



# PG ELECTROPLAST LIMITED

Q2 FY21 UPDATE

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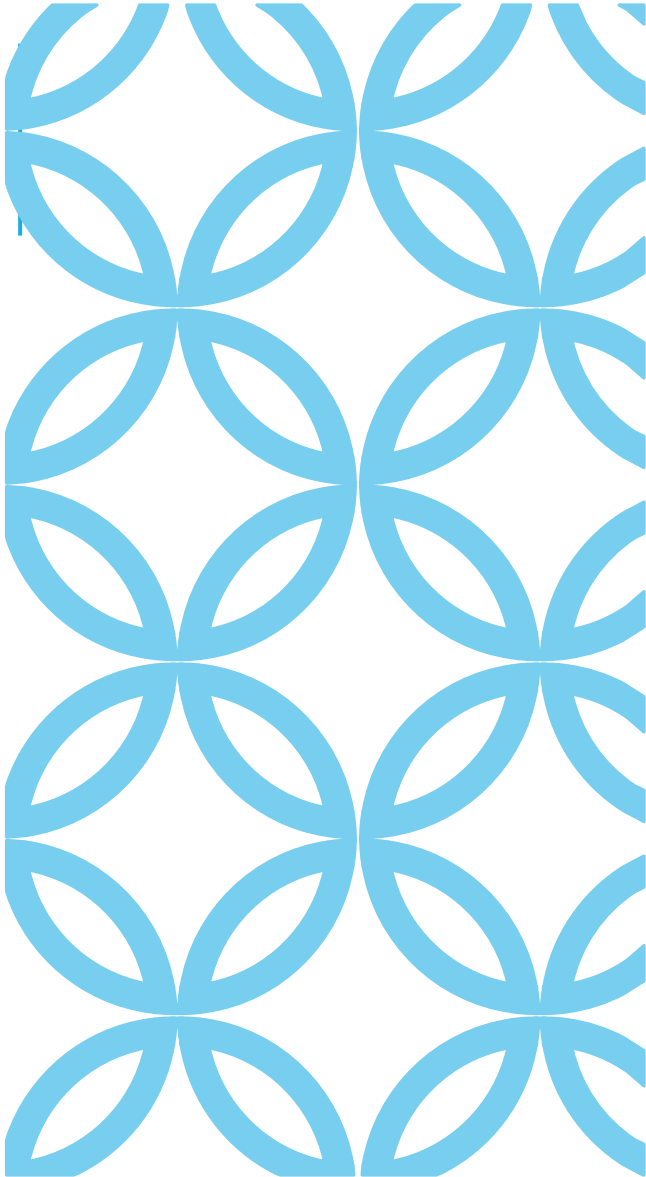
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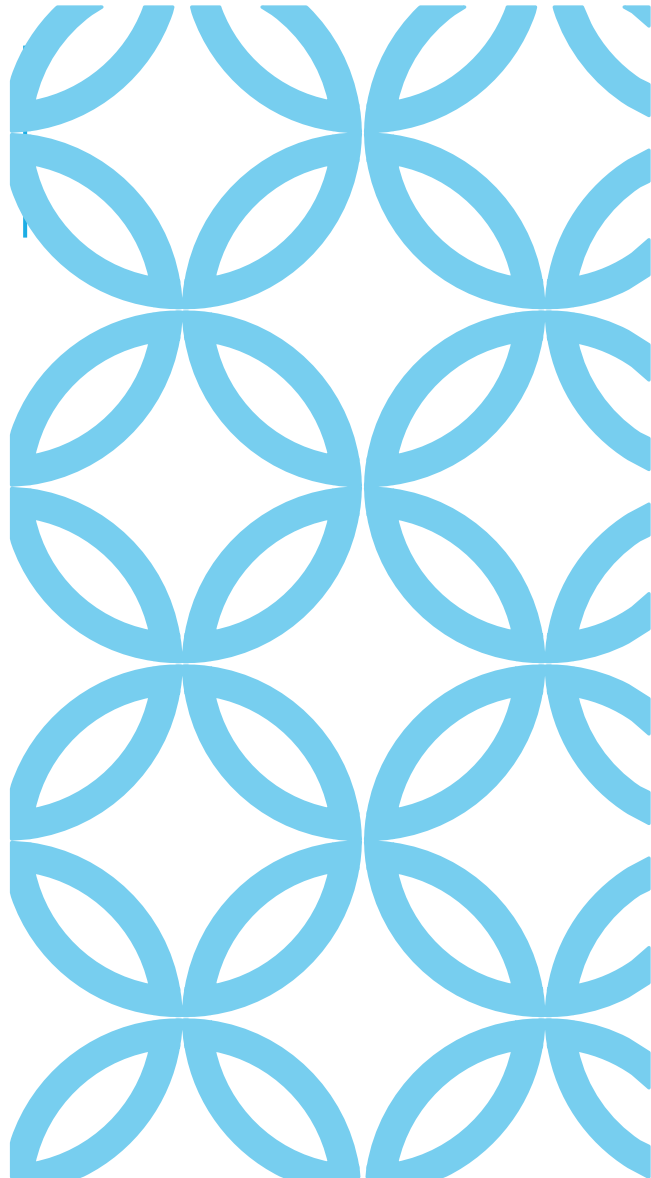
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## Introduction

