



Madhya Bharat Agro Products Ltd  
(MBAPL)  
[A unit of Ostwal Group of Industries]

**Q1FY25 Financial Results  
presentation**



## Forward Looking Statement



Disclaimer:- This presentation may contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating Madhya Bharat Agro Products Ltd (MBAPL) future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

MBAPL undertakes no obligation to publicly revise any forward looking statements to reflect future/likely events or circumstances.



# Recent Updates & Quarterly Performance



## Financial Performance Updates – Quarterly & Yearly



- Revenue at INR 201.5 Cr; up 35% YoY.
- EBITDA at INR 36.4 Cr; up 44% YoY. (EBITDA per ton is ~ INR 4,740)
- EBITDA Margins have improved by 120bps YoY at 18.1%
- PAT at INR 12.3 Cr (up 71% YoY)

Above performance was attributable to:

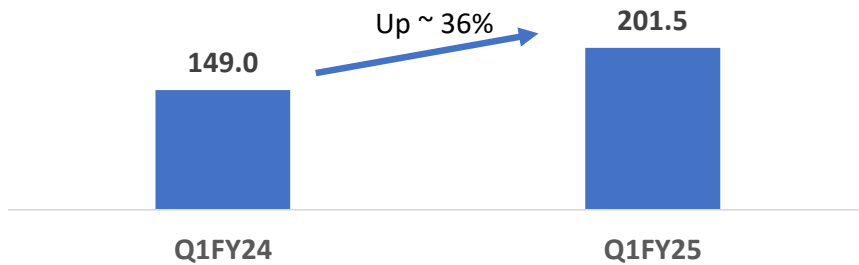
- Upward revision in Subsidy effective from April 01, 2024
- Increased production of NPK and Phosphoric Acid reducing cost per ton
- Company's strategy to push sales and control cost



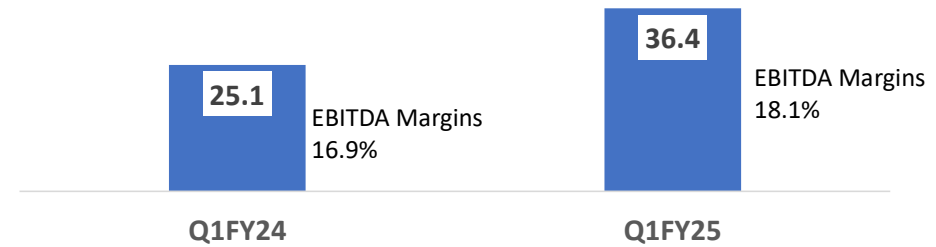
## Performance Trend for the Quarter



Revenue (Rs. Crore)



EBITDA (Rs. Crore)



PAT (Rs. Crore)



- 1QFY25: Capacity Utilisations of key facilities
  - Chemical (Captive):
    - Phosphoric Acid: 64%
    - Sulphuric Acid: 100%
  - Fertiliser:
    - DAP/NPK: 59%
    - SSP: 84%
- Subsidy receivable as on June 30, 2024 stands at INR 115.5 crore (as against Rs 135 crore as of June 30, 2023 - down 14.4% yoy).



# Key Updates & Outlook



- **Updates on NFL Marketing Tie up**
  - We started supplying NPK to NFL in this quarter with a single state and slowly increasing our spread in more. We are upbeat on the future of this alliance.
- **Dhule, Maharashtra Project: Phosphoric Acid; Sulphuric Acid and Other Chemicals**
  - The project is in progress as per the plan outlined earlier. Pollution related approval are received.
  - We expect financial closure to happen in 2QFY25
  - We have received letter of intent from large players for procurement of Phosphoric Acid in Maharashtra from this facility.
- **Sagar, Madhya Pradesh Project: Phosphoric Acid**
  - After detailed evaluation we are building the Phosphoric Acid Plant capacity of 33,000 MT near the existing location which is expected to be commissioned in 1QFY26.



