



# PPAP Automotive Limited

CIN No. L74899DL1995PLC073281

B-206A, Phase-II, Noida - 201305, Uttar Pradesh, India

Tel : +91-120-2462552/53, Fax : +91-120-2461371

Email : info@ppapco.com, Website : www.ppapco.in

24<sup>th</sup> May, 2018

**The Listing Department**  
**Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400001

**The Listing Department**  
**The National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E)  
Mumbai - 400051

**Sub: Analysts and Investors Presentation pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir,

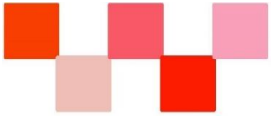
Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Analysts and Investors presentation for the Financial Results of quarter and year ended 31<sup>st</sup> March, 2018.

Kindly take the same on record.

Thanking you,

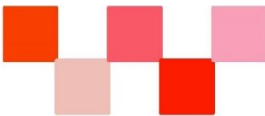
Yours truly,  
For PPAP Automotive Limited

**Sonia Bhandari**  
**Company Secretary**



# PPAP Automotive Limited

*Taking Challenges, Together*



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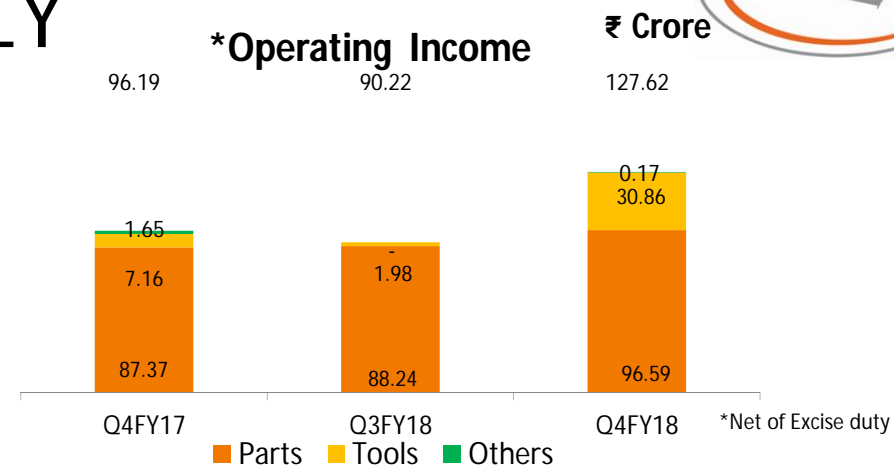
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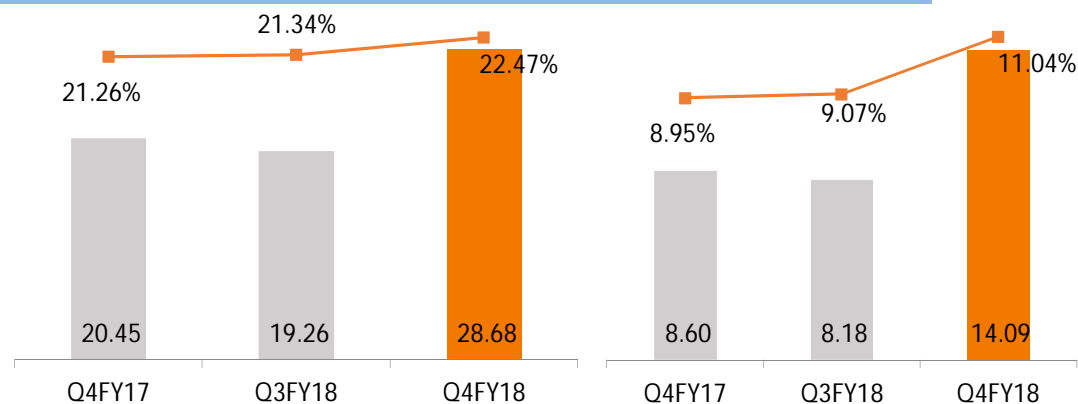
# HIGHLIGHTS - QUARTERLY

## Highlights of results of Q4FY18 compared with Q4FY17

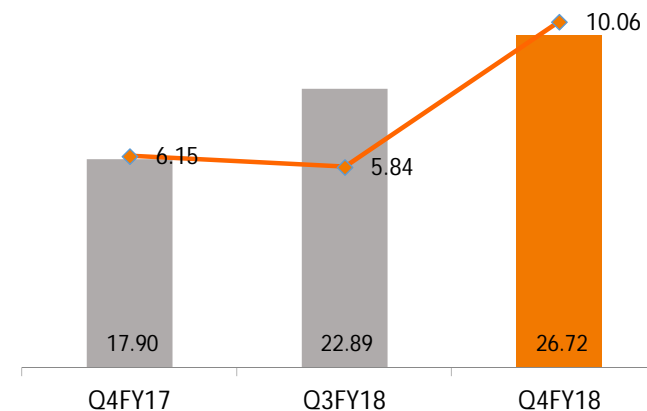
- ❖ Total income increased by 32.68%, Part Sales increased by 10.55%
- ❖ EBITDA increased by 40.23%, EBITDA Margin improved by 1.21%
- ❖ PAT increased by 61.58%, PAT Margin increase by 2.09%
- ❖ EPS is at ₹ 10.06, Final dividend ₹ 2.50 per share
- ❖ RONW at 20.9%, **ROCE at 30%**, Debt Equity ratio at 0.11
- ❖ Added Morris Garages India in customer profile
- ❖ Won Supplier of the year 2017 – Gold Award, Zero PPM award from Toyota
- ❖ Won Overall Performance (Shield) award from MSIL
- ❖ Won Appreciation certificate from Hyundai Motors
- ❖ Won The Economic Times Polymers Awards 2018
- ❖ Started supplies to ISUZU Motors for D-MAX & SML Isuzu for Wide Cabin



## Tax



## EPS



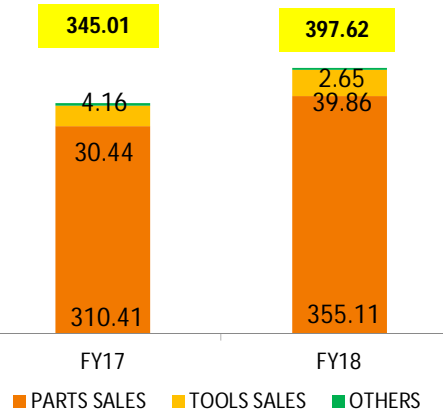
# ANNUAL - HIGHLIGHTS



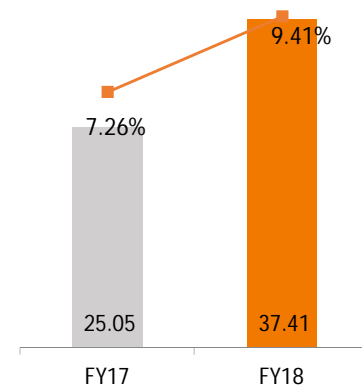
## Highlights of results of FY18 compared with FY17

- ❖ Total income increased by 15.25%
- ❖ **Part sale increased by 14.40% against industry growth of 5.49%**
- ❖ EBITDA increased by 27.42% , EBITDA Margin improved by 2.04%
- ❖ Standalone PAT increased by 49.34%, PAT Margin improved by 2.15%
- ❖ Standalone EPS is at ₹ 26.72 (PY ₹ 17.90), Consolidated EPS at ₹ 28.08 (PY ₹ 19.97)
- ❖ Total Dividend ₹ 4.50 per Share (PY ₹ 3 per Share)
- ❖ RONW at 13.87%, **ROCE at 20.54%** , Debt Equity ratio at 0.11
- ❖ Added Morris Garages India in customer profile
- ❖ Won Supplier of the year 2017 – Gold Award, Zero PPM award from Toyota
- ❖ Won Overall Performance (Shield) award from MSIL,
- ❖ PTI (JV Company) won Manufacturing Excellence award from MSIL
- ❖ Won The Economic Times Polymers Awards 2018
- ❖ Won Appreciation certificate from Hyundai Motors
- ❖ Started supplies - ISUZU Motors for D-MAX & SML Isuzu for Wide Cabin, New Swift, Molded parts of Honda Scooters & Bumpers to MSIL
- ❖ Long-term credit rating upgraded to CRISIL A+/Stable
- ❖ DSIR recognition to PPAP In-house R&D Center

## \*Standalone Op Income

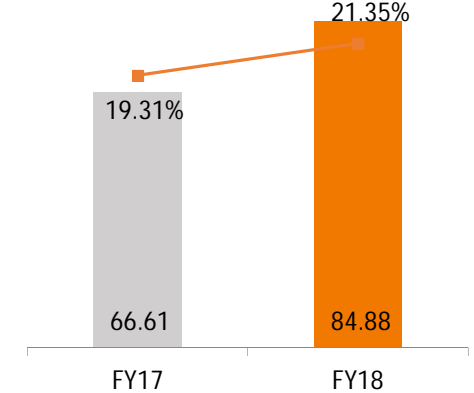


## Standalone PAT

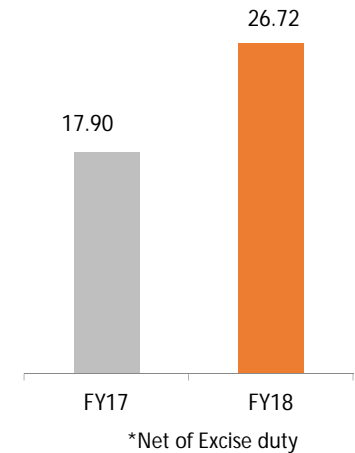


₹ Crore

## Standalone EBITDA



## Standalone EPS ₹



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## BRIEF PROFILE

PPAP Automotive Limited (PPAP) is a leading manufacturer of Automotive Sealing Systems, Interior and Exterior Injection parts in India

State of the art manufacturing facilities located at Noida (UP), Greater Noida (UP), Chennai (Tamil Nadu) and Pathredi (Rajasthan). All the plants are TS 16949, ISO 14001 and OHSAS 18001 certified

Technical partnership with :-

- Tokai Group for Automotive Sealing System (Plastic) and Toolings
- JV with Tokai Group for Automotive Sealing System (EPDM Rubber and TPV)
- Ichimiya Group for Injection Molded Products

Over 500 different products manufactured and targets to achieve zero failure ppm in Quality and Delivery performance

Integrated operations from Print to Build. Challenging spirit and focus on Continuous Improvement. Strong and committed workforce aligned to achieve Company's Targets.

