

CAPTAIN POLYPLAST LTD

LEADER IN MICRO IRRIGATION SOLUTIONS

EARNINGS PRESENTATION

Q1-FY21



Step into a **GREEN** future

captain[®]

About the Company:



- Incorporated in 1997, Captain Polyplast Limited (CPL) has established itself as one of the leading brands in the micro irrigation industry with its excellent quality products and strong distribution network.
- CPL has a complete range of micro irrigation solutions with manufacturing facilities at Rajkot (Gujarat) and Kurnool (Andhra Pradesh).
- The company has marketing and distribution network across 16 states in India which cover ~90% of micro irrigation market in India. CPL exports its products to countries in Africa, Latin America and Middle East.
- Market capitalisation of the company is INR 1,778.4 Mn as on 31st July, 2020.

Business Segments:

Drip Irrigation System

Sprinkler Irrigation System

Others (Solar, Water soluble fertilizers)

Polymer marketing (IOCL)

FY20 Financial Performance Highlights:

OPERATIONAL INCOME

INR 1,862 Mn

3 Year CAGR

17.50%

EBITDA

INR 282 Mn

3 Year CAGR

21.70%

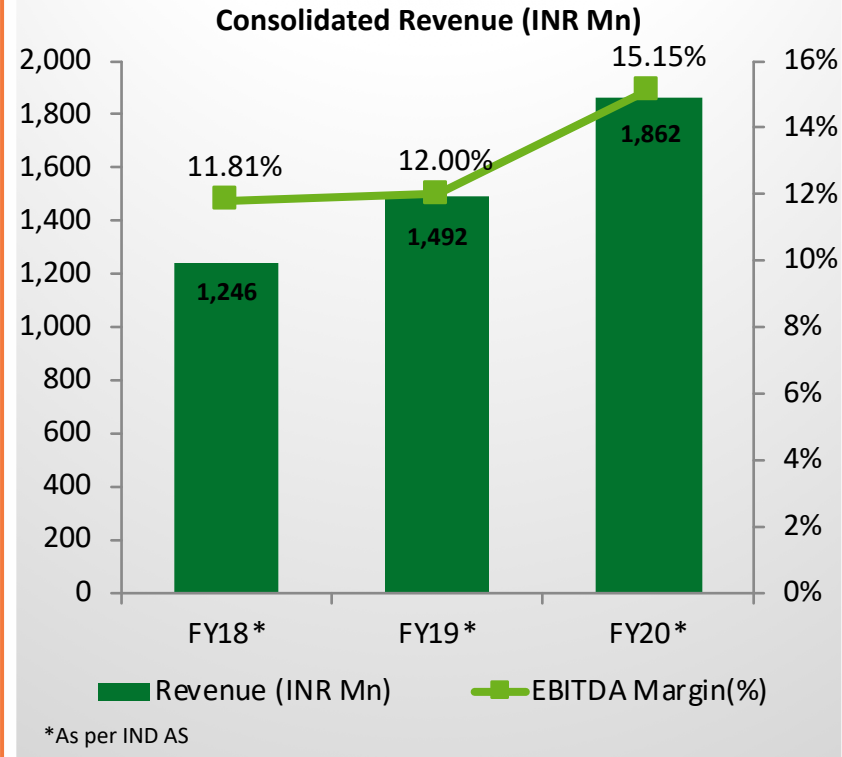
PAT

INR 126 Mn

3 Year CAGR

36.44%

- Captain Polyplast Limited (CPL) is a micro irrigation system solutions provider founded by Mr. Ramesh Khichadia, Chairman and Managing Director, who is a B. Tech (Agriculture Engineering) from Gujarat Agriculture University and has more than 30 years of experience in the Irrigation business.
- The next generation of management includes Ritesh Khichadia. He holds a BTech from IIT Bombay and a PGDM from IIM Lucknow. He has joined the business after 2 years of experience as an investment banker and M&A consultant.
- The company manufactures complete range of micro irrigation systems. They have also added ancillary products like solar pumps, rooftop solar, water soluble fertilizer, etc. selling through existing distribution network. CPL is a channel partner of IOCL for marketing of their polymer products in Gujarat.
- Its manufacturing units are located at Rajkot, Gujarat and Kurnool, Andhra Pradesh.



