



Date: 4 May 2021

The Manager  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C-1, Block-G  
Bandra Kurla Complex, Bandra (E)  
Mumbai- 400 051

The Manager  
BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai- 400 001

NSE Scrip Name- SKIPPER/BSE Scrip Code- 538562

**Re: Investors Presentation**

Dear Sir,

We are forwarding herewith Investors Presentation on the financial performance of the Company for the quarter and year ended 31 March 2021.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For Skipper Limited

A handwritten signature in blue ink that reads 'Manish Agarwal'.

Manish Agarwal  
*Company Secretary & Compliance Officer*

Encl: As above

**SKIPPER LIMITED**

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CIN : L40104WB1981 PLC033408 Phone : 033 2289 2327 / 5731 / 5732, Fax : 033 2289 5733  
Email : mail@skipperlimited.com, Website : www.skipperlimited.com

# SKIPPER LIMITED

## INVESTOR PRESENTATION Q4 & 12 M FY'21 Results



## DISCLAIMER

This Investor Presentation has been prepared by Skipper Limited for investors, solely for informational purposes. The information contained herein has been prepared to assist prospective investors in making their own evaluation of the Company and does not purport to be all-inclusive or to contain all of the information a prospective or existing investor may desire. In all cases, interested parties should conduct their own investigation and analysis of the Company and the data set forth in this information. Skipper makes no representation or warranty as to the accuracy or completeness of this information and shall not have any liability for any representations (expressed or implied) regarding information contained in, or for any omissions from, this information or any other written or oral communications transmitted to the recipient in the course of its evaluation of the Company. This Information includes certain statements and estimates provided by the Company with respect to the projected future performance of the Company. Such statements, estimates and projections reflect various assumptions by management concerning possible anticipated results, which assumptions may or may not be correct. No representations are made as to the accuracy of such statements, estimates or projections. Prospective investors will be expected to have conducted their own due diligence investigation regarding these and all other matters pertinent to investment in the Company. This presentation may contain statements that are not historical facts, referred to as “forward looking statements.” The corporation’s actual future results may differ materially from those suggested by such statements, depending on various factors including statements contained in the Company’s filings with the Stock Exchanges and our reports to shareholders. The Company does not undertake to update any written or oral forward-looking statements that may be made from time to time by or on behalf of the Company



Company is India's largest and world's only Integrated T&D company having its own Structure rolling, manufacturing, Tower Load Testing Station & Transmission Line EPC.

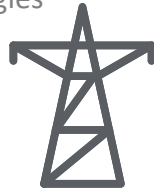


## SKIPPER: ONE-STOP SOLUTION PROVIDER

### Engineering products

**Capacity: 300,000 MTPA**

- Power Transmission Tower
- Power Distribution Poles
- Monopoles
- MS & High Tensile Angles
- Solar Structures
- Fasteners
- Tower Accessories
- Railway Structures



**Highlights**

Positioned as one of the world's leading transmission tower manufacturer; largest in India

### Polymer products

**Capacity: 51,000 MTPA**

- UPVC Pipes
- CPVC Pipes
- SWR Pipes
- HDPE Pipes
- Fittings



**Highlights**

• Only polymer pipe company in India to implement TOC in its operations

### Infrastructure projects

- Transmission Line EPC
- Railway Electrification EPC
- Underground Utility laying by HDD



**Highlights**

- Forward integration activity
- Aimed at high-margin projects

SKIPPER LIMITED  
Performance Update

# Q4 & 12M FY'21 Update





## Financial Performance Q4' 21

Rs in Mn

Sl	Profit & Loss Summary	Q4 FY'21	Q4 FY'20	Change %
1	Revenues	4,973.5	4,388.5	13.3%
2	Reported EBITDA	427.9	272.0	57.3%
	EBITDA Margins	8.6%	6.2%	
3	(+) Other Income	23.8	3.0	
4	(-) Depreciation	116.4	96.8	
5	(-) Finance Cost	209.5	198.6	5.5%
	Finance Cost as % to Revenue	4.2%	4.5%	
6	Profit Before Tax (2+3-4-5)	125.9	(20.4)	
	PBT Margins	2.5%	-0.5%	
7	Tax	35.0	(294.3)	
8	Profit After Tax (8-9)	90.8	273.9	-66.8%
	PAT Margins	1.8%	6.2%	

Reported EBITDA includes derivative and foreign exchange Gain / (loss) of Rs 14.6 mn & (Rs 194.5 mn) in Q4 Fy'21 & Q4 Fy'20 respectively



