



MAITHAN ALLOYS LIMITED

Leading Manufacturer & Exporter of Ferro
& Manganese Alloys



Investor Presentation
FY 2023

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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

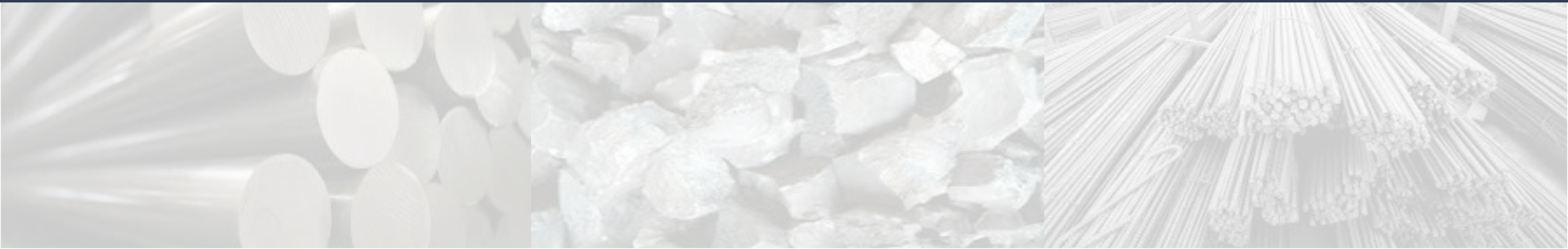
To be India's premiere Alloy Company

- Promising Excellent Shareholder Value
- Nurturing our Employees
- Utmost Commitment to our Customers
- Care for our Communities

VALUES

- Commitment
- Loyalty
- Integrity
- Rigour
- Teamwork

Maintaining the Maithan Edge





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



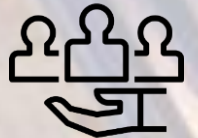
Optimising Facilities for Maximising Returns

Source raw materials based on our product mix which largely remains stable
PPAs with efficient power supplying utilities
Stable Asset turnover ratios with zero debt



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

Organic & Inorganic Growth Opportunities

Largest Manufacturer



India's largest Manganese Alloy Producer and Exporter

20 Years Rich Experience

20
years.

Two decades of experience and continuous growth

Niche Products



Basket of the most valuable Techno-Commercial Products

Robust Balance Sheet



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



Increased Stockholder's Return

ROCE Increased by +9,580 bps
ROE Increased by +4,960 bps



Revenue Growth

Increased by
+15% CAGR



EBITDA

Increased by **+46% CAGR**



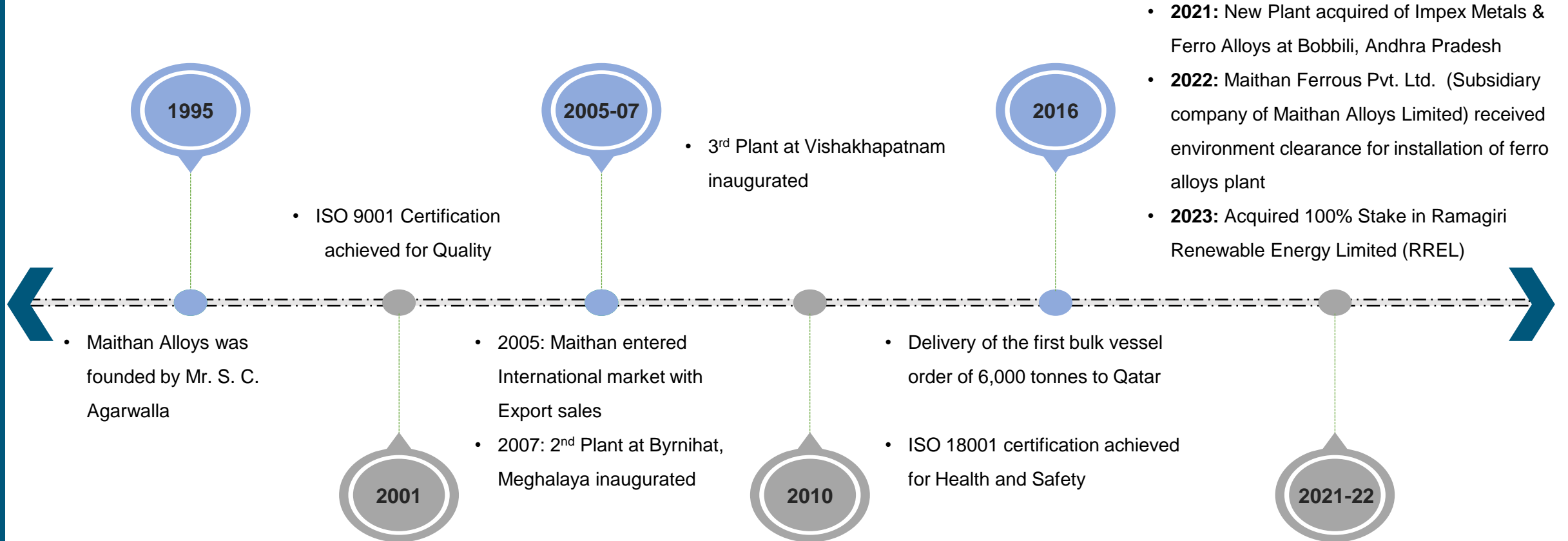
Profit After Tax

Increased by **+71% CAGR**

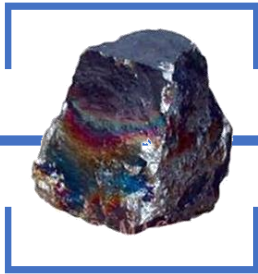


Net Cash

Position of **Rs. 915** Crores
as on March 2022



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

Visakhapatnam (SEZ) 72.0 MVA

- **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



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.

