

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

11.02.2023

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 and nine months ended 31.12.2022.

The same will be uploaded on our website [www.modison.com](http://www.modison.com).

We request you to kindly take the above information on record.

Thanking You,

For **Modison Limited**  
(Formerly Known as Modison Metals Ltd)

MANIKA  
ARORA

Digitally signed by  
MANIKA ARORA  
Date: 2023.02.11  
14:29:10 +05'30'

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



"Our performance in Q3FY23 remained robust on the back of orders, volume growth and all operational parameters including operational profit. Exceptional loss towards hedging and forward booking had major impact on overall profitability. Modison is on path of continuous expansion to grow both in domestic as well as international markets. In line with the same, our Board also approved setting up a new manufacturing unit to enter in the field of manufacturing Nickel and its Alloy products through formation of a subsidiary of the Company. Our excellence in manufacturing capabilities will enable us to scale our business to greater heights in the long term."

**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



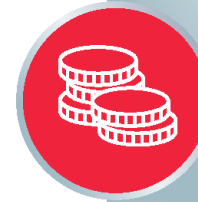
## ONLY PLAYER WITH CAPABILITY

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

Founded as a trading unit for engineering exports

1965

Started manufacturing electrical contacts and contact materials at Vapi

1978

Collaboration with Doduco for AgW and CuW contact tips for ACBs and MCCBs

1986-87

All HV contacts type tested and approved

Acquired 100% market share of HV contacts in India

1991-95

Major capex for HV capacity increase

GOI approved R&D Dept

2002-03

Installed automatic contact welding and forming line

2009-10

Established silver refining facility in Mumbai

1975

Technical collaboration with Doduco for AgCdo (ZH) contacts

1983-85

Technology transfer for complete HV contacts from Doduco

1989-91

License agreement with Doduco ended

1997-99

Shifted HV plant to a new building

2007-08

Developed high performance current carrying contacts

2011 - Today

Supplied ZH contacts to L&T

Sole Indian co. to mfg. LV, MV, HV

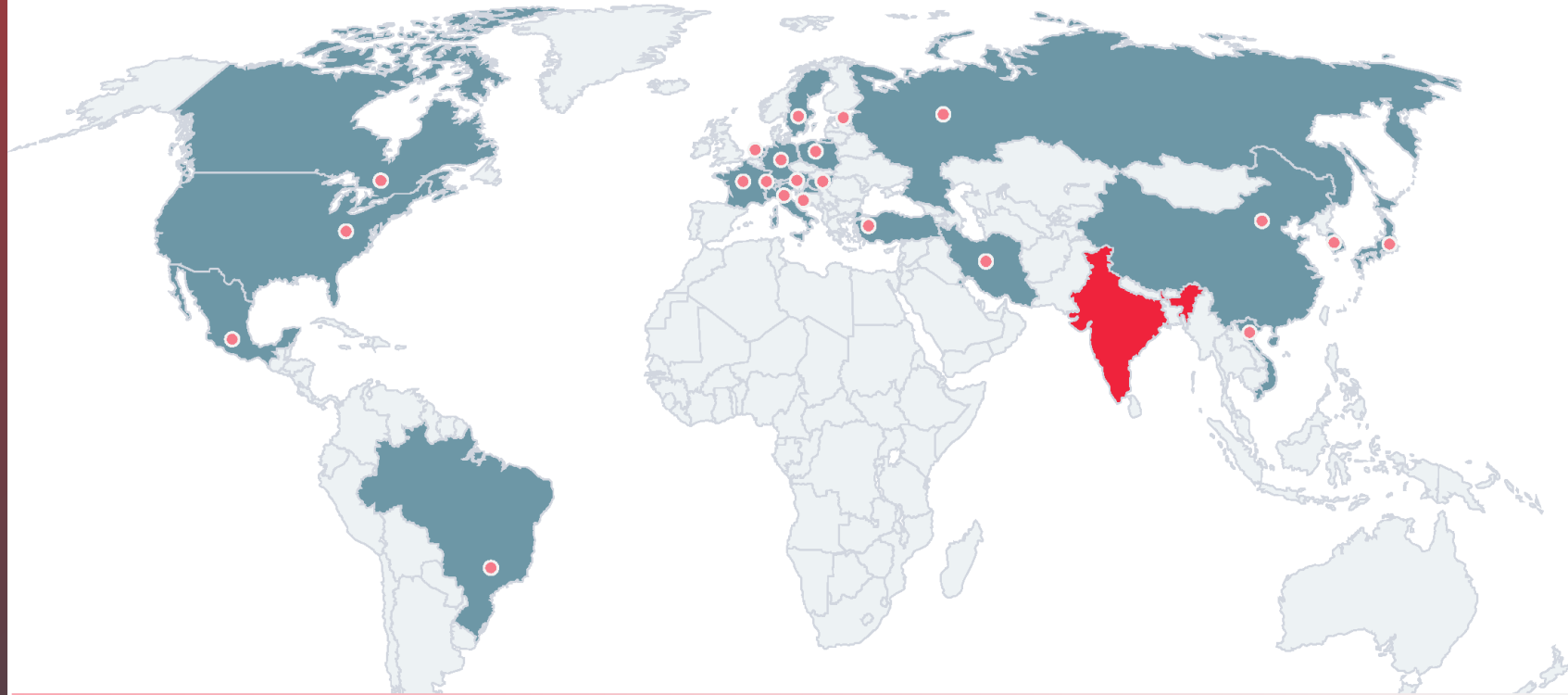
Developed own copper chrome alloy for HV contacts

