



APAR

Tomorrow's solutions today

SEC/0805/2023

May 08, 2023

<p>National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.</p> <p>Scrip Symbol : APARINDS</p> <p><u>Kind Attn.: The Manager, Listing Dept.</u></p>	<p>BSE Ltd. Corporate Relationship Department, 27th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.</p> <p>Scrip Code : 532259</p> <p><u>Kind Attn. : Corporate Relationship Dept.</u></p>
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Sub. : Investor Update for Q4FY23

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 March 31, 2023 (2022-23)** 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

APAR Industries Limited

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EARNINGS CALL UPDATE

May 2023



FLAME-RETARDANT



HEAT-RESISTANT @105° C



SHORT-CIRCUIT RESISTANT



MELT-RESISTANT

Q4 FY23: Highest Q4 Revenue; Profitability at 3x v/s LY for 2nd consecutive quarter

Revenue

36% YoY



INR **4,089**
crores

EBITDA

146% YoY



INR **445**
crores

Margin at 10.9% up 490 bps YoY

PAT

194% YoY

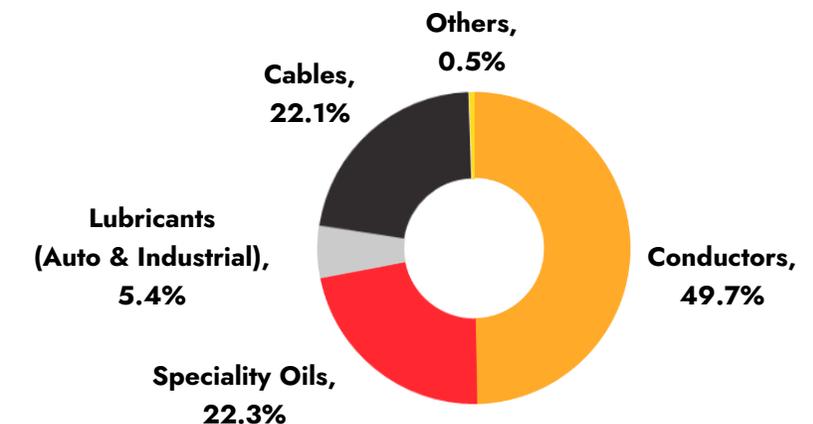


INR **243** crores

Margin at 5.9% up 320 bps YoY

- Q4 FY23 revenue up 36% YoY with volume-led growths across all divisions and growth in export of cable and conductor businesses
 - Exports' revenue was up by 85% YoY driven by 164% increase in cable division and 81% increase in conductor division. Export mix was at 52.7% versus 39% in Q4FY22
- EBITDA up 146% YoY on the back of strong margins in conductor, cable division and revival of oil margins
 - Conductor business recorded historically high EBITDA post forex at 58,006 per MT
 - Cable business clocked historically high EBITDA post forex margin at 12.4%
 - Oil business EBITDA at 3,697 per KL
- PAT up 194% YoY to reach INR 243 crores with 5.9% margin versus 2.7% in Q4 FY22

