



Uploaded on BSE Limited  
Website: <http://listing.bseindia.com>

Ho-425-S

Dated: 06.07.2020

Manager – Department of Corporate Services,  
Bombay Stock Exchange Ltd.,  
Registered Office: Floor 25,  
P J Towers, Dalal Street,  
Mumbai 400 001

Dear Sir/Madam,

**Furnishing of Information as per  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
Scrip Code : 533033, Scrip Id: ISGEC**

**Sub: Investor Presentation on financial performance of the  
quarter and year ended March 31, 2020**

1. This is further to our letter bearing Ref no.Ho-425-S dated July 01, 2020, wherein we had given an advance intimation of the upcoming Investor Conference Call organised by the Company on July 07, 2020 at 16:00 hours (IST) to discuss the financial performance of the Company of the quarter and year ended March 31, 2020.
2. In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Investor Presentation on the financial performance of the quarter and year ended March 31, 2020, which would be shared with the Investors.
3. This Investor Presentation is also available on the website of the Company [www.isgpec.com](http://www.isgpec.com).
4. The above is for your information and records, please.

Thanking you,

Yours faithfully,  
For Isgec Heavy Engineering Limited

Sd/-  
(S.K. Khorana)  
Executive Director & Company Secretary  
Contact Number: 9810188045

Encl: as above



**ISGEC HEAVY  
ENGINEERING LTD.**

# **Investor Presentation**

6<sup>th</sup> July 2020



# Safe Harbour

This presentation and the accompanying slides (the “Presentation”), which have been prepared by ISGEC Heavy Engineering Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contractor binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

# Agenda

- 1 Company Overview
- 2 Business Capabilities
- 3 Market Leadership
- 4 COVID 19 Impact
- 5 Financial Performance
- 6 Giving Back To Society
- 7 Key Investment Highlights



# Agenda

- 1 Company Overview
- 2 Business Capabilities
- 3 Market Leadership
- 4 COVID 19 Impact
- 5 Financial Performance
- 6 Giving Back To Society
- 7 Key Investment Highlights



## ISGEC at a glance

A Diversified Heavy Engineering Company engaged in Manufacturing and Project Businesses.  
Manufacturing of Presses, Castings and Process Equipment.  
Turnkey Projects for setting up Boilers, FGD's, Sugar Plants, Distilleries, Power Plants and Bulk Material Handling facilities.

➤ Revenue	➤ EBITDA
₹ <b>58,522</b> mn	₹ <b>3,568</b> mn
➤ EPS	➤ PAT
₹ <b>19.9</b>	₹ <b>1,507</b> mn
➤ Net Worth	➤ Order Book
₹ <b>19,353</b> mn	₹ <b>69,160</b> mn