Kalyaneshwari 48.75 MVA

- **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



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.

Byrnihat 16.5 MVA

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



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.

WHY IMPORT ORE ?



- **Quality Product**
- **Variety of Grades Leading to better Product Mix**
- **Logistic Advantage**

Impex Metals & Ferro Alloys Limited, Wholly Owned Subsidiary

Quick Facts about IMPEX

Maithan Alloys acquired IMPEX, through NCLT/IBC-Liquidation proceedings upon cancellation of existing equity shares of IMPEX

Allotment of fresh Equity shares to the Company by official liquidator of IMPEX took place on 29th November 2021

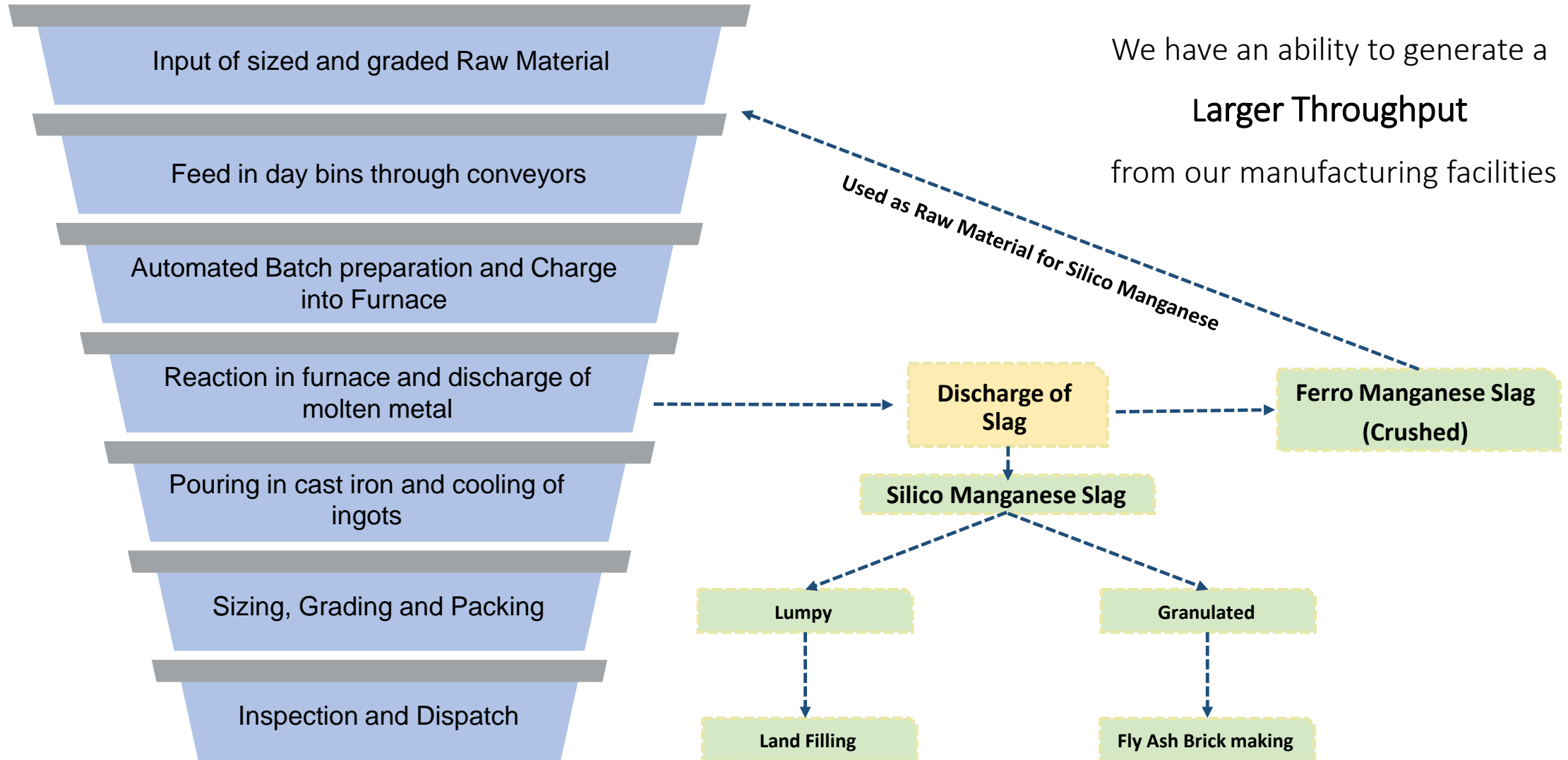
Commercial production from the manufacturing capacity commenced from January 2022 onwards and operated at optimal capacity in Q1 FY23 except faced some impact of power cuts

