

MAY THE  
**POWER** ALWAYS BE  
WITH YOU



Earnings Call Presentation Q1 FY24

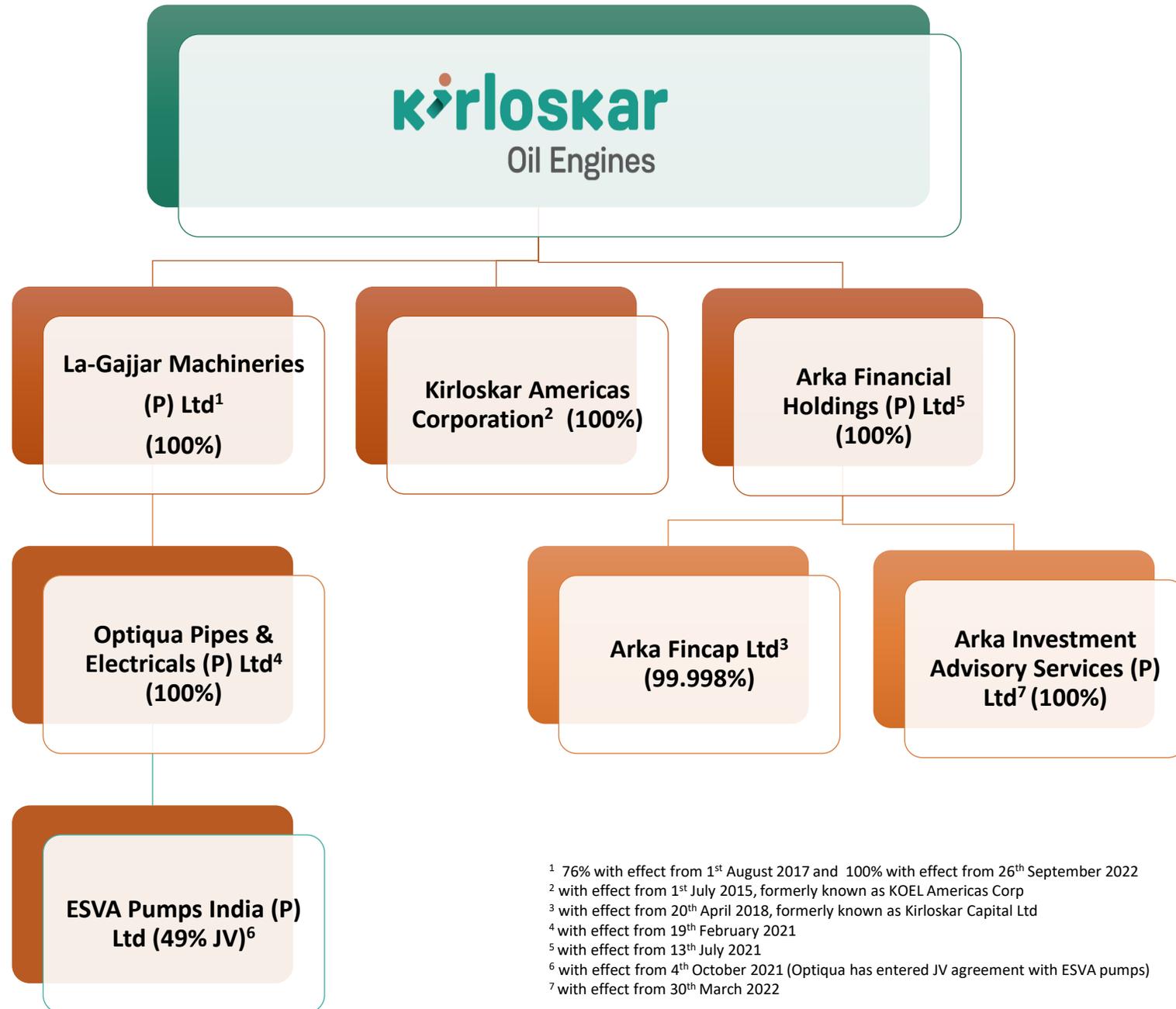
11<sup>th</sup> Aug 2023

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<sup>1</sup> 76% with effect from 1<sup>st</sup> August 2017 and 100% with effect from 26<sup>th</sup> September 2022

<sup>2</sup> with effect from 1<sup>st</sup> July 2015, formerly known as KOEL Americas Corp

<sup>3</sup> with effect from 20<sup>th</sup> April 2018, formerly known as Kirloskar Capital Ltd

<sup>4</sup> with effect from 19<sup>th</sup> February 2021

<sup>5</sup> with effect from 13<sup>th</sup> July 2021

<sup>6</sup> with effect from 4<sup>th</sup> October 2021 (Optiqua has entered JV agreement with ESVA pumps)

