



Ref: H/NK/STX/ /2017

Date: July 31, 2017

National Stock Exchange of India Limited Exchange Plaza Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E), Mumbai - 400 051 Tel.: 2659 8452 Fax No.: 2659 8237-38	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Tel.: 2272 1233/8058 Extn – 8013 Fax No. : 2272 2037/2039/2041/2061
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Dear Sir/Madam,

**Sub.: Presentation to Analysts**

In continuation of our letter dated 28<sup>th</sup> July, 2017 informing schedule of conference call with the Analyst/Institutional Investors and pursuant to regulation 30 and Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith presentation made to Analysts/Institutional Investors.

Thanking you,

Yours faithfully,  
For EVEREST INDUSTRIES LIMITED

NEERAJ KOHLI  
COMPANY SECRETARY & HEAD – LEGAL

**Everest Industries Limited**

Everest Technopolis D-206 Sector-63 Noida – 201301 Uttar Pradesh Tel +(91) -120-4791800 India  
Helpline 09958037777 info@everestind.com www.everestind.com

Regd. Office GAT No. 152 Lakhmapur Taluka Dindori Nashik 422 202 Maharashtra Tel +91 2557 250375/462 Fax +91 2557 250376

Corporate Identity Number : L74999MH1934PLC002093



**EVEREST** EVEREST INDUSTRIES LIMITED

Q1 – FY18 EARNINGS PRESENTATION

## Company Overview:

Everest Industries Limited, incorporated in 1934, has a rich history in manufacturing of Building products and Steel products. Everest offers a complete range of roofing, ceiling, wall, flooring and cladding products distributed through a large network, and also pre-engineered steel buildings for industrial, commercial and residential applications. It is one of the leading building solution providers in India, providing detailed technical assistance in the form of designs, drawings and implementation for every project.

## Q1-FY18 Business Mix (Standalone/Revenue Share %):

- **Building products (72%)** – includes fibre cement roofing sheets, fibre cement boards, solid wall panels.
- **Steel buildings (28%)** – offers customised building solutions like Pre-Engineered Steel Buildings, Smart Steel Buildings, metal roofing sheets and cladding.

## Manufacturing and Distribution Networks:

- 6 Building Products plants and 3 Steel Building Plants.
- 40 Sales Depot, over 6,000 Dealer Outlets, serving over 600 cities & 100,000 villages.
- Export to over 35 countries (Green solutions – Fibre cement boards).

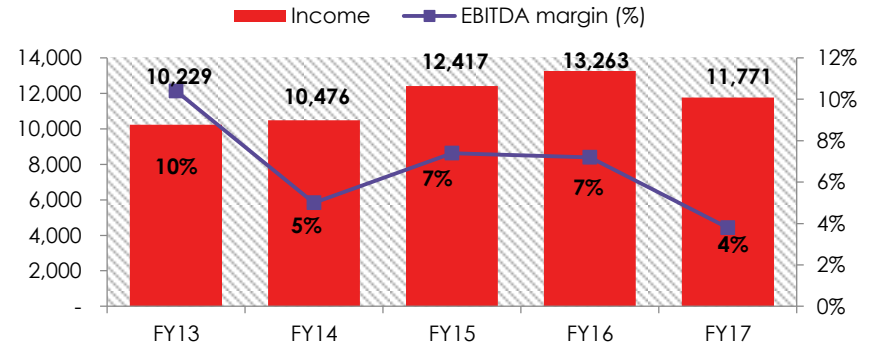
## Q1-FY18 Financial Snapshot (Standalone):

Total Income**	EBITDA	Net Profit
<b>INR 3,793 Mn</b>	<b>INR 333 Mn</b>	<b>INR 170 Mn</b>
	EBITDA Margins	PAT Margins
	<b>8.8%</b>	<b>4.5%</b>

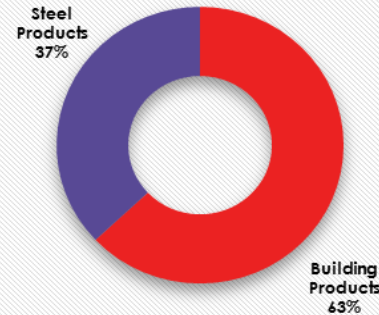
\*\*Total income includes other income

- Everest Industries Limited (Everest) has over 8 decades of experience in the business of building products and is also a pioneer of fibre cement products in India.
- The company's business is built on three key pillars: Speed, Strength and Safety.
- The vision of the company is to be the deepest penetrated housing and building solutions provider in India.
- Everest provides building products and building solutions for commercial, industrial and residential sectors.
- The company has covered more than 1 billion sq. mtrs. of industrial and residential roofs.
- It has emerged as the 2<sup>nd</sup> largest Pre-Engineered Buildings (PEBs) company in India, and has erected and designed more than 2,000 PEBs.
- The company has also diversified its product range from roofing to various other value added products like cement boards and panels for ceilings, walls and floorings.

