



# APAR INDUSTRIES LIMITED

**CORPORATE OFFICE:**  
APAR HOUSE, CORPORATE PARK,  
SION TROMBAY ROAD, CHEMBUR  
MUMBAI - 400 071, MAHARASHTRA, INDIA  
T : (+91) (22) 2526 3400 / 6780 0400  
F : (+91) (22) 25246326  
E : corporate@apar.com  
url : www.apar.com

## E-filing

SEC/2606/2020

26<sup>th</sup> June, 2020

<p>National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), <b>Mumbai – 400 051.</b></p> <p><b>Scrip Symbol : APARINDS</b></p> <p><b><u>Kind Attn.: The Manager, Listing Dept.</u></b></p>	<p>BSE Ltd. Corporate Relationship Department, 27<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, <b>Mumbai - 400 001.</b></p> <p><b>Scrip Code : 532259</b></p> <p><b><u>Kind Attn. : Corporate Relationship Dept.</u></b></p>
--	--

### **Sub. : Investor Update**

**Ref.: Regulation 30 and all other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.**

Dear Sir,

We are sending herewith an Investor Update for the **Fourth Quarter and Financial Year ended 31<sup>st</sup> March, 2020 (2019-20)** for the information of members and investors under the above regulations.

Thanking you,

Yours Faithfully,  
**For Apar Industries Limited**

**(Sanjaya Kunder)**  
**Company Secretary**

**Encl. : As Above**



**Powering Ahead!**



**Apar Industries Ltd.  
Q4 FY20 Earnings Presentation**

# Safe Harbor

---

*This presentation may have certain statements that may be “forward looking” including those relating to general business plans and strategy of Apar Industries Ltd., its future outlook and growth prospects. The actual results may differ materially from these forward looking statements due to a number of risks and uncertainties which could include future changes or developments in Apar Industries Ltd.(Apar), the competitive environment, the company’s ability to implement its strategies and initiatives, respond to technological changes as well as sociopolitical, economic and regulatory conditions in India.*

*All financial data in this presentation is obtained from the unaudited/audited financial statements and the various ratios are calculated based on these data. This presentation does not constitute a prospectus, offering circular or offering memorandum or an offer, invitation or a solicitation of any offer, to purchase or sell, any shares of Apar and should not be considered or construed in any manner whatsoever as a recommendation that any person should subscribe for or purchase any of Apar’s shares. None of the projection, expectations, estimates or prospects in this presentation should be construed as a forecast implying any indicative assurance or guarantee of future performance, nor that the assumptions on which such future projects, expectations, estimates or prospects have been prepared are complete or comprehensive .*

*This presentation is for information purposes only. This document and its contents should not be forwarded or delivered or transmitted in any manner to any person other than its intended recipients, and should not be reproduced in any manner whatsoever. The recipients further represents and warrants that : (i) It is lawfully able to receive this presentation under the laws of the jurisdiction in which it is located, and / or any other applicable laws, (ii) It is not a U.S. person, (iii) This presentation is furnished to it, and has been received, outside of the United States, and (iv) It will not reproduce, publish, disclose, redistribute or transmit this presentation, directly or indirectly, into the United States or to any U.S. person either within or outside of recipient’s organisation.*

# FY20 Highlights: Resilient performance despite unprecedented headwinds

Higher-value products sustain profitability amidst domestic market slowdown & loss of year-end demand due to COVID19

**Revenue**  
**Rs 7,465 crore**

Down 6% YoY

**EBITDA\***  
**Rs 468 crore**

EBITDA Margin at 6.3%,  
up 31 bps

**PAT**  
**Rs 135 crore**

PAT Margin at 1.8%,  
up 10 bps

**Net Debt/Equity**  
**0.12x**

Low leverage, Rs 164 crore  
cash on 31.03.2020

**Avg. ROE**  
**14%**

In last 5 years,  
Low capex ahead

## Conductors

Revenue at Rs 3,624 crore  
Adj. EBITDA per MT up 20%

- Higher value products (HEC, Copper Conductors for Railways) share in revenues up at 38% versus 25% in FY19.
- Sales volume at 1,58,104 MT, down 14% YoY.
- EBITDA per MT (post adj\*) at Rs 10,790, up 20% YoY with improved product mix.
- New orders inflow of Rs 2,617 crore, down 52% YoY with slowdown in Railways tenders and increased sales focus on margin and payment terms.
- March'2020 order book at Rs. 2,004 crore.
- New product launch – CTC for Transformers industry

## Oils

Revenue at Rs 2,323 crore  
Adj. EBITDA\* per KL at Rs 2,990

- Total Volumes at 4,03,626 KL, down 6% YoY. Lockdown in March resulted in truncated peak demand period especially for automobile retail sales.
- Export revenue share 37%, up by 4% YoY.
- Hamriyah capacity utilisation up at 68% in FY20 versus 62% in FY19.
- Auto lubes & industrial oils contributed 23% to revenues.
- EBITDA per KL (post adj\*) of Rs 2,990 at a similar level to FY19 (Rs 2,998). Impacted by Rs 18 crore write-offs/ provisions for doubtful debts.

## Cables

Revenue at Rs 1,601 crore  
Adj. EBITDA\* margin over 11%

- Export revenues up 59% YoY – 17% revenue share in FY20, up from 10% in FY19.
- Power cables' revenue up 4% YoY driven by exports. Lower demand from renewables, but higher from Railways, EPC and Utilities.
- Elasto/ E-beam revenue declined marginally with lower demand for solar cables. Good demand from Railways & Defence.
- Telecom cables declined significantly due to no demand from BSNL and Reliance Jio.
- EBITDA margin (post adj.) at 11.1%, compared to 11.3% in FY19.
- New product launch – Medium Voltage Covered Cables (MVCC)

# Gearing up to navigate through COVID19 pandemic disruptions



## Challenging FY21 ahead, recovery possible in H2

- Indian economy to contract by 5% in FY21, Q1 FY21 GDP to shrink 25% (CRISIL).
- Business loss of ~1.5 months due to lockdowns.
- Delayed tenders, and execution at customers end due to labour issues to impact demand.
- Rabale plant, located in city, has permission to operate at only 50% of staff strength.
- Increased financial distress, credit tightness in the market.
- Margins to be additionally impacted from pricing pressures due to lower price of crude, gas oils etc.

## Inherent strengths provide resilience in current scenario



### Transformative

New and higher value products to drive revenues & margins: HEC, Copper Conductors, CTC for Transformers Industry, newer Railway products, harnesses, pressure tight cables, Medium Voltage Covered Conductor (MVCC) etc. Focus on exports.



### Self reliant

DNA of financial prudence with low leverage & healthy cash levels, cautious order booking with firm eye on creditworthiness and margins. Focus on collections. Major capex already incurred, low capex requirements in FY21-FY22.



### Adaptive

...to 'new normal' operations - digital communication tools, remote working, employee safety & preventive measures. Reduce costs and enhance productivity.

