

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

**MODISON
LIMITED**

(Formerly Known as Modison Metals Ltd)

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Mumbai – 400021, India.
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CIN No.: L51900MH1983PLC029783

25.11.2022

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**

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 un-audited financial results for the quarter ended 30.09.2022.

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**

MANIKA ARORA Digitally signed by MANIKA
ARORA
Date: 2022.11.17 16:02:13 +0530

Manika Arora
Company Secretary

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



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



"Steep correction in silver price impacted the profit and revenue in Q2FY23. Overall H1FY23 saw very good growth on volume. Overall growth targets for the year are intact and expected stabilisation of commodity prices should help in profitable growth."

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

Modison 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

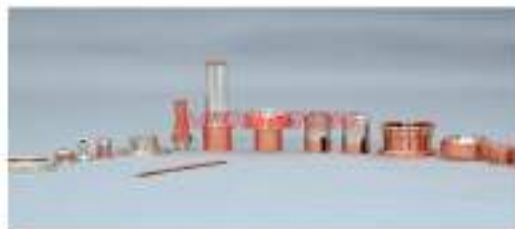
Infrastructure

Pharma, Glass

Defence

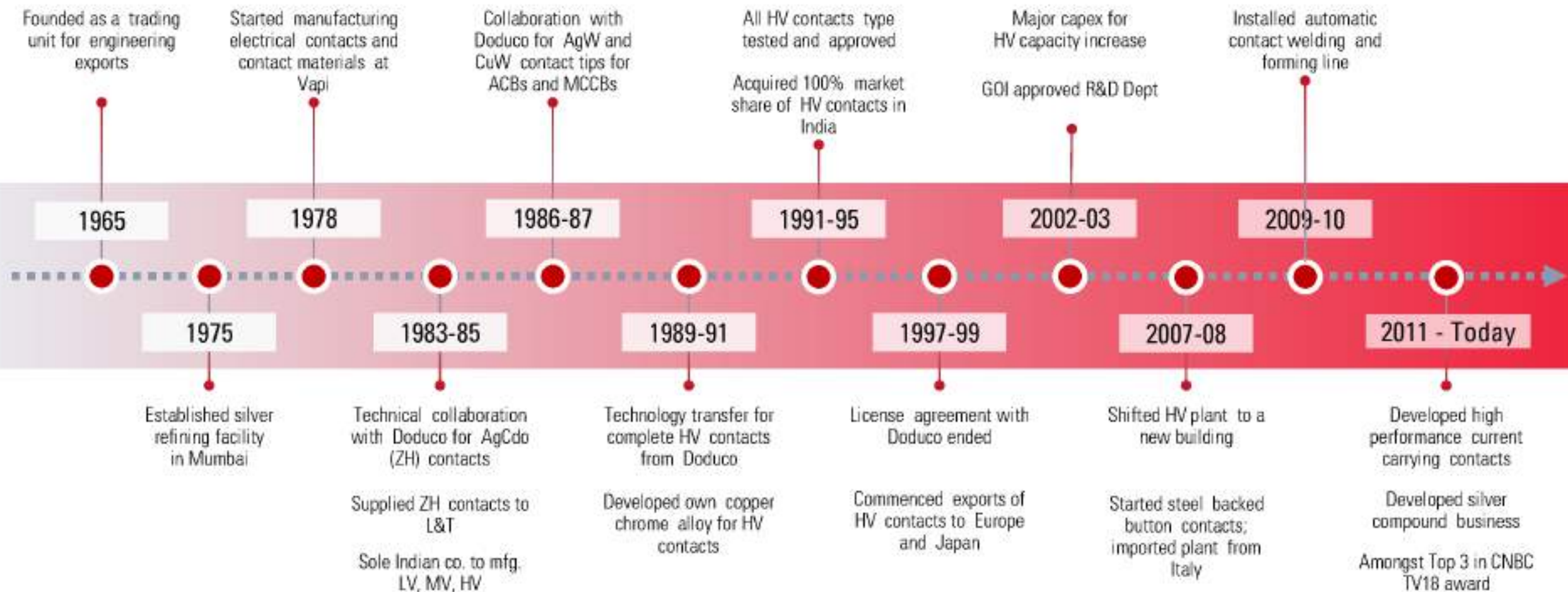
Railways

Bullion

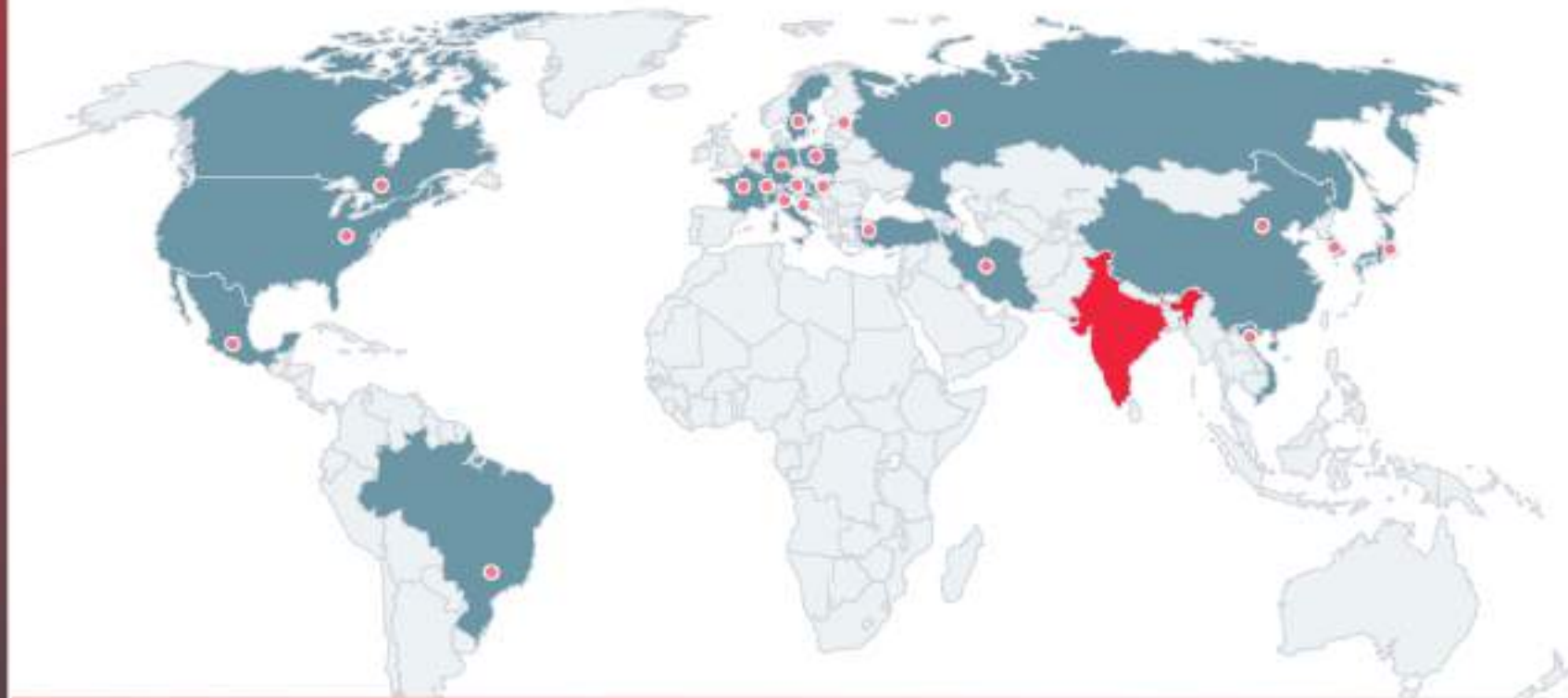


MILESTONES

CONTINUOUS INNOVATION & EXCELLENCE



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

Jt. Managing Director



MANISH SRIVASTAVA

Jt. Managing Director

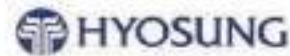