- PG Group founded in Year 1977 for Electronics components manufacturing.
- In 1995, a TV manufacturing plant was setup in Noida, In 1997, started manufacturing Color TVs & Audio Products.
- In 1999, PG Group set up a PCB Assembly Line at Noida. In 2003, Started Plastic Injection Molding Plant.
- In 2008, got first tender from Tamilnadu Govt for supplying CTV & supplied 2 million CTV in 3 years.
- In 2015, installed Blow molding up to capacity of 80Ltr.
- In 2016, Installed new Tool room as a separate profit center.
- In 2016, Installed Mobile Phone manufacturing units in Pune.
- Today, more than 130 Horizontal and Vertical type Plastic Injection Molding Machines.
- Trusted Supplier for 4-Wheeler & 2 –Wheeler Automobile Plastic Parts (Tier – 2) from year 2011.

# Introduction – PG Group presence



**Presence in  
Different Fields**

**PLASTIC MOLDING FOR CONSUMER DURABLES & AUTOMOTIVE PARTS**



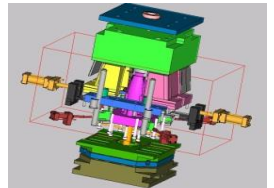
**FINAL ASSEMBLY OF AIR COOLERS, WASHING MACHINE, LED TV, STBs**



