



PENNAR INDUSTRIES LIMITED

Q2 & H1 FY21 RESULT PRESENTATION

November 2020



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Discussion Summary

- ❖ **Q2 & H1 FY21 Highlights**
- ❖ Company Overview

Q2 & H1 FY21: Consolidated Profit & Loss Statement



Particulars (Rs. in Mn)	Q2 FY21	Q2 FY20	H1 FY21	H1 FY20
Revenue From Operations (Net of Taxes)	3,904	5,800	5,566	11,178
Other Income	22.5	86	50.1	121
Total Income	3,927	5,886	5,616	11,299
COGS	2,304	3,536	3,315	6,700
Gross Profit	1,623	2,350	2,301	4,599
Gross Margin %	41.3%	39.9%	41.0%	40.7%
Employee Expenses	342	429	654	852
Other Expenses	954	1,389	1,453	2,664
EBITDA	327	532	194	1,083
EBITDA Margin %	8.3%	9.0%	3.5%	9.6%
Depreciation	122	104	243	199
Finance Cost	198	227	396	426
PBT	6.7	201	-444	458
Tax expense	1	-35	-110	57
PAT Before MI	5.7	236	-335	401
PAT Margin %	0.1%	4.0%	-6.0%	3.6%

Q2 & H1 FY21: Consolidated Balance Sheet Statement



Particulars (Rs. in Mn)	H1 FY21	FY20
Equity & Liabilities		
Equity Share Capital	711	726
Other Equity	5,887	6,277
Shareholder's Equity	6,598	7,003
Non Cotrolling Interest	7	6
Total Equity	6,605	7,009
Non-Current Liabilities		
Borrowings	968	1,023
Lease liability	286	329
Other Financial Liabilities	115	92
Provisions	131	106
Deferred Tax Liabilities (net)	75	188
Other Non-Current Liabilities	21	28
Total Non-Current Liabilities	1596	1766
Current Liabilities		
Borrowings	3,673	2,976
Trade Payables	3,401	4,789
Lease liability	61	39
Other Financial Liabilities	618	764
Provisions	74	60
Income Tax Liabilities	336	328
Other Current Liabilities	933	804
Total Current Liabilities	9,096	9,759
Total Equity & Liabilities	17,297	18,534

Particulars (Rs. in Mn)	H1 FY21	FY20
Property, Plant And Equipment	5,587	5,729
Right use of asset	324	353
Capital Work-in-progress	216	334
Goodwill	32	32
Other Intangible Assets	134	143
Financial Assets		
Investments	0.2	0.2
Trade Receivables	361	411
Loans	53	0
Other Financial Assets	133	103
Income Tax Assets (Net)	296	282
Other Non-current Assets	282	148
Total Non-Current Assets	7,419	7,536
Current Assets		
Inventories	4,178	4,398
Investments	251	451
Trade Receivables	3,464	3,961
Cash And Cash Equivalents	178	390
Other balance with banks	360	202
Loans	58	216
Other Financial Assets	553	484
Other Current Assets	837	896
Total Current Assets	9,878	10,998
Total Assets	17,297	18,534

- **Robust order book position as on 1st November 2020**

- PEBS Division - Rs. 2,800Mn
- Enviro Division- Rs. 500Mn
- Railways division – Rs. 2,490Mn

- To make investment of 3.5 Million USD in Ascent Buildings LLC, through our wholly owned subsidiary of the company Pennar Global INC, USA.

Discussion Summary

- ❖ Q2 & H1 FY21 Highlights
- ❖ **Company Overview**

Diversified Engineering Company With End-To-End Capabilities



Wide Spectrum of Engineered Products & Customised Turnkey Engineering Solutions Across Diverse Industries

Strong Pedigree & Engineering Excellence	35+ Years of Experience	1,500+ Engineered Products	1,000+ Customers Across Industries	8 Manufacturing Plants	2,500+ Employee Base	
Extensive Product & Service Offerings	Engineered Products *			Engineering Solutions**		
	<ul style="list-style-type: none"> Wide range of customised engineering products catering to diverse sectors Strong designing & manufacturing capabilities 			<ul style="list-style-type: none"> Leading player in Pre-Engineered Buildings, Solar EPC, Designing & Engineering Services with presence in USA Water Treatment Solutions (EPC + O&M), Water Treatment Chemicals & Fuel Additives 		
Exposure to High Growth Sectors	Automobiles	Construction & Infrastructure	General Engineering	White Goods	Railways	Solar
Subsidiaries	One Works BIM Technologies		Enertech Pennar Defense and Engineering Systems Private Limited		Pennar GMBH	Pennar Global Inc
Prominent Clientele From Diverse Sectors						

