



*Q4 & FY24 Investor Presentation*



May 2024

*'La Frasnee'* Hydropower Plant Project - France



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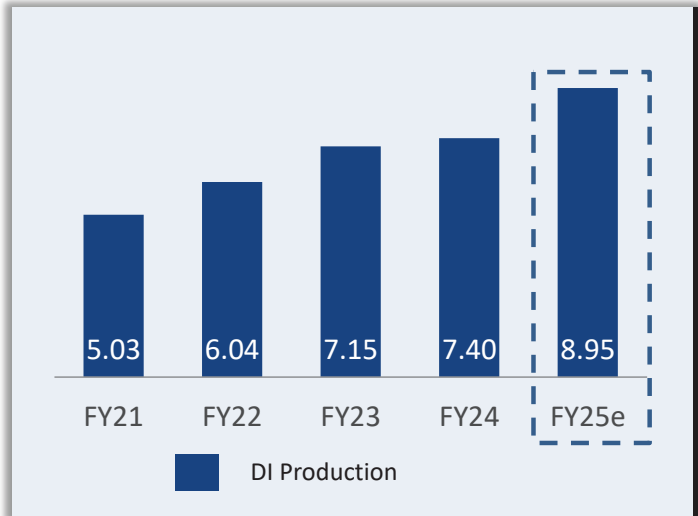




# Investment Rationale

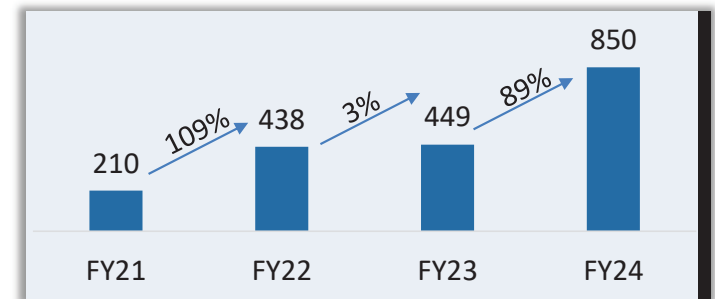


## Production (in Lakh MT) & Planned Capex

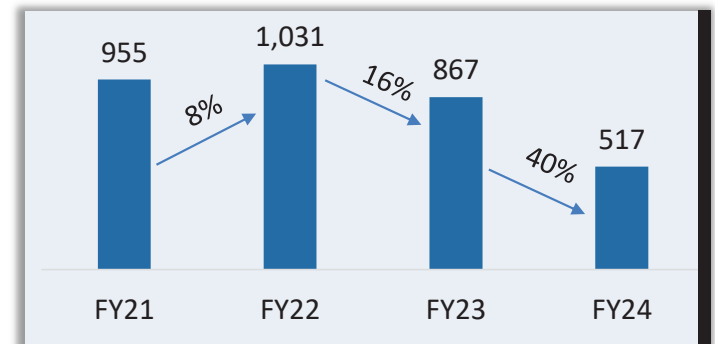


Capex aided by Cash Flows along with Reduction in Debt

## Cash Profit (PAT + Depreciation) (INR Crore)



## Long Term Debt (INR Crore)



### Capacity Expansion Update:

- INR 650 Crore Capex Plan to enhance capacity to 8,95,000 TPA in FY25 on track.
- Spent ~INR 390 Crores on Capex till FY24

*Maintaining Leadership Status with Robust Cash Flows and Reducing Debt Resulting Strong Balance Sheet*



## Consolidated Financial Highlights

- Revenues at INR 7,580 Crores, Highest ever yearly EBITDA and PAT at INR 1,281 Crores and INR 740 Crores, respectively in FY24
- EBITDA margin and PAT margin at 16.9% and 9.8%, respectively in FY24
- Adjusted FY24 ROCE at 19.0% (FY23 - 13.0%) and ROE at 19.3% (FY23 - 11.2%)
- Strong Order Book visibility of 10 months



## Credit Rating

- Long Term: CRISIL/IndiaRatings AA-/ Stable (Reaffirmed)
- Short Term: CRISIL/IndiaRatings A1+ (Reaffirmed)
- Comfortable Net Debt-Equity at 0.34:1 as on 31.03.2024 (0.48:1 as on 31.03.2023) despite ongoing Capex



## Dividend History

- Consistently rewarding stakeholders with dividend
- FY24: INR 1.40 (140% of Face Value-including interim dividend of INR 0.50)
- FY23: INR 0.90 (90% of Face Value)
- FY22: INR 0.80 (80% of Face Value)
- FY21: INR 0.25 (25% of Face Value)



## Establishing a Niche Play

- Promoters Expertise of almost Seven Decades
- First to set up Ductile Iron (DI) Pipe plant in India
- India's one of the Largest Integrated DI Pipe Manufactures. Manufactured ~7,47,000 TPA in FY'24
- Amongst the World's Leading Water Infra Solutions Providers with a Strong Brand Recall



## Manufacturing Excellence & Global Presence

- 5 Multi-locational Strategic State-of-Art Facilities
- Strong Domestic Presence and Exports to 110+ Countries across 5 Continents