## MANAGEMENT PROFILE

### Mr. Ajay Kumar Jain

#### Chairman & Managing Director



- Commerce graduate from the Shri Ram College of Commerce, DU
- Associated with the company since inception with experience of over 40 years in the Polymer processing industry and over 30 years in the Automotive industry
- President of Toyota Kirloskar Supplier Association
- Director of Automotive Component Manufacturers Association of India

### Mr. Abhishek Jain

#### CEO & Managing Director



- Bachelor of Science in Industrial Engineering from Purdue University (USA)
- Responsible for conducting the operations of the Business
- Member of Executive Committee of Honda Suppliers Club

### Mr. Manish Dhariwal

#### Chief Financial Officer



- Graduated with a degree in B.Com (Hons.) from Delhi University & Member of ICAI
- Work experience over two decades
- Has worked with Lazard India, IL&FS and Group Mega



# GENERAL INFORMATION



COMPANY ESTABLISHED IN 1978



START OF AUTOMOTIVE BUSINESS



LISTED ON BSE & NSE IN 2008

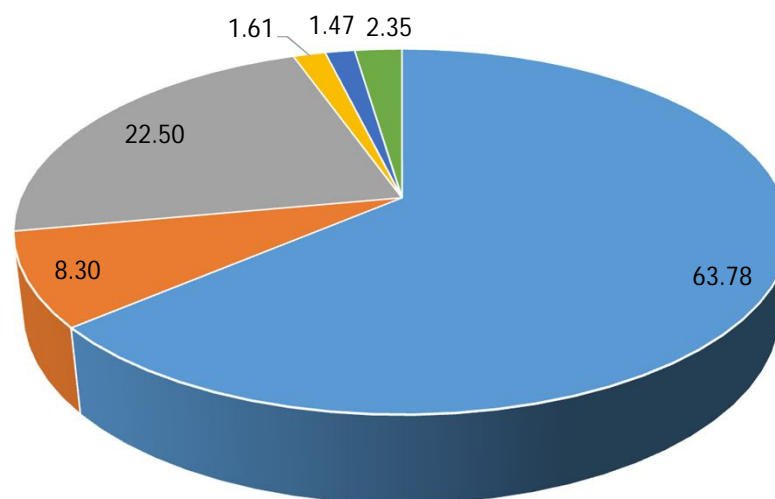


SHARE CAPITAL OF ₹ 140 MILLION



**CERTIFICATIONS**  
TS 16949; ISO 14001; OHSAS 18001

## SHARE HOLDING AS ON 31<sup>st</sup> MARCH 2018



- Promoters
- Bodies Corporate
- Individuals
- Foreign Companies
- Foreign Portfolio Investor (Corporate)
- Others



# COMPANY FOCUS



## MISSION

TO BE A DOMINANT SUPPLIER OF BODY SEALING, INTERIOR & EXTERIOR PARTS

## VISION

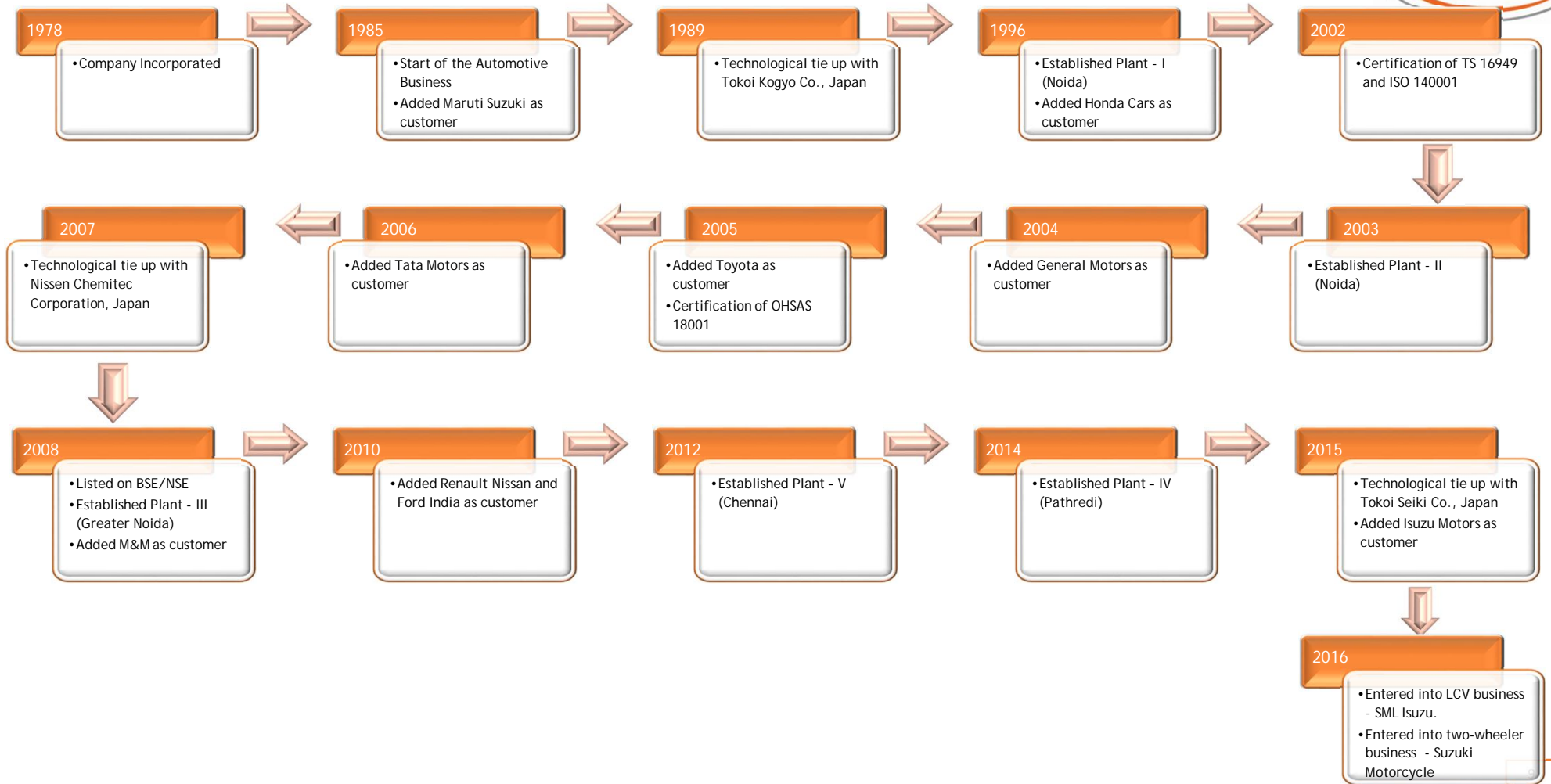
TO BE OUR CUSTOMERS' NO. 1 SUPPLIER

## VALUES

TRUSTWORTHINESS  
MUTUAL RESPECT  
CREATIVITY  
COOPERATION  
EXCELLENCE

**FOUNDATION ON STRONG HUMAN CAPITAL DEVELOPMENT**

# JOURNEY



# TECHNOLOGY PARTNERS



## **TOKAI KOGYO CO. LTD, JAPAN**

Established: 1947

Global Presence: USA, Thailand, Indonesia,  
China, Mexico, Vietnam

**AUTOMOTIVE EXTERIOR & SEALING PRODUCTS**

TECHNOLOGY PARTNERSHIP - PPAP SINCE **1989**

JOINT VENTURE – PTI SINCE **2014**



## **NISSEN CHEMITEC CORPORATION, JAPAN**

Established: 1951

Global Presence: USA, Thailand, Indonesia,  
Singapore

**AUTOMOTIVE INTERIOR PRODUCTS**

TECHNOLOGY PARTNERSHIP -PPAP SINCE **2007**

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# CORE STRENGTHS

## Leadership Position

India's leading manufacturer of Automotive Sealing Systems

## Access to Global Technology

Relationship with Japanese Technology Partners since 1989

## Strong R&D Facilities

Capability from Design to Print



## Strong Customer Base

Leading OEM manufacturers in Indian Market are customers

## State-of-the-art manufacturing facilities

Focus on Kaizen towards Technology and Operations. Strategically located manufacturing plants for Customers

## Healthy Financials

Cost sensitive Culture



# DEVELOPMENT STRATEGY

1

**Improve Operational Efficiency**

- International Benchmarking
- Our Mantra - "Every Paisa Counts"
- Improve margin realization driven by cost optimization & operating leverage

2

**Optimization of Asset Utilization**

- Improve OEE (Overall Equipment Efficiency)

