



APAR

Tomorrow's solutions today

SEC/3101/2023

January 31, 2023

<p>National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.</p> <p>Scrip Symbol : APARINDS</p> <p><u>Kind Attn.: The Manager, Listing Dept.</u></p>	<p>BSE Ltd. Corporate Relationship Department, 27th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.</p> <p>Scrip Code : 532259</p> <p><u>Kind Attn. : Corporate Relationship Dept.</u></p>
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Sub. : Investor Update / Earnings Call Q3_FY23

Ref.: Regulation 30 and all other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Dear Sir,

We are sending herewith an Investor Update / Earnings Call for the **Third Quarter and Nine Months period ended December 31, 2022** of the Current Financial Year 2022-23 for the information of members and investors under the above regulations.

Thanking you,

Yours Faithfully,
For APAR Industries Limited

(Sanjaya Kunder)
Company Secretary

Encl. : As Above

APAR Industries Limited

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EARNINGS CALL UPDATE

January 2023



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E-BEAM
TECHNOLOGY



FLAME-RETARDANT



HEAT-RESISTANT @105° C



SHORT-CIRCUIT RESISTANT



MELT-RESISTANT

Q3 FY23: Volume-led strong growth across divisions; Profitability at 3x v/s LY

Revenue

77% YoY
 INR **3,942** crores

EBITDA

174% YoY
 INR **349** crores

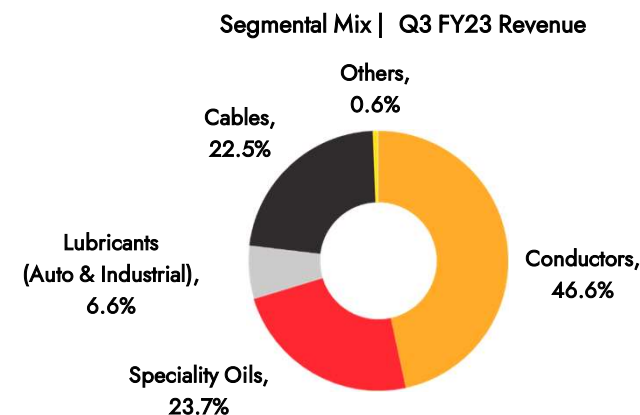
Margin at 8.8% up 310 bps YoY

PAT

210% YoY
 INR **170** crores

Margin at 4.3% up 180 bps YoY

- Q3FY23 revenue up 77% YoY with volume-led growths across divisions and growth in export of cable and conductor businesses
 - Exports' revenue was up by 144% YoY driven by 179% increase in cable division and 288% increase in conductor division. Export mix was at 49% versus 35% in Q3FY22
- EBITDA up 174% YoY on the back of strong margins in conductor and cable division
 - Conductor business recorded highest ever EBITDA post forex at 49,942 per MT
 - Cable business clocked double-digit EBITDA post forex margin at 11.8%
- PAT up 210% YoY to reach INR 170 crores with 4.3% margin versus 2.5% in Q3FY22



9M FY23: Historically high revenue, margins and profitability over 2x v/s LY

Revenue

63% YoY
 INR **10,270** crores

EBITDA

110% YoY
 INR **825** crores

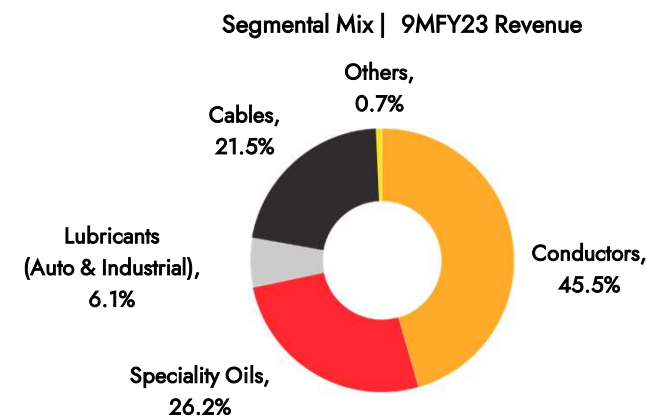
Margin at 8.0% up 180 bps YoY

PAT

127% YoY
 INR **395** crores

Margin at 3.8% up 100 bps YoY

- 9MFY23 revenue up 63% YoY with growths coming in from all the three business divisions on the back of higher volumes and growth in export of cable and conductor businesses
 - Exports' revenue up 105% YoY driven by conductor and cable exports. Export mix at 47% versus 38% in 9MFY22
- EBITDA up 110% YoY due to higher margins in conventional, premium conductors, increase in cable volume
 - Conductor business recorded historically high EBIDTA post forex at 37,900 per MT
 - Oil business recorded EBITDA post forex at 5,190 per KL
 - Cable business recorded EBITDA post forex at 9.8%
- PAT was up 127% YoY to reach INR 395 crores with 3.8% margin versus 2.8% in 9MFY22



