

Bombay Metrics Supply Chain Limited

Earnings Presentation
May 2023



Safe Harbour Statement

This presentation contains forward looking statements that reflect management's current views with respect to certain future events and potential financial performance. Forward looking statements are other than statements of historical facts. The words believe, expect, anticipate, intend, estimate, outlook, will, may, continue, should and similar expressions identify forward looking statements.

Forward looking statements include statements regarding objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of the Company's markets; the impact of regulatory initiatives; and the strength of competitors. The forward looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in records and other data available from third parties.

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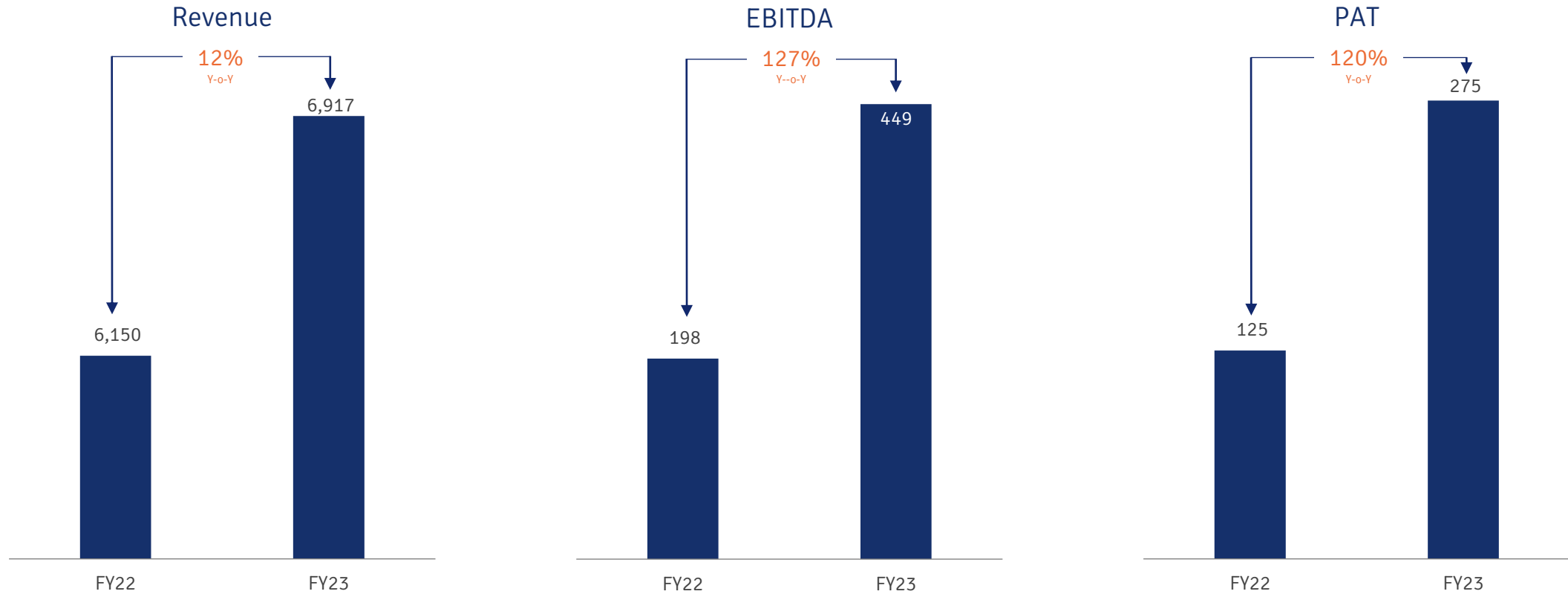
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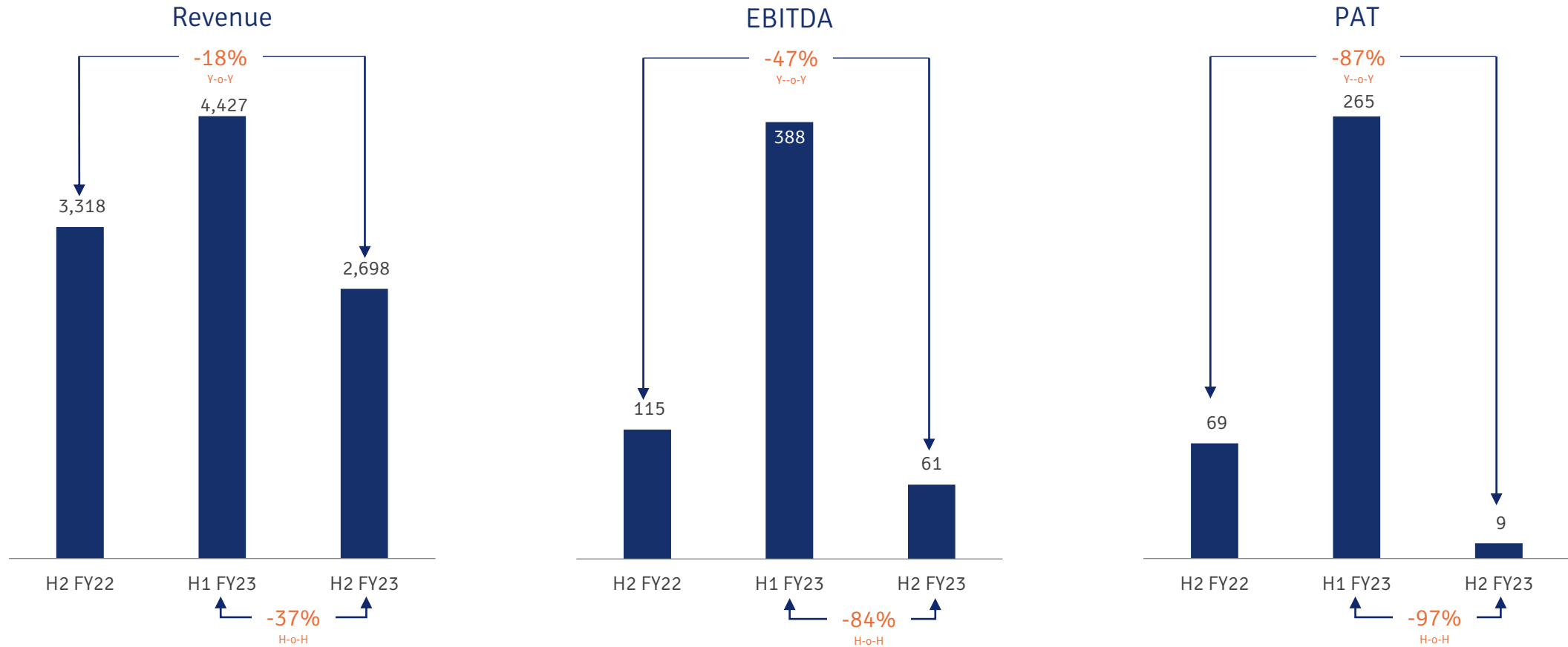
Results Update: FY23

(₹ in Lakhs)



Results Update: H2 FY23

(₹ in Lakhs)



Divisional Revenue Performance

(₹ in Lakhs)



