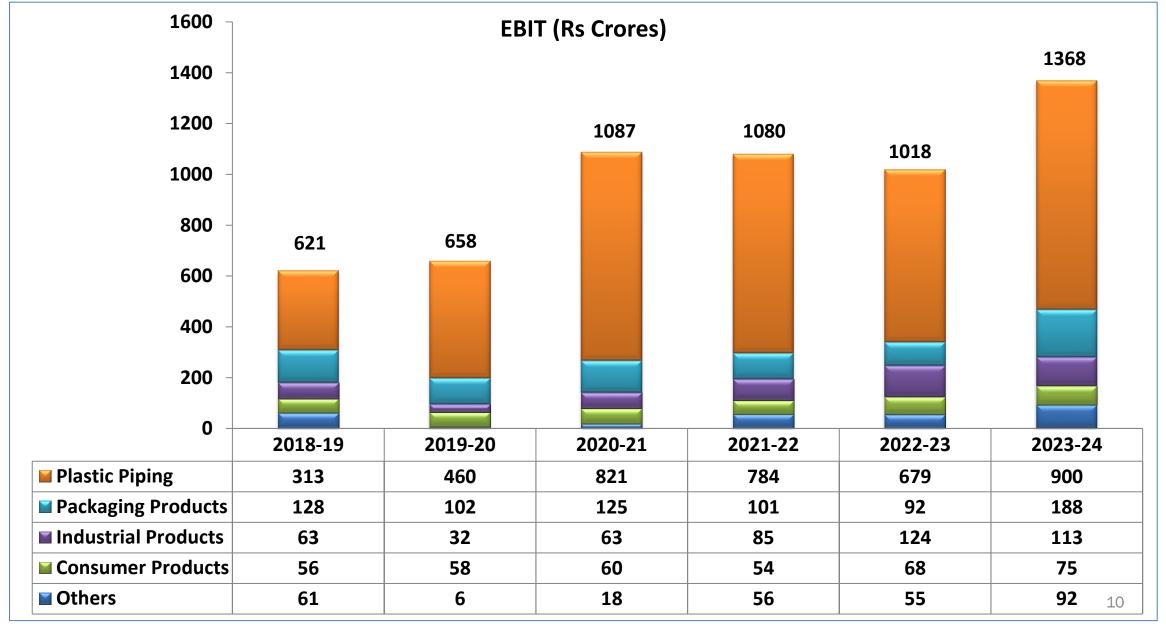
## **KEY SEGMENT PERFORMANCE**





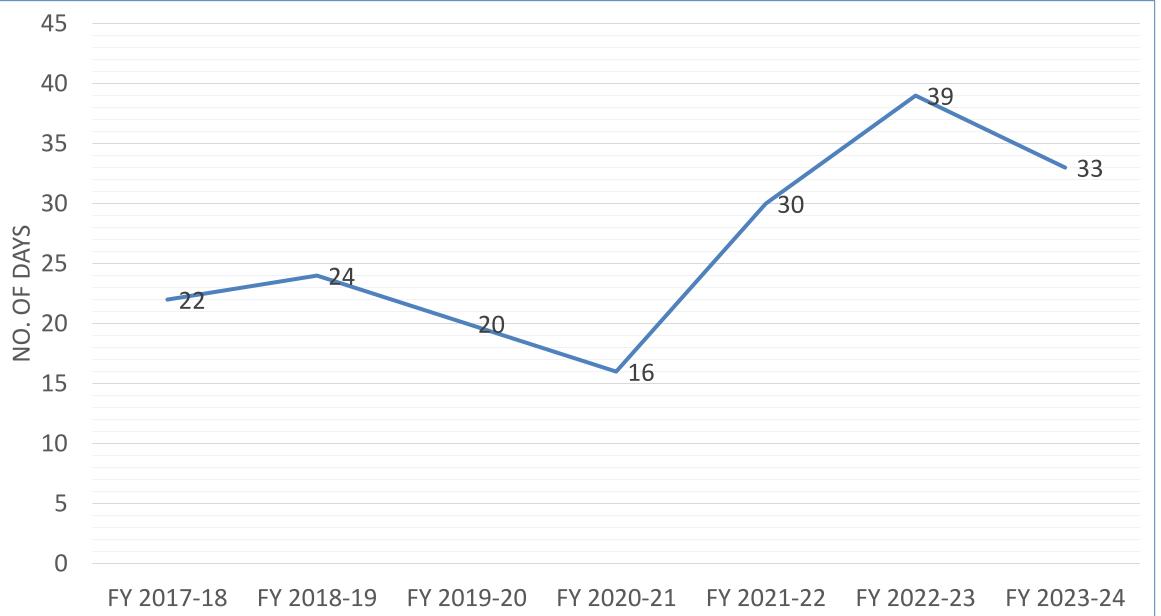
## **KEY SEGMENT PERFORMANCE**





## **WORKING CAPITAL CYCLE**





## THE SUPREME GROUP



### The Supreme Industries Ltd.:

- Engaged in processing of polymers and resins into finished plastic products
- 30.78 per cent stake in Supreme Petrochem Ltd.
- Supreme Industries Overseas (FZE) A wholly owned subsidiary, in the United Arab Emirates.

### Supreme Petrochem Ltd.:

 Manufactures Polystyrene, Expanded Polystyrene (normal and food grade), Extruded Polystyrene Foam, Speciality Polymers Compounds & Masterbatches, Styrene Methyl Methacralate(SMMA).

## A CURTAIN RAISER- THE SUPREME INDUSTRIES LTD.



#### VISION STATEMENT

**"TO GROW BUSINESS WITH DIGNITY & RESPECT"** 

PURPOSE

"TO ADD REAL VALUE TO SOCIETY"

- CORE VALUES
- INTEGRITY
- CUSTOMER'S DELIGHT
- CONTINUOUS IMPROVEMENTS & INNOVATIONS
- UNCOMPROMISING QUALITY
- EMPOWERMENT TO INDIVIDUALS

#### MISSION STATEMENT

- To conduct business with ethical practices and WALK OUR TALK
- To offer consistent products Services with uncompromising quality supported by continuous improvements and Innovations, thereby exceeding Customer Expectations
- To ensure the culture of utmost respect and empowerment to individuals and be catalyst in enhancing their competencies

## THE SUPREME INDUSTRIES LTD. AT A GLANCE



#### Industry

Plastics and related products

Business Highlights

