



INVESTOR PRESENTATION 2018

Singapore – Hong Kong





**ASTRAL, WHERE
INNOVATION FLOWS**

BUSINESS OVERVIEW

OPERATING
IN TWO
HIGH GROWTH
BUSINESS
CATEGORIES



PIPING



ADHESIVES



 ASTRAL
PIPES • ADHESIVES

CORPORATE STRUCTURE



ASTRAL POLY TECHNIK LIMITED

ABPL
100%

RESINOVA
CHEMIE LTD
97.45%

REX POLY-
EXTRUSION
PVT. LTD.
51%

SEAL IT
UK
80%

APL
KENYA
50%

SEAL IT
USA
100%



PRESENCE IN 4 COUNTRIES.

10 MANUFACTURING LOCATIONS.

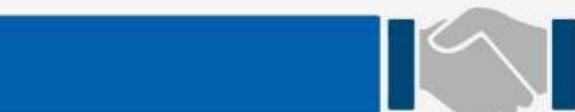
4000+ EMPLOYEES.

- One of India's fastest growing piping companies
- A Fortune India 500 company
- Comprehensive range of piping & adhesives



ASTRAL, THE TRENDSETTER

-  First to introduce CPVC piping in India
-  Introduced countless innovations in piping category
-  Offers the widest piping product range
-  Four piping mfg. units in India - and one abroad
-  Three adhesives mfg. units in India – and two abroad
-  Known for zero-compromise quality and service
-  Always ahead on the technology curve
-  Robust network of channel partners



ASTRAL GROUP – BUSINESS SEGMENTS



PIPING

Plumbing
Drainage
Agriculture
Industrial
Fire Protection
Conduit
Ancillary

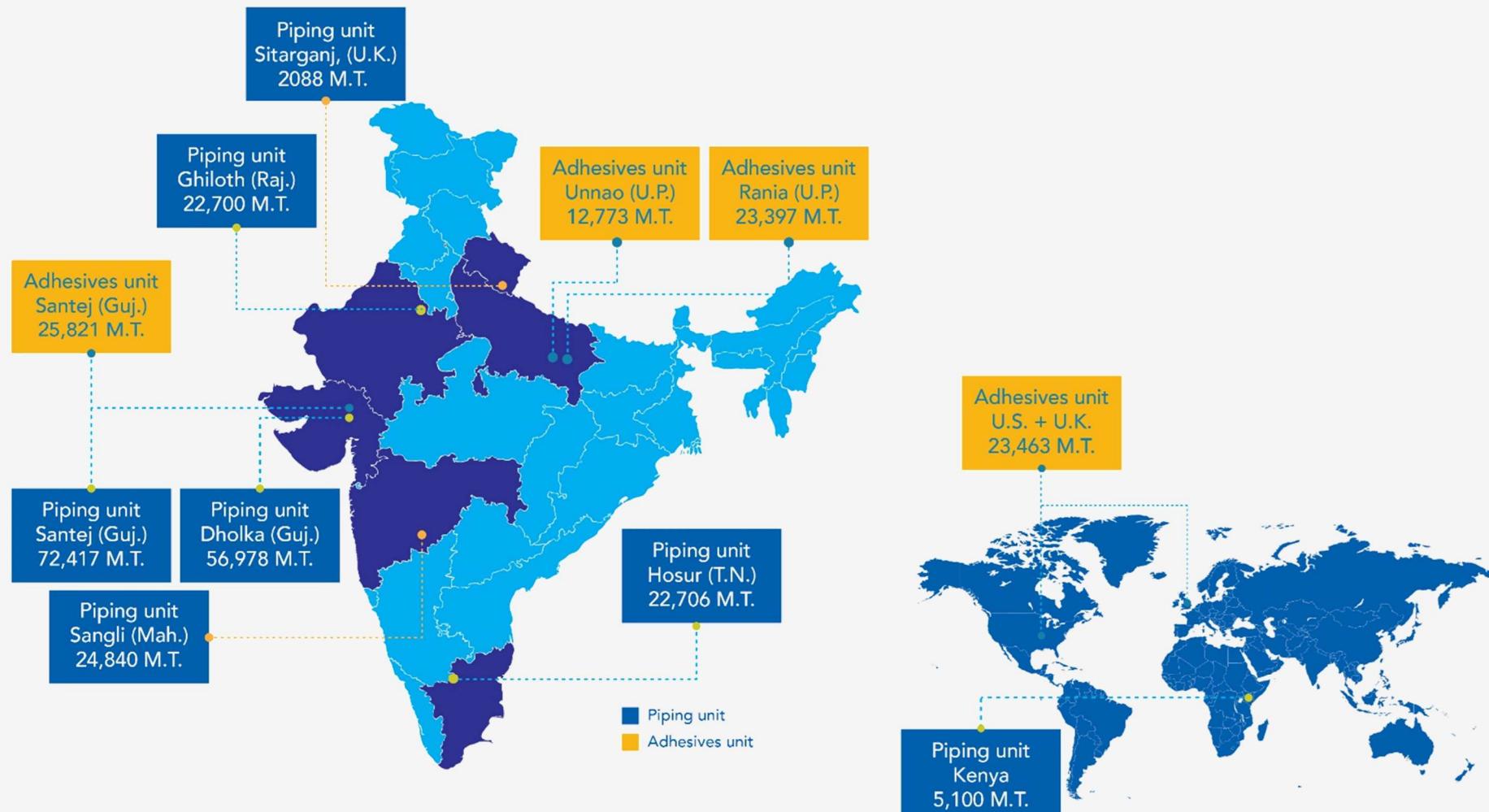


ADHESIVES

Epoxy Adhesives & Putty
Silicone Sealants
Construction Chemicals
PVA
Cyanoacrylate
Solvent Cements
Tapes
Polymeric Filling Compound
Anaerobic Adhesives
Industrial Adhesives



ASTRAL GROUP – PRODUCTION FACILITIES



GHILOTH PLANT (PIPING), RAJASTHAN



To be operational in
July 2018

Will strengthen
company's presence
in North India



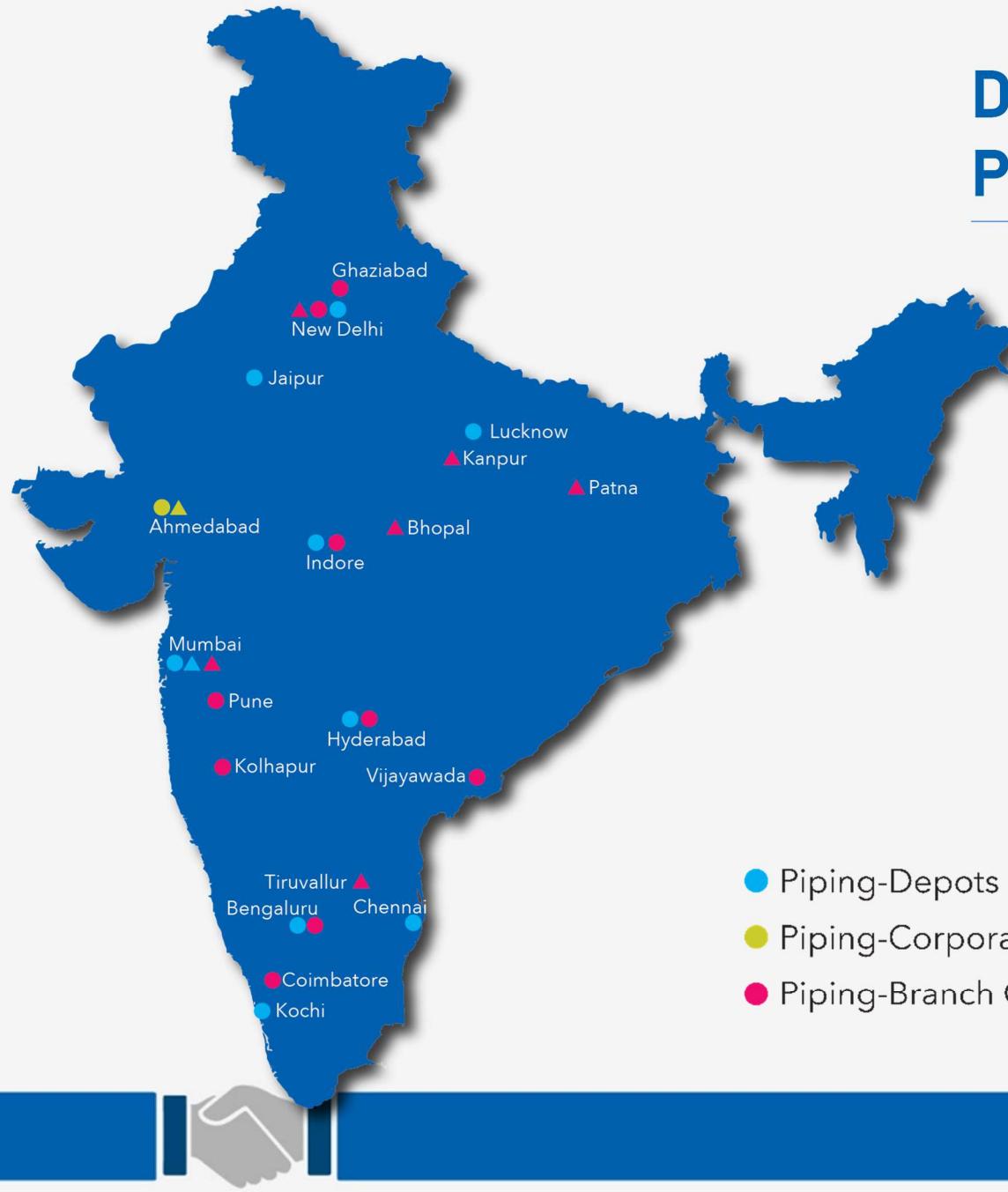
HOSUR (TAMILNADU) PLANT (PIPING)- CAPACITY EXPANSION



Added capacity to be operational in September 2018, which will strengthen company's presence in South India

