



ISO 9001 : 2008 COMPANY

Registered Office : Ideal Centre, 4th Floor  
9, A.J.C. Bose Road, Kolkata - 700 017

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E office@maithanalloys.com

W www.maithanalloys.com

CIN : L27101WB1985PLC039503

6<sup>th</sup> November, 2019

1]  
**The Secretary**  
**The Calcutta Stock Exchange Limited**  
7, Lyons Range  
Kolkata 700 001  
Scrip code: 10023915

2]  
**Listing Department**  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051  
Scrip code: MAITHANALL

**Sub: Investor Presentation on Un-audited Financial Results  
for the quarter and half year ended on 30<sup>th</sup> September, 2019**

Dear Sir/Madam,

We are enclosing herewith the Investor Presentation on the Un-audited Financial Results for the quarter and half year ended on 30<sup>th</sup> September, 2019.

This information is submitted to you pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and appropriate dissemination.

Thanking you,

Yours faithfully,

For Maithan Alloys Limited

**Rajesh K. Shah**  
Company Secretary

Encl: a/a

cc: **The Corporate Relationship Department**  
**BSE Limited**  
1<sup>st</sup> Floor, New Trading Ring, Rotunda Building,  
P.J. Towers, Dalal Street, Fort, Mumbai 400 001  
Script Code: 590078

**Works : Unit-I : P. O. Kalyaneshwari - 713 369, Dist. Burdwan (West Bengal)**

**Unit-II : E.P.I.P., Byrnihat, Dist. Ri-bhoi-793 101 (Meghalaya)**

**Unit-III : Plot No. 42 & 43, APSEZ, P.O. Atchutapuram, Dist. Visakhapatnam - 531 011 (A.P.)**



**maithan alloys ltd**

**Investor Presentation**

**November 2019**

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## Vision



To be India's premiere Alloy Company that is built on the solid foundation of shareholder trust, customer commitment, employee satisfaction and sustainable communities

Consistently delivering on our promises backed by meticulous hard work is our motto for ensuring success always!

## Mission



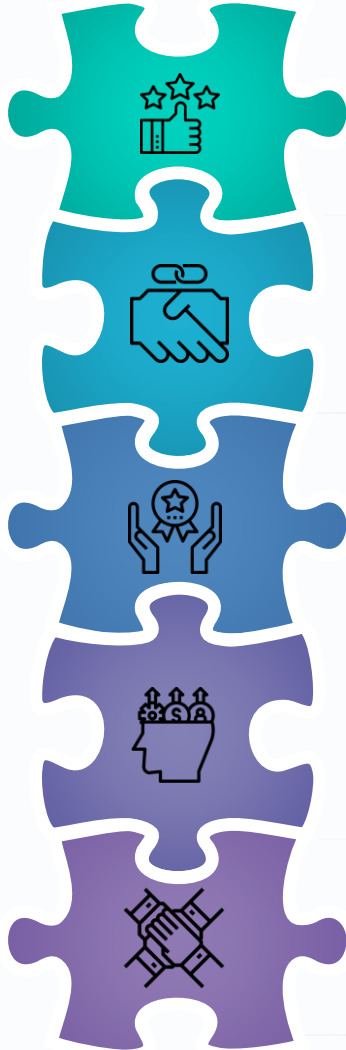
### To be India's premiere Alloy Company by:

- Promising excellent shareholder value: Guarantee a high ROC coupled with lower-than-market debt ratios
- Nurturing our employees: Encourage employees to work hard and add to their knowledge base. Ensuring employee growth by creating a secure and stress-free working environment
- Utmost commitment to our customers: Irrespective of the market conditions, we will always strive for the highest product standards that will in turn ensure complete customer satisfaction
- Care for our communities: A clean environment, education, housing, health and sustainability for our communities will always remain our mission

•OUR•  
CULTURE



•OUR•  
CORE VALUES



**Commitment:** is passion for us. We are extremely committed to serving our shareholders and customers to the best of our abilities. Our promise to our stakeholders is a hard-ironed commitment and we aim to exhibit this value in everything that we do.

**Loyalty:** is the very fabric that runs beneath our organization. We strive to imbibe and exhibit loyalty not only to our stakeholders but also internally as individuals.

**Integrity:** We not only believe but also imbibe that 'honesty is indeed the best policy'. We strive to do what is right and not what is the easiest. Staying true to ourselves and our work is what we live by.

**Rigour:** Rigorous, meticulous attention to detail along with a positive attitude is how we would describe every work process at our organization. Rigour with a positivity will lead to guaranteed successes.

**Teamwork:** We believe in our common goals and stand by each other on the back of open and honest communication. A strong team is always a winning team.



## Efficiency



- Lowest in the Cost Curve
- Optimum Capacity Utilization
- Higher Tonnage product

## Strong Credibility



- Strong credibility in the market right from suppliers to end customers

## Optimising Facilities for Maximising Returns



- Sources raw materials when it gets contracts
- PPA agreement with power plants
- Stable Asset turnover ratios and low debt-equity ratio

## Diversified Customer Base



- International clients across 35 countries
- Low Concentration Risk as exposure to no client is more than 10% of its exports
- Expanding into emerging Asian economies

## Expansion Plans



- Inorganic Growth Opportunities



## Mr. Subodh Agarwalla

(Whole Time Director and CEO)

- A B.Tech from IIT BHU and M.B.A. from IIM Bangalore
- At age of 40 years is the Whole Time Director and CEO and strengthens the operational activities of the Company

## Mr. S. C. Agarwalla

(Chairman and Managing Director)

- 30 years of rich experience in Ferro Alloys industry
- Has a strong understanding of business processes and excellent communication and people management skills
- Focuses on project setup, corporate planning and business development, human resource development, planning & budgeting and related functions

## Mr. Sudhanshu Agarwalla

(President and CFO)

- A M.B.A. from XLRI Jamshedpur
- 15 Years of experience in Finance, Marketing and Procurement in the Ferro Alloys Industry

# Experienced Board



**Mr. S. C. Agarwalla**

(Chairman and Managing Director)

- 30 years of rich experience in Ferro Alloys industry
- Has a strong understanding of business processes and excellent communication and people management skills



**Mr. Subodh Agarwalla**

(Whole Time Director and CEO)

- A B.Tech from IIT BHU and M.B.A. from IIM Bangalore
- Strengthens the operational activities of the Company



**Mr. Ashok Bhandari**

(Independent Director)

Finance and negotiation with banks, governments and technology & equipment suppliers



**Mr. Nand Kishore Agarwal**

(Independent Director)

Experienced in the field of Accounts, Finance and Tax Laws



**Mr. Vivek Kaul**

(Non-Executive Director)

Entrepreneurship and Entrepreneurship Ecosystem Development, industrial knowhow, application development.



