



MTAR Technologies Limited



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**A leader in critical and differentiated
engineered products**

Q1 FY22 Operational Performance

Well Balanced Portfolio

Q1 FY22 Financial Performance

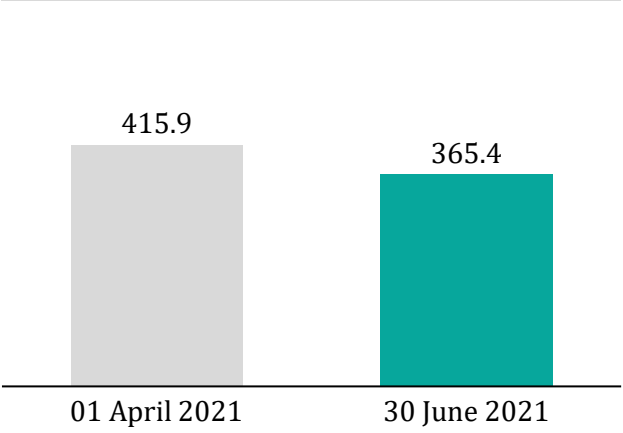
**Expanding Product Portfolio &
Capabilities**

Q1FY22 Profit & Loss

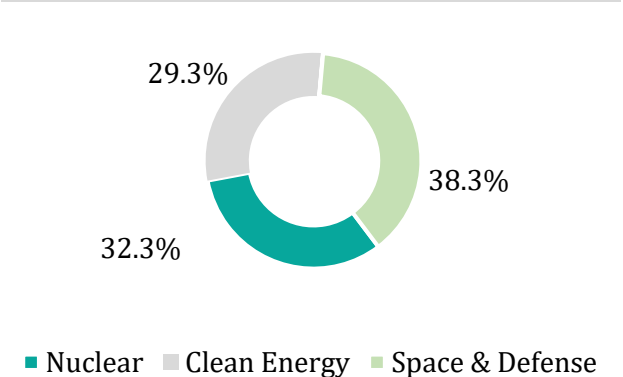


Q1 FY22 Operational Performance

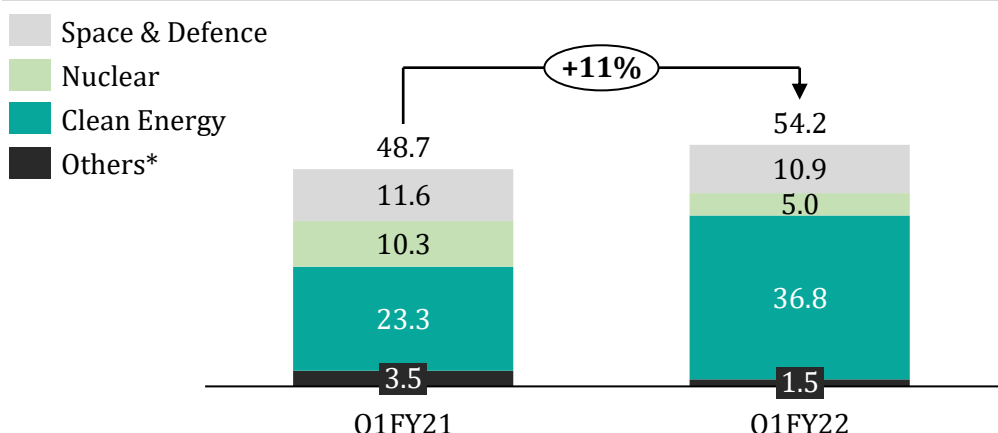
Order Book (Rs. Crs)



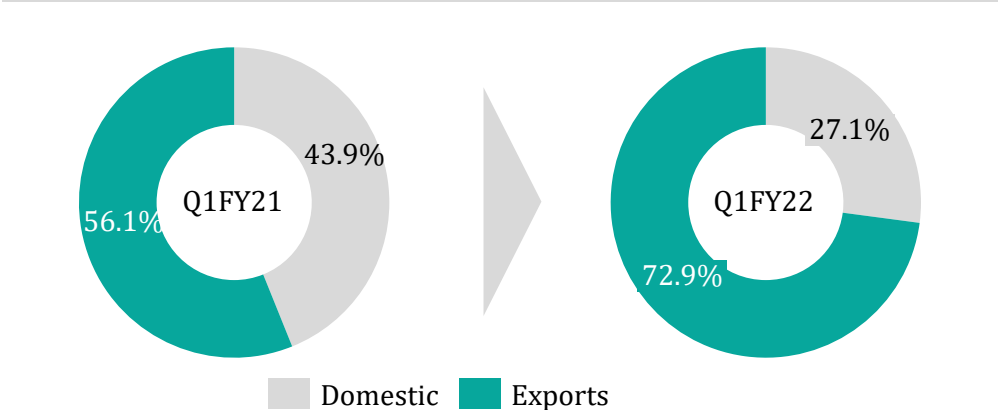
Sector Wise Break Up of Order Book



Sector wise Revenue (Rs. Crs)



Geography wise Revenue (Rs. Crs)

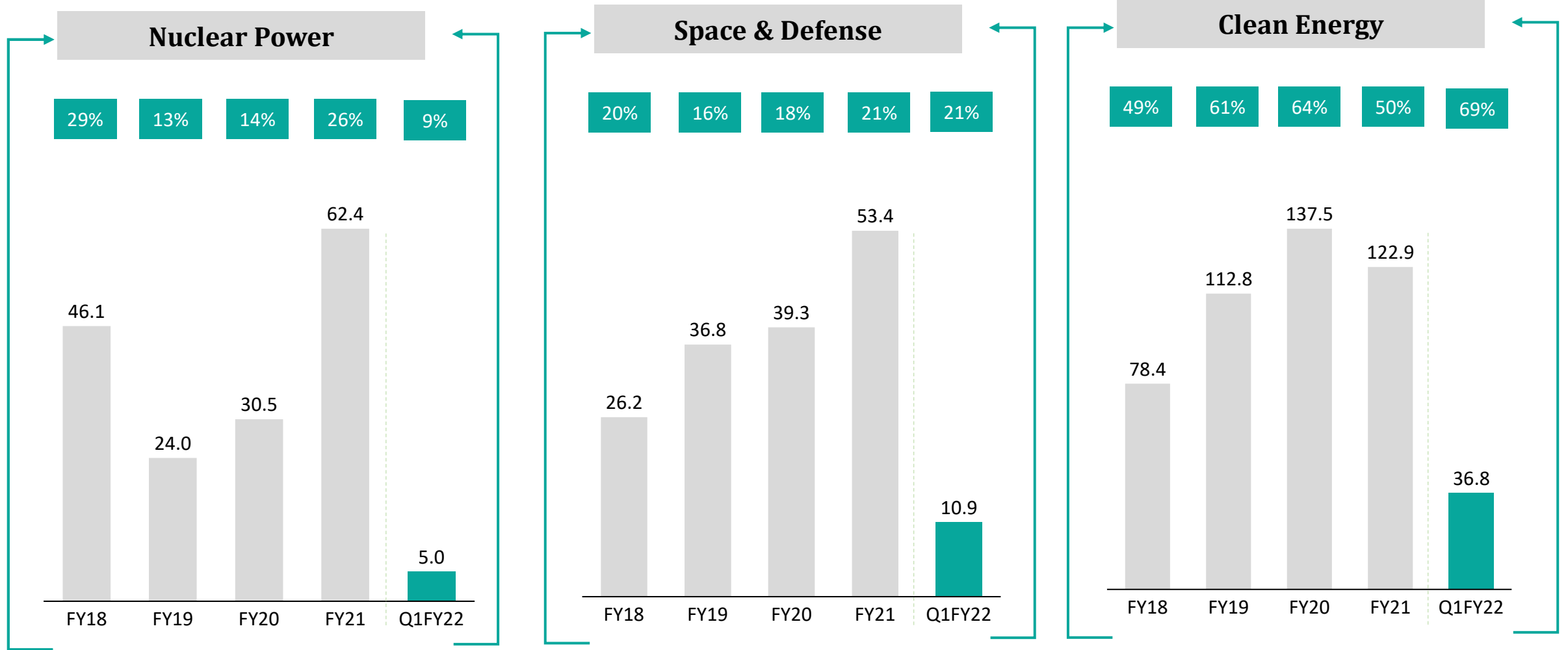


- Recorded **highest production of Hot Boxes per month** so far in June 2021 in spite of the devastating second wave of Covid-19
- Revenue from Exports is **increased by 52%** compared with Q1FY21 amidst the supply chain disruptions caused by the second wave of Covid-19
- We anticipate a better growth in the coming quarters of FY22 as the pandemic subsides. The order inflows from Civil Nuclear Power, Clean Energy, Space & Defence sectors are expected to be accelerated due to the huge national and global market potential available across sectors

*Others includes other operating income

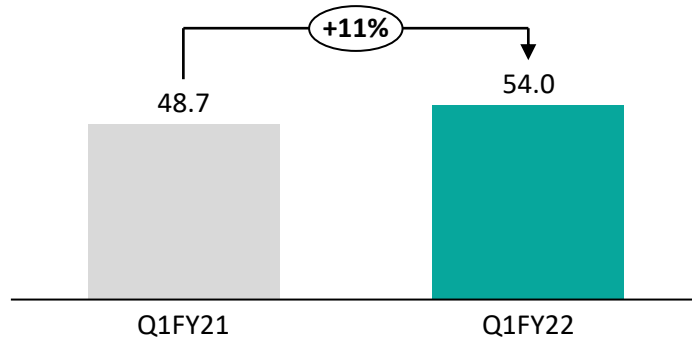
Well-balanced Portfolio

Revenue in Rs. Crs

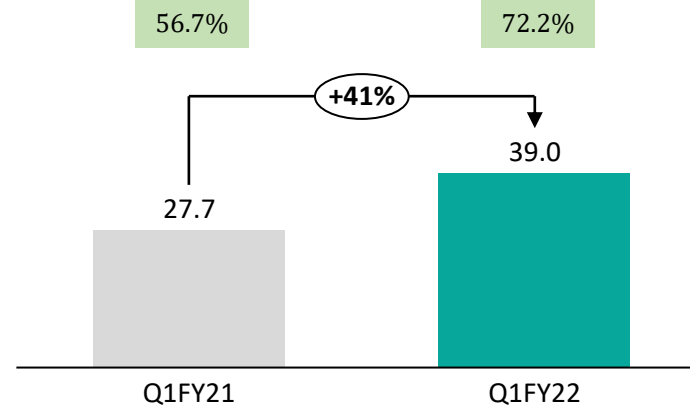


Q1 FY22 Financial Performance

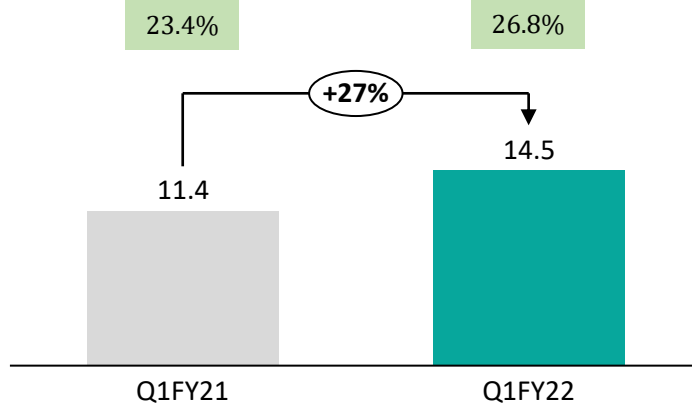
Revenues (Rs. Crs)



