



# Technocraft Industries (India) Limited

**Registered Office:** Plot No. 47 “Opus Centre”, Second floor, Central Road, Opposite Tunga Paradise Hotel, MIDC, Andheri (East) Mumbai – 400 093, Maharashtra, India  
Tel: 4098 2222/2340; Fax No. 2835 6559; **CIN:** L28120MH1992PLC069252  
E-mail: investor@technocraftgroup.com ; website: www.technocraftgroup.com

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September 1, 2020

To,  
**National Stock Exchange of India Ltd.**  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai – 400 051

**BSE Limited**  
Listing Department,  
P.J. Tower 1<sup>st</sup> Floor,  
Dalal Street, Fort,  
Mumbai – 400 001

**Script Name: TIIL**

**Script Code: 532804**

Dear Sir/Madam,

**Sub: Presentation to analysts on Unaudited Financial Results for quarter ended June 30, 2020**

The presentation on the Unaudited Financial Results for quarter ended June 30, 2020, for the analysts is enclosed.

Thanking You,

Yours faithfully,

**For Technocraft Industries (India) Limited**

**Neeraj Rai**  
**Compliance Officer and**  
**Company Secretary**

Encl.: a/a

# Technocraft Industries (India) Ltd.



Q1 FY21 Results

Investor Presentation



# Disclaimer

This presentation and the following discussion may contain “forward looking statements” by Technocraft Industries (India) Ltd (“TIIL” or “the Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future state of affairs, results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of TIIL about the business, industry and markets in which TIIL operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond TIIL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not, and should not be construed, as a representation as to future performance or achievements of TIIL. In particular, such statements should not be regarded as a projection of future performance of TIIL. It should be noted that the actual performance or achievements of TIIL may vary significantly from such statements.



# Index

- Financial Results – Consolidated & Segmental Performance
- Segment-wise Outlook
- Shareholding and Equity structure

# Financial Results Overview

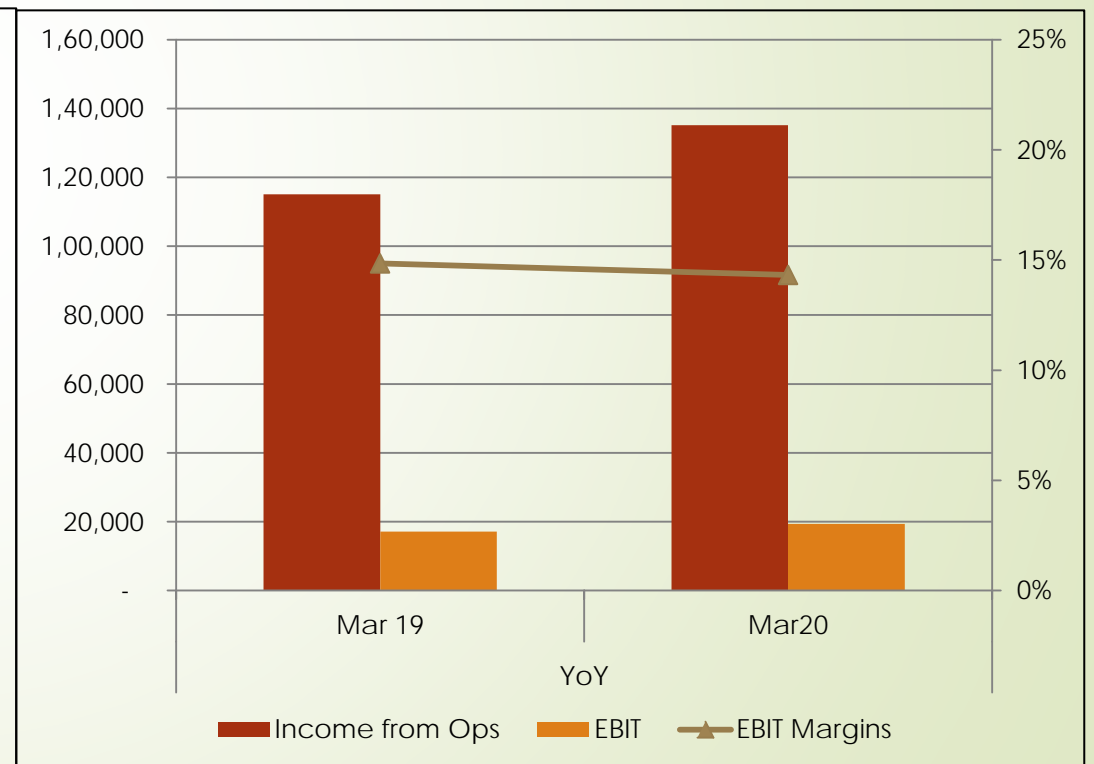
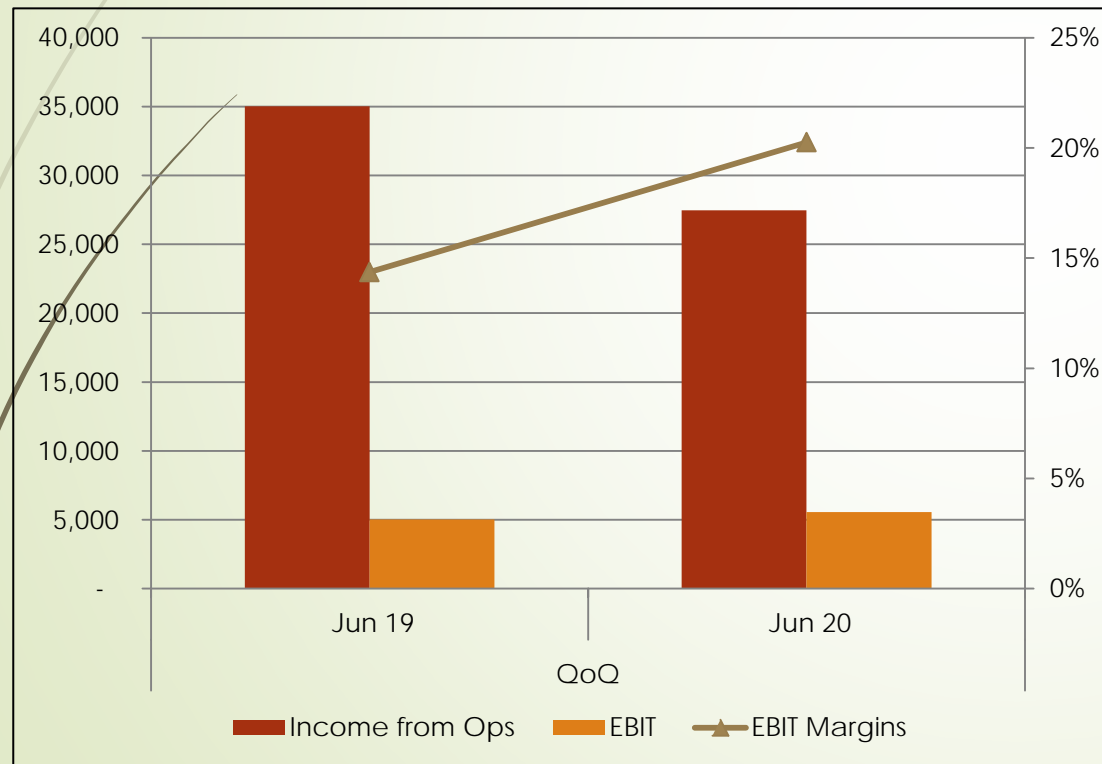


