



**MAHARASHTRA
SEAMLESS LIMITED**

Earnings Presentation

Q3 FY2019

February 2019



This document contains “forward-looking statements” about our business, financial performance, skills and prospects. Statements about our plans, intentions, expectations, beliefs, estimates, prediction or similar expression for the future are forward-looking statements.

Forward looking statements are based on management’s current views and assumptions and involve known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied by those statements. These risks include but are not limited to risks arising from uncertainties as to future Oil & Gas Prices and their impact on investment programs by Oil & Gas Companies, Steel Prices worldwide & domestic, economic & political conditions. We can not assure that outcome of this forward-looking statements will be realized.

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#1 producer of Seamless pipes in India



Facilities

550k MTPA
Seamless Pipes Capacity

200k MTPA
ERW Pipes Capacity

43 MW
Solar and Wind energy portfolio



Brands and Customers

Leading supplier to Oil & Gas
industry



MAHARASHTRA
SEAMLESS LIMITED

“MAHA”

A globally recognised brand



“Jindal Star”

A national brand



Financials

Rs. 3,300 Cr Market Cap

Regular dividends since IPO;
25% payout ratio for FY2018

9M FY19 Revenues: Rs. 2,096 Cr
EBITDA margin 20%

Strong balance sheet



Operational Highlights

- Total pipes production up 10% yoy, at 104k MT
 - Seamless pipes production up 12% yoy at 87k MT
 - ERW production up 5% yoy at 17k MT
- Continued ramp-up of Seamless Pipes capacities
 - 350k MTPA Nagothane and 200k MTPA Mangaon plants are expected to reach to full capacity by June 2019
- **Strong order book position of Rs. 1,300 Crore** at end-December vs Rs. 950 Crore at end-September
- Generated 65% of power requirement through renewable sources
- NCLT has approved MSL's resolution plan for United Seamless having capacity of 350k MTPA. Acquisition expected to be completed soon

Financial Highlights

- **Total Revenue of Rs. 786 Crore, up 39%**
- EBITDA of Rs. 157 Crore, up 158%
- PBT of Rs. 143 Crore, up 151%
- PAT of Rs. 93 Crore, up 139%



Commenting on the results and performance, Mr. Saket Jindal, Managing Director, said:

“The Maharashtra Seamless team has delivered very strong results for Q3 FY2019, with PAT of Rs. 93 crore, up 139% compared to last year. We are India’s largest seamless pipes producer, and one of the most efficient globally. Our production was up 10%, and margins were strong as the global demand environment was supportive and we remained efficient on the cost front.



We are in the process of completing the acquisition of United Seamless (USTPL) through the IBC process. USTPL has a seamless pipes capacity of 350k MTPA, and will further strengthen our market position, and generate long-term shareholder value.”



Strong energy prices generating strong demand for pipes from O&G industry globally

Indian market seeing strong demand for Seamless and Welded pipes from new oil refineries, pipelines, upgrade of refineries to BS-VI, ongoing replacement of old O&G pipelines in Mumbai High, Gujarat

Cross-country gas pipeline to generate strong demand for ERW pipes

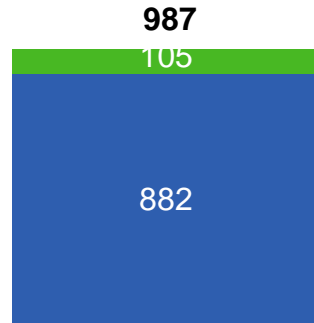
Pharmaceutical and pre-fabricated industries are opportunities for ERW pipes

Smart cities projects to increase demand of pipes required for basic facilities

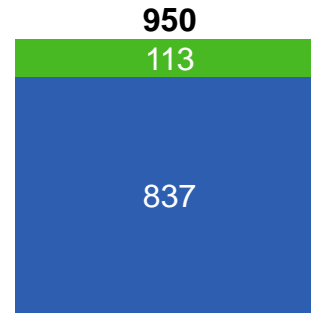
Anti-dumping duties imposed by India, US and Europe benefiting Indian producers



