



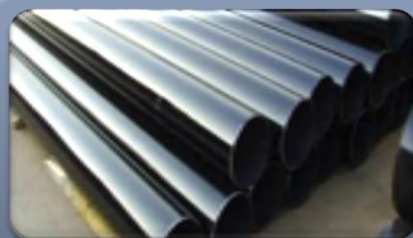
Earnings Presentation – Q1 FY19

Executive Summary



Overview:-

- Man Group, promoted by Mansukhani family in 1970, incorporated its flagship company Man Industries (India) Ltd. in 1988.
- Man Industries (India) Ltd. (MIIL) is one of the largest manufacturer and exporter of large diameter carbon steel line pipes (LSAW and HSAW).
- MIIL has been exporting to various countries like USA & others in Middle East, Africa, S. America, Asia-Pac
- Listed on both BSE and NSE, with a market capitalization of around INR 7.06 Bn (as on 8th August, 2018).



Products:-

- **Longitudinal Submerged Arc Welded Pipes (LSAW):** Diameters ranging from 16" to 56"; maximum Pipe Length-12.20 meters, and a total capacity of 500,000 tonnes p.a.
- **Helically Submerged Arc Welded Pipes (HSAW):** Diameter ranging from 18" to 130", maximum Pipe Length-18 meters, and a total capacity of 500,000 tonnes p.a.
- **Coating:** Internal & External PE, FBE coating, Cement Wet Coating (CWC), Internal blasting & painting.



OUR CLIENTS

Marquee Clients:-

- **Domestic Clients:** GAIL, IOCL, HPCL, BPCL, ONGC, Reliance, Adani, EIL, BHEL, L&T, Petronet India Ltd. and many more.
- **International Clients:** SHELL, Kinder Morgan, Kuwait Oil Company, Hyundai Engineering & Construction Ltd., PetroBangla - Bangladesh, NPCC-Abu Dhabi, PETROBRAS-Brazil and many more.



FY18 Consolidated Financial Performance:-

Total Income* INR 16,643 Mn

EBITDA of INR 1,813 Mn; **EBITDA Margin** at 10.9%

Net Profit INR 635 Mn

* Includes other income

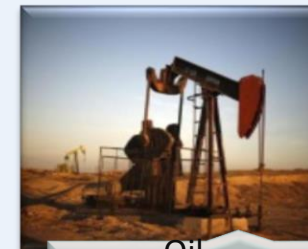
Company Profile

- Incorporated in 1988, Man Industries (India) Ltd. is a flagship company of Man Group, promoted by Mansukhani family.
- The company is one of the largest Manufacturers and Exporters of LSAW and HSAW pipes in India with a Total installed capacity of 1 million tonnes.
- MIIL has two plants: one plant in Anjar, Kutch District of Gujarat and other in Pithampur, Madhya Pradesh, spread over a total of 150 acres.
- Anjar plant facilitates easy transportation to two major ports Kandla and Mundra as well as provides good connectivity to the road network.
- The company has supplied more than 12,000 Kilometers of line pipes across the world.
- MIIL has been a profit making company since inception and also a consistent dividend paying company.
- The company has had an excellent track record of promptly meeting its financial obligations in a timely manner in the toughest market conditions.

Industry Usage



Oil/Gas
Transmission



Oil
Refining/Explora
tion



Water and
Sewage

Business Model

LSAW

500,000
T.P.A

HSAW

500,000
T.P.A

3LPE/FBE
COATING

6.4 Mn
sqm
P.A.

Cement Wet
Coating

1,25,000
cubic mts
P.A.

Q1FY19 Result Highlights - Standalone



Standalone Q1FY19:

(Rs. In Mn.)