3

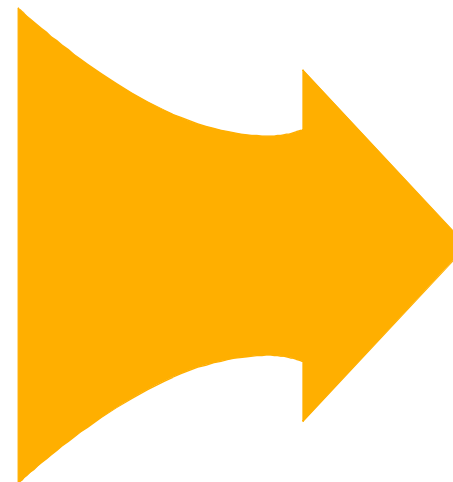
**Focus on increasing customer base**

- Extend leadership position across OEMs
- Expand product base

4

**Optimization of Investments**

- Timing, Efficiency and Best Value Proposition Review



**Impossible for Competition to Catch up**

**Perpetual sustainable development**

# HUMAN RESOURCE DEVELOPMENT

EVERY TEAM MEMBER WORKS BY SELF MANAGEMENT



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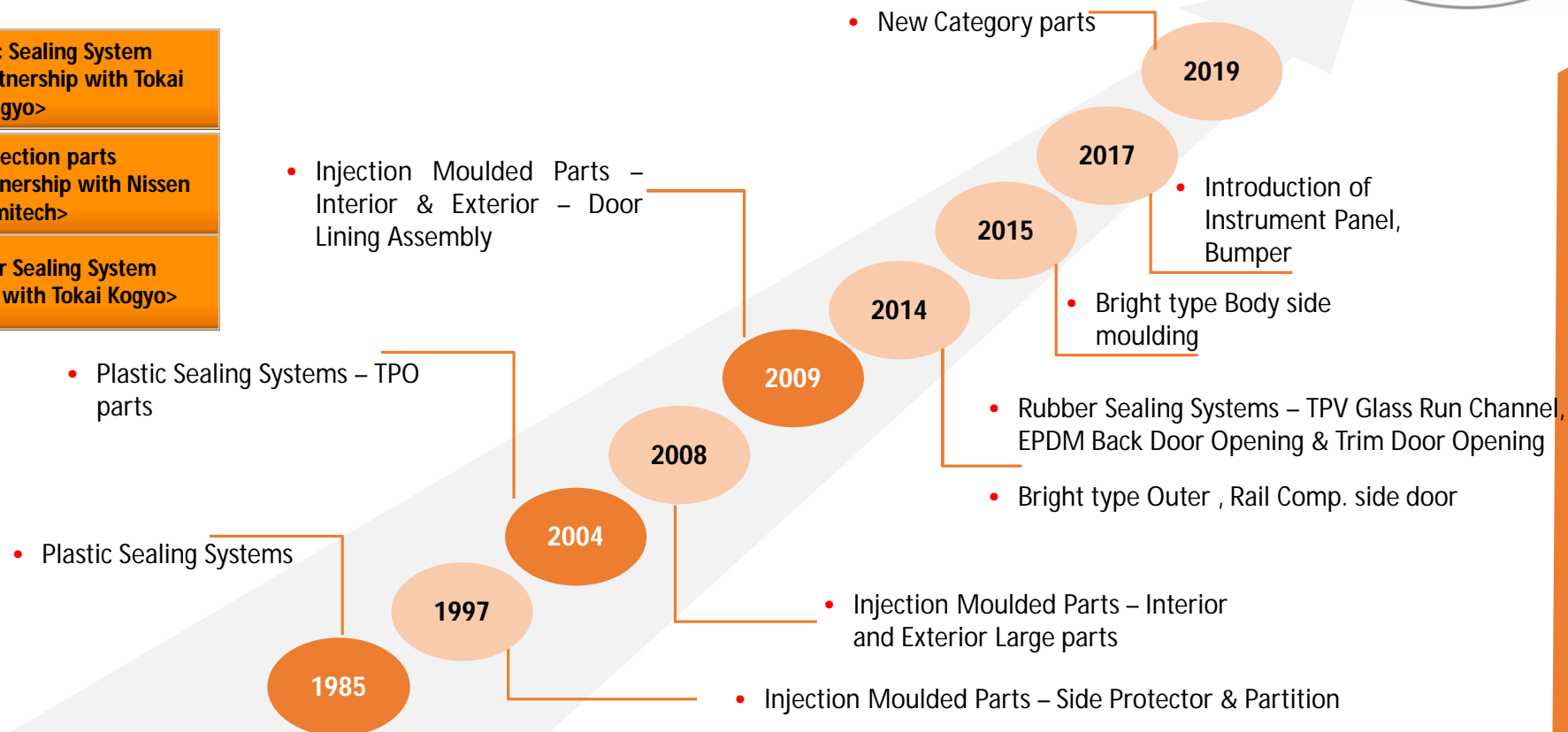
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# PRODUCT - MILESTONES

- 1989 – Plastic Sealing System  
<Technology partnership with Tokai Kogyo>
- 2007 – Injection parts  
<Technology partnership with Nissen Chemitech>
- 2012 – Rubber Sealing System  
<JV partnership with Tokai Kogyo>



CONTINUOUSLY SUPPORT CUSTOMER IN VALUE ADDED PRODUCTS & SERVICES

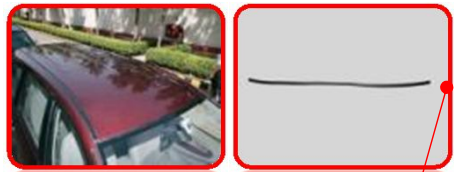




# SEALING SYSTEMS



**MOULDING WINDSHIELD**



**ROOF MOULDING**



**TRIM DOOR OPENING**



**AIR SPOILER**

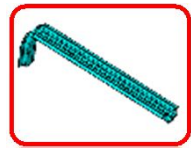
PVC  
TPO  
EPDM



**OUTER BELT  
BLACK/BRIGHT**



**INNER BELT**



**SLIDE RAIL**



**BACK DOOR /  
TRUNK SEAL**



**DOOR  
OPENING  
SEAL**



**GLASS  
RUN  
CHANNEL**



PRODUCTS MADE  
BY PTI (JV)



# INJECTION MOLDING PRODUCTS



FR-PILLAR



CTR-PILLAR



RR -PILLAR



PARTITION



REAR TRAY

## UNDER HOOD PRODUCTS



## IN CABIN PRODUCTS



LINING RR PANEL



SIDE PROTECTORS



SPLASH GUARD



DOOR LINING



FENDER INNER



TRUNK LINING



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# CUSTOMERS & FACILITIES

## CUSTOMERS

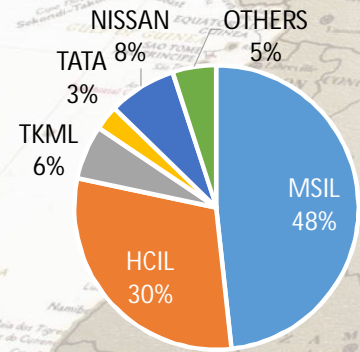
### Domestic Presence

### International Presence

**MARUTI SUZUKI**  
**SML ISUZU**  
**HONDA**  
**GM**  
**TATA**  
**TATA Mahindra**  
**TOYOTA**  
**NISSAN**  
**HYUNDAI**  
**Ford**

JAPAN  
 THAILAND  
 BRAZIL  
 UNITED KINGDOM  
 MEXICO  
 SOUTH AFRICA  
 VENEZUELA  
 ARGENTINA

### BUSINESS SHARE AS ON 31/03/2018



### FACILITIES

Plastic Extrusion  
 Injection  
 Rubber Extrusion  
 PTI, IV Company

### PLANTS

Noida I  
 Noida II  
 Surajpur III  
 Chennai V  
 Viramgam VI  
 Surajpur PTI, IV Company

NOT TO SCALE - FOR ILLUSTRATION PURPOSE ONLY



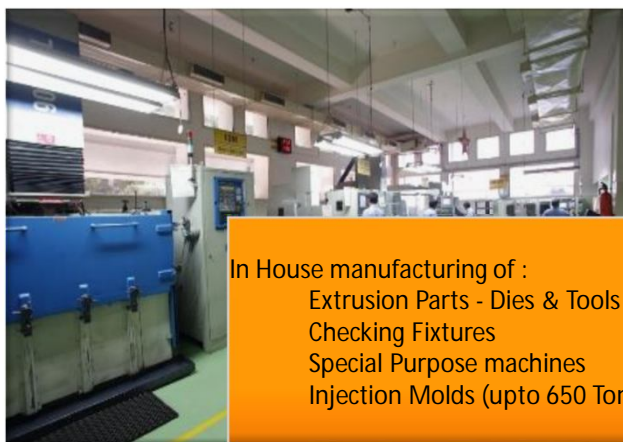
# DEVELOPMENT INFRASTRUCTURE

## DESIGN



- Product Design
- Tool Design
- Checking Fixture Design
- Design Validation
- Special Purpose Machines Design & Manufacturing

## TOOL MANUFACTURING



- In House manufacturing of :
- Extrusion Parts - Dies & Tools
  - Checking Fixtures
  - Special Purpose machines
  - Injection Molds (upto 650 Tons)

## VALIDATION

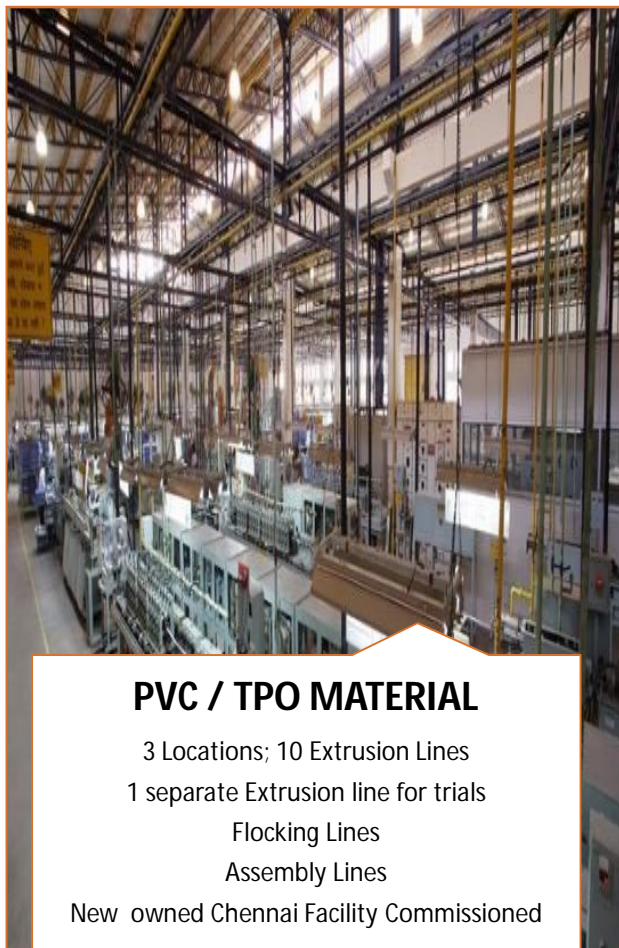


- Raw Material Testing
- Part Performance Testing



# MANUFACTURING INFRASTRUCTURE

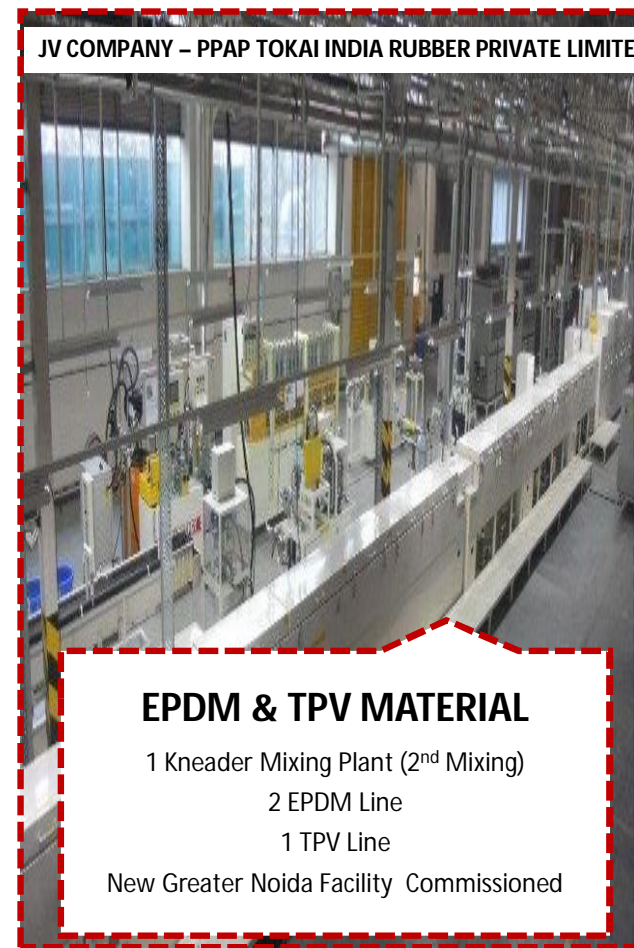
## PLASTIC EXTRUSION



### PVC / TPO MATERIAL

3 Locations; 10 Extrusion Lines  
1 separate Extrusion line for trials  
Flocking Lines  
Assembly Lines  
New owned Chennai Facility Commissioned