- One of the largest plastic processor in India, with a sale of about 6.40 lakh MT annually
- Presence in the Indian plastic industry for over 58 years under present management
- Diversified revenue model with a large product portfolio across 4 verticals.
- 29 plants situated across India with an asset base of over Rs. 4700 crores.
- Bank Loan Rating : CRISIL AA+/Stable Short Term Debt Programme Rating : CRISIL A1 plus
- Market Capitalisation

Year	31- Mar-19	31- Mar-20	31- Mar-21	31- Mar-22	31- Mar-23	31- Mar-24
Rs. in Cr.	14193.35	11025.93	25947.78	25954.77	31904.77	53703.78
US\$ in Million	2052.40	1457.20	3549.14	3424.45	3882.77	6439.30

## THE SUPREME INDUSTRIES LTD. AT A GLANCE



- Manufacturing facilities spread across the country.
- Diversified product portfolio with established Brand Equity
- Significant Market Share in each of the verticals
- Strong Cash Flows to fund expansion plans
- Pan India Distribution Network and Reach
- Consistent increase in revenues from speciality and value added products
- Cost efficient raw material procurement capability
- User of diverse plastics materials

USP

- Invulnerable from import substitutes.
- Optimisation of value Buy Back of shares
  - Higher ROCE
  - Liberal dividend payout

## SHAREHOLDING PATTERN



Shareholders	Nos.	Holding % as on 31 <sup>st</sup> Mar, 2024		
Promoters	17		48.85	
Institutional	650		35.23	
- FIIs/ Foreign Portfolio Investors	614	24.68		
- DIIs / Mutual Funds	36	10.55		
Bodies Corporate	516		1.04	
Individual & Others	66630		14.88	
Total	67813		100.00	