**Mr. Palghat K Venkatramani**

(Independent Director)

- Banking with specialty in Industrial Finance and staff training,
- Foreign Exchange and Management Accountancy



**Mrs. Kalpana Biswas Kundu**

(Independent Director)

Banking Sector, Accounts and Finance



**Mr. Parasanta Chattopadhyay**

(Non Executive Director)

Iron and steel industry, General Management, and Government liasoning



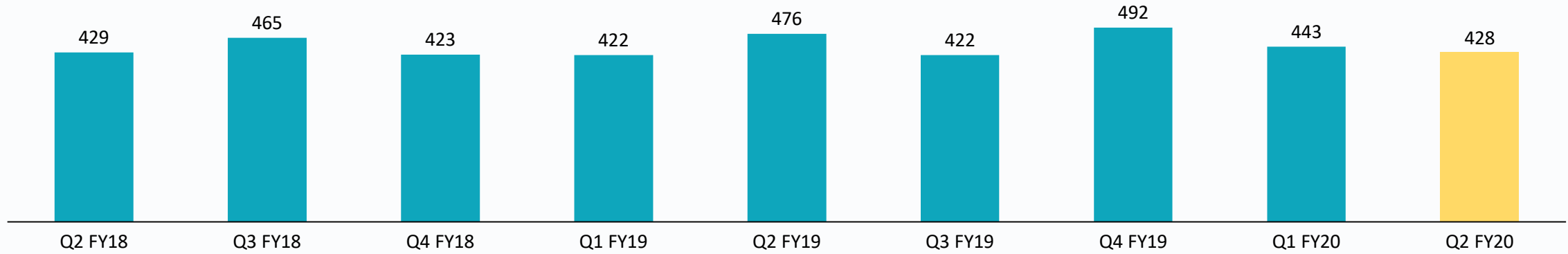


The slide features a dark grey background with a faint image of a bar chart and a pen. The bar chart has a vertical axis with labels 200, 300, 400, and 500. The word "Financials" is centered in white text. A large blue arrow graphic points from the left towards the right side of the slide.

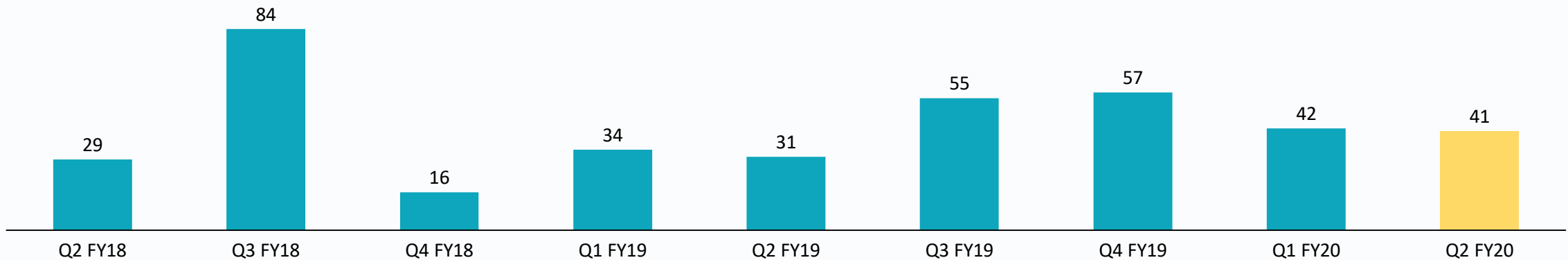
# Financials

# Manufacturing - vs- Trading Revenues

## Manufacturing Revenue



## Trading Revenue

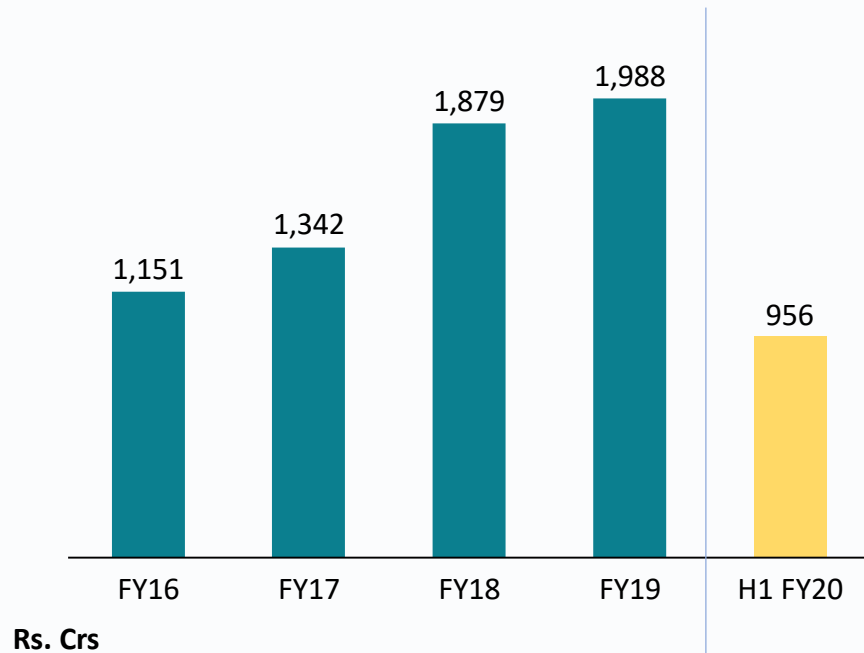


Rs. Crs

# Maintaining Sustainable Margins

## Revenues

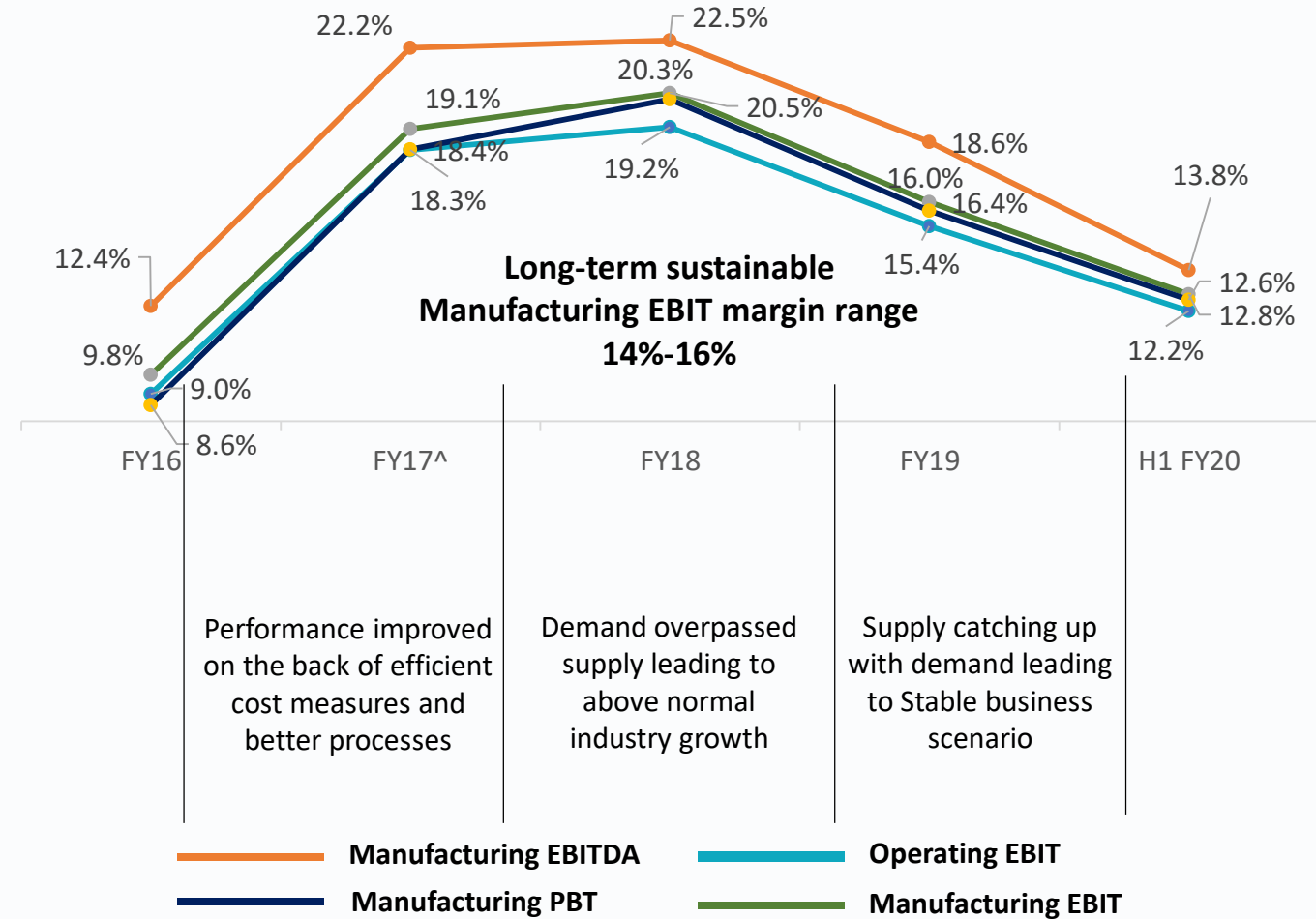
Demand of our product continues to be robust