## RUBBER EXTRUSION



JV COMPANY – PPAP TOKAI INDIA RUBBER PRIVATE LIMITED

### EPDM & TPV MATERIAL

1 Kneader Mixing Plant (2<sup>nd</sup> Mixing)  
2 EPDM Line  
1 TPV Line  
New Greater Noida Facility Commissioned

## INJECTION MOLDING



### 38 Machines

3 locations  
Range: 60 Tons – 2500 Tons  
Make: Toshiba, Nissei, JSW, Fanuc, Toyo, Mitsubishi Electric, Hybrid, Gas Assist, Sequential Gate Valve, Hot Runner technology available  
New rented facility in Gujarat commissioned  
New owned facility in Gujarat under commissioning

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# CUSTOMER APPRECIATION



## ACCOLADES FOR 2018

SUPPLIER OF THE YEAR 2017 – GOLD AWARD FROM TOYOTA

ZERO PPM AWARD FROM TOYOTA

OVERALL PERFORMANCE (SHIELD) AWARD FROM MSIL

WON THE ECONOMIC TIMES POLYMERS AWARDS 2018

CERTIFICATE FOR ACHIEVING QUALITY TARGET FROM TOYOTA

CERTIFICATE FOR ACHIEVING DELIVERY TARGET TOYOTA

GENERAL MOTORS INDIA FOR THE “SUPPLIER QUALITY EXCELLENCE AWARD 2016”

SUBROS LTD. FOR “BEST SUPPLIER – BUSINESS SUPPORT 2016-17”



# CUSTOMER APPRECIATION



**TOYOTA MOTOR CORPORATION**



**HONDA CARS INDIA LIMITED**



**TOYOTA KIRLOSKAR MOTOR INDIA PVT LIMITED**



**MARUTI SUZUKI INDIA LIMITED**

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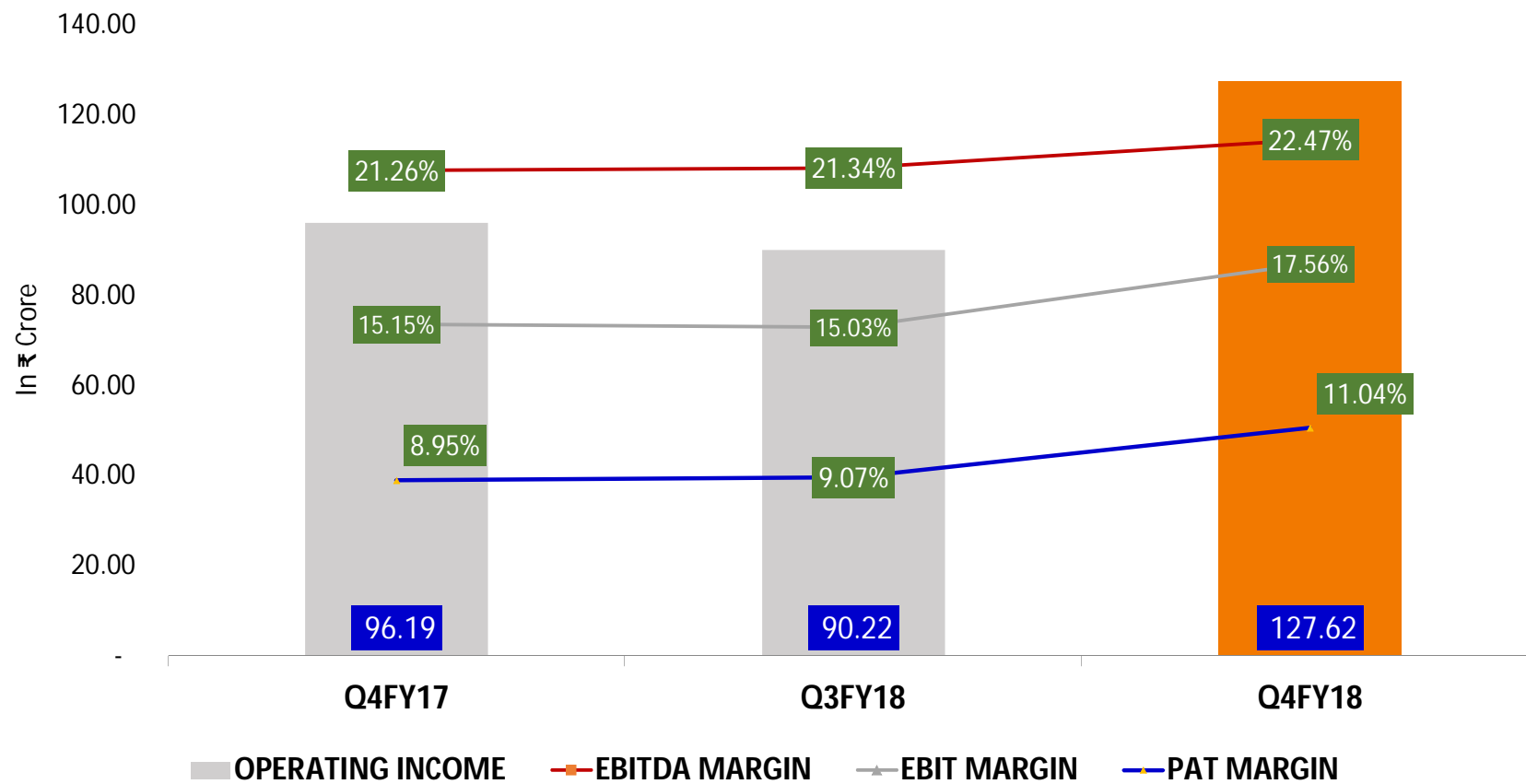
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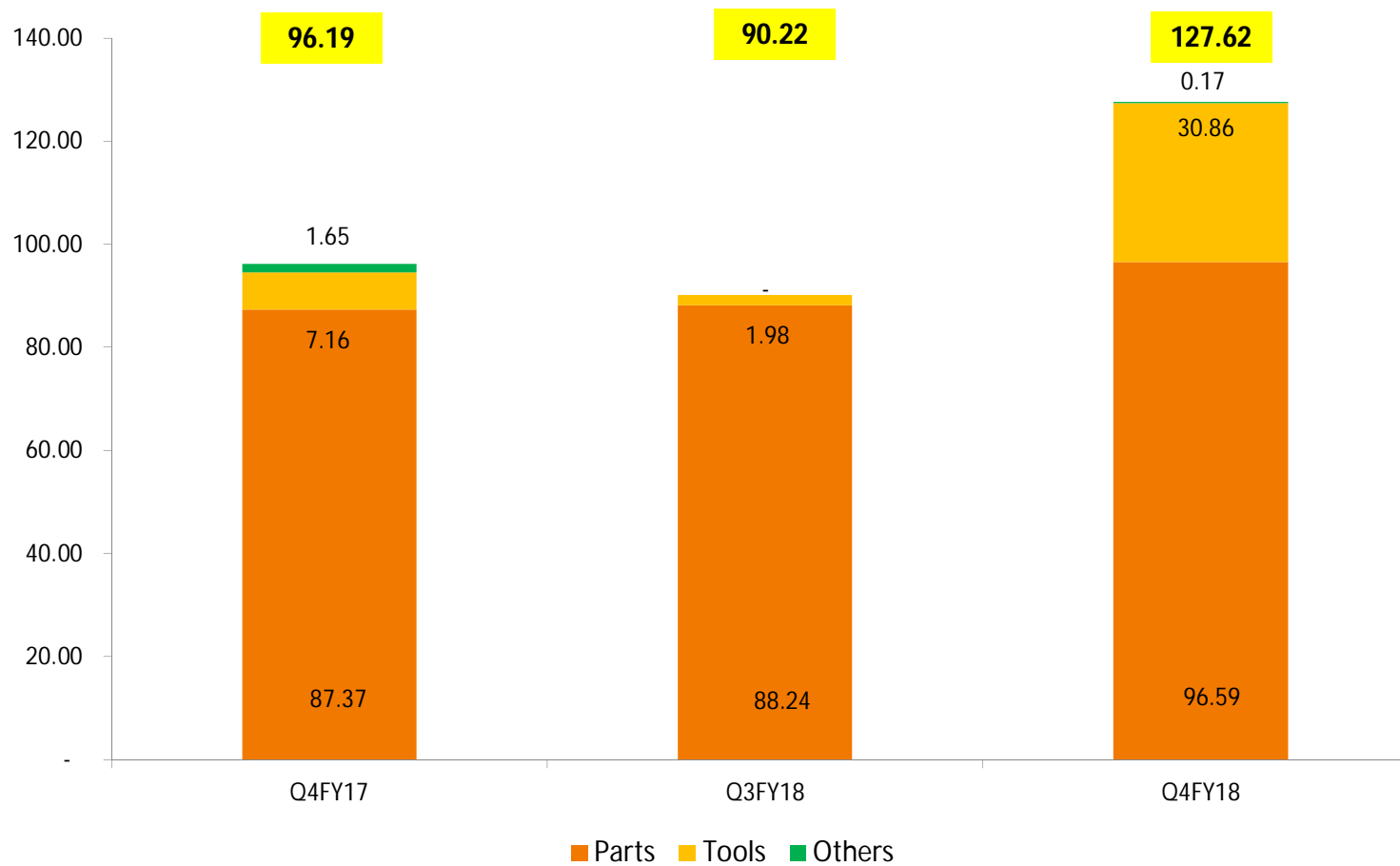
# SUMMARY



