



D P WIRES LIMITED

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November 9th, 2023

To,
National Stock Exchange of India Limited,
Listing Department Exchange Plaza,C-1 Block-G,
Bandra-Kurla Complex,
Bandra(E) ,Mumbai-400051

To,
Bombay Stock Exchange,
Listing Department,
P.J. Tower, Dalal Street ,Fort,
Mumbai-400001

Sub: Investor Presentation

Dear Sirs,

With reference to above subject, please find attached herewith Investor Presentation.

You are requested to kindly update the same on your website.

Kindly Acknowledge receipt for the same.

Thanking You,

Yours Faithfully,
For D.P. WIRES

KRUTIKA
MAHESHWAR
Digitally signed by
KRUTIKA MAHESHWARI
Date: 2023.11.14
12:52:36 +05'30'

Krutika Maheshwari
Company Secretary and Compliance Officer



CIN: L27100MP1998PLC029523

Registered Office

16 - 18A, Industrial Area, Ratlam, Madhya Pradesh, India - 457001



INVESTOR PRESENTATION Q2 & H1FY24



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25 Years of Excellence & Building Competencies

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Financial Performance

25 Years of Excellence and Building Competencies...



Operational Excellence

Key Products
LRPC Strands & Steel Wires
ISO 9001-2015

Installed Capacity
>84,000 MT

Employee Strength
200+

Branch Network
8 Cities

Caters to over
100+ Clients

Financial Excellence

38% Revenue CAGR*

21% ROE & 30% ROCE

20% EBITDA CAGR*

0.01x D/E (Debt Free)

24% PAT CAGR*

2019 - 2023

- Turnover crossed **Rs 1,000 Cr in FY23**
- Wire Division capacity increased to **84,000 MT**
- Forayed into export markets – Bangladesh, USA and Brazil
- Migrated to NSE Mainboard in **Jan-20**

2008 - 2018

- Turnover crossed **Rs 200 Cr in FY18**
- IPO and listing on NSE SME Platform in **Oct-17**
- Turnover crossed **Rs 100 Cr in FY15**
- Wire Division capacity crossed **28,000 MT in FY16**

1997 – 2007

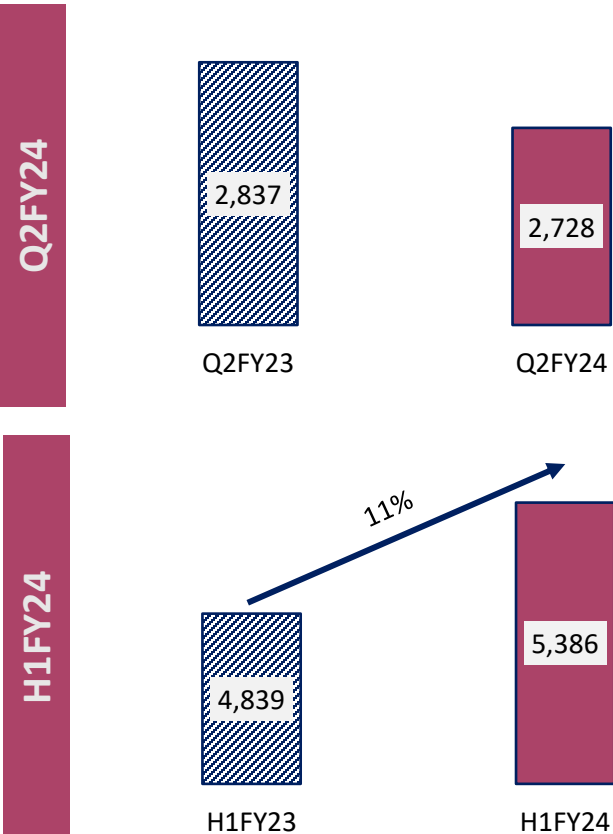
- Started production of **LRPC Strand in FY04**
- Commenced production of Wire drawing of **Stainless Steel, Alloy Steel, Polyethene**
- Incorporated DP Wires in **1997-98**

* - FY19-FY23

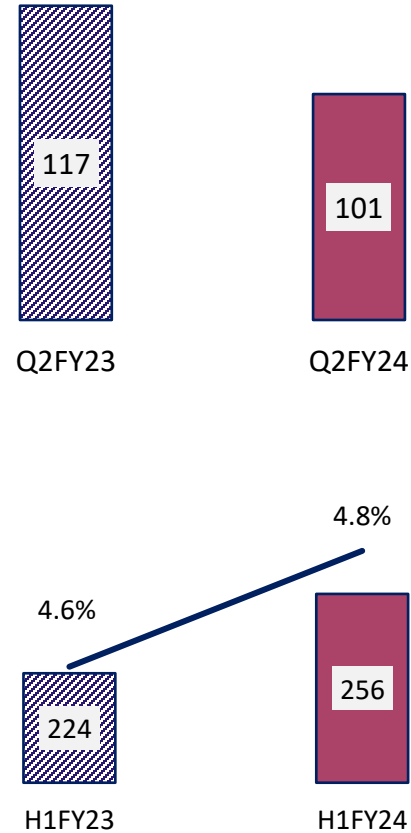
Key Financial Highlights



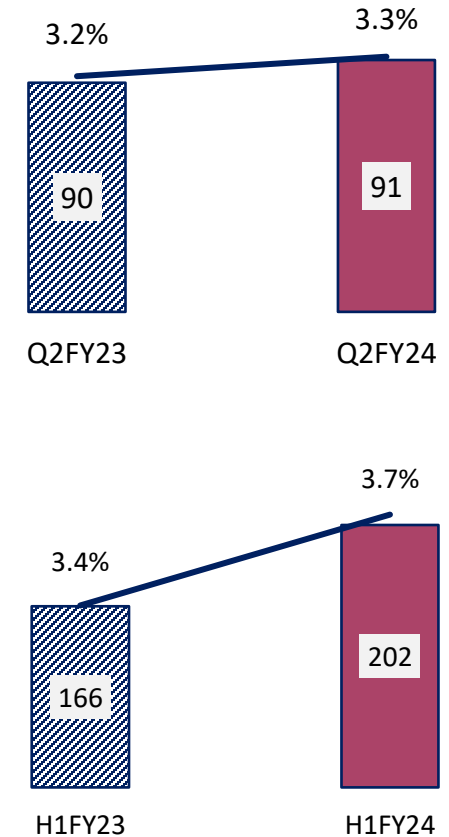
Revenue (Rs Mn)