Sale of Products



Sale of Services



R&D Charges



Export Incentives

	Sale of Products		Sale of Services		R&D Charges		Export Incentives	
% Contribution	FY23	80%	FY23	10%	FY23	08%	FY23	02%
	H2 FY23	86%	H2 FY23	10%	H2 FY23	02%	H2 FY23	02%
Y-o-Y	FY23	5,540	FY23	722	FY23	525	FY23	130
	FY22	5,508	FY22	101	FY22	410	FY22	131
		▲ 01%		▲ 616%		▲ 28%		▼ 01%
Y-o-H	H2 FY23	2,304	H2 FY23	261	H2 FY23	55	H2 FY23	50
	H2 FY22	2,894	H2 FY22	97	H2 FY22	256	H2 FY22	26
		▼ 20%		▲ 168%		▼ 79%		▲ 94%
H-o-H	H2 FY23	2,304	H2 FY23	261	H2 FY23	55	H2 FY23	50
	H1 FY23	3,236	H1 FY23	461	H1 FY23	470	H1 FY23	80
		▼ 29%		▼ 43%		▼ 88%		▼ 38%

Industry Revenue Performance

(₹ in Lakhs)



Electrical & Power



Lighting



Transportation & Automobile



Construction & Agriculture

% Contribution

FY23	21%
H2 FY23	19%

FY23	50%
H2 FY23	46%

FY23	24%
H2 FY23	32%

FY23	04%
H2 FY23	03%

Y-o-Y

FY23	1,152	▼	33%
FY22	1,720		

FY23	2,789	▲	25%
FY22	2,229		

FY23	1,356	▲	48%
FY22	915		

FY23	243	▼	62%
FY22	644		

Y-o-H

H2 FY23	440	▼	27%
H2 FY22	605		

H2 FY23	1,055	▼	11%
H2 FY22	1,179		

H2 FY23	741	▲	45%
H2 FY22	511		

H2 FY23	67	▼	89%
H2 FY22	599		

H-o-H

H2 FY23	440	▼	38%
H1 FY23	712		

H2 FY23	1,055	▼	39%
H1 FY23	1,733		

H2 FY23	741	▲	20%
H1 FY23	615		

H2 FY23	67	▼	62%
H1 FY23	176		

Profit & Loss – H2 FY23

(₹ in Lakhs)

Particulars	H2 FY23 (Audited)	H1 FY23 (Audited)	H2 FY22 (Audited)	Y-o-Y (%)	FY23 (Audited)	FY22 (Audited)	Y-o-Y (%)
Revenue from Operations	2,669.64	4,247.25	3,272.72	-18%	6,916.89	6,150.23	12%
Other Income	28.46	179.38	45.16	-37%	207.84	52.73	294%
Total Revenue	2,698.10	4,426.63	3,317.88	-19%	7,124.73	6,202.96	15%
Purchases of Stock-in-trade	2,150.22	3,032.93	2,957.32	-27%	5,183.15	5,538.16	-6%
Changes in inventories of stock-in-trade	-71.03	183.68	-151.28	-53%	112.65	-162.43	169%
Employee benefit expenses	139.36	138.28	128.99	8%	277.64	239.89	16%
Depreciation & Amortization expenses	38.86	15.03	12.70	206%	53.89	17.34	211%
Finance Cost	12.11	20.79	0.88	1276%	32.90	1.71	1824%
Other expenses	412.63	665.22	268.01	54%	1,077.85	388.66	177%
Total Expenses	2,682.15	4,055.92	3,216.62	-17%	6,738.07	6,023.33	12%
Profit Before Tax (PBT)	15.95	370.70	101.26	-84%	386.65	179.63	115%
Tax Expenses	6.89	105.25	32.14	-79%	112.14	55.13	103%
Profit After Tax (PAT)	9.06	265.45	69.12	-87%	274.51	124.50	120%
EPS	0.15	17.25	4.54	-97%	4.46	9.57	-53%

Balance Sheet

(₹ in Lakhs)

Particulars	FY23	FY22	FY21
EQUITY & LIABILITIES			
Share Capital	615.70	153.92	107.84
Reserves & Surplus	570.95	770.52	308.40
Non-Current Liabilities	237.48	19.15	9.38
Short-Term Borrowings	26.37	6.77	-
Trade Payables	1,829.09	2,538.40	1,036.37
Other Current Liabilities	12.58	29.30	39.20
Short-Term Provisions	26.18	5.48	56.72
Total	3,318.35	3,523.54	1,557.91
ASSETS			
Property, Plant & Equipments	576.02	39.88	11.67
Deferred Tax Assets	2.51	9.39	7.80
Long-Term Loans & Advances	1.50	-	34.26
Other Non-Current Assets	57.67	24.16	7.47
Inventories	98.38	211.02	48.59
Trade Receivables	1,633.56	2,274.35	239.75
Cash & Cash Equivalents	117.94	22.45	44.14
Short-Term, Loans & Advances	705.27	786.97	1,006.40
Other Current Assets	125.51	155.31	157.83
Total	3,318.35	3,523.54	1,557.91

Management Commentary



Dear Shareholders,

Our heartfelt wishes to all our shareholders and their families. The global economic situation remains unpredictable, marked by signs of a possible recession leading to job cuts, high inflation rates, and fluctuating geopolitical crises. However, there is a positive trend in ongoing demand, and we anticipate further improvement as we enter the new financial year. Despite the various uncertainties, our financial results showed enhanced growth in revenue.

Regarding our operations, we are currently in a stronger position than ever to establish a more ambitious growth objective for ourselves. Our team has been reinforced, and we have recruited numerous engineers across various locations. Additionally, we are allocating additional resources to assist North American companies in effectively managing their supply chain and engineering operations.

We are excited to announce our entry into the lucrative copper export business. With careful market analysis and strategic planning, we have identified this industry as a promising avenue for growth and profitability. In line with our commitment to innovation and staying ahead of the curve, we have allocated significant resources towards research and development to ensure our operations are optimized for success. This expenditure has enabled us to enhance our understanding of the copper market dynamics, explore new technologies and processes, and develop efficient supply chain networks. We are confident that our investments in research and development will position us as a competitive player in the copper export industry, allowing us to meet the evolving demands of our customers while maximizing our returns.

Your company reported operating revenue of ₹6,916.89 lakhs for FY23, showing a 12% annual growth whereas for H2 FY23 it stood at ₹ 2,669.64 lakhs, a degrowth of 18% on a y-o-y basis. The decline was mainly due to a slowdown in the US markets

and as a result, some of the customers have postponed the delivery of their orders. PAT for the year increased by 120% and stood at ₹274.51 lakhs. PAT for H2 FY23 stood at ₹9.06 lakhs, a decline of 87% on y-o-y basis. Our full year 2023 margin profile remained robust with EBITDA margin of 6.50% and PAT margin of 3.97%. However, margins in the second half were subdued due to decline in the topline coupled with the increase in expenses, particularly R&D expenditure towards foraging into the copper & aluminium business. Earnings per share of the company stood at ₹ 4.46.

Our North American customers have chosen to postpone the delivery of certain orders for a period of 30-90 days due to an excess of inventory. As a result, our working capital requirement has slightly increased primarily because a few customers have experienced delays in making payments. Throughout the years, our receivables have always been fully reimbursed, and we anticipate this trend to continue without any significant changes. These customers are well-known and respected, and their current setbacks are temporary, either due to operational or accounting challenges.

We have acquired a Vietnamese company, Metrics Vietnam Company Limited, to add to our suite of replacing China options. Vietnam in many ways has similar VAT, custom duties processes and advantages. Many Bombay Metrics team members have had experience working with Vietnam and they will continue to help bring this entity into our fold by the end of this year. We are excited to build the Gross merchandise value by leveraging our Vietnam exports as well as in due time, setting up our purchasing and shipping in local currency as well.

We are in our constant endeavour to keep introducing newer and commercially viable products. Our main objectives include retaining customers, enhancing research and development, expanding our business operations to new regions, broadening our range of solutions and products. We aim to strengthen our business to provide greater value to customers and achieve sustainable long-term growth in the future.