<sup>7</sup> with effect from 30<sup>th</sup> March 2022



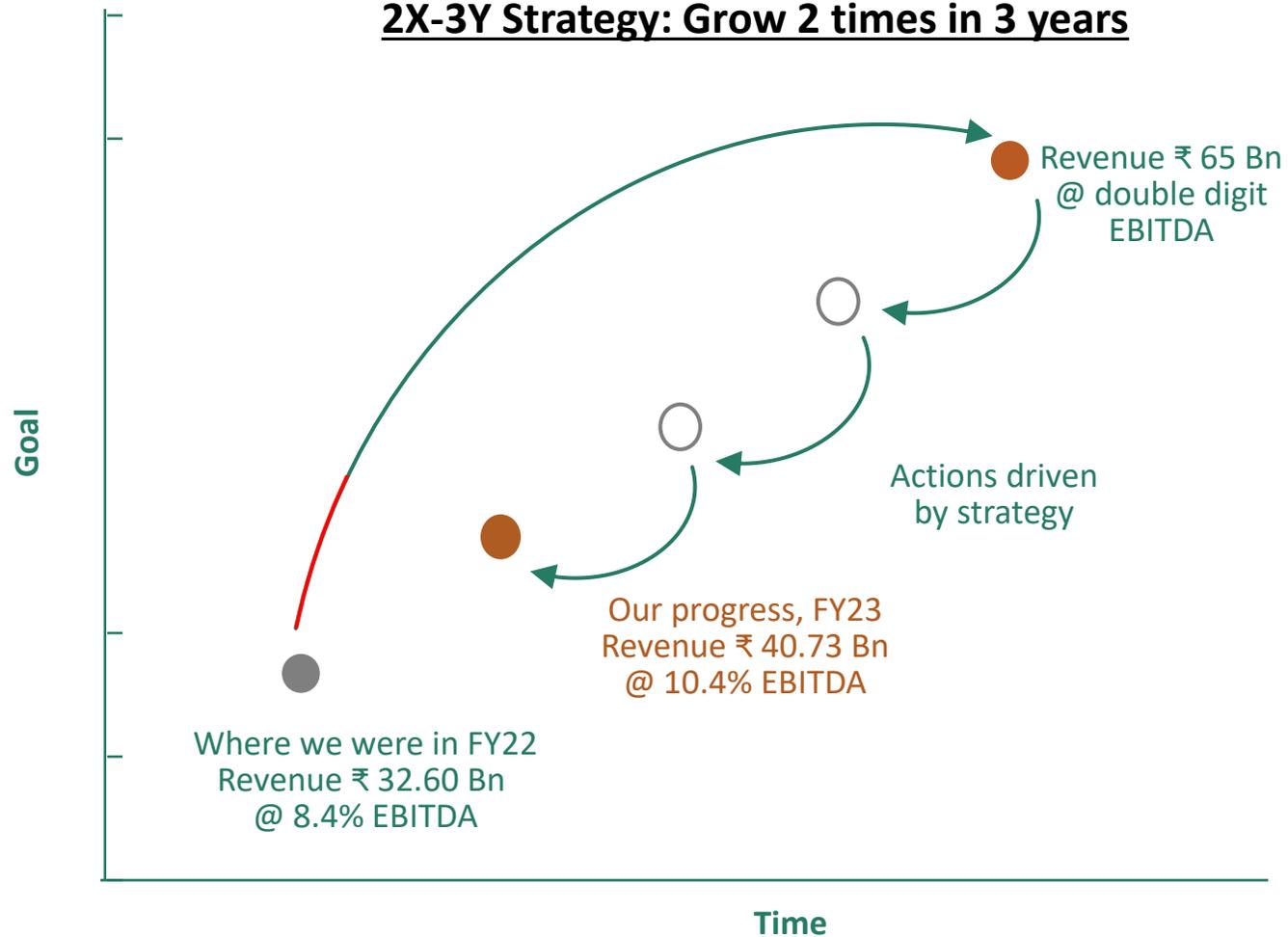
# CONTENT

- **STRATEGY**
- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW

# OUR 2X-3Y STRATEGY

Looking to drive exponential growth over the next 3 years

## 2X-3Y Strategy: Grow 2 times in 3 years



## 2X-3Y Strategy Pillars



# WE ARE PROGRESSING WELL

We have made a beginning



**33%**

Top line growth (YOY)



**₹ 1,265**

Cr Revenue



**12.1%**

EBITDA Margin



**60%**

PAT growth (YOY)



**₹ ~300 Cr**

Strong net cash\* position



**48%**

EBITDA growth (YOY)



**4**

consecutive quarters of over ₹ 1,000 Cr revenue from operations

\* Net of debt; includes treasury investments and excludes unclaimed dividends.



