APAR INDUSTRIES LTD.

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SEC/39/2013 **By Fax & Hand Del.** 18th February, 2013

National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), **Mumbai – 400 051.** **Scrip Symbol : APARINDS** **Kind Attn.: The Manager, Listing Dept.**	BSE Ltd. Corporate Relationship Department, 14th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, **Mumbai - 400 001.** **Scrip Code : 532259** **Kind Attn. : Corporate Relationship Dept.**

Sub. : Investor Update.

Dear Sirs,

We are sending herewith an Investor Update for the **Third Quarter and Nine Months ended 31.12.2012** of the current Financial Year 2012-13 for the information of members and the investors.

Thanking you,

Yours faithfully,
For Apar Industries Limited

(Sanjaya Kunder)
Company Secretary

Encl. : As above

Apar Industries Ltd
Investor Update
Q3 FY13

I. FINANCIAL PERFORMANCE

(Rs. in Crores)

Particulars	Q3 FY13	Q3 FY12	Variance	Nine-Month FY 13	Nine-Month FY 12	Variance	FY 12 (Audited)
Net Sales	1,131.05	888.45	27.3%	3342.89	2406.46	38.9%	3,421.98
Earning Before Finance Cost, Depreciation & Tax (EBFDTA)	99.05	43.18	129.4%	217.35	132.83	63.6%	196.93
EBIDTA (%)	8.8%	4.9%		6.5%	5.5%		5.8%
PBT	46.80	(14.60)		103.07	8.65	1091.0%	59.57
PAT	32.72	(10.11)		73.63	7.26	914.2%	59.31
EPS Rs :	8.50	(2.63)		19.14	1.91	902.1%	15.55

Highlights

Turnover higher by	**:**	**27.3% in Q3FY13** **38.9% in Nine Month FY13**
EBFDT higher by	**:**	**129.4% in Q3FY13** **63.6% in Nine Month FY13**
PBT higher by	**:**	**1091.0% in Nine Month FY13**
PAT higher by	**:**	**914.2% in Nine Month FY13**
EPS higher by	**:**	**902.1% in Nine Month FY13**

II. SEGMENT PERFORMANCE ANALYSIS :

Rs in Crores

Particulars	Stand alone Financial results			Stand alone Financial results			Stand alone Financial Results
	For Quarter Ended (Unaudited)			For Nine Months Ended (Unaudited)			for the Year Ended (Audited)
	31.12.2012	Var %	31.12.2011	31.12.2012	Var %	31.12.2011	31.03.2012
Segment Revenue							
Conductors	582.65	54.3%	377.69	1,670.12	77.7%	939.99	1,362.56
Transformer & Speciality Oils	439.68	-9.3%	484.53	1,419.66	5.3%	1,347.99	1,817.92
Power & Telecom Cables	114.49	32.2%	86.61	310.41	41.5%	219.40	354.30
Total	1,136.83	19.8%	948.82	3,400.19	35.6%	2,507.38	3,534.79
Less: Inter - Segment Revenue	3.01	-94.6%	55.27	43.38	-47.4%	82.40	87.41
Revenue from Operations	1,133.82	26.9%	893.56	3,356.80	38.4%	2,424.98	3,447.38
Segment Results before Interest and Tax							
Conductors	76.61	235.6%	22.83	151.84	382.0%	31.50	58.39
Transformer & Speciality Oils	23.38	9.6%	21.33	72.03	-36.1%	112.65	140.11
Power and Telecom Cables	1.93		(4.02)	1.40		(9.00)	2.84
Total	101.91	153.9%	40.14	225.28	66.7%	135.15	201.34
Interest (net) and other borrowing cost	2.43	-60.8%	6.19	10.82	-16.1%	12.89	20.13
Applicable net loss on foreign currency transactions and translation	44.43	-0.6%	44.70	87.21	-7.2%	93.93	93.99
Total Finance Cost	46.86	-7.9%	50.89	98.04	-8.2%	106.83	114.12
Other Common expenses (net)	8.26	113.7%	3.86	24.17	22.7%	19.69	27.65
Profit before Tax after exceptional items	46.80		(14.60)	103.07	1093.8%	8.63	59.57
Tax	14.08		(4.49)	29.44	2019.9%	1.39	0.26
PAT	32.73		(10.11)	73.62	916.2%	7.24	59.31
Segment Results - as % to Segment Revenue							
Conductors	13.1%		6.0%	9.1%		3.4%	4.3%
Transformer & Speciality Oils	5.3%		4.4%	5.1%		8.4%	7.7%
Power and Telecom Cables	1.7%		-4.6%	0.5%		-4.1%	0.8%
Total	9.0%		4.2%	6.6%		5.4%	5.7%

III. A. **Company on Standalone Basis:**

For the Third Quarter of FY 13 :

- Net Sales increased from Rs 888.45 Crores to Rs 1131.05 Crores; representing a growth of 27.3% over corresponding period of previous year.
- Earning Before Finance Cost, Depreciation and Tax (EBFDT) increased from Rs 43.18 Crores to Rs 99.05 Crores , representing a growth of 129.4% over corresponding period of previous year.
- PBT increased from Rs (-) 14.60 Crores to Rs 46.80 Crores; increased by Rs 61.40 Crores over corresponding period of previous year.
- PAT increased from Rs (-) 10.11 to Rs 32.72 Crores; increased by Rs 42.83 Crores over corresponding period of previous year and correspondingly EPS increased from (-) Rs 2.63 to Rs 8.50; increased by Rs 11.13 over corresponding period of pervious year.

