



**kirloskar**  
*limitless*

# GROUP OVERVIEW

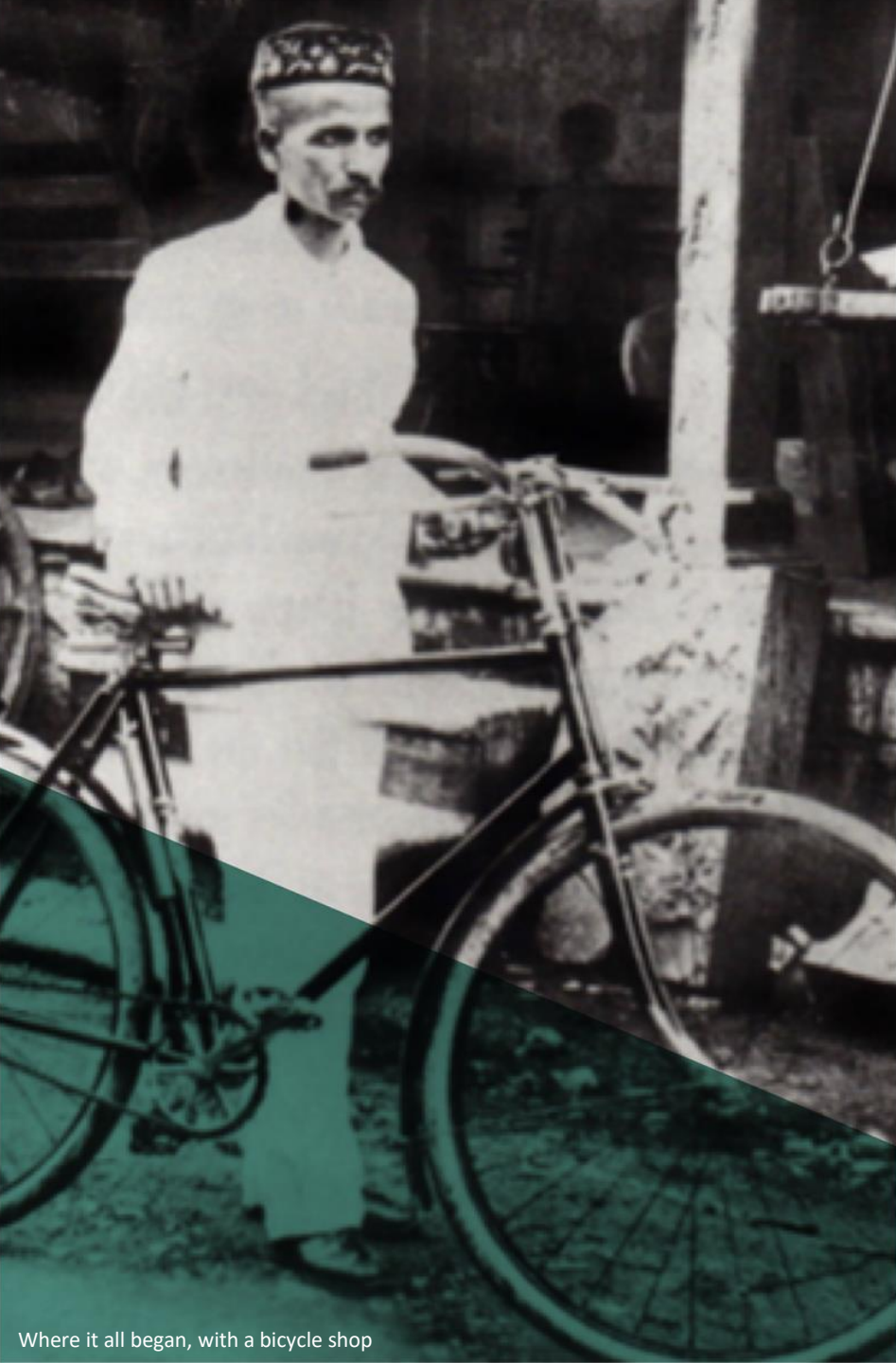
**August 2022**

# Cautionary Statement

This presentation contains statements relating to future business developments and economic performance that could constitute ‘forward-looking statements. While these forward-looking statements represent the Company’s judgments and future expectations, a number of factors could cause actual developments and results to differ materially from expectations. The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future events or circumstances. Further, investors are requested to exercise their own judgment in assessing various risks associated with the Company and also the effectiveness of the measures being taken by the Company in tackling them, as those enumerated in this Report are only as perceived by the Management.

