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Ho-425-S

Dated: 20.08.2020

Manager – Department of Corporate Services,
Bombay Stock Exchange Ltd.,
Registered Office: Floor 25,
P J Towers, Dalal Street,
Mumbai 400 001

Dear Sir/Madam,

**Furnishing of Information as per
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Scrip Code : 533033, Scrip Id: ISGEC**

**Sub: Investor Presentation on financial performance of the
quarter ended June 30, 2020**

1. This is further to our letter bearing Ref no.Ho-425-S dated August 17, 2020, wherein we had given an advance intimation of the upcoming Investor Conference Call organised by the Company on Friday, August 21, 2020 at 16:00 hours (IST) to discuss the financial performance of the Company of the quarter ended June 30, 2020.
2. In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Investor Presentation on the financial performance of the quarter ended June 30, 2020, which would be shared with the Investors.
3. This Investor Presentation is also available on the website of the Company www.isgpec.com.
4. The above is for your information and records, please.

Thanking you,

Yours faithfully,
For Isgpec Heavy Engineering Limited

(S.K. Khorana)
Executive Director & Company Secretary
Contact Number: 9810188045

Encl: as above



**ISGEC HEAVY
ENGINEERING LTD.**

Investor Presentation

20th August 2020



Safe Harbour

This presentation and the accompanying slides (the “Presentation”), which have been prepared by ISGEC Heavy Engineering Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contractor binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ 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, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

Agenda

- 1 Company Overview
- 2 Business Capabilities
- 3 Market Leadership
- 4 COVID 19 Impact
- 5 Financial Performance
- 6 Giving Back To Society
- 7 Key Investment Highlights



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ISGEC at a glance

A Diversified Heavy Engineering Company engaged in Manufacturing and Project Businesses.
 Manufacturing of Presses, Castings and Process Equipment.
 Turnkey Projects for setting up Boilers, FGD's, Sugar Plants, Distilleries, Power Plants and Bulk Material Handling facilities.

FY 20

➤ Revenue	➤ EBITDA	➤ Net Worth	➤ EPS
₹ 58,522 mn	₹ 3,568 mn	₹ 19,353 mn	₹ 19.9

Q1 FY21

➤ Revenue	➤ EBITDA	➤ PAT	➤ Order Book*
₹ 10,489 mn	₹ 963 mn	₹ 425 mn	₹ 65,460 mn

Figures as per consolidated financials
 * Order Book as on 30th June 2020



Diversified Heavy Engineering Company



Mix of Manufacturing and Project Businesses
Mix of Domestic & Export Revenues
Wide Spectrum of User Segment

Strong Human Capital



4,111 Employees across locations in India, Canada, USA and Philippines
900 qualified engineers



Trusted Partner

Technology tie-ups and JVs with leading global firms

Robust Balance Sheet



FY20 Net Worth of **INR 19,353 Mn**
Strong Credit Rating - ICRA Credit Rating of **AA (Stable)**
and **A1+**

Highly Experienced Management



75+ years of providing engineering solutions to customers globally.