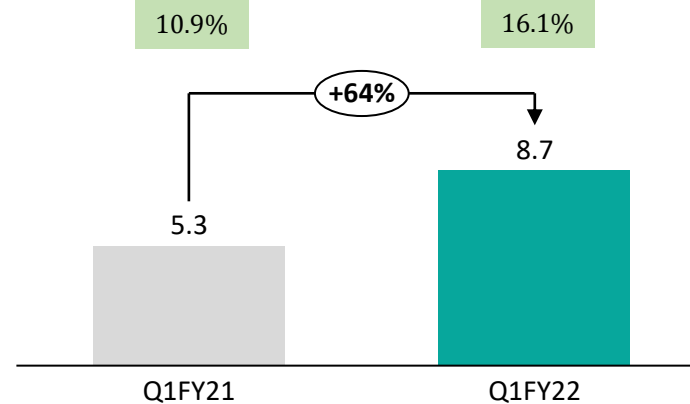
Gross Profit (Rs. Crs)



EBIDTA (Rs. Crs)



PAT (Rs. Crs)



- Revenue from Operations stood at Rs. 54.0 Crs as against Rs. 48.7 Crs in Q1FY21 a **growth of 10.9% Y-o-Y**
- Gross profit margins improved from 56.7% in Q1FY21 to 72.2% in Q1FY22, a **growth of ~1,550 bps**
- EBIDTA for the quarter stood at Rs. 14.5 crs, a **growth of 27% Y-o-Y**.
- EBIDTA margins stood at 26.8% as compared to 23.4% in Q1FY21
- PAT for Q1FY22 was Rs. 8.7 crs as compared to Rs. 5.3 crs in Q1FY21, a **growth was 64% Y-o-Y**
- PAT margins for Q1FY22 stood at 16.1% as compared to 10.9% in Q1FY21, a **growth of 520 bps**

Expanding Product Portfolio & Establishment of New Capabilities



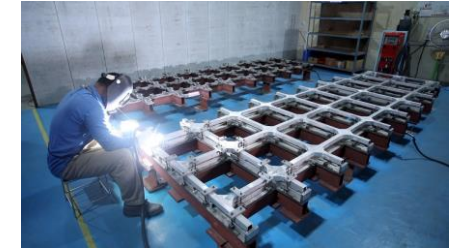
Roller Screws



Electro-Mechanical
Actuators



High End
Fabrication



High Precision Sheet
Metal

Expanding Product Portfolio

- ✓ **Indigenizing the Roller Screws.** Made a significant progress in the developmental activity.
- ✓ Significant R&D efforts undertaken for the development of roller screws
- ✓ The company has also **initiated the development of Electro-mechanical actuators**, which find application in Space and Defence sectors

Establishment of New Capabilities

- ✓ Building an **exclusive specialized fabrication facility** at Adibatla to take up high end fabrication jobs that shall enhance our existing capabilities. The facility is expected to be functional by end of FY22

Sheet Metal

- ✓ Adding new feather to the cap by diversifying into **high precision sheet metal work**. Establishing a sheet metal facility at Adibatla
- ✓ The company will be initially catering to **ISRO and Bloom Energy**.
- ✓ The new capabilities are expected to bring in lot more customers. The facility is expected to be functional by H2 FY22

Q1 FY22 Profit & Loss Statement

Particulars (Rs. Crs)	Q1FY22	Q1FY21	Y-o-Y (%)
Revenue from Operations	54.0	48.7	10.9%
Cost of Materials Consumed	32.9	24.2	
Changes in Inventories	-17.9	-3.1	
Gross Profit	39.0	27.7	41.2%
GP %	72.2%	56.7%	
Employee Benefits Expense	15.9	11.9	
Other Expenses	8.7	4.4	
EBITDA	14.5	11.4	26.6%
EBITDA %	26.8%	23.4%	
Other Income	2.6	0.4	
Depreciation and Amortisation Expense	3.3	3.0	
EBIT	13.7	8.9	
Finance Costs	1.2	1.5	
PBT	12.5	7.4	
Total Tax Expense	3.8	2.1	
Profit for the year	8.7	5.3	63.6%
PAT %	16.1%	10.9%	

**A leader in critical and differentiated
engineered products**

Historical Profit & Loss

Consolidated Balance Sheet

Abridged Cash Flow Statement

Performance in Charts

Capital Disciplined Approach



Historical Consolidated Profit & Loss Statement

Particulars (Rs. Crs)	FY21	FY20	FY19	FY18
Revenue from Operations	246.4	213.8	183.7	156.6
Cost of Materials Consumed	101.8	87.3	65.5	66.0
Changes in Inventories of Finished Goods and Work in Progress	-21.6	-15.1	-3.0	-9.0
Gross Profit	166.3	141.6	121.1	99.7
GP %	67.5%	66.2%	65.9%	63.7%
Employee Benefits Expense	53.0	51.6	43.5	44.6
Other Expenses	30.2	32.0	23.9	23.2
EBITDA	83.1	58.0	53.7	31.9
EBITDA %	33.7%	27.1%	29.2%	20.4%
Other Income	1.3	4.4	2.2	0.9
Depreciation and Amortisation Expense	12.6	12.0	11.2	11.2
EBIT	71.8	50.3	44.7	21.6
Finance Costs	7.0	4.8	4.5	4.5
PBT	64.8	45.5	41.6	17.2
Total Tax Expense	18.8	14.2	2.4	11.7
Profit for the year	46.1	31.3	39.2	5.4
PAT %	18.7%	14.7%	21.3%	3.5%

Consolidated Balance Sheet

EQUITY & LIABILITIES (Rs. Crs)	Mar-21	Mar-20
Equity Share Capital	30.8	26.8
Other Equity	446.0	198.3
Total Equity	476.8	225.1
Financial Liabilities		
Borrowings	7.1	-
Provisions	0.4	2.4
Deferred Tax Liabilities (Net)	12.7	5.3
Total Non-Current Liabilities	20.2	7.7
Financial Liabilities		
(i) Borrowings	4.9	29.1
(ii) Trade payables	34.7	30.6
(iii) Other Financial Liabilities	7.6	0.2
Provisions	2.5	3.4
Current Tax Liabilities (Net)	0.3	0.9
Other Current Liabilities	39.4	49.2
Total Current Liabilities	89.4	113.5
TOTAL EQUITY & LIABILITIES	586.3	346.3

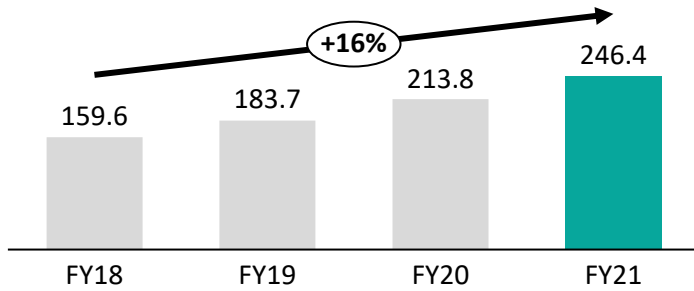
ASSETS (Rs. Crs)	Mar-21	Mar-20
Property, Plant and Equipment	166.1	155.0
Capital Work-in-progress	10.5	11.7
Intangibles Assets	0.9	0.1
Financial Assets		
(i) Investments	0.0	0.0
(ii) Other Financial Assets	2.1	3.3
Non-Current Tax Assets (Net)	0.5	0.6
Other Non Current Assets	7.5	4.0
Total Non-Current Assets	187.8	174.8
Inventories	102.5	75.5
Financial Assets		
(i) Trade Receivable	77.3	61.6
(ii) Cash and Cash Equivalents	180.3	13.5
(iii) Other Bank Balances (other than Note 13 above)	10.6	9.7
(iv) Other Current Financial Assets	12.7	1.7
Other Current Assets	15.2	9.5
Total Current Assets	398.5	171.5
TOTAL ASSETS	586.3	346.3

Abridged Cash Flow Statement

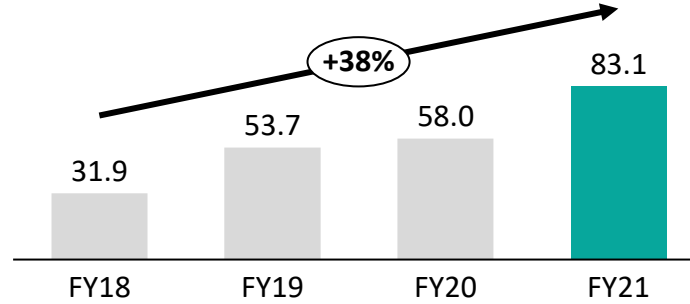
Particulars (Rs in Cr)	31-Mar-21	31-Mar-20
Operating profit before working capital changes	82.0	60.9
Changes in working capital	-61.7	2.5
Cash generated from operations	20.3	63.4
Direct taxes paid (net of refund)	-11.7	-7.2
Net Cash from Operating Activities (A)	8.6	56.2
Net Cash from Investing Activities (B)	-22.2	-12.1
Net Cash from Financing Activities (C)	180.1	-41.3
Net Change in cash and cash equivalents	166.6	2.8

