



BMW Industries Ltd.

Date: 07-12-2022

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: Submission of Investor Presentation – December 2022

Dear Sir/Madam

With reference to above captioned subject, please find attached herewith Investor Presentation – December 2022.

The same has also been uploaded on the website of the Company at www.bmwil.co.in

We request you to kindly take the same on record.

Yours faithfully,
For **BMW INDUSTRIES LIMITED**

Vikram Kapur
Company Secretary
Membership No.: A9812



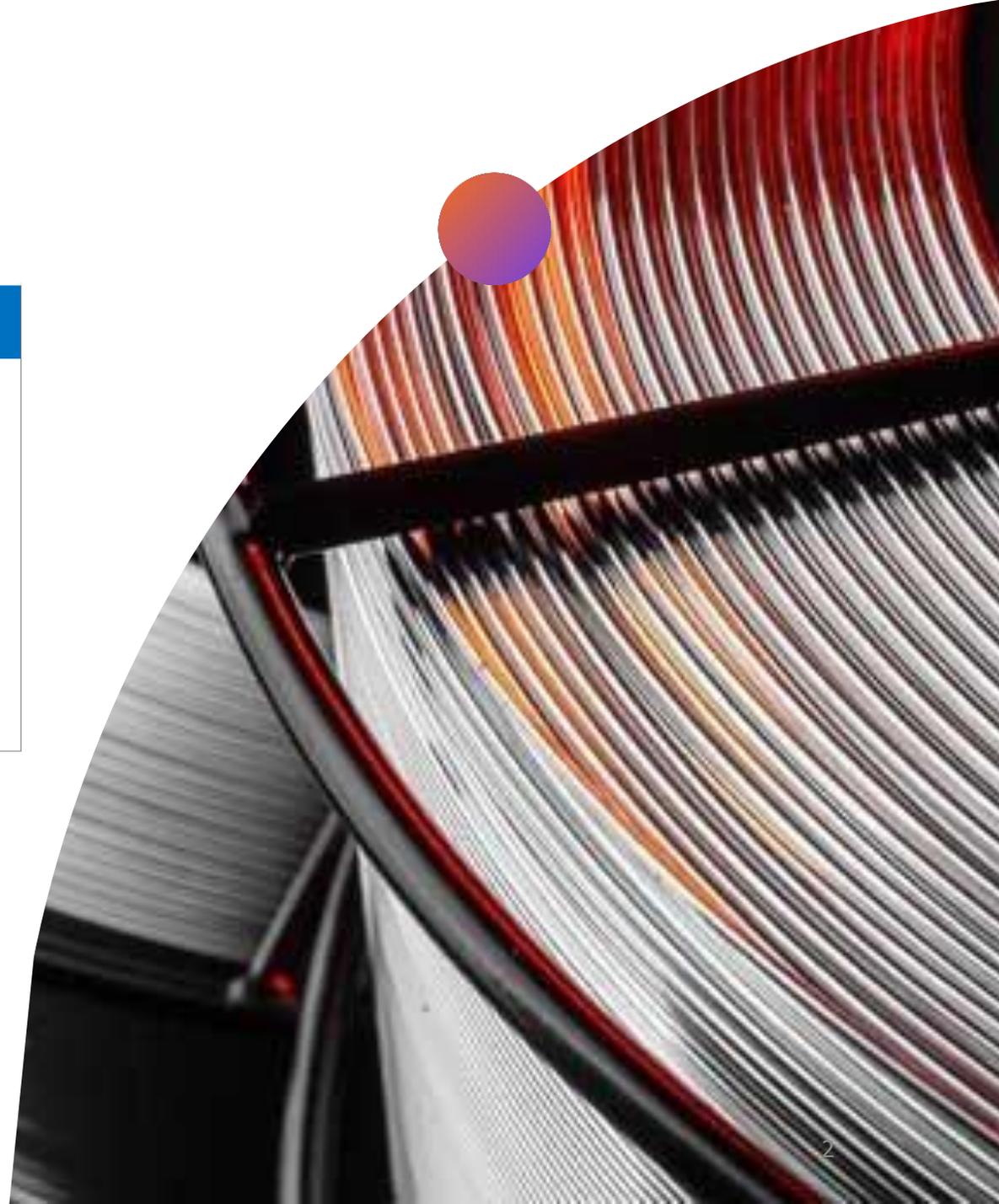
BMW Industries Limited

TRUST | CONSISTENCY | STABILITY

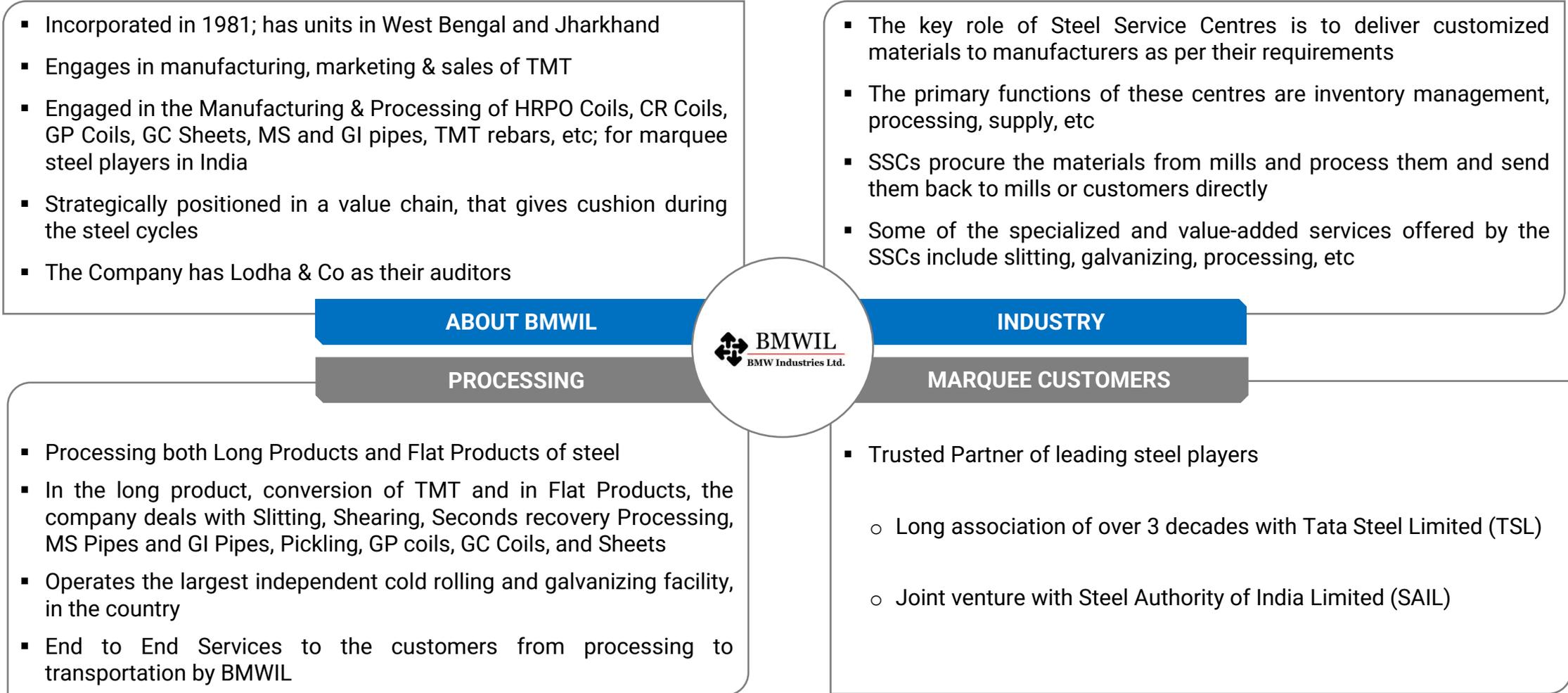
INVESTOR PRESENTATION | DECEMBER 2022

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BMWIL – One of the listed Steel Manufacturing & Processing players in India



The journey of becoming a trusted partner

- Commissioned Continuous Galvanizing Line (CGL) in the year 2013
- Ventured into providing Logistic Solutions to customers (TSL)
- Installed a new TMT Mill of 1,20,000 MT in the year February 2018
- Set up High-Speed Tube Mill
- Renewed its volume and price agreement with TATA Steel
- Secured a fresh order from TSL for the manufacturing of TMT bars

- Commissioned automatic structural rolling mill - capacity of 0.12 Mn TPA
- Commissioned TMT rolling mill - capacity of 0.18 Mn TPA
- Strategic partnership with TATA for Continuous Galvanizing Line

