



PG ELECTROPLAST LIMITED

CIN-L32109DL2003PLC119416

Corporate Office :

P-4/2, 4/3, 4/4, 4/5, 4/6, Site-B, UPSIDC Industrial Area, Surajpur
Greater Noida-201306, Distt. Gautam Budh Nagar (U.P.) India
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August 04, 2023

To,
The Manager (Listing)
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 533581

To,
The Manager (Listing)
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Symbol: PGEL

Sub: Investor Presentation

Dear Sir/Madam,

We enclose a copy of Investor Presentation on Unaudited Financial Results of the Company for quarter ended on June 30, 2023.

This is for your information and record please.

Thanking you,

For **PG Electroplast Limited**

(Sanchay Dubey)
Company Secretary

PG Electroplast

Company Update

1Q FY2024

August 2023



Disclaimer

This presentation has been prepared for informational purposes only. This Presentation does not constitute a prospectus, Offering circular or offering memorandum and is not an offer or initiation to buy or sell any securities, nor shall part or all of this presentation form the basis of, or to be relied on in connection with any contract or investment decision in relation to any securities.

This Presentation contains forward looking statements based on the currently held beliefs of the management of the company which are expressed in good faith and in management's opinion are reasonable. The forward looking statements may involve known and unknown risks uncertainty and other factors which may cause the actual results, financial condition, performance or achievements of the Company or industry to differ materially from those in forward-looking statements.

These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward looking statements.