EBITDA (Rs Mn) & EBITDA MARGIN



PAT (Rs Mn) & PAT MARGIN



Rainy season slows the Business down, as Infrastructure Projects across India are on halt, but cheer up—business picks up in Q3 and Q4 when the sun shines. We weather the storm and bounce back stronger!



Financial Highlights

- Revenue grew by **11% Y-o-Y** to **Rs 5,385 Mn** in H1FY24
- Profitability improved on account of Company's effective cost management and operational efficiency. **EBITDA and PAT Margins improved to 4.8% and 3.7%** respectively in H1FY24
- EBITDA grew **14% Y-o-Y** to **Rs 256 Mn** and PAT grew **21% Y-o-Y** to **Rs 202 Mn** in H1FY24
- Maintaining **Zero Net Debt** as on 30-Sept-2023. Continuing Strong credit rating - **LT rating of CRISIL A2-/Stable** and **ST rating of CRISIL A2+**
- **Declared Bonus in the Ratio of 1:7**

Operational Highlights

- Quarterly Steel Wires' sales volumes of **44,301 MT (up 17% Y-o-Y)** in H1FY24
- Capacity expanded to **~100,000 MTPA** from 84,000 MTPA in H1FY24; for Steel Wire production and for enabling further growth
- Forayed and developed **exports in Bangladesh**; Also exported the 1st batch of LRPC to **the USA and Brazil markets**
- Continuously focusing on addition of New Clients
- The Management is proud to announce to celebrate its 25th year of incorporation. Got listed on the **Bombay Stock Exchange (BSE) in Aug-2023**

Profit & Loss – Q2 & H1FY24



Particulars (Rs in Mn)	Q2FY24	Q2FY23	Y-o-Y (%)	Q1FY24	Q-o-Q (%)	H1FY24	H1FY23	Y-o-Y (%)
Net Revenue	2,728	2,837	-4%	2,657	3%	5,385	4,839	11%
Total Expenses	2,627	2,720		2,502		5,129	4,615	
EBITDA	101	117	-14%	155	-35%	256	224	14%
<i>EBITDA Margin</i>	3.7%	4.1%	-	5.8%	-	4.8%	4.6%	-
Depreciation	10	8		10		20	16	
Interest Cost	6	3		13		20	8	
Other Income	37	14		17		54	22	
PBT	122	120	1%	149	-18%	270	222	22%
Tax expense	31	30		37		68	55	
PAT	91	90	0.30%	111	-18%	202	166	21%
<i>PAT Margin</i>	3.3%	3.2%	-	4.2%	-	3.7%	3.4%	-
EPS	6.7	6.7		8.2		14.9	12.3	

Company Overview



- Established in the year 1998, DP Wires is India's one of the leading manufacturers and suppliers of Steel wires, and Plastic films which find its application in industries like Oil & Gas, Power, Environment, Civil, Energy, Automobile, Infrastructure etc.
- Manufacturing facilities with a capacity of ~100,000 MT per annum is situated in a single premise in Ratlam, Madhya Pradesh
- ISO certified range of products that cater to marquee clients such as Hindalco, L&T, APCO, Gannon Dunkerley, Simplex Infrastructures, Vascon Engineers and such others



Vision

Our vision is to be the leading player in the wire business by providing a complete solution, adopting cutting-edge technologies, and ensuring long-term, inclusive growth for all the stakeholders.

Mission

Consistent with the vision and values of the founder Shri Kantilalji Kataria, DP Wires strives to Strengthen India's Infrastructure base by providing the best quality products manufactured using the best of technology, thereby creating a value for all the stakeholders.

Core Values

- **Customized economical** solutions
- **High quality products** and services
- **Relationship based Ethos**
- **Economical** use of resources



Mr. Kantilal Kataria, *Non-Executive Director*

- The genius behind the DP wires, currently working as the Non-Executive Director of the company
- Graduated as BE Mechanical from GSITS Indore (M.P.) Gold Medalist in the year 1970.
- Having experience of 50+ Years in steel wires and plastic products
- Huge credit goes to Mr. Kataria for making the company reach this position.



Mr. Praveen Kataria, *Managing Director*

- Holds the degree in B.E.(Production) from Akola
- Having experience of 27+ Years in Production and Quality Control departments
- Actively involved in improving the technology, cost reduction in producing of steel wire and plastic division.