Continue to Outperform Industry trends

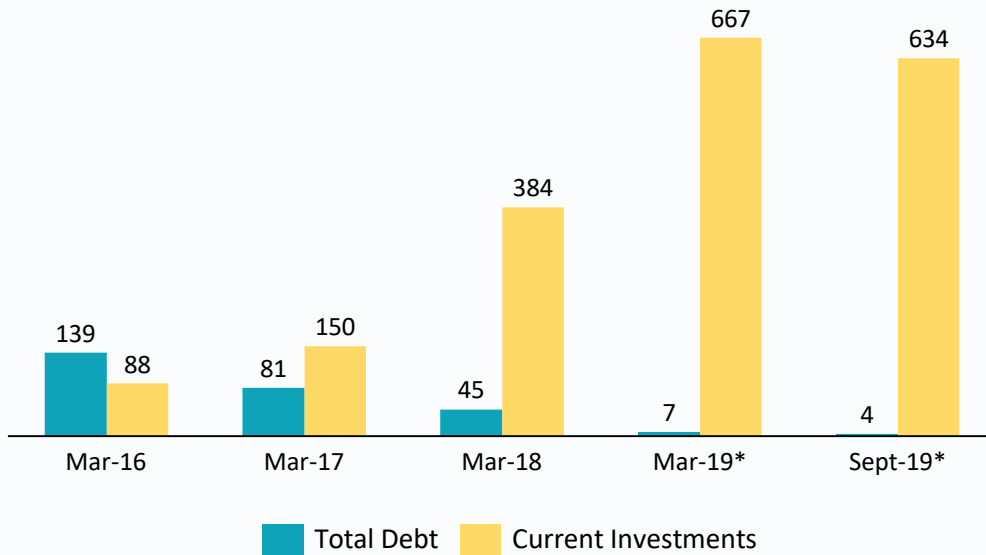
Revenue are net of GST/Excise duty

## EBITDA %



## Debt & Current Invts.

The Company proposes to incorporate a wholly owned subsidiary to take up the announced expansion project, primarily for manganese based ferro alloys, mainly through the internal accruals and reserves of the Company



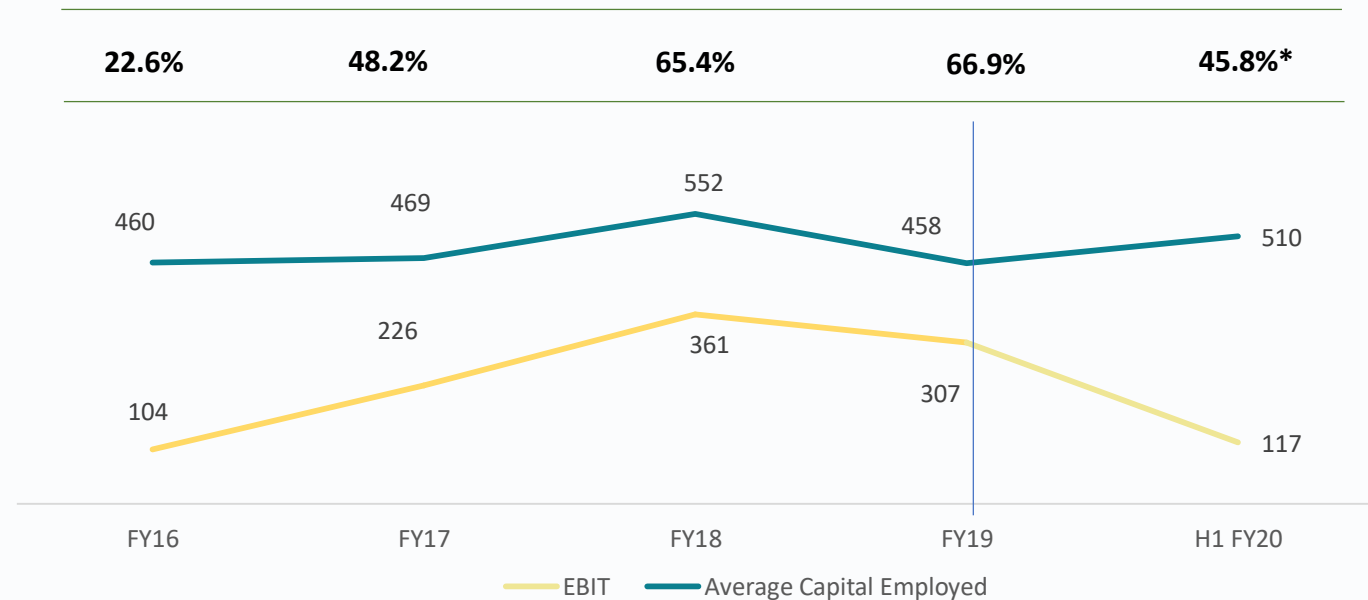
Rs. Crs

FY15 & FY16 numbers are as per IGAAP

\* On consolidated basis

## Operating RoCE (%)

Higher Return Ratio is because of prudent capital allocation and superlative operating efficiency



Operating RoCE = EBIT / Average Capital Employed

EBIT = (EBIT - Other Income)

Capital Employed = (Equity + Debt - Current Investments)

\* On annualized basis



# Consolidated Profit & Loss Statement – Q2 FY20\*

Particulars (Rs. Crs.)	Q2 FY20	Q2 FY19	Q1 FY20	H1 FY20	H1 FY19
<b>Revenue</b>	<b>470</b>	<b>507</b>	<b>486</b>	<b>956</b>	<b>962</b>
Raw Material	276	296	285	561	534
Employee Expenses	10	11	11	20	22
Power	94	90	94	189	184
Other Expenses	37	28	28	61	56
<b>Operating EBITDA</b>	<b>53</b>	<b>83</b>	<b>68</b>	<b>125</b>	<b>166</b>
Depreciation	4	4	4	8	8
<b>Operating EBIT</b>	<b>49</b>	<b>79</b>	<b>64</b>	<b>117</b>	<b>159</b>
Other Income	5	6	6	8	13
Finance costs	1	1	1	2	2
<b>PBT</b>	<b>53</b>	<b>84</b>	<b>70</b>	<b>123</b>	<b>169</b>
Tax	11	18	18	29	38
<b>PAT</b>	<b>42</b>	<b>66</b>	<b>52</b>	<b>94</b>	<b>131</b>