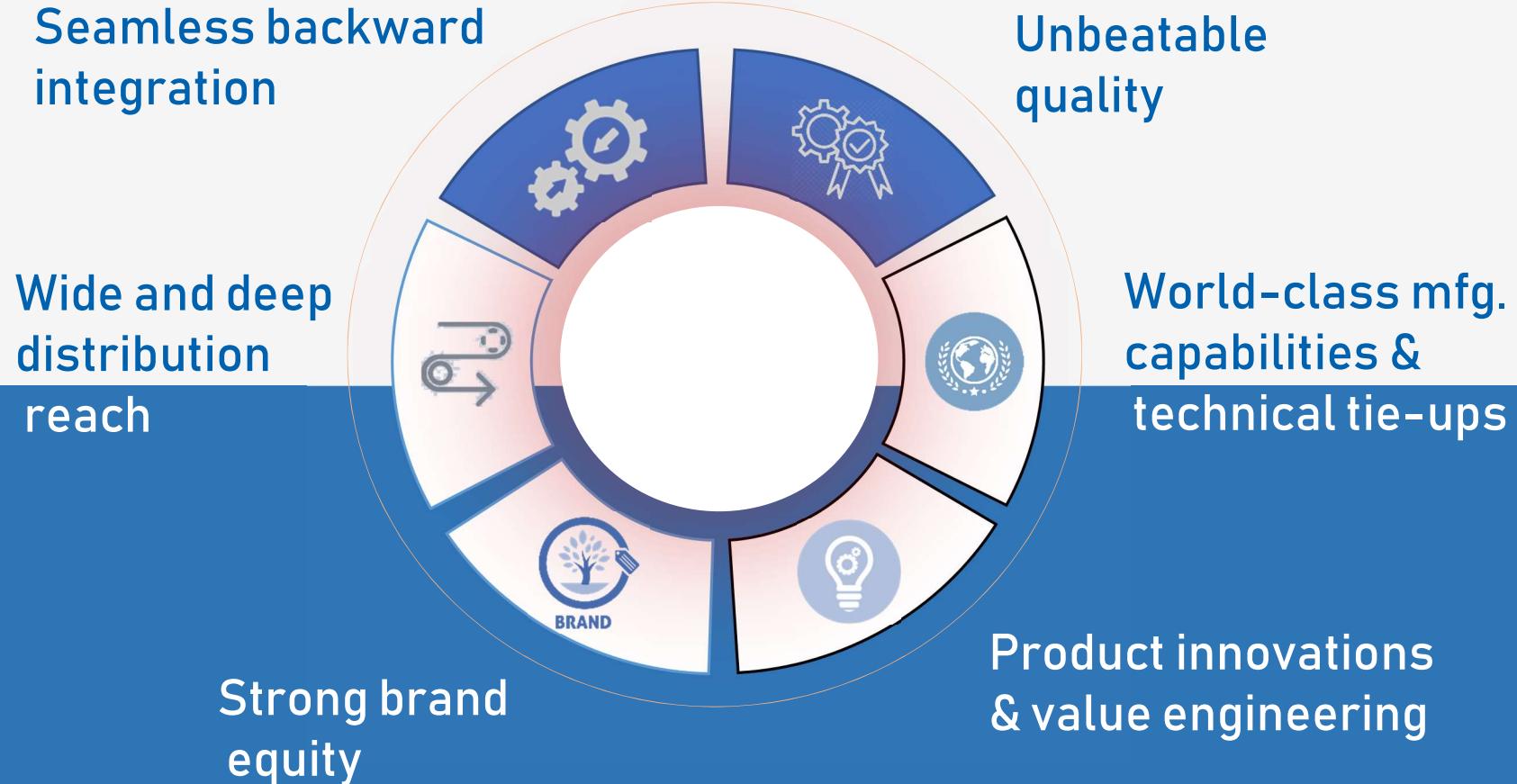


DEPOTS AND OFFICES, PIPING AND ADHESIVES



- Piping-Depots
- ▲ Adhesives-Depots
- Piping-Corporate Office
- ▲ Adhesives-Corporate Office
- Piping-Branch Offices
- ▲ Adhesives-Branch Offices

CORE COMPETENCES, ADVANTAGE ASTRAL



INTRODUCING RESIQUICK- INSTANT ADHESIVE



FEATURES AND BENEFITS

- Attractive and user-friendly ampule
- Easy and precise application, single drop accuracy
- Cost effective due to multiple usage
- Higher shelf life





BRANDING AND ADVERTISING

- TV and print ads
- Outdoor brand promotion
- Radio ads
- Trade exhibitions
- Dealer shop branding
- In-film product integration
- On-ground cricket match branding
- Brand association – IPL
- Dealer meets
- Plumber meets
- Consultant meets
- Digital Marketing





ROBUST DISTRIBUTION NETWORK

PIPING:

- 750+ Distributors
- More than 28,000 dealers

ADHESIVES:

- 1800 Distributors
- Approx. 4 lac dealers



CORPORATE SOCIAL RESPONSIBILITY



YOG SADHAN ASHRAM

ACTIVITIES:

- Yoga classes and workshops
- Naturopathy Treatment
- Ayurveda Consultancy
- Acupressure Treatment
- Pranik Healing Treatment



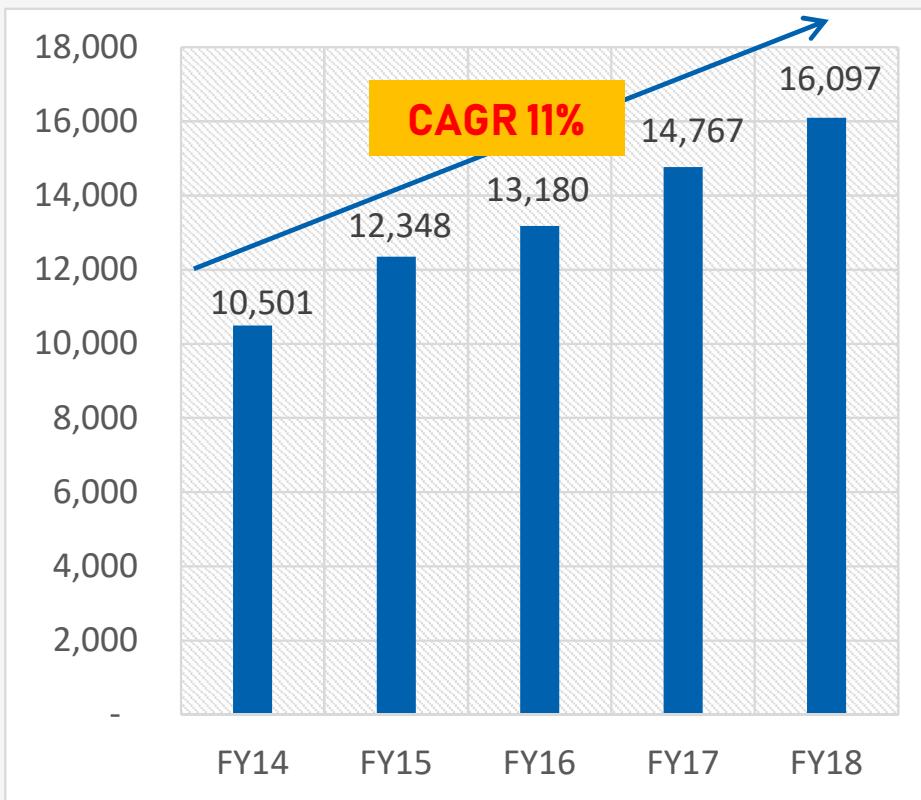


FINANCIAL HIGHLIGHTS

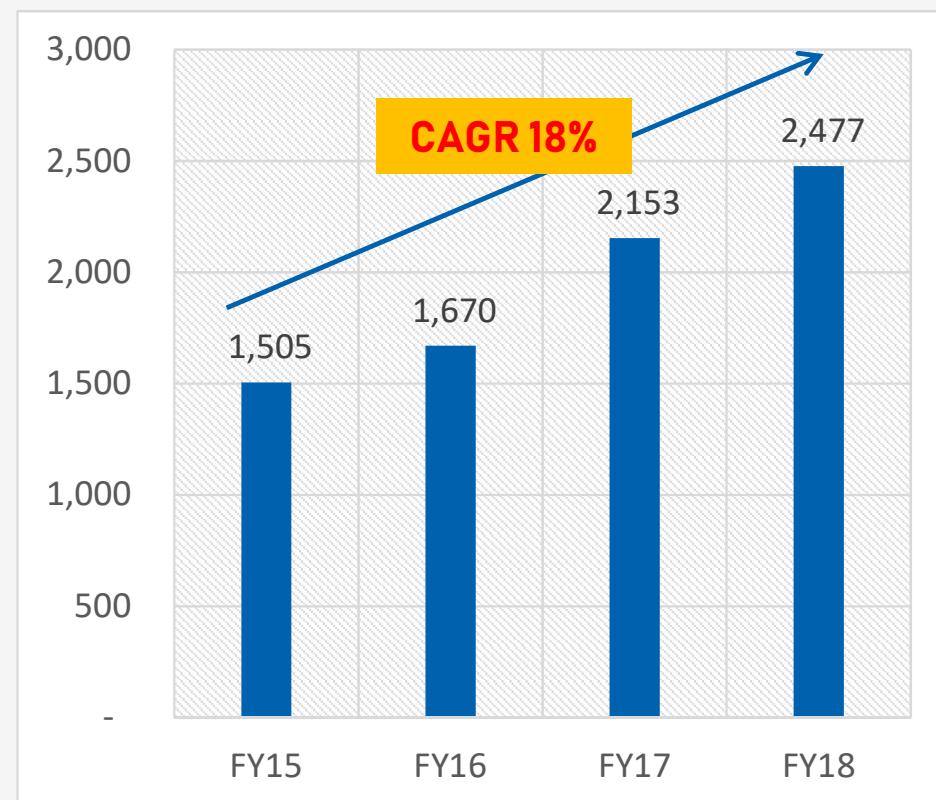


PIPING BUSINESS (INR MN.)