**PRINTED CIRCUIT BOARD ASSEMBLIES**

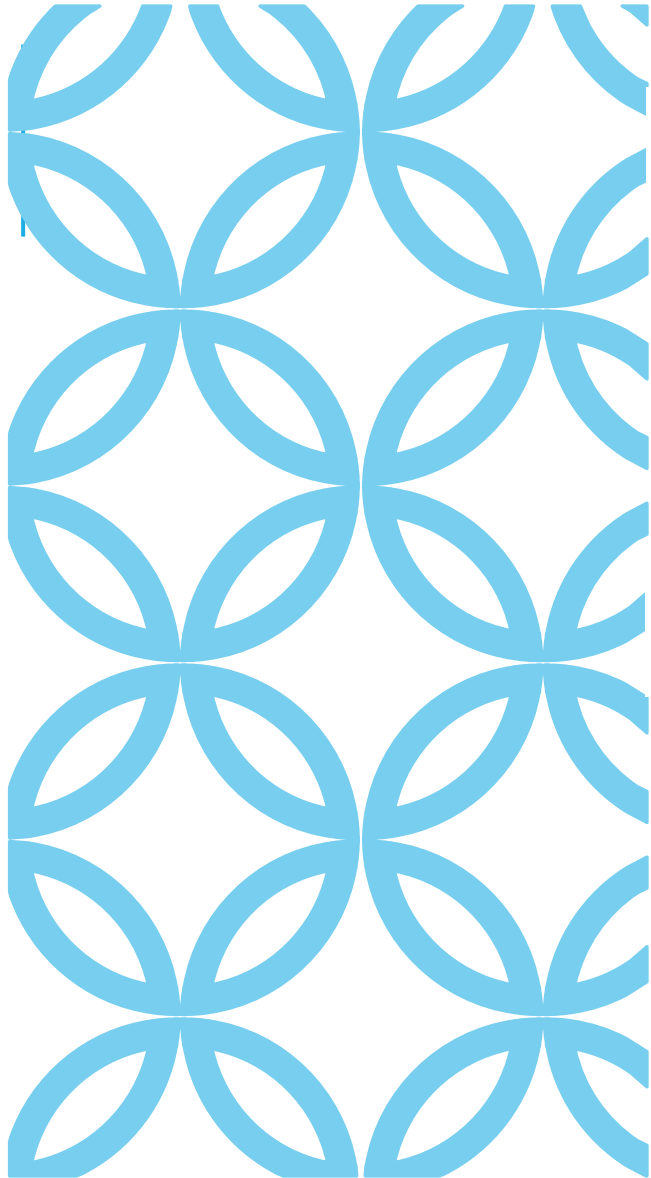


**PLASTIC INJECTION TOOL DESIGNING AND MANUFACTURING**



**MOBILE PHONE ASSEMBLY**





# Introduction- Customer list

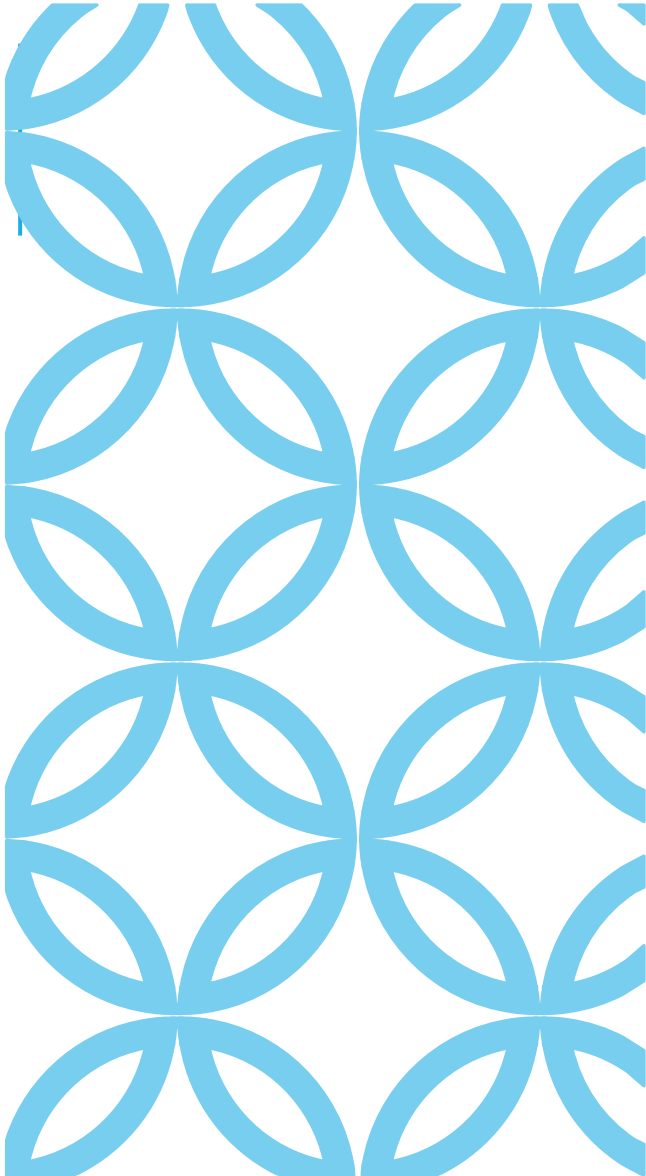


## 2QFY 2021 Profit & Loss Highlights

	Q2	Q2	Growth	H1	H1	Growth
(₹ million)	FY2020	FY2021	(%) YoY	FY2020	FY2021	(%) YoY
Revenue	1447.5	1534.0	6.0%	3178.9	1907.4	-40.0%
EBITDA	87.7	135.3	54.3%	200.3	111.69	-44.2%
Net Profit	7.5	31.69	322.5%	49.2	-53.2	NA
Diluted EPS (Rs.)	0.40	1.62	303.6%	2.64	-2.72	NA

- Company has seen sharp improvement in business across segments and tight cost controls have led to margin improvement.
- Business outlook is improving and customer orders are signalling better revenue growth outlook

# 1H-2021 Balance Sheet



<b>A. EQUITY AND LIABILITIES</b>	<b>As at 30.09.2020</b>	<b>As at 31.03.2020</b>	<b>B ASSETS</b>	<b>As at 30.09.2020</b>	<b>As at 31.03.2020</b>
(a) Share capital	195.29	195.29	(a) Fixed assets	2,485.02	2,532.14
