

# मिश्र धातु निगम लिमिटेड

(भारत सरकार का उद्यम)

(मिनी रत्न कंपनी)

सुपर अलॉय्स प्लांट

निगमित पहचान सं. U14292TG1973GOI001660

डाकघर : कंचनबाग, हैदराबाद - 500 058. भारत

दूरभाष : 040-24184000 (श्रृंखला नं.)

फैक्स : 040-24340214, 24340280, 24340371

वेबसाइट : www.midhani.com



AN ISO 9001:2008 COMPANY

# MISHRA DHATU NIGAM LIMITED

(A. Govt. of India Enterprise)

(MINI RATNA COMPANY)

SUPERALLOYS PLANT

CIN: U14292TG1973GOI001660

P.O. Kanchanbagh, Hyderabad - 500 058. India

Phone : 040-24184000 (Extn.)

Fax : 040-24340214, 24340280, 24340371

Website : www.midhani.com

MDN/CS/ COMPLIANCE/19-20

Date: 08.08.2019

To,

**The Manager,**

Listing Department/CRD

Stock Exchange Mumbai,

1<sup>st</sup> Floor, New Trading Ring,

Rotunda Building, P.J. Towers, Dalal Street,

Fort, Mumbai- 400001

Scrip Code: BSE: 541195

**The Manager,**

Listing Department

National Stock Exchange of India Limited,

Exchange Plaza, 5<sup>th</sup> Floor; Plot No. CII

G Block, Bandra Kurla Complex, Bandra (East)

Mumbai - 400051

Scrip Code: NSE: MIDHANI

**Sub: Investor Presentation**

Dear Sir,

1. Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015; please find attached below the Investor Presentation.
2. This is for information of the exchange and the members.

Thanking You,



Yours Faithfully,

For Mishra Dhatu Nigam Limited,

हैदराबाद

Hyderabad-500058

Paul Antony

Company Secretary & Compliance Officer



# Corporate Presentation

August 2019

*We are everywhere from Deep Sea to Space*

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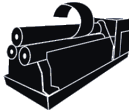
All operational and financial information contained in this presentation have been rounded off to the next integer or two decimal places.



