



**TPL Plastech Limited**

# Investor Presentation

October 2020

BSE: 526582 | NSE: TPLPLASTE | ISIN: INE413G01014 | CIN: L25209DD1992PLC004656

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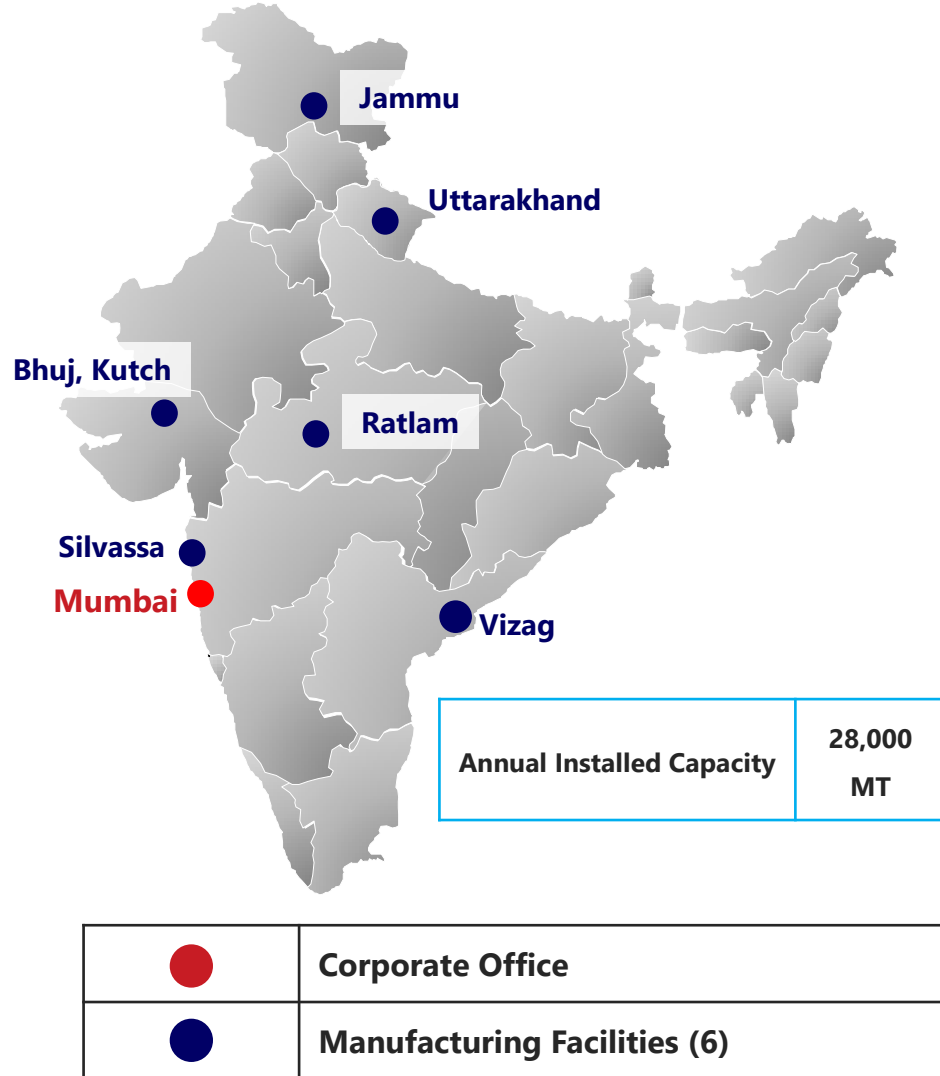
**TPL Plastech Limited**



