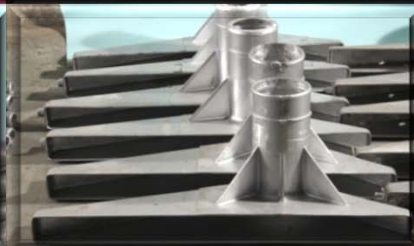
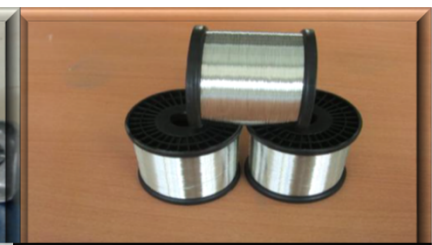
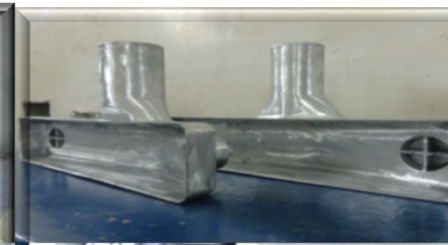




ARFIN INDIA LIMITED

Investor Update - Q4 & FY 2019-20



Disclaimer



- *Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable laws and regulations, and which involve a number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements.*
- *The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability and general economic conditions affecting our industry.*
- *Arfin India Ltd. may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.*
- *The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and / or report on the same. Such comments and / or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel. The Company does not take any responsibility for any interpretations / views / commentaries / reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.*

Financial Performance - Income Statement



| INCOME STATEMENT (₹ in Lakhs) | Year Ended | | Quarter Ended | |
|--|-------------------|-----------------|-------------------|-----------------|
| | 31-Mar-20 | 31-Mar-19 | 31-Mar-20 | 31-Mar-19 |
| Particulars | | | | |
| Revenue From Operations (Net of GST) | 35,857.27 | 41,288.05 | 7,796.31 | 9,140.57 |
| COGS | 29,615.09 | 33,457.08 | 6,604.90 | 7,446.62 |
| Gross Profit | 6,242.18 | 7,830.97 | 1,191.41 | 1,693.95 |
| Gross Margin % | 17.41% | 18.97% | 15.28% | 18.53% |
| Employees Benefit Expenses | 499.77 | 771.15 | 128.35 | 172.35 |
| Power & Fuel | 1,055.47 | 1,059.86 | 242.03 | 254.04 |
| Other Expenses | 5,271.39 | 3,679.52 | 3,222.00 | 1,113.65 |
| Total Expenses | 6,826.63 | 5,510.53 | 3,592.38 | 1,540.04 |
| Other Income | 161.44 | 56.44 | 108.72 | 4.35 |
| EBIDTA | (423.01) | 2,376.88 | (2,292.25) | 158.26 |
| EBIDTA % | (1.18%) | 5.76% | (29.40%) | 1.73% |
| Depreciation & Amortization Expenses | 265.72 | 203.86 | 70.55 | 47.26 |
| EBIT | (688.73) | 2,173.01 | (2,362.79) | 111.00 |
| Finance Costs | 1,361.51 | 1,178.52 | 307.96 | 382.53 |
| PBT | (2,050.24) | 994.49 | (2,670.75) | (271.54) |
| PBT % | (5.72%) | 2.41% | (34.26%) | (2.97%) |
| Tax Expense | 106.94 | 338.33 | (104.83) | (150.97) |
| PAT | (2,157.18) | 656.16 | (2,565.92) | (120.57) |
| PAT % | (6.02%) | 1.59% | (32.91%) | (1.32%) |
| Basic and Diluted Earning Per Share (₹) | (13.57) | 4.61 | (16.15) | (0.76) |

Financial Snapshot



FY20 Highlights

- The Company has reported Net Income From Operations of ₹ 35,857 Lakhs during the year in compare to ₹ 41,288 Lakhs during the previous financial year ended March 31, 2019.
- Sales Volume during FY20 has increased to 24,533 metric tons in compare to 23,950 metric tons during the previous year ended March 31, 2019. However, sales in value is down in compare to previous year mainly on account of price reduction globally.
- The Company has been able to achieve Gross Export Sales of ₹ 7,435 Lakhs during the year which is higher by 86% in compare to Export Sales of ₹ 4,000 Lakhs during previous financial year ended March 31, 2019.
- The Company has reported EBIDTA of (₹ 423) Lakhs and Profit Before Tax of (₹ 2,050) Lakhs for the financial year ended March 31, 2020.
- Basic and Diluted Earnings Per Share for the year was (₹ 13.57) per share.

Financial Snapshot



Q4 FY20 Highlights

- The Company has reported Net Income from Operations of ₹ 7,796 Lakhs during the quarter ended March 31, 2020 in compare to ₹ 9,140 Lakhs during the previous year's quarter ended March 31, 2019.
- The Company has reported Gross Margin of 15.28% of Net Sales for the quarter ended March 31, 2020.
- The Company has reported EBIDTA of (₹ 2,292) Lakhs and Profit After Tax of (₹ 2,566) Lakhs for the quarter ended March 31, 2020.
- Earnings Per Share (EPS) was (₹ 16.15) for the quarter ended March 31, 2020.

