



BMW Industries Ltd.

Date: 16-07-2024

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 ended June 30, 2024

An Investors Presentation on the Financial Results for the Quarter and year ended June 30, 2024, 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



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 US

- **BMW Industries Limited (BMWIL)**, incorporated in 1981, is one of the largest **steel processing** companies in India
- Engaged in the manufacture & processing of **HRPO Coils, CR Coils, GP Coils, GC Sheets, MS & GI pipes, TMT rebars**, etc. for marquee steel manufacturers
- Processing both long and flat products, it operates one of the **largest merchant cold rolling and galvanizing facilities**, in the country
- BMWIL strategically operates in the **value addition of semi-finished steel products**, helping maintain **stable margins** during steel cycles

OUR PRESENCE

- Manufacturing facilities strategically located near steel manufacturing sites, for a **low turnaround time** and **cost-effective logistics**

* Annualized



PERFORMANCE IN Q1 FY25

Operating Revenue
Rs. 17,365 Lacs

Gross Margin
65.2%

Op. EBITDA Margin
24.4%

PAT
Rs. 2,234 Lacs

PAT Margin
12.7%

ROCE*
16.0%

Management Commentary

“We are delighted to announce that our company achieved its highest quarterly profits to date. In Q1 FY25, our Operating Revenue increased by 26.5% QoQ and 10.2% YoY, totaling ₹17,365 Lakhs. We also recorded our highest-ever production volumes in our key segments - CRM Complex, Pipes & Tubes, and Rolling Mill.

Gross Profit grew by 10.5% YoY, climbing to ₹11,327 Lakhs in Q1 FY25 from ₹10,248 lakhs in Q1 FY24. Operating EBITDA rose by 15.5% YoY, reaching ₹4,239 Lakhs, while our Operating EBITDA Margin expanded by 112 basis points YoY to 24.4%.

Profit After Tax (PAT) showed a similar positive trend, increasing from ₹1,556 Lakhs in Q1 FY24 to ₹2,234 Lakhs in Q1 FY25, representing strong growth of 43.5% YoY. Our PAT Margin also improved, rising to 12.7% from 9.8% in the same quarter last year.

In line with our commitment to sustainability and minimizing our carbon footprint, we are planning to set up our second Solar Energy Project in Jamshedpur. This project involves a capital expenditure of ₹3,000 Lakhs and will have a capacity of approximately 6.0 Megawatts.

Our focus remains on optimizing capacity utilization and reducing Net Debt. Combined with our ongoing expansion initiatives, we are well-positioned for robust revenue growth and sustainable margins moving forward.”



Ram Gopal Bansal
Chairman

Key Highlights

- **Operating Income** up 10.2% YoY at ₹17,365 Lacs
- **Gross Profit** up 10.5% YoY at ₹11,327 Lacs
- **Operating EBITDA** up 15.5% YoY at ₹ 4,239 Lacs; the margin stood at 24.4%
- **Recorded Highest-ever quarterly PAT** of ₹2,234, showcasing a growth of 43.5% YoY; and the margin stood at 12.7%
- **ROE*** improved to 13.3% in Jun'24 from 10.1% in Mar'24
- **Highest-ever production volumes** recorded in our key segments - CRM Complex, Pipes & Tubes, and Rolling Mill
- We have successfully commissioned our **Solar Plant Project** at our Kolkata Plant in the quarter ending June '24



Quarterly Highlights (1/4)



₹ Lacs

Q1 FY25	Operating Income	Gross Profit	Operating EBITDA	PBT	PAT	Cash Profit ¹
	17,365	11,327	4,239	2,940	2,234	3,309
Growth (YOY)	10.2%	10.5%	15.5%	37.8%	43.5%	26.5%
Growth (QOQ)	26.5%	3.9%	8.7%	18.4%	17.4%	13.0%
Margin (%) ²		65.2%	24.4%	16.8%	12.7%	
Margin –YoY Expansion/(Contraction)		17 bps	112 bps	330 bps	292 bps	
EPS/CEPS					0.98	1.47

Note:

1. Cash Profit = PAT attributable to all Shareholders + Depreciation
2. Gross Profit & Operating EBITDA Margins calculated on Operating Income

