



Kirloskar Pneumatic Company Limited

Financial Analyst Meet
August 20, 2018



KPCL's Vertical Green Wall
India's largest - 21283 Sq Ft
Home to ~ 3000 Birds
Size – Among top 3 in the world

Management Team



Enriching Lives



Mr. Rahul C. Kirloskar
Executive Chairman



Mr. Aditya Kowshik
Managing Director



Mr. M.P. Behere
V.P. ACR



Mr. D.S. Lokras
V.P. Process Gas



Mr. N. Bhargava
V.P. Air Comp.



Mr. Mahabaleshwarkar
V.P. Transmission



Mr. S.S. Kolhatkar
V.P. Finance & CFO



Mr. S.Padhee
V.P. HR.



Mr. S. Grover
V.P. IBD



Mr. Adiverekar
A.V.P. QA

About KPCL



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- Multi Product and diversified technology company
 - Compression segment
 - Air Conditioning & Refrigeration, Gas and Air
 - Transmission segment
 - Traction Gears, Customized Gear Boxes
- FY'18 Revenue from Operations – Rs. 606 Crores
- Manufacturing facilities at Hadapsar (HO), Saswad and Nashik
- Branches – 8
 - Dealers ~ 60
- International business
 - KDMCC, UAE
 - KSEA, Thailand
 - JIT(SA) PL, South Africa

Air Conditioning & Refrigeration

Overview



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Products

Refrigeration Compressors



Compressor Packages



Gas Compressors



Oil & Gas



Chemical & Food

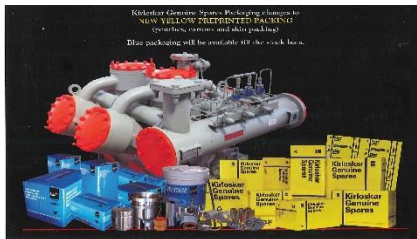


Marine



Projects

Spare Parts



Service



Training



Lube Oil



Post Sales

Customers



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Repeat Customers



New Customers



Flex Foods Limited



GODAVARI
Mega Aqua Food Park Pvt Ltd



Refrigeration Systems



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Refinery & Petrochemicals



Process Cooling With Hydrocarbon (-5°C to -45°C) Comply With API Standards

- Up-to 5 MW Drive - Screw Comp.
- Above 5 MW Drive - Centrifugal Comp.

Chemical, Fertilizers & Food



Chilled Brine Systems & Compressor Packages Using Ammonia & CFC Free Refrigerants. (-15°C to -55°C)

- Up-to 100 TR With Recip Comp.
- 100-800 TR With Screw Comp.

Marine



Chilled Water, HVAC & Refrigeration Packages Using CFC Free Refrigerants (+6°C)

- Up-to 40 TR With Recip Comp.
- Above 40 TR With Screw Comp.

- Water cooled Refrigeration Compressors to Air Cooled Refrigeration Compressors – redefine the market
- Digitization of Service and Spare Parts Operations
- Food & Pharma Sectors – Standardised screw compressor packages.

Refrigeration Business



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- Only Manufacturer Of Air Cooled Ammonia Refrigeration Compressors
- In house Expertise In Design Of Complex Hydro Carbon Refrigeration Packages
- Design Capability For Shock Resistant Refrigeration Packages Upto 270g For Warships And Submarines
- Proven Track Record - Equal Or Better Than Any International Player For Refrigeration Projects
- Largest Supplier Of Refrigeration Packages In Oil & Gas Sector –100% Enquiry Receipt
- Efficient Project Management - >95% On Time Delivery,
'Zero' Short Supply, No Cost Overrun

Innovations & New Products



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1. Applied Patent For Split Condenser – For Nuclear Submarines
2. Innovative Brine Chiller with 40% reduction in heat transfer area.
3. Complete range of Air Cooled Compressors – Single and Two Stage
4. HVAC System for Coast Guard Ships
5. Vapour Absorption Chillers

Compression Segment



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Process Gas Systems

Overview



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Upstream



Solution For Gas lift
Gas Gathering,
Reinjection, CBM

API 11P
API 619 (oil fld-screw)
API 619 (oil free-screw)
API 617

Midstream



Gas Pipeline
Transmission,
Gas Storage & withdrawal

API 11P
API 619 (oil fld-screw)
API 619 (oil free-screw)
API 617

Downstream



Processes In Refinery
& Petrochemicals

API 618
API 619 (Oil fld-screw)
API 619 (oil free-screw)
API 617

Colour Code

Product Available

Product Not Available

Distribution



CNG Packages

API 11P - CNG

Key Customers & Consultants



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Customer Added in FY'18 :



Partnerships – Refrigeration & Gas



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Authorised Packagers of :



Ariel USA.