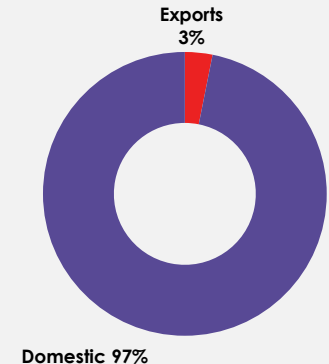
### Revenue (INR Mn) and EBITDA Margin (%)\*



### FY17 Business Mix\*



### FY17 Geographical Mix\*



\* Consolidated

# Key Financial Highlights – Standalone Historical (INR Mn)



Particulars	Current Quarter	Previous Quarters			Current Quarter Last Year
	Q1-FY18 <sup>#</sup>	Q4-FY17	Q3-FY17	Q2-FY17	Q1-FY17 <sup>#</sup>
<b>Total Income*</b>	3,793	3,255	2,534	2,290	3,797
<b>EBITDA</b>	333	301	(79)	(39)	279
<b>EBITDA Margin (%)</b>	8.78	9.2	(3.1)	(1.7)	7.35
<b>Net Profit</b>	170	141	(140)	(94)	118
<b>PAT Margin (%)</b>	4.48	4.3	(5.5)	(4.1)	3.11
<b>Diluted EPS (INR per share)</b>	11.35	9.14	(9.12)	(6.09)	7.66

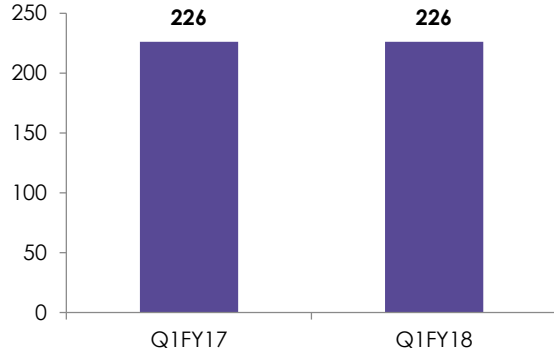
\* Total income includes other income.

# Q1-FY18, Q1-FY17 as per IND-AS

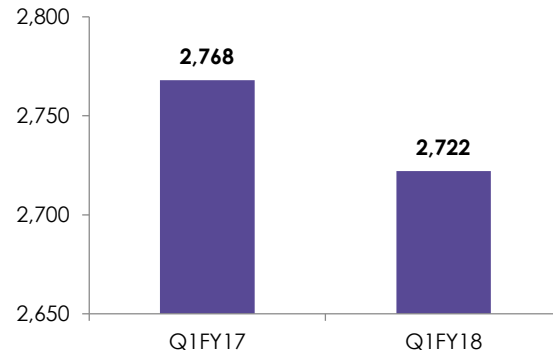
# Building Products Performance - Standalone



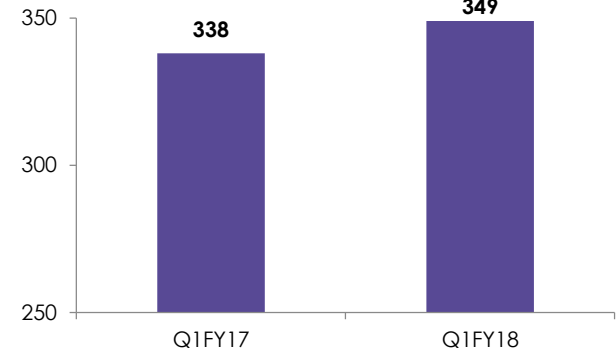
Sales (`000 MT)



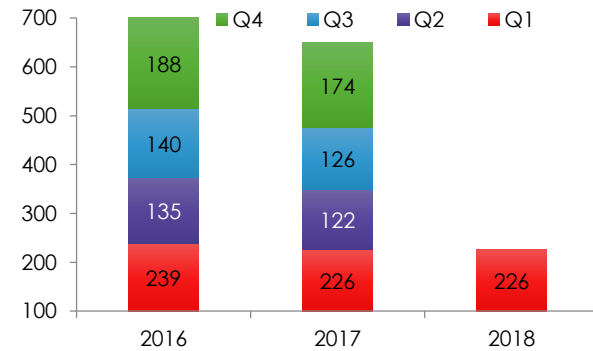
Revenue (INR Mn)



