



## PENNAR INDUSTRIES LIMITED

Dated: Thursday November 10<sup>th</sup>, 2016

Place: Hyderabad

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400 001 K.A.: Ms. Ishwari Vaidya	The National Stock Exchange of India Limited Bandra Kurla Complex Bandra East, Mumbai-400 051 K.A.: Ms. Snehal	Metropolitan Stock Exchange Limited Exchange Square, CTS No.255 Suren Road, Andheri (East) Mumbai-400 093 K.A.: Mr. Raviraj Nirbhawane
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Dear Sir/Madam,

Sub : Investor Presentation

Ref: Listing Agreement

BSE Scrip code: 513228 / NSE Symbol: PENIND / MCX Symbol: PENIND

Please refer to our letter dt 9<sup>th</sup> November, 2016, we are submitting the Investor Presentation.

Kindly take the same on your records.

Thanking you

Yours faithfully,

for **Pennar Industries Limited**

**Mirza Mohammed Ali Baig**  
**Company Secretary & Compliance Officer**  
**ACS No 29058**



**Manufacturers of Cold Roll Formed Sections, Cold Rolled Steel Strips, Metal Crash Barriers, Industrial Components, ERW and Precision Tubes, Solar Mounting Structures & Hydraulic Cylinders**

**Corp. Office & Works:** IDA, Patancheru – 502 319, Medak District, Telangana State, INDIA

**Tel:** +91 8455 242184 to 242193, **Fax:** +91 8455 242424 / 242161, **E-mail:** pihyd@bsnl.in, **Website:** www.pennarindia.com

**Regd. Office:** 3<sup>rd</sup> Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad – 500 084.

**Tel:** +91 40 4006 1621 to 24, **Fax:** +91 40 4006 1618

**CIN No: L27109AP1975PLC001919**

# Pennar Industries Limited



## Investor Presentation Q2FY17



# 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.*

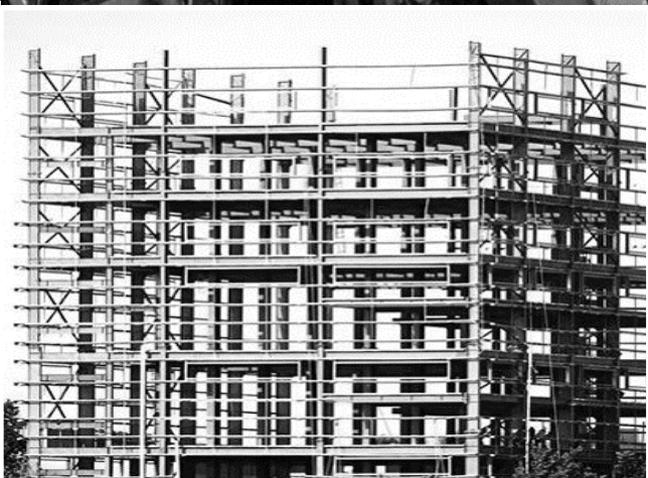
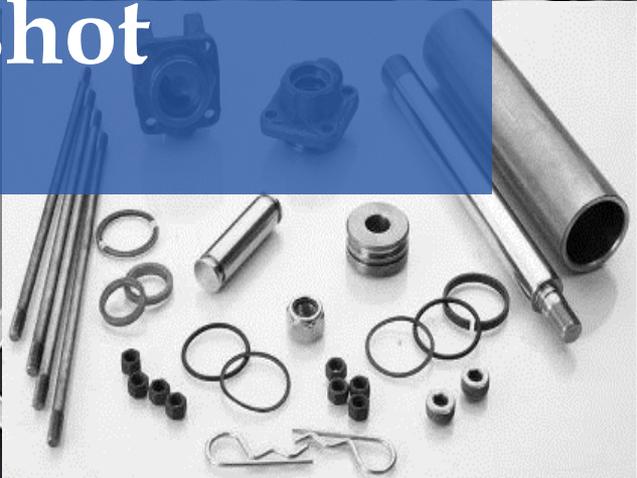
*While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.*