Production Capacity of
46,900 tonnes per annum

Products Manufactured
Ferro Manganese & Silico Manganese

Located At
Bobbili, Vizianagram,
Andhra Pradesh

Raw Material used
Manganese Ore, coal & coke



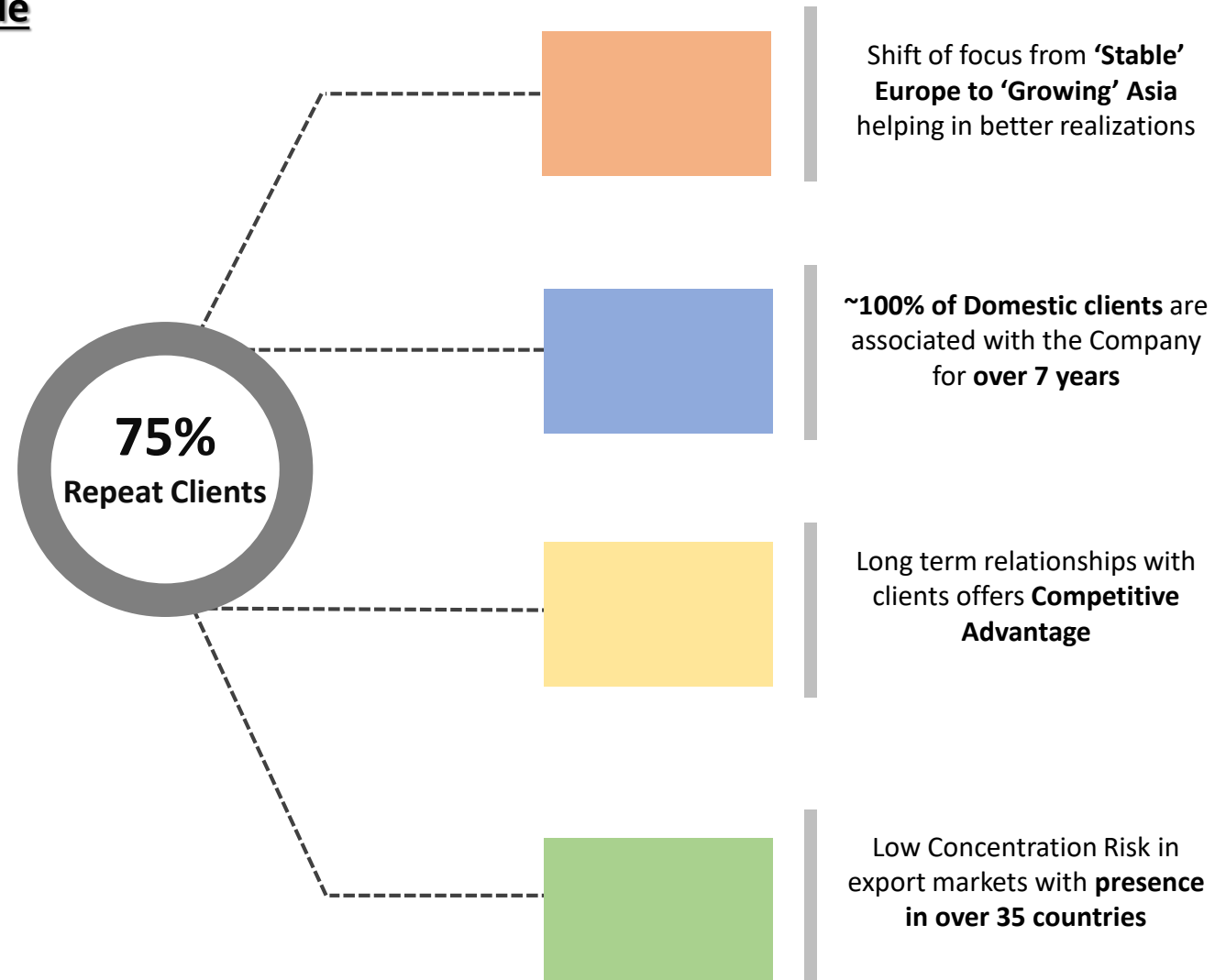
Association with SAIL and JSL being more than a decade



"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."