## Financial Performance FY'21

Rs in Mn

Sl	Profit & Loss Summary	FY'21	FY'20	Change %
1	Revenues	15,815.1	13,905.1	13.7%
2	Reported EBITDA	1,437.1	1,391.3	3.3%
	EBITDA Margins (%)	9.1%	10.0%	
3	Other Income	40.2	19.6	
4	Depreciation	452.6	381.0	
5	Finance Cost	723.6	847.6	-14.6%
	Finance Cost as % to Revenue	4.6%	6.1%	
6	Profit Before Tax (2+3-4-5)	301.2	182.3	65.2%
	PBT Margins (%)	1.9%	1.3%	
7	Tax	90.4	(232.6)	
8	Profit After Tax (8-9)	210.8	414.9	-49.2%
	PAT Margins (%)	1.3%	3.0%	

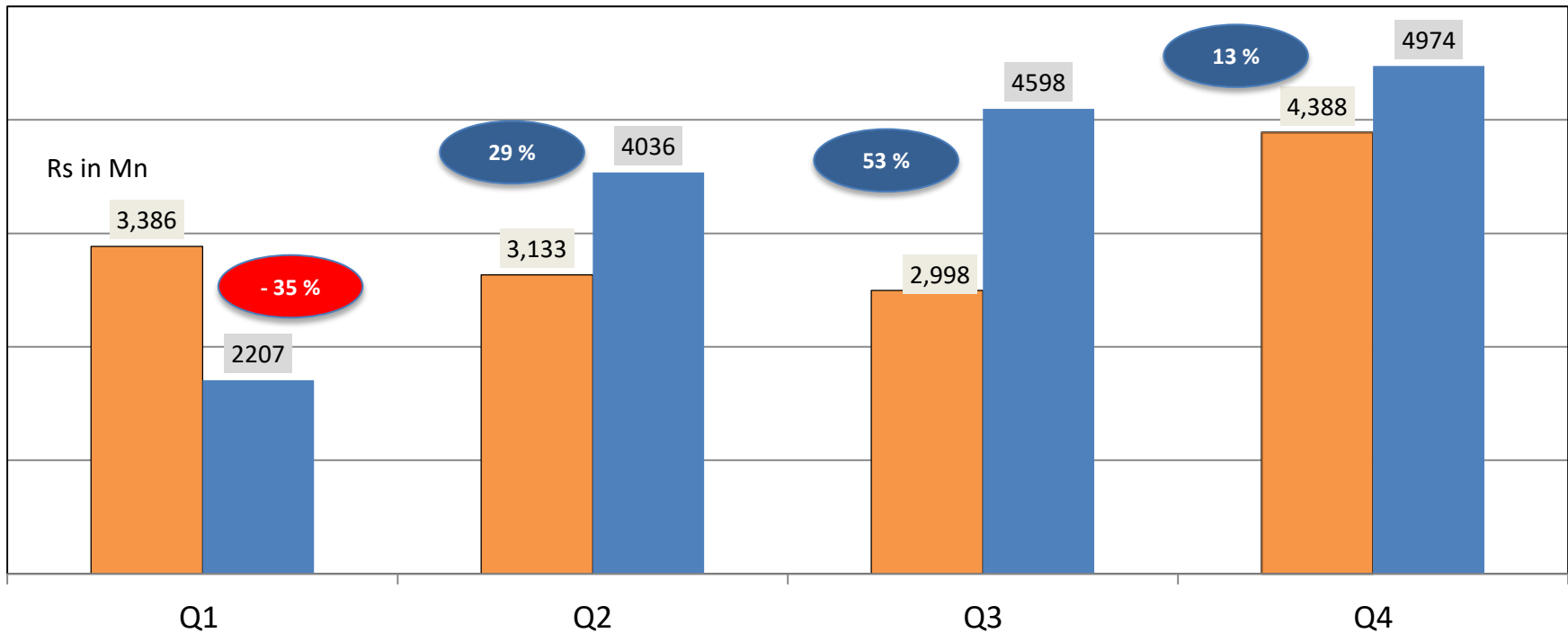
Reported EBITDA includes derivative and foreign exchange Gain / (loss) of Rs 279.1 mn & (Rs 155.1 mn) in FY'21 & FY'20 respectively





## Consistent & Improved Revenue Performance Trend

Achieved 14% revenue growth (YoY) in FY'21 despite of covid related lockdown & challenges