Mr. Arvind Kataria, *Whole-Time Director & CFO*

- Post Graduated as Master in Commerce
- Having experience of 22+ Years in promotion and quality control at organization
- Personal attention to ensure that the company gets worldwide reach for its high-quality manufacturing products



- **Sourcing** – TATA Steel, JSW, Electro steel
- **100,000 MT** capacity of Wires
- **Growth** - Sufficient space to plan future capacity expansion with minimum capex

Integrated Facilities Under One Roof

Sourcing of raw material → Pickling → Wire Drawing → Stranding → Inspection → Packing & Storage

1

Wire Rod



2

Surface Treatment



3

Drawing



4

Stranding

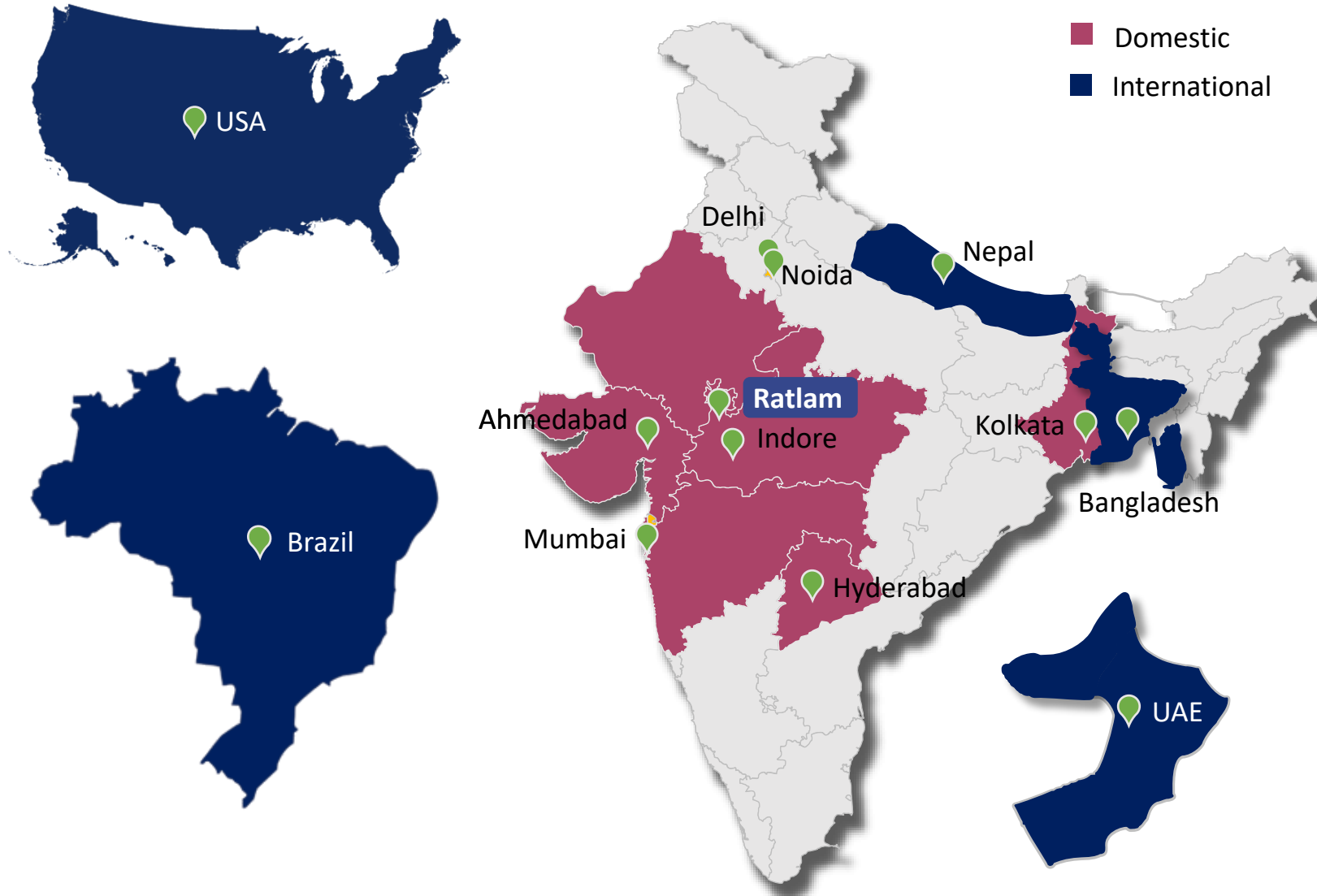


5

Inspection



Strategically Located – Close to all demand centers



Centrally Located Manufacturing Plant that can cater to Northern and Southern Markets



In between India's major metro cities i.e., Mumbai & Delhi



Widespread distribution network in all the key markets in India



Exporting to foreign countries

Steel Products - Wide Product Portfolio



LRPC Strands

Features

- Low Relaxation Pre-Stressed Concrete Steel Strands which are used in pre-stressing of concrete for different kind of construction works.
- Better build which in turn assures the safety and longevity.

Uses

- To prestress the concrete in different types of construction works
- Use in High Rise Commercial & Residential Complexes
- Used in all the Government Infra projects (Offices, Metros, Bullet Train etc)

Steel Wire

Features

- Heat Resistant + Smooth Surface

Uses

- To make railway sleepers
- To make PCC Poles

Induction Tempered Wire

Features

- Spring wire is a type of wire which is known for its property of offering high wear resistance.

Uses

- Suspension springs for metro trains, shock absorbers of vehicles and even in the emergency brakes of large vehicle



Quality & Reliability



ISI-Certified Products



Pan-India Delivery



Easy Logistics



Better Pricing



Long Standing Relationships with Marquee Clients



**Approved Supplier in
Bullet Train Project**

**Approved Supplier in Metro
Projects of India**

**Supplier of most of the mall
constructions in Mumbai, Delhi**

<p>National Highways Authority of India</p> 	<p>Nuclear Power Corporation of India</p> 	<p>Kolkata Metro Railways</p> 	<p>Gujarat Metro Rail Corporation</p> 	<p>Madhya Pradesh Metro Rail Corporation</p> 	<p>J Kumar Infra</p> 
 <p>Delhi Metro Rail Corporation</p>	 <p>Maharashtra Metro Rail Corporation</p>	 <p>National Thermal Power Corporation</p>	 <p>Simplex Infrastructure</p>	 <p>Larsen & Toubro</p>	 <p>Dilip Buildcon Ltd</p>