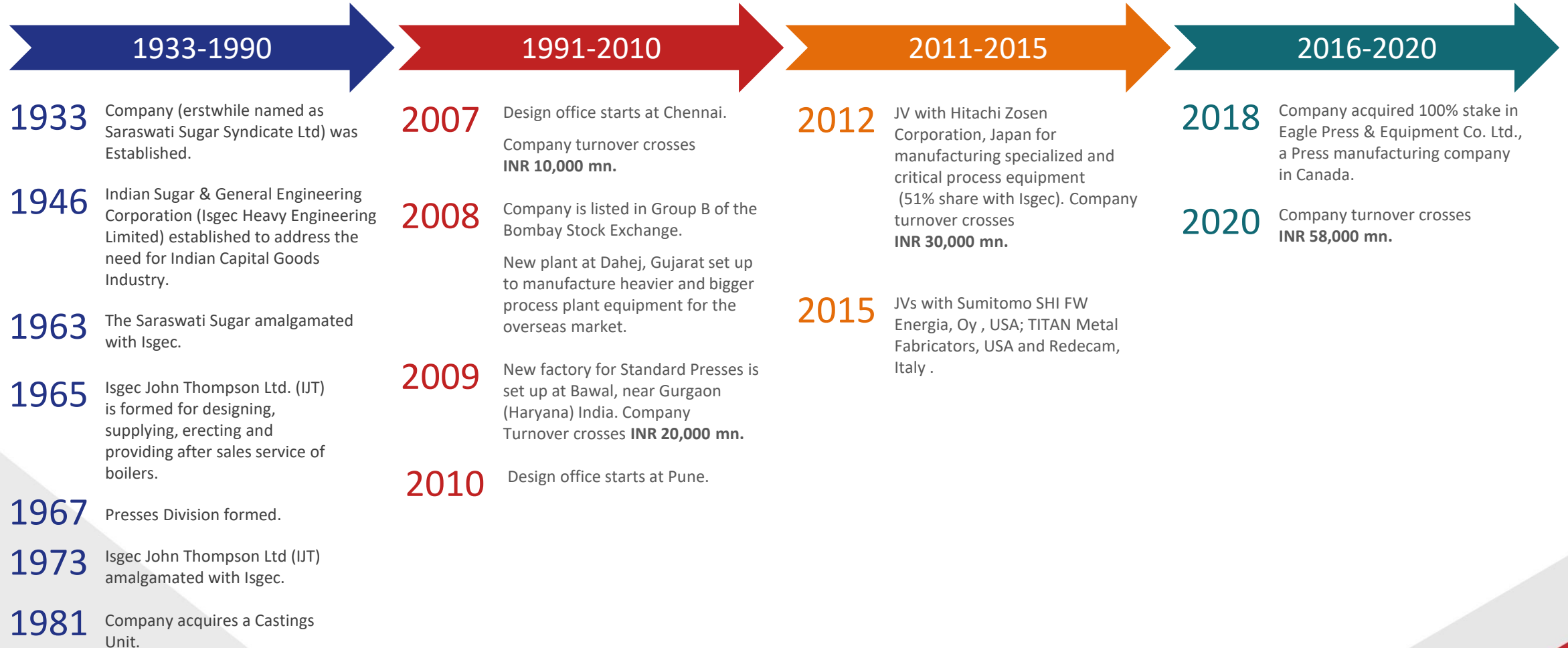


Global reach

Presence across **91** countries across **6** continents

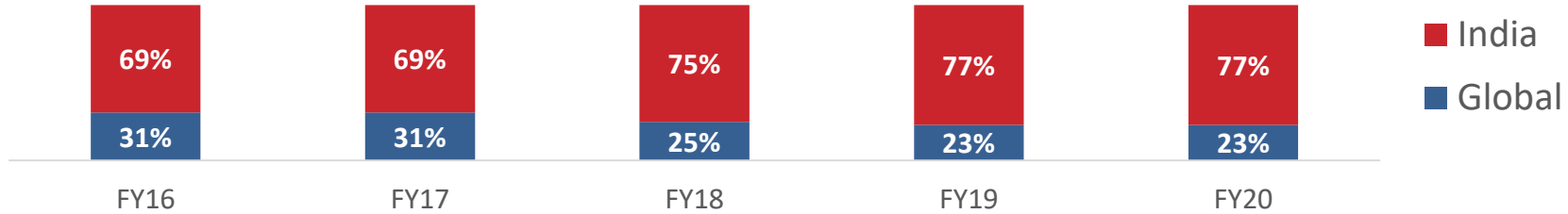
Our Journey

What started off in 1933 as a Sugar Manufacturing Company has been transformed into a Diversified Heavy Engineering Company with 91% of our Consolidated Revenues coming from Engineering Products and Projects