# Company Overview

# TPL Plastech

## Geographical Presence



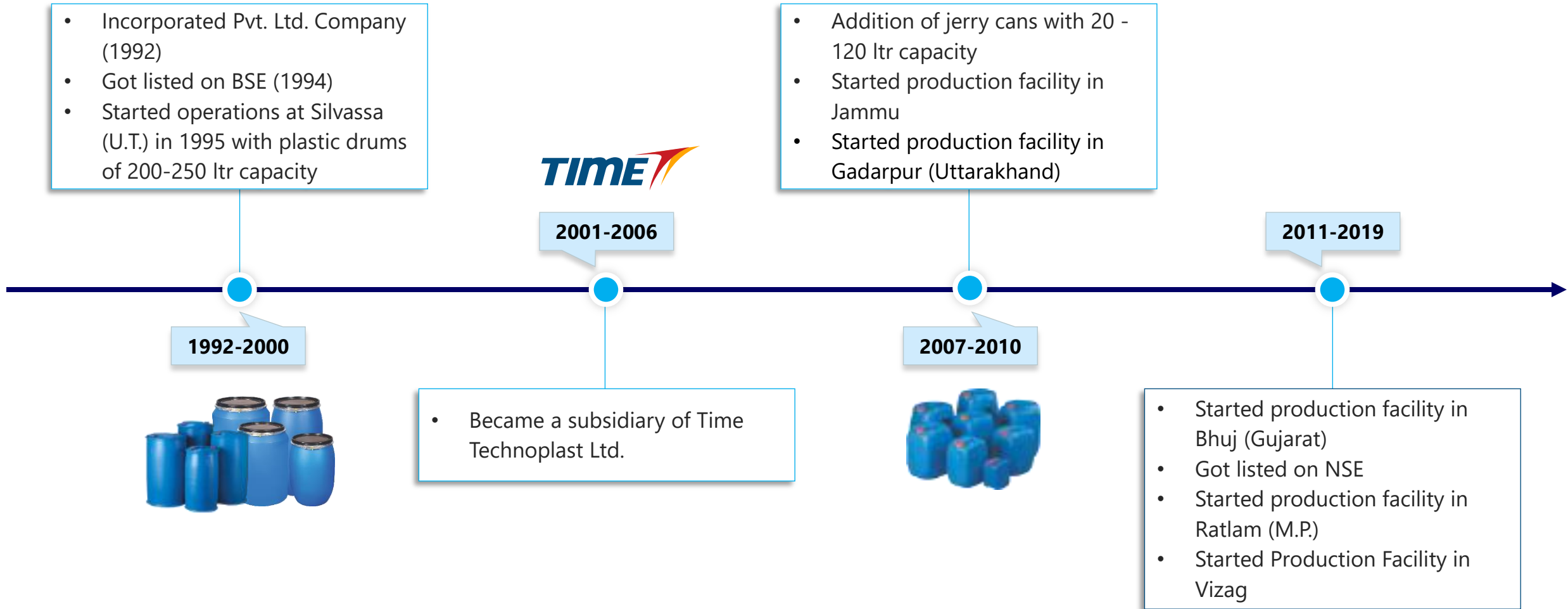
## Overview

- TPL Plastech Ltd. (TPL), a subsidiary of Time Technoplast Limited, is a professionally managed company and one of the leading manufacturer of polymer packaging products like drums and jerry cans.
- TPL's products are manufactured from special grade of High Molecular - High Density Polyethylene. This makes drums lightweight, durable, chemically inert, stable, with a high Environmental Stress Cracking Resistance (ESCR) quotient
- The Company has a large client base and caters to more than 250 customers in various industries like chemical & petrochemicals, specialty chemicals, pharmaceutical, FMCG, etc.
- Consistent dividend paying company post acquisition by Time Technoplast Limited.
- Rated 'A+' from renowned global credit rating company (CRISIL Ltd) for banking facilities.

## Financial Highlights



# Journey



# Board of Directors

## Mr. Sanjaya Kulkarni

*Chairman & Independent Director*

- Engineering degree from IIT Mumbai & MBA from IIM Ahmedabad
- Over 40 years of experience associating with the Indian financial industry.
- Independent Director of Time Technoplast Ltd. for more than 15 years

## Mr. Anil Jain

*Non-Executive Director*

- Degrees in Science, Engineering from Punjab University and Business Management from Delhi University.
- Over 40 years in the field of polymer technology and products and founder of TTL.