(b) Reserves and surplus	1,517.26	1566.96	(b) Capital Work in Progress	133.79	60.57
<b>Sub-Total - Shareholders' Funds</b>	<b>1,712.55</b>	<b>1762.25</b>	(c) Other Financial Assets	31.18	24.05
(a) Long-term borrowings	678.44	693.63	(d) Other non-current assets	45.95	77.83
(b) Long-term provisions	75.10	84.18	<b>Sub-Total - Non-Current Assets</b>	<b>2,695.94</b>	<b>2,694.59</b>
<b>Sub-Total - Non-Current Liabilities</b>	<b>753.53</b>	<b>777.81</b>	(a) Inventories	809.30	845.8
(a) Short-term borrowings	938.32	1039.13	(b) Trade receivables	819.24	1,011.90
(b) Trade payables	791.70	1063.14	(c) Cash and cash equivalents	107.58	179.63
(c) Other current liabilities	522.41	352.87	(d) Short-term loans and advances	89.06	86.83
(d) Short-term provisions	5.68	6.06	(e) Other current assets	203.08	182.57
<b>Sub-Total - Current Liabilities</b>	<b>2,258.1</b>	<b>2461.2</b>	<b>Sub-Total - Current Assets</b>	<b>2,028.26</b>	<b>2,306.68</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>4,724.20</b>	<b>5001.27</b>	<b>TOTAL-ASSETS</b>	<b>4,724.20</b>	<b>5,001.27</b>