“Even in this challenging environment, we have shown resilience with a growth of 12% in Revenue and a ~2.3x in Profits”

Mr. Nipul Keniya | Chairman & Managing Director

Mr. Hiten Shah | Non-executive Director



Copper Industry Opportunity

Global Copper Scenario

India Share

Copper Mining – 0.11%

Copper Refining – 0.21%

India's GDP as % of World GDP – 9.3%

Per Capital Consumption

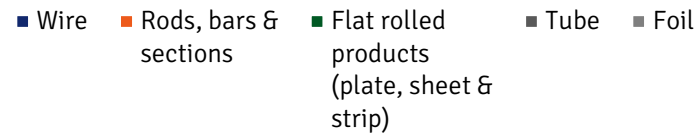
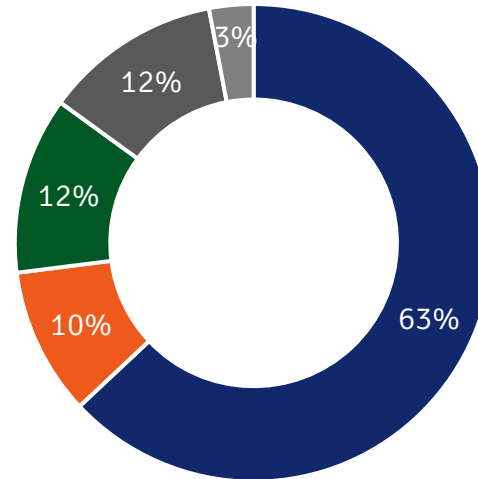
India - 0.6 Kg (2020) to 1 kg (2030)

World - 3.2 kg

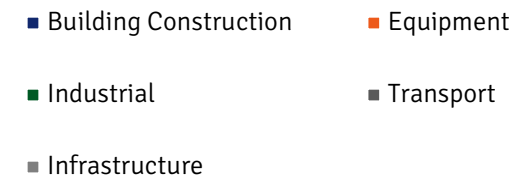
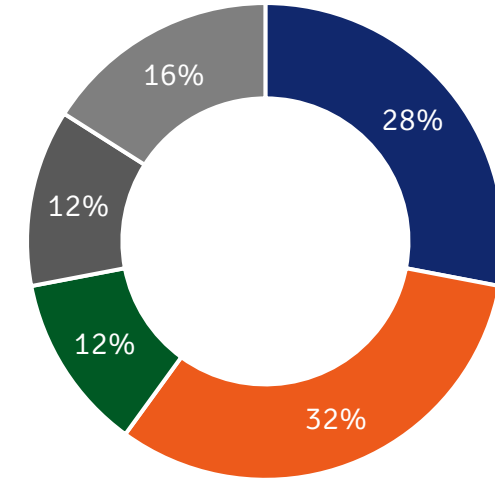
Domestic production is not expected to be equal to consumption for at least a decade!

Major Consumption of Copper

Primary Use (Semis Production*)



End Use

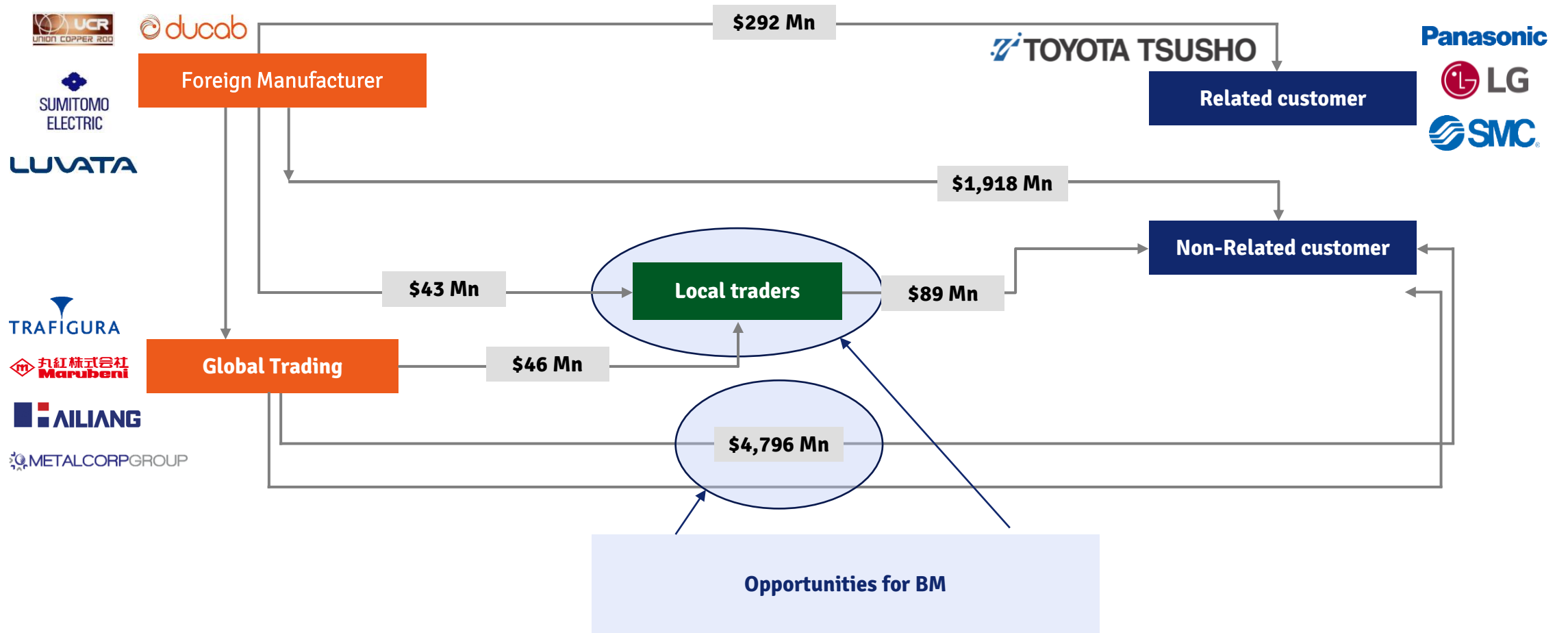


*copper and copper alloy production

Notes: Copper foil production includes foil produced by the rolling process and by electro-deposition. The copper content of alloy semis is assumed to be 70%