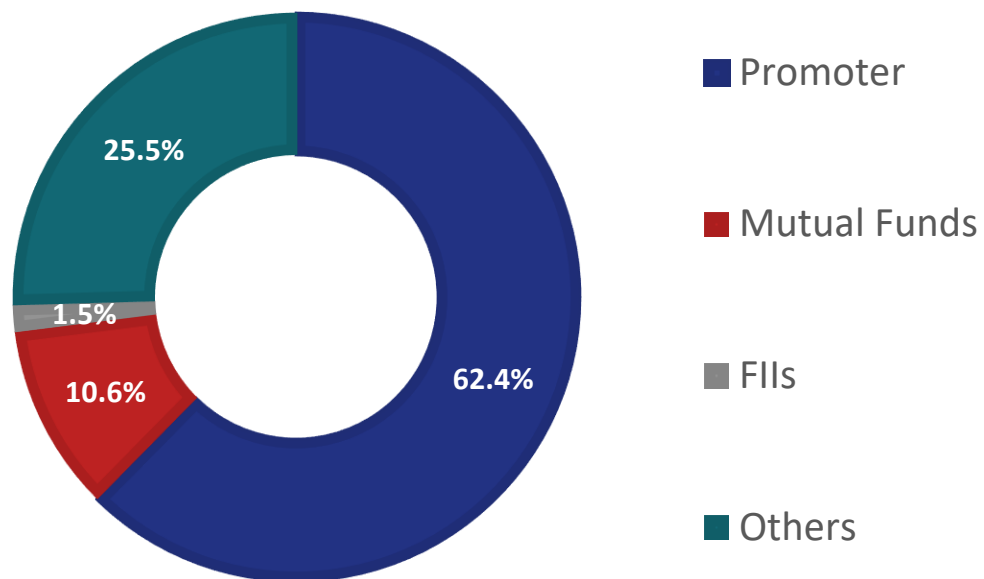


Global Footprint - Presence across 91 countries

Sales from outside India contributed ~23% of Total Revenue in FY20



Shareholding structure – 30th June 2020



Shareholder Information as on 30th June 2020

BSE Ticker	533033
Market Cap (INR Mn)	16,563
% Free- float	38%
Free Float Market Cap (INR Mn)	6,294
Shares Outstanding (Mn)	73.5
3M ADTV (Shares)	11,676
3M ADTV (INR Mn)	2.8
Industry	Industrial Machinery

Promoter shares are unencumbered

Our Team



Board of Directors

Mr. Ranjit Puri	Non-Executive Chairman & Promoter
Mr. Aditya Puri	Managing Director & Promoter
Mrs. Nina Puri	Whole-time Director & Promoter

7 Non-Executive Independent Directors

Mr. Vinod K. Nagpal
Mr. Tahir Hasan
Mr. Vinod Kumar Sachdeva
Mr. Arun Kathpalia
Mr. Sidharth Prasad
Mr. Vishal Kirti Keshav Marwaha
Mrs. Shivani Hazari

Our Team

Mr. S.K. Khorana	Executive Director & Company Secretary	
Mr. Ravi Jaidka	Executive Director	
Mr. Kishore Chatnani	Chief Financial Officer	
Mr. Sanjay Gulati	Business Head	Process Equipment Division
Mr. Vivek Nigam	Business Head	Machine Building Division
Mr. PVN Sanjay	Business Head	EPC Division (Power Plants, Material Handling, Factories Construction)
Mr. V K Luthra	Business Head	Boiler Division
Mr. Suman Jain	Business Head	FGD and Air Pollution Control Division
Mr. Sanjay Awasthi	Business Head	Sugar Machinery and Distilleries Division
Mr. Yogesh Marwaha	Head	International Marketing
Mr. Shalabh Singh	Head	Corporate Business Development

State-of-the-art Infra & Manufacturing Capabilities



Yamunanagar, Haryana

Pressure Vessels & Heat exchangers,
Presses, Boilers, Containers, Castings,
Sugar and other Industrial Machinery