GLOBAL CUSTOMERS IN T&D INDUSTRY



ALSTOM



SIEMENS



Honeywell



ABB

Panasonic

PHILIPS

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 HQ

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



MANUFACTURING FACILITIES



EQUIPPED WITH ALL THE LATEST TECHNOLOGY MACHINERY TO MANUFACTURE A WIDE RANGE OF PRODUCTS

Silver and copper refining

Air induction melting, vacuum induction melting, gas fired furnaces for Ag/ Ag alloy melting

WERTLI's Continuous Casting for AgCd

Ag powder production: Atomizer, Chemical, Cementation

Powder mixing & blending, Isostatic pressing, Sintering & Extrusion presses

Power Compacting Presses and Conveyor Sintering Furnaces

Rolling, Bonding mills & Oxidation / Annealing Furnaces with Atmosphere Control

Fully Equipped Press Shop

Automatic Cold / Hot Bonding Contact Rivet making machines

Automatic wire welding, Forming machines

Automatic Cutting & Slicing Machine for AgC

Cold coining presses

Fully equipped in-house Tool Room with Wire Cut, spark erosion

Silver plating facility



MANUFACTURING FACILITIES



State of the art CuCr disc manufacturing facility with end to end capabilities

Whole facility in clean room

Eutectic brazing alloy for vacuum interrupter applications in the form of foils, washers & shims

Eutectic brazing alloys can be offered based on customised solution as well

MACHINE/PROCESS

- Powder mixing & blending
- 400T compacting press
- Vacuum sintering Furnace
- Vacuum Induction melting furnace
- Ultrasonic Cleaning equipment
- Vacuum packing facility