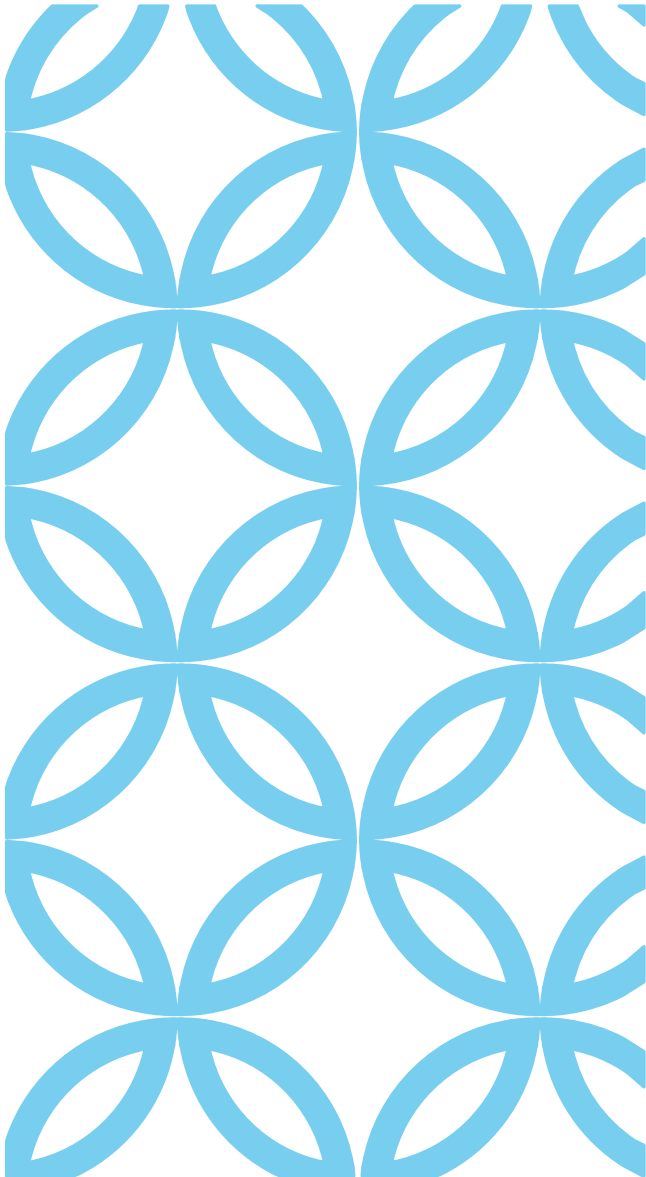
- The Balance sheet is still not optimal and management sees further opportunities of working capital optimisation in coming quarters as business normalises fully.



## Financial Metrics

Key Ratios	Q2 FY2020	Q2 FY2021	1H 2020	1H 2021	FY20
EBITDA Margin (%)	6.1%	8.8%	6.3%	5.9%	6.6%
Net Profit Margin (%)	0.5%	2.1%	1.5%	-2.8%	0.4%
DSO (Days)	47.8	58.4	47.8	58.4	57.8
INVENTORY (DAYS)	46.1	74.5	46.1	74.5	61.3
ROCE(%)	7.8%	5.8%	7.8%	5.8%	10.0%

- 1HFY21 EBITDA margins are impacted due lockdown as plants were closed for months of Apr-May'20 but 2Q margins have rebounded due to sharp cost controls and business normalisation
- Revenue growth outlook is improving, while margin outlook is stable . Company is expecting 2HFY21 to be significantly better than 1H2021.