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Introduction



Quarterly and Annual Financials



Key Financial Metrics



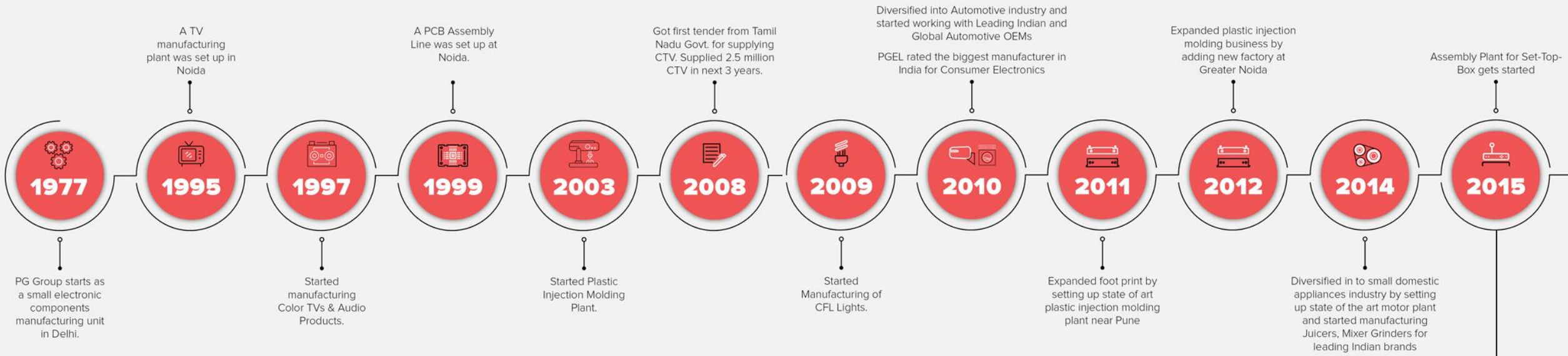
Strategy & Outlook



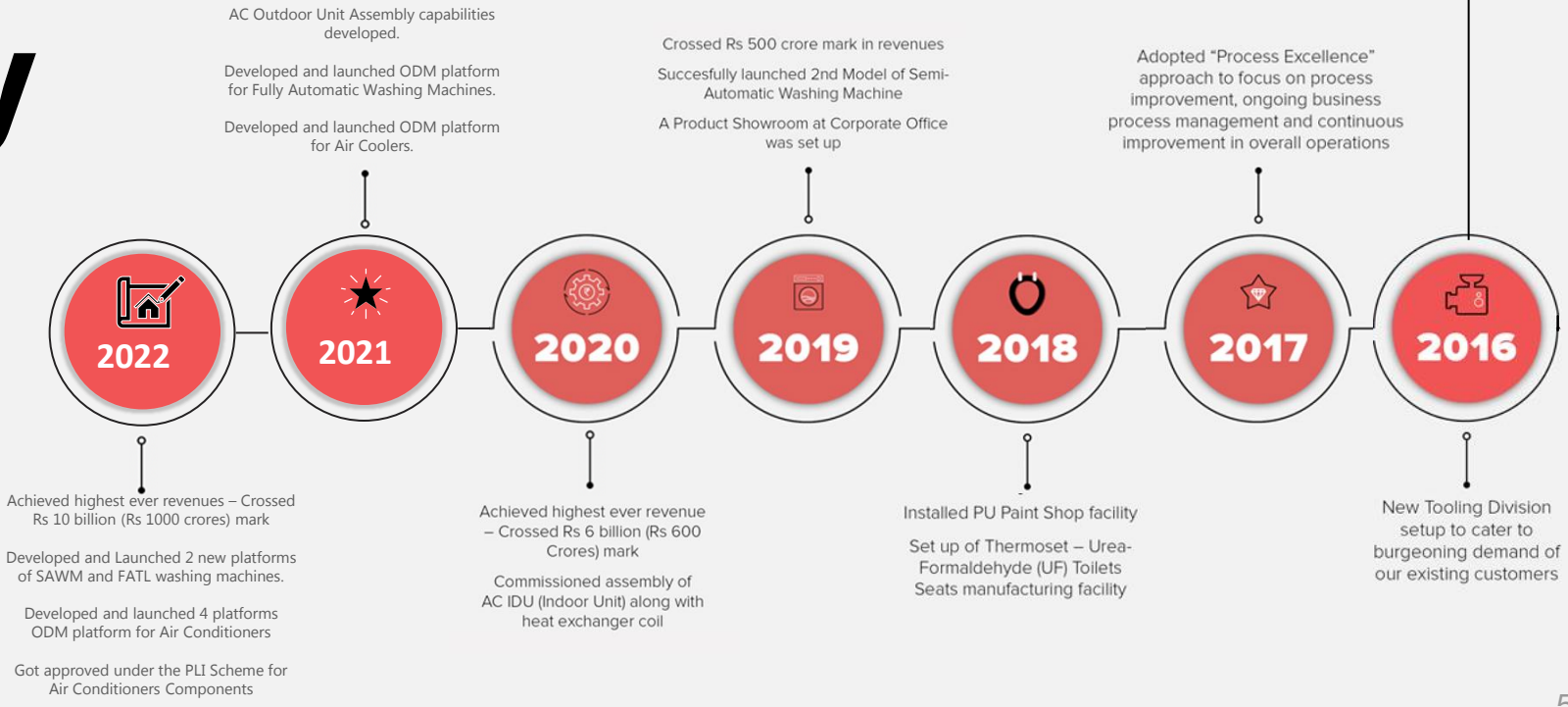
Historical Financials

About PG Electroplast Limited

- **PG Electroplast Limited (PGEL)** is the flagship company of PG Group. While the PG Group had **started its journey in 1977**, PG Electroplast was formally set up in 2003 and is a leading, diversified Indian **Electronic Manufacturing Services** provider.
- PGEL specializes in **Original Design Manufacturing (ODM)**, **Original Equipment Manufacturing (OEM)** and **Plastic Injection Molding**, catering to **50+ leading Indian and Global brands**.
- **PG Technoplast Private Limited (PGTL)** is a **wholly owned subsidiary of PG Electroplast** which is engaged in the business of manufacturing **Room Air Conditioners** and **various components** for the **Consumer Durables** and **Consumer Electronics** industries.
- PG has **eight manufacturing units** across **Greater Noida** in Uttar Pradesh, **Roorkee** in Uttarakhand and **Ahmednagar** in Maharashtra and has **3500+ employees**.
- The company is **pursuing an organic growth strategy** by ramping up its existing capacity and capabilities in each of its product verticals to achieve **higher value addition**, **better economies of scale** on the back of a push towards exhaustive **backward integration**.