# Indian power sector update

- **Rs. 90,000 crore bailout package for the stressed DISCOMs** as a part of the Atmanirbhar Bharat Abhiyan is to tide the COVID19 pandemic. Discom cash losses may almost double to Rs 58,000 crore in FY21.
- **Amendment of Electricity Act 2003** (draft proposed) to bring distribution sector reforms, financial discipline and focus on renewable energy.
- **Budget 2020-2021** allocated Rs. 15,875 crore to Power Ministry, same as in FY20 Revised Estimate and Rs 5,753 crore outlay to Ministry of New and Renewable Energy - up 48% compared to FY20 R.E. Rs 300 crore outlay to green energy corridors.
- **National Electricity Plan targets 479 GW of generation capacity:** This includes 243 GW of thermal (231 GW in FY20) and 175 GW of renewable (87 GW in FY20) capacity.
- **Progress in 13th 5-year Plan:** In FY20, India added 11,664 ckms of AC transmission lines, down 48% YoY. 65,230 MVA of AC substations transformation capacity (down 10% YoY) and 3,000 MW of inter-regional transmission capacity were added (down 76% YoY).
- **Traction in TBCB transmission projects:** 11 LOIs awarded in FY20. 22 projects under development under TBCB process as on March 2020.
- **Power Grid capex** of Rs 15,313 crore in FY20. FY21 capex plan is for Rs 10,500 crore. Total works in hand of ~Rs 52,000 crore out of which ~Rs 12,000 cr is TBCB. 20 transmission projects under bidding for estimated cost of Rs 23,400 crore.
- **EV charging infrastructure:** 2,636 charging stations have been sanctioned in 62 cities under the FAME India program in Jan 2020.
- **100% railway electrification by 2024:** Indian Railways has electrified 39,866 rkm which accounts for about 63% of total route kms (rkms). In FY20, 2,606 rkm has been electrified by Central Organization for Railway Electrification.

## Transmission sector – significant progress under 13<sup>th</sup> plan by Apr'2020

## T&D, other orders received in Q4 FY20

System Type	End of 10th plan	End of 11th plan	End of 12th plan	As on Apr'20	Target 13th plan
AC transmission Lines(In C Kms)	190,251	248,049	352,295	410,024	450,700
HVDC (In C Kms)	5,872	9,432	15,556	15,556	19,815
<b>Total (In C Kms)</b>	<b>196,123</b>	<b>257,481</b>	<b>367,851</b>	<b>425,580</b>	<b>470,515</b>
AC Substations Transformation Capacity (In MVA)	249,439	399,801	721,265	946,003	979,637
HVDC (In MVA)	8,200	9,750	19,500	25,500	30,500
<b>Total (In MVA)</b>	<b>257,639</b>	<b>409,551</b>	<b>740,765</b>	<b>971,503</b>	<b>1,010,137</b>
Inter-regional transmission Capacity (In MW)	14,050	27,150	75,050	102,050	118,050

Source: CEA Website

Companies	Rs crore
Larsen & Toubro – Power & T&D (Infrastructure)	3,718+
KPTL	605
KEC International	2,765