- Set up first tube mill in Kolkata
- Steel Service Centre concept in 1971

2011-
2022

Becoming Future Ready



2001-
2010

Partnership with Steel Players

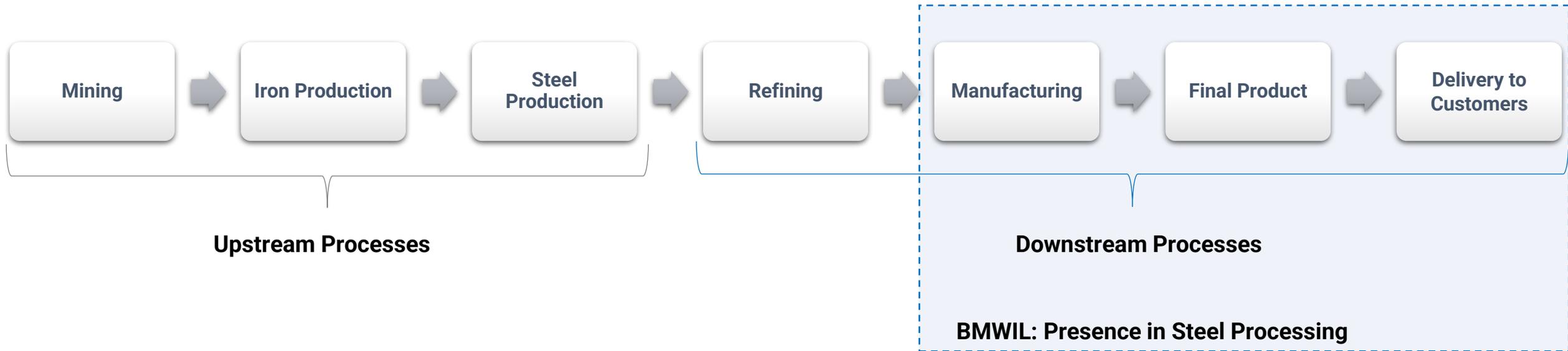


1970-
2000

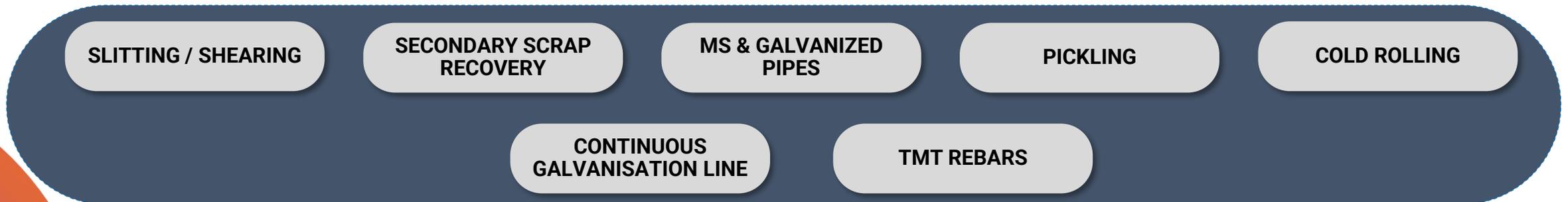
Entry into the Metal Servicing sector



Steel Manufacturing Value Chain



Services by BMWIL



Key Managerial personnel



**Mr. Ram Gopal Bansal,
Chairman & WTD**

Founder Member having more than 40 years of experience in the steel industry. His untiring effort and business acumen have made BMWIL successful



**Mr. Harsh Bansal,
Managing Director**

MBA from Harvard Business School. Experience of over years. Responsible for handling day-to-day operations of the company along with handling business development and finance-related activities



**Mr. Vivek Bansal,
Managing Director**

Bcom from Calcutta university with experience of over 19 years years. Acquired valuable management knowledge from world-renowned institutes. Driving Tube, GP, and TMT business with his practical approach and business acumen



**Mr. Abhishek Agarwal,
Chief Financial Officer**

Qualified Chartered Accounted with experience of more than a decade with the Company. Responsible for the financial activities of the company

EXPERIENCED BOARD

**Ms. Monica Chand,
Non-Executive Independent Director**

Rich experience of over 11 years in Marketing and Administration

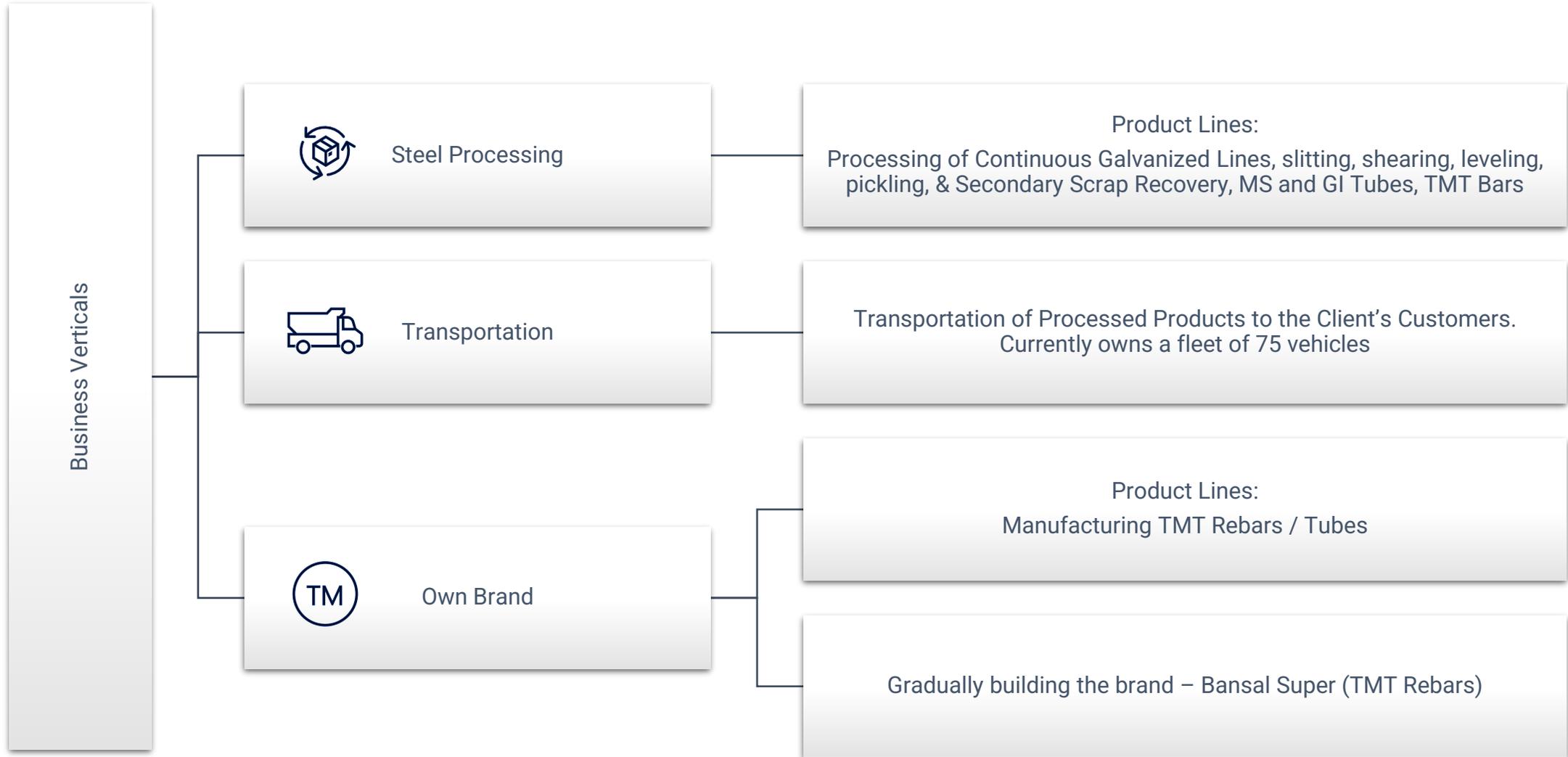
**Mr. Sunil Kumar Parik,
Non-Executive Independent Director**