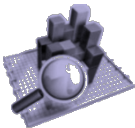
## Industry Overview



## Business Snapshot



## Milestones



## Strengths & Strategies



## Financial Overview



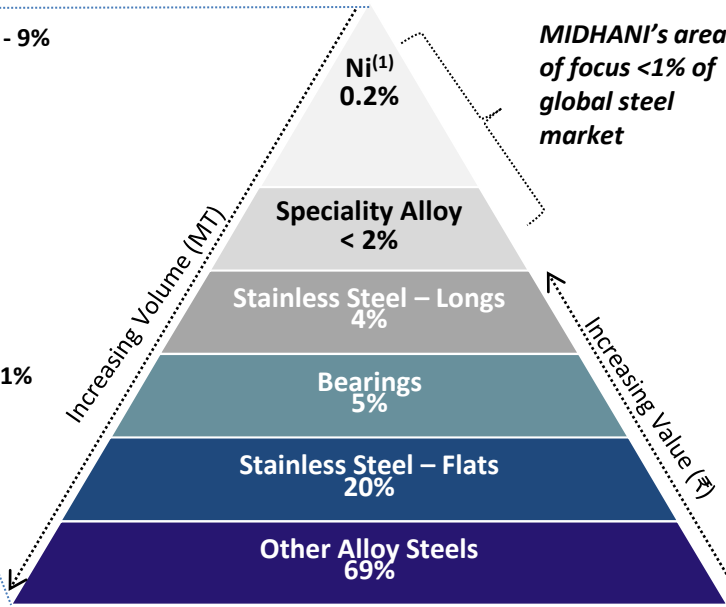
## Annexures

MIDHANI FOCUSES ON SPECIALITY MATERIALS CATERING TO HIGH END ENGINEERING APPLICATIONS

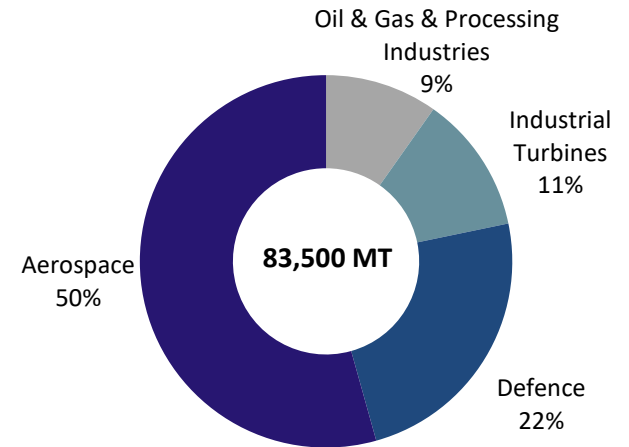
## Global Steel Production



## Speciality Steel Market



## End User Classification





LEADING MANUFACTURERS OF SPECIAL STEELS, SUPERALLOYS AND ONLY MANUFACTURER OF TITANIUM ALLOYS IN INDIA

*Miniratna  
Category-I company*

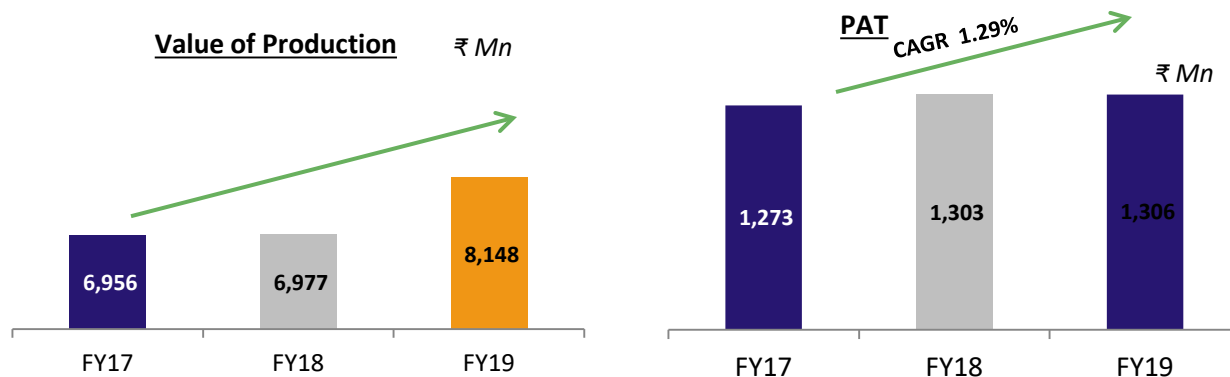
*'National Centre for Excellence'  
in advanced metallurgical  
production*

In-house research and  
development  
capabilities

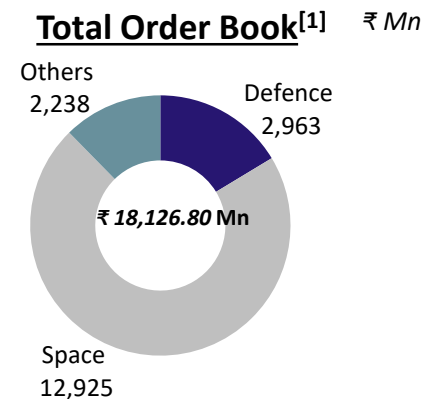
Indigenization of  
various critical  
technologies