Note: Across this presentation

- “KIL” refers to “Kirloskar Industries Limited.”
- “KFIL” refers to “Kirloskar Ferrous Industries Limited.”
- “KOEL” refers to “Kirloskar Oil Engines Limited.”
- “KPCL” refers to “Kirloskar Pneumatic Company Limited.”
- “ISMT” refers to “Indian Seamless Metal Tubes Limited.”



# A LEGACY OF ENGINEERING A LIMITLESS FUTURE

In 1888, when others looked to the past, one man looked to the future. From a bicycle shop to India's first iron plough, he set in motion the nation's industrial revolution. Today, we are known as the leader in castings, diesel engine and genset manufacturing, motors, compressors, pneumatic packages and cooling solutions, and seamless pipes forming the backbone of several industries. With many firsts to our name, we innovate solutions that challenge convention and create a limitless future.

**We made India's first**

**CENTRIFUGAL PUMP**

**DIESEL ENGINE**

**LATHE**

**MOTOR**

**AIR COMPRESSOR**

We're all about finding solutions, building partnerships and peering into the future...



## EXCELLENCE

In everything we do, quality without compromise



## INTEGRITY

Say what we do, and do what we say



## COLLABORATION

We grow with people and partners



## EMPATHY

Towards all Stakeholders

We always listen, and learn



## VALUE CREATION

Towards all Stakeholders

We're building for a shared prosperous future



## INNOVATIVE THINKING

Be bold and brave, & stay relevant





# OUR BUSINESSES...




**Kirloskar Oil Engines**

Engines, Gensets, Farm mechanization, Pumps, Electric Motors



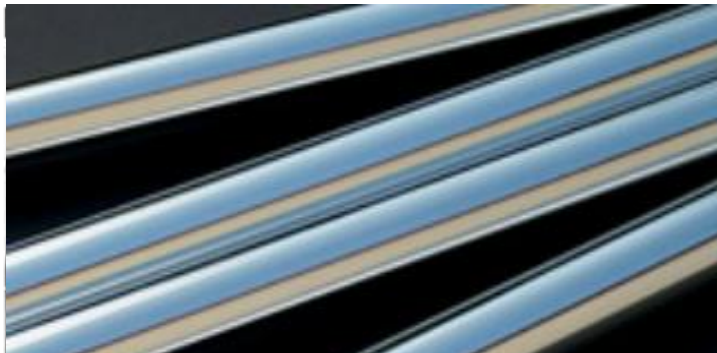
**Kirloskar Ferrous**

Pig Iron, Iron Castings



**Kirloskar Pneumatic**

Air and Gas Compressors, Refrigeration systems, Gears



**ISMT**

Steel, Seamless Pipes, Value added products



**Kirloskar Industries**

Windmills, Real Estate



**ARKA Fincap**

Financial Services and Lending



# KIRLOSKAR LIMITLESS NUMBERS THAT MATTER

**133**

Years of  
History

**30**

Countries  
Presence

**6.8k+**

Employee  
Base

**10,880**

INR Crore  
Combined  
Turnover\*

**10,533**

INR Crore  
Combined Market  
Cap\*\*

**7,158**

INR Crore  
Net Worth#

**1+**

Million gensets  
installed across globe

**120k**

MT of Castings  
Produced in a year

**50%**

CNG Stations in  
India are Powered  
by Kirloskar

\*Turnover Includes – Consolidated numbers for KOEL, and standalone numbers for KIL, KFIL, KPCL and ISMT for the year ended March 31, 2022.

\*\* Market Cap Based on the closing price of Mar 31, 2022.

# Based on the March 31, 2022' results for the listed companies only  
Numbers are including ISMT Ltd, effective acquisition date- 10<sup>th</sup> March 2022.