A Qualified CA with over 4 decades of professional experience

**Mr. Rampriya Sharan,
Non-Executive Independent Director**

Retired Senior Income Tax bureaucrat with experience of over 4 decades

Business Verticals





Capacities & Process

Current Capacity at Glance

Manufacturing Capacity	
Units	Products
Manifit, Jamshedpur	Slitting & Shearing- 4,50,000 TPA
Adityapur, Jamshedpur	Secondary Scrap Recovery – 60,000 TPA
Adityapur, Jamshedpur (Nippon Cryo Pvt Ltd) (100% step down subsidiary)	Galvanised Corrugated Sheets – 1,50,000 TPA
Adityapur, Jamshedpur (BMW Iron and Steel Industries Ltd) (100% Step Down Subsidiary)	M.S. Black Pipe- 48,000 TPA Galvanized Pipe – 60,000 TPA
Gamharia, Jamshedpur	HR PO Coils – 4,00,000 TPA Cold Rolling Mill – 2,20,000 TPA Continuous Galvanization – 2,00,000 MTPA
Argori, Howrah	Slitting – 1,22,000 TPA Rolling Mill (TMT)- 3,30,000 TPA M. S. Black Pipe – 96,000 TPA* *(IN CWIP, Machine Installed, Trial Run Pending)
Ghusuri, Howrah	M.S. Black Pipe- 40,000 TPA



Manufacturing Facilities – Jamshedpur

Facility - Gamharia	Capacity
HR PO Coils	4,00,000 TPA
Cold Rolling Mill	2,20,000 TPA
Continuous Galvanization	2,00,000 TPA

Facility - Adityapur	Capacity
MS Black Pipe	48,000 TPA
Galvanized Pipe	60,000 TPA
Secondary Scrap Recovery	60,000 TPA
Galvanised Corrugated Sheets	1,50,000 TPA

Facility - Manifit	Capacity
Slitting & Shearing	4,50,000 TPA



5

Total Number of Plants in Jamshedpur

Manufacturing Facilities – Kolkata

Facility - Argori	Capacity
Slitting	1,22,000 TPA
Rolling Mill (TMT)	3,30,000 TPA
MS Black Pipe (CWIP)	96,000 MTPA



2

Total Number of Plants
in Kolkata

Facility - Ghusuri	Capacity
MS Black Pipe	40,000 TPA



Key Process/Services Delivered

1

CONTINUOUS
GALVANIZED LINE



2

SLITTING



3

TUBE
MANUFACTURING



4

TMT REBARS
MANUFACTURING



5

TRANSPORTATION/
DELIVERY TO CUSTOMER



Continuous Galvanized Line (CGL)

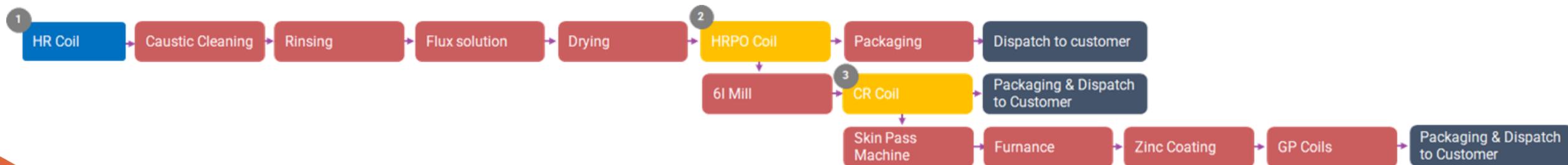
- Known as CGL#3 Complex in Gamharia, Jamshedpur
- State of Art Continuous Galvanizing Line with a capacity of 2,00,000 TPA
- The Project has been commissioned in December 2013
- Currently, the entire line is committed to TATA Steel for manufacturing of 'TATA Shaktee'



**HRPO Coils | FCHR Coils | Galvanized
Hard/Soft Coil | Corruqated Sheet**



Process - Continuous Galvanizing Line



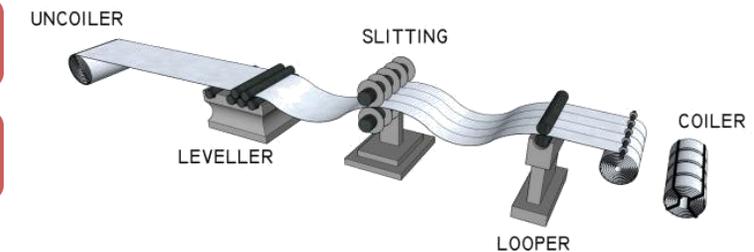
Slitting of HR Coils

Roll slitting is a shearing operation that cuts a large roll of material into narrower rolls

- BMWIL has its slitting facilities at Jamshedpur (Manifit, Jamshedpur and Argori, Howrah)
- The total capacity stands at 5,72,000 tonnes per annum
- Major customer for the process is TATA Steel
- The slitted coils are further utilized for the manufacturing of tubes by customers

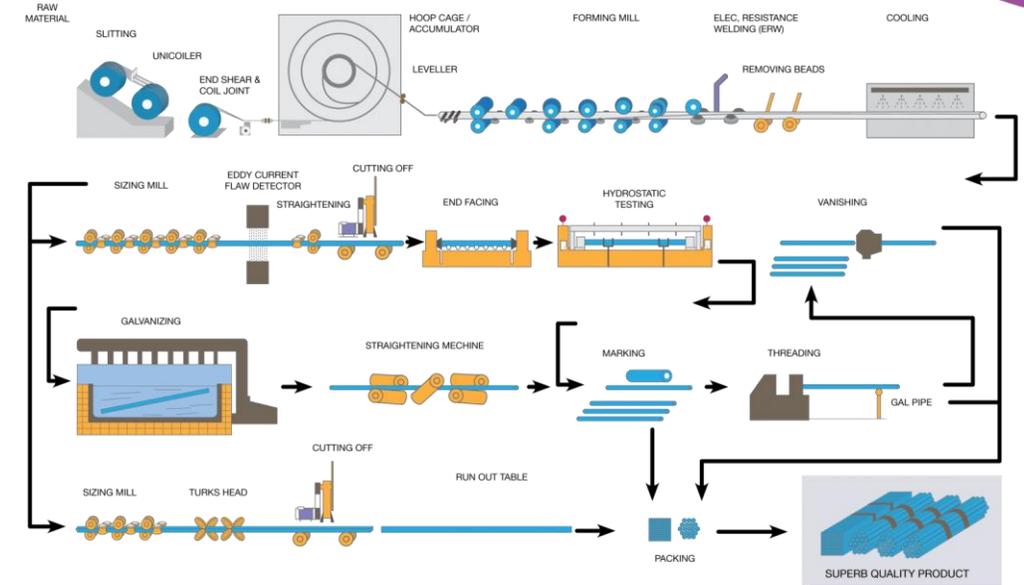


Slitting Process

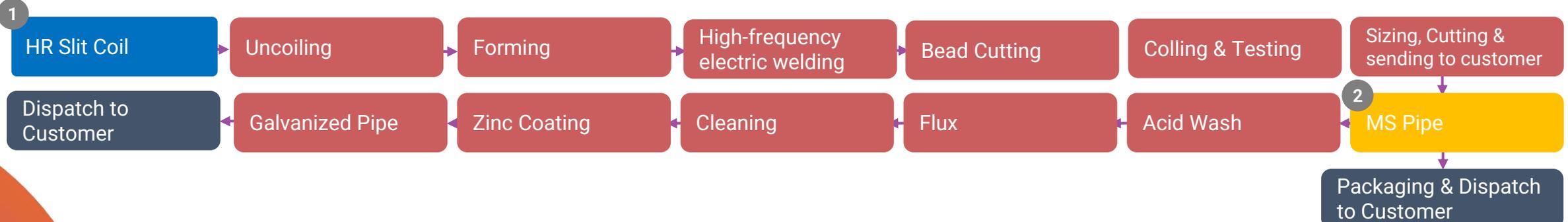


Tube manufacturing and Galvanizing services

- BMWIL has its M.S. Pipe manufacturing facility at Ghusuri, Howrah, and Adityapur, Jamshedpur. Besides this have an MS Pipe capacity at Argori, for which a trial run is pending. Have GI Pipe facility at Jamshedpur.
- Operational Pipe Capacity of 1,48,000 TPA
- MS Pipes are manufactured from the slitted coil and are used for agriculture and irrigation purposes
- Galvanised Pipes are manufactured from MS Pipe are used for plumbing works.

