

MANUFACTURER OF ELECTRICAL CONTACTS FOR LV, MV, HV & EHV SWITCHGEAR INDUSTRIES

**MODISON
LIMITED**

(Formerly Known as Modison Metals Ltd)

33 – Nariman Bhavan, 227 – Nariman Point,
Mumbai – 400021, India.
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E: sales@modison.com W: www.modison.com
CIN No.: L51900MH1983PLC029783

07.06.2023

The Market Operations Department
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001

The Assistant Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (East), Mumbai – 400 051
NSE SCRIP CODE: MODISONLTD

Subject: **Investor Presentation of the Company**

Dear Sir/Madam,

Pursuant to Regulation 30 and 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith copy of investor presentation of the Company relating to the audited financial results for the fourth quarter and year ended 31.03.2023.

The same will be uploaded on our website www.modison.com.

We request you to kindly take the above information on record.

Thanking You,

For **Modison Limited**

(Formerly known as Modison Metals Limited)

MANIKA
ARORA

Digitally signed by
MANIKA ARORA
Date: 2023.06.07 13:40:23
+05'30'

Manika Arora
Company Secretary

Works: Plot No. 85/A, B, D, & E, 'E' Road, Phase 1, GIDC, Vapi – 396195, Dist. Valsad, Gujarat, India

A 3D grid of dark grey cubes, creating a perspective effect. A single red sphere is placed on one of the cubes in the middle-left area. The lighting creates shadows and highlights on the surfaces of the cubes.

GLOBAL LEADERSHIP IN SILVER CONTACTS

MODISON LIMITED
INVESTOR PRESENTATION

SAFE HARBOUR

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to, "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

MANAGEMENT COMMENTARY



"We saw a marked increase in profitability in Q4FY23 led by manufacturing efficiencies and favourable silver price movement.

We saw flat topline in FY23 revenue due to silver price fluctuations. Silver price variations impacted our profitability.

Our Board recommended a Dividend of Rs.1/- per share for FY23 thereby maintaining our track record of uninterrupted dividend payouts for past 20 years signifying our healthy cash flows.

Our strong market presence, rising global acceptance for our products, operational efficiencies combined with our superiority in manufacturing gives us the confidence of a profitable growth in future."

GL Modi, Founder & Managing Director

MODISON AT A GLANCE



MODISON LTD.

A publicly listed company



2 MANUFACTURING PLANTS

Modison Ltd, Vapi
Modison Copper Pvt Ltd, Silvassa



GLOBAL TECHNOLOGY INTEGRATION

DODUCO



ISO CERTIFICATIONS

ISO 9001:2015, ISO
14001:2015, OHSAS
18001:2007



STRONG GLOBAL PRESENCE



ONLY PLAYER WITH CAPABILITY

LV, MV and HV switchgear contacts



NABL

Accredited Lab



CARE A RATED

MISSION

At Modison its our vision to become ENTITY which can provide one stop solution in INDIA and that can manufacture everything under the gambit of electrical contacts for switchgear industry

VISION

Modision is committed to meet the expectations of our customers, employees & the stakeholders and continuously evolve ourselves in order to achieve vision

CORE VALUES

Modision shall foster continuous caring culture, while meeting the expectations of Stakeholders, environment and society



COMPANY OVERVIEW

ABOUT US

- Established in 1975 by Mr. G. L. Modi as a silver refining company
- In 1978, recognizing the high potential for Electrical Contacts in switchgear industry Modison Ltd (ML) commenced manufacturing of silver and silver alloy wires, plates, strips and solid / bimetal contacts
- Only company globally manufacturing electrical contact materials and finished contacts for Low, Medium, High & Extra High Voltage switchgear industry under one roof

