



MMP INDUSTRIES LIMITED

(Formerly Maharashtra Metal Powders Ltd)

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THROUGH ONLINE FILING

Ref No.: MMPIL / NSE / 2021/ 046

Date: Monday, the 23 August 2021

The Manager, Listing Department,
National Stock Exchange of India Limited
“Exchange Plaza”, C - 1, Block G,
Bandra – Kurla Complex, Bandra (East),
M U M B A I – **4 0 0 0 5 1**

Sub: Investor Presentation on Financial Results the Company

Ref: NSE Script Code - MMP

Dear Sir / Madam,

With reference to subject, kindly find attach Investor Presentation on the Financial Results for the Company for your reference and records

You are therefore, kindly requested to take note of the same and oblige.

Sincerely,

For **MMP Industries Limited**

CS Milind Suryakant Rao
Company Secretary
ICSI Membership No. ACS- 48012
40, A-1, Kalyan Apartment, (W) Samarth Nagar,
Wardha Road, Nagpur – 440015, MH, IN.



Leadership & Excellence In Aluminium

INVESTOR PRESENTATION
AUGUST 2021





Agenda



- 01 About MMP Industries
- 02 Business/Industry Overview
- 03 Financial Overview
- 04 Investment Rationale

About MMP Industries Limited (MM PIL)

Leading Manufacturer Of

- Aluminium Powders
- Aluminium Foils
- Aluminium Conductors / Cables

MMPI at a glance



Leading manufacturer of aluminium powders, aluminium foils and aluminium conductors / cables for various industries like Explosives, Concrete Blocks, Pesticides, Paint and Power Transmission



Large Customer base in diversified industries with strong customer retention and sizeable market share



Association with Global Industry leader "Toyo Aluminium K.K. Japan" would help in moving up the value chain alongside technological support

ALUMINIUM POWDERS

CAPACITY	3 Y AVG. REVENUE CONTRIBUTION
20,000 MTPA	91%

ALUMINIUM CONDUCTORS / CABLES

CAPACITY	3 Y AVG. REVENUE CONTRIBUTION
7,200 MTPA	7%

ALUMINIUM FOILS*

CAPACITY
5000 MTPA

**New Business*

- Significant investment in R&D to develop various grades of Aluminium powder and related products.
- Exports across the globe to countries in Europe, Middle-East, Africa and the Asia Pacific in addition to domestic market.
- Pioneer in AAC Block segment in construction industry with an extensive range of aluminium powders
- MMPIL has diversified into the field of aluminium conductor & Aerial Bunch Cables and set-up a plant with an installed capacity of 7200 MTPA in the first phase

Valuable Partners



01

MMPIL

Promoter Holding: 74.48% | Public Holding: 25.52%

02

STAR CIRCLIPS & ENGINEERING LTD.

MMPIL Holding: 26.06% | Promoter Holding: 73.94%

- Largest manufacturer of Circlips, retaining rings and carbon steel fasteners in India
- Portfolio of 800+ products supplied to the Global Automobile industry

03

TOYAL MMP INDIA PVT LTD.

MMPIL Holding: 26.0% | Toyo Holding: 74.0%

- Partnership with Toyo Aluminium K.K. of Japan for aluminium pastes business
- Manufactures high grade specialty aluminium pastes used in automobile, decorative, inks and paint industry

Leadership Team



Mr. ARUN BHANDARI
Managing Director

Mr. Arun Bhandari, aged 65 years, is a B. Tech in Chemical Engineering from Institute of Technology, Banaras Hindu University, Varanasi with extensive industrial projects, operations, and management experience. Mr. Bhandari started his career as a graduate engineer trainee at Shri Ram Chemical Industries, Kota in the year 1977. Under his management MMPIL has created its niche and become one of the reputed aluminium powder player in the country.