Source: BSE – corporate announcements

# Table of Contents

---



## Financial Performance



## Business Performance



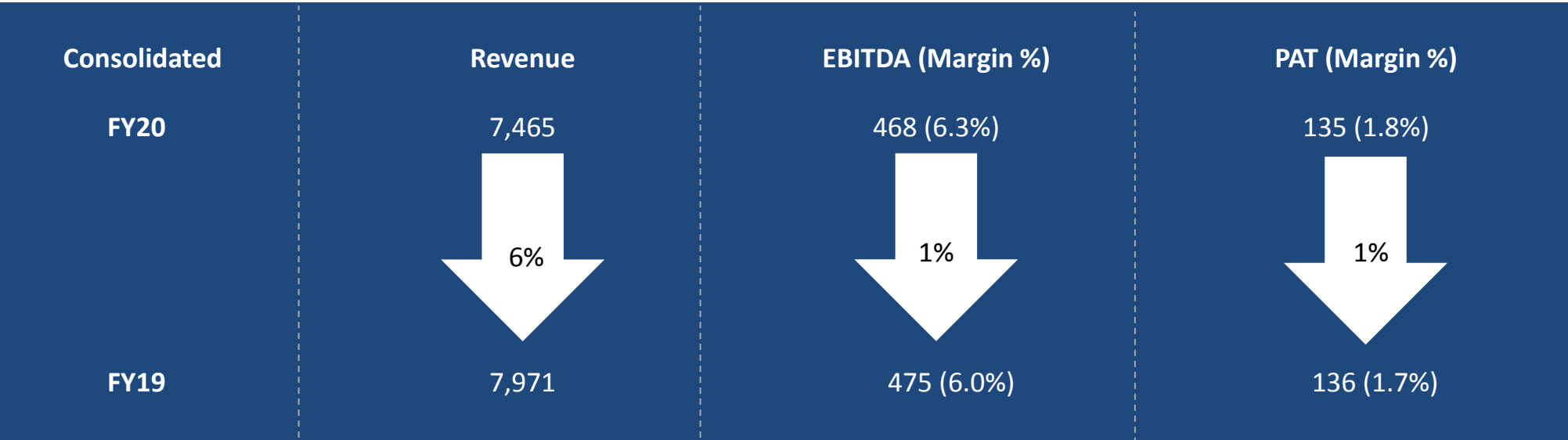
## Company Overview



## Annexure

# FY20: Multiple headwinds impact, higher-value products help improve margins

Consolidated financials, Figures in Rs crore

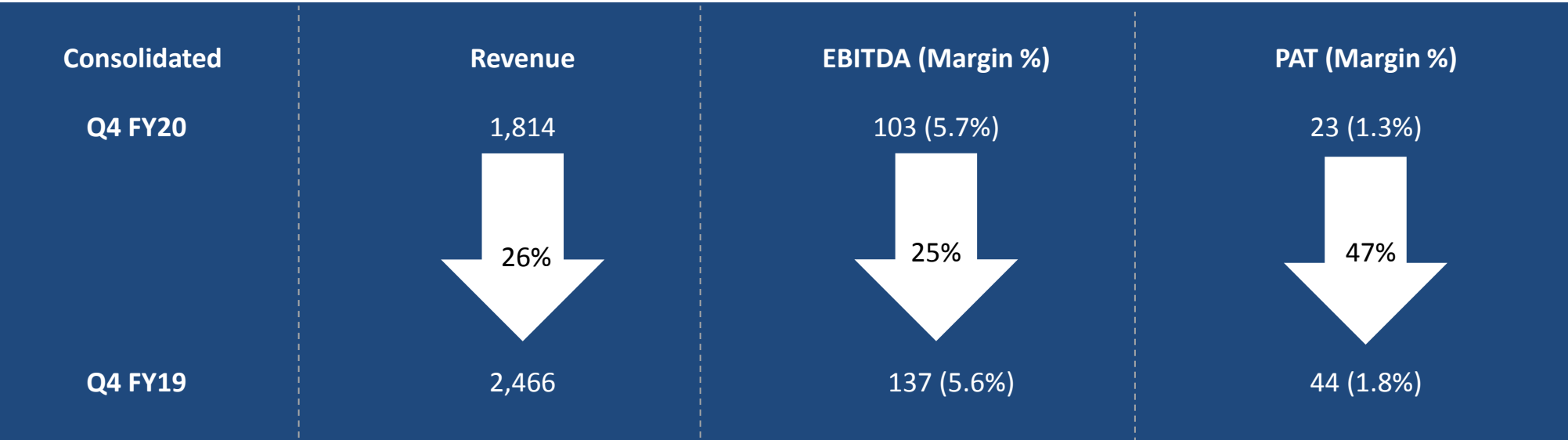


- Revenue down 6% YoY, with decline across all segments in a year that saw low demand, continued credit tightness and ended as COVID19 pandemic began.
  - Exports revenues up 5% YoY, Exports share in revenues at 34% versus 31% in FY19.
- EBITDA at Rs 468 crore with margin of 6.3% (up 31 bps from FY19).
  - We have increased the provisions and write-offs for doubtful debts to Rs 29 crore in FY20 from Rs 5 crore in FY19.
  - Adversely impacted by nation-wide lockdown due to COVID19 starting in March 2020.
- PAT at Rs 135 crore; PAT Margin up 10 bps to 1.8%.



# Q4 FY20: COVID19 shutdown impacts performance, PAT down 47%

Consolidated financials, Figures in Rs crore



- Revenue down 26% YoY due to lower execution as COVID19 pandemic induced lockdown in March 2020.
  - Exports share in revenues at 38% versus 30% in Q4 FY19.
- EBITDA down 25% YoY to reach Rs 103 crore with lower revenues.
  - EBITDA margin at 5.7% in Q4 FY20, up from 5.6% in Q4 FY19.
- PAT at Rs 23 crore; PAT Margin at 1.3% in Q4 FY20 versus 1.8% in Q3 FY20.

# Table of Contents

---



Financial Performance



**Business Performance**



Company Overview

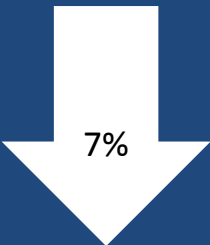
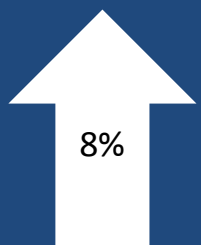
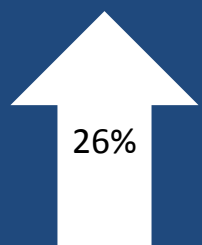
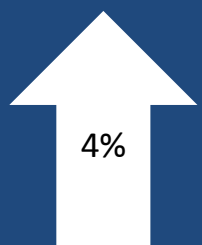
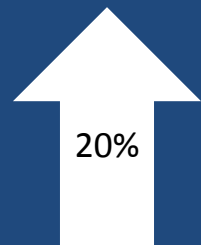
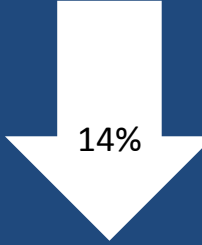


Annexure

# Conductors FY20:

## Lower revenue but higher HEC share drives adj. EBITDA per MT up 20% YoY

Consolidated financials, Figures in Rs crore

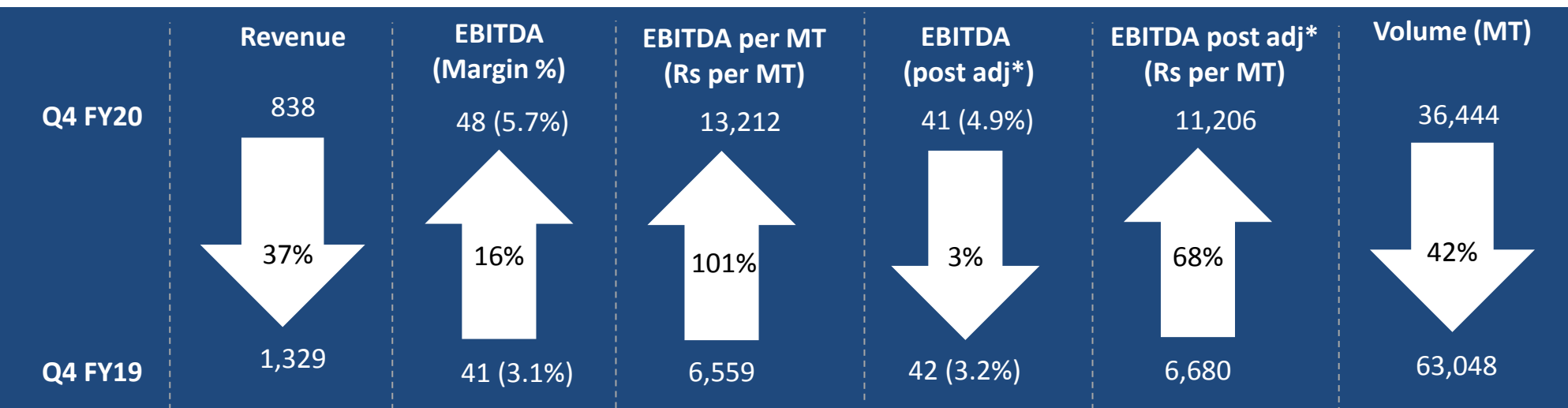
	Revenue	EBITDA (Margin %)	EBITDA per MT (Rs per MT)	EBITDA (post adj*)	EBITDA post adj* (Rs per MT)	Volume (MT)
<b>FY20</b>	3,624	186 (5.1%)	11,784	171 (4.7%)	10,790	1,58,104
						
<b>FY19</b>	3,915	172 (4.4%)	9,387	164 (4.2%)	8,960	1,82,977

\* After adjusting open period forex

- Revenue declined 7% YoY to reach Rs 3,624 crore with slowdown and credit tightness in domestic markets throughout the year and COVID19 shutdown impacting March volumes. Exports contributed 40% to revenues versus 39% in FY19.
  - Higher Value products (HEC + Copper Conductors) contribution up to 38% from 25% in FY19.
  - HEC revenue up 96% YoY with good execution, contribution to revenues at 18% compared to 9% in FY19.
  - Copper conductor for Railways revenue up 26% YoY, contributed 20% to revenues versus 16% in FY19.
  - New product - CTC for Transformers industry launched.
- EBITDA per MT, post forex adjustment up 20% YoY at Rs 10,790.
- FY20 Order inflow of Rs 2,617 crore, down 52% YoY with slow tendering in Railways and avoiding orders with bad pricing/ lower margins/ payment terms. HEC and Copper Conductors contributed 15% and 11% to order inflow, respectively.
- Order book as on March 31, 2020 at Rs 2,004 crore, down 34% YoY.
- Expect slower order inflow H1 FY21 due to postponement of tenders in lockdown and lower execution at customers.

# Conductors Q4 FY20: Lockdown impacts revenues

Consolidated financials, Figures in Rs crore



\* After adjusting open period forex

- Revenue down 37% YoY at Rs 838 crore due to lower than planned volumes in March 2020 and subdued demand.
  - HEC revenue contribution at 15% in Q4 FY20 versus 10% in Q4 FY19.
  - Copper conductor for Railways contributed 13% to revenues versus 17% in Q4FY19.
  - Exports contributed 44% to revenue compared to 41% in Q4 FY19.
- EBITDA per MT, post forex adjustment, up 68% YoY with higher HEC contribution and focus on per order profitability.
- New order inflow of Rs 517 crore, down 51% YoY.
  - Orders for conventional conductors were available but required delivery in Q4 itself for which capacity was unavailable.

