



Building Nation with Exceptional Engineering

MTAR Technologies Limited



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A leader in critical and differentiated engineered products

Strong Orderbook Position

Expanding Product Portfolio & Capabilities

Q4 & FY21 Financial Performance

Well Balanced Portfolio

Q4 & FY21 Financials

Performance in Charts

Capital Disciplined Approach



Strong Orderbook Position

Receipt of new order & Customer wins

Order Win

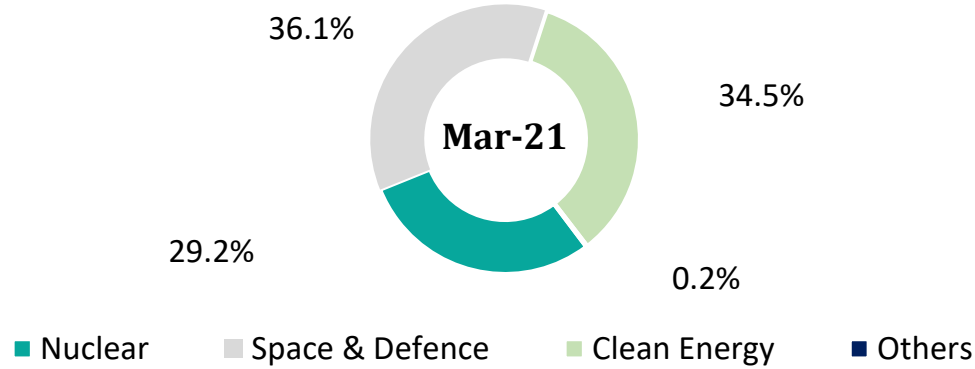
Received an export order worth **Rs. 93 crs** (USD 12.77 Mn) in March 2021, to be executed in next fiscal year

Customer Win

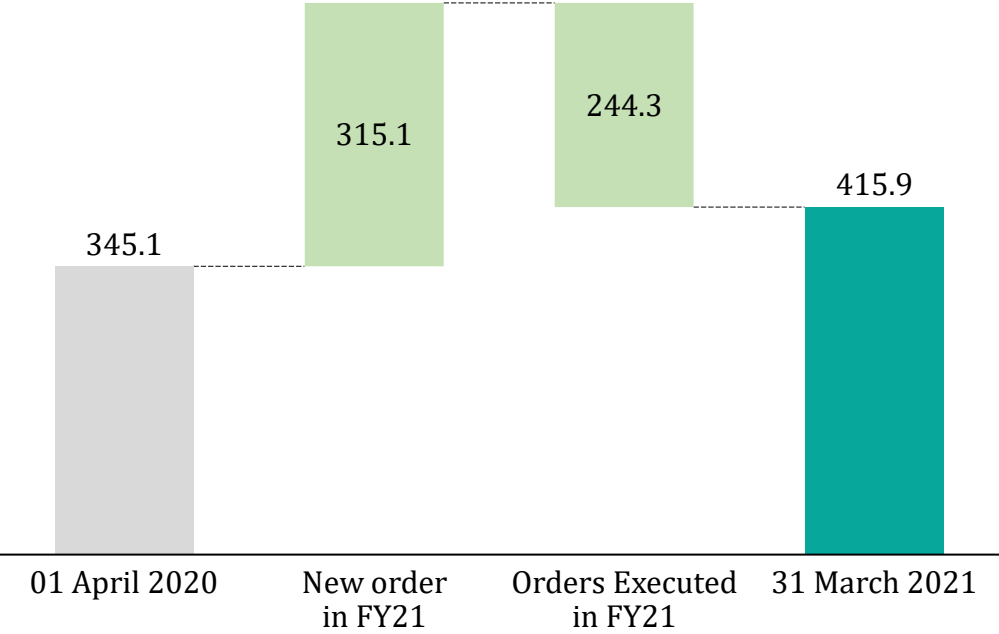
Added 3 new MNC Customers during FY21

- Andritz
- Kongsberg
- Tata Advanced Systems

Diversified Order Book of Rs. 415.9 Crs as on 31 Mar 2021



Order book Build-Up (Rs. in crs)



Order book as on Mar-21 is 1.7x of revenue from operations (FY21)

Expanding Product Portfolio & Establishment of New Capabilities



Roller Screws



Electro-Mechanical Actuators



High End Fabrication



High Precision Sheet Metal

Expanding Product Portfolio

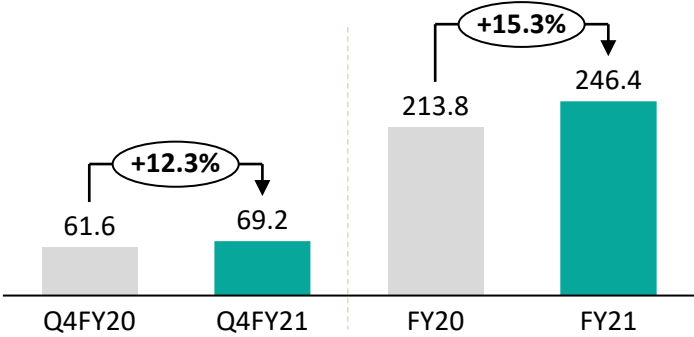
- ✓ **Indigenizing the Roller Screws.** Made a significant progress in the developmental activity.
- ✓ Significant R&D efforts undertaken for the development of roller screws
- ✓ The company has also **initiated the development of Electro-mechanical actuators**, which find application in Space and Defence sectors

Establishment of New Capabilities

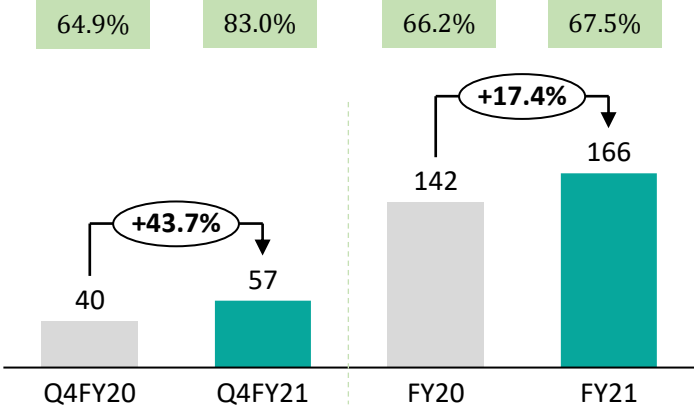
- ✓ Building an **exclusive specialized fabrication facility** at Adibatla to take up high end fabrication jobs that shall enhance our existing capabilities. The facility is expected to be functional by H2 FY22
- Sheet Metal**
- ✓ Adding new feather to the cap by diversifying into **high precision sheet metal work**. Establishing a sheet metal facility at Adibatla
 - ✓ The company will be initially catering to **ISRO and Bloom Energy**.
 - ✓ The new capabilities are expected to bring in lot more customers. The facility is expected to be functional by H2 FY22

Q4 & FY21 Financial Performance

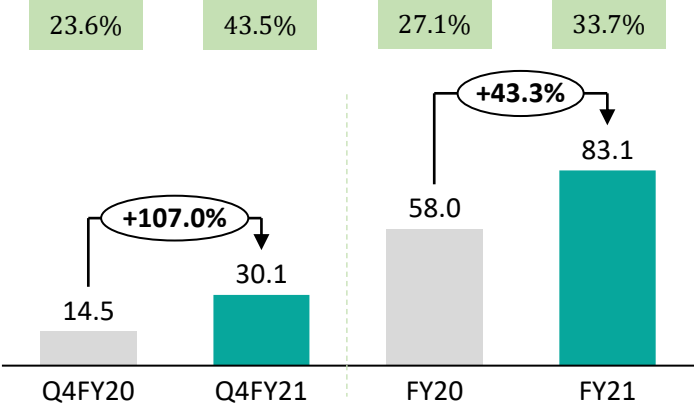
Revenues (Rs. Crs)



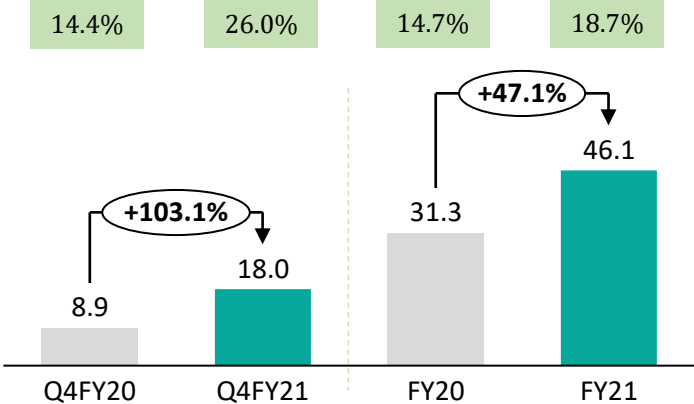
Gross Profit (Rs. Crs)



EBIDTA (Rs. Crs)