## **ORGANISATION & MANAGEMENT TEAM**



## **Board of Directors**

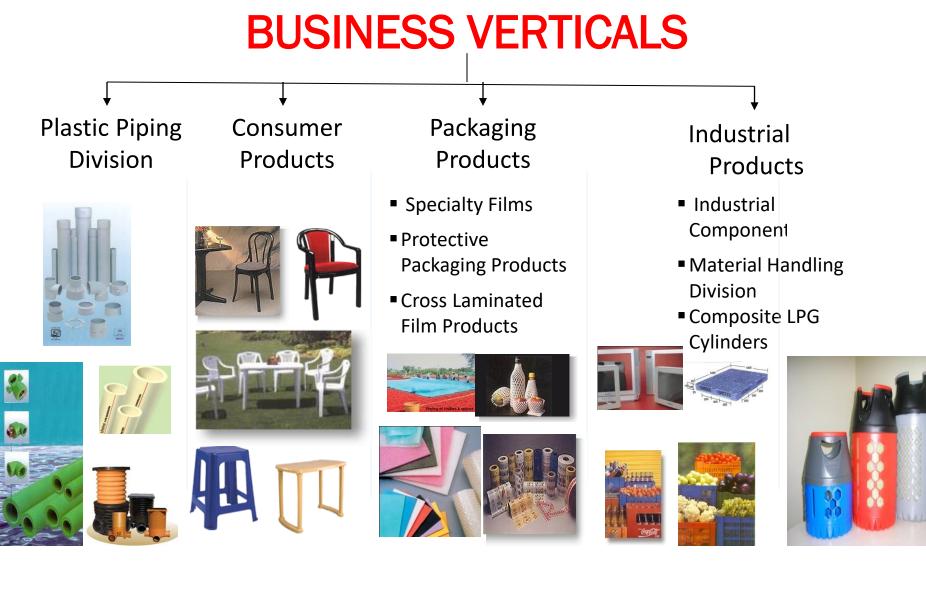
B L Taparia, Chairman M P Taparia, Managing Director S J Taparia, Executive Director V K Taparia, Executive Director R Kannan Rajeev M Pandia Sarthak Behuria Ms. Ameeta Parpia Pulak Prasad

Vipul Shah

## Management Team

- A K Tripathi, Exe. Vice President (Plastic Piping System)
- V L Malu, Exe. Vice President (Industrial Components)
- P C Somani, Chief Financial Officer
- Saurov Ghosh Chief Human Resources Officer
- S K Patnaik , COO (Protective Packaging Products)
- Pradeep Kamat, Vice President (Composite Cylinders)
- Sanjeev Jain , Vice President (Furniture)
- Siddharth Roongta, Vice President (Cross Laminated Films )
- R J Saboo , Vice President (Corporate Affairs) & Company Secretary
- Parag Prabhu, Vice President (Finance)
- Vivek Taparia, Exe. Vice President (Flexible Pkg. Film)
- Sanjay Mishra, Associate Vice President (MHD)