## Production Volumes



Production (MT)	FY24	Q1FY24	Q1FY25
<b>Chemical &amp; Intermediates</b>			
- BRP (Crushing)	151,729	33,420	28,688
- Sulphuric Acid	101,757	18,632	45,624
- Phosphoric Acid	22,714	4,243	7,936
<b>Fertiliser</b>			
- SSP	183,843	51,216	50,337
- DAP	26,503	-	1,900
- NPK	100,488	31,827	33,429



## Results Table



OSTWAL

(Rs. in Cr)	Q1		Y-o-Y	Q4	Q-oQ	FY		Y-o-Y
	FY2025	FY2024	Growth (%)	FY2024	Growth (%)	FY2024	FY2023	Growth (%)
Revenue from operations	201.5	149	35.2	145.7	38.3	816.9	982.0	-16.8
Other income	1.6	1.1	45.5	8.8	-81.8	10.9	5.2	109.6
<b>Total income</b>	<b>203.1</b>	<b>150</b>	<b>35.3</b>	<b>154.5</b>	<b>31.5</b>	<b>827.8</b>	<b>987.2</b>	<b>-16.1</b>
Cost of materials consumed	132.1	145	-9.0	101.3	30.4	560	652.2	-14.1
Changes in Inventories of finished goods, work in progress and stock in trade	-7.6	-51.7	-85.3	-36.1	-78.9	-2.7	-29.6	-90.9
Employee benefits expenses	5.6	3.6	55.6	6.9	-18.8	20.3	16.1	26.1
Depreciation and amortisation expenses	8.5	7.2	18.1	7.1	19.7	29	22.4	29.5
Finance costs	8.8	5.6	57.1	8	10.0	26.2	16.4	59.8
Other expenses	36.5	28	30.4	59.5	-38.7	142.8	133.5	7.0
<b>Total expenses</b>	<b>183.9</b>	<b>138</b>	<b>33.5</b>	<b>146.7</b>	<b>25.4</b>	<b>775.6</b>	<b>811</b>	<b>-4.4</b>
<b>EBITDA</b>	<b>36.4</b>	<b>25.2</b>	<b>44.4</b>	<b>22.8</b>	<b>59.6</b>	<b>107.5</b>	<b>214.9</b>	<b>-50.0</b>
<i>Margin (%)</i>	18.1	16.9	120bps	15.6	250bps	13	22	-870bps
<b>Reported Profit After Tax</b>	<b>12.3</b>	<b>7.2</b>	<b>70.8</b>	<b>1.4</b>	<b>778.6</b>	<b>24.9</b>	<b>124.2</b>	<b>-80.0</b>
<i>Margin (%)</i>	6.1	4.8	130bps	1.0	510bps	3	13	-960bps
Basic EPS (Rs./share)	1.4	0.83	68.7	0.16	775.0	2.84	14.17	-80.0

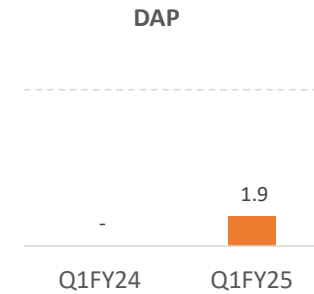
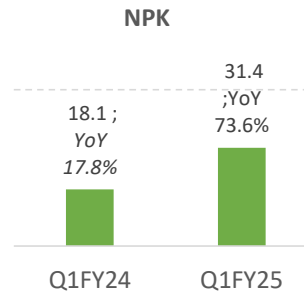
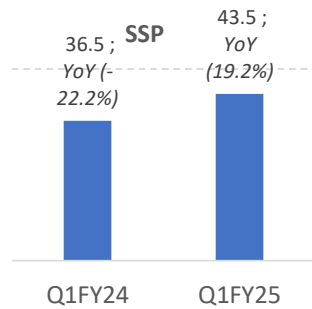