# Deploying the 2X-3Y strategy to deliver value to all stakeholders

65Bn @  
double-  
digit  
EBITDA

Customer  
Delight

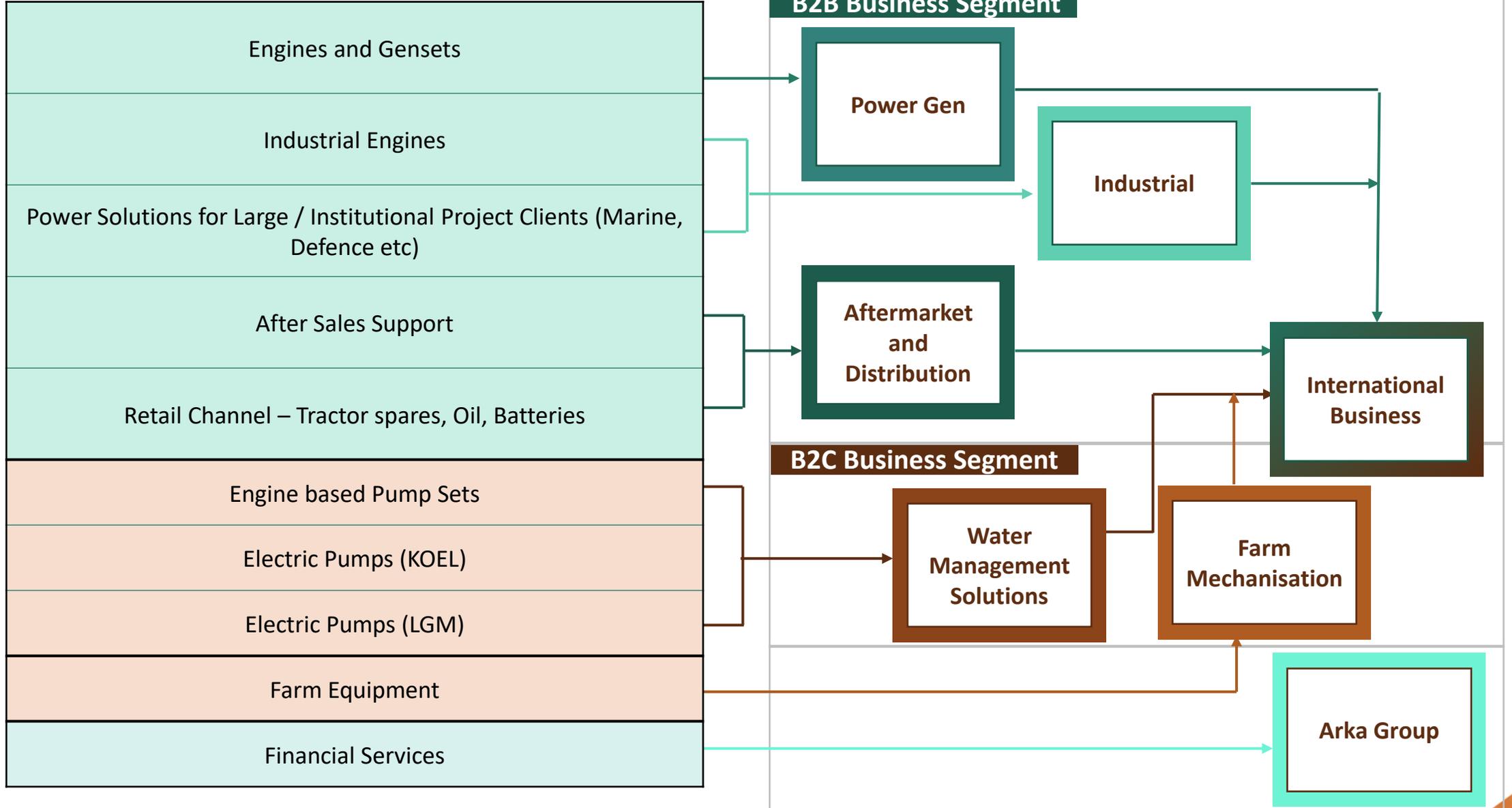
Employer  
of Choice



# CONTENT

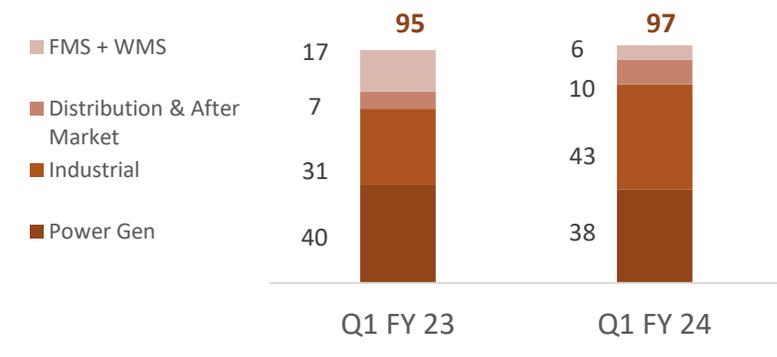
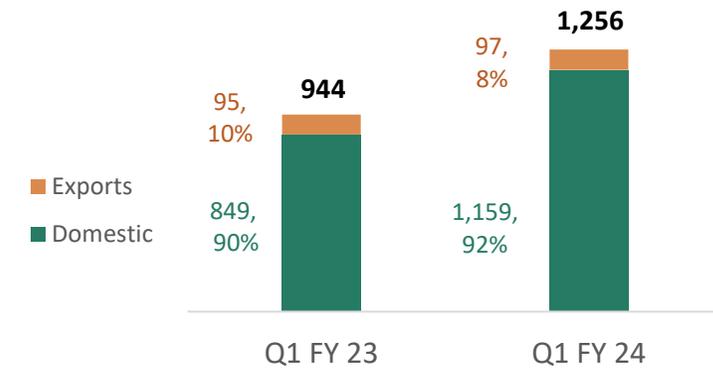
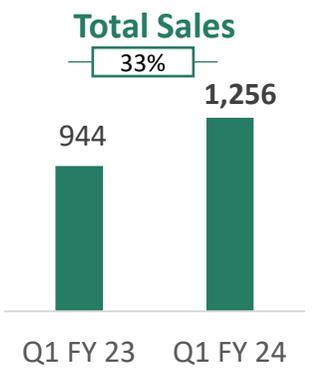
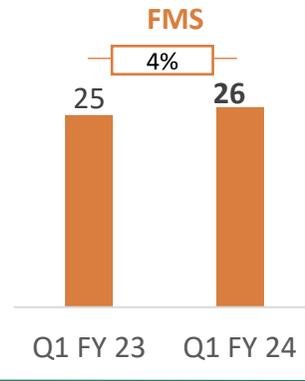
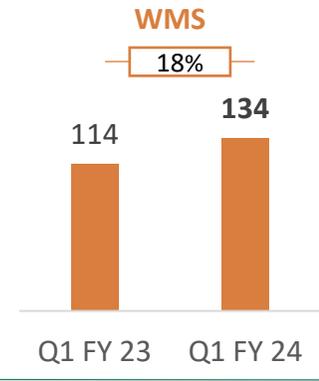
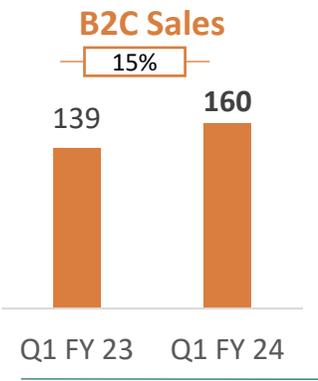
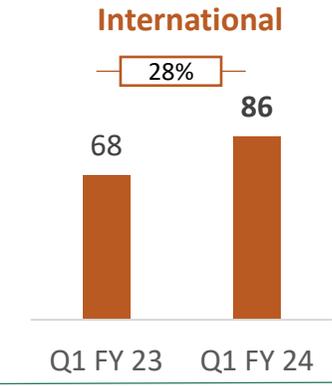
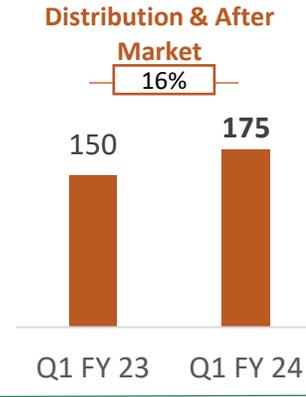
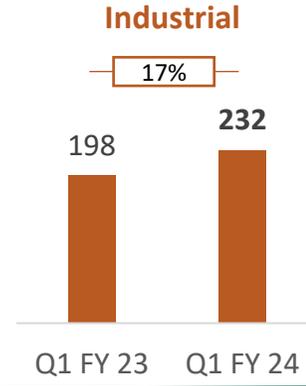
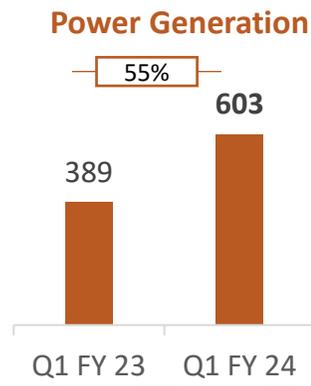
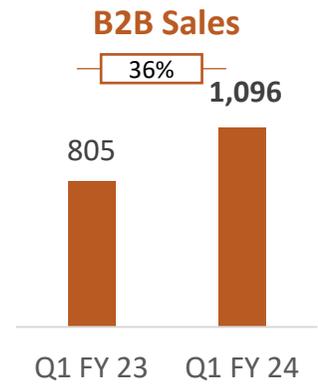
- STRATEGY
- **BUSINESS OVERVIEW**
  - STANDALONE
    - SALES HIGHLIGHTS
  - CONSOLIDATED
    - SEGMENT OVERVIEW
- FINANCIAL OVERVIEW