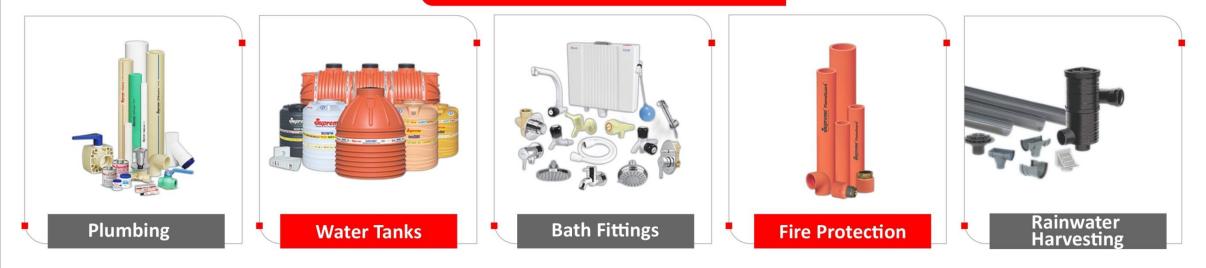




## **PRODUCT PORTFOLIO GLIMPSE**



### **Plastic Piping System**





## **PRODUCT PORTFOLIO GLIMPSE**



#### **Protective Packaging Products**

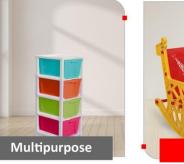


#### **Moulded Furniture**











#### **Material Handling Products**







## **PRODUCT PORTFOLIO GLIMPSE**



#### Multi-layer Cross Laminated Films





Packaging for Transport

Export Marketing





#### **Performance Packaging Films**



#### **Industrial Moulded Products**



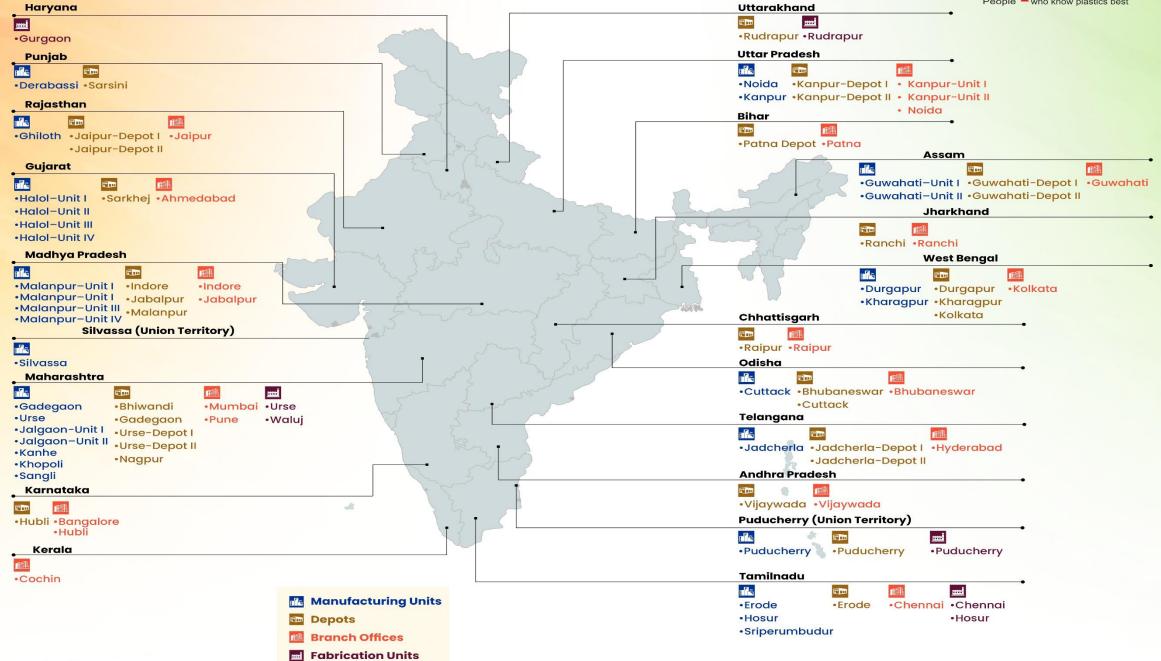
#### **Composite Cylinder**



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#### **SUPREME PRESENCE IN INDIA**





# **VIRTUAL TOUR OF PLANTS**





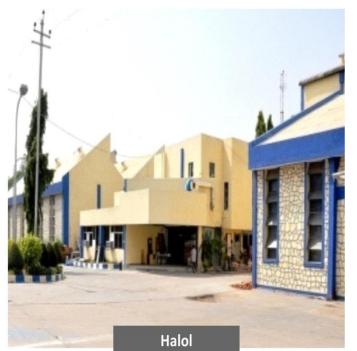


# **VIRTUAL TOUR OF PLANTS**











## **VIRTUAL TOUR OF PLANTS**

















## **TECHNICAL COLABORATIONS**



#### COMPANY

## Rasmussen Polymer Development, Switzerland

- Swiss XPLASTX Technology SRL, Romania
- Kautex GMBH
- Spears Mfg. Co. Los Angeles
- Calcamite Sanitary Services (PTY)
- Poloplast GMBH

### **Cross-laminated Films**

**PRODUCT LINE** 

- **Cross Plastic Film**
- Composite LPG Cylinders
- Fire Sprinkler Pipe System from CPVC
- Septic Tanks
- PP Accustic Pipe System