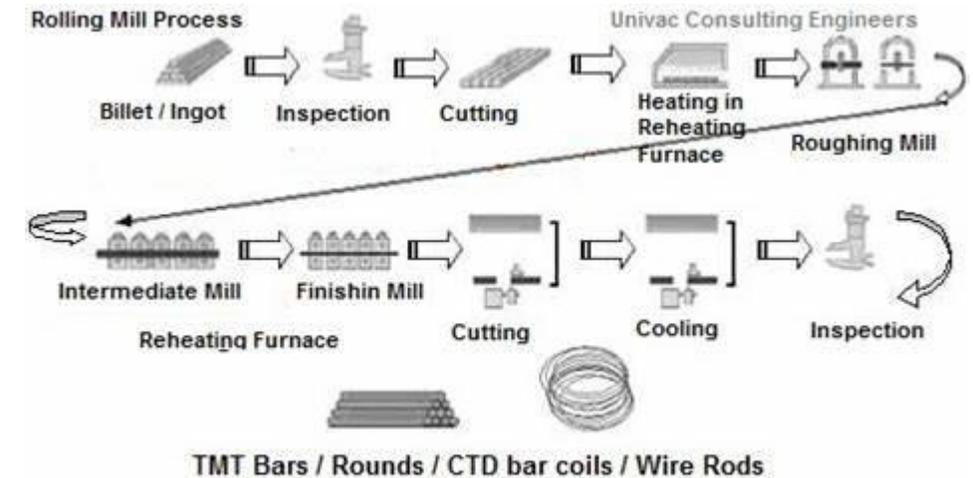


Tube Manufacturing & Galvanizing Process

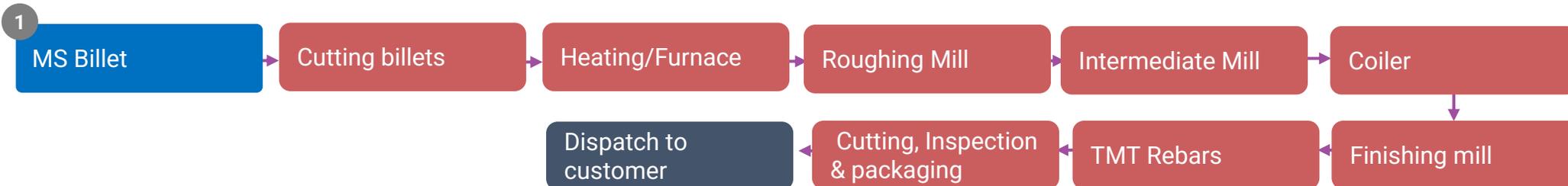


TMT bars manufacturing Services

- TMT processing facility of 3,30,000 MT tonnes per annum
- Secured long term orders of 3,00,000 MT per annum from TATA steel



TMT Bars manufacturing Process

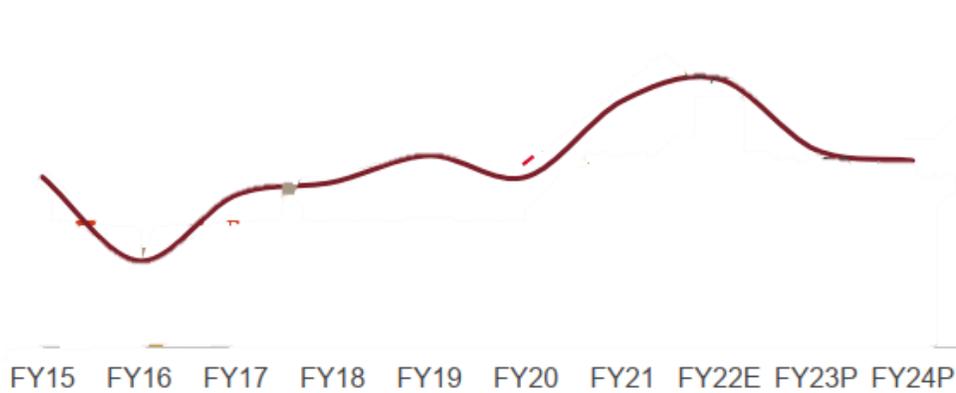




Business and Positioning

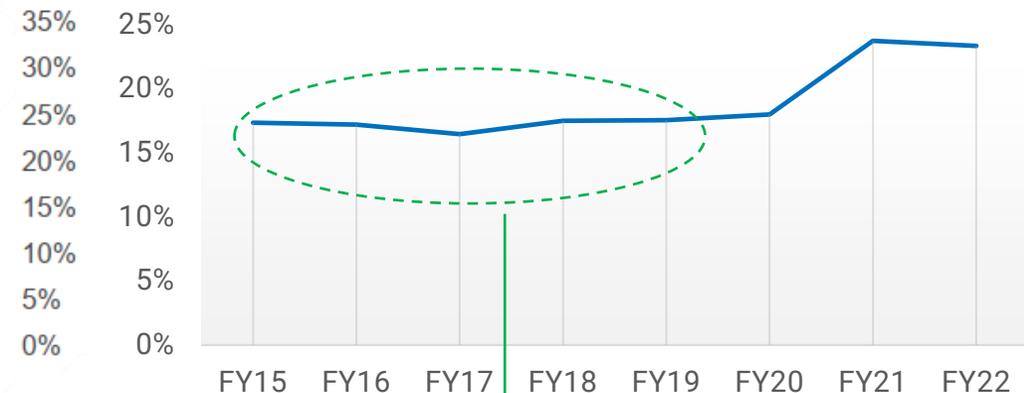
Unique position in value chain of steel industry