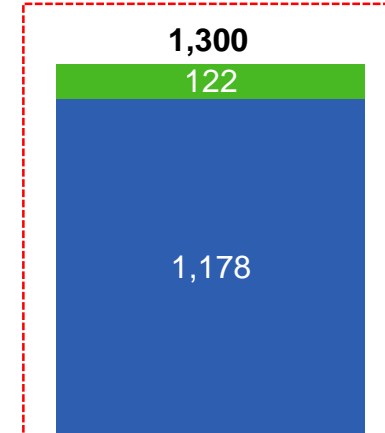
Strong Oder Book of Rs. 1,300 crore



Q3 FY18

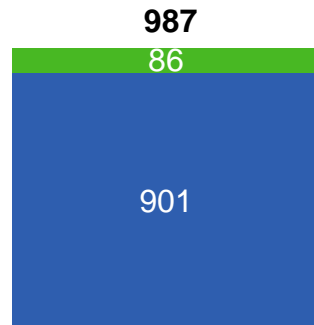


Q2 FY19

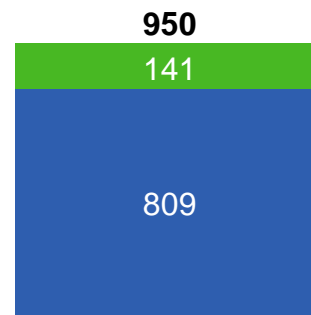


Q3 FY19

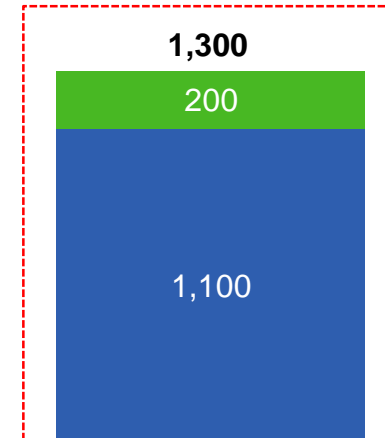
■ Domestic ■ Exports



Q3 FY18



Q2 FY19



Q3 FY19

■ Seamless ■ ERW



Particulars	Q3 FY19		Q3 FY18		Q2 FY19	
	Seamless	ERW	Seamless	ERW	Seamless	ERW
Production (kMT)	87	17	78	16	64	18
Sales Volume (kMT)	80	17	82	14	76	19
EBITDA (Rs. Cr)	141	5	50	6	104	11
EBITDA/ton (Rs.)	17,630	3,160	6,061	4,062	13,783	5,719

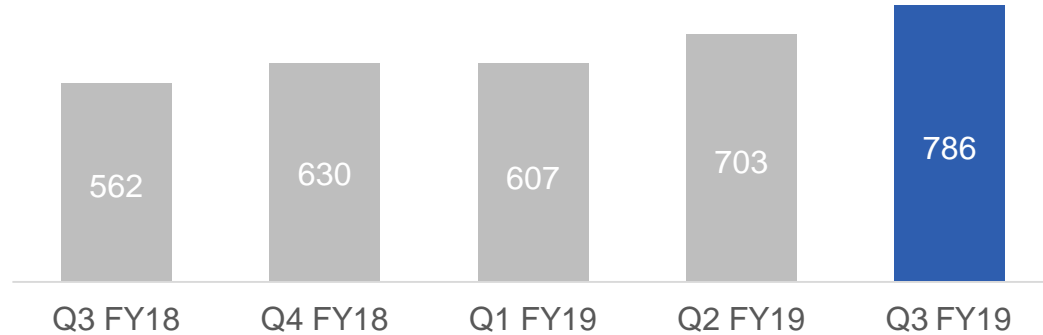
Standalone Financials

Particulars (Rs. Cr)	Q3 FY19	Q3 FY18	y-o-y Growth	Q2 FY19	q-o-q Growth
Income from Operations	786	562	39.4%	703	11.8%
EBITDA	157	61	157.6%	128	22.8%
<i>EBITDA Margin</i>	20.0%	10.8%		18.2%	
PAT	93	39	139.3%	88	4.8%
<i>PAT Margin</i>	11.8%	6.9%		12.6%	
EPS (Rs.)	13.85	5.79	139.2%	13.21	4.8%