*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.*



# Q2FY17 Snapshot



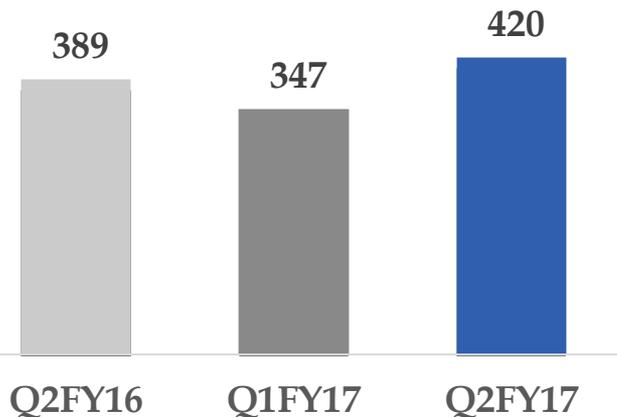
# Financial Performance – Q2FY17



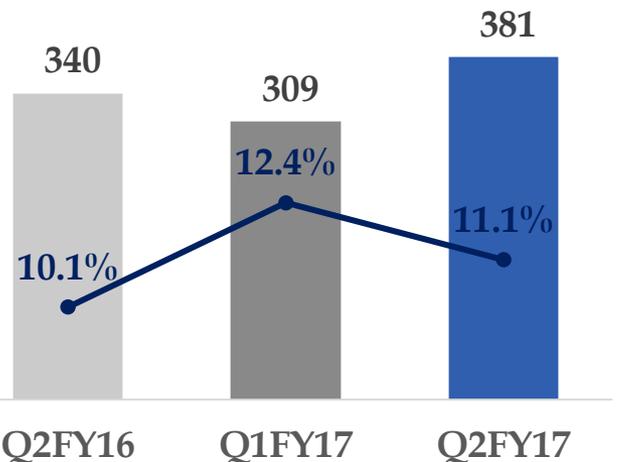
In Rs crs

Consolidated Performance

### Gross Revenues

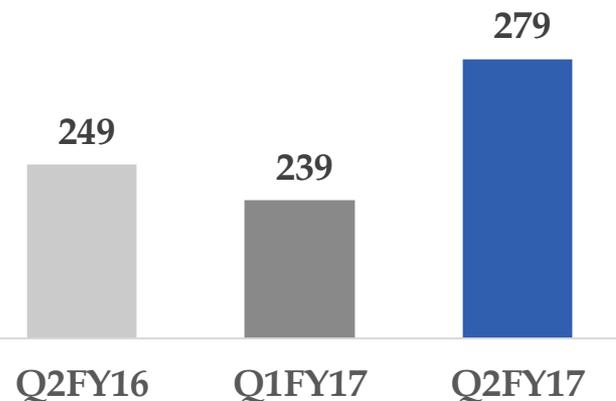


### Net Revenue & EBITDA %

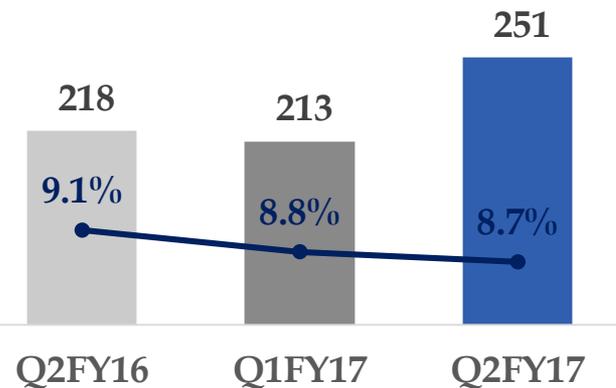