NET REVENUE



EBIDTA

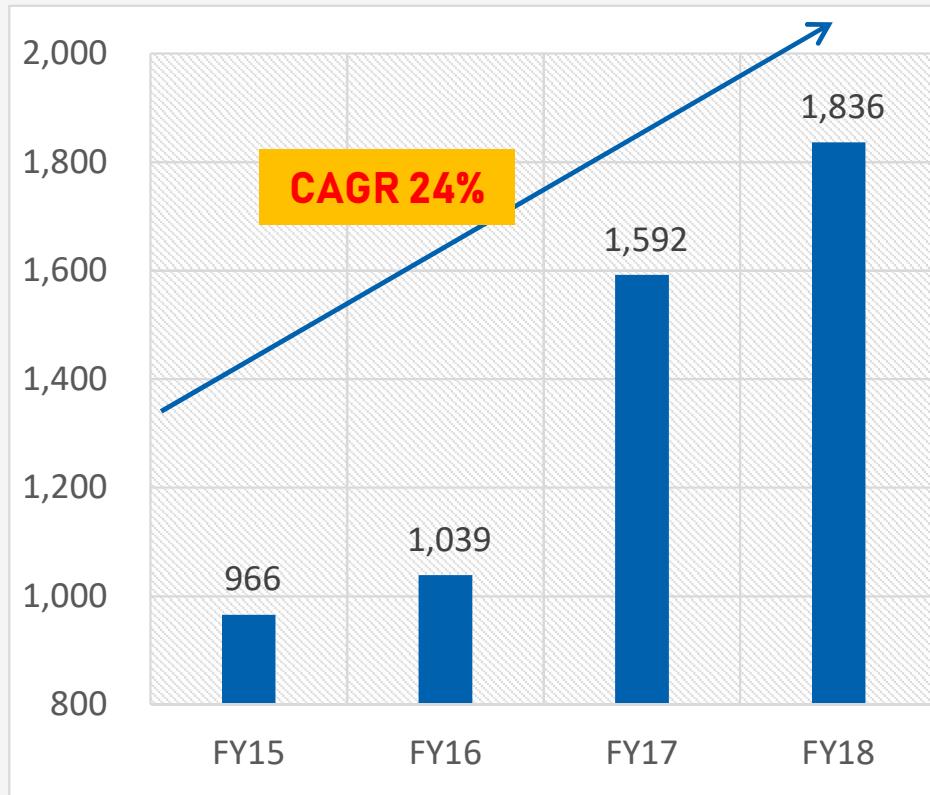


Figures from FY 16 onwards are as per Ind AS

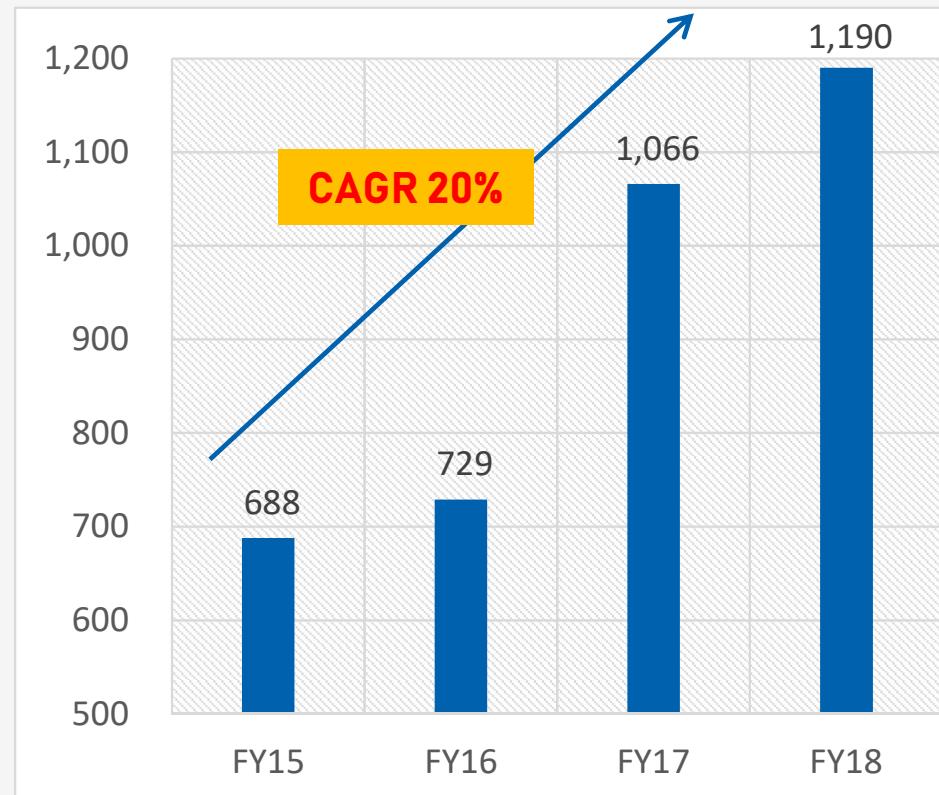


PIPING BUSINESS (INR MN.)

PBT (BEFORE EXCEPTIONAL ITEM)



PAT

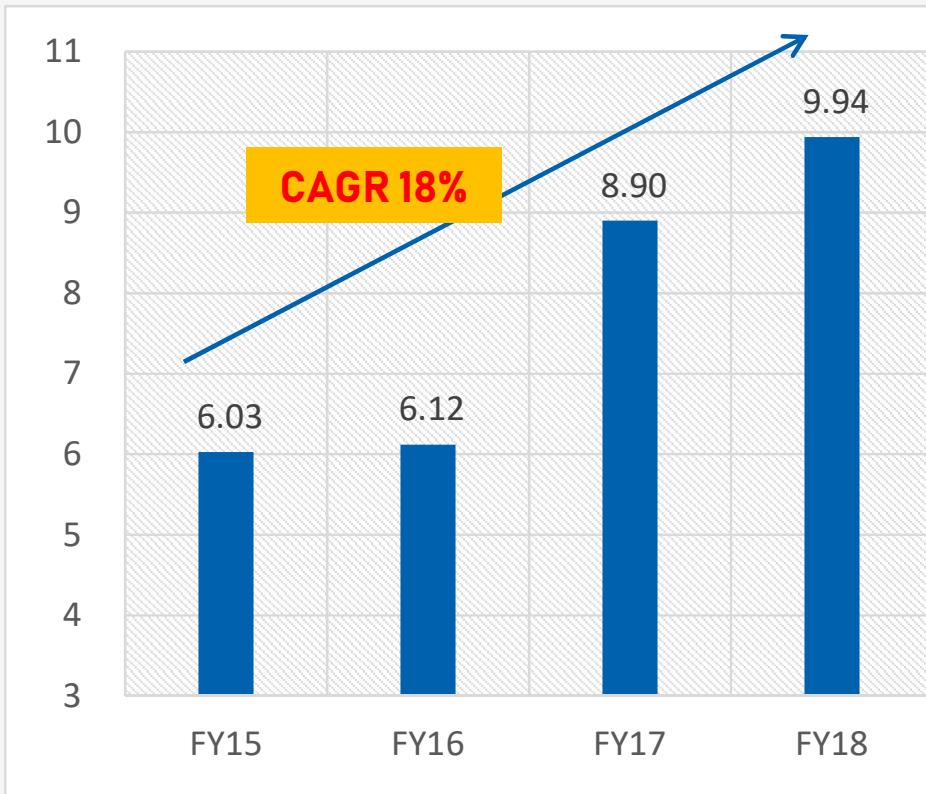


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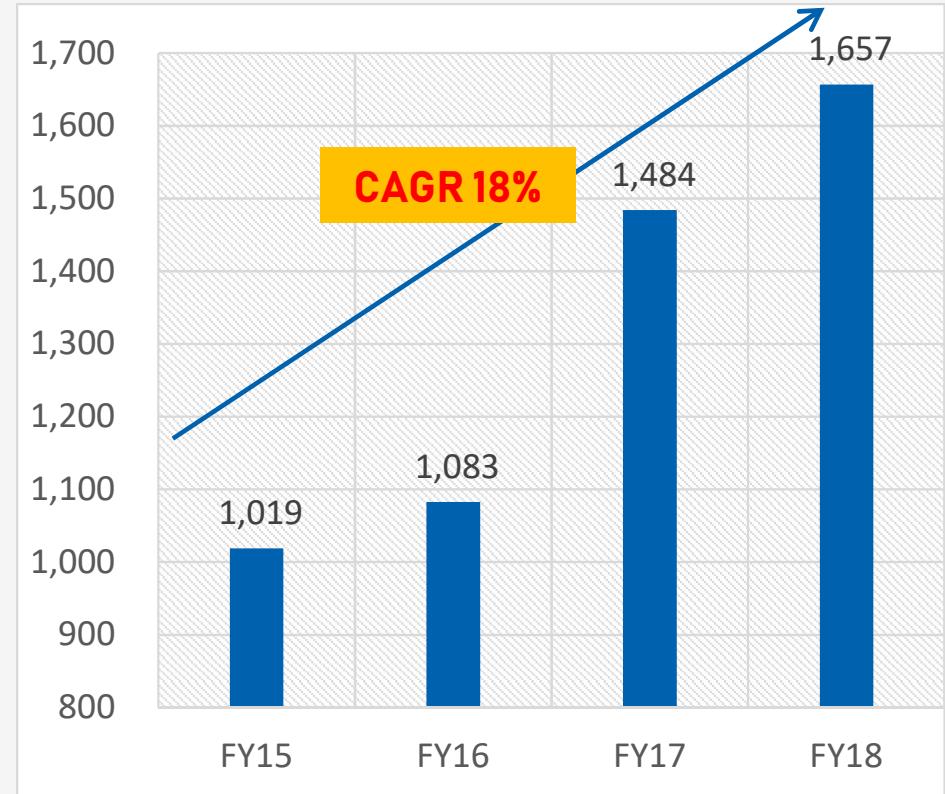


PIPING BUSINESS (INR MN. EXCEPT EPS)

EPS (IN INR)