### Participation at Exhibitions





**Participation at Exhibitions** 





**Participation at Exhibitions** 





Participation at Exhibitions

Interpack, Germany

# BRAND PROMOTION & AWARENESS Plumber Meet and Workshops





# BRAND PROMOTION & AWARENESS Plumber Meet and Workshops





# BRAND PROMOTION & AWARENESS Dealers Meet





**Dealers Meet** 

# BRAND PROMOTION & AWARENESS Hoardings & Retail Shop Branding





Hoarding at Bongaon, West Bengal





Hoarding at Guwahati

Traffic Signal at Bankura,West Bengal





Pole Kiosk at Purulia, West Bengal





SAMAL AND SONS SUPPLIERS - Sailashree Vihar



SAMPURNA SANI PLAZA - Bharatpur



Shop Branding\_bhubaneswar-odisha















Shop Branding-north East



## Digital Promotional Activities





Supreme Pipes- ICC World Cup campaign on TV & OTT

Pipe advertisement on national news channels during Ram Mandir Inauguration



- Various Digital Initiatives
  - Robust website <u>www.supreme.co.in</u> which imparts in-depth knowledge about all Supreme business verticals.
  - Launch of Shopify website <u>www.supremefurniture.co.in</u> for selling Furniture products on line
  - Presence on various Social media channels which helps in constant consumer connect (Corporate as well as Pipe, Furniture, MHD and PPD has dedicated social media presence)
  - Various digital promotional activities are taken up like Google Search Engine Marketing, Digital TVC promotion, Android & IOS app for Pipe and Furniture etc

## **AWARDS & ACCOLADES**





Company has received CII's National award for excellence in energy management for its Kanpur, Jadcherla and Malanpur plants for being "Excellent Energy Efficient Units.



Company has won an international accolade under the category "Sustainability Performance" in an event "Global Sustainability Leadership Awards 2023" organised by "World Sustainability Congress & Awards" at Mauritius.



SEEM (Society of Energy Engineers and Managers) National Energy Management GOLD Awards 2022 in Plastic Category-Malanpur plant.

## SUSTAINABILITY



#### We are committed to sustainable use of plastic and constantly innovating to develop solutions. As a company, we take several measures to ensure that we walk the sustainability path. Few of our efforts are as follows

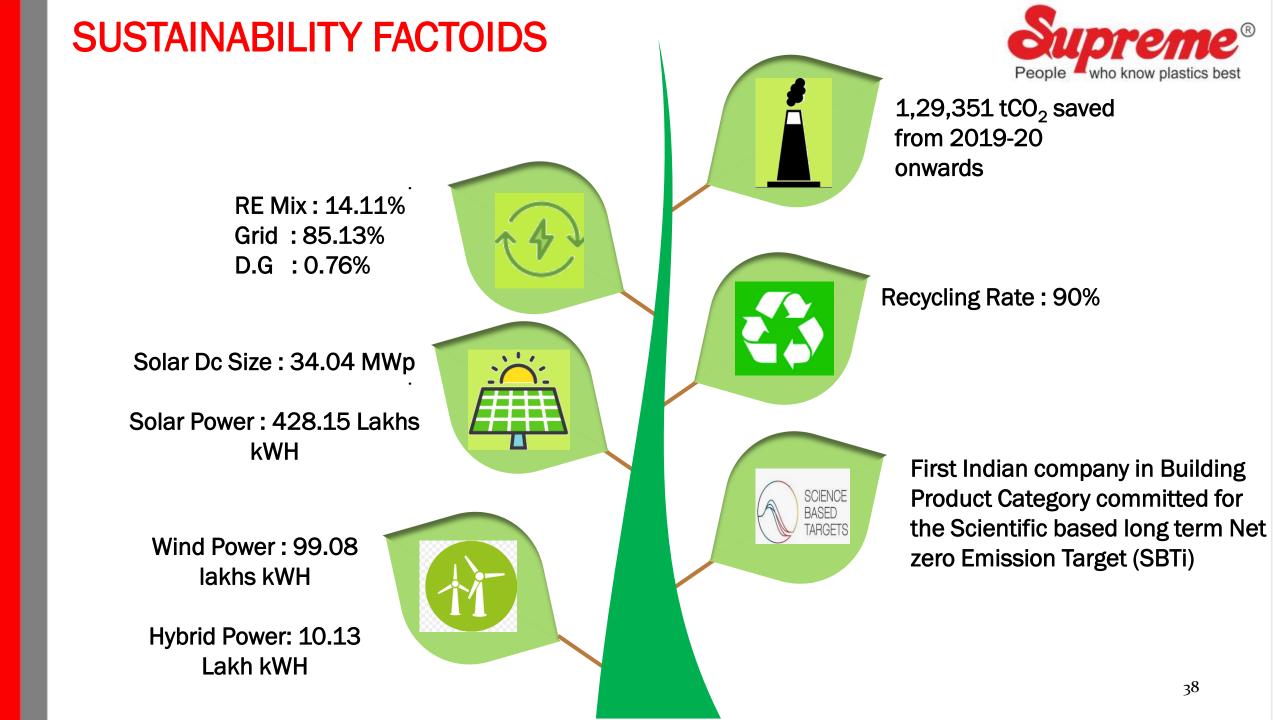
- ISO 14001, 450001, 50001 certification
- Lower carbon emission
- Renewable power usage
- Water Intensity Reduction
- Waste management
- CII certified green products
- Water and energy conservation