Performance in Charts

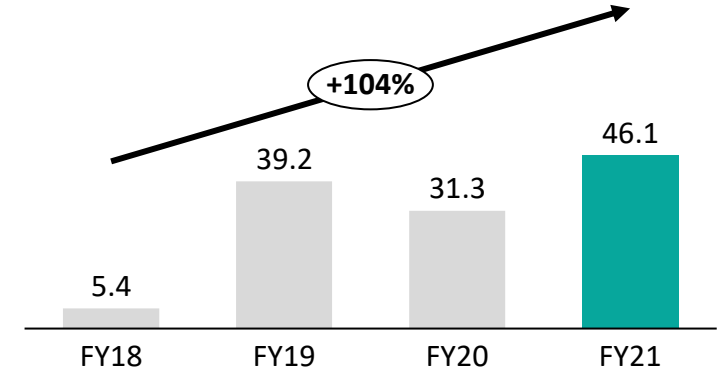
Revenues (Rs. Crs)



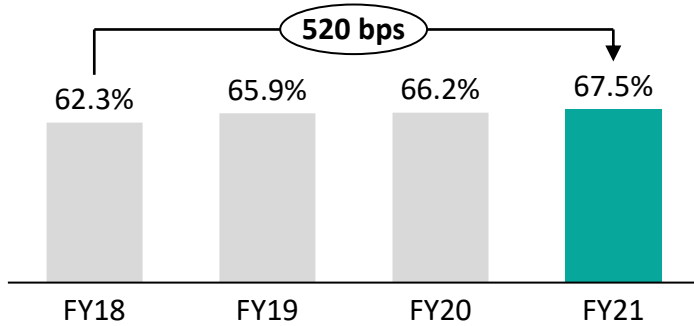
EBITDA (Rs. Crs)



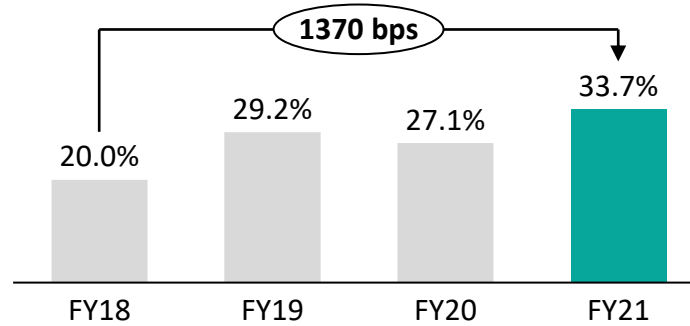
PAT (Rs. Crs)



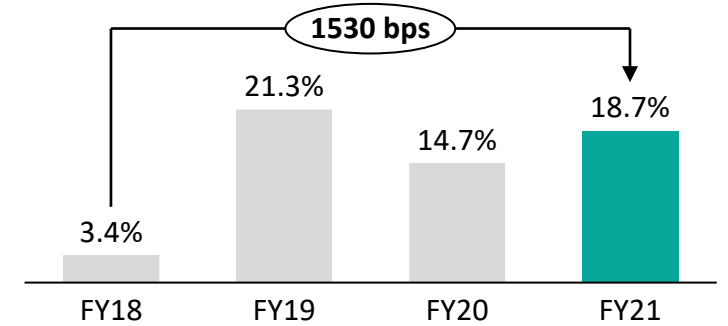
Gross Profit Margins (%)



EBITDA Margins (%)

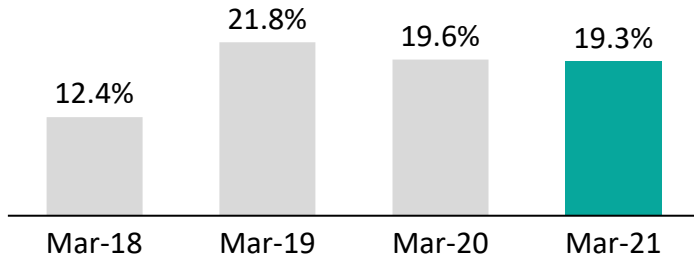


PAT Margins (%)

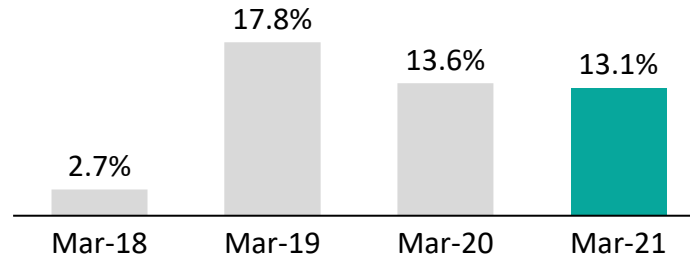


Capital Disciplined Growth

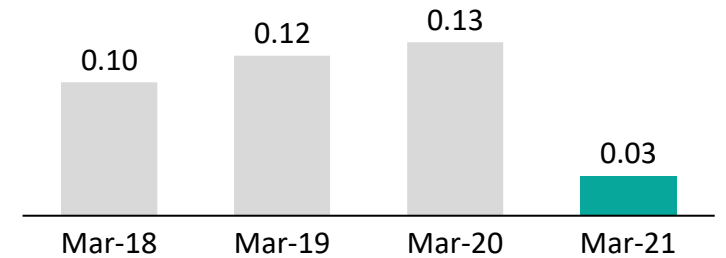
RoCE* (%)



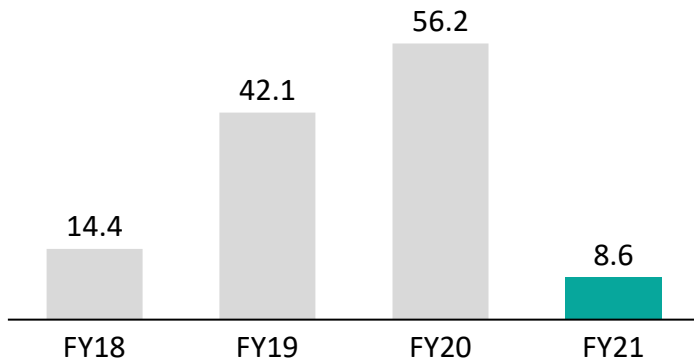
RoE# (%)



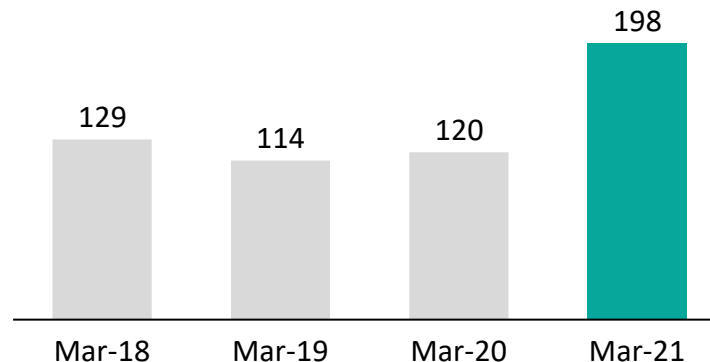
Net Debt to Equity (x)



Cash Flow from Operations (Rs. Crs.)



Net Working Capital (in Days)



- Our Net Working Capital days has increased to 198 days due to increase in average inventory as a result of procuring raw materials ahead
- Delays in receivables amidst COVID 19 pandemic
- As the situation normalizes going forward, we expect our net working capital days to reduce

*RoCE = EBIT/Avg. Capital Employed
Capital Employed = Total Assets – Current Liabilities

#RoE = Net Profit/Avg. Total Equity



A leader in critical and differentiated engineered products

Wide Portfolio of Products

Serving Multiple Sectors + Segments

Multiple Companies entrust MTAR

Diversity in Supplier Base



Wide Product Portfolio



Rocket engines

Healthy mix of
developmental versus
volume-based products



Hot boxes



Rotor Mast Bearing
Housing - Titanium

Mix of regular (less
complex) products versus
highly complex assemblies



Control Plug for
Reactor



Precision machined
components

Manufactures small
products to large products
(few gms to tons)



Bridge & Column



Roller screws

Manufactures import
substitute products which
have application across
industries



Ball Screws

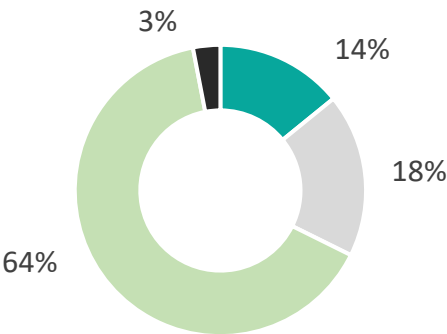
Wide portfolio of critical and differentiated engineered products with a healthy mix of developmental and volume-based production, customized to meet the specific requirements of its customers

Serving Multiple Sectors + Segments

FY20

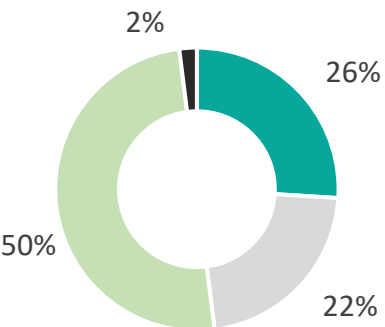
Sectorwise Break-up

- Nuclear
- Space & Defence
- Clean Energy
- Others



FY21

Sectorwise Break-up



Has developed **wide product portfolio** catering to diverse sectors

Export contributor >55% of FY21 revenue has been derived from orders by customers located outside India

FY20

Geographical Break-up

- Domestic
- Exports



FY21

Geographical Break-up



Multiple Companies entrust MTAR

Large MNCs

Bloomenergy

Elbit

Andritz
Hydropower

Kongsberg

Rafael

Government Departments



Defence Research and
Development Organisation



Indira Gandhi Centre
for Atomic Research

Aeronautical
Development
Agency

Liquid
Propulsion
Systems Centre

Indian Companies



Nuclear Power
Corporation of India Limited



HAL

BHEL

TASL

Bharat
Dynamics

**Long standing relationship with large MNC's,
Government Departments and Large Indian Public
and Private sector companies**



- Strong relationship with a multitude of global defence, space and clean energy players- both state-owned and private
- Strong repeat business due to MTAR's engineering capability

Long term
relationships

- Ability to provide exceptional quality products as per customer specifications
- Consistent customer servicing standards
- Continuous learning adopted to reduce cost to customer over time ex. Bloom energy

High customer
dependence

- Strive to understand our customers' business requirements and provide products that maximize their returns
- Develop leadership in key product segments