**The Group Overview**



Financial update & business outlook



Transitioning for future-ready businesses



Sustainability

# Agenda



# The Kirloskar Group

**Kirloskar**  
Industries

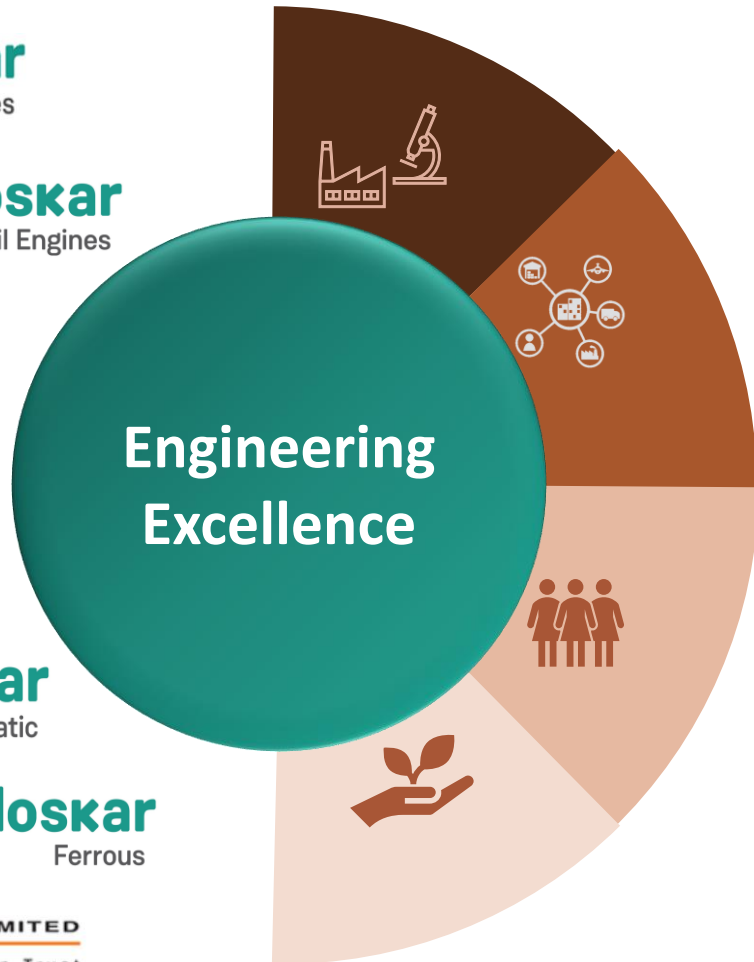
**Kirloskar**  
Oil Engines

**ARKA**  
FINCAP

**Kirloskar**  
Pneumatic

**Kirloskar**  
Ferrous

**ISMT** LIMITED  
Solutions You Can Trust



<p>Manufacturing Excellence and Strong R&amp;D Focus</p>	<ul style="list-style-type: none"> <li>• Strong manufacturing footprint</li> <li>• Best in class processes</li> <li>• Strong focus on research and development</li> <li>• Broadened and diversified portfolio in allied sectors</li> </ul>
<p>Resilient Supply Chain</p>	<ul style="list-style-type: none"> <li>• Backward integration for core businesses</li> <li>• Strong channel network across India</li> <li>• Long-standing relationships with all key suppliers</li> </ul>
<p>People Focused</p>	<ul style="list-style-type: none"> <li>• Customer delight at the core</li> <li>• Wide customer base – B2C,B2B, and Government</li> <li>• Employee base of 6,800+</li> <li>• People and culture-driven organisations</li> <li>• Nurturing leaders for the future-ready businesses</li> </ul>
<p>Sustainable Business Model</p>	<ul style="list-style-type: none"> <li>• ESG Focused approach across businesses</li> <li>• Strong focus on governance</li> <li>• Focus on low leverage and cash generation</li> <li>• Effective use of established asset base</li> </ul>