# Consolidated Financials

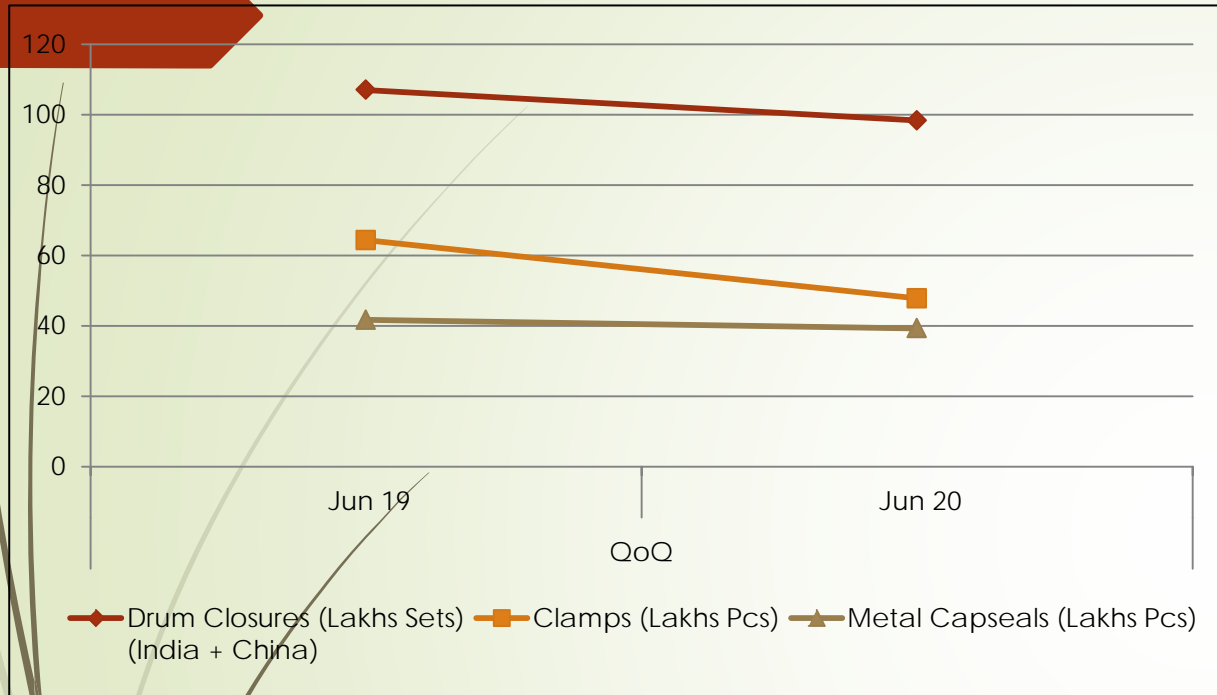
## Revenues, EBIT & EBIT margin

Amount in INR Lakhs

Particulars	QoQ		YoY	
	Jun 19	Jun 20	Mar 19	Mar20
Income from Ops	35,011	27,460	1,15,105	1,35,182
EBIT	5,028	5,561	17,085	19,353
EBIT Margins	14%	20%	15%	14%

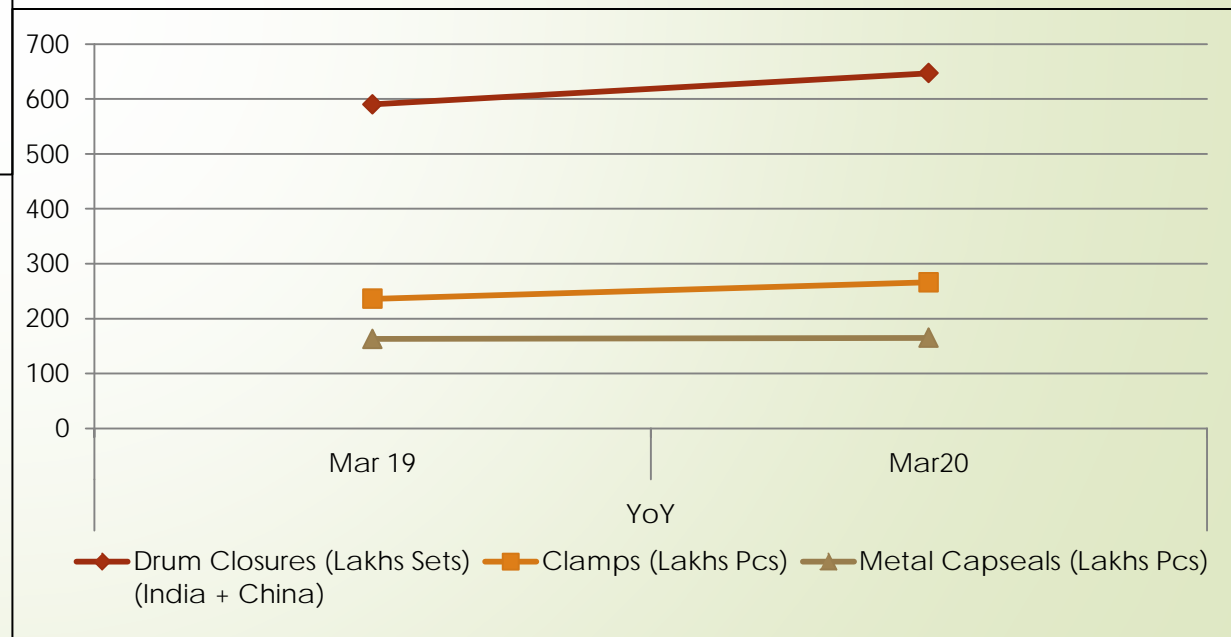


# Drum Closures Business - Volume



Sales Volume	QoQ	
	Jun 19	Jun 20
Drum Closures (Lakhs Sets) (India + China)	107	98
Clamps (Lakhs Pcs)	64	48
Metal Capseals (Lakhs Pcs)	42	39

Sales Volume	YoY	
	Mar 19	Mar20
Drum Closures (Lakhs Sets) (India + China)	590	647
Clamps (Lakhs Pcs)	236	266
Metal Capseals (Lakhs Pcs)	163	165

