

# Pennar Industries Limited



## Investor Presentation Q1FY19



*This presentation contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Pennar Industries Limited and its subsidiary companies’ (“Pennar”) future business developments and economic performance.*

*While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.*

*These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.*

*Pennar undertakes no obligation to periodically revise any forward looking statements to reflect future / likely events or circumstances.*



# Q1FY19 Snapshot



# Q1FY19 Financial Performance



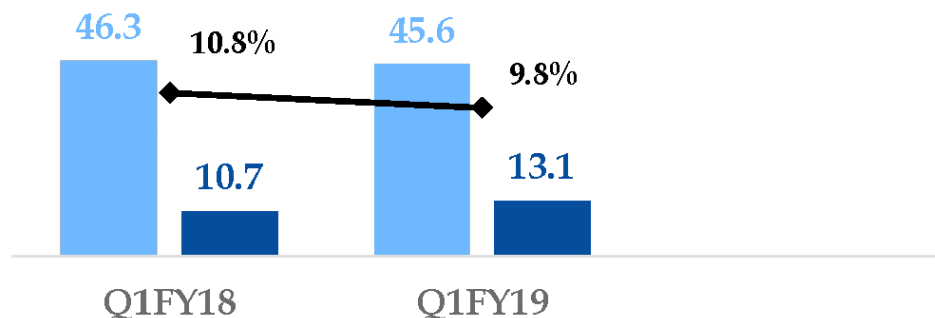
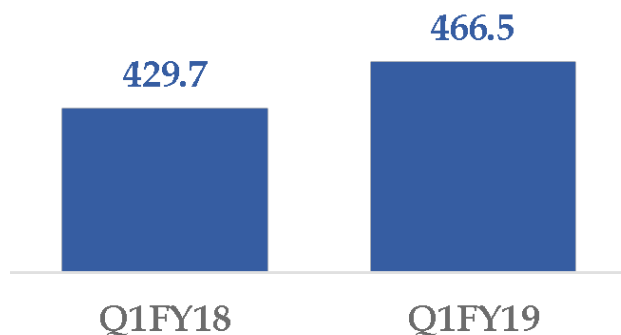
Consolidated (Rs. Crs)

Net Revenue

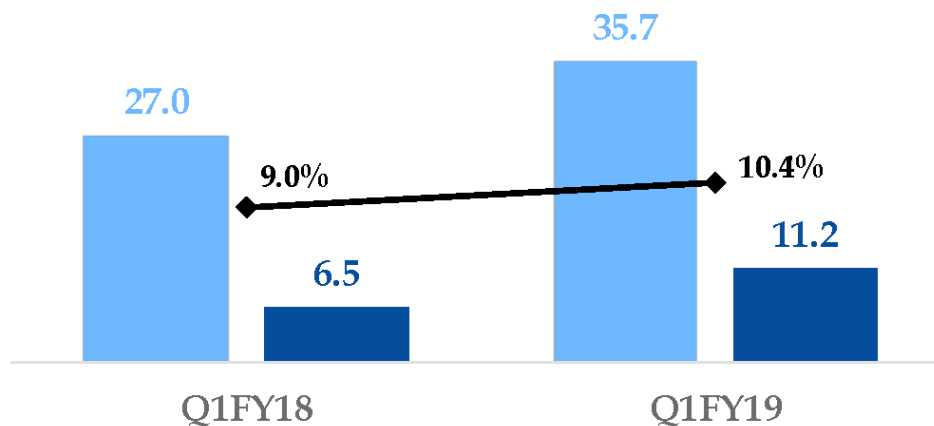
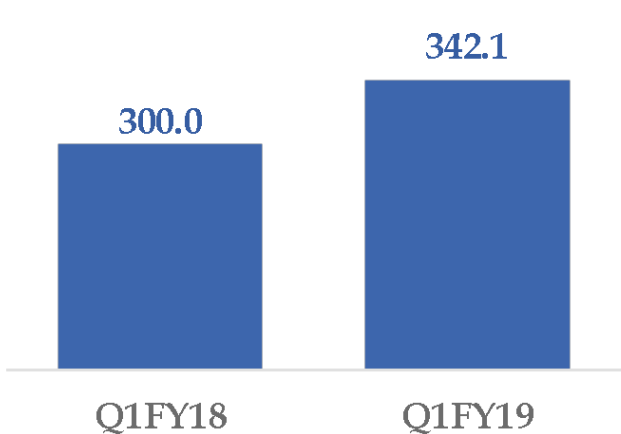
EBITDA

