



**MAHARASHTRA
SEAMLESS LIMITED**

Earnings Presentation

Q2 FY2019

November 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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**#1 producer of seamless pipes in India,
capacity 550 ktpa**

**Major producer of ERW pipes in India,
capacity 200 ktpa**

Leading supplier to Oil & Gas industry

43 MW Solar and Wind energy portfolio



**MAHARASHTRA
SEAMLESS LIMITED**

“MAHA”

A globally recognised brand



“Jindal Star”

A national brand

Market cap: Rs. 3,300 crore

**Regular dividends since IPO;
25% payout ratio for FY2018**

**H1 FY2019 Revenues: Rs. 1,310 crore;
EBITDA: Rs. 272 crore, 20.7% margin**

**Strong balance sheet: Net cash,
investments and ICD of Rs. 697 crore***



Business Highlights

- Total pipes sales volume up 12% yoy to 94,487 MT
 - Total pipes production volume of 81,830 MT, down 6% yoy
 - Maintenance shutdown taken at Nagothane seamless plant during Q2 for approx. 30 days
- Strong order book position of Rs. 950 Cr
- Continued ramp-up of capacities at Nagothane and Mangaon seamless pipe plants
- MSL generated 90% of power requirement through renewable sources
- Emerged as highest bidder for United Seamless Tubulaar Pvt. Ltd., Telangana, in the auction under the IBC process. Seamless pipe capacity of 350 kMTPA. Expected to complete in FY 2019.

Financial Highlights

- Total Revenue of Rs. 703 Cr, up 45% yoy
- EBITDA of Rs. 128 Cr, up 113%
- PBT of Rs. 136 Cr, up 150%
- PAT of Rs. 88 Cr, up 160%

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

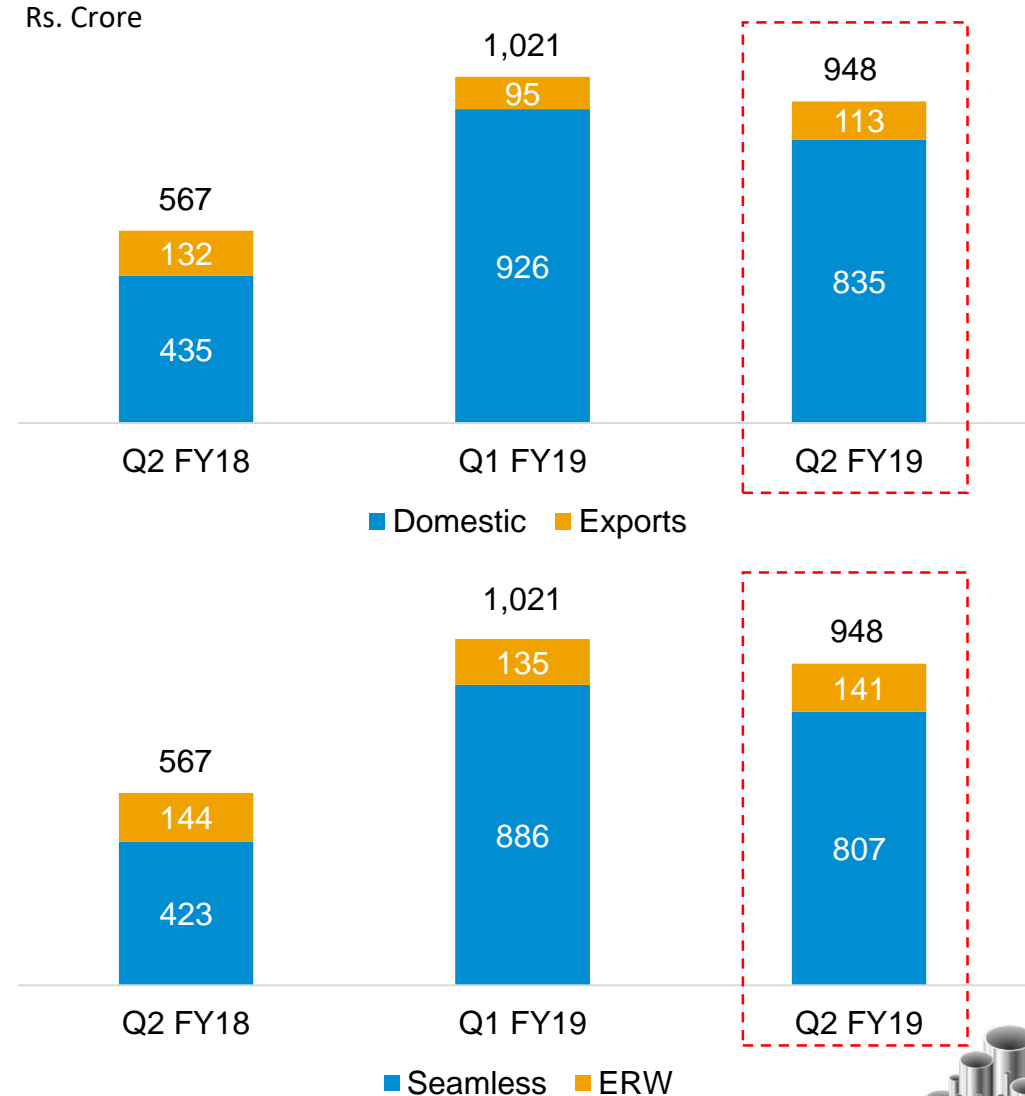
Pharmaceutical and pre-fabricated industries are opportunities for ERW pipes