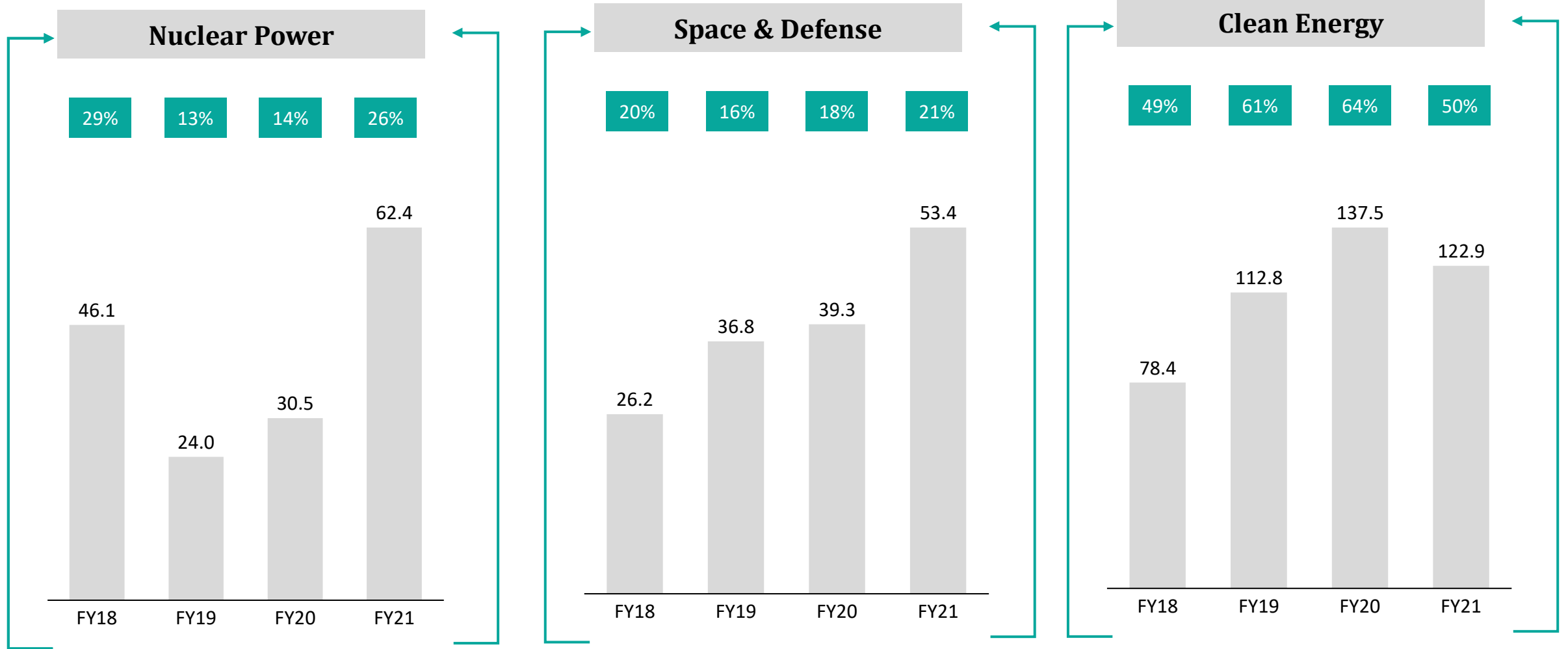
PAT (Rs. Crs)



- Revenue for Q4 FY21 stood at Rs. 69.2 crs as compared to Rs. 61.6 crs in Q4FY21, a **growth of 12.3% YoY**
- Despite Covid-19 pandemic and loss of revenue in H1FY21 on account of nationwide lockdown, FY21 revenues stood at Rs. 246.4 crs, a **growth of 15.3% YoY**
- EBIDTA stood at **Rs. 30.1 crs & Rs. 83.1 crs** for Q4FY21 & FY21 respectively
- Operating leverage playing out witnessed margin expansion of **660 bps for FY21** on YoY basis
- PAT for the quarter stood at Rs. 18.0 crs **up by 103.1% YoY** & PAT for FY21 stood at Rs. 46.1 crs as compared to Rs. 31.3 crs in FY20, a **growth of 47.1%**
- PAT margins for Q4FY21 & FY21 were **26.0% & 18.7%** respectively

Well-balanced Portfolio

Revenue in Rs. Crs



Q4 & FY21 Profit & Loss Statement

Particulars (Rs. Crs)	Q4FY21	Q4FY20	Y-o-Y (%)	Q3FY21	Q-o-Q (%)	FY21	FY20	Y-o-Y (%)
Revenue from Operations	69.2	61.6	12.3%	55.2	25.2%	246.4	213.8	15.3%
Cost of Materials Consumed	26.9	23.4		22.6		101.8	87.3	
Changes in Inventories	-15.2	-1.8		-5.3		-21.6	-15.1	
Gross Profit	57.4	40.0	43.7%	38.0	51.2%	166.3	141.6	17.4%
GP %	83.0%	64.9%		68.7%		67.5%	66.2%	123 bps
Employee Benefits Expense	15.6	13.9		13.9		53.0	51.6	
Other Expenses	11.7	11.5		6.6		30.2	32.0	
EBITDA	30.1	14.5	107.0%	17.5	71.6%	83.1	58.0	43.3%
EBITDA %	43.5%	23.6%		31.7%		33.7%	27.1%	660 bps
Other Income	0.6	3.2		0.1		1.3	4.4	
Depreciation and Amortisation Expense	3.2	2.9		3.3		12.6	12.0	
EBIT	27.4	14.8		14.4		71.8	50.3	
Finance Costs	2.2	2.0		2.0		7.0	4.8	
PBT	25.2	12.8		12.4		64.8	45.5	
Total Tax Expense	7.2	3.9		3.6		18.8	14.2	
Profit for the year	18.0	8.9	103.1%	8.9	103.5%	46.1	31.3	47.1%
PAT %	26.0%	14.4%		16.0%		18.7%	14.7%	404 bps

Consolidated Balance Sheet

EQUITY & LIABILITIES (Rs. Crs)	Mar-21	Mar-20
Equity Share Capital	30.8	26.8
Other Equity	446.0	198.3
Total Equity	476.8	225.1
Financial Liabilities		
Borrowings	7.1	-
Provisions	0.4	2.4
Deferred Tax Liabilities (Net)	12.7	5.3
Total Non-Current Liabilities	20.2	7.7
Financial Liabilities		
(i) Borrowings	4.9	29.1
(ii) Trade payables	34.7	30.6
(iii) Other Financial Liabilities	7.6	0.2
Provisions	2.5	3.4
Current Tax Liabilities (Net)	0.3	0.9
Other Current Liabilities	39.4	49.2
Total Current Liabilities	89.4	113.5
TOTAL EQUITY & LIABILITIES	586.3	346.3

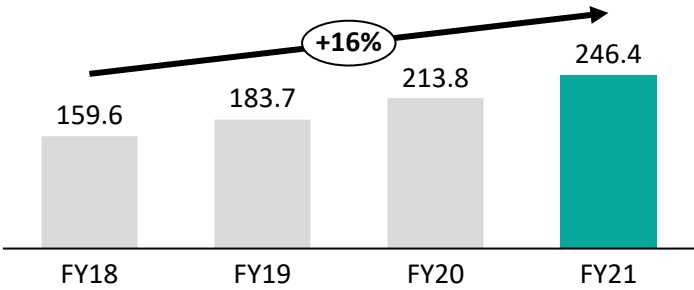
ASSETS (Rs. Crs)	Mar-21	Mar-20
Property, Plant and Equipment	166.1	155.0
Capital Work-in-progress	10.5	11.7
Intangibles Assets	0.9	0.1
Financial Assets		
(i) Investments	0.0	0.0
(ii) Other Financial Assets	2.1	3.3
Non-Current Tax Assets (Net)	0.5	0.6
Other Non Current Assets	7.5	4.0
Total Non-Current Assets	187.8	174.8
Inventories	102.5	75.5
Financial Assets		
(i) Trade Receivable	77.3	61.6
(ii) Cash and Cash Equivalents	180.3	13.5
(iii) Other Bank Balances (other than Note 13 above)	10.6	9.7
(iv) Other Current Financial Assets	12.7	1.7
Other Current Assets	15.2	9.5
Total Current Assets	398.5	171.5
TOTAL ASSETS	586.3	346.3

Abridged Cash Flow Statement

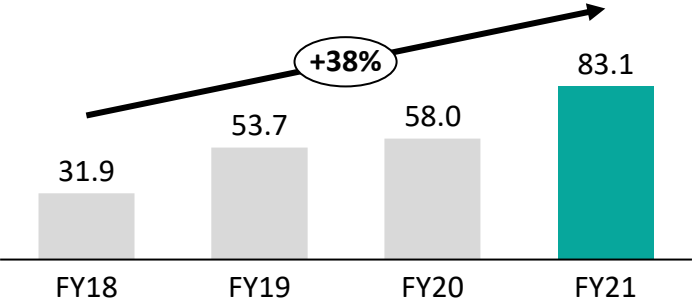
Particulars (Rs in Cr)	31-Mar-21	31-Mar-20
Operating profit before working capital changes	82.0	60.9
Changes in working capital	-61.7	2.5
Cash generated from operations	20.3	63.4
Direct taxes paid (net of refund)	-11.7	-7.2
Net Cash from Operating Activities (A)	8.6	56.2
Net Cash from Investing Activities (B)	-22.2	-12.1
Net Cash from Financing Activities (C)	180.1	-41.3
Net Change in cash and cash equivalents	166.6	2.8

Performance in Charts

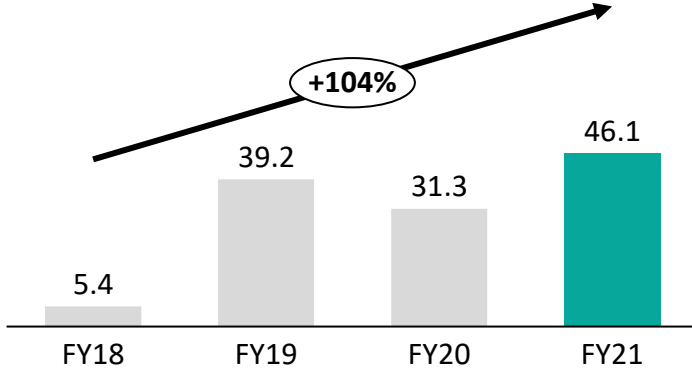
Revenues (Rs. Crs)



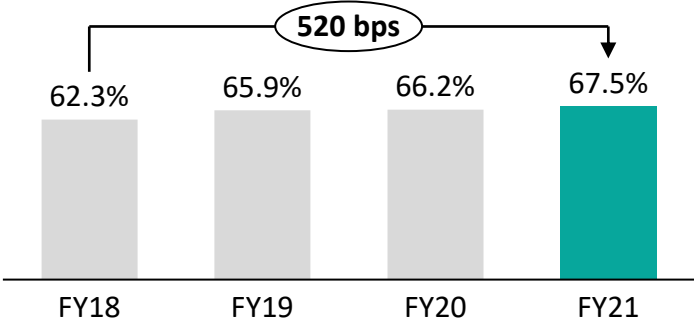
EBITDA (Rs. Crs)