Conductors: Q3 FY23 highlights

Revenue
 103% YOY ↑
 INR **1,912** crores

Volume
 99% YOY ↑
44,538 MT

EBITDA
 410% YOY ↑
 INR **227** crores
 INR 44 crore (Q3FY22)
 Margin at 11.9%; 4.7% (Q3FY22)

EBITDA per MT
 157% YOY ↑
 INR **50,886**
 INR 19,835 (Q3FY22)

EBITDA post adj*
 423% YOY ↑
 INR **222** crores
 INR 43 crore (Q3FY22)
 Margin at 11.6%; 4.5% (Q3FY22)

EBITDA* per MT
 163% YOY ↑
 INR **49,942**
 INR 18,987 (Q3FY22)

- Revenue up 103% YoY; volume at 2x v/s LY
- Exports at 4x v/s LY, contributing 54% to revenues versus 29% in Q3FY22
- Premium products share (HEC + Copper Conductor + OPGW + CTC) 44% in Q3FY23
 - HEC contributed 26% inQ3 FY23 v/s 19% in Q3 FY22
- EBITDA* per MT at INR 49,942 at historic high levels on the back of improved mix of premium products, higher conventional export conductors margin, EBDTA** per MT INR 39,612
- New order inflow of INR 1,993 crore, up 6% YoY
- Robust order book at INR 4,885 crore with 44% share from premium products

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Conductors: 9M FY23 highlights

Revenue
 81% YOY ↑
 INR **4,899** crores

Volume
 51% YOY ↑
 1,10,642 MT

EBITDA
 235% YOY ↑
 INR **434** crores
 INR 130 crore (9MFY22)
 Margin at 8.9%; 4.8% (9MFY22)

EBITDA per MT
 123% YOY ↑
 INR **39,232**
 INR 17,626 (9M FY22)

EBITDA post adj*
 238% YOY ↑
 INR **419** crores
 INR 124 crores (9MFY22)
 Margin at 8.6%; 4.6% (9MFY22)

EBITDA* per MT
 125% YOY ↑
 INR **37,900**
 INR 16,863 (9MFY22)

- Revenue up 81% YoY led by volume growth on the back of higher share of premium products and exports
 - Exports at 3x v/s LY, contributing 48% of revenue
- Premium products share (HEC + Copper Conductor + OPGW + CTC) 44% in 9MFY23
 - HEC contributed 23% versus 21% in 9MFY22
- EBITDA* per MT at INR 37,900 at historic high levels on the back of improved mix of premium products, higher conventional export conductors margin and low cost of logistics, steel and Aluminium premium. EBDTA** per MT INR 28,041
- New order inflow of INR 5,478 crore, up 27% YoY
- Robust order book at INR 4,885 crore with 44% share from premium products

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Speciality Oils & Lubricants : Q3 FY23 highlights

Revenue
38% YOY ↑
INR **1,245** crores

Volume
9% YOY ↑
1,26,731 KL

EBITDA
64% YOY ↓
INR **27** crores
INR 74 crores (Q3FY22)
Margin at 2.1%; 8.2% (Q3FY22)

EBITDA per KL
67% YOY ↓
INR **2,099**
INR 6,401 (Q3FY22)

EBITDA post adj*
73% YOY ↓
INR **21** crores
INR 78 crores (Q3FY22)
Margin at 1.7%; 8.6% (Q3FY22)

EBITDA* per KL
76% YOY ↓
INR **1,646**
INR 6,743 (Q3 FY22)

- Revenue up 38% YoY, driven by volume-led growth and base oil prices. Export contributed 43% to revenue
- EBITDA post forex adjustment was at INR 1,646 per KL down by 76% YoY. EBDTA** per KL INR -283

*After adjusting open period forex, before unallocable expenditure (net of income)

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Speciality Oils & Lubricants : 9M FY23 highlights