Solar Plants

Tree Plantation



# THE INTANGIBLES – BEYOND NUMBERS



- Large and diverse production network Saves on freight costs and time to market its products
- Portfolio of several Patented Products & Brands with focus on value added products.
- Fiscal benefits due to plants located in backward areas savings to invest for better infrastructure
- Technical collaborations with international players, to supplement its production capabilities and cater to new application coupled with low cost Indian manufacturing base
- In-house design centre enabling to launch innovative products
- High economies of scale and efficient centralised procurement of raw material
- Countrywide Distribution Network
- Play on INDIA's growth story Agriculture, Infrastructure, Housing, Packaged Foods, Sports Goods, Potable Water Supply & Sanitation, Auto, Electronics, Horticulture, Floriculture etc. Most industries are the thrust areas of the Government discernible by the huge outlays earmarked for their development

# **ADDRESSING RISKS**



#### Raw Material Costs / Availability Risk

Supreme Industries' operating profitability is moderately susceptible to volatility in prices of its key raw materials—poly vinyl chloride resin, polyethylene, and polypropylene; the prices of these commodities are linked to movements in crude oil prices

- Widening its Sourcing base
- Monitoring external environment and evaluating alternate availability for uninterrupted supplies
- The company is taking initiatives to enhance the share of the high-margin speciality products in its portfolio
- Maintain cost competitiveness through
  - Continuously enhancing operational efficiencies
  - Leveraging on Economies of Scale
  - Effective Working Capital Management

#### • Talent Management – Human Resources Risk

Developing, retaining and recruiting key talent is key to achieve Company's growth plans and aspirations

- On boarded senior managerial personnel Chief Human Resource Officer to oversee all related activities
- Structured process for identifying critical roles & assessing potential talent
- Designing strategic learning & development programs to bridge current gaps and develop skills linked to future growth

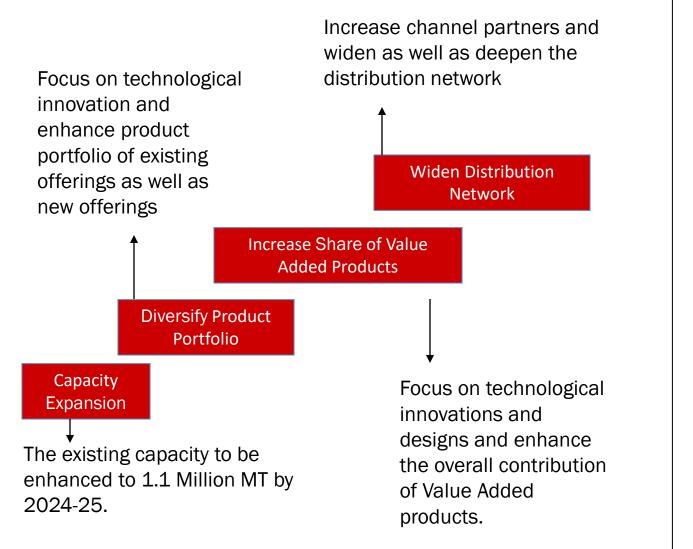
#### Information Technology Risk

Digital attacks on systems, networks and programs capable of interrupting normal business processes are common threat to industry apart from leakages/misuse of confidential information

