

Engineering Infinite Possibilities

**PRESENTATION TO INVESTORS**

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

AHMEDABAD



## Safe harbour statement

Certain statements in this release concerning our future growth prospects, financial expectations and plans for navigating the COVID-19 impact on our employees, clients and stakeholders are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding COVID-19 and the effects of government and other measures seeking to contain its spread, risks related to an economic downturn or recession in India and other countries around the world, changes in political, business, and economic conditions, fluctuations in earnings, fluctuations in foreign exchange rates. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law. None of Anup Engineering, or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its content or otherwise arising in connection with this document. This document does not constitute an offer or invitation to purchase or subscribe for any shares and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.



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- **Anup Overview**
- Q4 FY 2019-2020 Summary Financial Performance
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# Anup Engineering overview



## INDUSTRIES

- Oil & Gas
- Fertilizer
- Power
- Process / Chemical
- Water

## PRODUCTS

- Shell and Tube Heat Exchangers
- Pressure Vessels / Reactor/ Columns
- Tailor Made Equipment
- Centrifuge
- Technology Product - Helixchanger®



## GEOGRAPHIES

- India
- Middle East, South East Asia
- CIS Countries
- Americas (including USA)
- South Africa , Nigeria, Algeria



# Marquee customer list with multiple repeat buyers and long-standing relationships



EPC / LSTK / PMC

BURNS & McDONNELL  
 BECHTEL  
 Linde  
 JACOBS  
 MITSUBISHI HEAVY INDUSTRIES, LTD.  
 FLUOR  
 TECNICAS REUNIDAS  
 Technip  
 AIR LIQUIDE  
 GLOBAL E&C SOLUTIONS  
 Tecnimont  
 BLACK & VEATCH

Process Licensors

SAIPEM  
 LUMMUS  
 Lurgi  
 BASF  
 We create chemistry  
 TOYO ENGINEERING  
 GE  
 PRAXAIR  
 CASALE  
 AIR PRODUCTS  
 Aquatech

End Users

DANGOTE  
 IFFCO  
 Bharat Petroleum  
 SABIC  
 Reliance  
 شركة نفط الكويت  
 Kuwait Oil Company  
 البترول الوطنية  
 KNPC  
 إحدى شركات مؤسسة البترول الكويتية  
 A Subsidiary of Kuwait Petroleum Corporation  
 sasol  
 reaching new frontiers  
 اوربى  
 Orpic  
 كيمانول  
 CHEMANOL  
 شركة كيمانول الكويتية لول  
 MULTIPHASE CHEMICALS COMPANY

**Longstanding**  
Relationships going  
back to 10+ years

**Repeat Buys**  
Consistently for last  
7 years





## Product range



### Heat Exchangers

- Shell and Tube; Helical Baffle
- Critical waste heat, RG boilers
- Steam surface condensers



### Columns / Towers

- Packed Column
- Tray Column



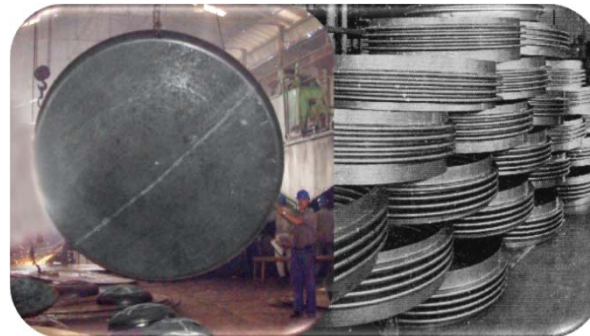
### Reactors

- High Thickness Pressure Vessels (upto 160mm)
- Clad Pressure Vessels



### Pressure Vessels

- High Thickness Pressure Vessels (upto 160mm)
- Clad Pressure Vessels



### Dished Ends, Expansion Bellows

- Spinning, Point Press and Hot Forming



### Centrifuge

- For starch and chemical industries
- Sizes upto 1600mm diameter



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## Executive summary: Modest growth while maintaining robust margins; Covid-19 impacted Q4 numbers



Particulars	Q4 FY20	FY2020	Budget FY20	Remarks
Revenue	70 (↑8%)	245 (↑11%)	300	Covid19 driven shut-down from 15 <sup>th</sup> March thru 3 <sup>rd</sup> May, 15 productive days lost; Otherwise in line with business plan;
EBITDA	16 (↓11%)	69 (↑13%)	78	
PAT	9 (↓18%)	43 (↑10%)		PAT was up by 10% in line with EBIDTA Nos.
Cash Surplus	11 (↓15%)	52 (↑13%)		Surplus invested in secured FD of SBI Bank.