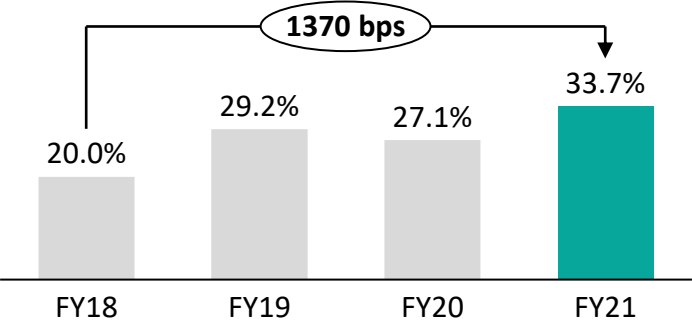
PAT (Rs. Crs)



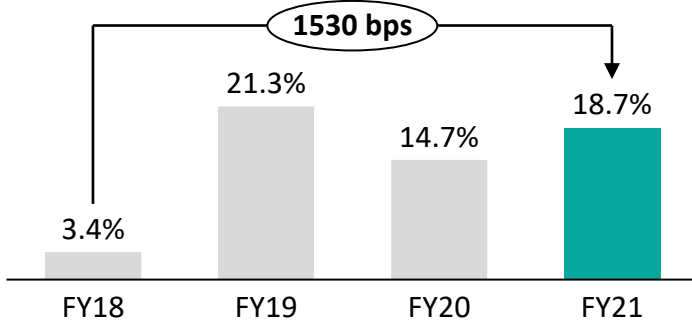
Gross Profit Margins (%)



EBITDA Margins (%)

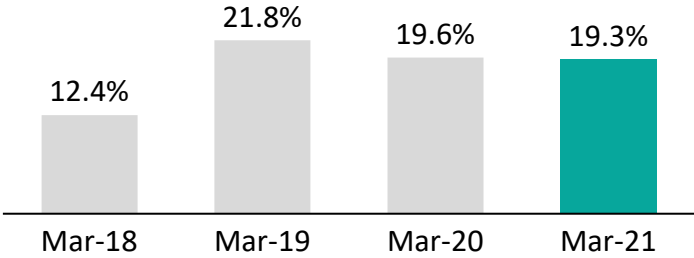


PAT Margins (%)

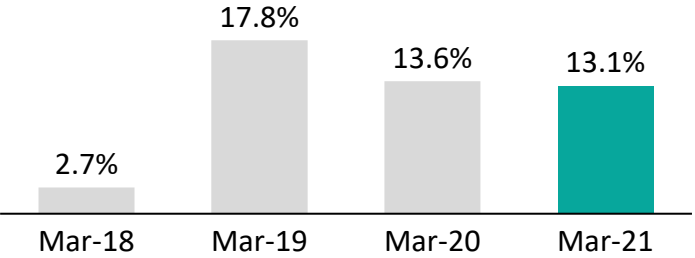


Capital Disciplined Growth

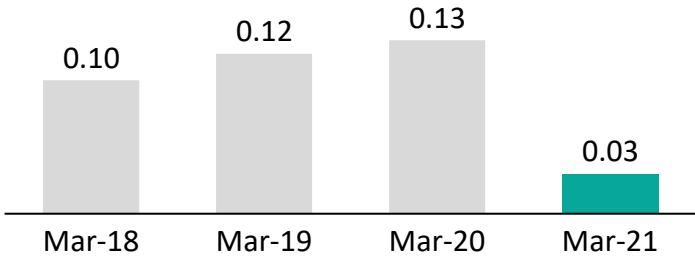
RoCE* (%)



RoE# (%)



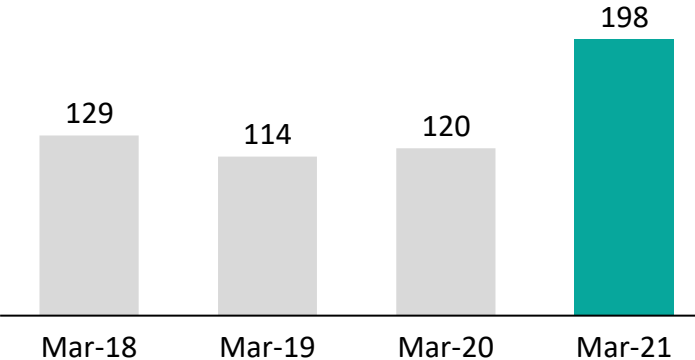
Net Debt to Equity (x)



Cash Flow from Operations (Rs. Crs.)



Net Working Capital (in Days)



- Our Net Working Capital days has increased to 198 days due to increase in average inventory as a result of procuring raw materials ahead
- Delays in receivables amidst COVID 19 pandemic
- As the situation normalizes going forward, we expect our net working capital days to reduce

*RoCE = EBIT/Avg. Capital Employed
Capital Employed = Total Assets - Current Liabilities

#RoE = Net Profit/Avg. Total Equity

Q4 & FY21 Key Highlights

Operating Profit

- Our EBIDTA stands at Rs. 83.1 Crs in FY21.
- Operating margin has witnessed a significant increase and stands at 33.7% mainly due to operating leverage playing out to drive revenue growth and increase in domestic sales which have a higher component of Free Issue Material (FIM)

Net Working Capital

- Our Net Working Capital has increased to 198 days due to increase in average inventory as a result of procuring raw materials ahead
- Delays in receivables amidst COVID 19 pandemic

Return Ratios

- Though the operating profit and net income have increased our ROCE and ROE have reduced slightly due to the infusion of IPO funds of ~Rs. 212 Crs impacting the ratios

Debt to Equity

- Historically our Debt to Equity ratio has remained low as the capacity has been expanded through internal accruals.
- It has reduced further to 0.03 in FY21 from 0.13 in FY20, as we paid off our loans from IPO funds

IPO Proceeds Update

- IPO funds raised of ~Rs. 212 Crs.
- As on June 1 2021, Rs. 12.6 Crs of expenses incurred related to selling shareholders have been reimbursed
- Interest accrued & received on FDs has been ~Rs. 1.04 Crs.
- ~Rs. 77.6 Crs of funds have been utilized towards loan repayment and working capital requirements.
- Balance funds available are ~Rs. 135.8 Crs

Increasing revenues & sustainable margins should improve the return ratios going forward



A leader in critical and differentiated engineered products

Wide Portfolio of Products

Serving Multiple Sectors + Segments

Multiple Companies entrust MTAR

Diversity in Supplier Base



Wide Product Portfolio



Rocket engines

Healthy mix of developmental versus volume-based products



Hot boxes



Rotor Mast Bearing Housing - Titanium

Mix of regular (less complex) products versus highly complex assemblies



Control Plug for Reactor



Precision machined components

Manufactures small products to large products (few gms to tons)



Bridge & Column



Roller screws

Manufactures import substitute products which have application across industries



Ball Screws



Wide portfolio of critical and differentiated engineered products with a healthy mix of developmental and volume-based production, customized to meet the specific requirements of its customers

Serving Multiple Sectors + Segments

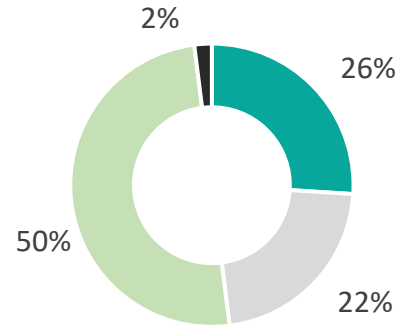
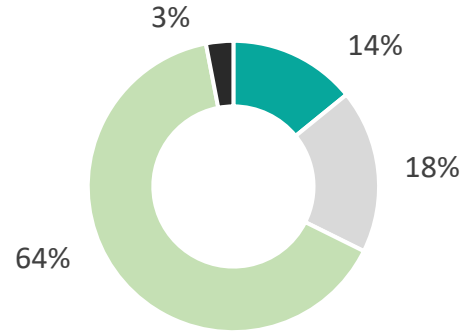
FY20

Sectorwise Break-up

FY21

Sectorwise Break-up

- Nuclear
- Space & Defence
- Clean Energy
- Others



Has developed **wide product portfolio** catering to diverse sectors

Export contributor >55% of FY21 revenue has been derived from orders by customers located outside India

FY20

Geographical Break-up

FY21

Geographical Break-up

- Domestic
- Exports



Multiple Companies entrust MTAR

Large MNCs

Bloomenergy

Elbit	Andritz Hydropower	Kongsberg
Rafael		

Long standing relationship with large MNC's, Government Departments and Large Indian Public and Private sector companies



- Strong relationship with a multitude of global defence, space and clean energy players- both state-owned and private
- Strong repeat business due to MTAR's engineering capability

Long term relationships

Government Departments

ISRO	Defence Research and Development Organisation
Indira Gandhi Centre for Atomic Research	Aeronautical Development Agency
	Liquid Propulsion Systems Centre



- Ability to provide exceptional quality products as per customer specifications
- Consistent customer servicing standards
- Continuous learning adopted to reduce cost to customer over time ex. Bloom energy

High customer dependence

Indian Companies

NPCIL Nuclear Power Corporation of India Limited	HAL
BHEL	TASL
	Bharat Dynamics



- Strive to understand our customers' business requirements and provide products that maximize their returns
- Develop leadership in key product segments

Customer understanding

Diversity in Supplier Base



Established long term supplier relationship

- Ensures quality raw material within prescribed timelines.
- No long term contracts yet managing consistent supply of materials due to long standing relationships
- Enables better insight on the raw material markets, which helps in managing the supply chain, resulting in greater predictability of supply and, consequently, a greater ability to meet production schedules



Large & diversified supplier base

- Maintains robust database of suppliers with constant engagement to ensure material availability options
- Created a global supplier base over the years and procures materials from US, Brazil, Europe among others
- Low supplier dependency on account of the diversified supplier base, which also enables negotiation of favorable terms
- Global network provides the option to take advantage of better pricing as available in a particular market



Ability to source specialized materials

- Developed a robust supply chain for sourcing of wide variety of specialized raw materials . Select Eg. Include:
- Specialized steels (17-4 PH, SS 410, 13-8 MO PH) for the nuclear sector; Alloy steels and aluminum including bearing and seals for space and defence clients, Inconel sheets of various grades for clean energy clients
- Select clients (mostly Space & Defence) directly procure & supply raw materials given the sensitivity of the end projects



Stringent quality checks

- Company performs extensive evaluation on their ability to provide quality products in a timely manner
- Stringent vendor qualification process, which enables to keep a periodic check on suppliers with regard to the quality of materials supplied and corresponding prices
- In place stringent inspection of raw materials to check their tensile strength, surface finish, resistivity, among others given the criticality of the products