Standalone Performance

### Gross Revenues



### Net Revenue & EBITDA %



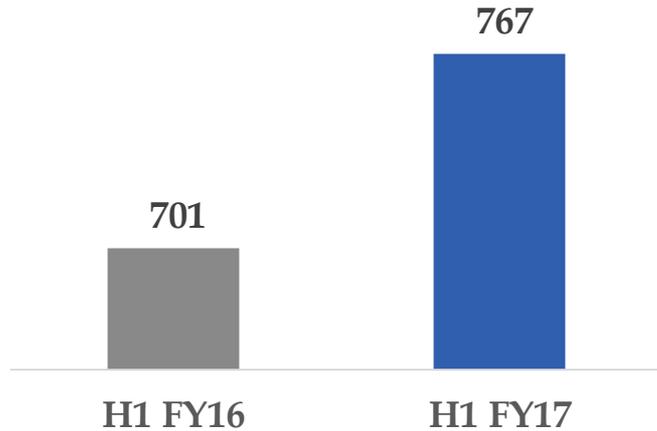
# Financial Performance – H1FY17



*In Rs crs*

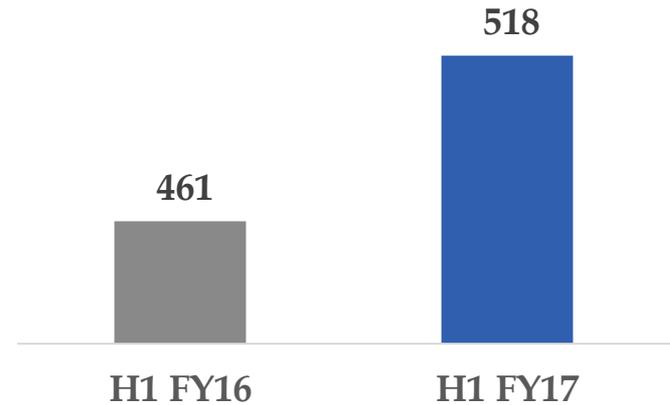
Consolidated Performance

## Gross Revenues

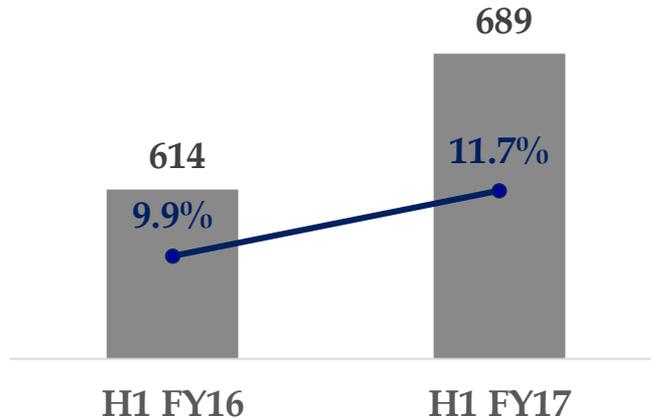


Standalone Performance

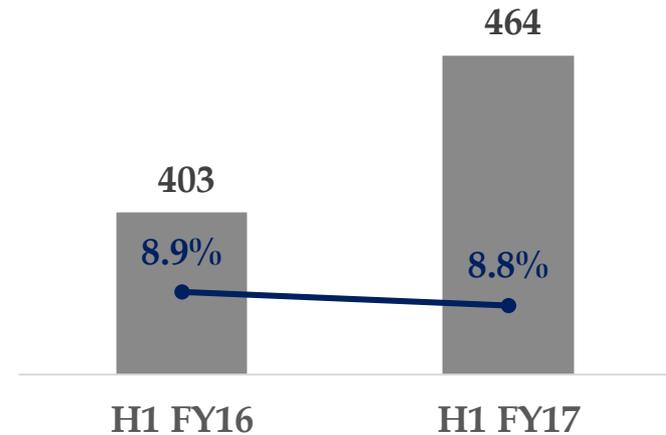