# Products to Business Segments...



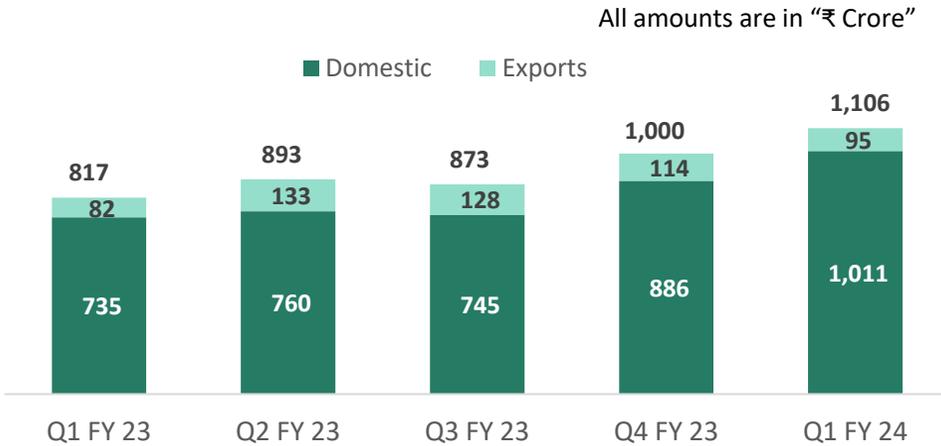
# STANDALONE SALES HIGHLIGHTS – Q1 FY 24 YoY

KOEL- Earnings Call – Q1 FY24 – Standalone Business Overview

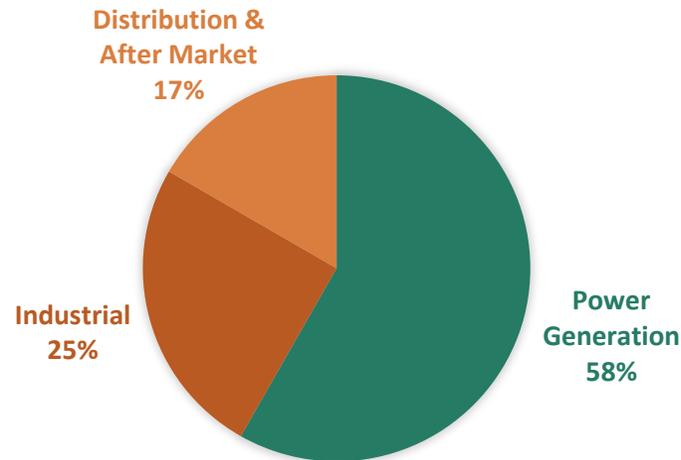


# CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2B

## Segment Revenue Trend



## Segment Revenue Composition For Current Quarter



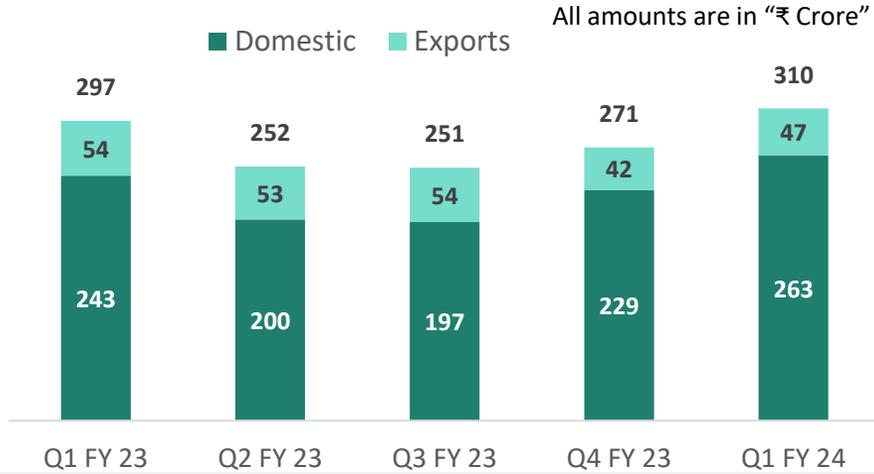
## Performance Updates

- KOEL was the first company in India to get all engine families tested for CPCB IV+ before 30th Jun 23.
- Record revenue for the quarter of Rs. 1,106 crores; 35% growth Y-o-Y
- Highest ever numbers in Powergen, highest ever Q1 numbers for Industrial, Distribution and Aftermarket, Export Business
- Over 26K engines shipped, the largest shipment of engines from our manufacturing plants
- Launched the OptiPrime series of gensets, Dual Fuel kits, Retrofit emission control devices (RECD)
- Industrial business ended Q1 with a very strong order book led by large railway & defence order