High Speed Reciprocating Gas Compression - **API 11P**



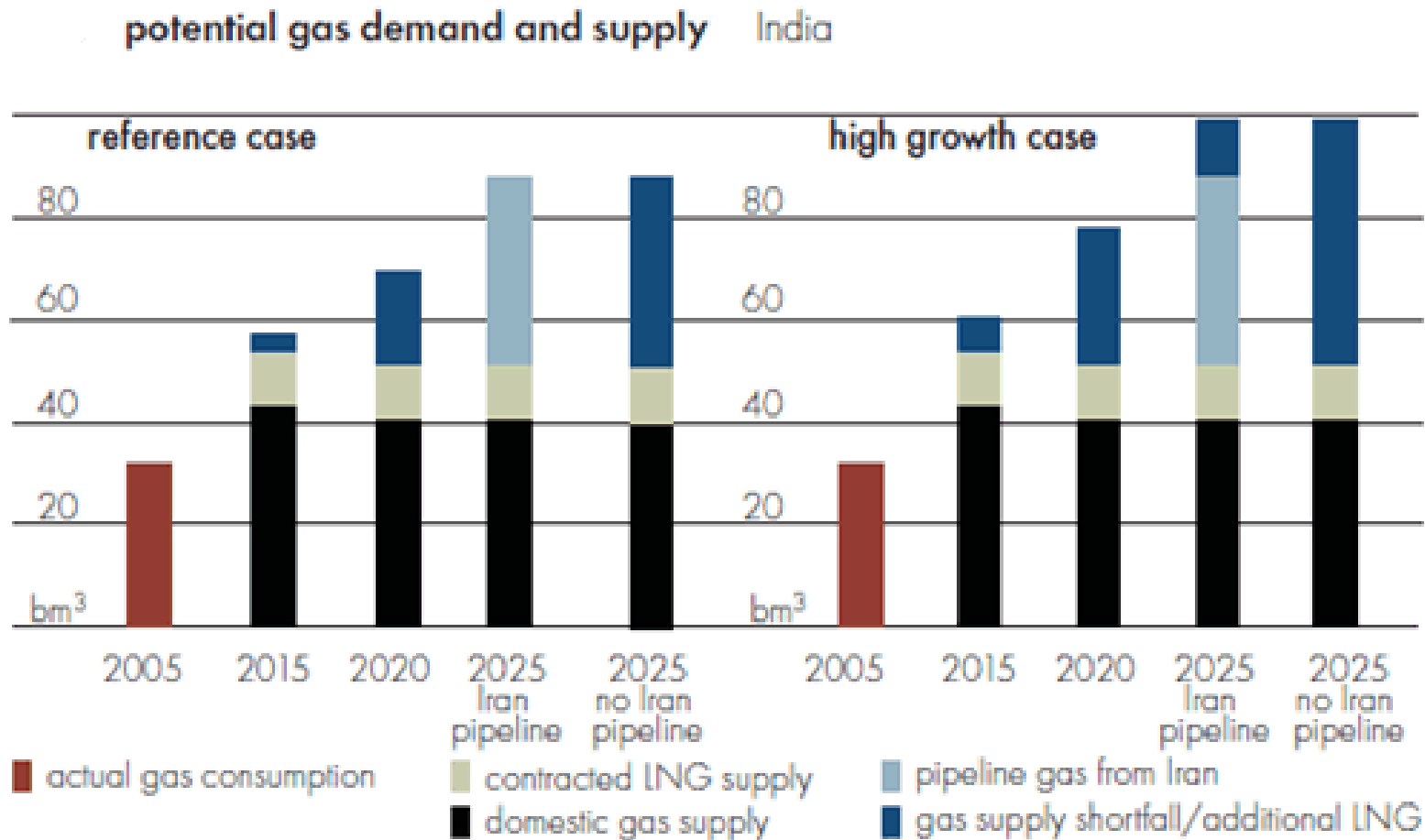
Howden Compressors UK.

High Speed Screw Gas Compression - **API 619**

India Natural Gas Scenario



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Energy Alternatives India (EAI)

India Natural Gas Scenario



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Production:

- Gross production of Natural Gas in FY'18 (till Nov 2017) – 21.93 BCM
- Increase in Gas production by 5.6% compared to same period PY

Increased opportunity in Upstream, Midstream & Distribution Applications

Import:

- LNG import in FY'18 (till Nov 2017) –17.37 BCM
- Increase in Import by 3% compared to same period PY
- New LNG / Revamp of Existing Terminals Planned in FY'19

Increased opportunity in Boil Off Gas & MSO Applications

India CNG Scenario



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- Total 240 Geographical Areas identified for Compressed Gas Distribution in India.
- Expected CNG stations – 3,600 by FY 2028

New Business Avenue



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- Successful entry into Wet Lease Business for Natural Gas Compression
- Tie-ups with other Wet Lease Operators.