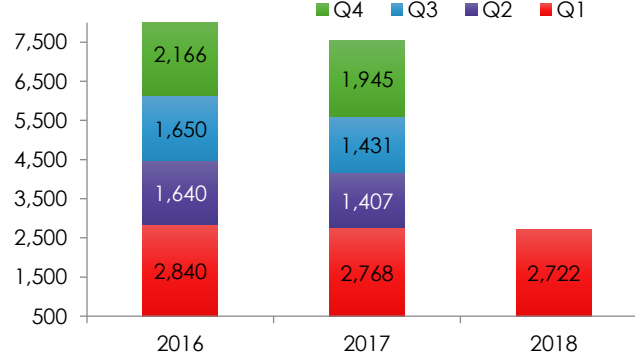
PBIT (INR Mn)



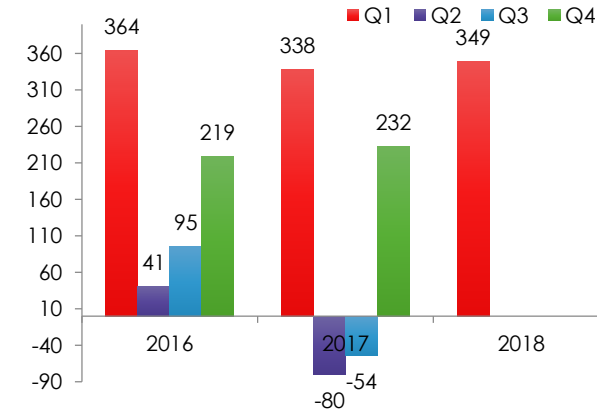
Sales (`000 MT)



Revenue (INR Mn)



PBIT (INR Mn)



Note : All Q1-FY17 and Q1-FY18 numbers as per IND-AS

- Building material products industry is likely to turn around strongly, helped by macro factors such as rural housing demand, raw material prices, GST rates and a good monsoon.
- The monsoon so far across the country has been normal and since there is a high degree of correlation between monsoon and rural incomes, leading to better farm output and more disposable income in the hands of rural customers and sale of roofing sheets
- This quarter has seen a successful application of GST across all sectors and Government officials are keeping a close watch on implementation of the same going forward.
- GST is expected to benefit the organized sector in Building products industry by providing a level playing field which would bring in consolidation in the industry thereby elimination most of the unorganized players.
- Further government initiatives like “Swatch Bharat Abhiyan”, “Housing for all by 2022” & “Smart City Mission” would drive additional demand for Building Products.
- Our product have been kept at 18% bracket
- Reduction in GST on fiber cement sheets to 18% is a welcome step in improvement of the market as these are more affordable for the end consumer.

- Everest has increased its market share amid uncertainties posed by GST rollout as most of distributors showed resistance to stock material towards the end of June in Roofing as well as Boards and Panels categories.
- Q1 market share has improved marginally as compared to last year.
- The industry was successful in convincing the government and the GST council to reduce the tax impact from 27% to the 18% slab under the GST regime and bring it on par with metal roofing
- Massive Geographical expansion has been undertaken, as post GST, markets which were inaccessible before have become accessible.
- We have been able to enhance our operational utilization of our Plants through better manufacturing practices.
- Received excellent response for "Everest Super" – a Premium Colored Fibre Cement Roofing Sheet with special "Anti-Fungal and Water Repellent properties" in strategic markets.
- Targeted and achieved significant improvement on customer service front
- We continue to face severe downturn in our export markets on account of poor economic and political scenarios in the Middle East.
- The domestic market of boards and panels continues to show strong growth with product acceptance increasing across the country.
- In continuation to philosophy of offering value added products in Boards and Panels to consumers, the company has launched new customer centric products.



- With a successful GST roll out and a favourable tax slab rate, we anticipate demand to spur in building product segment.
- Strong time bound push and increase in government focus on rapid development of Smart Cities across the country will put pressure on smarter, safer and speedier construction methods, which will help in increase in demand for Boards & Panels in urban and semi urban areas.
- Everest will continue working towards educating Architects, Traders, and other influencing communities through different channels for using modern methods of construction.
- With continuous efforts to participate in consumer focused meets and local/regional architectural events, Everest will keep rising awareness about conservation of natural resources, keeping in mind Speed, Strength and Safety.
- With steady efforts on Research & Development Everest will introduce of newer products and application developments in FY18 and roll out Everest Super color Anti fungal roofing sheets.