CASH PROFIT



Figures from FY 16 onwards are as per Ind AS



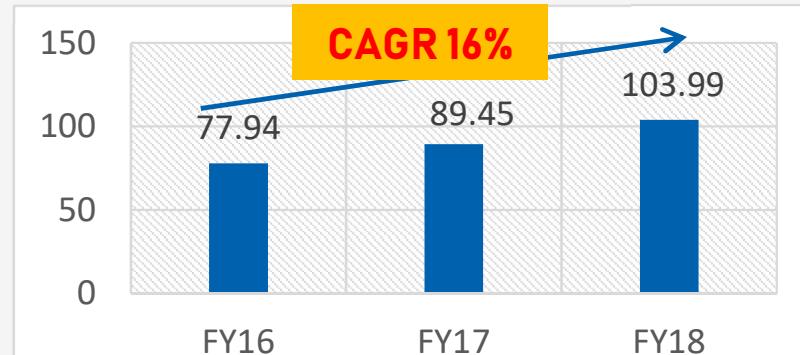
PIPING BUSINESS - RATIOS, CAPACITY & PRODUCTION

DEBT / EQUITY RATIO

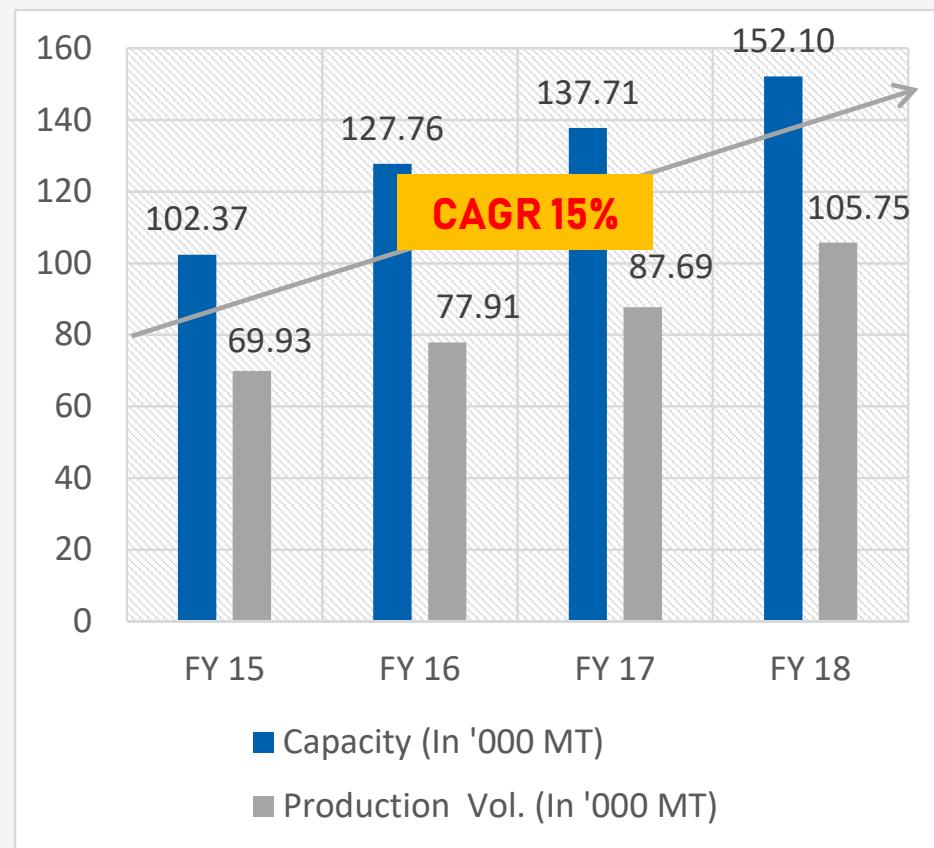


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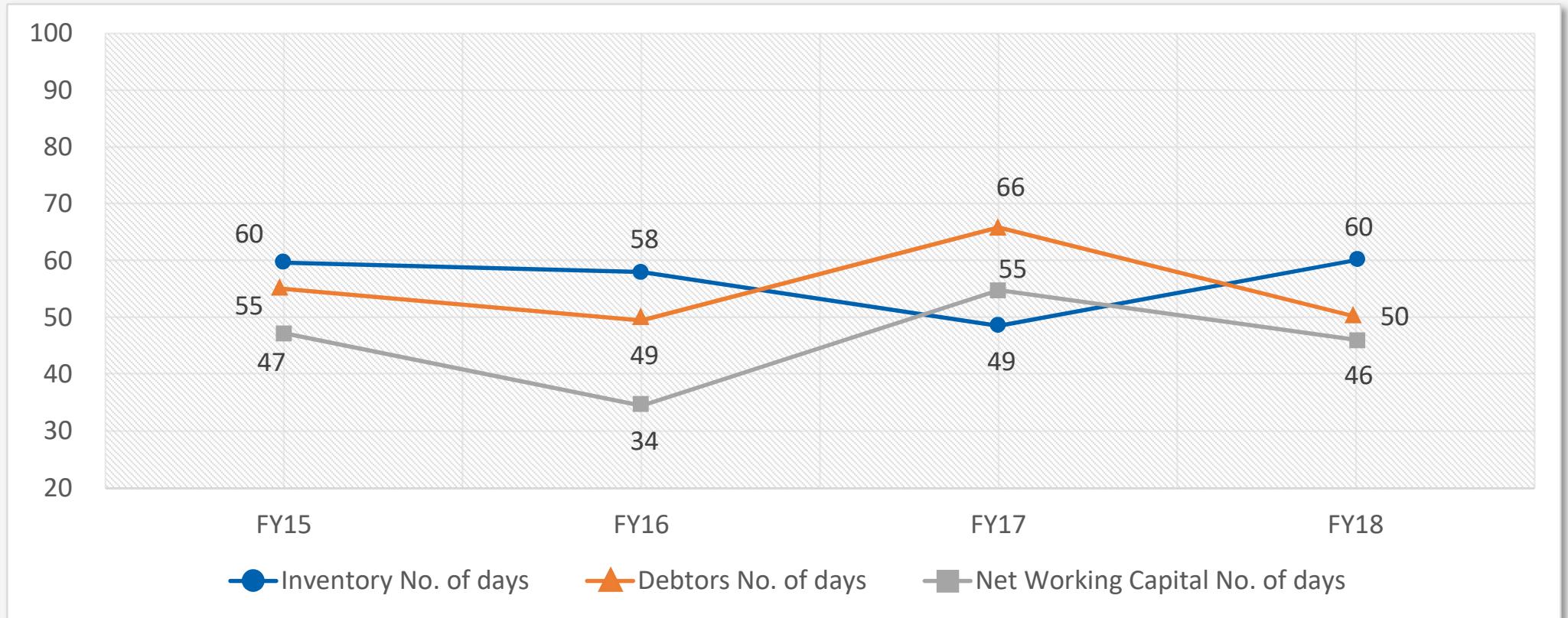
SALES (IN '000 MT)



CAPACITY UTILIZATION (IN '000 MT)



PIPING BUSINESS - WORKING CAPITAL RATIO (IN DAYS)



Figures from FY 16 onwards are as per Ind AS

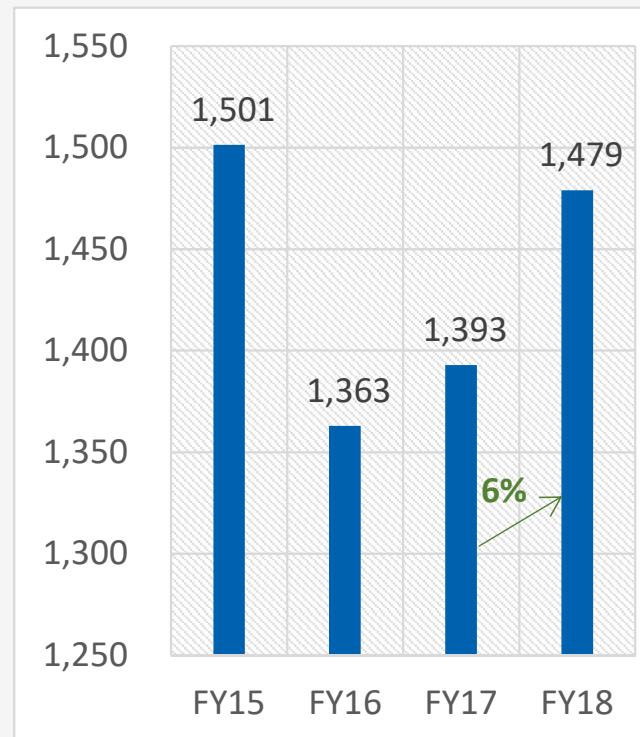


ADHESIVES BUSINESS SUMMARY OF SUBSIDIARIES (INR MN.)