\*As per IND AS

# Consolidated Profit & Loss Statement

Particulars (Rs. Crs.)	H1 FY20*	FY19*	FY18*	FY17*	FY16
<b>Revenue (Net of Excise Duty/ GST)</b>	<b>956</b>	<b>1,988</b>	<b>1,879</b>	<b>1,342</b>	<b>1,151</b>
Raw Material	561	1,126	970	628	597
Employee Expenses	20	44	45	33	23
Power	189	373	367	280	315
Other Expenses	61	122	121	130	89
<b>Operating EBITDA</b>	<b>125</b>	<b>323</b>	<b>376</b>	<b>271</b>	<b>127</b>
Depreciation	8	16	15	25	23
<b>Operating EBIT</b>	<b>117</b>	<b>307</b>	<b>361</b>	<b>246</b>	<b>104</b>
Other Income	8	26	19	8	4
Finance costs	2	6	4	10	12
<b>PBT</b>	<b>123</b>	<b>327</b>	<b>376</b>	<b>244</b>	<b>96</b>
Tax	29	72	84	64	17
<b>PAT</b>	<b>94</b>	<b>255</b>	<b>292</b>	<b>180</b>	<b>79</b>

\*As per IND AS

# Consolidated Balance Sheet as on 30<sup>th</sup> September 2019 (As per IND AS)

Particulars (Rs. Crs.)	Sept-19	Mar-19
<b>Equity</b>	<b>1,186</b>	<b>1,113</b>
Equity share capital	29	29
Other Equity	1,156	1,083
Non Controlling Interest	1	1
<b>Non-current Liabilities</b>		<b>35</b>
Financial liabilities		
i. Borrowings	4	4
Provisions	2	2
Deferred tax liabilities (net)	28	28
Other non-current liabilities	1	1
<b>Current Liabilities</b>	<b>293</b>	<b>371</b>
Financial liabilities		
i. Borrowings	0	3
ii. Trade payables	186	246
iii. Other financial liabilities	3	27
Provisions	1	1
Current tax liabilities (net)	12	1
Other current liabilities	91	93
<b>Total Equity and Liabilities</b>	<b>1,513</b>	<b>1,519</b>

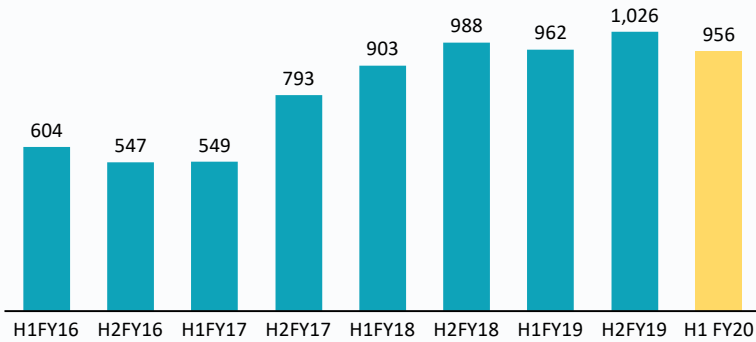
Particulars (Rs. Crs.)	Sept-19	Mar-19
<b>Non-Current Assets</b>	<b>289</b>	<b>278</b>
Property, plant and equipment	223	229
Intangible Assets	0	0
Financial Assets		
i. Investments	7	6
ii. Other Financial Assets	33	33
Non Current Tax Assets (net)	6	6
Other Non-Current Assets	21	4
<b>Current Assets</b>	<b>1,224</b>	<b>1,241</b>
Inventories	258	261
Financial assets		
i. Investments	592	622
ii. Trade receivables	274	257
iii. Cash and cash equivalents	28	17
iv. Bank balances	13	29
v. Loans	0	0
vi. Other financial assets	2	4
Other current assets	55	51
<b>Total Assets</b>	<b>1,513</b>	<b>1,519</b>

# Consolidated Cashflow Statement

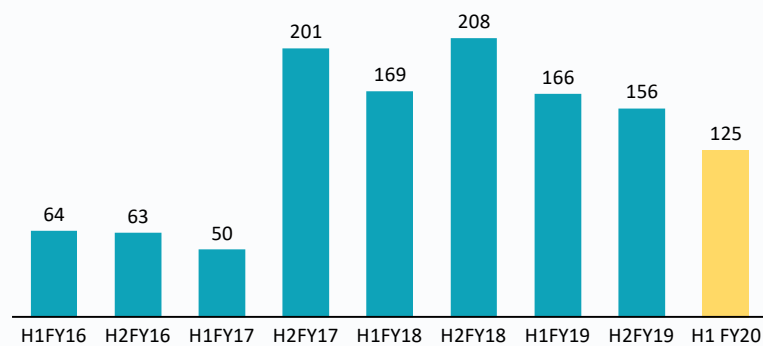
Particulars (Rs. Crs.)	Sep-19	Sep-18
<b>Net Profit Before Tax</b>	<b>123.0</b>	<b>168.7</b>
Adjustments for: Non Cash Items / Other Investment or Financial Items	2.3	-3.6
<b>Operating profit before working capital changes</b>	<b>125.3</b>	<b>165.1</b>
Changes in working capital	-121.1	70.6
<b>Cash generated from Operations</b>	<b>4.2</b>	<b>235.8</b>
Direct taxes paid	-17.9	-29.8
<b>Net Cash from Operating Activities</b>	<b>-13.7</b>	<b>206.0</b>
<b>Net Cash from Investing Activities</b>	<b>51.5</b>	<b>-161.6</b>
<b>Net Cash from Financing Activities</b>	<b>-26.1</b>	<b>-50.2</b>
<b>Net Decrease in Cash and Cash equivalents</b>	<b>11.8</b>	<b>-5.8</b>
Add: Cash & Cash equivalents at the beginning of the period	16.6	31.6
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>28.4</b>	<b>25.8</b>



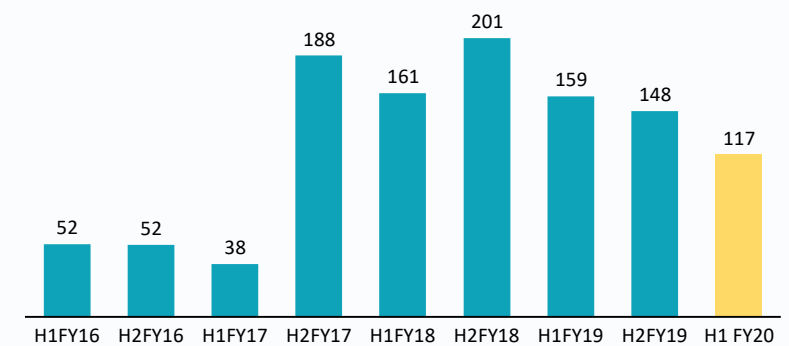
### Operating Income (Rs. Crs.)



### EBITDA (Rs. Crs.)



### EBIT (Rs. Crs.)



Particulars (Rs. In Crs)	ROCE on Semi-Annual basis								
	H1FY16	H2FY16	H1FY17	H2FY17	H1FY18	H2FY18	H1FY19	H2FY19	H1 FY20
Equity	355.6	394.7	421.8	592.4	711.4	875.1	995.9	1,120.0	1,185.7
Long Term Debt	140.7	122.1	79.6	60.0	40.7	19.7	7.8	3.7	3.5
Short Term Debt	36.7	17.3	8.2	17.1	7.0	25.0	0.0	3.4	0.2
Cash & Cash Equivalents	59.7	87.7	85.4	156.0	190.4	383.6	550.7	663.7	633.8
<b>Capital Employed</b>	<b>498.9</b>	<b>500.0</b>	<b>469.6</b>	<b>603.6</b>	<b>622.8</b>	<b>586.9</b>	<b>500.8</b>	<b>506.3</b>	<b>509.5</b>
<b>ROCE Half Year (%)</b>	<b>10.6%</b>	<b>11.3%</b>	<b>8.7%</b>	<b>40.1%</b>	<b>29.7%</b>	<b>36.3%</b>	<b>32.1%</b>	<b>32.3%</b>	<b>22.9%</b>
<b>ROCE for Full year (%)</b>	<b>22.6%</b>		<b>48.2%</b>		<b>65.4%</b>		<b>66.9%</b>		<b>-</b>

**Every dollar is conservatively spent to generate higher ROCE**

# Investment in Market Linked Debentures

Market Linked Debentures	Amount Invested (Rs. Crs.)	Maturity	Remarks
CITICORP	169.99	October, 2019	Since realised
IIFL	150.44	January, 2020	Considered Good
Piramal Enterprises	150.00	January, 2020	Considered Good



Maintaining the Maithan Edge

The background features a dark grey bar chart with a pen resting on it. The y-axis has labels for 200, 300, 400, and 500. The chart shows several bars of varying heights, with the tallest bar reaching approximately 450. The entire graphic is framed by a large, stylized arrow pointing to the right, with a blue outline and a grey fill.