MANUFACTURING FACILITIES



Modern facility equipped with machinery providing end-to-end capabilities

HV facility is spread across 4,300 sq meter of land with a built up area of 2,660 sq meter

With the addition of the new electron beam welding and CNC machine, the plant to become one of the largest HV contact facilities globally, capable of manufacturing 400 thousand arching contacts from the current capacity of 200 thousand arching contacts

MACHINE/PROCESS

Electron beam welding machines (3 Machines with seam tracking system)

High temperature sintering cum melton furnaces

State-of-art CNC machiningcentres

Powder mixing & blending and powder compacting presses upto 4,000 KN

Fully equipped in-house Tool Room with Wire Cut, Spark Erosion machines

Silver plating plant for Full / Selective Plating

Fully equipped inspection facility for load, surface roughness, CMM etc

QUALITY FIRST



Inductively Coupled
Plasma



Density Measurement
& C- Scan



Leco Oxygen Analyzer:
R0300 & X- Ray
Fluorescence Spectrometer



CMM Profile
Tester



CNC Profile
Tester



Atomic Absorption
Spectrometer
& Spark Emission
Spectrometer



Micro Hardness Tester
& Microscopes

BEST IN
CLASS

TESTING FACILITY



Rigorous quality & inspection program to ensure the world leading quality products consisting of

- Incoming raw material inspection
- Continuous in-process inspection
- Metallurgical inspection during treatment
- Batch testing at the final stage pre-packing
- Latest quality testing equipment installed

MACHINE/PROCESS

- X-Ray fluorescence spectrometer
- Atomic absorption spectrometer
- Spark emission spectrometer
- Oxygen analyzer
- Particle size analyser
- Microscope
- ICP
- Microscopes with camera along with image analysis software
- Micro hardness tester
- X ray Fluorescence photometer for NDT plating thickness measurement
- Optical surface roughness tester
- Dye penetration test
- Ultrasonic flaw detector
- C-Scan: Laboratory model
- UTM
- Powder Testing: Hall FlowMeter, Tapped & apparent density determination, FSSS for particle size determination

RESEARCH AND DEVELOPMENT



- All new products and processes indigenously developed post 1995
- Significant contributor to “import substitution” movement in early 90s
- “Partnering” approach in customers developments’
- System & knowledge management
- ML spends ~0.3% of the turnover on R&D
- Predominantly engineering culture – 66 Engineers
- 10 Dedicated to R&D
- Major Products developed
- CuCrZr Pins, CuCr Disc
- Crown Contacts, Silver Brazing Alloys
- Eutectic Brazing washer, Dispersion Strengthened Copper

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)

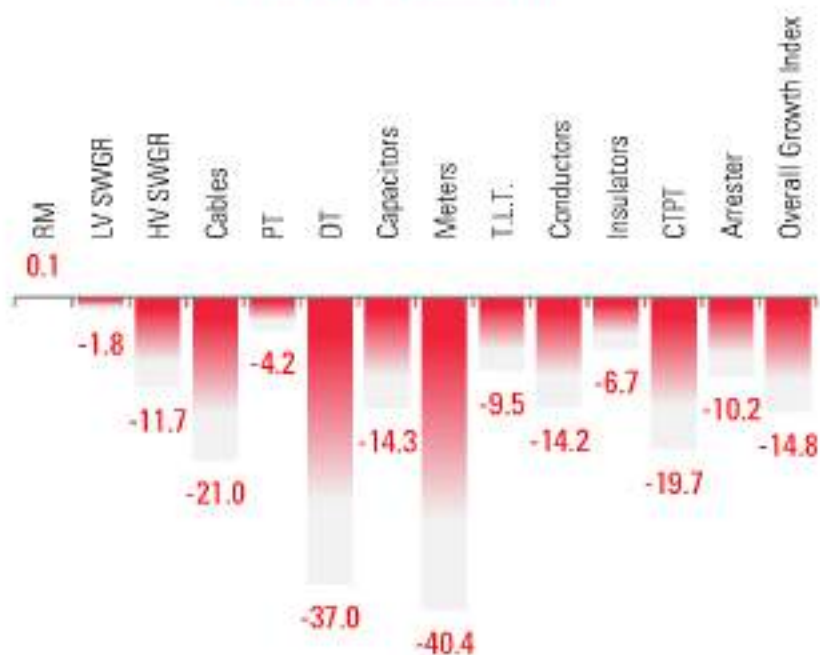


Research

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

ELECTRICAL INDUSTRY OVERVIEW

GROWTH INDEX FOR ELECTRICAL EQUIPMENT INDUSTRY
APRIL '20 – MARCH '21



- Rotating Machines segment witnessed marginal growth in FY21
- All other segments witnessed decrease in production in FY21 on account of the strict lockdown
- All segments recorded positive growth for the month of March 2021 due to weak base on account of lockdown