Industry Primary Players EBITDA Margin Trend



Source: Cube Report

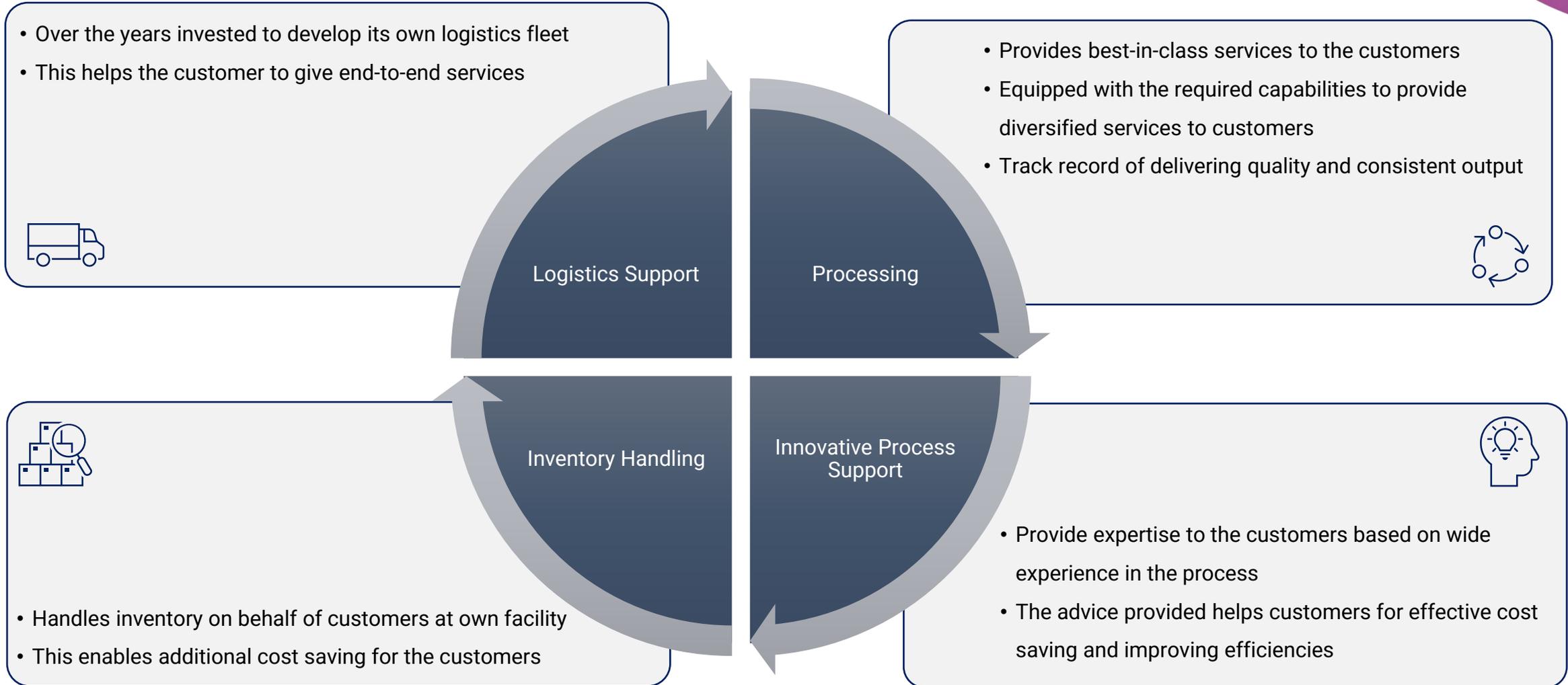
BMWIL EBITDA Margin %

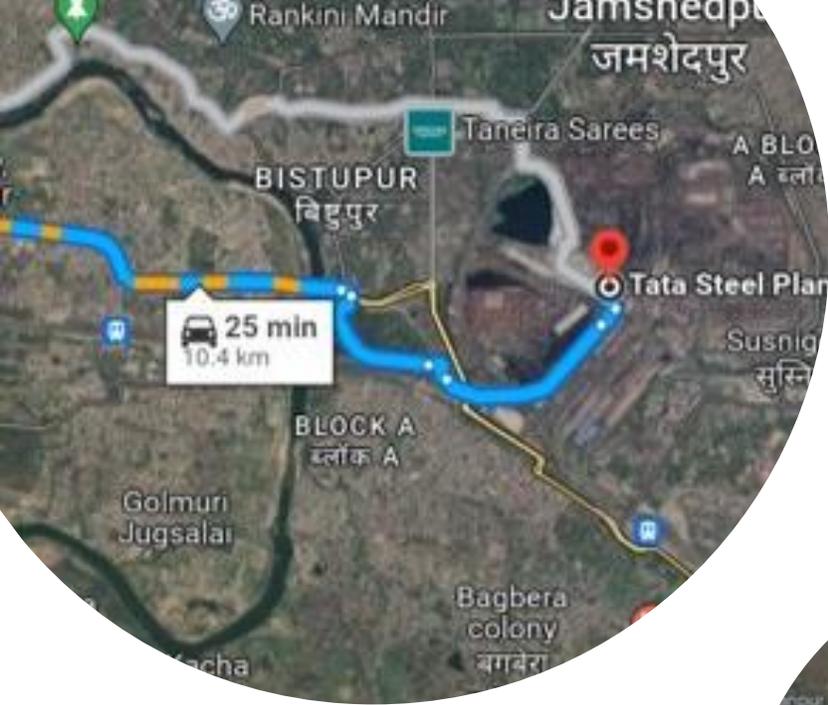


Less volatility during the sector down cycle

BWMIL's nature of business is such that prevents the business from major volatility of the industry cycle and enables it to generate consistent cash flows

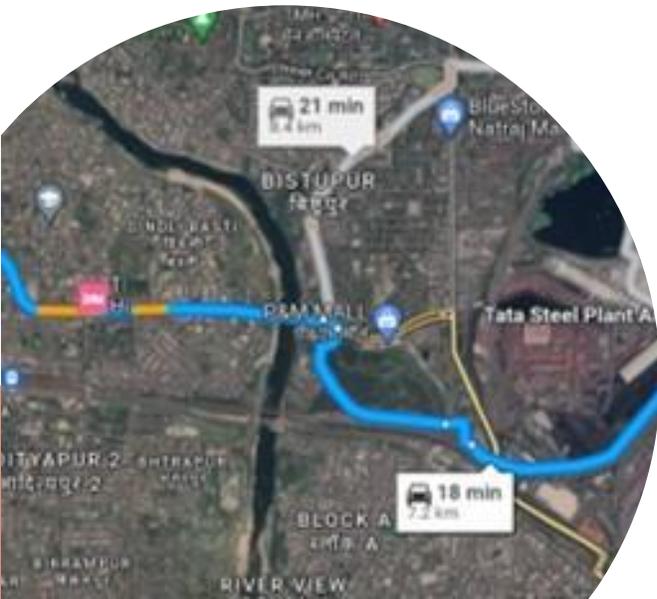
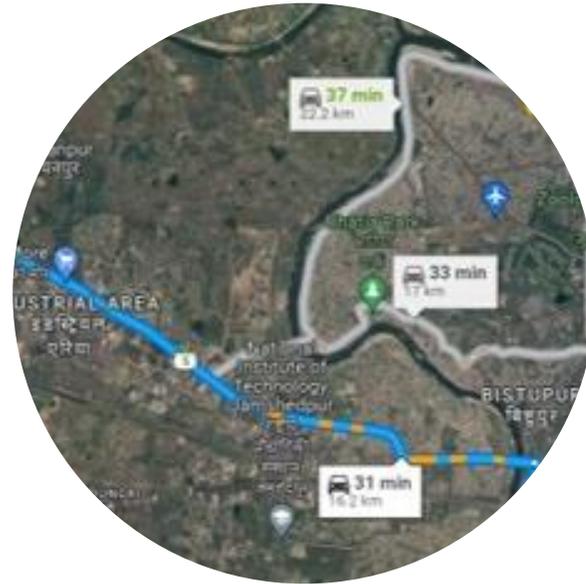
Built an efficient service environment to serve its customers





Strategically Located to Serve the Customers

- Strategically Located close to the raw material availability
- Raw materials are readily available, allowing for significant cost savings
- Because the plant is close to raw materials, only finished goods are transferred to clients in diverse regions, resulting in significant transportation cost savings for customers.



Established Strong Relationship with customers (1/2)

ESTABLISHED CLIENT RELATIONSHIPS OF +30 YEARS WITH MARQUEE STEEL MANUFACTURING PLAYERS

INITIATION

Started Steel Service Center concept in 1971

Set up First Tube Mill in Kolkata

1970-1980

STRATEGIC PARTNERSHIP WITH SAIL & TATA STEEL

Formation of JV with SAIL

Expanded the capacity of SSC at Jamshedpur

1980-2000

BUILDING CAPABILITIES TO SERVICE CUSTOMERS

Continuous Galvanizing Line (CGL)

Commissioned TMT Rolling Mill in West Bengal

Commissioned automatic structural Rolling Mill

2001-2013

ADDITION OF CAPABILITIES TO CONTINUE SERVICING CUSTOMERS

Commissioned High Speed automated Slitting Line

Setting up of High-Speed Tube Mill

Ventures into providing Logistic Solutions

Commissioned Continuous Galvanizing Line Plant

2014-2022

CONTINUOUS EFFORTS TOWARD IMPLEMENTING SAFETY MEASURES IN THE FACILITIES

Established Strong Relationship with Key Customers (2/2)

30+ Years of Association

Long association of over 3 decades with Tata Steel Limited (TSL) and during this journey, has set up many processing/manufacturing facilities for TSL

Dedicated Continuous Galvanization Line

One of its unique and strategic decision was to set up the conversion of Hot Rolled Coils to Galvanised Corrugated (GC) sheets through a continuous galvanizing line. The process involves protective zinc alloy coating to steel, to prevent rusting

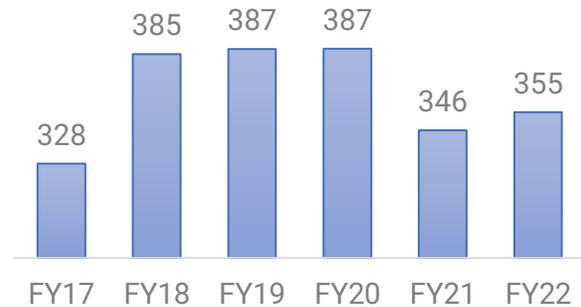
Capital Expenditure of ₹ 400 crores

A major conversion agent of TSL for the roofing product CGL3 Plant at Jamshedpur plant has been set up to serve TSL's demand for GP/GC sheets with a capital investment of around Rs. 400 crores in 2014

Processing of flagship brand

Converts all the Hot Rolled (HR) materials supplied by Tata Steel limited into Galvanised Corrugated (GC) sheets which are sold under their flagship brand 'TATA Shaktee'

Conversion Income (₹ crores)



Conversion Income % Total Revenue

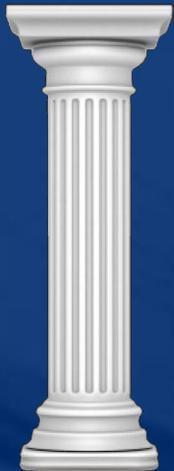


BMWIL's Business Proposition

Aspire to become a leading outsourced manufacturing solution in the steel industry



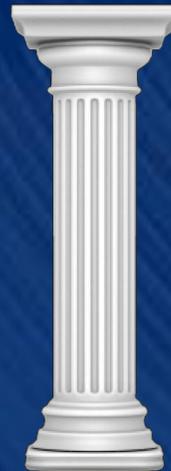
**DEEP SECTOR/
PROCESS KNOWLEDGE**



Over the period of time built efficient capabilities to serve client requirements