Note: * includes Steel Products BU, Tubes BU, Industrial Components BU, Railways BU, ** includes PEBS Pennar, Pennar Enviro, Pennar Global subsidiaries

Strong Track Record: Consistent Growth & Improving Profitability

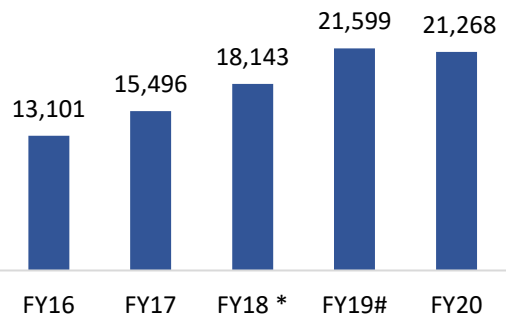


In Rs Mn

FY14-16 Figures are as per the I-GAAP, FY17-19 Figures are as per IND-AS

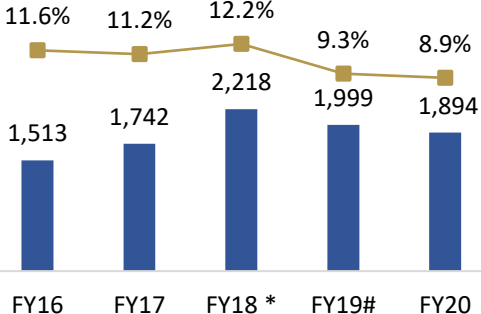
Total Revenues

CAGR: 14.9%



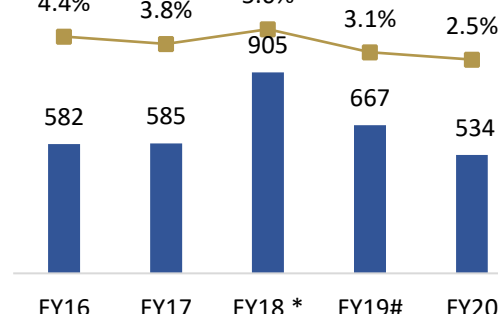
EBITDA & EBITDA Margin

CAGR: 9.3%

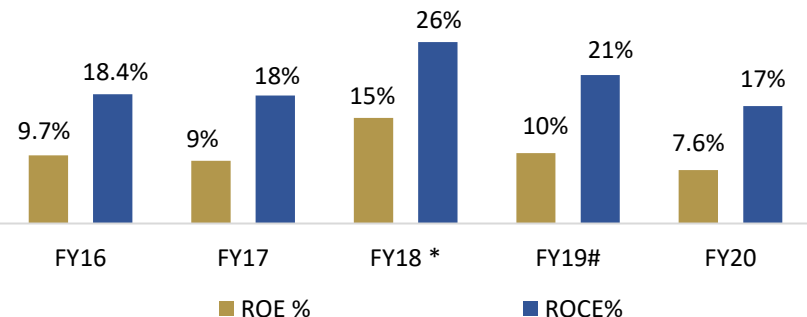


PAT Before MI & PAT Margin

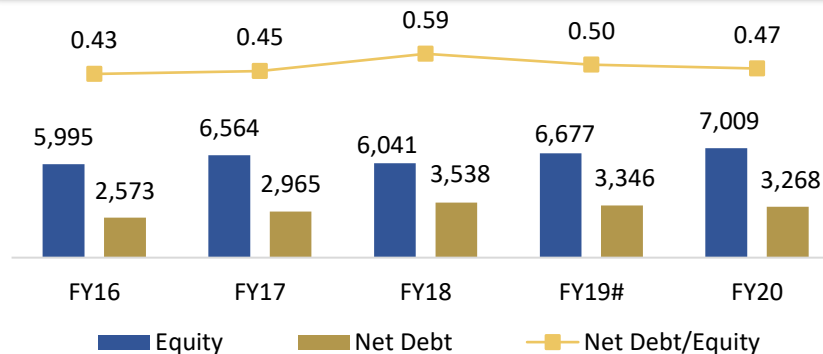
CAGR: 12%



Return Ratios



Leverage Analysis



* adjusted to exclude exceptional and non-recurring items

Post Merger

ROE = PAT / Avg. (Equity + MI), ROCE = EBIT / Avg. Capital Employed (Total Debt + Equity + MI)