**A leader in critical and differentiated
engineered products**

Projects of Pride, Glory & Prestige

Advanced Manufacturing Capabilities

Technology & Innovation Capabilities

State-of-the-Art Manufacturing Facilities

End to End Manufacturing Capabilities

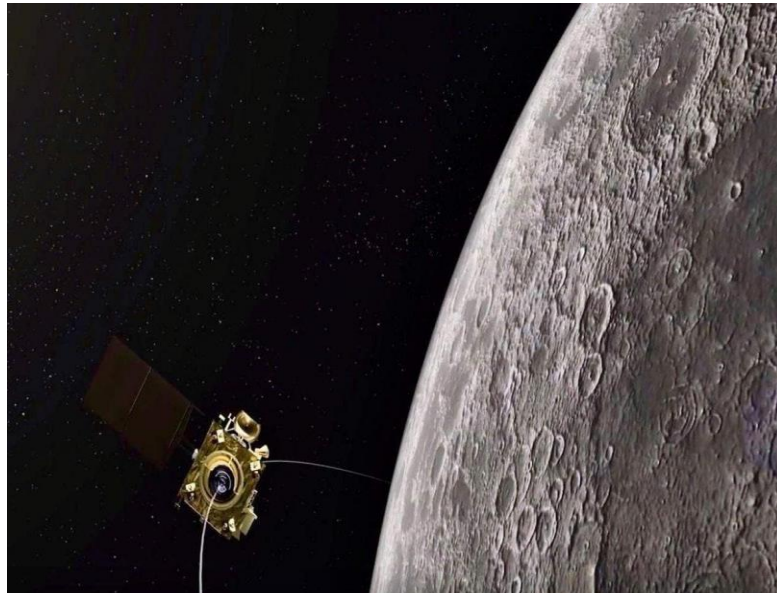


Projects of Pride, Glory & Prestige

Manufactures hi-precision indigenous components, subsystems, assemblies for projects of National Importance



Supplied engine for the PSLV-C25, which launched the Mars Orbiter Mission Spacecraft



Integral for the GSLV Mark III engine for the Chandrayaan II mission



Undertakes complex assemblies such as the base shroud assembly for Agni missiles

Advanced Manufacturing Capabilities



Legacy

Legacy of over **50 years of manufacturing** a wide range of mission critical precision components and assemblies with currently over **145 engineers on roll**



Engineering

Ability to manufacture within **5-10 micron tolerance** product through precision machining, assembly, specialised fabrication, heat treatment, surface treatment and others



Manufacturing

State of the art manufacturing facilities with over 400 machines capable of micron level adherence to specifications across products



R&D

Extensive R&D for **cycle time reduction**, development of manufacturing processes & design specifications to achieve accuracy irrespective of size



Quality Control

Extensive & stringent testing & quality control mechanism undertaken at each stage through high precision quality inspection equipment

Case Study #1

Precision Engineering Solutions

- ✓ Product example: Liquid Propulsion Engine
- ✓ End use: Space Vehicles

Case Study #2

Complex Product Manufacturing

- ✓ Product example: Fuel Machining Head Assembly
- ✓ End use: Nuclear Reactor

- Used in space launch vehicles for various space missions such as **Chandrayaan-II and Mangalyaan**
- Engine is used in the **GSLV** launch vehicle



- Manufacture and assembly of **600 components**
- FM Head is used for handling fuel bundles in nuclear reactors

High Entry Barriers



Increased customer dependency on MTAR



Long standing Client relationship

Technology & Innovation Capabilities



Manufacturing Capabilities

- 400+ Total machines
- 100+ Conventional / CNC Turning machines
- 60+ Milling / CNC milling machines



Manufacturing Units

- 7 manufacturing units including an EOU
- Establishing a new unit at Adibatla for sheet metal & specialised fabrication verticals



Advanced Machinery

- High end machines like 7 axis mill-turns, 5 axis VMC, 3D CNC CMM etc.



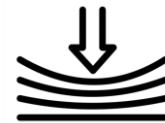
Quality Manpower

- 392 staff, 777 workmen and 223 third party contractors
- Experienced business heads with in-depth technical & industry knowledge
- Average tenor of 15 yrs with low attrition rate



Strategically located

- Plants located in proximity to major defense organizations
- Provides R&D, high volume projects access
- Ease of coordination



Flexibility

- No dedicated production lines for products
- Flexibility to allow maximum utilization
- Wide range of products manufactured from few kgs to several tons



Engineering capability

- In house development of special purpose machines
- SPM 99, Gantry SPM machines manufactured in house instead of importing similar machinery at higher cost



End to end capabilities

- End to end In house capabilities of developing customized high quality complex products for customers

State of Art Manufacturing Facilities

Units	Products manufactured	Sectors catered	Facilities offered
Unit 1	Complex nuclear assemblies & high end defence products such as base shroud assembly for Agni missiles	Nuclear, defence and aerospace	Advanced computerized numerical control, machining & QC
Unit 2	Liquid propulsion engines, cryogenic engines, semi cryo engines and electro pneumatic modules used in PSLV and GSLV and satellite valves	Space	Advanced CNC machining, assembly, specialized fabrication, QC and testing
Unit 3	High volume nuclear assemblies such as coolant channel assemblies including end fittings, liner tubes, sealing and shield plug; products such as ball screws and WLBs and other nuclear site orders	Nuclear, defence and aerospace	Advanced CNC machining and quality control
Unit 4	Supporting unit which undertakes rough machining	-	Rough machining
Unit 5	Supporting unit which undertakes surface treatment such as nitriding, anodization and heat treatment such as gas carbonizing	-	Surface treatment, heat treatment and special processes
Unit 6	Supporting unit with fabrication facility and large clean rooms	-	Assembly
EOU	Power units for supply to Bloom Energy and high end defence components to be supplied to an Israeli defense technology company	Clean energy and export defence	Advanced CNC machining, Brazing, assembly, special processes such as painting, and QC

Accreditations

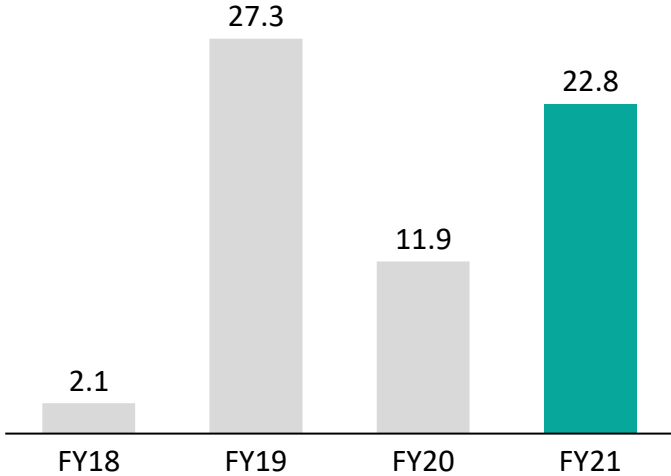


ISO 9001:2015



AS9100D

Capex (Rs. Crs.)



Manufacturing Facilities

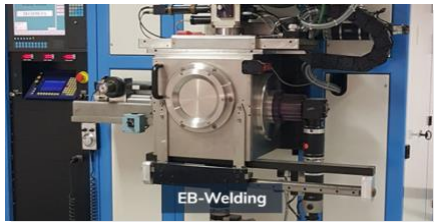
High End Machinery



Assembly, Testing and Clean rooms



Specialized Fabrication facilities



Surface treatment, heat treatment, Painting



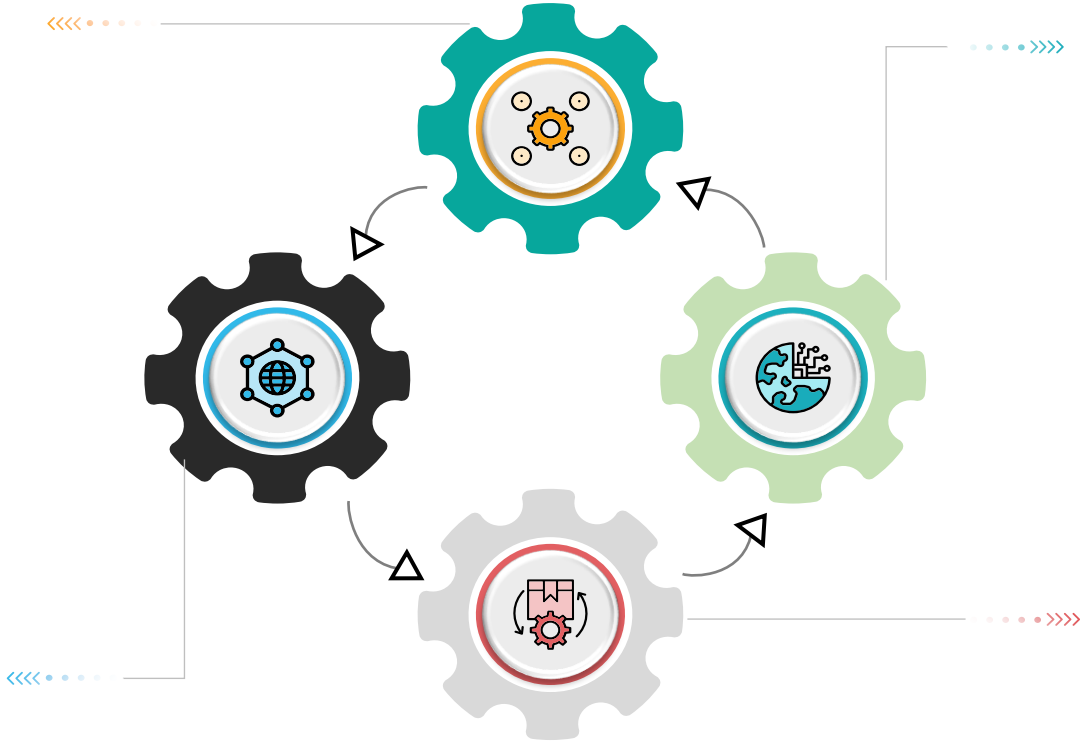
End to End Manufacturing Capabilities

Machining

- Manufacturing of precision components with close tolerances to the extent of 5-10 microns supported by
 - ✓ series of high-end machines such as 7 axis Mill-turns, 5 axis vertical machining centers (“VMCs”), 4.5 axis machining centres
 - ✓ milling centres, turning centres, grinding centres
 - ✓ tool room machines, deep hole boring and honing machines, among others;