Our Journey



Industries Served



**Air
Conditioners**



**Washing
Machines**



**LED
Televisions**



Air Coolers



**Automotive
Components**



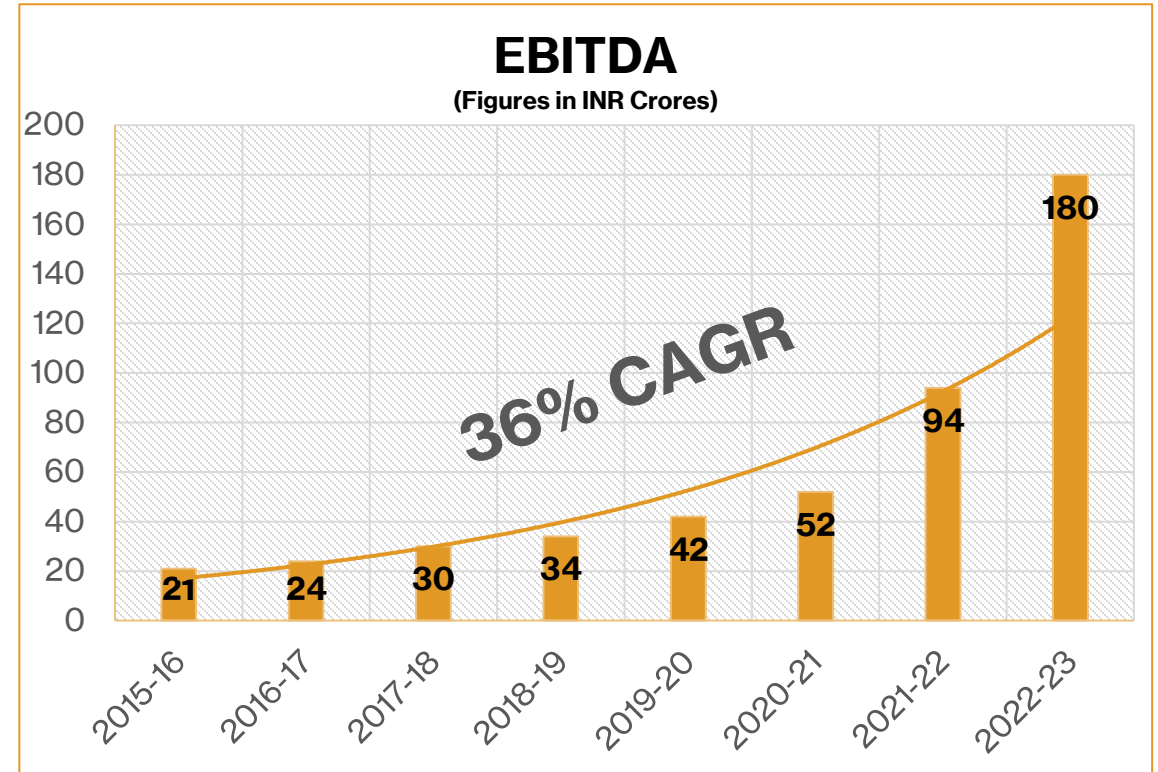
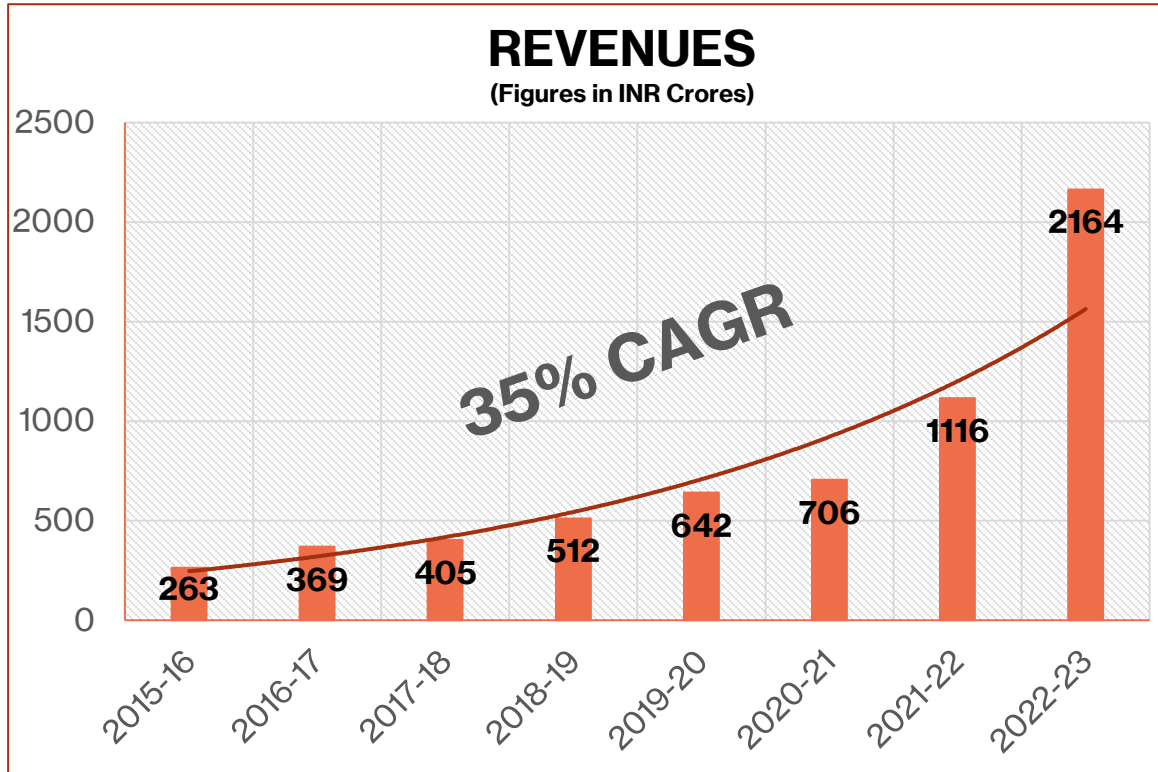
**Bathroom
Fittings**