Quarterly Highlights (2/4)

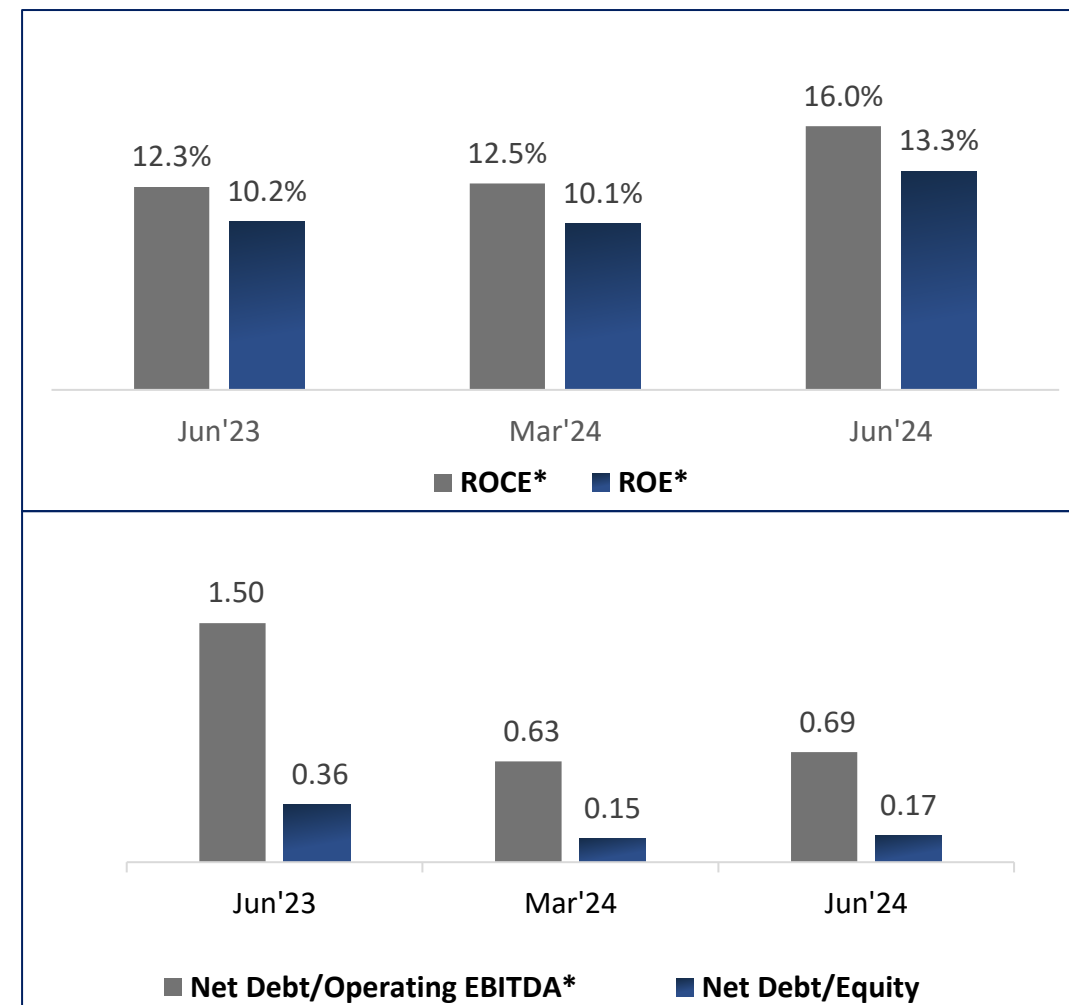
₹ Lacs

Particulars	30-Jun-23	31-Mar-24	30-Jun-24
Net Worth	61,978	66,247	68,464
Gross Debt	20,886	8,528	10,773
Lease Liabilities	1,904	2,033	2,096
Cash & Cash Equivalents	718	624	1,108
Net Debt	22,072	9,937	11,761
Net Fixed Assets	47,793	58,300	59,707
Net Current Assets ¹	15,748	9,648	9,038
Total Assets	95,979	87,994	93,342
Fixed Asset Turnover ²	1.32	1.13	1.18
Capital Employed Turnover ²	0.71	0.71	0.83
Cash Conversion Cycle ³	130	96	53