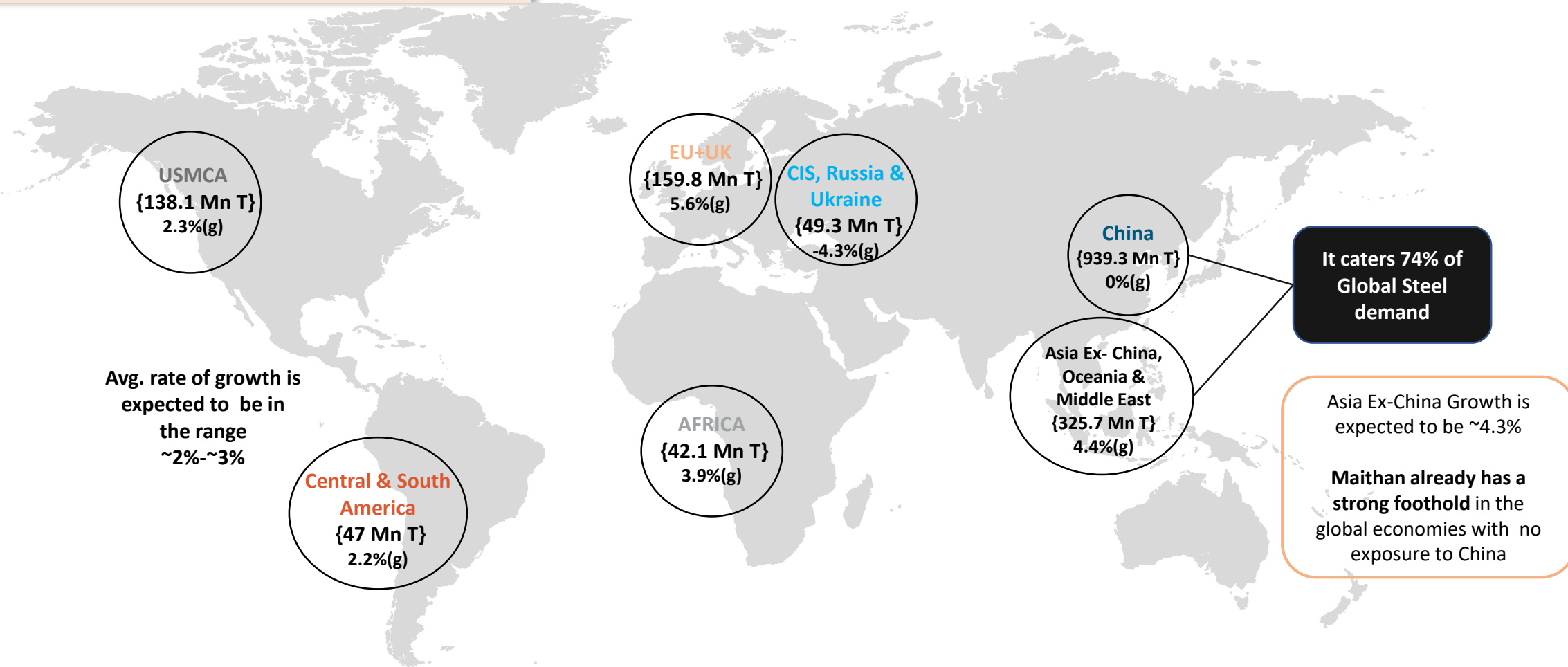


"From the beginning of our association with Maithan Alloy, we found the team to 100% committed to achieving customer service at any cost. M/s. Maithan Alloys are extremely professional and competent. We are very impressed with their ability to include continuous improvement in work processes."



Asian Economies to drive the Global Steel Demand

Global Steel Demand 2024 Forecast : 1,854.0 Mn T.



Source: www.worldsteel.org (World Steel Short Range Outlook April 2023)

Note: Data for Global Finished Steel Demand

g : growth for CY2024(f) vs CY2023(f)

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



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



2023-24 Budget outlay of ~ Rs. 10 lakh crore 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 4th globally in terms of iron ore production



India has become the 2nd largest steel producer

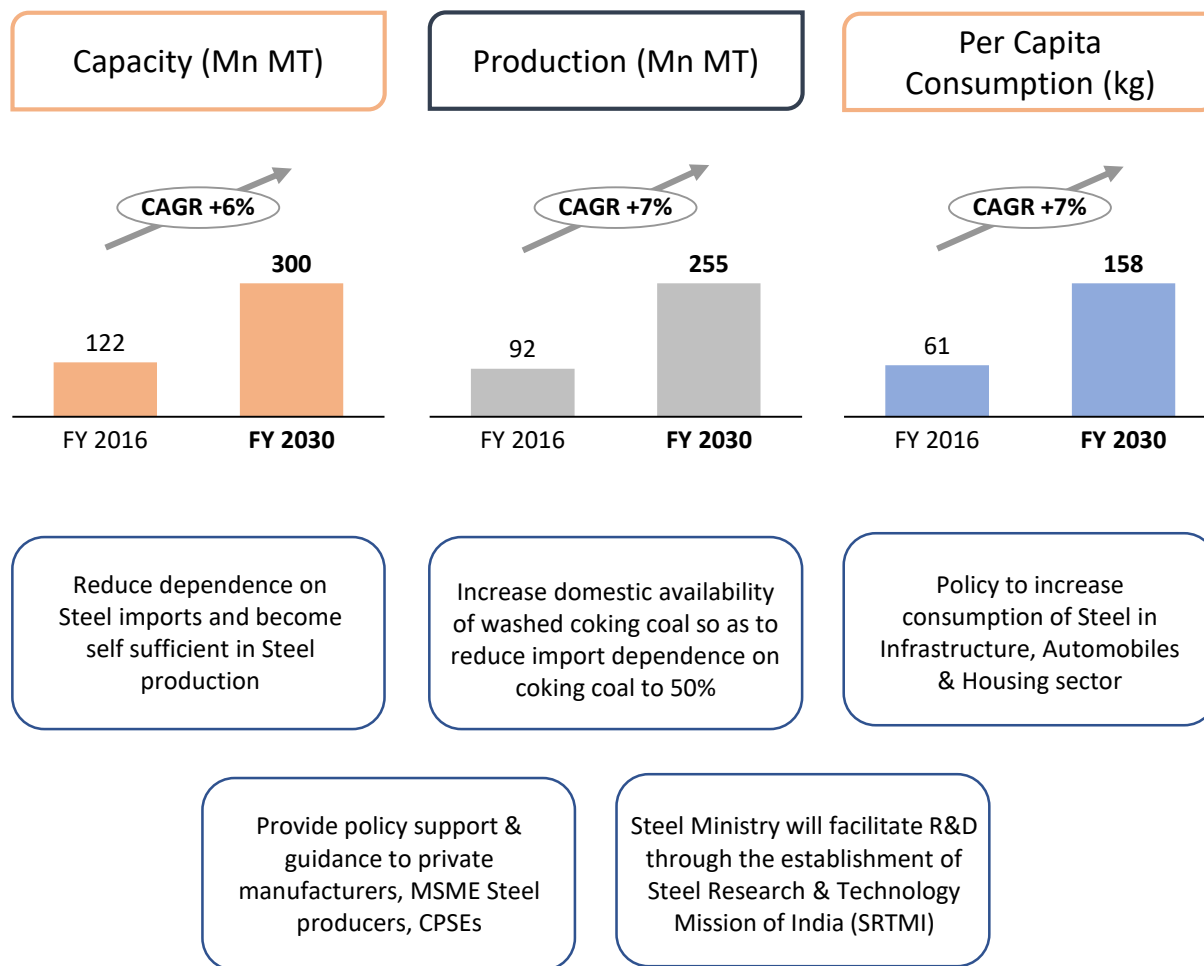


Steel Industry's Outlook to increase capacity to 300 Mn T by 2030 to drive demand for ferro alloys