## Mr. M. K. Wadhwa

*Non-Executive & Independent Director*

- CA with an experience of over 35 years in accounts and related areas.
- A Science graduate Served in the past as a professional in NTC in a senior position.
- Independent Director of Time Technoplast

## Mrs. Monika Srivastava

*Non – Executive Director*

- 27 years of work experience spanning various sectors including development sector with Oxfam America and CRY. Consulting with management consultancy group Global Synergies. Over 15 years experience with Broadcast media houses like Zee television and Sahara Television. Headed the Sales and Marketing function

## Mr. Deepak Bakshi

*Non Executive & Independent Director*

- Bachelor's Degree In Electrical Engineering and PGDM in Management from AIMA.
- He carries more than 35 years of Experience at various positions with Oil and Natural Gas Corporation Limited, In his Last Assignment, he was designated as Executive Director.
- Chief of Engineering Services onshore and headed a team of around 600 Officials.

## Mr. Mangesh Sarfare

*Whole Time Director*

- More than 20 years of diverse experience in different industries.
- Engineering degree from University of Mumbai & MBA from IIMM
- Diverse experience across different industries and areas such as project management, procurement/supply chain management and general administration control.

## Mr. S. P. Gupta

*Non-Executive & Independent Director*

- B. Sc (Hon), Diploma in Business Management, M. A. (Public Administration) and LLB.
- He was an IPS Officer with more than three and half decades in leadership roles, strategizing law and order policies, controlling crime (including economic offences), fraud and misconduct etc.

## Mr. Akshay Chandan

*Chief Executive Officer*

- Bachelor's degree in Chemistry from University of Mumbai and Masters in Management Studies (MMS) from NMIMS specializing in Marketing.
- Over 28 years of experience in Marketing / Business development and Product Management. His major experience has been in B2B Sales & Marketing Strategy, Planning, Budgeting & Cost Control, Business Process Improvement and Logistics Management.

# Marquee Customers



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**TPL Plastech Limited**



## **Industry/Business Overview**

# Drums & Jerry cans

## Narrow Mouth Drums



- Narrow mouth drums are manufactured out of fully automatic blow molding machine and are designed to withstand high drop impact resistance and having dimensions which helps in optimum stuffing of drums in FCL containers for export.
- These Drums are corrosion free and has long shelf life.
- High after use resale value after compared to steel drums.
- **Range:** 210 to 250 Ltr capacity
- **Manufacturing Plants:** Silvassa, Ratlam, Jammu, Kutch & Vizag.
- **Industry:** Chemicals, Petrochemicals, pharmaceutical, Food and many more.

## Open Top Drums



- Open top drums are tapered in shape and useful for packing powder, paste type and semi liquid / solid products. It is easier to handle and has rust free metal rings and pilfer proof leads.
- These drums are rust free and durable.
- **Range:** 30 to 235 Ltr capacity
- **Manufacturing Plant:** : Silvassa, Ratlam, Jammu, Kutch & Vizag.
- **Industry:** Dyestuff, Food, pharma and many more.

## Narrow & Wide Mouth Jerry cans



- Narrow mouth & Wide mouth type has got wide acceptance in the market in both Liquid / Semi Liquid, powder and Paste type of product.
- These carboys are high drop impact resistant and has pilfer proof packing.
- **Range:** 20 to 120 Ltr capacity
- **Manufacturing Plants:** Silvassa, Jammu, Ratlam & Vizag.
- **Industry:** Specialty Chemicals, Pharma and many more.



## Industrial Packaging

### Market

- The global market for industrial packaging is estimated to reach \$92 Bn by 2024, at a CAGR of over 5% during 2014-2024 owing to increasing trends in end-use industries such as automotive, food & beverages, chemical, construction and oil & lubricant

### Dependent on

- Globally, Industrial packaging industry is largely dependent on four key user industries:
  - Chemicals and pharmaceuticals
  - Lubricants
  - Bulk food and beverages
  - Building and construction

### Drivers

- Underlying end customer industry growth
- Standardization across packaging segments
- Substitution effects
- Industry consolidation
- Competition by alternative packaging and sustainability

### Business Environment

| Packaging Product<br>(Market Size) | Asia (Mn Units) |               |               | Global (Mn Units) |               |               |
|------------------------------------|-----------------|---------------|---------------|-------------------|---------------|---------------|
|                                    | India           | Rest of Asia  | Total         | Asia              | RoW           | Total         |
| Steel Drum                         | 11<br>(42%)     | 131<br>(88%)  | 142<br>(81%)  | 142<br>(81%)      | 127<br>(82%)  | 269<br>(82%)  |
| Polymer Drums                      | 15<br>(58%)     | 18<br>(12%)   | 33<br>(19%)   | 33<br>(19%)       | 28<br>(18%)   | 61<br>(18%)   |
| <b>Total</b>                       | 26<br>(100%)    | 149<br>(100%) | 175<br>(100%) | 175<br>(100%)     | 155<br>(100%) | 330<br>(100%) |