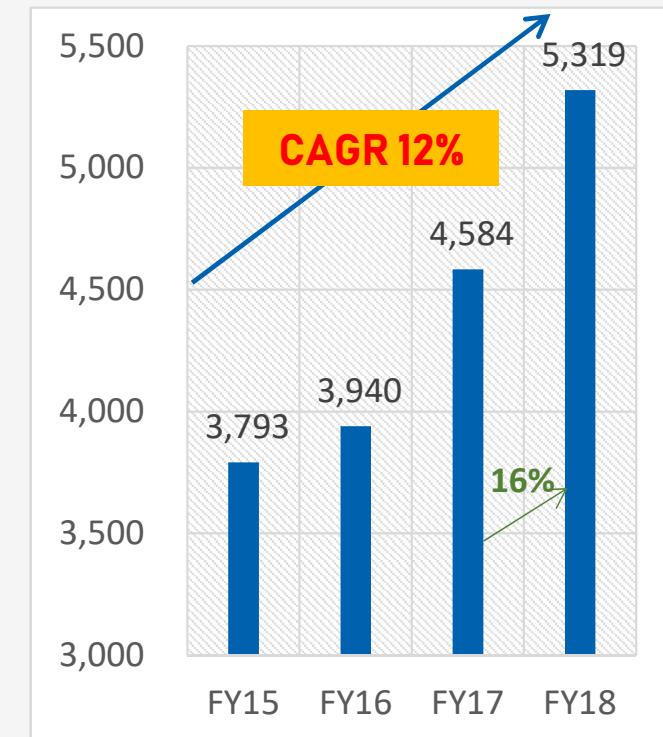
RESINOVA- NET REVENUE



SEAL IT – UK & USA NET REVENUE



ADHESIVE TOTAL- NET REVENUE

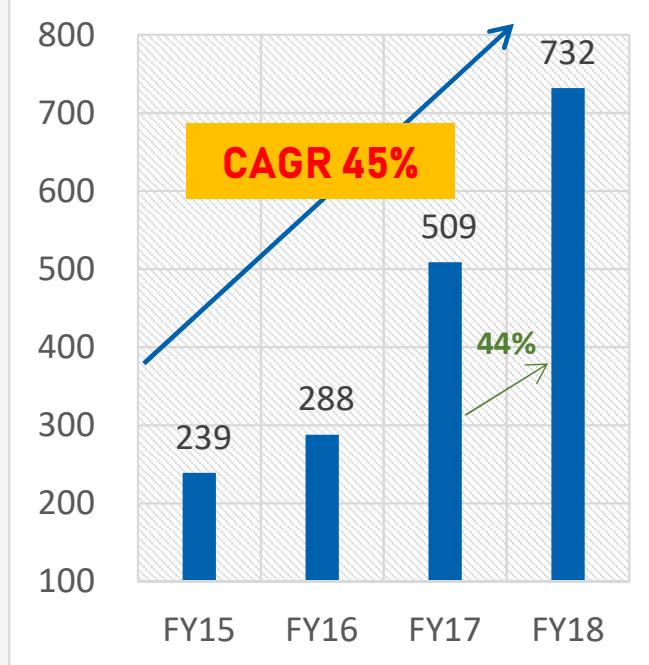


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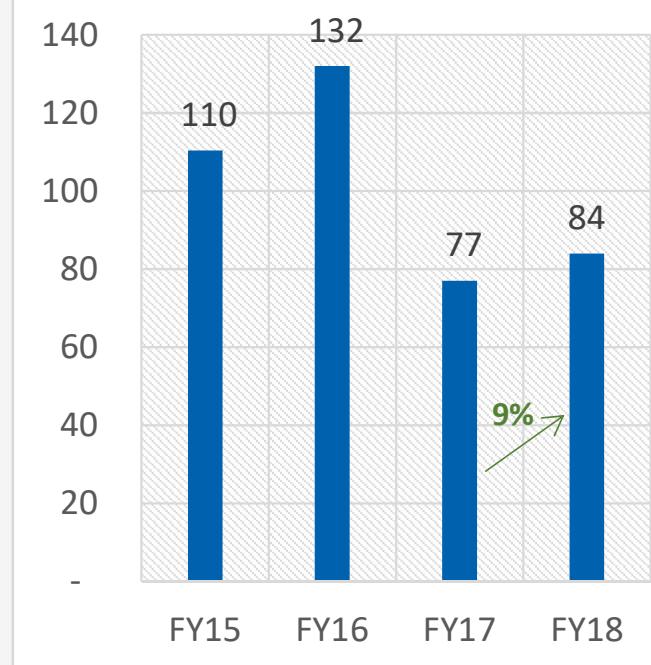


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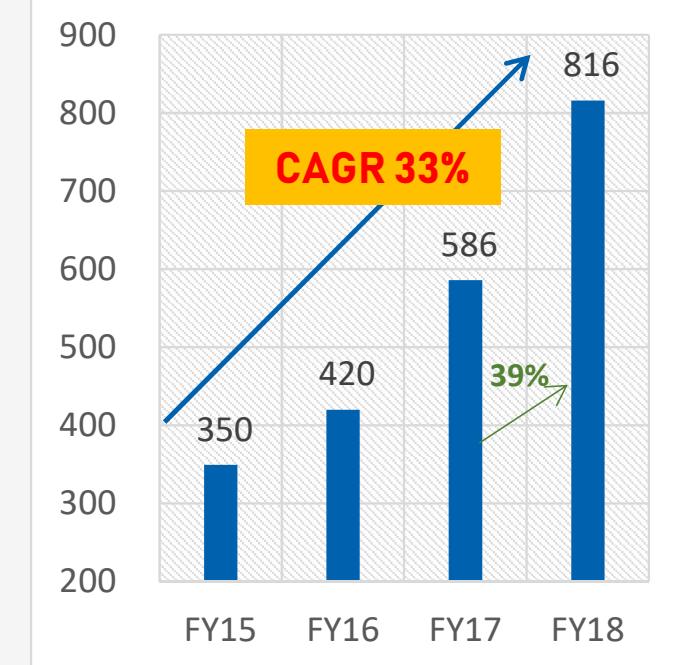
RESINOVA- EBIDTA



SEAL IT – UK & USA EBIDTA



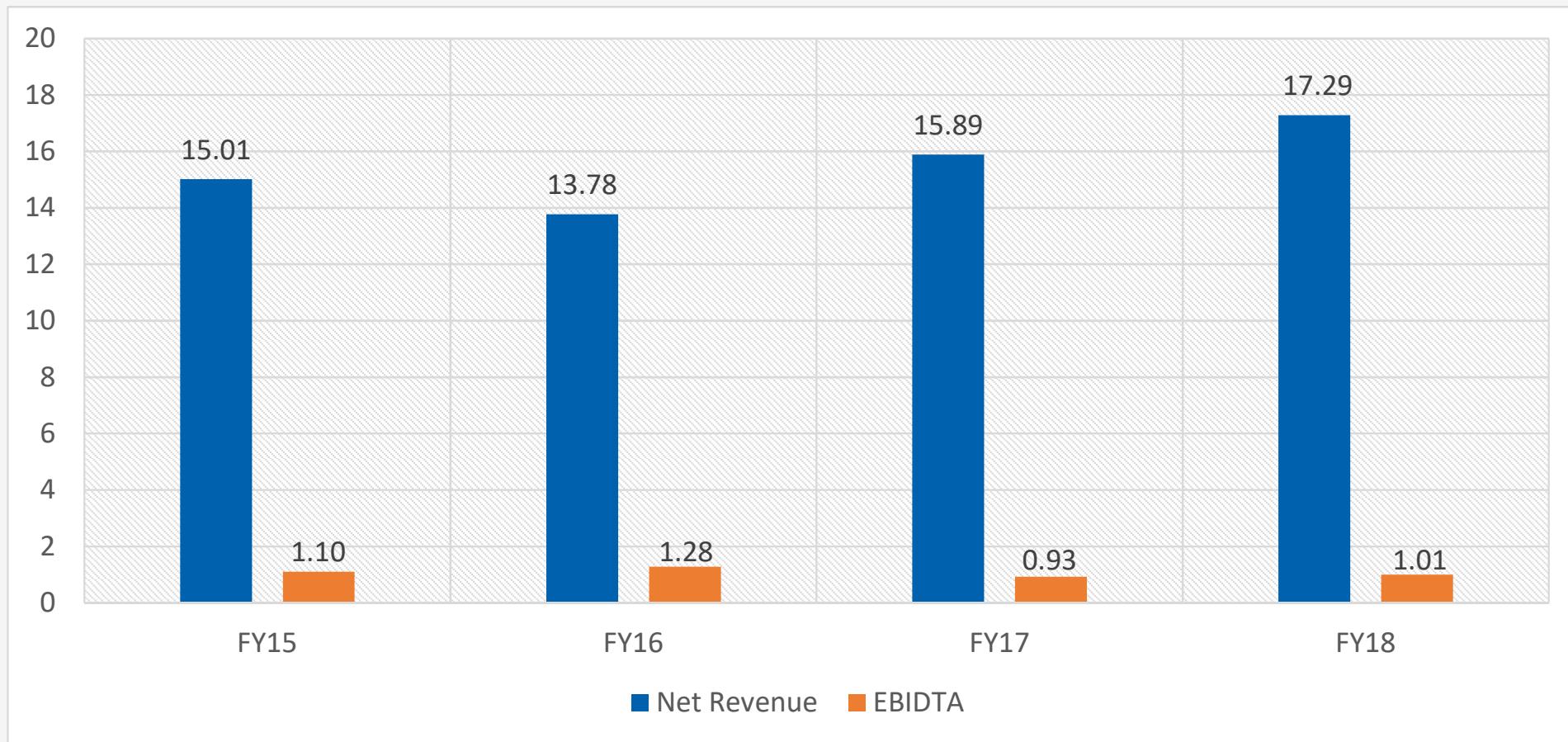
ADHESIVE TOTAL- EBIDTA



Figures from FY 16 onwards are as per Ind AS



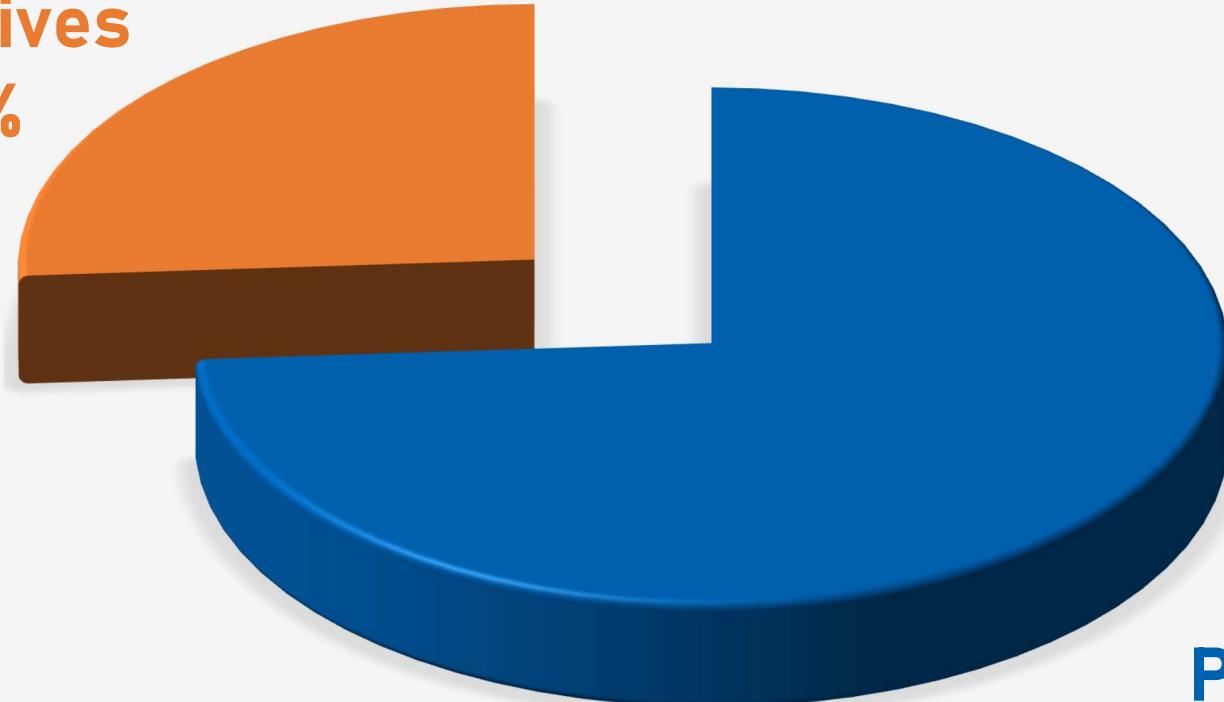
SEAL IT – KEY FINANCIALS (POUND MN.)