Revenue
33% YOY ↑
INR **3,489** crores

Volume
3% YOY ↑
3,55,450 KL

EBITDA
8% YOY ↓
INR **202** crores
INR 220 crores (9MFY22)
Margin at 5.8%; 8.4% (9MFY22)

EBITDA per KL
11% YOY ↓
INR **5,692**
INR 6,388 (9MFY22)

EBITDA post adj*
17% YOY ↓
INR **184** crores
INR 223 crores (9MFY22)
Margin at 5.3%; 8.5% (9MFY22)

EBITDA* per KL
20% YOY ↓
INR **5,190**
INR 6,472 (9MFY22)

- Revenue up 33% YoY, driven by base oil prices. Export contributed 45% to revenue
- EBITDA post forex adjustment came at INR 5,190 per KL in line with our threshold margin
EBDTA** per KL INR 3,748

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Lubricants : Q3 FY23 highlights



- Revenue is up by 20% in Q3 FY23 vs Q3 FY22
- Industrial volume is up 12% YoY, Automotive volume is up by 11% YoY

Note: Above numbers are given only for analytical purpose. These numbers are already included in Slide 47 in Specialty Oils & Lubricants performance

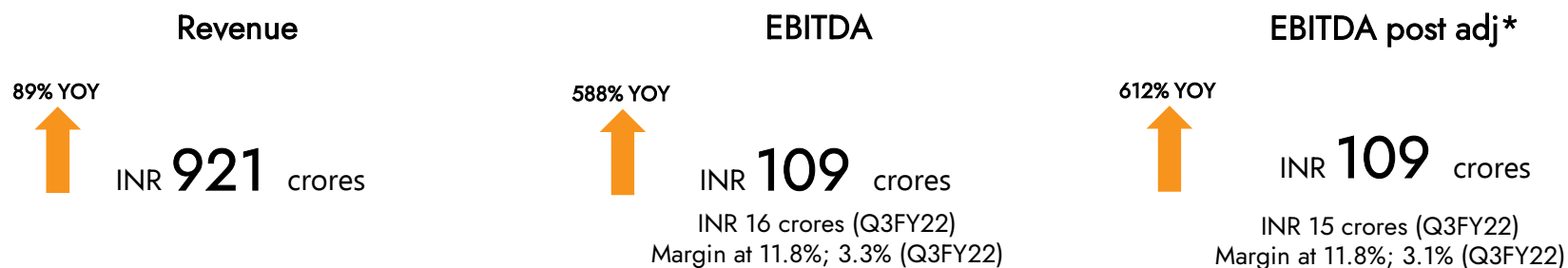
Lubricants : 9M FY23 highlights



- Revenue up 16% YoY driven by growth of industrial and automotive volumes
- Industrial volume up 22% YoY , Automotive volume up 7% YoY

Note: Above numbers are given only for analytical purpose. These numbers are already included in Slide 48 in Specialty Oils & Lubricants performance

Cables : Q3 FY23 highlights

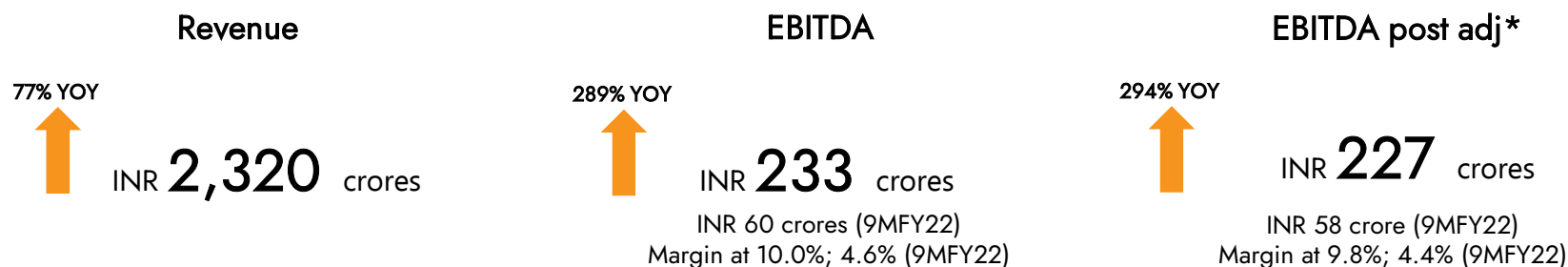


- Revenue close to 2x v/s LY due to significant increase in Elastomeric products and exports
 - Strategic focus on exports continues to deliver, contributing 49% of sales in Q3 FY23 versus 35% in Q3FY22. Exports at 3x v/s LY
 - Elastomeric cables revenue up 29% YoY from increased business in renewable energy installations, railways & defence
- EBITDA, post forex adjustment recorded double-digit margin at 11.8% v/s 3.1% in LY due to improved product mix, scale economies . EBDTA** 10.3% of sales