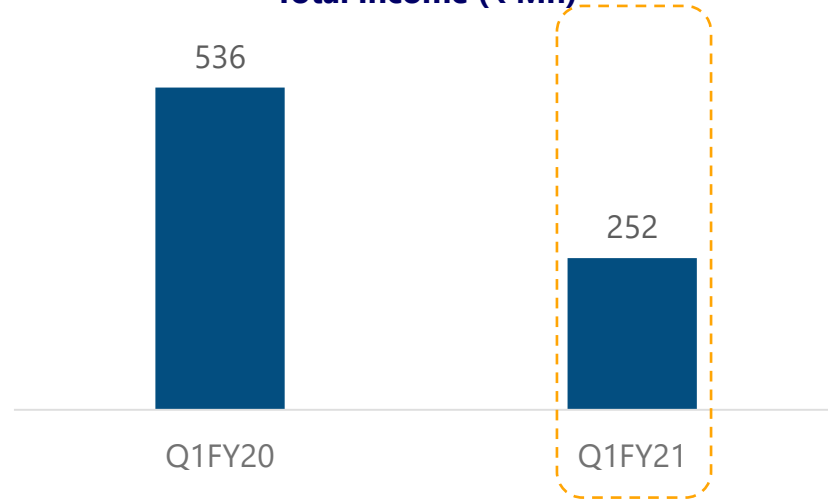
**TPL Plastech Limited**



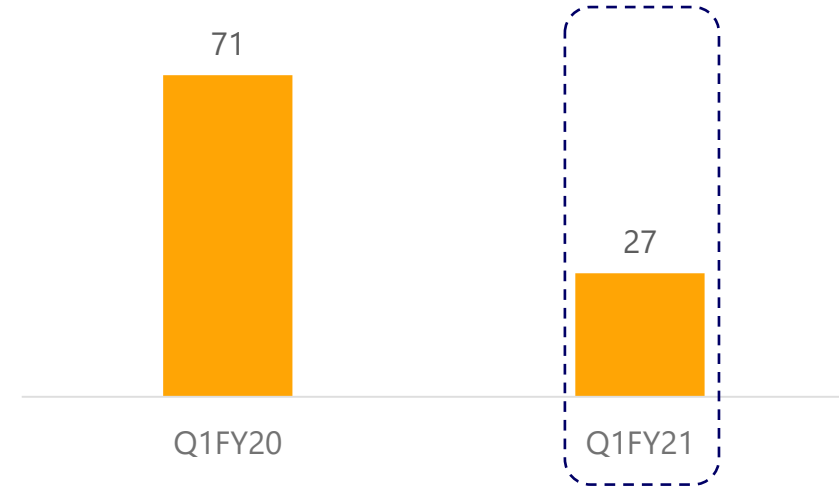
## **Financial Overview**

# Consolidated Financial Highlights – Q1FY21

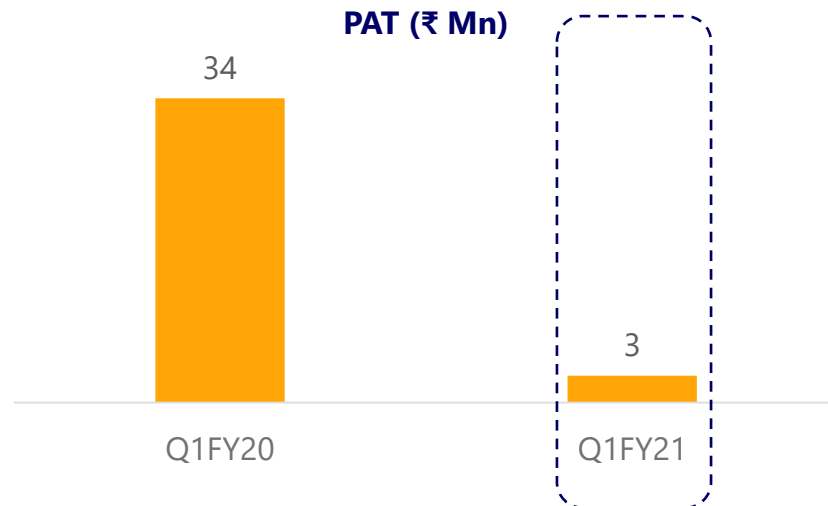
**Total Income (₹ Mn)**



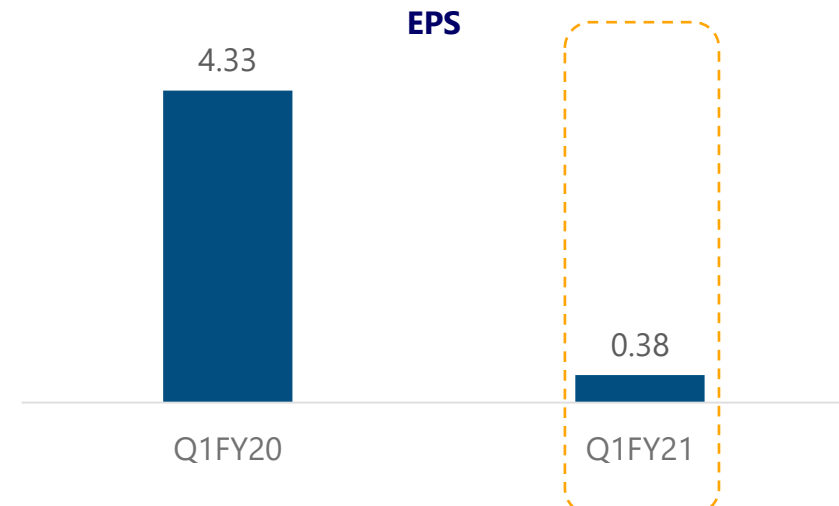
**EBITDA (₹ Mn)**



**PAT (₹ Mn)**



**EPS**



Note: Owing to the lockdown imposed due to COVID-19 pandemic during the quarter, the results for Q1 FY21 are not comparable to the corresponding period of the previous year

# Consolidated Quarterly Income Statement

(As per IND-AS)

| Particulars (₹ Mn)                            | Q1FY21       | Q4FY20       | Q1FY20       |
|---|--------------|--------------|--------------|
| <b>Total Revenue (including other income)</b> | <b>252</b>   | <b>505</b>   | <b>536</b>   |
| Total Expenses                                | 225          | 454          | 465          |
| <b>EBITDA</b>                                 | <b>27</b>    | <b>50</b>    | <b>71</b>    |
| <b>EBITDA Margin (%)</b>                      | <b>10.9%</b> | <b>10.0%</b> | <b>13.3%</b> |
| Depreciation                                  | 9            | 9            | 9            |
| Finance Cost                                  | 14           | 14           | 16           |
| <b>PBT</b>                                    | <b>4</b>     | <b>27</b>    | <b>47</b>    |
| Tax   | 1            | 6            | 13           |
| <b>PAT</b>                                    | <b>3</b>     | <b>21</b>    | <b>34</b>    |
| <b>PAT Margins (%)</b>                        | <b>1.2%</b>  | <b>4.1%</b>  | <b>6.3%</b>  |
| Other Comprehensive Income                    | -            | -            | -            |
| <b>Total Comprehensive Income</b>             | <b>3</b>     | <b>21</b>    | <b>34</b>    |
| Diluted EPS                                   | 0.38         | 2.66         | 4.33         |

Note: Owing to the lockdown imposed due to COVID-19 pandemic during the quarter, the results for Q1 FY21 are not comparable to the corresponding period of the previous year