PAT

EBITDA Margin



Standalone (Rs. Crs)

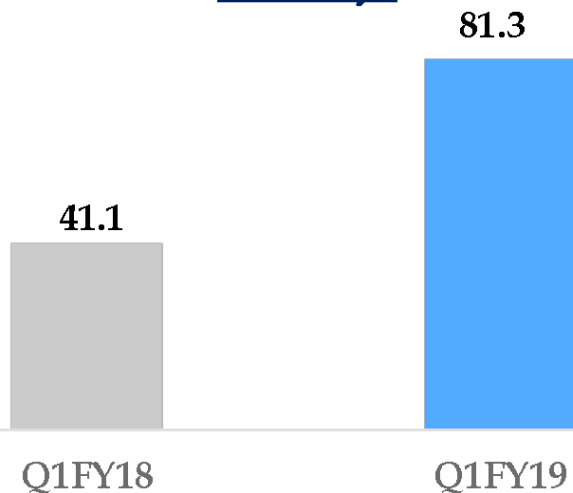


# Segment Performance – Q1FY19

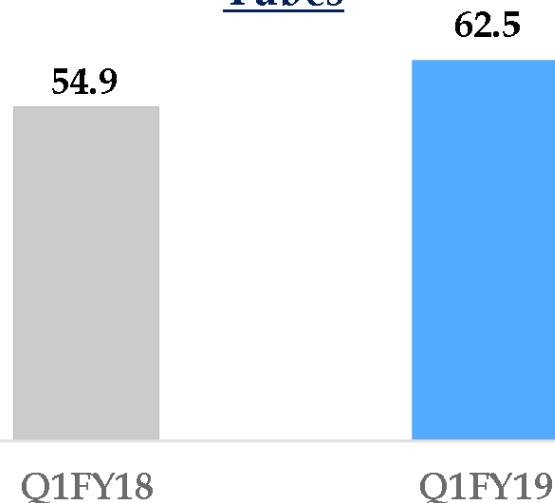


Net Revenues (Rs crs)