Particulars	Q1FY19	Q1FY18	YoY%	Q4FY18	QoQ%	FY18
Revenue*	6,366.5	3,276.2	94.3%	4,977.9	27.9%	16,300.3
EBITDA	665.8	334.3	99.2%	700.8	-5.0%	1,804.6
EBITDA Margin(%)	10.5%	10.2%	25bps	14.1%	-362bps	11.1%
Profit after Tax	250.8	100.7	149.1%	264.3	-5.1%	628.6
PAT Margin (%)	3.9%	3.1%	87bps	5.3%	-137bps	3.9%
EPS (in Rs.)	4.39	1.76	149%	4.63	-5.2%	11.01

- Company has commissioned new 3 LPE production line having capacity of 2.4 Million sq. meter per annum during the quarter ended June 2018.
- Q1FY19 has seen the highest quarterly revenue reported by the company, the company performed very well during this quarter on the back of robust order book.
- Total revenue including other income increased by 94.3% on YoY basis from Rs. 3,276 Million in Q1FY18 to Rs. 6,366 Million in Q1FY19.
- EBITDA increased by 99.2% on YoY basis. EBITDA Margin increased marginally by 26bps from 10.2% in Q1FY18 to 10.5% in Q1FY19
- Finance Cost increased by 83.2% mainly on account of high working capital requirements due to inventory built up for strong order pipeline, use of Non-Fund based facilities for strong bid book and delay in GST refunds.
- Depreciation increased by 11.9% due to Installation of CWC in the second half of previous year and also installation of new production line for 3 LPE during the quarter.
- PAT increased by 149.1% from Rs.101 Million in Q1FY18 to Rs.251 Million in Q1FY19. PAT Margin increased by 86bps from 3.1% in Q1FY18 to 3.9 in Q1FY19.
- As on date company holds strong order book position at approximately Rs.15,000 Million including both domestic and international orders. Bid Book also remains strong at approximately Rs. 1,20,000 Million.
- The company is expecting to end FY19 with Healthy growth.

Standalone Quarterly Financial Performance



Particulars (Rs. In Mn.)	Q1FY19	Q1FY18	YoY%	Q4FY18	QoQ%
Revenue*	6,367	3,276	94.3%	4,978	27.9%
COGS	4,701	2,328	101.9%	3,524	33.4%
Gross Profit	1,666	948	75.7%	1,454	14.6%
Gross Margin(%)	26.2%	28.9%	-278bps	29.2%	-304bps
Employee Benefit Expenses	133	114	16.6%	115	15.7%
Other Expenses	868	500	73.4%	639	35.9%
EBITDA	666	334	99.2%	701	-5.0%
EBITDA Margin(%)	10.5%	10.2%	25bps	14.1%	-362bps
Finance Cost	179	98	83.2%	142	26.3%
Depreciation	110	99	11.9%	97	14.1%
Exceptional item	-	-	-	37	-
PBT	376	138	172.8%	425	-11.5%
Tax	126	37	236.7%	161	-22.0%
Profit after Tax	251	101	149.1%	264	-5.1%
PAT Margin (%)	3.9%	3.1%	87bps	5.3%	-137bps
Other Comprehensive Income	20.7	-3.3	-	11.6	-
Total Comprehensive Income	271.5	97.4	178.7%	275.8	-1.6
EPS (in Rs.)	4.39	1.76	149%	4.63	-5.2%

* Includes Other Income

Standalone Income Statement**



Particulars (INR Mn)	FY15	FY16	FY17	FY18
Total Income *	14,015	14,606	11,346	16,300
Expenses	12,492	12,741	10,149	14,496
EBITDA	1,523	1,865	1,197	1,804
EBITDA Margin	10.9%	12.8%	10.6%	11.1%
Depreciation	425	371	401	392
Finance Cost	457	565	363	430
Exceptional Item	-	-	-	37
PBT	641	929	433	945
Tax	105	69	107	317
PAT	536	860	326	628
PAT Margin	3.8%	5.9%	2.9%	3.8%
Diluted EPS (INR)	9.38	15.06	5.72	11.01