SERVICING DIVERSIFIED SECTORS

Power, Electrical T&D

Infrastructure

Pharma, Glass

Defence

Railways

Bullion



MILESTONES

CONTINUOUS INNOVATION & EXCELLENCE

Founded as a trading unit for engineering exports

1965

Started manufacturing electrical contacts and contact materials at Vapi

1978

Collaboration with Doduco for AgW and CuW contact tips for ACBs and MCCBs

1986-87

All HV contacts type tested and approved

Acquired 100% market share of HV contacts in India

1991-95

Major capex for HV capacity increase

GOI approved R&D Dept

2002-03

Installed automatic contact welding and forming line

2009-10

Established silver refining facility in Mumbai

1975

Technical collaboration with Doduco for AgCdo (ZH) contacts

1983-85

Technology transfer for complete HV contacts from Doduco

1989-91

License agreement with Doduco ended

1997-99

Shifted HV plant to a new building

2007-08

Developed high performance current carrying contacts

2011 - Today

Supplied ZH contacts to L&T

Sole Indian co. to mfg. LV, MV, HV

Developed own copper chrome alloy for HV contacts

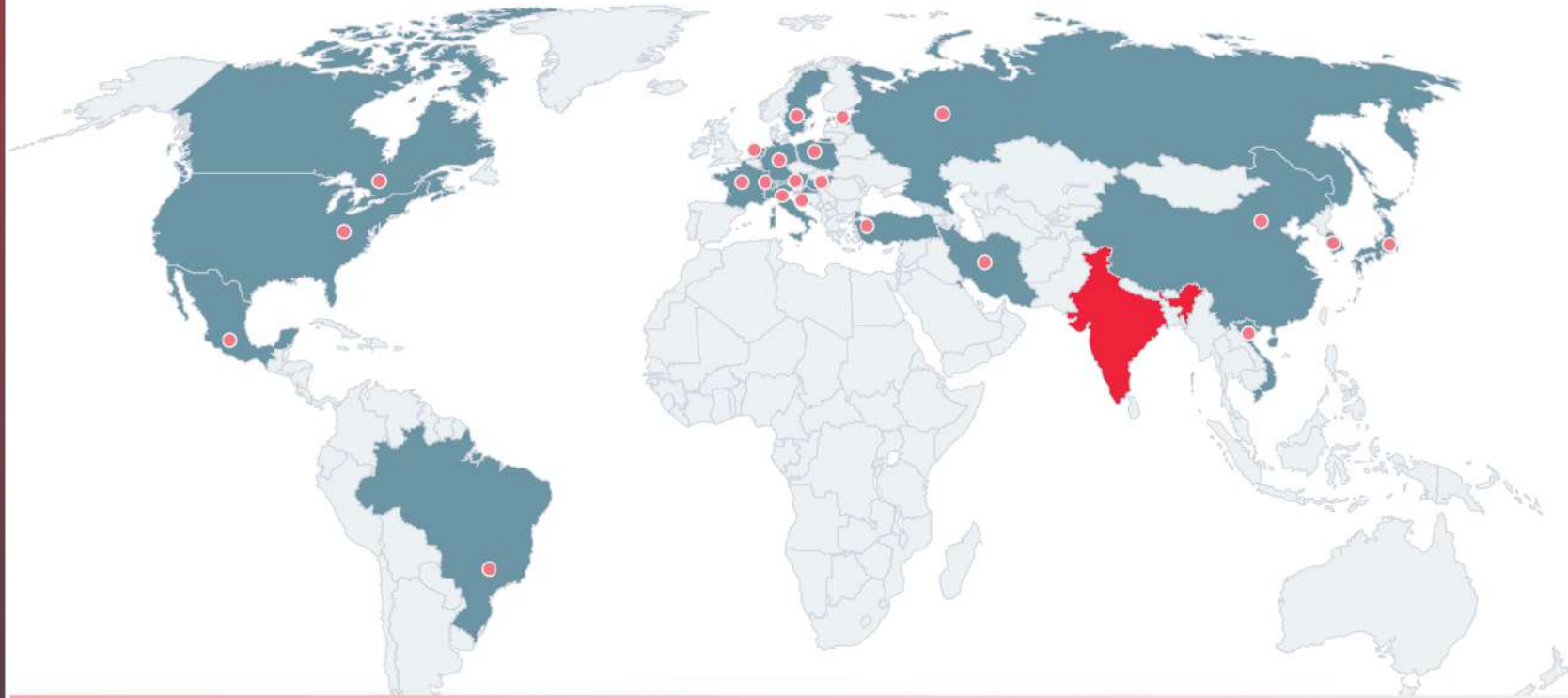
Commenced exports of HV contacts to Europe and Japan