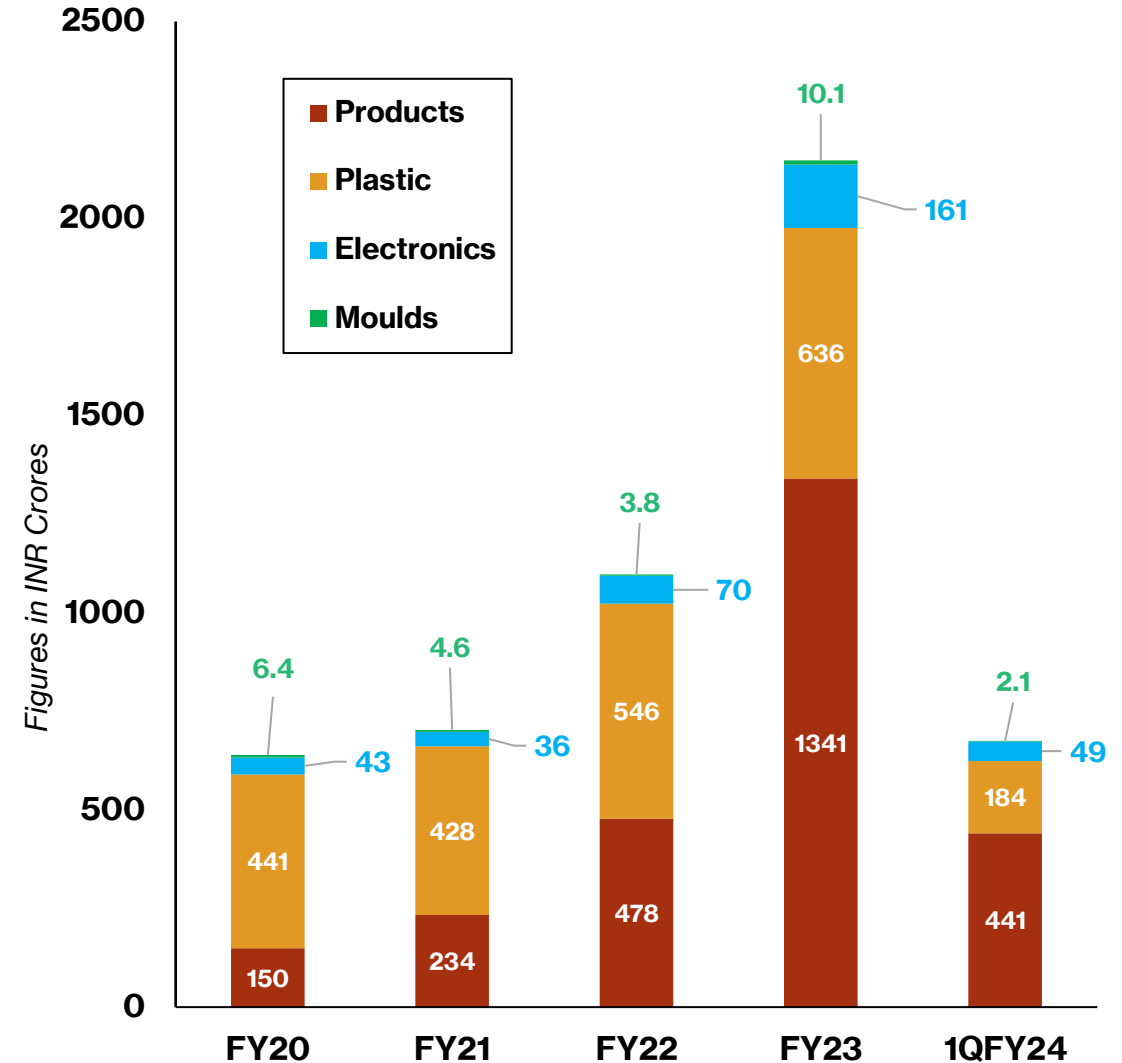
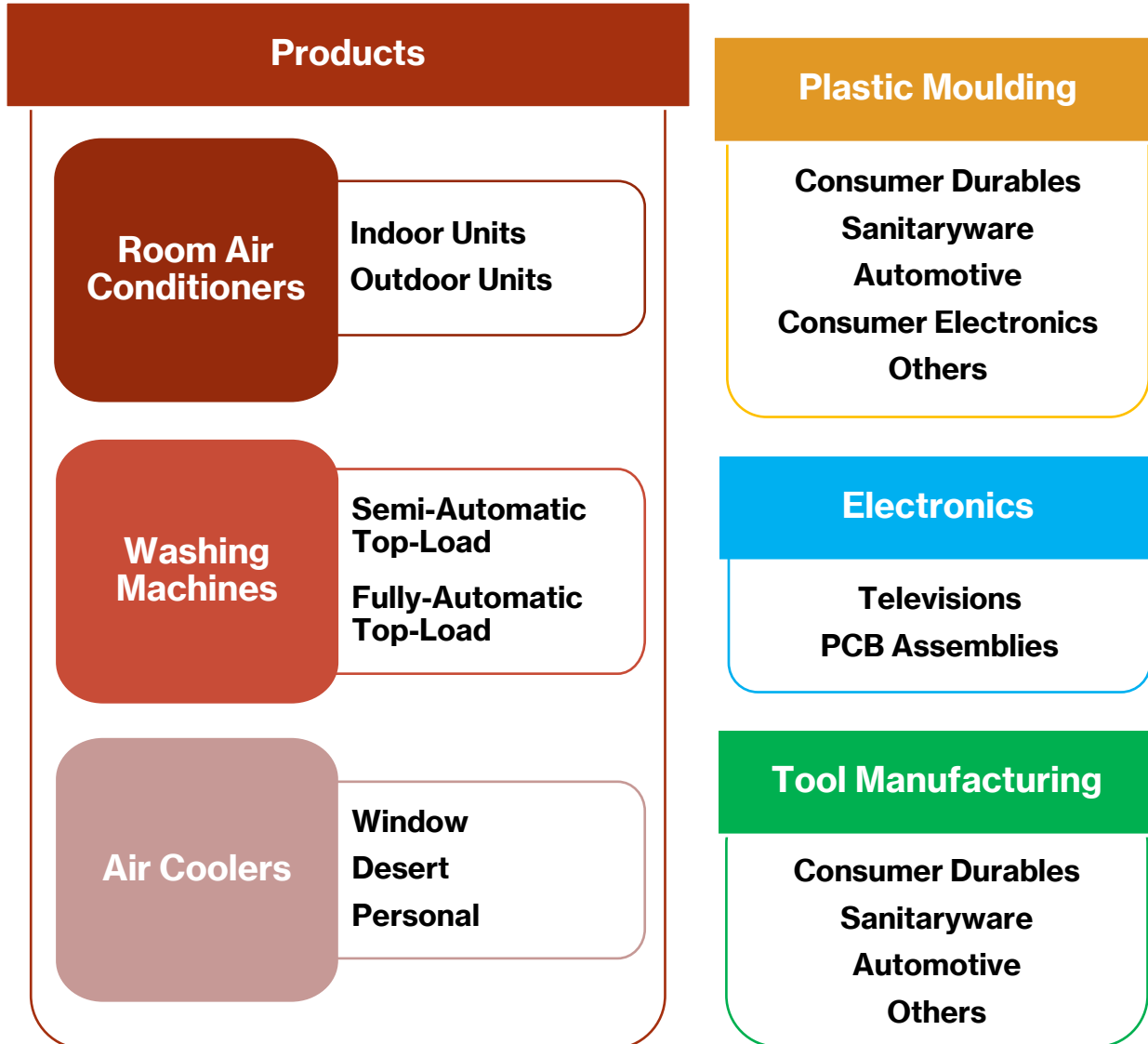
**Consumer
Electronics**