Reduced  
dependence on  
imports

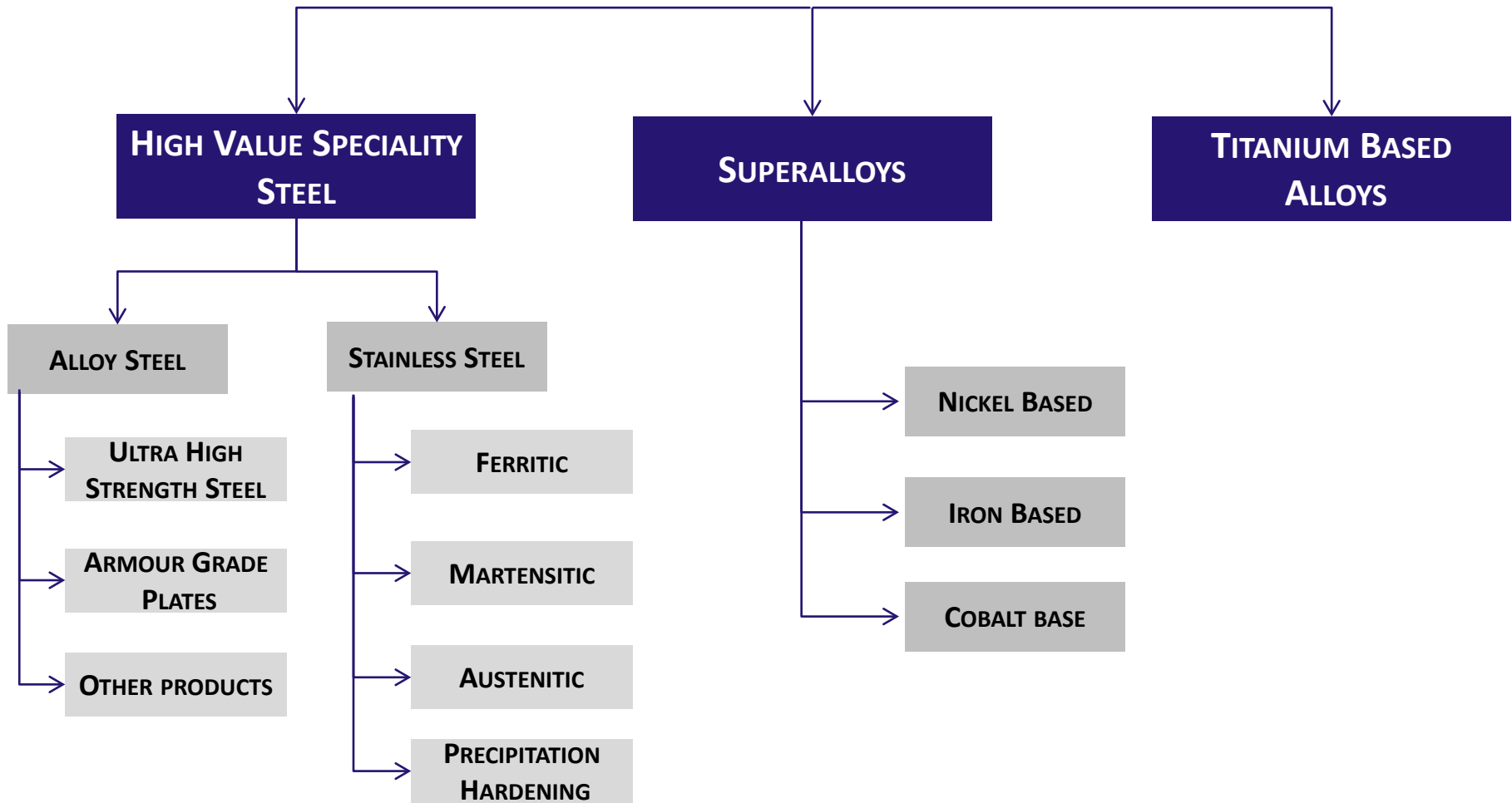
## FINANCIAL SNAPSHOT



## ORDER BOOK POSITION



## PRODUCT CATEGORIES



# AWARDS AND ACCREDITATIONS

## NICHE END USER SEGMENTS



**Defence**



**Space**



**Energy**

## ACCREDITATIONS

### Quality Management



DGAQA<sup>(1)</sup>



ISO  
9001:2008



AS  
9100 C

## AWARDS



**Raksha Mantri Award,  
2014-15**



**Corporate Vigilance  
Excellence Award,  
2016-17**



**Raksha Mantri Award,  
2013-14**



**Skoch Award 2016 for  
balanced and sustainable  
business performance**

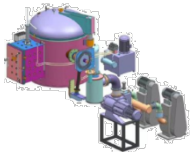


**Excellence Award 2016  
by Institute of Economic  
Studies**



(1) Directorate General of Aeronautical Quality Assurance





***Advanced and unique facilities***



***Capability to manufacture wide range of advanced products***



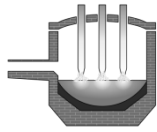
***Strong long term customer relationships***



***Research and development based technology development***



***Highly Qualified and Experienced Management and Management Systems***



**WORLD CLASS VACUUM MELTING FURNACES**



**VENTURE INTO NEW MARKETS WITH INNOVATIVE AND ADVANCED PRODUCTS**



**HIGH QUALITY PRODUCTS TO MEET CUSTOMERS' STRINGENT QUALITY REQUIREMENTS**



**PROCESS CAPABILITIES ACROSS THE PRODUCT MANUFACTURING VALUE CHAIN**



**LEVERAGE BOTH ECONOMIES OF SCALE AND SCOPE**

# STRONG LONG TERM CUSTOMER RELATIONS

COMMITTED TO ENHANCEMENT OF CUSTOMER SATISFACTION BY CONTINUALLY IMPROVING THE EFFECTIVENESS OF QUALITY MANAGEMENT SYSTEM TO DRIVE ORGANIZATIONAL PERFORMANCE