Rattangarh, Haryana

Boiler Components



Bawal, Haryana

Mechanical Presses and
other Industrial
Machinery



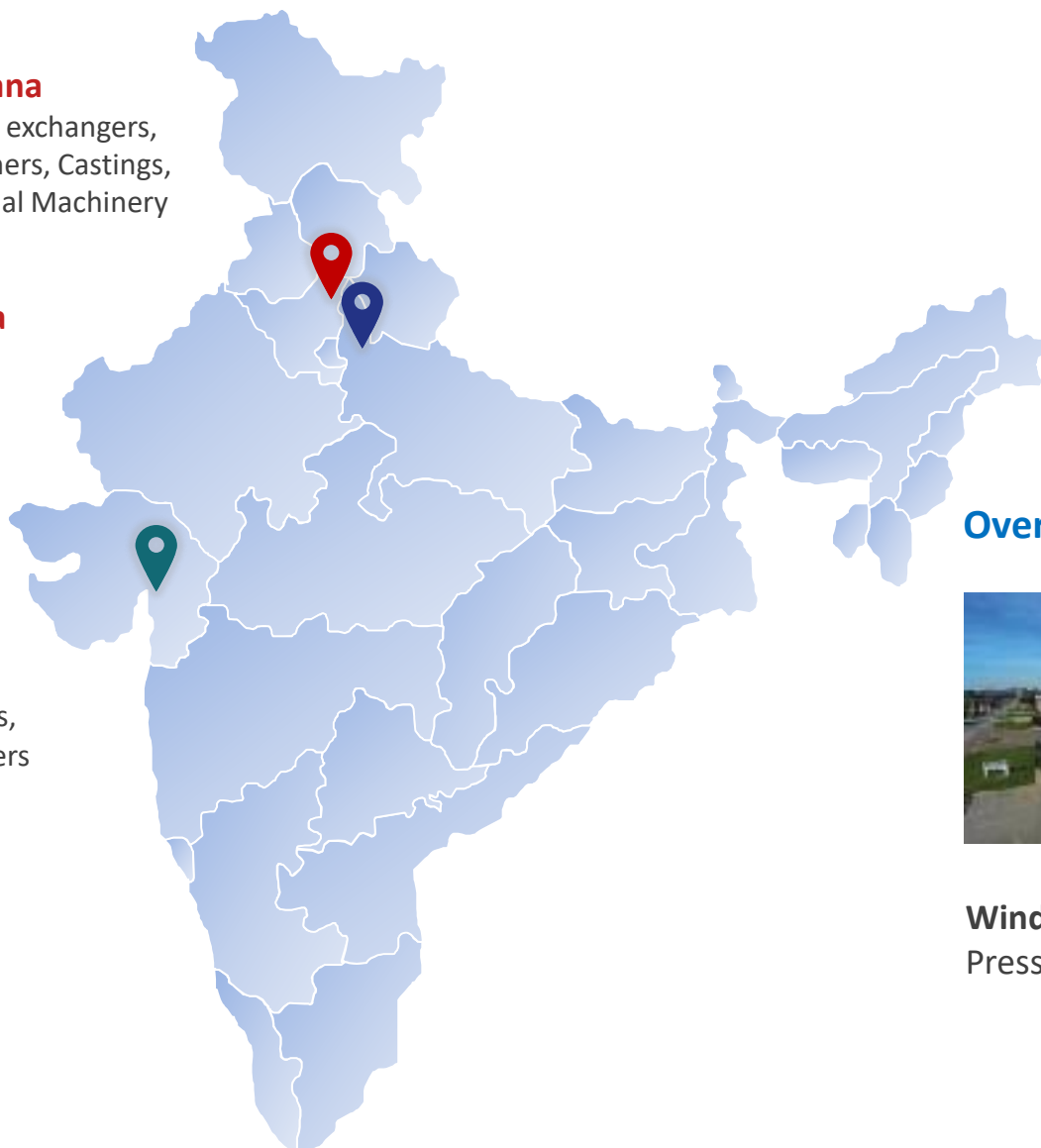
Dahej, Gujarat

Reactor Pressure Vessels,
Columns, Heat Exchangers



Muzaffarnagar, UP

Castings



Overseas facility



Windsor, Canada

Presses

Building Strength with Acquisitions and JVs



Saraswati Sugar Mills Ltd.

With cane crushing capacity of ~ 10000 TCD, having highest sugar recovery in Punjab and Haryana for the past 10 years



100%



Eagle Press & Equipment Co. Ltd.

Press manufacturing company in Windsor (Ontario) Canada

51%



ISGEC Hitachi Zosen Ltd.

JV with Hitachi Zosen Corp., Japan to manufacture specialized & critical Process Equipment



ISGEC Titan Metal Fabricators Pvt. Ltd.

JV with Titan Metal Fabricators, USA for manufacture of corrosion-resistant metals & alloys process equipment



ISGEC SFW Boilers Pvt. Ltd.

JV with Amec Foster Wheeler (now Sumitomo SHI FW Energia, Oy) for engineering their Global Boiler Projects



ISGEC Redecam Enviro Solutions Pvt. Ltd.

JV with Redecam, Italy for manufacture, testing, commissioning of Bag Filters

Engineering for Excellence - Our Business Segments

ISGEC is a significant global player across business areas in Manufacturing and EPC