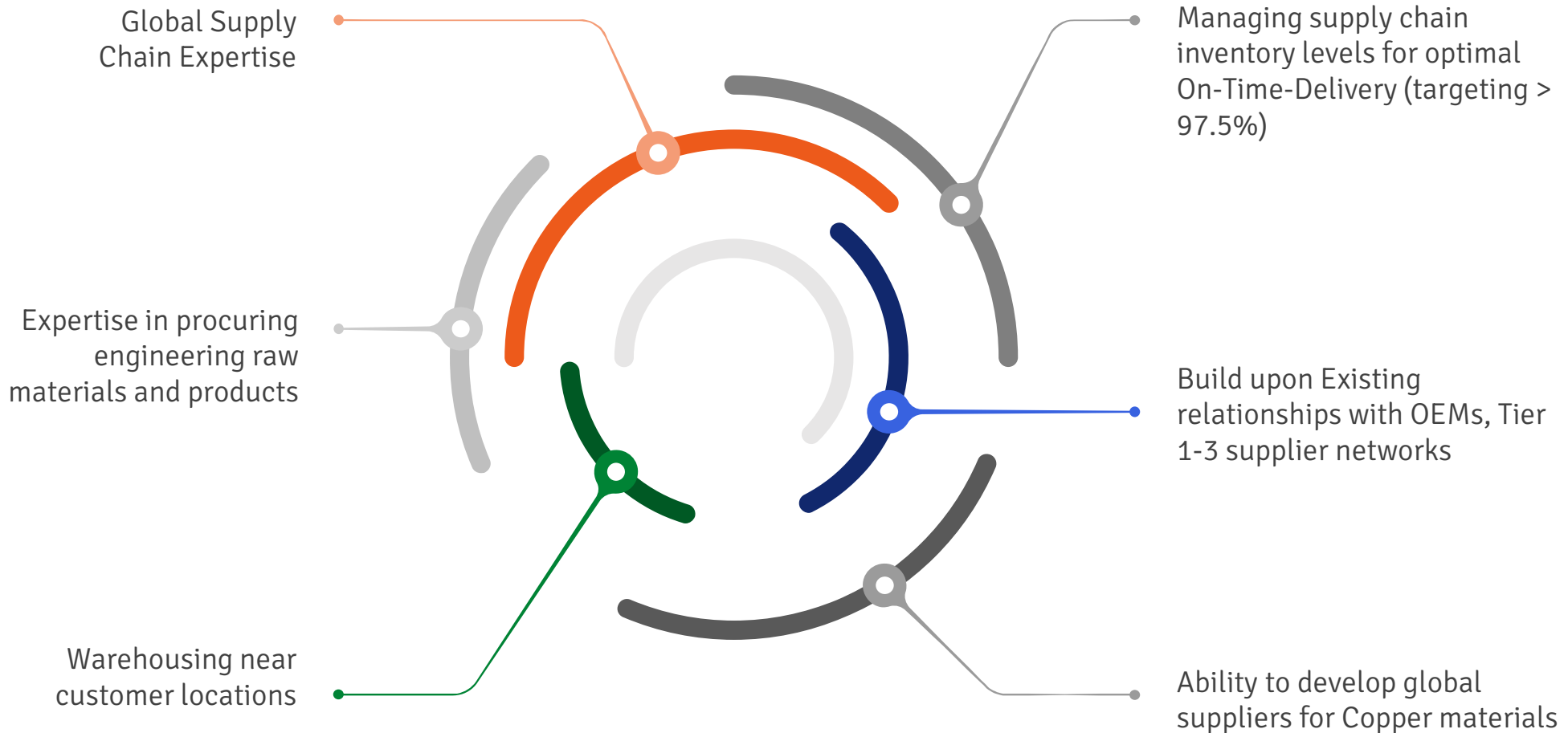
Source: International Wrought Copper Council (IWCC) and International Copper Association (ICA)

Bombay Metrics Focus area in Copper Value-Chain



Source: Tecnova Research

What Bombay Metrics bring to the Indian Copper Industry





Annexure

Company Overview

Bombay Metrics Supply Chain Limited is a full-service provider of global manufacturing, engineering and supply chain management services to and from India. The primary focus of the company remains to support “Make in India” governmental initiative by developing supplier capabilities in India. BMSCL also offer efficient services in advanced engineering, 3D scanning, rapid prototyping, flow simulation, project management and quality management in India. The company partner with sales organizations in North America, Europe and China. BMSCL helps its customers understand the benefits and savings of global manufacturing and help many OEMs and Tier 1 customers manage their entire manufacturing and supply chain processes.



Mission

Our mission is to develop small and medium enterprise suppliers in India and deliver top quality components in a timely and efficient manner to global customers.



Vision

Our vision is to be a best-in-class supply chain management company and sourcing leader from India to the world, supporting the Indian government’s “Make In India” Initiative.