**PARTNERSHIP WITH MANY OF THE KEY CUSTOMERS IN THE PRODUCT DEVELOPMENT PROCESS**



**FLEXIBLE PRICE SETTING**



**FOCUS ON QUALITY - ISO 9001:2008, AS 9100C AND NABL CERTIFICATIONS**



**CUSTOMER FUNDED CAPITAL INVESTMENTS**



**3 DECADE + LONG RELATIONSHIPS WITH MAJOR CUSTOMERS**



**CUSTOMER SATISFACTION INDEX <sup>[1]</sup> OF MORE THAN 3.5 ON THE SCALE OF 1 TO 5**

[1] During 2012 to 2015

**IN-HOUSE RESEARCH AND DEVELOPMENT  
TEAM**



**OUTSOURCE TECHNOLOGICAL KNOWLEDGE  
FROM VARIOUS COUNTRIES**



**DEDICATED TECHNOLOGY  
ADVISORY BOARD**



**STRONG PRODUCT  
DESIGN CAPABILITIES**



**COLLABORATIONS WITH INDIAN AND  
INTERNATIONAL RESEARCH INSTITUTIONS AND  
ORGANIZATIONS**



**QUALITY MANAGEMENT SYSTEM**



**HIGH QUALITY  
PRODUCTS**

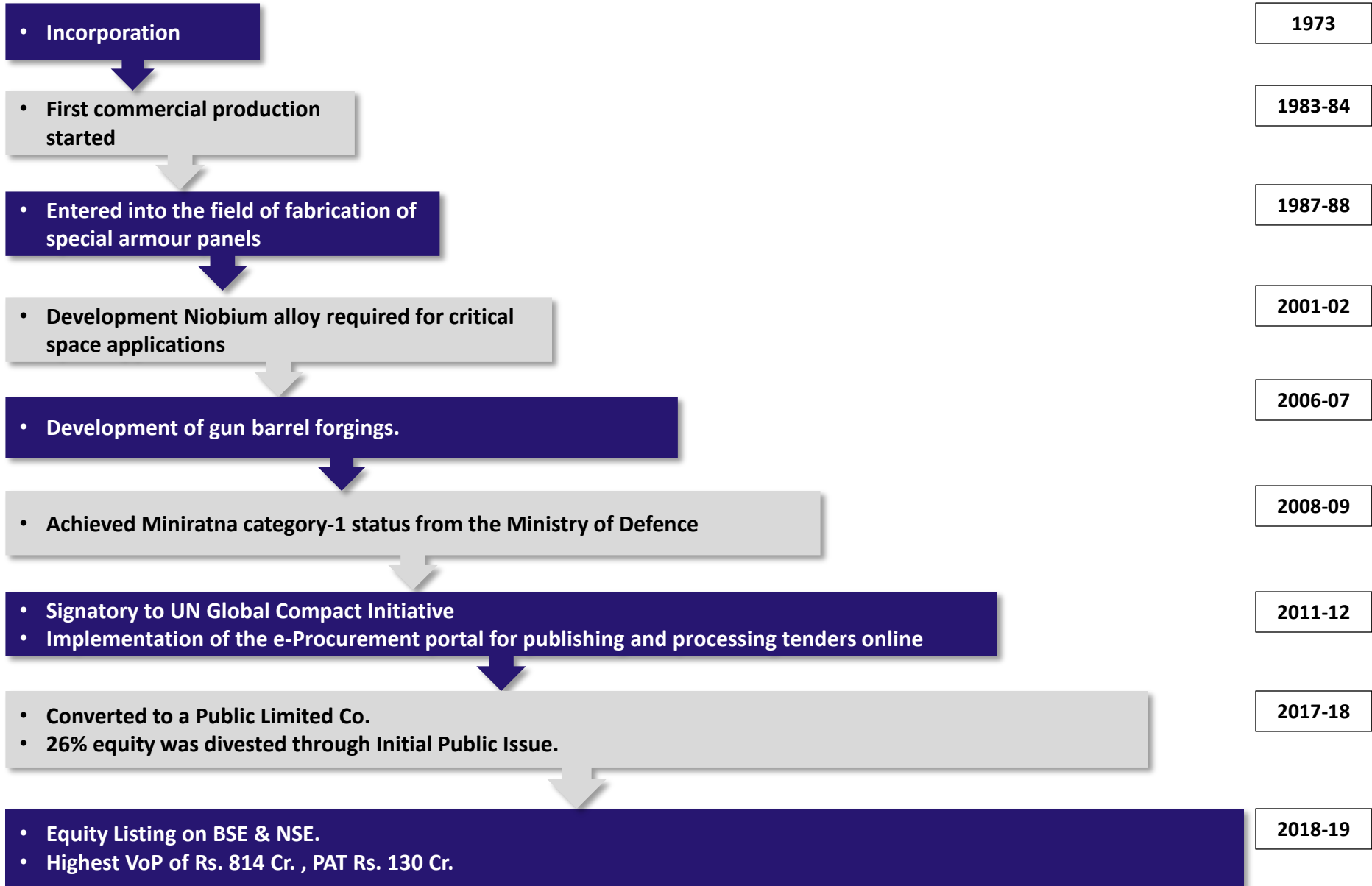


**TIMELY  
COMPLETION**



**EFFECTIVE  
SERVICING**

# MILESTONES



# HIGHLY QUALIFIED AND EXPERIENCED MANAGEMENT (1/2)



**Dr. Dinesh Kumar Likhi,**  
*Chairman & Managing Director*

- Holds a bachelor's degree in Metallurgical Engineering from the IIT, Roorkee and master's degree in Metallurgical Engineering from National Institute of Technology, Rourkela
- Doctor of Philosophy ("PhD") in Strategic Alliance from the Indian Institute of Technology, Delhi
- 35 years of experience in automobile, steel and special metal alloys Industry



**Mr. Sanjeev Singhal**  
*Director (Finance) & CFO*

- Holds a B.Com (Hons) from Delhi University and is a qualified cost accountant
- 30 years of experience in metals sector



**Dr. Sanjay Kumar Jha,**  
*Director (Production & Marketing)*

- Metallurgical Engineering graduate from National Institute of Technology, Jamshedpur
- 28 years of experience
- Published 35 articles in international journals
- PhD from Homi Bhabha National Institute



**Mr. Sanjay Jaju**  
*Government Nominee Director*

- Mechanical Engineer, Cost & Management Accountant and MBA in Finance.
- Awarded National e-Governance Gold Award by GOI for the year 2014.
- Worked in diverse areas like Urban, Infrastructure, Civil Supplies, Education & Tribal Welfare. He has been an ardent advocate of Information Technology for Development and Governance.



**Mr. Indraganty Venkateswara Sarma**  
*Independent Director*

- Holds a bachelor's degree in electronics and communications from the Andhra University and masters of business administration from the Faculty of Management Studies, Delhi
- 37 years of experience in the electronics industry in India



**Dr. Jyoti Mukhopadhyay**  
*Independent Director*

- Done Master of engineering from the IIT, Roorkee and PhD in Materials Science and Engineering from the Indian Institute of Technology, Bombay
- Experience of over 35 years in the field of Research and Development



**Dr. Usha Ramachandra**  
*Independent Director*

- Holds a PhD (Social Sciences) from the University of Hyderabad, masters in philosophy (Economics) from the University of Hyderabad
- 20 years of experience in management development, infrastructure restructuring and regulations

