



PENNAR INDUSTRIES LIMITED

Q3 & 9M FY21 RESULT PRESENTATION

February 2021



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Discussion Summary

- ❖ **Q3 & 9M FY21 Highlights**
- ❖ Company Overview

Q3 & 9M FY21: Consolidated Profit & Loss Statement



Particulars (Rs. in Mn)	Q3 FY21	Q3 FY20	YoY%	9M FY21	9M FY20	YoY%
Revenue From Operations (Net of Taxes)	4,119	5,374	-23%	9,685	16,552	-41.5%
Other Income	47	35	31%	97	157	-38.4%
Total Income	4,166	5,409	-23%	9,782	16,709	-41.5%
COGS	2,477	3,227	-23%	5,792	9,928	-41.7%
Gross Profit	1,689	2,182	-23%	3,990	6,781	-41.2%
Gross Margin %	40.5%	40.3%	21 bps	40.8%	40.6%	21 bps
Employee Expenses	376	454	-17%	1,030	1,306	-21.1%
Other Expenses	938	1,227	-24%	2,391	3,891	-38.5%
EBITDA	375	501	-25%	569	1,584	-64.1%
EBITDA Margin %	9.0%	9.3%	-26 bps	5.8%	9.5%	-366 bps
Depreciation	121	114	7%	364	313	16.3%
Finance Cost	220	226	-3%	615	652	-5.5%
PBT	34	162	-79%	-410	619	-166.2%
Tax expense	7	39	-81%	-102	95	-207.4%
PAT Before MI	27	123	-78%	-307	524	-158.7%
PAT Margin %	0.7%	2.3%	-163 bps	-3.1%	3.1%	-628 bps

- **Robust order book position as on 1st February 2021**

- PEBS Division - Rs. 4,340Mn
- Enviro Division- Rs. 460Mn
- Railways division – Rs. 2,000Mn

- Setting up a Body in White(BIW) plant in Chennai to cater the automobile industry. The first phase of commercial production likely to start in the month of March'21
- Pennar Global Metals, a wholly owned subsidiary of Pennar Global Inc has increased its market share in distribution of tubes and other products in US.
- Ascent Buildings LLC, a wholly owned subsidiary of Pennar Global Inc. is setting up a manufacturing plant in the USA to manufacture and sell metal buildings and building components. Commercial production is expected to start in the first quarter of 2021-22.

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- ❖ **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 * <ul style="list-style-type: none"> Wide range of customised engineering products catering to diverse sectors Strong designing & manufacturing capabilities 		Engineering Solutions** <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

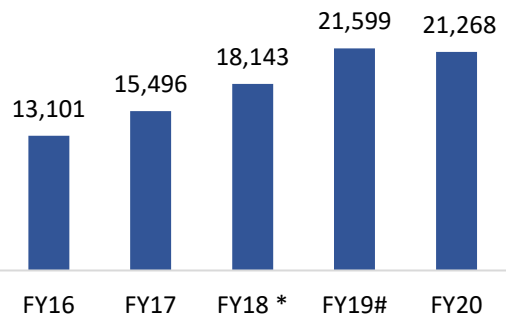


In Rs Mn

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

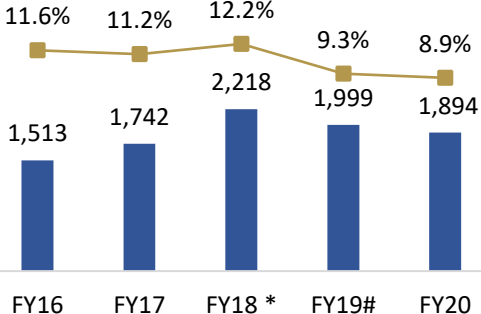
Total Revenues

CAGR: 14.9%



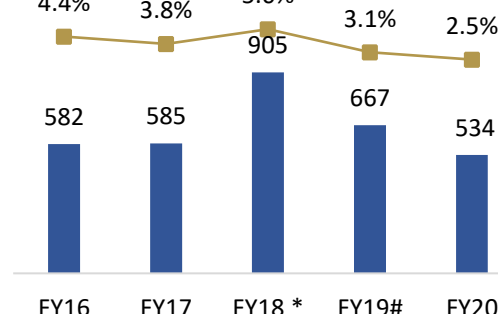
EBITDA & EBITDA Margin

CAGR: 9.3%

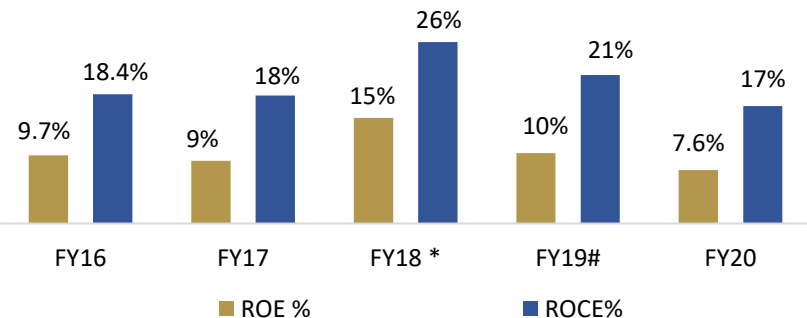


PAT Before MI & PAT Margin

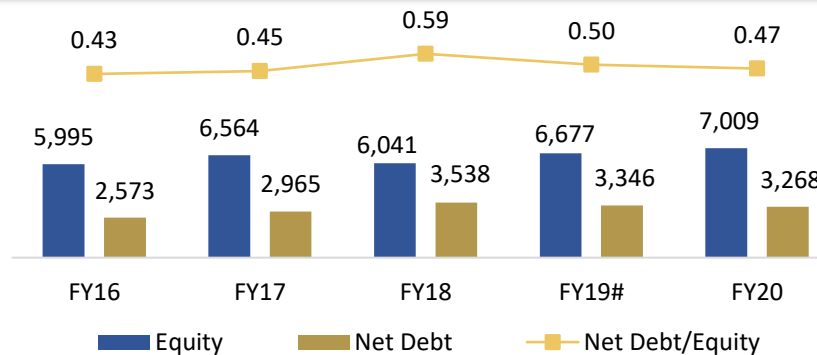
CAGR: 12%



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 & Strong 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, Body in white goods
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



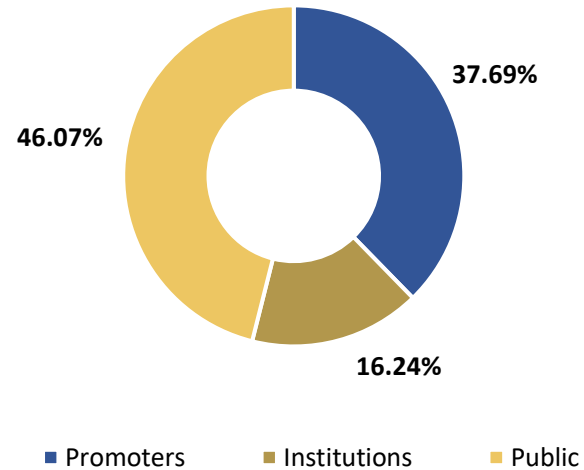
P. V. Rao
Joint Managing
Director



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
 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

Shareholding Pattern – As on 31st December 2020



Key Shareholders – As on 31st December 2020

FPI

Saif India IV FI Holdings Limited	8.54%
Franklin India Smaller Companies Fund	5.97%

Source: BSE



Pennar

Thanking You



Pennar

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DICKENSON

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