Financial Snapshot



Essar Steel Write Off

Other Expenses for the quarter and year ended March 31, 2020 includes Sundry Balances Written Off of ₹ 2,523.97 Lakhs of Essar Steel India Limited. The Hon'ble Supreme Court of India, vide its order dated November 15, 2019 in the matter of Essar Steel India Limited "Corporate debtor" under the Insolvency and Bankruptcy Code, 2016, set aside the NCLAT's judgment dated July 05, 2019 (i.e. operational creditors should be treated on par with financial creditors for distribution of funds from Arcelor Mittal's bid in the Essar Steel insolvency case) by upholding the primacy of financial creditors in the distribution of funds received under the corporate insolvency scheme. The company being an operational creditor has recovered part of the outstanding due through the corporate insolvency scheme as approved by the Committee of Creditors on March 27, 2019 and the balance outstanding amount of ₹ 2,523.97 Lakhs as on the date of filing of application (i.e. August 02, 2017) of Essar Steel matter to NCLT under IBC Act, has been written off and netted under the head "Sundry Balances Written Off".

COVID-19 Impact



On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic. This outbreak is causing significant disturbances and slow down of economic activity. COVID-19 is significantly impacting business operations by way of interruption in production, supply chain disruption, unavailability of personnel, closure of production facilities etc. The Company's operations were impacted in the month of March 2020, due to scaling down / suspending production across all plants following nationwide lockdown announced by the Government of India in view of COVID-19. The Government of India permitted certain additional activities from April 05, 2020 in non-containment zones, subject to requisite approvals as may be required. The Company could secure the requisite approvals and has accordingly commenced limited operations and is gradually ramping up capacity since then.

In assessing the recoverability of trade receivables, sales and production etc., the Company has considered various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets.

COVID-19 Impact



The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has been taking various precautionary measures across all its Plants / offices to support the nationwide effort to prevent the spread of the pandemic COVID-19 and to protect employees / Staff from COVID-19.

Statement of Assets and Liabilities



ARFIN INDIA LIMITED

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

| Particulars | As At March 31, 2020 | As At March 31, 2019 |
|---|-------------------------|-------------------------|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| (a) Property, Plant and Equipment | 4,599.51 | 3,821.35 |
| (b) Capital Work-In-Progress | 1,264.66 | 1,722.97 |
| (c) Financial Assets | | |
| (i) Loans | 62.75 | 74.22 |
| (ii) Others | 41.30 | 41.30 |
| (d) Other Non-Current Assets | 85.54 | 106.50 |
| | 6,053.76 | 5,766.34 |
| CURRENT ASSETS | | |
| (a) Inventories | 9,623.48 | 10,295.09 |
| (b) Financial Assets | | |
| (i) Investments | 501.83 | 472.52 |
| (ii) Trade Receivables | 3,104.35 | 4,987.00 |
| (iii) Cash and Cash Equivalents | 19.13 | 16.02 |
| (iv) Bank Balances other than (iii) above | 295.29 | 302.86 |
| (v) Loans | 45.79 | 60.67 |
| (vi) Others Current Financial Assets | 2.04 | 1.71 |
| (c) Other Current Assets | 258.54 | 515.54 |
| | 13,850.45 | 16,651.40 |
| TOTAL ASSETS | 19,904.21 | 22,417.74 |

Statement of Assets and Liabilities



ARFIN INDIA LIMITED

| STATEMENT OF ASSETS AND LIABILITIES | | (₹ in Lakhs) | |
|--------------------------------------|-------------------------|-------------------------|--|
| Particulars | As At March 31, 2020 | As At March 31, 2019 | |
| EQUITY AND LIABILITIES | | | |
| (a) Equity Share Capital | 1,589.24 | 1,589.24 | |
| (b) Other Equity | 4,898.76 | 7,033.29 | |
| | 6,488.00 | 8,622.53 | |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| (a) Financial Liabilities Borrowings | 1,313.75 | 1,062.63 | |
| (b) Provisions | 37.95 | 27.42 | |
| (c) Deferred Tax Liabilities (Net) | 407.63 | 289.34 | |
| | 1,759.33 | 1,379.39 | |
| CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 9,371.24 | 10,088.24 | |
| (ii) Trade Payables | 1,843.44 | 1,864.20 | |
| (iii) Other Financial Liabilities | 300.63 | 273.36 | |
| (b) Other Current Liabilities | 68.71 | 19.78 | |
| (c) Provisions | 72.85 | 170.24 | |
| | 11,656.88 | 12,415.82 | |
| TOTAL EQUITY AND LIABILITIES | 19,904.21 | 22,417.74 | |

Thank You

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