Note:

1. Net Current Assets exclude Cash & Cash Equivalents; 2:Annualized; 3: Cash Conversion Cycle calculated on Operating Income

* ROCE calculated on Average Capital Employed, ROE calculated on Average Shareholders' Equity



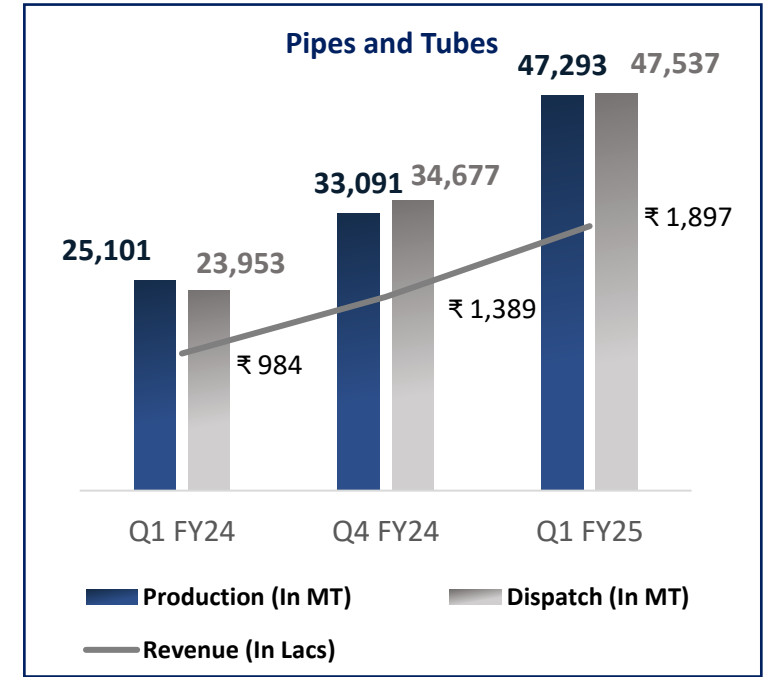
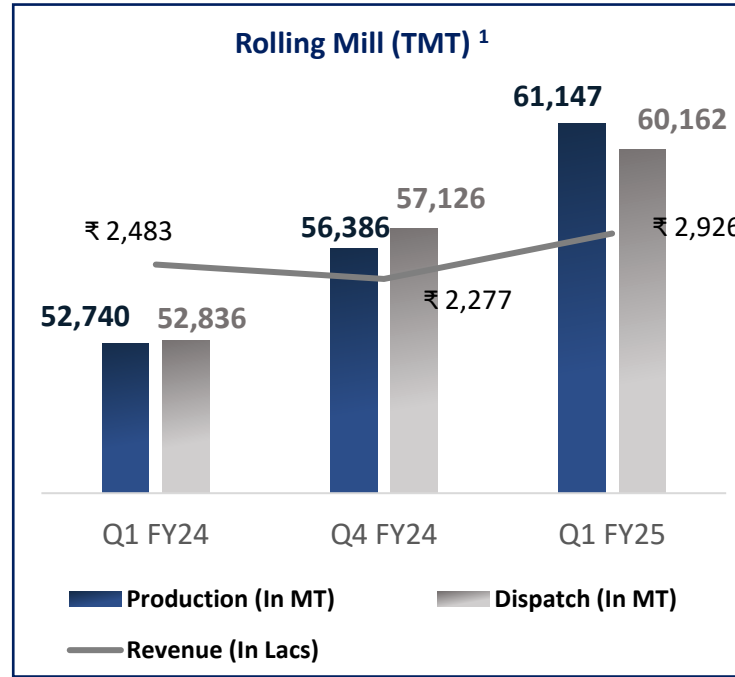
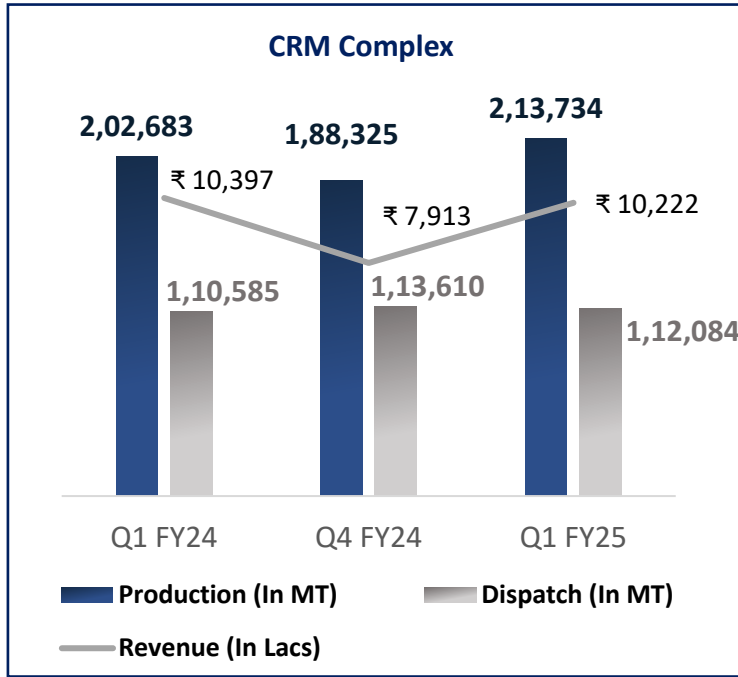
Quarterly Highlights (3/4)



