



# EARNING PRESENTATION

Q3/9M - FY 2022



# EXECUTIVE SUMMARY



## Overview

- Electrosteel Castings Ltd. was incorporated in 1955 and is a pioneer in the manufacturing of Ductile Iron Pipes (DI Pipes) in India.
- The company is headquartered out of Kolkata India, and has three integrated DI manufacturing facilities located in Khardaha and Haldia, West Bengal and Srikalahathi, Andhra Pradesh, and one CI pipes facility in Elavur, Tamil Nadu.
- To consolidate its position in the ductile iron (DI) pipe industry, the boards of Electrosteel Castings (ECL) and its subsidiary company Srikalahasthi Pipes (SPL) approved a scheme of amalgamation, effective from 31st December 2021.
- The company is listed across both NSE and BSE and has a current Market Capitalisation of approximately INR 15.5 Bn as on 31<sup>st</sup> December 2021.

## Business Mix & Capacities

- |   |                                     |                            |
|---|-------------------------------------|----------------------------|
| • Ductile Iron Pipes (DI) – 680,000 TPA | • Coke – 524,000 TPA                | • DI Fittings – 15,800 TPA |
| • Liquid Metal – 650,000 TPA            | • Cement – 99,000 TPA               | • Power Plants – 42.75 MW  |
| • Sinter – 860,000                      | • Cast Iron Pipes (CI) – 90,000 TPA | • Ferro Silicon – 9MVA*3   |

## 9M-FY22 Financial Highlights

Revenue

INR 35,092 mn

EBITDA

INR 4,838 mn

EBITDA Margin

13.79%

Net Profit

INR 2,030 mn

## Clients

- The company caters to various government bodies as well as large marquee public companies in India.
- ECL also has established a strong foothold in the international markets. It caters to a large customer base spread across the Indian subcontinent, South East Asia and the Middle East, Europe, USA, South America and Africa.

# MANUFACTURING FACILITIES



## Electrosteel Castings Ltd

### West Bengal

#### Khardah

DI Pipe – 280,000 MTPA  
Liquid Metal – 250,000 MTPA  
Sinter – 360,000 MTPA  
Power Plant – 3.75 MW  
DI Fittings – 5,000 MTPA

#### Haldia

Power Plant – 17 MW  
DI Fittings – 10,800 MTPA  
Coke – 324,000 MTPA  
Silico Manganese – 9 MVA\*1 (16,260)

### Andhra Pradesh

#### Srikalahasthi

DI Pipe – 400,000 MTPA  
Liquid Metal – 400,000 MTPA  
Sinter – 500,000 MTPA  
Power Plants – 22 MW  
Coke – 200,000 MTPA  
Ferro Silicon – 9 MVA\*2 (16,000)  
Cement – 99,000 MTPA

### Tamil Nadu

#### Elavur

CI Pipe – 90,000 MTPA



---

# Financial Overview



# Q3/9M-FY22 STANDALONE HIGHLIGHTS



## Q3-FY22 Financial Performance\*

<b>INR 14,059 Mn</b> Total Income	<b>INR 1,949 Mn</b> EBITDA	<b>13.86%</b> EBITDA Margin
<b>INR 952 Mn</b> PAT	<b>6.77%</b> PAT Margin	<b>INR 1.60/share</b> EPS

\*Includes other Income

## 9M-FY22 Financial Performance\*

<b>INR 35,092 Mn</b> Total Income	<b>INR 4,838 Mn</b> EBITDA	<b>13.79%</b> EBITDA Margin
<b>INR 2,030 Mn</b> PAT	<b>5.78%</b> PAT Margin	<b>INR 3.41/share</b> EPS

\*Includes other Income

## Q3-FY22 Operational Performance

- The production for the Ductile Iron Pipes for the quarter was 164,173 tonnes as against the production of 162,640 tonnes during the corresponding quarter of the previous year.
- New Blast Furnace of 450 M3 capacity, has been commissioned along with additional facilities in Ductile Iron Pipes Plant on 12th August, 2021 and the production of new Blast Furnace is stabilized.
- Upon commissioning of new Blast Furnace, the capacity of DI Pipe Plant has been increased to 4,00,000 TPA.
- The second phase of increasing the D I Pipes capacity to 5 lakh tonnes per annum is under way.