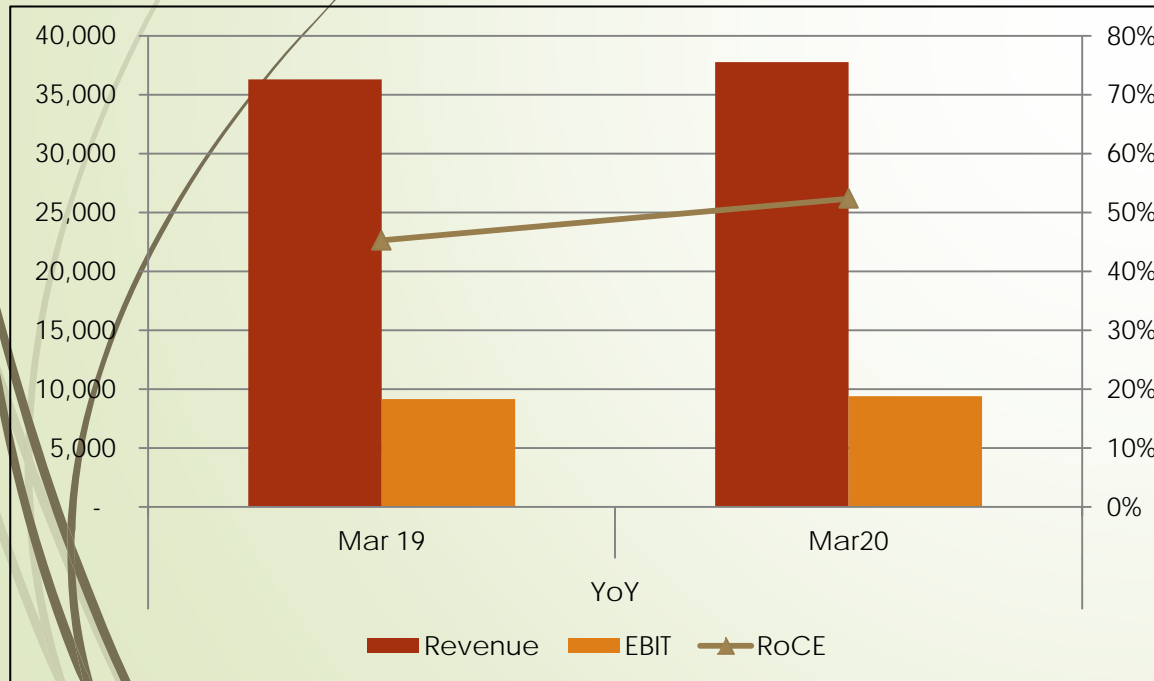
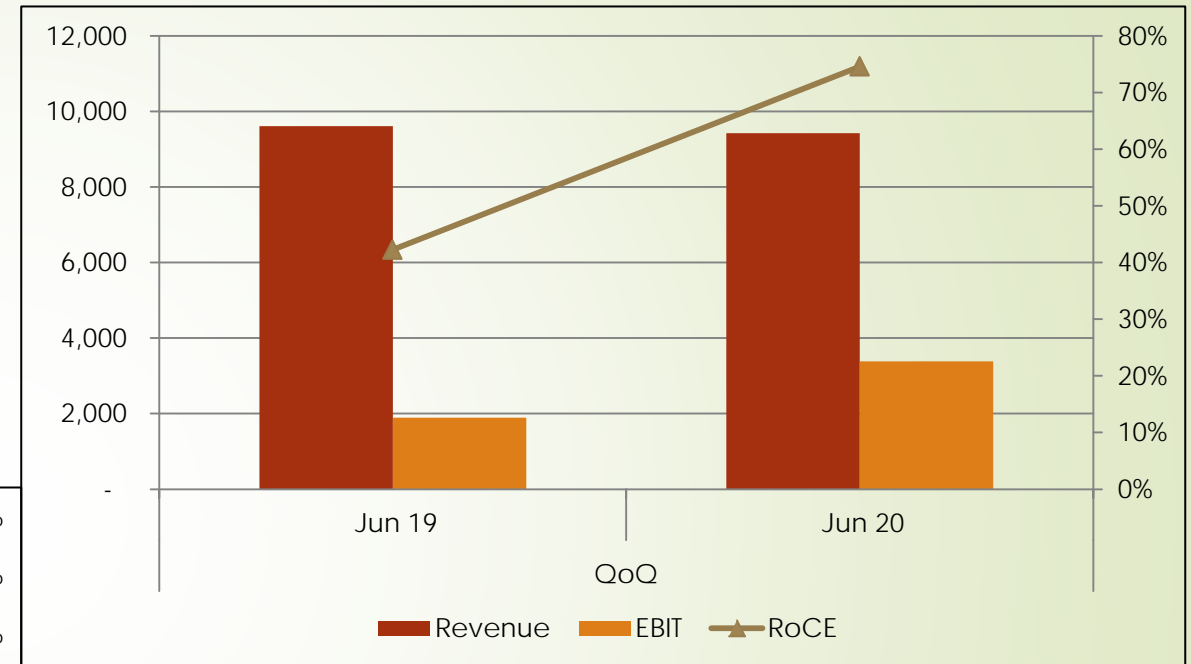




# Drum Closures Business - Financials

(INR Lakhs)

Consolidated Financials	QoQ	
	Jun 19	Jun 20
Revenue	9,611	9,422
EBIT	1,895	3,384
RoCE	42%	75%