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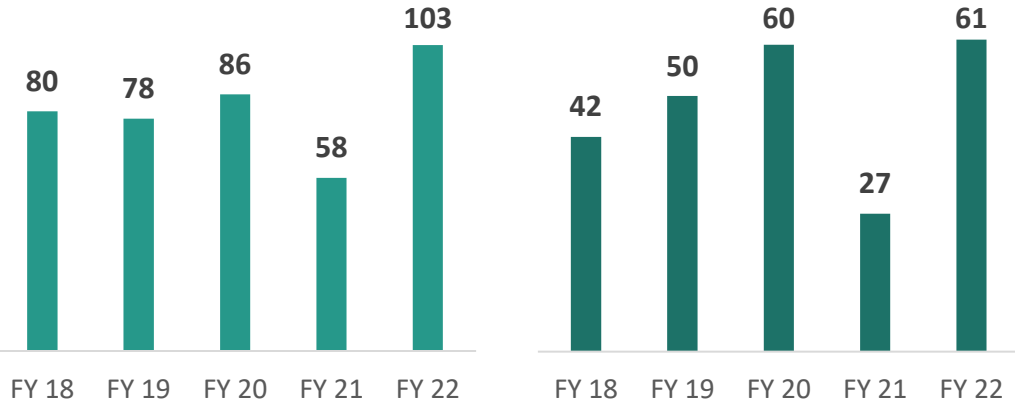


# Kirloskar Industries Limited

All amounts INR Crores.

## Total Income

## Net Profit



## Holding structure\*

Company name	% holding
Avante Spaces Limited	100%
Kirloskar Ferrous Industries Limited	50.93%
Kirloskar Brothers Limited	23.91%
S.L. Kirloskar CSR Foundation	19.60%
Swaraj Engines Limited	17.41%
Kirloskar Pneumatic Company Limited	9.97%
Kirloskar Management Services Private Limited	7.00%
Kirloskar Oil Engines Limited	5.68%

\* As of March 31, 2022.

## Key Business Updates

- Ongoing windmill operations
- Un-registered Core Investment Company (CIC) regulated by the Reserve Bank of India
- Ventured into the real estate business through Avante Spaces Ltd.
- Mixed-use projects are currently under development in Kothrud, Pune area with a leasable area of about 1.8 million square feet

## Outlook

- Developing the real estate arm under the holding company
- Building future-ready smart buildings
- Currently possess 80+ acres between two land banks in Pune

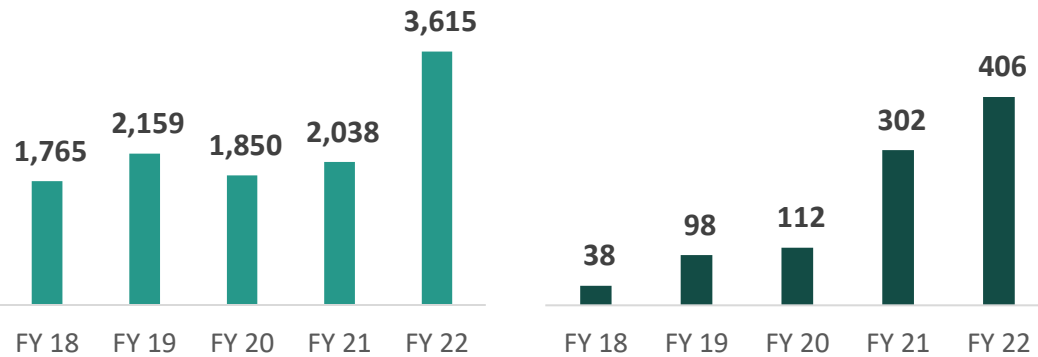


# Kirloskar Ferrous Industries Limited

All amounts INR Crores

## Revenue

## Net Profit



## Key Business Updates

- Iron ore mines to machined castings – Fully backward integrated operations
- Investment in foundries at Solapur and Koppal
- Captive Iron Ore mines
- Captive solar plant and waste heat recovery plant
- Strong client base – Most of the engine, tractor, HCV & LCV manufacturing companies across the globe

## Holding structure



## Outlook

- Turnaround of ISMT
- Further expansion of both foundries
- Target of 1 billion USD turnover

\* Numbers represent the standalone performance.