# STANDALONE QUARTERLY FINANCIAL PERFORMANCE



PARTICULARS (INR Mn)	Q3-FY22	Q3-FY21	Y-o-Y	Q2-FY22	Q-o-Q
<b>Total Income*</b>	<b>14,059</b>	<b>11,265</b>	<b>24.80%</b>	<b>10,868</b>	<b>29.36%</b>
Total Expenses	12,110	9,323	29.89%	9,504	27.42%
<b>EBITDA</b>	<b>1,949</b>	<b>1,942</b>	<b>0.36%</b>	<b>1,364</b>	<b>42.88%</b>
<i>EBITDA Margin (%)</i>	<i>13.86%</i>	<i>17.24%</i>	<i>(338) Bps</i>	<i>12.55%</i>	<i>131 Bps</i>
Depreciation	294	266	10.53%	280	5.00%
Finance Cost	402	532	(24.44)%	379	6.07%
<b>PBT</b>	<b>1,253</b>	<b>1,144</b>	<b>9.53%</b>	<b>704</b>	<b>77.98%</b>
Tax	301	308	-	160	88.13%
<b>PAT</b>	<b>952</b>	<b>836</b>	<b>13.88%</b>	<b>544</b>	<b>75.00%</b>
<i>PAT Margins (%)</i>	<i>6.77%</i>	<i>7.42%</i>	<i>(65) Bps</i>	<i>5.01%</i>	<i>176 Bps</i>
Other Comprehensive Income	2	-	NA	2	NA
<b>Total Comprehensive Income</b>	<b>954</b>	<b>836</b>	<b>14.11%</b>	<b>546</b>	<b>74.73%</b>
Diluted EPS (INR)	1.60	1.41	13.48%	0.91	75.82%

\*Includes other Income

# STANDALONE YTD FINANCIAL PERFORMANCE



PARTICULARS (INR Mn)	9M-FY22	9M-FY21	Y-o-Y
<b>Total Income*</b>	<b>35,092</b>	<b>19,650</b>	<b>78.59%</b>
Total Expenses	30,254	16,863	79.41%
<b>EBITDA</b>	<b>4,838</b>	<b>2,787</b>	<b>73.59%</b>
<b>EBITDA Margin (%)</b>	<b>13.79%</b>	<b>14.18%</b>	<b>(39) Bps</b>
Depreciation	836	527	58.63%
Finance Cost	1,344	1,353	(0.66) %
<b>PBT</b>	<b>2,658</b>	<b>907</b>	<b>NA</b>
Tax	628	202	NA
<b>PAT</b>	<b>2,030</b>	<b>705</b>	<b>NA</b>
<b>PAT Margins (%)</b>	<b>5.78%</b>	<b>3.59%</b>	<b>219 bps</b>
Other Comprehensive Income	6	3	NA
<b>Total Comprehensive Income</b>	<b>2,036</b>	<b>708</b>	<b>NA</b>
Diluted EPS (INR)	3.41	1.49	NA