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

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

- **Continued production ramp-up to cater to strong demand for Seamless pipes**
 - 200 kMTPA Mangaon plant was re-started in Q3 FY2018. Expected to reach full capacity in 2019
 - 350 kMTPA Nagothane plant expected to reach full capacity by December 2018
- **Acquisition of United Seamless, Telangana under IBC process**
 - Capacity of 350 kMTPA
 - Bid of Rs. 477 crore Enterprise Value
 - Expected to complete during FY19
- **IBC process may present further opportunities**
 - Will evaluate and pursue only if there is strategic fit and potential for shareholder value generation

Strong Oder Book of Rs. 950 crore



Particulars	Q2 FY19		Q2 FY18		Q1 FY19	
	Seamless	ERW	Seamless	ERW	Seamless	ERW
Production (kMT)	64	18	72	14	75	16
Sales Volume (kMT)	76	19	69	15	65	16
EBITDA (Rs. Cr)	104	11	52	2	121	12
EBITDA/ton (Rs.)	13,783	5,719	7,466	1,212	18,567	7,580

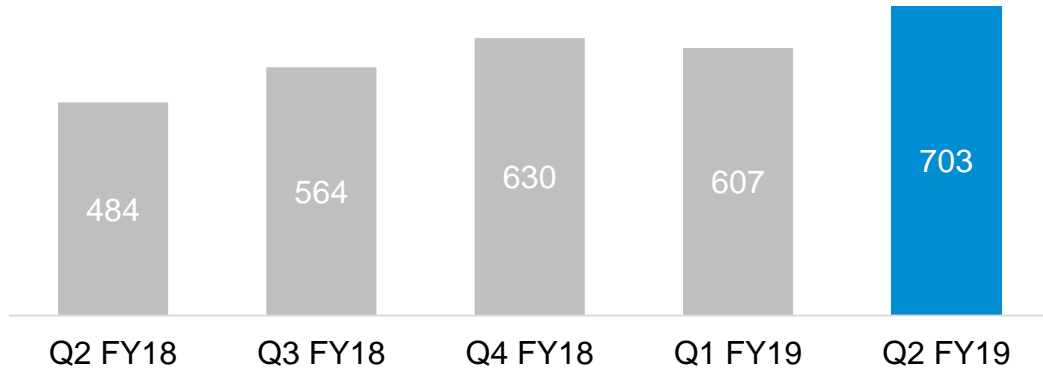
Standalone Financials

Particulars (Rs. Cr)	Q2 FY19	Q2 FY18	YoY Growth	Q1 FY19	QoQ Growth
Income from Operations	703	484	45.3%	607	15.7%
EBITDA	128	60	113.2%	144	(10.9)%
<i>EBITDA Margin</i>	18.2%	12.4%		23.7%	
PAT	88	34	160.4%	100	(11.8)%
<i>PAT Margin</i>	12.6%	7.0%		16.5%	
EPS (Rs.)	13.21	5.07	160.6%	14.98	(11.8)%