Bombay Metrics - At a Glance



30+

Total Workforce/Employee



40+

Number of Suppliers



4+

Number of Industries Served



4+

Number of Geographies Served



100+

Total Number of Products



150 Cr+

Total Value of Products Supplied*



450+

Total RFQ*



5000+

Supplied Cargo MMT*



12+

Total Number of Process

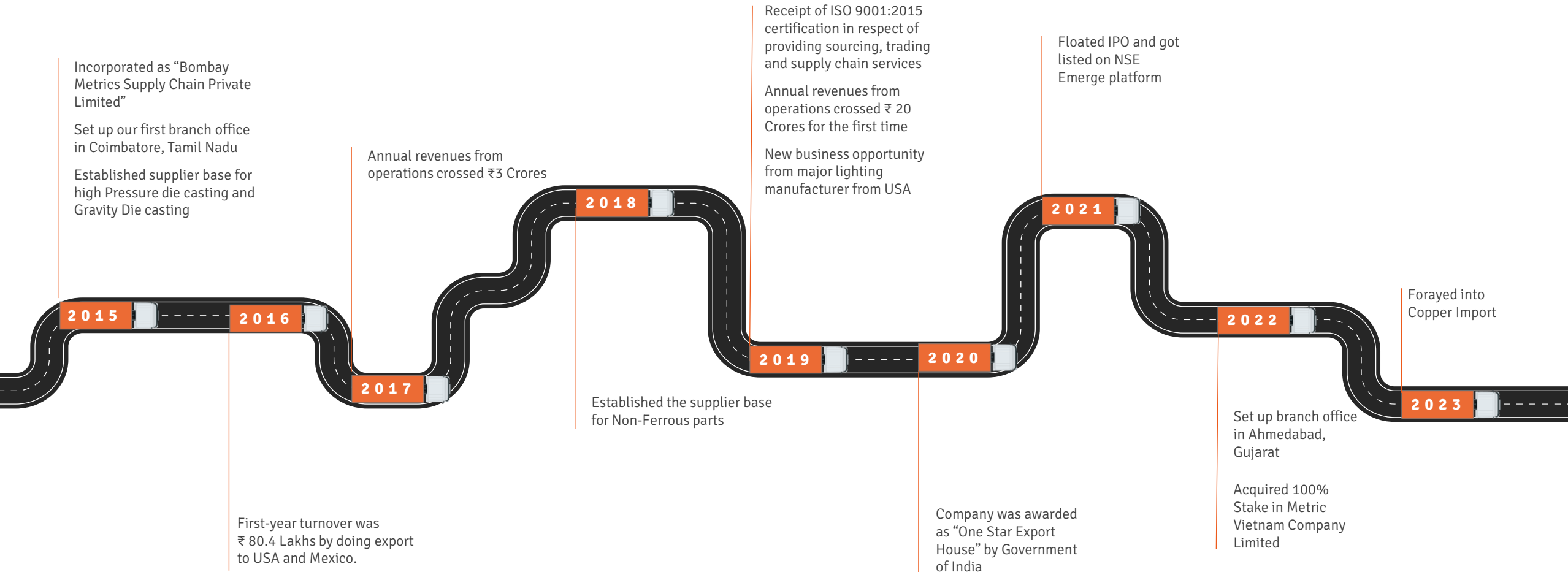


5000+

Total Number of Orders Served*

**Since incorporation (2015)
Data as of 31th March 2023*

History & Milestones



**Since incorporation (2015)
Data as of 31st March 2023*

Board of Directors



Mr. Nipul Hirji Keniya
Chairman and Managing Director



Mr. Hiten Talakchand Shah
Non-Executive Director



Ms. Heena Hiten Shah
Non-Executive Director



Mr. Hiten Sanmukhlal Shah
Non-Executive and Independent Director



Mr. Bhavin Gopal Gandhi
Non-Executive and Independent Director



Mr. Vivek Shreevallabh Vyas
Non-Executive and Independent Director

KMP



Ms. Ankita Solanki
Chief Financial Officer



Mr. Thangaraj Nanjukutty
India Sourcing Head



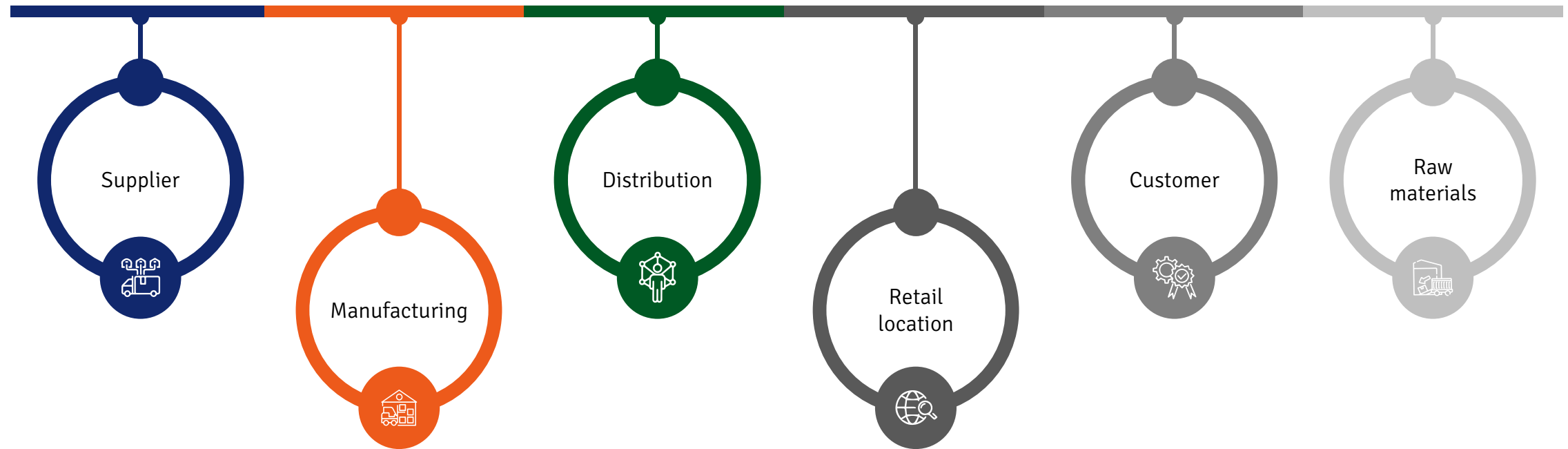
Ms. Shruti Chandrashekar Chavan
Company Secretary and
Compliance Officer

Investment Proposition



1. Integrated Business Model

<p>Our services span the entire value chain of manufacturing of engineering goods and supply chain management</p>	<p>Offer efficient services in advanced engineering, 3D scanning, rapid prototyping, flow simulation, project management and quality management.</p>	<p>Help customers find the right manufacturing source in India for their products and ensure optimal execution and quality by working with qualified and ISO-certified suppliers</p>	<p>Oversee the operations, manage supply chain process and choose the right logistics partners to be close to ports connecting us to customer locations.</p>	<p>Approved shipper from 13 Dry and Wet Ports in India</p>
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2. Wide product and services portfolio with focus on quality

Product portfolio consists of over thirteen types of engineered castings and forged parts in addition to supply chain management services

- Engage in facilitating and monitoring continuous manufacturing of bespoke products based on the orders of customers and meet their specifications and requirements.
- Provide services like reverse engineering, rapid prototyping, flow simulation, and 3D printing services and quality audits such as Inspections & Process Audit and Supplier Assessments
- Maintaining a wide range of products and services in business provides us with an opportunity to cater to diverse needs of customers and provide end-to-end assistance
- We believe in qualitative manufacturing and adheres to various qualitative standards. Our products are compliant with quality standards including ISO 9001 and IATF 2016.



3. Industry Opportunity

The engineering sector is the largest of the industrial sectors in India and accounts for 3% of the India's Gross Domestic Product (GDP)

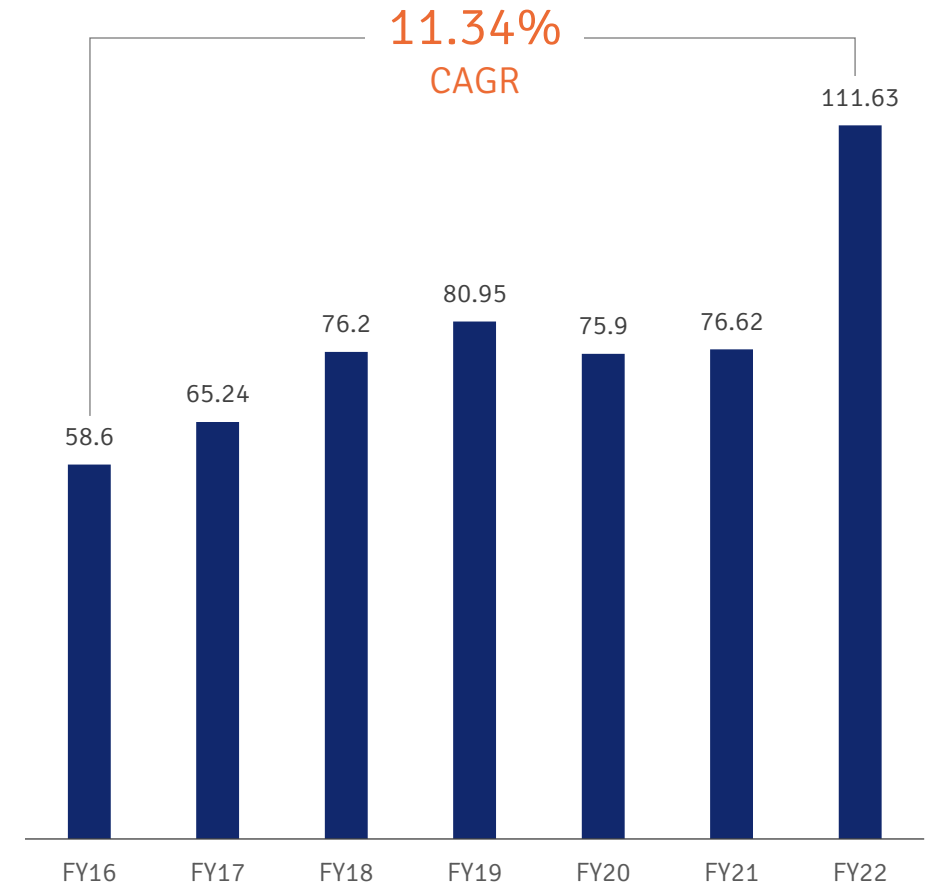
It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations

Turnover of the capital goods industry is forecast to reach US\$115.17 billion by 2025

In FY22, India exported engineering goods worth US\$111.63 billion, a 45.51% YoY growth

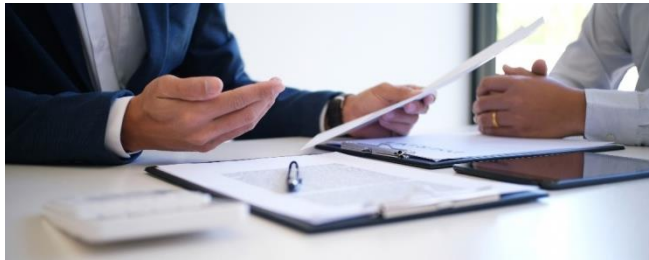
Export of engineering goods is expected to reach US\$200 billion by 2030