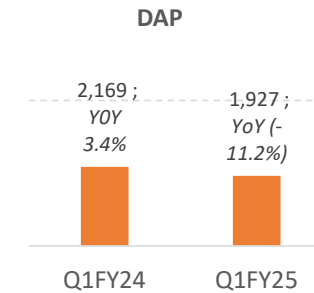
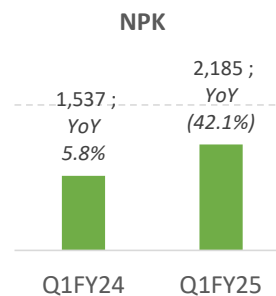
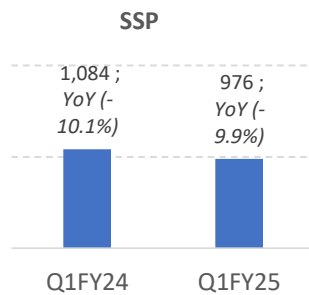
# Company & Industry Performance



## COMPANY SALES VOLUME ('000 tons)



## INDUSTRY SALES VOLUME ('000 tons)





## Chairman's Quote



**Mr. M.K. Ostwal**  
(Promoter, Chairman &  
Director)

*“We are delighted to kick start the year on a favorable note with various developments. First of all, the project of setting up a Phosphoric Acid and Sulphuric Acid at the new location in Dhule, Maharashtra has received the pollution board approval and is on track. We expect the financial closure soon this quarter and as planned the capacities are expected to come up in 2 years. The proposed capacity addition of Phosphoric Acid at Sagar, Madhya Pradesh is also on track which should come in the first half of FY26. The strategic alliance with NFL has also started showing results and our first batch of products were supplied in the June quarter. This arrangement has increased our potential depth thereby enabling us to manufacture at optimum utilization soon. Market conditions have been mixed but we have emerged far better. Despite degrowth in SSP industry and marginal growth in NPK industry, we continue to exhibit significant volume increase in the quarter both sequentially and year on year.”*



## MBAPL – an overview अन्नदाता का साथ, किसान का विकास





## Overview



- MBAPL, a part of **Ostwal Group of Industries**, is led by **Mr. MK Ostwal**, a first generation technocrat entrepreneur.
- Mr. Ostwal is regarded as one of the pioneers of Single Super Phosphate (SSP) manufactured from BRP. He along with his sons **Mr. Pankaj Ostwal** and **Mr. Praveen Ostwal** have mastered the art of turning around loss making fertilizer units. They have turnaround 4 such fertiliser units.
- MBAPL acquired in 2004 as loss making unit then, which is now one of the most profitable unit for the group. It manufactures and markets fertilisers (SSP, NPK/DAP complex) under the brand name '**Annadata**' and '**Bharat**' respectively.
- 2 manufacturing locations in Sagar, Madhya Pradesh.
- Wide reach and distribution network comprising of 150 Marketing Professionals; 2,000 wholesalers/dealers; 23,250 retailers.
- Group's SSP market share of 20% in Madhya Pradesh & 19% in Chhattisgarh
- 'A' stable credit rating by CRISIL
- MBAPL is an NSE listed Company (ISN: INE900L01010) since 2016 (Market cap ~ INR 20 bn – July 25, 2024)



**Banda Plant in Sagar**



**Rajoua Plant in Sagar**



# Journey so far & way forward



Incorporated in 1997 was taken over by OGI with its 60,000 MT SSP plant in 2004.

2004

2012

Commenced Beneficiated Rock Phosphate (BRP) production

2016

Began SSP & Sulphuric Acid & got listing on NSE SME Emerge.

2017

Commenced GSSP and Organic Fertilizers

2019

Migrated to NSE Main board of stock exchange

2021

Started DAP/NPK/APS\* (120,000 MT) integrated with Sulphuric Acid & Phosphoric Acid Plants