# BUSINESS BREAKUP

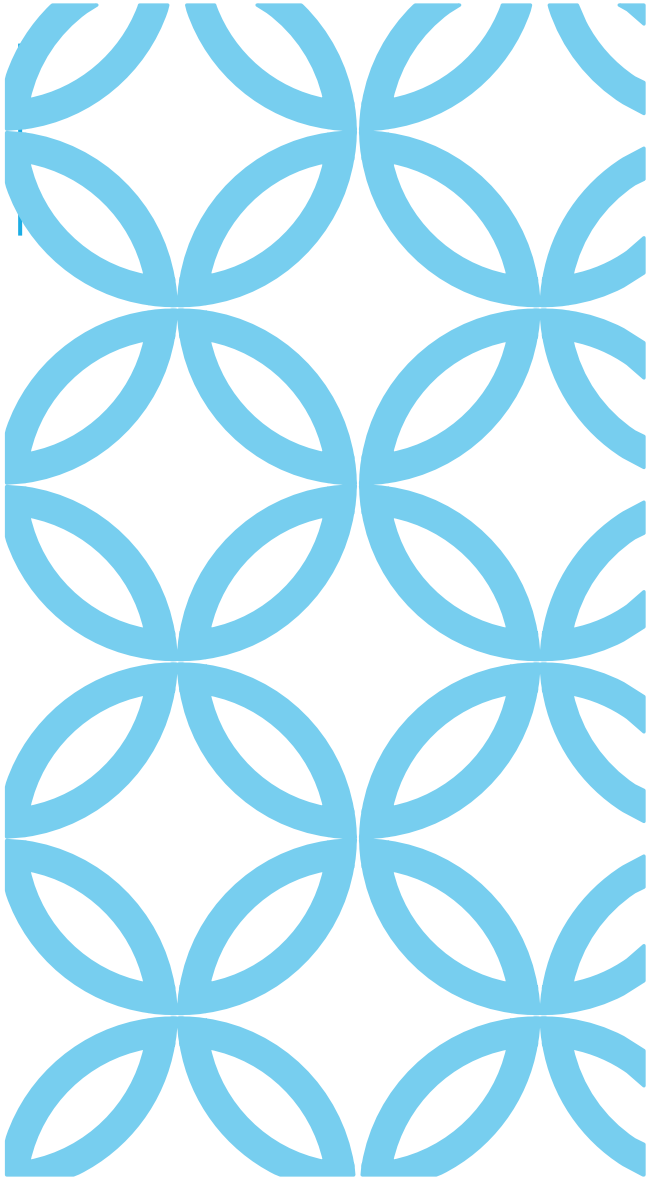
Segment	2QFY21	1QFY21	2QFY20	FY20
	% Mix	% Mix	% Mix	% Mix
Plastic Moulding	<b>69%</b>	<b>65%</b>	<b>74%</b>	<b>69%</b>
Electronics	<b>9%</b>	<b>5%</b>	<b>10%</b>	<b>7%</b>
Mould Mnf.	<b>0%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>
Product sale	<b>21%</b>	<b>28%</b>	<b>15%</b>	<b>23%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Washing machine business has seen a robust growth and we continues to see strong order flow. AC business is ramping up well and in 2H2021 should contribute good revenues.

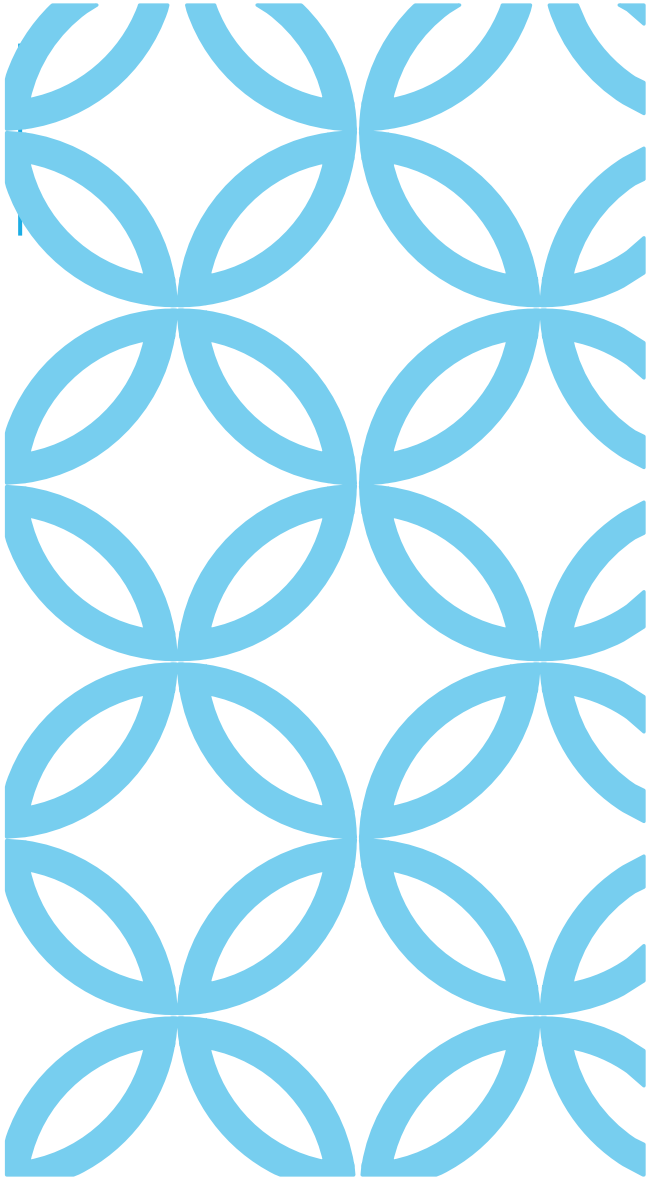
The Product business remains the focus area for the company and will be the major growth driver going forward