*After adjusting open period forex, before unallocable expenditure (net of income)

** After adjusting finance cost net of income, before unallocable expenditure (net of forex cost)

Cables : 9M FY23 highlights



- Revenue up by 77% YoY due to significant increase in Elastomeric products and exports
 - Strategic focus on exports continues to deliver, contributing 52% of sales in 9MFY23 versus 28% in 9MFY22. Export is at 3x v/s LY
 - Elastomeric cables revenue up 52% YoY from increased business in renewable energy installations, railways & defence.
- EBITDA post forex adjustment at 9.8% versus 4.4% in 9MFY22. EBDTA** 8.3% of sales
 - EBITDA post forex adjustment margin up by 540 bps YoY with improved order/product mix and scale economies

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Division-wise EBITDA to PAT 9M FY23

Particulars	Oil	Conductor	Cable	Others	Total
EBITDA pre-open period forex (Note 1)	202	434	233	6	875
Open period forex (Note 2)	18	15	5	0	38
EBIDTA post open period forex	184	419	227	5	837
Finance cost (ex open period forex) net of Interest income	48	106	29	0	184
Unallocable forex loss (Note 3)	3	3	5	-	11
EBDTA	133	310	193	5	642
Unallocable expenses, net of unallocable other income	13	12	13	-	39
Depreciation	20	30	26	1	77
PBT	100	268	154	5	526
Tax	22	68	40	1	131
PAT	78	200	114	3	395
EPS YTD	20	52	30	1	103

Notes:-

- (1) Profit before tax + Depreciation + Finance cost – Interest income + Unallocable expense net of unallocable other income
- (2) Included in the finance cost in the published results
- (3) Included in the unallocable expenditure as per the published result

FY 2022: Consolidated Profit & Loss Statement

Particulars	FY22	FY21	% Chg YoY
Gross sales	9,290.6	6,359.5	46%
Other Operating Income	29.4	28.5	3%
Total Operating Income	9,320.1	6,388.0	46%
Total Expenditure	8,772.1	5,968.9	47%
Cost of Raw Materials	7,207.8	4,800.1	50%
Employees Cost	172.5	160.4	8%
Other Expenditure	1,391.8	1,008.4	38%
Profit from operations before other income, finance costs and depreciation	547.9	419.1	31%
Other Income	32.5	18.6	75%
EBITDA	580.4	437.7	33%
Depreciation	97.8	93.4	5%
EBIT	482.6	344.3	40%
Interest & Finance charges	140.6	136.0	3%
PBT	342.0	208.3	64%
Tax Expense	85.3	47.8	78%
Net Profit	256.8	160.5	60%

amounts in INR crore

Earnings Call update – January 2023

FY 2022: Consolidated Segment Analysis

Segment 2	FY22	FY21	% Chg YoY
Revenue			
Conductors	4,203.9	2,908.0	44.6%
Transformer & Specialty Oils	3560.4	2,363.8	50.6%
Power & Telecom Cables	1993.7	1,269.5	57.0%
Others/Unallocated	56.8	42.9	32.4%
Total	9814.7	6584.2	49.1%
Less: Inter - Segment Revenue	494.8	196.3	152.1%
Revenue from Operations	9319.9	6388.0	46.0%

Segment contribution- as % to total revenue	FY22	FY21
Conductors	42.8%	44.2%
Transformer & Specialty Oils	36.3%	35.9%
Power and Telecom Cables	20.3%	19.3%