GROUP REVENUE BREAKUP - FY '17-'18

Adhesives

26%

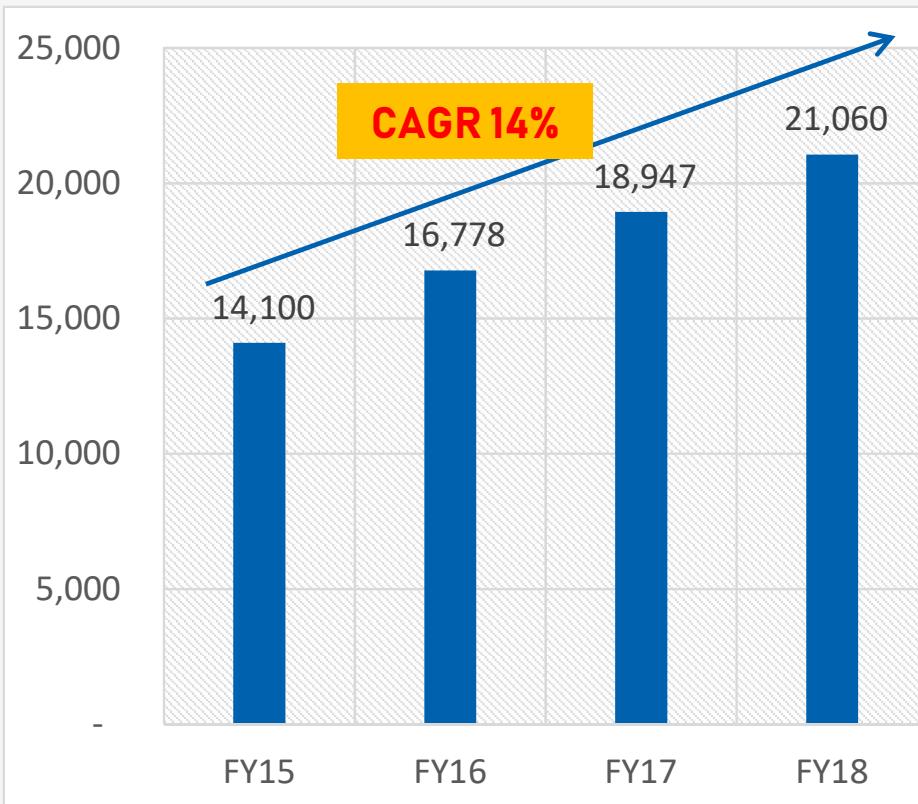


Piping
74%

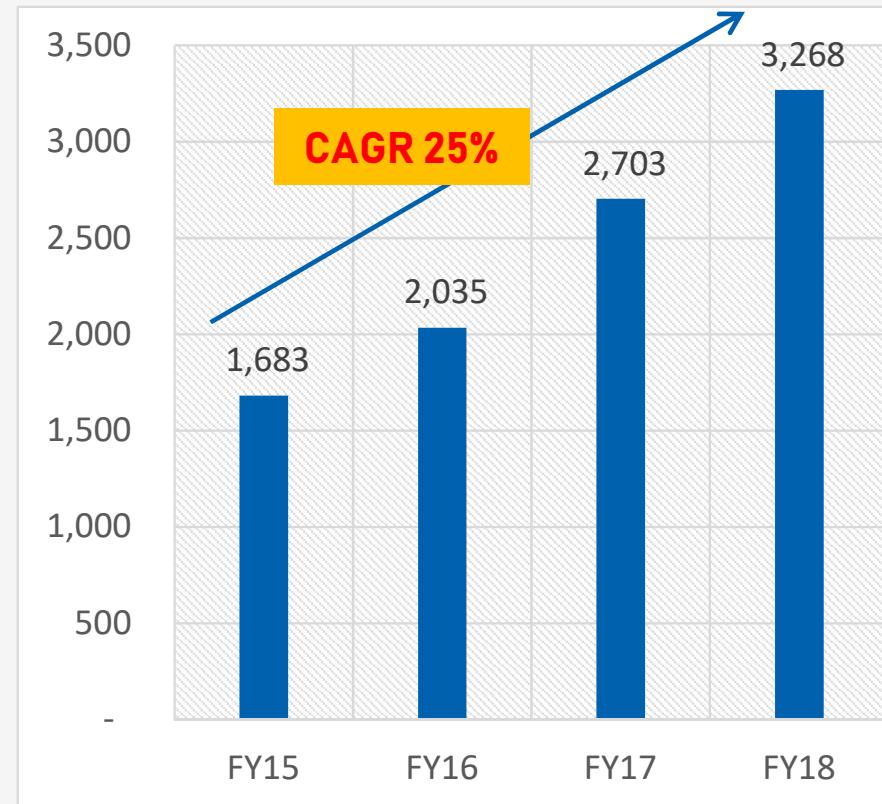


CONSOLIDATED (INR MN.)

NET REVENUE



EBIDTA

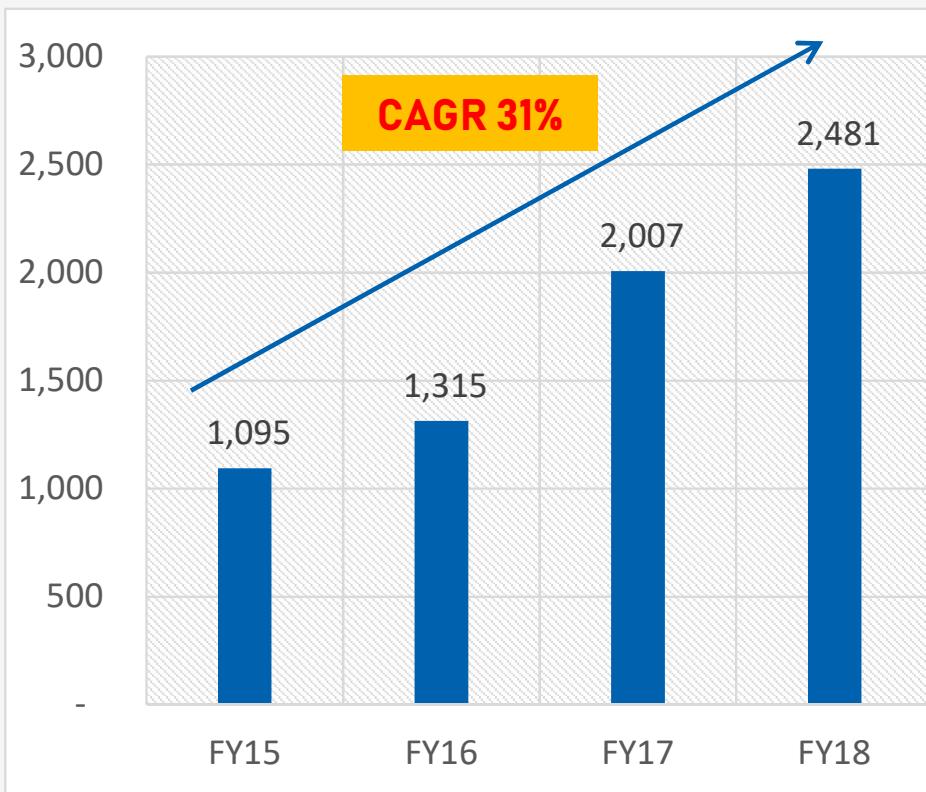


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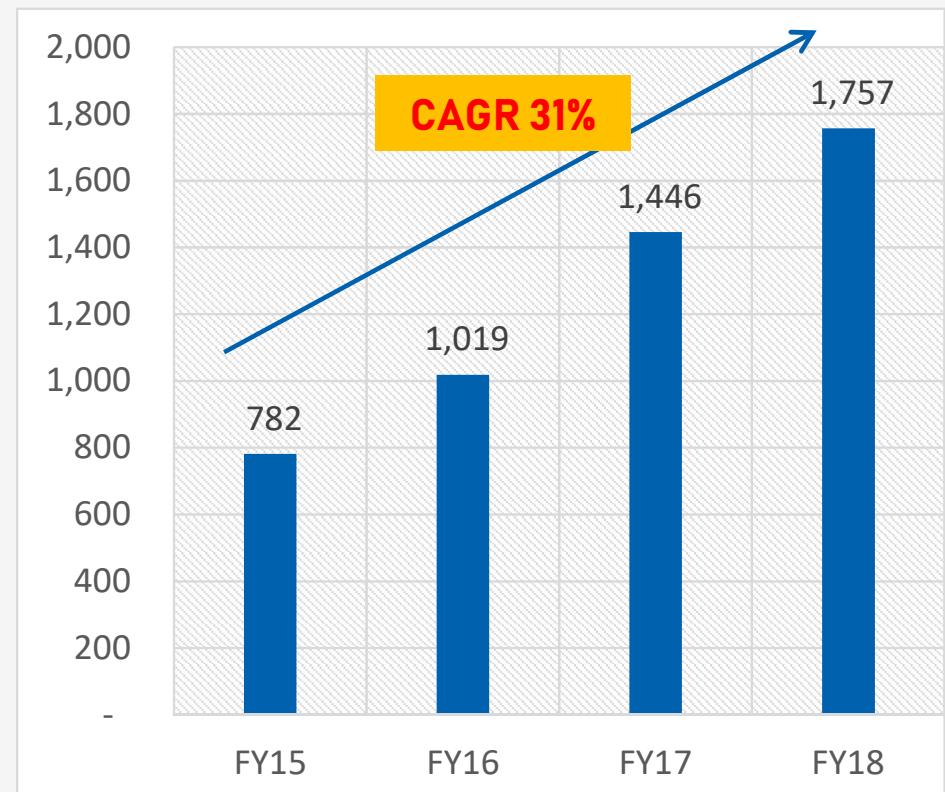


CONSOLIDATED (INR MN.)

