THE MAN GROUP

Globally Committed

MAN Industries (India) Ltd

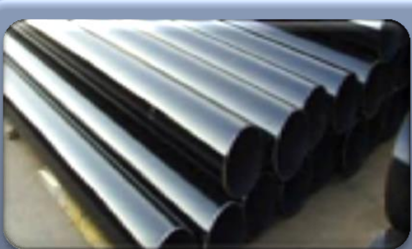
the line pipe people

Earnings Presentation – Q2/H1-FY17

Executive Summary

Overview:-

- Man Group, promoted by Mansukhani family in 1970, incorporated its flagship company Man Industries (India) Ltd. in 1988.
- Man Industries (India) Ltd. (MIIL) is one of the largest manufacturer and exporter of large diameter carbon steel line pipes (LSAW and HSAW).
- MIIL has been exporting to various countries like USA & others in Middle East, Africa , S. America, Asia-Pac
- It is listed on both BSE and NSE, with a market capitalization of around INR 2.7 Bn (as of 30th Sep. 2016).



Products:-

- **Longitudinal Submerged Arc Welded Pipes (LSAW):** Diameters ranging from 16” to 56”; maximum Pipe Length-12.20 meters, and a total capacity of 500,000 tonnes p.a.
- **Helically Submerged Arc Welded Pipes (HSAW)**: Diameter ranging from 18” to 130”, maximum Pipe Length-18 meters, and a total capacity of 500,000 tonnes p.a.
- **Coating**: Single layer FBE, Internal blasting & painting, Coal tar Enamel, Capacity–7.8 million sq. meters p.a.

Marquee Clients:-

- **Domestic Clients**: GAIL,IOCL, HPCL, BPCL, ONGC, Reliance, Adani, EIL, BHEL, L&T, Petronet India Ltd. and many more.
- **International Clients**: SHELL, Kinder Morgan, Kuwait Oil Company, Hyundai Engineering & Construction Ltd., PetroBangla - Bangladesh, NPCC-Abu Dhabi, PETROBRAS-Brazil and many more.

Q2FY17 Standalone Financial Performance:-

- **Total Income*** INR 2,696 mn
- **EBITDA of** INR 348 mn ; **EBITDA Margin** at 12.91%
- **Net Profit** INR 93 mn

* Includes other income

Company Profile

MAN Industries (India) Ltd
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- Incorporated in 1988, Man Industries (India) Ltd. is a flagship company of Man Group, promoted by Mansukhani family.
- The company is one of the largest Manufacturers and Exporters of LSAW and HSAW pipes in India with a Total installed capacity of 1 million tonnes.
- MIIL has two plants: one plant in Anjar, Kutch District of Gujarat and other in Pithampur, Madhya Pradesh, spread over a total of 150 acres.
- Anjar plant facilitates easy transportation to two major ports Kandla and Mundra as well as provides good connectivity to the road network.
- The company has supplied more than 10,000 Kilometers of line pipes across the world.
- MIIL has been a profit making company since inception and also a consistent dividend paying company.
- The company has had an excellent track record of promptly meeting its financial obligations in a timely manner in the toughest market conditions.

Industry Usage

Oil/Gas Transmission

Oil Refining/Exploration

Water and Sewage

Business Model

MAN Industries (India) Ltd.

- LSAW 500,000 T.P.A
- HSAW 500,000 T.P.A
- COATING 7.8 mn sqm. P.A.

Q2/H1-FY17 Key Highlights

MAN Industries (India) Ltd
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Standalone Q2-FY17:

- **Total Income*** : INR 2.696 Mn; Growth of (21.08%) YoY and (17.17%) QoQ
- **EBITDA** : INR 348 Mn; Growth of (38.3%) YoY and 6.55% QoQ
- **EBITDA Margin :** 12.91%; Growth of (360) Bps YoY and 288 Bps QoQ
- **Net Profit :** INR 93 Mn; Growth of (51.56%) YoY and 0% QoQ
- **PAT Margin :** 3.45%; Growth of (217) Bps YoY and 59 Bps QOQ
- **Diluted EPS :** INR 1.7

Standalone H1-FY17

- **Total Income*** : INR 5,951 Mn; Growth of (22%) YoY
- **EBITDA** : INR 675 Mn; Growth of (35.6%) YoY
- **EBITDA Margin :** 11.34%; Growth of (239) Bps YoY
- **Net Profit :** INR 186 Mn; Growth of (49.3%) YoY
- **PAT Margin :** 3.13 %; Growth of (168) Bps YoY
- **Diluted EPS :** INR 3.27