India's GDP to grow by +6.1 % (IMF) in FY24

Alloy Producers to benefit from NSP 2017



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

Why Advantage Maithan...



Gaining Market Share Globally and Domestically

World Crude Steel Demand
3% CAGR
since 2017

India Crude Steel Demand
7% CAGR
since 2017

Whereas...

Maithan Alloys Production has grown
CAGR of 16% since 2007



Mr. S. C. Agarwalla
Chairman and Managing Director

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



Mr. Subodh Agarwalla
Whole Time Director and CEO

- B.Tech from IIT BHU and M.B.A. from IIM Bangalore
- At age of 45 years is the Whole Time Director and CEO and strengthens the operational activities of the Company
- Focuses on project setup, corporate planning and business development, planning & budgeting



Mr. Sudhanshu Agarwalla
President and CFO

- M.B.A. from XLRI Jamshedpur
- More than 17 Years of experience in Finance, Marketing and Procurement in the Ferro Alloys Industry



Mr. S. C. Agarwalla
(Chairman and Managing Director)

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



Mr. Subodh Agarwalla
(Whole Time Director and CEO)

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



Mr. Nand Kishore Agarwal
(Independent Director)

Accounts, Finance and Tax Laws



Mr. Ashok Bhandari
(Independent Director)

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



Mr. Vivek Kaul
(Independent Director)

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



Mr. P. 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. Srinivas Peddi
(Non-Executive & Non Independent Director)

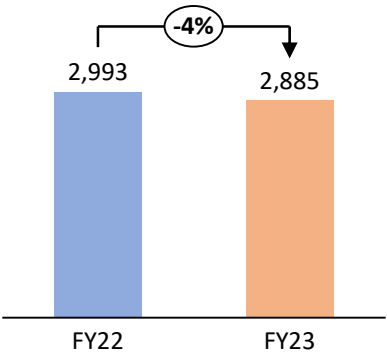
- Experienced in handling electrical equipment and machineries of ferro alloys industry
- Proficient in liaisoning with Local Bodies and Government

