



**MAHARASHTRA  
SEAMLESS LIMITED**

# Earnings Presentation

**Q1 FY2019**

**August 2018**



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.

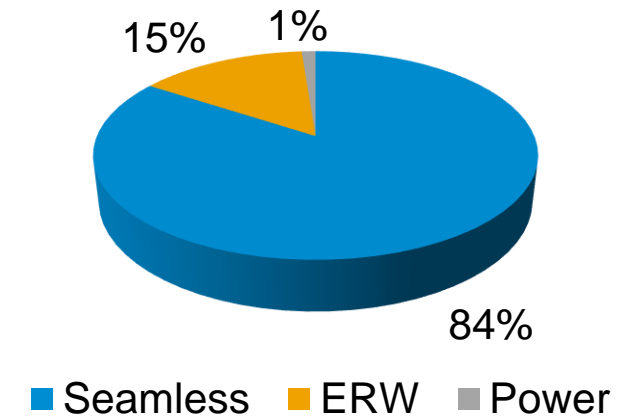
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## India's largest and most efficient producer of seamless pipes

- #1 producer of seamless pipes in India, capacity 550 ktpa
- Major producer of ERW pipes in India, capacity 200 ktpa
- Plants in Nagothane and Mangaon in Maharashtra
- 43 MW Solar and Wind energy portfolio
- Leading supplier to Oil & Gas industry
- Listed on NSE and BSE
- Market cap Rs. 3,500 crore.
- Regular dividend since IPO. 25% payout ratio for FY2018
- FY2018 Revenues of Rs. 2,160 crore, EBITDA of Rs. 306 crore, 14.2% margin
- Strong balance sheet, with net cash, investments and inter company deposits of Rs. 730 crore as of 30 June 2018

## Product-wise Revenue Breakdown\*



“MAHA”  
A globally recognised brand



“Jindal Star”  
A national brand

\* FY2018 Financials





- **Business Highlights**

- Seamless pipes production volume of 74,827 MT, up 7% YoY
  - Taken scheduled shutdown of 7" mill during the quarter
- ERW pipes production volume of 15,981 MT, up 37% YoY
- **Strong order book position of over Rs. 1,000 crore**
- Mangaon seamless pipes plant, restarted in Q3 FY 2018, is ramping up
- Generated renewable power (Wind and Solar), equivalent to 70% of total electricity consumption of Q1 FY2019
- Emerged as highest bidder for United Seamless Tubulaar Pvt. Ltd., in Telangana, in the auction under the IBC process. United Seamless Tubulaar has seamless pipe capacity of 350 kMTPA.

- **Financial Highlights**

- **Total Revenue of Rs. 607 crore, up 26%**
- EBITDA of Rs. 144 crore, up 136%
- PBT of Rs. 158 crore, up 171%
- PAT of Rs. 100 crore, up 169%



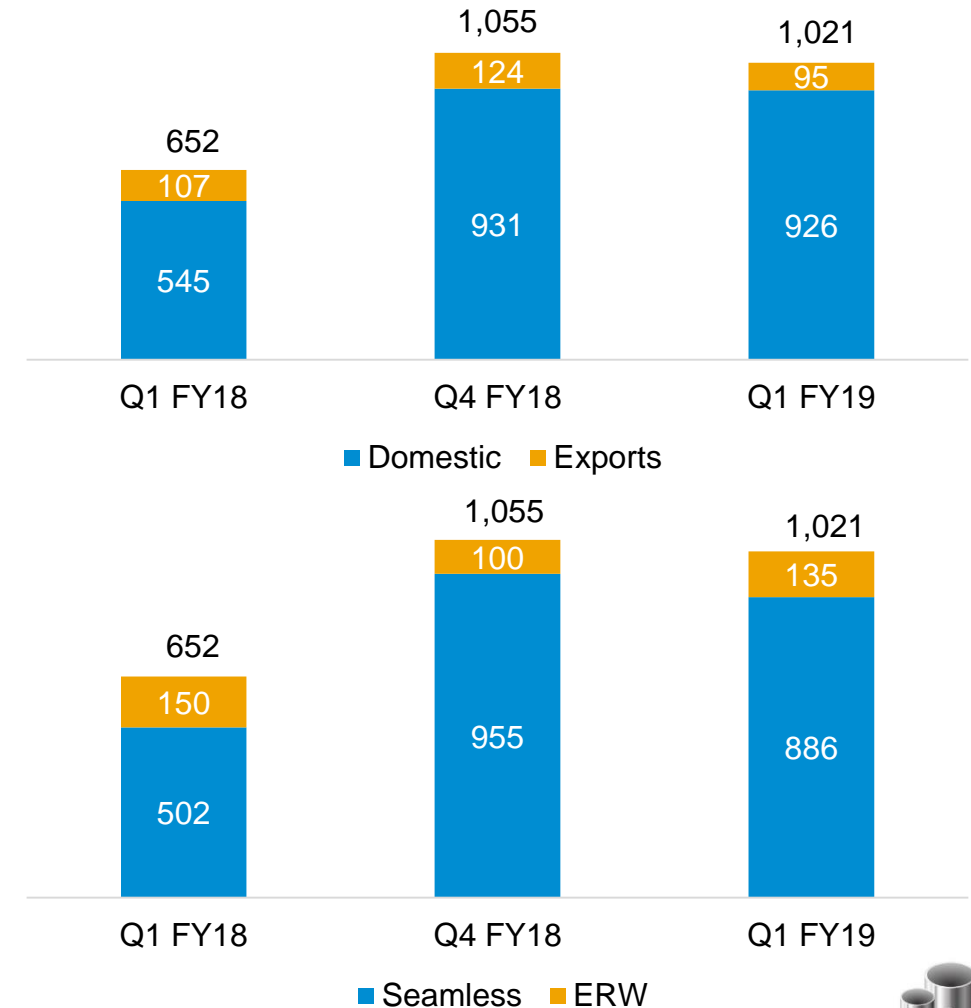
- Increasing government support to steel industry and higher demand for steel pipes & tubes
- Smart cities projects will increase demand of pipes required in basic facilities projects in urban areas
- Increasing demand from oil & gas sector, power sector & projects
- Ongoing replacement of old oil & gas pipelines in Mumbai High, Gujarat would boost demand for both Seamless and Welded pipes
- Increasing global demand for pipes