Figures as per FY20 consolidated financials

## Diversified Heavy Engineering Company



Mix of Manufacturing and Project Businesses

Mix of Domestic & Export Revenues

Wide Spectrum of User Segment

## Strong Labour Force



**4,273** Employees across locations in India, Canada, USA and Philippines

**900** qualified engineers



## Trusted Partner

Technology tie-ups and JVs with leading global firms

## Robust Balance Sheet



FY20 Net Worth of **INR 19,353 Mn**

Strong Credit Rating - ICRA Credit Rating of **AA (Stable)**

## Highly Experienced Management



**75+** years of providing engineering solutions to customers globally.

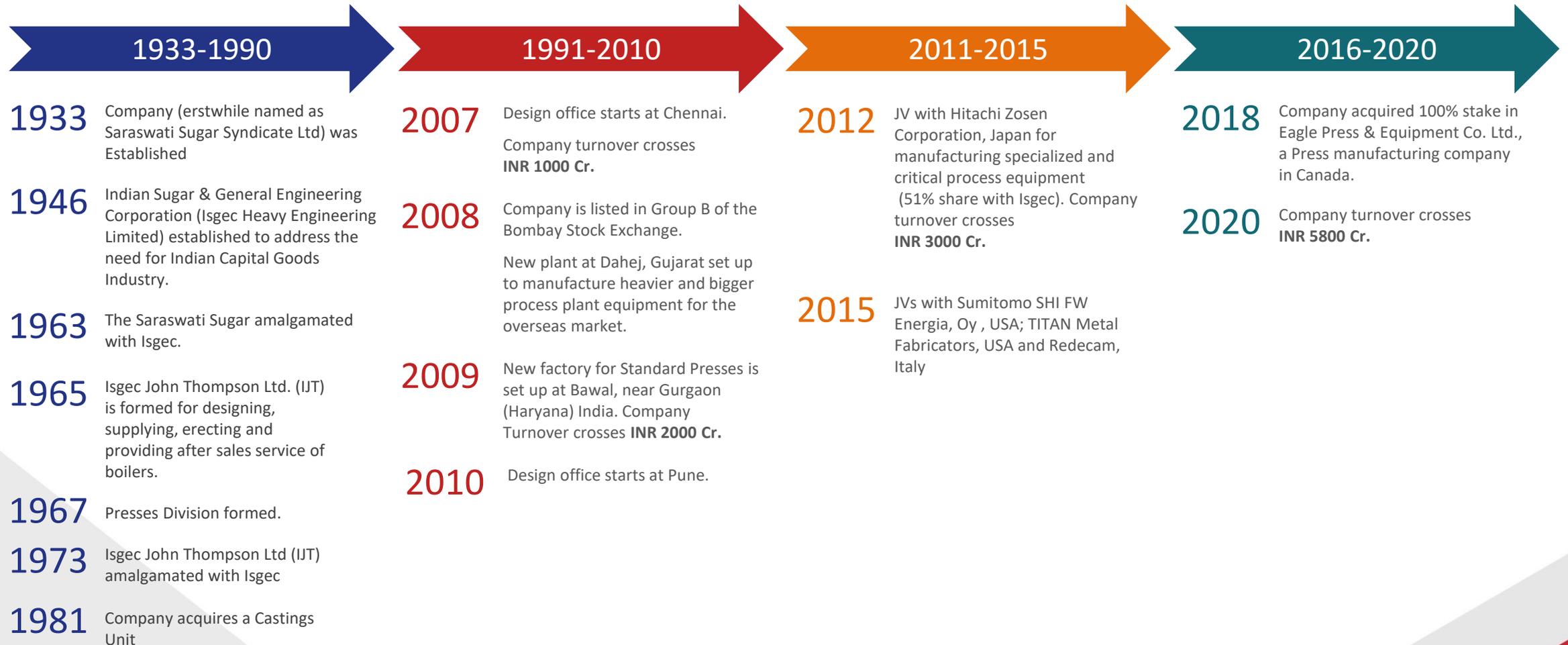


## Global reach

Presence across **91** countries across **6** continents

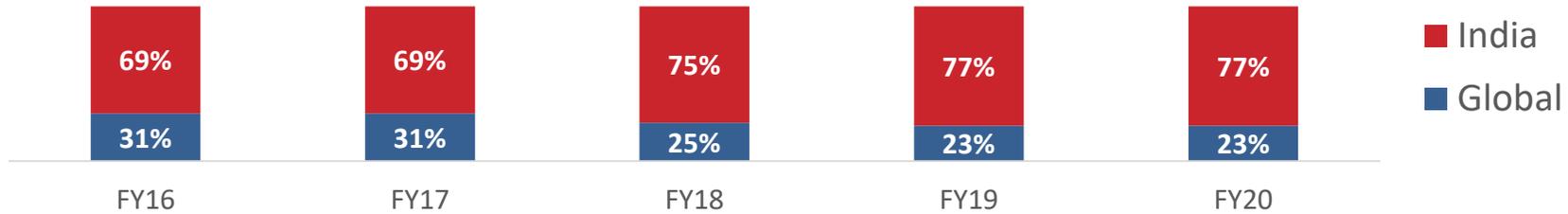
# Our Journey

What started off in 1933 as a Sugar Manufacturing Company has been transformed into a Diversified Heavy Engineering Company with 90.5% of our Consolidated Revenues coming from Engineering Products and Projects

