

# DP WIRES LIMITED

INVESTOR PRESENTATION  
Q4 & FY22 (JUNE 2022)



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# About DP Wires

- 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 over 80,000 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

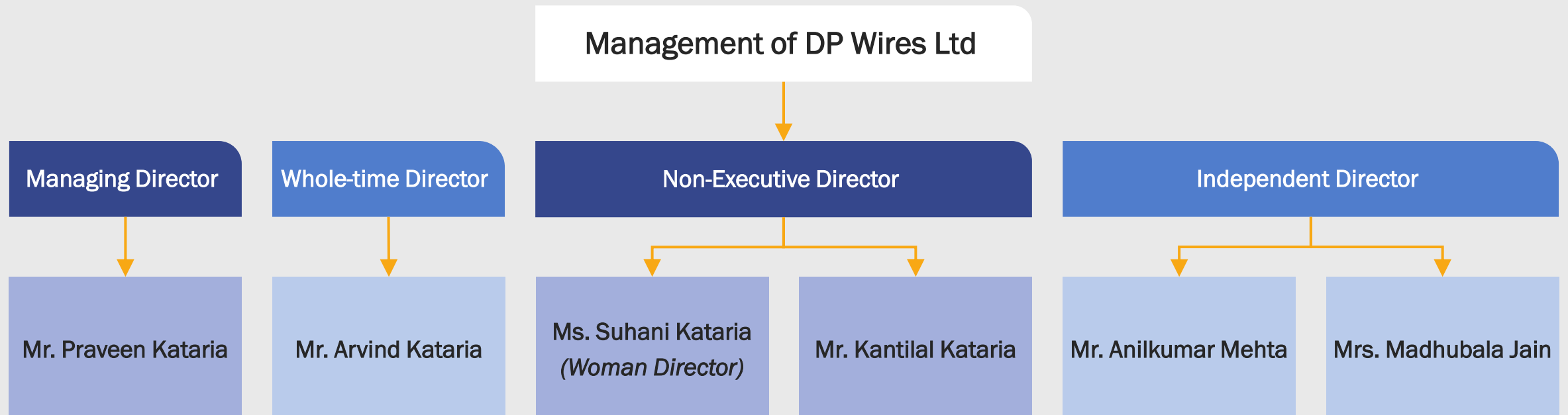
Consistent with the vision and values of the founder Shri Kantilalji Kataria, DP Wires strives to Strengthen India's Infrastructure base by providing the best quality products manufactured using the best of technology, thereby creating a value for all the stakeholders



## Core Values

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

# Organization Structure



# Experienced Management at the Helm

**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.)
- Having experience of 50+ Years in steel wires and plastic products
- Huge credit goes to Mr. Kataria for making the company reach this position.

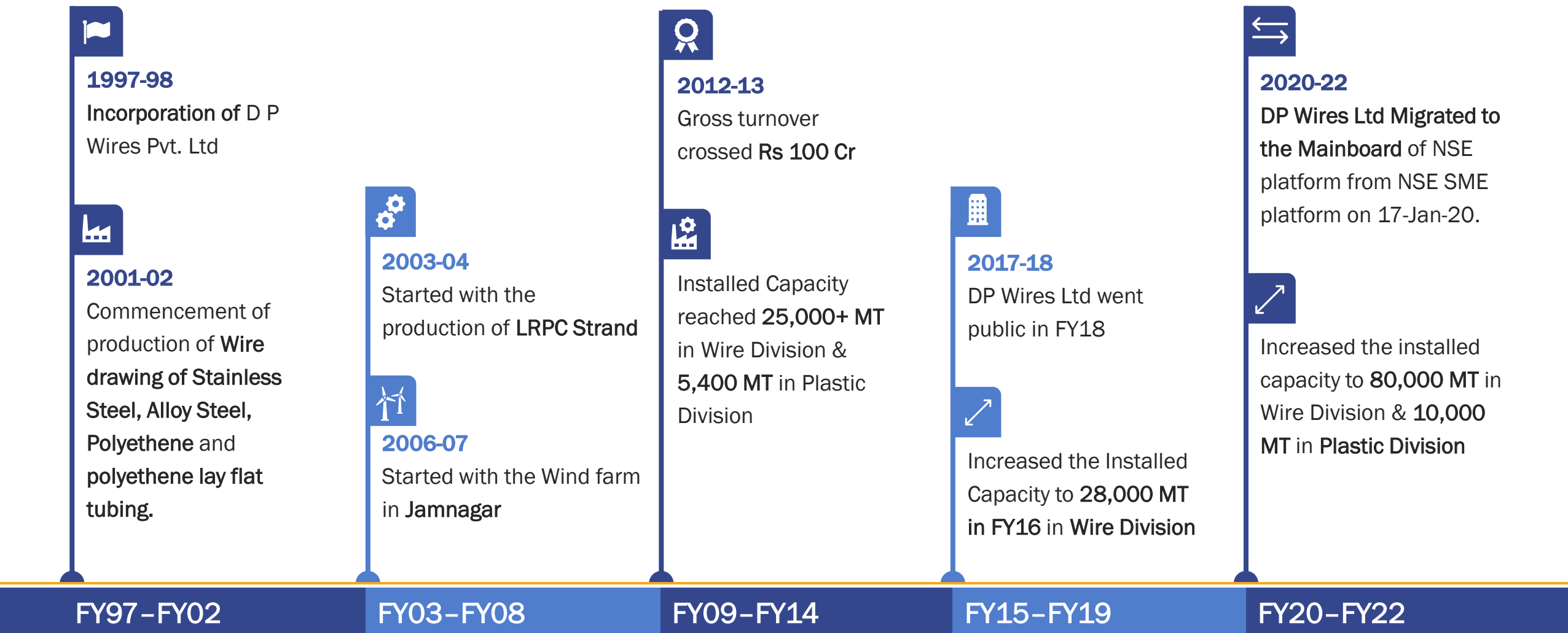
**Mr. Praveen Kataria,**  
*Managing Director*