## Major Highlights of 1HFY21

- Due to COVID-19 related shutdown plants were totally closed for months of Apr-May'20. The production was only partially restored in June'20.
- Production loss of AC-IDU (Indoor Unit) has resulted in increased raw material Inventory. This will get liquidated over coming quarters.
- Company is seeing increased enquires for business from new and existing clients and we remain very optimistic on the future growth prospects of the business.
- The outlook on all business segment has improved significantly and good order flow is there from clients across segments
- Management has revived the capex plans and significant capacity additions are being planned in coming years in the focus area of business



## Industry Outlook



Government reforms such as Digital India, Make in India, Power for all and Jan Dhan-Aadhar-Mobile Trinity are providing fresh impetus to the Consumer appliance and durable Industry

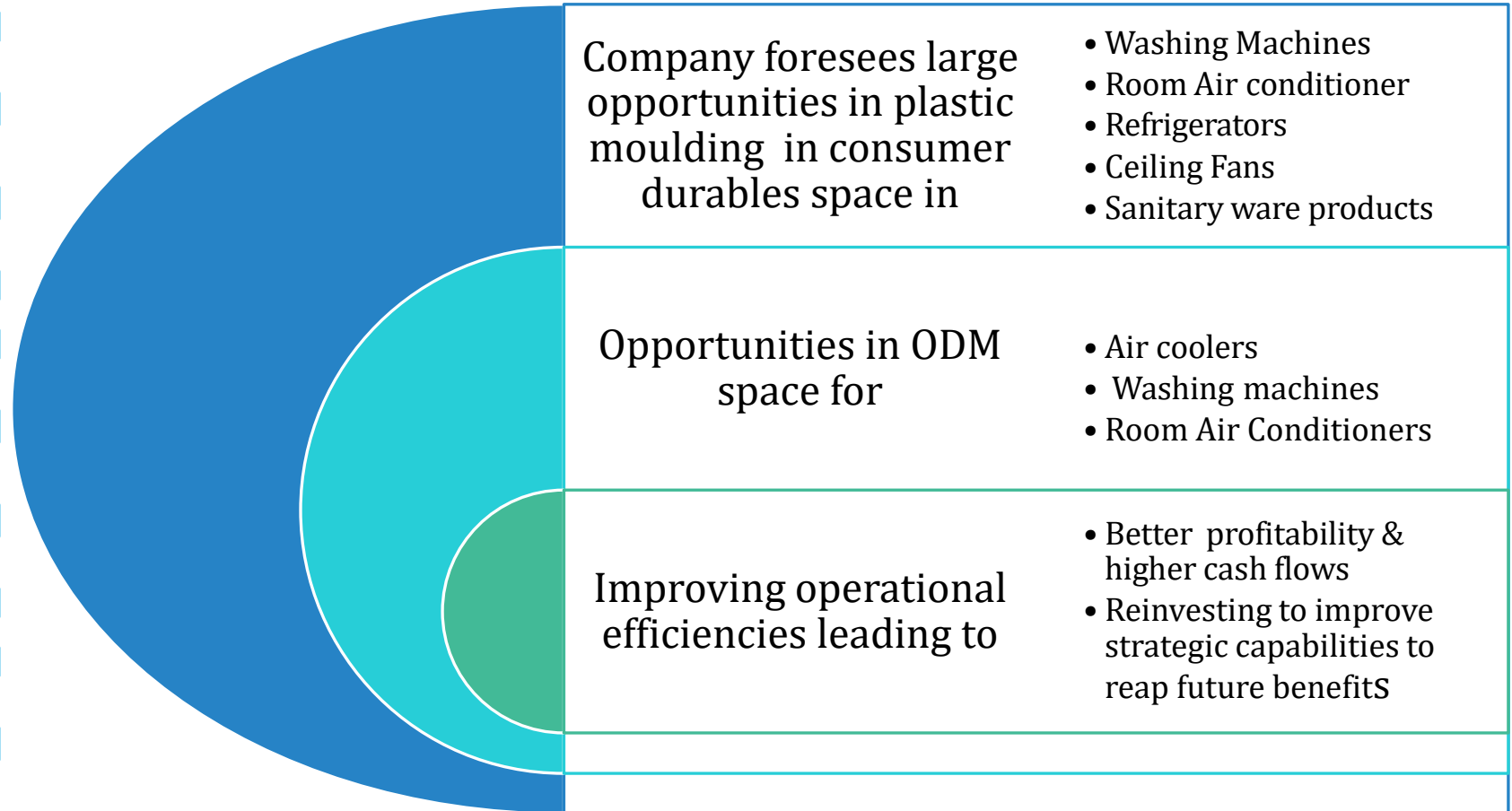
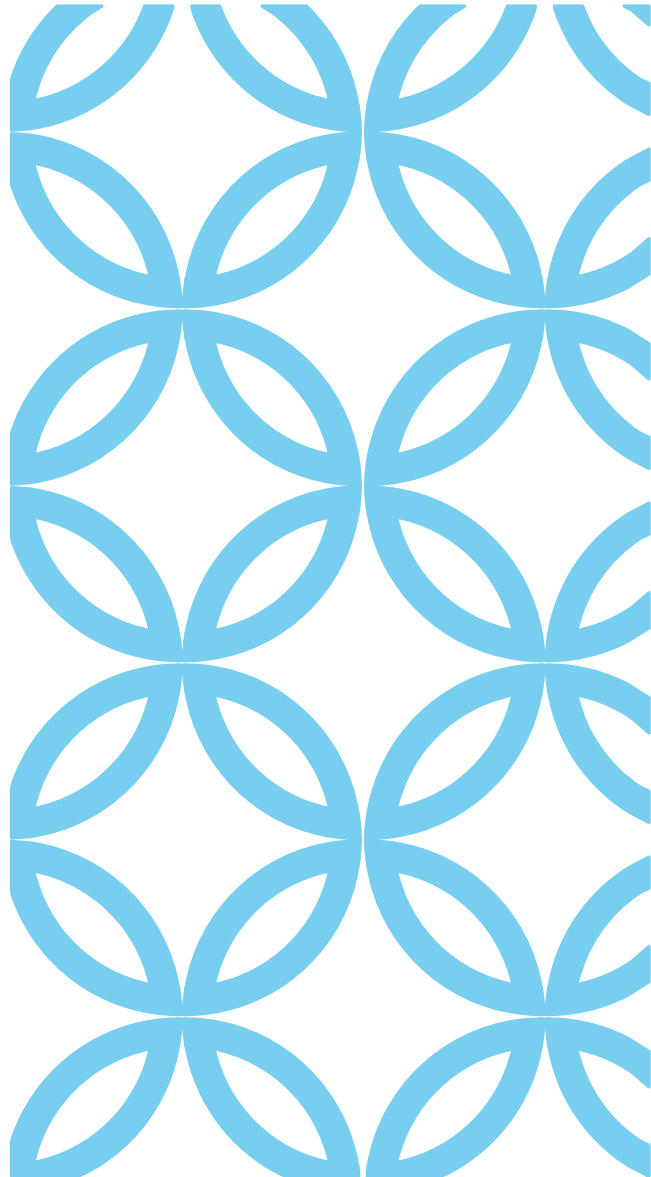
The Rapid rate of urbanization, growth of young population with rising income levels is leading to large emerging middle class in India. Implying huge potential demand for the consumer appliance and durable market in coming years.

