



Management Note: Mumbai, November 11, 2011 :

Kabra Extrusion Technik Ltd is part of the Kolsite group, engaged in the manufacture of Plastic Extrusion machinery in India.

For the second quarter ended September 2011, the company reported Revenue of Rs. 36.26 Cr as against Rs. 56.25 Cr in the corresponding quarter last year; marking a decline of 35.53%.

This was primarily on account of the continued slow down witnessed in the end user industries. The delay in dispatches have continued as indicated in the previous management report , due to deferrals at the clients end regarding commencement of operations.

This has resulted in inventory buildup of machines for which overheads have already been incurred.

The silver lining here is that our order book remains intact at Rs 65 crores though its implementation stands deferred.

Other Expenditure continued to rise on account of the Dunetha plant which commenced operations since February 2011. The benefits of the capex incurred for Dunetha will accrue over a period of time.

The operational performance is in line with the topline performance in terms of raw material cost expenses and other expenditures.

Similarly, EBIDTA for Q2 FY12 stood at Rs. 1.84 Cr while Profit After Tax for Q2 FY12 was Rs. 1.76 Cr

Mr. Jayant Sarpotdar, the Chief Financial Officer of Kabra Extrusiontechnik Ltd. said that recessionary trends in the domestic economy are expected to continue in the near term. However once the trend changes, KET is well positioned to tap the industry potential.

Mr. S. V. Kabra, Chairman & Managing Director of Kabra Extrusiontechnik Ltd said: "Notwithstanding the likelihood of the slowdown in the end user industry continuing, our investments in GEC and strong brand equity in our market will see us through."

About Kabra Extrusionstechnik :

Kabra Extrusionstechnik is a part of the Kolsite group and manufactures Plastic Extrusion machinery in India. It has over 4 decades of experience in plastic industry. KET has a joint venture with global leaders in plastics extrusion machinery viz. Battenfeld Extrusionstechnik, Germany and American Maplan Corporation, USA.

It specializes in the manufacture of plants to produce a wide range of plastic pipes. The Company's domestic production of extrusion machinery consists of plants for making pipes, films. The Company manufactures hi-tech HDPE pipe plants. It offers multi-layer blown film plants, which has applications in lamination, milk and edible oil packing industries. The Company's two major products include plastic processing machineries and spares & parts of plastic processing machineries.

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