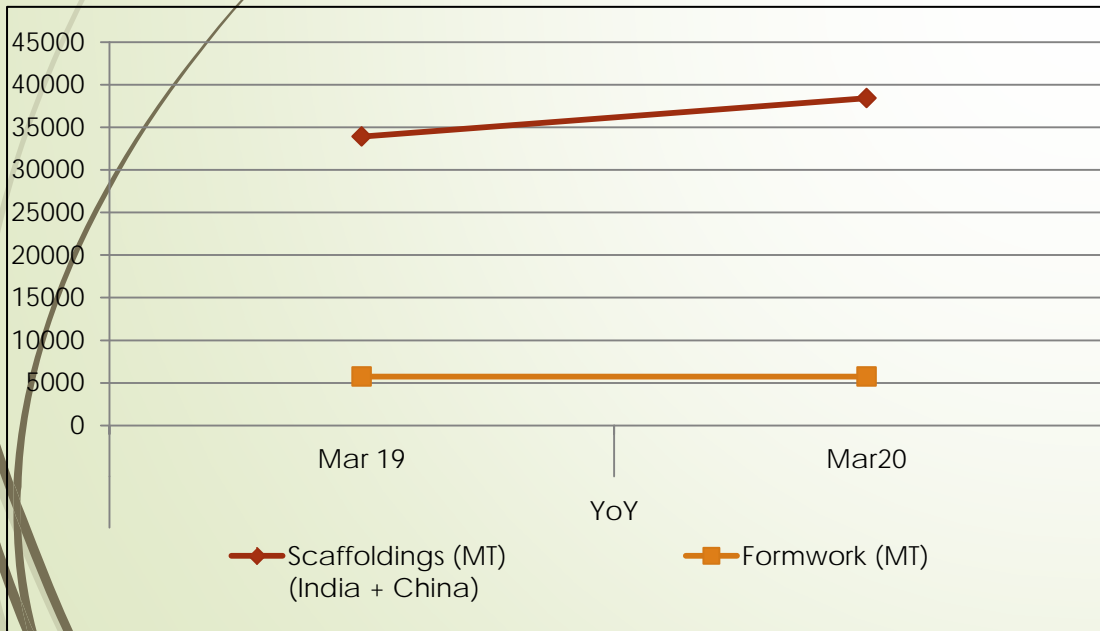
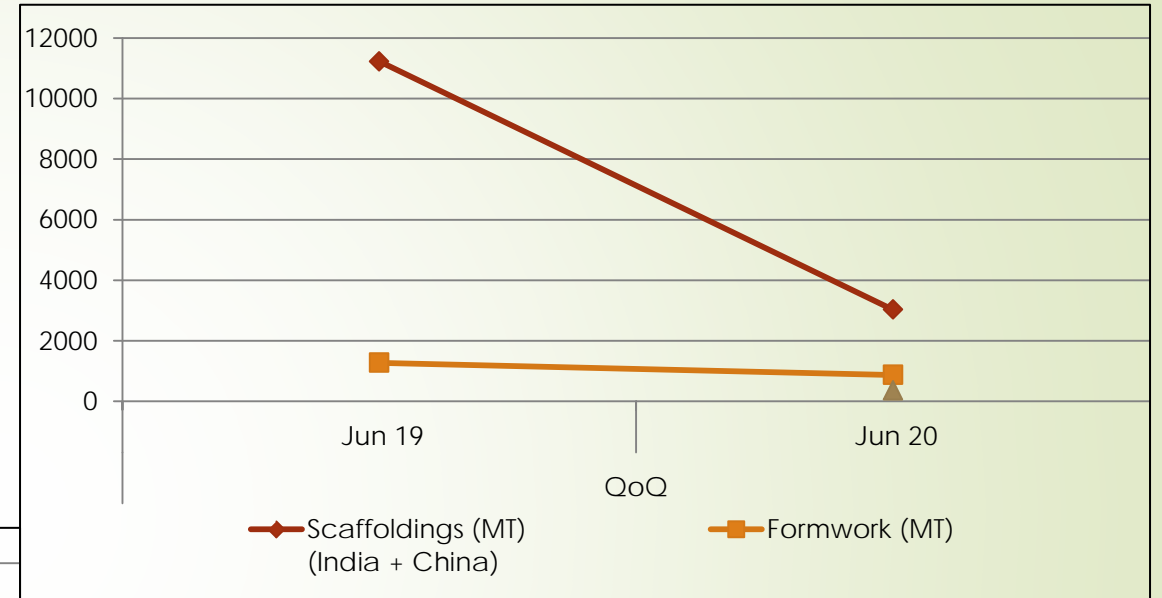


Consolidated Financials	YoY	
	Mar 19	Mar 20
Revenue	36,299	37,769
EBIT	9,151	9,386
RoCE	45%	52%



# Scaffoldings & Formworks Business - Volume

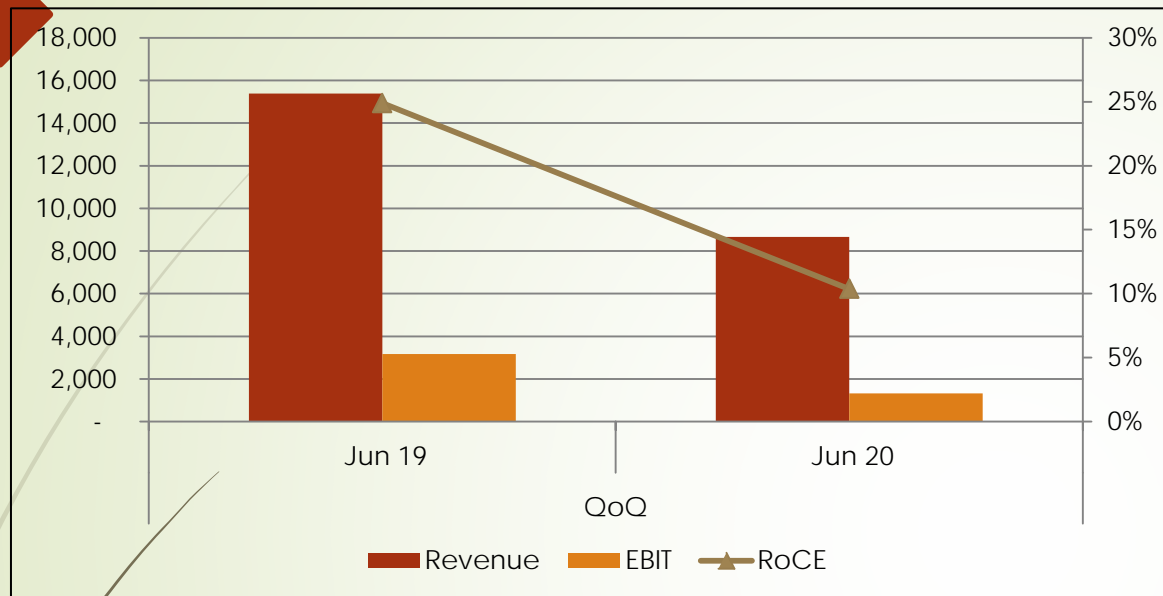
Despatch Volume	QoQ	
	Jun 19	Jun 20
Scaffoldings (MT) (India + China)	11225	3032
Formwork (MT)	1275	872



Despatch Volume	YoY	
	Mar 19	Mar20
Scaffoldings (MT) (India + China)	33904	38404
Formwork (MT)	5732	5725

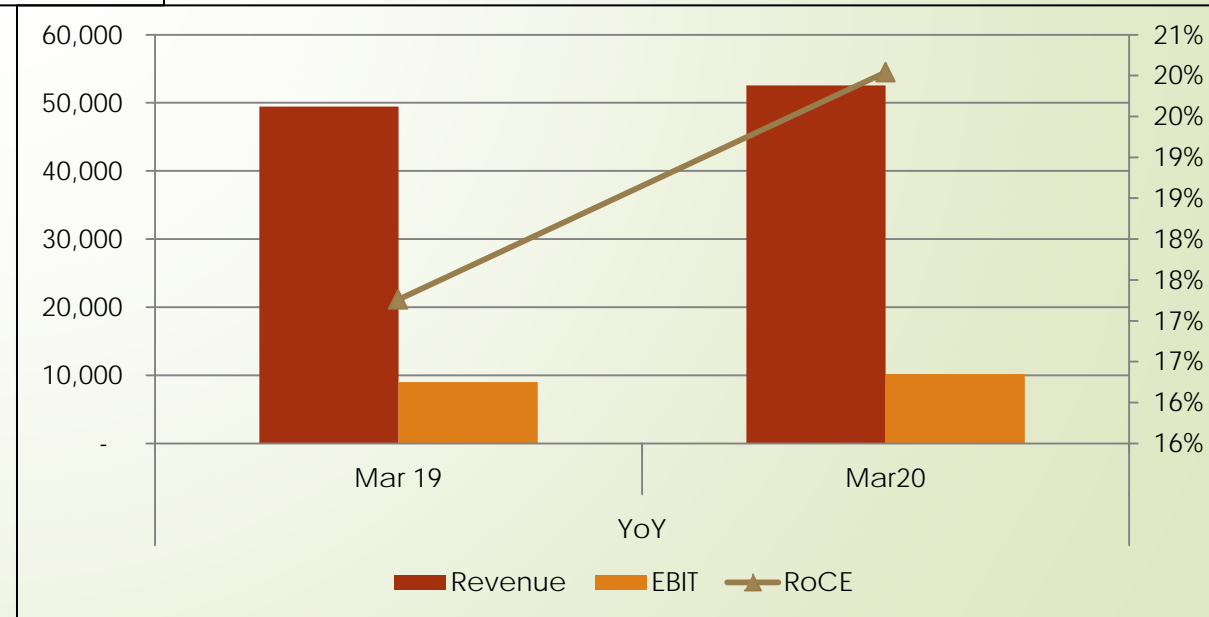
# Scaffoldings & Formwork Business - Financials

