

The Company



Profile

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Why Company is Looking for a JV Partner/Acquisition

- A *First Generation Entrepreneur*, age 65 years, with proven track record of profitability & financial strength intends to have exponential growth.
- Wants to induct a *Strategic Partner* to realize the potential and to finance the growth plans.
- Leverage on '*Make In India*' campaign.
- Company Platform exists for realizing the potential.
- Constraints on growth on a Stand-alone basis.
- Growth Capital needed for exponential & fast track growth.
- Expansion Plan ready along with manpower planning.

What Company Is Looking for in JV Partner/Acquisition

- Global Player with strong technology background.
- Strategic Partner with a growth agenda.
- Willing to leverage on the existing company's platform covering existing business verticals.
- Willing to align with Company Philosophy & Plans.

Proposed Modalities

- Majority / entire stake dilution by Company Promoters.
- Company Promoter willing to continue as a mentor.
- Contributing significantly to business growth for the next 3-5 years.
- Phase-wise '*Exit*' option for Company Promoters in case of Majority Stake sale.
- Continuation of the Company name in the JV name.

Company's Existing Lines of Business

- The Company provides services to various Chemical, Pharmaceutical, Bulk Drug Manufacturing, Engineering & Mining Industries.
- Undertake complete Process Design, in accordance with relevant international standards including ASME, TEMA, BS, etc., with emphasis on Heat Transfer, Distillation, Skid Mounted Piping, Reactors, Pressure Vessels, Storage Tanks, Agitator, Customized Fabrication and Weld overlay.
- Undertake design & erection of Piping Systems in various materials like Stainless Steel, Carbon Steel, Duplex & Super Duplex Piping.
- Specialist in shop fabricated items with particular emphasis on high-pressure piping, Pressure Vessels & Heat Exchangers and welding of Titanium, Hestalloxy.
- Dedicated team of Engineers & Technicians to undertake work at site of structural fabrication & piping. Teams of technicians, Welders & Fabrication Fitters conversant with materials like Alloy Steel, Duplex, Super Duplex, Stainless steel, Copper, Cupro Nickel, Hestalloxy C & Titanium.

Company History

- Promoted & set-up in 1996 as a Sole Proprietorship by, a Visionary & Engineer having techno-commercial experience of over 4 decades.
- Growth requirements dictated the conversion into a Private Ltd. Company in 2008.

Company Details

- Registered Office & Works
 - In Pune
- Share Capital Structure:
 - Authorized Capital : INR 10 Million (USD 166,667)
 - Issued Capital : INR 6.43 million (USD 107,167)
- Holding:
 - 100% holding by the Promoter Director

Company Infrastructure

	Particulars
<input type="checkbox"/>	Factory Land (Pune) Total Area = 7000 sq. ft.
<input type="checkbox"/>	Built-in Factory Shed 6000 sq. ft.
<input type="checkbox"/>	RCC Office Building - Ground Floor, 1 st & 2 nd Floor (Total Built-up Area 3,000 sq.ft.)
<input type="checkbox"/>	Plant & Machinery Engineering facilities with latest software
<input type="checkbox"/>	Prime Industrial Land at Shirval approx. 1,60,000 sq.ft.

Company Accreditations

- Foster Wheeler (G. B.) Limited
- Cairn Energy Ltd.
- Durr India Pvt. Ltd.
- Aquatech Systems (Asia) Pvt. Ltd.
- VA Tech Wabagg Ltd.
- Phillips Carbon Black Ltd.
- SKI Carbon Black (India) Pvt. Ltd. (Aditya Birla Group)
- Thermax Ltd.
- Nuclear Power Corporation of India Ltd. (NPCIL)
- The National Small Industries Corporation Ltd. (NSIC)
- Department of Atomic Energy (DAE)
- DNV Business Assurance Management System (ISO 9000:2008)
- Directorate of Industries (SSI)
- The Council of EU Chambers of Commerce in India
- CECO Environmental India Pvt. Ltd.