Financials

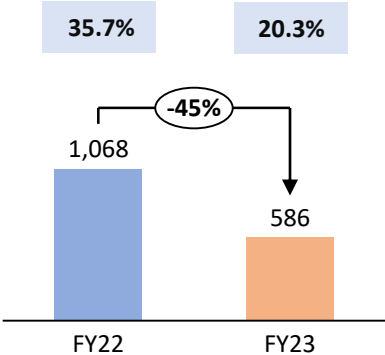


Consolidated Financial Highlights - FY23

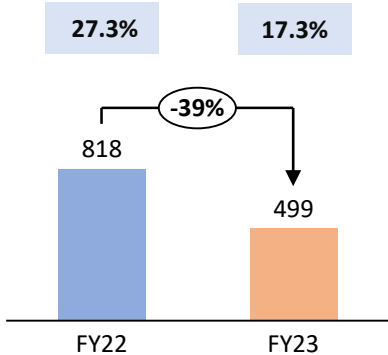
Total Revenue



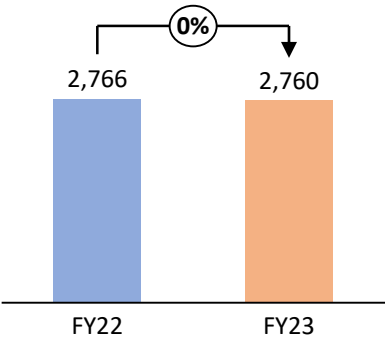
Operating EBITDA



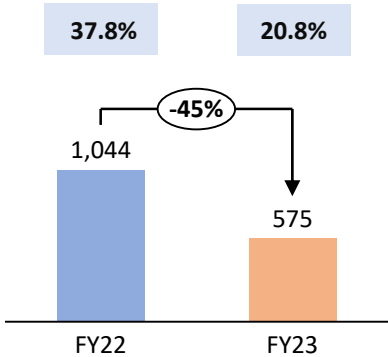
PAT

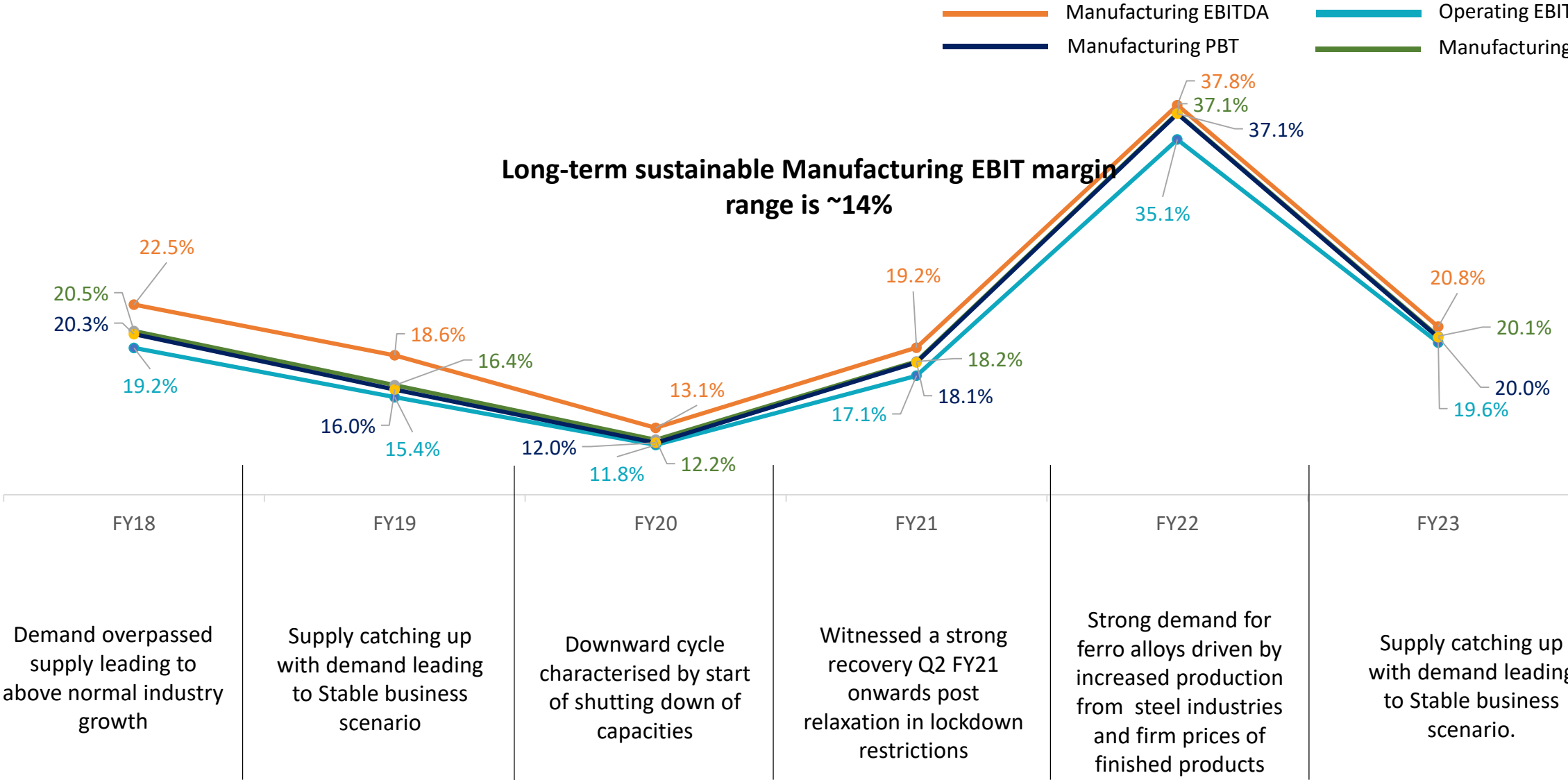


Mfg. Revenue



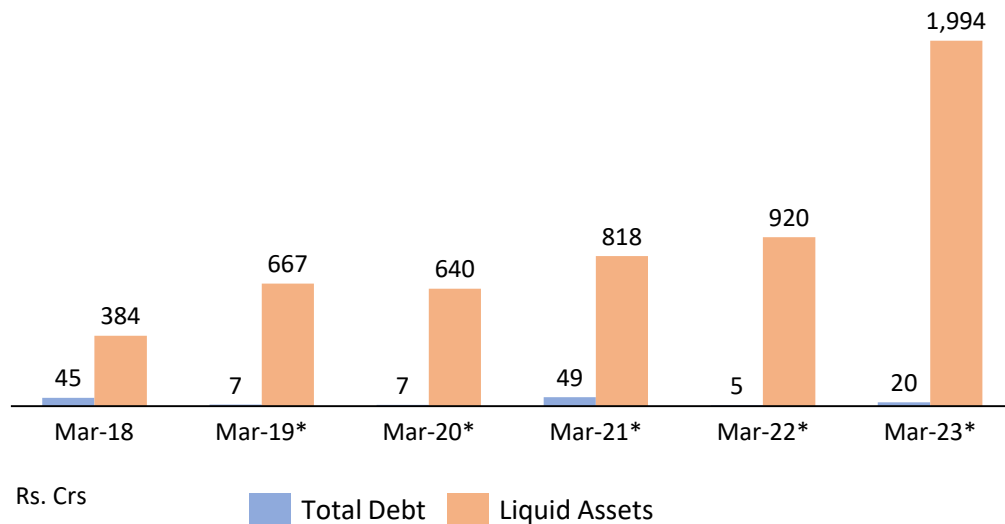
Mfg. EBITDA





Debt & Liquid Assets

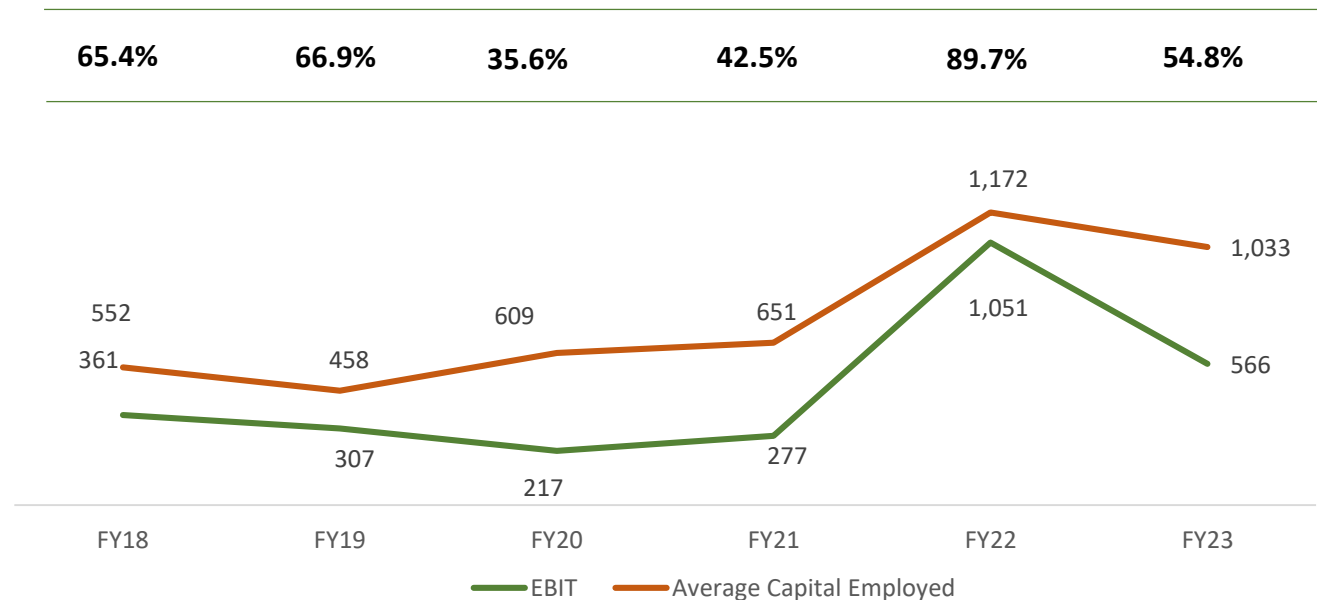
- The Company has incorporated a wholly owned subsidiary Maithan Ferrous Private Limited(MFPL) to take up the announced expansion project, primarily for manganese based ferro alloys, mainly through the internal accruals and reserves of the Company
- MFPL received environment clearance granted by MoEF & CC on 11th August, 2022



* 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-cash and bank balances)

Particulars (Rs. Crs.)	Q4 FY23	Q4 FY22	Q3 FY22
Revenue	535	837	685
Raw Material	260	296	378
Employee Expenses	15	23	12
Power	128	108	143
Other Expenses	43	99	106
Operating EBITDA	89	311	46
Depreciation	5	5	5
Operating EBIT	84	306	41
Other Income	43	11	51
Finance costs	1	0	0
PBT	126	317	92
Tax	28	75	19
PAT	98	242	73

Consolidated Profit & Loss Statement (Full Year Highlights)

Particulars (Rs. Crs.)	FY23	FY22	FY21	FY20	FY19	FY18
Revenue (Net of Excise Duty/ GST)	2,885	2,992	1,620	1,831	1,988	1,879