Segmental Mix | Q4 FY23 Revenue



12M FY23: All time high revenue at 54% growth and profitability at 2.5x v/s LY

Revenue

54% YoY



INR **14,352**
crores

EBITDA

130% YoY



INR **1,320** crores

Margin at 9.2% up 300 bps YoY

PAT

148% YoY

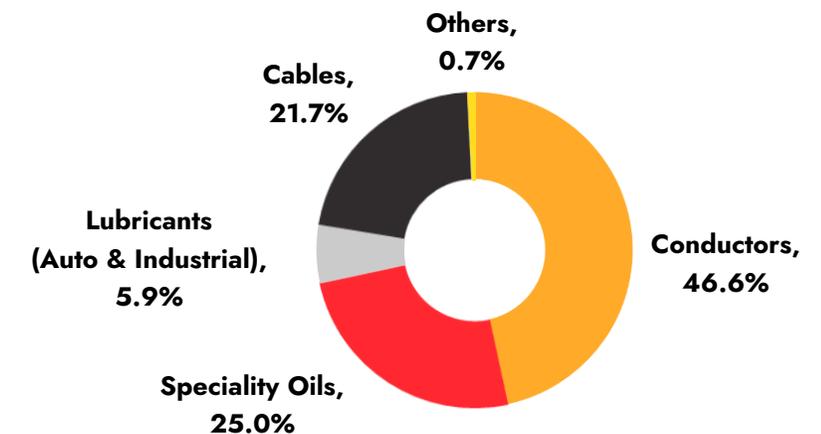


INR **638** crores

Margin at 4.4% up 160 bps YoY

- 12M FY23 revenue up 54% YoY with growths coming in from all the three business divisions on the back of higher volumes and growth in export of cable and conductor businesses
 - Exports' revenue up 97% YoY driven by conductor and cable exports. Export mix at 48.7% versus 38.1% in 12M FY22
- EBITDA up 130% YoY due to higher margins in conventional, premium conductors, increase in cable volume
 - Conductor business recorded strong high EBITDA post forex at 44,114 per MT
 - Oil business recorded EBITDA post forex at 4,781 per KL
 - Cable business recorded EBITDA post forex at 10.5%
- PAT was up 148% YoY to reach INR 638 crores with 4.4% margin versus 2.8% in 12M FY22

Segmental Mix | 12M FY23 Revenue



Revenue
 41% YOY ↑
 INR **2,121** crores

Volume
 46% YOY ↑
49,489 MT

EBITDA
 333% YOY ↑
 INR **282** crores
 INR 65 crore (Q4 FY22)
 Margin at 13.3%; 4.3% (Q4 FY22)

EBITDA per MT
 196% YOY ↑
 INR **56,926**
 INR 19,227 (Q4 FY22)

EBITDA post adj*
 378% YOY ↑
 INR **287** crores
 INR 60 crore (Q4 FY22)
 Margin at 13.5%; 4.0% (Q4 FY22)

EBITDA* per MT
 230% YOY ↑
 INR **58,006**
 INR 17,599 (Q4 FY22)

- Revenue up 41% YoY; volume 46% v/s LY
- Exports at 2x v/s LY, contributing 57.8% to revenues versus 44.3% in Q4 FY22
- Premium products share (HEC + Copper Conductor + OPGW + CTC) 45% in Q4 FY23
 - HEC contributed 25% in Q4 FY23
- EBITDA* per MT at INR 58,006 at historic high levels on the back of improved mix of premium products, higher conventional export margin
 EBDTA** per MT INR 49,679
- New order inflow of INR 2,301 crore, up 110% YoY
- Robust order book at INR 5,124 crore

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Conductors: 12M FY23 highlights

Revenue
67% YOY
↑
INR **7,013** crores

Volume
49% YOY
↑
1,60,131 MT

EBITDA
267% YOY
↑
INR **716** crores
INR 195 crore (12M FY22)
Margin at 10.2%; 4.6% (12M FY22)

EBITDA per MT
147% YOY
↑
INR **44,700**
INR 18,131 (12M FY22)

EBITDA post adj*
284% YOY
↑
INR **706** crores
INR 184 crores (12M FY22)
Margin at 10.1%; 4.4% (12M FY22)

EBITDA* per MT
158% YOY
↑
INR **44,114**
INR 17,095 (12M FY22)

- Revenue up 67% YoY led by volume growth on the back of higher share of premium products and exports
 - Exports over 2x v/s LY, contributing 50.7% of revenue
- Premium products share (HEC + Copper Conductor + OPGW + CTC) 44% in 12M FY23
 - HEC contributed 23% which is in line with FY22
- EBITDA* per MT at INR 44,114 at historic high levels on the back of improved mix of premium products, higher conventional export margin and low cost of logistics, steel and Aluminium premium. Favourable market conditions post Covid also added to the margins as customers paid a premium for reliable delivery. EBDTA** per MT INR 34,728
- New order inflow of INR 7,779 crore, up 44% YoY
- Robust order book at INR 5,124 crore

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Speciality Oils & Lubricants : Q4 FY23 highlights

Revenue
28% YOY ↑
INR **1,179** crores

Volume
12% YOY ↑
1,31,132 KL

EBITDA
35% YOY ↓
INR **46** crores
INR 71 crores (Q4 FY22)
Margin at 3.9%; 7.7% (Q4 FY22)

EBITDA per KL
42% YOY ↓
INR **3,528**
INR 6,051 (Q4 FY22)