Company Business / Track Record

Sales Mix (Value)	11-12		12-13		13-14		Audited 14-15	
	INR (mio)	USD (Mio)	INR (mio)	USD (Mio)	INR (mio)	USD (Mio)	INR (mio)	USD (Mio)
Domestic Mfg Sales	27.25	0.45	35.75	0.60	15.82	0.26	27.92	0.47
Exports Mfg Sales	-	-	1.56	0.03	1.06	0.02	13.09	0.22
(A) Mfg Sales	27.25	0.45	37.31	0.62	16.88	0.28	41.01	0.68
(B) Mfg.Contract work	2.55	0.04	5.65	0.09	18.28	0.30	14.28	0.24
(C) Man Power Supply	-	-	-	-	8.75	0.15	23.78	0.40
Total Sales (A+B+C)	29.80	0.50	42.96	0.72	43.91	0.73	79.07	1.32
Increase YOY (Value mio)			13.16	0.22	0.95	0.02	35.16	0.59
Percentage increase (YOY)			44%		2%		80%	

1 USD – INR 60

Sales Mix (Percentage)	11-12	12-13	13-14	14-15
Mfg.Sales	91%	87%	38%	52%
Mfg.Contract work	9%	13%	42%	18%
Manpower Supply	0%	0%	20%	30%
Total	100%	100%	100%	100%

Company Performance Highlights

- Average YOY Growth Rate – 50%
- Achieved Balanced Sales Mix from a predominantly Mfg Sales focus thereby mitigating the cyclical business risks.
- Present Sales Mix –

Mfg Sales	40%
Mfg Contract Work	30%
Manpower Supply	30%

Company's Areas of Specialization

The Company has specialized in Fabrication Process for different Industry / Sectors.

Srl	Industry	Type of Product
1	Carbon Black, Pharmaceutical, Pollution Control, Nuclear Power and Atomic Energy, Hindustan Unilever, Hindustan Dorr Oliver, Killburn Engineering Ltd, Aquapharma Chemicals Pvt. Ltd.	Tanks, Pressure Vessels, Heat Exchangers, Bag Filters, Cyclone and Dampers
2	Oil & Gas Exploration	Prefabricated Piping Spool of heavy thickness
3	Water Solution	Prefabricated piping in Stainless Steel, Duplex and Super Duplex Steel
4	Pumps & Valves	“Weld Overlay” of exotic material like Duplex, Super Duplex, Titanium and Stellite

Company's Past Financials

Profit & Loss Account

(Amt in Millions) (USD in Thousands)

Particulars	Audited			Audited			Audited			Audited		
	Year ended 31.3.12			Year ended 31.3.13			Year ended 31.3.14			Year ended 31.3.15		
	INR	USD	%	INR	USD	%	INR	USD	%	INR	USD	%
Sales	25.99	0.43		37.04	0.62		38.68	0.64		80.80	1.35	
EBITDA	3.24	0.05	12.46%	4.10	0.07	11.06%	4.72	0.08	12.19%	15.53	0.26	19.22%
PBT	2.57	0.04	9.88%	3.64	0.06	9.82%	3.87	0.06	10.01%	14.04	0.23	17.38%
PAT	1.69	0.03	6.48%	2.40	0.04	6.48%	2.81	0.05	7.25%	9.46	0.16	11.71%