### Other highlights:

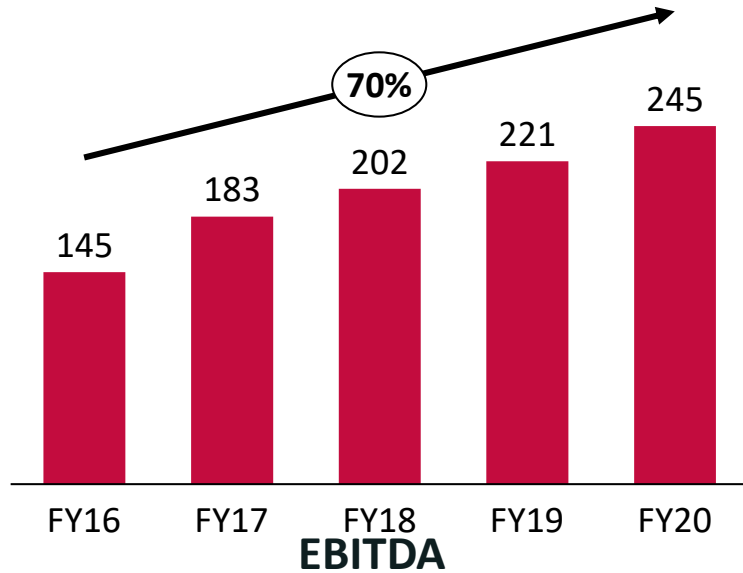
- **Strong Orderbook:** Opening Order Book of Rs.267 Crs coupled with strong pipeline
- **Expansion of H6 Bay :** Completed, resulting in strengthening manufacturing capabilities.



# Anup's financial performance – 12M of last 5 Years

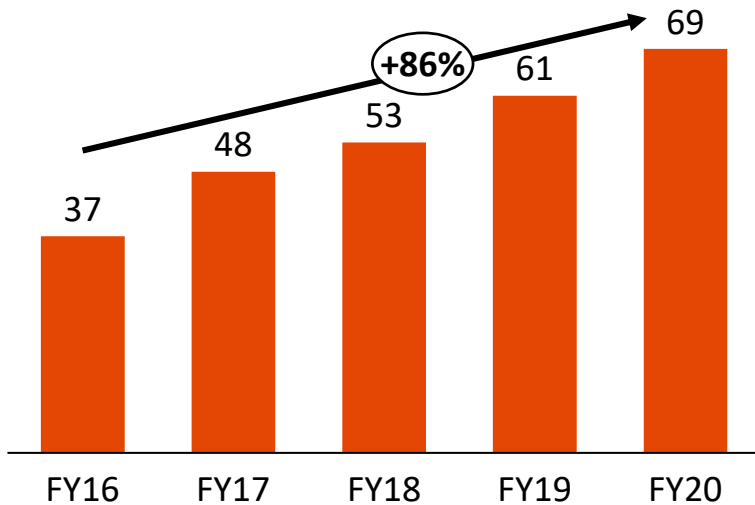
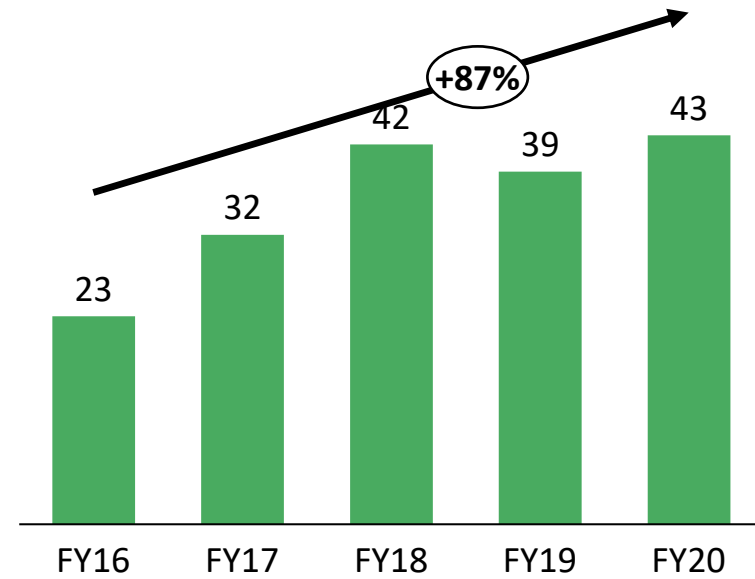