- **Higher Production**
  - Increasing utilisation at Nagothane plant
  - Re-started the Mangaon plant in Q3 FY2018, plant is ramping up
- **Emerged as highest bidder for United Seamless Tubulaar Pvt. Ltd., in Telangana**
  - Capacity of 350 kMTPA
  - Bid of Rs. 477 crore Enterprise Value
  - Expected to complete by end of H1 FY2019
- **Renewable Power**
  - Foray into renewable energy sector with dual objective – Cost efficiency and Preservation of environment

## Strong Oder Book of Rs. 1,000 crore +

Rs. crore



# Operational and Financial Performance

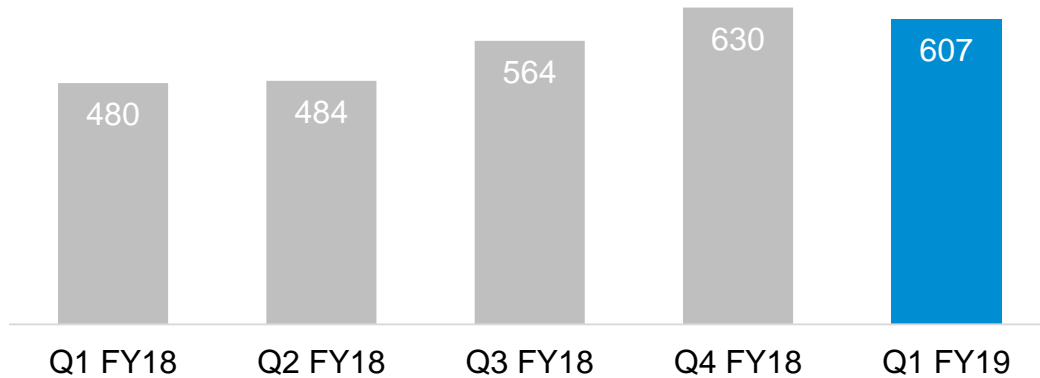
Particulars	Q1 FY19		Q1 FY18		Q4 FY18	
	Seamless	ERW	Seamless	ERW	Seamless	ERW
Production (kMT)	75	16	70	12	74	16
Sales Volume (kMT)	65	16	72	12	72	14
Revenue (Rs. Cr)	503	93	417	60	531	92
EBITDA (Rs. Cr)	121	12	51	6	119	2
EBITDA/ton (Rs.)	18,567	7,580	7,056	4,941	16,545	1,421

Particulars (Rs. Cr)	Q1 FY19	Q1 FY18	YoY Growth	Q4 FY18	QoQ Growth
Income from Operations	607	480	26.6%	630	(3.6)%
EBITDA	144	61	136.3%	124	15.5%
EBITDA Margin	23.7%	12.7%		19.7%	
PAT	100	37	169.4%	88	13.5%
PAT Margin	16.5%	7.8%		14.0%	
EPS (Rs.)	14.98	5.56	169.4%	13.20	13.5%