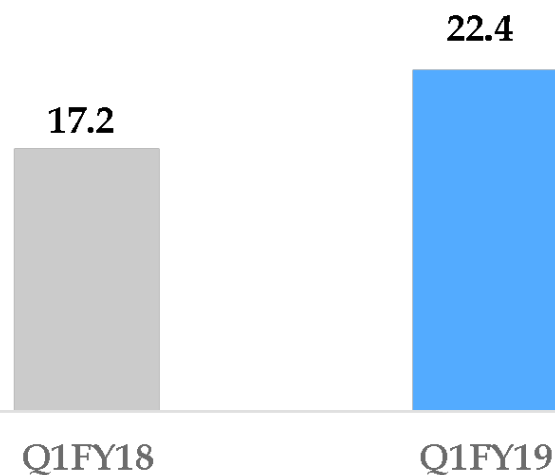
## Railways



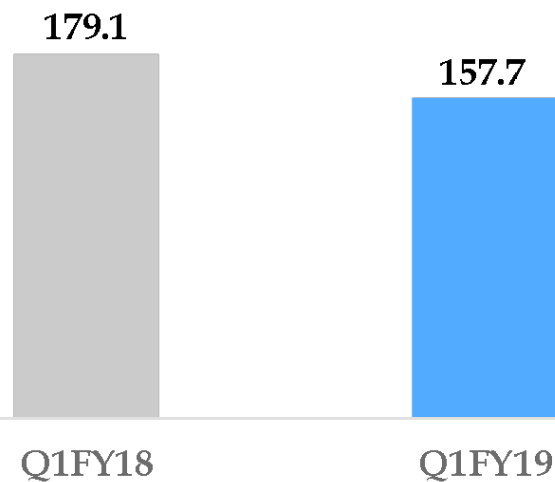
## Tubes



## Industrial Components

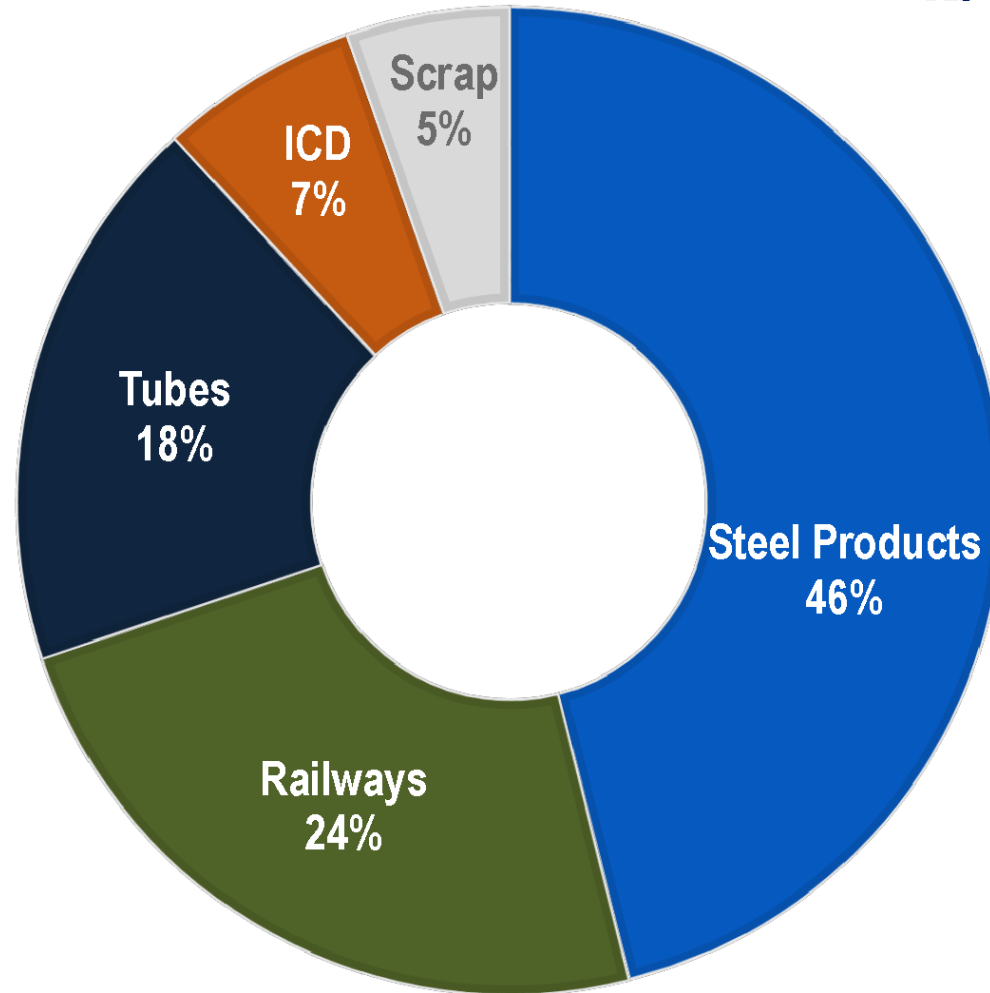


## Steel Products





As on 30<sup>th</sup> June, 2018



As a Percentage of Standalone Revenues for Q1FY19



# Segment Highlights



# Segment-wise Business Review

## Railways



**INR 81.3  
crores**  
net revenue

**98% YoY  
growth**

### Updates:

- Repeat orders were received for Stainless Steel Sidewall and Roof Assemblies, for CRF and Fabrication items of Mild Steel and Stainless Steel and for CRF sections for Metro Coaches
- Currently serving 32 customers – some of our customers are Integral Coach Factory - Chennai, Modern Coach Factory - Rae Bareli, Texmaco Rail & Engineering Ltd. - Kolkata, Hindustan Engineering India Ltd. - Kolkata, Cimmco Ltd. - Kolkata, BEML Ltd - Bangalore

### New products:

- Roof, Sidewall & Endwall DETC.