\*Includes other Income

# HISTORICAL STANDALONE INCOME STATEMENT



PARTICULARS (INR Mn)	FY19	FY20	FY21	9M-FY22
<b>Total Income*</b>	<b>24,547</b>	<b>25,175</b>	<b>31,374</b>	<b>35,092</b>
Total Expenses	20,438	21,213	26,882	30,254
<b>EBITDA</b>	<b>4,109</b>	<b>3,962</b>	<b>4,492</b>	<b>4,838</b>
<b>EBITDA Margin (%)</b>	<b>16.74%</b>	<b>15.74%</b>	<b>14.32%</b>	<b>13.79%</b>
Depreciation	548	528	787	836
Finance Cost	2,254	2,199	1,989	1,344
Exceptional Items	(7,899)	-	-	-
<b>PBT</b>	<b>(6,592)</b>	<b>1,235</b>	<b>1,716</b>	<b>2,658</b>
Tax	(234)	249	406	628
Share of P/L in Associates & JV	-	-	-	-
<b>PAT</b>	<b>(6,358)</b>	<b>986</b>	<b>1,310</b>	<b>2,030</b>
<b>PAT Margin (%)</b>	<b>NA</b>	<b>3.92%</b>	<b>4.18%</b>	<b>5.78%</b>
Other Comprehensive Income	(33)	(1)	258	6
<b>Total Comprehensive Income</b>	<b>(6,391)</b>	<b>985</b>	<b>1,568</b>	<b>2,036</b>
Diluted EPS (INR)	(16.44)	2.36	2.55	3.41

\*Includes other Income



# HISTORICAL STANDALONE BALANCE SHEET

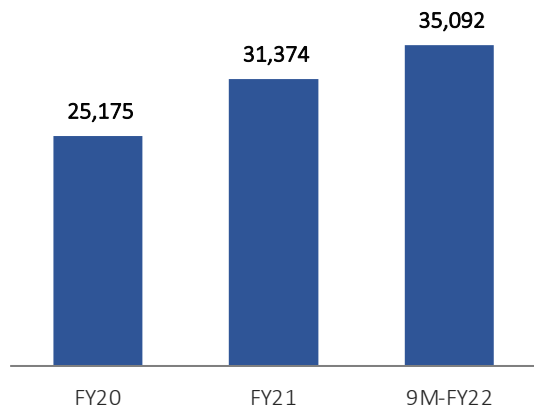


Equity and Liabilities (INR Mn)	FY20	FY21	H1-FY22	Assets (INR Mn)	FY20	FY21	H1-FY22
(A) Share Capital	432	433	433	<b>Non-Current Assets</b>			
(B) Other Equity	25,053	25,614	25,919	(A) Property, Plant & Equipment	16,079	15,887	15,676
<b>Total Equity</b>	<b>25,485</b>	<b>26,047</b>	<b>26,352</b>	(B) Capital Work In Progress	11,654	11,559	11,671
<b>Non-Current Liabilities</b>				(C) Right Of Use Assets	236	231	220
(A) Financial Liabilities:				(D) Intangible Assets	14	14	14
(i) Borrowings	7,013	6,687	5,504	(E) Financial Assets			
(ii) Lease Liabilities	47	35	27	(i) Investments	212	457	420
(B) Provisions	281	290	294	(ii) Other Financial Assets	555	669	352
(C) Deferred Tax Liabilities (Net)	2,426	2,314	2,264	(iii) Loans	132	-	-
(D) Other Non Current Liabilities	534	438	357	(F) Other Non Current Assets	54	50	42
(E) Non-current Tax Liabilities (Net)	516	525	517	(G) Investments in Subsidiaries, Associated & Joint Ventures	5,190	5,190	5,190
<b>Total Non-Current Liabilities</b>	<b>10,817</b>	<b>10,289</b>	<b>8,963</b>	<b>Total Non-Current Assets</b>	<b>34,126</b>	<b>34,057</b>	<b>33,585</b>
<b>Current Liabilities</b>				<b>Current Assets</b>			
(A) Financial Liabilities:				(A) Inventories	6,136	6699	8,159
(i) Borrowings	6,039	7,309	9,151	(B) Financial Assets			
(ii) Lease Liabilities	12	23	23	(i) Trade Receivable	6,378	5385	4,960
(iii) Trade Payables	3,323	3,380	2,921	(ii) Cash And Cash Equivalent	222	375	734
(iv) Other Financial Liabilities	2,601	286	246	(iii) Other Bank Balances	404	505	467
(B) Other Current Liabilities	1,451	2,088	2,572	(iv) Other Financial Assets	1,888	1938	1,912
(C) Provisions	121	117	133	(v) Loans	132	-	-
(D) Current Tax Liabilities (Net)	-	23	77	(C) Other Current Assets	563	603	621
<b>Total Current Liabilities</b>	<b>13,547</b>	<b>13,226</b>	<b>15,123</b>	<b>Total Current Assets</b>	<b>15,723</b>	<b>15,505</b>	<b>16,853</b>
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>49,849</b>	<b>49,562</b>	<b>50,438</b>	<b>GRAND TOTAL – ASSETS</b>	<b>49,849</b>	<b>49,562</b>	<b>50,438</b>