## Gross Revenues



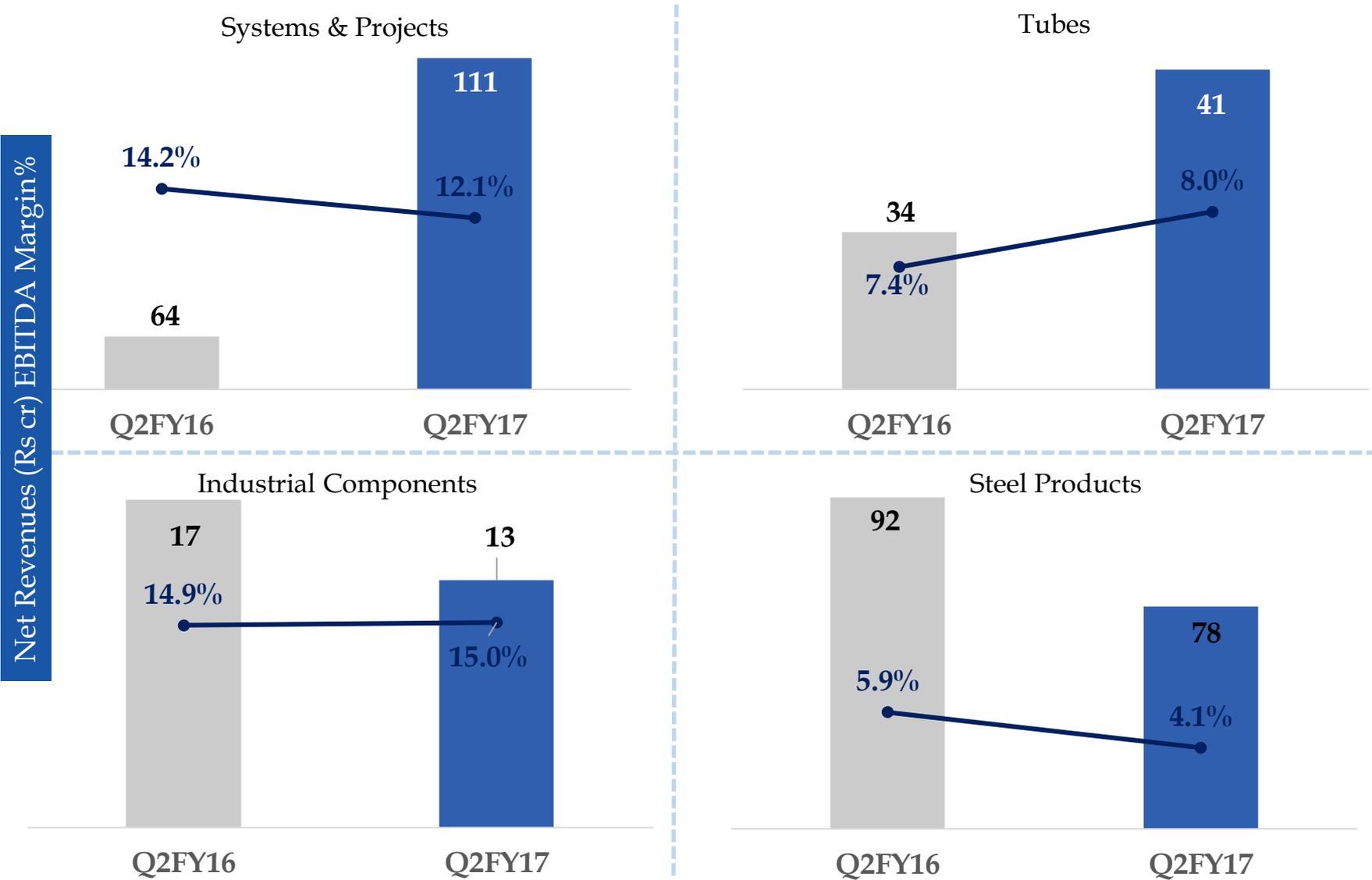
## Net Revenue & EBITDA %



## Net Revenue & EBITDA %



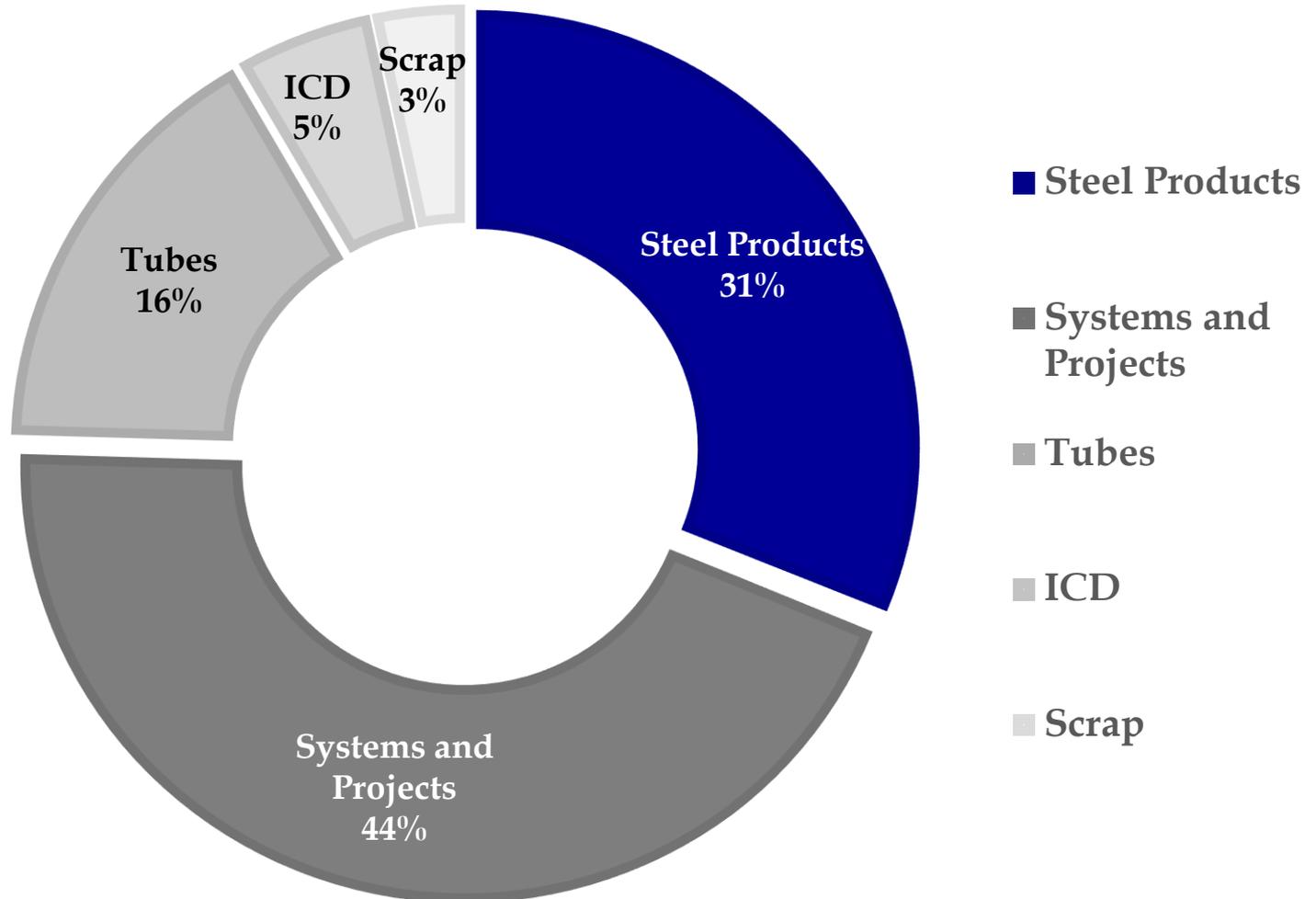
# Segment Performance - Q2FY17



# Evolving Business Mix (1/2)



As of 30<sup>th</sup> September, 2016



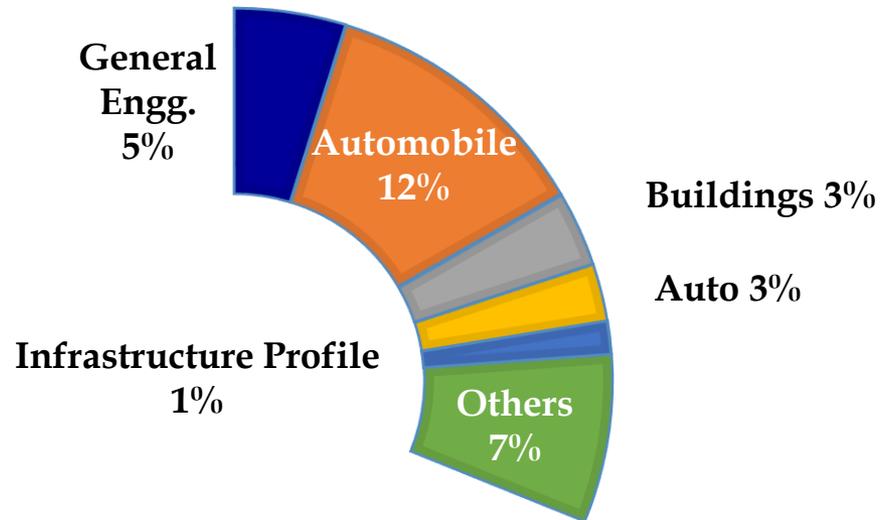
# Evolving Business Mix (2/2)