- 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

# Ongoing Growth Journey



# Showcasing our Capabilities



Installed Capacity  
**>80,000 MT**

Centralized manufacturing  
facility to cater to pan  
India demand

Vast Sectoral Experience  
**30+ years**

Employee Strength  
**200+**

Core Strength



Metro, Bullet Train & NHAI  
projects

**Approved Supplier**

Branch Network  
**8 Cities**

Caters to over  
**100+ Clients**

Wide-spread Distribution Network



Key Segments

**Steel Wires &  
Plastic Films**

Product portfolio

**Wide Range**

Applications

**New Age  
Building Material**

QMS Certification

**ISO 9001-2015**

Innovative Products



Revenue CAGR\*

**30%**

EBITDA CAGR\*

**24%**

PAT CAGR\*

**31%**

Healthy Return Ratios

**19% ROE &  
25% ROCE**

Debt Free

**0.1x**

Resilient Financial

\*FY18-FY22



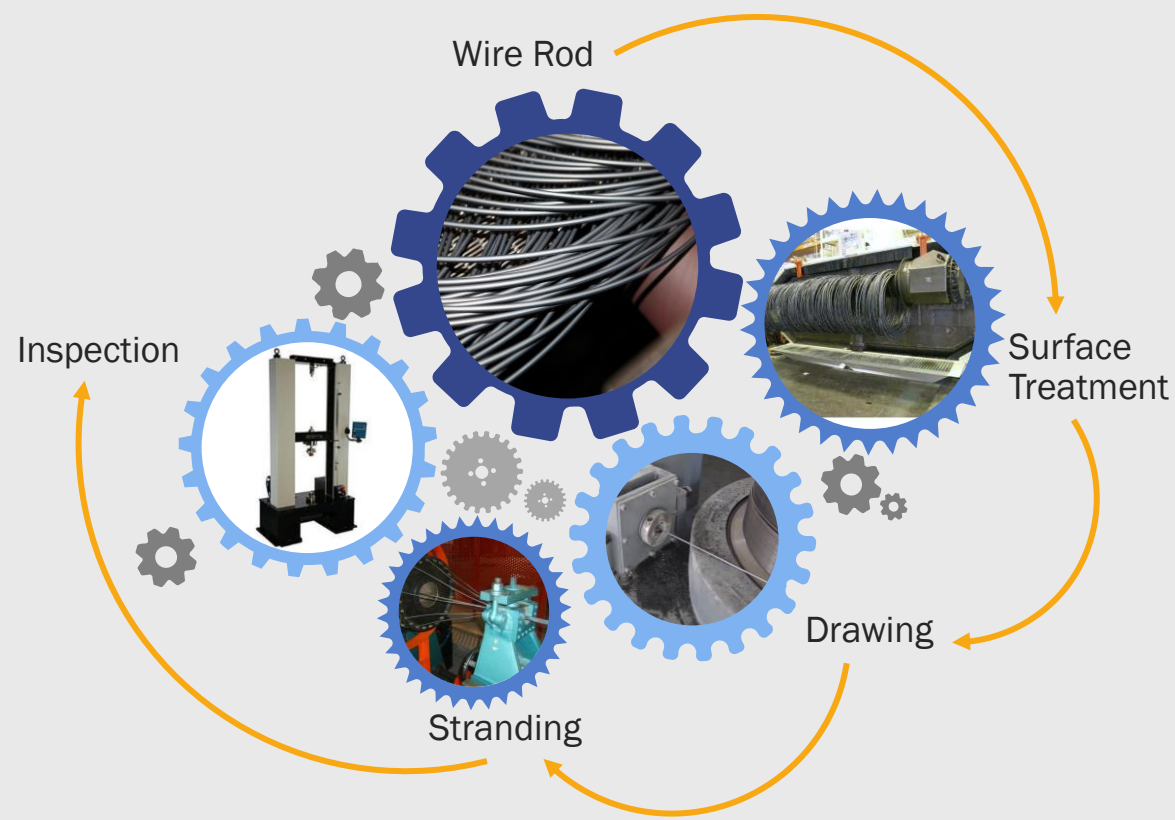
# Company's State-of-the-art Facilities



- **Sourcing** – TATA Steel, JSW, Electro steel
- **80,000 MT** capacity of Wires and Plastic Sheets
- **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