Assembly and Testing

- Assembly and testing capabilities are supported by
 - ✓ 10,000 class clean rooms and 100 class laminar table with facilities for high as well as low temperatures
 - ✓ undertaking vibration, flow and helium leak tests



Surface & Heat Treatment

- Surface treatment activities such as - nitriding, anodization, hard chrome plating, nickel plating, induction hardening, electro polishing, pickling, passivation, zinc plating and painting, among others
- Heat treatment such as - gas carbonizing, through their various furnaces
- Special processes facilities such as - painting and plating are also available in-house

Specialized fabrication unit

- Equipment to undertake
 - ✓ automatic tungsten inert gas (“TIG”) welding, metal inert gas (“MIG”) welding, submerged arc welding, welding head manipulator
 - ✓ job manipulator / positioner, electron-beam (“EB”) welding, orbital welding
- Specialized fabrication jobs - May be taken up by Vacuum brazing furnace and rotary vacuum brazing furnace

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A leader in critical and differentiated engineered products

Three Decades in Precision Engineering

Product Offerings - Nuclear Power

Product Offerings - Space & Defense

Product Offerings - Clean Energy

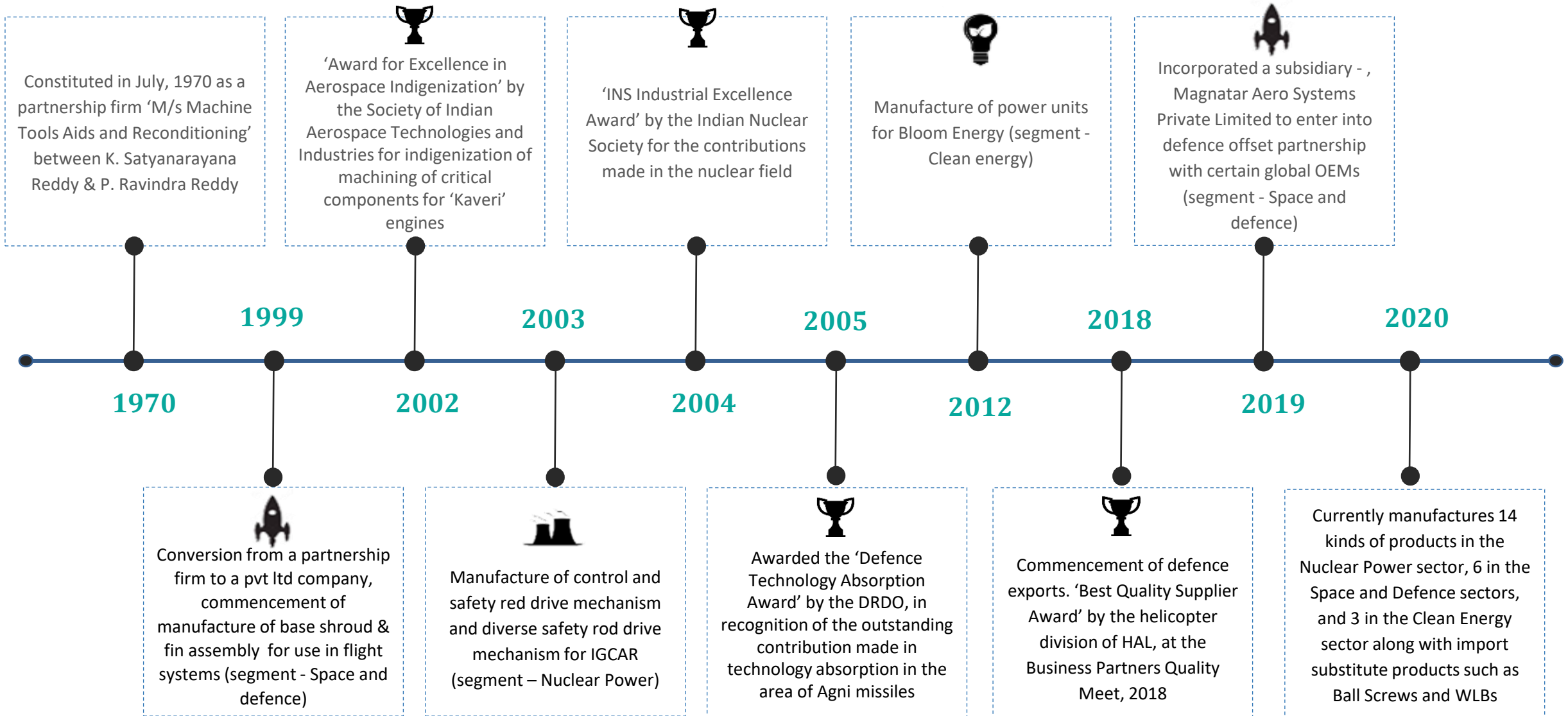
Experienced Board of Directors

Qualified Management Team

Delivering Value to Stakeholders



Three Decades in Precision Engineering



Product Offerings – Nuclear Power Segment

Nuclear Sector Products



Fuel Machining Head

Comprises of 600 components; Used in loading & unloading of fuel bundles in nuclear reactor



Grid Plate

Used for resting the fuel sub-assemblies in prototype fast breeder reactor



Bridge & Column

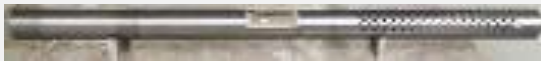
Moves fuel machining head in sideways and vertical directions to allow loading and unloading of various fuel bundles in the nuclear reactor



Shield Plug



Sealing Plug



Liner Tube

Coolant Channel assemblies - Sealing Plug, Shielding Plug, End Fittings

Used in the core of civilian reactor



Drive Mechanisms

Critical equipment used for regulating purpose and shutdown of nuclear reactors under normal and undesirable operating conditions



Top hatch cover beams and deck plate assembly

Requires high positional and dimensional accuracies

High criticality of products given safety requirements

35+ years of serving customers in Nuclear sector

14 kinds of products for a wide range of applications

Partnered with NPCIL which controls all operational, under construction and planned reactors in the country given India does not allow private participation

Product Offerings – Space and Defence

Space & Defence Sectors



Base shroud assembly and air frames
Used in Agni missiles such as A1, A2 A3, A4, A5, A1 P.

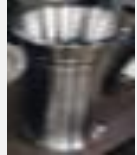
Components for Aircraft



Main Gear Box – Magnesium



Titanium Center Piece

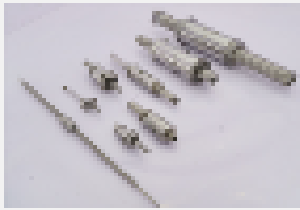


Sukhoi – HPC Shaft Nickel Alloy



Control Manifold HAL Tejas

Ball Screws



Ball screws and Water Lubricated Bearings
Import substitutes used in actuators of nuclear reactors, space launch vehicles, missiles etc.

Roller Screws (under development) - Used in various assemblies in missiles, space launch vehicles and nuclear reactors

Components for Geosynchronous Satellite Launch Vehicle (GSLV)



Cryogenic Engine - Turbo Pump, Injector Head, Gas Generator, Booster Pumps, Interfaces And Start Up Systems



POGO Command Module



← Stage 3

→ Stage 4 – Inside Satellite



→ Stage 2 - 4 Nos.

→ Stage 1 - 4 Nos.



Liquid Propulsion Rocket Engine (Vikas Engine)

← Modules used in Stage 1 & 2

High precise, reliable & complex product requirements

30+ years of serving customers in Space & Defence sector

6 kinds of products for a wide range of applications

Existing relationship with ISRO procurement & assembly of satellites and launch vehicles and **with DRDO** which is the R&D organization focused on military technology

Clean Energy Sector

Existing Product Supplies

- **Fuel Cell Products**
- SOFC Hot boxes - Use methane to generate power

Under Development and manufacturing

- **MTAR is developing the following products in collaboration with Bloom to expand its product portfolio in clean energy sector:**
 - Hydrogen boxes- Use Hydrogen to generate power
 - Electrolyzers - generate green hydrogen from water that shall be used in power units to generate power with zero carbon emissions
- Establishment of sheet metal vertical at Adibatla unit to cater to Bloom Energy and other customers



9+ years of strong partnership with Bloom

Existing product in high demand, **new products** under development for the Clean Energy sector

Only supplier to Bloom from India as of FY21. Bloom is one of the largest and the fastest growing player globally in the stationary hydrogen fuel cell segment and has 70% of its revenues coming from products segment and balance from services

Supported by an Experienced Board of Directors



Subbu Venkata Rama Behara

Chairman and Independent Director

- Director - Ola Electric Mobility Pvt Ltd, Greaves Cotton Ltd & Ampere Vehicles Pvt Ltd
- Alumnus of IIFT



Mathew Cyriac

Nominee Director

- Previously worked with Blackstone Advisors
- Director - Florintree Advisors Pvt Ltd
- Alumnus of IIM, Bangalore



Praveen Kumar Reddy Akepati

Additional Director

- Has worked with the company for 18+ years
- Bachelor's degree in engineering from the Faculty of Engineering, Andhra University



Vedachalam Nagarajan

Independent Director

- 35+yrs of experience at ISRO
- Padma Shri awardee
- Former member of various govt. committees



Krishna Kumar Aravamudan

Independent Director

- Previously served as MD, State Bank of India
- Ex-director - CDSL, REC Ltd, TVS Wealth Pvt Ltd and SBI Payment Services Pvt Ltd



Parvat Srinivas Reddy

Managing Director and Promoter

- 29+ years of work experience
- Ex-managing director of Ravileela Granites Ltd.
- Master's degree from Louisiana Tech University



Venkatasatishkumar Reddy Gangapatnam

Non-Executive Director

- Director - Rasun Ace Infra Pvt Ltd, Acecorp Group Pvt Ltd and Magnatar Aero Systems Pvt Ltd
- Alumnus of Bradley University



Gnana Sekaran Venkatasamy

Independent Director

- Previously worked at DRDO
- Master's degree in engineering from the Indian Institute of Science, Bengaluru