PBT



PAT

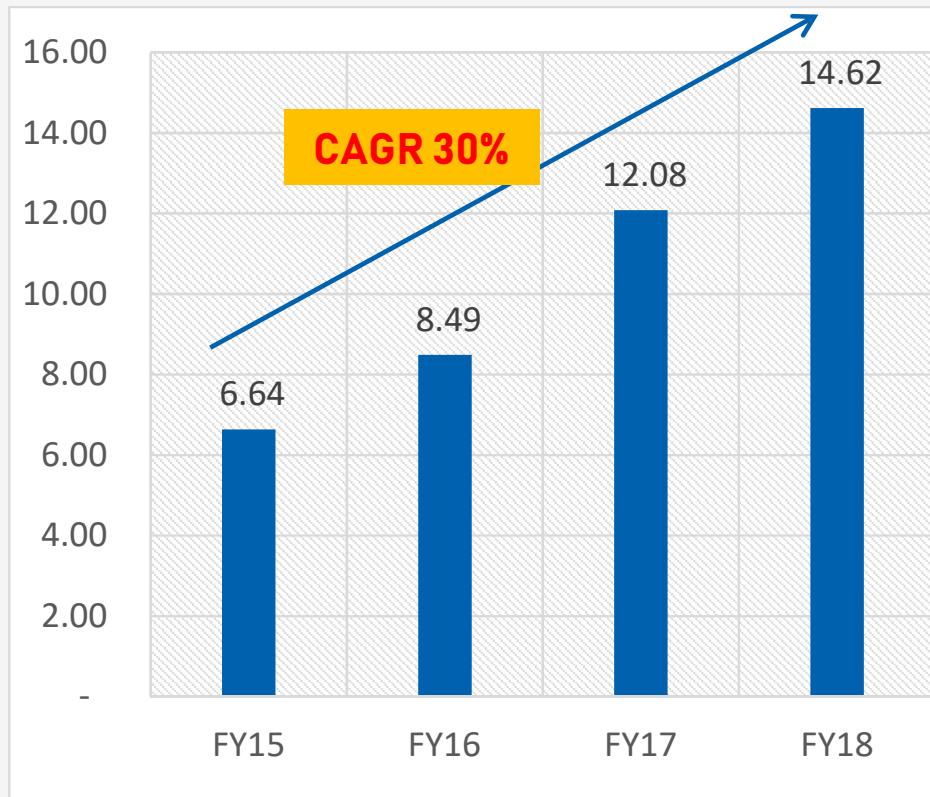


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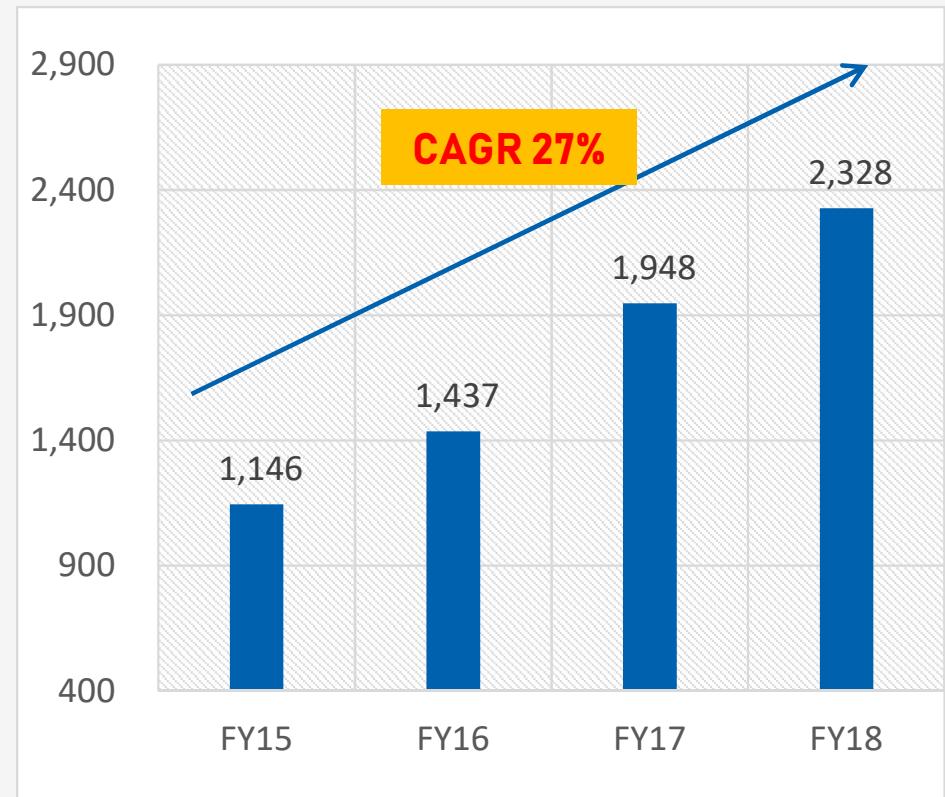


CONSOLIDATED (INR MN. EXCEPT EPS)

EPS



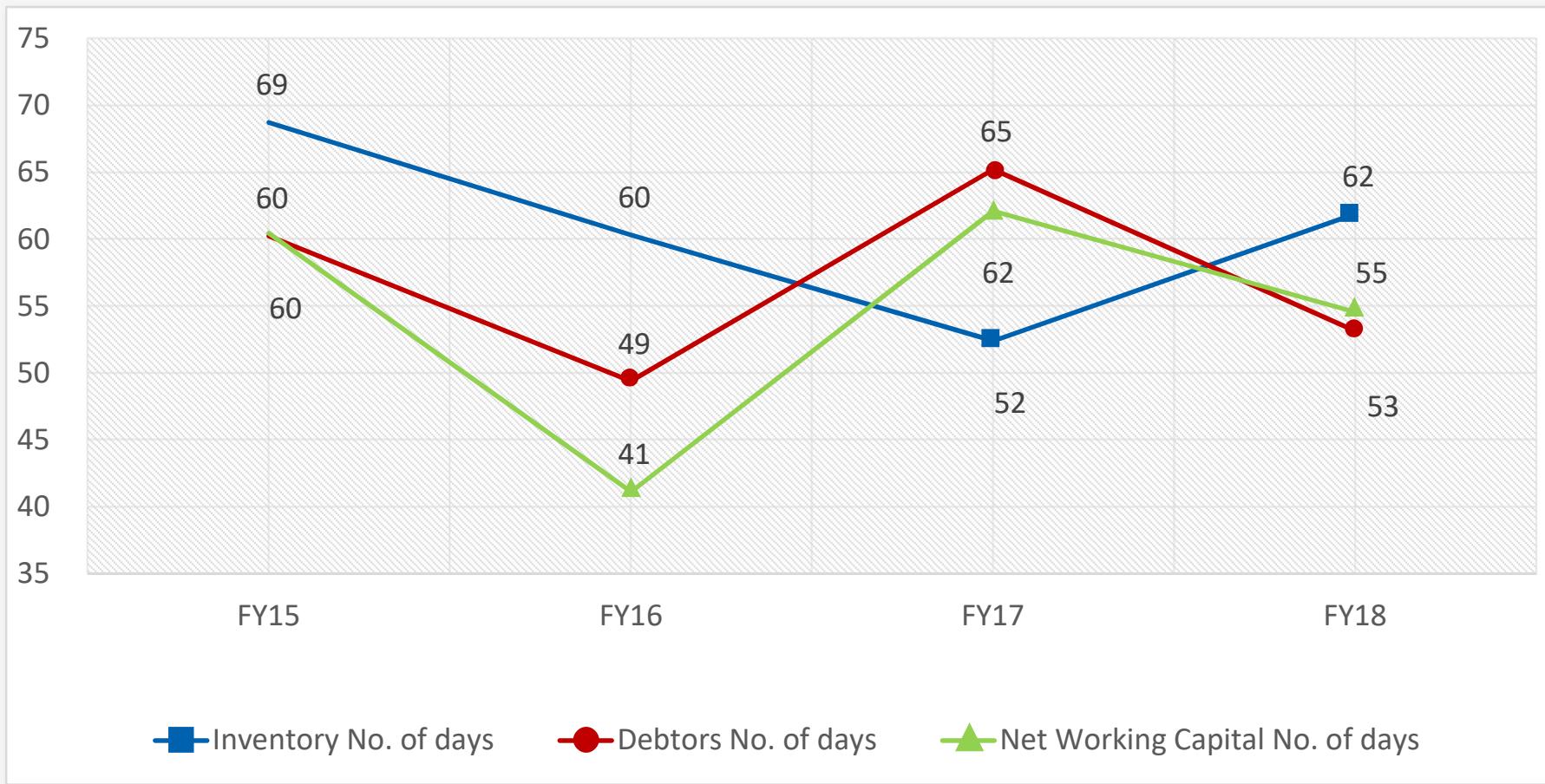
CASH PROFIT



Figures from FY 16 onwards are as per Ind AS



GROUP WORKING CAPITAL RATIO (IN DAYS)



PIPING & ADHESIVES INDUSTRY AT A GLANCE

- Present size of plastic piping is approximately INR 300,000 mn. which is expected to grow @ 14% CAGR during FY '18-'22.
- Present size of adhesive, sealants and building chemicals industry is approx. INR 130,000 to 150,000 mn., which is expected to grow @ 13-15% CAGR during FY '18-'22.
- Demand for plastic pipes and adhesives is expected to grow mainly because of following:
 1. Surge in construction and infrastructure development in metros as well as tier-II and tier-III cities because of various Central, State Government and Municipal Corporation initiatives. (Target to build 50 mn. houses by FY '22).
 2. Growth in the net disposable income of household due to GDP expansion and high rate of urbanization (36% by FY '20).
 3. Investment in irrigation / agriculture sector is expected to increase at CAGR 12% to 13% till FY '22.