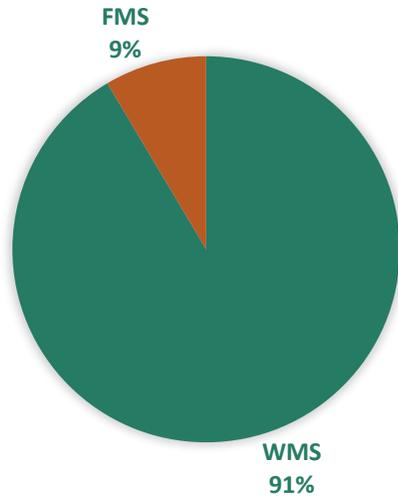


# CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2C

## Segment Revenue Trend



## Segment Revenue Composition For Current Quarter



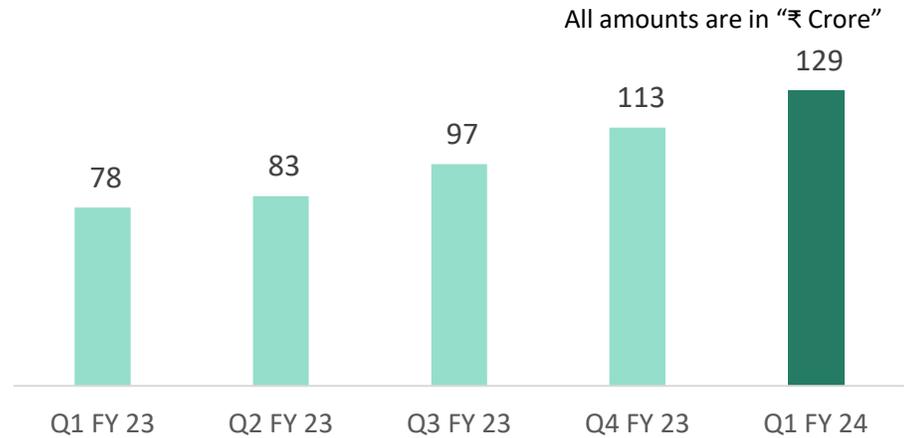
## Performance Updates

- Segment results showed a YoY growth of 15% and QoQ growth of 50%
- Strong growth in diesel and electric pumps sales
- Deepening and widening strategy – 35% growth in the dealer base YoY;
- Launch of Eco Series engines well accepted by the OEMs
- Harvester application proven in Angola
- Strong sales growth in Optiqua

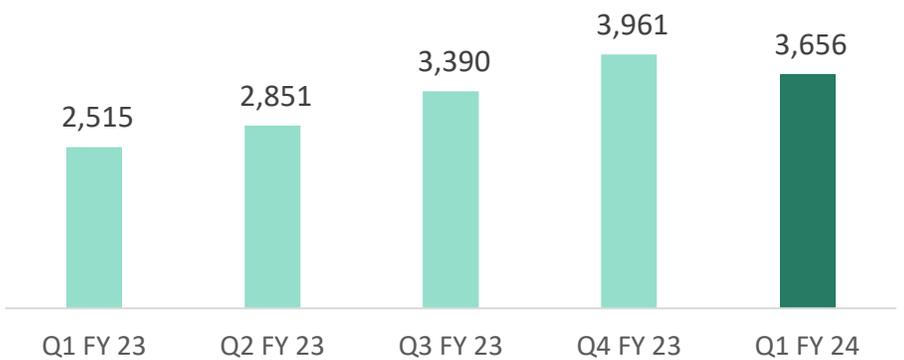


# SEGMENT PERFORMANCE OVERVIEW – FINANCIAL SERVICES

## Segment Revenue Trend



## AUM\*\*Trend



## Performance Updates

- KOEL's total investment in AFHPL as on 30th Jun 23 stood at 1,052.7 Cr#
- AFHPL revenue from operations stood at 129 Cr in Q1 FY24; a growth of 65% YoY
- AFHPL PAT stood at 15.9 Cr in Q1 FY24; growth of 4% YoY
- Total Debt as on 30th Jun 23 stood at 2,877 Cr
- Debt to Equity Ratio:
  - 30th Jun 23 - 2.6
  - 31st Mar 23 - 3.1
  - 31st Dec 22 - 2.4
  - 30th Sep 22 - 2.2
- Total AUM\* as on 30th Jun 23 at 3,656 Cr
- No asset-liability mismatch