FY 2022: Consolidated Segment Analysis

Segment	FY22	FY21	% Chg YoY
Segment Results before Interest and Tax			
Conductors	162.8	68.0	139.4%
Transformer & Specialty Oils	268.4	266.3	0.1%
Power and Telecom Cables	79.8	32.8	143.3%
Others/Unallocated	3.7	3.5	5.7%
Total	514.6	370.6	38.9%
Less : Finance costs (net)	140.6	136.0	3.4%
Less : Unallocable expenditure net of income	32.1	26.3	22.1%
Profit before Tax	341.9	208.3	64.2%
Segment Results – % to Segment Revenue			
Conductors	3.9%	2.3%	
Transformer & Specialty Oils	7.5%	11.3%	
Power and Telecom Cables	4.0%	2.6%	
Total	5.2%	5.6%	

amounts in INR crore

Earnings Call update – January 2023

FY22: Financials

Key Ratios	FY22	FY21
EBITDA Margin	6.1%	6.6%
Net Margin	2.8%	2.5%
Total Expenditure/ Total Net Operating Income	94.1%	93.4%
Raw Material Cost/ Total Net Operating Income	77.3%	75.1%
Staff Cost/ Total Net Operating Income	1.8%	2.5%
Other Expenditure/ Total Net Operating Income	14.9%	15.8%

Capital Employed	31-Mar-22	31-Mar-21
Conductors	681.7	506.0
Transformer and Speciality Oils	655.3	582.6
Power/Telecom Cable	581.2	439.3
Others	102.2	156.0
Total	2,020.4	1683.9

Q3 FY23: Consolidated Profit & Loss Statement

Particulars	Q3 FY23	Q3 FY22	% Chg YoY	Q2 FY23	% Chg QoQ
Gross sales	3,916.9	2,221.3	76.3%	3,215.8	21.8%
Other Operating Income	25.5	7.6	237.1%	19.1	33.4%
Total Operating Income	3,942.4	2,228.8	76.9%	3,234.9	21.9%
Total Expenditure	3,595.7	2,113.1	70.2%	3,009.0	19.5%
Cost of Raw Materials	2,937.7	1,727.1	70.1%	2,451.7	19.8%
Employees Cost	51.5	44.3	16.4%	50.7	1.6%
Other Expenditure	606.5	341.7	77.5%	506.6	19.7%
Profit from operations before other income, finance costs and exceptional items	346.7	115.8	199.5%	225.9	53.5%
Other Income	3.2	8.6	(63.0%)	12.2	(73.8%)
EBITDA	349.9	124.4	181.3%	238.1	46.9%
Depreciation	26.1	24.9	4.8%	26.1	(0.1%)
EBIT	323.8	99.5	225.5%	212.0	52.7%
Interest & Finance charges	94.0	25.6	266.9%	71.1	32.2%
PBT	229.8	73.9	211.1%	140.9	63.1%
Tax Expense	59.8	19.0	214.7%	38.3	55.9%
Net Profit	170.0	54.9	209.9%	102.6	65.8%

amounts in INR crore

Earnings Call update – January 2023

Q3 FY23: Consolidated Segment Analysis

Segments	Q3 FY23	Q3 FY22	% Chg YoY	Q2 FY23	% Chg QoQ
Revenue					
Conductors	1,911.5	940.4	103.3%	1,438.90	32.8%
Transformer & Specialty Oils	1,245.0	905.3	37.5%	1,175.80	5.9%
Power & Telecom Cables	921.1	486.2	89.5%	761.60	20.9%
Others/Unallocated	23.3	14.4	62.1%	23.50	(0.8%)
Total	4,100.9	2,346.3	74.8%	3,399.8	20.6%
Less: Inter - Segment Revenue	158.6	117.4	35.1%	164.90	(3.8%)
Revenue from Operations	3,942.4	2,228.8	76.9%	3,234.9	21.9%

Segment contribution- as % to total revenue	Q3 FY23	Q3 FY22	Q2 FY23
Conductors	46.6%	40.1%	42.3%
Transformer & Specialty Oils	30.4%	38.6%	34.6%
Power and Telecom Cables	22.5%	20.7%	22.4%

Q3 FY23: Consolidated Segment Analysis

Segment	Q3 FY23	Q3 FY22	% Chg YoY	Q2 FY23	% Chg QoQ
Segment Results before Interest and Tax					
Conductors	216.8	36.2	498.3%	113.3	91.31%
Transformer & Specialty Oils	20.7	63.2	(67.2%)	51.6	(59.83%)
Power and Telecom Cables	101.4	7.9	1,180.8%	63.8	59.00%
Others/Unallocated	3.1	0.9	234.4%	1.2	161.67%
Total	342.1	108.3	215.8%	230	48.72%
Less : Finance costs (net)	94.0	25.6	266.9%	71.1	32.15%
Less : Unallocable expenditure net of income	18.3	8.8	107.0%	17.9	2.18%
Profit before Tax	229.8	73.9	211.1%	140.9	63.10%
Segment Results – % to Segment Revenue					
Conductors	11.3%	3.9%		7.9%	
Transformer & Specialty Oils	1.7%	7.0%		4.4%	
Power and Telecom Cables	11.0%	1.6%		8.4%	
Total	8.3%	4.6%		6.8%	