**READY
INFRASTRUCTURE**



Create an excellent manufacturing base near the market to serve JIT



**LONG LASTING
PARTNERSHIP**

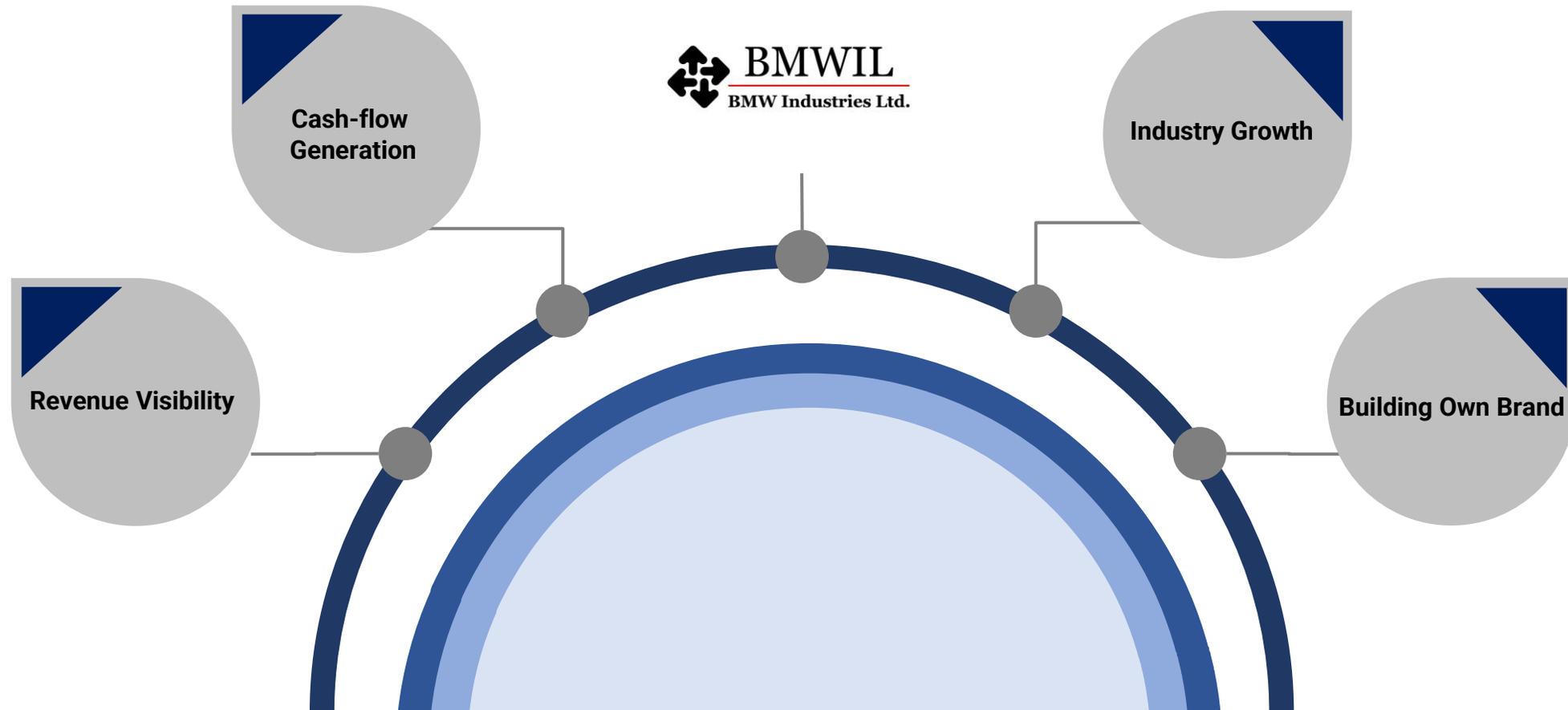


Maintain existing relationships with customers through service delivery & Create new market



Growth Drivers

Growth Drivers



Revenue Visibility

1

Agreement for conversion of GP/GC sheets through the continuous galvanizing line, renewed in till 2024

Expected Revenue of Rs. 2,000 crores over the entire contracted period of 5 years*

Key Entry Barriers:

CAPITAL REQUIREMENT

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 and additionally BMWIL also 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

2

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

Expected Revenue of Rs. 250 crores over the entire 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.

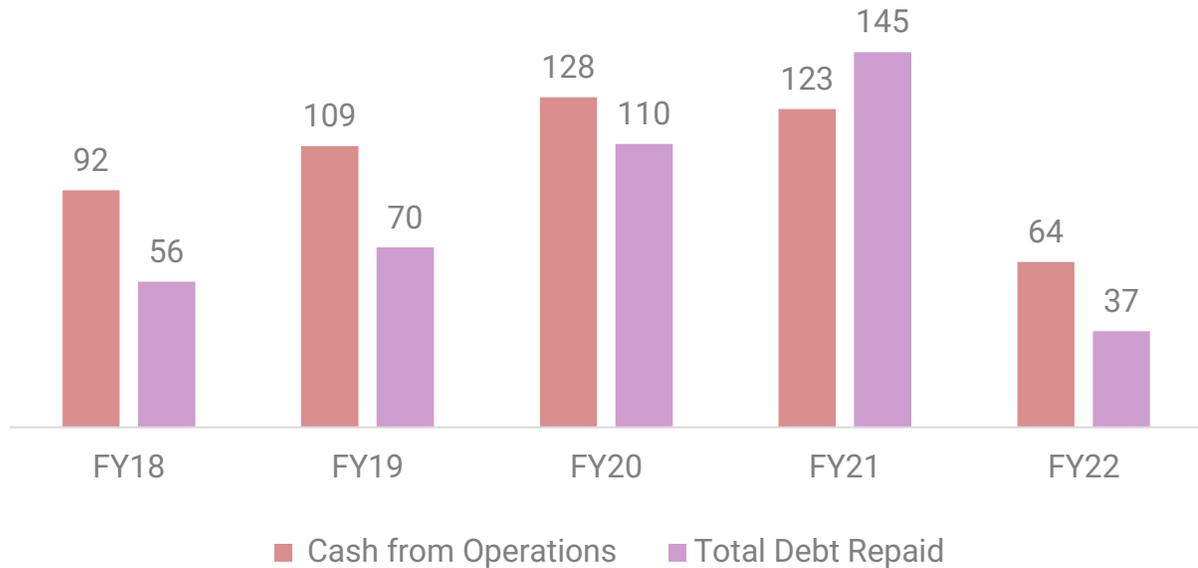
END TO END SERVICES

Provides 360 degree services from manufacturing/ processing to transportation services

**out of 5 years; 3 years of contractual period is left*

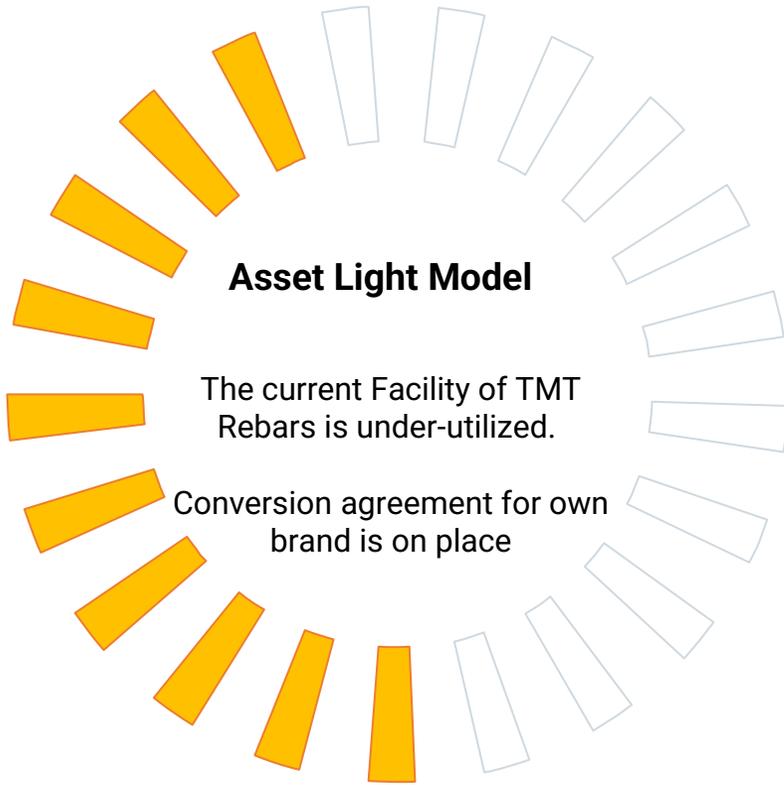
Strong Cashflow Generation

Cashflow Movement



- Invested Rs. 400 crores in 2014 for Continuous Galvanized Line
- Debt Repaid ~Rs. 300 crores over 6+ years (Debt was at Rs. 538 crores as on FY15)
- No Major CAPEX under planning, utilization of underlined capex
- Currently, ~50% Cashflow generated is diverted towards Debt Repayment, the maximum debt to be repaid by FY24

Future Plans to build an own brand



Harnessing Green Energy

Green Energy to contribute to environmental safety and fulfill the commitment toward its stakeholders.