# Effective from 10<sup>th</sup> March 2022



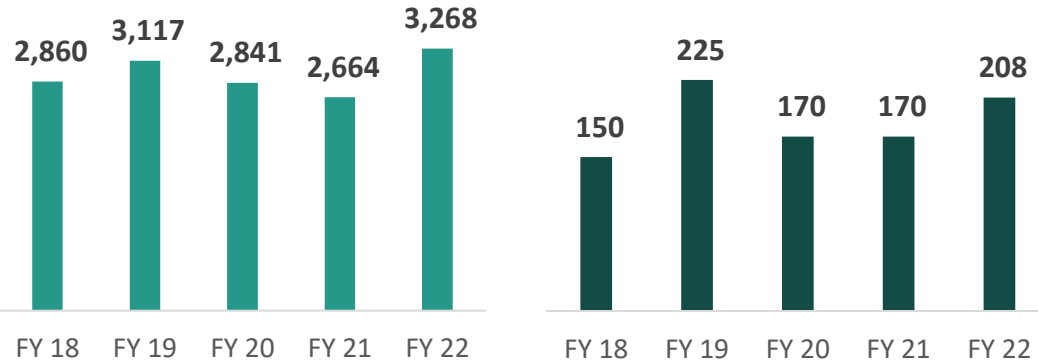
# Kirloskar Oil Engines Limited



All amounts INR Crores

## Revenue

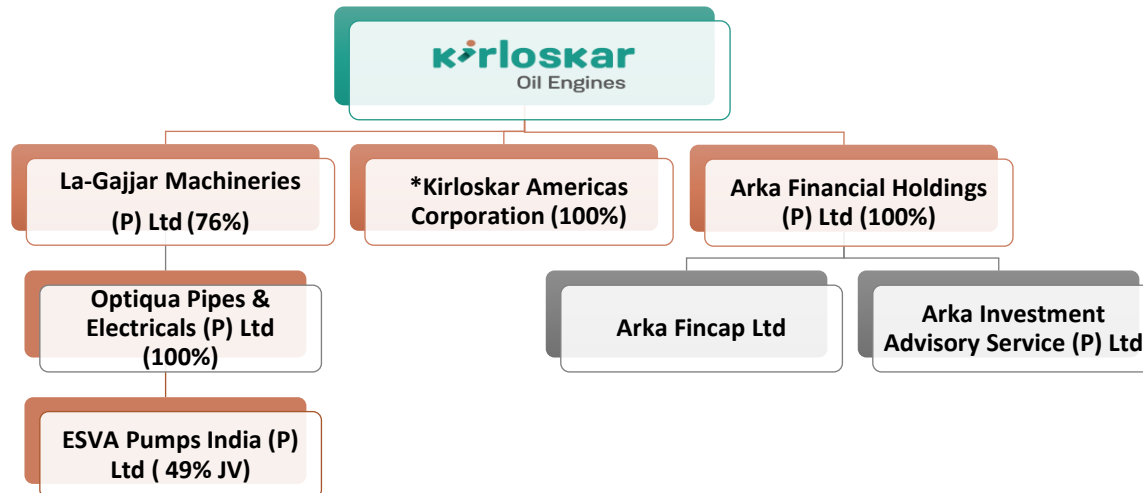
## Net Profit



## Key Business Updates

- Launch of Compact engines (R550) platform for domestic and International market
- Engines for firefighting equipment for the export market
- Kirloskar motors launch
- Successful transition for the latest emission norms (BS IV)

## Holding structure



## Outlook

- Engines using alternative fuels – Gas, CNG
- R&D for the latest emission norm across geographies
- Fuel agnostic engines
- Indian emission norms upgrade – an enabler for KOEL to make engines for the advanced emission engines across the geographies
- Widening and deepening of B2C business





# Kirloskar Oil Engines Limited

— Latest emission norm adherent engines

## Latest compact Engine platform

- KOEL developed R-550 and I-Green 2.0 products in the Genset segment
- The R-550 Genset is a compact power pack with 30% volumetric reduction without compromising on performance

## Being Future Ready

- Being a step ahead to fulfill our customers' needs
- Gearing up for BS V & CPCB IV+ emission norms
- Committed to deliver products that will adhere to the upcoming emission norms without any lag, thus ensuring smooth transition for our customers



# La-Gajjar Machineries Pvt Limited

Incorporated in 1935 at Ahmedabad (Gujarat), Varuna Pumps has today evolved to an avant-garde brand of globally acclaimed submersible pumps and open well motors

80+

YEARS OF  
ENGINEERING  
EXPERTISE

1,500+

DEALERS

1,100+

MODELS OF SUBMERSIBLE  
PUMPS AND MOTORS  
FROM 3" – 10"