Low penetration levels, falling prices of durables and electronics and changing life style of the Indian consumer are expected to remain big demand drivers for the consumer durable and electronics Industry in India in near future.

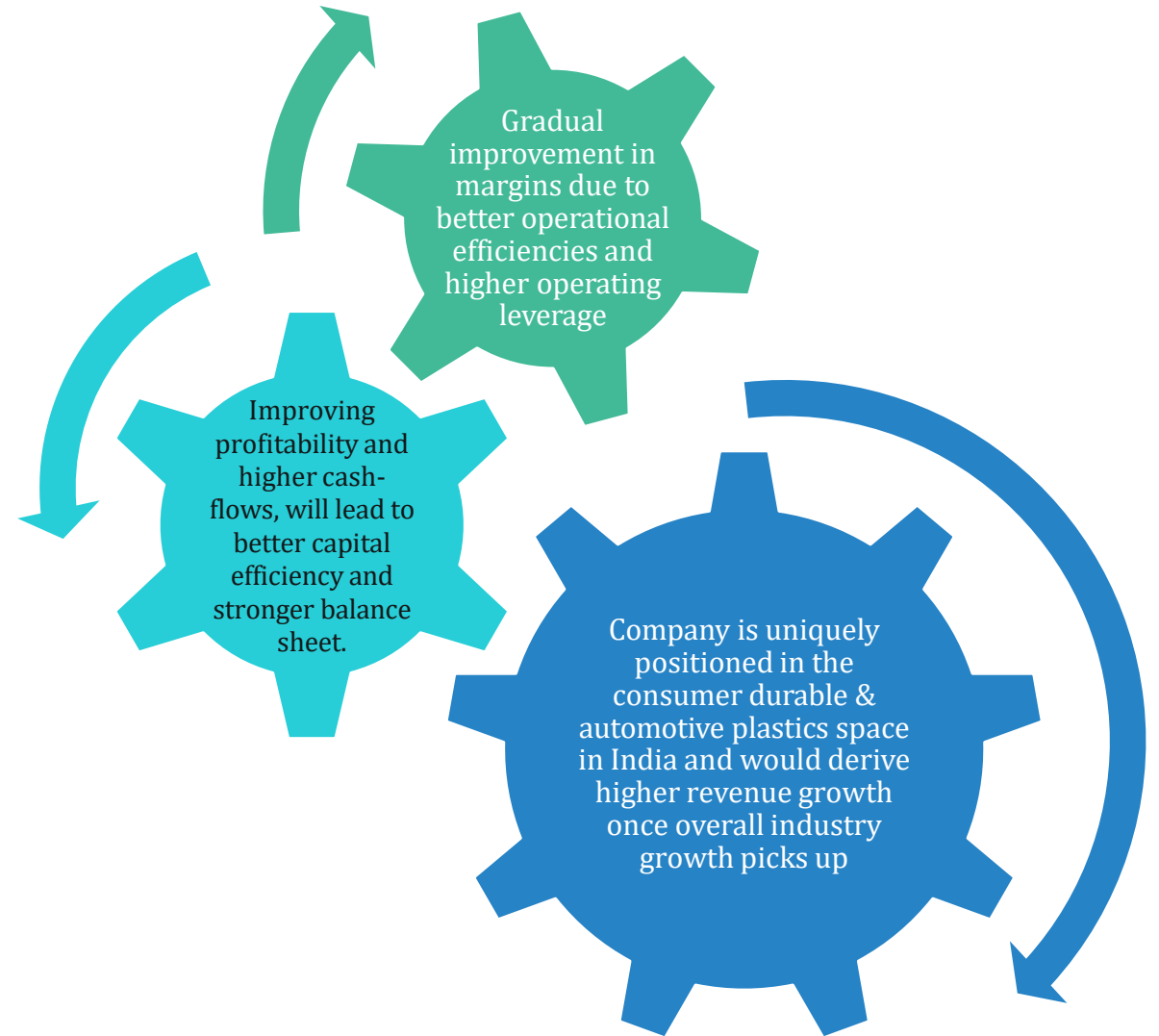
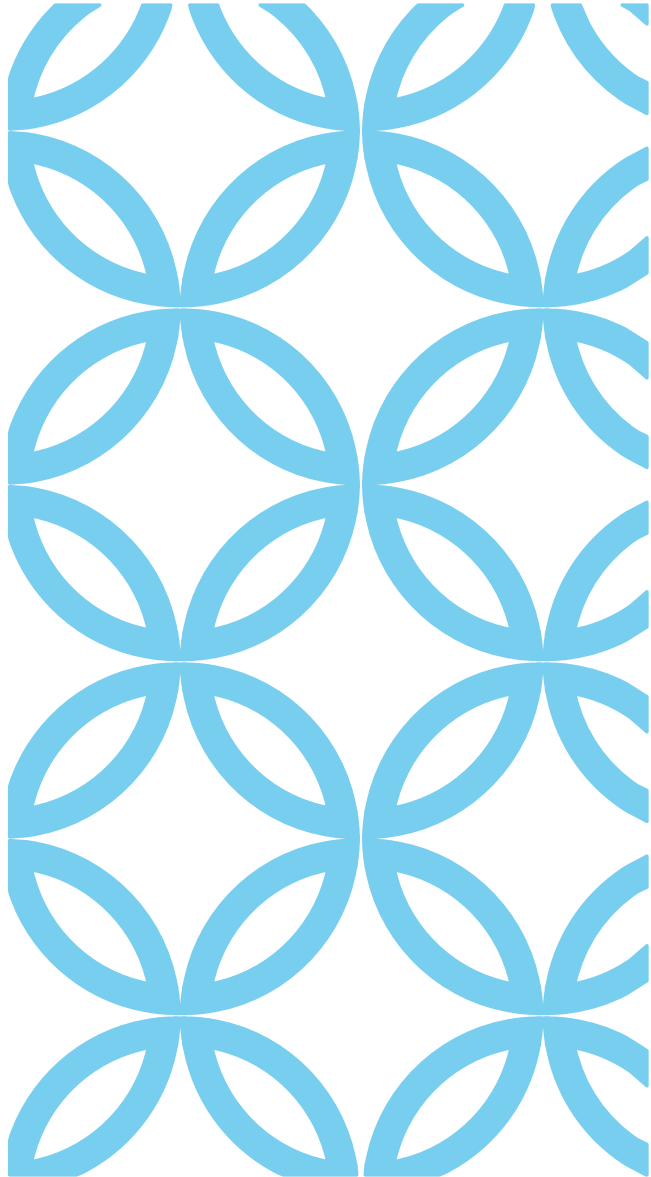
Further the Government's initiatives of promoting electronic manufacturing and treating the industry as one of the key pillars of the Digital India Program, opens new and exciting opportunities for the Industry

The Management is enthused about the overall opportunity size and anticipates high growth rates in the industry segments where, company has presence.

# Future Growth Strategy



## Future Outlook



**THANK YOU**

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