# Historical Consolidated Income Statement

(As per IND-AS)

| Particulars (₹ Mn)                           | FY20         | FY19         | FY18         |
|--|--------------|--------------|--------------|
| <b>Total Revenue(including other income)</b> | <b>2,163</b> | <b>2,263</b> | <b>1,927</b> |
| Total Expenses                               | 1,919        | 2,003        | 1,685        |
| <b>EBITDA</b>                                | <b>244</b>   | <b>260</b>   | <b>242</b>   |
| <b>EBITDA Margin (%)</b>                     | <b>11.3%</b> | <b>11.5%</b> | <b>12.6%</b> |
| Depreciation                                 | 37           | 39           | 32           |
| Finance Cost                                 | 58           | 64           | 45           |
| <b>PBT</b>                                   | <b>149</b>   | <b>157</b>   | <b>165</b>   |
| Tax  | 41           | 43           | 43           |
| <b>PAT</b>                                   | <b>107</b>   | <b>114</b>   | <b>122</b>   |
| <b>PAT Margins (%)</b>                       | <b>5.0%</b>  | <b>5.0%</b>  | <b>6.3%</b>  |
| Other Comprehensive Income                   | -            | -            | -            |
| <b>Total Comprehensive Income</b>            | <b>107</b>   | <b>114</b>   | <b>122</b>   |
| Diluted EPS                                  | 13.78        | 14.65        | 15.59        |

# Historical Consolidated Balance Sheet



(As per IND-AS)

| Particulars (₹ Mn)                    | FY20         | FY19         | FY18         |
|---------------------------------------|--------------|--------------|--------------|
| <b>Equity &amp; Liabilities</b>       |              |              |              |
| <b>Shareholder's Funds</b>            |              |              |              |
| Share Capital                         | 78           | 78           | 78           |
| Other Equity                          | 787          | 713          | 631          |
| <b>Total Equity</b>                   | <b>865</b>   | <b>791</b>   | <b>710</b>   |
| <b>Non-current Liabilities</b>        |              |              |              |
| Long-Term Borrowings                  | 71           | 101          | 161          |
| Deferred Tax Liabilities(Net)         | 88           | 85           | 82           |
| <b>Total Non-current Liabilities</b>  | <b>159</b>   | <b>186</b>   | <b>243</b>   |
| <b>Current Liabilities</b>            |              |              |              |
| Short-Term Borrowings                 | 288          | 422          | 346          |
| Trade Payables                        | 611          | 557          | 566          |
| Other Financial Liabilities           | 64           | 92           | 78           |
| Other Current Liabilities             | 4            | 9            | 4            |
| Current Tax Liabilities (Net)         | 10           | 16           | 7            |
| Short-Term Provisions                 | 1            | 3            | 3            |
| <b>Total - Current Liabilities</b>    | <b>977</b>   | <b>1,099</b> | <b>1,004</b> |
| <b>TOTAL - EQUITY AND LIABILITIES</b> | <b>2,001</b> | <b>2,076</b> | <b>1,956</b> |

| Particulars (₹ Mn)                  | FY20         | FY19         | FY18         |
|-------------------------------------|--------------|--------------|--------------|
| <b>ASSETS</b>                       |              |              |              |
| <b>Non-Current Assets</b>           |              |              |              |
| Property, Plant & Equipment         | 657          | 673          | 706          |
| Capital Work-in-Progress            | 72           | 69           | 42           |
| Deposits and Other Financial Assets | 14           | 13           | 12           |
| Current Tax Assets                  | 10           | 15           | 15           |
| Other Non-Current Assets            | 12           | 13           | 14           |
| <b>Total - Non-current Assets</b>   | <b>766</b>   | <b>783</b>   | <b>789</b>   |
| <b>Current Assets</b>               |              |              |              |
| Inventories                         | 571          | 590          | 527          |
| Trade Receivables                   | 461          | 535          | 481          |
| Cash and Cash Equivalents           | 20           | 11           | 12           |
| Other Bank Balances                 | 32           | 21           | 7            |
| Other Current Assets                | 152          | 136          | 140          |
| <b>Total - Current Assets</b>       | <b>1,235</b> | <b>1,293</b> | <b>1,167</b> |
| <b>TOTAL - ASSETS</b>               | <b>2,001</b> | <b>2,076</b> | <b>1,956</b> |

# Investment Rationale

- Access to latest technology platform for polymer processing and product development
- Strong customer base, independent of Time Technoplast Limited and positioning as alternate supplier to customers
- Highly efficient lean organization structure with low operating costs
- ISO 9001 accredited company qualified to service multi-nationals
- Leveraging the pedigree of Time Technoplast in integrating and upgrading its operations to rationalize cost and streamline operations



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