Mr. Mayank Bhandari, aged about 36 years, is son of Promoter Shri Arun Bhandari. He completed his high school education from United World College of South East Asia, International Baccalaureate Diploma 1999-2002. He completed his “Bachelors in Engineering” B Eng-Manufacturing Engineering with Business Management, from University of Birmingham 2002-2005 and did his M. Sc. Engineering Business Management from University of Warwick 2006



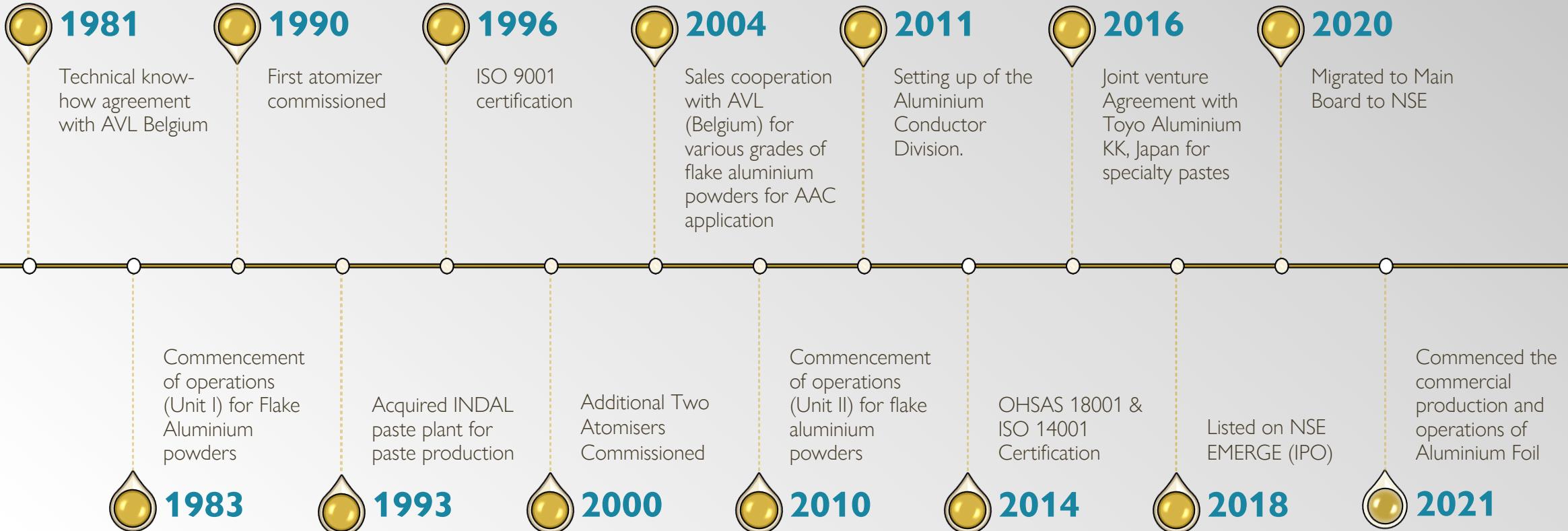
Mrs. SAKSHI BHANDARI
Member of Promoter Group

Mrs. Sakshi Bhandari, aged 35 years, is wife of Mr. Mayank Bhandari. She completed her high school education from Mahindra United World College of India in 2003 with the International Baccalaureate Diploma. She then completed her integrated undergraduate and postgraduate “Masters in Engineering” in “Manufacturing Engineering & Management” from University of Warwick in 2007.



