



Date: 11-02-2024

To,
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001
Scrip Code: 542669

To,
The Manager
Listing Department
The Calcutta Stock Exchange Limited
Lyons Range,
Kolkata – 700 001
Scrip Code: 12141- CSE

Dear Sir / Madam,

Subject: Investors Presentation on the Financial Results for the Quarter and nine months ended December 31, 2023

An Investors Presentation on the Financial Results for the Quarter and nine months ended December 31, 2023, is enclosed herewith for appropriate dissemination.

The above information is being uploaded on the website of the Company.

You are requested to take the aforesaid information on your record.

Yours faithfully,
For **BMW INDUSTRIES LIMITED**

Vikram Kapur
Company Secretary

Encl: As Above

BMW Industries Limited

Trust | Consistency | Stability

Q3 FY24
Earnings
Presentation

Safe Harbor Statement

This presentation may contain certain “forward-looking statements” within the meaning of applicable securities laws and regulations, which may include those describing the Company’s strategies, strategic direction, objectives, future projects and/or prospects, estimates etc. Investors are cautioned that “forward looking statements” are based on certain assumptions of future events over which the Company exercises no control. Therefore, there can be no guarantee as to their accuracy and readers are advised not to place any undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These statements involve a number of risks, uncertainties and other factors that could cause actual results or positions to differ materially from those that may be projected or implied by these forward-looking statements. Such risks and uncertainties include, but are not limited to; growth, competition, acquisitions, domestic and international economic conditions affecting demand, supply and price conditions in the various business's verticals in the Company’s portfolio, changes in Government regulations, laws, statutes, judicial pronouncement, tax regimes, and the ability to attract and retain high quality human resource.

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Company Snapshot

About BMWIL

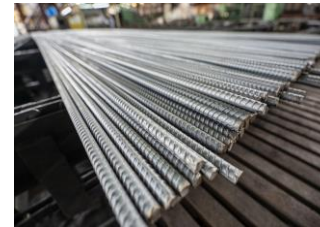
- **BMW Industry Limited (BMWIL)**, incorporated in 1981, is one of the largest steel processing company in India, having multi location manufacturing units in the Steel sector
- Engaged in the Manufacturing & Processing of HRPO Coils, CR Coils, GP Coils, GC Sheets, MS and GI pipes, TMT rebars, etc; for marquee steel players in India
- Processing both Long and Flat Products, Operates one of the largest independent cold rolling and galvanizing facility, in the country
- BMWIL strategically operates in value addition of semi-finished steel products. This helps the company maintain stable margins and providing a cushion during steel cycles

Our Presence

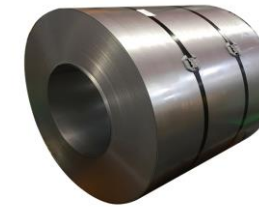
- Manufacturing facilities strategically located near steel manufacturing centers in India for a low manufacturing turnaround time and cost-effective transportation
- **Trusted Partner of leading steel players** like :
 - Tata Steel Limited: Long association of over 3 decades with TSL
 - SAIL : Joint venture with Steel Authority of India Limited (SAIL)

Note:
*Annualized

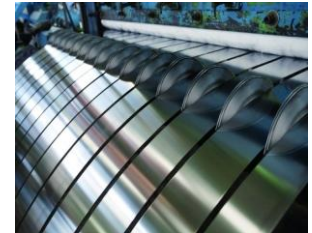
Product Portfolio



TMT



HRPO Coils



HR Slit Coils



GP Coils



GC Sheets



MS Pipes

Performance in Q3'FY24

Operating Revenue
Rs. 14,393 Lacs

Gross Margin
68.2%

Op.EBITDA Margin
29.5%

PAT
Rs. 1,149 Lacs

PAT Margin
7.9%

ROCE*
11.7%

Management Commentary

“ Operating revenue grew by 1.5% YoY to ₹ 14,393 lacs in Q3FY24. However, the operating revenue fell by 9.7% QoQ largely due to fall in Zinc prices, which is a pass through.

Gross profit has risen to ₹ 9,818 lacs from ₹ 9,646 year on year. Gross Profit margin has increased slightly from 68.0% in Q3 FY23 to 68.2% in the quarter gone by. In fact, GP margin grew sharply by 470 basis points QoQ.

Operating EBITDA increased by 3.1% YoY and 8.9% QoQ to ₹ 4,242 lacs and Operating EBITDA margin stood at 29.5%, expanding by 46 bps YoY and 504 bps QoQ.

The overall profit for the quarter got impacted by a one-time debit note amounting to ₹ 1,073 lacs from our key customer. The company decided to settle an old dispute and took this hit, keeping in view our long-standing relationship with the customer. Consequently, PAT fell from ₹ 1,729 lacs in Q3 FY23 to ₹ 1,149 lacs in the quarter gone by. Our net debt improved from ₹ 22,998 lacs in FY23 to ₹ 17,579 lacs in Q3 FY24.