❑ Q1-FY21 performance (Consolidated)

- **Operational Income** : INR 373 Mn
- **EBITDA** : INR 71 Mn
- **EBITDA Margins** : 19.03%
- **Net Profit** : INR 30 Mn
- **PAT Margins** : 8.04%
- **Diluted EPS** : INR 0.61 per share

❑ Q1-FY21 Operational Highlights:

- Our Q1 FY21 sales was impacted due to the nationwide lockdown to contain COVID-19. Both of the company's plants remained closed for ~20 days of April resulting in no sales.
- Post resuming the operations, the underlying demand of micro irrigation systems has been strong. As a result, we were able to ramp up sales with only a moderate decline in Q1 top line compared to last year.
- Margins improved due to increased utilization at Kurnool plant and favourable RM prices.

Q1-FY21 Consolidated Financial Highlights (IND AS)

| Particulars (INR Mn) | Q1-FY21 | Q1-FY20 | Y-o-Y | Q4-FY20 | Q-o-Q |
|-----------------------------------|---------------|---------------|----------------|---------------|----------------|
| Operational Income | 373 | 372 | 0.3% | 494 | (24.5)% |
| Total Expenses | 302 | 318 | (5.0)% | 421 | (28.3)% |
| EBITDA | 71 | 54 | 31.5% | 73 | (2.7)% |
| EBITDA Margins (%) | 19.03% | 14.52% | 451 Bps | 14.78% | 425 Bps |
| Depreciation | 9 | 10 | (10.0)% | 11 | (18.2)% |
| Finance Cost | 23 | 24 | (4.2)% | 29 | (20.7)% |
| Other Income | 2 | 7 | (71.4)% | 7 | (71.4)% |
| PBT | 41 | 27 | 51.9% | 40 | 2.5% |
| Tax | 11 | 8 | 37.5% | 10 | 10.0% |
| PAT | 30 | 19 | 57.9% | 30 | NA |
| PAT Margins (%) | 8.04% | 5.11% | 293 Bps | 6.07% | 197 Bps |
| Other Comprehensive Income | 1 | 1 | NA | (1) | NA |
| Total Comprehensive Income | 31 | 20 | 55.0% | 29 | 6.9% |
| Diluted EPS (INR) | 0.61 | 0.39 | 56.4% | 0.58 | 5.2% |

Historical Consolidated Income Statement (IND-AS)

| Income Statement (INR Mn) | FY18 | FY19 | FY20 | Q1-FY21 |
|-----------------------------------|---------------|---------------|---------------|---------------|
| Operational Income | 1,246 | 1,492 | 1,862 | 373 |
| Total Expenses | 1,099 | 1,313 | 1,580 | 302 |
| EBITDA | 147 | 179 | 282 | 71 |
| EBITDA Margins (%) | 11.80% | 12.00% | 15.15% | 19.03% |
| Depreciation | 20 | 18 | 42 | 9 |
| Interest | 59 | 73 | 101 | 23 |
| PBT before exceptional items | 68 | 88 | 139 | 39 |
| Extraordinary Items | - | - | - | - |
| Other Income | 16 | 11 | 33 | 2 |
| PBT | 84 | 99 | 172 | 41 |
| Tax | 29 | 27 | 46 | 11 |
| Profit After Tax | 55 | 72 | 126 | 30 |
| PAT Margins (%) | 4.41% | 4.83% | 6.77% | 8.04% |
| Other Comprehensive Income | (7) | 1 | 1 | 1 |
| Total Comprehensive Income | 48 | 73 | 127 | 31 |
| Diluted EPS (INR) | 4.73 | 1.44 | 2.51 | 0.61 |

Note – For Q4-FY19 and FY19 equity shares of face value INR 10 each has been sub divided into five share of face value INR 2 each resulting into outstanding shares equal to 50,378,790 shares