Mr. MAYANK BHANDARI
Member of Promoter Group

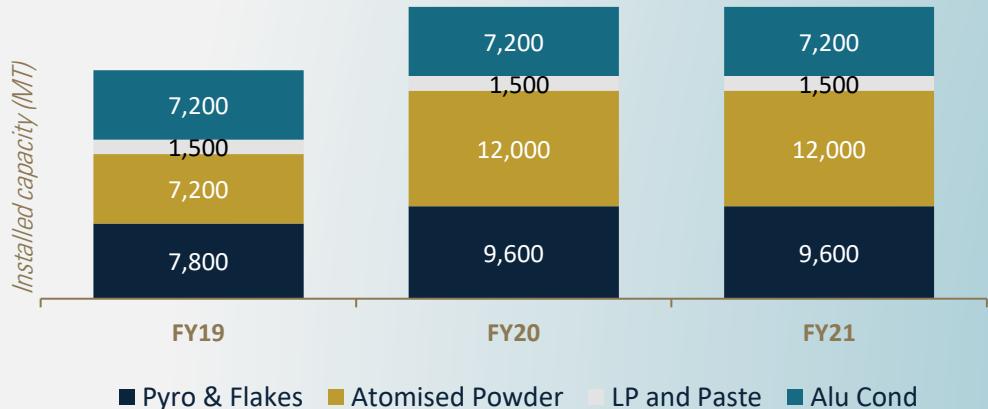
Milestones



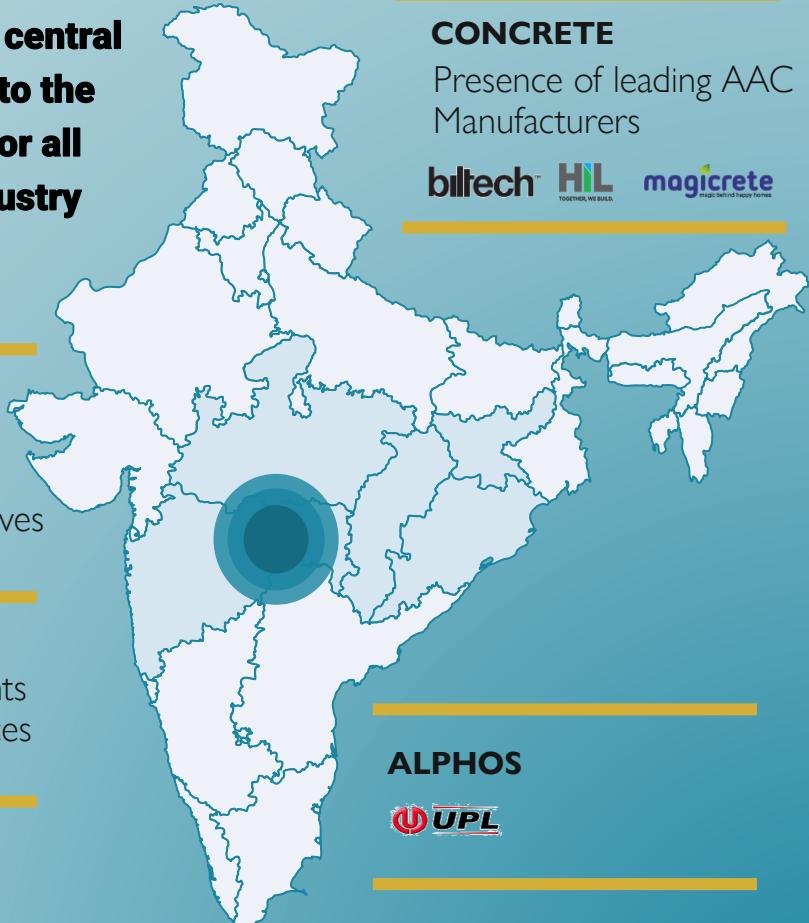
Manufacturing Units

- 3 manufacturing facilities located near Nagpur, Maharashtra
 - Unit I – Maregaon, Dist. Bhandara (aluminium powders and aluminium conductors / cables)
 - Unit II – Hingna, Nagpur (aluminium powders)
 - Unit III – Umred, Dist. Nagpur (aluminium powders and foils)
- Company owns 70 acres land bank out of which currently 40 acres is utilized, and 30 acres is for future expansion
- Plant is ISO 9001:2015, ISO 14001:2015 and ISO 45001 : 2018 (IMS) Certified

Constantly Adding More Capacities To Meet The Growing Demand Of Its Products



Strategic location in central India with proximity to the manufacturing hub for all the key end user industry segments



Product Portfolio

Revenue share by end user

EXISTING BUSINESS

ALUMINIUM POWDERS

CAPACITY : 20,000 MTPA

End User	Revenue Share
Explosives/ Mining	28.85%
Concrete/ AAC Blocks	23.68%
Alphos/ Pesticides	19.20%
Pyro/ Fireworks	2.27%
Atomized Powder/ Diverse	16.68%