1 USD – INR 60

Company's Past Financials

Balance Sheet

Particulars	Audited		Audited		Audited		Audited	
	As at 31.3.12		As at 31.3.13		As at 31.3.14		As at 31.3.15	
	INR (mio)	USD (mio)	INR (mio)	USD (mio)	INR (mio)	USD (mio)	INR (mio)	USD (mio)
<u>EQUITY AND LIABILITIES</u>								
Shareholder's funds								
Share Capital	6.43	0.11	6.43	0.11	6.43	0.11	6.43	0.11
Reserves and Surplus	6.87	0.11	8.37	0.14	11.17	0.19	20.63	0.34
Net Worth	13.30	0.22	14.80	0.25	17.60	0.29	27.06	0.45
Non current liabilities	-	-	-	-	-	-	5.37	0.09
Total	13.30	0.22	14.80	0.25	17.60	0.29	32.43	0.54
<u>ASSETS</u>								
Non-current assets								
(a) Fixed assets	9.34	0.16	9.45	0.16	10.78	0.18	10.86	0.18
(b) Other non-current assets	0.14	0.00	0.14	0.00	0.35	0.01	0.13	0.00
Total Non-current assets	9.48	0.16	9.59	0.16	11.13	0.19	10.99	0.18
Current assets	15.34	0.26	14.45	0.24	32.17	0.54	38.34	0.64
Current Liabilities	11.52	0.19	9.24	0.15	25.69	0.43	16.90	0.28
Net Working Capital	3.82	0.06	5.21	0.09	6.47	0.11	21.44	0.36
Total	13.30	0.22	14.80	0.25	17.60	0.29	32.43	0.54
	-	-	-	-	-	-	(0.00)	(0.00)

1 USD – INR 60

Company Financial Highlights

- Contribution % is showing an Increasing trend - Average Contribution 28%.
- EBITDA and PBT % is showing an Increasing trend.
- No dividend pay-out; Internal accruals have been used to fund the growth.
- **Zero Debt Company**
- Strong Net Worth position
- Efficient Working Capital management.

Company – Future Outlook

- Strong marketing team to be deployed to achieve 50% YOY growth in sales over the next 3 years.
- State-of-art manufacturing facility to be set-up on prime industrial plot owned by the company admeasuring 160,000 Sq. ft.
- Major manufacturing capacity expansion to cover all the verticals like Dampers, Cyclone along with the present fabrication activities. Accreditation like 'U' Stamp, 'PP' and 'CE' marking proposed to aid Export business.

Company – Future Outlook (contd...)

Sales Projections										
<i>(Amt in Millions for INR & USD)</i>										
Particulars	FY 2015-16		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	INR	USD	INR	USD	INR	USD	INR	USD	INR	USD
Sales	150.00	2.50	225.00	3.75	500.00	8.33	650.00	10.83	845.00	14.08
EBITDA	33.00	0.55	51.75	0.86	120.00	2.00	162.50	2.71	211.25	3.52
EBITDA (%)	22%		23%		24%		25%		25%	
Interest	0.33	0.01	0.16	0.00	3.90	0.07	3.00	0.05	2.20	0.04
Depreciation	0.34	0.01	0.30	0.01	0.34	0.01	0.68	0.01	0.08	0.00
PBT	32.33	0.54	51.29	0.85	115.76	1.93	158.82	2.65	208.97	3.48
Tax	9.70	0.16	15.39	0.26	34.73	0.58	47.65	0.79	62.69	1.04
PAT	22.63	0.38	35.90	0.60	81.03	1.35	111.18	1.85	146.28	2.44
Cash Accruals	22.97	0.38	36.20	0.60	81.37	1.36	111.85	1.86	146.36	2.44
Cumulative Cash Accruals	22.97	0.38	59.18	0.99	140.55	2.34	252.40	4.21	398.76	6.65

**** New manufacturing facility expected to be operational from FY 2017-18.**

1 USD – INR 60

Why Company – MNC Partnership

- Leveraging the strengths of both the Organizations e.g. **Company** – Dedicated Workforce & Ready-made Infrastructure; **MNC** – Technology & Global Presence.
- High Capital Investment capacity of MNC would be supplemented by Company's operational expertise in growing faster.
- Company JV / acquisition can act as Global Manufacturing Base in India for MNC Group requirements.
- Gain competitive advantage by (a) Creating a Strong network with a PAN India footprint, (b) manufacturing cost efficiency as Company JV would be a captive unit.
- Company JV / acquisition would be synergistic with MNC Global Plan & Budgets.

Thank You !