We continue to prioritize maximizing our capacity utilization, and this, combined with our expansion plan, will significantly contribute to achieving robust revenue growth. Our net debt is steadily decreasing, and alongside our strong revenue growth, this will enable us to significantly improve profits and secure sustainable margins. ”



Ram Gopal Bansal
Chairman

Quarterly Highlights

	₹ Lacs					
Q3 FY 24	Operating Income	Gross Profit	Operating EBITDA	PBT	PAT	Cash Profit ¹
	14,393	9,818	4,242	1,555	1,149	2,413
Growth (YOY)	1.5%	1.8%	3.1%	(31.9%)	(33.6%)	(22.5%)
Growth (QOQ)	(9.7%)	(3.0%)	8.9%	(36.8%)	(35.0%)	(15.9%)
Margin ² (%)		68.2%	29.5%	10.7%	7.9%	
Margin –YoY Expansion/(Contraction)		17 bps	46 bps	(527 bps)	(420 bps)	
Margin –QoQ Expansion/(Contraction)		470 bps	504 bps	(455 bps)	(305 bps)	
EPS/CEPS					0.51	1.07

Note:

1. Cash Profit = PAT add Depreciation

2. Gross Profit & Op EBITDA Margins calculated on Operating Income

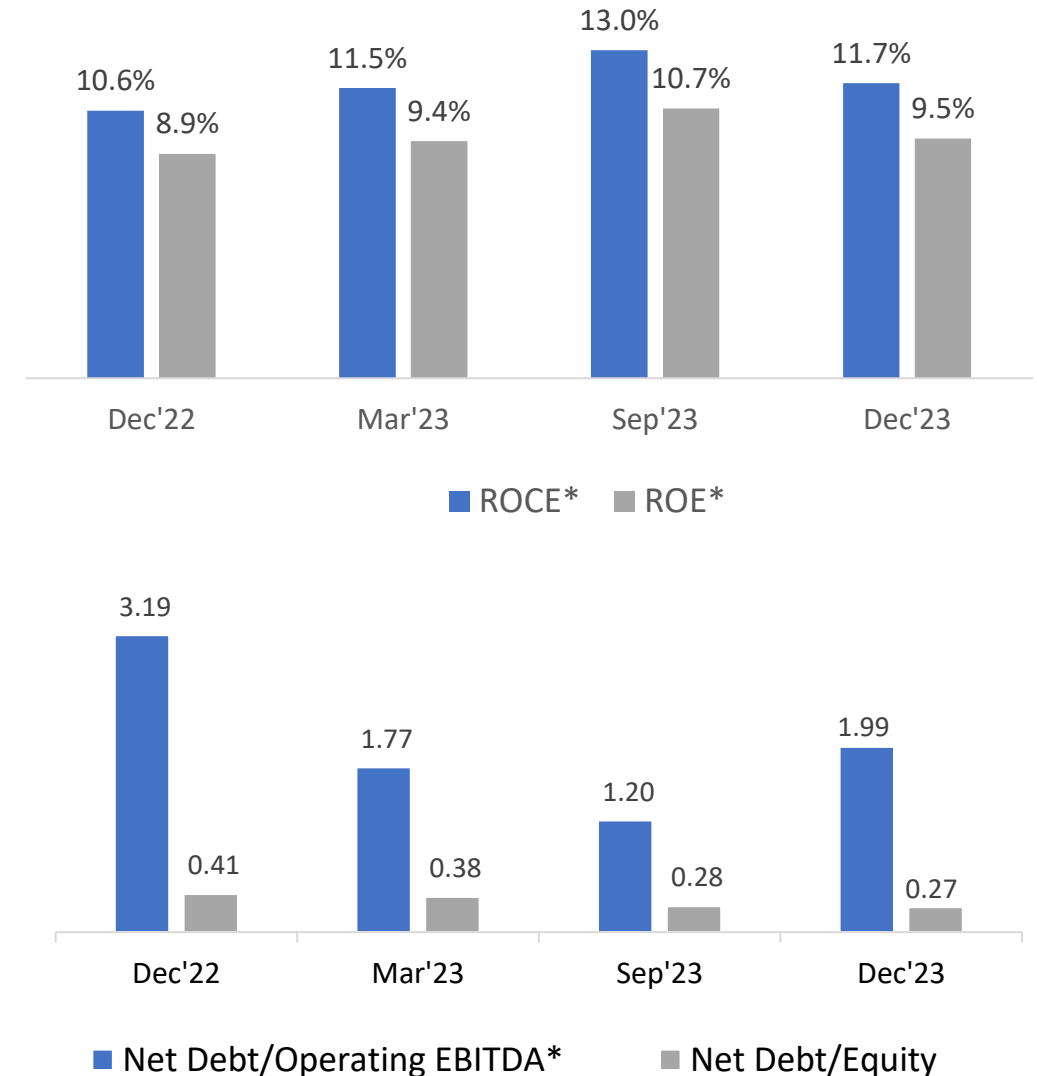
Quarterly Highlights (Cont.)