Total Income is net of Excise 27



## Operating Income (Net of Excise) (₹ crore)

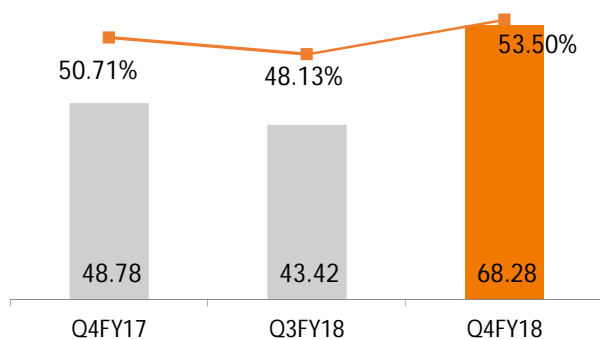


Total Income is net of Excise 28

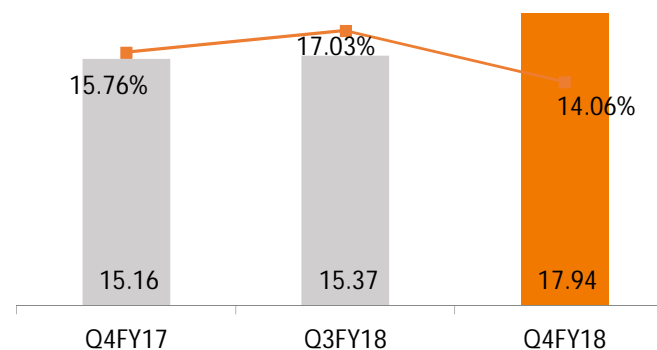


# Major Expenses (₹ crore)

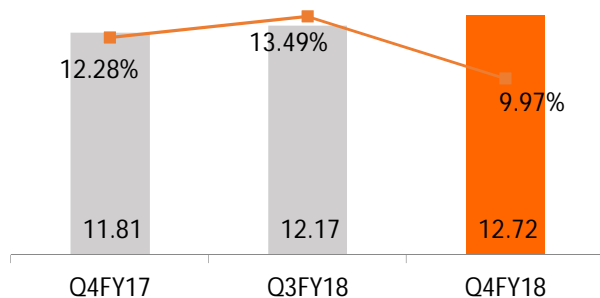
## Materials



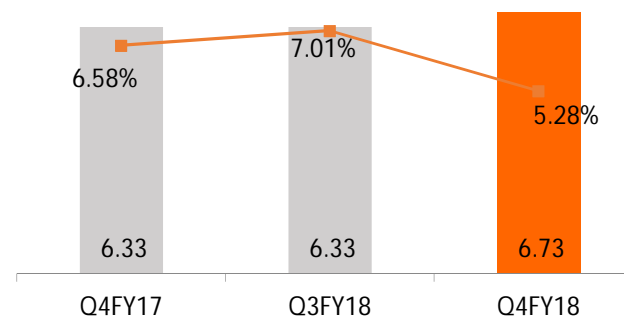
## Employee Benefits



## Other Expenses



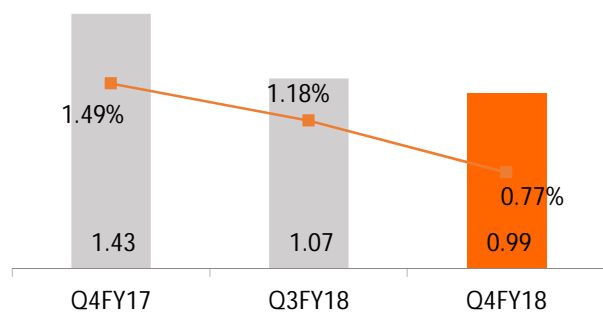
## Depreciation



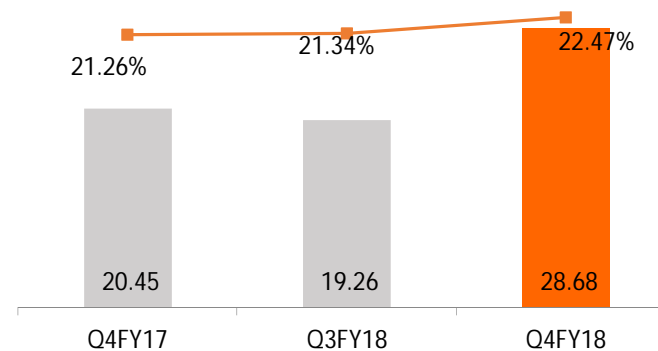


# Interest & Earnings(₹ crore)

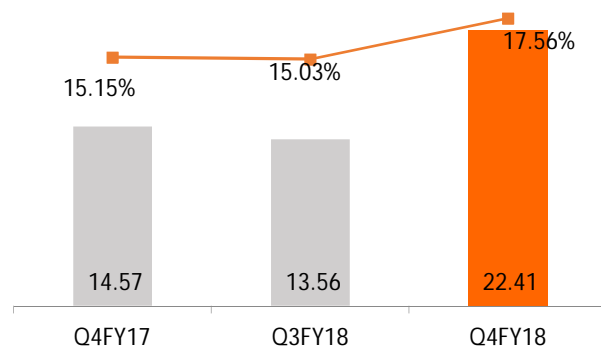
### Interest



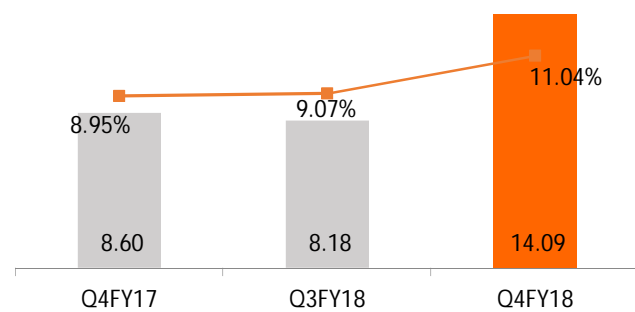
### EBITDA



### EBIT

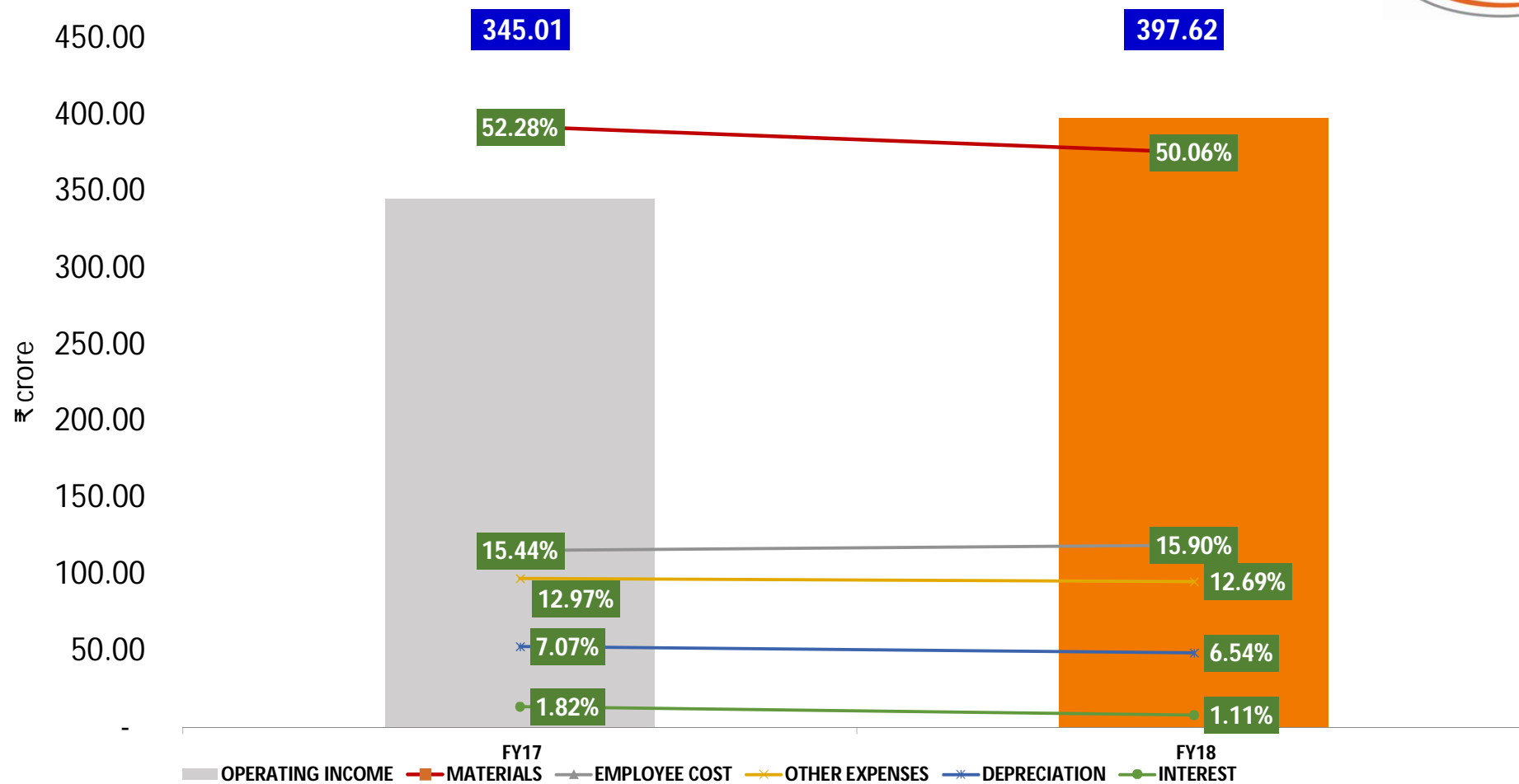