Green energy protecting against long-term power cost increases

Invest ~Rs. 22 crores for the installation of 4 MW roof-top solar energy panels at NH-6 in Kolkata

Panels - likely to be installed by May 2023 with a payback of around 4 years

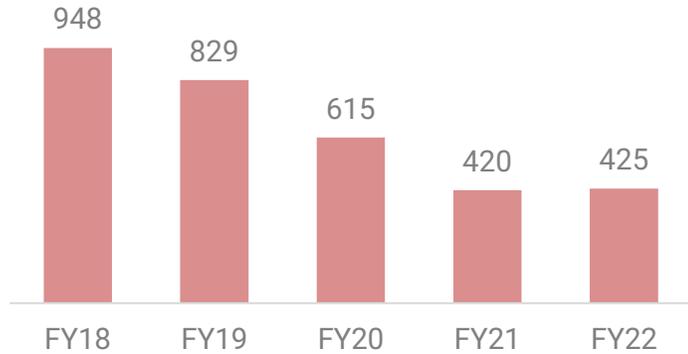
Expected to reduce electricity costs drastically from the current Rs.10 per unit to as low as Rs.1 per unit, resulting in substantial cost savings of ~Rs. 4 crores on a yearly basis



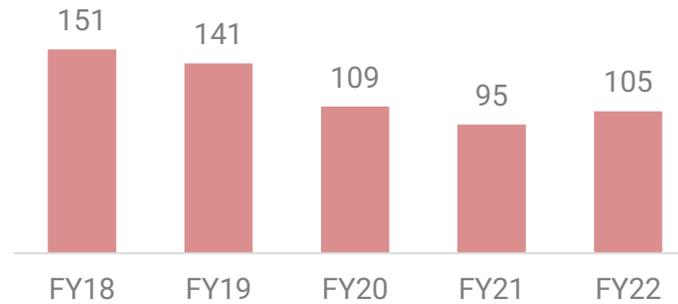
Financials

Key Financial Highlights (Consolidated) (1/2)

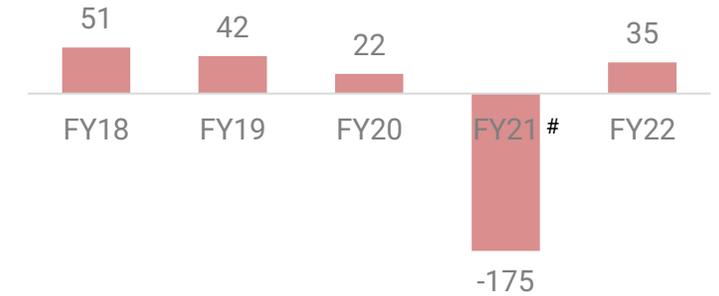
Total Revenue* (₹ crores)



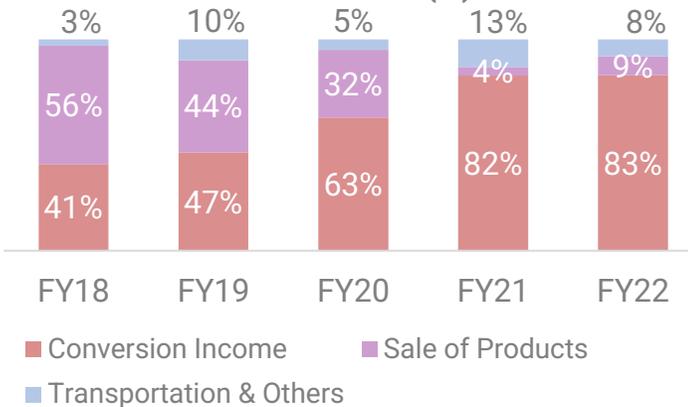
EBITDA (excl Other Income) (₹ crores)



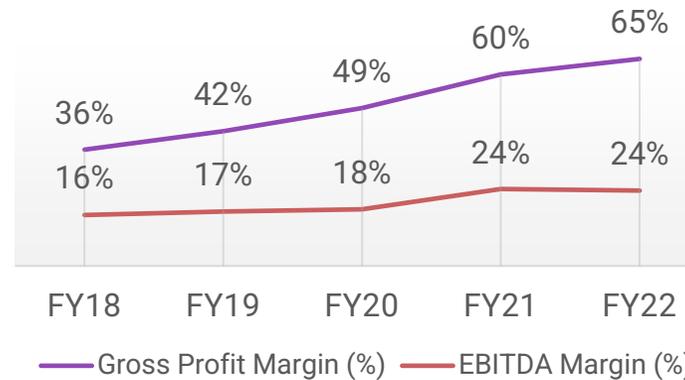
Profit After Tax (₹ crores)



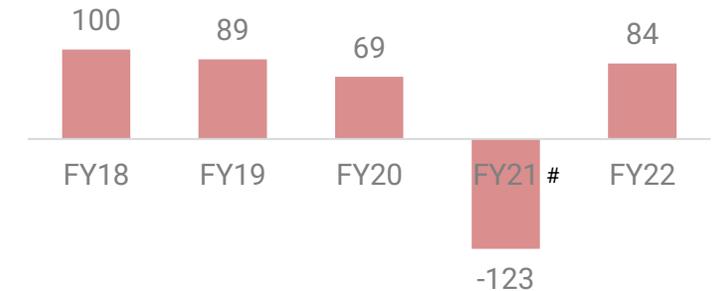
Revenue Mix (%)



Gross Profit & EBITDA Margin (%)



Cash Profit (₹ crores)

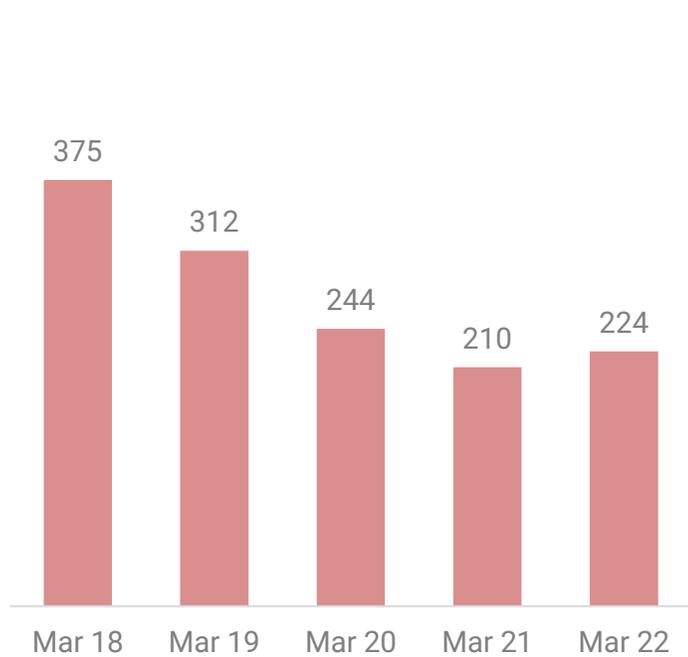


*Revenue is declining largely because the company is reducing its share of low-margin products & concentrating on high-margin segments

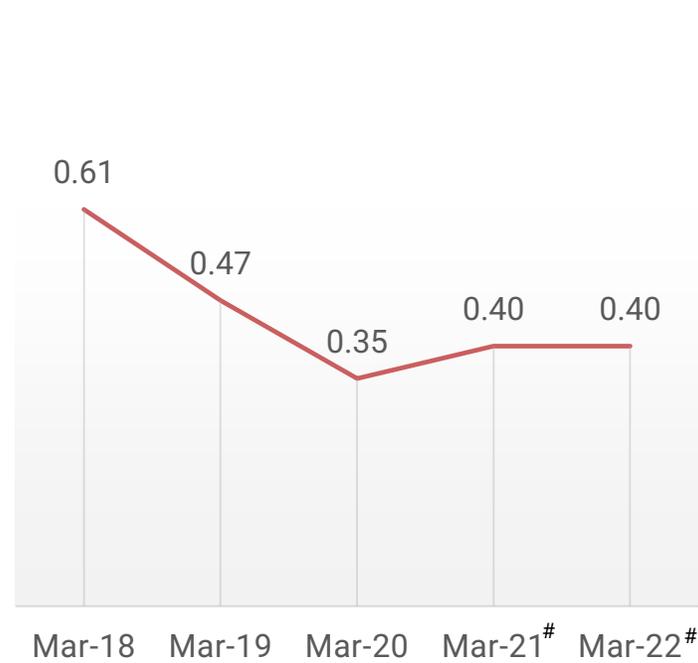
Exceptional Loss: Exceptional Items include Rs. 199.07 crores pertaining to an estimated shortfall in the value of inventories, Investments, trade, and other receivables. Further loss of Rs. 39.52 crores arising on discard of property, plant, and equipment including on account of natural calamities

Key Financial Highlights (Consolidated) (2/2)