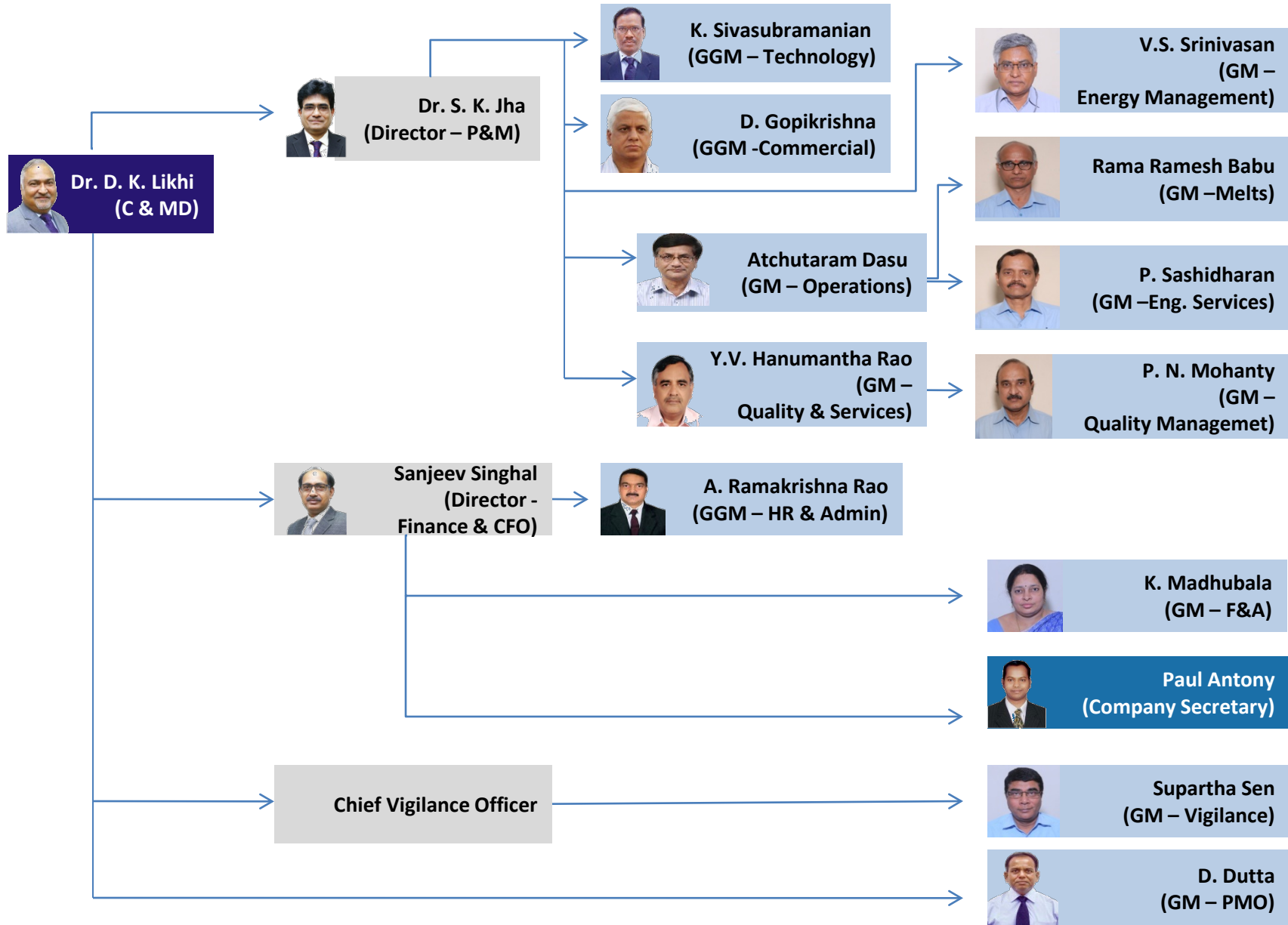


**Mr. Surendra Singh**  
*Independent Director*

- Completed his Masters of science in Physics from the Jiwaji University, Gwalior
- He was with Indian Police Service and worked in various cadres
- Overall experience of over 40 years



# HIGHLY QUALIFIED AND EXPERIENCED MANAGEMENT (2/2)



## 1. Growth and modernization



- Seeks growth (through both greenfield and brownfield) based on the development of technology for customers and product
- Aim for geographical expansion of the Company and to operate from multiple locations
- In process of setting up two new manufacturing facilities in Rohtak and Nellore
- Seek to enter into the new markets of oil and gas, mining, power, railways and chemical and fertilizers

## 2. Increased focus on research and development



- Entered into collaborations with Indian and international research institutions and organizations to gain access to the required know-how for developing certain key advanced technology products
- Aims for forward and backward integration by manufacturing components/ value added products

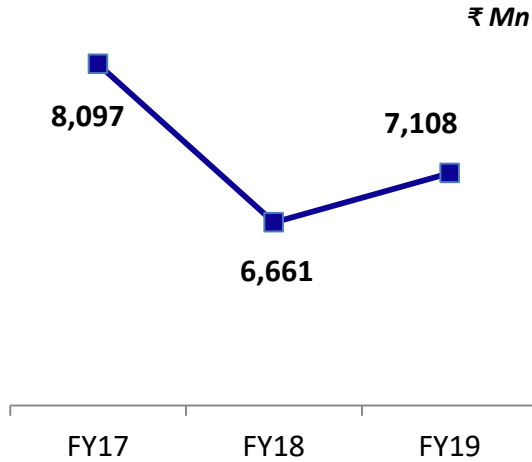
## 3. Strengthen human capital



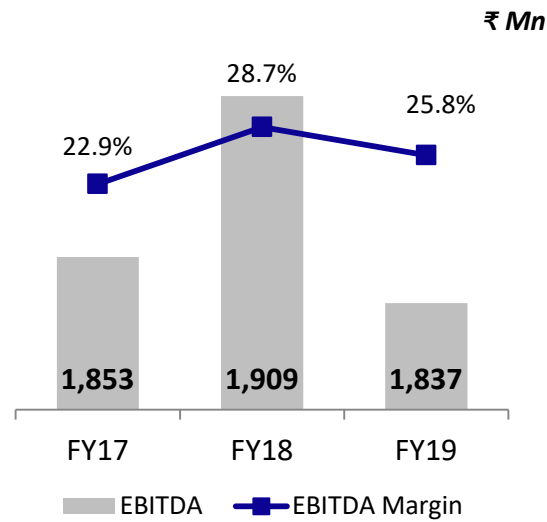
- Intends to continue to focus on improving health, safety and environment for the employees and provide various programs and benefits for their wellbeing and skill-enhancement
- Intends to develop entrepreneurship skills and further strengthen the workforce through more comprehensive training programs, creating a core of skilled workers for future growth by providing them with a conducive, safer and healthier working environment