Raw Material	1,368	1,151	841	1,067	1,126	970
Employee Expenses	66	84	41	42	44	45
Power	525	375	332	361	373	367
Other Expenses	340	314	114	128	122	121
Operating EBITDA	586	1,068	292	233	323	376
Depreciation	20	17	16	16	16	15
Operating EBIT	566	1,051	276	217	307	361
Other Income	175	32	24	66	26	19
Finance costs	2	1	1	4	6	4
Exceptional Item	102	-	-	-	-	-
PBT	637	1,082	299	279	327	376
Tax	138	264	69	57	72	84
PAT	499	818	230	222	255	292

The Board of Directors of the Company have recommended a dividend of Rs.6/- per equity share of Face Value of Rs.10/- each (i.e.60%) for the financial year 2022-2023

Consolidated Balance Sheet as on 31st March, 2023

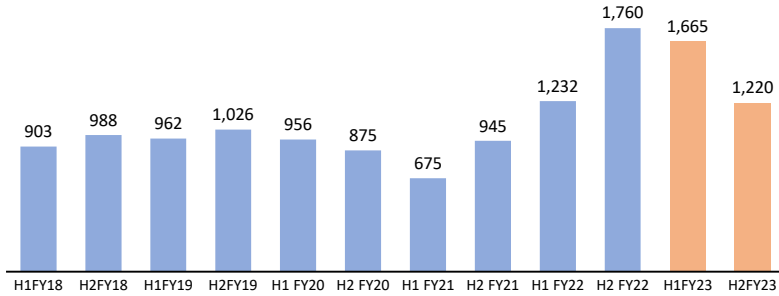
Particulars (Rs. Crs.)	Mar-22	Mar-22
Equity	2,805.3	2,323.8
Equity share capital	29.1	29.1
Other Equity	2,775.2	2,294.0
Non-Controlling Interest	1.0	0.7
Non-current Liabilities	41.5	33.0
Financial liabilities		
i. Lease Liabilities	3.3	3.4
ii Borrowings	8.0	-
Provisions	3.3	3.0
Deferred tax liabilities (net)	26.8	26.5
Other non-current liabilities	0.1	0.1
Current Liabilities	293.3	393.9
Financial liabilities		
i. Borrowings	8.4	1.7
ii. Lease Liabilities	0.1	0.1
iii. Trade payables	150.4	197.2
iv. Other financial liabilities	49.0	43.3
Provisions	1.8	1.6
Current tax liabilities (net)	21.9	16.6
Other current liabilities	61.7	133.4
Total Equity and Liabilities	3,140.1	2,750.7