## GST Rollout

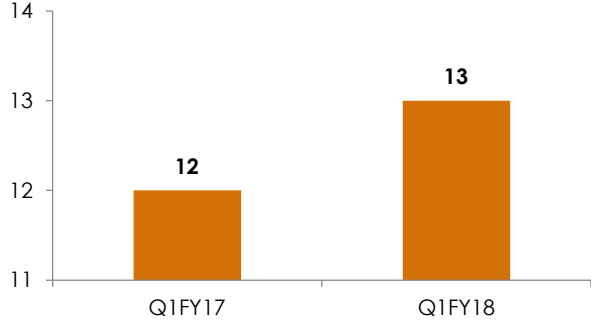
Expect GST to Spur demand as the product gets more affordable due to :

- Lower tax on end product.
- Lower logistics cost.
- Lower operational cost as depots are going to be redundant.
- This may be hindered by initial bottlenecks on IT side readiness.
- We are confident that government is taking steps to ensure the procedural hurdles are removed.

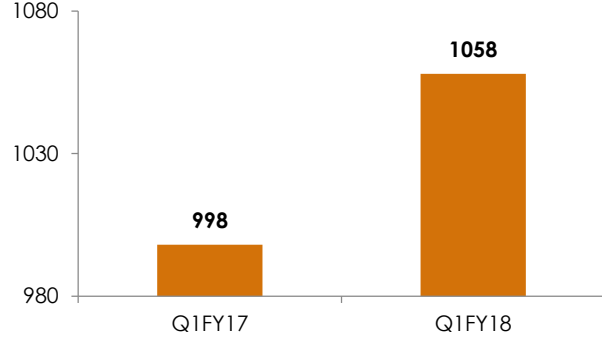
# Steel Building Performance - Standalone



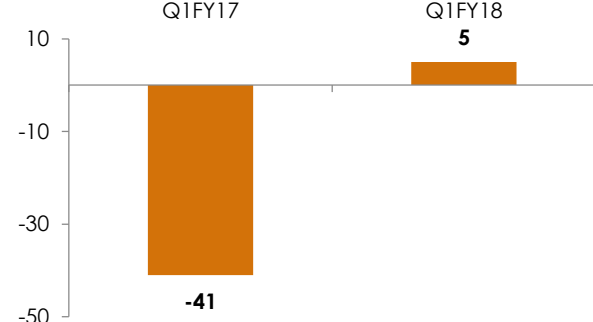
Sales ('000 MT)



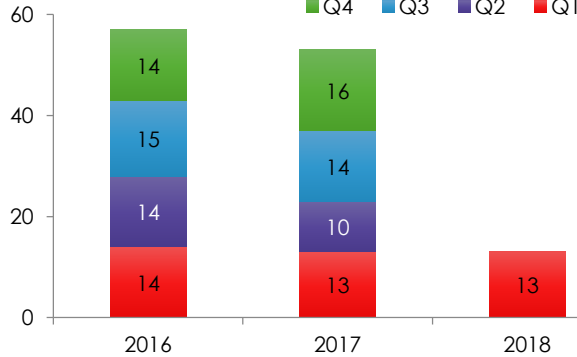
Revenue (INR Mn)



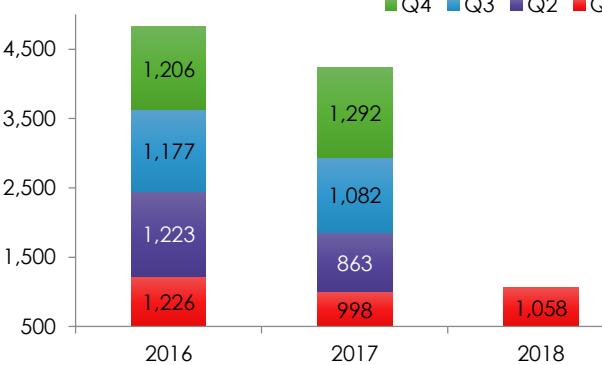
PBIT (INR Mn)



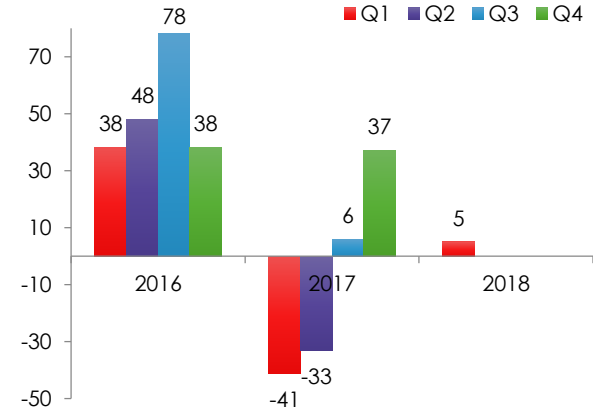
Sales ('000 MT)