GROWTH INDEX FOR ELECTRICAL EQUIPMENT INDUSTRY
MARCH 2021 COMPARED WITH MARCH 2020

Product	Mar '21
Rotating Machines	154.1
LV Switchgear	66.3
HV Switchgear	189.8
Switchgear	84.0
Cables	54.0
Power Transformers	85.6
Dist Transformers	9.4
Transformers	42.5
Capacitors	112.4
Energy Meters	93.1
Conductors	175.5
Transmission Lines	110.6
Insulators	114.0
Surge Arrestors	45.0
Total Industry Growth Index	75.5



FINANCIAL OVERVIEW

QUARTERLY FINANCIALS STANDALONE

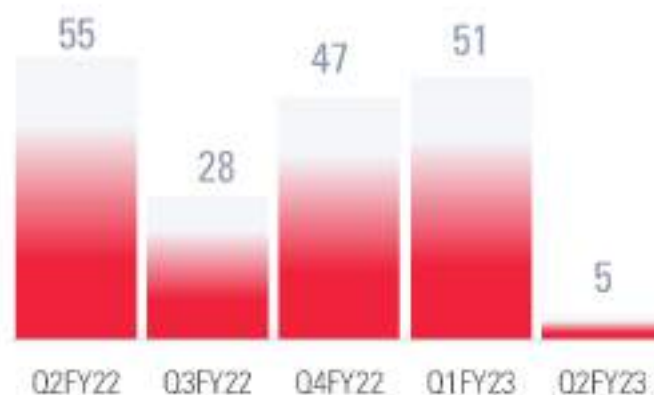
TOTAL INCOME (₹ MN)



EBITDA (₹ MN) AND MARGIN (%)**



PROFIT AFTER TAX (₹ MN)



EPS (₹)



** Includes exceptional item of profit/ (loss) on hedging of silver in stock as raw material – Q2FY23: Profit of ₹ 5 mn; Q1FY23: Profit of ₹ 42 mn, Q4FY22: Loss of ₹ 13 mn, Q3FY22: Profit of ₹ 5 mn, Q2FY22: Profit of ₹ 2 mn

INTERIM PROFIT & LOSS

STANDALONE

PARTICULARS (in ₹ mn unless stated)	Q2FY23	Q1FY23	Q2FY22
Total Income	803	901	960
Operating Expenses**	778	813	864
EBITDA	25	88	96
EBITDA Margin	3%	10%	10%
Finance Cost	2	3	5
Depreciation	16	16	16
Profit Before Tax	7	69	75
Taxes	2	18	20
Profit after Tax	5	51	55
PAT Margin	1%	6%	6%
EPS (₹)	0.14	1.57	1.69

** Includes exceptional item of profit/ (loss) on hedging of silver in stock as raw material – Q2FY23: Profit of ₹ 5 mn; Q1FY23: Profit of ₹ 42 mn, Q2FY22: Profit of ₹ 2 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

HISTORICAL PROFIT & LOSS

STANDALONE

PARTICULARS (In ₹ Mn unless stated)	FY2022	FY2021	FY2020	FY2019	FY2018
Total Income	3,412	2,936	2,222	2,210	2,027
Operating Expenses**	3,128	2,557	1,952	1,880	1,711
EBITDA	284	379	270	330	316
EBITDA Margin	8%	13%	12%	15%	16%
Finance Cost	20	20	20	22	19
Depreciation	66	61	62	64	63
Profit Before Tax	198	298	189	245	235
Taxes	52	74	37	78	71
Profit after Tax	146	224	151	167	164
PAT Margin	4%	8%	7%	8%	8%
EPS (₹)	4.51	6.91	4.66	5.14	5.05

*Includes exceptional item of profit/ (loss) on hedging of silver in stock as raw material

HISTORICAL BALANCE SHEET

STANDALONE

PARTICULARS (IN ₹ MN)	FY2022	FY2021	FY2020	FY2019	FY2018
ASSETS					
Non-Current Assets	794	746	747	651	680
Current Assets	1,348	1,280	1,160	1,150	941
Cash & cash equivalents	41	2	12	1	7
Total Assets	2,142	2,026	1,907	1,801	1,621
EQUITY & LIABILITIES					
Total Equity	1,758	1,642	1,465	1,373	1,266
Revaluation Reserve	4	4	3	3	3
Non-Current Liabilities	57	60	66	79	86
Long Term Borrowing	0	0	0	4	8
Current Liabilities	327	320	373	346	266
Short Term Borrowing	174	115	254	205	121
Total Liabilities	2,142	2,026	1,907	1,801	1,621

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 15+ 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

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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