# FINANCIAL OVERVIEW

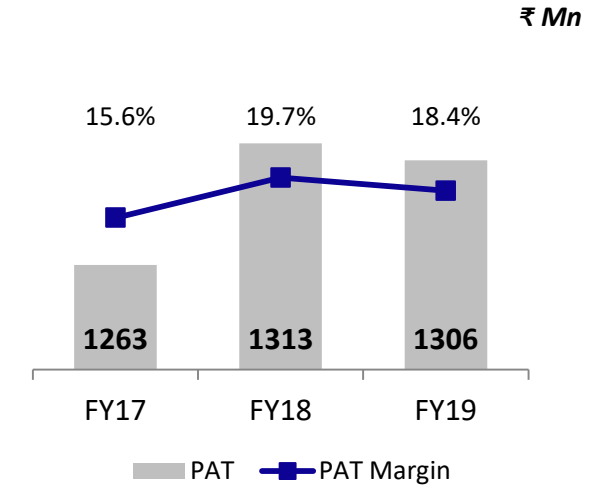
## Revenue from Operations



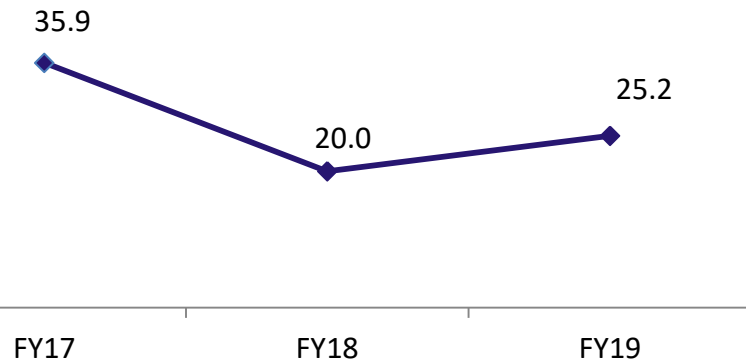
## EBITDA<sup>[1]</sup>



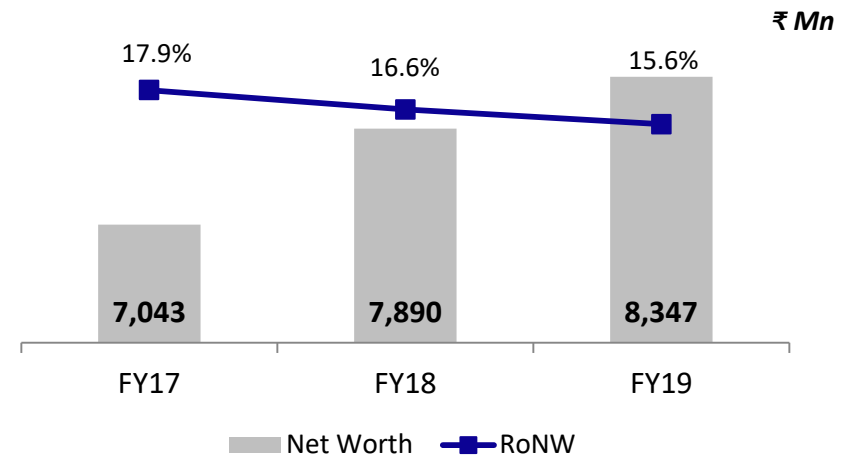
## PAT



## EBIT to Interest Coverage Ratio<sup>[2]</sup>



## Return on Net Worth<sup>[3]</sup>



<sup>[1]</sup> EBITDA is calculated as PBT gross of finance costs and depreciation. PBT excludes other income.

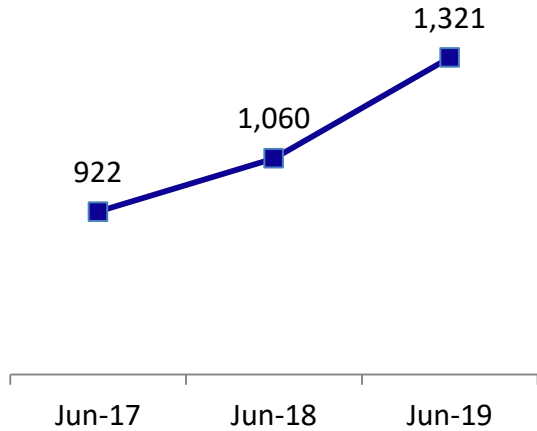
<sup>[2]</sup> EBIT is calculated as PBT gross of finance costs. PBT excludes other income.

<sup>[3]</sup> Return on Net Worth has been computed as Net Profit after tax as divided by Net Worth at the end of the period/year.

# QUARTERLY PERFORMANCE

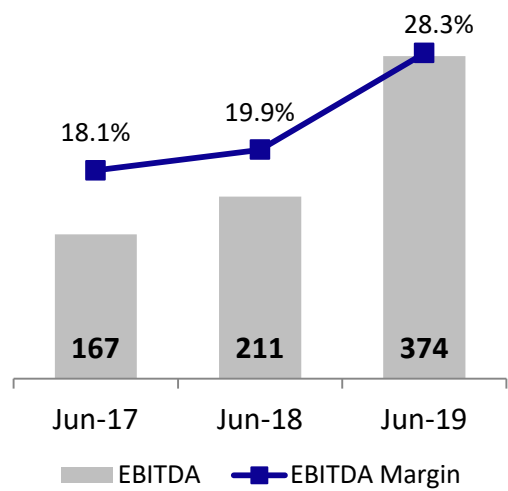
## Revenue from Operations

₹ Mn



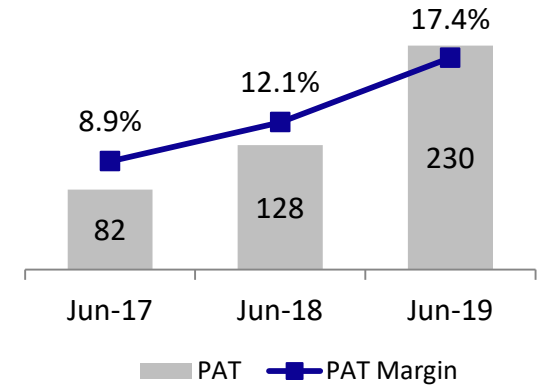
## EBITDA<sup>[1]</sup>

₹ Mn



## PAT

₹ Mn



<sup>[1]</sup>EBITDA is calculated as PBT gross of finance costs and depreciation. PBT excludes other income.