ALUMINIUM CONDUCTORS

CAPACITY : 7,200 MTPA

Revenue Share: 7.31%

Others

Revenue Share: 1.72%

NEW BUSINESS

ALUMINIUM FOIL*

CAPACITY : 5,000 MTPA



PHARMACEUTICALS



FOOD
PACKAGING



HOME FOILS/
CONTAINERS

*Started contributing towards revenue in FY22

Our Marquee Customers





Business & Industry Overview

Aluminium Powders

- Set up its first capacity in 1983 for aluminium powders in technical collaboration with a Belgium company Ets. Andre Van Lerberghe (now called AVL Metal Powders)
- Aluminium Pyrotechnic & Flake powder capacity has grown from 300 MTPA in 1983 to 9,600 MTPA over the period. In addition, Atomized powder capacity is 12,000 MTPA (captive use 8000-9000 MTPA)
- Aluminium powders (pyrotechnic flake and atomized) are used in many industrial sectors like Infrastructure, construction (via AAC blocks) and mining (via slurry explosives), Agriculture (via pesticides), Defence (via ammunition) etc.



End User Industry



EXPLOSIVE INDUSTRY

It is a sensitizer in the production of explosives and provides the energy for explosion and blasting power



CONSTRUCTION (AAC BLOCK)

- Aluminium is used as an aeration agent in AAC production worldwide Quality of aluminium powders plays a vital role in AAC density and compressive strength
- Quality of MMP's aluminium powders is very well recognized in the AAC industry Large corporate customers like Siporex, Magicrete, HIL, Ultra Tech Cement, BILT etc.



ALPHOS

- Aluminium phosphide (Alphos) is a fumigant pesticide and aluminium powder is a major constituent in this product
- MMPIL is the market leader supplying 80% requirement of Top 4 Alphos manufacturers

Aluminium Conductors / Cables

- MMPIL offers transmission and distribution conductors that are used for overhead transmission of power
- Considering growing demand Company has set-up a forward integration capacity of Aerial Bunch Cables



TOTAL
INSTALLED
CAPACITY

**7200
MTPA**

Aluminium Foils (new business)

- Integrated foil project for making bare foil, converted foil (coated, laminated, printed)
- Building designed to enable double capacity of all sections with moderate incremental investment in machinery only



PHARMACEUTICALS

Plain and printed blister & strip packaging in the pharma industry



FOOD PACKAGING

Chocolates and household edibles



HOME FOILS/ CONTAINERS

Kitchen foil, casseroles etc.

Industry Overview

High profitability and accretive cash flows expected for aluminium manufacturers

~50%

Half of semi-finished aluminum products consumed by the transport & construction industries

\$2500 PER MT

Aluminium prices likely to remain elevated in FY22 over the near term driven by an uptick in global demand, dominated by China

\$250B

The aluminum market value is projected to reach some \$250 Bn by 2026, in part due to its slowly increasing average prices

5-10%

Expected increase in Raw material costs for FY22

ELECTRICAL

12%

MACHINERY

11%

CONSTRUCTION

25%

FOIL STOCK

9%

PACKAGING

8%

DURABLES

6%



Global Aluminium Industry

- GLOBAL PRODUCTION GREW FROM 63 MT IN CY19 TO 65 MT IN CY20
- CONSUMPTION DECLINED BY 3%, LEADING TO SURPLUS OF 2.0 MT
- GLOBAL ALUMINIUM PRICES CONTINUED TO IMPROVE

PRODUCTION

63 MT

35

28

CY19

65 MT

37

28

CY20

CONSUMPTION

65 MT

36

28

CY19

63 MT

38

25

CY20

China

World
ex China

GLOBAL PRICE OF ALUMINIUM (CASH -\$/T)

1,859

1,793

1,762

1,752

1,690

1,497

1,704

1,916

Q1CY19

Q2CY19

Q3CY19

Q4CY19

Q1CY20

Q2CY20

Q3CY20

Q4CY20

Financial Overview

Management Commentary

"We are pleased to report satisfactory performance for the quarter ended 30th June 2021 in-spite of significant disruption due to COVID lockdowns in various parts of the country. The construction and the mining sectors were particularly hard-hit due to the unavailability of labour. This reduced the demand for aluminium powders during the quarter, which would otherwise have been at its peak during the dry months. Going forward, the Company expects good demand in its powder division once the rainy season subsides.