Particulars (Rs. Crs.)	Mar-23		Mar-22	
Non-Current Assets	356.4		361.2	
Property, plant and equipment	231.6		239.6	
Capital Work-in-Progress	2.5		0.3	
Goodwill	16.3		16.3	
Intangible Assets	0.4		0.4	
Right of Use Assets	18.4		19.4	
Financial Assets				
i. Investments	5.1		5.8	
ii. Other Financial Assets	67.0		57.2	
Non-Current Tax Assets (net)	13.6		9.6	
Deferred Tax Assets (net)	0.1		-	
Other Non-Current Assets	1.4		12.6	
Current Assets	2,783.7		2,389.5	
Inventories	303.6		676.1	
Financial assets				
i. Liquid Investments	865.1		818.0	
ii. Cash and cash equivalents	89.5		88.4	
iii. Bank balances	1,039.1	1,993.7	14.0	920.4
iv. Trade receivables		423.2		688.9
v. Loans		0.4		0.3
vi. Other financial assets		7.1		4.0
Asset held for sale		3.2		0.0
Other current assets		52.5		99.8
Total Assets		3,140.1		2,750.7

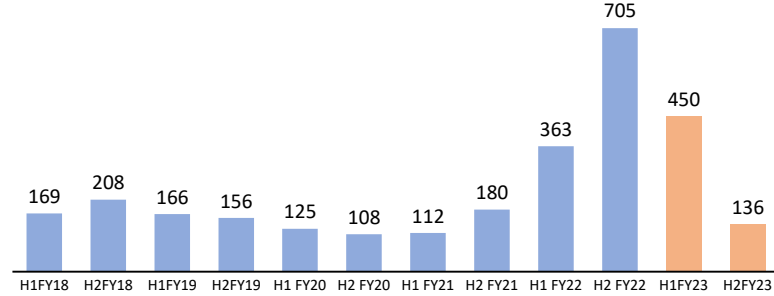
Consolidated Cashflow Statement

Particulars (Rs. Crs.)	March-23	March-22
Net Profit Before Tax	636.8	1,082.3
Adjustments for: Non Cash Items / Other Investment or Financial Items	-30.4	1.4
Operating profit before working capital changes	606.4	1083.7
Changes in working capital	498.7	-576.8
Cash generated from Operations	1,105.1	506.9
Direct taxes paid	-137.0	270.3
Net Cash from Operating Activities	968.1	236.6
Net Cash from Investing Activities	-961.9	-104.7
Net Cash from Financing Activities	-5.1	-62.1
Net Increase in Cash and Cash equivalents	1.1	69.8
Add: Cash & Cash equivalents at the beginning of the period	88.4	18.6
Cash & Cash equivalents at the end of the period	89.5	88.4

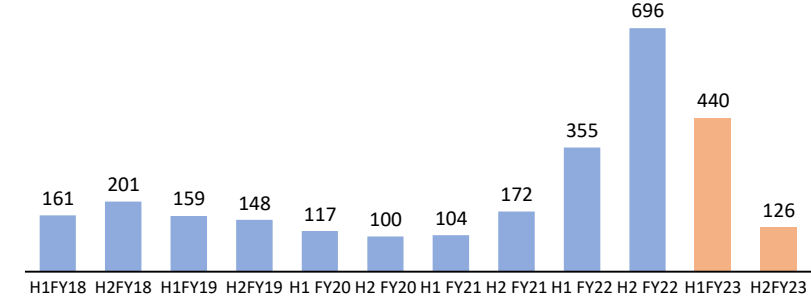
Operating Income (Rs. Crs.)



EBITDA (Rs. Crs.)



EBIT (Rs. Crs.)



Particulars (Rs. In Crs)	ROCE on Semi-Annual basis											
	H1FY18	H2FY18	H1FY19	H2FY19	H1 FY20	H2 FY20	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23
Equity	711.4	875.1	995.9	1,120.0	1,185.7	1,292.8	1,380.0	1,521.3	1,799	2,323	2,633	2,805
Long Term Debt	40.7	19.7	7.8	3.7	3.5	3.6	3.5	3.5	3.4	3.4	3.4	11.3
Short Term Debt	7.0	25.0	0.0	3.4	0.2	6.8	0.1	45.1	6.0	1.8	2.2	8.5
Cash & Cash Equivalents	190.4	383.6	550.7	663.7	633.8	640.5	834.7	817.7	873.1	920.4	1,404.0	1,993.7
Capital Employed	622.8	586.9	500.8	506.3	597.5	700.3	632.9	779.7	1,058.5	1,510.2	1,804.5	1,959.9
ROCE Half Year (%)	29.7%	36.3%	32.1%	32.3%	22.9%	16.5%	17.2%	26.5%	42.1%	59.4%	33.3%	12.2%
ROCE for Full year (%)	65.4%		66.9%		35.6%		42.5%		89.7%		54.8%	

Every dollar is conservatively spent to generate higher ROCE

THANK YOU

Contact Details:

Company

Maithan Alloys Ltd.

CIN: L27101WB1985PLC039503

Mr. Rajesh K. Shah

rajesh@maithanalloys.com

www.maithanalloys.com