### Revenues from operations



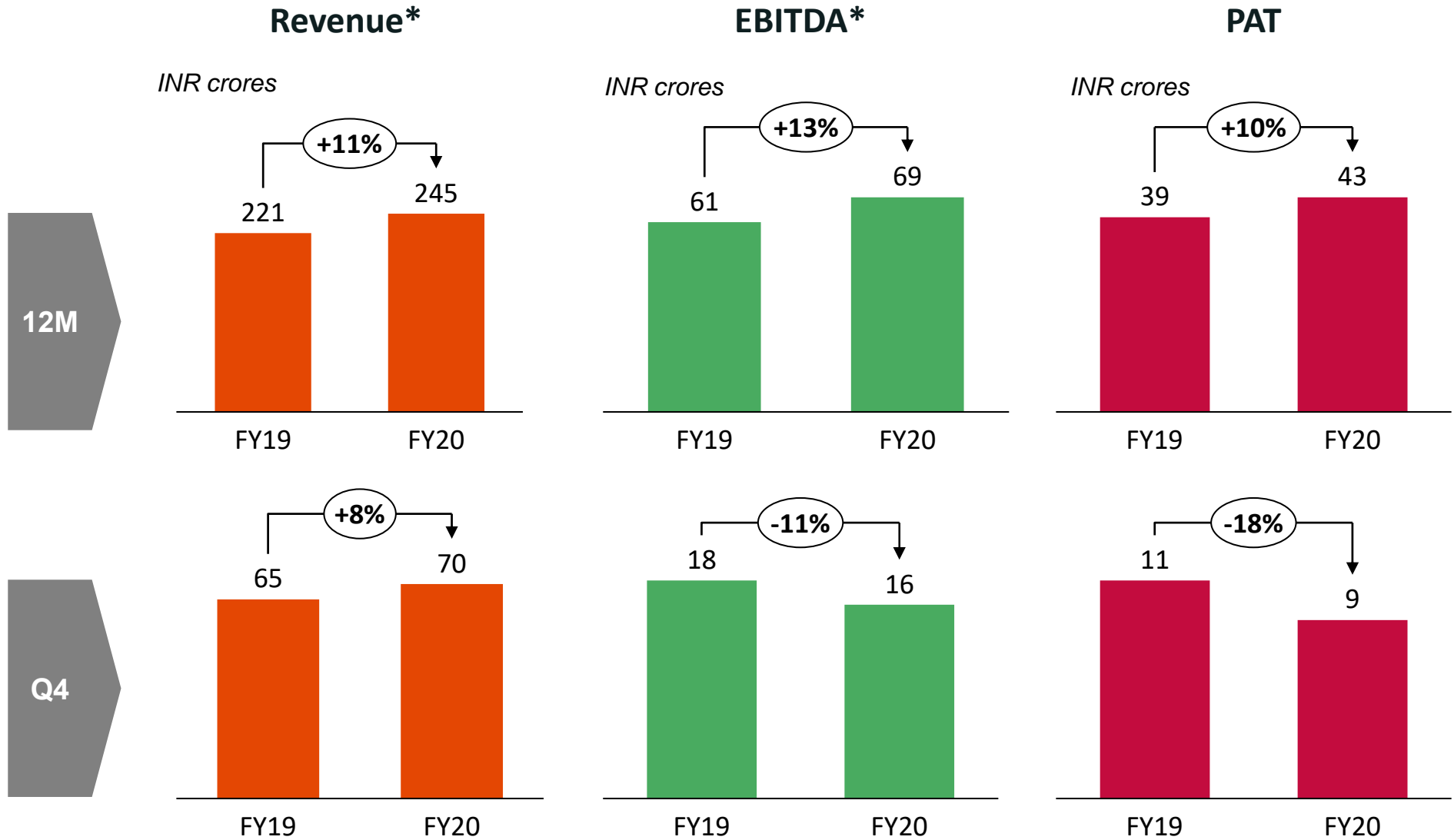
### PAT

INR crores





# Key indicators – FY19 Vs FY20



\* Excluding trading revenues of ~0.40 Crs in Q4FY19 and ~22.88 Crs from the parent company in 12MFY19.