## Largest Manufacturer



India's largest  
Manganese Alloy  
Producer and  
Exporter

## 20 Years Rich Experience

20  
years.

Two decades of  
experience and  
continuous growth

## Robust Balance Sheet



Net Cash Company  
Credit Rating:  
CARE AA  
CRISIL AA  
CARE/CRISIL A1+

## Niche Products



Basket of the most  
valuable Techno-  
Commercial  
Products

## ↑ Stake Holder Return's

- ROCE Increased by +4,000 bps
- ROE Increased by +1,800 bps



## EBIDTA

Increased by +53% CAGR



## Net Cash

Position of **Rs. 630** Crores  
as on September 2019



## Revenue

Increased by +19% CAGR



## PAT

Increased by +62% CAGR

CAGR calculated from FY2014 to FY2019

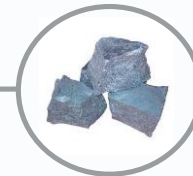


## Ferro alloys enhance steel strength, durability, anti-corrosion and anti-stain properties and acts as de-oxidant for Steel Manufacturing



### Ferro Manganese

- An alloy of iron and manganese
- Used in steel products wherein silicon content needs to be controlled at low levels
- Used in flat steel, manganese-rich steel and stainless steel manufacturing



### Ferro Silicon

- An alloy of iron and silicon
- Silicon acts as a steel oxidant
- Used primarily in special steels and in small quantities in mild steel

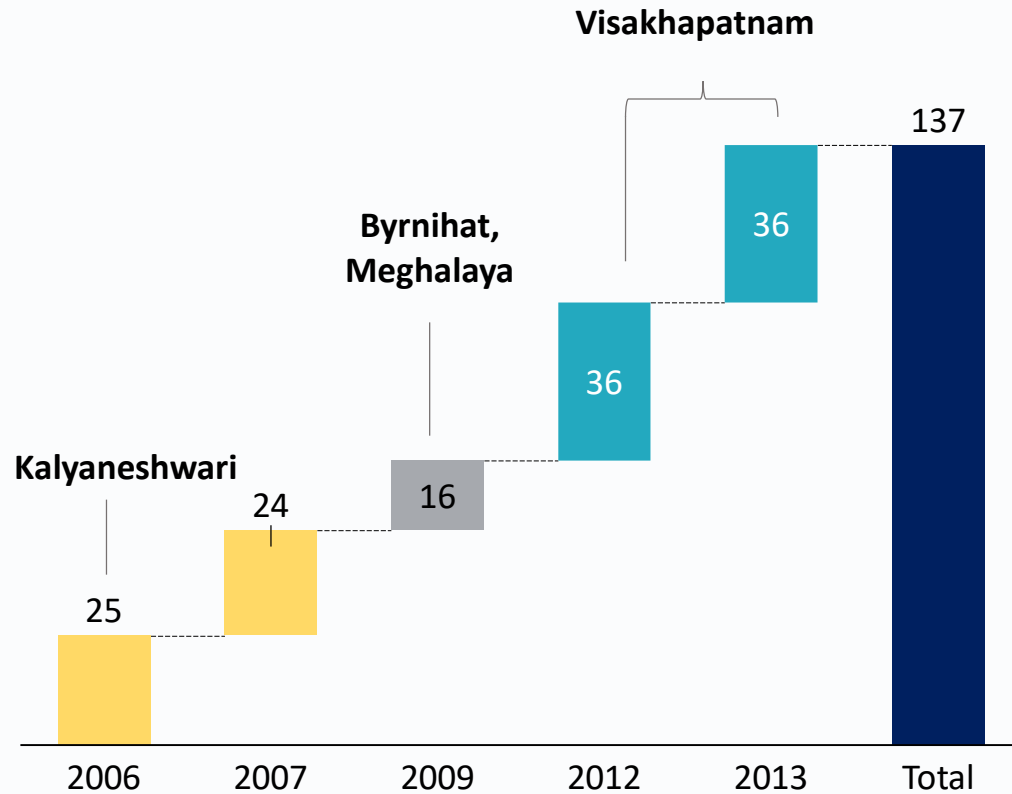


### Silicon Manganese

- An alloy of silicon and manganese
- Cost-effective blend of silicon and manganese
- Consumed in all steel products. Used in higher quantities in 200 series stainless steel, alloy steel and manganese steel

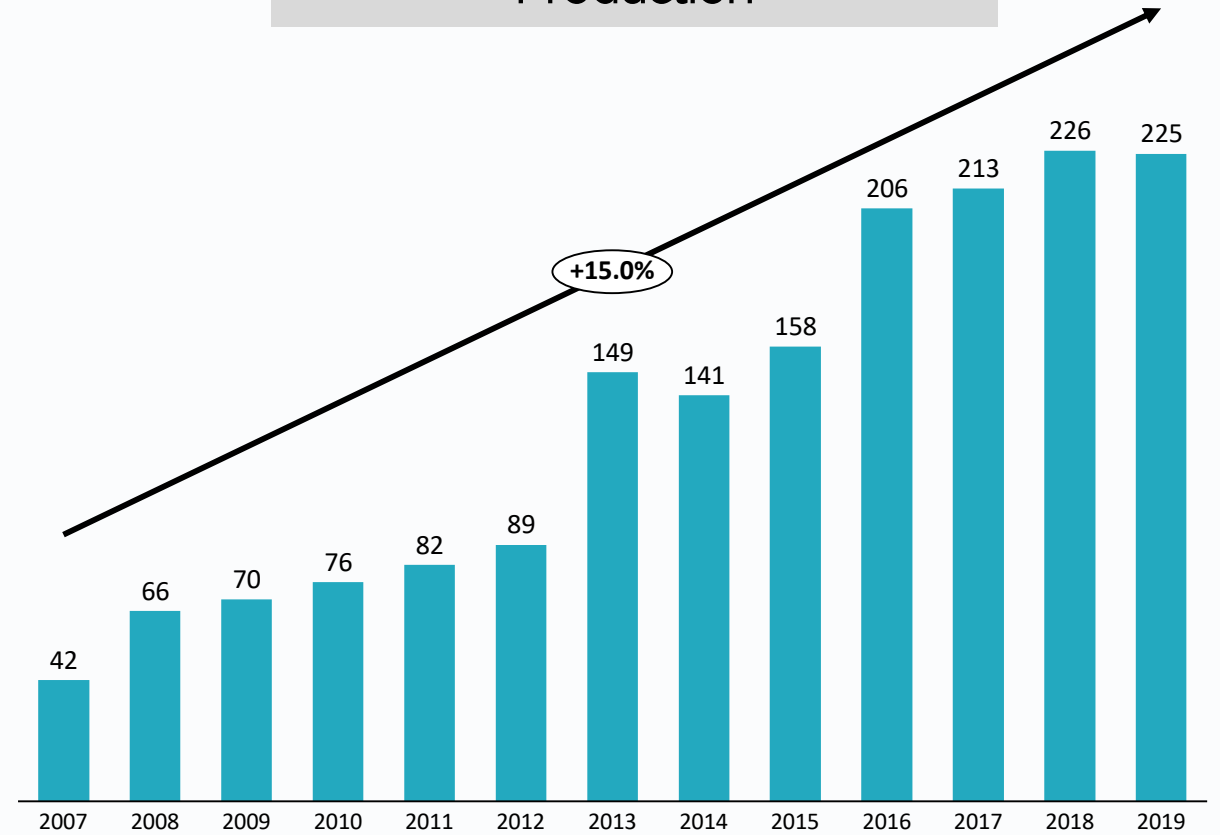
# Capacity addition to support Growth

## Capacity Built-up



In MVA

## Production



**Increase in Capacity at Strategic Locations to support Profitable Growth**

1MVA = ~1,650 MT

## Installed Capacity of 137.25 MVA



Quality remains the core to everything that we do. We achieved the ISO 9001 certification in 2003. This achievement makes a part of a world-recognized Quality Management System that helps us meet the expectations and needs of our customers every time.