EBITDA post adj*
31% YOY ↓
INR **48** crores
INR 70 crores (Q4 FY22)
Margin at 4.1%; 7.6% (Q4 FY22)

EBITDA* per KL
38% YOY ↓
INR **3,697**
INR 5,966 (Q4 FY22)

- Revenue up 28% YoY, driven by volume-led growth and base oil prices. Export contributed 44.5% to revenue
- Margins saw upward revival in Q4 FY23 as compared to Q3 FY23
- EBITDA post forex adjustment* was at INR 3,697 per KL down by 38% YoY. EBDTA** per KL INR 1,854

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Speciality Oils & Lubricants : 12M FY23 highlights

Revenue
31% YOY ↑
INR **4,656** crores

Volume
5% YOY ↑
4,86,582 KL

EBITDA
14% YOY ↓
INR **248** crores
INR 290 crores (12M FY22)
Margin at 5.3%; 8.2% (12M FY22)

EBITDA per KL
19% YOY ↓
INR **5,102**
INR 6,287 (12M FY22)

EBITDA post adj*
20% YOY ↓
INR **233** crores
INR 292 crores (12M FY22)
Margin at 5.0%; 8.2% (12M FY22)

EBITDA* per KL
24% YOY ↓
INR **4,781**
INR 6,331 (12M FY22)

- Revenue up 31% YoY, driven by base oil prices. Export contributed 44.9% to revenue
- EBITDA post forex adjustment came at INR 4,781 per KL in line with our threshold margin
EBDTA** per KL INR 3,237

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)



- Revenue is up by 9% in Q4 FY23 vs Q4 FY22
- Industrial volume is down 17% YoY, Automotive volume is up by 22% YoY

Note: Above numbers are given only for analytical purpose. These numbers are already included in Slide 6 in Specialty Oils & Lubricants performance



- Revenue up 14% YoY driven by growth of industrial and automotive volumes
- Industrial volume up 9% YoY , Automotive volume up 10% YoY

Note: Above numbers are given only for analytical purpose. These numbers are already included in Slide 7 in Specialty Oils & Lubricants performance

Revenue

38% YOY



INR **943** crores

EBITDA

130% YOY



INR **115** crores

INR 50 crores (Q4 FY22)
Margin at 12.2%; 7.3% (Q4 FY22)

EBITDA post adj*

143% YOY



INR **117** crores

INR 48 crores (Q4 FY22)
Margin at 12.4%; 7.0% (Q4 FY22)

- Revenue up 38% v/s LY due to significant increase in Elastomeric products and exports
 - Strategic focus on exports continues to deliver, contributing 53.7% of sales in Q4 FY23 versus 27.3% in Q4 FY22. Exports over 2.5x v/s LY
 - Elastomeric cables revenue up 20% YoY from increased business in renewable energy installations, railways & defence
- EBITDA, post forex adjustment recorded double-digit margin at 12.4% v/s 7.0% in LY due to improved product mix, scale economies . EBDTA** 10.7% of sales

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Revenue

64% YOY



INR **3,263** crores

EBITDA

216% YOY



INR **348** crores

INR 110 crores (12M FY22)
Margin at 10.7%; 5.5% (12M FY22)

EBITDA post adj*

225% YOY



INR **344** crores

INR 106 crore (12M FY22)
Margin at 10.5%; 5.3% (12M FY22)

- Revenue up by 64% YoY due to significant increase in Elastomeric products and exports
 - Strategic focus on exports continues to deliver, contributing 51.7% of sales in 12M FY23 versus 29.2% in 12MFY22. Export is at 3x v/s LY
 - Elastomeric cables revenue up 41% YoY from increased business in renewable energy installations, railways & defence.
- EBITDA post forex adjustment* at 10.5% versus 5.3% in 12M FY22. EBDTA** 9.0% of sales
 - EBITDA post forex adjustment margin up by 520 bps YoY with improved order/product mix and scale economies
- Pending Order book at 1,221 crores