# Oils FY20: Subdued demand & lockdown impact performance

Consolidated financials, Figures in Rs crore

	Revenue	EBITDA (Margin %)	EBITDA (Rs per KL)	EBITDA (post adj*)	EBITDA post adj* (Rs per KL)	Volume (KL)
<b>FY20</b>	2,323	134 (5.8%)	3,317	121 (5.2%)	2,990	4,03,626
	↓ 12%	↓ 0.1%	↑ 6%	↓ 6%	↓ 0.3%	↓ 6%
<b>FY19</b>	2,630	134 (5.1%)	3,116	129 (4.9%)	2,998	4,29,989

\* After adjusting open period forex

- Revenue down 12% YoY due to lockdown in March 2020, adverse credit conditions and subdued demand in the domestic market.
  - Exports revenue at Rs 859 crore, similar to Rs 857 crore in FY19. Exports contribution up to 37% vs. 33% in FY19.
  - Hamriyah plant's capacity utilisation at 68% versus 62% in FY19.
  - Automotive Oils and Industrial Oils contributed 23% to revenues compared to 21% in FY19. Loss of year-end automobile retail sales due to lockdown.
- EBITDA per KL post adj. at Rs 2,990, similar level to FY19 figure of Rs 2,998 despite lower volumes.
  - Provision for bad debts/ written off debts at Rs 18 crore.
- Q1 FY21 sales to be ~50% of the usual. Pricing pressures and higher-priced inventory to impact margins. Recovery expected in H2 FY21.

# Oils Q4 FY20: Lockdown impacts performance

Consolidated financials, Figures in Rs crore

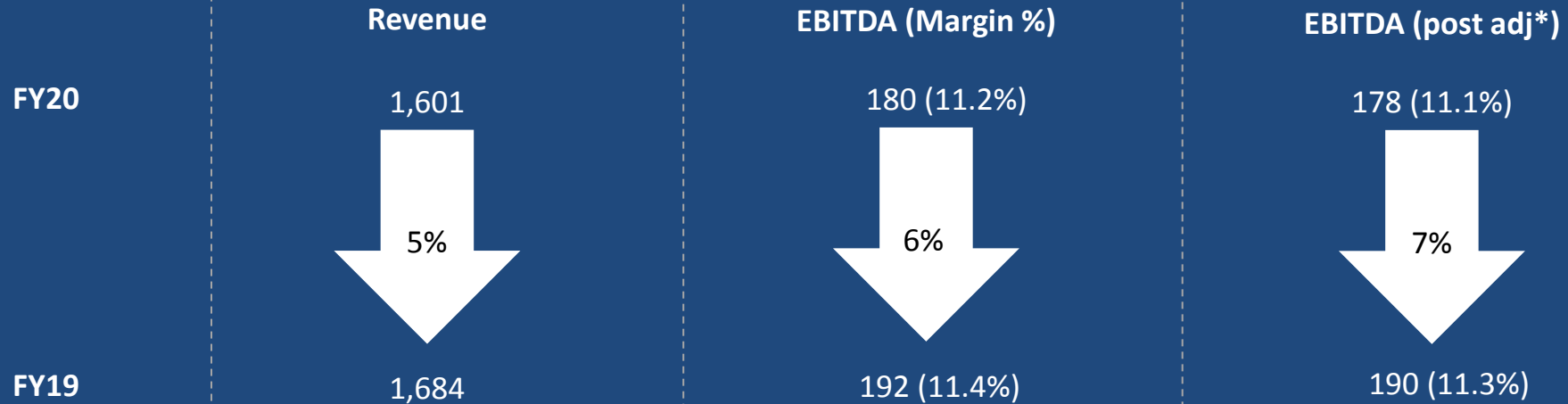
	Revenue	EBITDA (Margin %)	EBITDA (Rs per KL)	EBITDA (post adj*)	EBITDA post adj* (Rs per KL)	Volume (KL)
Q4 FY20	545 ↓ 22%	25 (4.5%) ↓ 32%	2,533 ↓ 19%	20 (3.6%) ↓ 50%	2,030 ↓ 40%	96,921 ↓ 16%
Q4 FY19	696	36 (5.2%)	3,111	39 (5.6%)	3,391	1,15,625

\* After adjusting open period forex

- Revenue down 22% YoY mainly due to domestic market conditions, coupled with lockdown in March 2020.
  - Exports revenues up 10% YoY, contribution at 39% versus 28% in Q4 FY19.
  - Hamriyah plant's capacity utilisation at 75%.
  - Volumes of all segments declined in the quarter.
  - Automotive Oils and Industrial Oils contributed 22% to revenues.
- EBITDA per KL post adj. down 40% YoY to Rs 2,030 with lower volumes and bad debts written off.