Commenced exports of HV contacts to Europe and Japan

Started steel backed button contacts; imported plant from Italy

Developed silver compound business  
Amongst Top 3 in CNBC TV18 award

# 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



# 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 <sub>3</sub>
Molar Mass	169.87 g·mol <sup>-1</sup>
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 <sub>3</sub>
Molar Mass	169.87 g·mol <sup>-1</sup>
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 <sub>3</sub>
Molar Mass	169.87 g·mol <sup>-1</sup>
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 HO

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

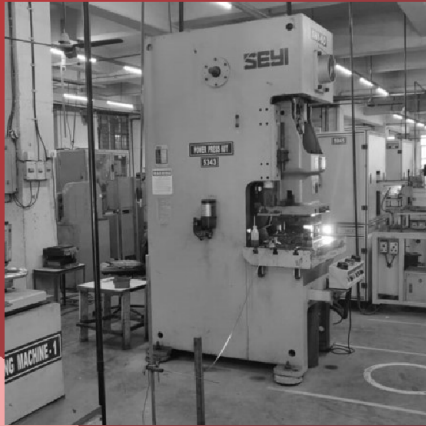
## PROCESS

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

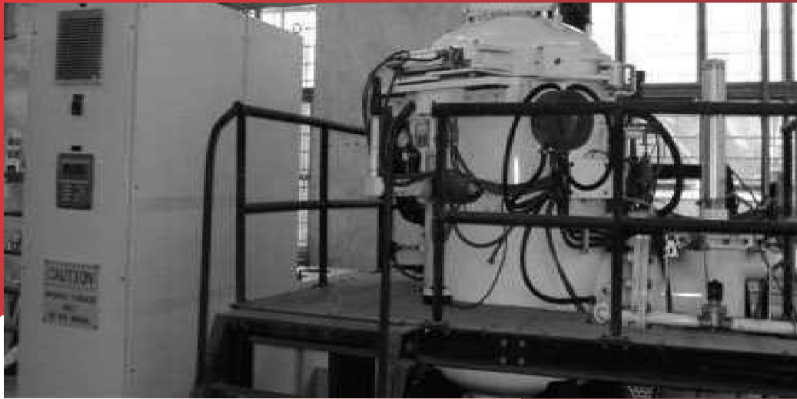


# MANUFACTURING FACILITIES



## 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

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Whole facility in clean room

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

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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)