Manufacturing

Process Equipment



Iron & Steel Castings



Boiler Tubes & Panels



Presses



Contract Manufacturing



Liquefiable Gas Containers



Engineering & Projects



Sugar Plants & Distilleries



Air Pollution Control Equipment



Industrial Boilers



Power Projects



Bulk Material Handling



Buildings & Factories



Industrial Waste Water Treatment



Civil Infrastructure



Catering to Wide Spectrum of Industries



Railways



Power



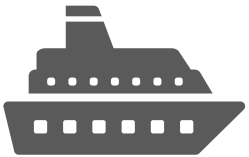
Fertilizer



Cement



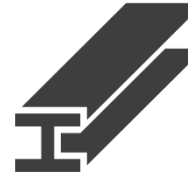
Mines



Ports



Oil & Gas



Steel



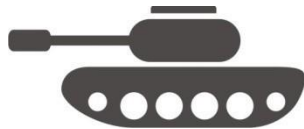
Chemical



Space



Automobiles



Defence



Sugar



Distillery



Paper

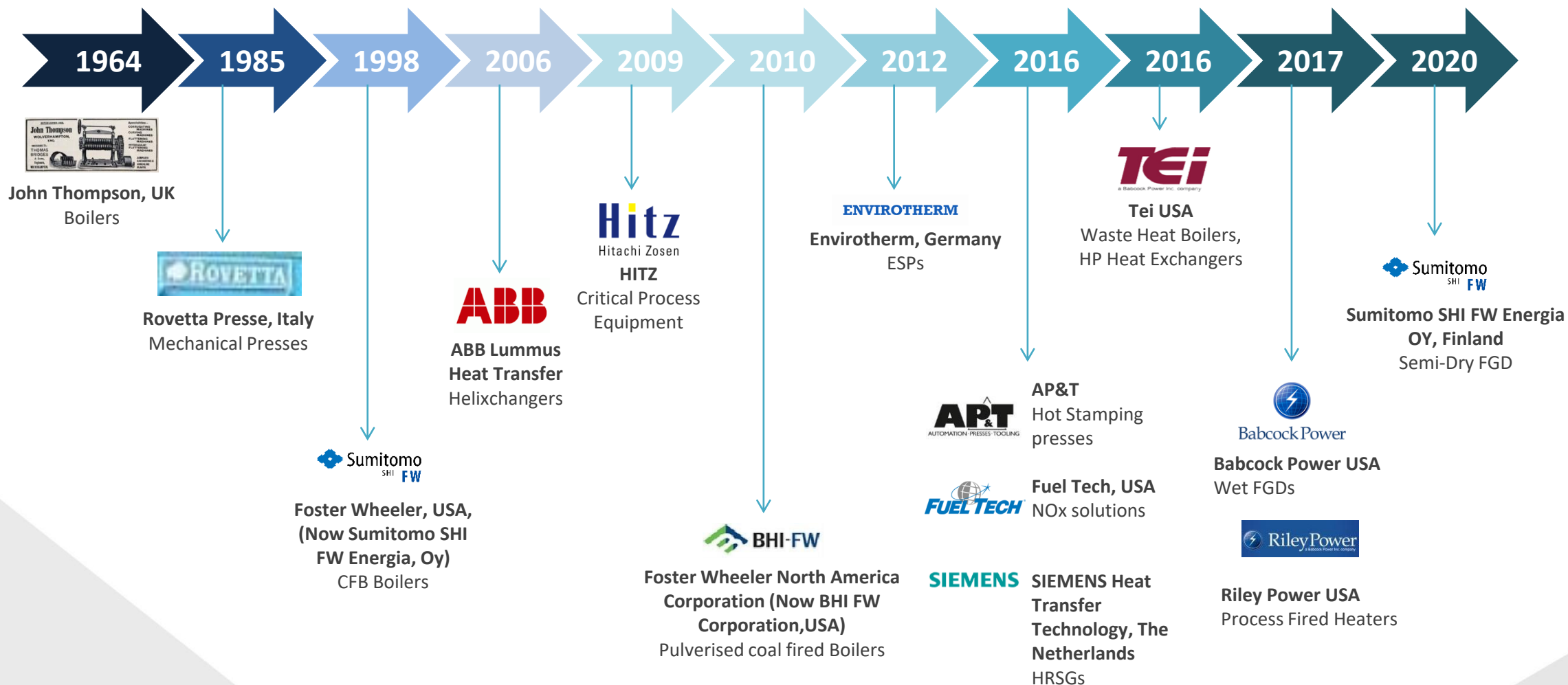


Water Treatment

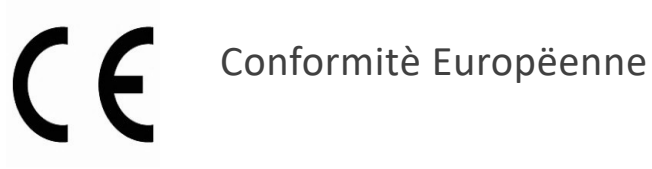
Serving Global and Domestic Clients



Technology Infusion across the Years



Standing Strong with Global Quality Benchmarks



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Positioned No.1 / No. 2 in most Business Lines

Market Leadership

- Hydraulic & Mechanical Presses
- Process Equipment
- Sugar Plants
- Slop Fired Boilers
- CFB Boilers
- Oil & Gas Boilers
- Traveling Grate Boilers
- Bubbling Bed Boilers
- Liquefiable Gas Containers
- Made to order large steel castings

Rankings

ET 500	279 (2019)
Fortune India 500	259 (2019)
Business Today 500	397 (2019)



Update on COVID-19 Impact (1/2)

- All factories are now working at full capacity and there are no labour issues.
- All the project sites are running. Average manpower is 95% of required manpower at most sites. Currently because of some skill mismatch between available manpower at sites, the productivity not optimal, but the situation is improving every day.
- Offices have been working with 50% workforce, and employees have been following alternate week/ alternate day rosters. The rest of the Office employees Work from home on the days that they are not working from Office.
- We have implemented complete sanitization of all our facilities. Strict temperature checks, distancing in work stations and seating, distancing in transport and other precautionary measures have been implemented at all our facilities and sites
- Supply chain has largely recovered. All our large vendors are now working at 100% capacity and other small vendors are working at about 50% to 100% capacity.
- Transport, Logistics and ports are working normally.