Udaymitra Chandrakant Muktibodh

Independent Director

- Served NPCIL at various capacities including technical director
- Had been awarded NPCIL Excellence Award



Ameeta Chatterjee

Independent Director

- Director - Nippon Life Asset Management Ltd and JSW Infrastructure Ltd
- Alumnus of IIM, Bangalore

Experienced and Qualified Management Team



Parvat Srinivas Reddy -

Managing Director and Promoter

- Entrusted with the overall responsibility of management
- 29+ years of work experience
- Ex-managing director of Ravileela Granites Ltd.
- Master's degree in science, specializing in industrial engineering from Louisiana Tech University



Devesh Dhar Dwivedi, *Chief Operating Officer*

- Responsible for leading the day to day operations
- 13 yrs. of experience in sectors including defence, manufacturing, IT, engineering
- Previous organisations - High Radius Technologies Pvt. Ltd., Bharat Forge Ltd., DRDO
- Alumnus of NIT, Allahabad and ISB, Hyderabad



Sudipto Bhattacharya, *Chief Financial Officer*

- Responsible for the planning, implementation, management and running of all financial activities
- Previous organisations - ACC Ltd. (senior VP), Baker Tilly DHC Advisory LLP (senior partner)
- Chartered Accountant



Shubham Sunil Bagadia, *CS and Compliance Officer*

- Responsible for ensuring compliance with statutory and regulatory requirements
- Previous organisations - Nova Agritech Ltd., SV Labs Pvt. Ltd.
- Member -Institute of Company Secretaries of India



Pusparaj Satpathy, *Vice President, Human Resources*

- Responsible for the HR development
- 23+ yrs. Of experience in human resources
- Previous organisations - Century Enka Ltd., Hindustan Zinc Ltd. and Hindalco Industries Ltd.
- Alumnus of Jaipuria Institute of Management, Lucknow

Delivering Value to Stakeholders



IPO Subscription

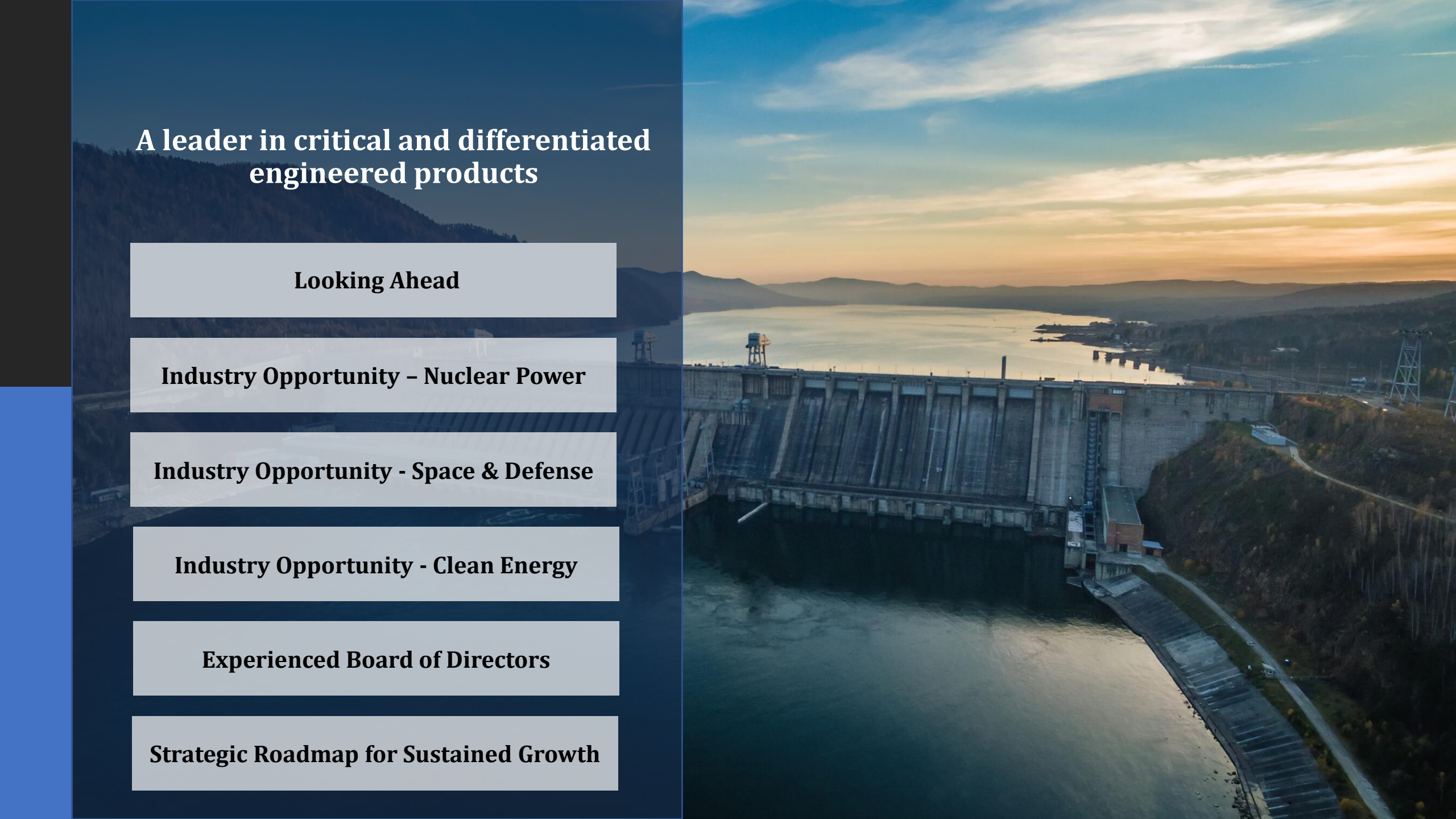
Category	Times Subscribed
QIB	164.99x
NII	650.79x
RII	28.40x
Total	200.79x

Record breaking subscription of **over 200 times**, making it the **most subscribed IPO ever** in the history of Indian capital markets with an IPO size in excess of Rs. 200 Crs.

March 2021

- Listing of MTAR Technologies Limited
- Listing done on BSE & NSE
- IPO Price : Rs. 575 per share
- Listing Price: Rs. 1078.80 per share
- Listing day gain of ~88%
- **Objects of the Issue: Proceeds of Rs. 158 crores to**
 - Repayment or prepayment in full or part of borrowings availed by our Company
 - Funding working capital requirements

MTAR Technologies Listing done at Valuation of ~ **₹ 3,320 Crs** on 15th March 2021

An aerial photograph of a large concrete dam with multiple spillways, situated on a river. The scene is captured at sunset, with a warm orange and yellow glow on the horizon and sky. The dam is surrounded by a forested hillside on the right and a large body of water on the left. In the background, there are rolling hills and a small town or village.

A leader in critical and differentiated engineered products

Looking Ahead

Industry Opportunity - Nuclear Power

Industry Opportunity - Space & Defense

Industry Opportunity - Clean Energy

Experienced Board of Directors

Strategic Roadmap for Sustained Growth

Looking Ahead

- Power demand in India to grow at a **CAGR of 3-4% over the next 5 years**
- India plans to nearly **double its nuclear capacity from 6.26 GWe to 11.5 GWe**
- Further plans to augment India's nuclear capacity by **10.5 GWe in the medium to long term**
- Govt has **sanctioned 14 fleet reactors, with a combined generation capacity of 7,000 MW**
- Under **Govt's 'Atmanirbhar Bharat' initiative**, a policy to construct a fleet of reactors with a single timeframe which will increase opportunities for domestic suppliers like MTAR
- **Large** refurbishment and maintenance market which is expected to increase by 1.6x

- **ISRO Plans for next 2 years** : 31 satellite missions/ 32 launch missions
- Future missions include- Chandrayaan-3, Gaganyaan (human spaceflight mission), Aditya-L1 (proposed mission to study the Sun), and a new port in Tamil Nadu for SSLVs
- Over the next five years, the **private sector will receive the mandate for ~70%** of all the upcoming space missions

- **Defence FDI Policy 2020** – FDI limit increased from 49% to 74% under automatic route for items with 50% indigenous production
- **DAP 2020** - 101 banned Defence import items for which only Indian Companies shall be eligible for bidding
- **Indigenization of 108 systems and sub-systems** that include mini and micro UAVs, ROVs, uncooled NV-IR sights for weapons (short-range), mountain footbridge, floating bridge (both metallic), mines laying and marking equipment

- **Government targets for clean energy**, budgets allocations, and incentives are the strongest driver for fuel cell market
- **Hydrogen is emerging as a clean solution** that can help curb carbon emissions globally and many countries are taking an active approach by implementing hydrogen-focused strategies and investments
- **Europe, USA, South Korea and Japan** are regions with the strongest government support in the field of fuel cells
- In India, **Bloom Energy signed an MoU with GAIL** to deploy fuel cell technology by using natural gas as fuel
- **Demand of Fuel Cell EVs** to increase given Fuel Cells can be refueled, which is considerably faster than recharging.
- Fuel cell system are highly reliable in emergency situation and can be used effectively for **power backup technology**
- Application in niche sectors such as **marine and aviation**