(INR Lakhs)



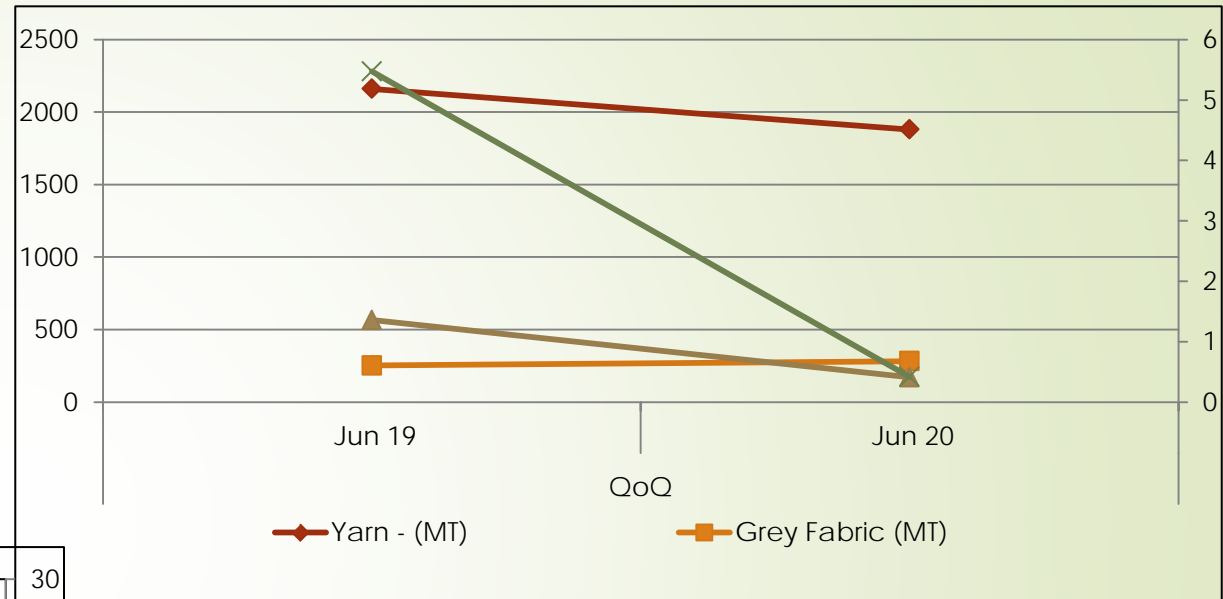
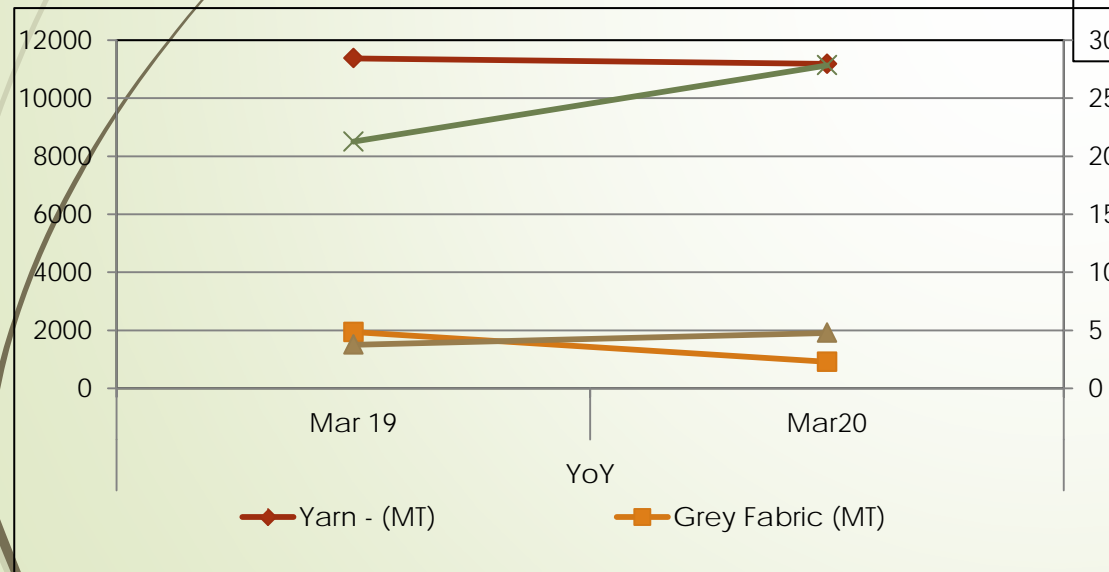
Consolidated Financials	QoQ	
	Jun 19	Jun 20
Revenue	15,391	8,662
EBIT	3,163	1,327
RoCE	25%	10%

Consolidated Financials	YoY	
	Mar 19	Mar20
Revenue	49,445	52,553
EBIT	9,009	10,186
RoCE	17%	20%



# Textile Business - Volume

Sales Volume	QoQ	
	Jun 19	Jun 20
Yarn - (MT)	2160	1879
Grey Fabric (MT)	252	282
Dyed Fabric (MT)	566	170
Garments (Lakhs Pcs)	5	0.42



Sales Volume	YoY	
	Mar 19	Mar 20
Yarn - (MT)	11373	11179
Grey Fabric (MT)	1943	918
Dyed Fabric (MT)	1505	1915
Garments (Lakhs Pcs)	21	28