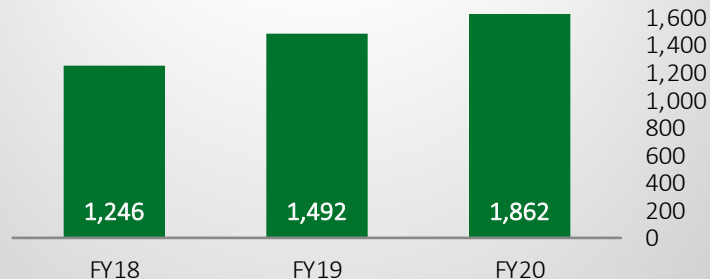
Consolidated Balance Sheet (IND-AS)

| Assets (INR Mn) | FY19 | FY20 | Liabilities (INR Mn) | FY19 | FY20 |
|-------------------------------------------------------|--------------|--------------|--------------------------------------|--------------|--------------|
| Assets | | | Equity and Liabilities | | |
| 1. Non-Current Assets: | | | 1. Equity | | |
| (a) Property, Plant and Equipments | 108 | 168 | Equity Share Capital | 101 | 101 |
| (b) Capital Work in Progress | 72 | - | Other Equity | | |
| (c) Investments accounted for using Equity Method | 10 | 12 | (a) Reserves and Surplus | 305 | 429 |
| (d) Right use of Assets | - | 18 | (b) Other Reserves | - | - |
| Financial Assets | | | Total Equity | 406 | 530 |
| (a) Investments | 38 | 37 | 2. Liabilities | | |
| (b) Loans | - | - | Non-Current Liabilities | | |
| (c) Other Financial Assets | - | - | (a) Borrowings | 70 | 88 |
| Deferred Tax Assets | 1 | 2 | (b) Deferred Tax Liabilities (Net) | - | - |
| Other Non-Current Assets | | | (c) Government Grants | 2 | 2 |
| (a) Long-Term Loans and Advances | 50 | 50 | (d) Other Non-Current Liabilities | - | 19 |
| (b) Other Non-Current Assets | - | - | Total Non-Current Liabilities | 72 | 109 |
| Total Non-Current Assets | 279 | 287 | 3. Current Liabilities | | |
| 2. Current Assets | | | Financial Liabilities | | |
| Inventories | 290 | 326 | (a) Short-Term Borrowings | 490 | 624 |
| Financial Assets | | | (b) Trade Payables | 453 | 667 |
| (a) Trade Receivables | 903 | 948 | (c) Other Financial Liabilities | 70 | 36 |
| (b) Cash and Cash Equivalents | 1 | 2 | Provisions | 1 | 0 |
| (c) Bank Balance other than Cash and Cash Equivalents | 16 | 31 | Employee Benefit Obligations | 6 | 8 |
| Other Current Assets | | | Government Grants | - | - |
| (a) Short-Term Loans and Advances | 119 | 142 | Current Tax Liabilities | 28 | 46 |
| (b) Other Current Assets | 173 | 376 | Other Current Liabilities | 255 | 92 |
| Total Current Assets | 1,502 | 1,825 | Total Current Liabilities | 1,303 | 1,473 |
| Total Assets | 1,781 | 2,112 | Total Equity and Liabilities | 1,781 | 2,112 |

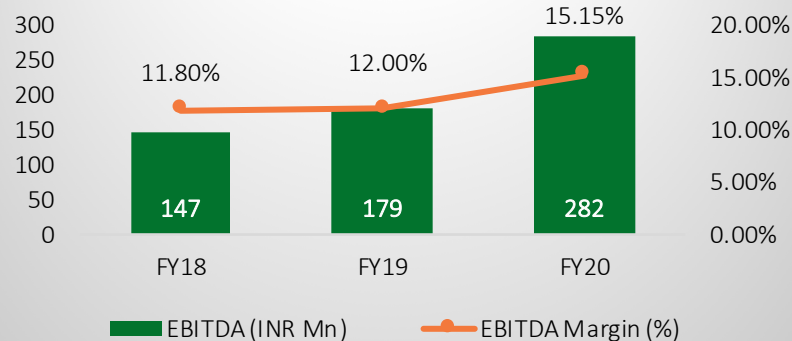
Financial Performance (Consolidated)



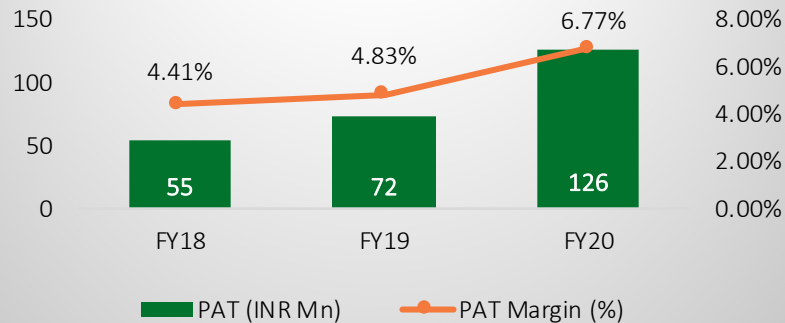
Revenue (INR Mn)