For the Nine-Month Period of FY 13:

- Net Sales increased from Rs 2406.46 Crores to Rs 3342.89 Crores; representing a growth of 38.9% over corresponding period of previous year.
- Earning Before Finance Cost, Depreciation and Tax (EBFDT) increased from Rs 132.83 Crores to Rs 217.35 Crores , representing a growth of 63.6% over corresponding period of previous year.
- PBT increased from Rs 8.65 Crores to Rs 103.07 Crores; increased by Rs 94.42 Crores (1091.0%) over corresponding period of previous year.
- PAT increased from Rs 7.26 Crores to Rs 73.63 Crores; increased by Rs 66.37 Crores (914.2%) over corresponding period of previous year and correspondingly EPS increased from Rs 1.91 to Rs 19.14 ; increased by Rs 17.23 (902.1%) over corresponding period of pervious year

B. **Company on Consolidated Basis (Unaudited) for the Nine -Month Period of FY13 :**

- Revenue increased from Rs 2532.18 Crores in Nine- Month of FY 12 to Rs 3534.98 Crores in Nine Month of FY13; increased by 39.6%
- PBT increased from Rs 17.86 Crores in Nine Month of FY12 to Rs 108.52 Crores in Nine Month FY13; increased by 507.6%
- PAT increased from Rs 14.12 Crores in Nine-Month of FY12 to Rs 77.58 Crores in Nine-Month of FY13; increased by 449.4% and correspondingly EPS increased from Rs 3.71 to Rs 20.17; increased by 443.7%.

IV Segment overview :

A. Transformer and Specialty Oils :

- Sales revenue in Q3FY13 on a standalone basis stood at Rs 439.68 Crores as against Rs 484.53 Crores in the corresponding period of previous year.

- Sales revenue in Nine Month Period of FY13 on standalone basis increased from Rs 1347.99 Crores to Rs 1419.66 Crores; increased by 5.3%.

- Segment Level profit for Q3FY13 increased from Rs 21.33 Crores to Rs 23.38 Crores ; increased by 9.6%

- Segment Level Profit for Nine-Month Period of FY13 stood at Rs 72.03 Crores as against Rs 112.65 Crores in the corresponding period of pervious year.

- The results in this quarter continued to be affected from a slowdown in demand for oil products in most of the sub-segments from the domestic market. Transformer oil sales have been affected from the slowdown in sales to the distribution transformer segments, and due to a credit crunch in that sector. The company has maintained a strong vigil on collections and has limited sales in several cases to manage risk. The central government has announced rehabilitation schemes to revive the distribution companies of the SEBs but the same has not been effectively implemented yet. The domestic transformer industry is also suffering from over capacity, poor margin orders and significant cash flow issues.

- Export sales continue to remain strong, posting a growth of about 25% in the year to date period. The automotive segment has also shown growth with increased distribution. High performance automotive products introduced in first half of 2012 are gaining momentum, and will further improve the position of the company.

- The Net sales turnover of the "Agip" brand Automotive Lubricants produced by the Company with License and Technical Know-how of ENI-S.p.A of Italy and marketed by Apar ChemateK Lubricants Ltd, Subsidiary Company increased to Rs 44.63 Crores in Q3FY13 from Rs 42.76 Crores in Q3FY12 and for the Nine- Month Period of FY 13 increased to Rs 134.27 Crores from Rs 121.27 Crores in Nine Month FY12.

- Growth momentum in the market place is still not visible. However, there is a seasonal growth expected in business volumes in Q4, which is usually the highest volume quarter in the year.

B. Conductor :

- Sales revenue in Q3FY13 increased by 54.3 % over corresponding period of previous year; from Rs. 377.69 Crores to Rs. 582.65 Crores.

- Sales revenue in Nine-Month Period of FY13 increased by 77.7 % over corresponding period of previous year; from Rs. 939.99 Crores to Rs. 1670.12 Crores.

- Segment Level profit for Q3FY13 increased by 235.6% over corresponding period of previous year; from Rs. 22.83 Crores of Q3FY12 to of Rs. 76.61 Crores.

- Segment Level profit for Nine-Month Period of FY 13 increased by 382.0% over corresponding period of previous year; from Rs. 31.50 Crores of Nine –Month Period of FY 12 to Rs. 151.84 Crores.

- In this quarter, the Conductor Segment continued to have excellent production capacity utilization with a profitable mix of domestic & export orders. . The orders executed in this quarter were primarily received in the past financial year.

- There has been a slowdown in terms of new orders, particularly due to non finalization of tenders by Powergrid. Unless some of the measures are taken by the government, future growth could be adversely affected in the domestic market. However, there are reasonable prospects from the export markets.

- The order book as of 1st January 13 stood at Rs 1402 Crores and the Orders in pipeline stood at Rs. 288 Crores.

C **Uniflex Cables** :

- Net sales of the Cable division in Q3FY13 increased from Rs 86.61 Crores to Rs 114.49 Crores; increased by 32.2% over corresponding period of previous year and for Nine- Month FY13 increased from Rs 219.40 Crores to Rs 310.41 Crores.; increased by 41.5%.

- Segment level Profit in Q3FY13 increased from Rs (-) 4.02 Crores to Rs 1.93 Crores; increased by Rs 5.95 Crores over corresponding periof of previous year and in the Nine Month period of FY13 Profit increased from Rs (-) 9.00 Crores to Rs 1.40 Crores; increased by Rs 10.40 Crores

- The Electron Beam project with two accelerators of 1.5 MeV and 3MeV are likely to get commissioned in Q4. This will allow the company to make an entry into highly specialized cables and other services for the railways, defense, ship building, enhancement in treatment of polymer materials used in insulated pipes, auto components, diamond irradiation, precision engineering parts etc. The company has successfully completed technical trials on some types of cables, diamond irradiation on the 1.5 MeV machine, and has applied to the Atomic Energy Research Board for inspection and approval for that machine. The 3.0 MeV machine is currently under installation and commissioning.

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