(Source: CRISIL Research & World Urbanization Prospects: The 2011 Revision (UN))



PIPING & ADHESIVES INDUSTRY AT A GLANCE

-  Present size of CPVC Piping market is approx. INR 35,000 mn. in India, which is expected to grow by 24% - 25% CAGR during FY'18-'22.
-  The unorganized segment in the plastic piping industry accounts for approximately 35% to 40%. GST has given an edge to organized players over unorganized ones.
-  India now happens to be one of the fastest growing markets for adhesives because of growth witnessed in industries like auto, packaging, housing etc.
-  Construction Chemicals industry in India has comparatively low penetration and hence high growth potential.

(Source: CRISIL Research & World Urbanization Prospects: The 2011 Revision (UN))



GROWTH DRIVERS – PIPING BUSINESS



New product launches:

- '**RECYFIX**' – comprehensive range of surface drainage system
- '**PEX-A PRO**' – Advanced, next generation plumbing system for hot and cold water
- '**INSUPRO**' – XLPE Insulation for hot and cold water piping as well as for HVAC etc.



Planning to launch '**DOUBLE WALL CORRUGATED**' pipes for underground drainage system – that can replace bigger diameter RCC pipes



Backward integration in CPVC at all plants. This will help improve in gross margins, which can be observed in results of the last year



Upcoming manufacturing facilities:

- Rajasthan plant for piping to commence production from July 2018
- Hosur plant for piping has been added with production capacity; to commence production from September 2018
- Exploring to establish footprint in East India by setting up a manufacturing facility

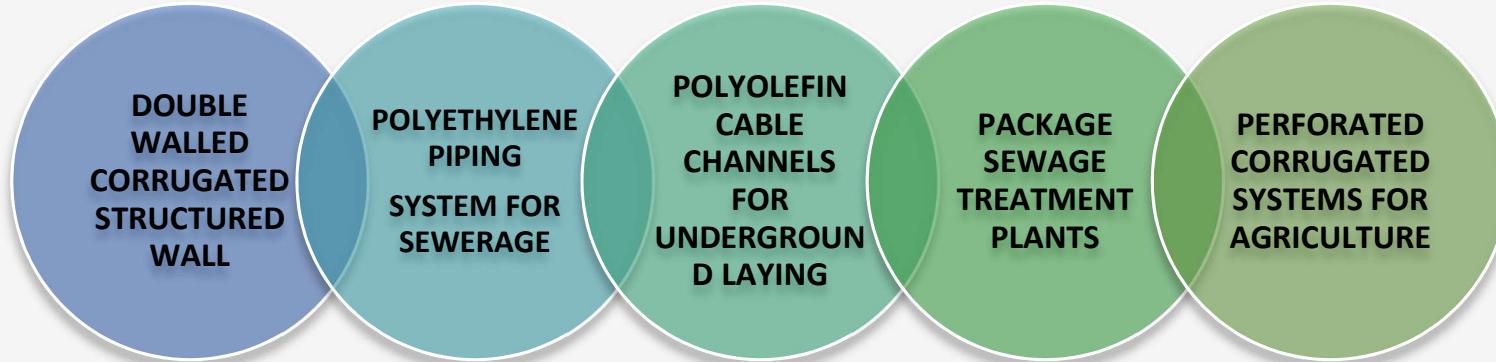


GROWTH DRIVERS – REX POLY EXTRUSION



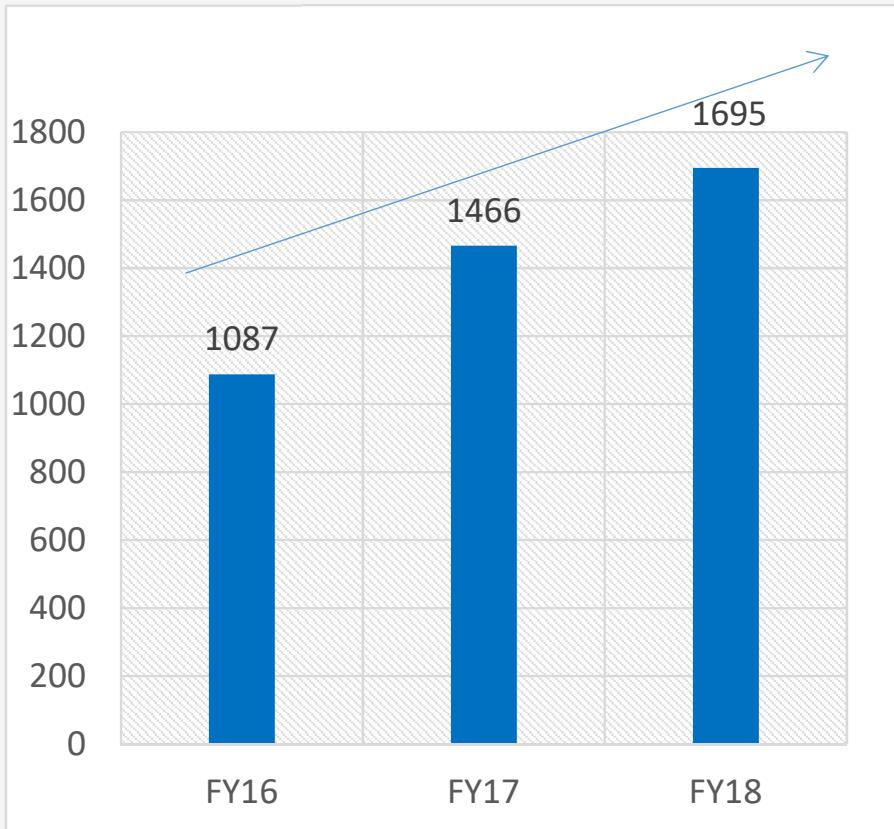
GROWTH DRIVERS – REX POLY EXTRUSION

REX POLY IS WELL - KNOWN NAME IN PIPING INDUSTRY WITH TRACK RECORD OF INTRODUCING MANY INNOVATIVE PRODUCTS

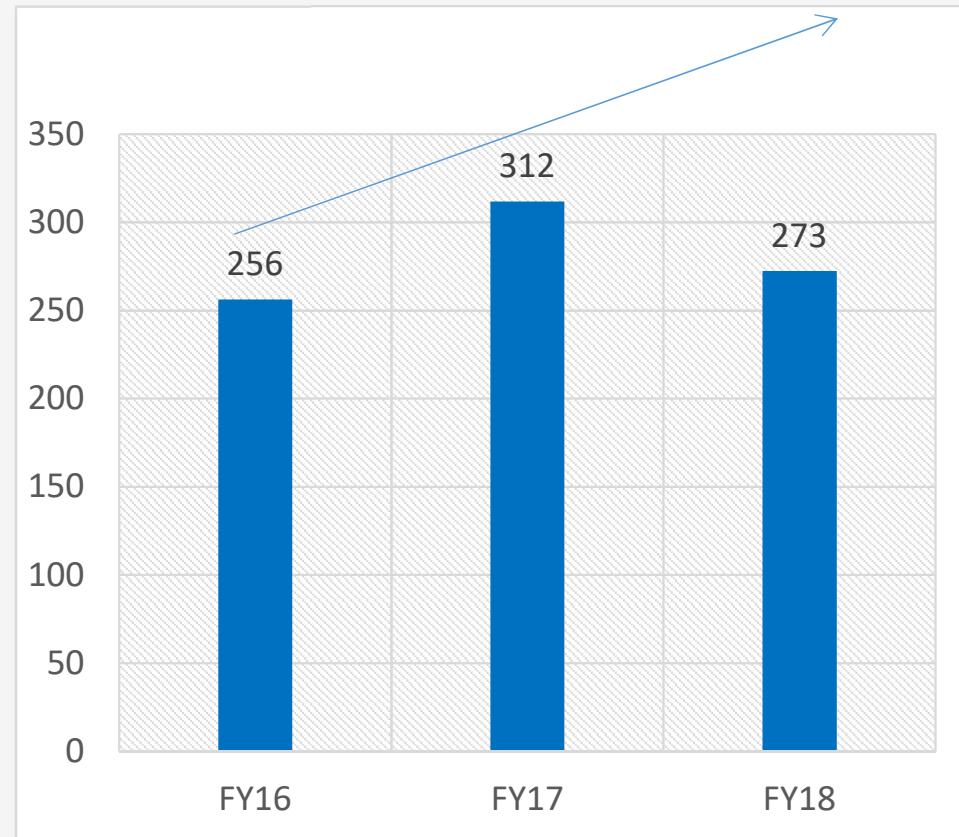


REX POLY SALES AND EBITDA (RS. IN MN.)

SALES



EBIDTA



GROWTH DRIVERS – ADHESIVES BUSINESS

-  Present build-up capacity can generate business around INR 12,000 mn. Currently offering total 642 SKUs
-  Adhesives plant in USA has started operations. With the support of UK operations, EBDITA is expected to grow into double digit
-  Many new products are being developed which will be launched in due course
-  Introduction of new products under construction chemicals segment
-  Successfully launched '***RESIQUICK***' 0.5 g ampule pack of Cyanoacrylate
-  Expanding distributor network across India
-  USA products (Silicone Tape etc.) will be launched here in India in Q3 '18



KEY TAKE AWAYS



Decentralization of manufacturing facilities will add to the top line and bottom line growth mainly due to logistics advantage

Continuous efforts on branding and creating additional network in piping & adhesives will yield positive results in coming years

Rajasthan and Hosur plants' operations will add to production capacity and will strengthen the presence in northern/southern markets respectively

Introduction of products in India from US and UK operations and vise versa will add to the growth in sales and margins

Continuous efforts towards introduction of new products in piping and adhesives will help in improving top line and bottom line



THANK YOU

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