India's Engineering Goods Exports (US\$ billion)



Growth Drivers

GROWTH DRIVERS FOR THE INDIAN ENGINEERING SECTOR



POLICIES

De-licensing

Reduction in tariff and customs

Supportive Government policies leading to higher investments

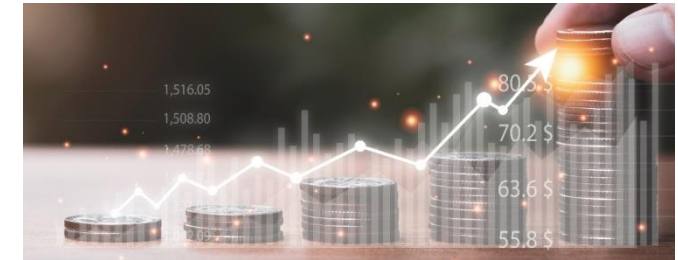


DEMAND-SIDE DRIVERS

Capacity addition for power generation

Increase in infrastructure spending

Rise in exports, which touched US\$ 111.63 billion in FY22



INVESTMENT

Increasing FDI inflows

Higher M&As

Easy credit facilities for manufacturing companies

4. Existing well established relationship with well-connected customer



01

Sales & Marketing Partners across US, Mexico, and Europe

02

Constant engagement with our clients helps us to understand their requirement better

03

Customers in Lighting, Automotive, Agriculture, Aggregates, Industrial and Electrical Industries

04

Excellent relationship with customers helps to get repeat business

05

Customer retention strategy helps to maintain and improve long-term working relationship with customer

5. Asset light business model as a result of wide supplier base

Operate on an asset light business model which does not require us to invest heavily on physical assets such as plant and machinery etc.

Rely on ability to design quality and technically sound products from a MESH certified, manufacturing standards of supplier performance, efficiency manufacturers

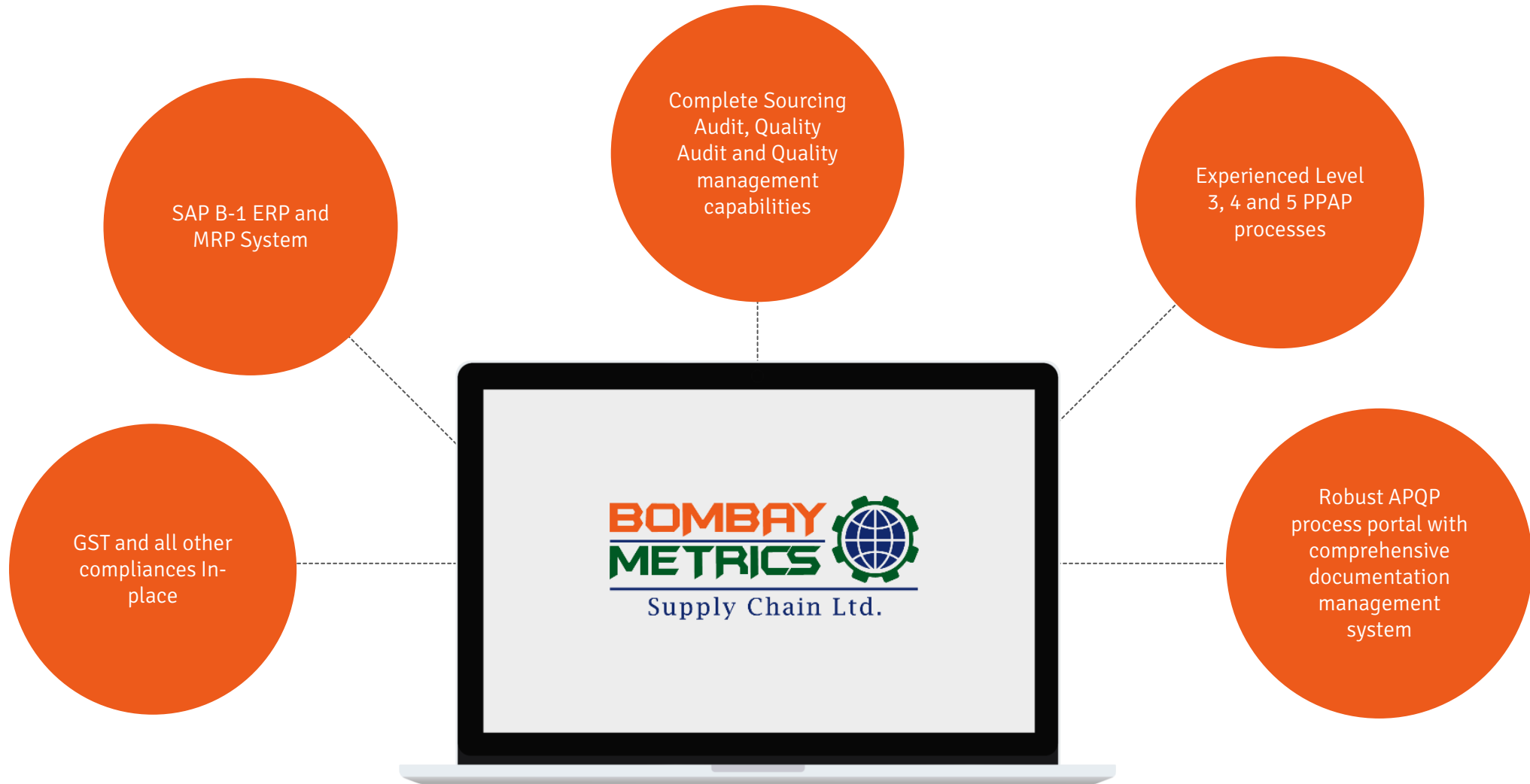
Focused on product R&D & work closely with suppliers for product designing & prototyping, reverse engineering, material selection and quality assessment

Vendor Managed Inventory (VMI) programs with major suppliers

Long standing relationship with suppliers and continuously scope out new manufacturers



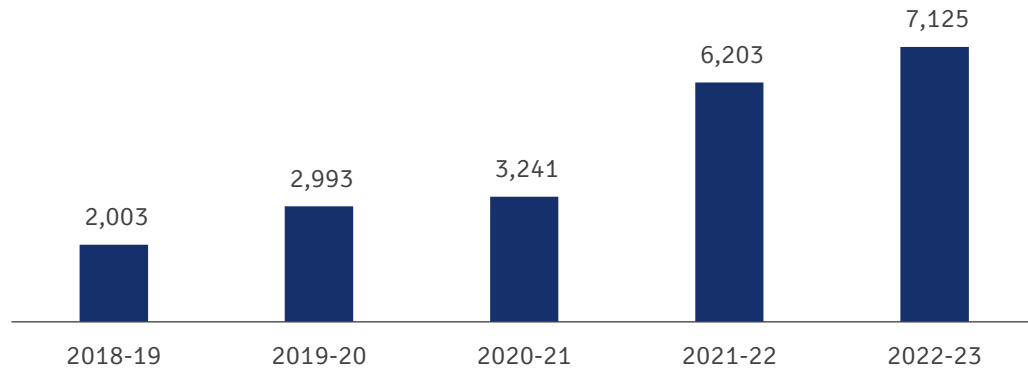
6. Technologically Equipped Model



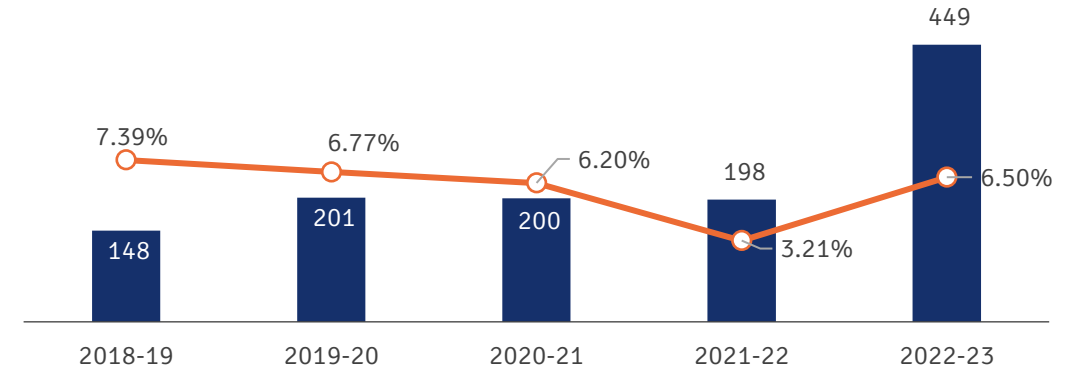
7. Robust Financial Performance

(₹ in Lakhs)