2023

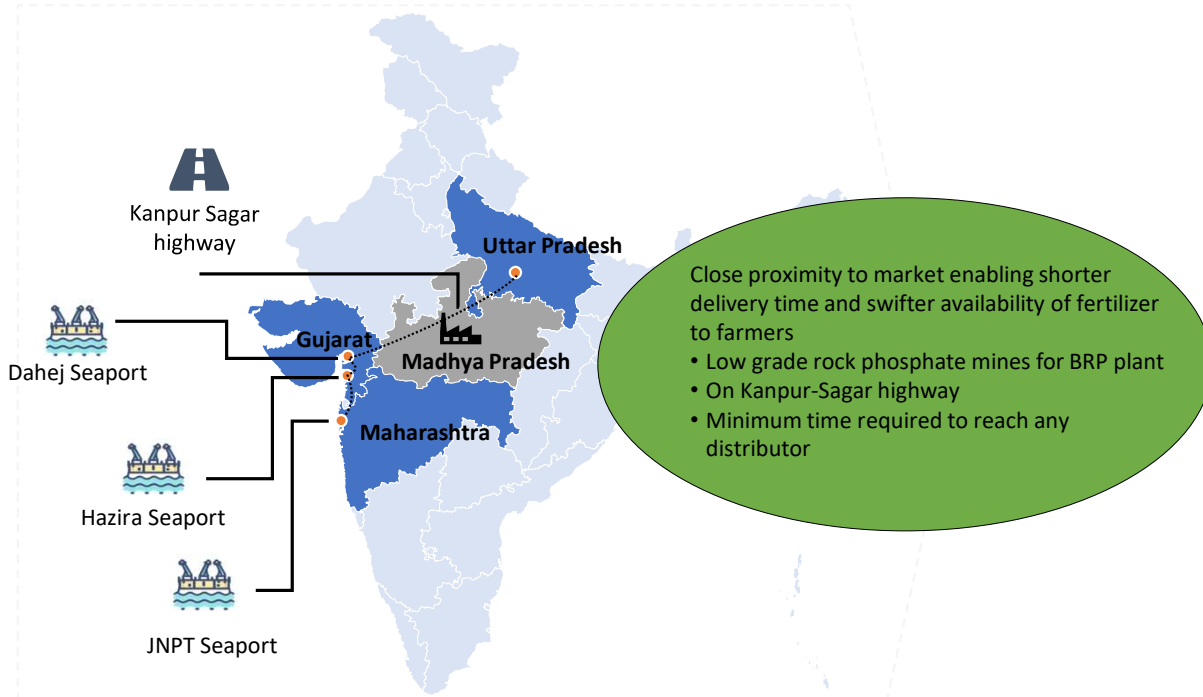
Doubled manufacturing capacity of DAP/NPK/ASP plant to 240000 MT per annum and Phos Acid to 49,500 MT per annum

2024

STRATEGIC SHIFT TO CHEMICAL SEGMENT SUPPORTING FERTILISER & ALLIED SECTOR



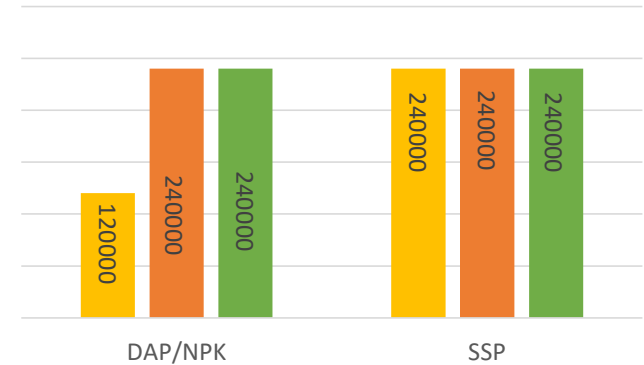
# Strategic Location with regular capacity additions



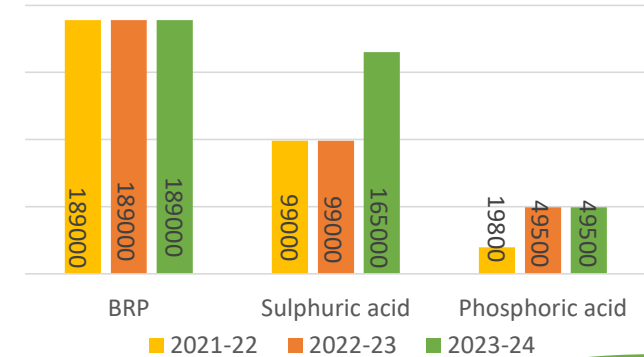
## Adequate availability of land, infrastructure & inputs to expand capacity