International standard for Health & Safety was achieved by Maithan in 2016. The addition of this certification has been a new feather in our cap-making us stronger and taking our successes a step forward to include the health and safety not only of our processes but also our people.



We have already started the processes to be ISO14001 compliant. It's a standard that sets out criteria for an environmental management system. With this certification, we aim to map out a framework that we will follow to set-up an effective environmental management system.

**72.0 MVA**

**Visakhapatnam (SEZ)**

- **Smelters:**
  - 4 x MVA 18.0 MVA
- **Products:** Ferro Manganese/Silicon Manganese
- **Raw Material:** Manganese ore, Coke, Coal
- **Sourcing:** Imports 90% Domestic 10%
- **User Industry:** Steel

**48.75 MVA**

**Kalyaneshwari**

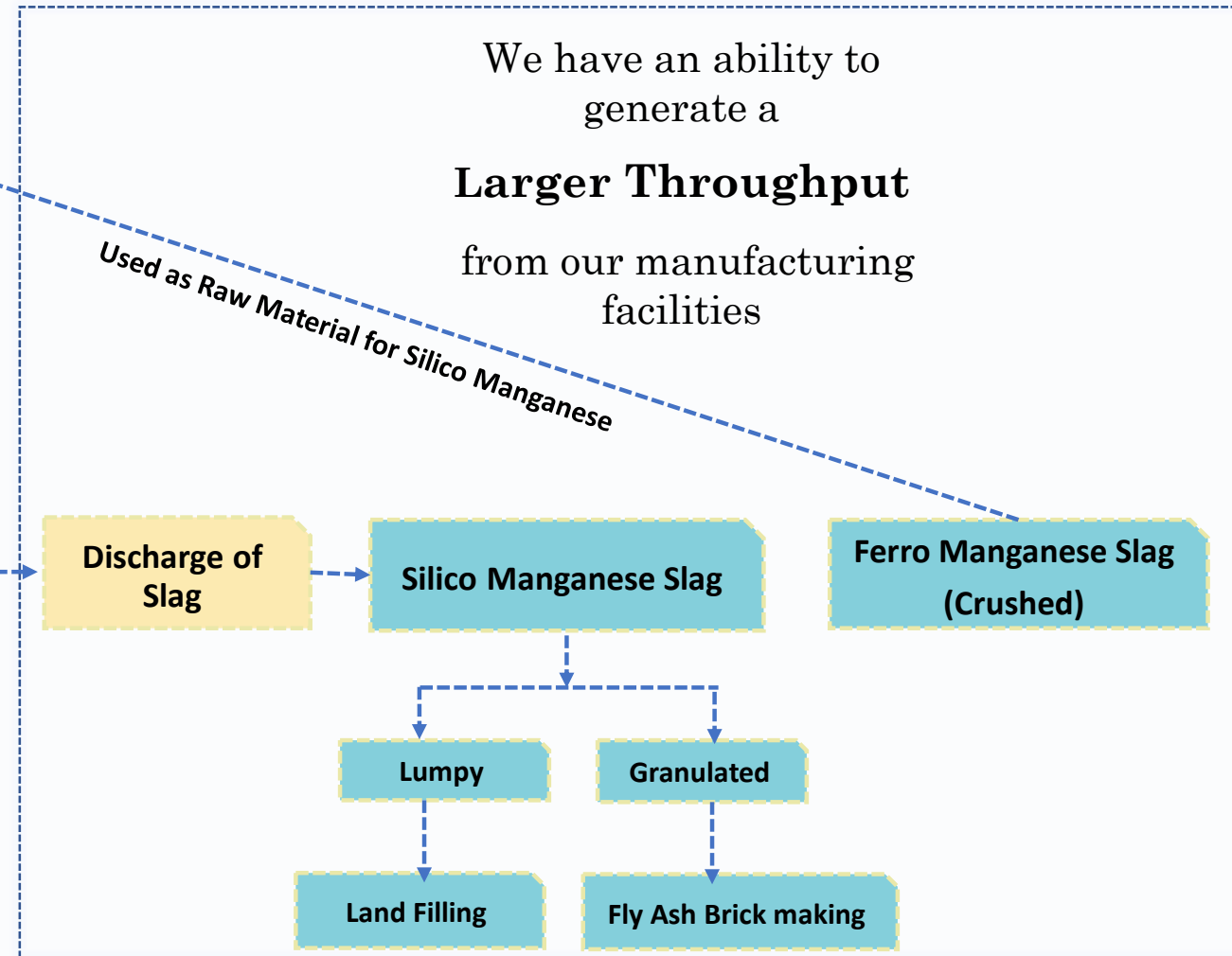
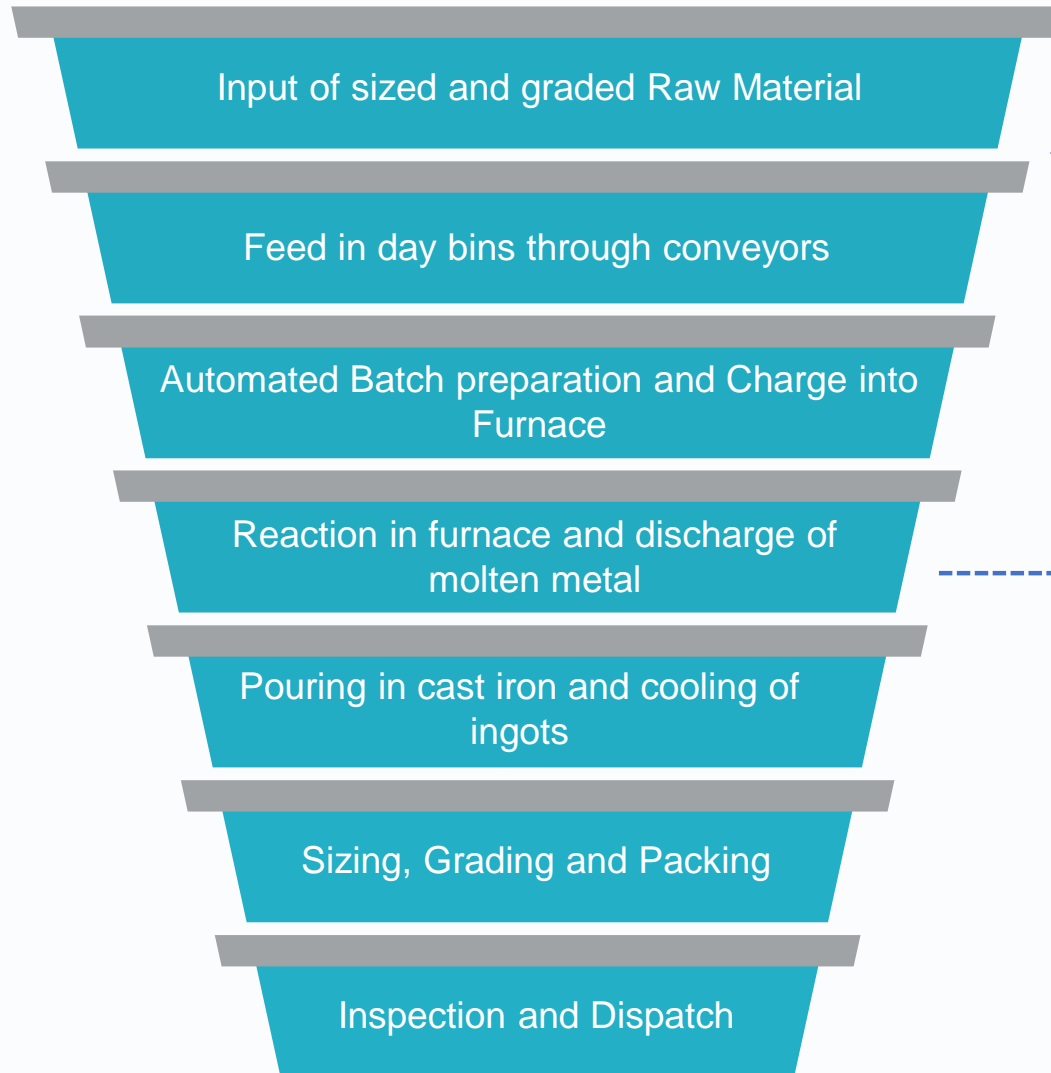
- **Smelters:**
  - 2 x 5.0 MVA
  - 1 x 6.5 MVA
  - 1 x 8.25 MVA
  - 2 x 12.0 MVA
- **Products:** Ferro Manganese/Silicon Manganese
- **Raw Material :** Manganese ore, Coke, Coal
- **Sourcing :** Imports 65%, Domestic 35%
- **User Industry:** Steel