Business Strength



Well Placed to Continue the Growth Trajectory



Capacity Expansion

Expanded capacity by ~16,000 MT to ~**100,000 MT**
in H1FY24

Developing new product vertical like **Steel Spring Wires & Induction Tempered Wires**

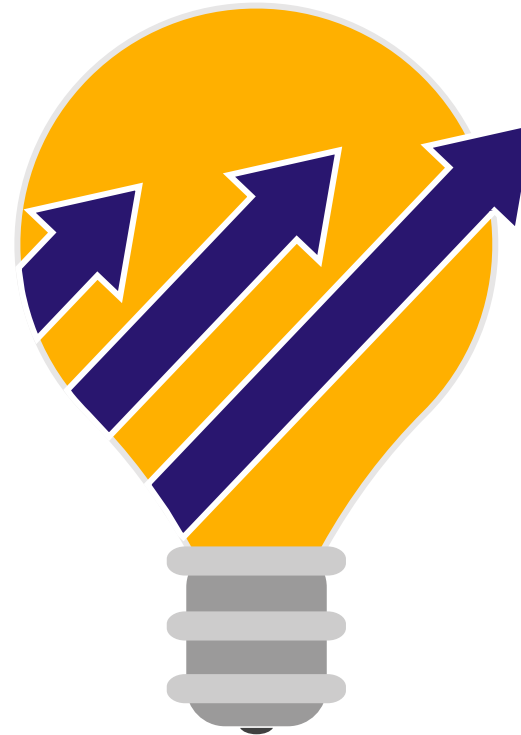
Product Expansion

Market Expansion

Domestic Market – Deepening relations with Existing clients
Export Market - Foraying into Newer Geographies

Product (LRPC) usage increasing in construction. Niche product with few players in the industry acts as an entry barrier

Sector Opportunity





- The government's capital drive contributed in maintaining the capacity utilization rate for the steel sector at a forecast of 80% in FY2024, regardless of assigning of some new expansion projects
- Considering that the Central Government's capital expenses (capex) are anticipated to rise by 37% YoY in FY2024
- Rating Agencies has revamped upwards its steel consumption growth estimate for FY2024 to 8-10%
- The withdrawal of export duties, monthly finished steel exports have doubled to around 0.6 MT in Q4 FY23 from the November 2022 lows of 0.3 MT. While this pick-up is encouraging to see, the near-term growth opportunities in the overseas markets which looks more challenging
- As trade flows are shifted to fast-growing nations, imports of steel have increased during FY2023, that resulted in India becoming a net importer of finished steel for five months in a row between October 2022 and February 2023.
- Because of the local demand's sustained strength and the rising cost of inputs, domestic steel prices are anticipated to follow the global prices in direction and rise.

~10%

India's steel demand growth in FY23

125* MT# (↑ by 4%)

Crude Steel Production in India in FY23*

121* MT# (↑ by 7%)

Finished Steel Production in India in FY23*

6.0 MT# (↑ by 27%)

Imports of Finished Steel from India in FY23

6%

India's Steel Sector CAGR for past 5 years*

120MT# (↑ by 13%)

Consumption of Finished Steel in FY23*

300 MT#

Production capacity of Steel by 2030-31 as per the National Steel Policy 2017*

US\$ 100 Bn

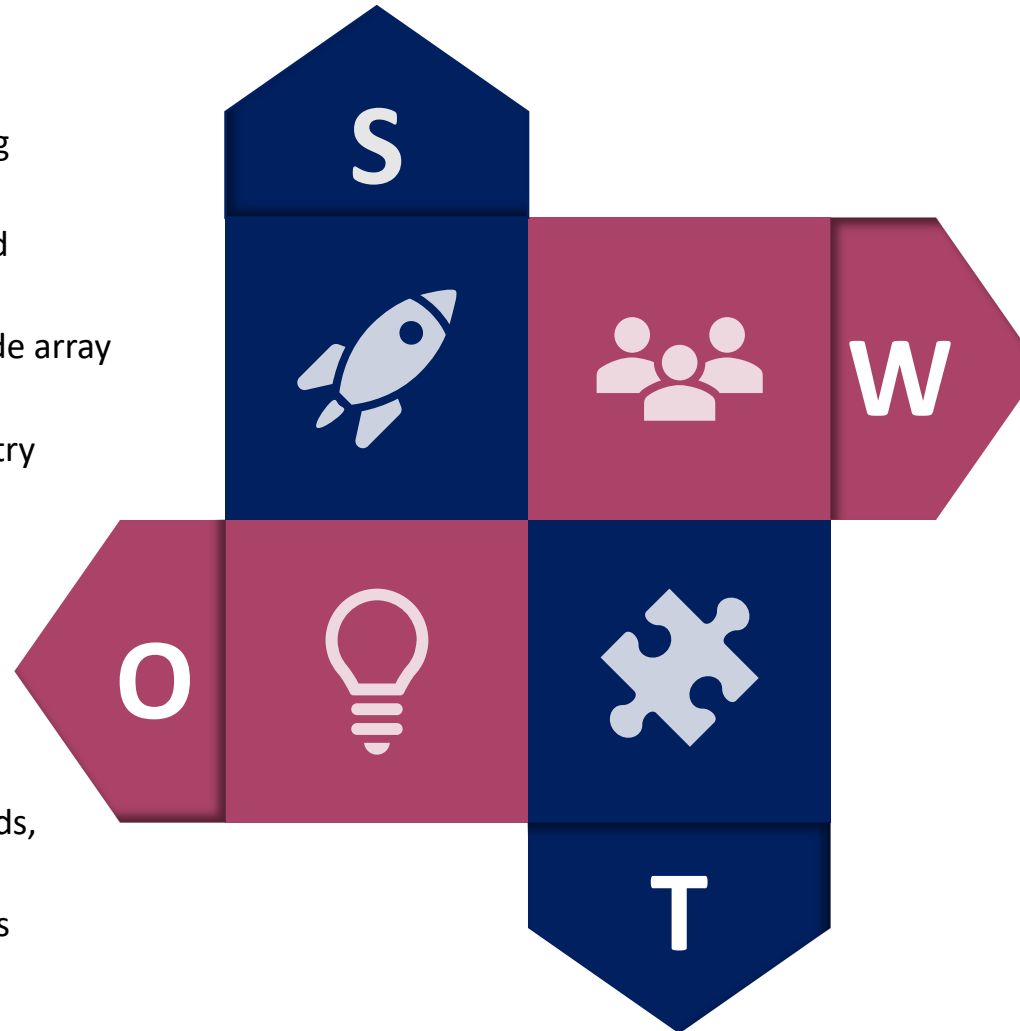
Proposed capital spending will grow by 35.4% year on year