₹ Lacs

Revenue Breakup	Q1 FY25	Q1 FY24	YoY Change	Q4 FY24	QoQ Change
CRM Complex	10,222	10,397	(1.7%)	7,913	29.2%
Rolling Mill (TMT Bars)	3,591	3,245	10.7%	2,401	49.6%
Pipes and Tubes	1,897	984	92.8%	1,389	36.6%
Logistics	1,214	730	66.4%	1,484	(18.2%)
Others	440	396	11.0%	544	(19.2%)
Total	17,365	15,752	10.2%	13,731	26.5%

Quarterly Highlights (4/4)



In Q1 FY25, BMWIL recorded its highest ever production volume for all its key segments – CRM Complex, Rolling Mill and Pipes & Tubes

Note:

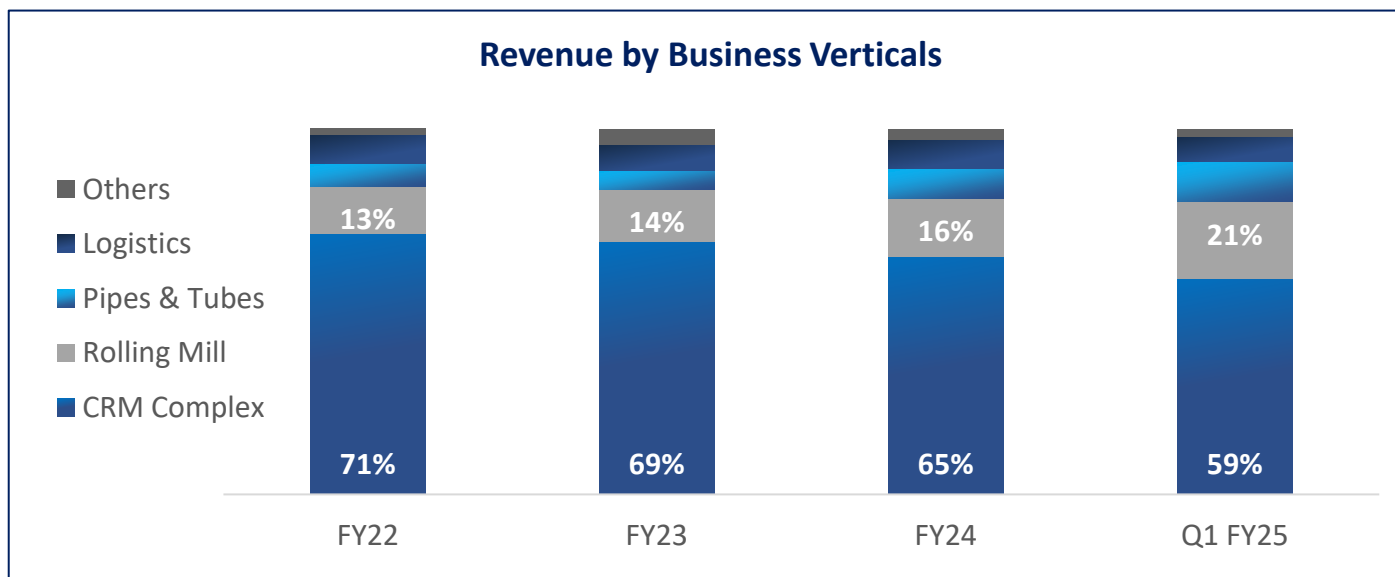
1. Rolling Mill (TMT) data excludes Dispatch and Revenue for Bansal Super TMT Rebars