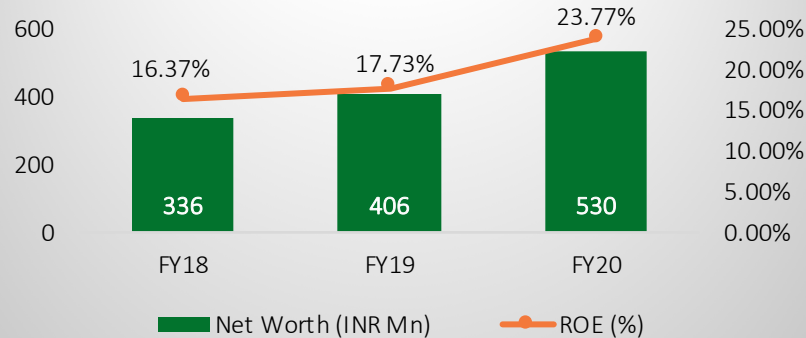
EBITDA (INR Mn) and EBITDA Margins (%)



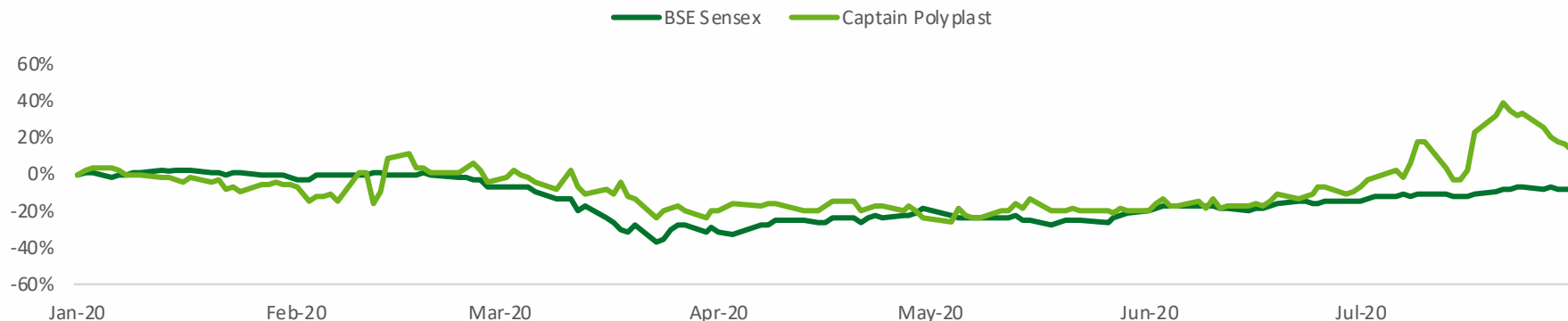
PAT (INR Mn) and PAT Margins (%)



Net Worth (INR Mn) and ROE (%)



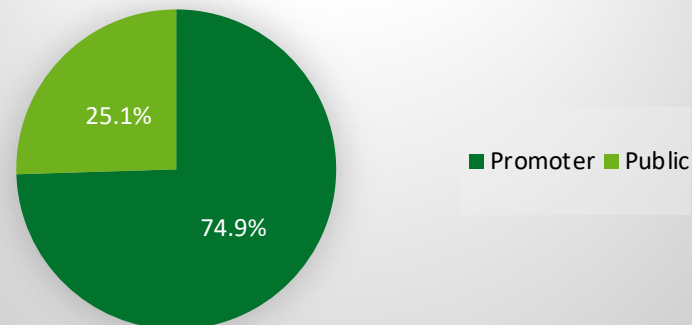
Share Price Performance (As on 31st July, 2020)



Price Data (As on 31st July, 2020)

| | |
|-----------------------------------|-----------|
| Face Value (INR) | 2 |
| Market Price (INR) | 35.3 |
| 52 Week H/L (INR) | 44.2/20.6 |
| Market Cap (INR Mn) | 1,778.4 |
| Equity Shares Outstanding (Mn) | 50.4 |
| 1 Year Avg. Trading Volume ('000) | 54.21 |

Shareholding Pattern (As on 30th June, 2020)



Captain Polyplast Limited

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Thank You