Nuclear Segment



Space and Defence



Clean Energy

Industry Opportunity – Nuclear Power



Net nuclear power capacity target of 26.2 GWe by 2031

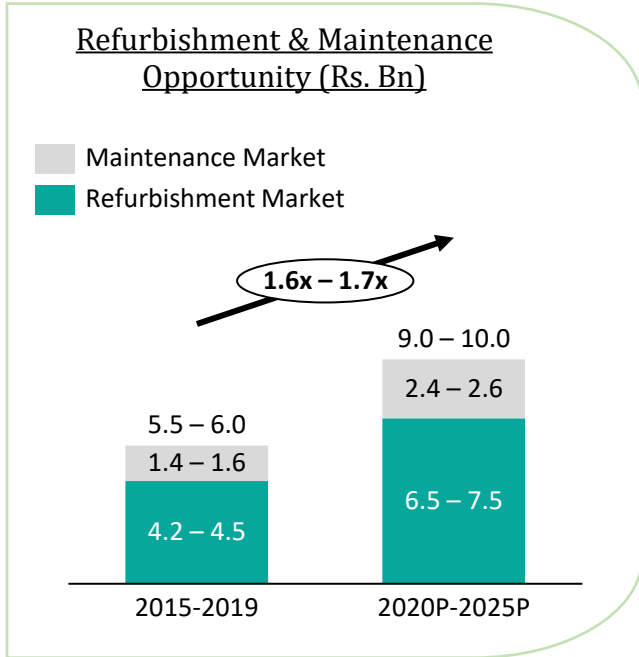
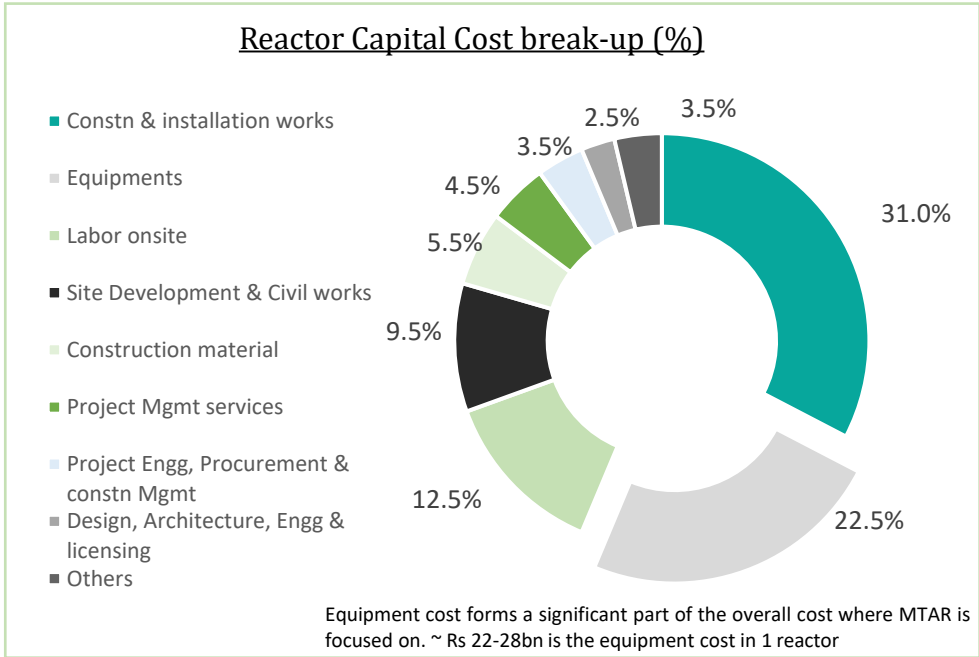
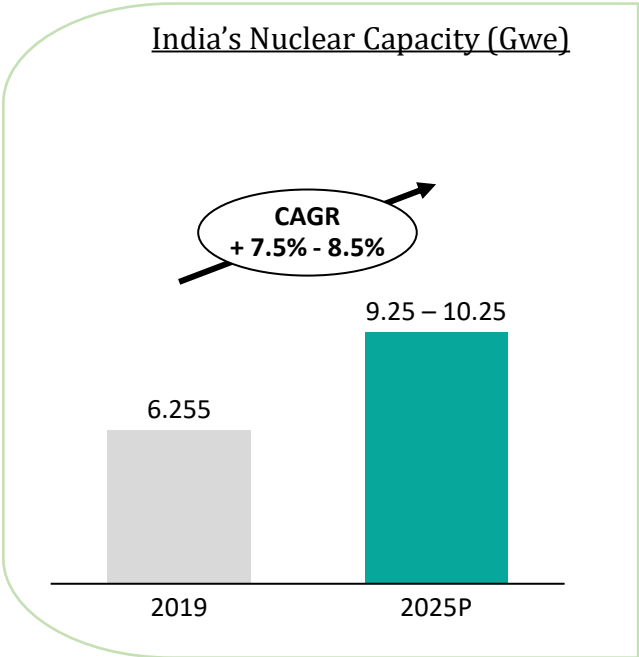
22 Operational Reactors – Capacity of 6.3 GWe

Additional # 7 Reactors to be operational in next 5 years

14 New reactors planned and tenders to be released

NPCIL is the key entity managing all nuclear reactors in India

In India, NPCIL controls all the operational, under construction and planned reactors in the country and MTAR has a relationship of 16+ years with NPCIL which has created entry barriers for other players



Industry Opportunity - Space and Defence



ISRO Successfully completed 118 spacecraft missions and 78 launch missions

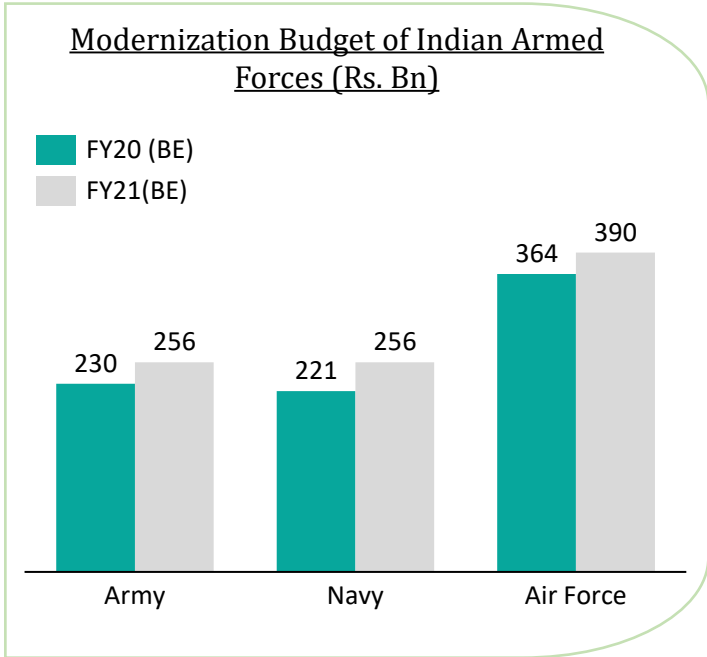
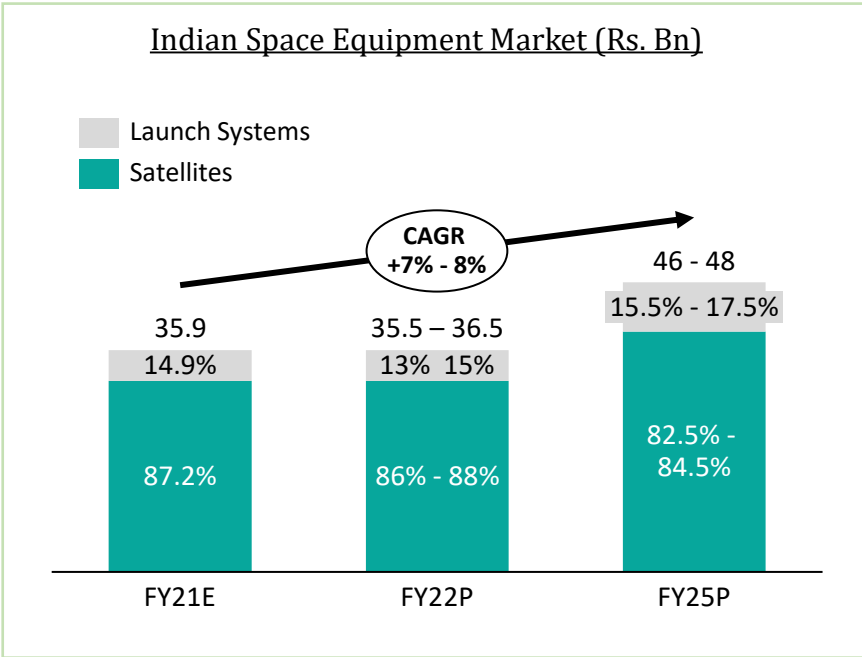
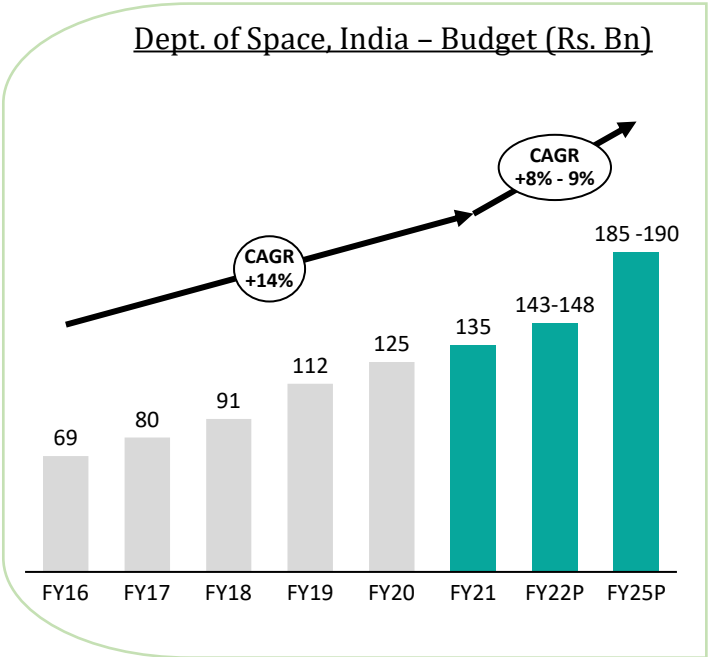
ISRO Conducted 14 missions in FY19 and more than 11 missions in FY20

ISRO is the key entity spearheading India's space programme

Armed forces likely to spend Rs. 4,000 Bn over next 5 - 7 years

Defence exports grew at 82% CAGR to Rs. 91 Bn over the past 3 - 4 years

MTAR will benefit from the strong expected growth in India's space and defence budgets along with its 30+ years strong relationship with ISRO and 40+ years strong relationship with DRDO