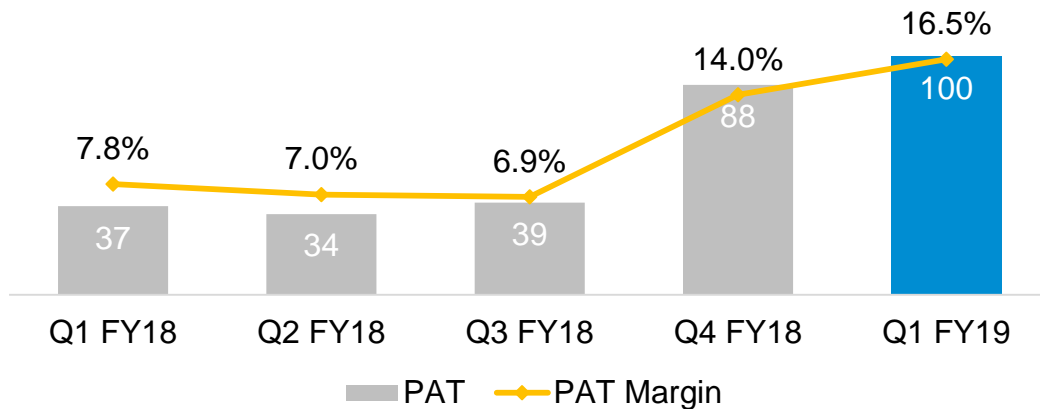
- Maintenance shutdown taken in Seamless plant
- Dispatches of Seamless pipes lower in Q1
- Income from operations up 26% YoY mainly due to better price realization
- Margins and profits up, due to higher realizations, improved product mix and INR depreciation during the quarter