Air Compressors & Systems

Strategy For Growth



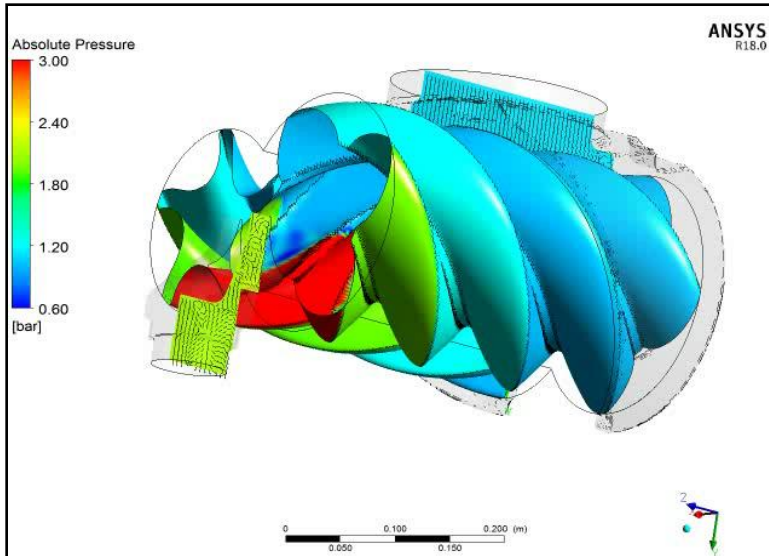
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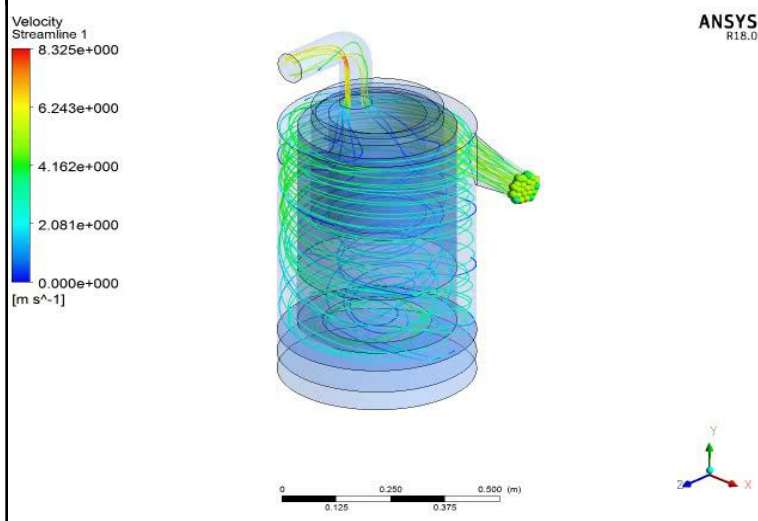
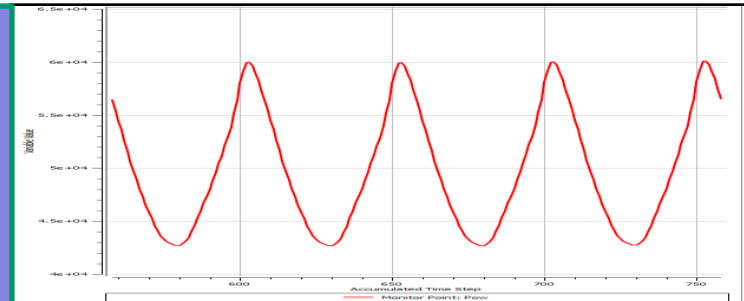
Product Development : Rotary



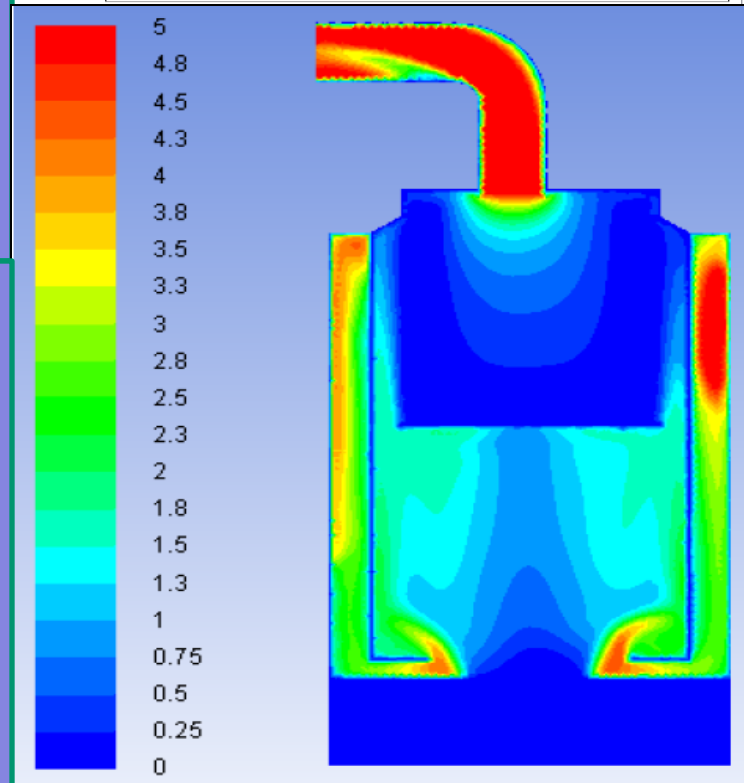
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Air Flow and Power Simulation shows consumed shaft power for rotation of screw



Air Flow Simulation in AOS Tank



Industries served



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Cement



Pharma



PET



Sugar



Co-Gen



Chemical



Fertilizer



Automobile



Oil & Gas



Food



Medical



Textile

New Products



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1. Centrifugal Air Compressor
2. New Rotary Air Compressor
3. Customised Air Solutions