* Includes other income

** Prior to FY16 Financials are based on iGAAP and after FY16 financials are presented under Ind-AS

Standalone Balance Sheet as per Ind-AS

EQUITY & LIABILITIES (INR Mn)	FY16	FY17	FY18
Shareholders' Funds			
Share Capital	286	286	286
Reserves and Surplus	5,408	5,717	6,248
Total Shareholder's Funds	5,694	6,003	6,534
Non Current Liabilities			
Long Term Borrowings	1,909	1,376	990
Deferred Tax Liabilities	390	369	354
Other Non Current Liabilities	52	49	37
Long Term Provisions	18	21	13
Total Non Current Liabilities	2,369	1,815	1,394
Current Liabilities			
Short Term Borrowings	767	2,254	1,804
Trade Payables	2,195	2,117	5,682
Other current financial liabilities	960	1,205	1,216
Other Current Liabilities	420	146	226
Short Term Provisions	50	50	67
Current tax liability	40	15	139
Total Current Liabilities	4,432	5,788	9,134
TOTAL	12,495	13,606	17,062

ASSETS (INR Mn)	FY16	FY17	FY18
Non Current Assets			
Fixed Assets			
Tangible Assets	3,465	3,430	3,554
Capital Work-in-Progress	189	53	630
Non-current Investments	1,235	1,244	1,510
Other Non Current Assets	112	81	594
Total Non Current Assets	5,001	4,808	6,288
Current Assets			
Current Investments	13	9	6
Inventories	1,275	1,089	4,183
Trade Receivables	2,462	3,236	3,670
Cash and Cash Equivalent	1,487	1,183	52
Bank balance other than Cash and Cash equivalent	188	362	612
Short Term Loans and Advances	1,309	1,744	415
Other Financial Assets	122	97	139
Other Current Assets	637	1,078	1,697
Total Current Assets	7,495	8,798	10,774
TOTAL	12,495	13,606	17,062

Consolidated Income Statement**



Particulars (INR Mn)	FY15	FY16	FY17	FY18
Total Income *	13,986	14,591	11,329	16,643
Expenses	12,498	12,721	10,122	14,830
EBITDA	1,488	1,870	1,207	1,813
EBITDA Margin	10.6%	12.8%	10.6%	10.9%
Depreciation	425	371	401	430
Finance Cost	459	565	363	392
Exceptional Items	-	-	-	37
PBT	604	934	443	954
Tax	100	69	107	319
PAT	504	865	336	635
PAT %	3.6%	5.9%	3.0%	3.8%
EPS (Diluted)	8.82	15.39	5.88	11.12

* Includes other income

** Prior to FY16 Financials are based on iGAAP and after FY16 financials are presented under Ind-AS

Consolidated Balance Sheet as per Ind-AS

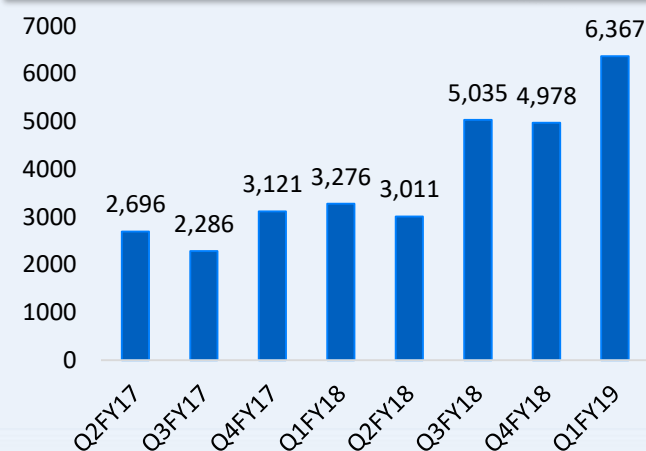
EQUITY & LIABILITIES (INR Mn)	FY16	FY17	FY18
Shareholders' Funds			
Share Capital	286	286	286
Reserves and Surplus	5,378	5,697	6,236
Total Shareholder's Funds	5,664	5,983	6,522
Non Current Liabilities			
Long Term Borrowings	1,909	1,330	990
Deferred Tax Liabilities	390	369	354
Other Non Current Liabilities	52	49	37
Other Non Current financial Liabilities	17	21	13
Total Non Current Liabilities	2,368	1,769	1,394
Current Liabilities			
Short Term Borrowings	767	2,254	1,742
Trade Payables	2,196	2,118	5,685
Other Current financial Liabilities	916	1,182	1,201
Other Current Liabilities	420	192	225
Short Term Provisions	55	51	68
Current tax liability	40	15	139
Total Current Liabilities	4,394	5,812	9,060
TOTAL	12,426	13,564	16,976