Sulphuric Acid Capacity increased from 99,000 MTPA to 165,000 MTPA in 4QFY24

**Finished Goods Capacities (MT)**

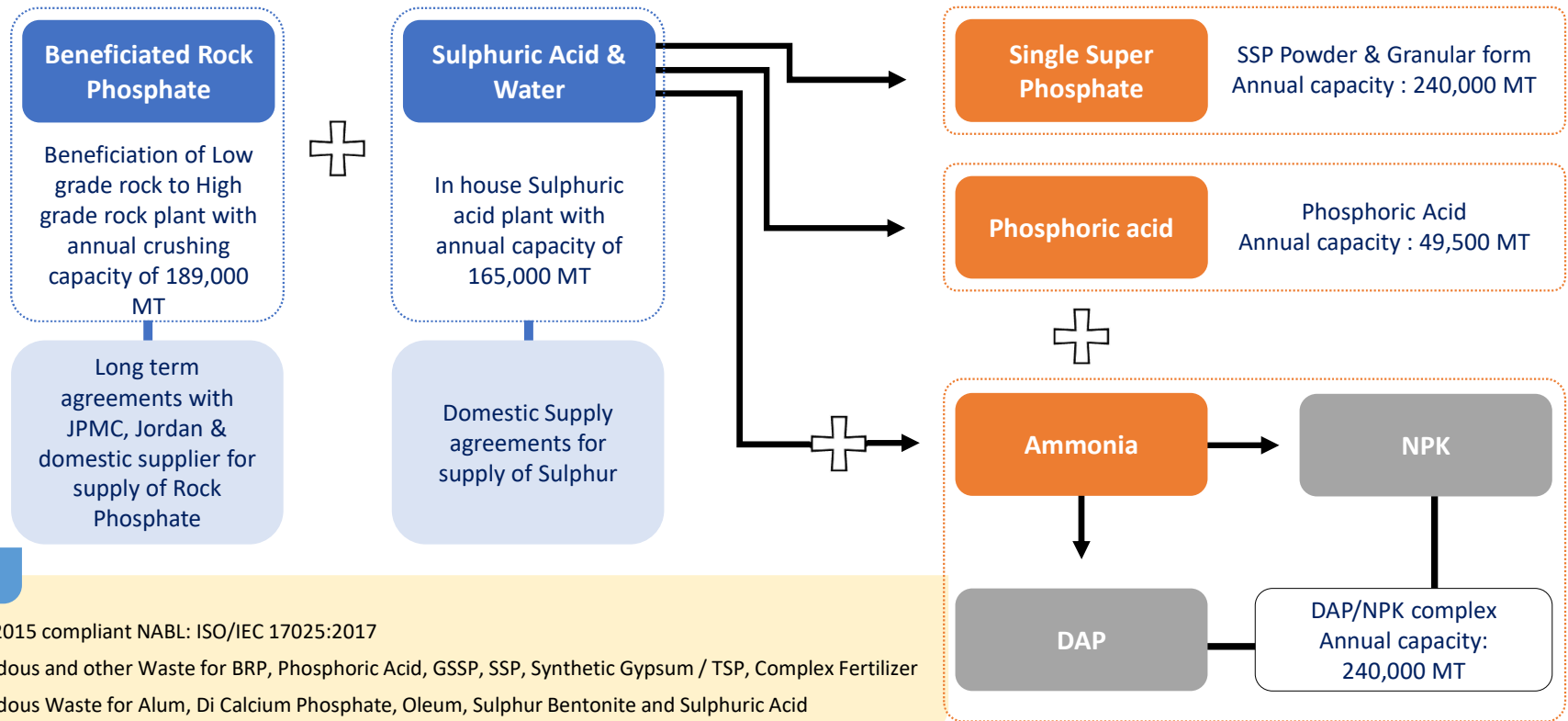


**Backward integrations Capacities (MT)**





# Only Manufacturer in India with Full Backward Integration



## Certifications

All facilities are ISO 9001:2015 compliant NABL: ISO/IEC 17025:2017

Authorization under Hazardous and other Waste for BRP, Phosphoric Acid, GSSP, SSP, Synthetic Gypsum / TSP, Complex Fertilizer