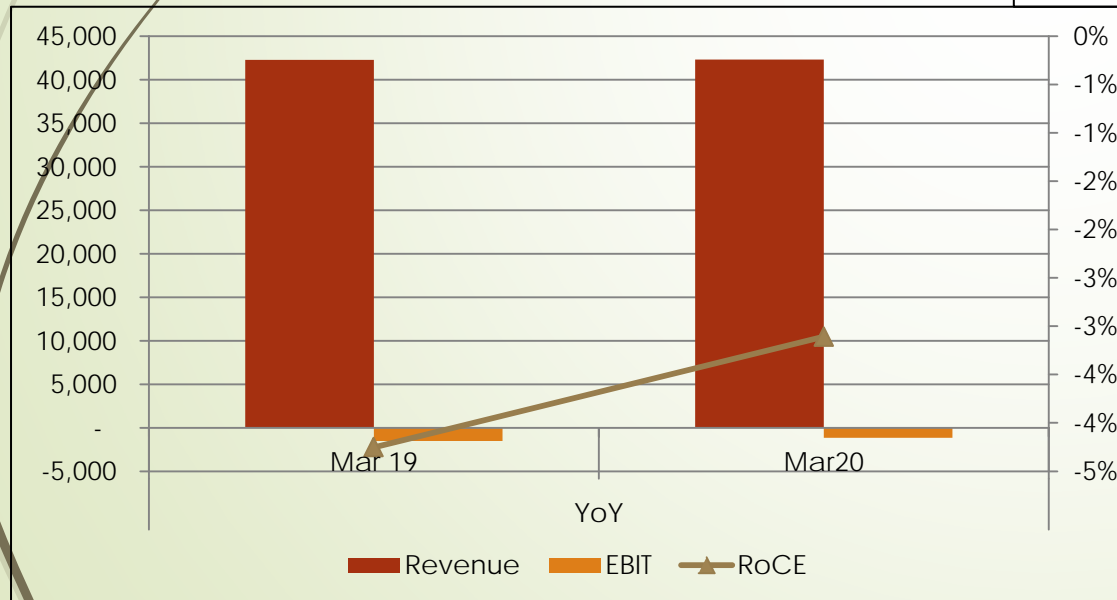
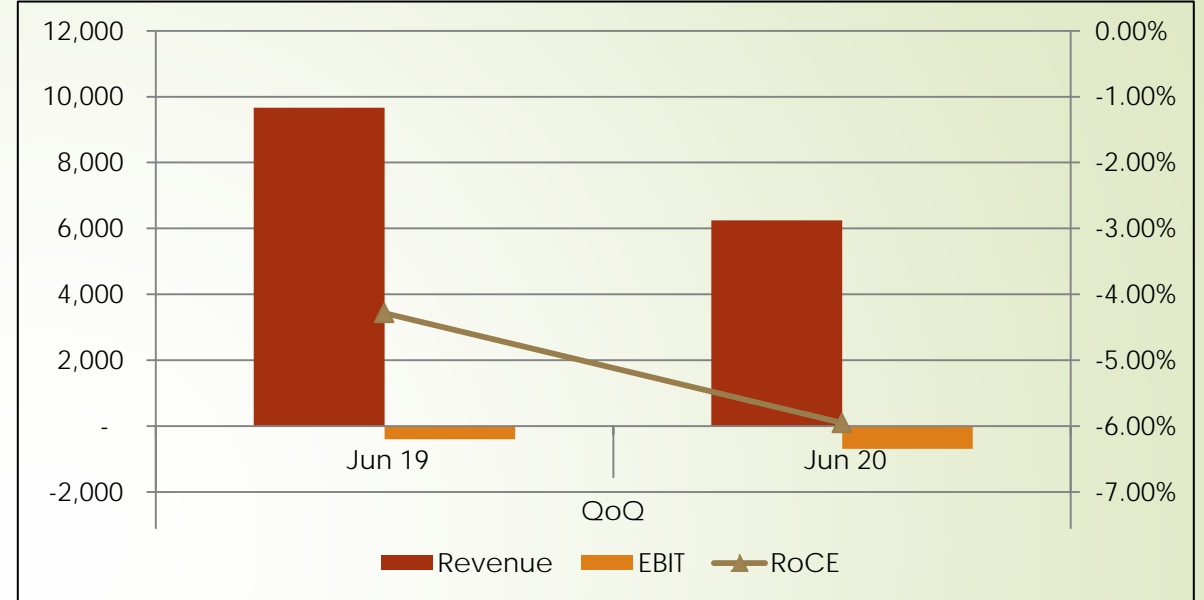
Note: (1) Production at Amravati plant started from Nov 2019.

(2) Production for Melange Yarn at Murbad plant started from April 2019

# Textile Business - Financials

(INR Lakhs)

Consolidated Financials	QoQ	
	Jun 19	Jun 20
Revenue	9,667	6,249
EBIT	-397	-687
RoCE	-4.28%	-6%

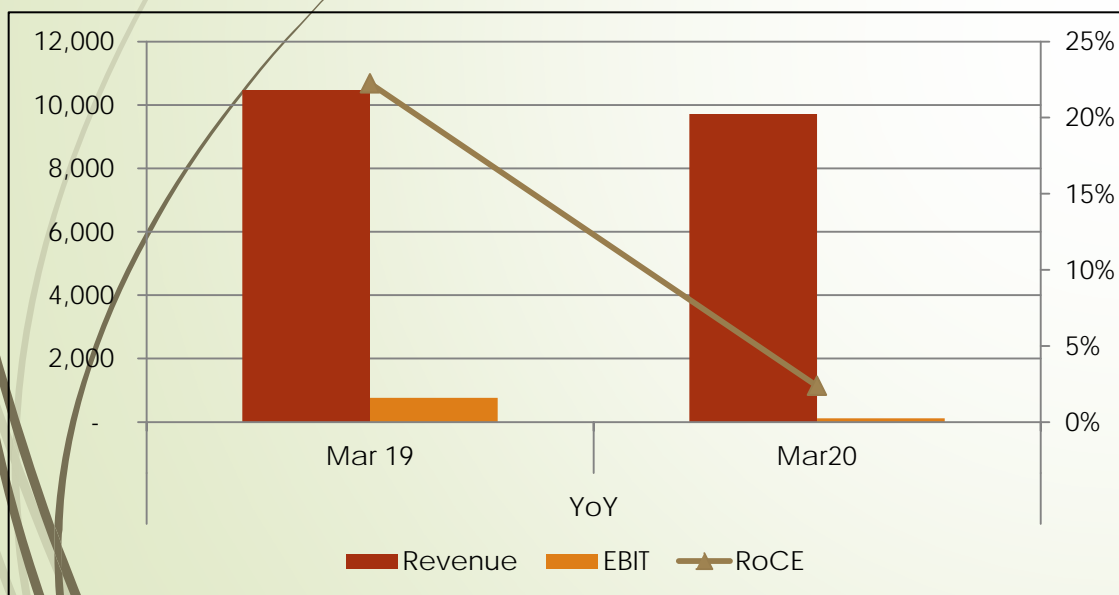
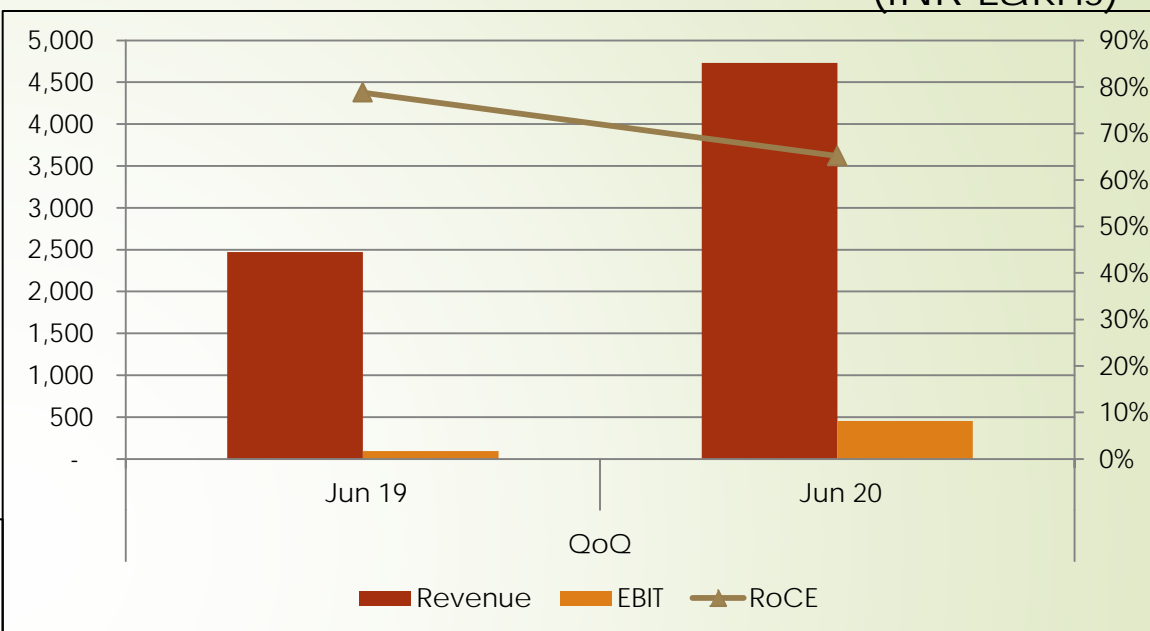