# Continued Focus on Capacity Expansion

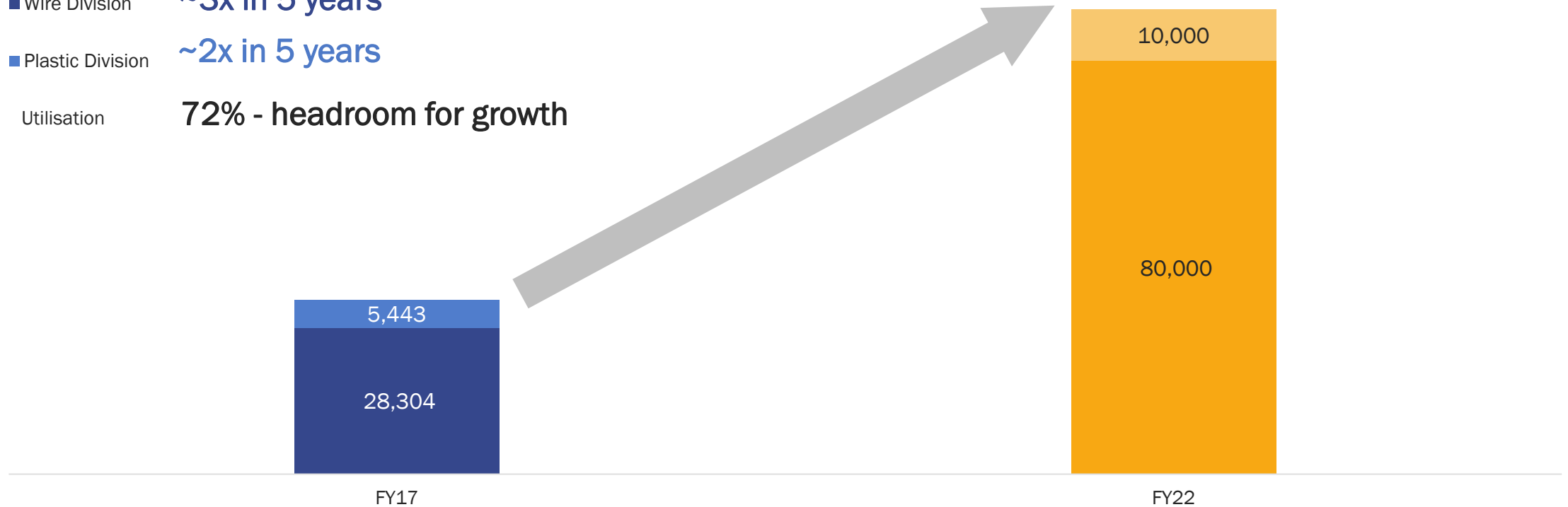
## Strengthening Capacities to enable Growth

Capacity in MT

■ Wire Division ~3x in 5 years

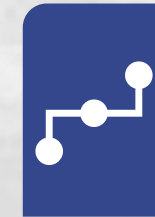
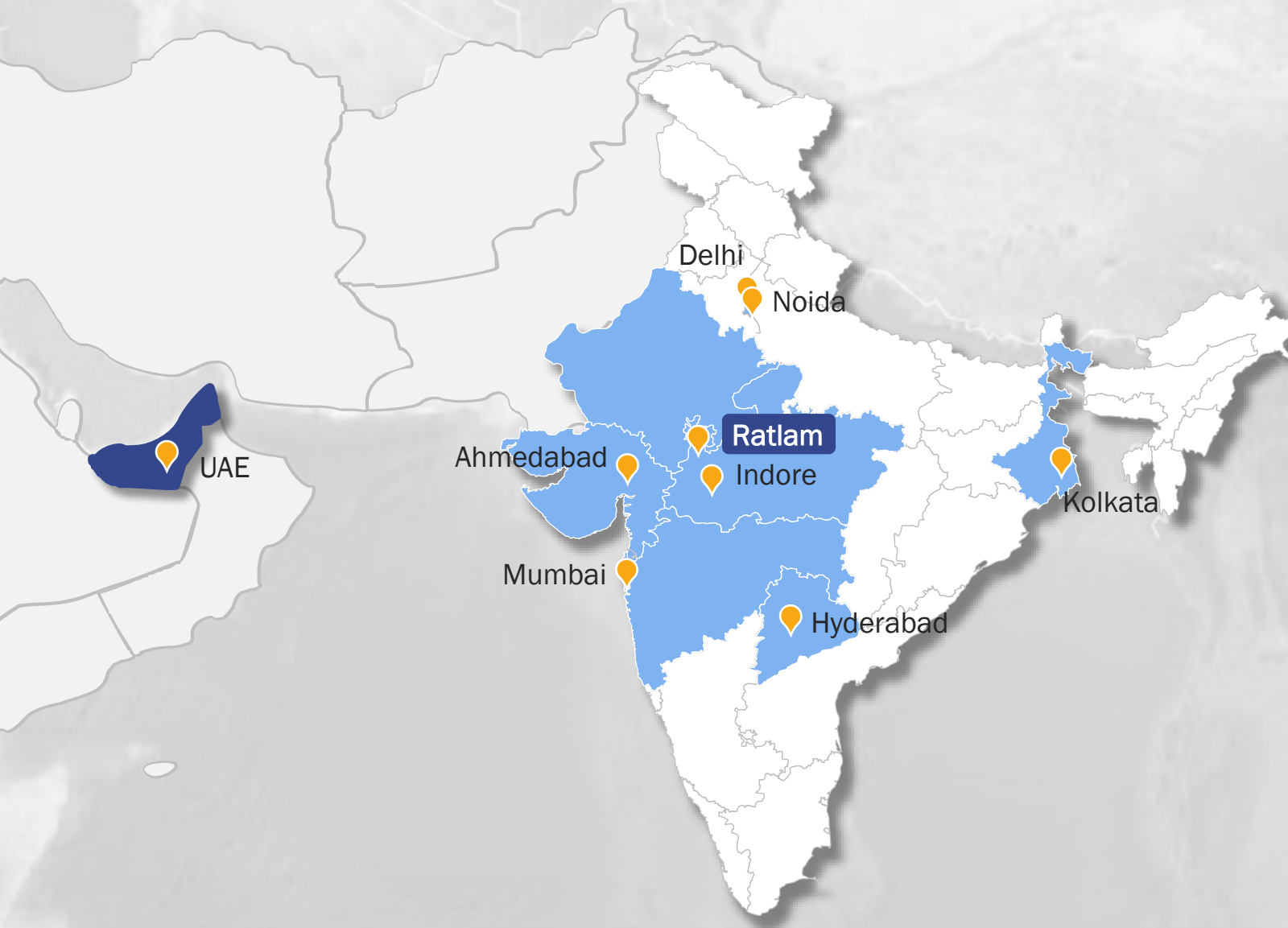
■ Plastic Division ~2x in 5 years