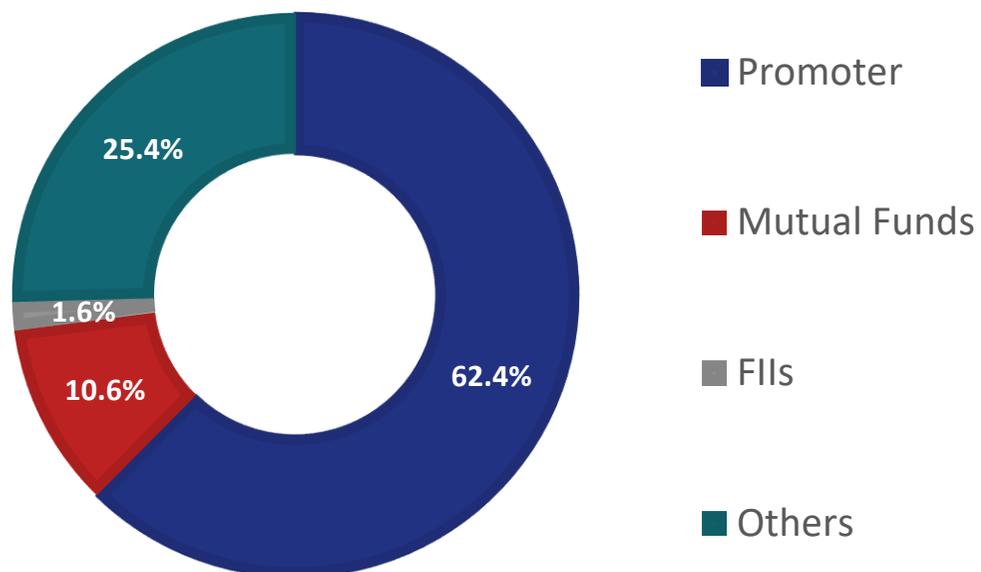


# Global Footprint - Presence across 91 countries

Sales from outside India contributed ~23% of Total Revenue in FY20



## Shareholding structure – 31st March 2020



## Shareholder Information as on 31<sup>st</sup> March 2020

BSE Ticker	533033
Market Cap (INR Mn)	18,776
% Free- float	38%
Free Float Market Cap (INR Mn)	7,135
Shares Outstanding (Mn)	73.5
3M ADTV (Shares)	16,304
3M ADTV (INR Mn)	5.6
Industry	Industrial Machinery

**Shares are unencumbered**

# Our Team



## Our Team

Mr. S.K. Khorana	Executive Director & Company Secretary	
Mr. Ravi Jaidka	Executive Director	
Mr. Kishore Chatnani	Chief Financial Officer	
Mr. Sanjay Gulati	Business Head	Process Equipment Division
Mr. Vivek Nigam	Business Head	Machine Building Division
Mr. PVN Sanjay	Business Head	EPC Division (Power Plants, Material Handling, Factories Construction)
Mr. V K Luthra	Business Head	Boiler Division
Mr. Suman Jain	Business Head	FGD and Air Pollution Control Division
Mr. Sanjay Awasthi	Business Head	Sugar Machinery and Distilleries Division
Mr. Yogesh Marwaha	Head	International Marketing
Mr. Shalabh Singh	Head	Corporate Business Development

## Board of Directors

Mr. Ranjit Puri	Non-Executive Chairman & Promoter
Mr. Aditya Puri	Managing Director & Promoter
Mrs. Nina Puri	Whole-time Director & Promoter

## 7 Non-Executive Independent Directors

Mr. Vinod K. Nagpal
Mr. Tahir Hasan
Mr. Vinod Kumar Sachdeva
Mr. Arun Kathpalia
Mr. Sidharth Prasad
Mr. Vishal Kirti Keshav Marwaha
Mrs. Shivani Hazari

# Agenda

- 1 Company Overview
- 2 **Business Capabilities**
- 3 Market Leadership
- 4 COVID 19 Impact
- 5 Financial Performance
- 6 Giving Back To Society
- 7 Key Investment Highlights



# State-of-the-art Infra & Manufacturing Capabilities



## Yamunanagar, Haryana

Pressure Vessels & Heat exchangers,  
Presses, Boilers, Containers, Castings,  
Sugar and other Industrial Machinery



## Rattangarh, Haryana

Boiler Components



## Bawal, Haryana

Mechanical Presses and  
other Industrial  
Machinery



## Dahej, Gujarat

Reactor Pressure Vessels,  
Columns, Heat Exchangers



## Muzaffarnagar, UP

Castings



## Overseas facility



## Windsor, Canada

Presses

# Building Strength with Acquisitions and JVs



## Saraswati Sugar Mills Ltd.

With cane crushing capacity of ~ 10000 TCD, having highest sugar recovery in Punjab and Haryana for the past 10 years