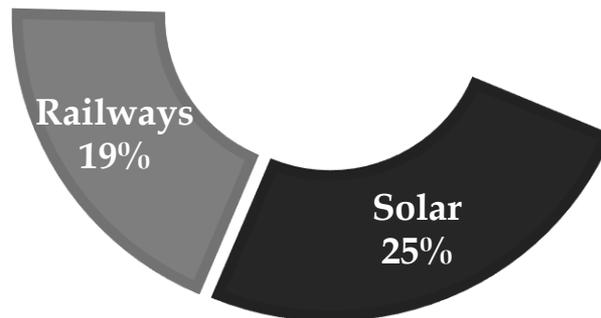
## Tubes\*



## Steel Products\*

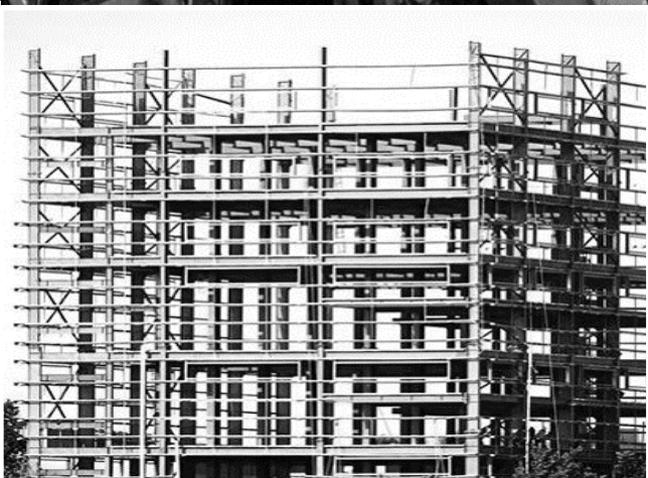


## Systems and Projects\*





# Segment Highlights



# Segment-wise Business Review



## Systems and Projects

**INR 111.2  
crores**  
Q2FY17 Sales

**Railways –  
26 Total  
Customers**

**3 new  
customers in  
Solar**

### Solar

#### Major Customers

Sterling & Wilson, L & T, Mahindra Susten, Nuevosol, Sun Edison, Acme, Sterling & Wilson, Tata Power India

#### Solar Orders Received from

Tata Power, BE Electric, Mytrah Energy, Greenko, Sterling & Wilson

~15 Solar Customers

#### New Solar Customers Added

Greenko, Premier Solar, Mytrah Energy

### Railways

#### New Products

Side Bearer to ICF, Chennai

#### Major Customers

Integral Coach Factory, Modern Coach Factory, Texmaco Rail & Engineering Ltd, Hindustan Engineering India Ltd, Cimmco Ltd, BEML Ltd

First ever order received for manufacturing and supply of Under Frame Complete for LHB Coach from Modern Coach Factory, RaeBareilly.

#### Business Highlights

Supplied coaches of Stainless Steel Sidewall and Roof Assemblies to Integral Coach Factory.

# Segment-wise Business Review



## Tubes

**INR 40.7  
crores**  
Q2FY17 Sales

**255+**  
customers  
(Domestic +  
Export)

**9 New  
customers**

### Major Customers

Auto, Power, General Engineering, Textile, Earth Moving Equipment industries.

VECV, Mahindra, Gabriel, Endurance, Royal Enfield, Magna Closures, Bajaj, Hyundai, TVS, Thermax, Reiter, LMW, ISGEC, Rajwest, Hindalco, Tata Vendors, among others.

### New Customers Added

IFFCO, I.M Gears, Royal Enfield, USAI International, Sourer, SPIC, Aditya Birla, KMA Seating, Kiroskar Toyota Textiles

### Market Expansion

More focus on CDW business. Plant expansion to increase the capacity by 25% is in progress and expected to be up by Mar'17.



# Segment-wise Business Review



**Industrial components**

**15%**  
EBITDA  
Margins

**3**  
New  
Products

**4 New**  
Customers

## Business Performance

White goods showing signs of increase in business

Increased Bailey business in the quarter; further growth with customised cylinder variants

Stabilizing INEL business

Yamaha and Wabco Business gaining traction

White good showing signs of recovery

## Product / Market Expansion

Three new products added

New Opportunities in areas of Printing Roller Business

One new customer added in 260T Link Motion Press



# Segment-wise Business Review



## Steel Products

4  
New  
Products

New  
Customers  
CRFS - 6  
CRSS - 4

31% of total  
Q2FY17 Sales

### CRFS Orders

Energ Engineering, L&T Power, GE, Thermax

Repeat orders from GE, Thermax

### CRSS Orders

Monthly schedule from regular customers. Received orders from Toshiba, IFB Industries, LGB, Luk India.

**Received orders for Special Grade Material** (JMT, KM Seating, Amvian, Promx)

### Major Customers

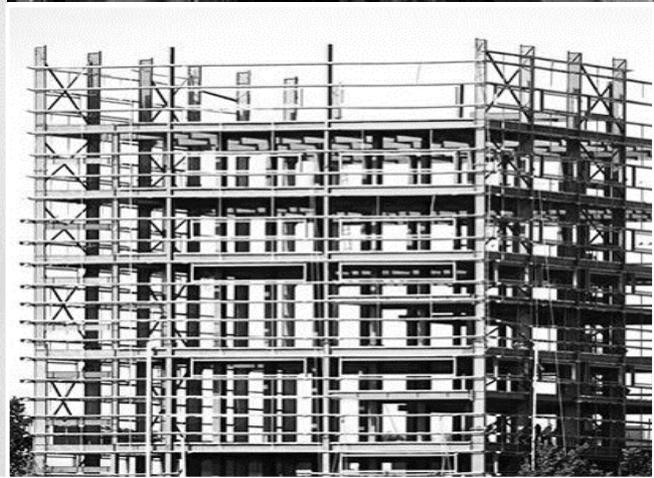
Toshiba , IFB Industries Ltd, LGB, LUK India, Managal Precision, Bimetal, JM Frictech, RG Bronze, KM Seating, Thermax, GE Power, L & T, Ashok Leyland, VECV, Prabha Eng, RV Industries, Raghavendra Auto, Johnson Lifts, Tata Projects, & IVRCL.