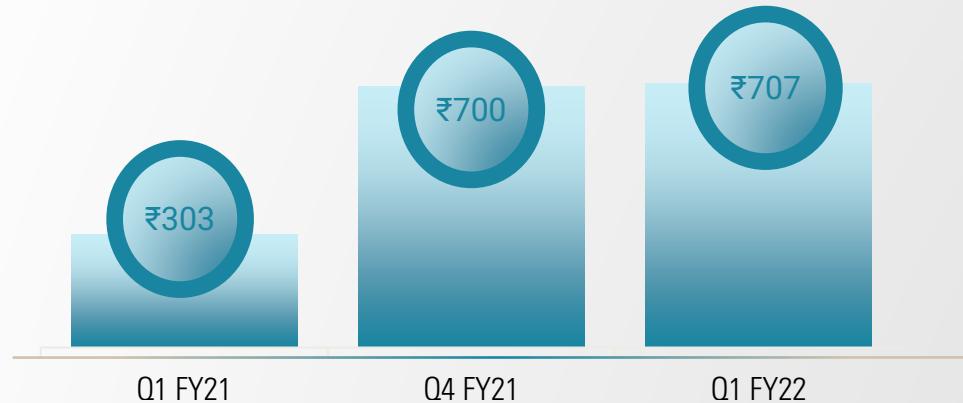
The aluminium foil business has taken off very well, and the Company is already being viewed as a quality and reliable supplier in the market. Since this being the first quarter of operations, the foil division has reported a marginal negative EBITDA (as was foreseen) which eventually impacted the Q-1 FY22 PAT.

The commissioning of the Rolling mill to manufacture bare foil will give added advantage and value addition in the coming quarters. The Company is in the process of becoming an approved vendor to large pharmaceutical companies. The foil division is expected to be a major growth driver in the coming months."

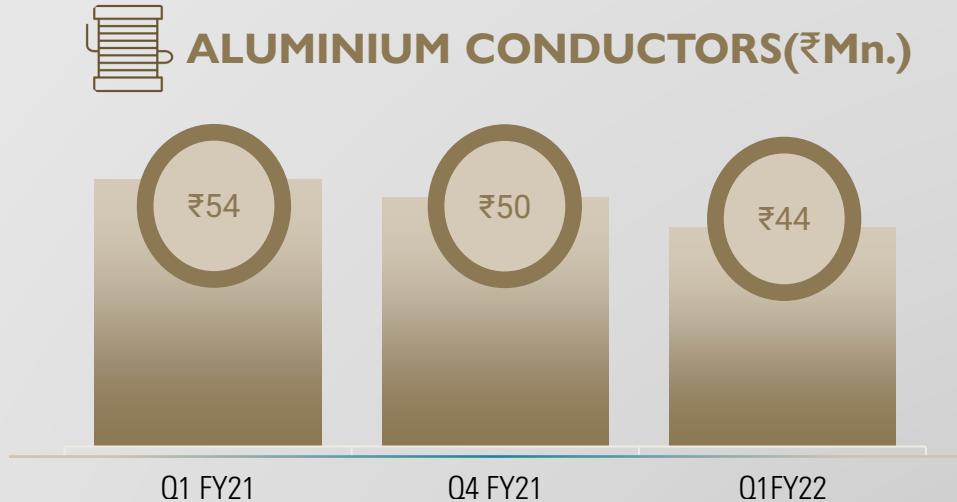
Quarterly Segmental Performance



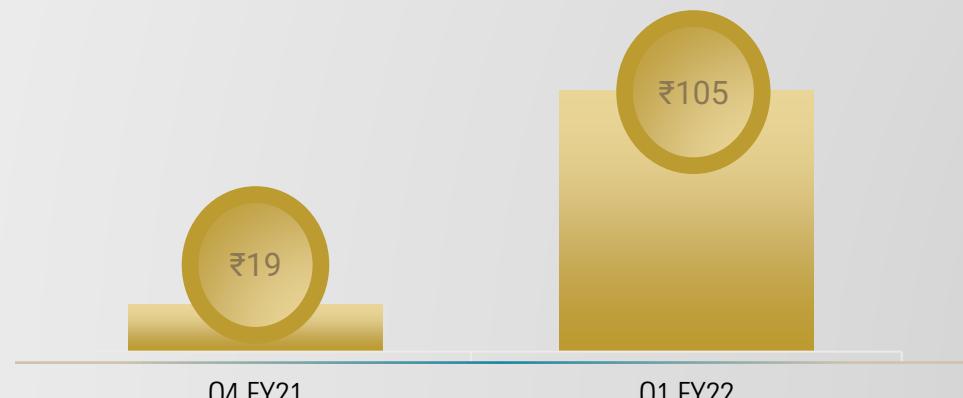
ALUMINIUM POWDERS (₹Mn.)