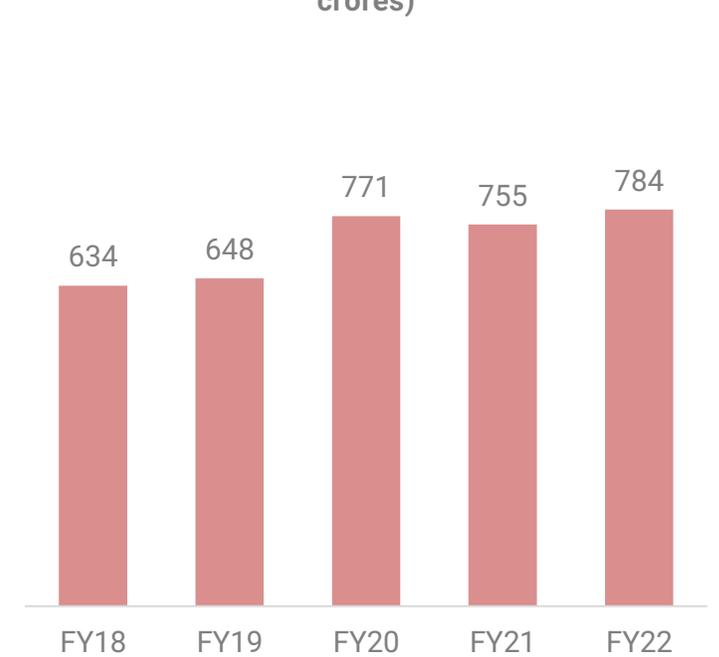
Total Debt (₹ crores)



Total Debt to Equity (x)



Gross Property, Plant & Equipment (₹ crores)



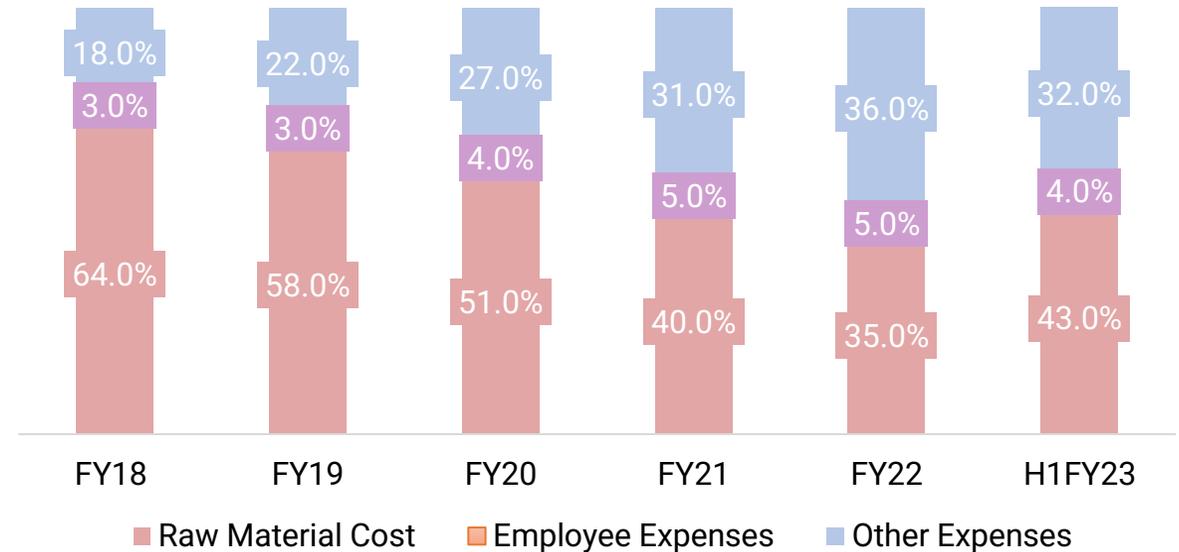
Debt to Equity slightly increased on account of the decrease in Networth impacted by exceptional loss in FY21

P&L Highlights (1/2)

Consolidated (Rs. Crores)	FY18	FY19	FY20	FY21	FY22	H1FY23
Revenue from operations	948	829	615	398	447	285
YoY Change (%)		-13%	-26%	-35%	12%	32%
Raw Material Cost	604	480	312	160	158	123
Gross Profit	345	348	303	238	289	163
Gross Profit Margin (%)	36%	42%	49%	60%	65%	57%
YoY Change (%)		1%	-13%	-22%	22%	12%
Employee Expenses	24	27	27	20	22	11
Other Expenses	169	181	167	122	162	92
EBITDA	151	141	109	95	105	60
EBITDA Margin (%)	16%	17%	18%	24%	24%	21%
YoY Change (%)		-7%	-23%	-12%	10%	3%
Other income	16	27	16	10	13	4
Depreciation	48	47	47	53	49	25
EBIT	119	121	77	53	69	39
EBIT Margin (%)	13%	15%	13%	13%	15%	14%
YoY Change (%)		2%	-36%	-32%	31%	7%
Financial Charges	47	56	46	29	23	12
PBT	72	65	32	23	46	27
YoY Change (%)		-10%	-50%	-27%	95%	8%
Exceptional Item	0	0	0	-239	0	0
Tax	21	23	10	-40	11	6
Tax Rate	29%	35%	31%	NA	24%	22%
PAT	51	42	22	-175	35	21
PAT Margin (%)	5%	5%	4%	NA	8%	7%
YoY Change (%)	-	-19%	-47%	NA	NA	-1%

P&L Highlights (2/2)

Common Size	FY18	FY19	FY20	FY21	FY22	H1FY23
Revenue from operations	100%	100%	100%	100%	100%	100%
Raw Material Cost	64%	58%	51%	40%	35%	43%
Gross Profit	36%	42%	49%	60%	65%	57%
Employee Expenses	3%	3%	4%	5%	5%	4%
Other Expenses	18%	22%	27%	31%	36%	32%
EBITDA	16%	17%	18%	24%	24%	21%
Other income	2%	3%	3%	3%	3%	2%
Depreciation	5%	6%	8%	13%	11%	9%
EBIT	13%	15%	13%	13%	15%	14%
Financial Charges	5%	7%	7%	7%	5%	4%
PBT	8%	8%	5%	6%	10%	9%
PAT	5%	5%	4%	-44%	8%	7%



Balance Sheet Highlights (Consolidated)

Assets (Rs. Mn)	Sep-22	Mar-22	Mar-21
Assets			
Non-current Assets			
Property, Plant and Equipment	426.3	432.2	450.1
Capital Work-in-progress	35.5	35.3	37.5
Intangible Assets	0.0	0.0	0.0
Financial Assets	0.0	0.0	0.0
Investments	14.7	14.7	22.1
Other Financial Assets	9.8	9.7	9.0
Deferred Tax Assets (Net)	6.8	6.4	4.8
Other Non-current assets	87.1	73.4	75.4
Total Non-current Assets	580.3	571.9	599.0
Current Assets			
Inventories	135.6	139.0	120.3
Financial Assets	0.0	0.0	0.0
Trade receivables	110.0	110.2	102.8
Cash and cash equivalents	2.1	0.9	0.6
Other Bank balances	5.4	5.4	5.3
Loans	43.3	31.2	18.1
Others	0.7	0.5	0.5
Other current assets	44.3	44.6	50.7
Total Current Assets	341.3	331.9	298.3
Assets Classified as held for sale	3.1	3.1	3.1
Total Assets	924.6	906.8	900.3

Liabilities (Rs. Mn)	Sep-22	Mar-22	Mar-21
Equity			
Equity Share Capital	22.5	22.5	22.5
Other Equity	551.5	530.6	496.5
Non-controlling interest	1.3	1.2	1.0
Total Equity	575.4	554.3	520.0
Non-current Liabilities			
Financial Liabilities			
Borrowings	84.1	81.5	101.4
Lease Liability	17.7	16.9	16.1
Other Financial Liabilities	17.8	17.1	15.4
Provisions	2.6	2.4	1.8
Deferred Tax Liabilities (Net)	27.6	21.7	10.3
Other Non-Current Liabilities	2.6	3.5	5.5
Total Non-current Liabilities	152.4	143.2	150.5
Current liabilities			
Financial Liabilities			
Borrowings	147.2	157.5	161.0
Lease Liability	0.6	0.6	0.4
Operational Suppliers Credit	10.4	17.4	0.0
Trade Payables	19.8	15.5	43.4
Other Financial Liabilities	12.2	11.1	18.2
Other current liabilities	6.5	6.8	5.3
Provisions	0.2	0.2	0.8
Current Tax Liabilities	0.0	0.3	0.7
Total Current liabilities	196.8	209.3	229.8
Total liabilities	349.2	352.5	380.2
Total Equity & Liabilities	924.6	906.8	900.3

Let's Connect



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