Operational Highlights



Operational Update

Particulars	Installed Capacity (MT)	Production in Q1 FY25 (MT)	Annualized Utilization
CRM Complex	10,14,000	2,13,734	84%
Rolling Mill (TMT Bars)	3,00,000	61,147	82%
Pipes & Tubes	4,14,000	47,293	46%
Others	4,10,000	57,466	56%



Financial Highlights



Quarterly Profit & Loss Summary



₹ Lacs

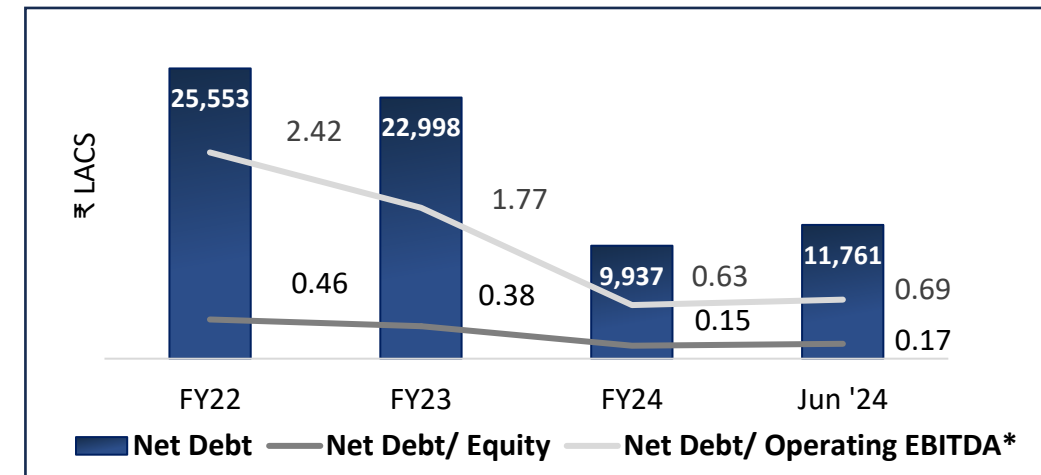
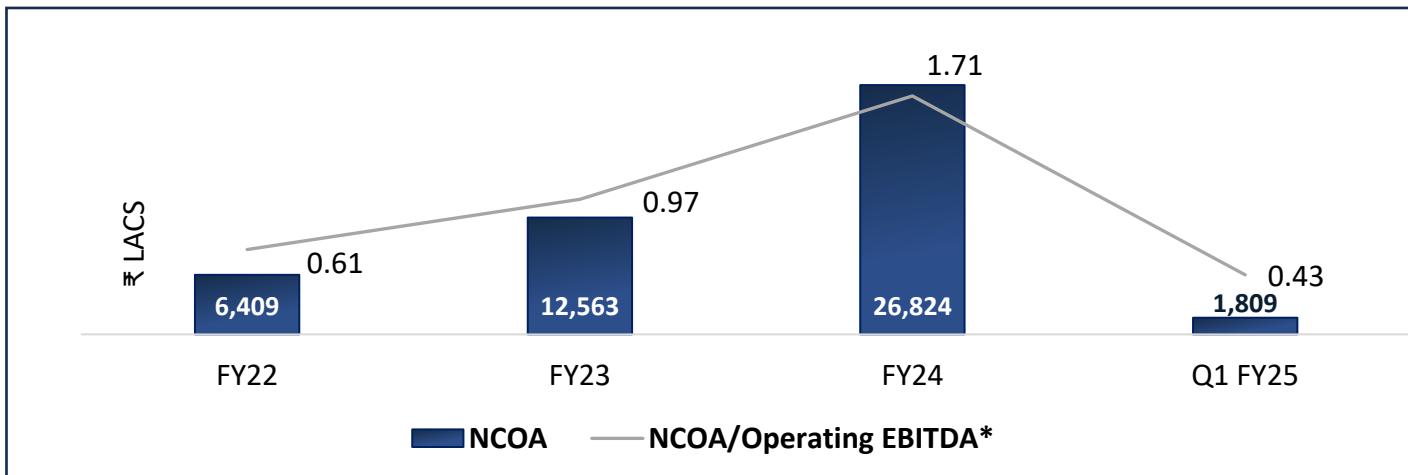
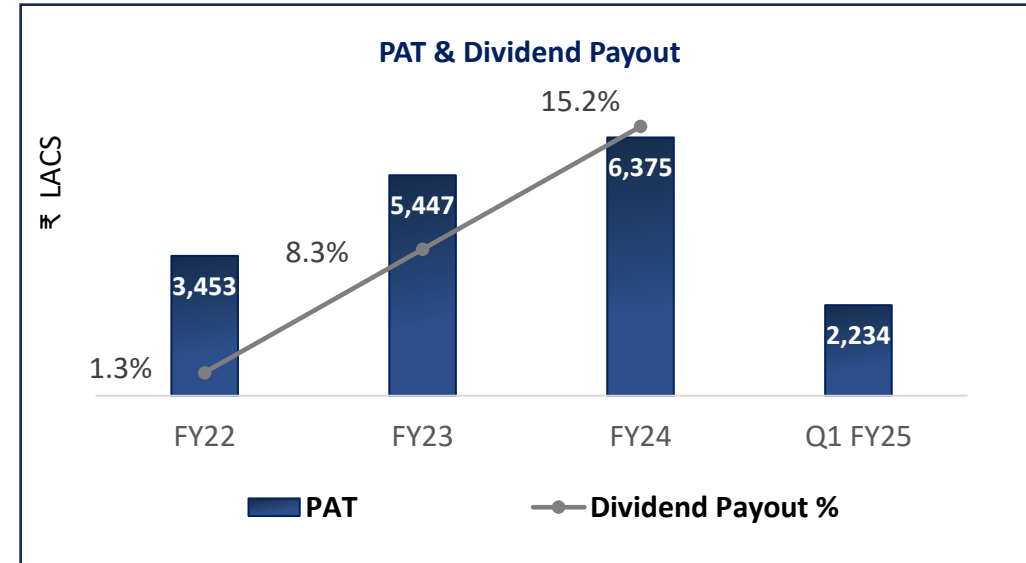
Particulars	Q1 FY25	Q1 FY24	YoY Change	Q4 FY24	QoQ Change	FY24
Operating Income	17,365	15,752	10.2%	13,731	26.5%	59,819
Gross Profit	11,327	10,248	10.5%	10,899	3.9%	41,091
Gross Profit Margin (%)	65.2%	65.1%	17 bps	79.4%	(1414 bps)	68.7%
Operating EBITDA	4,239	3,669	15.5%	3,900	8.7%	15,706
Op. EBITDA Margin (%)	24.4%	23.3%	112 bps	28.4%	(399 bps)	26.3%
Other Income	182	105	73.6%	23	699.7%	429
One Time Customer Debit	-	-	-	-	-	1,073
Finance Costs	388	581	(33.3%)	412	(5.7%)	1,979
Depreciation	1,093	1,059	3.2%	1,027	6.4%	4,452
PBT (before exceptional)	2,940	2,134	37.8%	2,484	18.4%	8,632
PAT ¹	2,234	1,556	43.5%	1,903	17.4%	6,375
PAT Margin (%)	12.7%	9.8%	292 bps	13.8%	(111 bps)	10.6%
EPS (₹)	0.98	0.69	42.3%	0.84	16.6%	2.83

Note:

1. PAT attributable to the owners of the company

Strong Cashflow

- Net Debt/Equity as well as Net Debt/Operating EBITDA continues to remain low. **Net Debt/Equity** is at a comfortable level of 0.17
- Judicious deployment of capital has enabled the company to consistently **improve its Fixed Asset Turnover Ratio** from 0.94 in FY22 to 1.18 as of Jun'24
- The company has adopted a dividend payout policy wherein it will endeavor to maintain **Dividend Payout Ratio of 15-20%** of its annual PAT