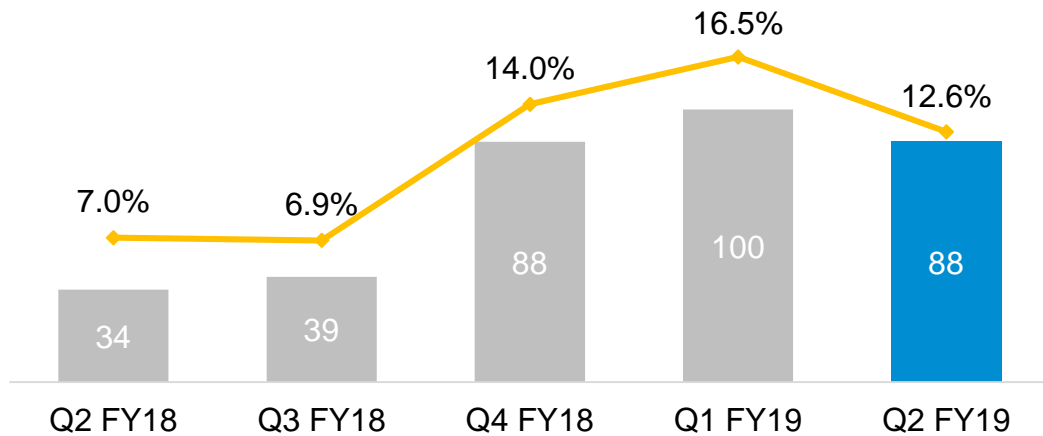
- Dispatches of pipes higher in Q2
- Income from operations up 45% yoy mainly due to better price realization
- EBITDA lower (qoq):
 - Approx. 30 days scheduled shut down at Nagothane resulting in lower production. Plants are operational now
 - Increase in raw material prices
- PAT lower (qoq) due to lower EBITDA and Other income lower by ~Rs 6 Cr