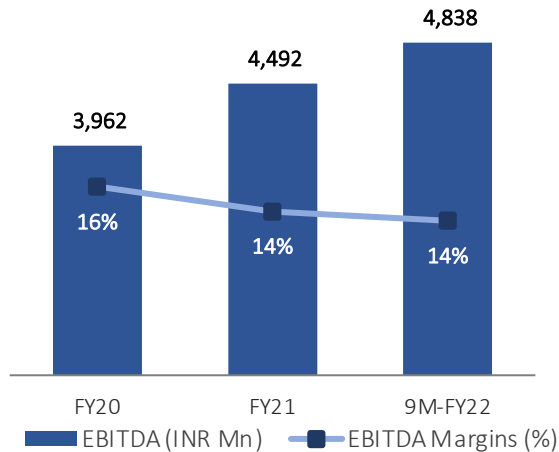
# HISTORICAL STANDALONE FINANCIAL PERFORMANCE



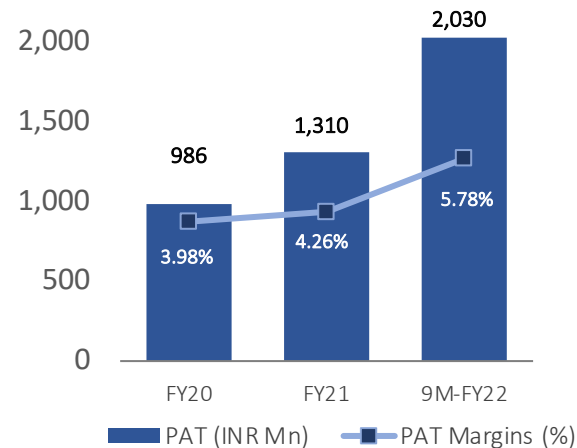
Total Income\* (INR Mn)



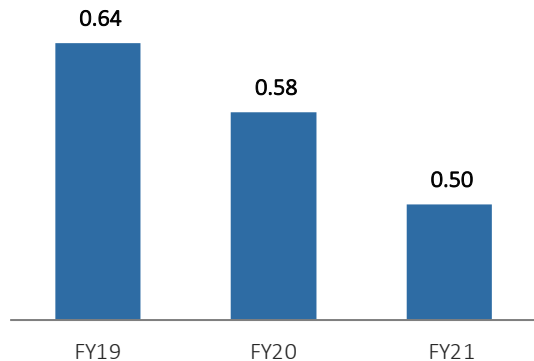
EBITDA (INR Mn) & Margins (%)



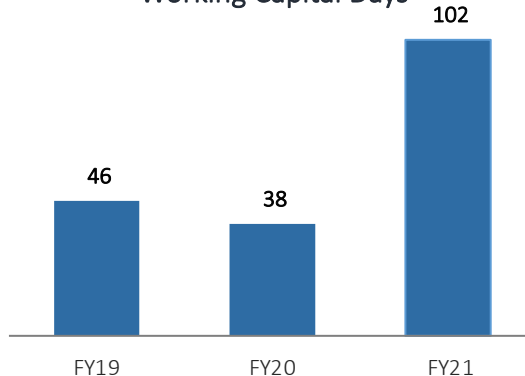
PAT (INR Mn) & Margins (%)