**Balance Sheet position remained strong with efficient W/C management helping transition the uncertain times.**



<i>All figures in INR Crs</i>	March 31, 2020	March 31,2019
Share Capital	10	10
Security Premium	212	211
Reserves	101	67
<b>Net Worth</b>	<b>323</b>	<b>288</b>
<b>Non Current Liabilities</b>	15	13
<b>Current Liabilities</b>	84	96
<b>Total (A)</b>	<b>422</b>	<b>397</b>
Net Fix. Assets and CWIP	156	144
Intangible Assets	27	31
Non Current Assets	22	45
<b>Total Non Current Assets</b>	<b>205</b>	<b>220</b>
Current Assets	217	177
<b>Total (B)</b>	<b>422</b>	<b>397</b>

## Q4, FY20 V/s FY19 Performance



<i>All figures in INR Crs</i>	Q4 FY20	Q4 FY19	12M FY20	12M FY19
Sales	68	63	239	210
Other Operating Income	2	2	6	11
<b>Revenue from Operations</b>	<b>70</b>	<b>*65</b>	<b>245</b>	<b>*221</b>
Raw Material Consumed	32	22	143	102
(Increase) / Decrease in Stock	10	8	(33)	(5)
Employees' Emoluments	4	4	16	15
Others Expenses	8	13	50	48
	<b>54</b>	<b>47</b>	<b>176</b>	<b>160</b>
<b>EBIDTA</b>	<b>16</b>	<b>18</b>	<b>69</b>	<b>61</b>
Margin	<b>23%</b>	<b>27%</b>	<b>28%</b>	<b>27%</b>
Other Income	1	1	4	5
Interest & Finance Cost	0	0	1	2
<b>Cash Accruals</b>	<b>17</b>	<b>19</b>	<b>72</b>	<b>64</b>
Depreciation	2	2	9	8
<b>Profit Before Taxes</b>	<b>15</b>	<b>17</b>	<b>63</b>	<b>56</b>
Provision for Taxes - Current tax	4	4	18	15
- Deferred tax	2	2	2	2
<b>Tax</b>	<b>6</b>	<b>6</b>	<b>20</b>	<b>17</b>
<b>Profit After Tax</b>	<b>9</b>	<b>11</b>	<b>43</b>	<b>39</b>

\* Excluding trading revenues of ~0.40 Crs in Q4FY19 and ~22.28 Crs from the parent company in 12MFY19.



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# Our Focused Strategy for Growth

## **Focus on end users in Global Market.**

- Engage end-market buyers
- Target multiple buyers in multiple end markets

## **Manufacturing and Engineering Capabilities**

- Completion of Kheda Project
- Develop more inhouse trained Engineering Resources.

## **Explore M&A opportunities**

- To acquire technology
- To acquire assets to gain entry into new product segments (proprietary and specialized equipment)

## **Focus on Higher alloys and critical materials and Process Licensors**

- By building high performance team focused on sustainable growth
- Keep adding skills and infrastructure to be able to offer the entire range of conventional and advanced S/T Heat Exchangers.

## **Consolidating marketing front-end to reach more clients, accounts, trades and systems with the objective to squeeze growth from our platforms at minimal cost**

## **Develop Capability for New Offerings**

- Internals for Reactors
- Engineering services such as Thermal Design, FEA & Fatigue Analysis

**Expansion of Bay H7 Completed, strengthening our manufacturing capability.**



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# Anup's Covid-19 Response



## Employee Well-Being



Work from Home was swiftly implemented with comprehensive guidelines. Spreading awareness about preventive steps among our employees.



As our operations resumed partially, the company enabled significant number of employees to work from home, right through the lockdown.



With our office re-opening and employees coming back to office, we are making sure that Social Distancing and Hygiene and safety practices are rigorously followed.



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# OUTLOOK



## On- Going Capex:

- Heavy Bay Extension at its Odhav Plant completed successfully in January strengthening its manufacturing capabilities. This will help the company execute larger and more complex equipment orders.
- Company will evaluate timing of the capex at Kheda based on how situation evolves

## Order Book & Outlook

- The year opened at an Order Book of Rs.267 Crs with additional orders booked worth Rs.89 Crs till June 15, 2020 resulting in a robust visibility ahead.
- Due to lock down in Q1 and likely continued disruption on supply side, it is difficult to predict the revenue and profitability for the current year at this juncture.



# THANK YOU...



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