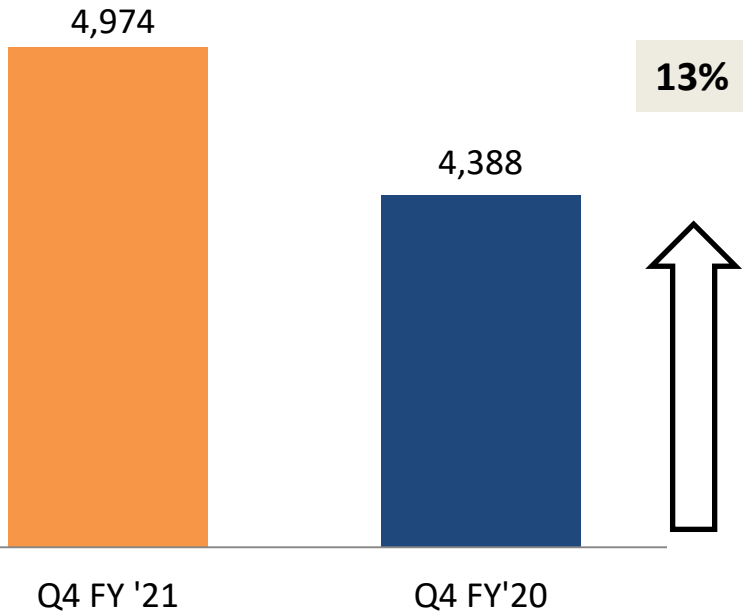
- Increased focus on Engineering Exports – Full year export revenue achieved Rs 3,506 mn Vs 1,488 mn in FY'20 (+136%)
- Strong traction in Polymer business led to improved performance – Full Year Revenue Rs 2,165 mn Vs Rs 1,363 mn in FY'20 (+59%)



**Strong Revenue Performance across all business segments**

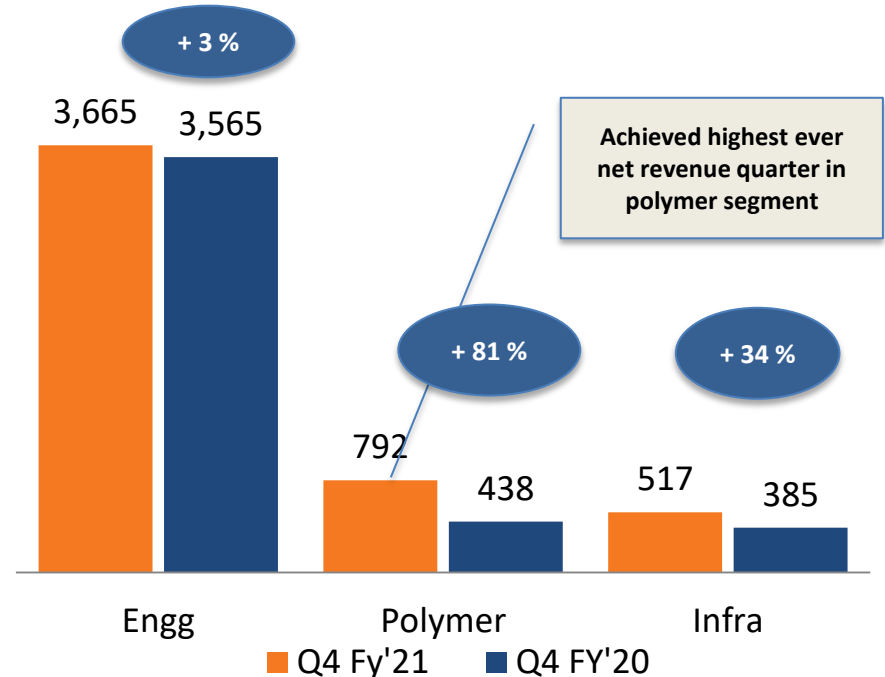
Stand Alone - Revenue

Rs in Mn



Segment - Revenue

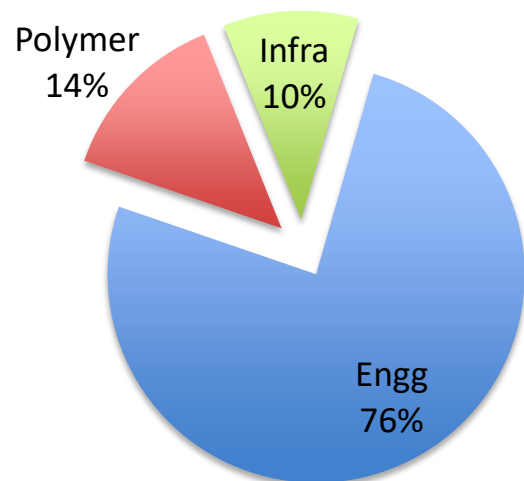
Rs in Mn



- Engineering exports increased to Rs 1,246 mn vs Rs 321 mn in Q4 FY'20 (+ 288%)
- Revenue pie from Polymers increased from 10 % to 16%



## Segment Performance Q4 & 12M FY'21



Revenue Mix – 12M FY'21

Segment	Profit & Loss Summary	Q4 FY'21	Q4 FY'20	Change %	12M FY'21	12M FY'20	Change %
Engg Products	Net Sales	3,665.0	3,565.0	2.8%	11,986.2	11,425.5	4.9%
	EBITDA - Operating	364.5	429.0	-15.0%	1,057.0	1,452.1	-27.2%
	% of Sales	9.9%	12.0%		8.8%	12.7%	
PVC Products	Net Sales	791.9	438.2	80.7%	2,165.4	1,363.2	58.8%
	EBITDA - Operating	46.5	30.9	50.5%	70.5	55.5	27.0%
	% of Sales	5.9%	7.1%		3.3%	4.1%	
Infra Projects	Net Sales	516.6	385.4	34.0%	1,663.5	1,116.4	49.0%
	EBITDA - Operating	2.3	6.5	-64.2%	30.5	38.9	-21.6%
	% of Sales	0.5%	1.7%		1.8%	3.5%	
Total	Net Sales Total	4,973.5	4,388.6	13.3%	15,815.0	13,905.1	13.7%
	EBITDA Total	413.3	466.4	-11.4%	1,158.0	1,546.5	-25.1%
	% of Sales	8.3%	10.6%		7.3%	11.1%	