Customer
understanding

Diversity in Supplier Base



Established long term supplier relationship

- Ensures quality raw material within prescribed timelines.
- No long term contracts yet managing consistent supply of materials due to long standing relationships
- Enables better insight on the raw material markets, which helps in managing the supply chain, resulting in greater predictability of supply and, consequently, a greater ability to meet production schedules



Large & diversified supplier base

- Maintains robust database of suppliers with constant engagement to ensure material availability options
- Created a global supplier base over the years and procures materials from US, Brazil, Europe among others
- Low supplier dependency on account of the diversified supplier base, which also enables negotiation of favorable terms
- Global network provides the option to take advantage of better pricing as available in a particular market



Ability to source specialized materials

- Developed a robust supply chain for sourcing of wide variety of specialized raw materials . Select Eg. Include:
- Specialized steels (17-4 PH, SS 410, 13-8 MO PH) for the nuclear sector; Alloy steels and aluminum including bearing and seals for space and defence clients, Inconel sheets of various grades for clean energy clients
- Select clients (mostly Space & Defence) directly procure & supply raw materials given the sensitivity of the end projects



Stringent quality checks

- Company performs extensive evaluation on their ability to provide quality products in a timely manner
- Stringent vendor qualification process, which enables to keep a periodic check on suppliers with regard to the quality of materials supplied and corresponding prices
- In place stringent inspection of raw materials to check their tensile strength, surface finish, resistivity, among others given the criticality of the products

**A leader in critical and differentiated
engineered products**

Projects of Pride, Glory & Prestige

Advanced Manufacturing Capabilities

Technology & Innovation Capabilities

State-of-the-Art Manufacturing Facilities

End to End Manufacturing Capabilities

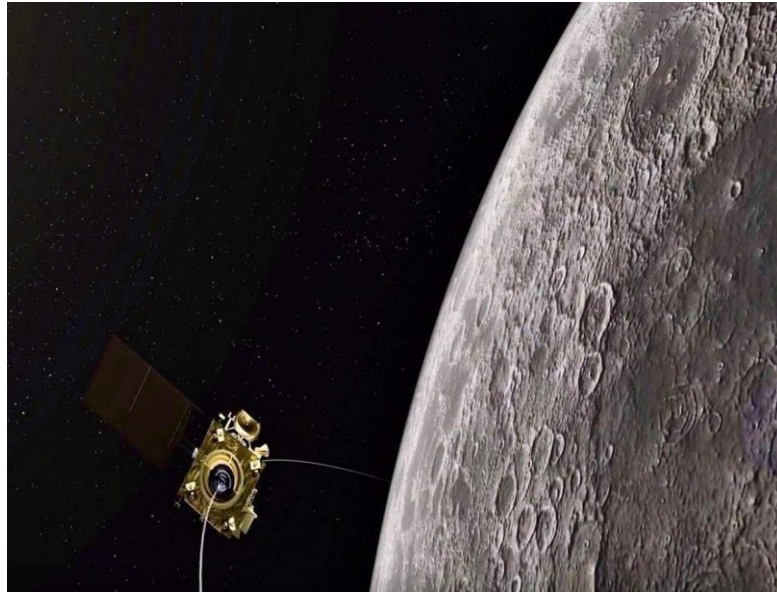


Projects of Pride, Glory & Prestige

Manufactures hi-precision indigenous components, subsystems, assemblies for projects of National Importance



Supplied engine for the PSLV-C25,
which launched the Mars Orbiter
Mission Spacecraft



Integral for the GSLV Mark III
engine for the Chandrayaan II
mission



Undertakes complex assemblies
such as the base shroud
assembly for Agni missiles

Advanced Manufacturing Capabilities



Legacy

Legacy of over **50 years of manufacturing** a wide range of mission critical precision components and assemblies with currently over **145 engineers on roll**



Engineering

Ability to manufacture within **5-10 micron tolerance** product through precision machining, assembly, specialised fabrication, heat treatment, surface treatment and others



Manufacturing

State of the art manufacturing facilities with over 400 machines capable of micron level adherence to specifications across products



R&D

Extensive R&D for **cycle time reduction**, development of manufacturing processes & design specifications to achieve accuracy irrespective of size



Quality Control

Extensive & stringent testing & quality control mechanism undertaken at each stage through high precision quality inspection equipment

Case Study #1

Precision Engineering Solutions

- ✓ Product example: Liquid Propulsion Engine
- ✓ End use: Space Vehicles



- Used in space launch vehicles for various space missions such as **Chandrayaan-II and Mangalyaan**
- Engine is used in the **GSLV** launch vehicle

Case Study #2

Complex Product Manufacturing

- ✓ Product example: Fuel Machining Head Assembly
- ✓ End use: Nuclear Reactor



- Manufacture and assembly of **600 components**
- FM Head is used for handling fuel bundles in nuclear reactors

High Entry Barriers

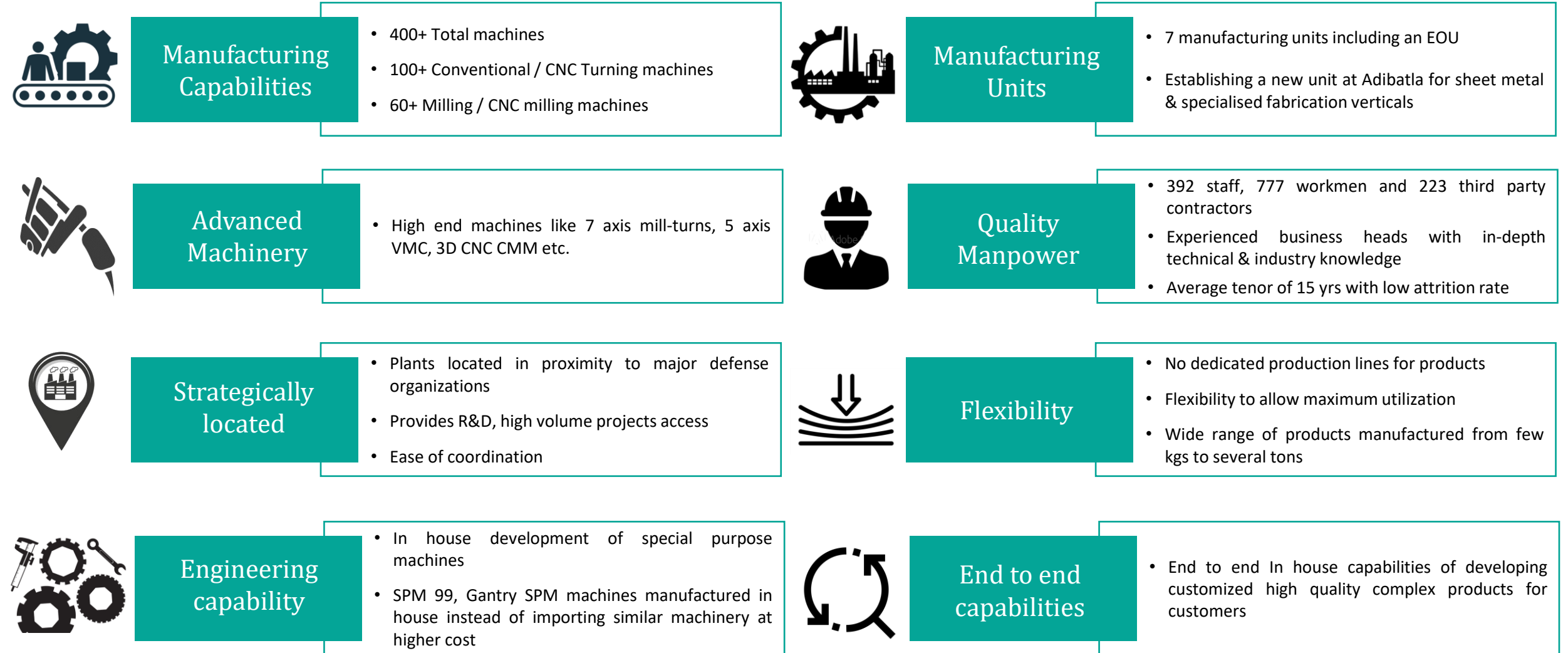


Increased customer dependency on MTAR



Long standing Client relationship

Technology & Innovation Capabilities



State of Art Manufacturing Facilities

Units	Products manufactured	Sectors catered	Facilities offered
Unit 1	Complex nuclear assemblies & high end defence products such as base shroud assembly for Agni missiles	Nuclear, defence and aerospace	Advanced computerized numerical control, machining & QC
Unit 2	Liquid propulsion engines, cryogenic engines, semi cryo engines and electro pneumatic modules used in PSLV and GSLV and satellite valves	Space	Advanced CNC machining, assembly, specialized fabrication, QC and testing
Unit 3	High volume nuclear assemblies such as coolant channel assemblies including end fittings, liner tubes, sealing and shield plug; products such as ball screws and WLBs and other nuclear site orders	Nuclear, defence and aerospace	Advanced CNC machining and quality control
Unit 4	Supporting unit which undertakes rough machining	-	Rough machining
Unit 5	Supporting unit which undertakes surface treatment such as nitriding, anodization and heat treatment such as gas carbonizing	-	Surface treatment, heat treatment and special processes
Unit 6	Supporting unit with fabrication facility and large clean rooms	-	Assembly
EOU	Power units for supply to Bloom Energy and high end defence components to be supplied to an Israeli defense technology company	Clean energy and export defence	Advanced CNC machining, Brazing, assembly, special processes such as painting, and QC

Accreditations

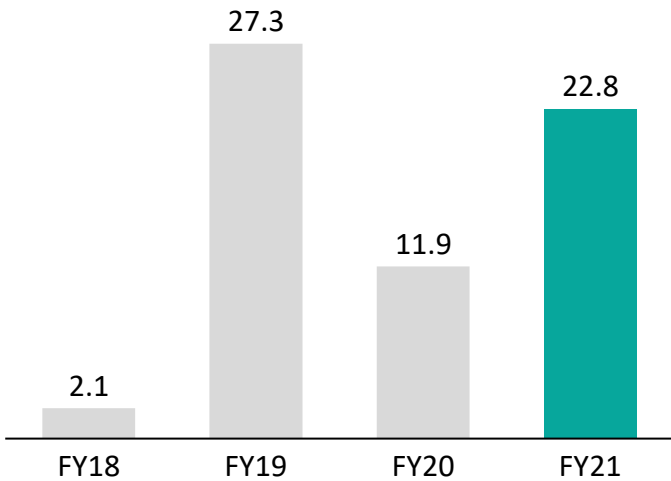


ISO 9001:2015



AS9100D

Capex (Rs. Crs.)