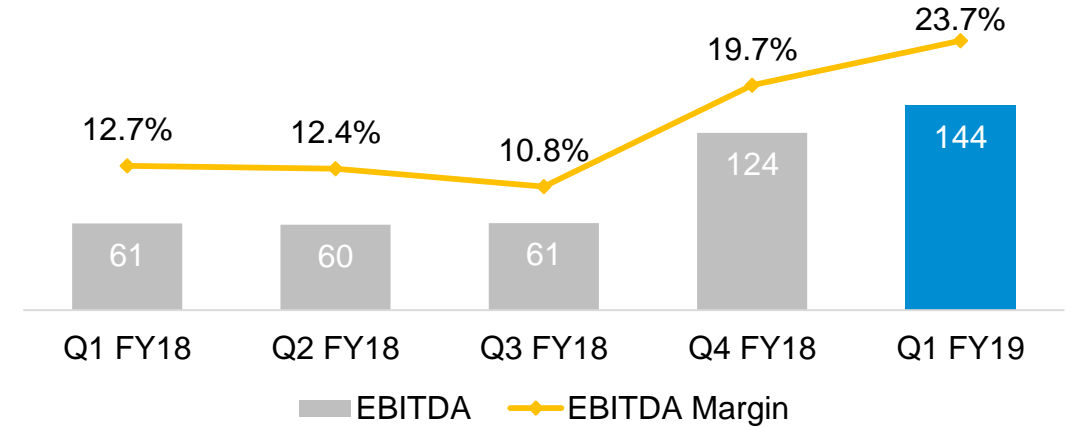
## Revenue



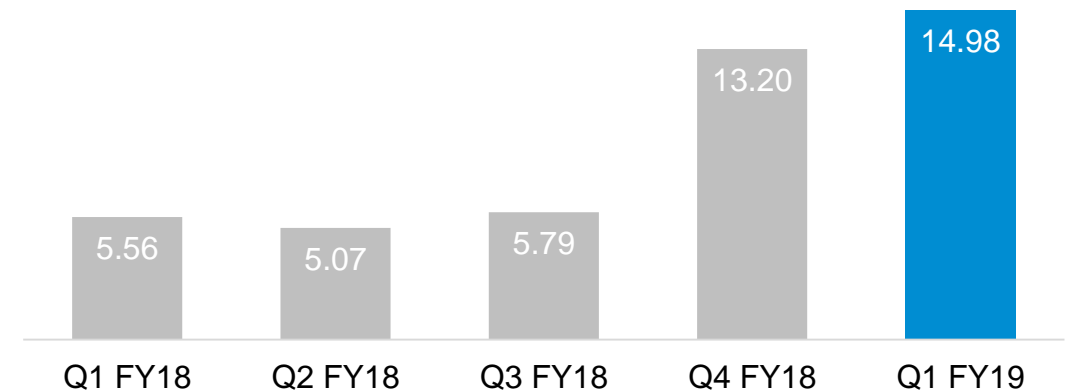
## PAT and PAT Margin



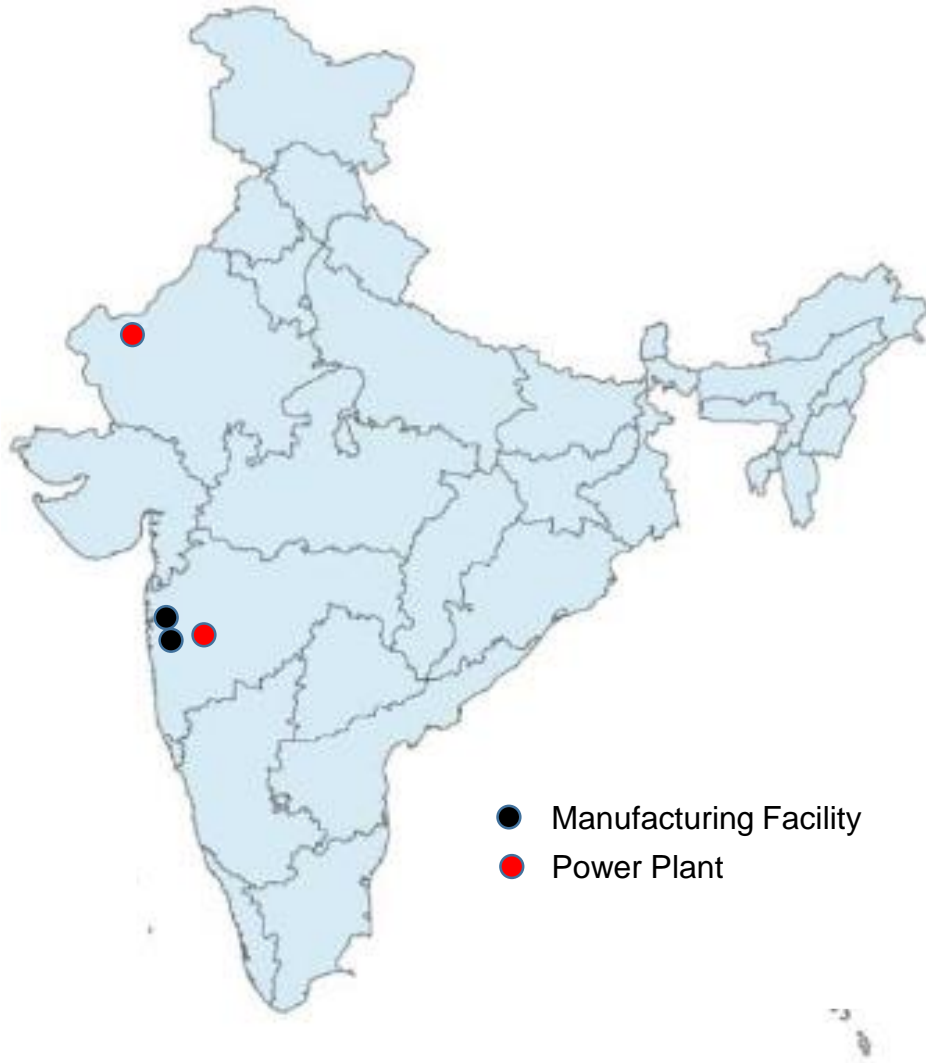
## EBITDA and EBITDA Margin


















## EPS (Rs.)







## Select Marquee Clients

 <b>INDIAN SUGAR &amp; GENERAL ENGG CORPORATION</b>	 <b>RELIANCE INDUSTRIES LTD.</b>	 <b>INDIAN OIL CORPORATION LIMITED</b>
 <b>NATIONAL THERMAL POWER CORPORATION</b>	 <b>LARSEN &amp; TOUBRO</b>	 <b>BHARAT HEAVY ELECTRICALS LIMITED</b>
 <b>OIL INDIA LIMITED</b>	 <b>OIL AND NATURAL GAS CORPORATION LTD</b>	 <b>GAS AUTHORITY OF INDIA LIMITED</b>
 <b>BHARAT PETROLEUM CORPORATION LIMITED</b>	 <b>THERMAX LTD</b>	 <b>CHENNAI PETROLEUM CORPORATION LTD</b>
 <b>STEEL AUTHORITY OF INDIA LIMITED</b>	 <b>INDRAPRASTHA GAS LIMITED</b>	 <b>CONSOLIDATED CONSTRUCTION CONSORTIUM LTD.</b>



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