\* Consolidated excluding 47 Cr off balance sheet loan book

\*\* Excludes treasury assets

# Includes profit of 52.7 Cr on holding structure change

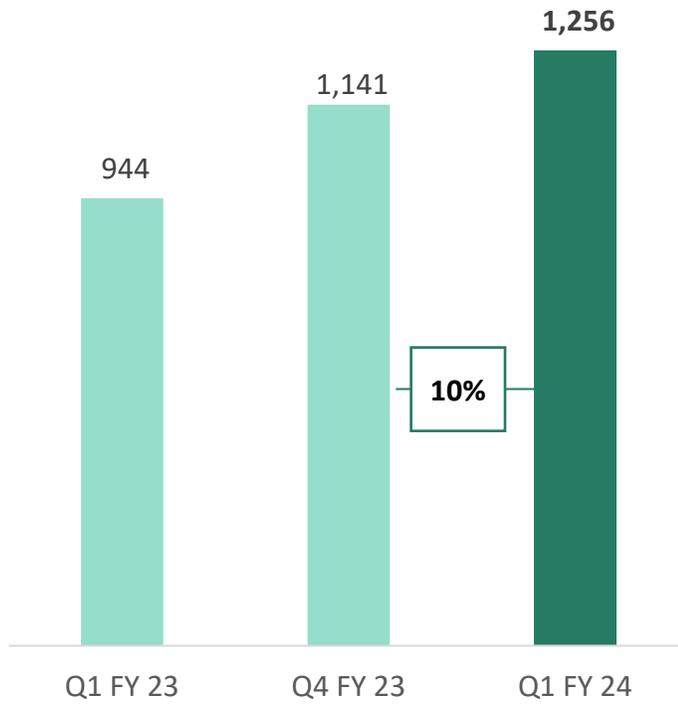
- STRATEGY
- BUSINESS OVERVIEW
- **FINANCIAL OVERVIEW**
  - **STANDALONE**
    - PERFORMANCE HIGHLIGHTS
    - PROFIT AND LOSS STATEMENT
    - WORKING CAPITAL AND NET CASH POSITION
  - **CONSOLIDATED**
    - PERFORMANCE HIGHLIGHTS
    - PROFIT AND LOSS STATEMENT
    - SEGMENT RESULTS