# Cables FY20: EBITDA (Post adj\*) sustained over 11%

Consolidated financials, Figures in Rs crore

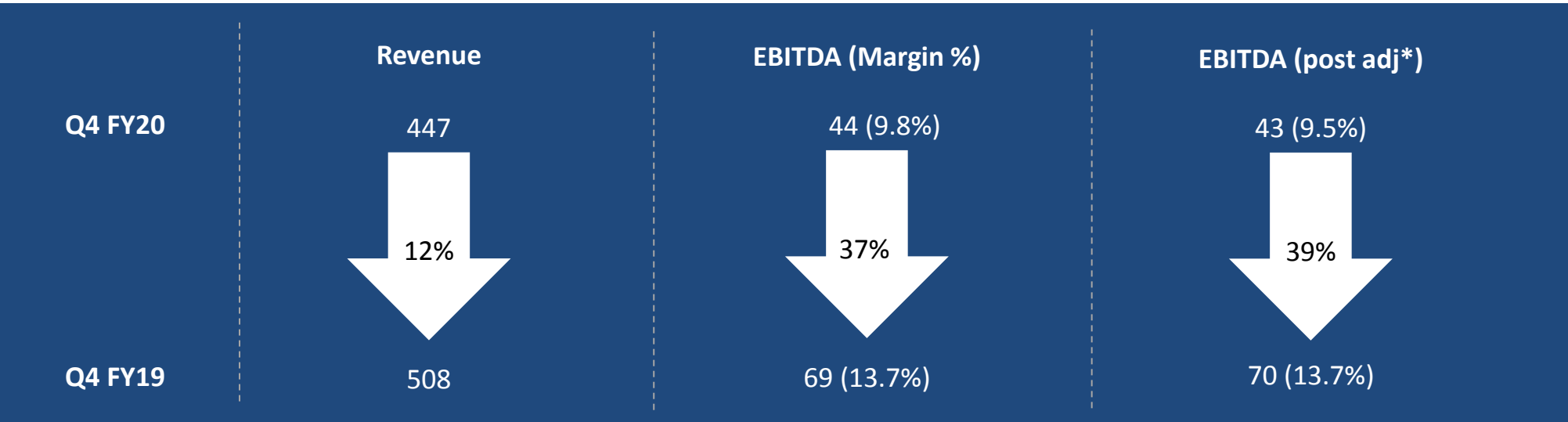


- Revenue down marginally at Rs 1,601 crore mainly due to lower domestic revenues.
  - Exports revenues up 59% YoY, contribution at 17% versus 10% in FY19.
  - Power cables revenue up 4% YoY in a highly competitive market led by exports. Good demand from Railways, EPC & Utilities make-up lower demand from renewables.
  - Elastomeric & E-beam cables' revenue down 2% YoY mainly due to lower sales of solar cables. Higher demand from Railways and Defence businesses.
  - Telecom cables/OFC revenue declines by 52% due to no orders from two major customers – BSNL & Reliance Jio.
  - New product – Medium Voltage Covered Cable (MVCC) launched.
- EBITDA (post adj.\*) down 6% YoY.
  - EBITDA margin, post forex adjustment, at 11.1% versus 11.3% in FY19.
- Expect lower sales in FY21 but new opportunities in MVCC, Auto Cables, Railway harnesses and Signalling cables being explored.

\* After adjusting open period forex

# Cables Q4 FY20: Lockdown impacts domestic revenues, exports up 2.8x

Consolidated financials, Figures in Rs crore



\* After adjusting open period forex

- Revenue down 12% YoY impacted by slowdown in renewables and telecom.
  - Power cables revenue sustained at similar level to Q4 FY20 despite lockdown.
  - E-beam/ Elastomeric cables and Telecom Cables decline significantly in the quarter.
  - Exports revenue up 2.8x, contributed 27% to revenues compared to 9% in Q4FY19.
- EBITDA margin (post adj.\*) at 9.5% versus 13.7% in Q4 FY19.



# Table of Contents

---



**Financial Performance**



**Business Performance**



**Company Overview**



**Annexure**

# Apar Industries at a glance

## Strong & Sustainable leadership



Among the largest global manufacturer of Conductors  
4<sup>th</sup> largest global manufacturer of Transformer oils  
#1 domestic Cable manufacturer for renewables  
A leading player in auto lubricants.  
One of the most diverse & comprehensive portfolios

## Powering ahead with new higher-value products



Vast range launched with in-house R&D.

- Conductors - Copper Conductors for Railways, High Efficiency Conductors (HEC), Copper Transpose Conductors (CTC)
- Oils – High voltage Transformer oils, Auto and Industrial Oils
- Cables - Speciality E-beam, Telecom, High voltage cables

## Leveraging global network



Multi-year relationships with Indian & global majors  
Alliances with ENI S.P.A (Italy) and CTC Global (USA)  
Exports to 100 countries  
Plants strategically located close to ports.

## FY21 to be a year of COVID19 led disruption but medium-term demand drivers are strong



Rs 2.6 tn investment in T&D as per 13<sup>th</sup> plan



Increased focus on renewables.  
22 TBCB projects under development as on March 2020.



100% Railways electrification by 2024



Indian economy expected to recover by FY24, with average growth of 7% in FY22-FY24 (CRISIL)



Bharat Net – World's largest rural broadband access project



High-single digit to double digit growth expected in FY22, post 25% decline in FY21.

# Conductors: One of the largest global manufacturers

## Strong leadership & competitive edge

**One of the largest global manufacturers – 1.8 lakh MT p.a. capacity, FY20 revenue of Rs 3,624 crore**

- Largest manufacturer in India.
- Pioneer in aluminium alloy rod & conductors.
- Technology tie up with CTC-Global, USA, for ACCC conductors.
- One of the first to test successfully 765KV & 800KV conductors in India.
- Supplies to all top 25 global turnkey operators and leading utilities.
- Manufacturing since 1958.

## Strategic initiatives towards higher-value products, profitability

**Rs 367 crore invested in FY14-FY20**

**Adj. EBITDA per MT up 20% YoY in FY20.**

- Jharsuguda, Odisha plant (Sep'16). Logistical benefits with proximity to smelters, capture growing generation capacity in eastern India.
- Aluminium rod facility at Lapanga, Orissa.
- Agreement with Hindalco for sourcing molten metal, cost saving of Rs 1,000 / MT.
- New products launched - Copper conductor for Railways, Optical Ground Wire (OPGW) & CTC for transformer industry (Q1 FY20).
- Higher-value products share up to 38% in FY20 from 25% in FY19.



### Growth focus

Increased share of higher-value products

High-efficiency conductors (HEC)  
Copper conductors (Railways)  
Copper transpose conductors  
(Transformer industry)

# Speciality Oils: 4<sup>th</sup> largest global manufacturer of Transformer Oils

## Strong leadership & competitive edge

**4th largest global manufacturer of transformer oils, 45% market share.**

**Leading domestic player in auto lubes.**

**FY20 revenue of Rs 2,323 crore, 5.42 lakh KL capacity**

- Preferred supplier to over 80% of its Specialty Oil customers in India.
- Manufacturing since 1958, 400+ different types of Specialty Oils.
- Pioneer in transformer oils in India - 60% market share in power transformer oil & 40% in distribution transformer oil in India.
- Only Indian company to win new business to supply all major HVDC projects with transformer oils in FY18 & FY19.
- In Auto lubes since 2007.

## Strategic initiatives towards higher-value products

**Rs 208 crore invested in FY14-FY20**

- Al-Hamriyah, Sharjah plant (1 lakh KL capacity, Jan'17). Proximity to customers in Middle East & East Africa. New avenues for bulk exports.
- Expanded T-Oils capacity and range ((including 765KV & 800KV HVDC).
- Doubling Industrial and Automotive blending and automated packing capacity.
- Licensing agreement for auto lubes from ENI, Italy for ENI brand. ENI/ Apar Auto Oil Revenue of Rs 407 crore in FY20.
- New R&D facility at Rabale.



**Growth focus**

**Auto lubes & Industrial oils  
Exports**

# Cables: Largest domestic manufacturer in renewables

## Strong leadership & competitive edge

**Largest domestic manufacturer for renewables – 60% share in wind sector.**  
**FY19 revenue of Rs 1,601 crore.**

- Launched India’s most advanced E-beam facility.
- Largest & most innovative Indian supplier to the Nuclear Power industry.
- One of the widest ranges of medium-voltage & low-voltage XLPE cables, elastomeric cables, fibre optic cables and speciality cables.
- One of the largest exporters of cables, a leader in CATV / broadband fibre optic cables.
- Since 2008 (Uniflex acquisition)

## Strategic initiatives towards higher-value products

**Rs 295 crore invested in FY14-FY20**

- Green field Khatalwad plant for E-beam Elastomeric Cables, OFC Cables, others.
- High-voltage power cables using the latest CCV technology in FY18.
- HT expansion in Umbergaon and LT consolidation in Khatalwad.
- Debottlenecking of HT/LT cable capacity at Umbergaon plant in Q4FY19.
- New product - MVCC launched in FY20.
- Exploring new opportunities in MVCC, harnesses, more products for Railways, pressure tight cables, 66KV cables & contracts.