Note: Segment Operating EBITDA is net of Forex and includes allocation of un-allocable expenditure in pro-rata share of Sales & Capital Employed in their respective segment



## Debt Details

Rs in Million

	31.03.2021	31.03.20	Inc / (Dec)
Long Term Debt	2,563	1,569	994
Current Maturities of Long Term Debt	586	344	242
<b>Total Long Term Debt</b>	<b>3,149</b>	<b>1,913</b>	<b>1,236</b>
Short Term Debt	1,236	2,624	(1,388)
<b>Gross Debt Level</b>	<b>4,385</b>	<b>4,537</b>	<b>(152)</b>
<b>Debt Equity Ratio (X)</b>	<b>0.62</b>	<b>0.66</b>	<b>(0.04)</b>

- Gross Debt reduced by Rs 152 million during the period, on account of better working capital utilisation.
- Reduction in overall finance cost by 15 % in compare to previous year 12 months period, despite of growth in revenue.
- Efforts continues on cash flow & balance sheet consolidation, focus to improve bottom-line profitability



## Key Highlights

- ❑ Skipper became World's only Integrated T&D company having its own structure rolling, Tower & Pole manufacturing, Tower Load Testing Station & Transmission Line EPC under the same brand.
- ❑ Fully operationalized state of art Transmission Line Tower Testing Station (DSIR recognised).
- ❑ First Company in India and one of the first in world to have successfully designed, fabricated and type tested a 400 KV / 765 KV S/C Monopole
- ❑ The Company's external credit rating has been assigned as "A-"/Stable by ACUITE against CARE BBB+ on account of improved operational & financial performance in conjunction with better growth prospects.
- ❑ Company opened its marketing office in Canada and even secured its first ever Tower & Monopole orders from North American markets
- ❑ Only polymer product manufacturing company to implement Theory of Constraints (TOC) in an organized manner, Retailer touch points increased 10(X) fold in last 2 year period

## Awards & Recognition

- ❑ **Business Leadership Award** conferred to our MD Sri Sajan Kumar Bansal by CMA Management Excellence Awards (March 21)
- ❑ Awarded with "**Best Award Brand**" by World Marketing Congress (March 21)
- ❑ Awarded with "**West Bengal Best Employer Award**" by 15th Employer Branding Awards (March 21)
- ❑ Awarded with "**Dream Companies to Work**" by Economic Times National Feather Award (April 21)



## FY'21 - Performance Update

- ❑ Strong Revenue performance across all the business segments ; Achieved highest ever quarterly revenue performance in Q4 in Polymer segment
- ❑ Focus continues on Bottom-line improvement; PBT grew significantly in compare to previous year quarter and 12 months period
- ❑ Interest cost as % of sales reduced to 4.6 % against 6.1 % in previous year
- ❑ Secured new orders of Rs 3,810 million in Q4 FY'21 for Engineering products supplies from PGCIL, SEB's, Telecom and for supplies across various export markets ; YTD inflow at 8,750 million
- ❑ Actively pursuing projects worth Rs 27,000 million on international front and about Rs 11,000 million on the Domestic front
- ❑ Stronger expected execution in both Engineering & Polymers segment going forth coupled with Productivity and cost reduction initiatives at the plant and site level are expected to further improve efficiency in operations and aid to stable margins
- ❑ Unprecedented commodity price rally in our Key raw material items (i.e Steel, Zinc & Resin), higher ocean freight rates and Non Clarity of Remission of Duties and Taxes on Export Products (RoDTEP) adversely impacted profitability



**Strong Bidding Pipeline of 38,000 Million as on 31<sup>st</sup> March 2021;  
International – 27,000 Mn & Domestic - 11,000 Mn**

- Expecting International Ordering & Execution to gain pace in FY'22;
- In advanced Stages of negotiation to secure some good size International contract
- Large pent up demand in domestic T&D ; Ordering continues to remain muted
- Increased focus on building up Engineering capabilities

**International**

- ✓ Growing global competitiveness; Focusing on international markets to drive the ordering growth;
- ✓ Strong Anti China Sentiment; and global supply chain now actively looking for reducing their dependence on China is a great positive outcome of this crisis ; will bring more opportunities on our way
- ✓ Majority of New Transmission lines are now getting built to cater renewables; leading to shorter execution cycle and faster supplies to meet project deadlines.