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## ANNEXURES

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# SUMMARY STATEMENT OF ASSETS & LIABILITIES (1/2)



₹ Mn	Particulars	FY17	FY18	FY19	June-19
<b>ASSETS:</b>					
<b>Non-current assets</b>					
	Property, Plant and Equipment	3,264.39	3,427.75	4,236.70	4,237.53
	Capital work-in-progress	62.05	649.93	1,750.47	2,781.58
	Intangible assets	9.38	16.58	12.77	12.17
Financial Assets					
	(i) Investments	21.01	21.01	21.01	21.01
	(ii) Loans	0.04	0.01	-	-
	Non-current tax assets (Net)	293.41	202.12	106.52	29.73
	Other non-current assets	93.71	681.77	480.51	326.42
	<b>Total Non-Current Assets</b>	<b>3,743.99</b>	<b>4,999.17</b>	<b>6,607.98</b>	<b>7,408.44</b>
<b>Current assets:</b>					
	Inventories	2,060.42	2,413.80	5,088.35	6,370.57
Financial Assets					
	(i) Trade receivables	2,885.30	4,134.34	3,522.44	3,138.09
	(ii) Cash and cash equivalents	2,079.26	1,800.79	1,979.94	2,449.13
	(iii) Other financial assets	116.81	178.80	96.42	103.34
	Other current assets	124.59	125.10	951.56	1,192.95
	<b>Total Current Assets</b>	<b>7,266.38</b>	<b>8,652.83</b>	<b>11,638.71</b>	<b>13,254.08</b>
	<b>Total Assets</b>	<b>11,010.37</b>	<b>13,652.00</b>	<b>18,246.69</b>	<b>20,662.52</b>



# SUMMARY STATEMENT OF ASSETS & LIABILITIES (2/2)



₹ Mn	Particulars	FY17	FY18	FY19	June-19
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
	Equity share capital	1,873.40	1,873.40	1,873.40	1,873.40
	Other Equity	5,170.04	6,016.95	6,473.69	6,697.77
	<b>Total Equity</b>	<b>7,043.44</b>	<b>7,890.35</b>	<b>8,347.09</b>	<b>8571.17</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
	Financial liabilities				
	(i) Borrowings	12.36	9.20	5.71	.99
	(ii) Other Financial Liabilities	173.37	469.99	1,560.98	2,284.01
	Provisions	7.57	7.98	10.90	11.59
	Deferred tax liabilities (net)	204.41	286.36	398.00	400.34
	Other non-current liabilities	1,089.08	740.58	2,588.99	3,733.49
	<b>Total Non-current liabilities</b>	<b>1,486.79</b>	<b>1,514.11</b>	<b>4,564.58</b>	<b>6,430.42</b>
<b>Current Liabilities</b>					
	Financial liabilities				
	(i) Borrowings	125.51	919.33	1,060.86	119.62
	(ii) Trade payables	660.31	963.16	1,286.49	1,334.70
	(iii) Other financial liabilities	576.42	748.70	629.34	642.46
	Other current liabilities	830.87	1,235.13	2,150.54	3,286.57
	Provisions	287.03	381.22	207.79	277.58
	<b>Total Current Liabilities</b>	<b>2,480.14</b>	<b>4,247.54</b>	<b>5,335.02</b>	<b>5,660.93</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,010.37</b>	<b>13,652.00</b>	<b>18,246.69</b>	<b>20,662.52</b>

# SUMMARY STATEMENT OF PROFIT & LOSS



₹ Mn	Particulars	FY16	FY17	FY18	FY19
<b>REVENUE</b>					
	Revenue From Operations	7,614.49	8,097.07	6,660.78	7,108.46
	Other Income	289.99	233.83	292.00	368.95
	<b>Total Income</b>	<b>7,904.48</b>	<b>8,330.90</b>	<b>6,952.78</b>	<b>7,477.41</b>
<b>EXPENSES</b>					
	Cost of material consumed	2,449.05	1,938.28	1,535.49	2,927.63
	Excise Duty	449.46	364.26	43.87	-
	Change in inventories of finished goods, work-in-progress and stock-in-trade	379.66	776.41	(359.85)	(1,039.86)
	Employee benefits expense	907.35	1,092.85	1,282.94	1,084.05
	Finance Costs	41.86	46.76	85.60	63.64
	Depreciation and amortization expense	140.65	176.64	196.41	231.95
	Other Expenses				
	(i) Power & Fuel	506.80	593.01	539.52	547.42
	(ii) Others	1,411.20	1,479.16	1,710.11	1,723.45
	Other expenses	1,918.00	2,072.17	2,249.63	2,299.53
	<b>Total Expenses</b>	<b>6,286.03</b>	<b>6,467.37</b>	<b>5,034.09</b>	<b>5,566.94</b>
	<b>Profit / (Loss) before exceptional items and tax</b>	<b>1,618.45</b>	<b>1,863.53</b>	<b>1,918.69</b>	<b>1,910.47</b>
	Exceptional Items			63.82	
	<b>Profit / (Loss) before tax</b>	<b>1,618.45</b>	<b>1,863.53</b>	<b>1,982.51</b>	<b>1,910.47</b>
	Tax expense				
	Current Tax	380.80	620.63	598.61	493.48
	Earlier Year Tax	(13.39)	1.84	(10.67)	(0.21)
	MAT Credit Entitlement	(21.66)			
	Deferred Tax	79.00	(22.07)	81.95	111.64
	<b>Profit / (Loss) for the period</b>	<b>1,193.70</b>	<b>1,263.13</b>	<b>1,312.62</b>	<b>1,305.56</b>
	Basic and Diluted EPS (₹)	6.37	6.74	7.01	6.97