Update on COVID-19 Impact (2/2)

- We had about Rs. 6,900 Crores of Orders in hand as on 1st April 2020.
- Less than 2% of our existing orders from customers have been put on hold, cancelled or deferred.
- The management is making continuous efforts to minimize effect on the operations in India and abroad during this time.
- We are getting good enquiries for most of our business divisions, but order finalization has been slow. We expect many of the enquiries to be finalized soon, especially from PSU's.
- Collection of payments from customers has normalized.
- Staff Cost: The Company has implemented a cut in compensation for FY21 and has optimised manpower in some business areas, which would reduce the employee cost by around 15%.
- Adequate capital and financial resources: The Company has adequate financial resources in terms of liquid investments and borrowing limits available with banks for smooth running of business. We are well placed to meet all our obligations.

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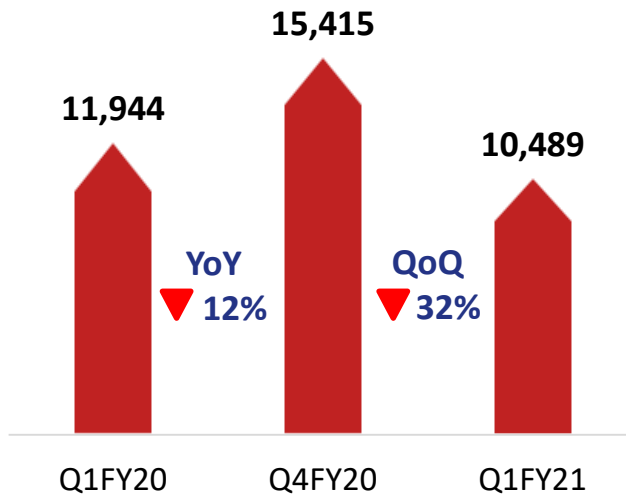


Performance Highlights

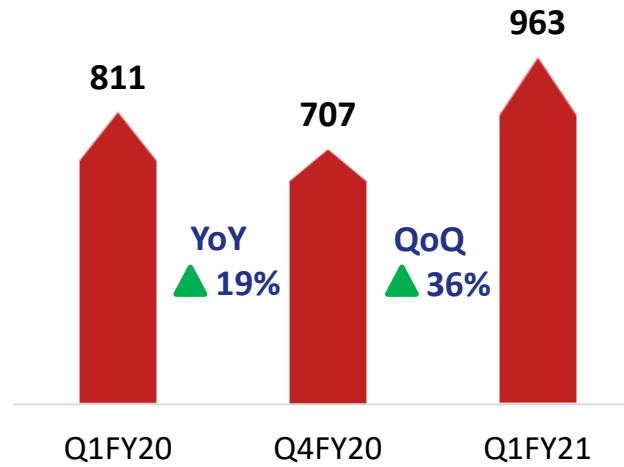
Q1FY21 - Improved profitability despite the challenging environment