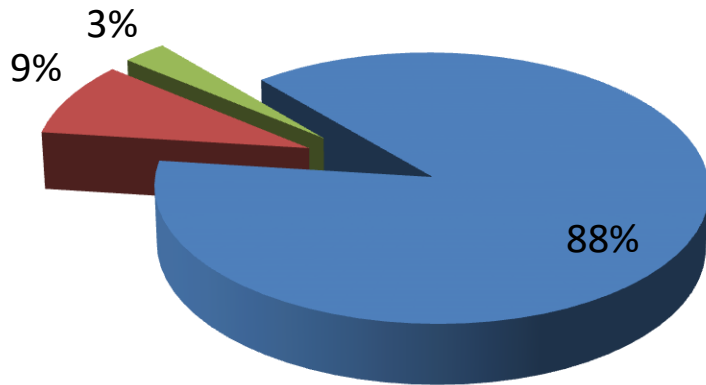
**Domestic**

- ✓ After a 2 years lull, The domestic T&D activities are showing signs of rebound
- ✓ Large bunching up of order that remained postponed + Rs 500,000 million of GEC related projects to come up for bidding will provide much needed boost to the domestic transmission industry
- ✓ Tender Pipeline continues to stay strong, Many tenders in the domestic T&D market which got postponed, largely GEC related projects – now expected to be concluded by H1'22 .



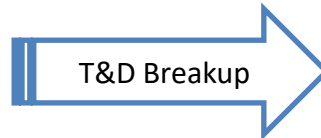
## Engineering Products – Order Book Composition – Mar 2021