Started steel backed button contacts; imported plant from Italy

Developed silver compound business

Amongst Top 3 in CNBC TV18 award

OUR STRONG GLOBAL FOOTPRINT



NORTH AMERICA

CANADA
USA
MEXICO

SOUTH AMERICA

BRAZIL

EUROPE

AUSTRIA
CROATIA
ESTONIA
FRANCE
GERMANY
HUNGARY
ITALY
NETHERLANDS
POLAND
RUSSIA
SWEDEN
SWITZERLAND
TURKEY

MIDDLE EAST

IRAN
KUWAIT

ASIA

SOUTH KOREA
JAPAN
CHINA
VIETNAM

TEAM



G L MODI

Founder & Managing
Director



JAY G. MODI

Whole Time Director



RAJKUMAR MODI

Joint Managing Director



MURLI NIKAM

CEO

GLOBAL CUSTOMERS IN T&D INDUSTRY



LEADING CUSTOMERS IN CONSUMER INDUSTRY





BUSINESS OVERVIEW

PRODUCT PORTFOLIO

LOW VOLTAGE

- Semis (AgNi, Agcdo, Agsno2 wires)
- Silver Nickel
- Silver Cadmium Oxide
- Silver Graphite
- Silver Tungsten
- Silver Tin Oxide
- Ag brazing Alloy
- Solid rivets
- Top Lay/ Throughlay
- In Lay/ Edgelay
- Button Contacts
- Bimetal Rivets
- Silver Tungsten Carbide

MEDIUM VOLTAGE

- CuCr with vacuum silver brazing alloy
- Copper Tungsten
- Disconnecter
- Copper Chromium disc (for vacuum bottles)
- Eutectic Brazing alloy

HIGH VOLTAGE

- Arcing Contacts (Tulips)
- Non arcing contacts
- Copper Tungsten Plugs (for 77 KVA to 800 KVA used in SF6 and GIS circuit breakers)
- Copper Tungsten Tulips (for 77 KVA to 800 KVA used in SF6 and GIS circuit breakers)

PRECIOUS METAL COMPOUNDS

- Silver Nitrate
- Silver Sulphate
- Silver Oxide

OTHER OFFERINGS

BeCu(Beryllium Copper), Bullion, Ag-alloy wires, State of the art Refinery, Recovery of Precious metals, Tungsten heavy alloys parts (Defence), Flatware, Silver Powder for PV cell, Silver powders , Bars and Granules , Wire Blanks , CuW and other Electrodes

PRECIOUS METAL COMPOUND

PRODUCTIONIZED SILVER SALTS WITH ABILITY TO PRODUCE CR,LR & AR GRADES WITH MAJOR CUSTOMERS ON BOARD

Silver Nitrate

CHEMICAL STRUCTURE	
IUPAC name	Silver(I) Nitrate, Silver Nitrate
CAS Number	7761-88-8
Chemical formula	AgNO ₃
Molar Mass	169.87 g·mol ⁻¹
Silver Content	63.5%
Appearance	White solid
Odour	Odourless
Form	Crystals / Grains

Silver Sulphate

CHEMICAL STRUCTURE	
IUPAC name	Silver(I) Nitrate, Silver Nitrate
CAS Number	7761-88-8
Chemical formula	AgNO ₃
Molar Mass	169.87 g·mol ⁻¹
Silver Content	63.5%
Appearance	White solid
Odour	Odourless
Form	Crystals / Grains

Silver Oxide

CHEMICAL STRUCTURE	
IUPAC name	Silver(I) Nitrate, Silver Nitrate
CAS Number	7761-88-8
Chemical formula	AgNO ₃
Molar Mass	169.87 g·mol ⁻¹
Silver Content	63.5%
Appearance	White solid
Odour	Odourless
Form	Crystals / Grains

B2C PRODUCTS



WIDE RANGE OF B2C
PRODUCTS INCLUDING
BULLION AND CUTLERY
ENABLING CUSTOMER
DIVERSIFICATION

MODISON FACILITIES

MANUFACTURING



MODISON GROUP HO

Nariman Point
Mumbai



MODISON LTD

AREA: 20,998 sq mt
BUILT UP :11,783 sq mt



MODISON COPPER PVT LTD

AREA: 10,450 sq mt
BUILT UP: 6,336 sq mt

4 DECADES

MANUFACTURING EXPERTISE

FULLY BACKWARD INTEGRATED

SET UP FROM REFINING TO END PRODUCT

500

EMPLOYEES

USD 50 MILLION

REVENUE



MANUFACTURING CAPABILITIES

PROCESS

Fully equipped plant for silver and copper refining

Fully automated processes with capacity of 1000 MT

OUTCOME

Diversified product range

Shorter production times



PROCESS

Clean room facility with vacuum furnaces, packing and 400T compacting press

OUTCOME

Ultrafine and pure CuCR electrical contact range to instantly connect / break the electrical circuit



PROCESS

Fully equipped plant including high temperature furnace and silver plating having 0.4 million arching contacts capacity