CRSS ~100 customers, CRFS ~75 customers





# Subsidiary Highlights



# Group Subsidiaries



Pennar Industries Limited

Market Cap as of 30<sup>th</sup> September – INR 554. 2 Cr



Pennar Engineering Building Systems

Pre-engineered building systems, Roof Top Solar, Solar EPC

Pennar Enviro

Industrial Water Treatment Solutions, Water Treatment Chemicals, Fuel Additives



# Subsidiary Highlights



## Pennar Enviro

4  
New  
Customers

New  
Customers  
Chemicals - 3

### New Customers

Utkal Alumina International, Anjani Tiles Limited, Grasim Bhivani Textiles Limited

### Major Orders

Parry Sugar Refinery India Limited, Sogex Oman India Private Limited, Balaji Paper & Newsprint Private Limited

Repeat orders from Hospira Healthcare India Private Limited, Snehi Engineering

### New Product

Paper Chemical (Sizing Chemical)



# Subsidiary Highlights



## PEBS Pennar

**INR 431  
crore  
Order Book**

**Engineering  
Services  
scaled up well**

**Working  
Capital  
Cycle  
improvement**

### Major Orders

Toyo, Chambal Fertilizers, GMR, Texport, hero Future

### Repeat Orders

Phoenix, RKV Developers, Sterling & Wilson, Malani Foams, Shapoorji & Pallonji

### Business Highlights

Engineering Services Division gaining traction

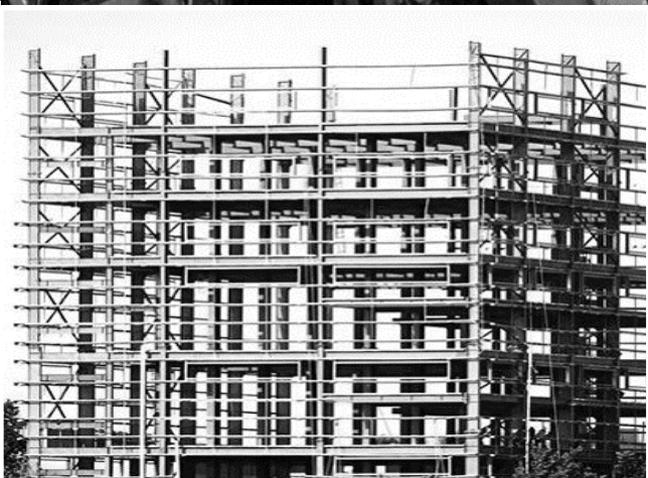
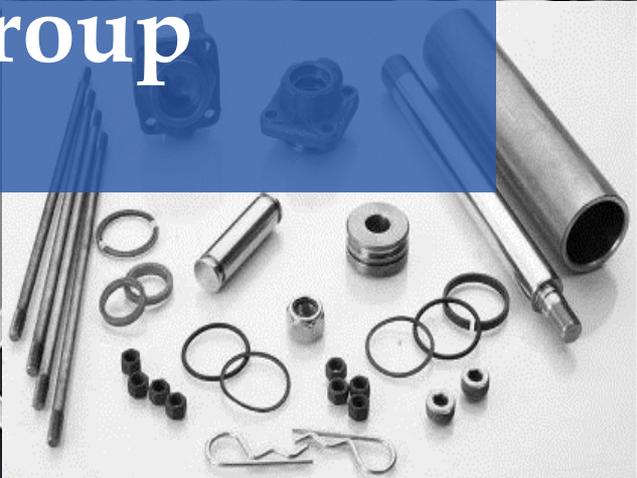
- Healthy growth in Revenue
- New client wins
- Increase in number of billable hours