Key Financials

- The Company has **grown more than 8x in seven years** from a revenue of **INR 263 crores in 2015-16**, to **INR 2160 crores in 2022-2023** at a **35% CAGR** with the **EBITDA** increasing at a **36% CAGR**.
- Over the **past seven years**, the company has done a cumulative **Capital Expenditure of over INR 550 Crores**, that has now significantly raised its growth potentials.



Our Business Verticals



Business Composition Across Verticals

Key Clients



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Summary of Consolidated Results

Particulars (INR Crores)	1Q 2024	1Q 2023	% Change	Q4 FY2023	FY2023
Sales	676.01	535.19	26.3%	826.92	2147.84
CORM	555.08	447.41	24.1%	681.98	1764.51
% of Sales	82.1%	83.6%		82.5%	82.2%
Gross Contribution	120.94	87.78	37.8%	144.94	383.33
% of Sales	17.9%	16.4%		17.5%	17.8%
Operating Profit	64.20	34.84	84.3%	74.42	163.93
Op. Margin	9.50%	6.51%		9.0%	7.6%
EBITDA	67.10	37.64	78.3%	76.90	180.43
EBITDA Margin	9.9%	7.0%		9.3%	8.4%
Depreciation	10.71	7.73	38.4%	10.46	34.95
PBIT	56.40	29.90	88.6%	66.44	145.47
PBIT Margin	8.34%	5.59%		8.0%	6.8%
Finance Cost	14.04	9.36	50.0%	17.58	47.93
PBT	42.36	20.54	106.2%	48.85	97.54
PBT Margin	6.27%	3.84%		5.9%	4.5%
Tax	8.55	4.14	106.5%	8.69	20.07
PAT	33.81	16.40	106.1%	40.17	77.47
PAT Margin	5.0%	3.1%		4.9%	3.6%

Expenditure Analysis

Particulars (As a % of Operating Revenues)	Q1 FY2024	Q1 FY2023	Change %	4Q FY2023	FY2023
Cost of Raw Material	82.1%	83.6%	-1.5%	82.5%	82.2
Employee Expenses	5.27%	5.11%	+0.2%	4.91%	5.72%
Finance Cost	2.08%	1.75%	+0.3%	2.13%	2.23%
Depreciation & Amortisation	1.58%	1.45%	+0.1%	1.26%	1.63%
Other Expenses	3.12%	4.79%	-1.7%	3.62%	4.49%

Balance Sheet

Particulars (INR Cr.)		30 th Jun'23	30 th Jun'22	31 st Mar'23
Net Fixed Assets	A	547.26	427.36	544.11
Right-of-use-Assets	B	32.46	14.22	32.46
Other Non-current Asset	C	38.60	38.14	23.15
Cash & Bank Balance	D	29.51	44.77	39.63
Current Assets				
Trade Receivables	i	316.82	216.23	437.87
Inventories	ii	275.24	235.40	353.38
Other current Assets	iii	82.14	72.83	77.56
Total Current Assets (i+ ii + iii)		674.20	524.46	868.82
Less Current Liabilities & Provisions		336.36	338.71	496.07
Net Current Assets	E	337.84	185.75	372.74
Total Assets (A+B+C+D+E)		985.67	710.23	1,012.09
Equity Share Capital		22.79	21.22	22.74
Other Equity		410.45	308.04	373.19
Total Shareholder funds	A	433.24	329.26	395.93
Short term Debt		264.32	177.67	317.57
Long term Debt		213.83	163.76	224.96
Total Debt	B	478.15	341.43	542.53
Other Non-current Liabilities	C	74.28	39.54	73.64
Total Liabilities (A+B+C)		985.67	710.23	1,012.09

Particulars (INR Cr.)	30 th Jun'23	30 th Jun'22	31 st Mar'23
Gross Debt	478.15	341.43	542.53
Cash & Bank Balance	29.51	44.77	39.63
Net Debt	448.63	296.66	502.90
Net Debt/Equity	1.04	0.90	1.28
Net Debt/EBITDA	2.14	2.44	2.79