Utilisation 72% - headroom for growth



Capacity utilization stands below the optimum level of over 90%, thereby providing headroom for growth in the near term

# ➤ 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 UAE market**



# Steel Products - Wide Product Portfolio



Quality & Reliability



ISI-Certified Products



Pan-India Delivery



Easy Logistics



Better Pricing

## 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



## 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

### Features

- Heat Resistant + Smooth Surface

### Uses

- To make railway sleepers
- To make PCC Poles

## Steel Wire





# Plastic Films - Wide Product Portfolio

## Geomembrane Sheet

### Features

- Stellar surface finish
- Available in single textured surface
- Supreme shear strength
- Strong hold from tear or abrasion



### Features

- Has high demand in Agri sector, also provides superior germination and faster plant growth
- Excellent durability
- High resilience
- Maintains soil moisture

## Agro HDPE Films

## Pond Lining Films

### Features

- Highly flexible in nature, being used as a shield from contamination of impurities.
- Available in different length and thickness.
- Weather resistance
- Resistant to puncture
- Enhanced durability



### Features

- This film prevents from contamination of impurities, improves water availability over longer period
- Perfect finish
- Easy to tear by means of cutting tools
- Optimum flexibility

## LDPE Canal Lining Films

## Greenhouse Films

### Features

- Manufacturing of this sheet keeping in mind industry marked standard. Highly resistant to UV and water
- Available in various lengths and thickness.
- Withstands diverse weather conditions
- Highly stretchable





# 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

National Highways  
Authority of India



Nuclear Power  
Corporation of India



Kolkata Metro  
Railways



Gujarat Metro Rail  
Corporation



Madhya Pradesh  
Metro Rail Corporation



Delhi Metro  
Rail Corporation



Maharashtra Metro  
Rail Corporation



National Thermal  
Power Corporation



Simplex  
Infrastructure



Larsen & Toubro

# Growth Strategies

Maximum Utilization of Current capacity to help with the growth in the Medium Term



Inorganic Growth Strategy to be pursued for Medium to Long Term Growth



Expanding Market – Deepening Existing Relationships + Newer Geographies



Product/Capacity Expansion – Possible Expansion on Owned Land



# Steel Sector Opportunities

**7.5%**

India's steel demand growth in 2022\*

**120 MT#**

Crude Steel Production in India in FY2022\*

**13.5 MT#**

Export of Finished Steel from India in FY2022\*

**6%**

India's Steel Sector CAGR for past 5 years\*

**10%**

Expected Growth Rate for Steel Sector\*

**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

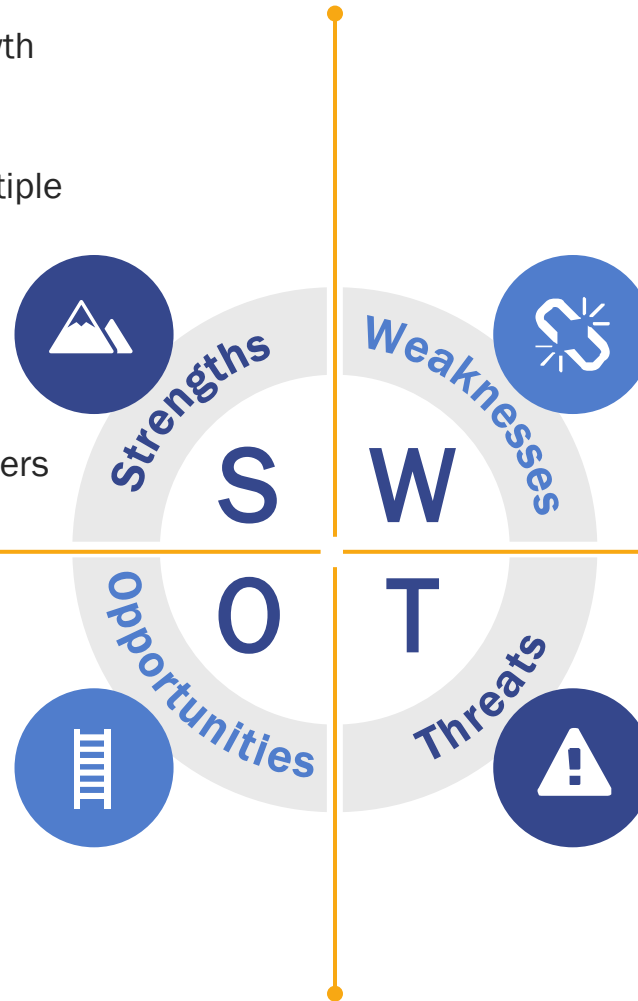


- In the coming years, Infrastructure spending and a modest recovery in automobile production would likely assist India's building and manufacturing, with a predicted improvement in semiconductor supply.
- With the government's plan to transition to a carbon-neutral economy by announcing projects for coal gasification and conversion of coal into chemicals, push on infrastructure through the PM Gati Shakti scheme and a significant increase on capital spend budget
- Indian steel prices to remain resilient, supported by strong international prices and input costs which remain elevated
- With the geopolitical situation in Europe causing supply issues, pricing is expected to remain firm, continuing the trend witnessed in Q4FY22