New capacity at Baroda scaling well



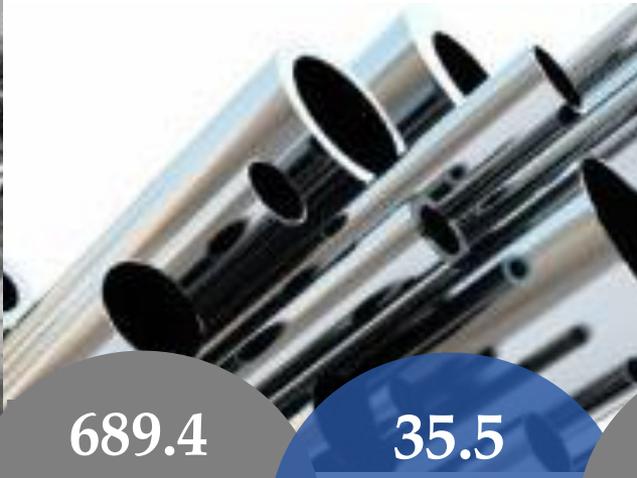


# The Pennar Group





**H1FY17**  
Performance



**689.4**  
**Cr.**  
Net  
Revenue

**35.5**  
**Cr**  
Cash  
Profit



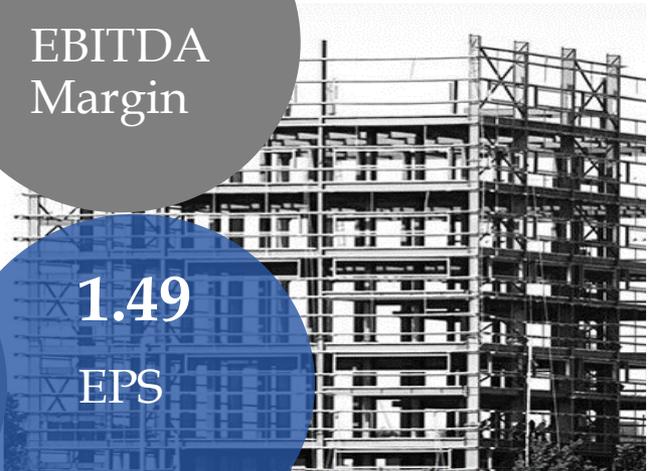
**11.7%**  
EBITDA  
Margin



**80.5**  
**Cr.**  
EBITDA

**2.6%**  
PAT  
Margin

**18 Cr.**  
PAT



**1.49**  
EPS





30

YEARS OF  
EXPERIENCE

1,000

PRECISELY  
ENGINEERED  
PRODUCTS

500

CUSTOMERS

2,500

TOOLS &  
DIES

2,000

EMPLOYEES AND  
GROWING !



# Business Segments

## Steel Products

- Automobiles
- General Engineering
- Infrastructure
- White Goods

## Systems and Projects

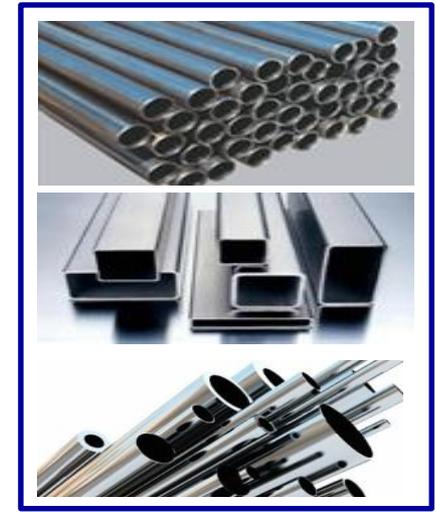
- Railway Coaches and Wagons
- Solar Mounting Structures

## Industrial Components

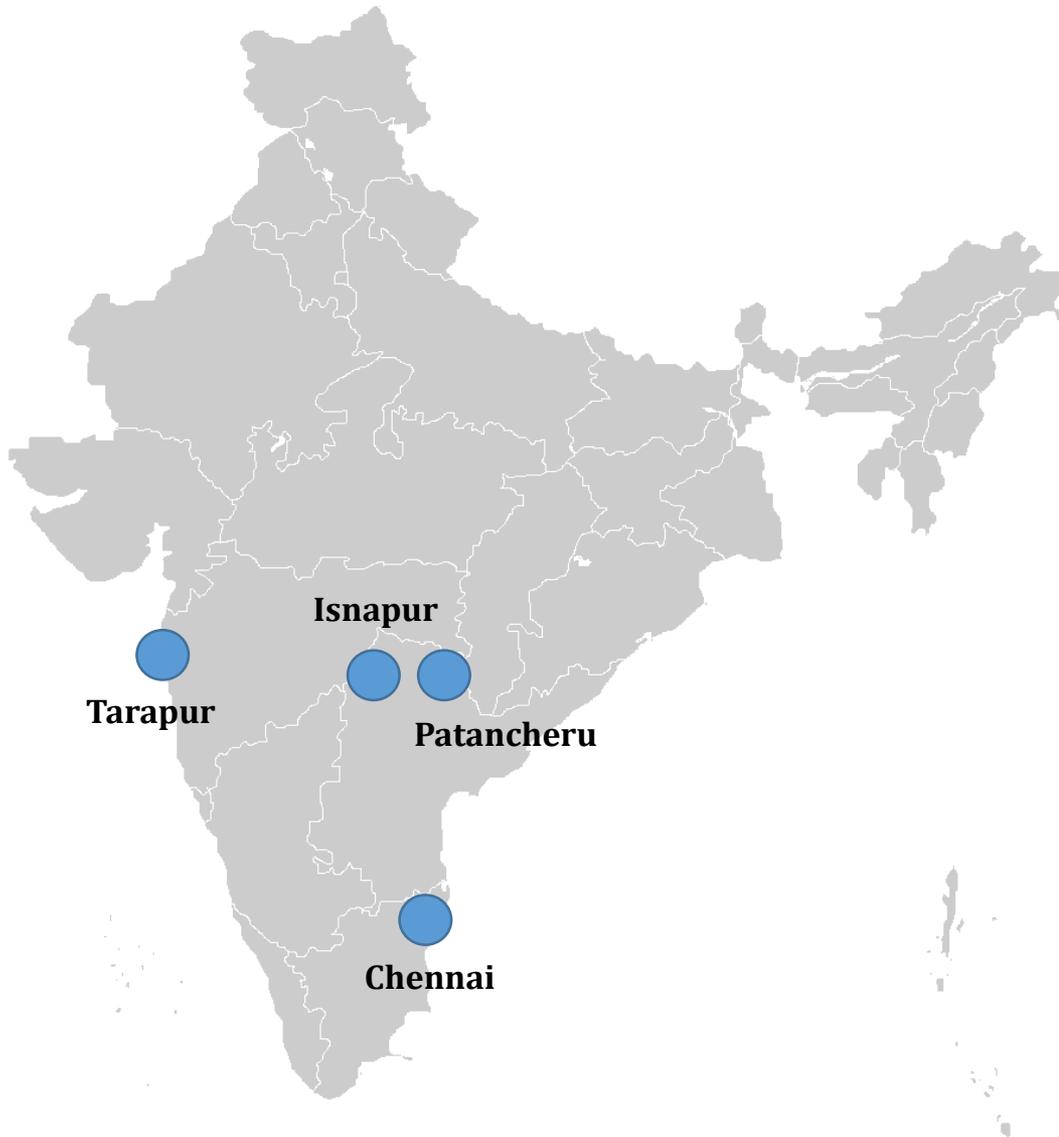
- Automobiles
- Industrial
- White Goods
- Hydraulics