* Includes other income

Standalone Quarterly Financial Performance

MAN Industries (India) Ltd
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Particulars (INR Mn)	Q2FY17	Q2FY16	Chg. YoY	Q1FY17	Chg. QoQ
Total Income *	**2,696**	**3,416**	**(21.08%)**	**3,255**	**(17.17%)**
Expenses	2,348	2,852	(17.67%)	2,928	(19.81%)
EBITDA	**348**	**564**	**(38.30%)**	**327**	**6.55%**
EBITDA Margin	***12.91%***	***16.51%***	***(360 Bps)***	***10.01%***	***288 Bps***
Depreciation	98	90	8.89%	93	5.38%
Finance Cost	120	167	(28.14%)	85	41.18%
PBT	**130**	**307**	**(57.65%)**	**149**	**(12.52%)**
Tax	37	115	(67.83%)	56	(33.21%)
PAT	**93**	**192**	**(51.56%)**	**93**	**0%**
PAT %	***3.45%***	***5.62%***	***(217 Bps)***	***2.86%***	***59 Bps***
Other Comprehensive Income (Net of Tax)	4	(8)	NA	(3)	NA
Total Income (After Comprehensive income)	**97**	**184**	**(47.28%)**	**90**	**7.78%**
EPS (Diluted)	**1.70**	**3.23**	**(47.37%)**	**1.57**	**41.20%**

* Includes other income

Standalone Half Yearly Financial Performance

Particulars (INR Mn)	H1 FY17	H1 FY16	Chg. YoY
Total Income *	**5,951**	**7,633**	**(22.0%)**
Expenses	5,276	6,585	(19.9%)
EBITDA	**675**	**1,048**	**(35.6%)**
EBITDA Margin	***11.34%***	**13.73%**	***(239 Bps)***
Depreciation	191	178	7.3%
Finance Cost	205	311	(34.1%)
PBT	**279**	**559**	**(50.1%)**
Tax	93	192	**(51.6%)**
PAT	**186**	**367**	**(49.3%)**
PAT %	***3.13%***	**4.81%**	***(168 Bps)***
Other Comprehensive Income (Net of Tax)	1	(10)	NA
Total Income (After Comprehensive income)	**187**	**357**	**(47.62%)**
EPS (Diluted)	**3.27**	**6.25**	**(47.7%)**

Standalone Income Statement

Particulars (INR Mn)	FY13	FY14	FY15	FY16	H1 FY17
Total Income *	**15,409**	**10,361**	**14,015**	**14,585**	**5,951**
Expenses	12,618	9,503	12,492	12,730	5,276
EBITDA	**2,791**	**858**	**1,523**	**1,855**	**675**
EBITDA Margin	***18.11%***	***8.3%***	***10.9%***	***12.7%***	***11.34%***
Depreciation	388	318	425	396	191
Finance Cost	441	417	457	535	205
Extra-Ordinary Items	541	-	-	-	-
PBT	**1,421**	**123**	**641**	**924**	**279**
Tax	378	23	105	96	93
Deferred Tax	36	11	-	-	-
PAT	**1,007**	**89**	**536**	**828**	**186**
PAT %	***6.5%***	***0.9%***	***3.8%***	***5.7%***	***3.13%***
EPS (Diluted)	**17.32**	**1.56**	**9.38**	**14.50**	**3.27**

* Includes other income

Standalone Balance Sheet

MAN Industries (India) Ltd
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EQUITY & LIABILITIES (INR Mn)	FY14	FY15	FY16	H1 FY17
Shareholders' Funds				
Share Capital	286	286	286	286
Reserves and Surplus	6,347	4,600	5,305	5,491
Total Shareholder's Funds	**6,633**	**4,886**	**5,591**	**5,777**
Non Current Liabilities				
Long Term Borrowings	3,098	2,647	1,884	1,547
Deferred Tax Liabilities	536	424	391	396
Other Long Term Liabilities	8	15	15	37
Long Term Provisions	131	144	18	0
Total Non Current Liabilities	**3,773**	**3,230**	**2,308**	**1,980**
Current Liabilities				
Short Term Borrowings	1,087	1,195	1,605	2,145
Trade Payables	3,626	3,984	2,194	2,093
Other Current Liabilities	447	996	1,030	581
Short Term Provisions	213	191	154	546
Total Current Liabilities	**5,373**	**6,366**	**4,983**	**5,365**
TOTAL	**15,779**	**14,482**	**12,882**	**13,122**

ASSETS (INR Mn)	FY14	FY15	FY16	H1 FY17
Non Current Assets				
Fixed Assets				
Tangible Assets	4,032	3,535	3,465	3,585
Capital Work-in-Progress	19	34	189	97
Non-current Investments	190	1,010	1,209	1,212
Long Term Loans and Advances	267	741	2	0
Other Non Current Assets	498	415	115	18
Total Non Current Assets	**5,006**	**5,735**	**4,980**	**4,912**
Current Assets				
Current Investments	16	9	13	8
Inventories	1,154	1,360	1,275	434
Trade Receivables	2,826	4,656	2,462	3,246
Cash and Bank Balances	1,784	1,483	1,675	1,182
Short Term Loans and Advances	4,788	1,111	1,218	1,820
Other Current Assets	205	128	1,259	1,520
Total Current Assets	**10,773**	**8,747**	**7,902**	**8,210**
TOTAL	**15,779**	**14,482**	**12,882**	**13,122**