**Total Order Book  
 Rs 16,020 million**

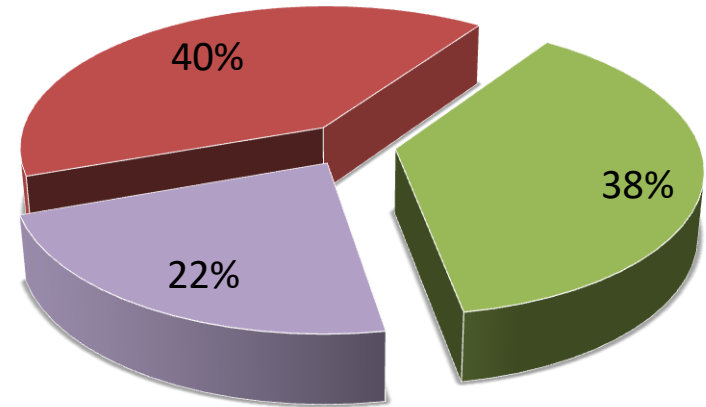


**Domestic – 67%**

**Export – 33%**



**T&D Order Book  
 Rs 14,120 million**



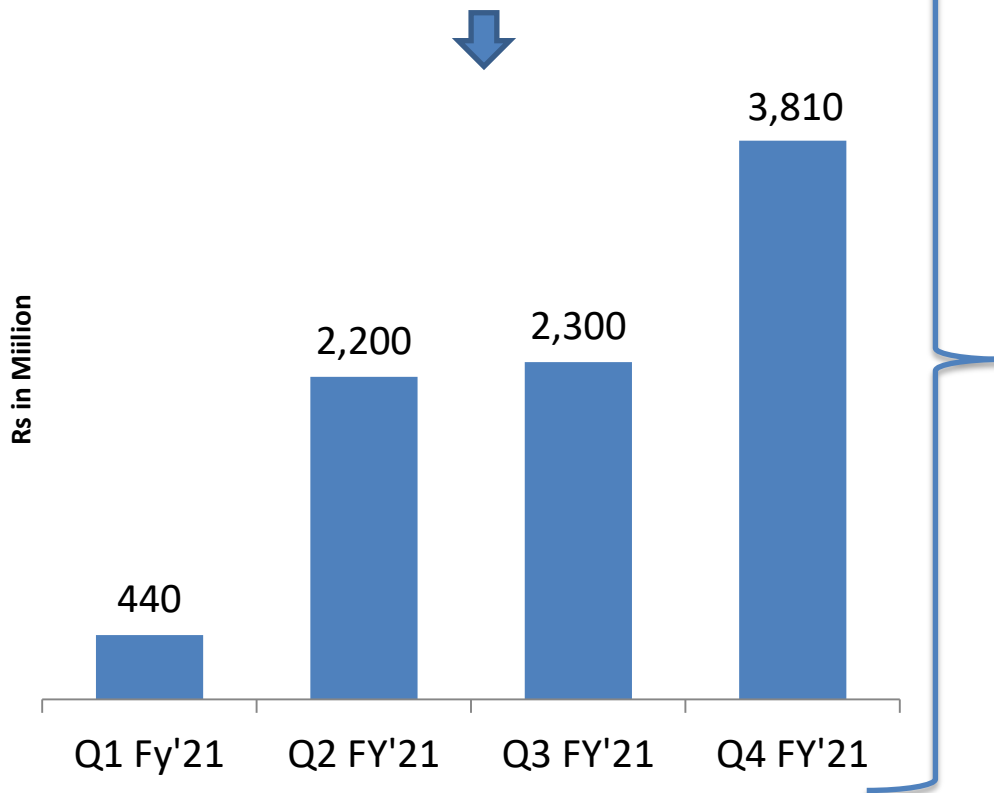
PGCIL SEB & Others Export





## Engineering Products – Order Inflow Composition

FY'21 Qtr Wise - Order Inflow  
Total – Rs 8,750 million

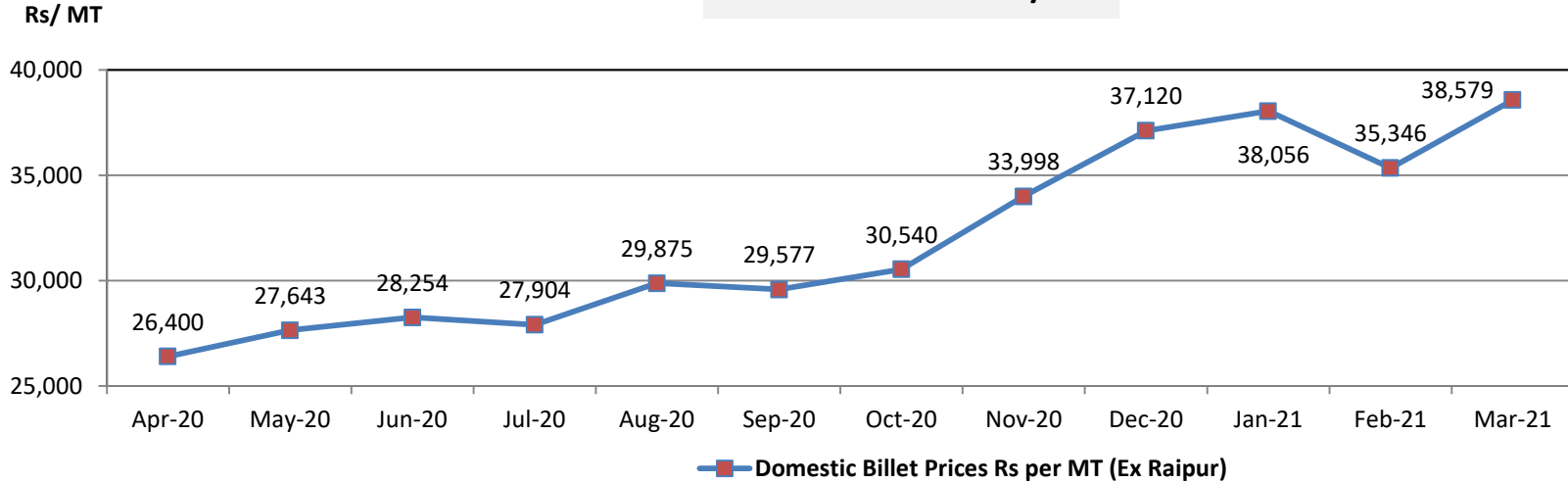


YTD inflow at Rs 8,750 million (Rs 12,410 mn in FY'20) was lower than usual due to the following reasons –

- A large percentage of orders available in the market are on fixed price basis **and company is adopting a cautious approach in new order intake considering the present volatile commodity market scenario**
- Majority of New Transmission lines are now getting built to cater renewables; leading to shorter execution cycle and faster supplies to meet project deadlines.
- Bid to - order life cycle prolonged due to covid led disruption