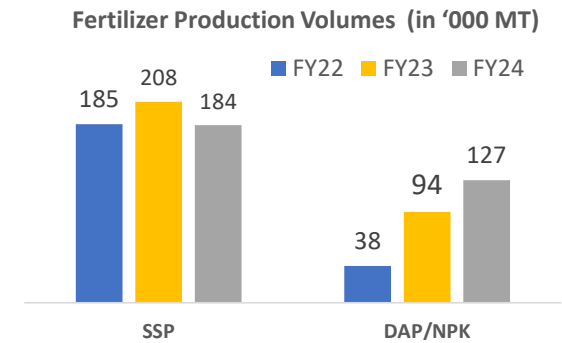
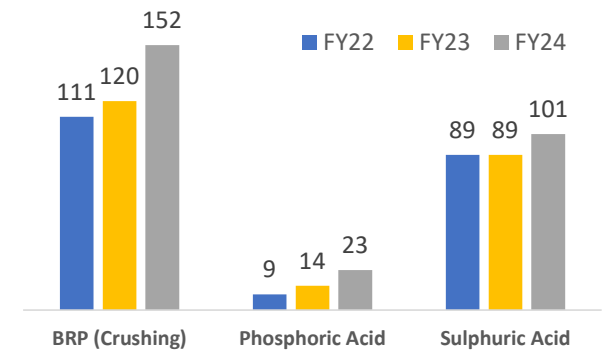
Authorization under Hazardous Waste for Alum, Di Calcium Phosphate, Oleum, Sulphur Bentonite and Sulphuric Acid

Access to adequate low grade rock phosphate and beneficiation ensures sustainable and efficient operations

# Capacity Utilisation

	Production capacity (MTPA)	Capacity utilisation (%) Q1FY24	Capacity utilisation (%) Q1FY25
DAP/NPK	240,000	53%	59%
SSP/GSSP	240,000	85%	84%
Organic Fertiliser	60,000	30%	31%
BRP (Crushing)	189,000	71%	61%
Phosphoric Acid	49,500	34%	64%
Sulphuric Acid & Other@	165,000	46%	100%

@ Sulphuric Acid Capacity increased from 99,000 MTPA to 165,000 MTPA in 4QFY24







# Competitive Advantage



## **PROVEN track record**

Time and again promoters have acquired & turnaround loss making units at low cost of acquisition

## **ONLY Fully Backward Manufacturer**

Ability to beneficiate a low-grade Rock Phosphate to High Grade Rock Phosphate

## **BENEFITS of Economies of Scale**

Ostwal Group is 2nd largest SSP manufacturer enabling discounts on procurement

## **STRATEGICALLY Located**

Both the plants are located close to rock phosphate mines, sulphur sources and the irrigated markets

## **FREEDOM ON PRICING**

Complex manufacturer are not governed by government to determine market price

## **SECURED**

### **Raw Material Supplies**

Entered into long term rock phosphate agreement domestic as well overseas

## **Low Opex, High Margins**

Backward integration, Economies of Scale leading to high Margins

## **Low Capex, Low Opex High RoCE**

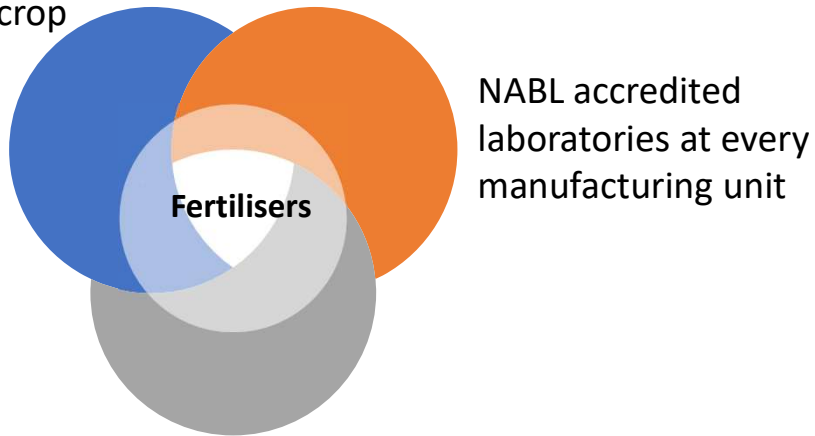
Low acquisition cost and turning around leads to high returns.



