



GMM Pfaudler Limited

COMPANY BACKGROUND.....

- Incorporated in 1962, Gujarat Machinery Manufacturers Ltd. (GMM) started manufacturing Glass Lined Equipment (GLE) and entered in a financial and technical tie-up with world’s leader in GLE, Pfaudler, Inc. USA, in 1987.
- Subsequently, Pfaudler acquired 40% stake in GMM which it increased to 51% in 1999, and in 2022, GMM India in turn acquired its parent entity Pfaudler Group wholly from private equity firm Deutsche Beteiligungs AG (DBAG).
- Today, GMM Pfaudler is a leading supplier of engineered equipment and systems for critical applications in the chemical, pharmaceutical, food, and energy sectors to organizations around the globe.
- The company has acquired Mixel France SAS and its wholly owned subsidiary Mixel Agitator Co. Ltd. (collectively known as “Mixel”) through wholly owned subsidiary Pfaudler GmbH.



BUSINESS MIX (FY24).....

- **Technology (6%):** Leading global supplier of corrosion-resistant technologies with over 40% market share. The company provides glass-lined equipment for chemical processing, API manufacturing and several other industrial uses. Apart from GLE, the company has a wide range of technology offerings: Filtration & Drying, Mixing, Sealing and Alloy Process Equipment. Over 90% of the world’s Top 20 ICIS Chemical Companies put their trust in GMM Pfaudler’s technologies.
- **Systems & Processes (12%):** Supplies turn-key systems from lab-scale to full industrial scale plants, for all chemical processes. A complete system includes the design of all the unit operations surrounding and supporting the core technology.
- **Services (28%):** Provides technical and maintenance services and aftermarket parts to their global network of customers throughout their plants, as well as for plants of others companies to keep their plants operating efficiently. The company strives to deliver the most effective complete process solutions, from conception to design and installation.

KEY STRENGTHS.....

- Leadership position driven by Technology, Innovation & Sustainability
- Complementary product portfolio with high growth potential
- Only company with the ability to handle large size orders
- Only company which can manufacture big sized reactors/ vessels
- Strong Order book visibility across business verticals
- Working towards cobalt-free glass (ESG)
- China+1 strategy by globally building capacities.
- Significant investments in modernization of production footprint
- Steady and long-lasting marquee customer relationships
- Ability to offer customers a wide range of cost-effective options
- 19 State of the art global manufacturing facilities

FINANCIAL PERFORMANCE (CONSOLIDATED).....

(INR Cr)	Operating Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY20	591	111	18.78%	71	12.01%	16.22
FY21	1,001	139	13.88%	64	6.39%	16.75
FY22	2,541	284	11.18%	75	2.95%	19.39
FY23	3,178	431	13.6%	235	7.4%	37.51
FY24	3,447	477	13.83%	174	5.05%	39.79

Note: All numbers are as per IND-AS

Key Data

BSE Code	505255
NSE Code	GMMPFAUDLR
Reuters	GMMP.BO
Bloomberg	GMM:IN

Market Data (INR) As on 31st March, 2024

Face Value	2.0
CMP	1,235.75
52 Week H/L	1,896.75/1201.10
MCAP (Mn)	55,555.89
Shares O/S (Cr)	4.5
1 yr. Avg. Vol.('000)	110.67

Performance As on 31st March, 2024

	3M	6M	12M
GMM Pfaudler	(24.8)%	(33.2)%	(17.6)%
SENSEX	1.98%	11.91%	24.56%
BSE MIDCAP	6.22%	21.43%	62.87%

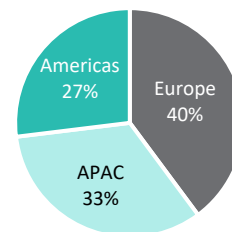
Shareholding Pattern As on 31st March, 2024

Promoters	25.18%
Public	39.55%
FPI & FII	22.09%
DII	13.18%

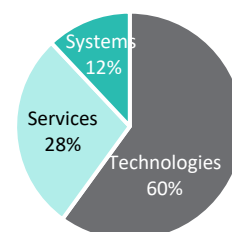
PRODUCT SEGMENTS.....