100%



## Eagle Press & Equipment Co. Ltd.

Press manufacturing company in Windsor (Ontario) Canada

51%



## ISGEC Hitachi Zosen Ltd.

JV with Hitachi Zosen Corp., Japan to manufacture specialized & critical Process Equipment



## ISGEC Titan Metal Fabricators Pvt. Ltd.

JV with Titan Metal Fabricators, USA for manufacture of corrosion-resistant metals & alloys process equipment



## ISGEC SFW Boilers Pvt. Ltd.

JV with Amec Foster Wheeler (now Sumitomo SHI FW Energia, Oy) for engineering their Global Boiler Projects



## ISGEC Redecam Enviro Solutions Pvt. Ltd.

JV with Redecam, Italy for manufacture, testing, commissioning of Bag Filters

# Engineering for Excellence - Our Business Segments

ISGEC is a significant global player across business areas in Manufacturing and EPC

## Manufacturing

Process Equipment



Iron & Steel Castings



Boiler Tubes & Panels



Presses



Contract Manufacturing



Liquefiable Gas Containers



## Engineering & Projects



Sugar Plants & Distilleries



Air Pollution Control Equipment



Industrial Boilers



Power Projects



Bulk Material Handling



Buildings & Factories



Industrial Waste Water Treatment



Civil Infrastructure



# Catering to Wide Spectrum of Industries



**Railways**



**Power**



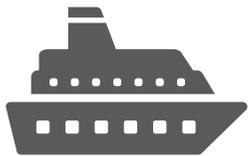
**Fertilizer**



**Cement**



**Mines**



**Ports**



**Oil & Gas**



**Steel**



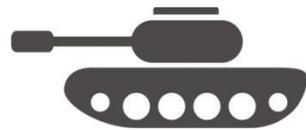
**Chemical**



**Space**



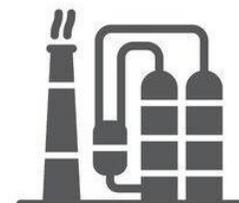
**Automobiles**



**Defence**



**Sugar**



**Distillery**



**Paper**

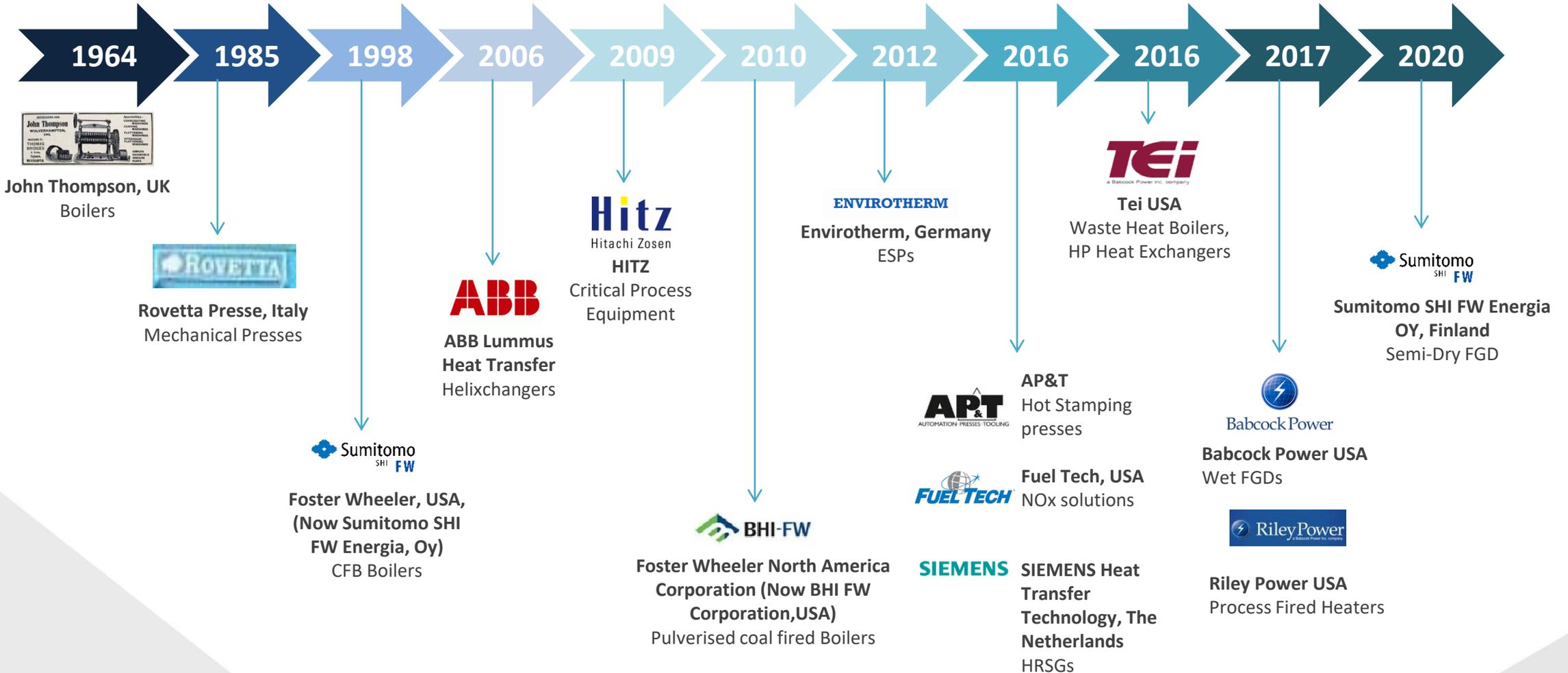


**Water Treatment**

# Serving Global and Domestic Clients



# Technology Infusion across the Years



# Achieving Operational Capabilities



## Presses

**5000+** PRESSES  
**26** COUNTRIES  
**70+** PRESS LINES



## Material Handling Solutions

**16 km** of cross country pipe conveyor  
Upto **10 MMTPA** Bulk Port facility



## Industrial Boilers

**800+** High Capacity and High Pressure Boiler installations in **48** countries



## Sugar Plants & Distilleries

**175+** Projects  
**700+** cane crushing mills  
**49** countries  
Experience of running own sugar mill



## Liquefiable Gas Containers

**3,00,000+** Containers in **60+** Countries

**Largest** producer of containers in the world



## Power Projects

**Leader** in power plants of up to **100MW**

## Manufacturing and Maintenance facilities for Indian Railways



## Flue Gas Desulphurisation Projects



## Air Pollution Control Equipments (ESP, SCR and Bag Filters)

# Standing Strong with Global Quality Benchmarks



Conformité Européenne