Manufacturing Facilities

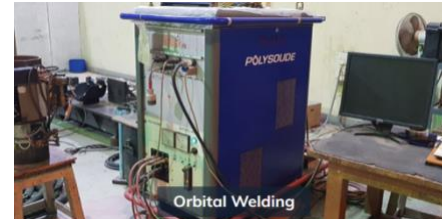
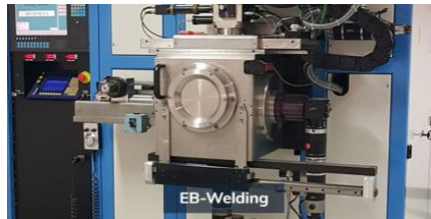
High End Machinery



Assembly, Testing and Clean rooms



Specialized Fabrication facilities



Surface treatment, heat treatment, Painting



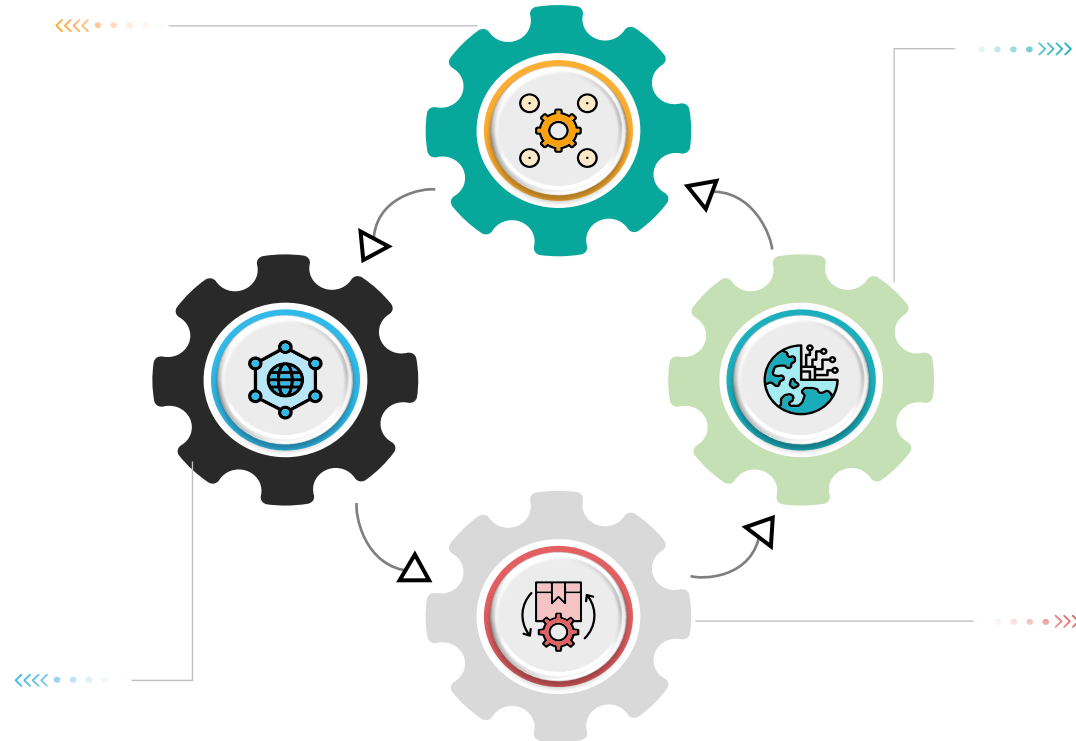
End to End Manufacturing Capabilities

Machining

- Manufacturing of precision components with close tolerances to the extent of 5-10 microns supported by
 - ✓ series of high-end machines such as 7 axis Mill-turns, 5 axis vertical machining centers ("VMCs"), 4.5 axis machining centres
 - ✓ milling centres, turning centres, grinding centres
 - ✓ tool room machines, deep hole boring and honing machines, among others;

Assembly and Testing

- Assembly and testing capabilities are supported by
 - ✓ 10,000 class clean rooms and 100 class laminar table with facilities for high as well as low temperatures
 - ✓ undertaking vibration, flow and helium leak tests



Surface & Heat Treatment

- Surface treatment activities such as - nitriding, anodization, hard chrome plating, nickel plating, induction hardening, electro polishing, pickling, passivation, zinc plating and painting, among others
- Heat treatment such as - gas carbonizing, through their various furnaces
- Special processes facilities such as - painting and plating are also available in-house

Specialized fabrication unit

- Equipment to undertake
 - ✓ automatic tungsten inert gas ("TIG") welding, metal inert gas ("MIG") welding, submerged arc welding, welding head manipulator
 - ✓ job manipulator / positioner, electron-beam ("EB") welding, orbital welding
- Specialized fabrication jobs - May be taken up by Vacuum brazing furnace and rotary vacuum brazing furnace

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A leader in critical and differentiated engineered products

Three Decades in Precision Engineering

Product Offerings – Nuclear Power

Product Offerings - Space & Defense

Product Offerings - Clean Energy

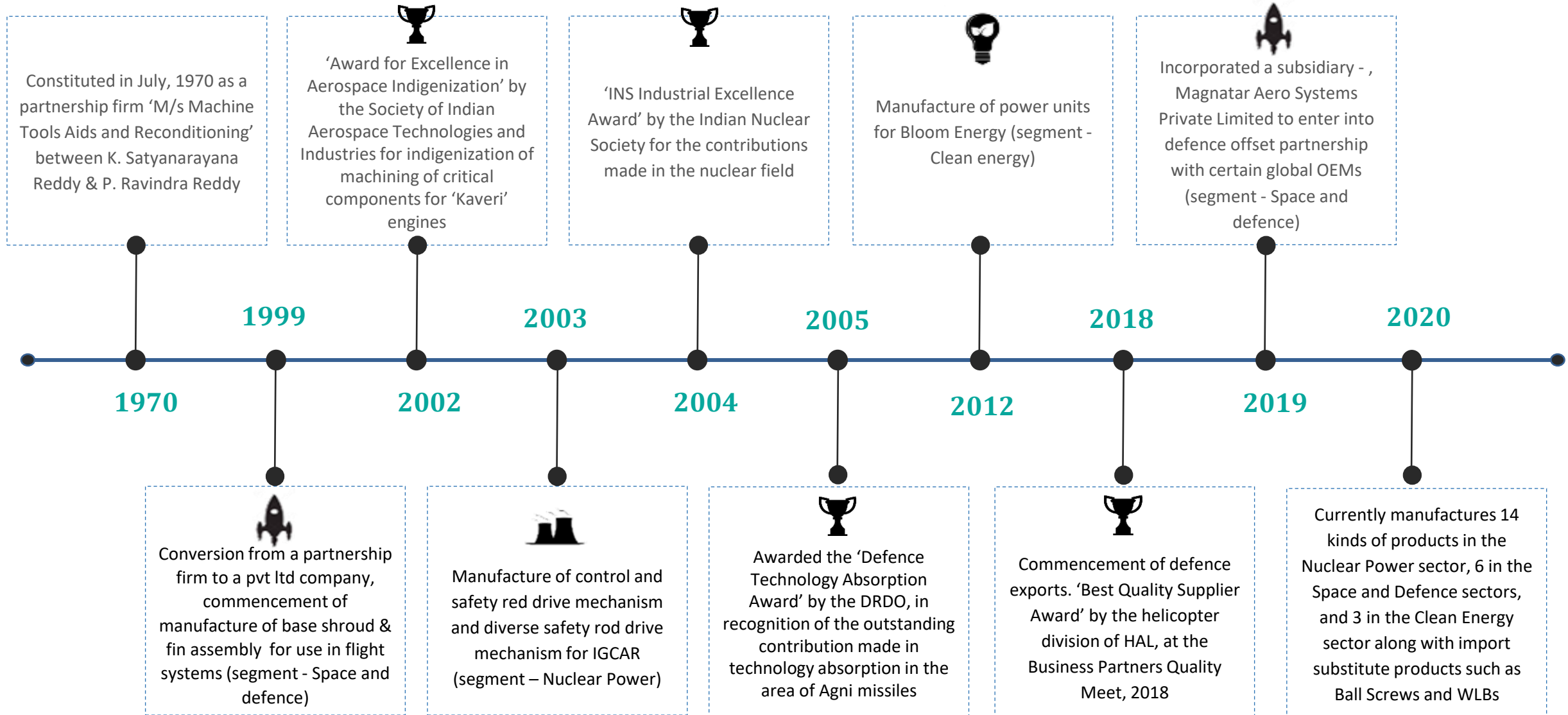
Experienced Board of Directors

Qualified Management Team

Delivering Value to Stakeholders



Three Decades in Precision Engineering



Product Offerings – Nuclear Power Segment

Nuclear Sector Products



Fuel Machining Head

Comprises of 600 components;
Used in loading & unloading of fuel
bundles in nuclear reactor



Grid Plate

Used for resting the fuel sub-
assemblies in prototype fast
breeder reactor



Bridge & Column

Moves fuel machining head in
sideways and vertical
directions to allow loading and
unloading of various fuel
bundles in the nuclear reactor



Shield Plug



Sealing Plug



Liner Tube

Coolant Channel assemblies - Sealing Plug, Shielding Plug, End Fittings

Used in the core of civilian reactor



Drive Mechanisms

Critical equipment used for
regulating purpose and shutdown
of nuclear reactors under normal
and undesirable operating
conditions



Top hatch cover beams and deck plate assembly

Requires high positional and
dimensional accuracies

High criticality of products given safety
requirements

35+ years of serving customers in Nuclear sector

14 kinds of products for a wide range of
applications

Partnered with NPCIL which controls all
operational, under construction and planned
reactors in the country given India does not allow
private participation

Product Offerings – Space and Defence

Space & Defence Sectors



Base shroud assembly and air frames
Used in Agni missiles such as A1, A2 A3, A4, A5, A1 P.

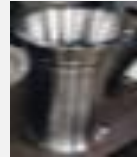
Components for Aircraft



Main Gear Box – Magnesium



Titanium Center Piece



Sukhoi – HPC Shaft Nickel Alloy



Control Manifold HAL Tejas

Ball Screws



Ball screws and Water Lubricated Bearings
Import substitutes used in actuators of nuclear reactors, space launch vehicles, missiles etc.