Revenue (INR Mn)



PBIT (INR Mn)



Note : All Q1-FY17 and Q1-FY18 numbers as per IND-AS

- We have worked with our customers to introduce risk mitigation clause for future contracts in case of significant changes in steel prices due to delays or government policy changes
- Post successful GST rollout, demand seems to be returning to normal.
- Production throughput for Q1 FY18 was 12,000 MT.
- Customers are looking for speedier handover of their orders.
- Order book as on 30<sup>th</sup> June 2017 stands at 26,000 MT or INR 250 crores.
- Protectionist measures by steel producing countries may push steel prices higher

- Everest remains committed towards smarter, safer and speedier construction technology which is fast catching momentum in INDIA.
- Government focus to connect Tier II and Tier III towns via air routes will help the company to promote its modern Smart Steel Building Technologies.
- With more focus of the private sector to promote green buildings, this will directly help Everest as it is in a position to provide the best alternative construction method which is 3 times faster than the conventional construction. Everest smart steel buildings are 100% customized, aesthetic, durable and green buildings with inbuilt stability.
- Consolidation of the Warehousing and logistics sector in post GST scenario will provide opportunity to Everest to showcase design and deliver customized storage solutions at an exceptional speed and with high safety standards.
- A perception shift from conventional construction to pre-engineered steel structure will help propagating the concept to the tier II and Tier III towns to explore further opportunities.
- Everest continues undertaking consumer education by participating in seminars & exhibitions educating young architects in colleges, and increasing its focus on creating more brand awareness and repeat customers.



**Centurion, Bhubaneswar**



**Patanjali, Tezpur**



**Rapid Metro Project (IL&FS), Gurugram**



**Tata Power, Karnataka**



**Technip, Gujarat**

Particulars	Q1-FY18	Q1-FY17	Y-o-Y
Total Income*	3,793	3,797	(0.1%)
Total Expenses	3,460	3,518	(1.6%)
<b>EBITDA</b>	<b>333</b>	<b>279</b>	<b>19.4%</b>
<b>EBITDA Margin</b>	<b>8.78%</b>	<b>7.35%</b>	<b>143 Bps</b>
Depreciation	56	66	(15.2%)
Finance Cost	38	45	(15.6%)
Exceptional items	16	0	NA
<b>PBT</b>	<b>223</b>	<b>168</b>	<b>32.7%</b>
Tax	53	50	6.0%
<b>Profit After Tax</b>	<b>170</b>	<b>118</b>	<b>44.1%</b>
<b>PAT Margin</b>	<b>4.48%</b>	<b>3.11%</b>	<b>137 Bps</b>
Other Comprehensive Income	5	0	NA
<b>Total Comprehensive Income</b>	<b>175</b>	<b>118</b>	<b>48.3%</b>
<b>EPS (INR Diluted)</b>	<b>11.35</b>	<b>7.66</b>	<b>48.2%</b>

\*Total income includes other income

Particulars	FY13	FY14	FY15	FY16	FY17
<b>Total Income*</b>	<b>10,229</b>	<b>10,476</b>	<b>12,410</b>	<b>13,263</b>	<b>11,645</b>
Total Expenses	9,163	9,954	11,486	12,266	11,182
<b>EBITDA</b>	<b>1,066</b>	<b>522</b>	<b>924</b>	<b>997</b>	<b>463</b>
<b>EBITDA Margin</b>	<b>10.4%</b>	<b>4.9%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>4.0%</b>
Depreciation	221	267	254	256	249
Finance Cost	56	126	187	228	189
<b>PBT</b>	<b>789</b>	<b>129</b>	<b>483</b>	<b>513</b>	<b>25</b>
Tax	264	38	141	160	0
<b>Profit After Tax</b>	<b>525</b>	<b>91</b>	<b>342</b>	<b>353</b>	<b>25</b>
<b>PAT Margin</b>	<b>5.1%</b>	<b>0.9%</b>	<b>2.8%</b>	<b>2.7%</b>	<b>0.2%</b>
<b>EPS</b>	<b>34.7</b>	<b>6.02</b>	<b>22.45</b>	<b>23.00</b>	<b>1.60</b>