Quality Management System—Approved by  
Lloyds Register of Quality Assurance



Environment Management  
System-Approved by DNV GL  
Business Assurance



Occupational Health & Safety Management  
System



'S' 'U' 'U-2' & 'U-3' Stamps  
'N' and 'NPT' Stamps



National Board, USA, 'R' Symbol,  
'NB' Mark



Class I fabricator of Fusion  
Welded Pressure  
Approved Foundry from  
Lloyd's Register of Shipping



Approval for Liquefiable  
Gas Containers



China Safety and Quality  
License



# Positioned No.1 / No. 2 in most Business Lines

## Market Leadership

- Hydraulic & Mechanical Presses
- Process Equipment
- Sugar Plants
- Slop Fired Boilers
- CFB Boilers
- Oil & Gas Boilers
- Traveling Grate Boilers
- Bubbling Bed Boilers
- Liquefiable Gas Containers
- Made to order large steel castings

### Rankings

<b>ET 500</b>	279 (2019)
<b>Fortune India 500</b>	259 (2019)
<b>Business Today 500</b>	397 (2019)





## Business

- Q4 was panning out broadly in line with company expectations, but the disruption caused due to COVID 19 led to an estimated revenue shortfall of around Rs. 3,000 million and profit before tax would also have been correspondingly higher
- About 2% of our existing orders from customers have been put on hold/suspended or deferred the inspection/dispatch instructions for delivery of the ready equipment. Though these are not very large at this point in time
- We were having severe manpower problems at our sites and it affected our project execution and consequently our billing and margins
- The company faced some major issues with respect to procurement of raw material due to restriction of movement and limited capacity by the vendors
- Besides facing some logistics hinderances, there were major problems at ports including congestion and lack of custom officials. Due to this there was delay in transporting imported raw material to plants and construction sites

## People

- All safety precautions are being taken at sites and factories
- During the lockdown, to enable employees to work from home effectively, we purchased 400 new Laptops, new softwares and provided them with internet connections
- Webinars were conducted for imparting training and interaction with customers and employees
- Interactions with vendors, contractors etc. were done using IT tools during lockdown