Roller Screws (under development) - Used in various assemblies in missiles, space launch vehicles and nuclear reactors

Components for Geosynchronous Satellite Launch Vehicle (GSLV)

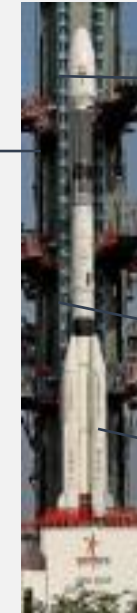


Cryogenic Engine - Turbo Pump, Injector Head, Gas Generator, Booster Pumps, Interfaces And Start Up Systems



POGO Command Module

Modules used in Stage 1 & 2

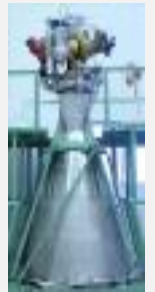


Stage 3

Stage 4 – Inside Satellite

Stage 2 - 4 Nos.

Stage 1 - 4 Nos.



Liquid Propulsion Rocket Engine (Vikas Engine)

High precise, reliable & complex product requirements

30+ years of serving customers in Space & Defence sector

6 kinds of products for a wide range of applications

Existing relationship with ISRO procurement & assembly of satellites and launch vehicles and **with DRDO** which is the R&D organization focused on military technology

Product Offerings – Clean Energy

Clean Energy Sector

Existing Product Supplies

- **Fuel Cell Products**
- SOFC Hot boxes - Use methane to generate power

Under Development and manufacturing

- **MTAR is developing the following products in collaboration with Bloom to expand its product portfolio in clean energy sector:**
 - Hydrogen boxes- Use Hydrogen to generate power
 - Electrolyzers - generate green hydrogen from water that shall be used in power units to generate power with zero carbon emissions
- Establishment of sheet metal vertical at Adibatla unit to cater to Bloom Energy and other customers



9+ years of strong partnership with Bloom

Existing product in high demand, **new products** under development for the Clean Energy sector

Only supplier to Bloom from India as of FY21. Bloom is one of the largest and the fastest growing player globally in the stationary hydrogen fuel cell segment and has 70% of its revenues coming from products segment and balance from services

Supported by an Experienced Board of Directors



Subbu Venkata Rama Behara

Chairman and Independent Director

- Director - Ola Electric Mobility Pvt Ltd, Greaves Cotton Ltd & Ampere Vehicles Pvt Ltd
- Alumnus of IIFT



Mathew Cyriac

Nominee Director

- Previously worked with Blackstone Advisors
- Director - Florintree Advisors Pvt Ltd
- Alumnus of IIM, Bangalore



Praveen Kumar Reddy Akepati

Additional Director

- Has worked with the company for 18+ years
- Bachelor's degree in engineering from the Faculty of Engineering, Andhra University



Vedachalam Nagarajan

Independent Director

- 35+yrs of experience at ISRO
- Padma Shri awardee
- Former member of various govt. committees



Krishna Kumar Aravamudan

Independent Director

- Previously served as MD, State Bank of India
- Ex-director - CDSL, REC Ltd, TVS Wealth Pvt Ltd and SBI Payment Services Pvt Ltd



Parvat Srinivas Reddy

Managing Director and Promoter

- 29+ years of work experience
- Ex-managing director of Ravileela Granites Ltd.
- Master's degree from Louisiana Tech University



Venkatasatishkumar Reddy Gangapatnam

Non-Executive Director

- Director - Rasun Ace Infra Pvt Ltd, Acecorp Group Pvt Ltd and Magnatar Aero Systems Pvt Ltd
- Alumnus of Bradley University



Gnana Sekaran Venkatasamy

Independent Director

- Previously worked at DRDO
- Master's degree in engineering from the Indian Institute of Science, Bengaluru



Udaymitra Chandrakant Muktibodh

Independent Director

- Served NPCIL at various capacities including technical director
- Had been awarded NPCIL Excellence Award



Ameeta Chatterjee

Independent Director

- Director - Nippon Life Asset Management Ltd and JSW Infrastructure Ltd
- Alumnus of IIM, Bangalore

Experienced and Qualified Management Team



Parvat Srinivas Reddy -

Managing Director and Promoter

- Entrusted with the overall responsibility of management
- 29+ years of rich work experience in Manufacturing and Construction industries
- Master's degree in science, specializing in industrial engineering from Louisiana Tech University



Devesh Dhar Dwivedi, *Chief Operating Officer*

- Responsible for leading the day to day operations
- 13 yrs. of experience in sectors including defence, manufacturing, IT, engineering
- Previous organisations - High Radius Technologies Pvt. Ltd., Bharat Forge Ltd., DRDO
- Alumnus of NIT, Allahabad and ISB, Hyderabad



Sudipto Bhattacharya, *Chief Financial Officer*

- Responsible for the planning, implementation, management and running of all financial activities
- Previous organisations - ACC Ltd. (senior VP), Baker Tilly DHC Advisory LLP (senior partner)
- Chartered Accountant



Shubham Sunil Bagadia, *CS and Compliance Officer*

- Responsible for ensuring compliance with statutory and regulatory requirements
- Previous organisations - Nova Agritech Ltd., SV Labs Pvt. Ltd.
- Member -Institute of Company Secretaries of India



Pusparaj Satpathy, *Vice President, Human Resources*

- Responsible for the HR development
- 23+ yrs. Of experience in human resources
- Previous organisations - Century Enka Ltd., Hindustan Zinc Ltd. and Hindalco Industries Ltd.
- Alumnus of Jaipuria Institute of Management, Lucknow

Delivering Value to Stakeholders



IPO Subscription	
Category	Times Subscribed
QIB	164.99x
NII	650.79x
RII	28.40x
Total	200.79x

Record breaking subscription of **over 200 times**, making it the **most subscribed IPO ever** in the history of Indian capital markets with an IPO size in excess of Rs. 200 Crs.

March 2021	
▪ Listing of MTAR Technologies Limited	
▪ Listing done on BSE & NSE	
▪ IPO Price : Rs. 575 per share	
▪ Listing Price: Rs. 1078.80 per share	
▪ Listing day gain of ~88%	
▪ Objects of the Issue: Proceeds of Rs. 158 crores to	
▪ Repayment or prepayment in full or part of borrowings availed by our Company	
▪ Funding working capital requirements	

MTAR Technologies Listing done at Valuation of ~ **₹ 3,320 Crs** on 15th March 2021

A leader in critical and differentiated engineered products

Looking Ahead

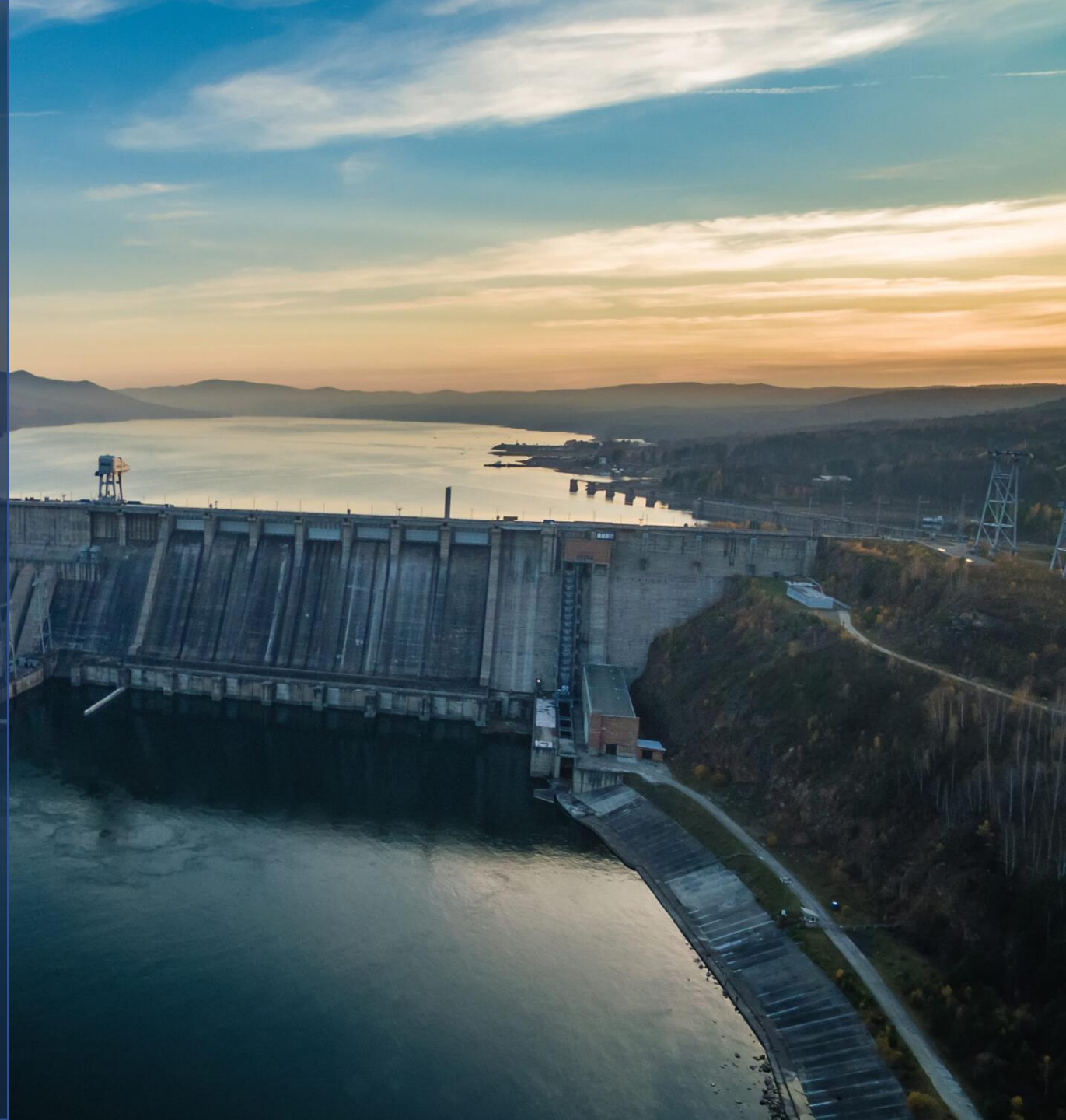
Industry Opportunity – Nuclear Power

Industry Opportunity - Space & Defense

Industry Opportunity - Clean Energy

Experienced Board of Directors

Strategic Roadmap for Sustained Growth



Looking Ahead

- Power demand in India to grow at a **CAGR of 3-4% over the next 5 years**
- India plans to nearly **double its nuclear capacity from 6.26 GWe to 11.5 GWe**
- Further plans to augment India's nuclear capacity by **10.5 GWe in the medium to long term**
- Govt has **sanctioned 14 fleet reactors, with a combined generation capacity of 7,000 MW**
- Under **Govt's 'Atmanirbhar Bharat' initiative**, a policy to construct a fleet of reactors with a single timeframe which will increase opportunities for domestic suppliers like MTAR
- **Large** refurbishment and maintenance market which is expected to increase by 1.6x