### Growth focus

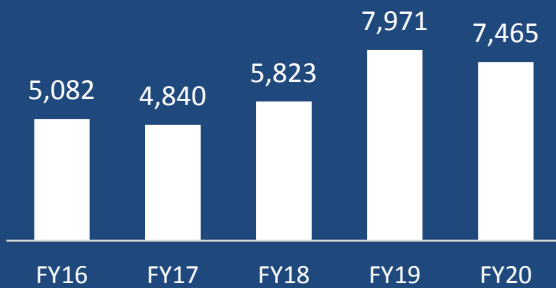
Elastomeric/E-beam cables  
HT/LT cables  
Exports

# Sustained financial performance over the years

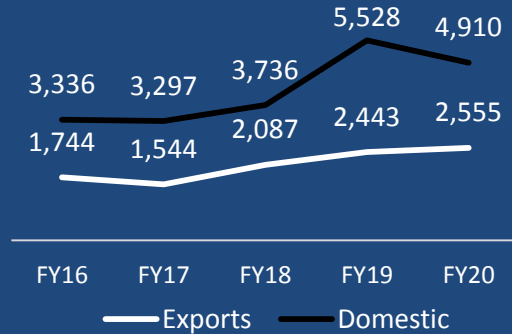
## Increased share of new higher-value added products sustains profitability in challenging markets

Consolidated financials, Figures in Rs crore

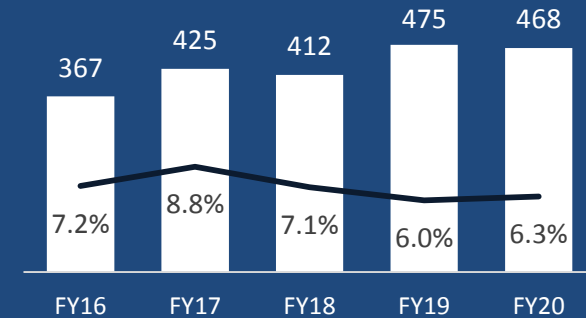
### Consolidated Revenue



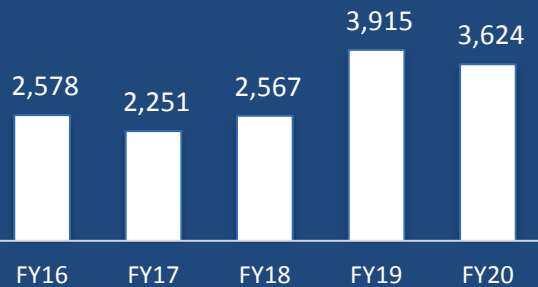
### Exports contribution at 34%



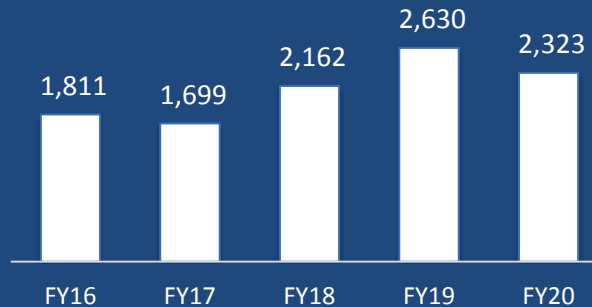
### EBITDA & margin



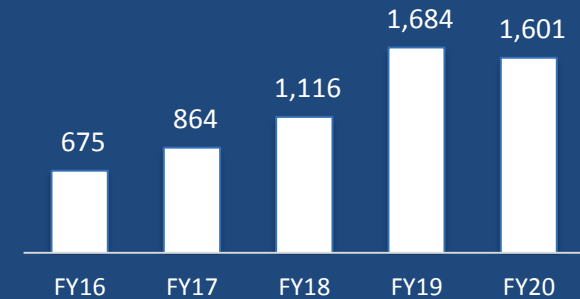
### Conductors revenue



### Specialty Oils revenue



### Cables revenue



# Huge global presence driving exports

Presence in 100 countries, Exports contributing 34% to FY20 revenues



- Adopted a hub and spoke manufacturing and distribution model for specialty oils - allows efficient delivery cycles to global transformer OEM's across Asia, Africa and Australia.
- Presence in over 100 countries with a focus on South East Asia, Middle east, Africa and South America.
- Developed green field conductor plant in Athola with focus on exports. Largest Indian conductor exporter.

# Table of Contents

---



**Financial Performance**



**Business Performance**



**Company Overview**



**Annexure**



# Q4 FY20: Consolidated Profit & Loss Statement

Particulars (Rs crore)	Q4 FY20	Q4 FY19	% Chg YoY	Q3 FY20	% Chg QoQ	FY20	FY19	% Chg YoY
<b>Total Operating Income</b>	<b>1,814.5</b>	<b>2,464.6</b>	<b>-26%</b>	<b>1,836.6</b>	<b>-1%</b>	<b>7,461.7</b>	<b>7,963.9</b>	<b>-6%</b>
<b>Total Expenditure</b>	<b>1,708.3</b>	<b>2,329.2</b>	<b>-27%</b>	<b>1,713.5</b>	<b>0%</b>	<b>6,986.0</b>	<b>7,496.1</b>	<b>-7%</b>
Cost of Raw Materials	1,387.8	1,986.5	-30%	1,394.7	0%	5,751.0	6,336.2	-9%
Employees Cost	44.3	38.3	16%	40.6	9%	168.8	148.0	14%
Other Expenditure	276.3	305.1	-9%	278.4	-1%	1,067.3	1,015.0	5%
Transfer to Capital Asset	-0.1	-0.6	NM	-0.1	NM	-1.2	-3.1	NM
<b>Profit from operations before other income, finance costs and exceptional items</b>	<b>106.2</b>	<b>135.3</b>	<b>-22%</b>	<b>123.1</b>	<b>-14%</b>	<b>475.8</b>	<b>467.7</b>	<b>2%</b>
Other Income	1.1	4.2	-73%	1.4	-20%	8.4	15.1	-44%
<b>EBITDA</b>	<b>107.3</b>	<b>139.5</b>	<b>-23%</b>	<b>124.5</b>	<b>-14%</b>	<b>484.2</b>	<b>482.8</b>	<b>0%</b>
Depreciation	23.1	17.6	31%	22.5	3%	87.1	66.7	31%
<b>EBIT</b>	<b>84.2</b>	<b>121.9</b>	<b>-31%</b>	<b>102.0</b>	<b>-17%</b>	<b>397.1</b>	<b>416.1</b>	<b>-5%</b>
Interest & Finance charges	51.6	51.4	0%	51.8	0%	227.7	199.9	14%
<b>PBT</b>	<b>32.6</b>	<b>70.5</b>	<b>-54%</b>	<b>50.2</b>	<b>-35%</b>	<b>169.4</b>	<b>216.2</b>	<b>-22%</b>
Tax Expense	9.2	26.7	-65%	13.6	-30%	34.3	80.2	-57%
<b>Net Profit</b>	<b>23.3</b>	<b>43.7</b>	<b>-47%</b>	<b>36.7</b>	<b>-37%</b>	<b>135.2</b>	<b>136.1</b>	<b>-1%</b>
Minority Interest (profit)/loss	-	-	NM	-	NM	-	-	NM
<b>Net Profit after taxes, minority interest</b>	<b>23.3</b>	<b>43.7</b>	<b>-47%</b>	<b>36.7</b>	<b>-37%</b>	<b>135.2</b>	<b>136.1</b>	<b>-1%</b>
Other comprehensive income	-73.3	27.1	NM	35.4	NM	-83.4	1.9	NM
<b>Total comprehensive income</b>	<b>-50.0</b>	<b>70.8</b>	<b>NM</b>	<b>72.1</b>	<b>NM</b>	<b>51.7</b>	<b>137.9</b>	<b>-63%</b>