# Actions to Minimize Impact

- All factories which were closed during lockdown are now working at full capacity and there are no labour issues.
- On restarting after lockdown, manpower at EPC project sites was only around 30% of normal, and now it has reached about 60%. (It will take at least 2-3 months for situation to become normal).
- At our EPC offices, presently we are asking about 50% people to work from offices and balance to work from home. Offices in Noida, Chennai and Pune have restarted, with requisite precautions including social distancing.
- Issues related to supplies have been resolved to a great extent, as our large vendors are now working at 100% capacity and other small vendors are working at about 50% capacity due to migrant labour issue.
- The situation has improved at most of the ports.
- Large orders are expected from PSUs in areas such as Railways, Air Pollution Control Equipment, Refinery, Fertilizer, Hospitals, Airports and Civil Infrastructure and few others, which will compensate for any possible slowdown from private sector.
- The company is exploring larger Civil work projects and will be bidding for construction of small Airports.
- More remote Inspections at factories and sites – both by customers as well as by us for suppliers.
- Extensive use of IT tools for better connectivity.

# Agenda

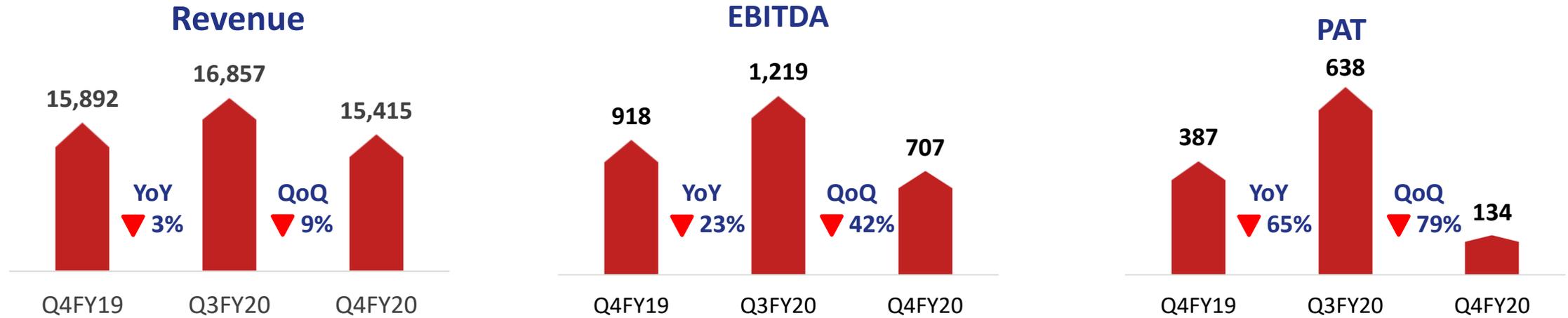
- 1 Company Overview
- 2 Business Capabilities
- 3 Market Leadership
- 4 COVID 19 Impact
- 5 **Financial Performance**
- 6 Giving Back To Society
- 7 Key Investment Highlights