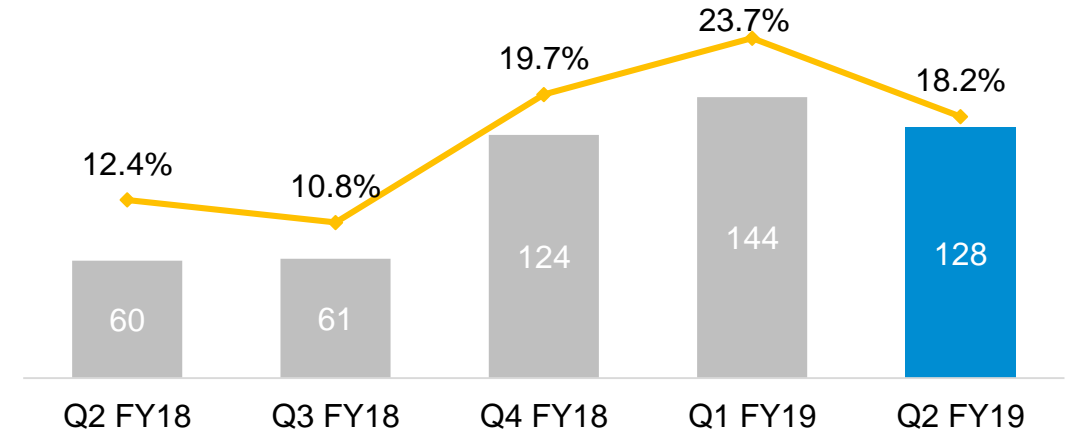
Revenue



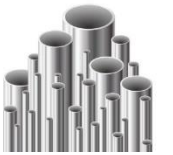
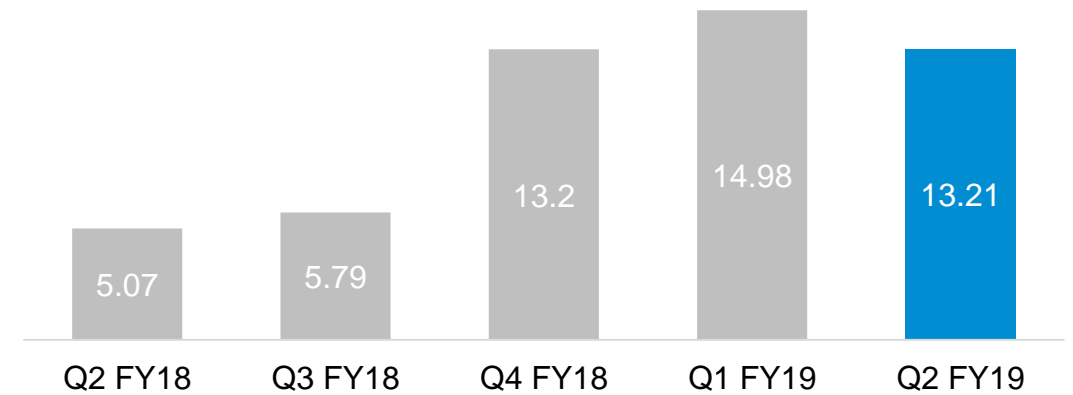
PAT and PAT Margin

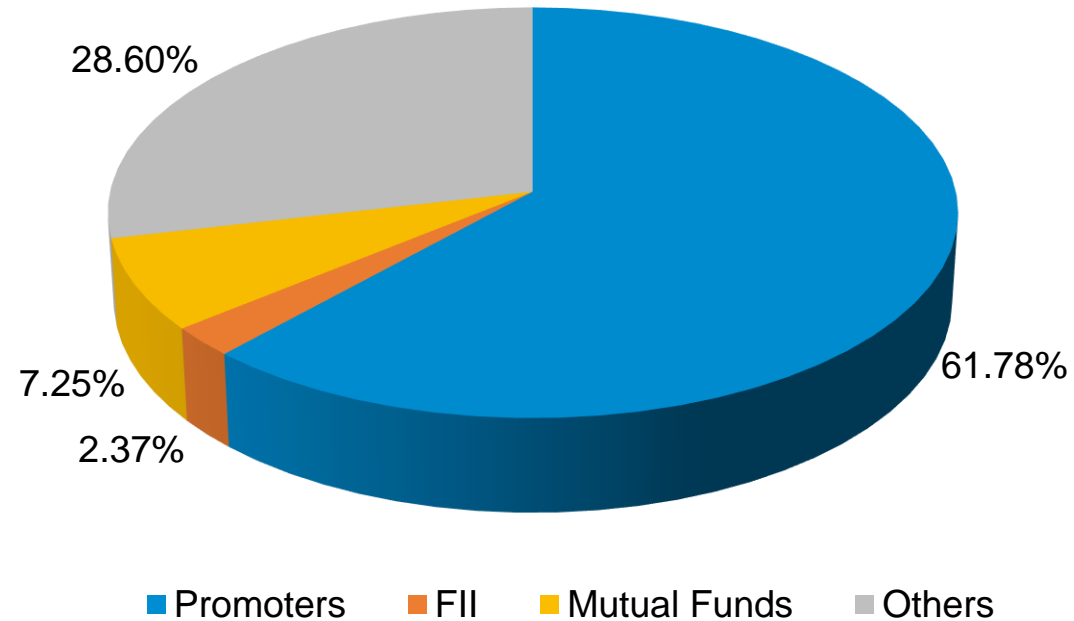


EBITDA and EBITDA Margin



EPS (Rs.)