## Focus farmer connect and sustainability



Focus on quality  
fertilizer for  
enrichment of crop



Strong focus on farmer  
education and partnerships by  
conducting camps at villages for  
creating awareness among them

### Sustainability

- MBAPL is committed to sustainable agriculture. The company's fertilizers are designed to minimize the impact on soil and water resources and reduce greenhouse gas emissions.
- Providing farmers quality fertilizer which will directly help them to enrich crop and make land more fertile.



## Expansion Plans: Investment Outlay - ~Rs800cr over 2-3 years

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### **Maharashtra** (to be commissioned in phases starting October 2026)

- Phosphoric Acid – 165,000 MT
- Sulphuric Acid – 396,000 MT

- The Group has entered into a definitive agreement with Birla Copper to purchase a fertilizer plant along with Phosphoric Acid & Ammonia Storage Plant based in Dahej.
- 587,350 sq mtr land allotted by MIDC and is under possession at Nardana, Maharashtra.
- Pollution board approval obtained.
- Expression of interest received from fertilizer manufacturers for purchase of Phosphoric Acid

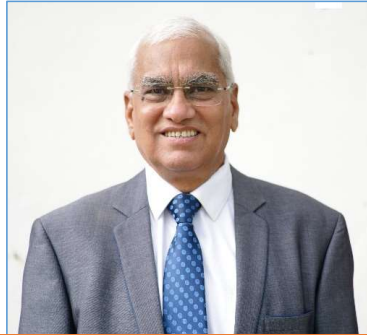
### **Madhya Pradesh** (to be commissioned in 1FY26)

- Phosphoric Acid – 33,000 MT

- 137,052 sq mtr land allotted and under possession adjacent to existing plant at Sagar, Madhya Pradesh
- Work on the project has since started



## Promoters



### **Mr. M.K. Ostwal**

**Promoter, Chairman & Director**

Aged 68 years has a vast 44 years experience in the sector setting up various fertilizer capacities. He is regarded as is one of the pioneers of BRP based SSP technology. A commerce graduate and founder of Ostwal Group of Industries is the guiding force of the Group



### **Mr. Pankaj Ostwal**

**Promoter & Managing Director**

Aged 46 years is a C.A by qualification with 23 years of experience in the field of fertiliser, textiles, chemical & mineral beneficiation. He is a commercial director and oversees all the Import and Export Business of the Ostwal Group of Industries.



### **Mr. Praveen Ostwal**

**Promoter & Director**

Aged 43 years he is a C.A by qualification & has 20 years of experience in the field of fertiliser, chemicals sector & mineral beneficiation. He is engaged in managing the Company domestic as well overseas acquisitions & bringing innovations in the group