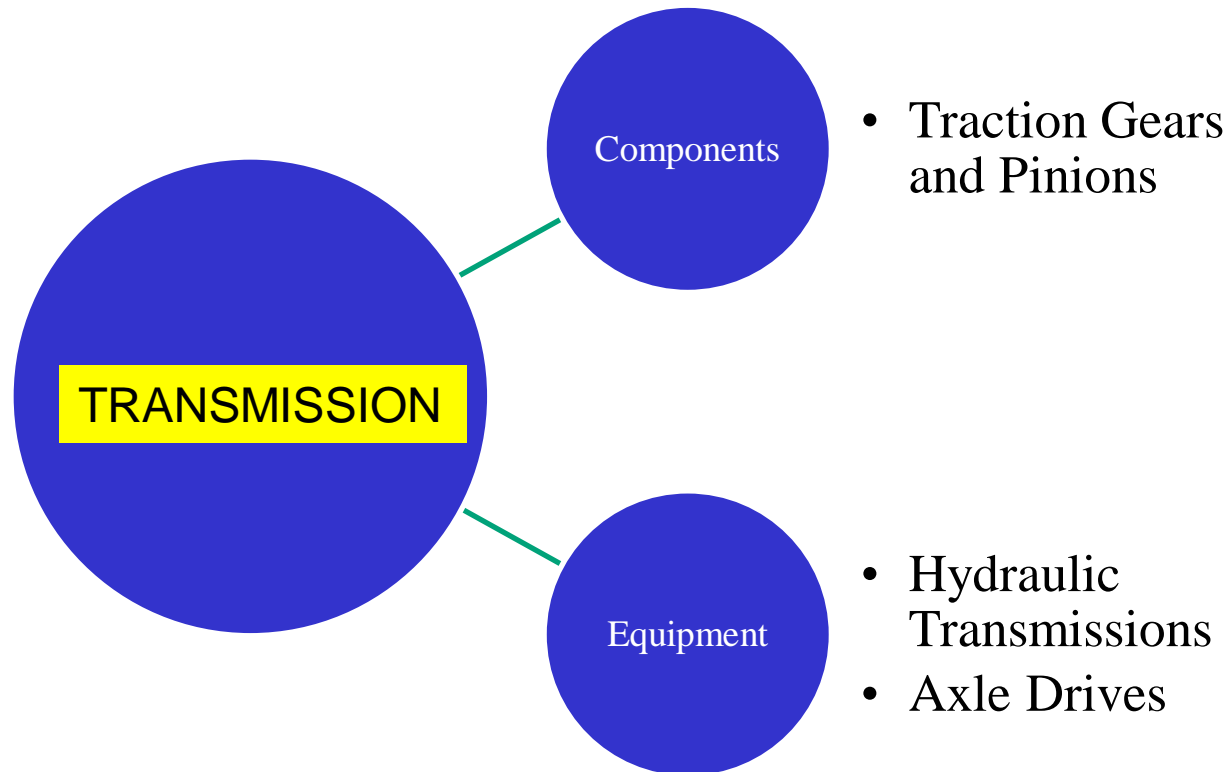
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Transmission Segment

Railway Business Offering



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Products



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Gears & Pinions



Industrial Gearbox



- Maintain dominant market share (60%+) in Railway Gear & Pinion business
- Transform TRM from a Component Manufacturer to an Equipment Manufacturer
- Re-enter propulsion gearbox market of Indian Navy

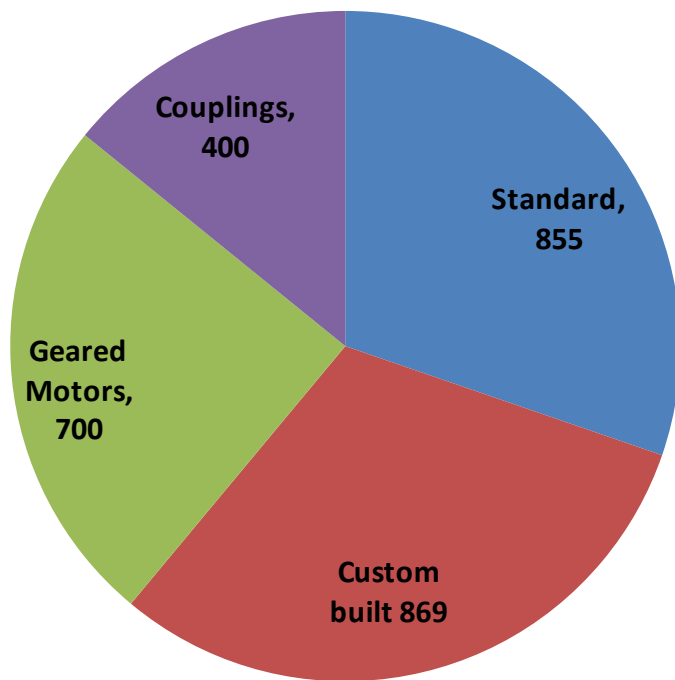
Industrial Gearbox Market



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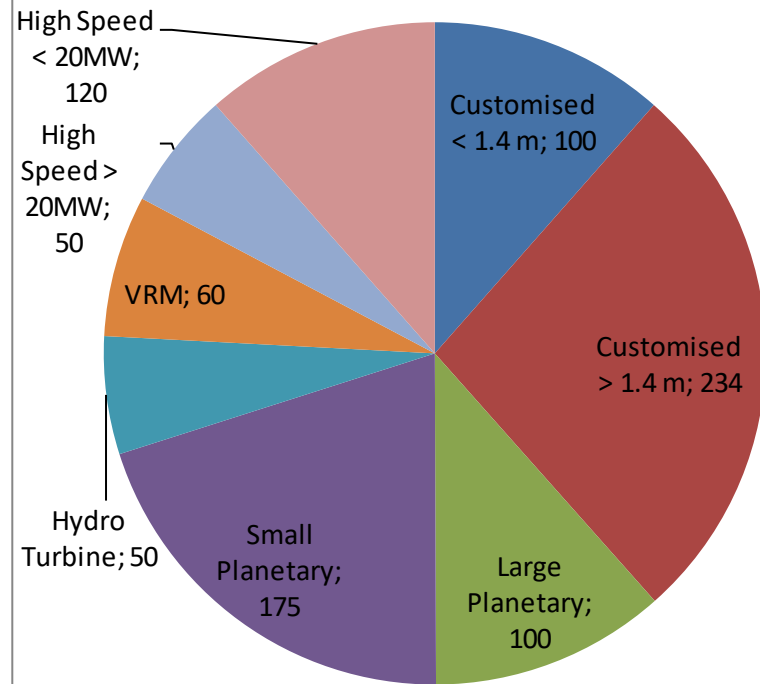
Gearbox Market