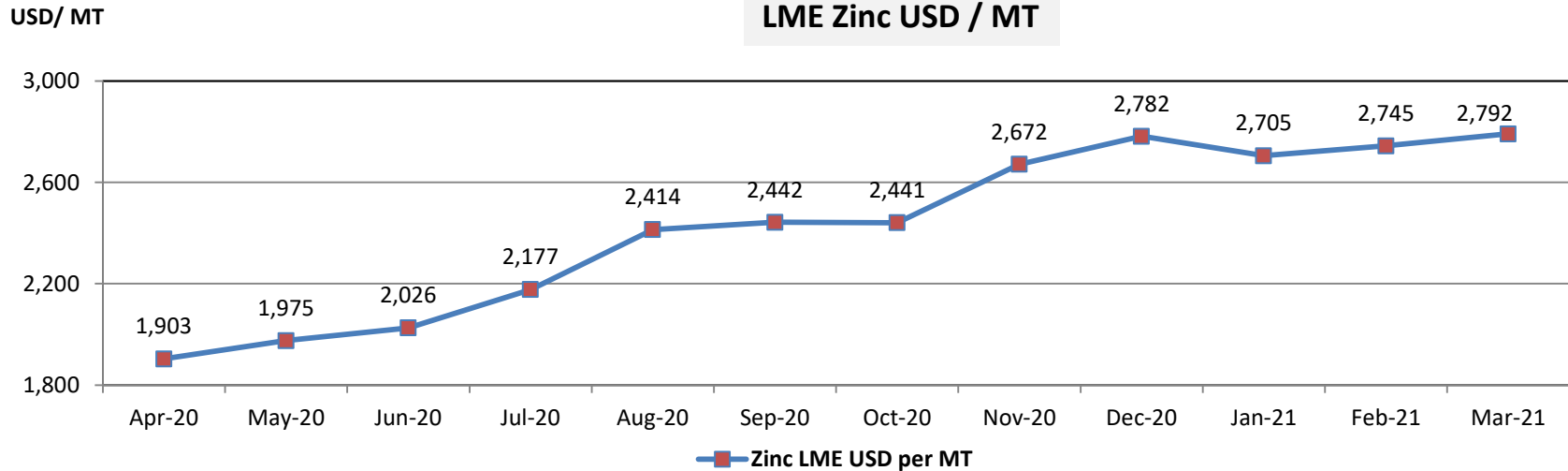
## Billet Domestic INR /MT



46 %

Source – Steelmint

## LME Zinc USD / MT



47%

Source – IMF



The company is taking all necessary steps to tackle & neutralise the impact of this temporary RM volatility issues in its Fixed Type Contracts and protect margins -

## Mitigation Strategy

Securing Newer Contracts at elevated price level

Taking advantage of low working capital debt level of company to keep higher raw material inventory so that a larger portion of the fixed price contracts are covered with the inventory

Hedging Zinc & Flat Steel Exposure through Vendor & commodity exchange

Negotiating firm prices contract with raw material supplier for longer duration

Expanding Raw material supplier base

Forging Tie-ups with major raw material suppliers with minimum up-liftment commitment to gain maximum possible rebates and discounts.



## PERFORMANCE OUTLOOK

- ❑ Company expects to clock double digit annual revenue growth in FY'22 on back of strong pending execution of engineering contracts and strong polymer segment performance;
- ❑ Expect good traction in International TL orders, While pending domestic TL ordering bids are expected to start getting awarded by Q1'22 / Q2'22
- ❑ Focus on mechanisation and automation along with several cost reduction initiatives to further improve efficiency in operations and aid to stable margins
- ❑ Implementation of TOC in both Engineering and Polymer business to significantly improve its working capital cycle and bottom-line profitability
- ❑ Continuing efforts to further strengthen the international T&D order book ; positioned to grow exports to 50% of engineering revenue in next 2 years



The White House  @WhiteHouse · 10h

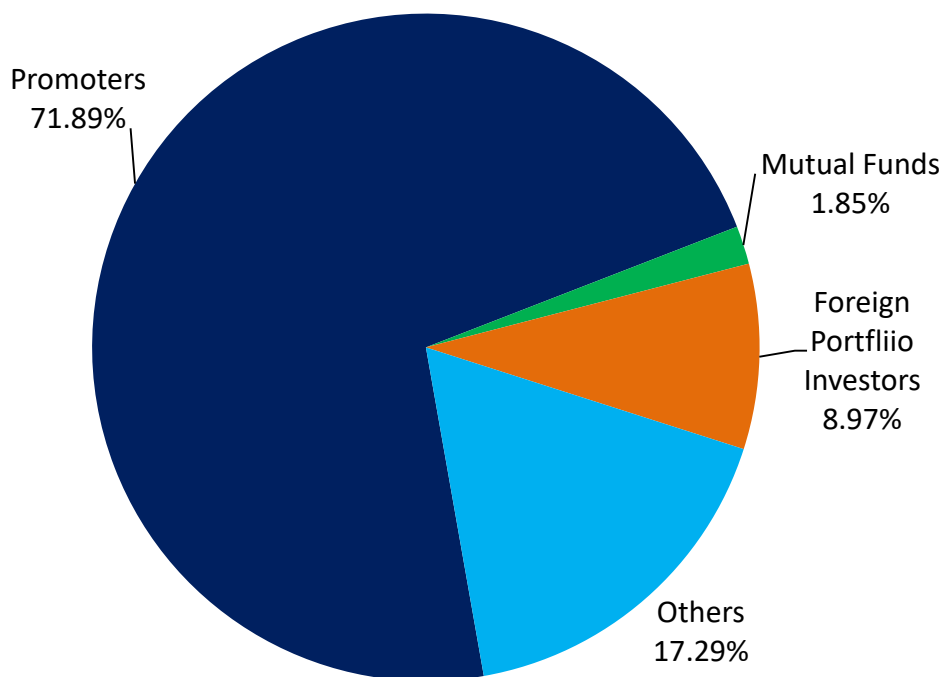
United States government organization

Right now, our power grids are vulnerable to storms, hacks, and catastrophic failures – and we've seen the tragic results. The American Jobs Plan will create jobs to lay thousands of miles of transmission lines needed to build a resilient and fully clean grid.