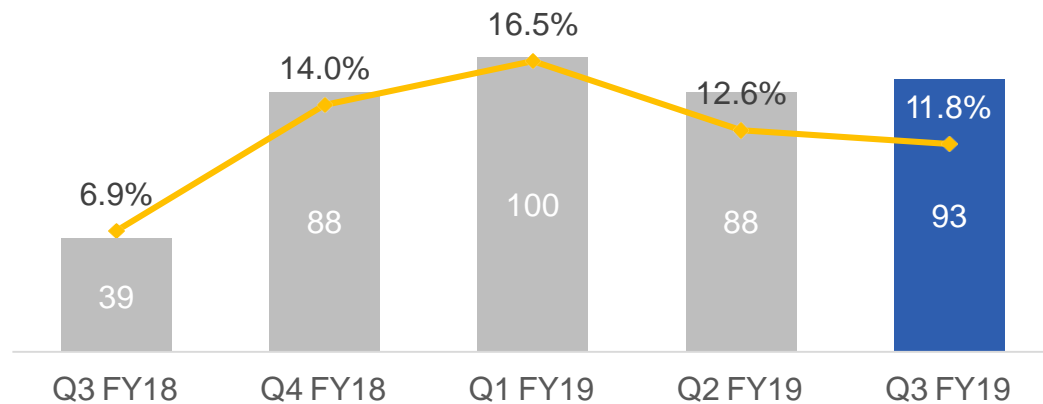
- Total pipes production up 10% yoy, at 104k MT supported by improved operational efficiency
- Income from operations up 39% yoy
- EBITDA margins improved on account of higher sales and improvement in operational efficiency
- PAT increased significantly due to improved margins