Rs 2824 Cr



Custom-built Gearbox Market

Rs 869 Cr



Business Development Actions



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Market	Focused Market Size Rs. Cr.
High Speed < 20MW	100
Hydro-turbine	50
Large Planetary	100
Small Planetary	175
VRM	60
Customised > 1.4m	234
Customised < 1.4m	100
High Speed > 20MW	50
Total	869

- Approved by Siemens, Chola Turbo, Kessels, IB Turbo and MAN Turbo. Avant Garde has approved KPCL Facilities.
- Approved by BHEL for Gear Internals as per API 613 for Boiler Feed Pumps.

- Approved by OEMs (BFL, APE Power, ANDRITZ & Flovel)
- Planned approval from Mechamidi in FY'19.
- Approved by Consultant (Boom Systems)
- Other Consultants' approval planned in FY'19

- Approval from reputed sugar mills
- Consultant approvals – VSI, SITSON
- Other consultants' (Mitcon & JPMA) approval planned in FY'19

New Business



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RoadRailer





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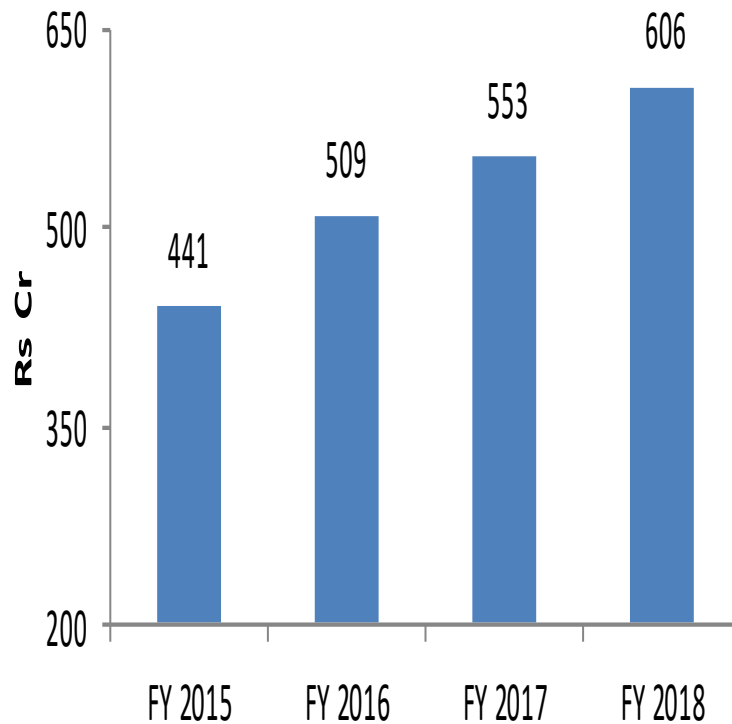
Financial Performance

Financial Performance - KPCL

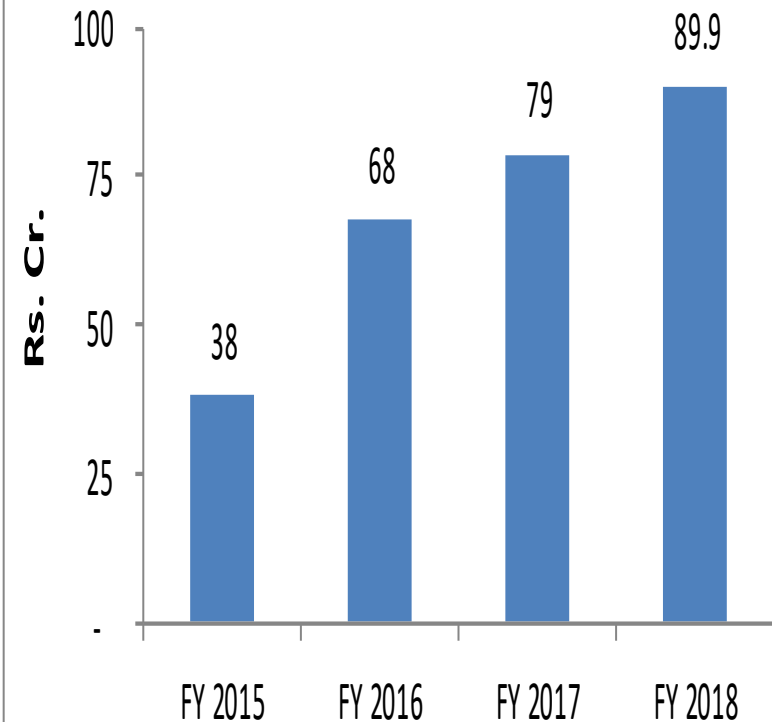


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SALES (CAGR - 11%)