\*Total income includes other income



# Historical Balance Sheet – Standalone (INR Mn)- IGAAP



EQUITIES & LIABILITIES	FY14	FY 15	FY16	FY17	ASSETS	FY14	FY15	FY16	FY17
<b>Shareholder Funds</b>					<b>Non Current Assets</b>				
Share Capital	152	153	154	154	Tangible Assets	2,692	3,138	3,515	3414
Reserves & Surplus	2,793	3,044	3,321	3,331	(Intangible Assets	126	71	0	0
<b>Total -Shareholder Funds</b>	<b>2,945</b>	<b>3,197</b>	<b>3,475</b>	<b>3,485</b>	Capital Work In Progress	610	303	0	0
					Non-current investments	6	77	279	279
<b>Non Current Liabilities</b>					Long term loans & advance	745	871	531	467
Long Term Borrowings	513	948	1,182	917	Other non-current assets	3	34	33	1
Deferred Tax Liabilities (Net)	283	295	323	312					
Other Long Term liabilities	-	0	0	0	<b>Total - Non – Current Assets</b>	<b>4,182</b>	<b>4,494</b>	<b>4,358</b>	<b>4,161</b>
Long Term provisions	61	60	0	0					
<b>Total - Non – Current Liabilities</b>	<b>857</b>	<b>1,303</b>	<b>1,505</b>	<b>1,229</b>	<b>Current Assets</b>				
<b>Current Liabilities</b>					Inventories	2,421	2,718	2,525	2,369
Short term Borrowings	1,655	1,857	1,125	883	Trade Receivables	807	1,043	1,131	1,049
Trade Payables	1,229	1,322	1,729	1,698	Cash & Bank Balances	251	636	521	158
Other Current Liabilities	1,292	1,352	1,161	1,146	Short-term loans & advances	608	598	720	741
Short-term provisions	297	469	269	72	Other current assets	6	11	9	35
<b>Total – Current Liabilities</b>	<b>4,473</b>	<b>5,000</b>	<b>4,284</b>	<b>3,799</b>	<b>Total – Current Assets</b>	<b>4,093</b>	<b>5,006</b>	<b>4,906</b>	<b>4,352</b>
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>8,275</b>	<b>9,500</b>	<b>9,264</b>	<b>8,513</b>	<b>GRAND TOTAL – ASSETS</b>	<b>8,275</b>	<b>9,500</b>	<b>9,264</b>	<b>8,513</b>

Particulars	FY13	FY14	FY15	FY16	FY17
<b>Total Income*</b>	<b>10,229</b>	<b>10,476</b>	<b>12,417</b>	<b>13,263</b>	<b>11,771</b>
Total Expenses	9,163	9,955	11,493	12,274	11,318
<b>EBITDA</b>	<b>1,066</b>	<b>521</b>	<b>924</b>	<b>989</b>	<b>453</b>
<b>EBITDA Margin</b>	<b>10.4%</b>	<b>5.0%</b>	<b>7.4%</b>	<b>7.5%</b>	<b>3.8%</b>
Depreciation	221	267	254	256	251
Interest	56	126	187	228	189
<b>PBT</b>	<b>789</b>	<b>128</b>	<b>483</b>	<b>505</b>	<b>13</b>
Tax	264	38	141	160	1
<b>Profit After Tax</b>	<b>525</b>	<b>90</b>	<b>342</b>	<b>345</b>	<b>12</b>
<b>PAT Margin</b>	<b>5.1%</b>	<b>0.9%</b>	<b>2.8%</b>	<b>2.6%</b>	<b>0.1%</b>
<b>EPS</b>	<b>34.70</b>	<b>5.94</b>	<b>22.46</b>	<b>22.61</b>	<b>0.80</b>