STRENGTH

- Strong and proven track record of delivering growth through innovation
- Resilient business model that has withstood multiple business cycles
- Diversified product portfolio catering to wide array of customers
- Niche product in the Industry, with High Entry Barriers
- Long standing relationship with marquee customers

OPPORTUNITIES

- India's burgeoning economy – growth for auto, real estate, Infrastructure, white goods, transportation
- Increase in Demand for LRPC strands across the Globe
- Thrust on Infrastructure – GOI spending increasing YoY to bolster country's infrastructure



WEAKNESS

- Competition from larger established peers
- Players from unorganised sector pose price challenges in the medium term
- Requirement of latest technologies

THREATS

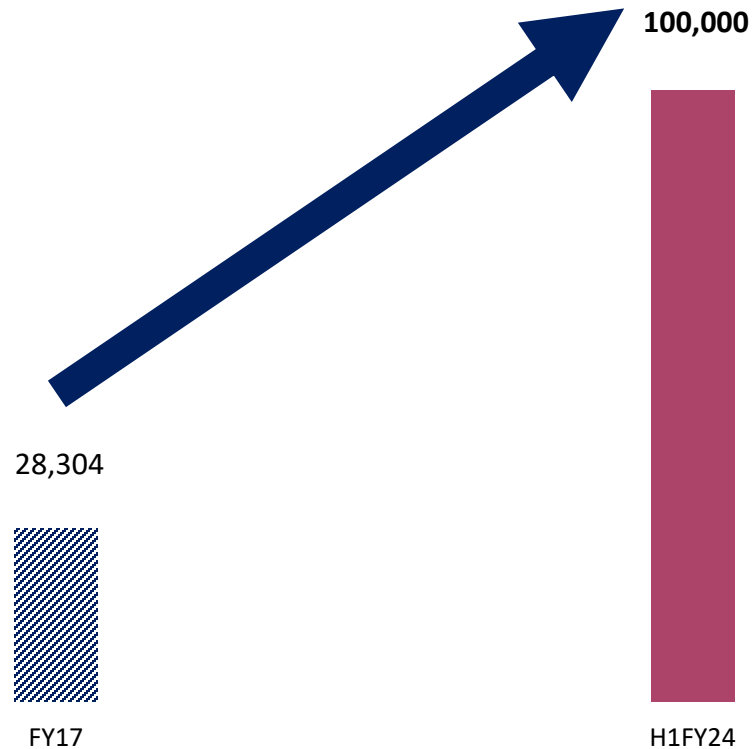
- Evolving regulations in the Industry – especially to combat pollution
- New age materials that could require extensive capital investment