₹ Lacs

Particulars	31-Dec-22	31-Mar-23	30-Sep-23	31-Dec-23
Net Worth	59,078	60,373	63,705	64,862
Gross Debt	22,461	21,928	16,336	16,291
Lease Liabilities	1,861	1,831	1,920	1,915
Cash & Cash Equivalents	142	762	153	627
Net Debt	24,180	22,998	18,103	17,579
Net Fixed Assets	45,022	47,667	51,454	54,271
Net Current Assets ¹	21,175	14,371	15,923	12,380
Total Assets	94,519	96,068	93,367	94,557
Fixed Asset Turnover*	1.24	1.19	1.28	1.21
Capital Employed Turnover*	0.67	0.65	0.72	0.70
Cash Conversion Cycle*	253	242	188	185

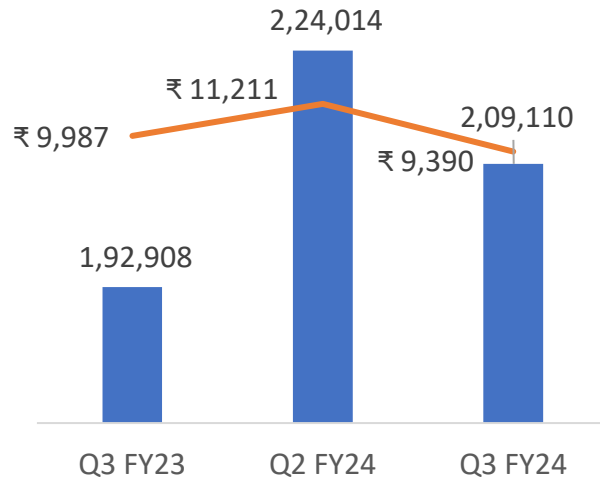
Note:

1. Net current assets excludes cash & cash equivalents
2. *Annualised



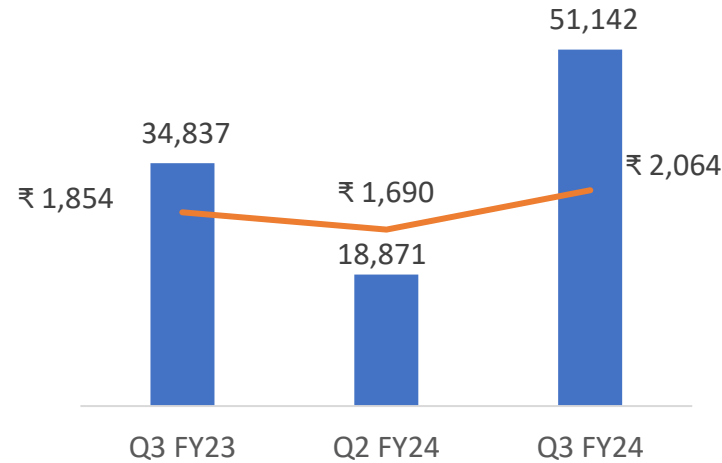
Quarterly Highlights (Cont.)

CRM Complex



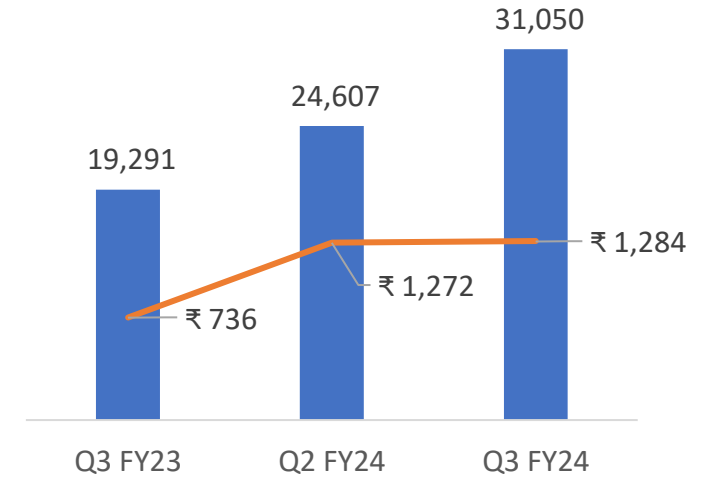
■ Production (In MT) — Revenue (In Lacs)

Rolling Mill (TMT)



■ Production (In MT) — Revenue (In Lacs)

Pipes and Tubes



■ Production (In MT) — Revenue (In Lacs)

CRM Complex

- Due to change in product mix, there is a slight drop in production QoQ
- The QoQ and YoY revenue decline is caused by fall in Zinc prices, which is a pass through

Rolling Mill (TMT)

- The increased in production is in line with increased availability of billets from our key customer

Quarterly Highlights (Cont.)