Key Ratios

Particulars	30 th Jun'23	30 th Jun'22	31 st Mar'23
Net Fixed Assets	579.73	441.58	576.56
Fixed Asset Turns*	4.48	4.19	4.22
Receivables	316.82	216.2	437.87
Average Receivables Days*	42.51	34.62	55.3
Inventories	275.24	235.40	353.43
Average Inventory Days*	49.78	48.15	66.14
Payables	262.98	286.07	389.95
Average Payable Days*	53.52	53.56	68.18
Cash conversion cycle*	38.76	29.21	53.29
Net Worth	433.24	329.26	393.39
Gross Debt	478.15	341.43	542.52
Cash & Bank Balances	29.51	44.77	39.63
Net Debt	448.63	296.66	502.89
Capital Employed	881.88	625.92	896.28
RoCE*	22.8%	19.7%	18.7%
RoE*	24.9%	18.8%	21.2%

Fixed Asset Turns

Operating Revenue/Average Net Fixed Assets

Average Receivables Days

(Average Receivables/Revenue) x 365

Average Inventory Days

(Average Inventories/CORM) x 365

Average Payable Days

(Average Payables/CORM) x 365

Cash Conversion Cycle

Average Inventory Days + Average Receivables Days - Average Payable Days

RoCE

Profit Before Interest and Tax / (Average Gross Debt + Average Net Worth)

ROE

Profit Before Interest and Tax / (Average Shareholder's Equity)

* These ratios have been calculated on TTM basis

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Major Highlights of 3MFY24

- **1QFY2024** has been strong growth period as **Consolidated Revenues** grew **26%** and crossed **Rs 676 crores** for the company.
- The **Product business** contributed **65.3%** of the total revenues in 1QFY24. **Room AC business** grew **52.5%** during the period while the **Washing Machines** business for the 3M was flat YoY during the period.
- **Order book for product business** remains robust and the company is on track to **scale the product business significantly in FY2024**.
- During the quarter, **operating margins** have improved QoQ and YoY due cost control, **softer commodity prices** and **operating leverage**.
- On Balance sheet side, **net debt** has decreased by almost **Rs 54.3 crores in 1QFY24** as working capital came down during the quarter.
- **R&D, New Product Development and Capacity Enhancement** are the **focus areas for future** across product businesses. Company plans to **strengthen its product offerings further**.
- Company is seeing **increased interest for business** from **new and existing clients**, and we remain **very confident on the future growth prospects** of the business.

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Industry Outlook

Government reforms such as Digital India, Make in India, Power for all and Jan Dhan-Aadhar-Mobile Trinity are providing fresh impetus to the Consumer appliance and durable Industry

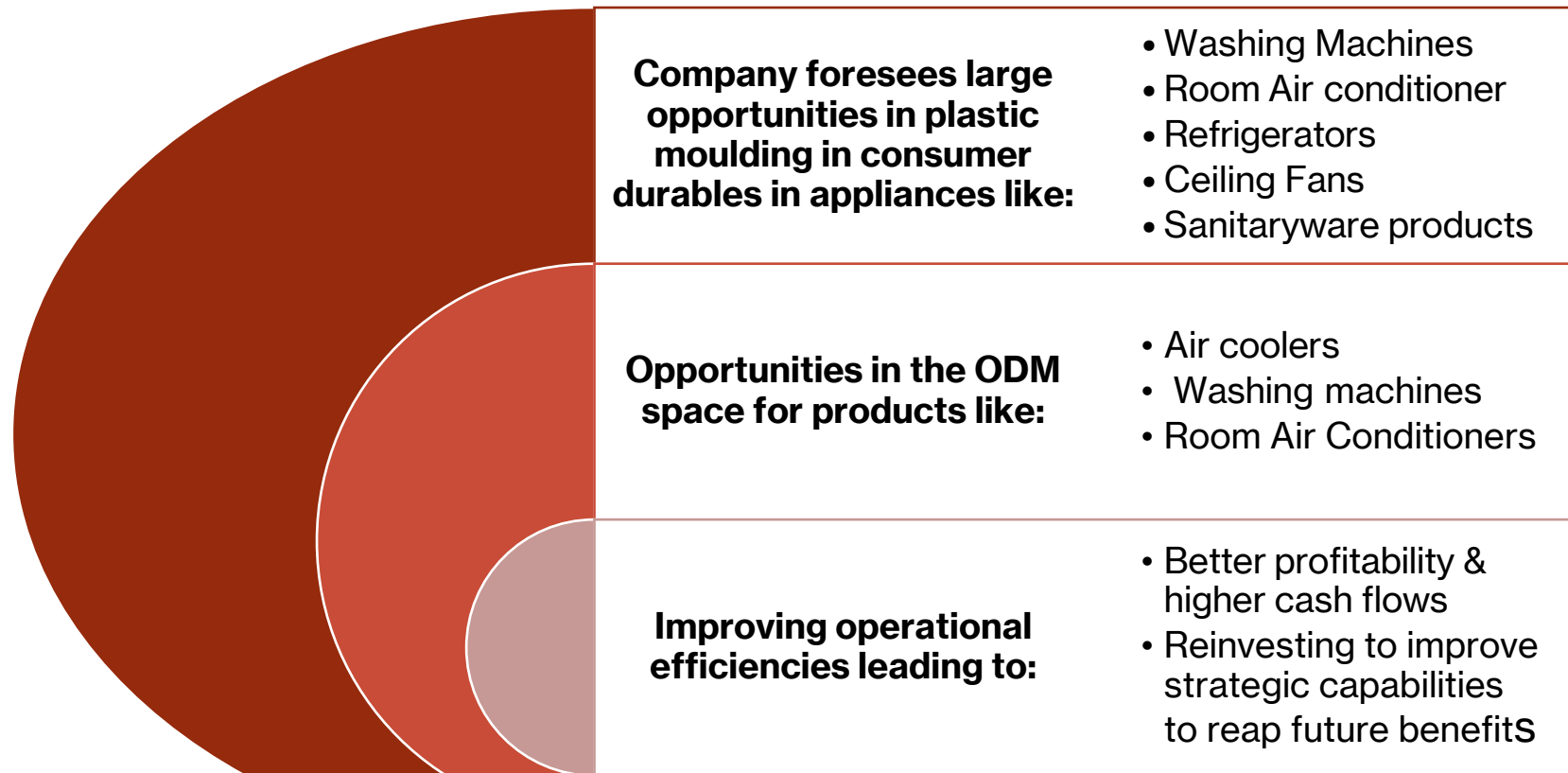
The Rapid rate of urbanization, growth of young population with rising income levels is leading to large emerging middle class in India. Implying huge potential demand for the consumer appliance and durable market in coming years.