Financial Highlights

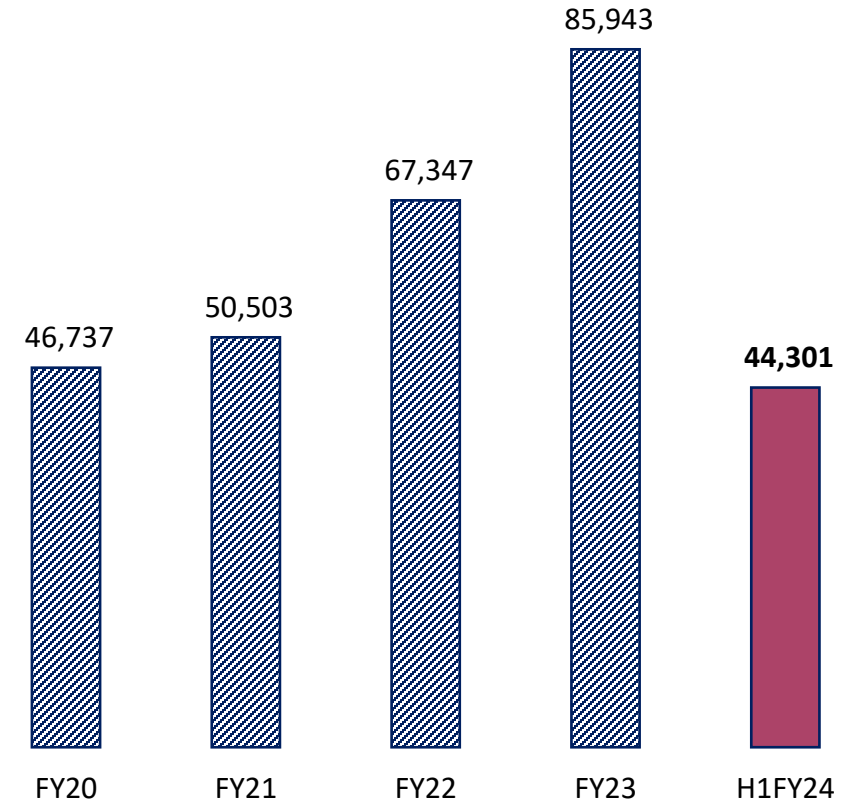




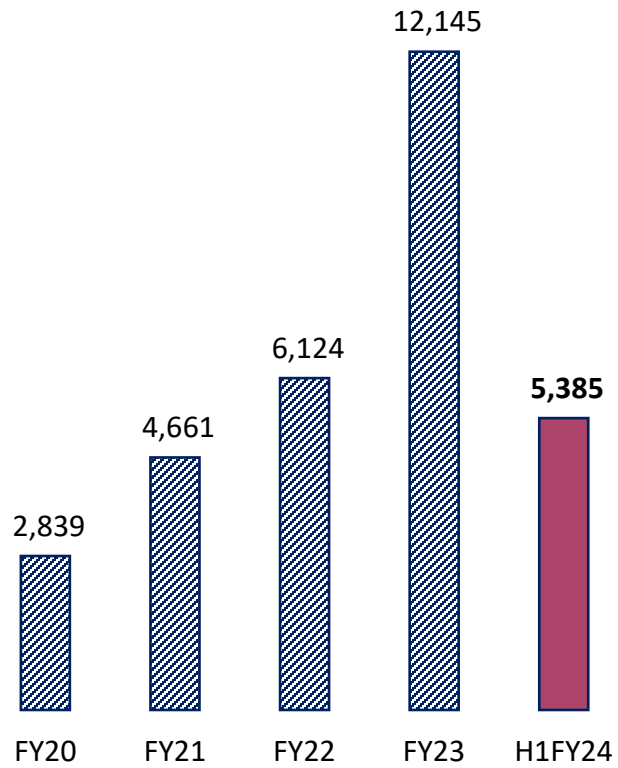
Capacity (MT) - 3x in 5 Years



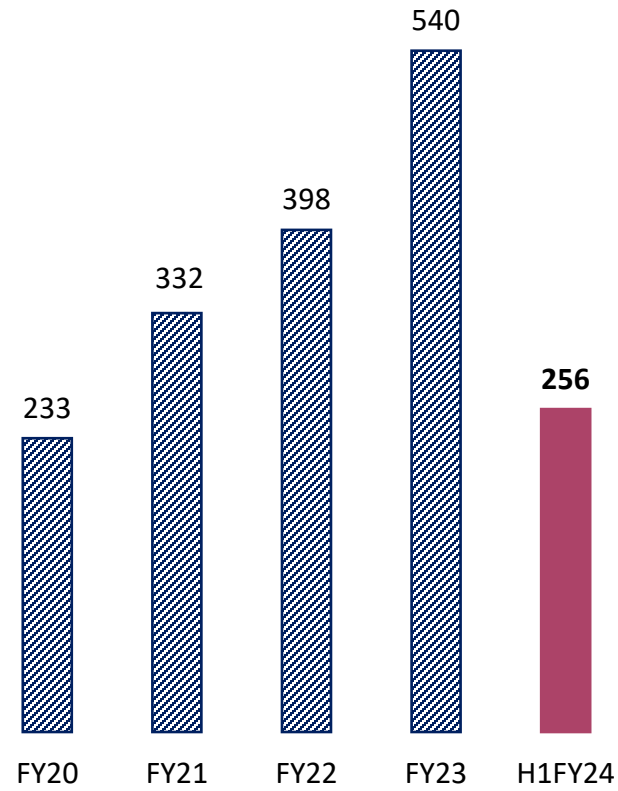
Consistently Growing Sales Volume



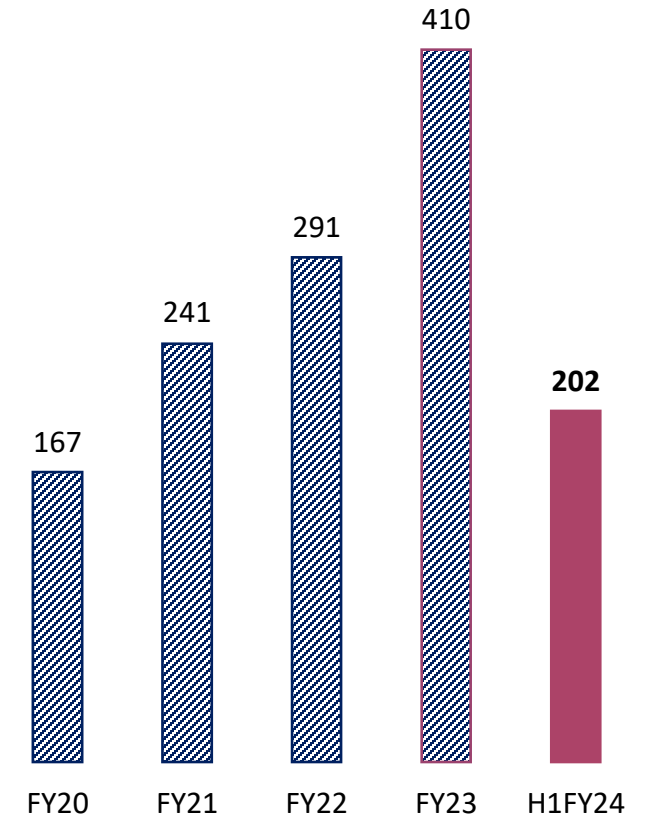
NET REVENUE (Rs Mn)



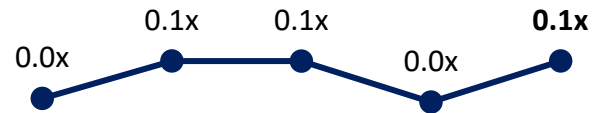
EBITDA (Rs Mn)



PAT (Rs Mn)