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

12M FY23 Division-wise EBITDA to PAT

Particulars	Oil	Conductor	Cable	Others	Total
EBITDA pre-open period forex (Note 1)	249	716	348	7	1,320
Open period forex (Note 2)	16	9	4	0	29
EBIDTA post open period forex	233	706	344	7	1,291
Finance cost (ex open period forex) (Note 3)	73	148	46	0	267
Unallocable forex loss (Note 4)	2	3	4	-	9
EBDTA	158	556	294	7	1,015
Unallocable expenses, net of unallocable other income	20	18	18	-	56
Depreciation	27	40	36	1	104
PBT	111	498	239	6	855
Tax	26	128	61	2	217
PAT	85	370	178	4	638
EPS YTD	22	97	47	1	167

Notes:-

- (1) Profit before tax + Depreciation + Finance cost – Interest income + Unallocable expense net of unallocable other income
- (2) Included in the finance cost in the published results
- (3) Finance cost (ex open period forex) is after net of interest income on surplus funds
- (4) Included in the unallocable expenditure as per the published result

ANNEXURES



Q4 FY23: Consolidated Profit & Loss Statement

Particulars	Q4 FY23	Q4 FY22	% Chg YoY	Q3 FY23	% Chg QoQ
Gross sales	4,056.5	3,003.9	35.0%	3,916.9	3.6%
Other Operating Income	32.1	8.6	274.9%	22.0	45.5%
Total Operating Income	4,088.6	3,012.5	35.7%	3,938.9	3.8%
Total Expenditure	3,664.7	2,838.9	29.1%	3,595.7	1.9%
Cost of Raw Materials	2,982.0	2,344.3	27.2%	2,937.7	1.5%
Employees Cost	70.0	43.7	60.1%	51.5	35.8%
Other Expenditure	612.7	450.9	35.9%	606.5	1.0%
Profit from operations before other income, finance costs and exceptional items	423.9	173.6	144.3%	343.2	23.5%
Other Income	10.7	8.9	19.5%	6.6	60.8%
EBITDA	434.6	182.5	138.2%	349.9	24.2%
Depreciation	27.3	24.8	9.9%	26.1	4.6%
EBIT	407.3	157.7	158.4%	323.8	25.8%
Interest & Finance charges	79.1	45.8	72.8%	94.0	(15.8%)
PBT	328.2	111.9	193.3%	229.8	42.8%
Tax Expense	85.5	29.3	191.9%	59.9	42.7%
Net Profit	242.7	82.6	193.8%	169.9	42.9%

Q4 FY23: Consolidated Segment Analysis

Segments	Q4 FY23	Q4 FY22	% Chg YoY	Q3 FY23	% Chg QoQ
Revenue					
Conductors	2,121.3	1,503.4	41.1%	1,908.1	11.2%
Transformer & Specialty Oils	1,179.4	920.8	28.1%	1,241.2	(5.0%)
Power & Telecom Cables	943.0	682.7	38.1%	921.1	2.4%
Others/Unallocated	25.5	23.2	9.9%	27.1	(5.9%)
Total	4,269.2	3,130.0	36.4%	4,097.5	4.2%
Less: Inter - Segment Revenue	180.6	117.5	53.7%	158.6	13.9%
Revenue from Operations	4,088.6	3,012.5	35.7%	3,938.9	3.8%

Segment contribution- as % to total revenue	Q3 FY23	Q4 FY22	Q3 FY23
Conductors	49.7%	48.0%	46.6%
Transformer & Specialty Oils	27.6%	29.4%	30.3%
Power and Telecom Cables	22.1%	21.8%	22.5%

Q4 FY23: Consolidated Segment Analysis

Segment	Q4 FY23	Q4 FY22	% Chg YoY	Q3 FY23	% Chg QoQ
Segment Results before Interest and Tax					
Conductors	275.1	57.3	380.0%	216.8	26.9%
Transformer & Specialty Oils	40.6	64.6	-37.2%	20.8	95.2%
Power and Telecom Cables	107.2	42.4	152.8%	101.4	5.7%
Others/Unallocated	1.5	1.4	7.1%	3.0	-50.0%
Total	424.3	165.8	155.9%	342.1	24.0%
Less : Finance costs (net)	79.1	45.8	72.8%	94.0	-15.9%
Less : Unallocable expenditure net of income	17.0	8.3	104.8%	18.3	-7.1%
Profit before Tax	328.2	111.9	193.3%	229.8	42.8%
Segment Results – % to Segment Revenue					
Conductors	13.0%	3.8%		11.4%	
Transformer & Specialty Oils	3.4%	7.0%		1.7%	
Power and Telecom Cables	11.4%	6.2%		11.0%	
Total	9.9%	5.3%		8.3%	