## ESG Initiatives

- Treats and utilises sewage water of Tirupati Municipal Corporation thereby conserving natural water resources
- Captive power plant generating power from waste heat gases
- Promotion of Recycle, Reuse, Reprocess, Reduction in Operations
- Felicitating those who have carried out exemplary work in the water space and impacted life for the better future through 'Jal Sewak Sanman'



# Financial Highlights



Particulars (in INR Crores)	Q4FY24	Q4FY23	YoY	Q3FY24	QoQ	FY24	FY23	YoY
<b>Total Income</b>	<b>2,039</b>	<b>1,909</b>	<b>6.8%</b>	<b>1,892</b>	<b>7.7%</b>	<b>7,580</b>	<b>7,360</b>	<b>3.0%</b>
Cost of Goods Sold	990	1,038	(4.7%)	856	15.6%	3,757	3,989	(5.8%)
<b>Gross Profit</b>	<b>1,049</b>	<b>870</b>	<b>20.5%</b>	<b>1,036</b>	<b>1.2%</b>	<b>3,823</b>	<b>3,372</b>	<b>13.4%</b>
<i>Gross Profit margin</i>	<i>51.4%</i>	<i>45.6%</i>	<i>585 bps</i>	<i>54.8%</i>	<i>(332 bps)</i>	<i>50.5%</i>	<i>45.8%</i>	<i>462 bps</i>
Employee Expenses	117	105	11.2%	121	(3.7%)	477	430	10.9%
Other Expenses	587	537	9.3%	486	20.7%	2,065	2,119	(2.5%)
<b>EBITDA*</b>	<b>346</b>	<b>229</b>	<b>50.9%</b>	<b>429</b>	<b>(19.5%)</b>	<b>1,281</b>	<b>822</b>	<b>55.7%</b>
<i>EBITDA margin</i>	<i>17.0%</i>	<i>12.0%</i>	<i>495 bps</i>	<i>22.7%</i>	<i>(573 bps)</i>	<i>16.9%</i>	<i>11.2%</i>	<i>572 bps</i>
Depreciation	34	31	11.6%	30	15.7%	125	121	2.7%
<b>EBIT*</b>	<b>311</b>	<b>198</b>	<b>57.0%</b>	<b>400</b>	<b>(22.1%)</b>	<b>1,156</b>	<b>701</b>	<b>64.9%</b>
Finance Cost	52	77	(33.3%)	53	(3.0%)	219	286	(23.5%)
<b>EBT*</b>	<b>260</b>	<b>121</b>	<b>114.6%</b>	<b>346</b>	<b>(25.0%)</b>	<b>937</b>	<b>415</b>	<b>125.6%</b>
Tax	33	32	3.4%	83	(60.7%)	197	99	98.8%
<b>PAT</b>	<b>227</b>	<b>89</b>	<b>153.8%</b>	<b>263</b>	<b>(13.8%)</b>	<b>740</b>	<b>316</b>	<b>134.1%</b>
<i>PAT margin</i>	<i>11.1%</i>	<i>4.7%</i>	<i>645 bps</i>	<i>13.9%</i>	<i>(278 bps)</i>	<i>9.8%</i>	<i>4.3%</i>	<i>547 bps</i>
<b>Diluted EPS (in INR)</b>	<b>3.69</b>	<b>1.50</b>	<b>146.0%</b>	<b>4.40</b>	<b>(16.1%)</b>	<b>12.30</b>	<b>5.31</b>	<b>131.6%</b>

- EBITDA grew by 50.9% YoY to INR 346 Crores in Q4FY24, the EBITDA margin expanded by 495 bps YoY to 17.0%.
- Highest ever PAT of INR 227 Crores, up by 153.8% YoY in Q4FY24, PAT margin expanded by 645 bps YoY to 11.1%.
- Decline in interest cost by 33.3% during the quarter.

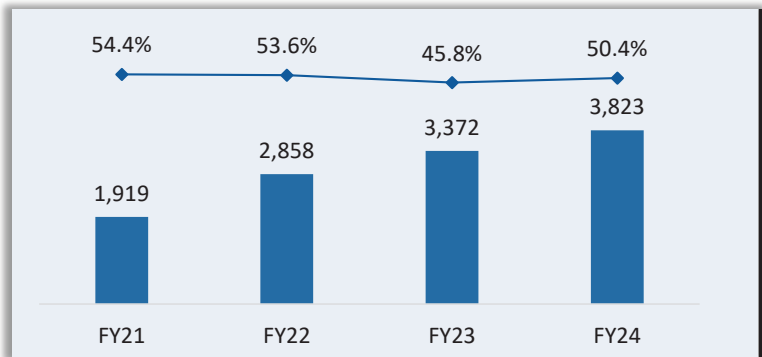
\*Q4 Includes major renovation and repair work of INR 60 Crores (approx.) at Company's Khardah Plant which was under maintenance shutdown for 53 days