₹ Lacs

Revenue Breakup	Q3 FY 24	Q3 FY 23	YoY Change	Q2 FY 24	QoQ Change
CRM Complex	9,390	9,987	(6.0%)	11,211	(16.2%)
Rolling Mill (TMT Bars)	2,064	1,854	11.3%	1,690	22.1%
Pipes and Tubes	1,284	736	74.4%	1,272	0.9%
Logistics	1,175	1,165	0.9%	1,294	(9.2%)
Others	480	435	10.3%	475	0.9%
Total	14,393	14,177	1.5%	15,942	(9.7%)

Operational Highlights

Particulars	Installed Capacity	Actual Production ¹	Annualized Utilization
CRM Complex	10,14,000	6,35,807	83.6%
Rolling Mill (TMT Bars)	3,00,000	1,22,752	54.6%
Pipes & Tubes	1,32,000	80,758	81.6%
Others	4,10,000	1,51,542	49.3%



Note:

1. Data for 9M FY24

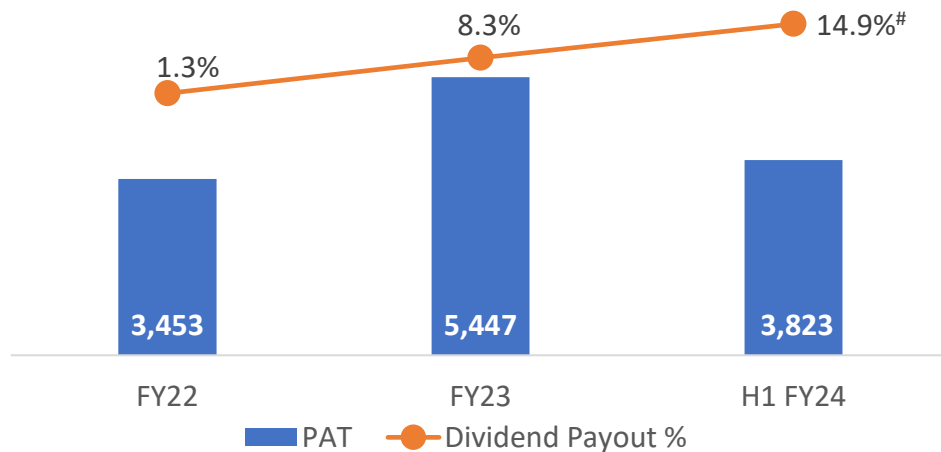
Quarterly Profit and Loss Summary

Rs in lacs

Particulars	Q3 FY24	Q3 FY23	YoY Change	Q2 FY24	QoQ Change	9M FY24	9M FY23	YoY Change	FY23
Operating Income	14,393	14,177	1.5%	15,942	(9.7%)	46,088	42,710	7.9%	56,234
Gross Profit	9,818	9,646	1.8%	10,125	(3.0%)	30,191	25,927	16.4%	34,070
<i>Gross Profit Margin (%)</i>	68.2%	68.0%	17 bps	63.5%	470 bps	65.5%	60.7%	480 bps	60.6%
Operating EBITDA	4,242	4,113	3.1%	3,895	8.9%	11,806	10,101	16.9%	12,968
<i>Operating EBITDA Margin (%)</i>	29.5%	29.0%	46 bps	24.4%	504 bps	25.6%	23.7%	197 bps	23.1%
Other Income	126	100	26.2%	175	(27.8%)	406	547	(25.8%)	913
One Time Customer Debit	1,073	-	NA	-	NA	1,073	-	NA	-
Finance Cost	476	545	(12.7%)	509	(6.5%)	1,567	1,778	(11.9%)	2,395
Depreciation	1,264	1,386	(8.8%)	1,101	14.8%	3,424	3,900	(12.2%)	3,975
PBT (before exceptional)	1,555	2,281	(31.9%)	2,459	(36.8%)	6,148	4,970	23.7%	7,512
PAT	1,149	1,729	(33.6%)	1,767	(35.0%)	4,472	3,818	17.1%	5,447
<i>PAT Margin (%)</i>	7.9%	12.1%	(420 bps)	11.0%	(305 bps)	9.6%	8.8%	79 bps	9.5%
EPS (₹)	0.51	0.77	(33.6%)	0.78	(35.0%)	1.99	1.70	17.1%	2.42