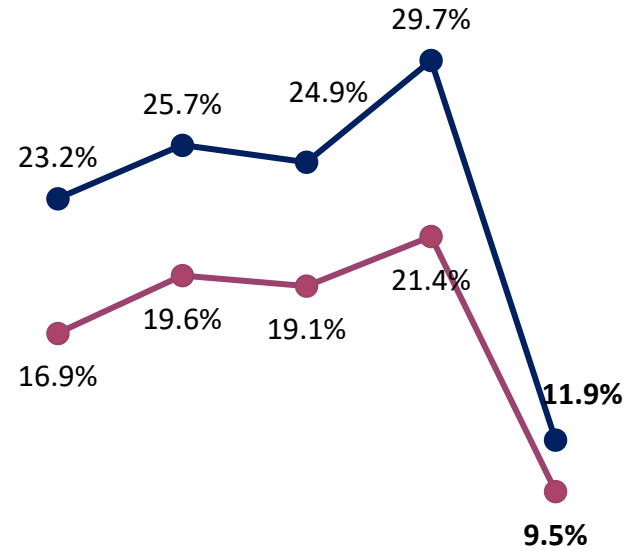


DEBT/EQUITY (X)



Mar-20 Mar-21 Mar-22 Mar-23 Sep-23

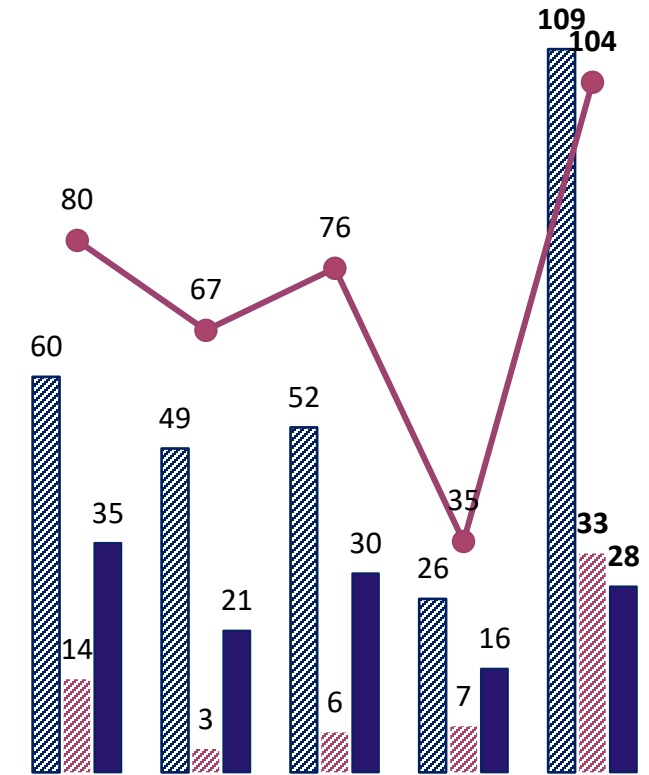
ROE (%) & ROCE (%)



Mar-20 Mar-21 Mar-22 Mar-23 Sep-23

● ROE ● ROCE

WORKING CAPITAL (DAYS)



Mar-20 Mar-21 Mar-22 Mar-23 Sep-23

▨ Debtors Days ▨ Creditors Days
 ■ Inventory Days ● Cash Conversion Cycle

Profit & Loss Highlights



Particulars (Rs in Mn)	FY20	FY21	FY22	FY23	H1FY24
Net Revenue	2,839	4,667	6,124	12,145	5,385
Total Expenses	2,606	4,335	5,726	11,605	5,129
EBITDA	233	332	398	540	256
<i>EBITDA Margin</i>	8.2%	7.1%	6.5%	4.4%	4.8%
Depreciation	20	22	25	35	20
Interest Cost	13	11	21	20	20
Other Income	23	31	36	68	54
PBT	223	324	388	553	270
Tax expense	56	83	98	143	68
PAT	167	241	291	410	202
<i>PAT Margin</i>	5.9%	5.2%	4.7%	3.4%	3.7%
EPS	12.3	17.8	21.4	30.2	14.9