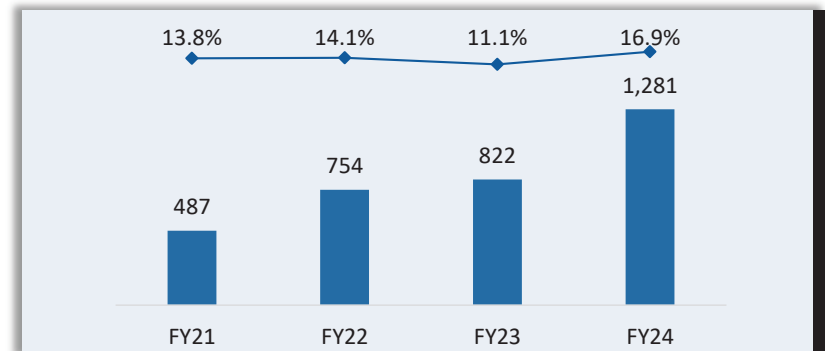
Equity and Liabilities (in INR Crores)	FY23	FY24
Share Capital	59	62
Other Equity	4,325	5,052
<b>Total Equity</b>	<b>4,384</b>	<b>5,114</b>
Borrowings	737	418
Deferred Tax Liabilities	320	305
Other Non-Current Liabilities	136	372
<b>Non-Current Liabilities</b>	<b>1,193</b>	<b>1,095</b>
<b>Current Liabilities</b>		
Borrowings	1,892	1,849
Trade Payables	587	548
Other Current Liabilities	463	502
<b>Total Current Liabilities</b>	<b>2,942</b>	<b>2,899</b>
<b>Total Equities and Liabilities</b>	<b>8,519</b>	<b>9,108</b>

Assets (in INR Crores)	FY23	FY24
<b>Non Current Assets</b>		
Plant, Property and Equipment	2,668	2,842
Capital Work in Progress	1,302	1,229
Other Non-Current Assets	235	461
<b>Total Non Current Assets</b>	<b>4,205</b>	<b>4,532</b>
<b>Current Assets</b>		
Inventories	2,269	2,273
Trade Receivables	1,056	1,365
Cash & Cash Equivalents & Other Bank Balances	412	400
Investments	95	144
Other Current Assets	482	394
<b>Total Current Assets</b>	<b>4,314</b>	<b>4,576</b>
<b>Total Assets</b>	<b>8,519</b>	<b>9,108</b>

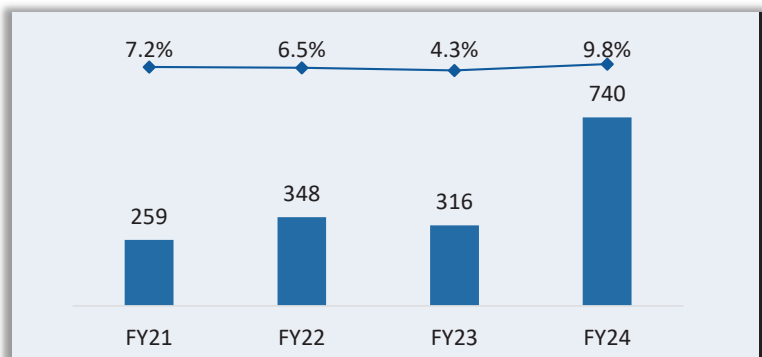
## Gross Profit (in INR Crores) & Gross Margin (%)



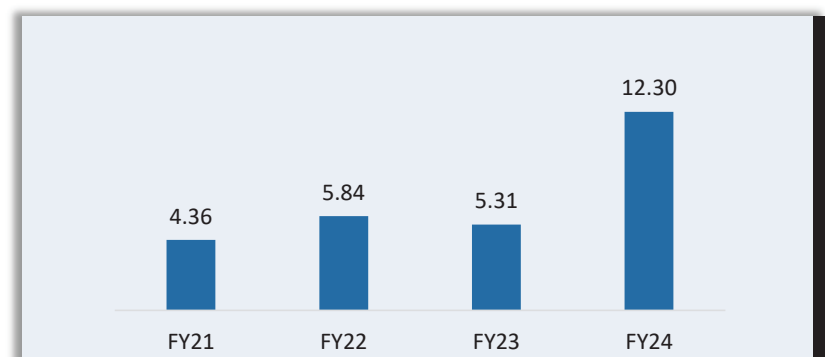
## EBITDA (in INR Crores) & EBITDA Margin (%)



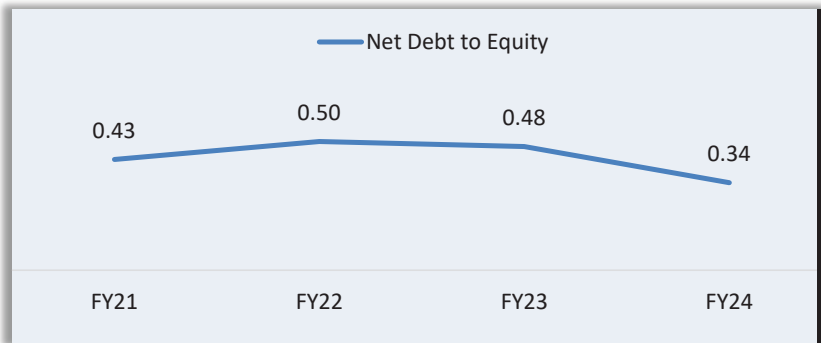
## PAT (in INR Crores) & PAT Margin (%)