### PAT





## Annual Standalone Performance – Income & Major Expenses



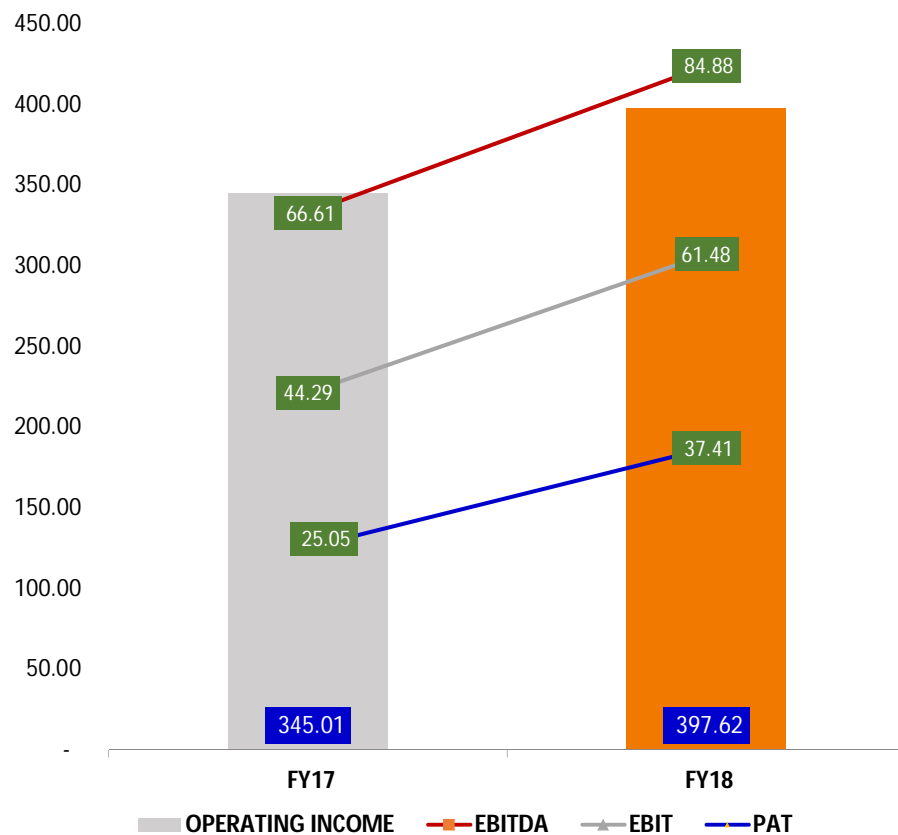
Total Income is net of Excise 31



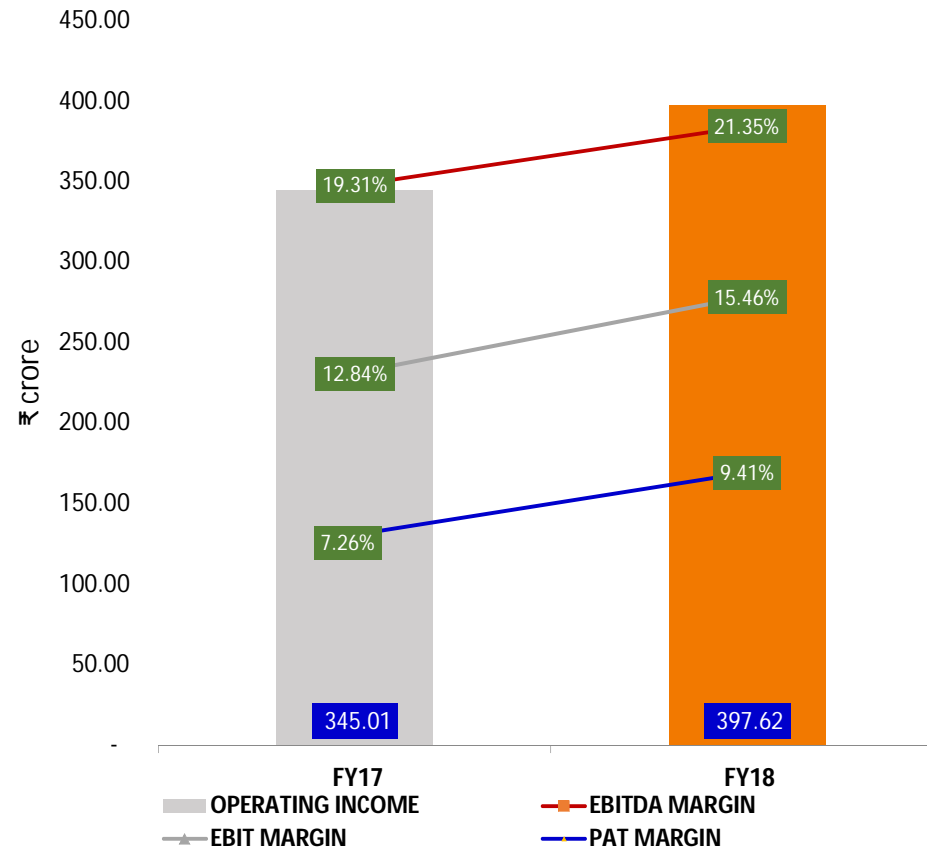


# Annual Standalone Performance – Profitability

₹ in Crore



Margin %



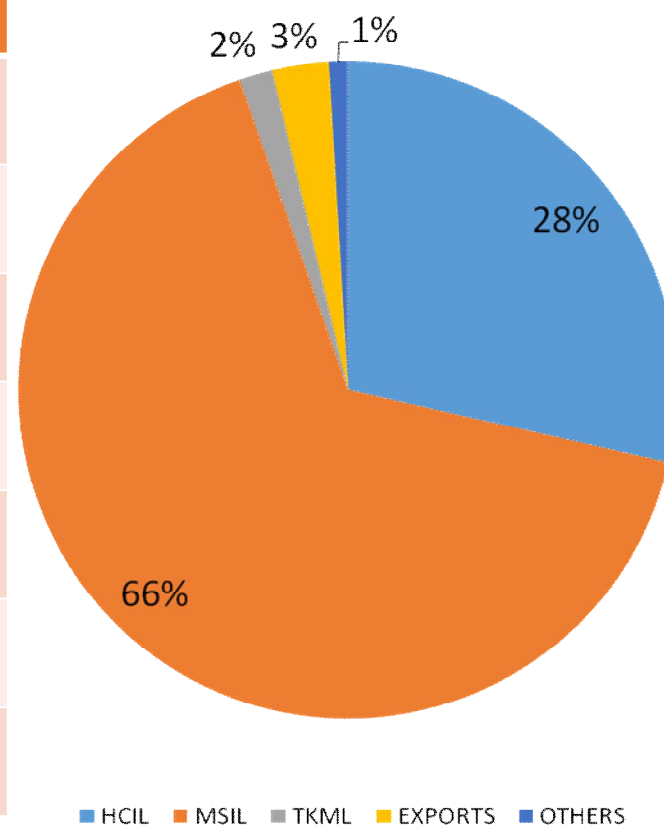
Total Income is net of Excise 32



## Result Summary – PPAP Tokai India Rubber Pvt Ltd. FY 2017-18

₹ Crs.

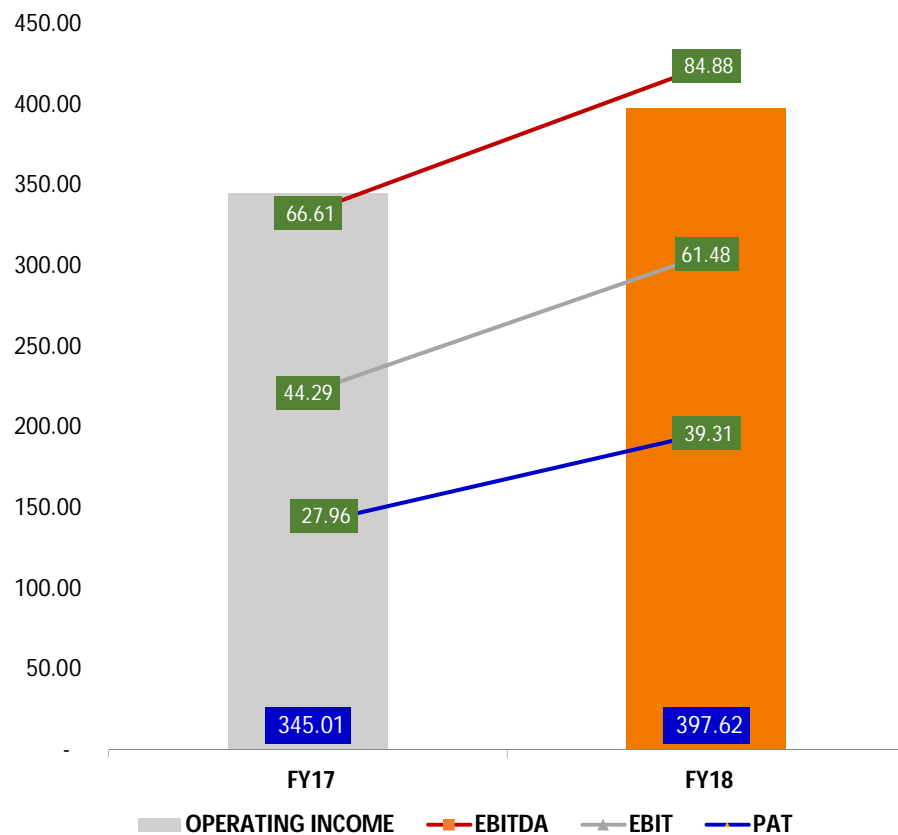
PARTICULARS	FY 17	FY 18	CHANGES
INCOME	47.19	62.95	33.41%
EBITDA	8.21	6.24	-23.99%
PAT	5.82	3.80	-34.65%
EPS RS.	0.60	0.39	-34.65%
NET WORTH	93.09	96.99	4.19%
GROSS FIXED ASSETS	57.30	77.94	36.02%
FUNDS AVAILABLE	26.29	20.21	-23.13%