150+

SERVICE CENTRES

1 Lac sqm

INFRASTRUCTURE WITH  
STATE-OF-THE-ART  
MACHINERIES

50+

COUNTRIES  
EXPORT  
NETWORK



Centrifugal Monoblock  
Pump set



Self Priming & Shallow Well  
Jet Monoblock Pump Sets



Stainless Steel  
Submersible Pumps



Borewell Submersible Pumps



Horizontal Multistage Open well



Pressure Booster

SINCE 1935  
**VARUNA**<sup>®</sup>  
RAISE • REACH • REAP



# ARKA FINCAP Ltd

Established in 2018, the company focuses on providing Structured-Term Financing Solutions to Corporates & Loans to Micro, Small & Medium Enterprises (MSMEs) borrowers in India

**2,380 Cr**

**ASSETS UNDER MANAGEMENT**

**827 Cr**

**NET WORTH**

**PRESENCE IN**

**10**

**CITIES IN INDIA**

**Ratings from CRISIL**

**Long-term borrowings:**

**AA(-)**

**Short-term borrowings:**

**A1(+)**

## A DIVERSIFIED PRODUCT PORTFOLIO

CORPORATE LENDING	REAL ESTATE AND ALLIED FINANCING	PERSONAL LENDING	SME/MSME LENDING
A range of financing solutions to meet business requirements of large corporations, with flexible repayment structures mapped to client cash flows	customized financing solutions, which enable property and urban infrastructure developers to scale up their businesses. We also offer financing to social entrepreneurs	facilitate clients with personal loans for various end-uses, through seamless and paper-free digital lending	Loans Against Property, Supply Chain Finance and Business Loans are designed to fast-track business growth

## KEY DIFFERENTIATING FACTORS



**SOLID CULTURE**



**ABILITY TO BE AGILE**



**SUPERIOR TECHNOLOGY**



**DIFFERENTIATED BUSINESS MODEL**



**COMFORTABLE LIQUIDITY**



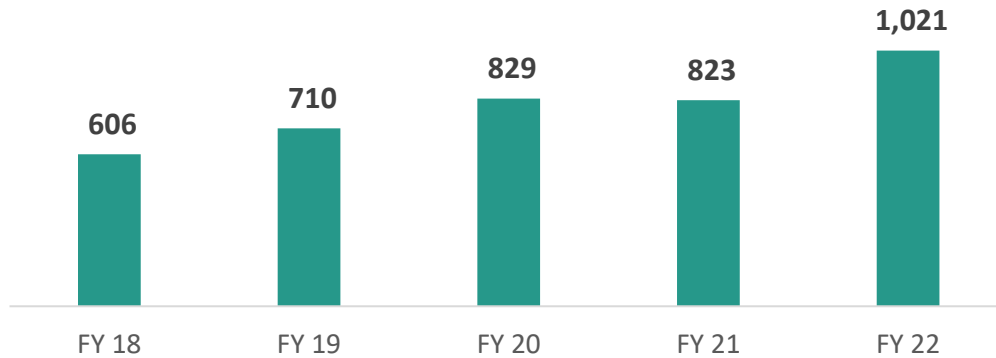
**EFFECTIVE RISK MANAGEMENT**

As of March 31, 2022

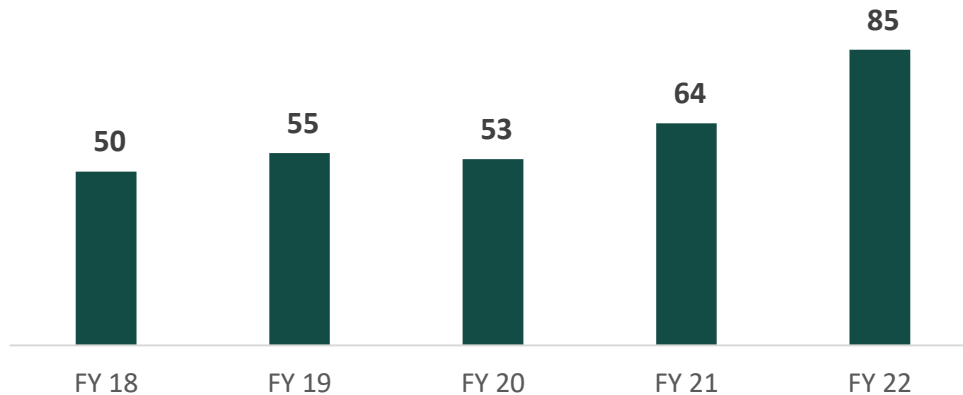
# Kirloskar Pneumatic Company Ltd

All amounts INR Crores

## Revenue



## Net Profit



## Key Business Updates

- Market Focus –
  - Refrigeration
  - Air compressors
  - Gas compressors
- Market potential for city gas distribution network
- New product launch – Khione Screw Compressor