Industry Opportunity - Clean Energy



Renewable accounts for 26% of global electricity generation

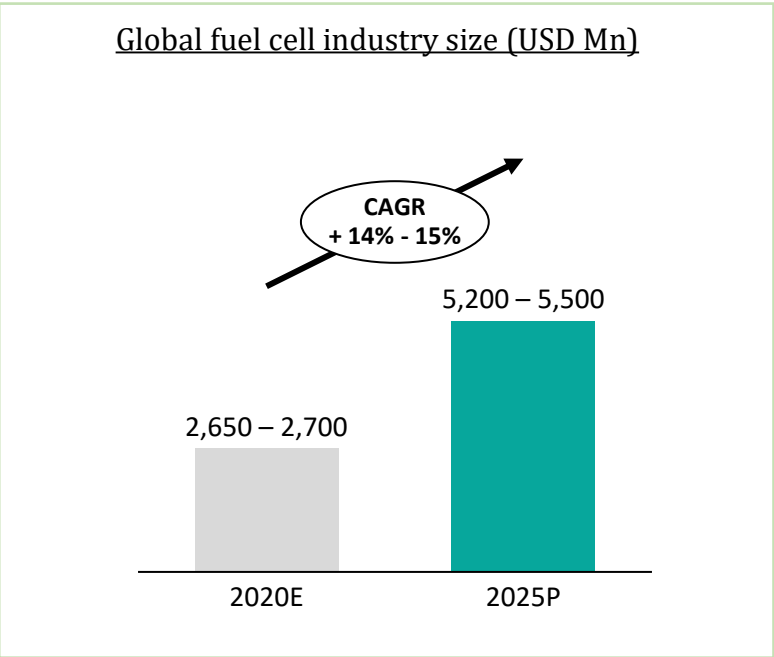
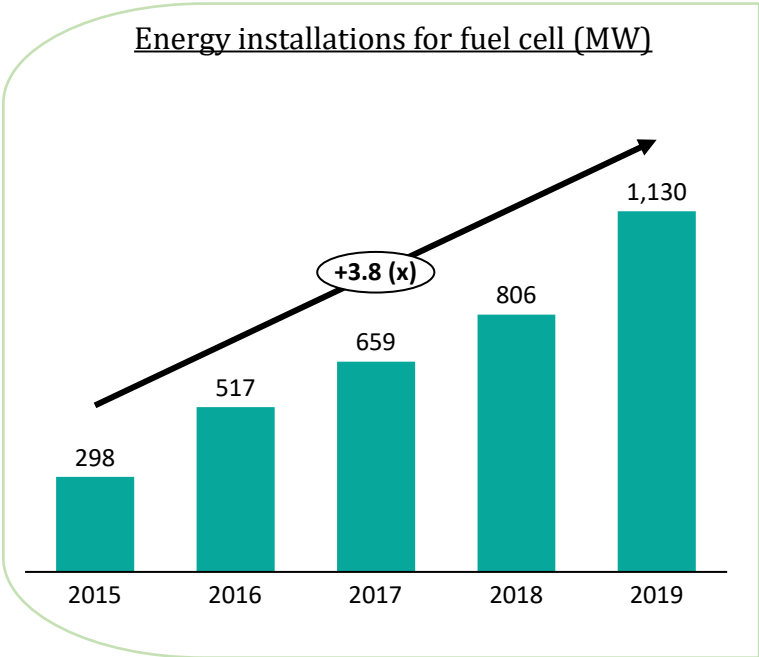
Fuel cell market growing at 15% CAGR with increased R&D

Fuel cells are able to produce electricity with near zero greenhouse emissions

Bloom is a key player globally in the fuel cell technology

45% CAGR in Bloom's operating revenues from 2017 to 2019

Bloom is one of the largest and amongst the fastest growing players globally in the fuel cell segment. MTAR has a 9+ years of strong relationship with Bloom & will start manufacturing more products for them like Hydrogen boxes and electrolyzers



Growing Bloom business augurs well for MTAR

Company (\$ mn)	Product revenue (2019)	Product revenue share	Product Revenue CAGR *
Bloom Energy	557	71%	29%
Ballard Power	50	47%	53%
Fuel Cell Energy	-	1%	99%
Plug Power	150	65%	35%
SFC Energy	65.5	100%	-

Source – Crisil Report
* Pertains to CAGR of 2017 - 2019

Strategic Roadmap for Sustained Growth (1/2)

Product



Strengthen existing product portfolio and diversify into products with attractive growth and profitability prospects

- Enhance capabilities and grow value chains to supply critical and differentiated engineered products
- Establishment of new capabilities such as sheet metal facility and enhancement of existing specialized fabrication capabilities
- Develop roller screws for which we will be the first manufacturer in India
- Intend to supply electrolyzers & Hydrogen boxes to existing customers

Industry



Capitalize on upward trend of nuclear sector in India, increasing indigenization and policy initiatives in the defence sector, and commercialization of Indian space sector

- **Nuclear** –Capitalize on the large opportunity in terms of upcoming Nuclear reactors being one of the few companies capable of handling the product complexities and manufacturing capacities
- **Defence** – take advantage of Govt. focus on indigenization of various defence technologies and import substitution and contribute to the 'Atma-Nirbhar Bharat' initiative by the Government of India
- **Space** - Exponential growth expected for Indian players in Space sector given ISRO's plan to commercialise the Indian space sector and offer its products and services to other countries

Customer



Focus on deepening and strengthening relationships with our existing customers as well as catering to new Customers

- The Company believes that it shall be one of the preferred suppliers for any potential defence offset transaction that any current international customers may be a part of
- Develop new relationships with customers, both in India and abroad, in order to capture lucrative opportunities in the nuclear, space and defence, and clean energy sectors
- Continue to participate in seminars & international expos to build & develop network with leading foreign multi-national companies

Strategic Roadmap for Sustained Growth (2/2)

Exports



Expand international presence including through increase in exports

- Continue to expand international operations to enhance global presence in the sectors we currently cater
- Growth in support for Hydrogen based clean energy solution along with expansion plans of Bloom Energy outside of US in South Korea, provides a significant opportunity
- Looking to enter into defence offset partnership with certain global OEMs and have incorporated a Subsidiary, Magnatar Aero Systems Private Limited in this regard
- Acquire more international customers in Clean Energy segment

Engineering Capabilities



Grow our manufacturing capacity and increase market share through organic and inorganic routes

- In the process of establishing a sheet metal manufacturing facility at Adibatla, Hyderabad which is expected to become operational in Fiscal 2022 to undertake sheet metal jobs for ISRO, Bloom Energy and certain other customers
- Upgrade existing facilities by implementing new technology and releasing release bottlenecks in production capacity
- Selectively look at inorganic opportunities to enhance engineering competence, increase market share, achieve operating leverage in key markets and strengthen cost competitiveness in the market

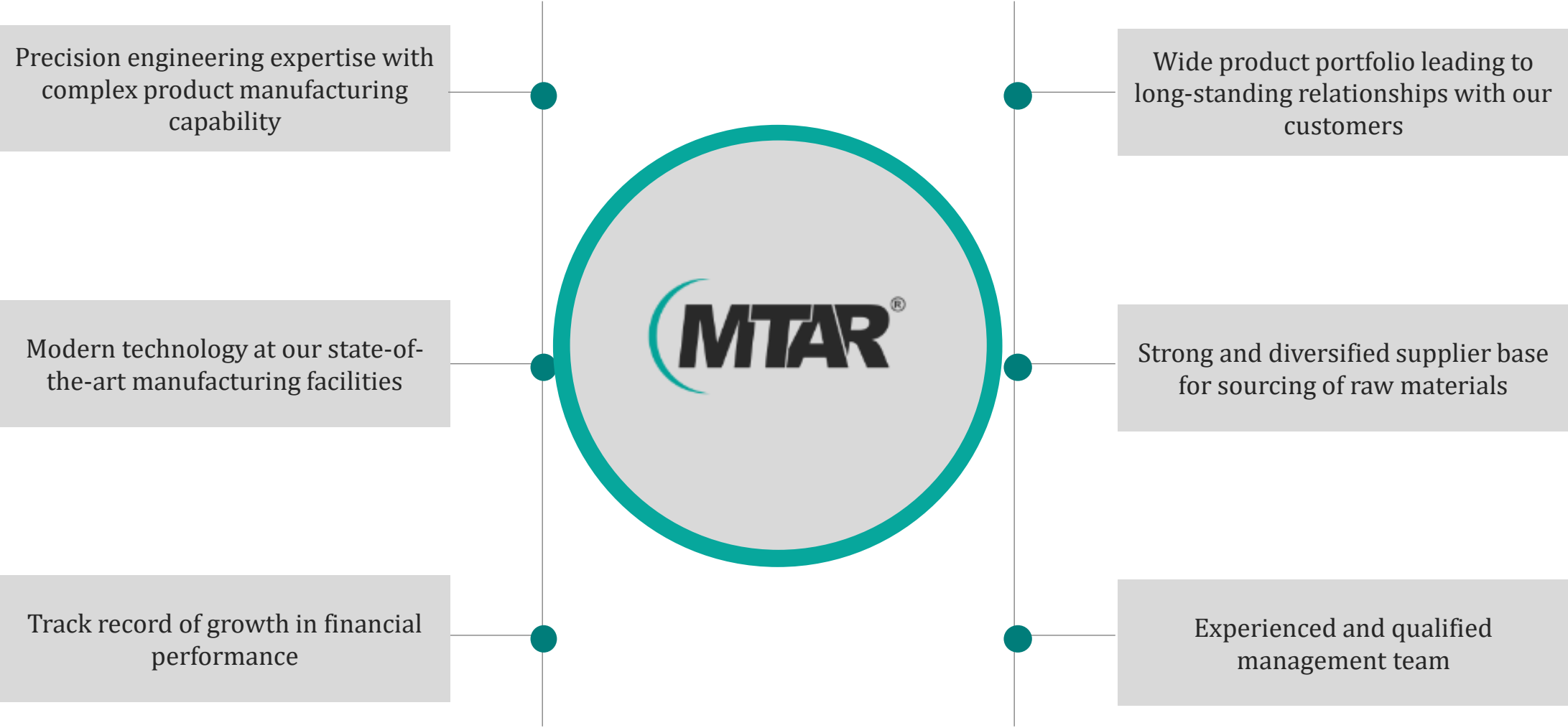
Operational Efficiencies



Continue to strive for operational efficiencies, supply chain rationalization and effective planning

- Continue to maintain or improve upon benchmarks for cost structure through economies of scale, employment of earnings acquired in manufacturing end components, and a robust supply chain for sourcing of raw materials
- Cycle time reduction by adopting advanced technologies, thereby increasing capacity to undertake more number of projects
- Leverage technology for effective utilization of machinery through digital solutions

Key Meeting Takeaways



Thank You



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of Engineering Excellence