Strong Cashflow

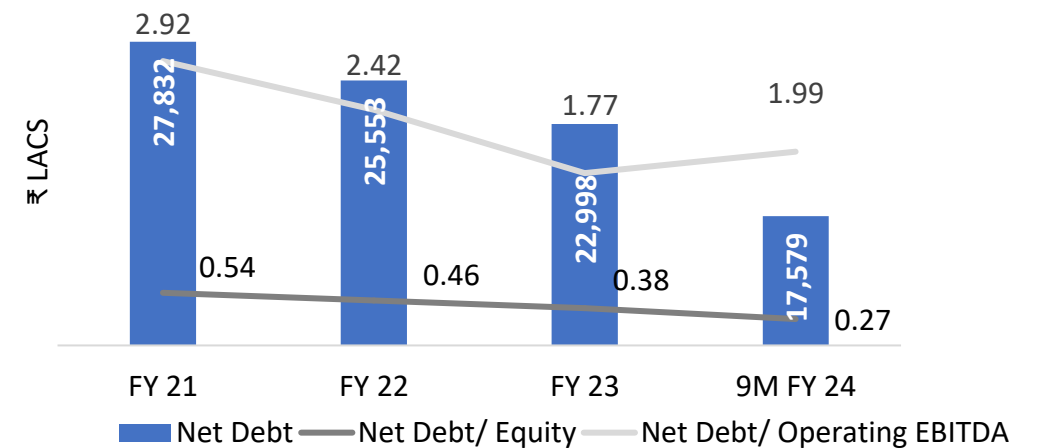
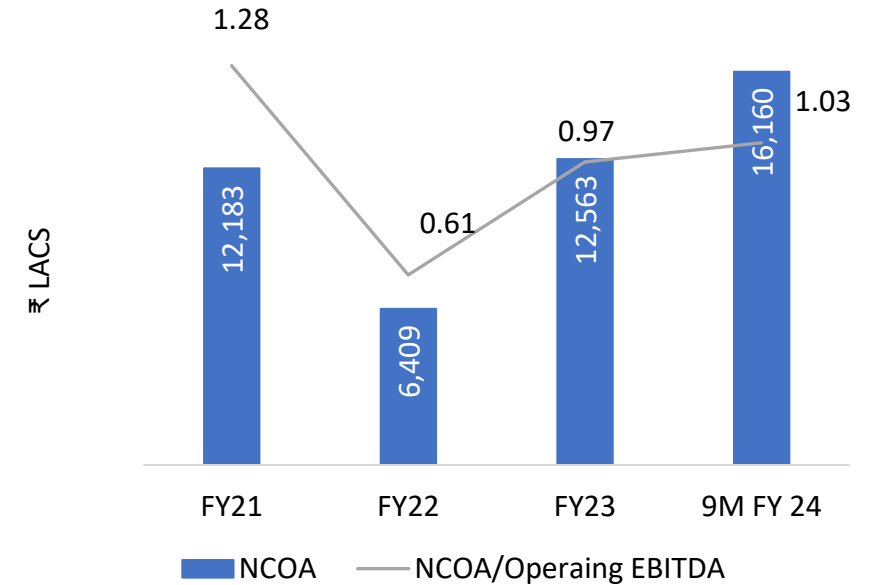
- The company has strong and consistent operating cash flow. NCOA/Operating EBITDA is at healthy levels
- Due to strong cash flow from operations, Net Debt/Equity as well as Net Debt/Operating EBITDA has been falling. Net Debt / Equity is at a very comfortable level of 0.27
- Judicious deployment of capital has enabled the company to consistently improve its Fixed Asset Turnover Ratio from 0.76 in FY 21 to 1.21 in Dec'23
- The company has adopted a dividend payout policy wherein it will endeavor to maintain Dividend Payout Ratio of 15% -20% of its annual PAT



Note:

*9M FY 24 Net Debt/ Operating EBITDA Annualized

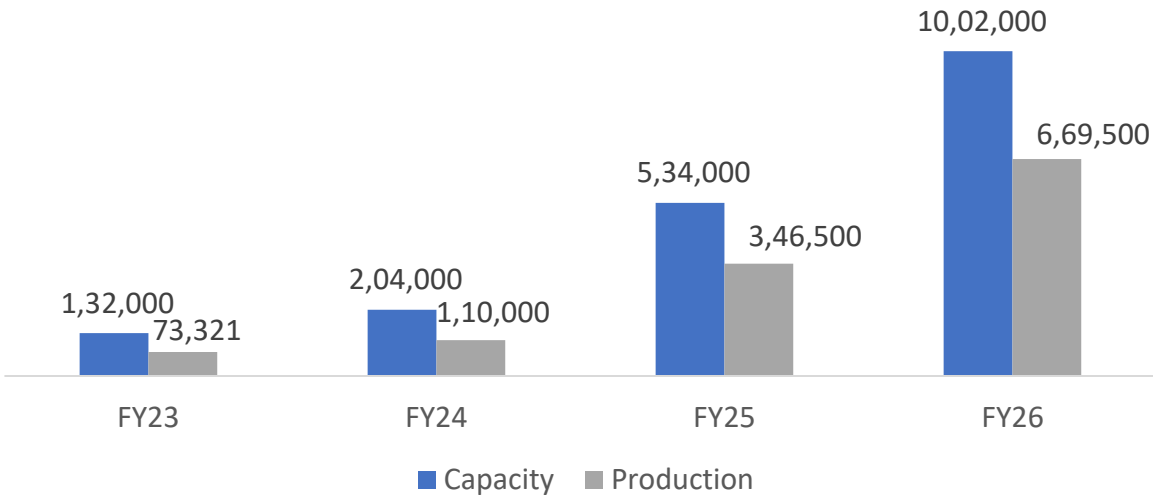
Dividend Payout is based on Interim Dividend



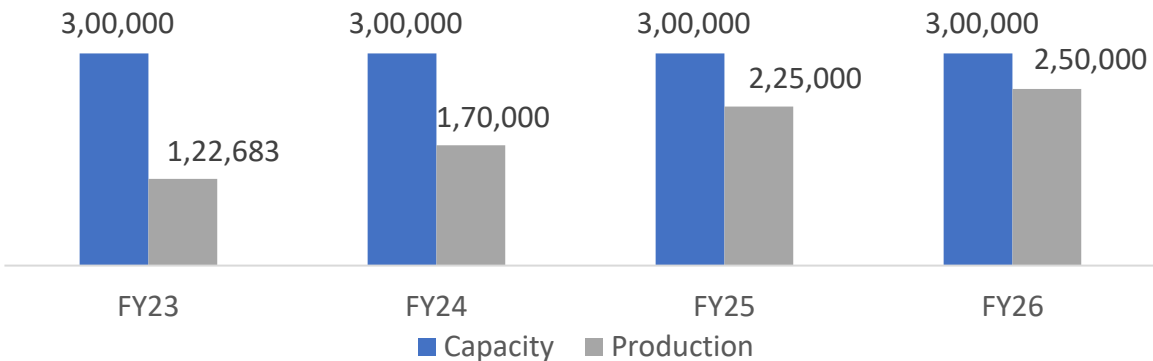
Growth Strategies

Step-up the existing capacity

Increased Pipes & Tubes Capacity/Production (in MT)



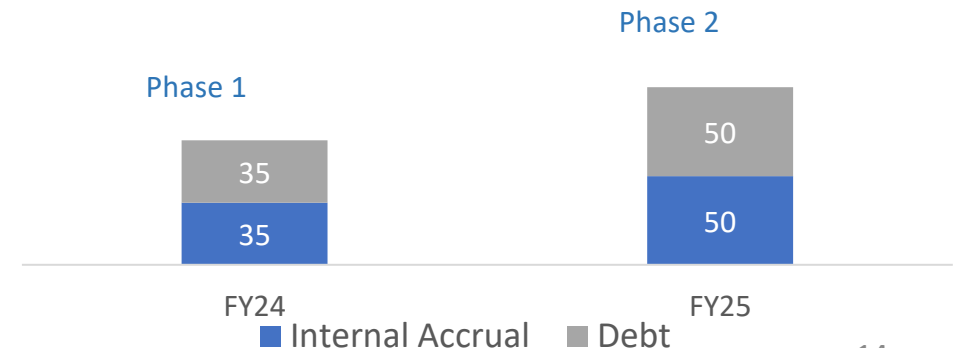
Increased Utilization of TMT Capacity (in MT)



Pipes & Tubes Capacity Expansion Plans

- Expansion of the Pipes & Tubes production capacity is at the existing plants in Kolkata and Jamshedpur.
- Increased Capacity will operate at ~70-80%
- No cash outflow required for land
- Total Project outlay Rs 170 Crore, divided into:
 - **Phase 1:** Outlay 70 Cr (35 Debt, 35 Internal Accrual)
 - **Phase 2:** Outlay 100 Cr (50 Debt, 50 Internal Accrual)
- Debt Repayment Schedule:
 - Phase 1 (Rs 35 Cr) Debt Repayment to start from Sept-2024 and end by Sept-2028
- **Currently ~ Rs. 63 cr spent on Phase 1 expansion (Rs 21 crs debt, remaining internal accrual)**

Expected Capex (Rs Cr.)