Consolidated Financials	YoY	
	Mar 19	Mar 20
Revenue	42,283	42,316
EBIT	-1,506	-1,153
RoCE	-4%	-3%

# Engineering & Designing Services - Financials

(INR Lakhs)

Consolidated Financials	QoQ	
	Jun 19	Jun 20
Revenue	2,471	4,730
EBIT	94	453
RoCE	79%	65%



Consolidated Financials	YoY	
	Mar 19	Mar20
Revenue	10,470	9,718
EBIT	764	121
RoCE	22%	2%

Note: The Financial results of certain foreign companies has been incorporated for 6 Month (from Jan 20 to Jun 20). Hence the Financial Result for the Quarter Ended 30th June 2020 are not Comparable.



# Drum Closures – Segment Outlook

- In-spite of the disruption in global supply chain caused due to Covid-19, the demand for company's Drum closures actually increased during Q1- FY 2020-21. Demand for steel drums being essential products carrying medicines, food etc. went up and this led to an increase in demand for Drum closures globally.
- Company has faced challenges due to the lockdown in India in labour, transport and port operations. In-spite of this, company has managed to post similar revenue in Q1 of FY 2020-21 as compared to Q1 of FY 2019-20. Company's net profits has been substantially higher on account of various cost reduction measures taken and improvement in operational efficiencies, supported by favourable foreign exchange rates.
- Company's China operation has been running normally and in addition to serving the domestic demand in China, it has also been used to meet global demand during the India lockdown.
- Overall, this segment is expected to continue generating similar revenues and profits.
- No new capex is planned for this division in FY 2020-21 other than maintenance Capex.



Drum Closures



Nylon & Plastic Plugs



Capseal Closures



Canseal Closures



Clamps

# Scaffoldings & Formworks – Segment Outlook

- Company has faced severe disruptions in demand and supply in this segment in the 1<sup>st</sup> quarter of FY 2020-21 due to worldwide lockdowns. Company's manufacturing operations were closed for the entire month of April 2020.
- Post mid-May onwards, company has seen a recovery in US operations with the opening up of construction sites and industrial projects.
- Post June onwards, company is seeing a gradual recovery in India operations but this is still slow due to shortages of labour. Company has attained about 70% of its pre-Covid production levels starting July onwards and expect to be at 90% by September and 100% in Q3 and Q4.
- This division has strong prospects due to anticipated growth in Infrastructure and Affordable housing construction demand in India post Covid.





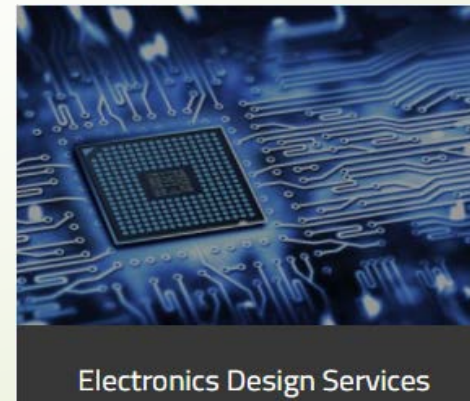
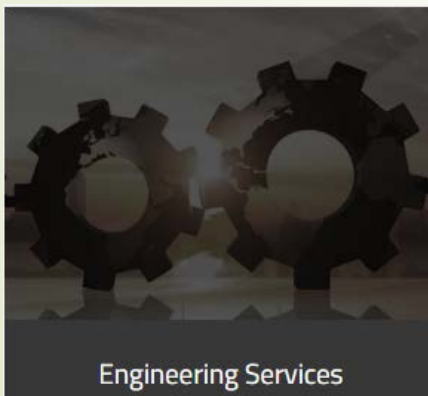
# Textile products – Segment Outlook

- Company has made significant structural changes in this division.
- Company has not re-started its unit of Grey Cotton Yarn manufacturing in Murbad as well as the Captive power plant. Company's Grey Cotton Yarn operations are now based in Amravati which is cotton growing area and has cost effective operations and has generated a positive EBITDA in the first quarter of FY 2020-21. In Murbad, company produces only value added high margin products like Melange Yarn and Fabric. These are also generating a positive EBITDA in first quarter of FY 2020-21.
- Overall, this division has now been re-engineered and all loss making products and locations has been plugged and going forward company expect this division to generate profits.



