Disclaimer

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
  - Q1FY18: 429.7
  - Q1FY19: 466.5
- EBITDA
  - Q1FY18: 46.3
  - Q1FY19: 45.6
- PAT
  - Q1FY18: 10.7
  - Q1FY19: 13.1
- EBITDA Margin
  - Q1FY18: 9.8%
  - Q1FY19: 10.4%

Standalone (Rs. Crs)
- Net Revenue
  - Q1FY18: 300.0
  - Q1FY19: 342.1
- EBITDA
  - Q1FY18: 27.0
  - Q1FY19: 35.7
- PAT
  - Q1FY18: 6.5
  - Q1FY19: 11.2
- EBITDA Margin
  - Q1FY18: 9.0%
  - Q1FY19: 10.4%
Segment Performance – Q1FY19

**Railways**
- Q1FY18: 41.1
- Q1FY19: 81.3

**Tubes**
- Q1FY18: 54.9
- Q1FY19: 62.5

**Industrial Components**
- Q1FY18: 17.2
- Q1FY19: 22.4

**Steel Products**
- Q1FY18: 179.1
- Q1FY19: 157.7
As a Percentage of Standalone Revenues for Q1FY19

As on 30th June, 2018

- Steel Products 46%
- Railways 24%
- Tubes 18%
- ICD 7%
- Scrap 5%
- Others 5%

Business Mix
Segment Highlights
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 are 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

• 5th 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 30th 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**

**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

- **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

**Ispanpur**
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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