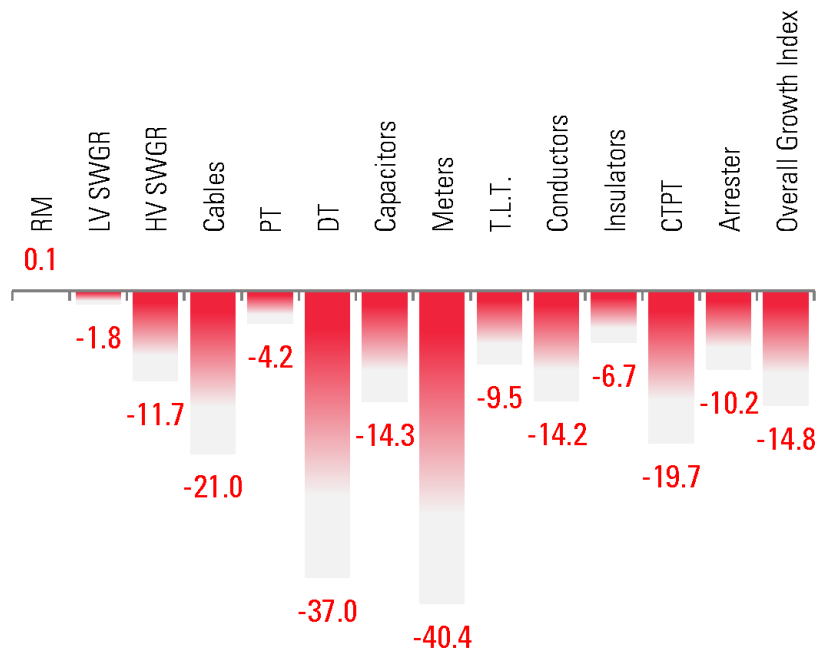


**Research**

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

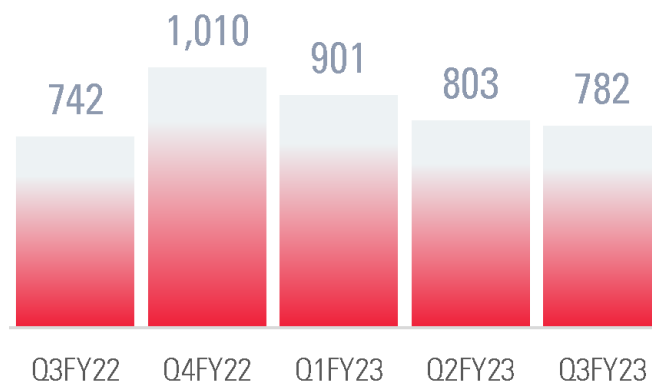
Product	Mar '21
Rotating Machines	↑ 154.1
LV Switchgear	↑ 66.3
HV Switchgear	↑ 189.8
Switchgear	↑ 84.0
Cables	↑ 54.0
Power Transformers	↑ 85.6
Dist Transformers	↑ 9.4
Transformers	↑ 42.5
Capacitors	↑ 112.4
Energy Meters	↑ 93.1
Conductors	↑ 175.5
Transmission Lines	↑ 110.6
Insulators	↑ 114.0
Surge Arrestors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



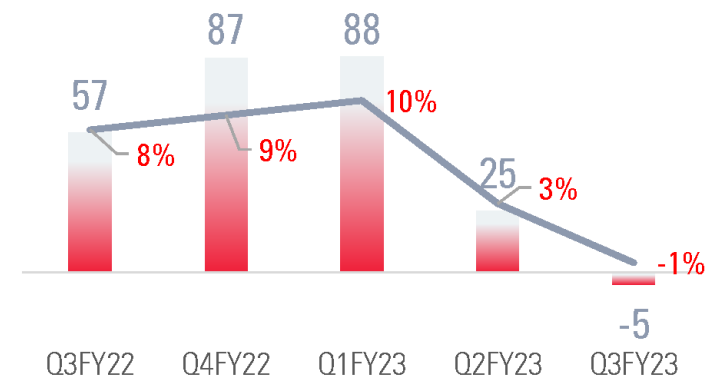
# FINANCIAL OVERVIEW

# QUARTERLY FINANCIALS STANDALONE

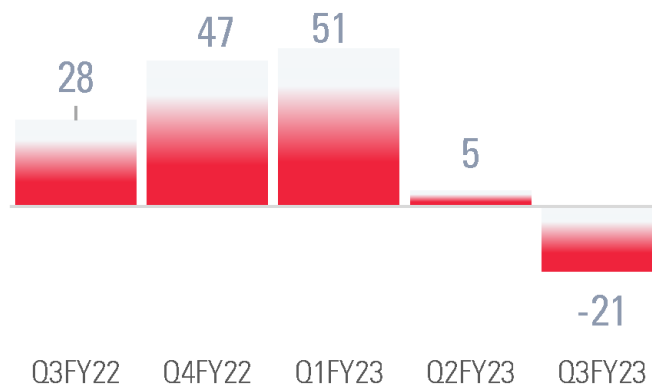
## TOTAL INCOME (₹ MN)