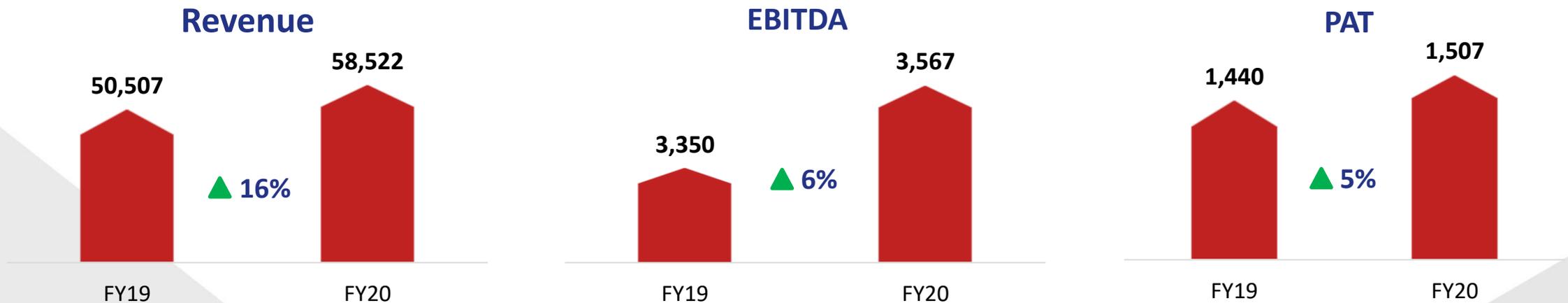
# Performance Highlights

## Q4FY20 Impacted by COVID-19 pandemic

In INR Mn



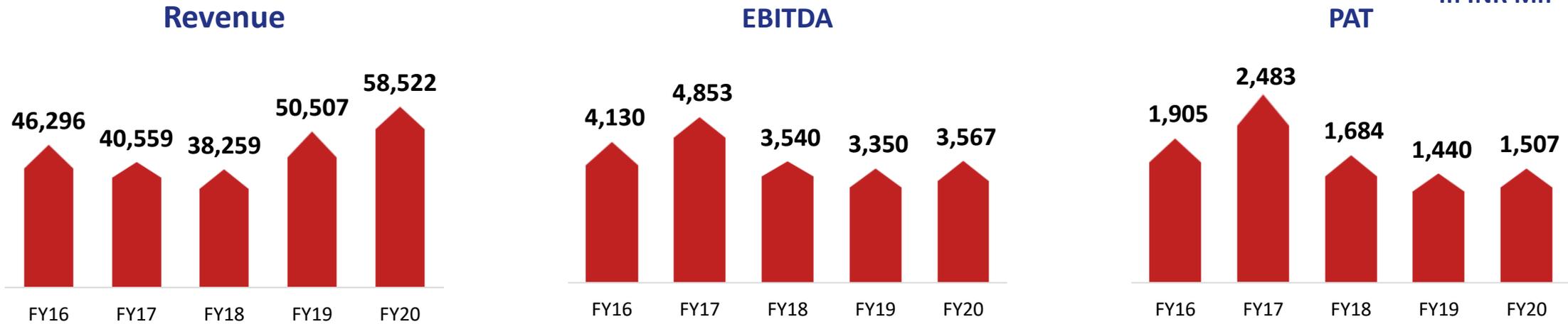
## FY20 Shows healthy underlying performance



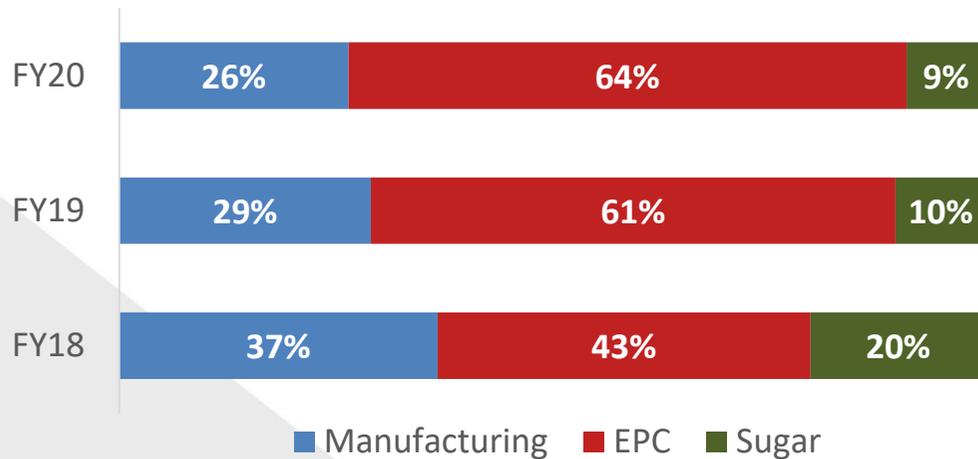
Figures as per FY20 consolidated financials

# Financial Performance Trend

In INR Mn



## Segment Revenue



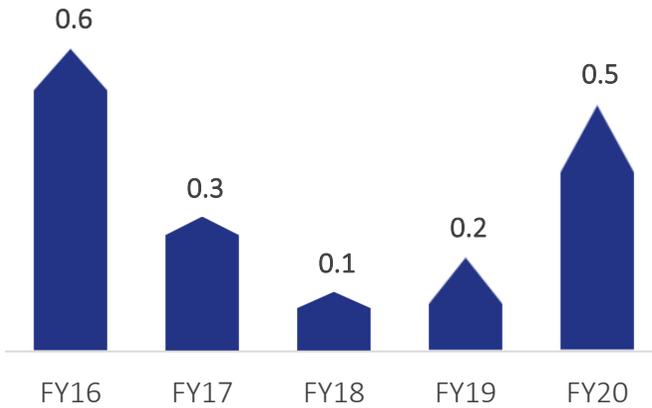
**Robust revenue growth led by strong execution and healthy orderbook, in a very competitive market**