- Robust security mechanism in place and being upgraded on continuous basis
- Robust endpoint data protection EDR system in place
- Real time monitoring, high availability of network & Disaster Recovery is in place

## THE WAY FORWARD





#### **The Way Forward**

- To remain Debt free
- To remain focused on Core business of Plastics and related products
- To remain on the path of Cost optimization

# THE WAY FORWARD

### Product Segment Wise Expansion Plan

- Regular Capex at existing 29 plants
- Expected to add more new locations going forward
- Total capex envisaged of about Rs.1500 crores during 2024-25

## Diversify Product Portfolio

- Increase range of Products within existing product lines
- Patented Cross Plastic Film Product
- Large Varieties of Pipe Fittings
- Fusion Furniture
- Protective Packaging Innovative Products
- Special varieties of Performance Packaging
   Film

- PEX Piping System
- O-PVC Piping System
- Polyolefin Fittings by compression moulding and Electrofusion process
- PP accoustic Piping System

### ➤To Widen Distribution Network

- Increase reach in existing locations and capture market share in untapped locations
- Strengthen and revamping channel partners and increase the distribution network, which at present is over 5,000 channel partners.

## To Increase Share of Value Added Products:

VA products are those where OPM > 17%

	2023-24			2022-23		
	Total Net Turnover	Share of Specialty Business	Specialty Business Turnover	Total Net Turnover	Share of Specialty Business	Specialty Business Turnover
Total	10086.12	37.16%	3747.78	9142.89	36.41%	3328.87





# **COMMITMENT TO SHAREHOLDERS**

Last 6 years Dividend Payout History				Regular Bonuses since Inception	
			Per Share Amount Paid in Rs. on FV Rs.2 per share	Year	Ratio
2024	381.08	1500%	30.00	2006	1:1
2024	330.27	1300%	26.00	1992	1:1
2023	304.87	1200%	24.00	1988	1:1
2022	279.46	1100%	22.00	1986	4:5
2021	214.39	700%	14.00	1981	2:5
2019	199.08	650%	13.00	1978	3:5

Stock split in the ratio of 5-for-1 on October 19, 2010 as a record date.

- I. Over the years, Supreme has rewarded its shareholders with constant dividends year after year. Payout ratio between 35 to 50% of PAT.
- II. There is timely bonus given to shareholders to create wealth for them
- III. Efficient capital allocation Buy back of shares in 2008-09 at average price of Rs.22 against present price of Rs. 4228. Appreciation in value by about Rs. 4661 crores
- IV. The Total Shareholder Return (TSR) for last 10 years is CAGR 23 % i.e. an amount of Rs. 100 invested in The Supreme Industries Limited Shares on 01 April' 2010 have increased 227 times as on 31<sup>st</sup> Mar'2024.

# A RESPONSIBLE CORPORATE CITIZEN SUPREME FOUNDATION



### The Foundation has undertaken major projects such as education and healthcare for children. Supreme Foundation is providing volunteer teachers in primary/secondary schools in nine districts in Rajasthan and lecturers in Sanskrit colleges in the

entire state.

- All these initiatives have been undertaken with the active support of the education department of Government of Rajasthan.
- Physical resources like classroom construction, toilet blocks for students, classroom furniture, educational material, sweaters etc. have also been undertaken
- Digital-first education with provisions like computer labs, mobile computer labs and e-learning facilities have also been enabled by Supreme Foundation.



# A RESPONSIBLE CORPORATE CITIZEN



## Nurturing the Nature - For a better future !!

- Supreme actively participates in environment conservation activities such as tree plantation, across all company plants and facilities.
- Apart from new plantations, old plantations are also monitored continuously for their growth and survival.
- Supreme has also partnered with various NGO's for plantation programs in various regions.



# A RESPONSIBLE CORPORATE CITIZEN



## Swachh Bharat Abhiyan !!

There are many prominent School's/Public places without proper public convenience facilities. Supreme Foundation has taken the initiative to build and maintain such facilities for public convenience.



(Maharashtra)

Toilets at Various School's of Rajasthan



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#### Mr. P C Somani

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Email: pc\_somani@supreme.co.in