- **ISRO Plans for next 2 years** : 31 satellite missions/ 32 launch missions
- Future missions include- Chandrayaan-3, Gaganyaan (human spaceflight mission), Aditya-L1 (proposed mission to study the Sun), and a new port in Tamil Nadu for SSLVs
- Over the next five years, the **private sector will receive the mandate for ~70%** of all the upcoming space missions

- **Defence FDI Policy 2020** – FDI limit increased from 49% to 74% under automatic route for items with 50% indigenous production
- **DAP 2020** - 101 banned Defence import items for which only Indian Companies shall be eligible for bidding
- **Indigenization of 108 systems and sub-systems** that include mini and micro UAVs, ROVs, uncooled NV-IR sights for weapons (short-range), mountain footbridge, floating bridge (both metallic), mines laying and marking equipment

- **Government targets for clean energy**, budgets allocations, and incentives are the strongest driver for fuel cell market
- **Hydrogen is emerging as a clean solution** that can help curb carbon emissions globally and many countries are taking an active approach by implementing hydrogen-focused strategies and investments
- **Europe, USA, South Korea and Japan** are regions with the strongest government support in the field of fuel cells
- In India, **Bloom Energy signed an MoU with GAIL** to deploy fuel cell technology by using natural gas as fuel
- **Demand of Fuel Cell EVs** to increase given Fuel Cells can be refueled, which is considerably faster than recharging.
- Fuel cell system are highly reliable in emergency situation and can be used effectively for **power backup technology**
- Application in niche sectors such as **marine and aviation**



Nuclear Segment



Space and Defence



Clean Energy

Industry Opportunity – Nuclear Power



Net nuclear power capacity target of 26.2 GWe by 2031

22
Operational Reactors –
Capacity of 6.3 GWe

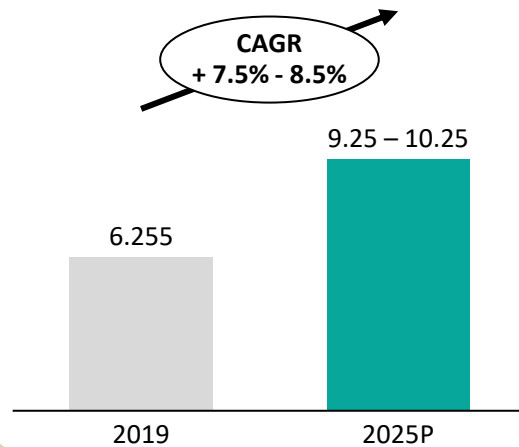
Additional # 7
Reactors to be operational
in next 5 years

14
New reactors planned and
tenders to be released

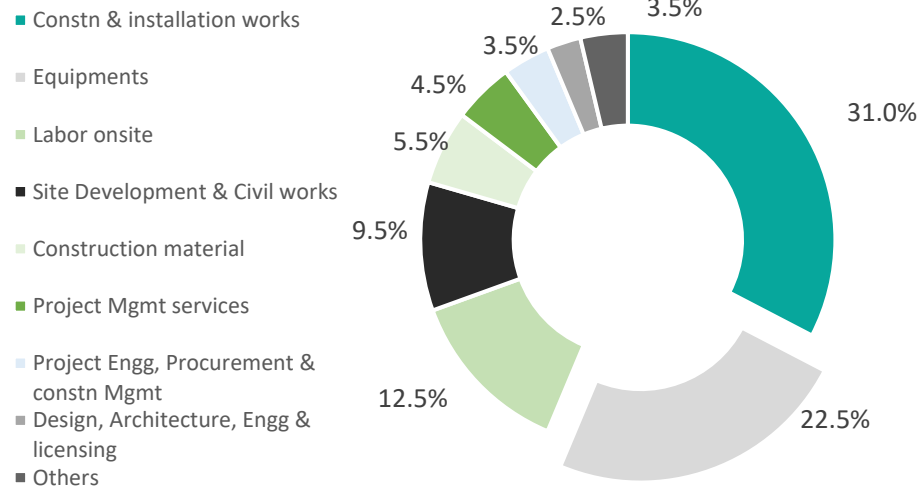
NPCIL is the key entity
managing all nuclear
reactors in India

In India, NPCIL controls all the operational, under construction and planned reactors in the country and MTAR has a relationship of 16+ years with NPCIL which has created entry barriers for other players

India's Nuclear Capacity (Gwe)

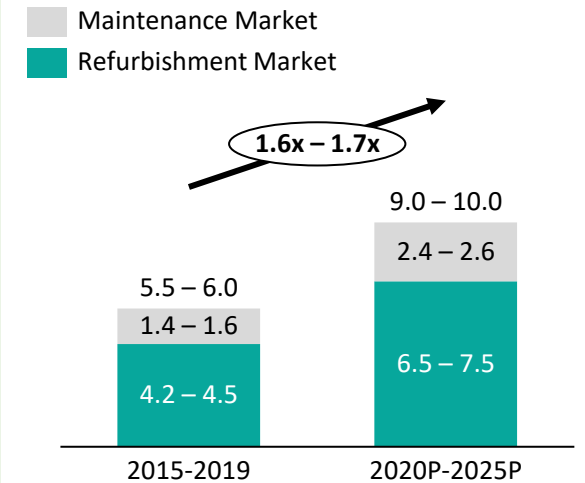


Reactor Capital Cost break-up (%)



Equipment cost forms a significant part of the overall cost where MTAR is focused on. ~ Rs 22-28bn is the equipment cost in 1 reactor

Refurbishment & Maintenance Opportunity (Rs. Bn)



Industry Opportunity - Space and Defence



ISRO Successfully completed 118 spacecraft missions and 78 launch missions

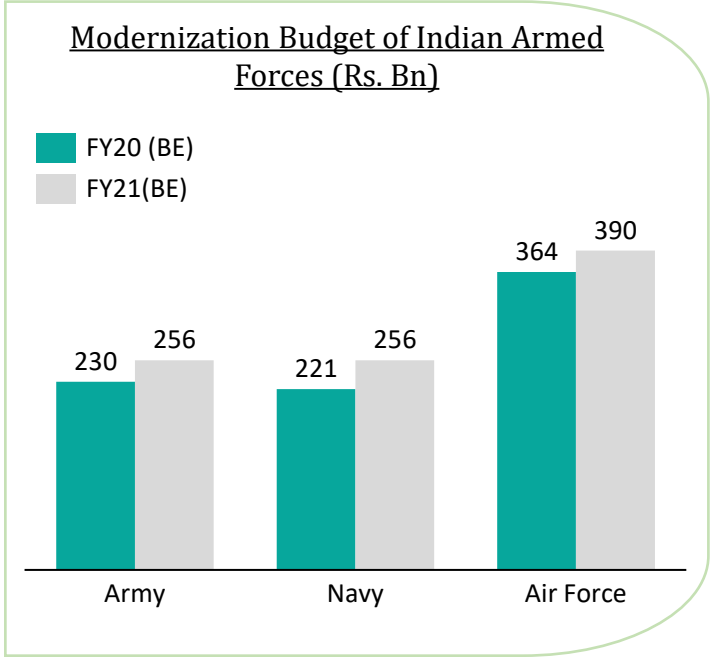
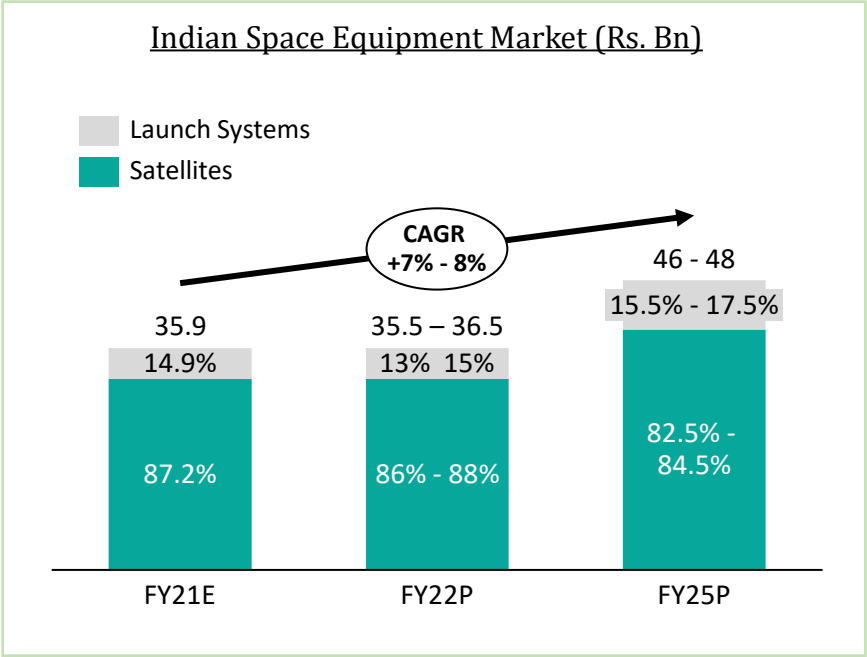
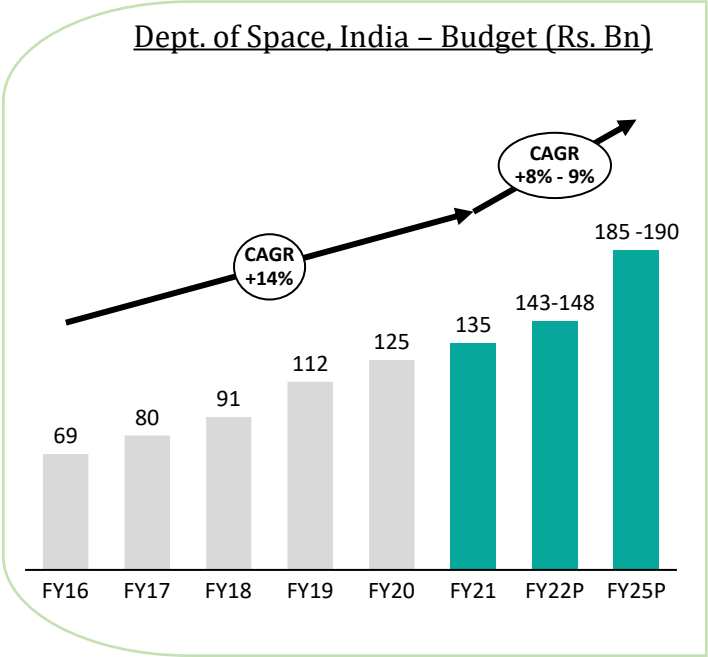
ISRO Conducted 14 missions in FY19 and more than 11 missions in FY20