## Outlook

- Target of doubling the top line
- Focus on export markets
- Booster stations as a new addition to the offering
- Moving from reciprocating to rotary compressors







The Group Overview



Financial update & business outlook



**Transitioning for future-ready businesses**



Sustainability

# Agenda



# Brand Refresh

- Brand Kirloskar refreshed with a new logo and new business vision: limitless; on 16<sup>th</sup> July 2021
- Campaign Brand refresh has been launched through TV, newspaper, and social media
- What stays at the core of the group, for the last 130 years, is to work toward the progress of the society
- At Kirloskar we are engineered to always think about our customers, about society, and what's next

**It is this potential that makes opportunities** *limitless*



# Strong governance framework

- **Balanced boards** with a good mix of Independent and non-independent directors
- Boards designed to leverage the **diverse skills** of the board members
- **Group-wide code of conduct** rolled out which encompasses a policy framework for ethical business parties across the value chain

	% of Independent Directors (IDs)	No of Committees Chaired By IDs
<b>KIL</b>	55%	3 out of 5
<b>KFIL</b>	50%	3 out of 6
<b>KOEL</b>	55%	4 out of 5
<b>KPCL</b>	67%	4 out of 6
<b>ISMT</b>	50%	4 out of 8

As of March 31, 2022



## Our Work Environment and People Philosophy

### How we work is as important as what we do

- Work culture that reflects our values
- Work environment that is inclusive and geared around collaboration and innovation
- Ideas are welcomed, nurtured and shared
- A happy place where people can feel free to grow and express themselves

### Developing Talent

- Philosophy that is built around our faith in the power of human potential
- Giving every employee the best tools to find their own niche, hone their talents and free their thinking
- Organizing courses and workshops that bring teams together and help individuals unleash the entirety of their vast potential





# Adapting Industry 4.0

## A journey from Digital Awareness to Digital Innovation



### Build Awareness



- Multiple workshops have been run to improve digital literacy
- Leadership session on Innovation
- Digital Charter across the Kirloskar Group



### Build Capability



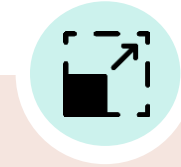
- A rigorous program for to develop Digital Champions across value chain
- Encouraged Pilot projects / Prototypes for idea validation across companies



### Governance



- Digital Steering Committee to develop and monitor roadmap across the Group
- Cross-company sharing & learning mechanism
- Work towards WEF Lighthouse status



### Innovation Factory



- Scale-up Labs via strategic partnerships across start-ups, automation vendors, system integrators
- Transition ideas from validation to production





The Group Overview



Financial update & business outlook



Transitioning for future-ready businesses



**Sustainability**

# Agenda



# Responsible use of natural resources

We continually strive to minimize the environmental impact of our operations through sustainable practices and responsible use of natural resources. We have evolved our strategies for reducing, reusing, recovering, and recycling the impact of operational wastes

KOEL's manufacturing plant at Kagal is

## Carbon Neutral

Certified as CII 'Greenco Platinum Plant' for the year 2021, Recipient of Golden Peacock Award for Energy Efficiency for a third consecutive year