amounts in INR crore

Earnings Call update – January 2023

Q3 FY23: Financials

Key Ratios	Q3 FY23	Q3 FY22	Q2 FY23
EBITDA Margin	8.9%	5.6%	7.4%
Net Margin	4.3%	2.5%	3.2%
Total Expenditure/ Total Net Operating Income	91.2%	94.8%	93.0%
Raw Material Cost/ Total Net Operating Income	74.5%	77.5%	75.8%
Staff Cost/ Total Net Operating Income	1.3%	2.0%	1.6%
Other Expenditure/ Total Net Operating Income	15.4%	15.3%	15.7%

Capital Employed	Q3 FY23	Q3 FY22	Q2 FY23
Conductors	1,091.9	294.5	688.0
Transformer and Speciality Oils	567.2	648.7	693.8
Power/Telecom Cable	701.9	520.0	687.7
Others	26.2	375.7	58.7
Total	2,387.2	1,838.8	2,128.1

9M FY23: Consolidated Profit & Loss Statement

Particulars	9M FY23	9M FY22	% Chg YoY
Gross sales	10,216.1	6,286.7	62.50%
Other Operating Income	54.4	20.8	161.32%
Total Operating Income	10,270.5	6,307.5	62.83%
Total Expenditure	9,460.5	5,935.0	59.40%
Cost of Raw Materials	7,726.8	4,863.6	58.87%
Employees Cost	150.5	128.8	16.87%
Other Expenditure	1,583.2	942.7	67.95%
Profit from operations before other income, finance costs and depreciation	809.9	372.5	117.42%
Other Income	19.9	25.4	(21.65%)
EBITDA	829.8	397.9	108.54%
Depreciation	77.1	73.0	5.62%
EBIT	752.8	324.9	131.68%
Interest & Finance charges	226.4	94.9	138.68%
PBT	526.4	230.1	128.80%
Tax Expense	131.4	56.0	134.30%
Net Profit	395.0	174.1	127.03%

amounts in INR crore

Earnings Call update – January 2023

9M FY23: Consolidated Segment Analysis

Segment	9M FY23	9M FY22	% Chg YoY
Revenue			
Conductors	4,898.7	2,700.5	81.40%
Transformer & Specialty Oils	3,488.8	2,632.3	32.54%
Power & Telecom Cables	2,320.5	1,311.1	76.99%
Others/Unallocated	70.3	41.0	71.43%
Total Revenue	10,778.2	6,684.8	61.23%
Less: Inter - Segment Revenue	507.7	377.3	34.56%
Revenue from Operations	10,270.5	6,307.5	62.83%

Segment contribution- as % to total revenue	9M FY23	9M FY22
Conductors	45.4%	40.4%
Transformer & Specialty Oils	32.4%	39.4%
Power and Telecom Cables	21.5%	19.6%

9M FY23: Consolidated Segment Analysis

Segment	9M FY23	9M FY22	% Chg YoY
Segment Results before Interest and Tax			
Conductors	407.4	105.5	286.4%
Transformer & Specialty Oils	184.8	203.5	(9.2%)
Power and Telecom Cables	209.7	37.4	460.9%
Others/Unallocated	5.0	2.5	104.1%
Total	806.9	348.8	131.3%
Less : Finance costs (net)	226.4	94.9	138.7%
Less : Unallocable expenditure net of income	54.1	23.9	126.4%
Profit before Tax	526.4	230.1	128.8%
Segment Results – % to Segment Revenue			
Conductors	8.3%	3.9%	
Transformer & Specialty Oils	5.3%	7.7%	
Power and Telecom Cables	9.0%	2.9%	
Total	7.5%	5.2%	

amounts in INR crore

Earnings Call update – January 2023

9M FY23: Financials

Key Ratios	9M FY23	9M FY22
EBITDA Margin	8.1%	6.3%
Net Margin	3.9%	2.8%
Total Expenditure/ Total Net Operating Income	92.1%	94.1%
Raw Material Cost/ Total Net Operating Income	75.2%	77.1%
Staff Cost/ Total Net Operating Income	1.5%	2.0%
Other Expenditure/ Total Net Operating Income	15.4%	14.9%