Robust Manufacturing Facilities & Pan India Sales Network



Location	Products
Patancheru, Andhra Pradesh	Press Components, Profiles, ESP / Building Products, Sheet Piles / Solar, Railway Components, CRSS, Fabrication
Chennai, Tamil Nadu	Coaches, Auto Profiles, Components / Hydraulics, Building Products
Isnapur, Andhra Pradesh	CRSS, ERW / CDW Tubes, Profiles, Solar
Velchal, Telangana	Strip Galvanizing, Hot Dip Galvanizing, Pre engineered building systems
Tarapur, Maharashtra	Solar, Building Products, Auto Profiles, ESP
Sadashivpet, Telangana	Pre-Engineered Building Systems, Steel structures and Photo voltaic Module
Mallapur, Hyderabad	Fuel Additives, Water Treatment Chemicals & Solutions



Nrupender Rao
Executive Chairman



Aditya N. Rao
Vice Chairman,
Managing Director



P. V. Rao
Joint Managing
Director



K Lavanya Kumar
Executive Director

Name	Designation	Description
 Eric James Brown	Non-Executive Director	<ul style="list-style-type: none"> President and CEO of Pennar Global, Inc. 30+ years of experience
 Vishal Sood	Non-Executive Director	<ul style="list-style-type: none"> Managing Director at SAIF partners Earlier worked with Kotak, SSKI and SBI Capital Markets
 Chandrasekhar Sripada	Non-Executive Independent Director	<ul style="list-style-type: none"> 40+ years corporate career in HRM across Public, Private and Multi-National Companies MBA, MA & PhD
 B Kamalaker Rao	Non-Executive Independent Director	<ul style="list-style-type: none"> Serving as Director on Boards of several Government and Public Sector Undertakings Distinguished member of the AP Legislative Council and a Senior Spokesperson for his political party
 Manish Sabharwal	Non-Executive Independent Director	<ul style="list-style-type: none"> Member of the Prime Ministers Council on Skill Development and has served on the Planning Commission steering committee on labour and employment for the Eleventh five year plan (2007-12) He is a member of the CII core group on labour reforms
 Varun Chawla	Non-Executive Independent Director	<ul style="list-style-type: none"> 9+ years of Investment Banking experience He was one of the founders of myguesthouse.com, acquired by Make My Trip.
 Bharati Jacob	Non-Executive Independent Director	<ul style="list-style-type: none"> Extensive experience in venture investing, marketing and financial services. Masters degrees from The Wharton School of University Pennsylvania and XLRI Jamshedpur



Dayasagar Rao
Business Head,
railways



Y Narasimha Rao
Business Head,
Steel Products



M. Bhoopal Reddy
Business Head,
Tubes

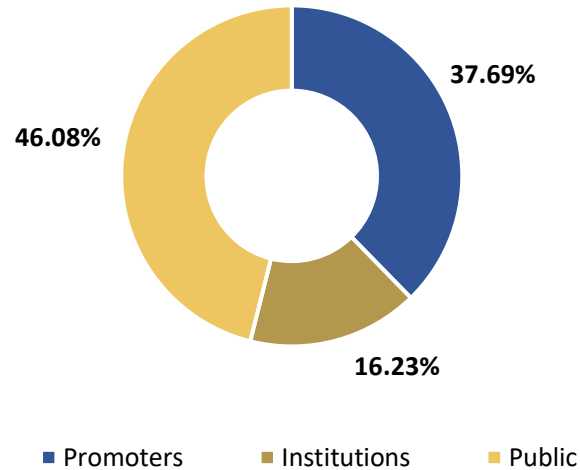


Shiva Kumar K
Business Head,
Industrial Components



K. Chakravarthy
Business head,
Enviro

Shareholding Pattern – As on 30th September 2020



Key Shareholders – As on 30th September 2020

FPI

Saif India IV FI Holdings Limited	8.54%
Franklin India Smaller Companies Fund	6.11%

Source: BSE



Pennar

Thanking You



Pennar

Sunil Kuram

Vice President

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DICKENSON

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