# SUMMARY STATEMENT OF PROFIT & LOSS – QUARTER -WISE



₹ Mn	Particulars	June-17	June-18	June-19
<b>REVENUE</b>				
	Revenue From Operations	921.80	1,060.18	1,321.47
	Other Income	60.33	65.74	63.96
	<b>Total Income</b>	<b>982.13</b>	<b>1,125.92</b>	<b>1,385.43</b>
<b>EXPENSES</b>				
	Cost of material consumed	134.59	309.24	1127.62
	Excise Duty	44.26	-	-
	Change in inventories of finished goods, work-in-progress and stock-in-trade	(133.58)	(93.50)	(1011.43)
	Employee benefits expense	241.49	192.86	292.65
	Finance Costs	7.42	12.38	17.42
	Depreciation and amortization expense	46.35	52.24	60.81
	Other Expenses			
	(i) Power & Fuel	113.44	102.61	153.43
	(ii) Others	354.17	338.15	385.39
	Other expenses	467.61	440.76	538.82
	<b>Total Expenses</b>	<b>808.14</b>	<b>913.98</b>	<b>1025.89</b>
	<b>Profit / (Loss) before exceptional items and tax</b>	<b>173.99</b>	<b>211.94</b>	<b>359.54</b>
	Exceptional Items	-	-	-
	<b>Profit / (Loss) before tax</b>	<b>173.99</b>	<b>211.94</b>	<b>359.54</b>
	Tax expense			
	Current Tax	57.90	70.76	127.23
	Earlier Year Tax			
	MAT Credit Entitlement			
	Deferred Tax	34.19	12.99	2.34
	<b>Profit / (Loss) for the period</b>	<b>81.90</b>	<b>128.19</b>	<b>229.97</b>
	Basic and Diluted EPS (₹)	0.44	0.68	1.23

# SUMMARY STATEMENT OF CASH FLOWS (1/2)



₹ Mn	Particulars	FY16	FY17	FY18	FY19
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
	Profit/(loss) for the year (before tax)	1,626.45	1,878.50	1,967.78	1,917.97
	Adjustments for:				
	Depreciation expense	140.65	176.64	196.41	231.95
	Finance costs	41.86	46.76	85.60	63.64
	Interest income	(108.15)	(172.68)	(213.19)	(135.56)
	Profit / Loss on sale of Fixed Assets	(0.02)	0.24	(0.09)	0.46
		1,700.79	1,929.46	2,036.51	2,078.46
	Working capital adjustments:				
	(Increase) decrease in inventories	1,344.70	825.03	(353.38)	(2,674.55)
	(Increase) decrease in trade receivables and loans	110.31	(794.73)	(1,249.01)	611.91
	(Increase) decrease in other financial assets	13.88	5.27	(61.99)	82.38
	(Increase) decrease in other non-current assets	16.49	(77.07)	(588.06)	201.26
	(Increase) decrease in other current assets	263.66	655.91	(0.51)	(826.46)
	Increase (decrease) in trade payables	(422.21)	130.80	291.29	322.59
	Increase (decrease) in other financial liabilities	(272.96)	112.79	468.90	971.63
	Increase (decrease) in provisions	93.97	6.41	(2.59)	(54.49)
	Increase (decrease) in non-current liabilities	180.80	(385.70)	(348.50)	1,848.41
	Increase (decrease) in other current liabilities	(489.12)	(611.48)	404.26	915.41
	Cash generated from operating activities	2,540.31	1,796.69	596.92	3,476.55
	Income tax paid (net)	(381.31)	(607.27)	(394.36)	(516.31)
	<b>Net cash from operating activities (A)</b>	<b>2,159.00</b>	<b>1,189.42</b>	<b>202.56</b>	<b>2,960.24</b>

# SUMMARY STATEMENT OF CASH FLOWS (2/2)



₹ Mn	Particulars	FY16	FY17	FY18	FY19
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
	Acquisition of property, plant and equipment	(299.91)	(815.99)	(954.85)	(2,137.63)
	Profit / Loss on sale of Fixed Assets	0.02	(0.24)	0.09	(0.46)
	Interest received	108.15	172.68	213.19	135.56
	Investment in fixed deposits	(874.98)	(4.95)	(38.94)	(51.13)
	<b>Net cash from investing activities (B)</b>	<b>(1,066.72)</b>	<b>(648.50)</b>	<b>(780.51)</b>	<b>(2,053.66)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
	Repayment of borrowings	(458.01)	47.71	790.66	138.04
	Dividend on shares	(402.81)	(426.18)	(456.08)	(854.00)
	Interest paid	(41.86)	(46.76)	(85.60)	(63.64)
	<b>Net cash flow from (used in) financing activities (C)</b>	<b>(902.68)</b>	<b>(425.23)</b>	<b>248.98</b>	<b>(779.60)</b>
	<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>189.60</b>	<b>115.69</b>	<b>(328.97)</b>	<b>126.98</b>