ALUMINIUM CONDUCTORS(₹Mn.)



ALUMINIUM Foils* (₹Mn.)



Quarterly Consolidated Income Statement

Particulars (₹ Mn)	Q1FY21	Q4FY21	Q1FY22
Total Income	361	773	863
Total Expenses	326	686	780
EBITDA	35	87	83
EBITDA Margin (%)	10%	11%	10%
Finance Cost (Net)	5	6	6
Depreciation	10	13	14
PBT	19	68	63
Share of Profit / (Loss) of Associates	-8	17	9
Tax	5	16	15
PAT	7	69	57
PAT Margins (%)	2%	9%	7%

Historical Segmental Performance



ALUMINIUM POWDERS (₹Mn.)



FY18

FY19

FY20

FY21



ALUMINIUM CONDUCTORS(₹Mn.)



Historical Consolidated Income Statement

Particulars (₹ Mn)	FY19	FY20	FY21
Total Income	2,646	2,448	2,318
Total Expenses	2,315	2,142	2,047
EBITDA	331	306	270
EBITDA Margin (%)	13%	12%	12%
Finance Cost (Net)	28	23	17
Depreciation	20	31	45
PBT	283	251	208
Share of Profit / (Loss) of Associates	22	-7	17
Tax	79	59	50
PAT	226	186	174
PAT Margins (%)	8.5%	7.6%	7.5%

Historical Consolidated Balance Sheet

Particulars (₹Mn)	FY19	FY20	FY21	Particulars (₹Mn)	FY19	FY20	FY21
ASSETS				EQUITY AND LIABILITIES			
Non-Current Assets				Shareholder's funds			
Property, Plants and Equipment				Share Capital		169	254
Tangible Assets	436	885	1,110	Reserves and Surplus		1,618	1,654
Intangible Assets	-	12	9	Total equity attributable to equity holders of the Company		1,787	1,908
Capital Works in Progress	239	175	290	Share Application Money Pending Allotments		-	-
Intangible Assets under Developments	9			Total Equity		1,787	1,908
Non - Current Investments	220	194	218	Non-current liabilities			
Long - Term Loans and Advances	57	46	13	Long - Term Borrowings		3	9
Other Financial Asset		90	88	Deferred Tax Liabilities (Net)		34	32
				Other Long - Term Liabilities		3	8
				Long - Term Provisions		24	24
Total Non-Current Assets	960	1,403	1,728	Total Non-current liabilities		65	73
Current Assets				Current liabilities			
Inventories	245	352	496	Short - Term Borrowings		203	163
Trade Receivables	457	377	390	Trade Payables		134	124
Cash and Bank Balances	494	44	4	Other Current Liabilities		68	17
Short - Term Loans and Advances	89	114	47	Other Financial Liabilities			46
Other Current Assets	1	27	33	Short - Term Provisions		18	9
Other FinancialAssets		17	13	Current Tax Liabilities (Net)			4
Current TaxAssets(Net)		6	6				
Total Current Assets	1,285	937	988	Total Current liabilities		424	360
Misc. Expenditure (to the extent not written off)	30						
TOTAL ASSETS	2,276	2,340	2,717	TOTAL LIABILITIES		2,276	2,340

Investment Rationale



Foray into Aluminium Foil will not only add a new value added vertical to the business but also boost the top line and margins over the medium term. Increasing demand for foils in the Pharmaceutical sector will provide a huge tailwind to this segment



The Joint Venture with Toyo Aluminium is turning around and should add to the bottom line in the immediate future