# Strength, Weakness, Opportunities and Threat Analysis

- 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
- Long standing relationship with marquee customers

- India's burgeoning economy – growth for auto, real estate, white goods, transportation
- Thrust on Infrastructure – GOI spending increasing YoY to bolster country's infrastructure



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

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



# Financial Highlights



# Key highlights - FY22

## Revenue

▲ **Rs. 6,124 Mn** up by **31.2%** YoY

## Maiden Dividend

**Rs. 1 per share** (10% of Face Value)

## EBITDA

▲ **Rs. 398 Mn** with **6.5%** of EBITDA Margin

## Healthy Return Ratios

ROCE **25%** and ROE **19%**

## Net Profit

▲ **Rs. 70 Mn** with Margin of **4.7%** YoY

## Net Debt to Equity

**Stable at 0.1x**

# Financial Highlights - Q4 & FY22

Particulars (Rs in Mn)	Q4FY22	Q4FY21	YoY(%)	Q3FY22	QoQ(%)	FY22	FY21	YoY(%)
Net Revenue	1,782	1,839	-3.1%	1,602	11.2%	6,124	4,667	31.4%
Total Expenses	1,690	1,720	-1.8%	1,484	13.9%	5,726	4,335	32.1%
EBITDA	92	119	-22.9%	117	-21.8%	398	332	22.2%
EBITDA Margin	5.2%	6.5%		7%		6.5%	7.1%	
Depreciation	7	8		6		25	22	
Interest Cost	4	2		7		21	11	
Other Income	14	2		8		36	31	
PBT	94	112	-15.5%	112	-15.5%	388	324	19.7%
Tax expense	24	29		27		98	83	
PAT	70	83	-15.8%	84	-17.1%	291	241	20.7%
PAT Margin	3.9%	4.5%		5.3%		4.7%	5.2%	
EPS	5.2	6.1		6.2		21.4	17.8	

# Annual Profit & Loss Highlights

Particulars (Rs in Mn)	FY18	FY19	FY20	FY21	FY22
Net Revenue	2,124	3,316	2,839	4,667	6,124
Total Expenses	1,958	3,059	2,606	4,335	5,726
EBITDA	166	257	233	332	398
<i>EBITDA Margin</i>	7.8%	7.7%	8.2%	7.1%	6.5%
Depreciation	12	16	20	22	25
Interest Cost	13	23	13	11	21
Other Income	8	25	23	31	36
PBT	149	243	223	324	388
Tax expense	51	69	56	83	98
PAT	98	174	167	241	291
<i>PAT Margin</i>	4.6%	5.3%	5.9%	5.2%	4.7%
EPS	8.3	12.8	12.3	17.8	21.4

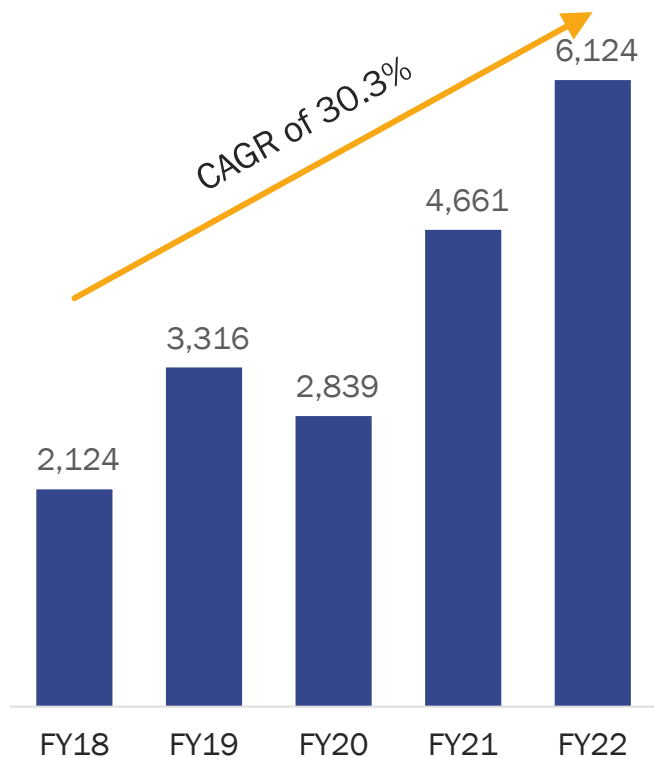
# Annual Balance Sheet Trend

Liabilities (Rs Mn)	FY20	FY21	FY22
<b>Total Equity</b>	<b>986</b>	<b>1,227</b>	<b>1,518</b>
Share Capital	136	136	136
Other Equity	850	1,091	1,382
<b>Non-Current Liabilities</b>	<b>32</b>	<b>36</b>	<b>28</b>
Borrowings	24	28	21
Lease Liabilities	3	3	3
<b>Current Liabilities</b>	<b>234</b>	<b>274</b>	<b>415</b>
Borrowings	6	48	108
Trade Payables	100	42	89
Other Financial Liabilities	1	1	-
Other Current Liabilities	111	161	198
Provisions	16	22	19
<b>Total Liabilities</b>	<b>1,252</b>	<b>1,537</b>	<b>1,960</b>