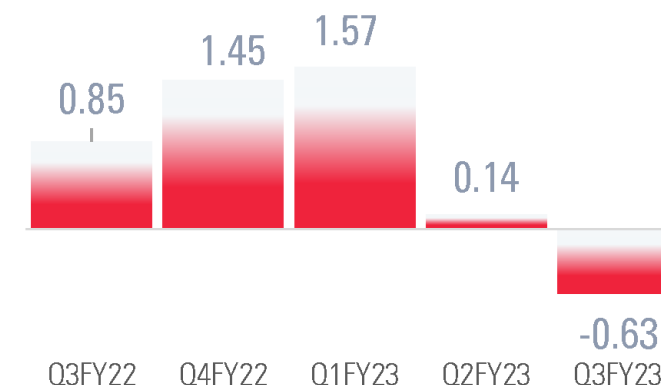
## EBITDA (₹ MN) AND MARGIN (%)\*\*



## PROFIT AFTER TAX (₹ MN)



## EPS (₹)



\*\* Includes exceptional item of profit/ (loss) on hedging of silver in stock and mark to market of forward contracts – Q3FY23: Loss of ₹ 86 mn; Q2FY23: Profit of ₹ 5 mn; Q1FY23: Profit of ₹ 42 mn, Q4FY22: Loss of ₹ 13 mn, Q3FY22: Profit of ₹ 5 mn

# INTERIM PROFIT & LOSS

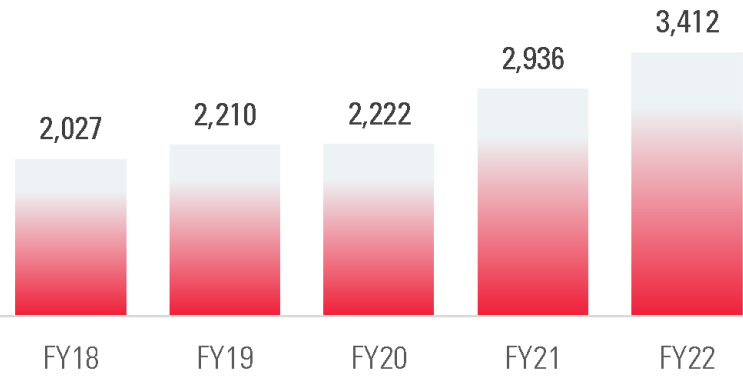
## STANDALONE

PARTICULARS (in ₹ mn unless stated)	Q3FY23	Q2FY23	Q3FY22
Total Income	782	803	742
Operating Expenses**	787	778	685
<b>EBITDA</b>	<b>-5</b>	<b>25</b>	<b>57</b>
EBITDA Margin	(1)%	3%	8%
Finance Cost	5	2	4
Depreciation	16	16	16
<b>Profit Before Tax</b>	<b>(26)</b>	<b>7</b>	<b>37</b>
Taxes	(5)	2	9
<b>Profit after Tax</b>	<b>(21)</b>	<b>5</b>	<b>28</b>
PAT Margin	(3)%	1%	4%
<b>EPS (₹)</b>	<b>(0.63)</b>	<b>0.14</b>	<b>0.85</b>

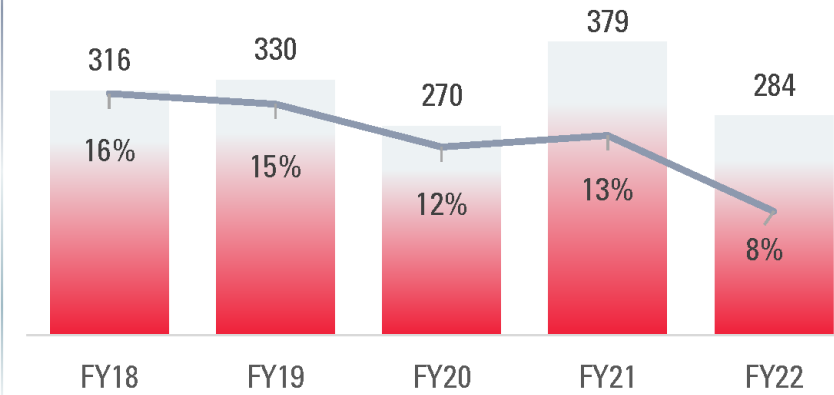
\*\* Includes exceptional item of profit/ (loss) on hedging of silver in stock and mark to market of forward contracts – Q3FY23: Loss of ₹ 86 mn; Q2FY23: Profit of ₹ 5 mn; Q3FY22: Profit of ₹ 5 mn