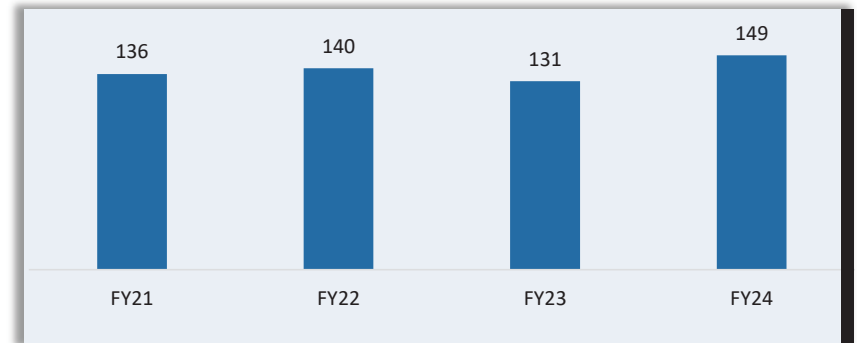
## Earnings Per Share (in INR)



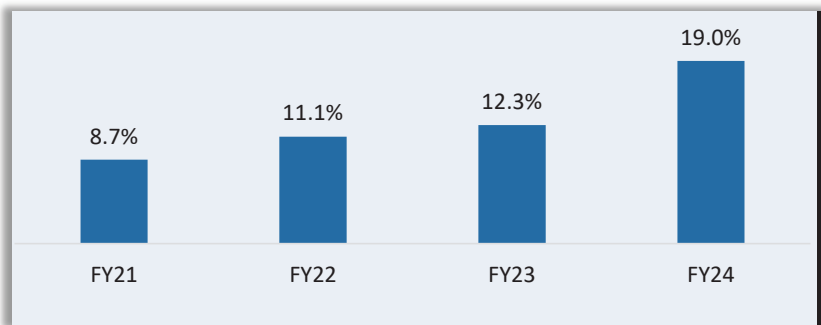
## Net Leverage Analysis



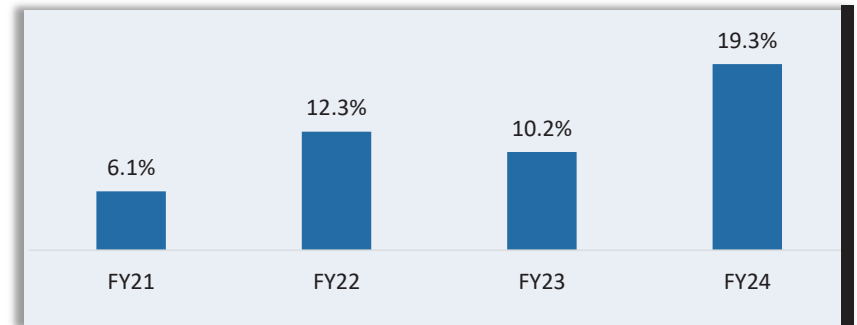
## Working Capital Analysis (in Days)



## Adjusted Return on Capital Employed\*



## Adjusted Return on Equity\*



\* Adjusted for coking coal mine compensation claim due

Particulars (in INR Crores)	Q4FY24	Q4FY23	YoY	Q3FY24	QoQ	FY24	FY23	YoY
<b>Total Income</b>	<b>1,812</b>	<b>1,786</b>	<b>1.5%</b>	<b>1,814</b>	<b>(0.1%)</b>	<b>7,044</b>	<b>7,013</b>	<b>0.4%</b>
Cost of Goods Sold	862	1,012	(14.8%)	875	(1.5%)	3,559	3,964	(10.2%)
<b>Gross Profit</b>	<b>949</b>	<b>774</b>	<b>22.7%</b>	<b>939</b>	<b>1.1%</b>	<b>3,485</b>	<b>3,049</b>	<b>14.3%</b>
<i>Gross Profit margin</i>	52.4%	43.3%	907 bps	51.8%	64 bps	49.5%	43.5%	600 bps
Employee Expenses	99	87	14.0%	97	1.7%	393	358	9.7%
Other Expenses	532	453	17.2%	429	23.8%	1,846	1,872	(1.4%)
<b>EBITDA*</b>	<b>319</b>	<b>233</b>	<b>36.7%</b>	<b>412</b>	<b>(22.7%)</b>	<b>1,246</b>	<b>819</b>	<b>52.1%</b>
<i>EBITDA margin</i>	17.6%	13.1%	453 bps	22.7%	(515 bps)	17.7%	11.7%	601 bps
Depreciation	30	28	5.5%	28	6.4%	114	114	0.3%
<b>EBIT*</b>	<b>289</b>	<b>205</b>	<b>40.9%</b>	<b>385</b>	<b>(24.9%)</b>	<b>1,132</b>	<b>705</b>	<b>60.5%</b>
Finance Cost	46	72	(36.2%)	50	(7.4%)	202	272	(25.9%)
<b>EBT*</b>	<b>243</b>	<b>133</b>	<b>82.9%</b>	<b>335</b>	<b>(27.5%)</b>	<b>930</b>	<b>433</b>	<b>114.8%</b>
Tax	24	31	(23.2%)	83	(70.8%)	194	98	97.6%
<b>PAT</b>	<b>219</b>	<b>101</b>	<b>115.8%</b>	<b>252</b>	<b>(13.2%)</b>	<b>736</b>	<b>335</b>	<b>119.9%</b>
<i>PAT margin</i>	12.1%	5.7%	640 bps	13.9%	(182 bps)	10.4%	4.8%	568 bps
<b>EPS</b>	<b>3.55</b>	<b>1.70</b>	<b>108.8%</b>	<b>4.22</b>	<b>(15.9%)</b>	<b>12.24</b>	<b>5.63</b>	<b>117.4%</b>