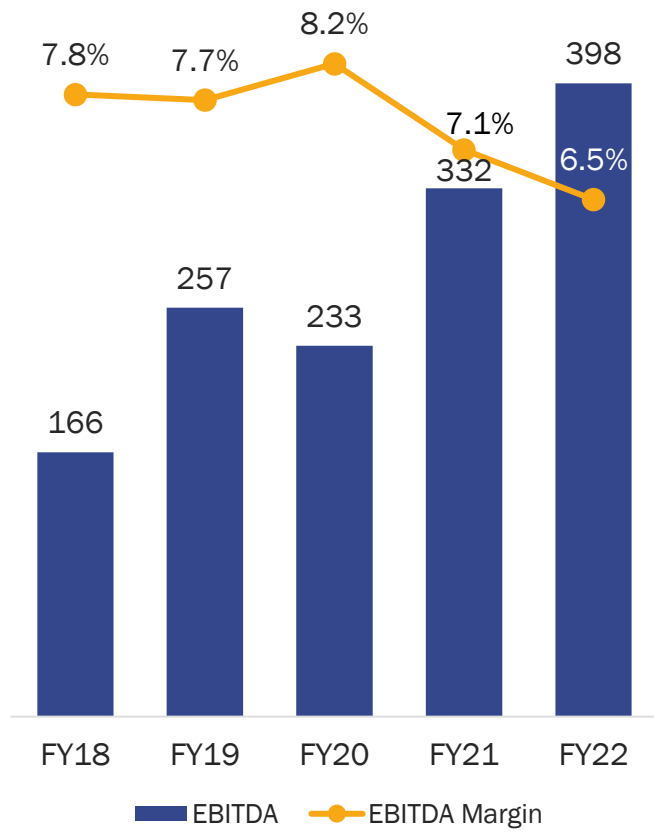
Assets (Rs Mn)	FY20	FY21	FY22
<b>Non-Current Assets</b>	<b>266</b>	<b>260</b>	<b>297</b>
PPE	152	169	184
Capital WIP	-	-	-
<b>Current Assets</b>	<b>985</b>	<b>1,277</b>	<b>1,663</b>
Inventories	247	254	471
Debtors	464	624	878
Cash Eq. and Bank	129	53	83
Loans	40	67	41
Current Tax Assets	2	6	0
Other Current Assets	104	274	190
<b>Total Assets</b>	<b>1,252</b>	<b>1,537</b>	<b>1,960</b>

# Key Ratios

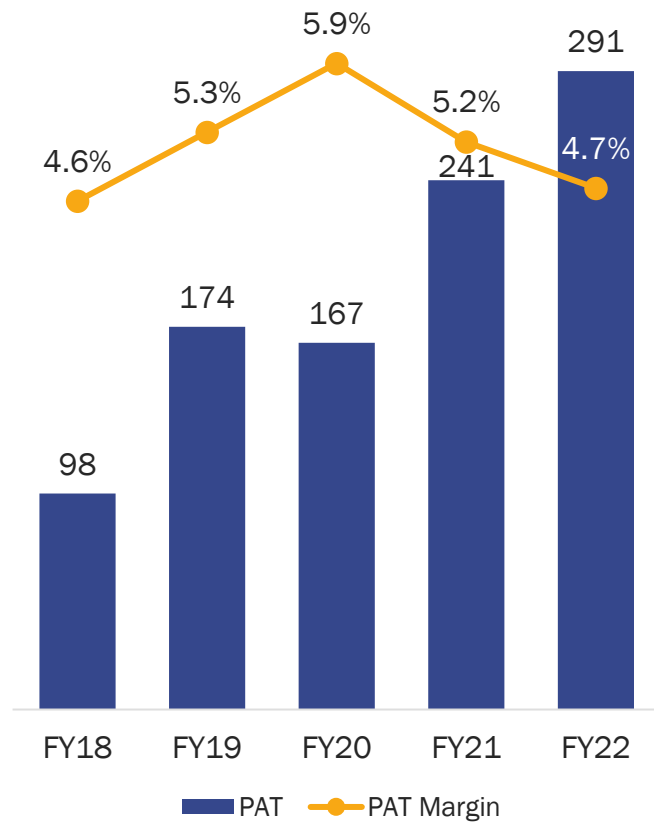
Revenue from Operations  
(Rs Mn)



EBITDA (Rs Mn) & Margin (%)



PAT (Rs Mn) & Margin (%)