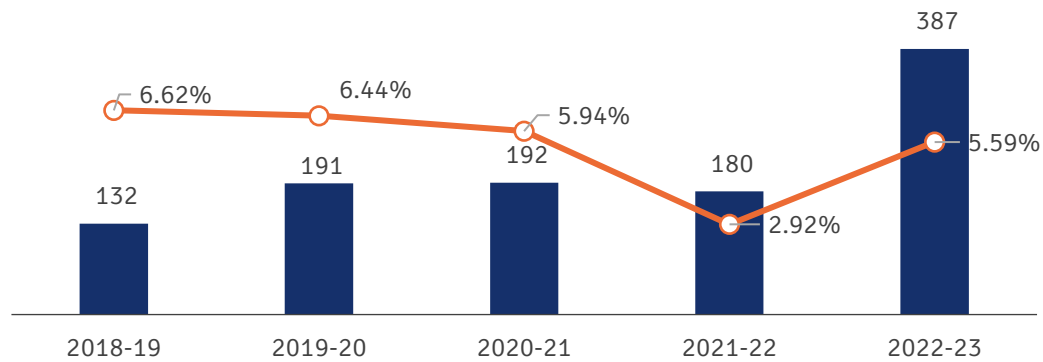
Revenue



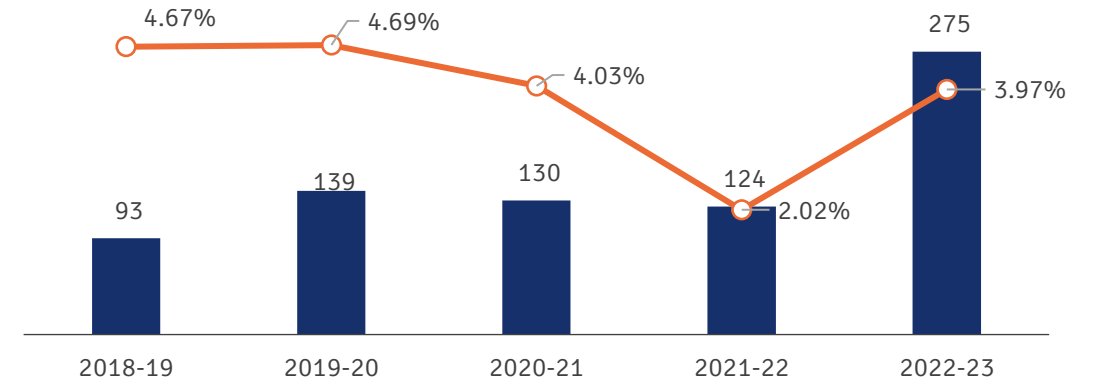
EBITDA & EBITDA Margin



PBT & PBT Margin



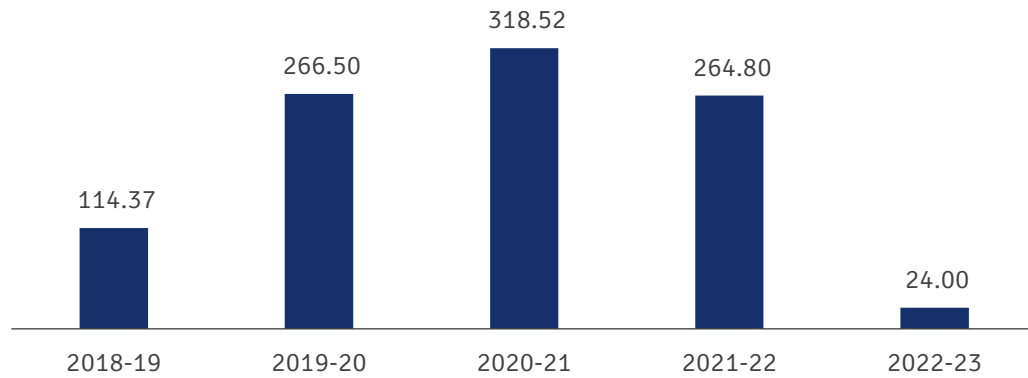
PAT & PAT Margin



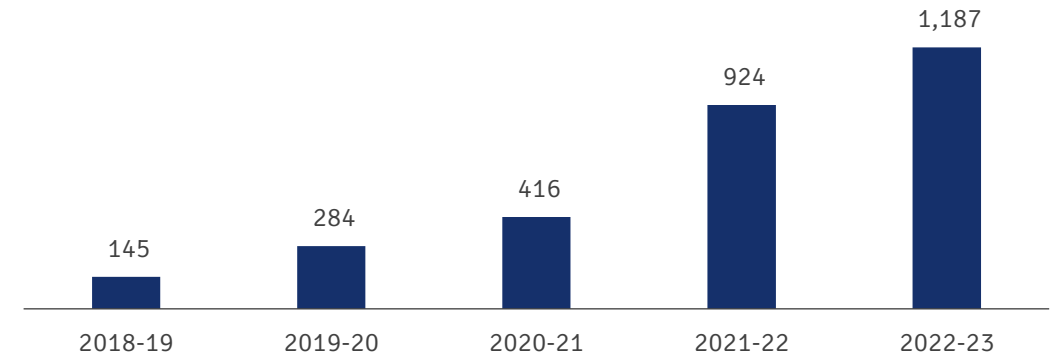
Robust Financial Performance

(₹ in Lakhs)

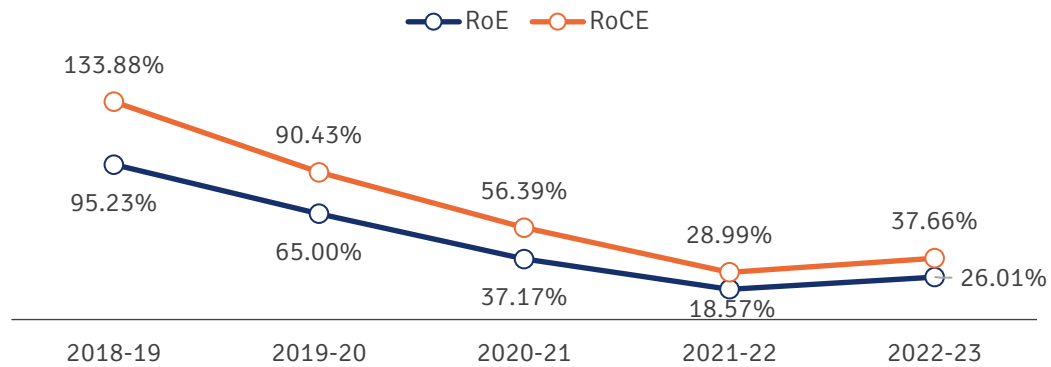
Turnover to Tangible Assets (X)