# Segment-wise Business Review



## Tubes



**INR 62.5  
crores**  
net revenue

**14% YoY  
growth**

### Updates:

- This division has more than 350 customers in domestic and exports, covering the following industries - Auto, Power, Gen Engineering, Textile and, Earth-moving equipment
- In this quarter, 70% of the orders were from regular major OEAs in the form of monthly schedules and balance 30% are project based orders
- The Auto sector orders have improved greatly with plant getting over booked
- Going forward, focus will be on CDW expansion. The CDW plant capacity expanded from the existing 1000T to 1500T and the plant is running at full capacity from August 18
- 5<sup>th</sup> tube mill project will kick off in September 18

# Segment-wise Business Review

## Industrial components



**INR 22.4  
crores**  
net revenue

**30.4% YoY  
growth**

### Updates:

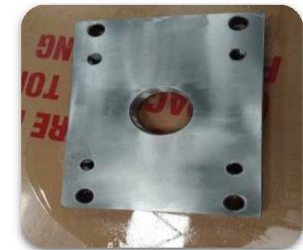
- The division received new orders for hydraulic cylinders and repeat orders for tie rod cylinders
- Added 6 new customers in the Hydraulics segment

### New Products:

Front flange

End Mounting

Fender Assembly



# Segment-wise Business Review

## Steel Products



**INR 157.7**  
**crores**  
net revenue

### Updates:

- CRFS orders came in Buildings, Light Gauge and ESP
- Repeat Orders came from regular schedules of Auto & ESP for various projects
- Received orders in Solar and CRSS in addition to monthly schedule from regular customers

### New Products:

Grade: GP 120GSM/275GSM & BGL AZ 150







# Subsidiary Highlights





# Group Subsidiaries



## Pennar Industries Limited

Market Cap as on 30<sup>th</sup> June 2018 – INR 583.1 crores

### Pennar Engineered Building Systems

Pre-engineered building systems, Roof Top Solar, Solar EPC

### Pennar Enviro

Industrial Water Treatment Solutions, Water Treatment Chemicals, Fuel Additives

### Pennar Global

US Subsidiary

# Subsidiary Highlights



**Pennar  
Enviro**



**7  
New  
Customers**

## **New Customers:**

**Chemicals:** Industrial Trade Center, Reliance Infrastructure Ltd – Dahanu, Marks Ion Exchange, Gandour India Food Processing Pvt Ltd, Moglix Labs (India) Pvt Ltd.

**Projects:** Vishaka, Pearl Distillery



# Subsidiary Highlights



## PEBS Pennar



Q1FY19 net  
revenue of Rs  
113.5 crores

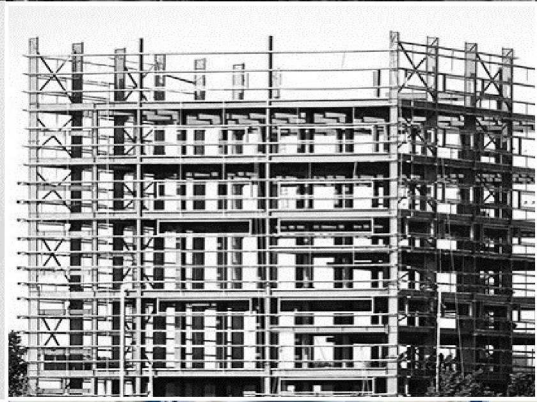
- **PEB division:** The gross revenue for this division in Q1FY19 stood at Rs. 119.64 crores, up from Rs. 116.38 crores in Q1FY18.
- **Solar division:** The gross revenue for this division in Q1FY19 stood at Rs. 6.85 crores.
- **Engineering division:** The revenue for this division in Q1FY19 stood at Rs. 6.20 crores, up from Rs. 3.27 Crores in Q1FY18, a 90% increase.







# The Pennar Group







35+

YEARS OF  
EXPERIENCE

1500+

PRECISELY  
ENGINEERED  
PRODUCTS

1000+

CUSTOMERS

3000+

TOOLS &  
DIES

2500+

EMPLOYEES AND  
GROWING !