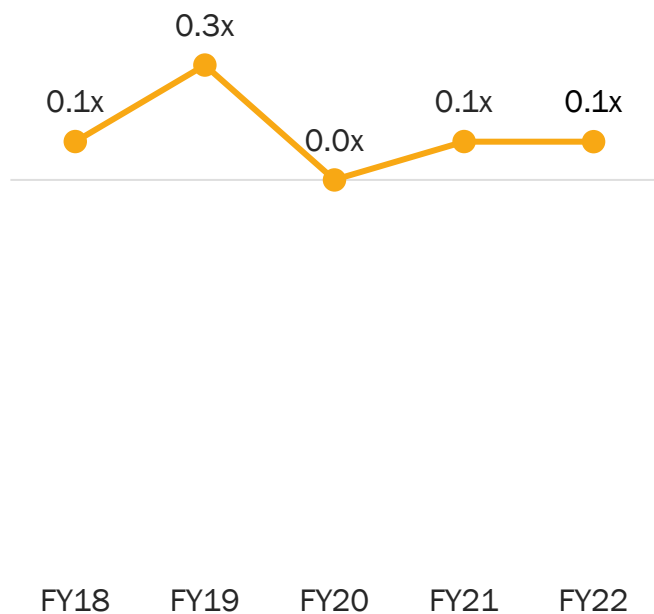




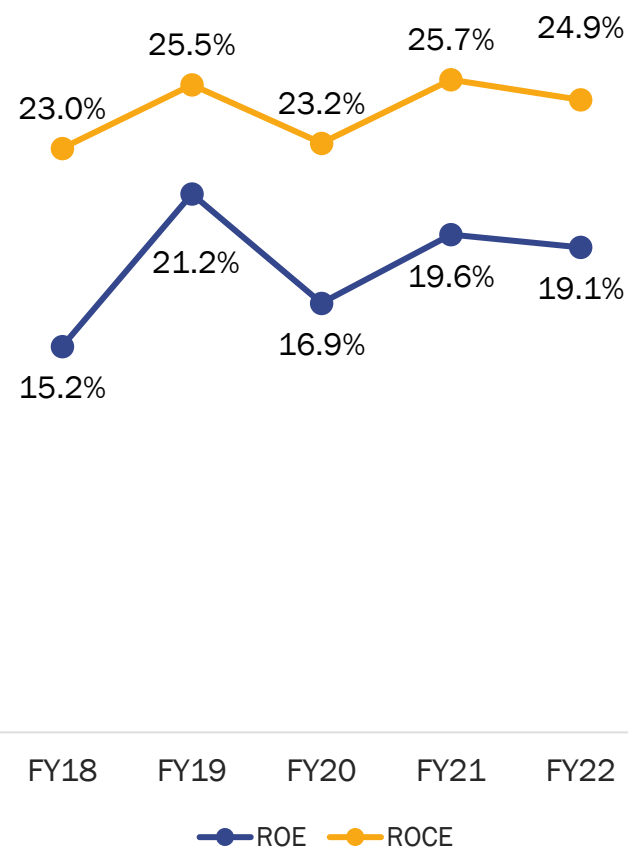


# Key Ratios

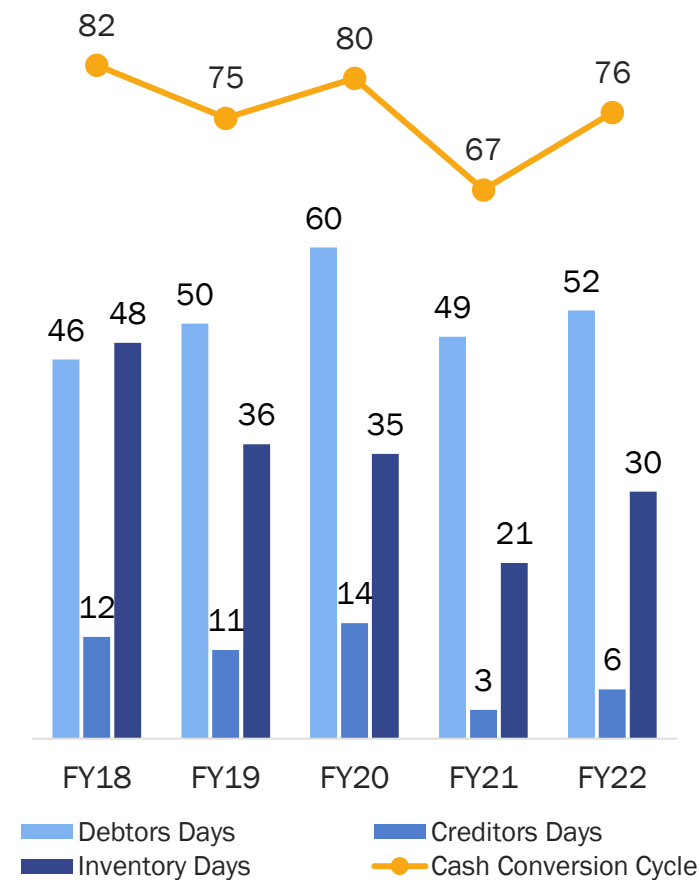
### Debt/Equity (X)



### ROE (%) & ROCE (%)



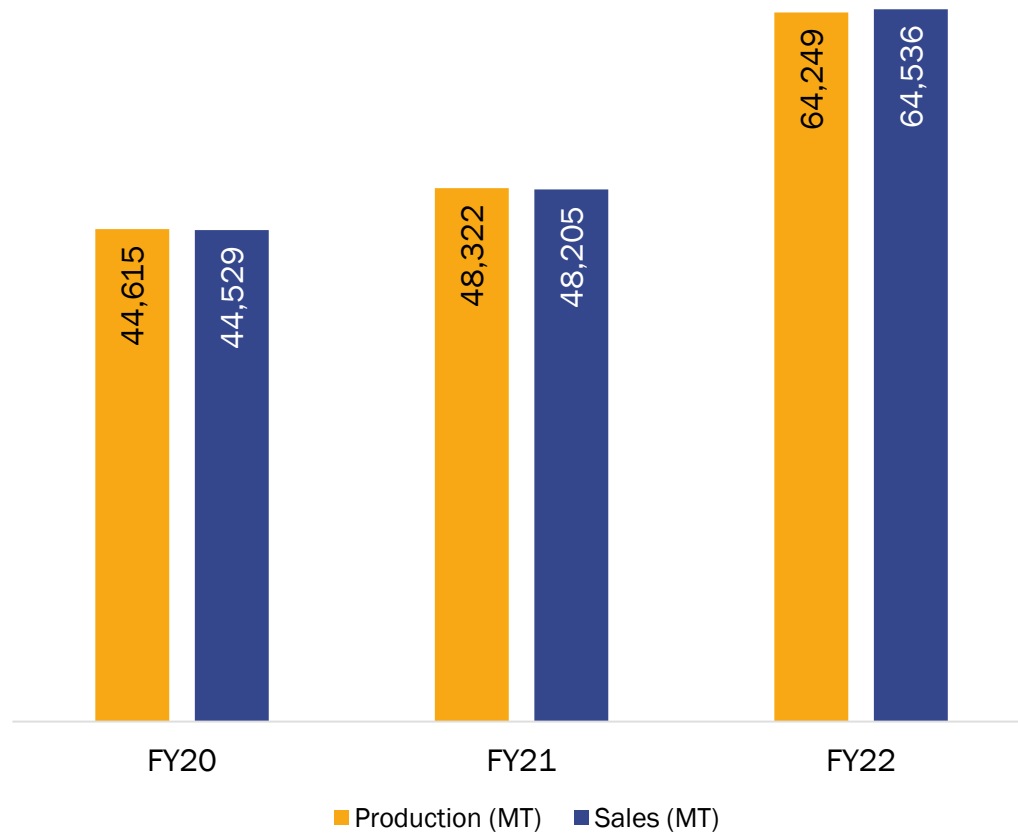
### Working Capital (days)