# Q4 FY20 Financials

## Key Ratios

Key Ratios (%)	Q4 FY20	Q4 FY19	Q3 FY20	FY20	FY19
EBITDA Margin	5.9%	5.7%	6.8%	6.5%	6.1%
Net Margin	1.3%	1.8%	2.0%	1.8%	1.7%
Total Expenditure/ Total Net Operating Income	94.1%	94.5%	93.3%	93.6%	94.1%
Raw Material Cost/ Total Net Operating Income	76.5%	80.6%	75.9%	77.1%	79.6%
Staff Cost/ Total Net Operating Income	2.4%	1.6%	2.2%	2.3%	1.9%
Other Expenditure/ Total Net Operating Income	15.2%	12.4%	15.2%	14.3%	12.7%

## Capital Employed

Rs crore	31.03.2020	30.09.2019	31.03.2019
Conductors	273.9	141.8	173.8
Transformer and Speciality Oils	485.6	519.1	411.7
Power/Telecom Cable	628.6	679.5	682.1
Others	142.8	75.7	228.4
<b>Total</b>	<b>1,530.8</b>	<b>1,416.2</b>	<b>1,495.9</b>

# Q4 FY20: Consolidated Segment Analysis

Segment (Rs crore)	Q4 FY20	Q4 FY19	% Chg YoY	Q3 FY20	% Chg QoQ	FY20	FY19	% Chg YoY
<b>Revenue</b>								
Conductors	838.1	1,329.3	-37%	868.3	-3%	3,624.0	3,915.2	-7%
Transformer & Specialty Oils	544.8	696.3	-22%	587.4	-7%	2,322.8	2,629.9	-12%
Power & Telecom Cables	446.7	507.9	-12%	391.3	14%	1,600.8	1,683.9	-5%
Others/Unallocated	9.6	8.3	15%	9.3	4%	34.6	45.3	-24%
<b>Total</b>	<b>1,839.2</b>	<b>2,541.9</b>	<b>-28%</b>	<b>1,856.3</b>	<b>-1%</b>	<b>7,582.2</b>	<b>8,274.4</b>	<b>-8%</b>
Less: Inter - Segment Revenue	24.7	77.3	-68%	19.7	26%	120.4	310.5	-61%
<b>Revenue from Operations</b>	<b>1,814.5</b>	<b>2,464.6</b>	<b>-26%</b>	<b>1,836.6</b>	<b>-1%</b>	<b>7,461.7</b>	<b>7,963.8</b>	<b>-6%</b>
<b>Segment Results before Interest and Tax</b>								
Conductors	40.3	36.2	11%	40.4	0%	157.6	150.7	5%
Transformer & Specialty Oils	21.1	32.0	-34%	31.8	-34%	120.6	118.6	2%
Power and Telecom Cables	37.4	64.1	-42%	36.0	4%	154.6	173.0	-11%
Others/Unallocated	0.3	-0.6	NM	0.5	-42%	1.7	2.2	-20%
<b>Total</b>	<b>99.1</b>	<b>131.8</b>	<b>-25%</b>	<b>108.7</b>	<b>-9%</b>	<b>434.4</b>	<b>444.4</b>	<b>-2%</b>
Less : Finance costs (net)	51.6	51.4	0%	51.8	0%	227.7	199.9	14%
Less : Unallocable expenditure net of income	14.9	9.9	51%	6.7	123%	37.4	28.4	32%
<b>Profit before Tax</b>	<b>32.6</b>	<b>70.5</b>	<b>-54%</b>	<b>50.2</b>	<b>-35%</b>	<b>169.4</b>	<b>216.2</b>	<b>-22%</b>
<b>Segment Results – % to Segment Revenue</b>								
Conductors	4.8%	2.7%		4.7%		4.3%	3.8%	
Transformer & Specialty Oils	3.9%	4.6%		5.4%		5.2%	4.5%	
Power and Telecom Cables	8.4%	12.6%		9.2%		9.7%	10.3%	
<b>Total</b>	<b>5.4%</b>	<b>5.2%</b>		<b>5.9%</b>		<b>5.7%</b>	<b>5.4%</b>	
<b>Segment contribution- as % to total revenue</b>	<b>Q4 FY20</b>	<b>Q4 FY19</b>		<b>Q3 FY20</b>		<b>FY20</b>	<b>FY19</b>	
Conductors	45.6%	52.3%		46.8%		47.8%	47.3%	
Transformer & Specialty Oils	29.6%	27.4%		31.6%		30.6%	31.8%	
Power and Telecom Cables	24.3%	20.0%		21.1%		21.1%	20.4%	

# Consolidated Balance sheet Statement as on March 31, 2020

Figures in Rs crore

Sr.No	Particulars	As at 31.03.2020	As at 31.03.2019
<b>A</b>	<b>Assets</b>		
1	Non-Current assets		
	(a) Property, Plant and Equipment	830.2	703.7
	(b) Right-of-use asset	52.1	-
	(c) Capital work-in-progress	54.7	103.5
	(d) Goodwill	-	2.1
	(e) Other Intangible assets	2.4	3.0
	(f) Intangible assets under development	0.0	-
	(g) Financial Assets		
	(i) Trade receivables	3.1	1.9
	(ii) Other non-current assets	13.5	12.3
	(h) Other non-current assets	8.8	18.6
	(i) Deferred Tax Assets (net)	-	0.6
	(j) Other Tax Assets	21.8	-
	<b>Sub-total- Non-Current assets</b>	<b>986.6</b>	<b>845.7</b>
2	Current assets		
	(a) Inventories	1,331.4	1,282.9
	(b) Financial Assets		
	(i) Investments	-	186.9
	(ii) Trade receivables	1,898.6	2,141.6
	(iii) Cash and Cash equivalents	163.9	213.2
	(iv) Bank balances other than (iii) above	12.3	12.1
	(v) Short-term loans and advances	29.9	21.8
	(vi) Derivatives	24.8	25.5
	(c) Other current assets	206.3	227.9
	<b>Sub-total-Current assets</b>	<b>3,667.2</b>	<b>4,111.8</b>
	<b>Total - Assets</b>	<b>4,653.8</b>	<b>4,957.5</b>