Balance Sheet Trend

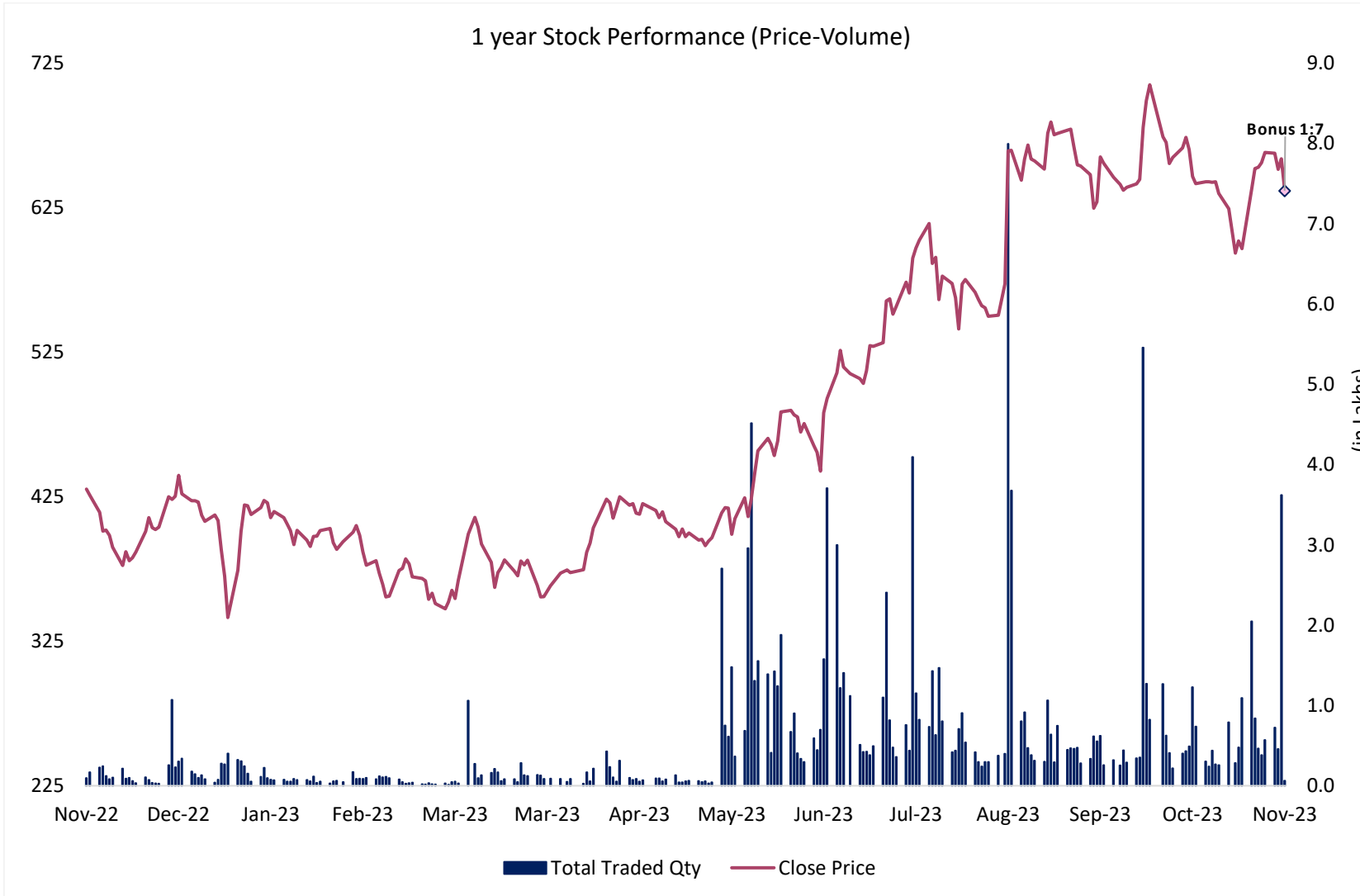


Liabilities (Rs Mn)	Mar - 22	Mar - 23	Sep-23
Total Equity	1,518	1,915	2,116
Share Capital	136	136	136
Other Equity	1,382	1,779	1,981
Non-Current Liabilities	28	11	11
Borrowings	21	7	8
Lease Liabilities	3	3	3
Current Liabilities	415	589	977
Borrowings	108	11	302
Trade Payables	89	221	458
Other Financial Liabilities	-	0	0
Other Current Liabilities	198	314	168
Provisions	19	43	49
Total Liabilities	1,960	2,515	3,104

Assets (Rs Mn)	Mar - 22	Mar - 23	Sep-23
Non-Current Assets	297	341	354
PPE	184	199	209
Other Non-Current Asset	1451	0	145
Current Assets	1,663	2,173	2,750
Inventories	471	496	390
Debtors	878	870	1613
Cash Eq. and Bank	83	333	32
Loans	41	0	138
Current Tax Assets	0	0	0
Other Current Assets	190	474	578
Total Assets	1,960	2,515	3,104

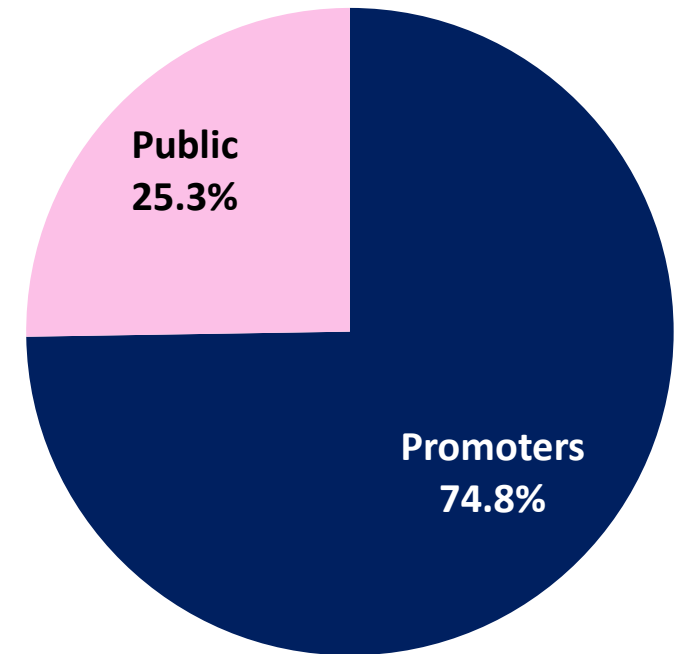


1 year Stock Performance (Price-Volume)



Stock Price Chart as on 09-Nov-2023

Shareholding Pattern (as on Sept '23)





Mr. Praveen Kataria
Managing Director

“Appreciating for the team's dedication and adaptability, which have been instrumental in driving the company's performance during these challenging times. We are delighted with our strong financial performance in the first quarter of FY 2023-24. Our team's efforts and the increased demand in the infrastructure sector have played a significant role in our success. DP Wires specializes in manufacturing specialized Steel Wires, particularly LRPC Strand, which are vital for reinforcing major structures such as dams, flyovers, metros, bullet trains, nuclear power plants, malls, and high-rise buildings. As an essential infrastructure product, the demand for our offerings typically experiences a surge from H2FY24.”

*“The company is proud to announce that this year marks our 25th year of incorporation, and we are thrilled to celebrate our Silver Jubilee with our valued shareholders. As part of the celebrations, we are excited to share that we will be taking another significant step by getting our company listed on the **Bombay Stock Exchange (BSE)**, further strengthening our commitment to transparency and growth. We look forward to continuing our journey of excellence in the infrastructure industry and creating lasting value for all stakeholders.”*



Mr. Arvind Kataria
Whole Time Director

Thank You



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