## Tubes

- Automobiles
- Power



# Distributed Manufacturing



## **Tarapur**

Solar, Building Products, Auto Profiles, ESP

## **Chennai**

Coaches, Auto Profiles, Components / Hydraulics, Building Products

## **Patancheru**

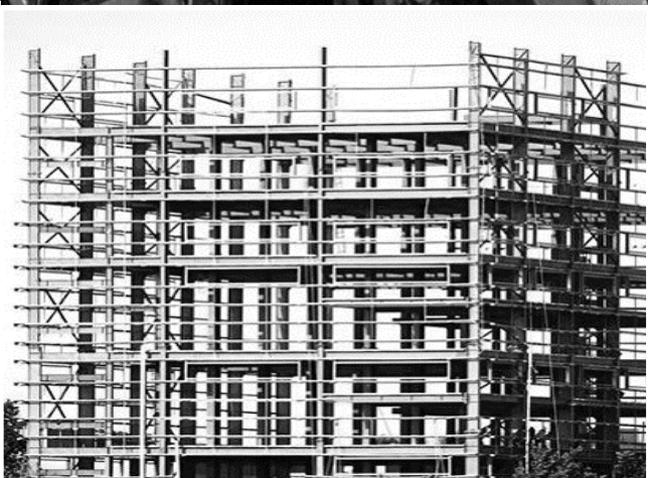
Press Components, Profiles, ESP / Building Products, Sheet Piles / Solar, Railway Components, CRSS, Fabrication

## **Isnapur**

CRSS, ERW / CDW Tubes, Profiles, Solar



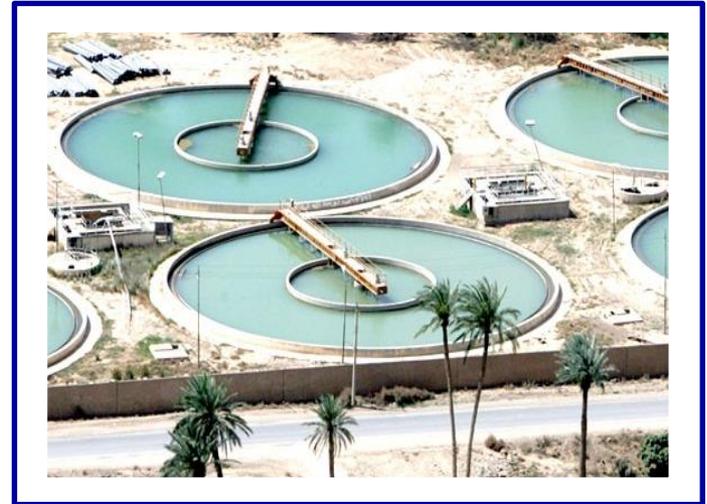
# Projects



# Projects (1/3)



# Projects (2/3)



# Projects (3/3)

## Kongavi Electronics



## Reliance NDC

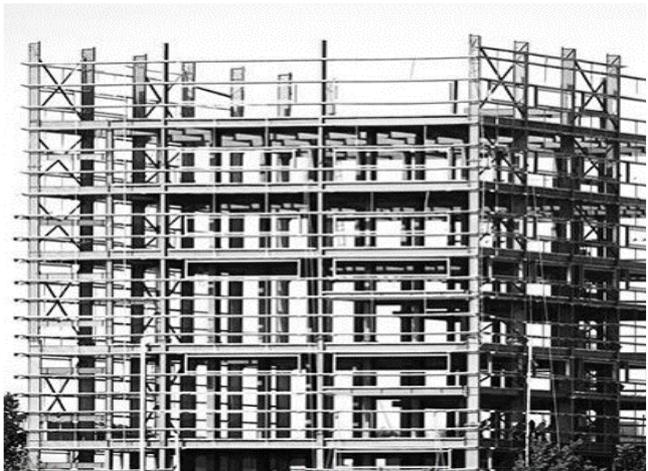


## Pokarana





# Management Team



# 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



***Shreepad Purkar***  
President and CEO  
Pennar Enviro

## Business Heads



***Dayasagar Rao***  
Operations



***Y Narasimha Rao***  
Steel Products



***M. Bhoopal Reddy***  
Tubes



***Shiva Kumar K***  
Industrial Components



# THANK YOU

Contact Details:  
Investor Relations –  
[corporatecommunications@pennarinda.com](mailto:corporatecommunications@pennarinda.com)

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CIN : L27109AP1975PLC 001919