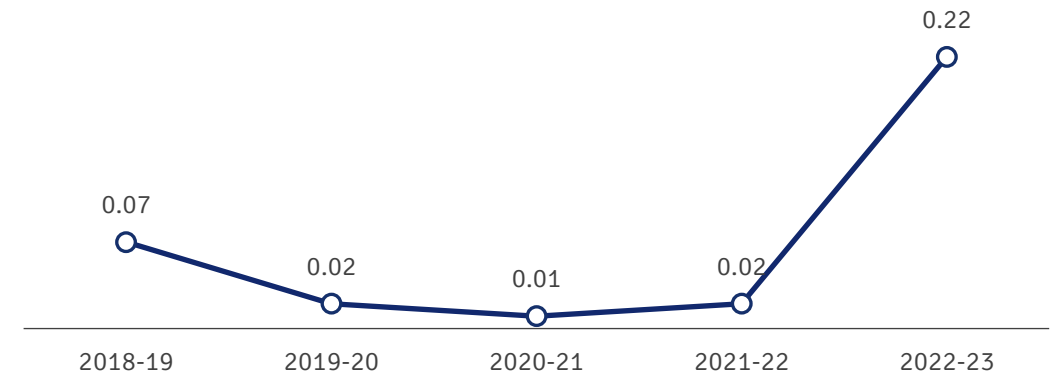
Networth



RoE & RoCE



Net Debt to Equity (X)



Strategy Going Forward

Increase geographical reach by exploring other international markets

Explore other international markets and source opportunities with varied businesses across different geographies

Focus on establishing our presence in domestic market

Explore domestic entities seeking engineered products and the range of services we provide and thus creating a local presence

Expand our supplier base

Continue to grow supplier network in line with the growth of business operations as well as provide supplier development and hand holding





Improve operating efficiencies through technology enhancements & supplier development

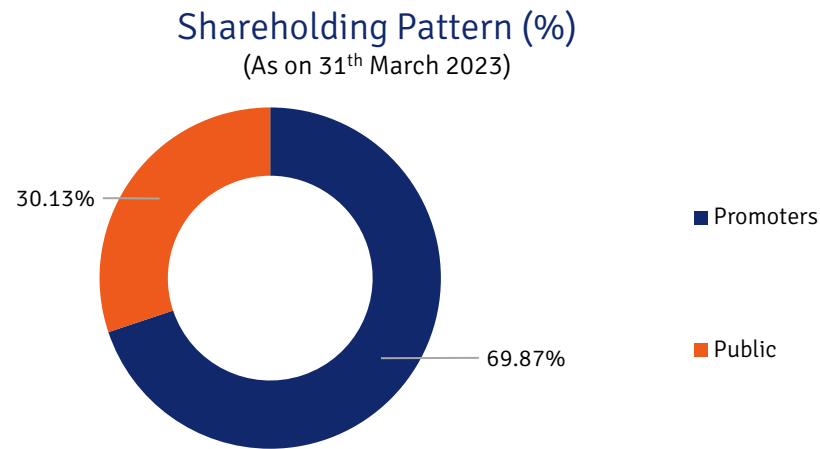
Continue to further strengthen our operational and fiscal controls by enhancing suppliers' technology capabilities to develop customized systems and processes to ensure effective and efficient control over processes and products quality



Shareholders' Information

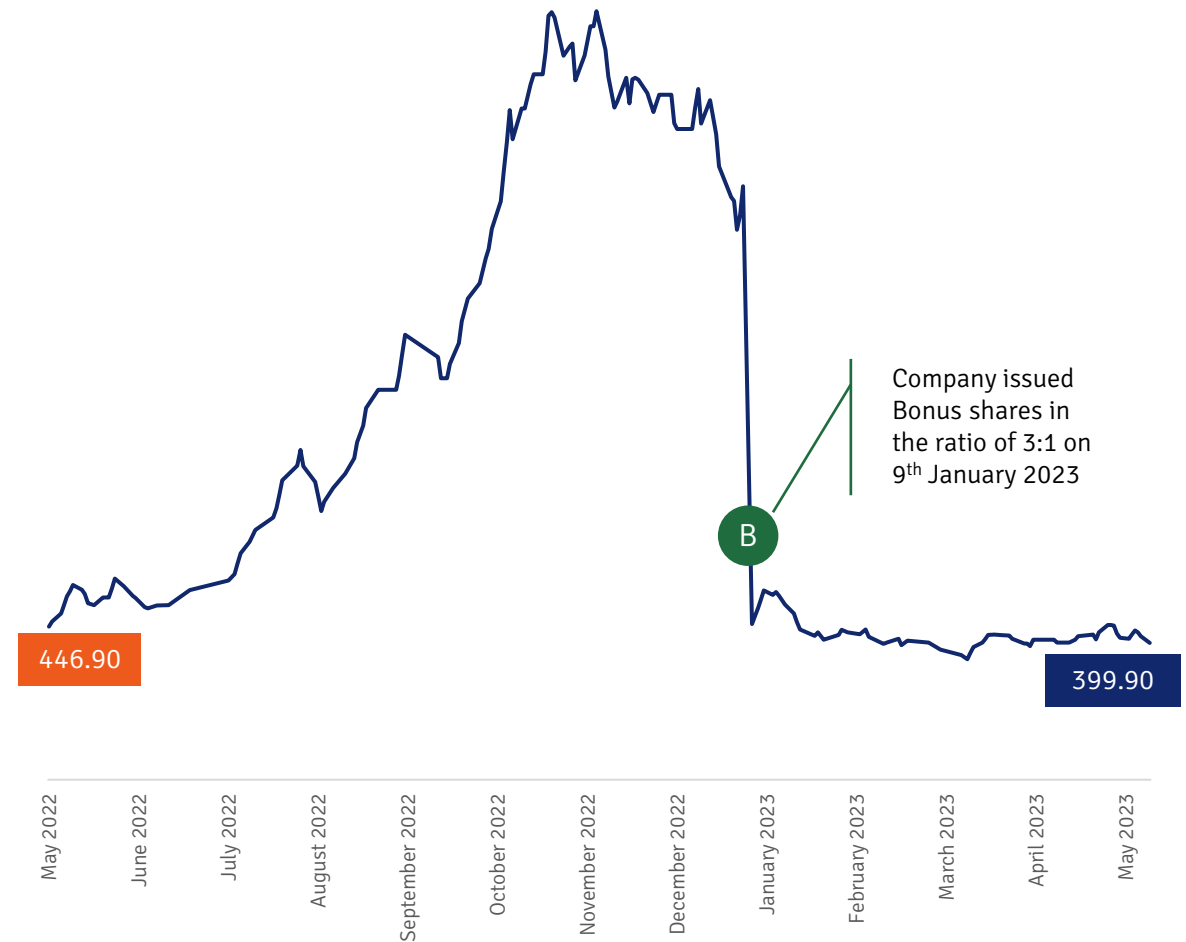
Stock Data

	Market Capitalization (₹)	3,1701 Lakhs
	Shares Outstanding	15.39 Lakhs
	Free Float	30.13%
	Symbol (NSE EMERGE)	BMETRICS



Note: Data as on 22nd May 2023 unless otherwise stated

Shareholders' Value Creation





Thank you

Bombay Metrics Supply Chain Limited

ISIN: INE013Y01014

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Petrol Pump, S.V.Road, Malad (West), Mumbai - 400 064

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