Capital Employed	9M FY23	9M FY22
Conductors	1,091.9	294.5
Transformer and Speciality Oils	567.2	648.7
Power/Telecom Cable	701.9	520.0
Others	26.2	375.7
Total	2,387.2	1,838.8

amounts in INR crore

Earnings Call update – January 2023

Market performance and shareholding structure

APAR has been consistently outperforming market

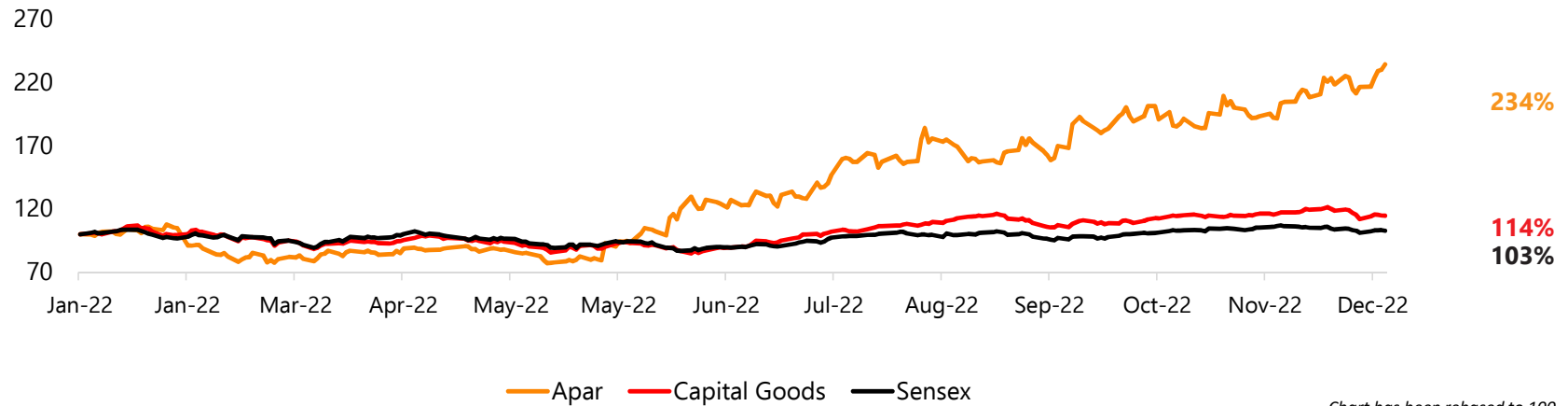
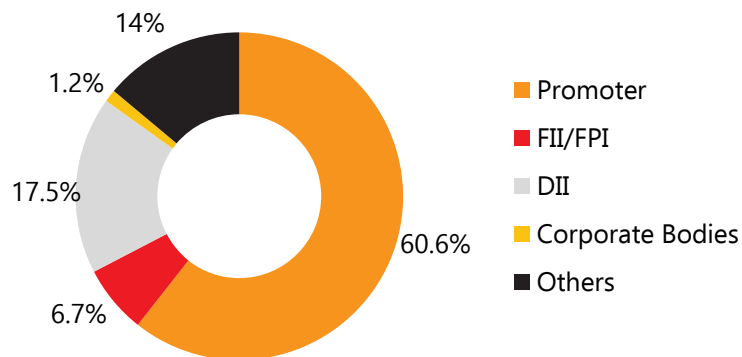


Chart has been rebased to 100

As on December 31, 2022
Outstanding shares – **3,82,68,619**



Major Non-Promoter Shareholders	Shareholding (%)
HDFC Trustee Company Ltd.	6.6%
HSBC Small Cap Fund	4.4%
Nippon Life India Trustee Ltd.	3.4%
DSP Flexi Cap Fund	2.1%

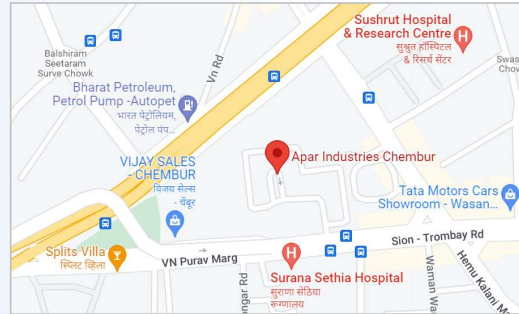


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Thank You