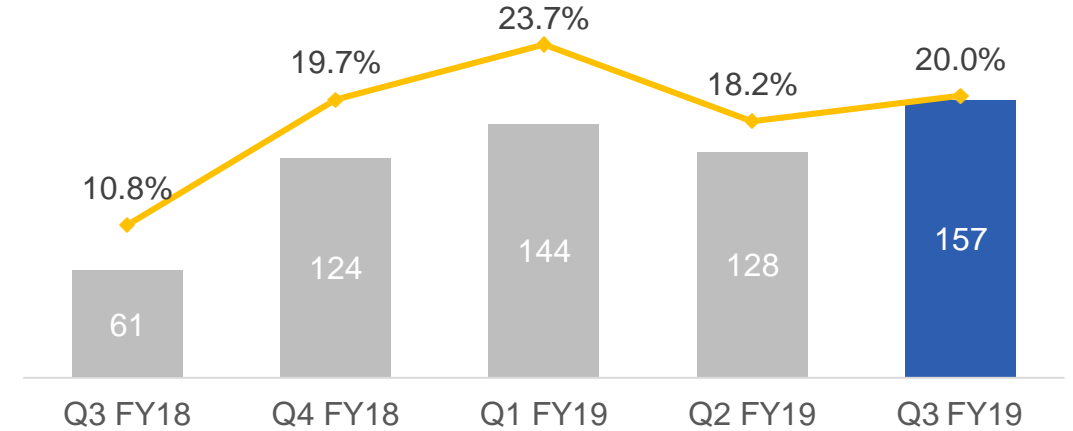
Revenue



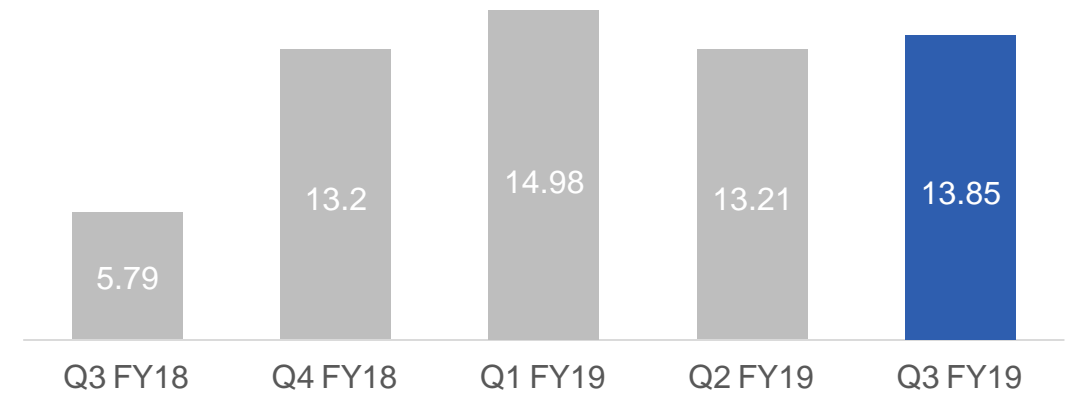
PAT and PAT Margin

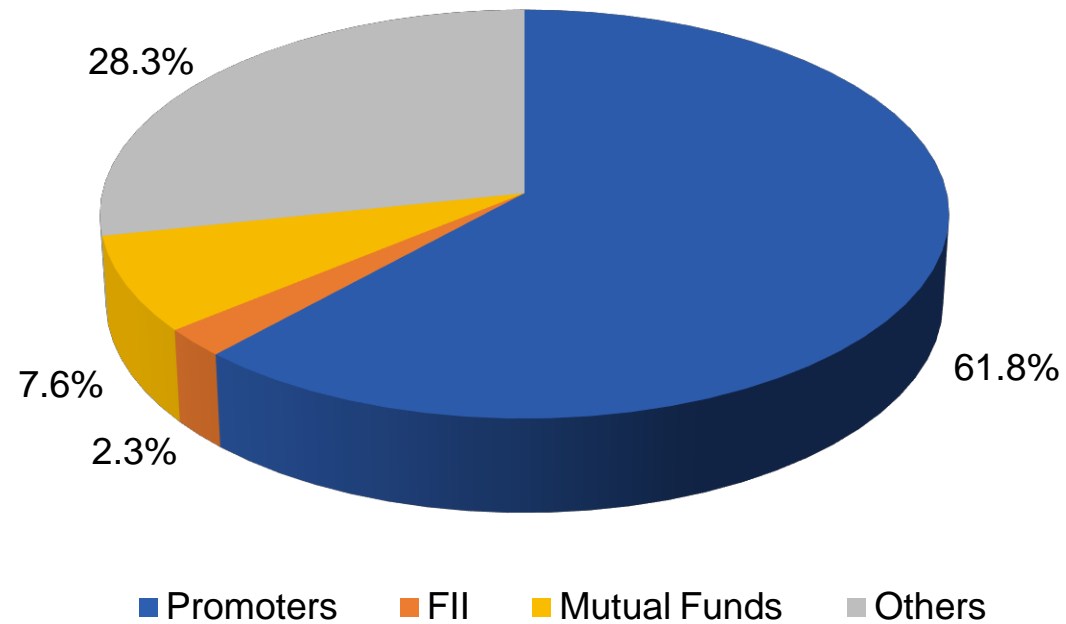


EBITDA and EBITDA Margin



EPS (Rs.)