Low penetration levels, falling prices of durables and electronics and changing lifestyle of the Indian consumer are expected to remain big demand drivers for the consumer durable and electronics Industry in India in near future.

Further the Government's initiatives of promoting electronic manufacturing and treating the industry as one of the key pillars of the Digital India Program, opens new and exciting opportunities for the Industry

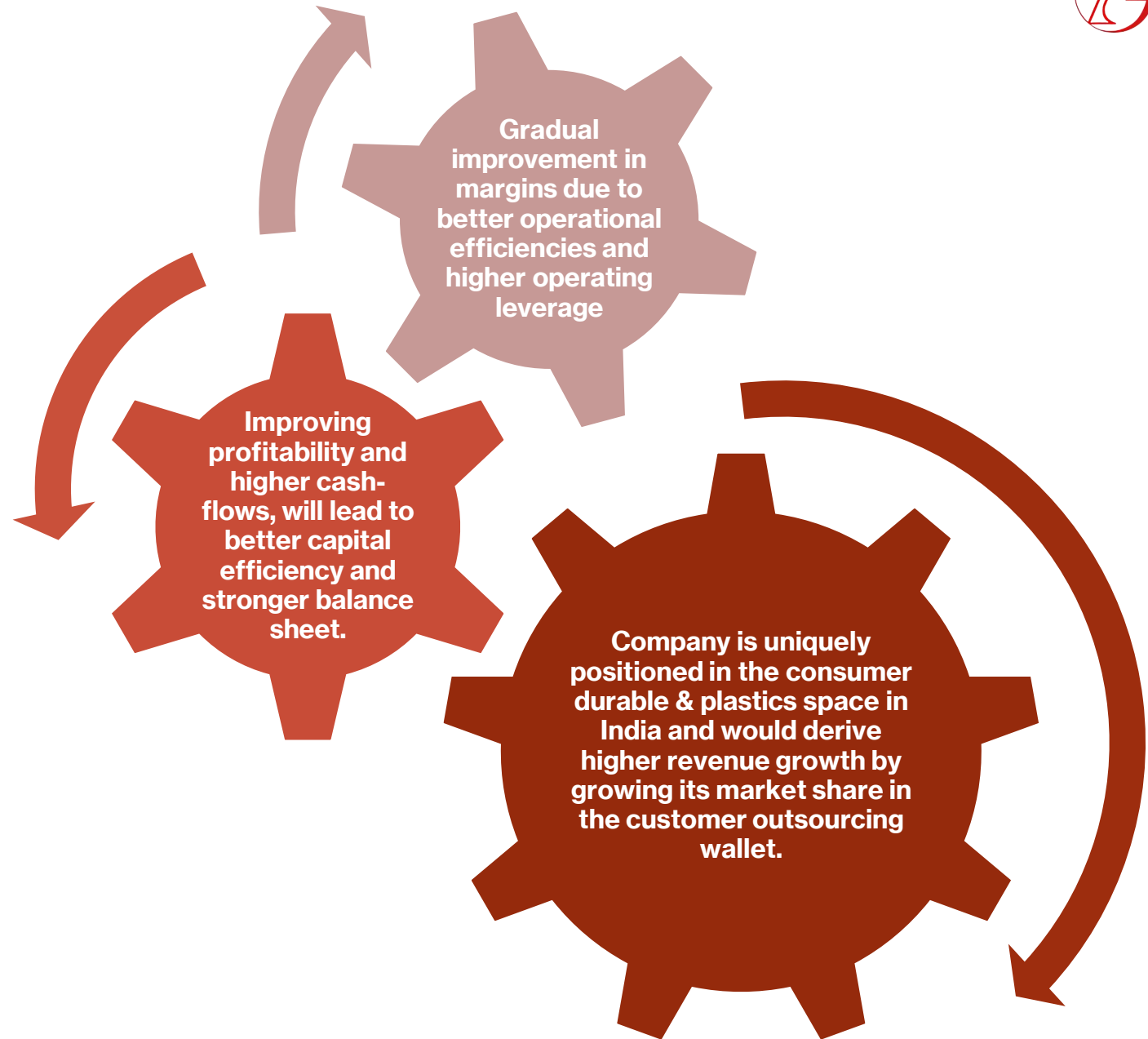
The Management is enthused about the overall opportunity size and anticipates high growth rates in the industry segments where, company has presence.