Consolidated Income Statement

MAN Industries (India) Ltd
the line pipe people

Particulars (INR Mn)	FY13	FY14	FY15	FY16
Total Income *	**15,626**	**10,362**	**13,986**	**14,569**
Expenses	13,211	9,502	12,498	12,709
EBITDA	**2,415**	**860**	**1,488**	**1,860**
EBITDA Margin	***15.4%***	***8.3%***	***10.6%***	***12.8%***
Depreciation	395	318	425	396
Finance Cost	442	418	459	535
Extra-Ordinary Items	541	-	-	-
PBT	**1,037**	**124**	**604**	**929**
Tax	378	23	133	96
Deferred Tax	37	11	(33)	0
PAT	**622**	**90**	**504**	**833**
PAT %	***4.0%***	***0.9%***	***3.6%***	***5.7%***
EPS (Diluted)	**10.7**	**1.58**	**8.82**	**14.59**

* Includes other income

Consolidated Balance Sheet

EQUITY & LIABILITIES (INR Mn)	FY14	FY15	FY16
Shareholders' Funds			
Share Capital	286	286	286
Reserves and Surplus	6,321	4,539	5,393
Total Shareholder's Funds	**6,607**	**4,825**	**5,679**
Non Current Liabilities			
Long Term Borrowings	3,098	3,168	1,968
Deferred Tax Liabilities	537	418	404
Other Long Term Liabilities	8	15	4
Long Term Provisions	131	144	17
Total Non Current Liabilities	**3,774**	**3,745**	**2,393**
Current Liabilities			
Short Term Borrowings	1,087	1,195	683
Trade Payables	3,625	3,993	1,969
Other Current Liabilities	447	1,044	1,632
Short Term Provisions	213	191	84
Total Current Liabilities	**5,372**	**6,423**	**4,368**
TOTAL	**15,753**	**14,993**	**12,440**

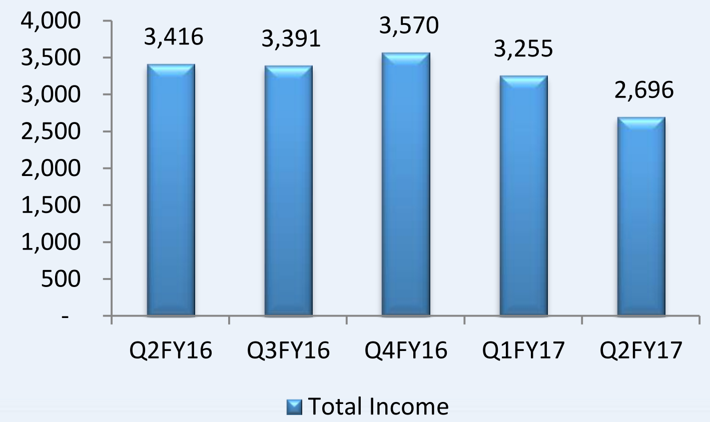
ASSETS(INR Mn)	FY14	FY15	FY16
Non Current Assets			
Fixed Assets			
Tangible Assets	4,049	3,566	3,497
Intangible Assets	-	-	-
Capital Work-in-Progress	19	34	189
Goodwill on consolidation	0	598	0
Non-current Investments	182	17	1,001
Long Term Loans and Advances	285	104	86
Other Non Current Assets	498	423	320
Total Non Current Assets	**5,033**	**4,742**	**5,093**
Current Assets			
Current Investments	16	9	7
Inventories	1,154	2,723	1,275
Trade Receivables	3,012	4,855	2,652
Cash and Bank Balances	1,787	1,483	1,678
Short Term Loans and Advances	4,573	1,096	1,663
Other Current Assets	178	85	72
Total Current Assets	**10,720**	**10,251**	**7,347**
TOTAL	**15,753**	**14,993**	**12,440**

Standalone Quarterly Performance

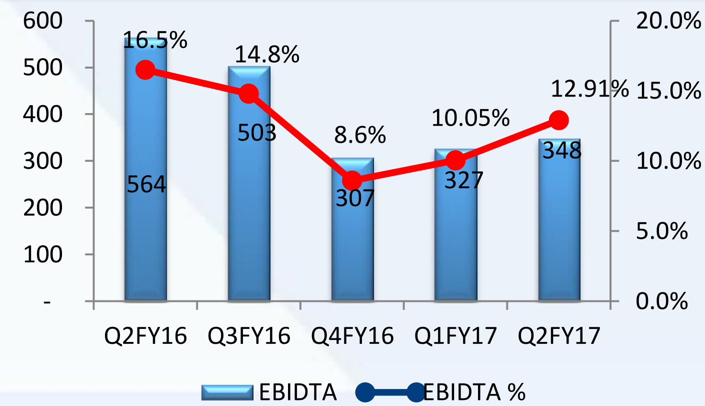
MAN Industries (India) Ltd
the line pipe people