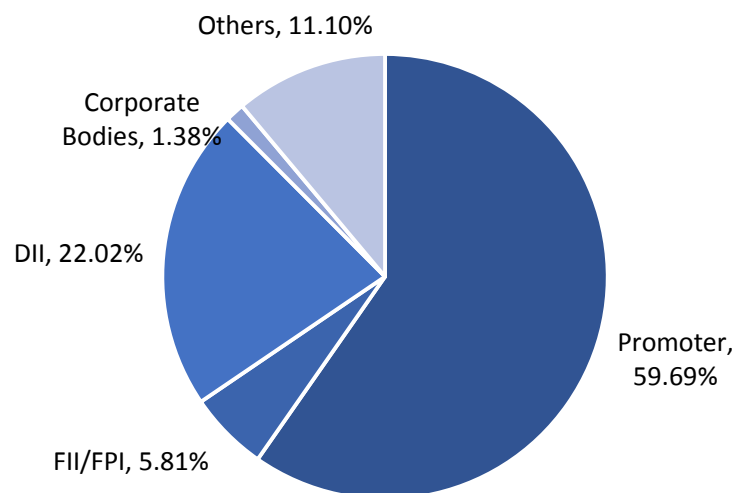
Sr.No	Particulars	As at 31.03.2020	As at 31.03.2019
<b>B</b>	<b>Equity And Liabilities</b>		
1	Equity		
	(a) Equity Share capital	38.3	38.3
	(b) Other Equity	1,128.2	1,164.1
	<b>Total Equity</b>	<b>1,166.4</b>	<b>1,202.4</b>
2	Non-Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	187.9	130.3
	(ii) Lease liabilities	48.6	-
	(iii) Other financial liabilities	3.4	3.3
	(iii) Derivatives	7.3	-
	(b) Provisions	8.2	6.0
	(c) Deferred tax liabilities (Net)	0.7	40.8
	<b>Sub-total-Non-Current liabilities</b>	<b>256.0</b>	<b>180.4</b>
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	94.0	87.8
	(ii) Lease liabilities	5.8	-
	(iii) Trade and other payables	2,848.0	3,263.7
	(iv) Other financial liabilities	76.0	75.6
	(v) Derivatives	124.5	39.9
	(b) Other current liabilities	81.6	94.9
	(c) Short term provisions	1.4	1.6
	(d) Liabilities for current tax	-	11.3
	<b>Sub-total-Current liabilities</b>	<b>3,231.3</b>	<b>3,574.7</b>
	<b>Total - Equity And Liabilities</b>	<b>4,653.8</b>	<b>4,957.5</b>

# Consolidated Statement of Cash Flows

In Rs crore	FY20	FY19
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	169.4	216.2
Adjustments for		-
Depreciation on non current assets	76.2	63.1
Amortisation of Right of use assets	7.8	-
Amortisation of intangible assets	3.1	3.6
(Gain)/loss on sale of property, plant and equipment	2.8	0.3
Foreign currency translation reserve	6.2	(0.5)
Finance costs	156.7	154.4
Finance income	(5.3)	(8.1)
Provision for doubtful debts written back / reversed	6.5	1.9
Unrealised exchange loss/(gain)	40.9	(23.4)
Profit on sale of investments	(3.1)	(6.9)
<b>Movement in working capital</b>		
(Increase)/ decrease in trade and other receivables	265.8	(394.9)
(Increase)/ decrease in inventories	(48.6)	(70.6)
Increase/ (decrease) in trade and other payables	(504.7)	769.6
Tax paid	(79.7)	(72.6)
<b>Net cash generated by / (used in) operating activities</b>	<b>94.2</b>	<b>632.0</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(144.9)	(206.8)
Acquisition of intangibles	(0.4)	(1.3)
Proceeds from sale of property, plant and equipment	0.7	0.2
(Purchase) / Sale of investments (net)	190.1	(180.0)
Sale of investments in subsidiary company	-	0.0
<b>Net cash generated by / (used in) investing activities</b>	<b>45.5</b>	<b>(387.9)</b>
<b>Cash flow from financing activities</b>		
Proceeds/(repayments) from short-term borrowings - net	2.6	(80.9)
Proceeds/(repayments) of long-term borrowings - net	55.4	(27.3)
Repayment of Lease Liabilities	(5.4)	-
Interest received/(paid) - net	(154.0)	(141.7)
Dividend Payment	(72.5)	(36.3)
Tax on dividends	(14.9)	(7.5)
<b>Net cash (used in) / generated by financing activities</b>	<b>(188.8)</b>	<b>(293.3)</b>
Net increase / (decrease) in cash and cash equivalents	(49.2)	(49.2)
Effect of exchanges rate changes on cash and cash equivalents	0.1	0.1
Cash and cash equivalents at the beginning of the year	225.3	274.4
<b>Cash and cash equivalents at the end of the year</b>	<b>176.2</b>	<b>225.3</b>

# Shareholding pattern

As on March 31, 2020  
Outstanding shares – 3,82,68,619



Major Non-Promoter Shareholders	Shareholding (%)
HDFC Trustee company	9.25
Reliance Capital	6.30
L & T Mutual Fund Trustee Ltd	6.12
Goldman Sachs	2.35
Raiffeisen -Eurasien-Aktien-Kapitalanlage	1.79

# Contact us

---

For any Investor Relations queries, please contact:

**Sanjaya Kunder**

**Apar industries Ltd**

Phone: +91 22 67800400

Email: sr.kunder@apar.com



**Rupam Prasad**

Phone: +91 83750 48395

rupam.prasad@four-s.com

**Seema Shukla**

Phone: +91 124 425 1443

seema@four-s.com

## *Safe Harbor:*

*This presentation may have certain statements that may be "forward looking" including those relating to general business plans and strategy of Apar Industries Ltd., its future outlook and growth prospects. The actual results may differ materially from these forward looking statements due to a number of risks and uncertainties which could include future changes or developments in Apar Industries Ltd.(Apar), the competitive environment, the company's ability to implement its strategies and initiatives, respond to technological changes as well as sociopolitical, economic and regulatory conditions in India.*

*All financial data in this presentation is obtained from the unaudited /audited financial statements and the various ratios are calculated based on these data. This presentation does not constitute a prospectus, offering circular or offering memorandum or an offer, invitation or a solicitation of any offer, to purchase or sell, any shares of Apar and should not be considered or construed in any manner whatsoever as a recommendation that any person should subscribe for or purchase any of Apar's shares. None of the projection, expectations, estimates or prospects in this presentation should be construed as a forecast implying any indicative assurance or guarantee of future performance, nor that the assumptions on which such future projects, expectations, estimates or prospects have been prepared are complete or comprehensive .*

*This presentation is for information purposes only. This document and its contents should not be forwarded or delivered or transmitted in any manner to any person other than its intended recipients, and should not be reproduced in any manner whatsoever. The recipients further represents and warrants that : (i) It is lawfully able to receive this presentation under the laws of the jurisdiction in which it is located, and / or any other applicable laws, (ii) It is not a U.S. person, (iii) This presentation is furnished to it, and has been received, outside of the United States, and (iv) It will not reproduce, publish, disclose, redistribute or transmit this presentation, directly or indirectly, into the United States or to any U.S. person either within or outside of recipient's organisation.*