ISRO is the key entity spearheading India's space programme

Armed forces likely to spend Rs. 4,000 Bn over next 5 – 7 years

Defence exports grew at 82% CAGR to Rs. 91 Bn over the past 3 – 4 years

MTAR will benefit from the strong expected growth in India's space and defence budgets along with its 30+ years strong relationship with ISRO and 40+ years strong relationship with DRDO



Industry Opportunity - Clean Energy



Renewable accounts for 26% of global electricity generation

Fuel cell market growing at 15% CAGR with increased R&D

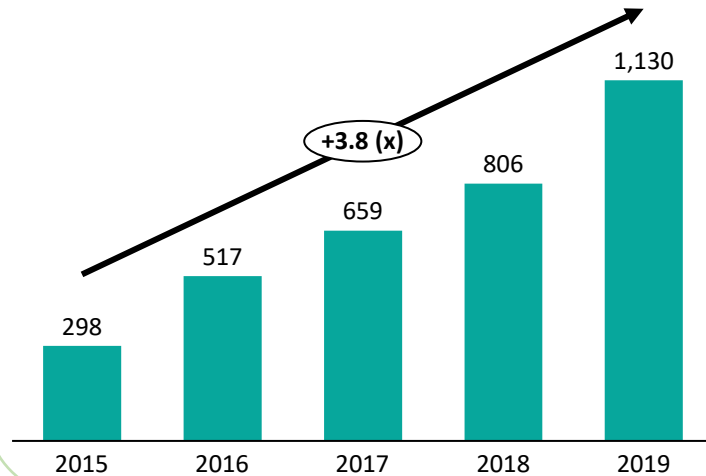
Fuel cells are able to produce electricity with near zero greenhouse emissions

Bloom is a key player globally in the fuel cell technology

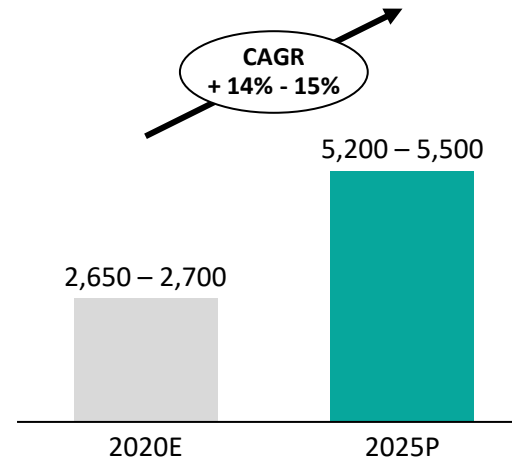
45% CAGR in Bloom's operating revenues from 2017 to 2019

Bloom is one of the largest and amongst the fastest growing players globally in the fuel cell segment. MTAR has a 9+ years of strong relationship with Bloom & will start manufacturing more products for them like Hydrogen boxes and electrolyzers

Energy installations for fuel cell (MW)



Global fuel cell industry size (USD Mn)



Growing Bloom business augurs well for MTAR

Company (\$ mn)	Product revenue (2019)	Product revenue share	Product Revenue CAGR *
Bloom Energy	557	71%	29%
Ballard Power	50	47%	53%
Fuel Cell Energy	-	1%	99%
Plug Power	150	65%	35%
SFC Energy	65.5	100%	-

Strategic Roadmap for Sustained Growth (1/2)

Product



Strengthen existing product portfolio and diversify into products with attractive growth and profitability prospects

- Enhance capabilities and grow value chains to supply critical and differentiated engineered products
- Establishment of new capabilities such as sheet metal facility and enhancement of existing specialized fabrication capabilities
- Develop roller screws for which we will be the first manufacturer in India
- Intend to supply electrolyzers & Hydrogen boxes to existing customers

Industry



Capitalize on upward trend of nuclear sector in India, increasing indigenization and policy initiatives in the defence sector, and commercialization of Indian space sector

- **Nuclear** –Capitalize on the large opportunity in terms of upcoming Nuclear reactors being one of the few companies capable of handling the product complexities and manufacturing capacities
- **Defence** – take advantage of Govt. focus on indigenization of various defence technologies and import substitution and contribute to the 'Atma-Nirbhar Bharat' initiative by the Government of India
- **Space** - Exponential growth expected for Indian players in Space sector given ISRO's plan to commercialise the Indian space sector and offer its products and services to other countries

Customer



Focus on deepening and strengthening relationships with our existing customers as well as catering to new Customers

- The Company believes that it shall be one of the preferred suppliers for any potential defence offset transaction that any current international customers may be a part of
- Develop new relationships with customers, both in India and abroad, in order to capture lucrative opportunities in the nuclear, space and defence, and clean energy sectors
- Continue to participate in seminars & international expos to build & develop network with leading foreign multi-national companies

Strategic Roadmap for Sustained Growth (2/2)

Exports



Expand international presence including through increase in exports

- Continue to expand international operations to enhance global presence in the sectors we currently cater
- Growth in support for Hydrogen based clean energy solution along with expansion plans of Bloom Energy outside of US in South Korea, provides a significant opportunity
- Looking to enter into defence offset partnership with certain global OEMs and have incorporated a Subsidiary, Magnatar Aero Systems Private Limited in this regard
- Acquire more international customers in Clean Energy segment

Engineering Capabilities



Grow our manufacturing capacity and increase market share through organic and inorganic routes

- In the process of establishing a sheet metal manufacturing facility at Adibatla, Hyderabad which is expected to become operational in Fiscal 2022 to undertake sheet metal jobs for ISRO, Bloom Energy and certain other customers
- Upgrade existing facilities by implementing new technology and releasing release bottlenecks in production capacity
- Selectively look at inorganic opportunities to enhance engineering competence, increase market share, achieve operating leverage in key markets and strengthen cost competitiveness in the market

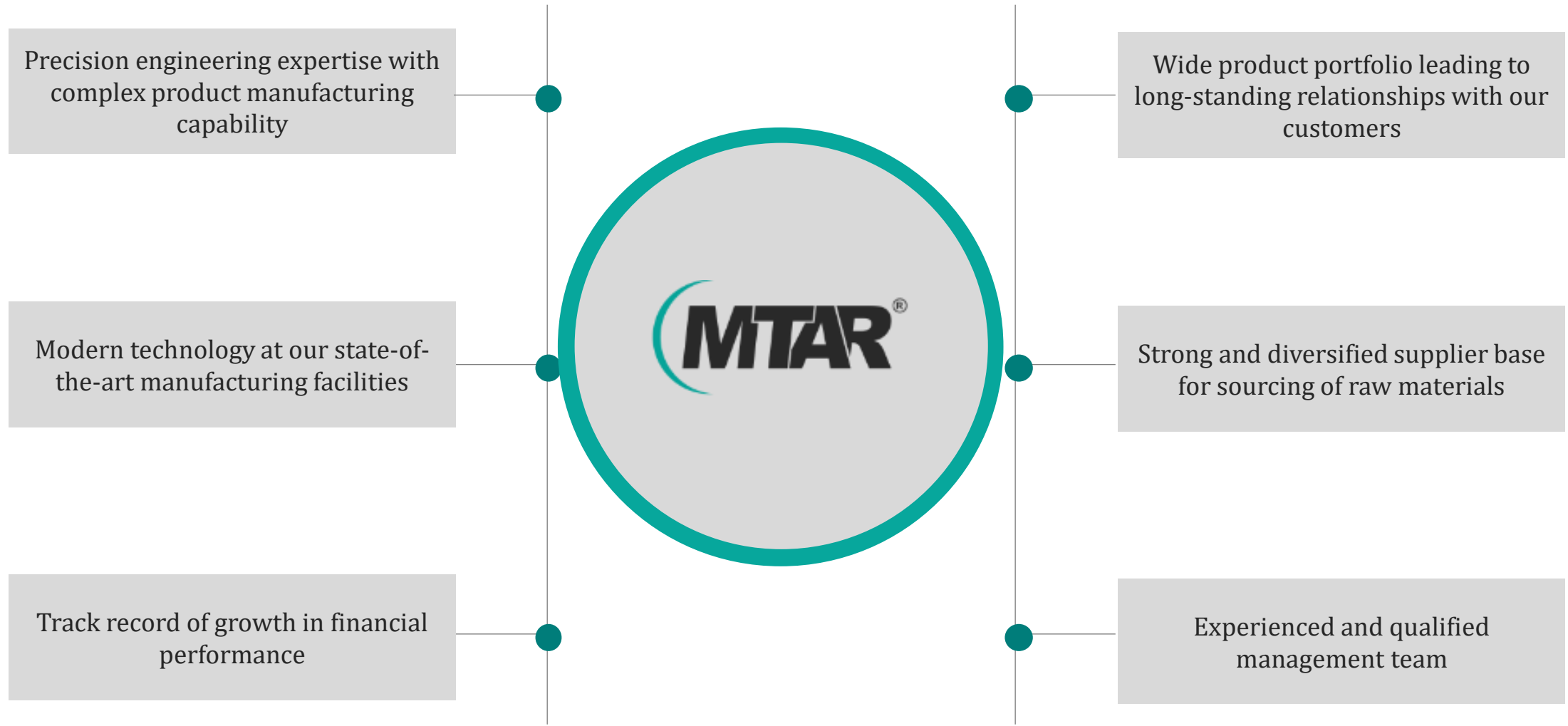
Operational Efficiencies



Continue to strive for operational efficiencies, supply chain rationalization and effective planning

- Continue to maintain or improve upon benchmarks for cost structure through economies of scale, employment of earnings acquired in manufacturing end components, and a robust supply chain for sourcing of raw materials
- Cycle time reduction by adopting advanced technologies, thereby increasing capacity to undertake more number of projects
- Leverage technology for effective utilization of machinery through digital solutions

Key Meeting Takeaways



Thank You



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of Engineering Excellence