



Excelling with Innovation

Astron Paper & Board Mill Limited

PRESS RELEASE

Monday, 05<sup>th</sup> November, 2018

Astron Paper & Board Mill Limited is engaged in manufacturing of Kraft Paper. The Initial Public Offering made in December 2017 was for 140 lacs shares at Rs.50 each and listed on 29<sup>th</sup> December, 2017 on NSE and BSE Limited. The Company has declared its Q2 FY19 Financial Results for the Quarter & Half Year ended on 30<sup>th</sup> September, 2018 on Monday, 05<sup>th</sup> November, 2018.

#### KEY HIGHLIGHTS OF Q2 FY19 RESULTS & RECENT DEVELOPEMENTS

**Revenue Growth** for the 3 months Q2 FY19 were Rs. 101.65 Cr, up 67 % YoY vs Rs.80.40 Cr reported in corresponding previous quarter. .

**EBIDTA** for the Q2FY19 at Rs. 14.36 Cr was up 82% YoY. EBIDTA margins improved 1.13 % during the current quarter YoY, on back of better efficiencies and higher volumes.

**PBT:** (Profits Before Tax) in Q2FY19 at Rs. 10.93 Cr, is up by 36% QoQ vs Rs. 08.02 Cr in Q1FY19.

This increasing demand is being met with increased production from new plants which have recently commenced operations.

#### Capacity Expansion

Company is currently operating at almost 90% capacity utilization of its PM1 plant with installed capacity of 96,000 MT per annum. At the same location, recently in October 2018 the new line PM2 with installed capacity of 33,000 MT per annum commenced operations.

In the last one year our company has acquired two plants. The acquired plants include plant at Bhuj and Mehsana. Commercial operations have started in February,2018 at Bhuj, adding installed capacity of 24,000 MT per annum and Balaram Papers Pvt Ltd at Mehsana, Gujarat with capacity of 21600 MT per annum. With this Astron now has 4 manufacturing units overall capacity of 174600 MT at three locations in Gujarat.

Company's current major products are High RCT paper and GSM range mainly from 140 GSM to 350 GSM with 22 -35 BF. This has now been expanded with new PM2 line from 80 GSM – 180 GSM, enabling the company to offer the complete range of products from

80-350 GSM and 16-40 BF.

### **Raw Material**

Since inception Waste Paper has been used as raw material instead of traditional usage of wood thus promoting the eco-friendly world. The Waste paper is majorly imported from USA. The plant is situated near the port giving it locational advantage.

### **Commenting on the Q2FY19 Financial Performance Mr Kirit G. Patel, CMD said**

"We are happy to share with you the strong financial performance delivered by our Company for the 2Q FY19. During this period we have reported a strong Revenue growth of 67% over the corresponding previous period on back of expanded capacity and a 1.13% increase in EBIDTA by improving margins and efficiencies in production.

We are a rapidly growing company, having made two new acquisitions in the last one year. The Funds from the IPO in Dec.2017 have been utilised for the said purpose of setting up the new line PM2 at the existing location. With this our current capacity has almost doubled to 1,75,000 mtpa in one year time. We expect to ramp up our production by the year end, to meet the increasing demand both domestically and in the export markets.

The expansion has also enabled us to expand our product offering to the full range of Kraft paper ranging from GSM 80 to 350 GSM with 22 -35 BF.

Our Kraft paper is approved by a number of MNC's and large convertors as well as direct sales to the FMCG, Pharmaceuticals, Auto, E-Commerce including large MNC's. These vendors prefer larger Kraft paper manufacturers like Astron, who are pre-approved for paper quality and specifications. The demand for Kraft paper is strong and increasing with every year from new applications like fruit veg, ecom for packaging and shipping, grocers. The Kraft paper and Corrugated Box industry is fast becoming a sunrise industry.

In October, 2018 we participated in the annual three day exhibition of the Indian Corrugated Case Manufacturers association where we got a very encouraging interest and response from national as well as international convertors.

We have firmly rooted ourselves in the Kraft Paper and packaging space and aspire to continue our strong growth momentum over the next couple of years and remain focused on growing operating and profitability margins. I thank the entire team of for their constant efforts, sincerity and enthusiasm. Also, I would like to thank our valued Shareholders, who have reposed faith in our Company and supported us along with their critical inputs."

**For more details please visit:** [www.astronpaper.com](http://www.astronpaper.com)

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

**Uttam Patel, Company Secretary, E-mail:** [cs@astronpaper.com](mailto:cs@astronpaper.com)

**Phone:079-40081221.**

**Note:** Certain statements in this document may be forward-looking statements. Such forward looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. Astron Paper & Board Mill Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.