*Annualised

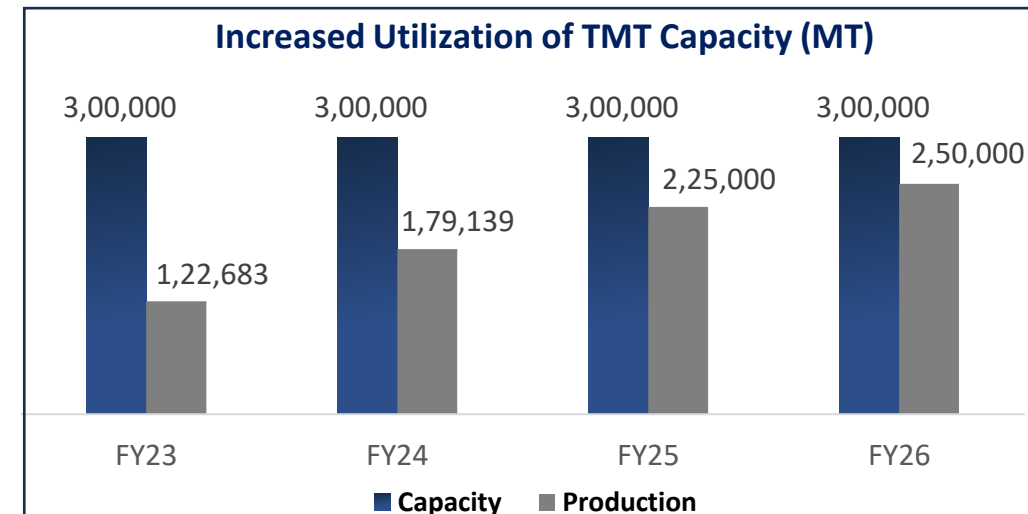
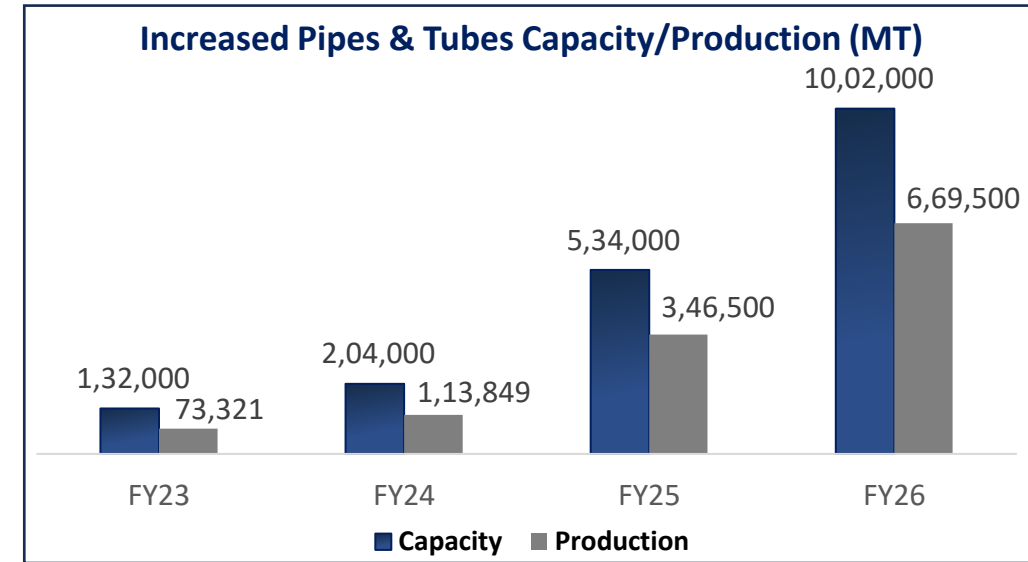
Growth Strategies