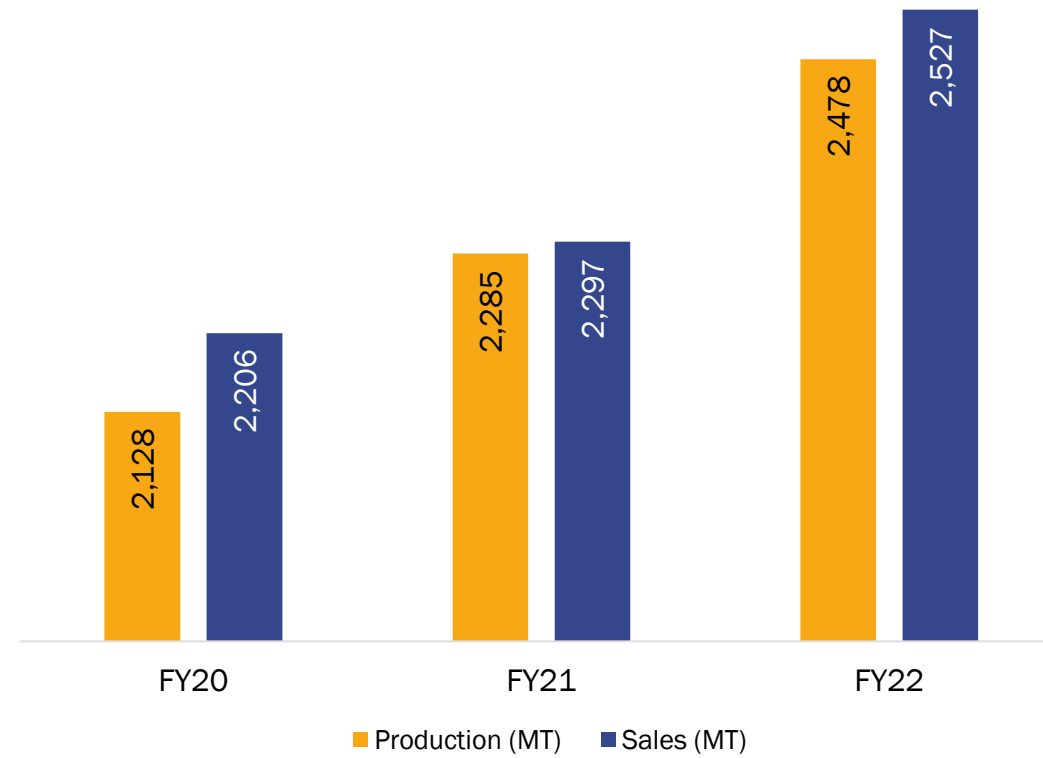


# Production & Sales Trend

## Wire Division



## Plastic Division



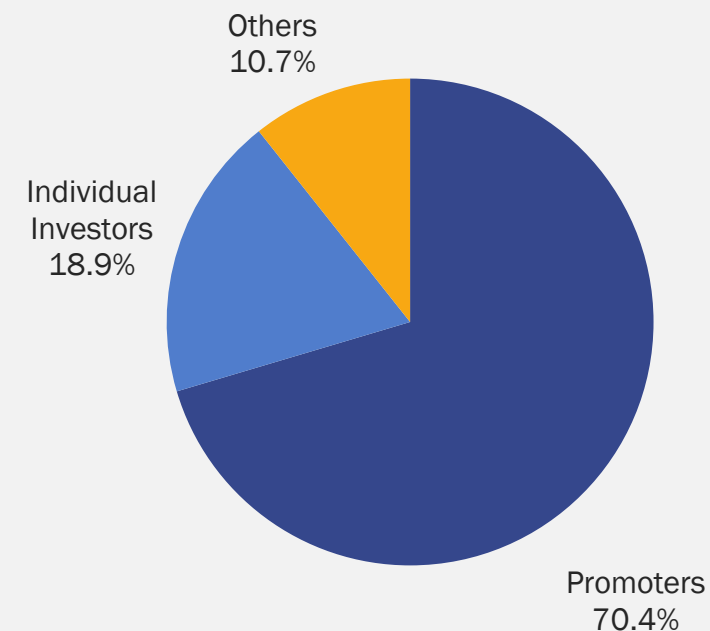


# Stock Information | Declared Maiden Dividend in FY22

1 year Stock Performance (Price-Volume)



Share Holding Pattern  
(as on Mar '22)



# THANK YOU



16-18A, Industrial Estate, Ratlam – 457001

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