Particulars (INR Mn)	Q2FY16	Q3FY16	Q4FY16	Q1FY17	Q2FY17
Total Income*	**3,416**	**3,391**	**3,570**	**3,255**	**2,696**
Operating Expense	2,852	2,888	3,263	2,928	2,348
EBITDA	**564**	**503**	**307**	**327**	**348**
EBITDA Margin(%)	***16.5%***	***14.8%***	***8.6%***	***10.05%***	***12.91%***
Depreciation	90	101	105	93	98
Finance Cost	167	131	109	85	120
Profit Before Tax	**307**	**271**	**93**	***149***	***130***
Tax	115	85	(169)	56	37
PAT	**192**	**186**	**262**	**93**	**93**
PAT Margin(%)	***5.6%***	***5.5%***	***7.3%***	***2.9%***	***3.4%***
Other Comprehensive Income (Net of Tax)	(8)	0	0	**(3)**	**4**
Total Income (After Comprehensive income)	**184**	**186**	**262**	**90**	**97**

Net Income (INR Mn)

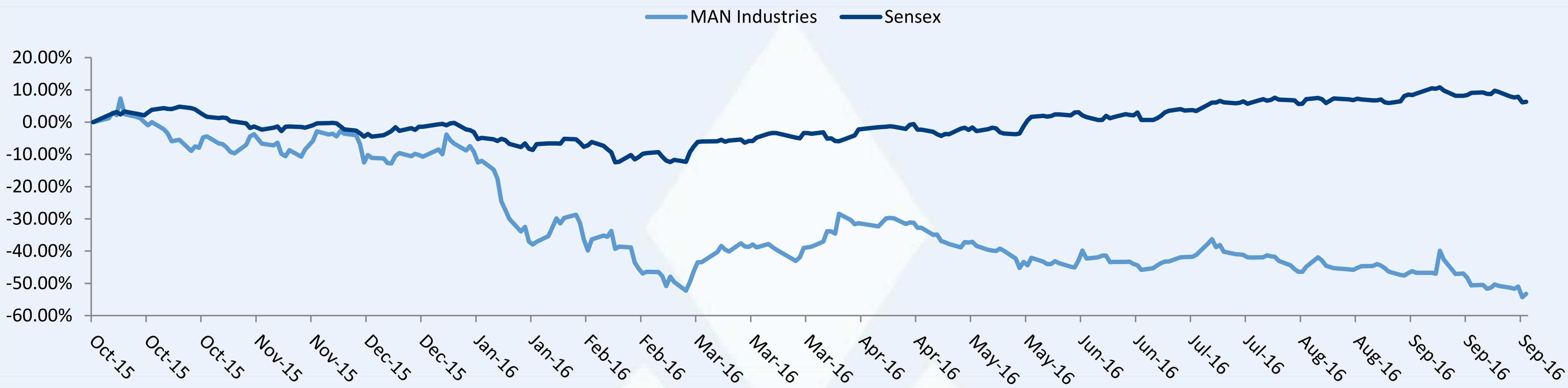


EBITDA & EBITDA Margin (%)



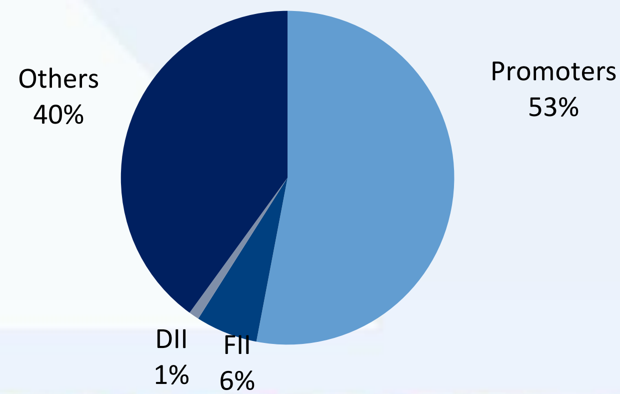
* Includes other income

Capital Market



Price Data (As of 30th September 2016)	INR
Face Value	5
Market Price	47.80
52 week H/L	113.9/45.5
Market Cap (INR Mn.)	2,729.40
Equity Shares Outstanding (mn)	57.1
1 Year Avg. Trading Volume ('000)	336.50

Shareholding Pattern as on 30th September, 2016



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