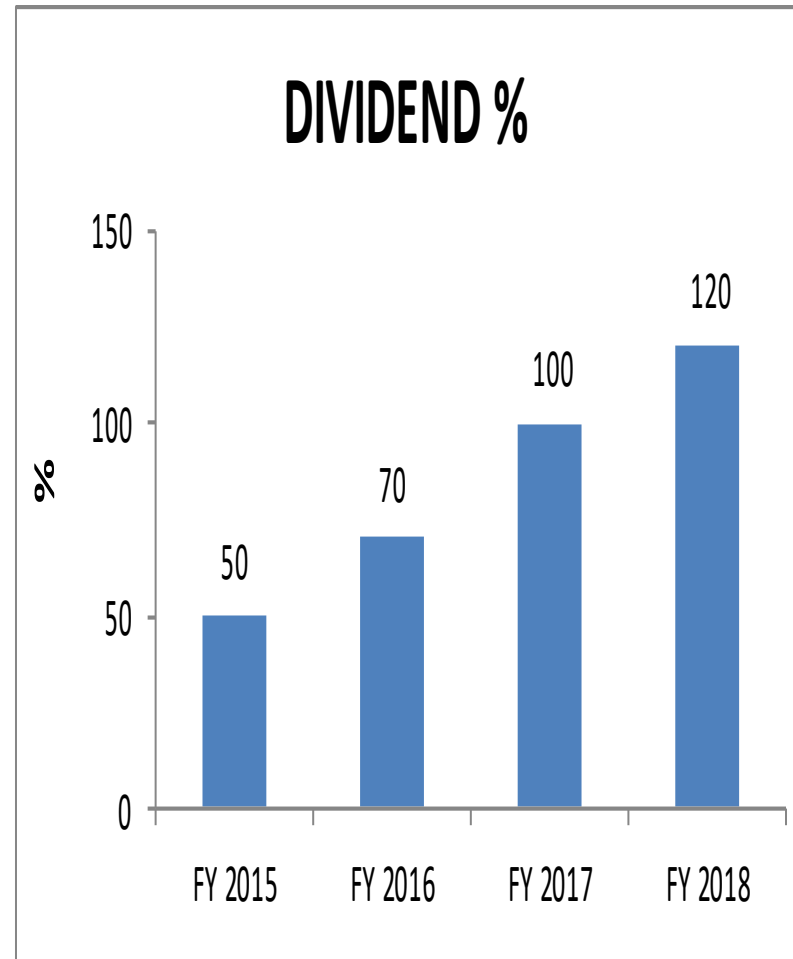
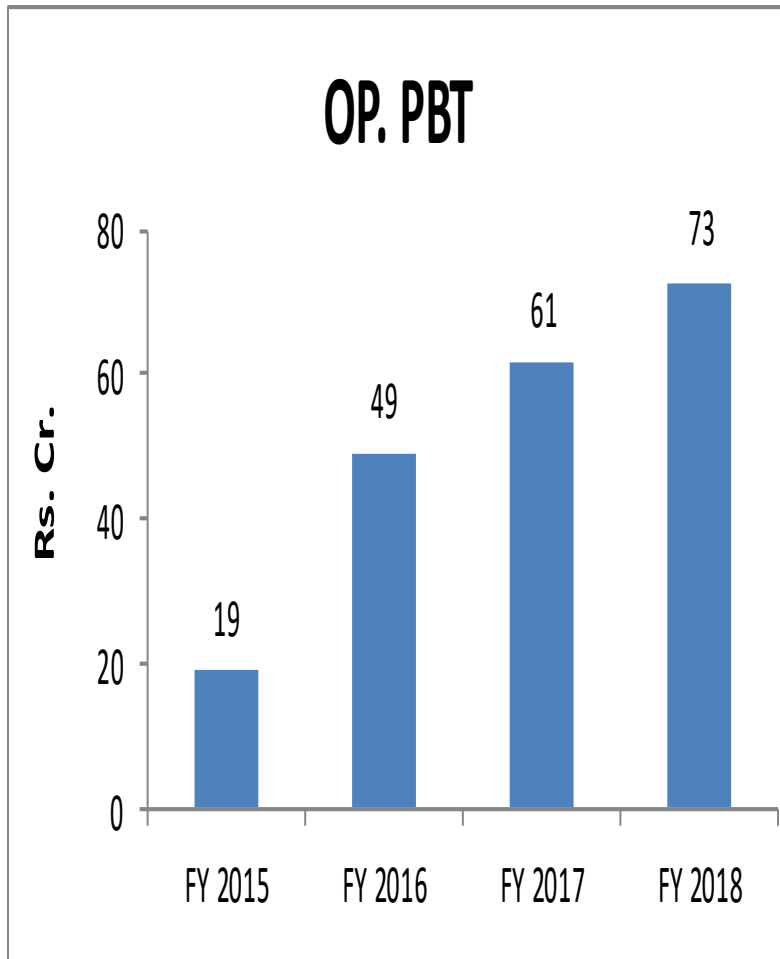
OP. EBITDA (CAGR - 33%)