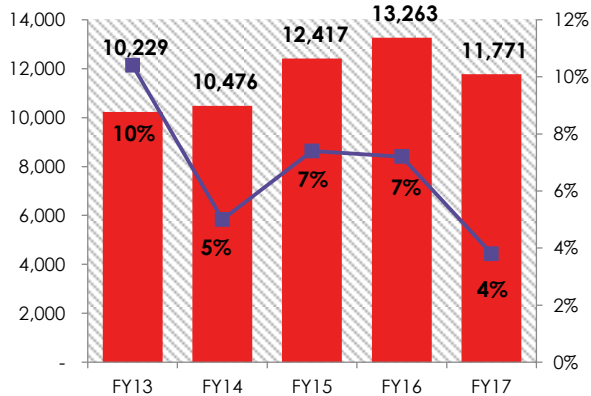
\*Total income includes other income

# Historical Balance Sheet – Consolidated (INR Mn) - IGAAP

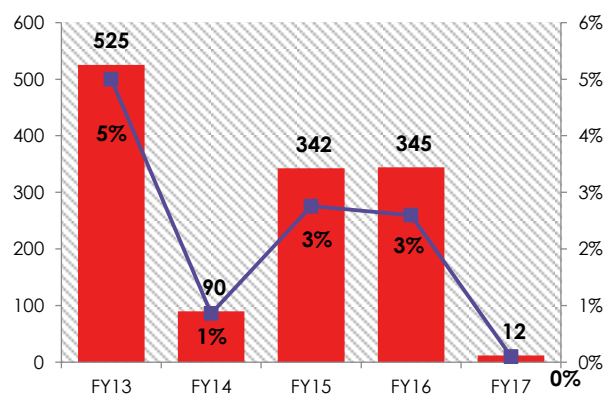


Equity & Liabilities	FY14	FY15	FY16	FY17	Assets	FY14	FY15	FY16	FY17
<b>Shareholder's Funds</b>					<b>Assets</b>				
					<b>Non-Current Assets</b>				
Share Capital	152	153	154	154	Fixed Assets				
Reserves and Surplus	2,792	3,042	3,312	3,309	Tangible Assets	2,691	3,138	3,597	3,636
Minority Interest	-	-	9	2	Intangible Assets	126	71	0	
<b>Total Shareholder's Fund</b>	<b>2,944</b>	<b>3,195</b>	<b>3,475</b>	<b>3,465</b>	Capital Work-in-Progress	610	322	0	
					Non Current Investments	1	0	0	0
Long-Term Borrowings	513	948	1,182	917	Long-Term Loans and Advances	745	874	542	478
Deferred Tax Liabilities (Net)	283	295	323	312	Other Non-Current Assets	3	33	32	1
Long-Term Provisions	61	60	0	0	<b>Total Non Current Assets</b>	<b>4,176</b>	<b>4,438</b>	<b>4,171</b>	<b>4,115</b>
<b>Non-Current Liabilities</b>	<b>857</b>	<b>1,303</b>	<b>1,505</b>	<b>1,229</b>					
					Inventories	2,421	2,718	2,525	2,371
Short-Term Borrowings	1,655	1,857	1,125	883	Trade Receivables	807	1,043	1,131	1,079
Trade Payables	1,229	1,322	1,731	1,746	Cash and Cash Equivalents	255	679	634	184
Other Current Liabilities	1,292	1,352	1,161	1,165	Short-Term Loans and Advances	610	610	796	778
Short-Term Provisions	297	469	269	74	Other Current Assets	5	10	9	35
<b>Current Liabilities</b>	<b>4,473</b>	<b>5,000</b>	<b>4,286</b>	<b>3,868</b>	<b>Total Current Assets</b>	<b>4,098</b>	<b>5,060</b>	<b>5,095</b>	<b>4,447</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,274</b>	<b>9,498</b>	<b>9,266</b>	<b>8,562</b>	<b>TOTAL ASSETS</b>	<b>8,274</b>	<b>9,498</b>	<b>9,266</b>	<b>8,562</b>

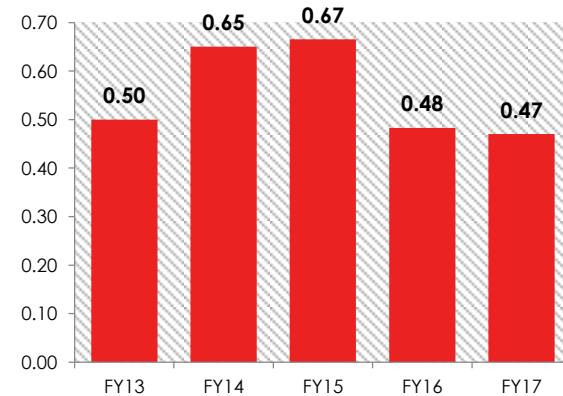
### Revenue (INR Mn) and EBITDA Margin (%)



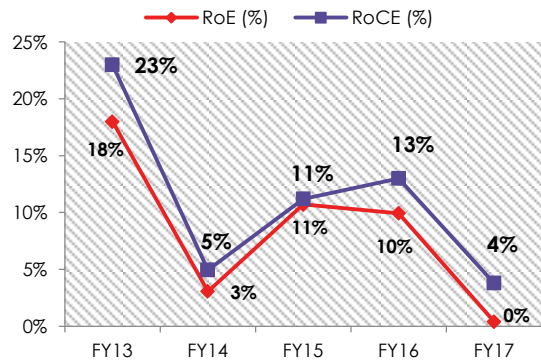
### PAT (INR Mn) & PAT Margin (%)



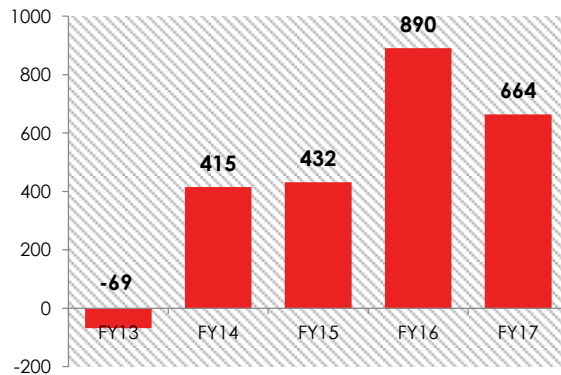
### Net Debt to Equity Ratio (x)