**16.5 MVA**

**Byrnihat**

- **Smelters:**
  - 2 x 8.2 MVA
- **Products:** Ferro Silicon
- **Raw Material:** Quartz, coke, coal
- **Sourcing:** Domestic 100%
- **User Industry:** Steel

- Kalyaneshwari and Byrnihat source Coke & Coal from Domestic Market, because it is logistically feasible
- Vishakhapatnam and Kalyaneshwari imports Manganese Ore.
- Advantage of importing are
  1. Quality Product
  2. Variety of Grades Leading to better Product Mix
  3. Logistic Advantage





75% Repeat Clients



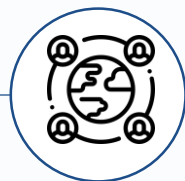
Shift of focus from **'Stable' Europe** to **'Growing' Asia** helping in better realizations



~100% of **Domestic clients** are associated with the Company for **over 7 years**



Long term relationships with clients offers **Competitive Advantage**



Low Concentration Risk in export markets with **presence in over 35 countries**



"We are pleased to have formed a partnership with Maithan Alloys and we truly appreciate their commitment to quality and customer service. They have put forth all efforts to accomplish our needs amid our dynamic priorities and have always delivered to the deadlines set by us."



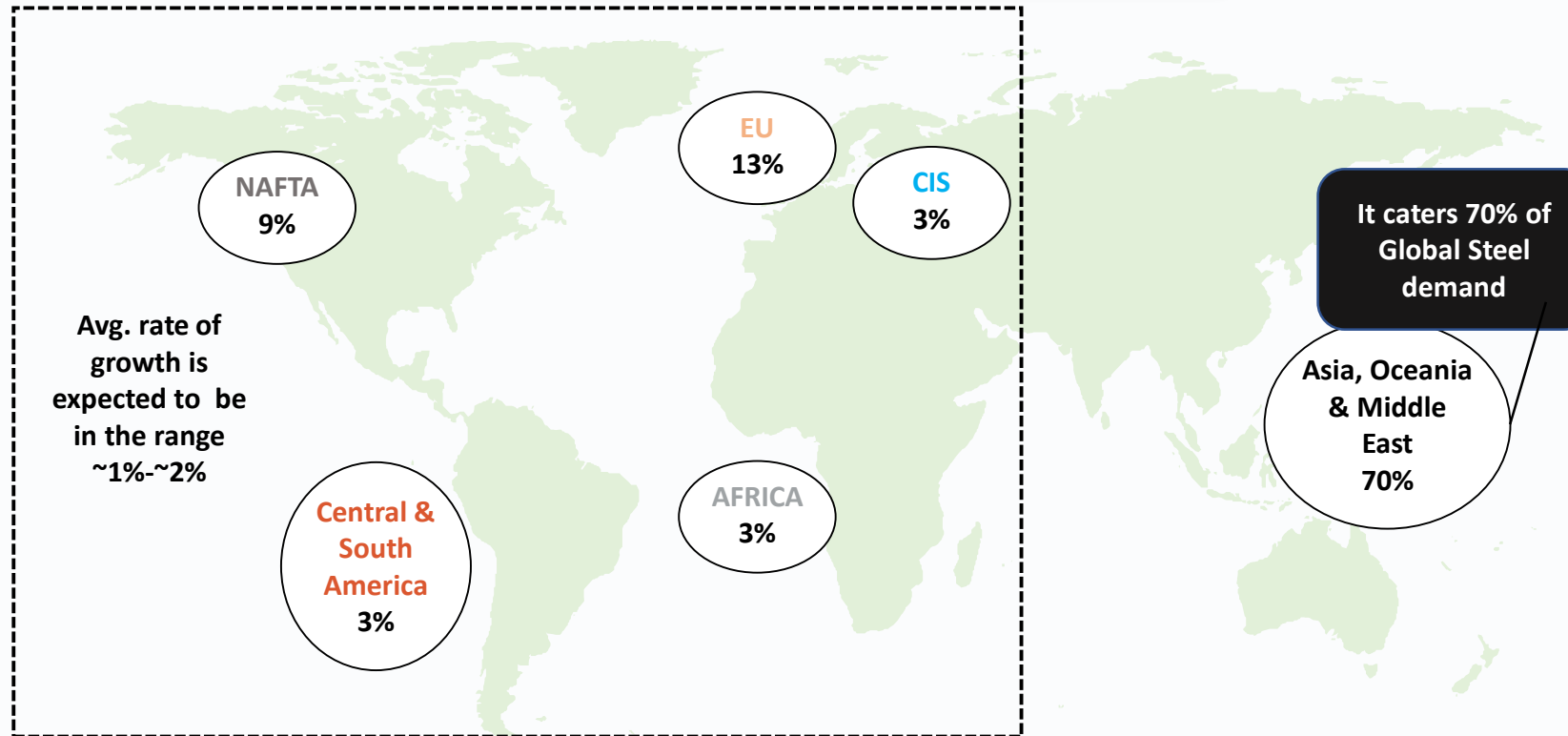
"From the beginning of our association with Maithan Alloy, we found the team to 100% committed to achieving customer service at any cost. M/s. Maithan Alloys are extremely professional and competent. We are very impressed with their ability to include continuous improvement in work processes."