Stepping – up the existing capacity

Pipes & Tubes Capacity Expansion Plans

- Expansion of Pipes & Tubes Production Capacity at existing plants in Kolkata & Jamshedpur
- Out of the proposed capacity of 5,34,000 MT by the end of Mar'24, we have **already installed and commissioned capacity to the tune of 4,14,000 MT**. Capex for the balance 1,20,000 MT has already been incurred, which is likely to be commissioned in Q2 FY25
- Increased Capacity will operate at 60%-70%
- Total Project Outlay **Rs 170 Cr.**, divided into:
 - Phase 1:** Capex Outlay completed
 - Phase 2:** Outlay **100 Cr.** (50 Debt, 50 Internal Accrual)



Strong Revenue Visibility

1

Agreement for conversion of GP/GC sheets through the **CRM Complex** has been extended up to September 2024 and is currently undergoing negotiation for the long-term contract

Expected Revenue of Rs. 2,000 Cr. 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 Cr.

Geographical Advantage

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

Relationship

Has a relationship of +30 years with its customers. 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 Cr. per year

2

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

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

KEY ENTRY BARRIERS:

Trusted Player

The facility is exclusive to the customer 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

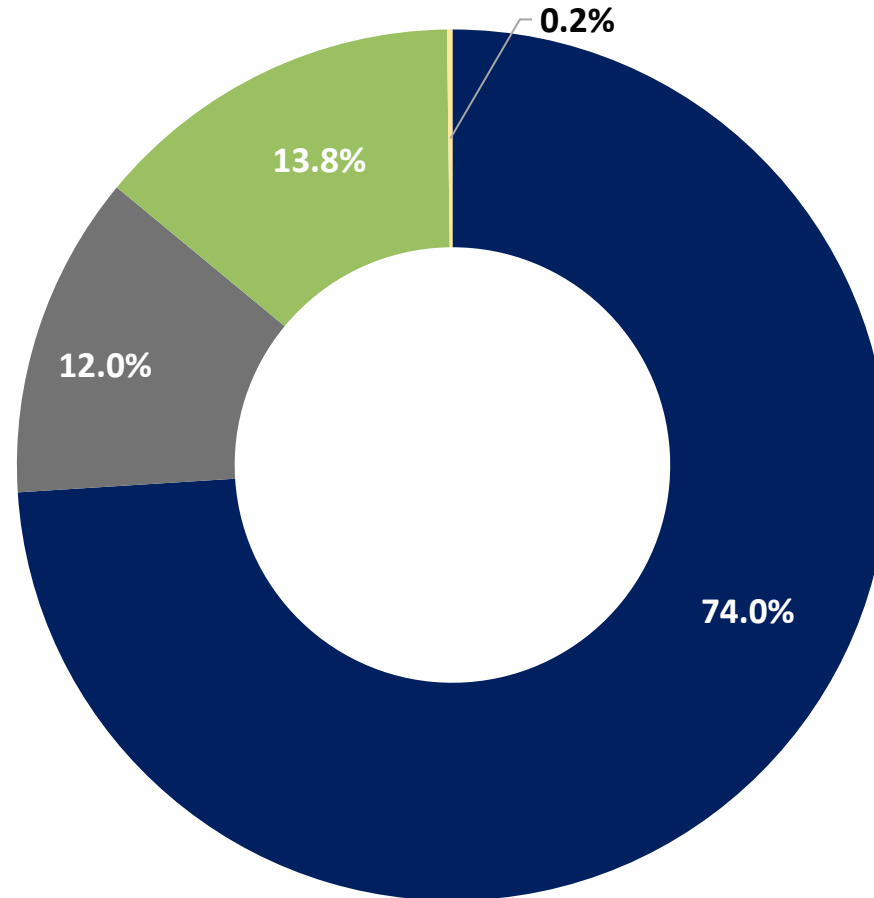
Provides 360-degree services to the customers from manufacturing/processing to transportation services

Building our own Brand



Shareholding Pattern

As on 30th June 2024



- Promoter & Promoter Group
- Bodies Corporate
- Resident Individuals
- NRIs

Key Investment Highlights

Stable margins despite
volatile steel prices

Strong Cashflow

Strong Industry growth
drivers



Established strong relationships
with key customers

Efficient service environment
built to serve its customers

Proximity to major customers
and raw material suppliers

Thank You

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Investor Relations Advisor

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