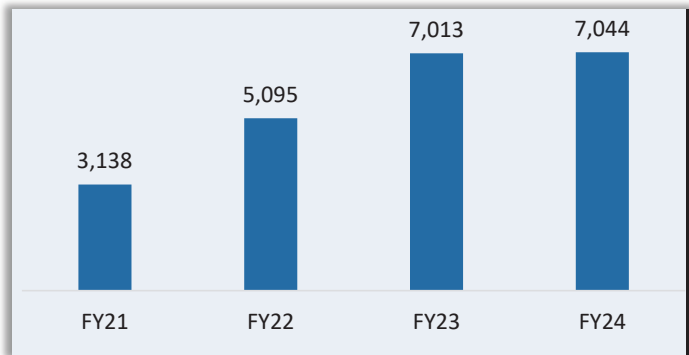
- EBITDA grew by 36.7% YoY to INR 319 Crores in Q4FY24, the EBITDA margin expanded by 453 bps YoY to 17.6%.
- PAT grew by 115.8% YoY to INR 219 Crores in Q4FY24, PAT margin expanded by 640 bps YoY to 12.1%.
- Decline in interest cost by 36.2% during the quarter.

\*Q4 Includes major renovation and repair work of INR 60 Crores (approx.) at Company's Khardah Plant which was under maintenance shutdown for 53 days

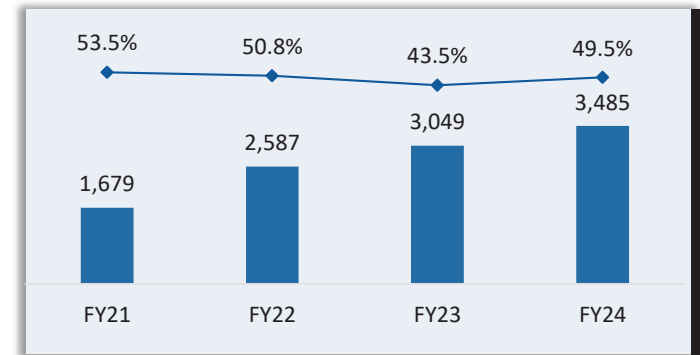
Equity and Liabilities (in INR Crores)	FY23	FY24
Share Capital	59	62
Other Equity	4,211	4,930
<b>Total Equity</b>	<b>4,270</b>	<b>4,992</b>
Borrowings	706	399
Deferred Tax Liabilities	348	343
Other Non-Current Liabilities	121	337
<b>Non-Current Liabilities</b>	<b>1,175</b>	<b>1,079</b>
<b>Current Liabilities</b>		
Borrowings	1,730	1,611
Trade Payables	512	491
Other Current Liabilities	405	415
<b>Total Current Liabilities</b>	<b>2,647</b>	<b>2,517</b>
<b>Total Equities and Liabilities</b>	<b>8,092</b>	<b>8,588</b>

Assets (in INR Crores)	FY23	FY24
<b>Non-Current Assets</b>		
Plant, Property and Equipment	2,605	2,776
Capital Work in Progress	1,302	1,228
Other Non-Current Assets	273	479
<b>Total Non-Current Assets</b>	<b>4,180</b>	<b>4,483</b>
<b>Current Assets</b>		
Inventories	1,694	1,738
Trade Receivables	1,310	1,562
Cash & Cash Equivalents & Other Bank Balances	383	343
Investments	95	144
Other Current Assets	430	318
<b>Total Current Assets</b>	<b>3,912</b>	<b>4,105</b>
<b>Total Assets</b>	<b>8,092</b>	<b>8,588</b>