Strong Revenue Visibility

1

Agreement for conversion of GP/GC sheets through the **CRM Complex**, is coming up for renewal in April 2024

On renewal, revenue expectation of Rs. 2,000 crores over the contracted period of 5 years

Key Entry Barriers:

Capital Requirements

Invested Rs. 400 cr to start this line, the current CAPEX required to set up a similar plant is ~Rs. 1,000 crores

Geographical Advantage

Facility is ~5 km in the vicinity of the TSL Plant. Additionally, BMWIL provides logistics services to deliver to customers

Relationship

Has a relationship of +30 years with TSL. Consistency and product quality is maintained at BMWIL facility

Competitive cost of Production

Has acquired skills over years that allow it to produce at a highly competitive cost while maintaining consistent quality compared to peers
Expected Revenue of at least Rs. 350 crores per year

2

Agreement to manufacture ~**3,00,000 MTPA TMT Rebars** up to November 2025

Expected Revenue of Rs. 250 crores over the contracted period of 3 years with PV on Key Consumables

Key Entry Barriers:

Trusted Player

The facility is dedicated to TSL to manufacture TMT rebars.

Quality

Able to serve its customers with high-quality products of constant quality due to its cutting-edge manufacturing facilities and deep focus on process and people.

End to End Services

Provides 360-degree services to the customers from manufacturing/ processing to transportation services

Build Own Brand



Asset Light Model

- Efficiently outsourcing manufacturing facilities
- Conversion agreement for own brand is in place



Distribution in Place and Growing

- Creation of strong distribution network
- Focused penetration in under-serviced geographies
- Backed-up by in-house logistics support – one-stop shop for rural market