Tweet dated 03<sup>rd</sup> May 2021



**Shareholding pattern  
as on 31st March 21**



**Major Institutional Shareholders  
As on 31<sup>st</sup> March 21**

Name	%
Ocean Dial Asset Management India (ICGF)	5.33%
Baillie Gifford - Pacific Horizon Investment Trust	2.72%
IDFC Sterling Value Fund	1.85%
Polus Global Fund	0.78%



Fully Integrated In-House  
Research & Development  
Centre

Future Ready





## **Skipper boasts of largest Tower & Monopole Load Testing Station in India, which is also one of the largest in the world.**

- Started Operations in the state of art Transmission Line Tower Testing Station is spread across 14 acres of land in Howrah, West Bengal commissioned in March'20.
- Approved and recognized by Dept. of Scientific and Industrial Research (DSIR), Govt. Of India.
- One of the largest Testing facilities of India and first of its kind in Eastern India
- Capable of Full scale load testing, a reliable tool for validating the structural design
- The facility is designed to Test all kinds of Lattice Towers, Monopoles & Guyed Towers with World Class Technical Parameters
- Ultimate Destination for OHTL Contractors & Manufacturers for Prototype Testing

**For the first time ever, all new large T&D projects in domestic markets comes along with Design and Load testing scope; Our new R&D centre will give us distinct advantage over competition.**



## Skipper USP

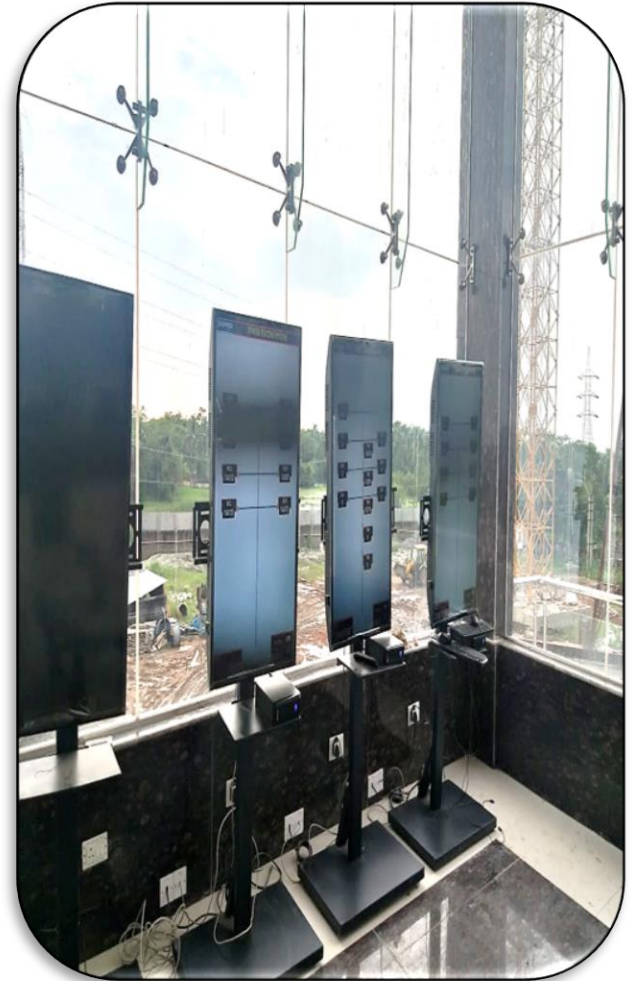
- Towers upto 1200kV with 110m height (highest in the country) can be tested seamlessly
- Automated central loading and supervision system to regulate the actual loading
- Customized designs by our Designers for optimum efficiency
- Dual-speed VFD Driven Electrical Winches for smooth loading
- Exceptionally heavy Towers can be loaded optimally (1000t per leg) and large base width (up to 35m)
- Skipper's dedicated in-house R&D center allows study and up gradation of various Transmission Tower Testing methodologies. The center helps our team offer customized and breakthrough solutions to our clients every time



## Test Bed Key Features

- Maximum Test Tower Base Width – 35M x 35M
- Maximum Test Tower Height – 110M
- Maximum Compression / Uplift per Leg – 1000T
- Allowable Overturning Moment – 60,000 T-M
- Maximum Cross Arm Spread – 70M
- Maximum Transverse Wire Load – 120T per point
- Maximum Longitudinal Wire Load – 80T per point
- Maximum Vertical Wire Load – 60T per point
- Load Application System – 60 Nos. 5T & 10T capacity Electrically Operated Winches
- Load Measurement System – Stain Gauge Type Load Cell
- Material Testing and Calibration – 60t digital UTM
- Tower Erection through – 10t Tower Crane





# Thank You

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*For any queries please contact:*

**Aditya Dujari** (Investor Relations)

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