OUTCOME

Amongst largest single site HV electrical contact facilities globally



CERTIFICATIONS

CONSISTENTLY ACHIEVING REGULATORY AND CUSTOMER EXPECTATIONS VIA CERTIFICATIONS



DNV certification for manufacture and sale of electrical contacts for HV and LV switchgear industry:

Quality: ISO 9001 (2015 version)

Environment: ISO 14001 (2015 version)

Health and safety: OHSAS 18001 (2007 version)



Research

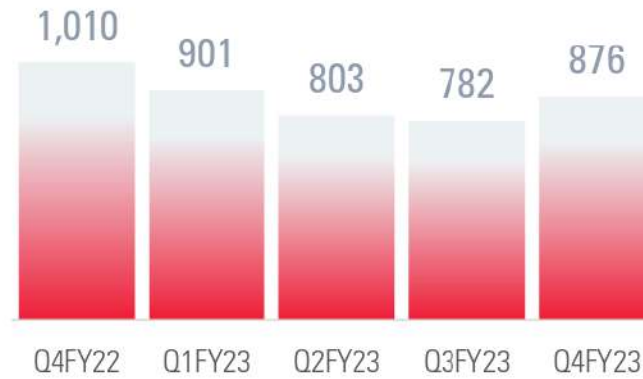
Laboratory certified by National Accreditation Board for Testing and Calibration Laboratories (NABL)



FINANCIAL OVERVIEW

QUARTERLY FINANCIALS STANDALONE

TOTAL INCOME (₹ MN)



EBITDA (₹ MN) AND MARGIN (%)**



PROFIT AFTER TAX (₹ MN)



EPS (₹)



** Includes exceptional item of profit/ (loss) on hedging of silver in stock and mark to market of forward contracts – Q4FY23: Profit of ₹ 13 mn; Q3FY23: Loss of ₹ 86 mn; Q2FY23: Profit of ₹ 5 mn; Q1FY23: Profit of ₹ 42 mn, Q4FY22: Loss of ₹ 13 mn

INTERIM PROFIT & LOSS

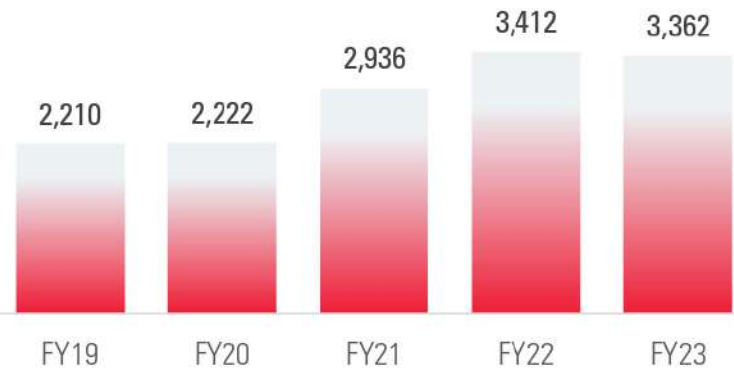
STANDALONE

PARTICULARS (in ₹ mn unless stated)	Q4FY23	Q3FY23	Q4FY22
Total Income	876	782	1,010
Operating Expenses**	750	787	923
EBITDA	126	-5	87
EBITDA Margin	14%	-1%	9%
Finance Cost	6	5	5
Depreciation	16	16	18
Profit Before Tax	104	-26	64
Taxes	27	-5	17
Profit after Tax	77	-21	47
PAT Margin	9%	-3%	5%
EPS (₹)	2.36	-0.63	1.45

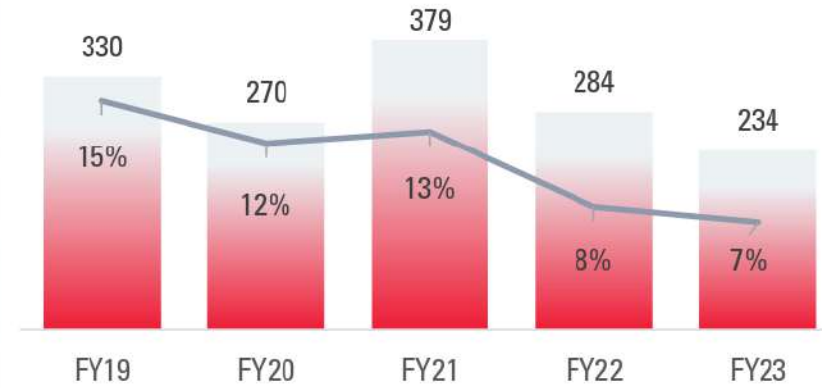
** Includes exceptional item of profit/ (loss) on hedging of silver in stock and mark to market of forward contracts – Q4FY23: Profit of ₹ 13 mn ; Q3FY23: Loss of ₹ 86 mn; Q4FY22: Loss of ₹ 13 mn