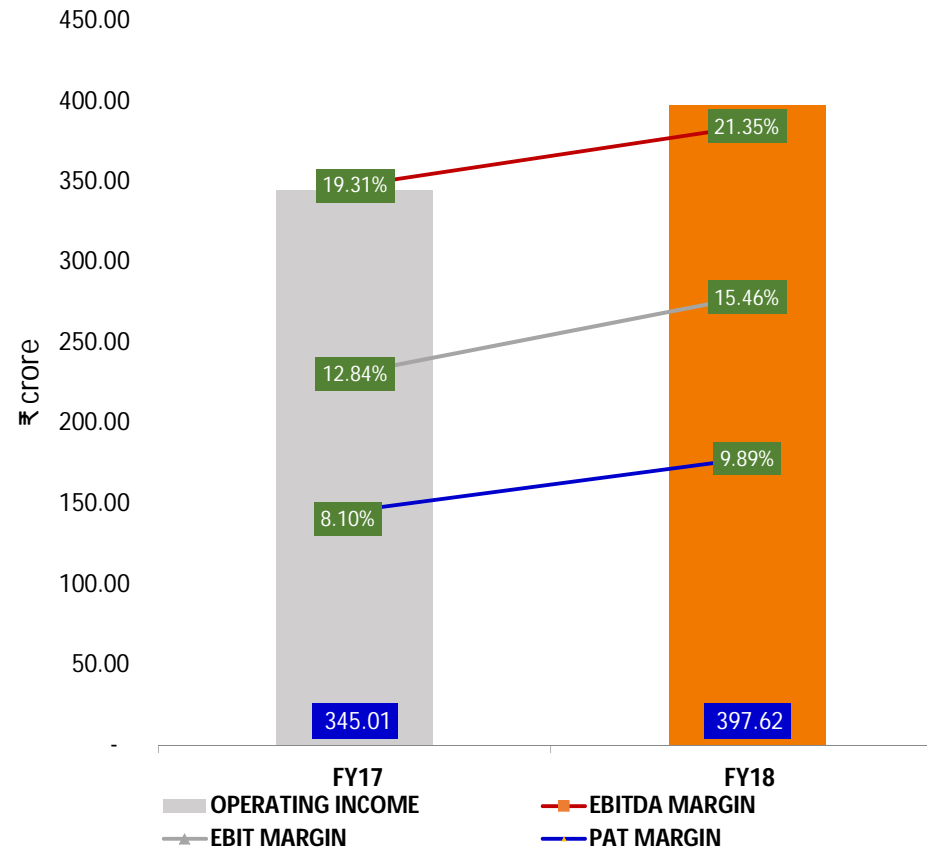


# Annual Consolidated Performance - Profitability

₹ in Crore



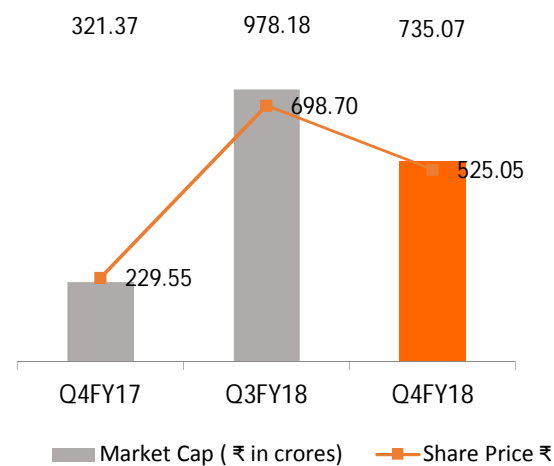
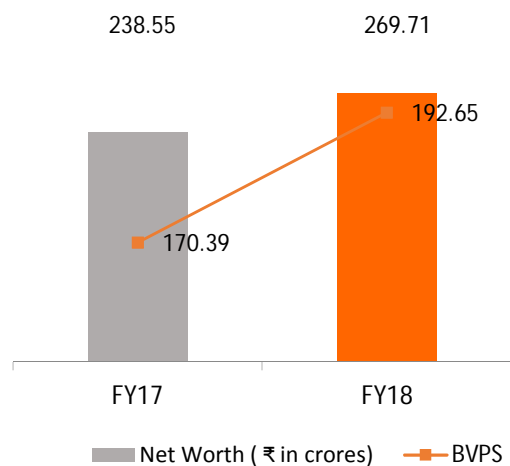
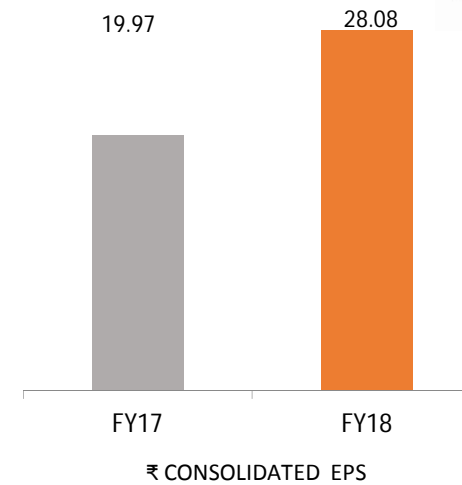
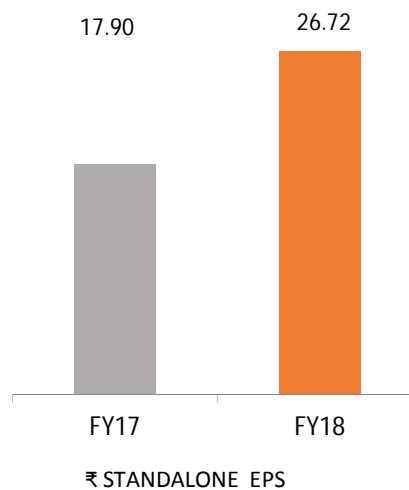
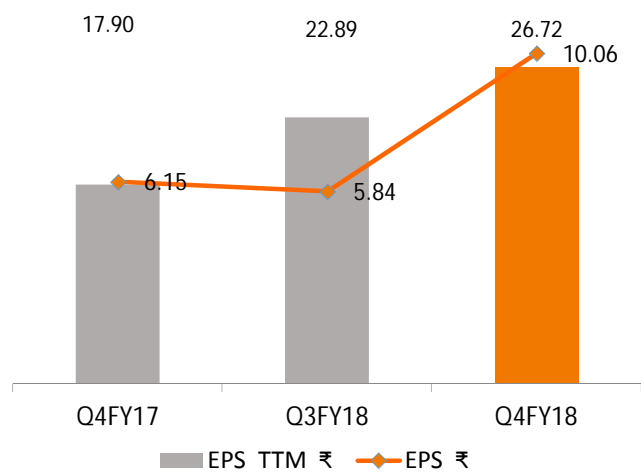
Margin %



Total Income is net of Excise 34

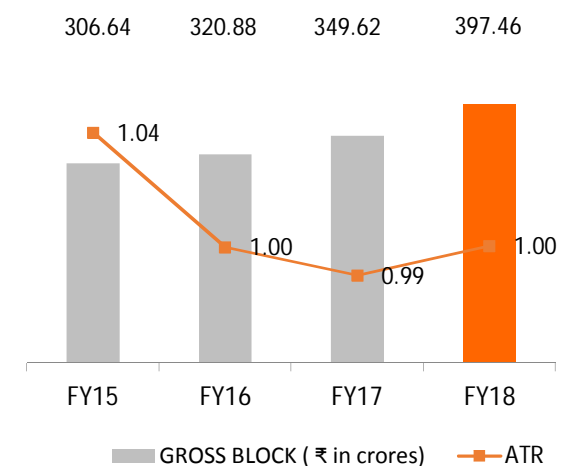
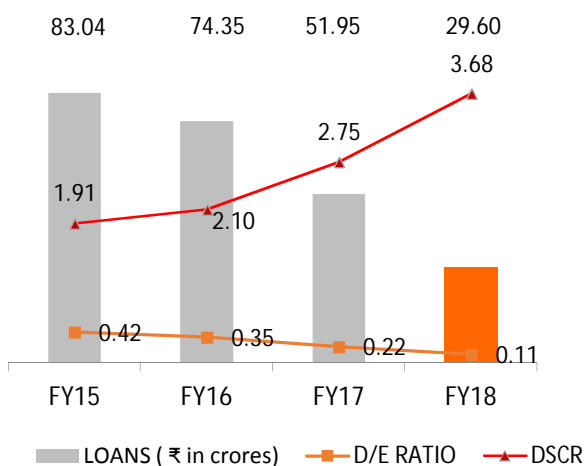
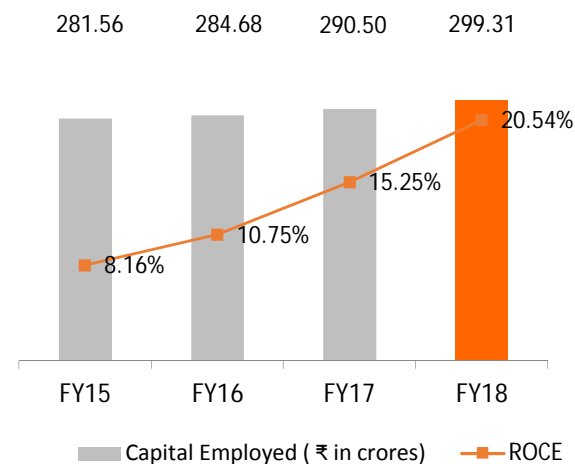
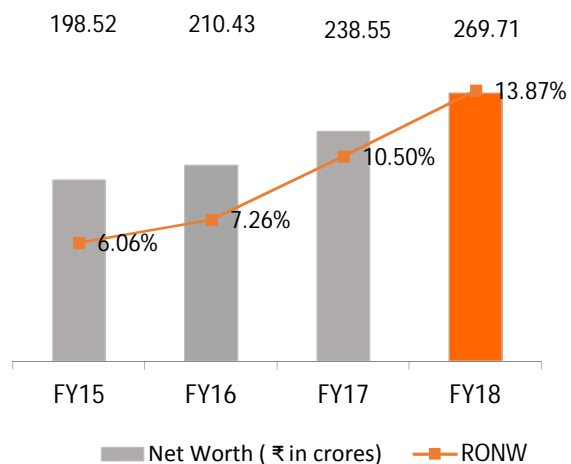


# EPS , BOOK VALUE, MARKET CAPITALIZATION(BSE)





# KEY RATIOS





## Key Points – FY 18 Performance

Grew faster than the industry growth rate, Growth in part sales 14.40%.

EBITDA margin at 21.25%, Improved by 2.05% from last year due to focus on operational efficiencies and continues effort on cost reduction activities.

PAT at ₹ 37.41 Crs. Increased by 49.34%.

ROCE at 20.54% (PY15.25%) , RONW at 13.87% (PY 10.50%).

Very healthy D/E ratio at 0.11, demonstrate the capabilities to meet the fund requirements for future growth of the company.

Strategic investment in owned facilities at Gujarat and Tamilnadu to cater the customers in west and south area.

Started manufacturing of new products such as Instrument panel, Bumpers, parts for two wheelers.

Investment in internal IT infrastructure to enhance the Part design and development capabilities, Tool design, project management and faster flow of information.

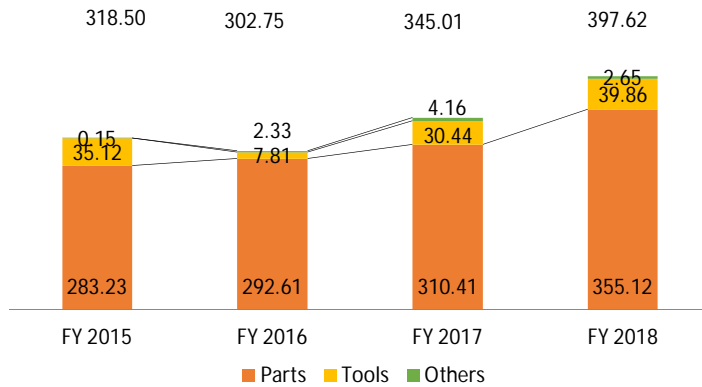
Customers confidence maintained reflected through prestigious awards.



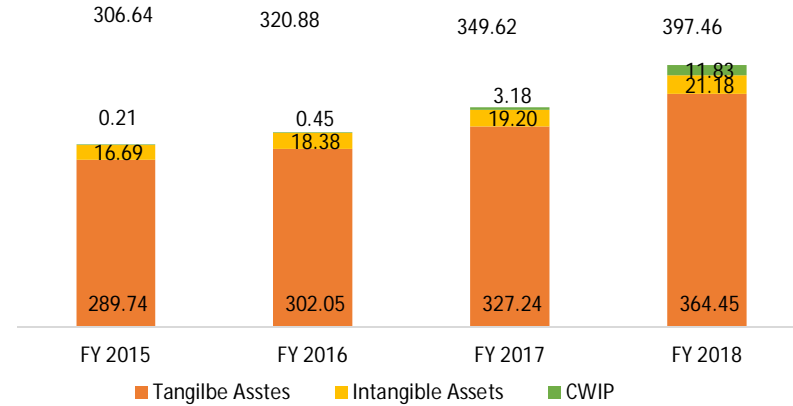
₹ Crs.