ASSETS (INR Mn)	FY16	FY17	FY18
Non Current Assets			
Fixed Assets			
Tangible Assets	3,491	3,456	3,554
Capital Work-in-Progress	189	53	630
Goodwill on consolidation	-	-	-
Non-current Investments	1,228	1,237	1,244
Other Non Current Assets	146	115	628
Total Non Current Assets	5,054	4,861	6,056
Current Assets			
Current Investments	13	9	6
Inventories	1,275	1,089	4,183
Trade Receivables	2,668	3,406	3,827
Cash and Bank Balances	1,678	1,548	667
Short Term Loans and Advances	979	1,476	402
Other Current Assets	759	1,175	1,835
Total Current Assets	7,372	8,703	10,920
TOTAL	12,426	13,564	16,976

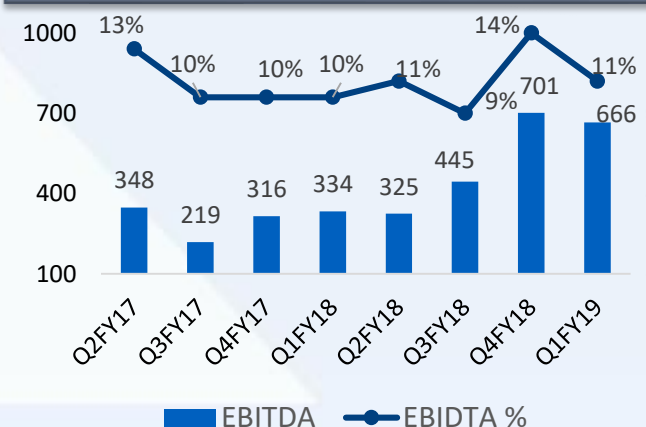
Standalone Quarterly Performance

Particulars (INR Mn)	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19
Total Income*	2,696	2,286	3,121	3,276	3,011	5,035	4,978	6,367
Operating Expense	2,348	2,067	2,805	2,942	2,686	4,590	4,277	5,701
EBITDA	348	219	316	334	325	445	701	666
EBITDA Margin(%)	12.9%	9.6%	10.1%	10.2%	10.8%	8.8%	14.1%	10.5%
Depreciation	98	109	101	98	98	99	97	110
Finance Cost	120	101	69	98	90	101	142	179
Exceptional Items	-	-	-	-	-	-	37	-
Profit Before Tax	130	9	146	138	137	245	425	377
Tax	37	18	33	37	43	75	161	126
PAT	93	27	113	101	94	170	264	251
PAT Margin(%)	3.4%	1.2%	3.6%	3.1%	3.1%	3.4%	5.3%	3.9%
Other Comprehensive Income (Net of Tax)	4	1	(6)	(4)	4	(7)	12	21
Total Income (After Comprehensive income)	97	28	107	97	98	163	276	272

Total Income (INR Mn)



EBITDA & EBITDA Margin (%)



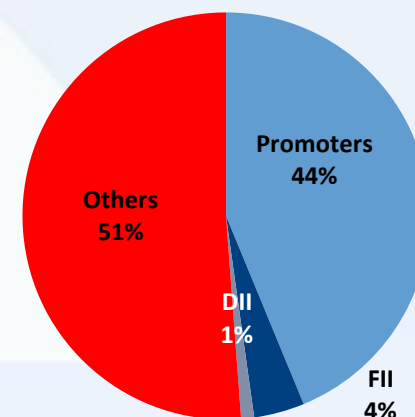
* Includes other income

Capital Market



Price Data (as on 8 th August, 2018)	INR
Face Value	5.0
Market Price	123.6
52 week High/Low	161.0/73.6
Market Cap (INR Mn.)	7,057.6
Equity Shares Outstanding (Mn)	57.1
1 Year Avg. Trading Volume ('000)	625.29

Shareholding Pattern as on 30th June, 2018



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