# STANDALONE – PERFORMANCE HIGHLIGHTS

Quarterly

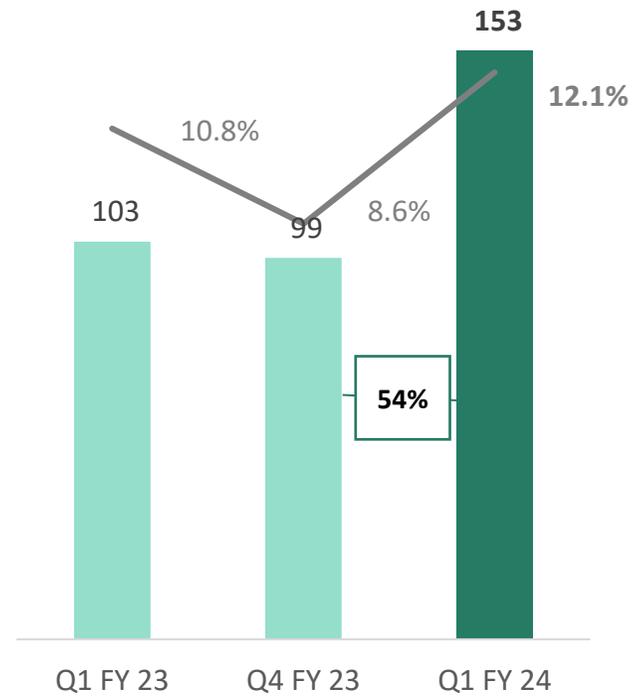
## Sales

33%



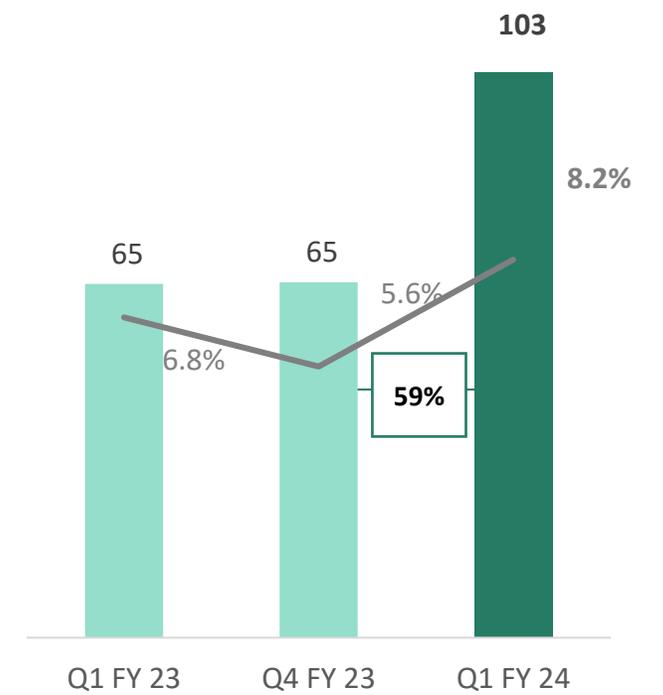
## EBITDA & %

48%



## PAT & %

60%



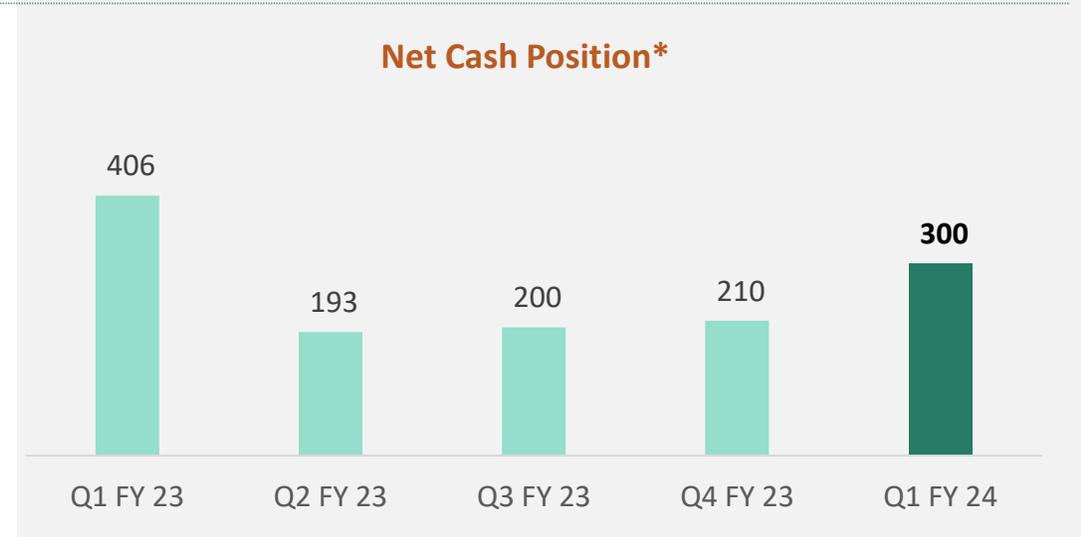
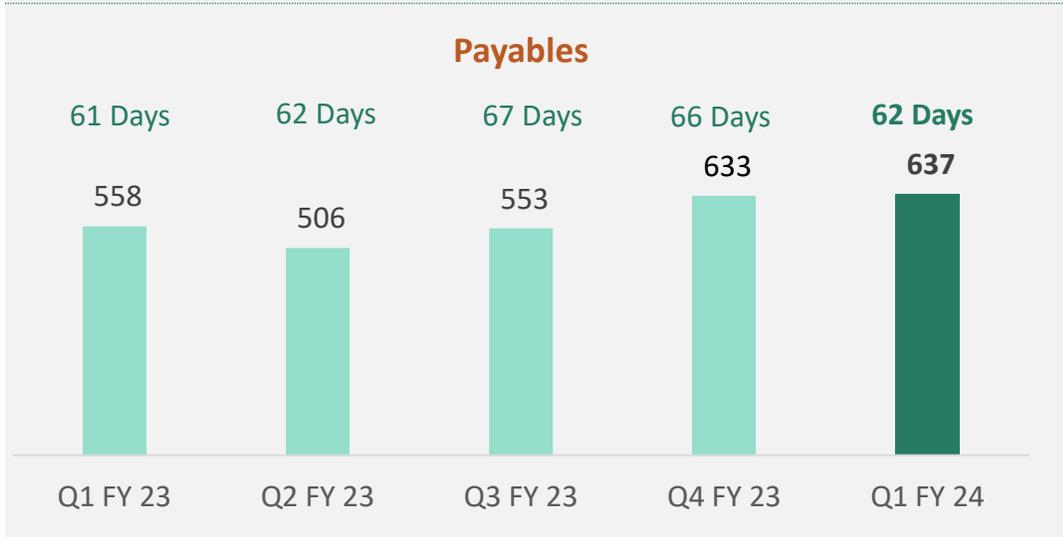
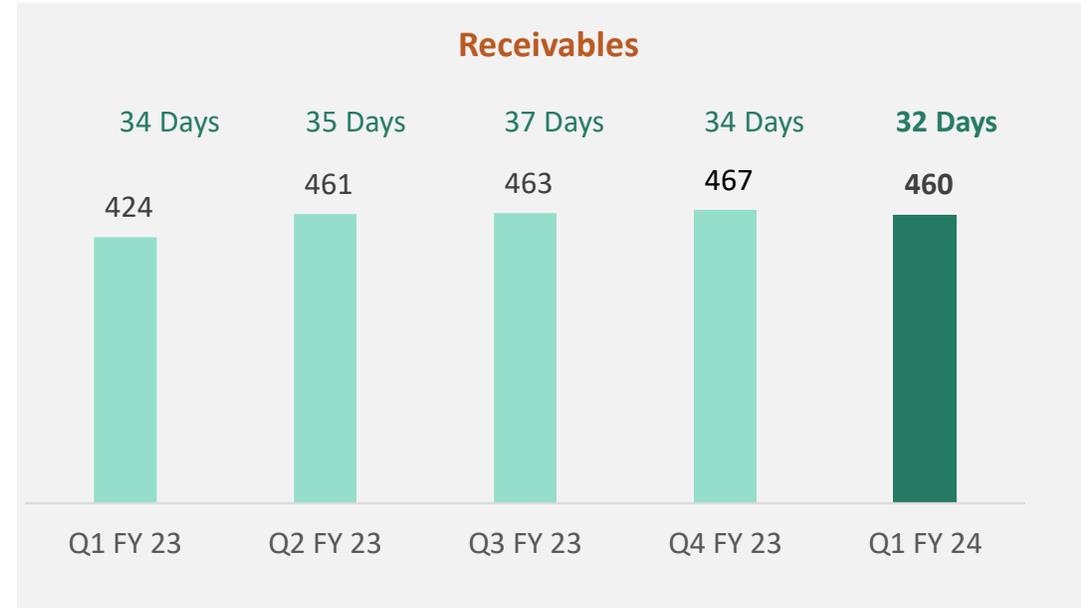
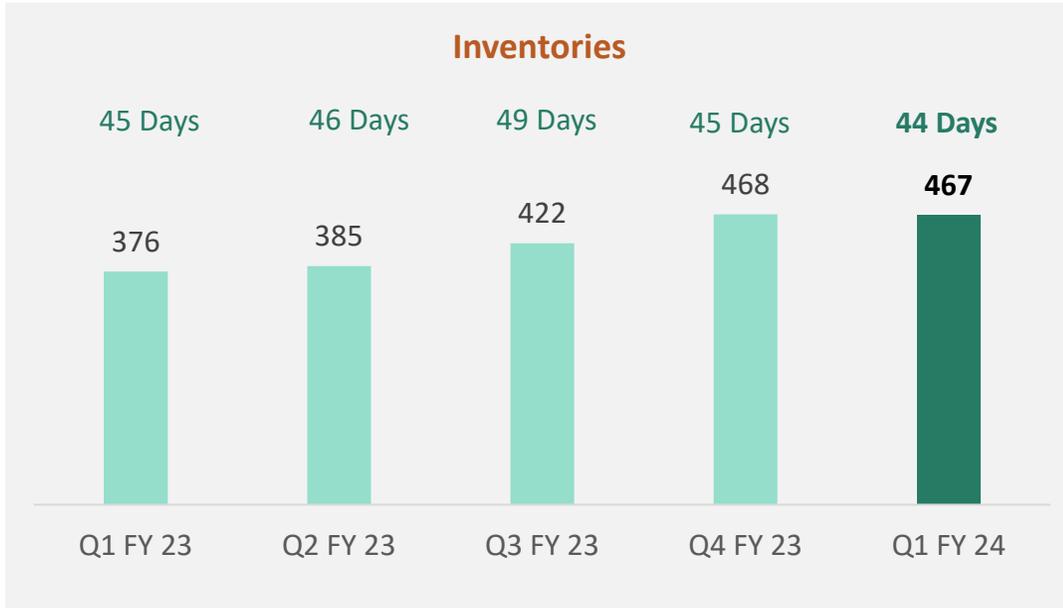
# STANDALONE - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q1 FY24	Q4 FY23	QoQ	Q1 FY23	YoY
<b>Net Sales</b>	<b>1,255.7</b>	<b>1141.2</b>	<b>10%</b>	<b>943.8</b>	<b>33%</b>
Other Operating Income	9.0	11.4	-21%	9.2	-2%
<b>Revenue from operation</b>	<b>1,264.7</b>	<b>1,152.6</b>	<b>10%</b>	<b>953.0</b>	<b>33%</b>
Raw Material	865.3	777.5	11%	661.1	31%
Employee Costs	65.8	63.1	4%	55.5	18%
Other Expenses	180.6	212.9	-15%	133.0	36%
<b>EBITDA</b>	<b>153.0</b>	<b>99.2</b>	<b>54%</b>	<b>103.4</b>	<b>48%</b>
<b>EBITDA Margin %</b>	<b>12.1%</b>	<b>8.6%</b>	<b>3.5%</b>	<b>10.8%</b>	<b>1.3%</b>
Other Income	8.4	11.4	-26%	5.4	57%
Depreciation	21.3	21.7	-2%	20.5	4%
Interest	1.4	1.3	0%	1.1	23%
<b>PBT</b>	<b>138.8</b>	<b>87.5</b>	<b>59%</b>	<b>87.1</b>	<b>59%</b>
Tax	35.5	22.6	57%	22.5	58%
<b>PAT</b>	<b>103.2</b>	<b>64.9</b>	<b>59%</b>	<b>64.6</b>	<b>60%</b>
<b>PAT Margin %</b>	<b>8.2%</b>	<b>5.6%</b>	<b>2.6%</b>	<b>6.8%</b>	<b>1.4%</b>