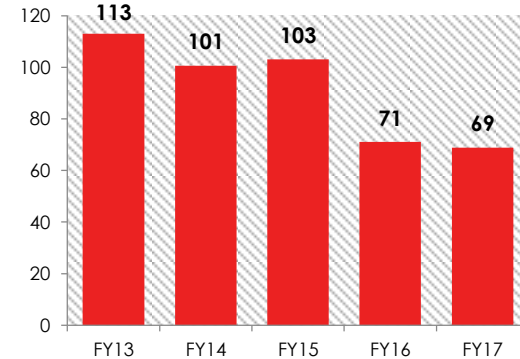
### ROE & RoCE



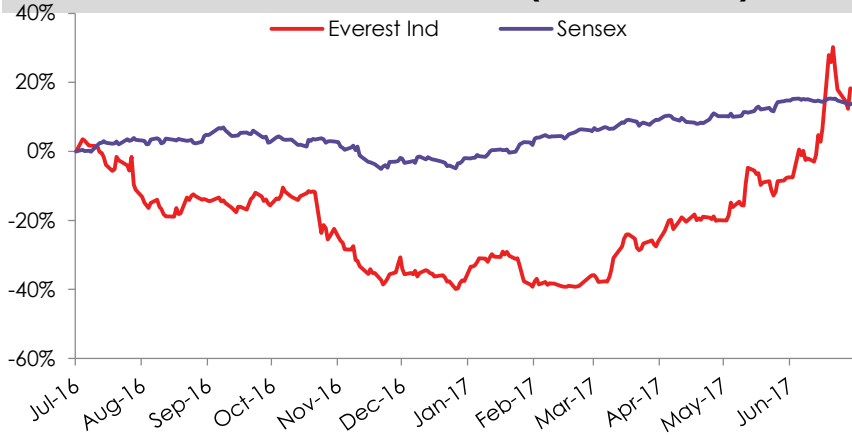
### Operating Cash Flow (INR Mn)



### Working Capital Days



## SHARE PRICE PERFORMANCE (30<sup>th</sup> JUNE, 2017)



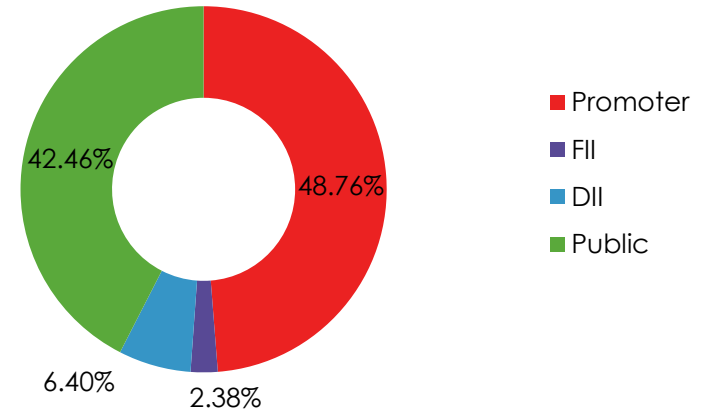
## PRICE DATA (AS ON 30<sup>th</sup> JUNE, 2017)

Face Value (INR)	10.00
Market Price (INR)	363.10
52 week H/L (INR)	421.6/182.0
Market Cap (INR Mn)	5,599
Equity Shares Outstanding (Mn)	15.4
12 Month Avg. Trading Volume ('000)	69.2

## MARQUEE INSTITUTIONAL INVESTORS (30<sup>th</sup> JUNE, 2017)

HDFC Mutual Fund	5.93%
ICICI Lombard General Insurance	5.22%
Morgan Stanley Asia (Singapore) Pte.	1.03%

## SHAREHOLDING PATTERN (30<sup>th</sup> JUNE, 2017)



The earnings call to discuss financial and operational performance for Q1-FY18 with Mr. Manish Sanghi, Managing Director and Mr. Nikhil Dujari, CFO will be held on:

- **Date: Monday, 31<sup>st</sup> July, 2017**
- **Time: 11.30 AM**
- **Primary Dial-in Numbers: +91 22 3960 0763**

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**Mr. Anuj Sonpal**  
**Valorem Advisors**

Tel: +91-22-3006-7521 / 22 / 23 / 24

Email: [everest@valoremadvisors.com](mailto:everest@valoremadvisors.com)