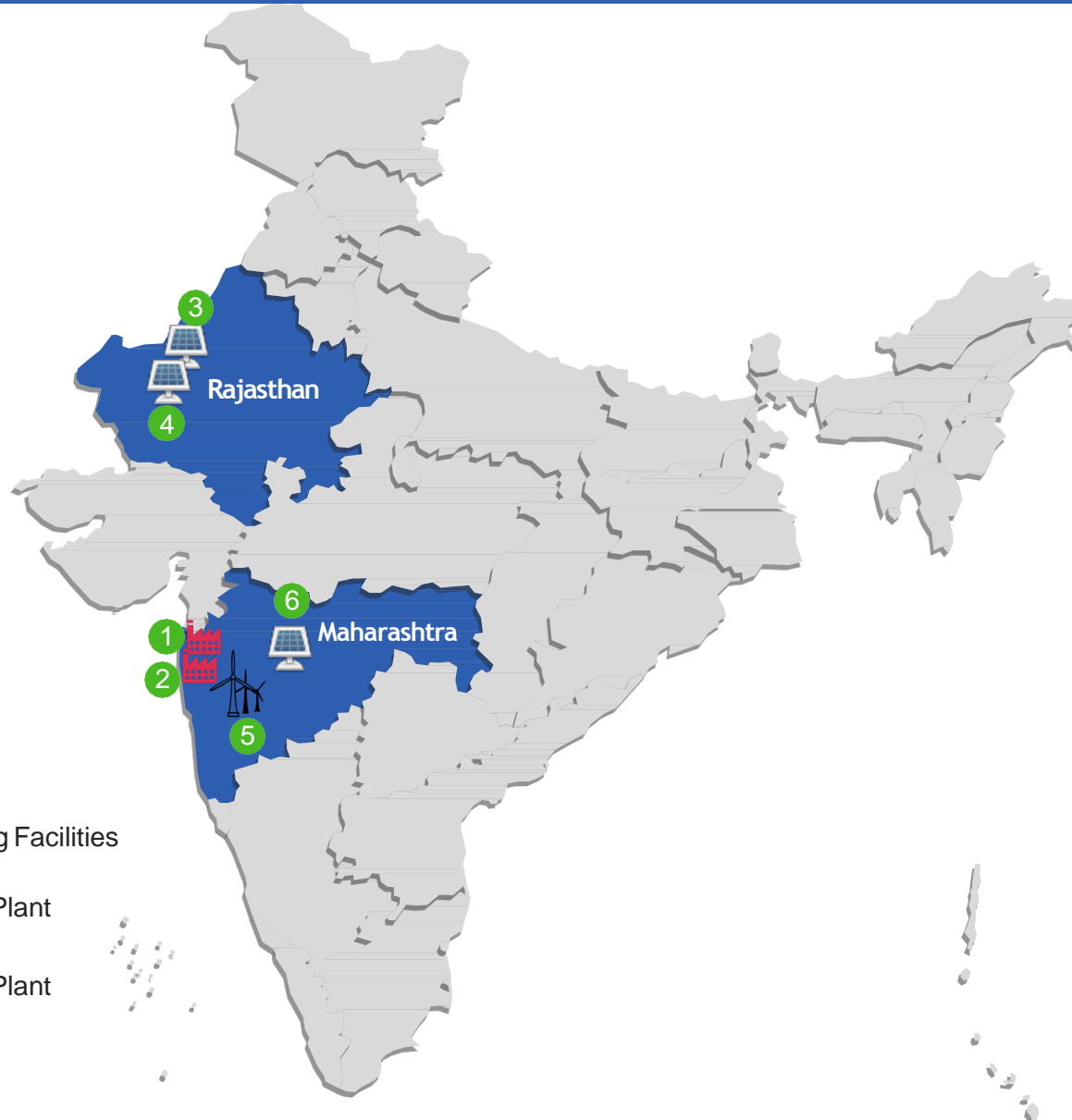


Select Major Investors	% O/S
Mutual Funds	
L&T Mutual Fund	5.1%
IDFC Mutual Fund	1.4%
BNP Paribas Mutual Fund	0.2%
DSP Mutual Fund	0.8%
Total	7.6%

Note: As of December 31, 2018



Strategic Footprint with Access to Customers



Facility		Products	Capacity
Pipes			
1	Sukeli, Raigad	Seamless	350 kMTPA
		ERW	200 kMTPA
2	Bhagad, Mangaon	Seamless	200kMTPA
Power			
3	Durjani, Jodhpur	Solar Power	20 MW
4	Pokaran, Jaisalmer	Solar Power	5 MW
5	Naigaon, Beed and Sukeli, Raigad	Solar Power	11 MW
6	Nivkane, Satara	Wind Power	7 MW



Oil and Gas



Infrastructure



Products and Industries Served

Industries Served	Seamless Pipes	ERW Pipes	Others (Coated and Premium Connection Pipes and Pipe Fittings)
Agriculture	✓		✓
Automotive		✓	
Bearing		✓	
Chemical		✓	
Engineering	✓		✓
Fertilizers		✓	
Housing	✓		✓
Irrigation	✓		✓
Mechanical		✓	✓
Oil and Gas	✓	✓	✓
Petrochemical		✓	
Power		✓	
Public Health	✓	✓	✓
Types	<ul style="list-style-type: none"> • Hot Finished Pipes & Tubes • Cold Pilgered / Cold Drawn Tubes • Boiler Tubes • API Line Pipes • OCTG Pipes • OCTG Casing and Tubing • OCTG Drill Pipe 	<ul style="list-style-type: none"> • MS & GI Pipes • API Line Pipes • OCTG Pipes and Casing • Tubing 	<ul style="list-style-type: none"> • 3LPE, 3LPP and FBE Coated Pipes • Internal Coating Pipes • Pipe Fittings • Premium Connection Pipes





**MAHARASHTRA
SEAMLESS LIMITED**

Ashok Soni
CFO - D.P. Jindal Group
Tel. No.: 91-124-4624320
E-Mail : ashok@mahaseam.com

Sanjiv Gupta
DGM - Finance
Tel. No.: 91-124-4624321
E-Mail : sanjiv@mahaseam.com

www.jindal.com

CIN: L99999MH1988PLC080545

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D.P. JINDAL GROUP