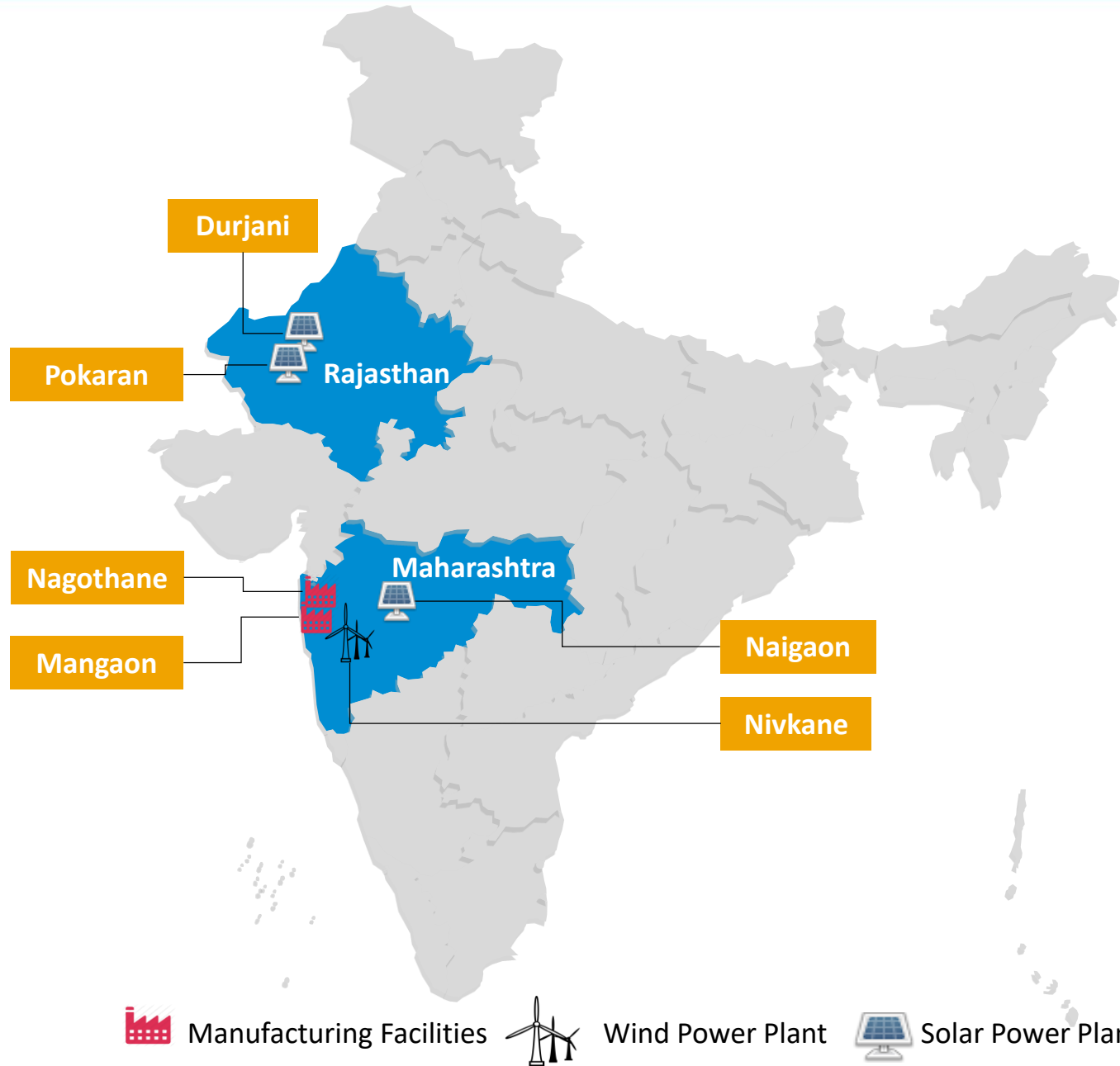




Select Major Investors	% O/S
Mutual Funds	
L&T Mutual Fund	4.79%
IDFC Sterling Value Fund	1.39%
BNP Paribas Mutual Fund	0.29%
DSP Black Rock Small Cap Fund	0.78%
Total	7.25%

Note: As of September 30, 2018





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

Oil and Gas



Infrastructure



unitech

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

ASHWIN BAJAJ

AJAY TAMBHALE

Churchgate Partners

T: +91-22-6169-5988

E: msl@churchgatepartners.com

W: www.churchgatepartners.com

www.jindal.com

JINDAL
D.P. JINDAL GROUP