ANNUAL FINANCIALS STANDALONE

TOTAL INCOME (₹ MN)



EBITDA (₹ MN) AND MARGIN (%)**



PROFIT AFTER TAX (₹ MN)



EPS (₹)



** Includes exceptional item of profit/ (loss) on hedging of silver in stock as raw material and mark to market of forward contracts

HISTORICAL PROFIT & LOSS

STANDALONE

PARTICULARS (In ₹ Mn unless stated)	FY2023	FY2022	FY2021	FY2020	FY2019
Total Income	3,362	3,412	2,936	2,222	2,210
Operating Expenses**	3,128	3,128	2,557	1,952	1,880
EBITDA	234	284	379	270	330
EBITDA Margin	7%	8%	13%	12%	15%
Finance Cost	17	20	20	20	22
Depreciation	63	66	61	62	64
Profit Before Tax	154	198	298	189	245
Taxes	42	52	74	37	78
Profit after Tax	112	146	224	151	167
PAT Margin	3%	4%	8%	7%	8%
EPS (₹)	3.44	4.51	6.91	4.66	5.14

*Includes exceptional item of profit/ (loss) on hedging of silver in stock as raw material and mark to market of forward contracts

HISTORICAL BALANCE SHEET

STANDALONE

PARTICULARS (IN ₹ MN)	FY2023	FY2022	FY2021	FY2020	FY2019
ASSETS					
Non-Current Assets	851	794	746	747	651
Current Assets	1,364	1,348	1,280	1,160	1,150
Cash & cash equivalents	5	41	2	12	1
Total Assets	2,215	2,142	2,026	1,907	1,801
EQUITY & LIABILITIES					
Total Equity	1,871	1,758	1,642	1,465	1,373
Revaluation Reserve	4	4	4	3	3
Non-Current Liabilities	60	57	60	66	79
Long Term Borrowing	0	0	0	0	4
Current Liabilities	284	327	320	373	346
Short Term Borrowing	50	174	115	254	205
Total Liabilities	2215	2,142	2,026	1,907	1,801

FUTURE STRATEGY



Innovation via Development of New Products for achieving Scale and Differentiation

1



Focus on Automation and Digitalisation for Efficient Production with Precision and Quality

2



Entry into new Geographies for Market Diversification

3



Lean Six Sigma and Execution excellence for Performance Improvement, Waste Removal & Production Variance Reduction

4



Market Penetration for Increasing Product Market Share across categories

5

INVESTMENT RATIONALE

4 decades track record in India electrical contacts manufacturing industry resulting in market leadership in LV and HV segment

Diverse presence in new and high growth sectors including pharmaceuticals, railways and renewable energy

Global market presence through exports comprising ~20% revenues, signifying product quality and multiple revenue sources.

Possession of **specialized technology** developed by way of inhouse research and development resulting in high entry barriers

Consistent **increase in scale of operations** over the years resulting in acquiring and serving several blue-chip clients

Low financial leverage ensures **excess return to shareholders** in the form of consistent dividend payouts for 20+ years

Zero promoter share **pledge**

Well positioned to capture ongoing **global supply chain shift** from China to India in terms of existing global customer base and export focus

EMPLOYEE ENGAGEMENT ACTIVITIES

MODISON STRONGLY BELIEVES IN "ONE TEAM, ONE DREAM". EMPLOYEE BONDING IS AN INTEGRAL PART OF MODISON

- Tree Plantation Drive
- Active Employee Discussion on Growth
- Women's Day Celebration for Female Empowerment
- Recognition of Outstanding Performance in respective work areas
- Farewell celebration for retired employees
- Safety training for employee safety



CSR ACTIVITIES

MODISON STRONGLY BELIEVES IN GIVING BACK TO THE SOCIETY AND DO ITS PART IN MAKING A SMALL CHANGE FOR THE BETTER.

- Runs Modison Charitable Trust
- Provides drinking water from its RO plant
- Runs Maternity Hospital
- Contributes for pediatric heart surgeries
- Contributes for pediatric cancer patients
- Contributes for treatment of TB patients
- Sponsors 160 students for primary education
- Focus on girl child education



MODISON


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