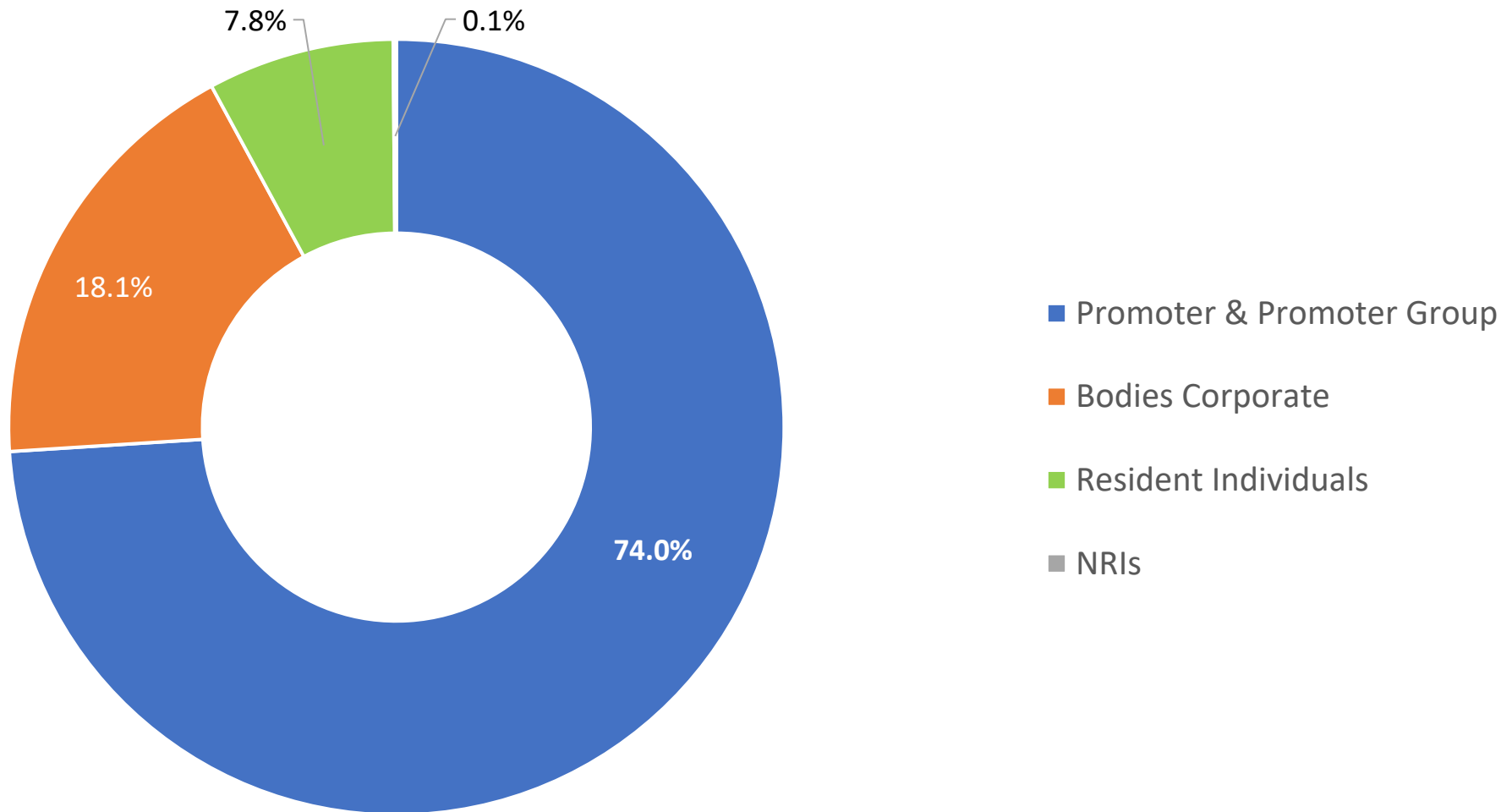


Establish Brand Value

- Introduction of adjacent product categories
- BMWIL cautiously spending on building a reputed brand

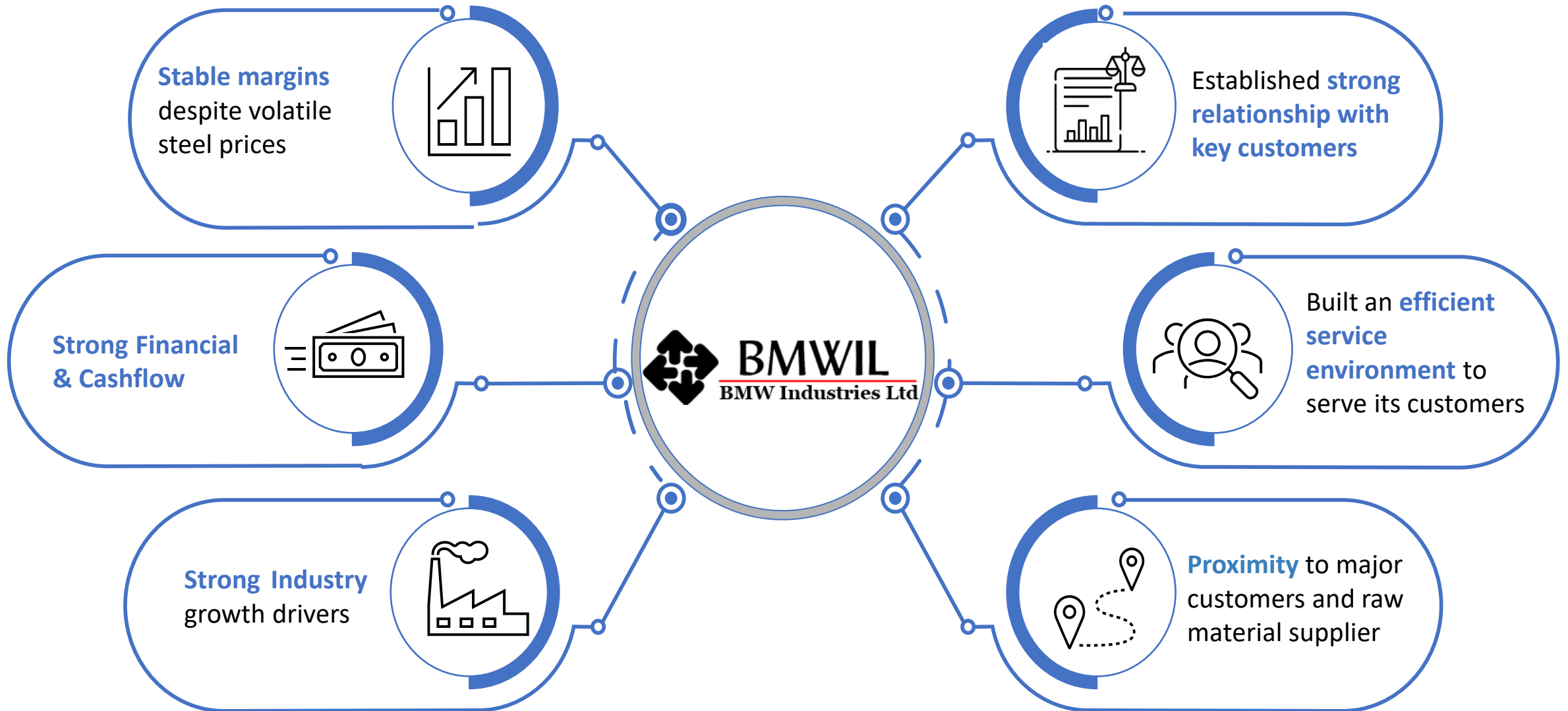
BANSAL SUPER
BANSAL SUPER / 500D
500D EQ-CR TMT REBAR

Shareholding Pattern



As on December 2023

Key Investment Highlights



Thank You

For further details please contact



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