- **Technology:** The company offers 6 unique technologies out of which the glass-lined technology is where it specializes in and are the market leaders with over 40% share globally and more than 50% domestically.
 - **Pfautler:** This is the glass-lined brand of the company. GMM Pfautler is the world's largest manufacturer of glass-lined equipment. Glass-lined reactors are used worldwide in chemical industry under very severe environment as well as for the glass layer sanitary properties in pharmaceutical industries. These technologies are critical to the safe containment of corrosive contents, maintaining the vessel pressure and ensuring the final batch quality.
 - **Mavag:** This is the Filtration & Drying segment of the company. Within this segment, a wide range of products like Agitated Nutsche Filter Dryers, Spherical Dryers, Vertical Conical Dryer and several other solid-liquid separation equipment's are offered.
 - **Normag:** This is GMM's Lab & Process Glass division which also forms a part of systems segment to some extent as well. The basic aim through this technology is to act as a one-stop shop for all industrial equipment used in Chemical and Pharma manufacturing processes starting off with lab equipment to full scale heavy machinery vessels.
 - **Equilloy:** GMM Pfautler is the leading supplier of various types of pressure vessels built for the chemical processing industries. The wide range of alloy process equipment in the product portfolio are reactors, columns, heat exchangers, evaporators, Wiped Film Evaporators, and other pressure vessels.
 - **Mixion:** Offers agitators & mixing solutions that help improve efficiencies, yields, and reduce costs. A full-line of expertise in mixing from designing to simulating and then manufacturing industrial mixers and agitators and other allied mixing equipment are provided.
 - **Interseal:** Dry-running lip-seal technology is the most high-tech shaft seal solution available on the market. With the dry9000® sealing technology, Pfautler designs and manufactures a shaft seal solution for all types of pharma seal applications, chemical industry purposes, as well as for food processes.
- **Systems & Processes:** Company's capabilities are not limited to the individual technologies themselves. They combine individual technologies and services into complete, fully integrated operating process systems. They supply turn-key systems from lab through full industrial scale plants, for all chemical processes. A complete system includes the design of all the unit operations surrounding and supporting the core technology.
- **Services:** GMM offers maintenance & aftersales service wherein they provide replacement and repair parts, as well as carry out preventive chemical equipment inspections and emergency maintenance which help manufacturers in reducing unplanned plant shutdowns and reliable cost planning. From installing, commissioning and start-up of new plants to engineering and upgrading old machinery they offer everything. Similarly, the company also carry out checks to ensure that thickness of the glass is maintained and if there is some chipping off of glass the company provides re-glassing services as well.

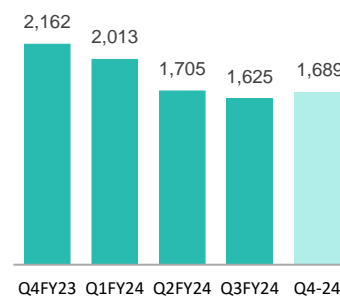
Geographical Revenue (FY24)



Segmental Order Intake (FY24)



Order Backlog (INR Cr)



KEY GROWTH DRIVERS.....

- **Global Strategy:** Pfautler aims to penetrate newer markets and geographies where it is not currently present like parts of Eastern Europe, Russia and South East Asia.
- **Operational excellence:** Company plans to implement lean production model across manufacturing sites. Germany, China and Vatva plants have performed way above expectations because of this strategy, secondly company is in talks of rolling out a Global EU plan which will help get a sense of the capacities across the globe and lastly GMM expects China business to double in the next 3-4 years.
- **Value Sourcing:** GMM will leverage low-cost capabilities in India to increase market share and margins across the group. A stock and sale of standard equipment will provide delivery advantage globally. Here the company aims that as the manufacturing and more and more stuff moves to India, they can use India to do the heavy lifting and then the final assembly, the testing, the finishing can be done in the European or the American facilities.
- **Cross-Selling:** GMM plans to capture customer wallet share through portfolio expansion & innovation. This integration will help the company become a one-stop shop to fulfil the production needs of customers throughout their production chain across countries.