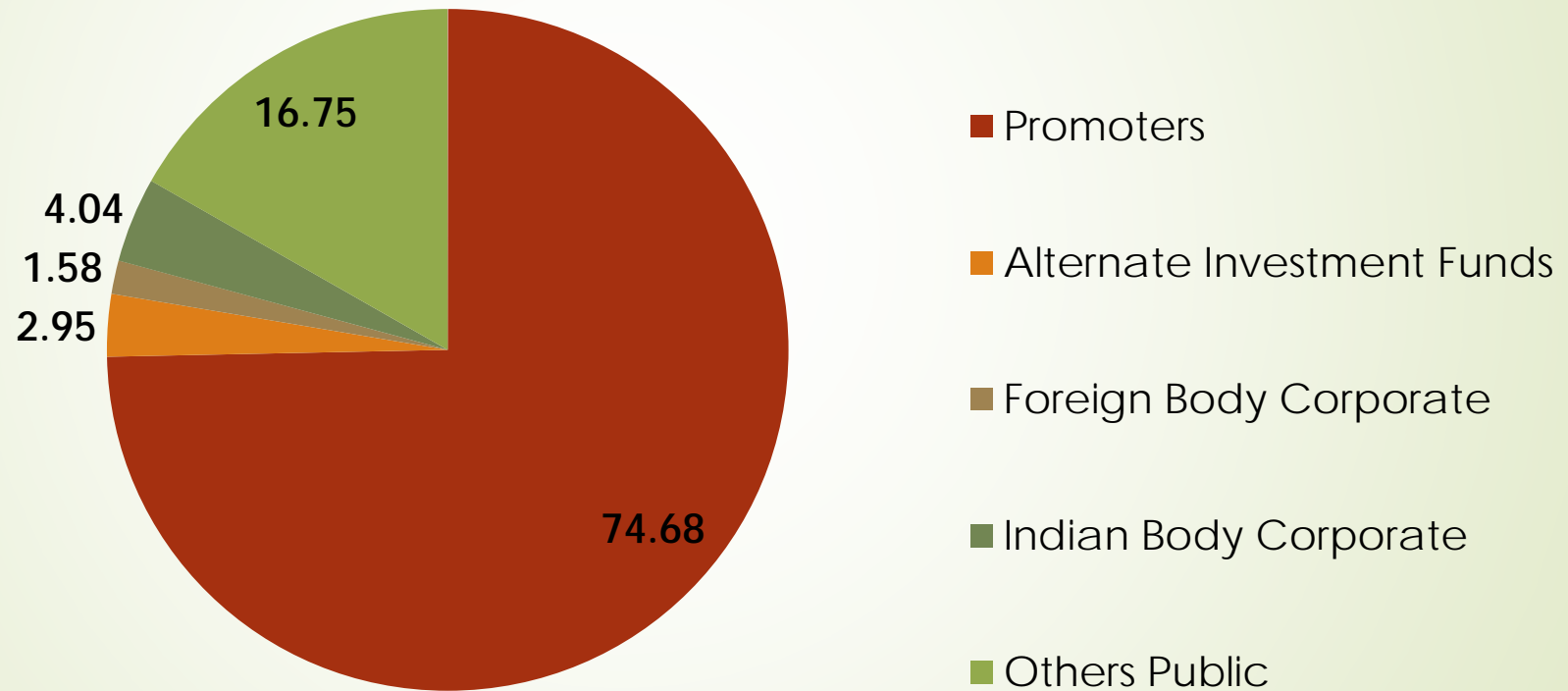
# Engineering Designing Services – Segment Outlook

- *Company's Engineering design subsidiary, Technosoft has not seen any major disruption* in its operations as it have been able to shift all staff to Work From Home(WFH) since mid-March itself. While there has been some reduction in revenue and demand from USA in the short term due to the sudden shutdown imposed in the US and affecting some of its customer operations, company is seeing a strong revival in demand from June onwards.
- Company has also been able to improve the profitability of this division due to cost restructuring .
- Going forward, company expect the demand for its services in this division to be significantly increasing due to the WFH trend globally and strong acceptance of company's offshore global delivery model.



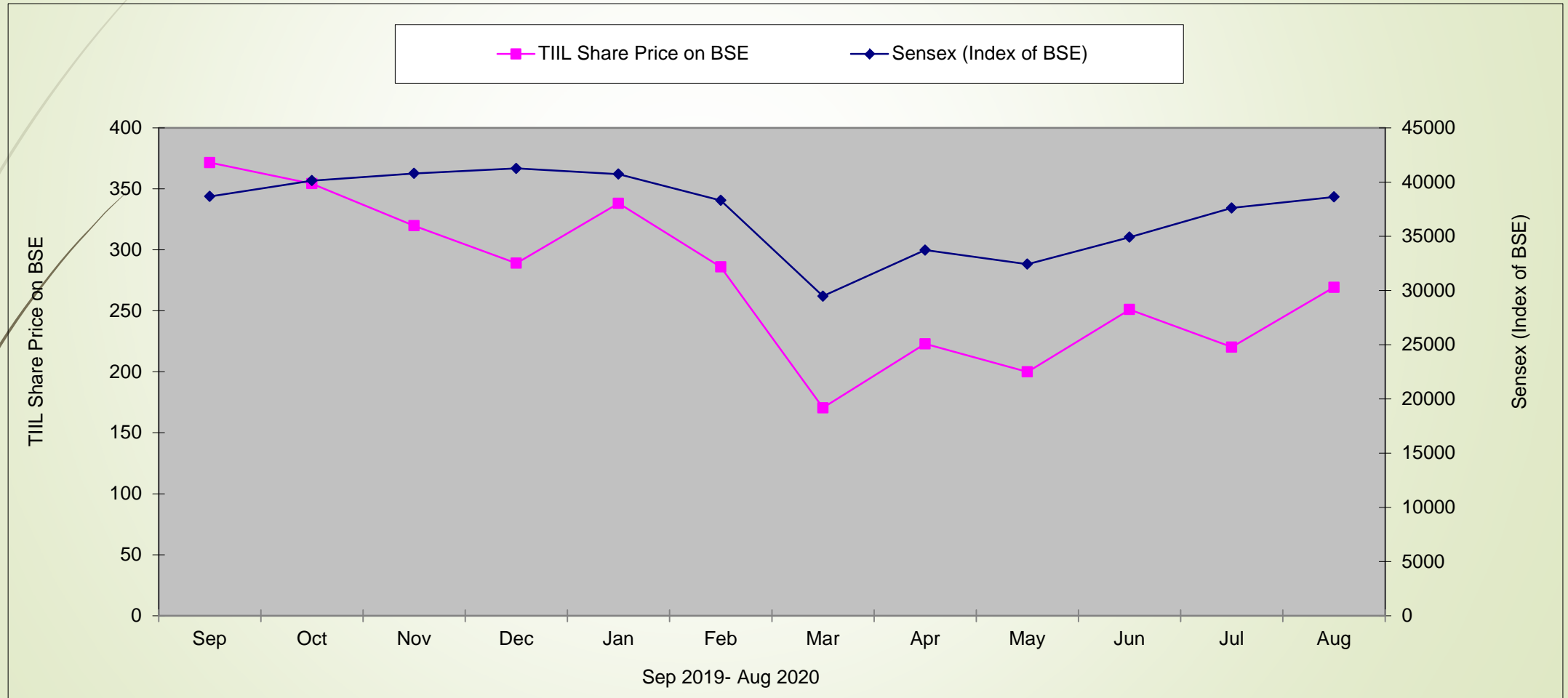
# SHAREHOLDING & EQUITY STRUCTURE

Shareholding Pattern (%) as on 30.06.2020



# SHAREHOLDING & EQUITY STRUCTURE

Graph of Share Price movement over past 12 months (Sept 19- Aug 20)







# THANK YOU

For any clarifications, pls contact:

Mr Anil Gadodia. Head – Finance. [anil.gadodia@technocraftgroup.com](mailto:anil.gadodia@technocraftgroup.com)