In INR Mn

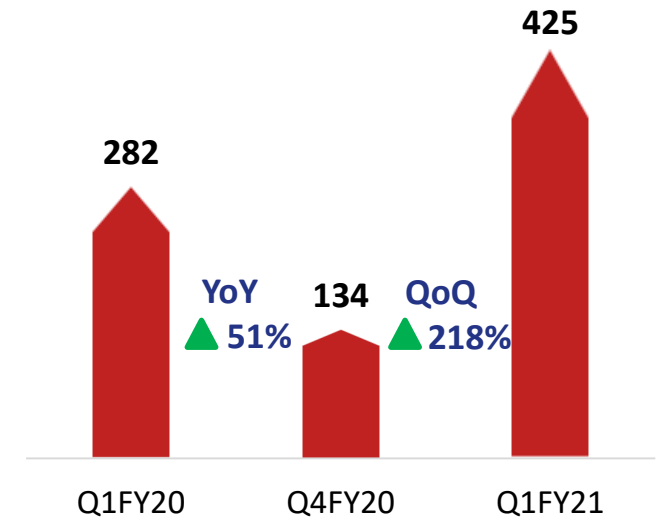
Revenue



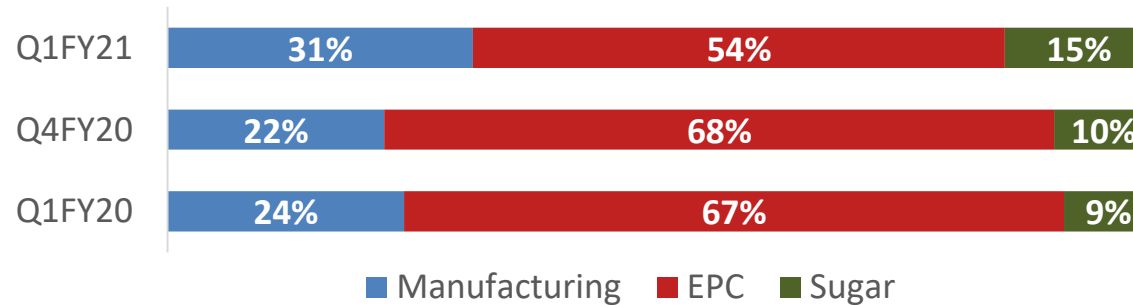
EBITDA



PAT



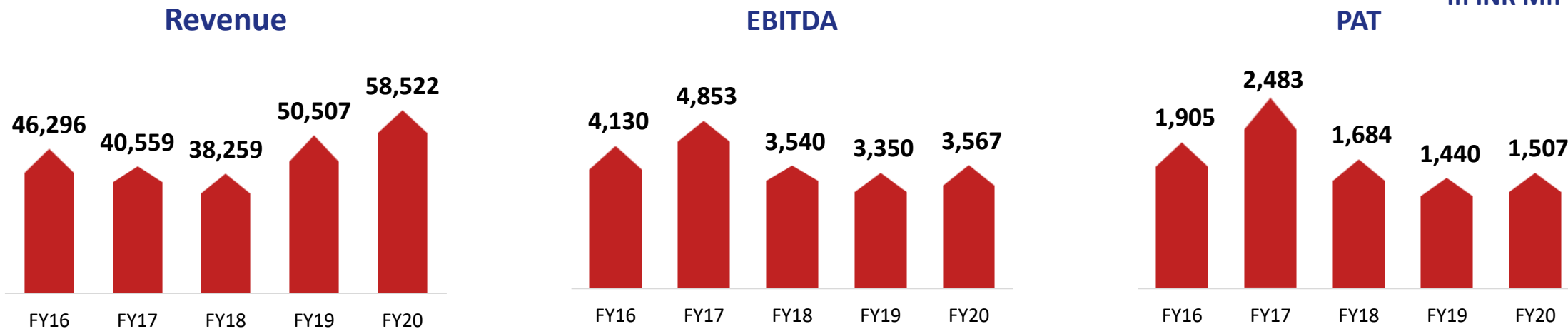
Segment Revenue Contribution



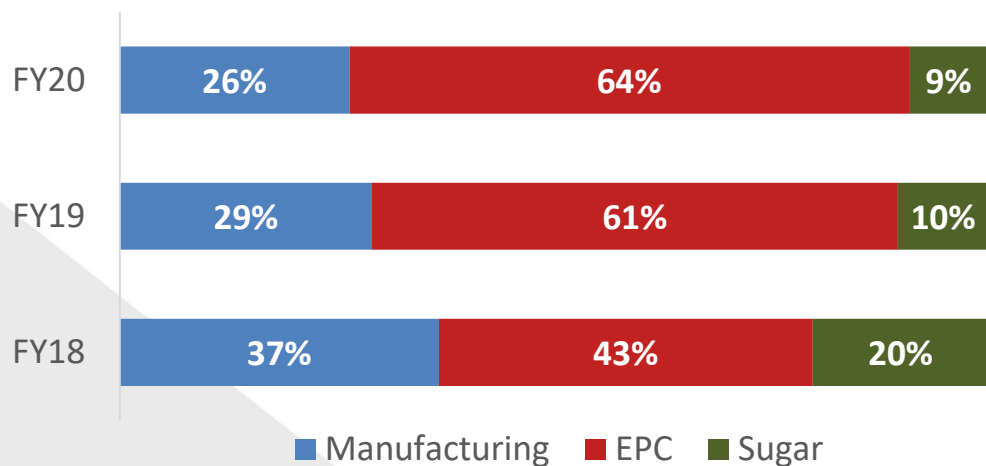
Figures as per consolidated financials

Financial Performance Trend

In INR Mn



Segment Revenue



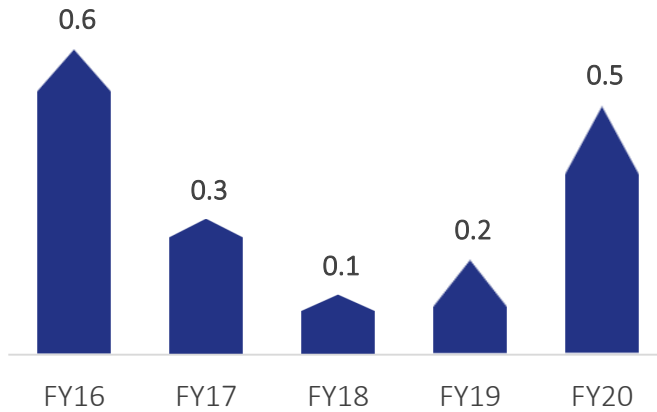
Robust revenue growth led by strong execution and healthy orderbook, in a very competitive market

Strong EPC order book, supported by best-in-class capabilities, provide healthy growth visibility

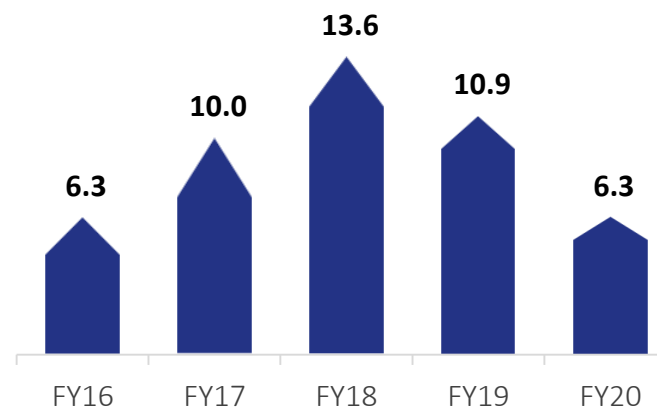
Figures as per FY20 consolidated financials

Key Ratios

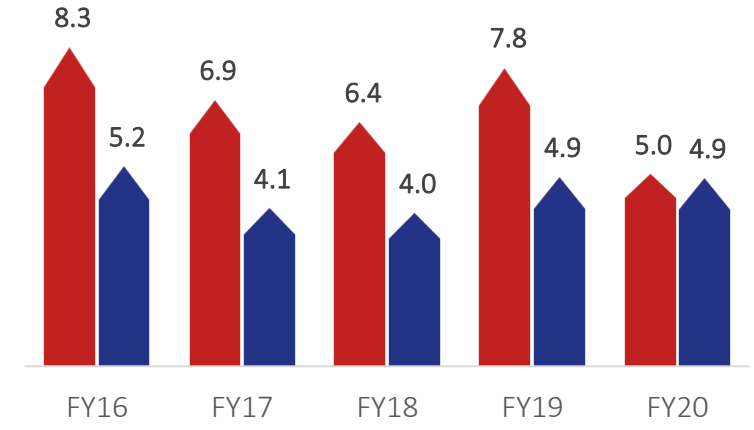
Total Debt/Equity



Interest Coverage Ratio



Turnover Ratio



■ Fixed assets ■ Inventory

* Total Debt includes all interest bearing liabilities.

Interest coverage ratio= EBIT/Interest

Fixed asset turnover= Operating Revenue/Average fixed assets, Inventory turnover= Operating Revenue/Average Inventory



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Giving Back To Society: A Few of the Activities Undertaken

- Remedial Classes for 250 Less Privileged Children at Nai Disha Educational & Cultural Society, an NGO (Stationary / Bags / Shoes / Sweaters / Mid Day Meals / Water / Dental Kits / Health Camp / etc)
- Solar Energy Systems for Rural / Semi Urban Govt. Schools
- Rain Water Harvesting Systems for Rural / Semi Urban Govt. Schools
- Recharging of Aquifers through Village Ponds
- Fans, Green Boards, Furniture and Building Repairs for Schools
- Apprenticeship for Training & Skill Development
- Construction of Sports facilities in Government Schools
- Contribution to Haryana Corona Relief Fund



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Key Investment Highlights



Presence in
Multiple Core
Sectors-
Spreading
Market Risk



Comfortably
placed to
Survive Down
cycles



Leadership
position in
most
businesses



Continued focus
on niche
technologies



Geographically
diversified
portfolio
mitigating
concentration
risk



Constant
Forays into
Futuristic
Business Lines



**ISGEC HEAVY
ENGINEERING LTD.**

THANK YOU

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