Financial Performance - KPCL



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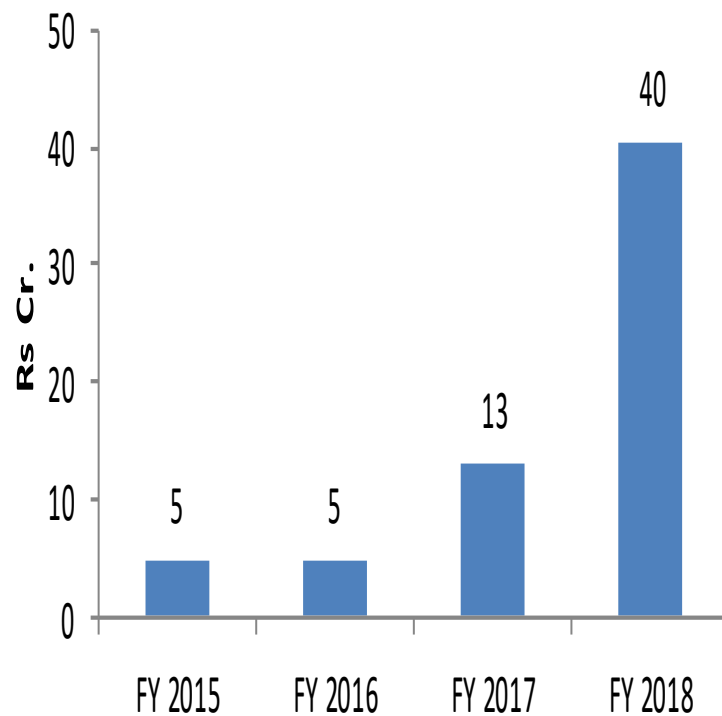