With the power generated from Solar plant and Waste heat recovery plant

# 100%

of KFIL electricity consumption is generated in house

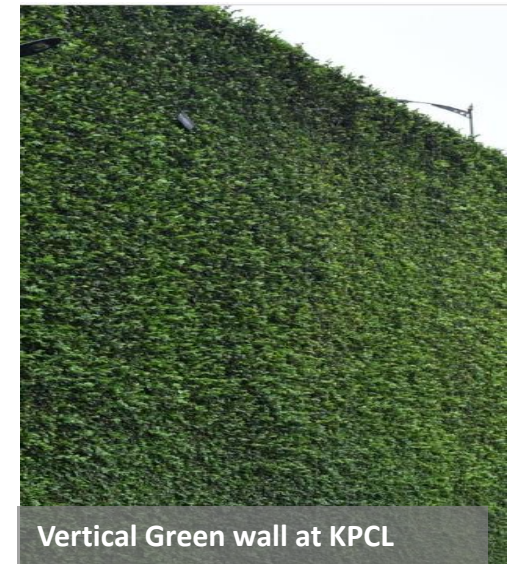
KPCL's

## Vertical Green Wall

India's largest – 21,283 Sq Ft  
Home to ~ 3,000 Birds  
Size- Among the top 3 in the World



Kagal plant aerial view



Vertical Green wall at KPCL



Solar Plant at KFIL



Windmills at KIL



# Community Development Programs



## Health

- Life skill training for adolescents
- Health check-up camp for women
- Health check-up camp for children
- Hand wash demonstration at School
- Mission Vayu - supported
- Mahratta Chamber of Commerce Industries & Agriculture Pune platform with oxygen concentrators and BiPAP ventilators for hospital during second wave



## Education

- Sports material & scholarship distribution to school children
- Library support to schools
- Skill development at SMAK ITI
- KaShi( Kanya shiksha) - aimed at supporting the daughters of our cold storage units workmen in UP, Gujarat, Rajasthan and MP



## Environment

- Kirloskar Vasundhara International Film Festival
- Smart and Sustainable – It's My City – FY 2016
- Save River, Save Life – FY 2017
- Prevent Pollution Protect Rivers – FY 2018
- No to Plastic Yes to Earth – FY 2019
- Flourishing Nature, Nutritious food, Healthy Society (Online)- FY 2021



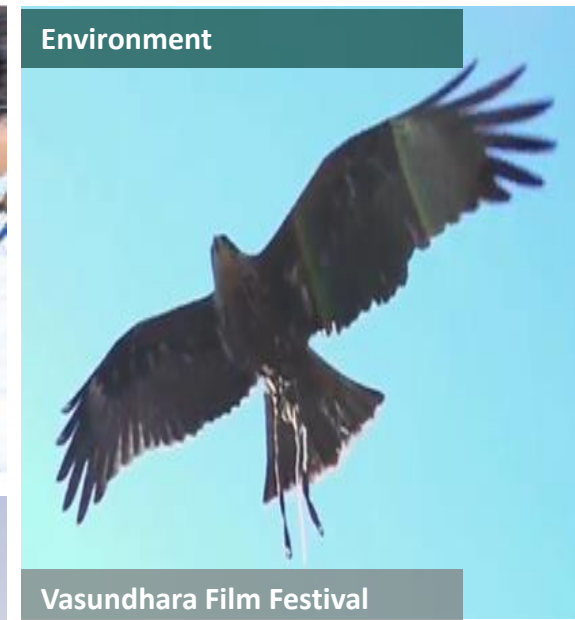
## Sustainable Livelihood

- Vegetable seeds distribution
- Tailoring/ Dress making training
- Diwali paper lanterns making training
- Bindi making training
- Spices making training
- Groundwater recharge initiative for nearby farming zones



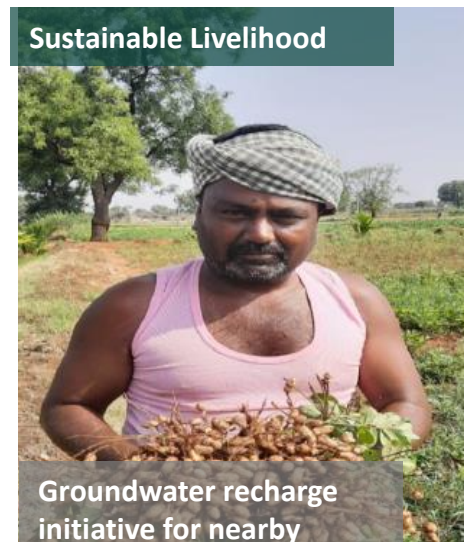
Health

Free health Camp



Environment

Vasundhara Film Festival



Sustainable Livelihood

Groundwater recharge initiative for nearby



Education

School bag distribution



# Thank You

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