**Strong EPC order book, supported by best-in-class capabilities, provide healthy growth visibility**

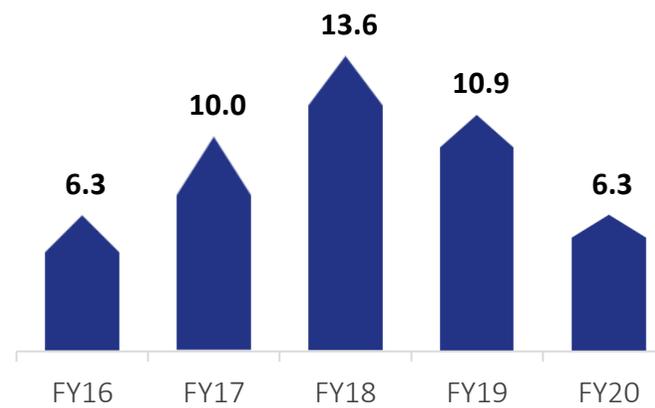
Figures as per FY20 consolidated financials

# Strong Balance Sheet

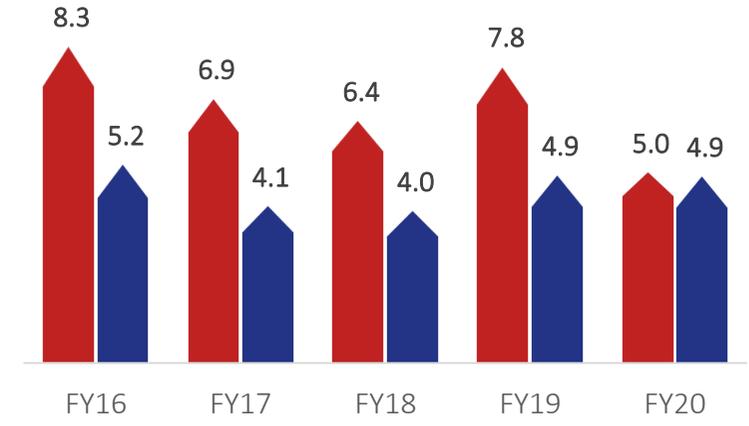
### Total Debt/Equity



### Interest Coverage Ratio



### Turnover Ratio



■ Fixed assets ■ Inventory

\* Total Debt includes all interest bearing liabilities.

Interest coverage ratio= EBIT/Interest

Fixed asset turnover= Operating Revenue/Average fixed assets, Inventory turnover= Operating Revenue/Average Inventory





# Giving Back To Society: A Few of the Activities Undertaken

- Remedial Classes for 250 Less Privileged Children at Nai Disha Educational & Cultural Society, an NGO (Stationary / Bags / Shoes / Sweaters / Mid Day Meals / Water / Dental Kits / Health Camp / etc)
- Solar Energy Systems for Rural / Semi Urban Govt. Schools
- Rain Water Harvesting Systems for Rural / Semi Urban Govt. Schools
- Recharging of Aquifers through Village Ponds
- Fans, Green Boards, Furniture and Building Repairs for Schools
- Apprenticeship for Training & Skill Development
- Construction of Sports facilities in Government Schools
- Contribution to Haryana Corona Relief Fund



# Agenda

- 1 Company Overview
- 2 Business Capabilities
- 3 Market Leadership
- 4 COVID 19 Impact
- 5 Financial Performance
- 6 Giving Back To Society
- 7 Key Investment Highlights**



# Key Investment Highlights



Presence in  
Multiple Core  
Sectors-  
Spreading  
Market Risk



Comfortably  
placed to  
Survive Down  
cycles



Leadership  
position in  
most  
businesses



Continued focus  
on niche  
technologies



Geographically  
diversified  
portfolio  
mitigating  
concentration  
risk



Constant  
Forays into  
Futuristic  
Business Lines



**ISGEC HEAVY  
ENGINEERING LTD.**

**THANK YOU**

**ISGEC HEAVY ENGINEERING LIMITED, INDIA**

skkhorana@isgec.com | www.isgec.com

**Registered Office**

Radaur Road, Yamunanagar - 135001, Haryana, India

CIN No.: L23423HR1933PLC000097