Financial Performance - KPCL

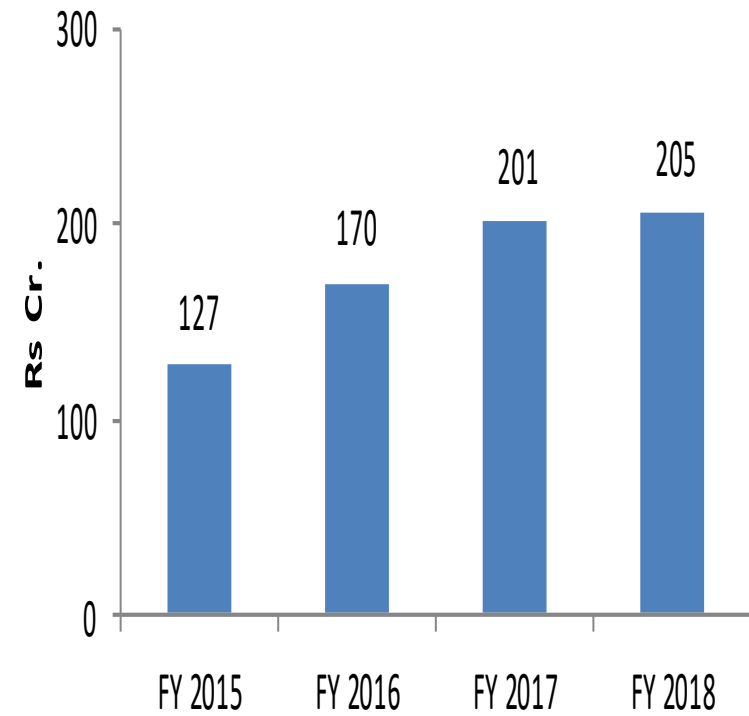


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FIXED ASSETS ADDITIONS



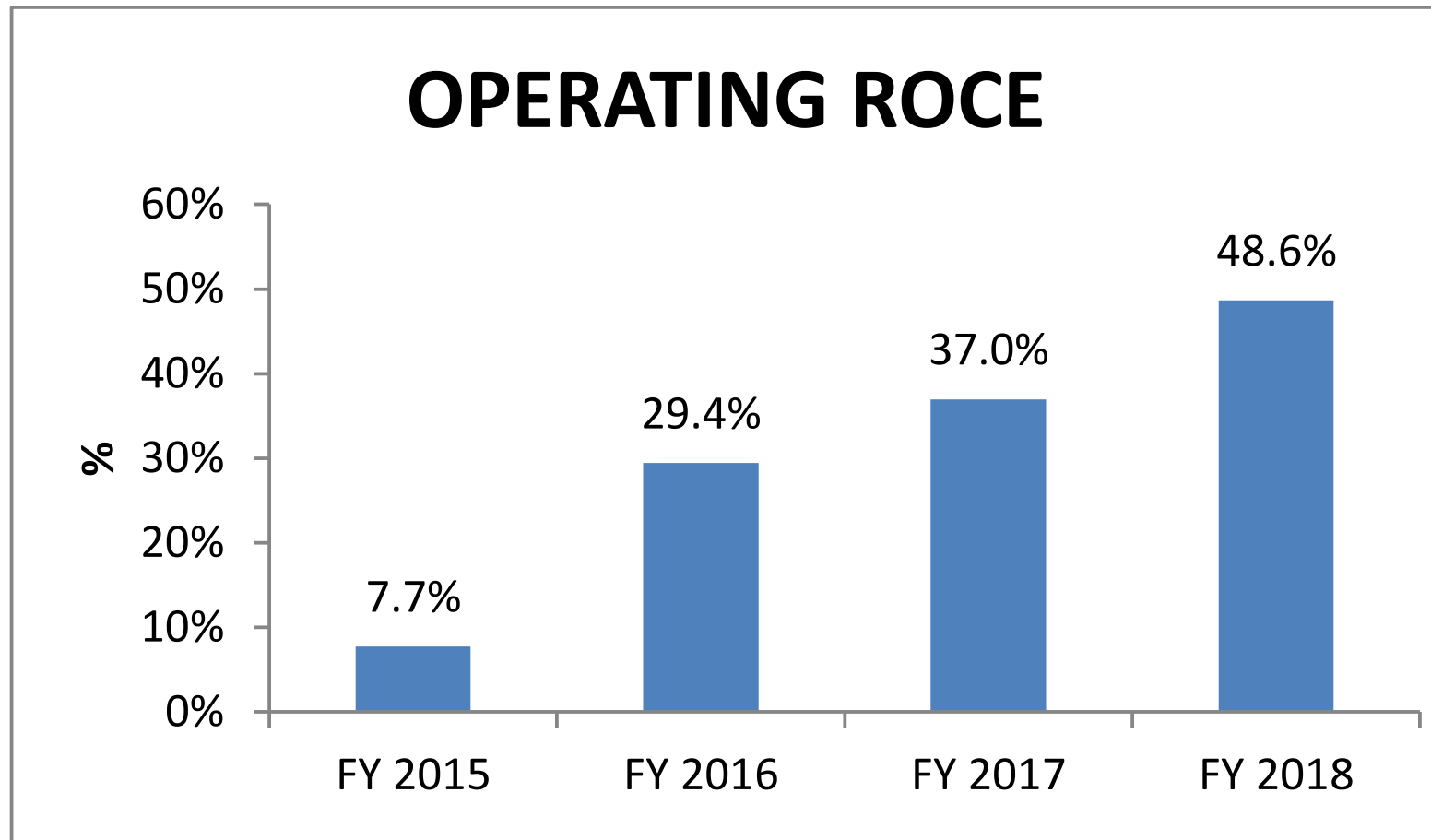
NET FREE CASH



Financial Performance - KPCL



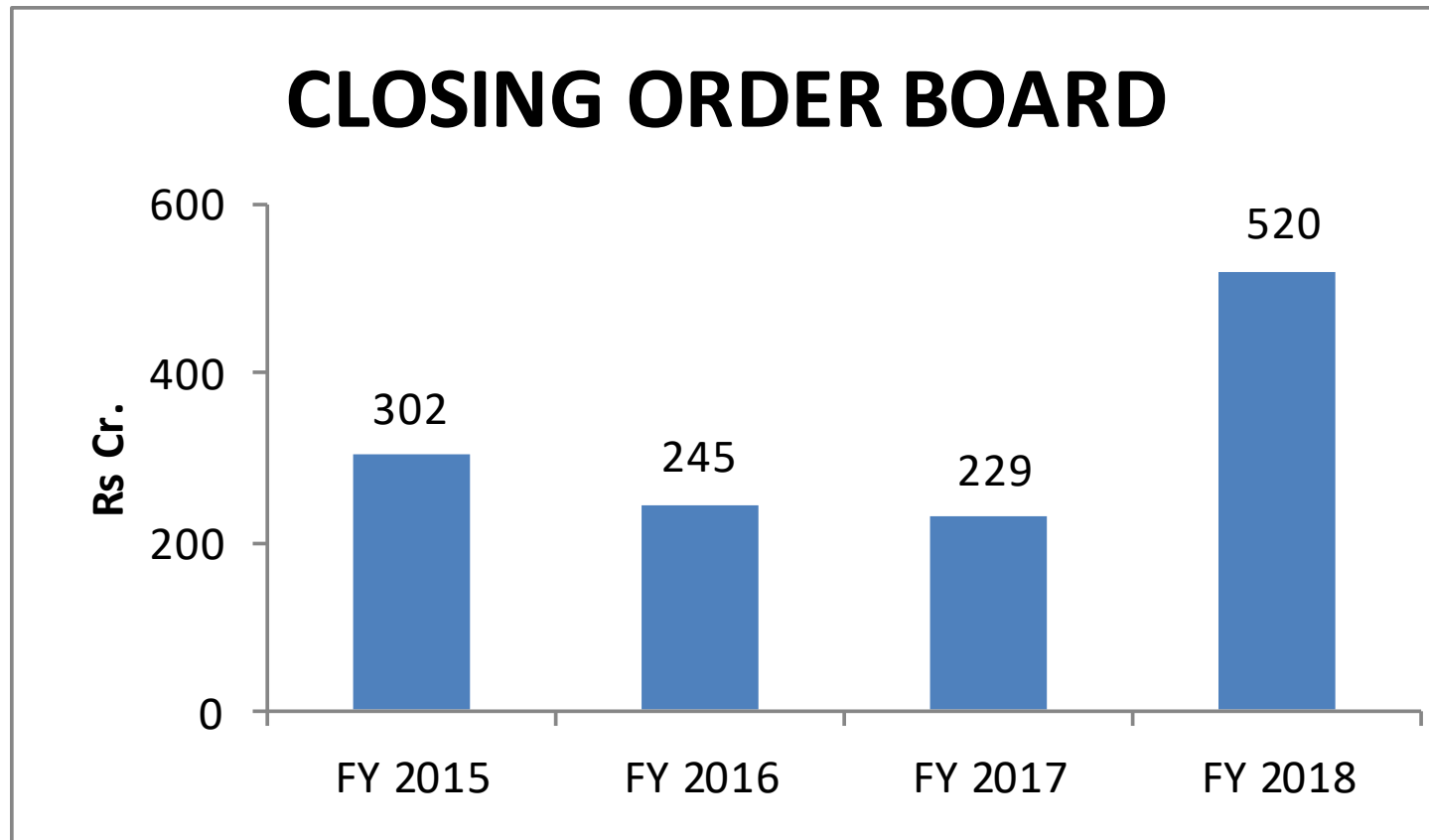
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Financial Performance - KPCL



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Thank you