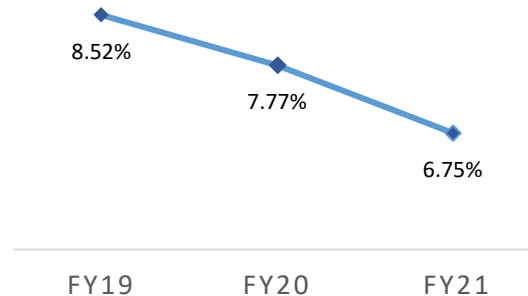
Net D/E (x)



Working Capital Days



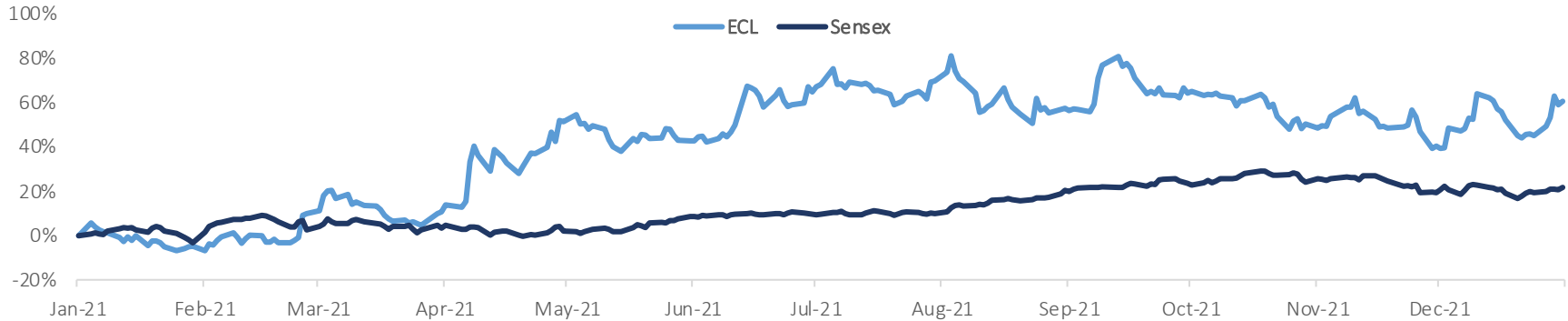
ROCE (%)



\*Includes other Income

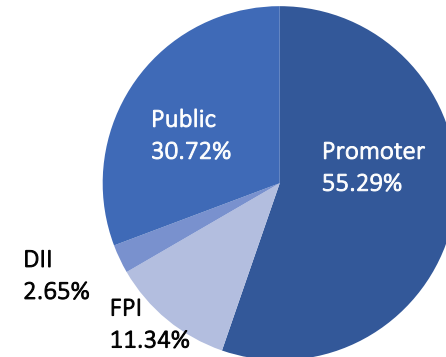


## 1 Year Stock Performance (Up to 31st December, 2021)



Price Data (As on 31 <sup>st</sup> December, 2021)	INR
Face Value	1.00
Current Market Price	36.25
52 Week H/L	44.20/20.90
Market Cap (INR Mn)	15,695
Equity Shares Outstanding (Mn)	433
1 Year Avg. Trading Volume ('000)	1,030

## Shareholding Pattern as on 31<sup>st</sup> December, 2021



# DISCLAIMER



## Electrosteel Castings Ltd.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of **Electrosteel Castings Ltd.** ("Company" or "ECL"), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

## Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review



For further information please contact our Investor Relations Representative:

**Mr. Anuj Sonpal**

**Valorem Advisors**

Tel: +91-22-6673-0036

Email: [info@valoremadvisors.com](mailto:info@valoremadvisors.com)



Thank you