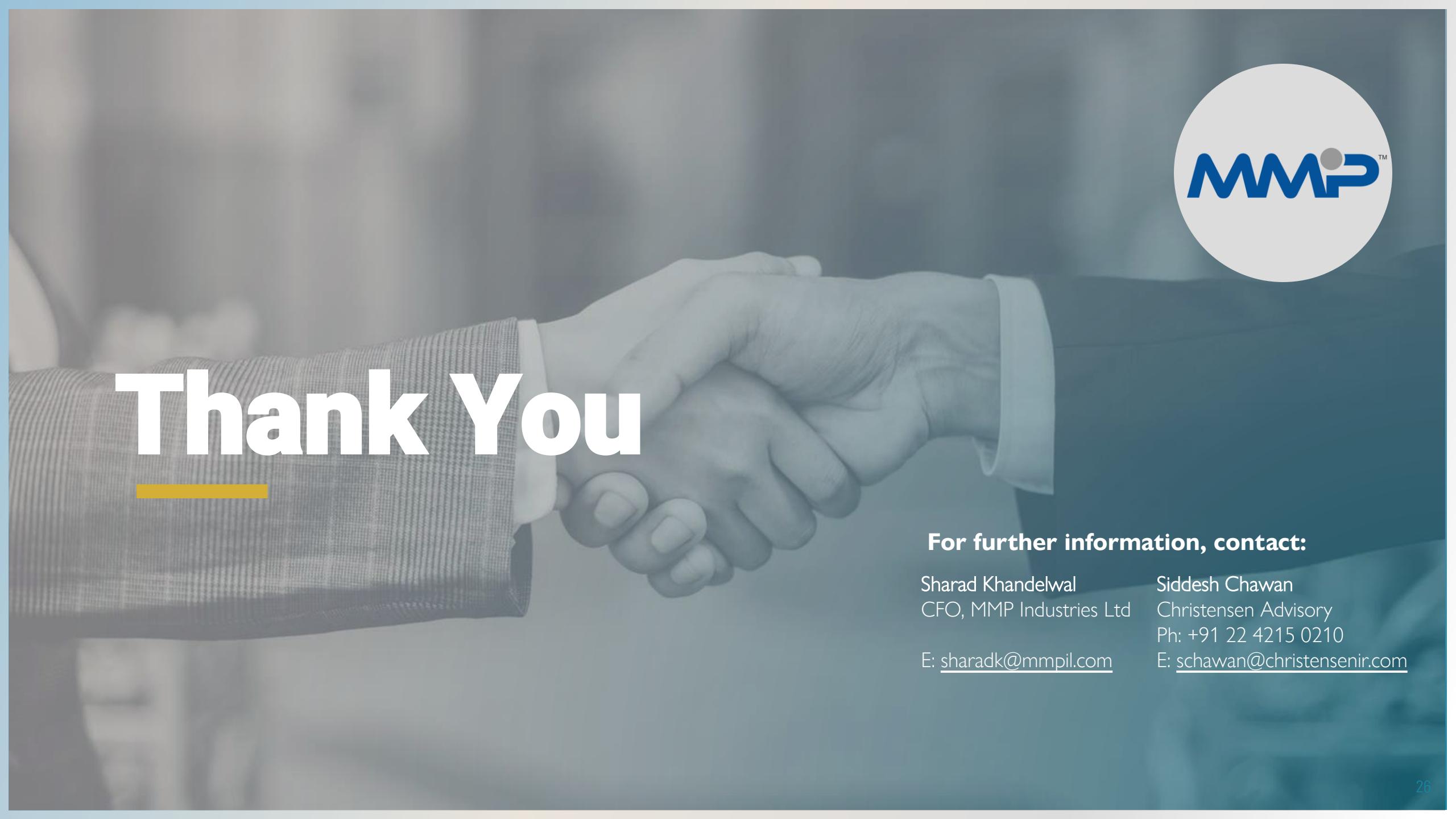
Momentum in Star Circlips & Engineering business as domestic / export auto industry started witnessing recovery and expected to report gradual uptick in industrial activities. According to ICRA, India's passenger vehicle industry is likely to post a growth of 22 to 25% in FY22



Strong financial track record and stability with zero debt on the books



Large Customer base in diversified industries with strong customer retention and generous market share



Thank You



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