Q4 FY23: Financials

Key Ratios	Q4 FY23	Q4 FY22	Q3 FY23
EBITDA Margin	10.7%	6.1%	8.9%
Net Margin	6.0%	2.7%	4.3%
Total Expenditure/ Total Net Operating Income	89.6%	94.2%	91.3%
Raw Material Cost/ Total Net Operating Income	72.9%	77.8%	74.6%
Staff Cost/ Total Net Operating Income	1.7%	1.5%	1.3%
Other Expenditure/ Total Net Operating Income	15.0%	15.0%	15.4%

Capital Employed	Q4 FY23	Q4 FY22	Q3 FY23
Conductors	1,058.2	720.8	1,091.9
Transformer and Speciality Oils	798.8	654.5	565.6
Power/Telecom Cable	611.0	581.2	701.9
Others	94.3	103.0	27.8
Total	2,562.2	2,059.5	2,387.2

12M FY23: Consolidated Profit & Loss Statement

Particulars	12M FY23	12M FY22	% Chg YoY
Gross sales	14,272.6	9,287.2	53.7%
Other Operating Income	79.5	29.4	170.4%
Total Operating Income	14,352.2	9,316.6	54.0%
Total Expenditure	13,125.2	8,768.7	49.7%
Cost of Raw Materials	10,708.8	7,207.8	48.6%
Employees Cost	220.5	172.5	27.8%
Other Expenditure	2,196.0	1,388.4	58.2%
Profit from operations before other income, finance costs and depreciation	1,226.9	547.8	124.0%
Other Income	37.5	32.6	15.0%
EBITDA	1,264.4	580.5	117.8%
Depreciation	104.3	97.8	6.6%
EBIT	1,160.1	482.6	140.4%
Interest & Finance charges	305.5	140.6	117.2%
PBT	854.6	342.0	149.9%
Tax Expense	216.8	85.3	154.2%
Net Profit	637.7	256.7	148.4%

12M FY23: Consolidated Segment Analysis

Segment	12M FY23	12M FY22	% Chg YoY
Revenue			
Conductors	7,013.1	4,200.4	67.0%
Transformer & Specialty Oils	4,656.7	3,544.2	31.4%
Power & Telecom Cables	3,263.5	1,993.7	63.7%
Others/Unallocated	107.3	73.0	47.0%
Total Revenue	15,040.5	9,811.4	53.3%
Less: Inter - Segment Revenue	688.3	494.8	39.1%
Revenue from Operations	14,352.2	9,316.6	54.0%

Segment contribution- as % to total revenue	12M FY23	12M FY22
Conductors	46.6%	42.8%
Transformer & Specialty Oils	31.0%	36.1%
Power and Telecom Cables	21.7%	20.3%

12M FY23: Consolidated Segment Analysis

Segment	12M FY23	12M FY22	% Chg YoY
Segment Results before Interest and Tax			
Conductors	682.5	162.8	319.2%
Transformer & Specialty Oils	225.0	267.6	(15.9%)
Power and Telecom Cables	316.8	79.8	297.0%
Others/Unallocated	6.8	4.5	51.1%
Total	1,231.2	514.6	139.2%
Less : Finance costs (net)	305.5	140.6	117.3%
Less : Unallocable expenditure net of income	71.08	32.0	122.2%
Profit before Tax	854.6	342.0	149.9%
Segment Results – % to Segment Revenue			
Conductors	9.7%	3.9%	
Transformer & Specialty Oils	4.8%	7.6%	
Power and Telecom Cables	9.7%	4.0%	
Total	8.2%	5.2%	

12M FY23: Financials

Key Ratios	12M FY23	12M FY22
EBITDA Margin	8.8%	6.2%
Net Margin	4.4%	2.8%
Total Expenditure/ Total Net Operating Income	91.5%	94.1%
Raw Material Cost/ Total Net Operating Income	74.6%	77.4%
Staff Cost/ Total Net Operating Income	1.5%	1.9%
Other Expenditure/ Total Net Operating Income	15.3%	14.9%