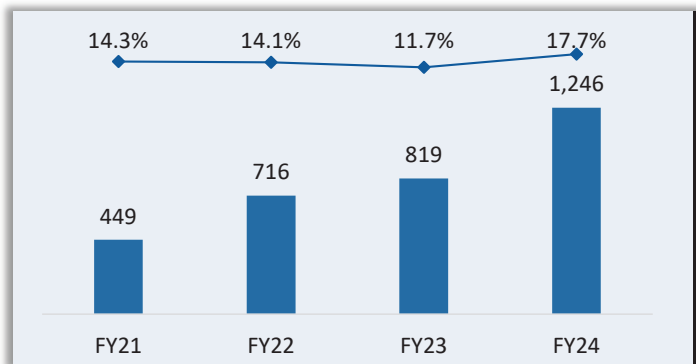
### Operating Revenues (in INR Crores)



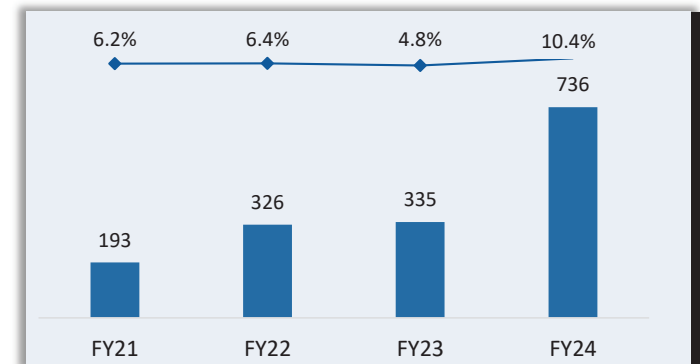
### Gross Profit (in INR Crores) & Gross Margin (%)



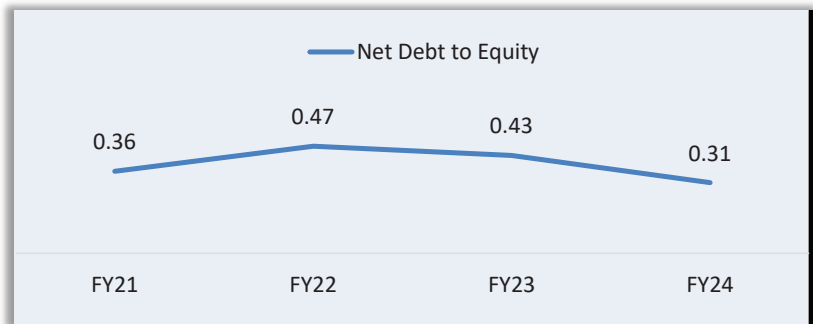
### EBITDA (in INR Crores) & EBITDA Margin (%)



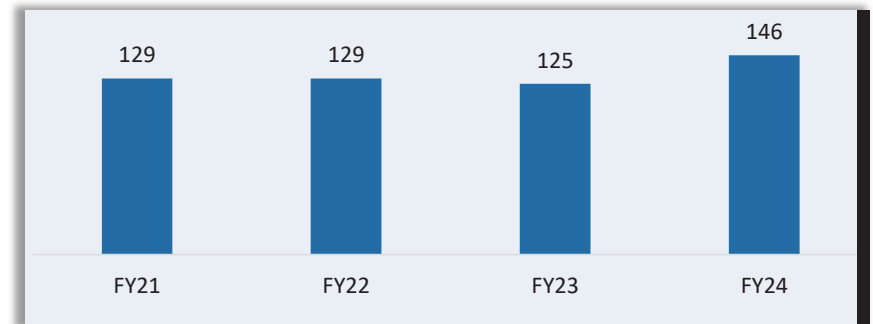
### PAT (in INR Crores) & PAT Margin (%)



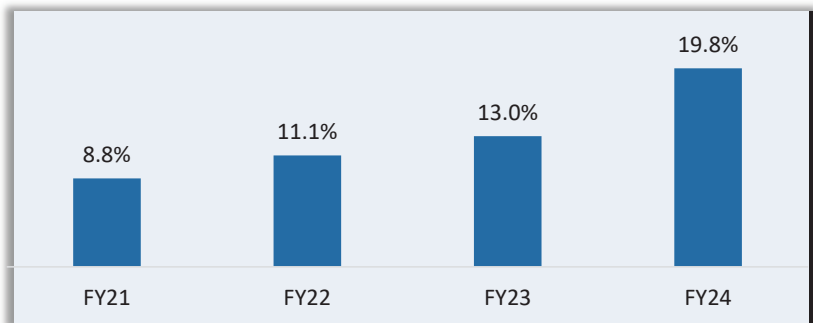
## Net Leverage Analysis



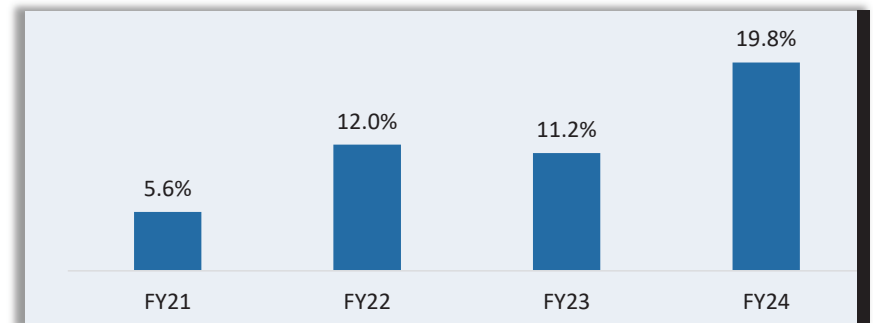
## Working Capital Analysis (in Days)