# FINANCIAL PERFORMANCE SNAPSHOT (FY 2015 - FY 2018)

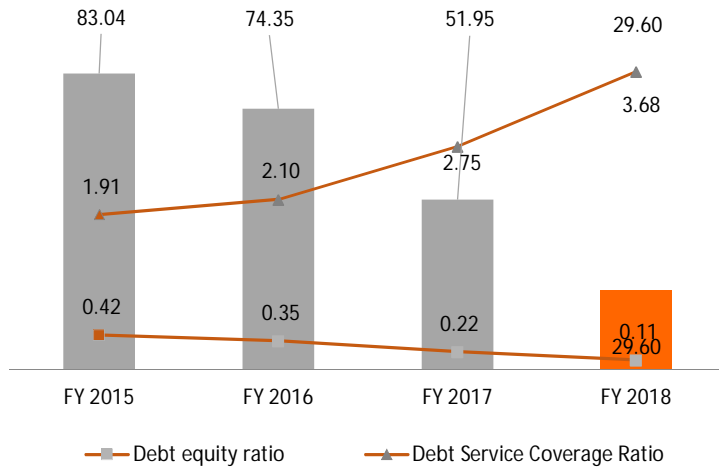
**Operating Income**



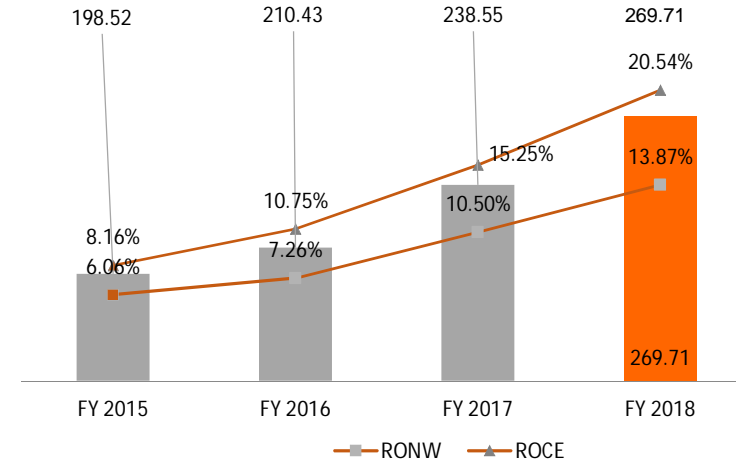
**Fixed Assets (Gross Block)**



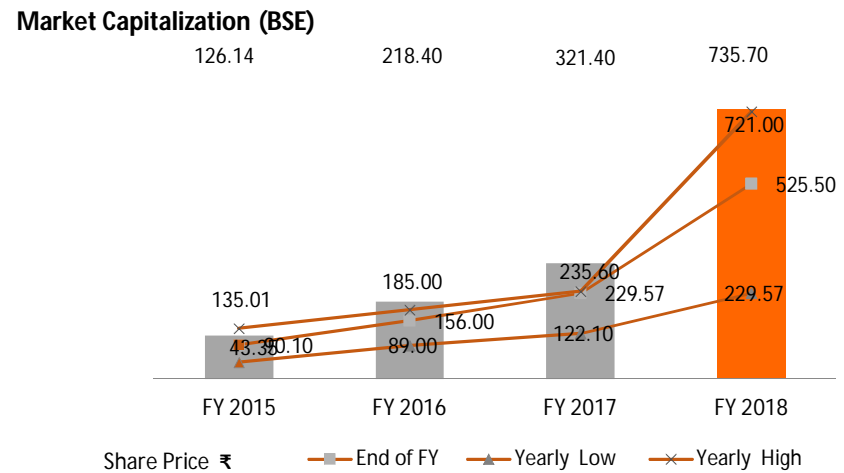
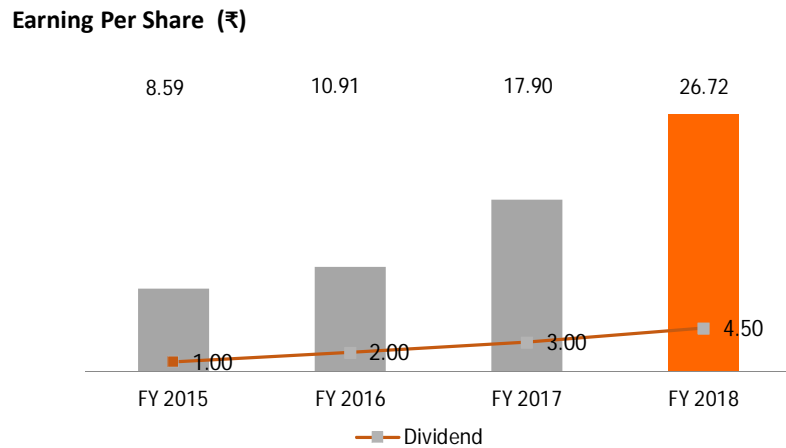
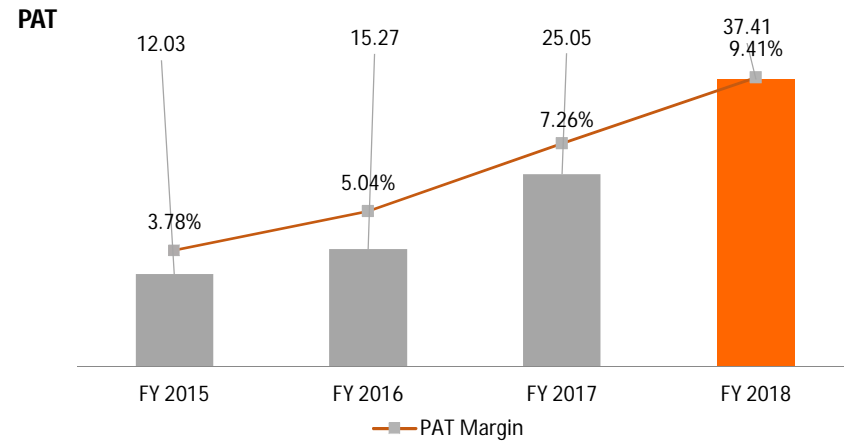
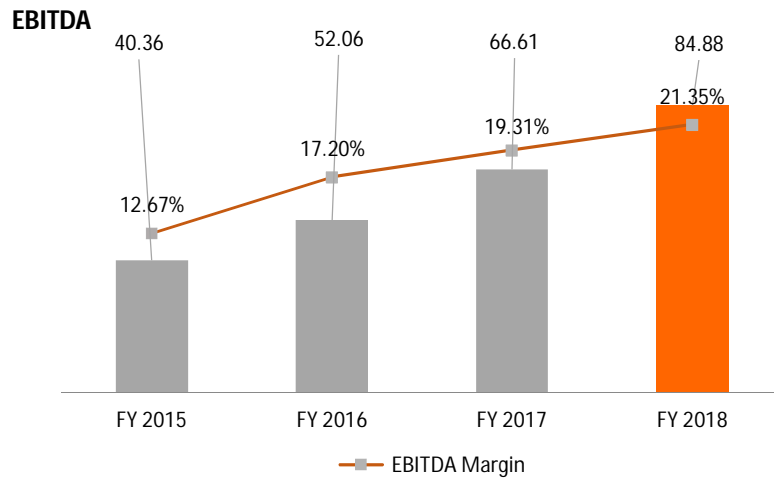
**Debt**



**Net Worth**



# FINANCIAL PERFORMANCE SNAPSHOT (FY 2015-FY 2018)

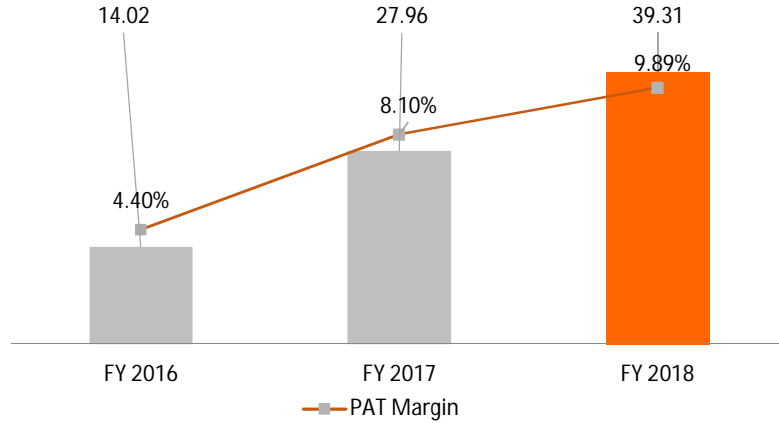




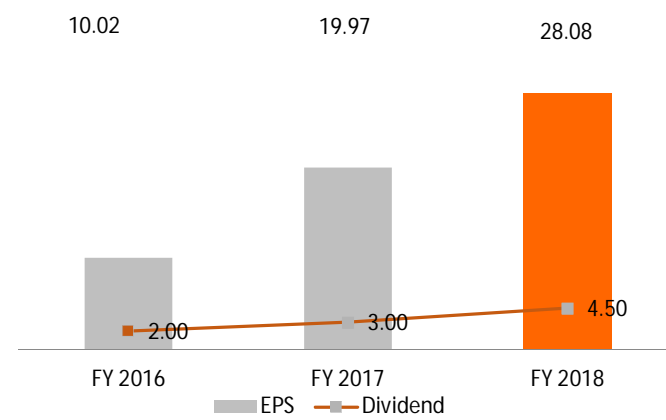
# CONSOLIDATED FINANCIAL SNAPSHOT (FY 2016-2018)



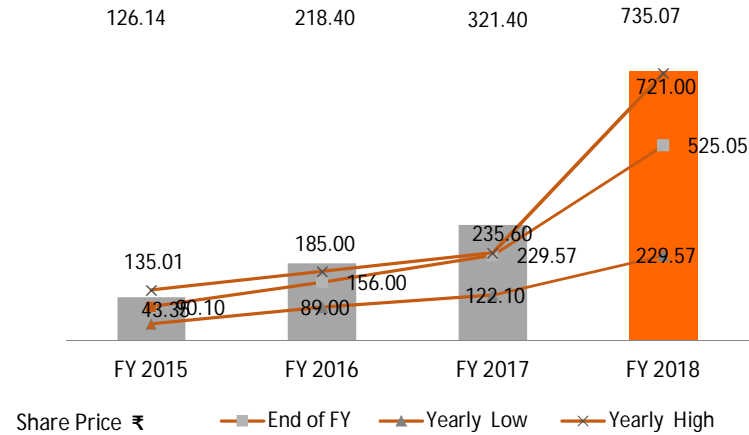
PAT



Earning Per Share (₹)



Market Capitalization (BSE)





## DISCLAIMER

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

**PPAP Automotive Ltd.** will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



# Thank You



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