Capital Employed	12M FY23	12M FY22
Conductors	1,058.2	720.8
Transformer and Speciality Oils	798.8	654.5
Power/Telecom Cable	611.0	581.2
Others	94.3	103.0
Total	2,562.2	2,059.5

SHAREHOLDING PATTERN



APAR has been consistently outperforming market

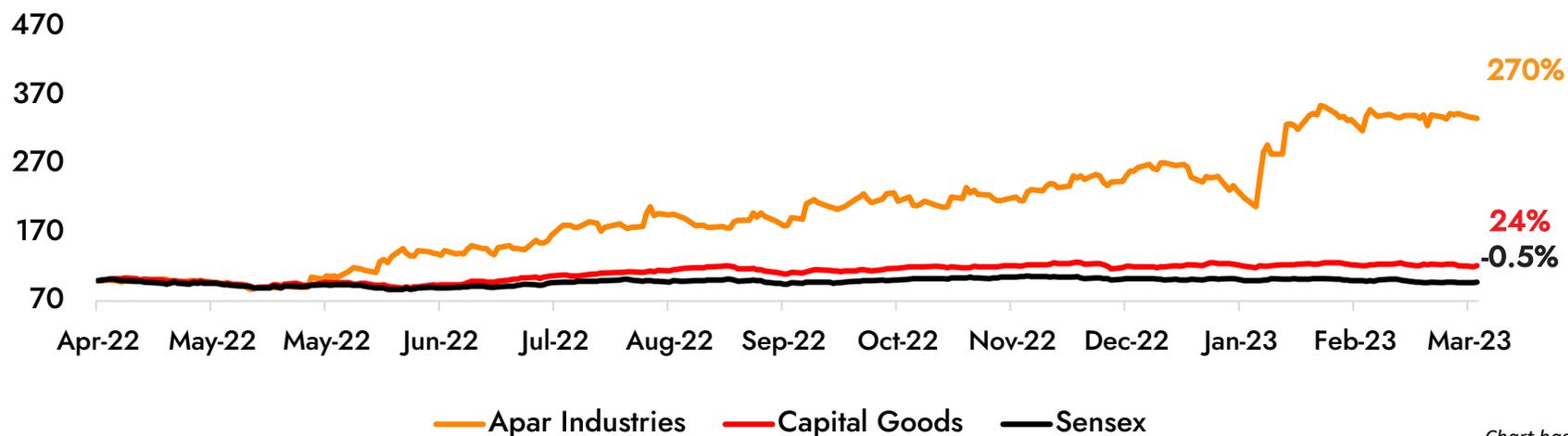
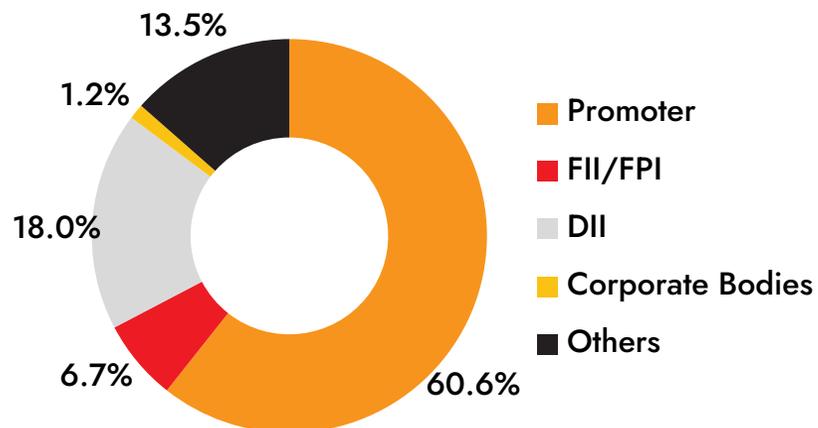


Chart has been rebased to 100

As on March 31, 2023
Outstanding shares – 3,82,68,619



Major Non-Promoter Shareholders	Shareholding (%)
HDFC Trustee Company Ltd.	6.32%
HSBC Small Cap Fund	3.95%
Nippon Life India Trustee Ltd.	3.32%
DSP Flexi Cap Fund	3.32%



For Institutional enquiries

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Thank You