## Adjusted Return on Capital Employed\*



## Adjusted Return on Equity\*



\* Adjusted for coking coal mine compensation claim due;



# Water Infrastructure Opportunity





## Jal Jeevan Mission (JJM): Driving Water Infra Demand

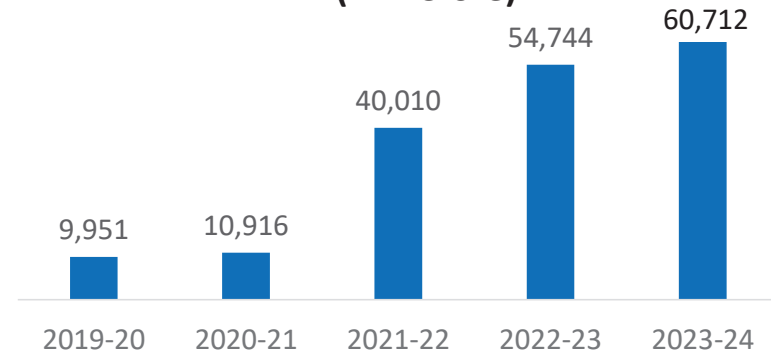
- The Government’s flagship scheme - Outlay of INR 3.60 lakh crores
- Providing water supply by to every crore rural household at a capacity of at least 55 litres per capita, per day (lpcd) by 2024
- Providing Functional Household Tap Connections (FHTCs) to 19.4 crore rural households and village institutions
- Prioritising quality-affected villages (drought prone & desert areas)

### *JJM Progress till date:-*

**Tap Water Connections – 76.29% rural households  
(74.05% rural households – February 2024)**

**Pending Tap Water Connections – 4.57 Crores rural households  
(5.00 rural households – February 2024)**

## JJM : Funds Drawn by States/Union Territories (INR Crore)



## Additional Government Schemes Driving Water Infra Spending

### **AMRUT 2.0: INR 2,99,000 Crores (Launched by Hon’ble PM on 1<sup>st</sup> Oct 2021)**

- Aims to provide 2.68 Crore water taps connections in 4,800 statutory towns
- New 2.64 Crore Sewerage/Septage services in 500 AMRUT cities

## ECL's Water Infra Applications



### Drinking water/ irrigation

- Clear and Raw Water Transmission
- Distribution Network of Potable Water
- Irrigation Application



### Industrial applications

- Ash-Slurry Handling & Disposal System
- Fire-Fighting Systems (Onshore & Offshore)
- Desalination Plant



### Sewage and Wastewater Disposal

- Gravity Sewage Collection & Disposal
- Effluent Disposal of Domestic & Industrial Waste
- Storm Water Drainage



### Miscellaneous applications

- Vertical Connection to Utilities & Reservoirs
- Piling for Ground Stabilization
- Protective Piping under Major Carriage Ways

## Ductile Iron Pipe

*ECL is the pioneer in setting up the first Ductile Iron Pipe plant in the Indian Sub-continent*

- One of the most preferred pipes for water supply & sewage applications across the Globe
- The concept of piped irrigation is catching up fast in India and is a prevalent practise globally



### DI Pipe: Salient Features

- Higher tensile strength
- Pressure bearing ability, impact resistance and capacity to sustain external static
- Flexible push-on joints which do not leak at high or low pressure
- Adaptable, easy and quick to join
- Long reliable service life of 70-90 years

## Ductile Iron Fittings

*ECL is amongst the premier manufacturers of Ductile Iron fittings in India*

- Used in connection with DI pipes of both Flanged & Socket Ends
- State of the art manufacturing plants - Khardah & Haldia
- **Key USP as the only Company in India who is capable of manufacturing various types of joints, linings & coatings suited to different markets in India and abroad**
- Internationally acclaimed quality benchmark



### DI Fittings: Salient Features

- Good & simple design enabling high installation speed
- High dimensional accuracy results proper fitment & leak-tightness
- Automated casting technical process results high accuracy & fast delivery



# Delivering Key Projects for Marquee Clients



ISRO



Vikram Sarabhai Space Centre



Kargil



India's New Parliament Building



Boeing Corporation



Pfizer Facility



BMW (Wallerstorf, Germany)