# ANNUAL FINANCIALS STANDALONE

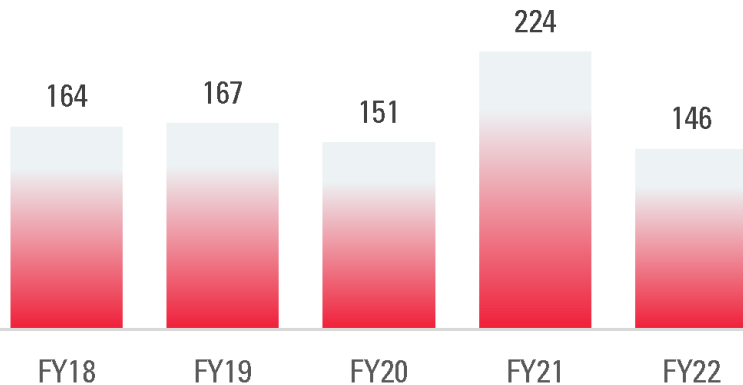
## TOTAL INCOME (₹ MN)



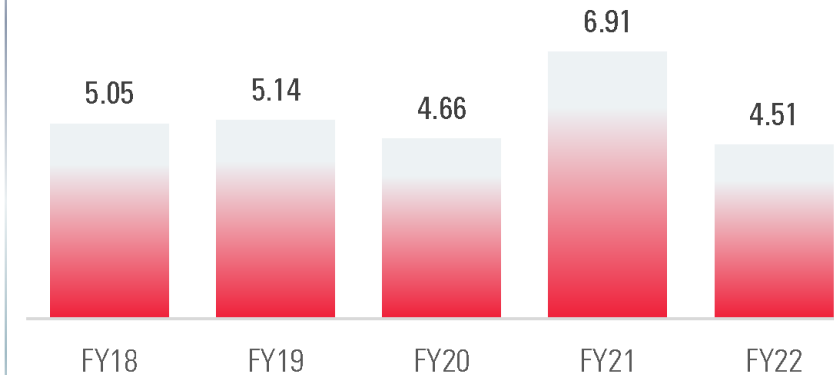
## EBITDA (₹ MN) AND MARGIN (%)\*\*



## 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
<b>EBITDA</b>	<b>284</b>	<b>379</b>	<b>270</b>	<b>330</b>	<b>316</b>
EBITDA Margin	8%	13%	12%	15%	16%
Finance Cost	20	20	20	22	19
Depreciation	66	61	62	64	63
<b>Profit Before Tax</b>	<b>198</b>	<b>298</b>	<b>189</b>	<b>245</b>	<b>235</b>
Taxes	52	74	37	78	71
<b>Profit after Tax</b>	<b>146</b>	<b>224</b>	<b>151</b>	<b>167</b>	<b>164</b>
PAT Margin	4%	8%	7%	8%	8%
<b>EPS (₹)</b>	<b>4.51</b>	<b>6.91</b>	<b>4.66</b>	<b>5.14</b>	<b>5.05</b>

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

# HISTORICAL BALANCE SHEET

## STANDALONE

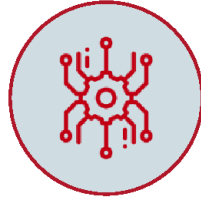
PARTICULARS (IN ₹ MN)	FY2022	FY2021	FY2020	FY2019	FY2018
<b>ASSETS</b>					
Non-Current Assets	794	746	747	651	680
Current Assets	1,348	1,280	1,160	1,150	941
Cash & cash equivalents	41	2	12	1	7
<b>Total Assets</b>	<b>2,142</b>	<b>2,026</b>	<b>1,907</b>	<b>1,801</b>	<b>1,621</b>
<b>EQUITY &amp; LIABILITIES</b>					
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
<b>Total Liabilities</b>	<b>2,142</b>	<b>2,026</b>	<b>1,907</b>	<b>1,801</b>	<b>1,621</b>

# 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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 [shareholder@modison.com](mailto:shareholder@modison.com)

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