# Business Segments



## Steel Products

- Automobiles
- General Engineering
- Infrastructure
- White Goods
- Solar

## Railways

- Railway Coaches and Wagons

## Industrial Components

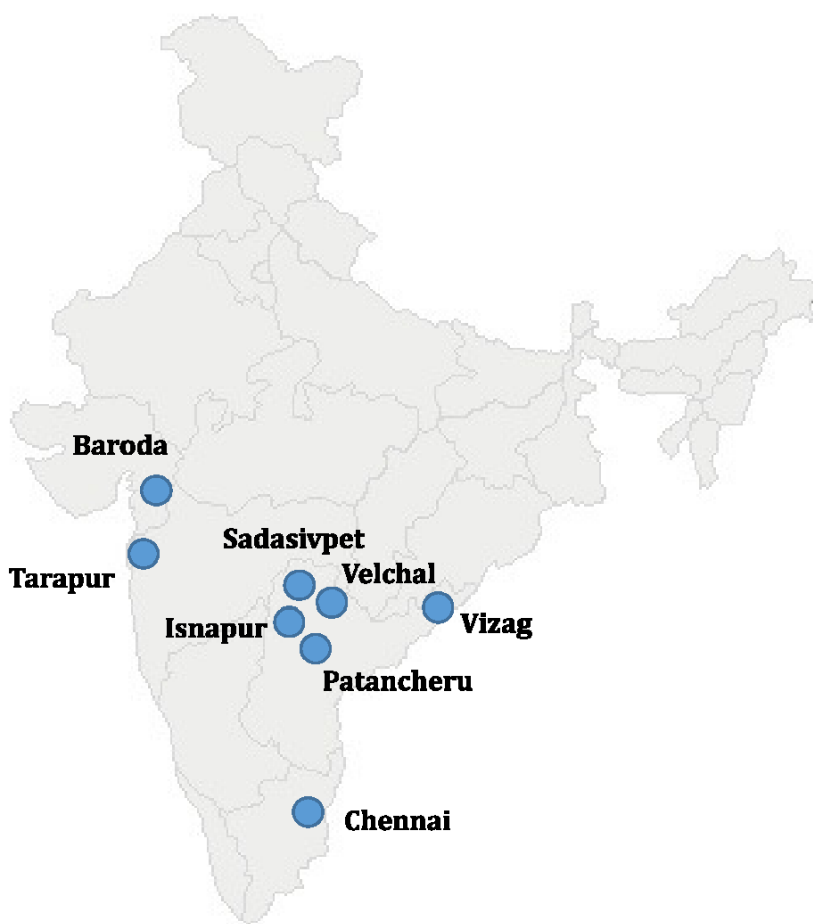
- Automobiles
- Industrial
- White Goods
- Hydraulics

## Tubes

- ERW tubes
- CDW tubes



# Distributed Manufacturing



## **Patancheru**

Press Components, Profiles, ESP / Building Products, Sheet Piles / Solar, Railway Components, CRSS, Fabrication

## **Sadasivpet**

High precision CNC machines, Roll formers

## **Isnapur**

CRSS, ERW / CDW Tubes, Profiles, Solar

## **Velchal**

Strip Galvanizing, Hot Dip Galvanizing

## **Chennai**

Coaches, Auto Profiles, Components / Hydraulics, Building Products

## **Tarapur**

Solar, Building Products, Auto Profiles, ESP

## **Baroda**

PEBS



# Management Team



## Leadership Team



**Nrupender Rao**  
Executive Chairman  
Pennar Group



**Aditya N. Rao**  
Vice Chairman, Managing  
Director, Pennar  
Industries



**P. V. Rao**  
Managing Director  
PEBS Pennar



**K. Chakravarthy**  
CEO  
Pennar Enviro

## Business Heads



**Dayasagar Rao**  
Operations



**Y Narasimha Rao**  
Steel Products

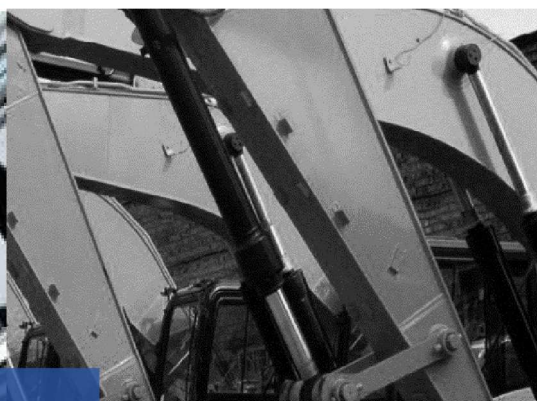


**M. Bhoopal Reddy**  
Tubes



**Shiva Kumar K**  
Industrial Components





# THANK YOU

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