Ras Abu About Stadium, Qatar



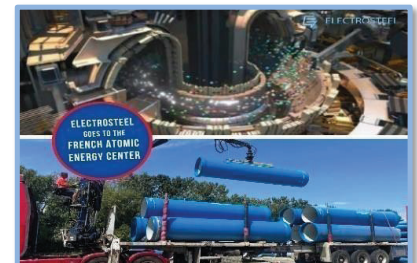
Doha Metro



Hamad International Airport



WWTP, Okhla



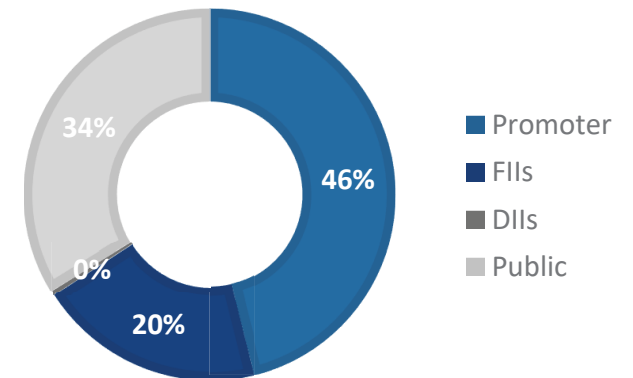
French Atomic Centre

## Capital Market Data

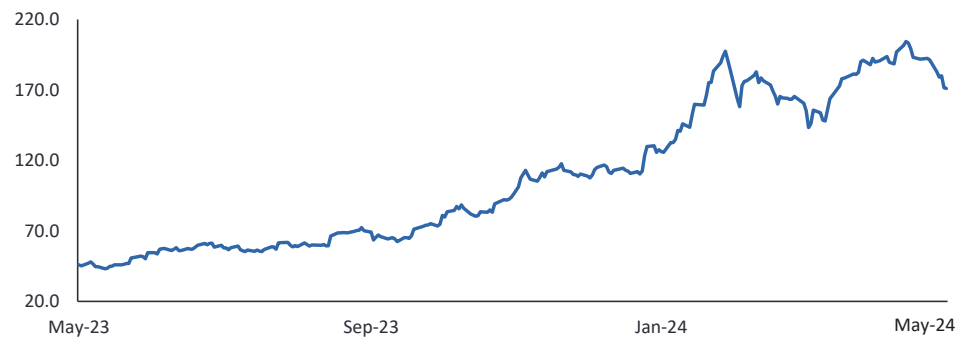
NSE Ticker /BSE Code	ELECTCAST / 500128
Current Market Price (as on 10 May 2024)	171.0
Market Cap (INR Crores) (as on 10 May 2024)	10,570
52 Week High/Low	208.0/42.5
Shares Outstanding, Crores	61.8
3M ADTV* (Shares) as on 31 <sup>st</sup> March 2024	4.7 Mn

\*3M ADTV: 3 Months Average Daily Turnover of NSE

## Shareholding Pattern March 2024 (%)



## Share Price Movement (1 Year)



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# Thank You

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# Appendix





**1955-59**

Founded in 1955. Commenced Production of Steel Castings and Cast Iron Pipes in 1959

**1994**

Set Up DI Pipe plant facility at Khardah; 60,000 TPA

**1996**

Obtained Kitemark license from BSI for DI Pipes

**2000**

Obtained Kitemark license from BSI for DI Fittings

**2002-03**

- Acquired 46% stake in Lanco Industries Ltd.
- Now merged with the company and known as SW unit
- Capacity of MBF increased to 150,000 TPA
- Capacity of DI Pipe increased to 90,000 TPA at SW unit

**2005**

- Commissioning of 150,000 TPA COP at SW unit
- Commissioned Sponge Iron Plant of 30,000 TPA at Haldia Unit

**2006**

- Capacity of DI Pipe increased to 120,000 TPA at SW unit & 12 MW Captive Power Plant by using waste heat recovered from Coke Oven Plant at both SW unit and Haldia unit
- Increased capacity of Sponge Iron Plant to 60,000 TPA at Haldia unit

**2007**

Implemented SAP ERP system, connecting all manufacturing plants & sales offices across India

**2008-10**

- Commissioned 360,000 TPA Sinter plant and 3rd COP at Haldia unit
- DI Pipe capacity increased to 280,000 TPA at KW unit
- Capacity of DI Pipe increased to 180,000 TPA at SW unit
- 4th COP plant commissioned at Haldia unit
- Capacity of MBF increased to 225,000 TPA and DI Pipes increased to 225,000 TPA at SW unit

**2011-12**

- Commissioning of Project to use treated sewerage water from Tirupati Municipal Corporation for industrial purpose at SW unit
- Commissioning of Sinter Plant of 500,000 TPA at SW unit. Capacity of COP increased to 225,000 TPA.
- Established new coating line and Paint Plant at Bansberia unit

**2015-17**

- Capacity of DI Pipe enhanced to 225,000 TPA at SW unit
- Increased capacity of MBF to 275,000 TPA at SW unit
- New DI Fittings capacity of 12,200 TPA at Haldia unit
- Capacity of DI Pipes plant increased to 300,000 TPA and Installation of Pulverized Coal Injection (PCI) in MBF at SW unit

**2018-19**

- Capacity of COP increased & installation of boiler at SW unit
- Commissioning of Ferro Alloys Plant at both SW and Haldia unit

**2020-22**

- Capacity of Power plant increased to 17 MW at Haldia unit
- Capacity of DI Pipe enhanced to 400,000 TPA at SW unit
- Setting up a Blast Furnace at SW Unit with a Capacity of 5,30,000 TPA