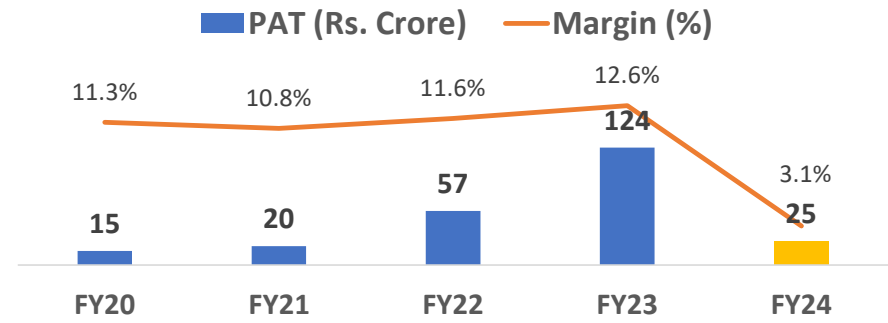
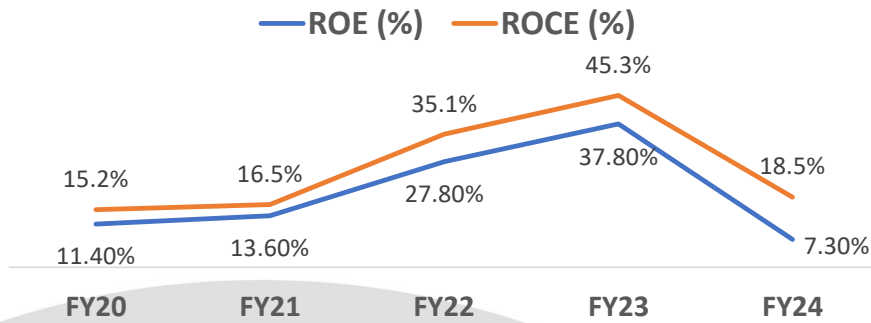
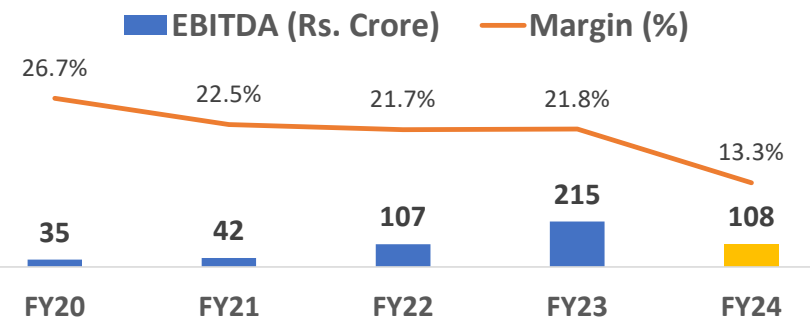
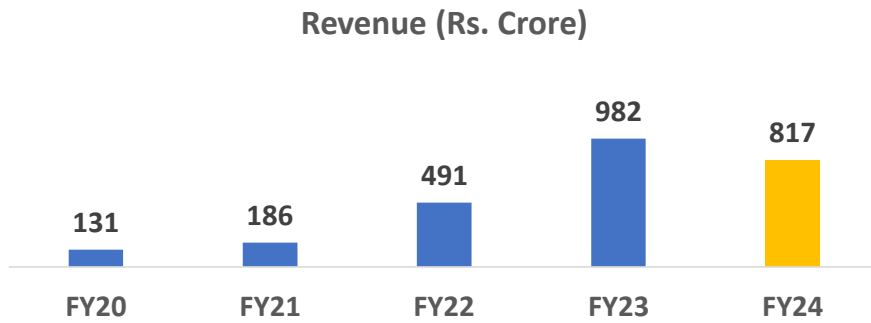
# Annexures



# Historical Financial Performance



### Revenue (Rs. Crore)





## Ratios & Cashflow



(Rs. in Crores)

Particular	FY2024	FY 2023	FY 2022	FY 2021	FY 2020
Cash Flow Summary					
Cash and Cash Equivalents at Beginning of the year	6.01	0.01	0.18	0.95	0.05
Net Cash from Operating Activities	149.04	-70.04	-71.93	30.04	14.44
Net Cash Used in Investing Activities	-93.64	-65.31	-13.06	-55.99	-22.39
Net Cash Used in Financing Activities	-61.36	141.35	84.82	25.47	8.84
Net Inc/(Dec) in Cash and Cash Equivalent	-5.96	6.00	-0.17	-0.48	0.90
Cash and Cash Equivalents at End of the year	0.04	6.01	0.01	0.47	0.95



## Key Ratios



	FY2024	FY 2023	FY 2022	FY 2021	FY 2020
<b>Operational Ratio</b>					
EBITDA/tonne (Rs.)	3,700	7,347	4,578	2,152	2,446
<b>Financial Ratios</b>					
Debt-Equity Ratio	0.83	0.98	0.80	0.42	0.28
Current Ratio	1.38	1.58	1.51	1.50	2.62
Working Capital (Rs. Crore)	131.89	184.36	95.15	34.34	44.57
Total Debt (Rs. Crore)	289.62	322.55	163.67	62.19	37.04
ROCE (%)	18.47	45.31	35.06	16.51	15.19
RONW (%)	7.08	37.82	27.77	13.55	11.38
Debtors (Days)	83	74	55	54	77
Creditors (Days)	41	8	38	84	31





# Thank You

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