PEER COMPARISON (TRAILING 12 MONTHS) INR Cr

Company	Operating Income	Operating EBITDA	Operating EBITDA%	PAT	PAT%	Market Cap
GMM Pfautler	34,465	4,766	13.8%	1,741	5.1%	55,555.9
HLE Glascoat	9,591	1,223	12.7%	489	5.1%	36,839.5
The Anup Engineering	5,504	1,268	23.0%	1,035	18.80%	27,028.2
Thermax	93,235	7,975	8.5%	6,432	6.9%	3,67,198.0
Praj Industries	34,517	3,653	10.6%	2,796	8.1%	1,02,144.5

INCOME STATEMENT (CONSOLIDATED)

PARTICULARS (INR Cr.)	FY21	FY22	FY23	FY24
Operational Income	1,001	2,541	3,178	3,447
Material Cost	386	1,045	1,317	1,379
Other Expenses	160	457	575	1,591
Total Expenses	862	2,257	2,747	2,970
EBITDA	139	284	431	477
EBITDA Margins (%)	13.88%	11.18%	13.57%	13.84%
Depreciation	50	133	119	147
Finance costs	10	25	67	95
Other Income	23	7	52	20
Profit before exceptional items and tax	102	133	297	255
Exceptional items	34	-	(22)	-
PBT	68	133	275	255
Tax	4	58	62	81
PAT	64	75	213	174
PAT Margins (%)	6.39%	2.95%	6.72%	5.05%
Other Comprehensive Income	22	73	108	(5)
Total Comprehensive Income	86	148	321	169
Diluted EPS	16.75	19.39	37.51	36.80

CONSOLIDATED BALANCE SHEET (IND-AS).....

PARTICULARS (INR Cr.)	FY22	FY23	FY24	PARTICULARS (INR Cr.)	FY22	FY23	FY24
EQUITIES AND LIABILITIES				ASSETS			
(1) Total Equity	527	815	9677	Total Non-Current Assets	1,039	1,285	1,305
(A) Equity Share Capital	3	9	9	(A) Property, plant and equipment	382	412	410
(B) Other Equity	524	795	959	(B) Capital work-in-progress	13	13	27
(2) Non Controlling Interest	141	11	6	(C) Goodwill	66	149	135
(3) Total Non-Current Liabilities	988	1,149	1,030	(D) Other Intangible Assets	389	446	467
(A) Financial liabilities				(E) Right to use assets	165	206	221
i) Borrowings	450	641	501	(F) Financial assets			
ii) Lease Liabilities	109	143	156	- Long term loans & advances	2	2	1
(B) Provisions	365	293	300	- Other Financial Assets	5	8	5
(C) Other non current liabilities	15	1	3	(G) Deferred Tax Assets (Net)	10	12	12
(D) Deferred tax liabilities (net)	49	71	70	(H) Other non-current assets	7	37	26
(4) Total Current Liabilities	1,071	1,391	1,153	Total Current Assets	1,688	2,070	1,852
(A) Financial Liabilities				(A) Inventories	670	771	625
i) Borrowings	55	156	211	(B) Financial Assets			
ii) Lease Liabilities	22	33	38	i) Investments	0	-	-
iii) Trade Payables	391	537	402	ii) Trade Receivables	356	436	433
iv) Other financial liabilities	35	50	65	iii) Cash and Cash Equivalents	291	311	320
(B) Other current liabilities	415	427	264	iv) Bank Balances other than above	37	60	24
(C) Provisions	126	179	159	v) Loans	0	1	4
(D) Current Tax Liabilities (net)	5	9	14	vi) Others	88	291	305
Liabilities associated with assets classified as held for sale	22	-	-	(C) Other current assets	119	200	141
TOTAL LIABILITIES	2,059	2,540	2,183	Assets classified as held for sale	127	-	0
GRAND TOTAL - EQUITY AND LIABILITIES	2,727	3,355	3,157	GRAND TOTAL - ASSETS	2,727	3,355	3,157

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