Association with SAIL and JSL being more than a decade

# Asian Economies to drive the Global Steel Demand

Global Steel Demand 2018 : 1,548.5 Mn T



Asia Ex-China Growth is expected to be ~5%  
Maithan already has a strong foothold in the growing Asian economies with no exposure to China

Source: [www.worldsteel.org](http://www.worldsteel.org)

Note: Data for Global Finished Steel Demand

Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

## Favourable Demand –Supply Dynamics in Indian Steel Industry



100 % FDI allowed in the mining sector & exploration of metal & non metal ores under the Automatic Route



2017 Budget outlay of ~ Rs. 4 tn in infrastructure to drive domestic steel consumption



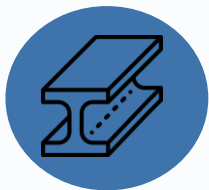
'Housing For All' to drive housing demand thereby benefitting steel industry



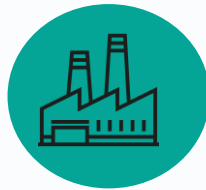
Anti-dumping Duty on Steel Products



India ranks 4<sup>th</sup> globally in terms of iron ore production



India has become the 2nd largest steel producer in FY19



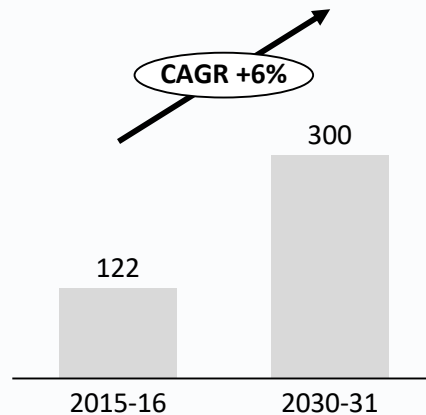
Steel Industry's Outlook to increase capacity to 300 Mn T by 2030 to drive demand for ferro alloys



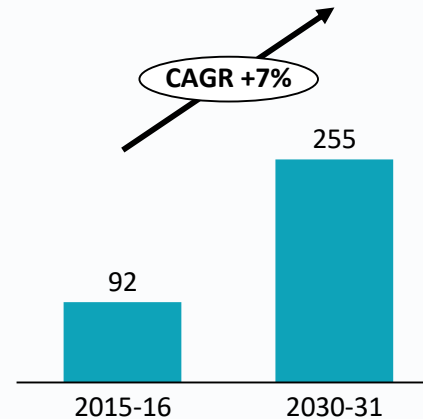
India's GDP to grow by +7 % (IMF) over the next two years

## Alloy Producers to benefit from NSP 2017

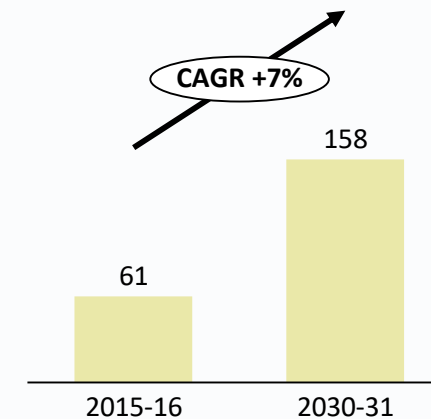
Capacity (Mn MT)



Production (Mn MT)



Per Capita Consumption (kg)



## National Steel Policy (NSP) 2017 Highlights

Reduce dependence on Steel imports and become self sufficient in Steel production

Increase domestic availability of washed coking coal so as to reduce import dependence on coking coal to 50%

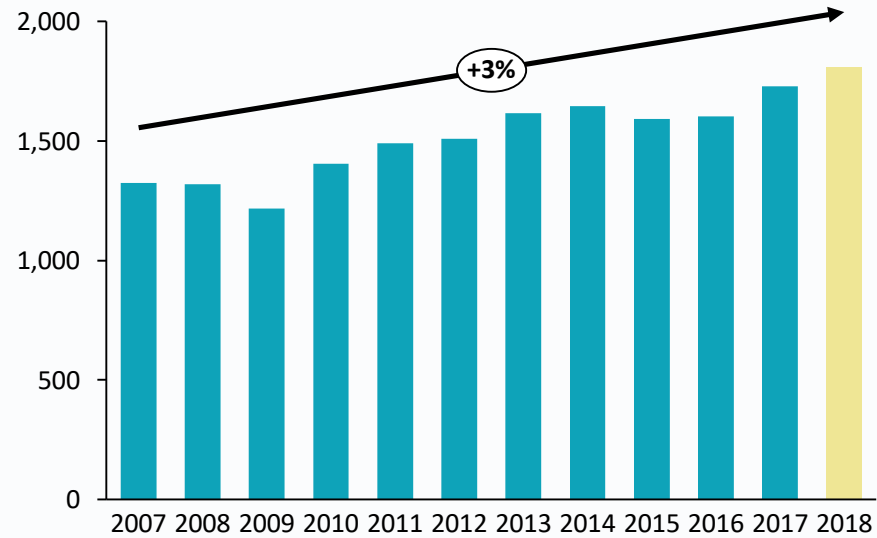
Policy to increase consumption of Steel in Infrastructure, Automobiles & Housing sector

Provide policy support & guidance to private manufacturers, MSME Steel producers, CPSEs

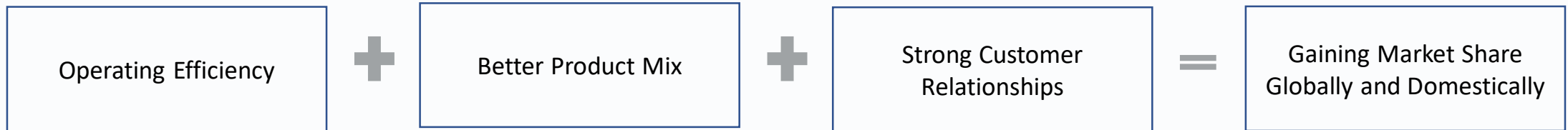
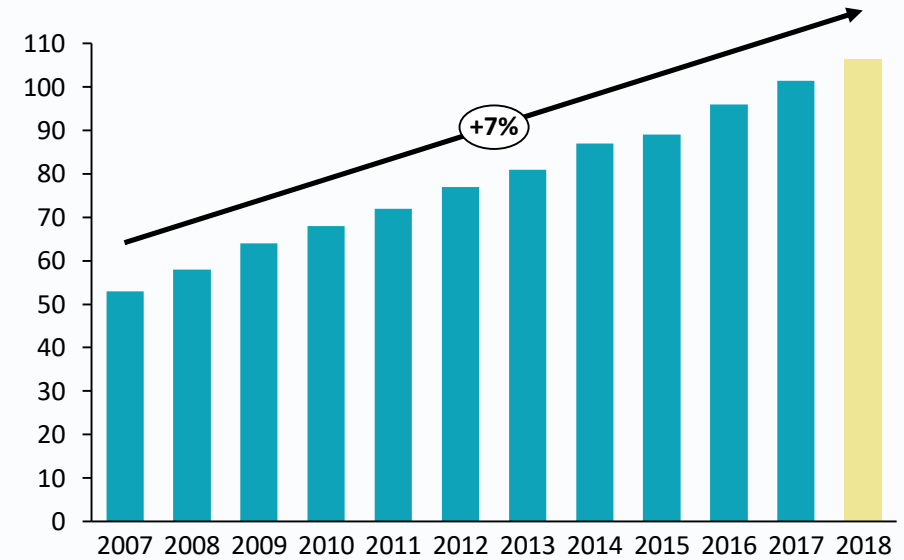
Steel Ministry will facilitate R&D through the establishment of Steel Research & Technology Mission of India (SRTMI)

**~1.5% of Manganese Alloy is required to produce each tonne of Steel**

### World Crude Steel Demand (Mn MT)



### India Crude Steel Demand (Mn MT)



**Maithan Alloys production has grown at CAGR of 16% since 2007**

Source: World Steel Association

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