Future Growth Strategy



Future Outlook

- **Product business** to **drive growth** for the company
- Company is developing **new offerings** in **focus segments** and will be launching the same in coming quarters
- Company's management see **exciting times ahead** for all its business segments.



Guidance for FY24

- **Consolidated Sales guidance to at least INR 2800 crores** which is a **growth of 30%** over FY2023.
- **Operating profit guidance of at least INR 210 crores** which is a **growth of 28%** over FY2023 operating profit of Rs 164 crores.
- In FY2024, Operating **margins across segments should see stability** but **mix change** may limit overall improvement in reported margins
- The **growth in product business** i.e., WM, RAC and Coolers is **expected to be ~43% to over INR 1920 crores from INR1341 crores** in FY2023.
- **Capex for FY2024 will be in the range of 170-180 crores**, New Integrated Unit for Manufacturing RAC in North India and new building along with **SMT lines** in Supa is planned.

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Profit & Loss Statement

Figures in ₹ million	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Net Sales	3,664	3,994	5,084	6,394	7032	10977	21478
Growth (%)	40.8%	9.0%	27.3%	25.8%	10.0%	56.1%	95.7%
Expenditure	3,456	3,749	4,777	5,993	6534	10232	19835
Increase/Decrease in Stock	19	(109)	(41)	(70)	32	(291)	(286)
Raw Material Consumed	2792	3200	4032	5108	5533	9131	17927
Power & Fuel Cost	115	117	144	166	161	206	287
Selling and Distribution Expenses	51	55	62	68	39	71	88
Manufacturing Expenses	85	71	79	85	126	163	350
Personnel Costs	329	349	401	539	550	779	1229
Administrative Expenses	41	42	44	54	61	100	147
Miscellaneous Expenses	26	25	56	45	32	73	94
Operating Profit	207	246	307	399	498	745	1639
OPM (%)	5.7%	6.1%	6.0%	6.2%	7.1%	6.8%	7.6%
Growth (%)	14.7%	18.6%	24.9%	30.1%	24.7%	50.5%	115.6%
(+) Other income	31	53	32	25	26	182	165
EBDITA	238	299	339	424	524	927	1804
(-) Depreciation	106	117	134	163	180	221	350
EBIT	133	181	205	261	344	706	1455
1 (-) Interest & Finance charges	99	106	103	148	184	225	479
(-) Exceptional Expenses	0	0	0	(20)	(8)	9	
PBT	34	75	102	93	151	490	975
PAT	34	75	100	26	116	374	774

Balance Sheet

(Figures in ₹ million)

A. EQUITY AND LIABILITIES	As on 31 st March						
	2017	2018	2019	2020	2021	2022	2023
(a) Share capital	164	164	187	195	197	212	227
(b) Reserves and surplus	1,068	1,144	1,504	1,567	1,728	2,911	3,732
Sub-Total - Shareholders' Funds	1,232	1,308	1,690	1,762	1,925	3,123	3,959
(a) Long-term borrowings	484	796	501	694	871	1,718	2,250
(b) Long-term provisions	21	33	40	84	135	362	736
Sub-Total - Non-Current Liabilities	506	829	541	778	1,006	2,080	2,986
(a) Short-term borrowings	477	356	681	1,039	962	2,121	3,176
(b) Trade payables	745	650	915	1,063	1,534	2,692	3,900
(c) Other current liabilities	226	248	224	289	202	445	641
(d) Short-term provisions	115	90	77	69	166	224	530
Sub-Total - Current Liabilities	1,562	1,343	1,898	2,461	2,863	5,482	8,246
TOTAL - EQUITY AND LIABILITIES	3,299	3,481	4,129	5,001	5,794	10,685	15,191

B. ASSETS	As on 31 st March						
	2017	2018	2019	2020	2021	2022	2023
(a) Fixed assets	1,620	1,785	1,921	2,532	2,731	4,410	5,778
(b) Capital Work in Progress	35	237	341	61	60	49	20
(c) Other Financial Assets	15	23	23	24	33	91	121
(d) Other non-current assets	56	70	67	78	139	55	78
Sub-Total - Non-Current Assets	1,726	2,114	2,353	2,695	2,964	4,605	5,997
(a) Inventories	631	593	683	846	926	2,860	3,534
(b) Trade receivables	675	507	847	1,012	1,473	2,133	4,379
(c) Cash and cash equivalents	42	41	64	180	174	392	396
(d) Short-term loans and advances	176	180	161	213	3	28	5
(e) Other current assets	47	43	20	55	254	668	880
Sub-Total - Current Assets	1,574	1,366	1,776	2,307	2,830	6,081	9,194
TOTAL-ASSETS	3,299	3,481	4,129	5,001	5,794	10,685	15,191



Thank You!

We look forward to working with you!