# STANDALONE WORKING CAPITAL AND NET CASH POSITION

All amounts are in “₹ Crore” Oil Engines



Notes :

- 1) No. of days has been calculated using average value and TTM (Trailing Three Months method)
- 2) \*Net of debt; includes treasury investments and excludes unclaimed dividends.

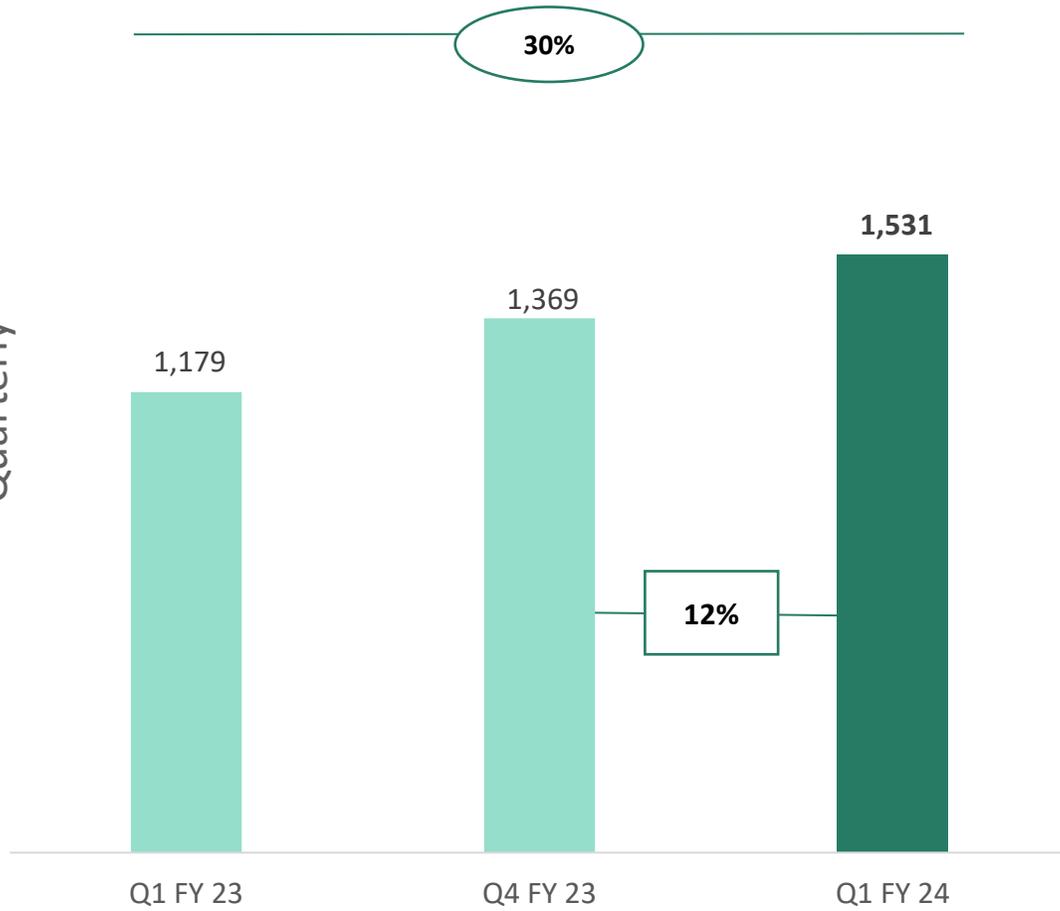


# CONSOLIDATED – PERFORMANCE HIGHLIGHTS

## Sales

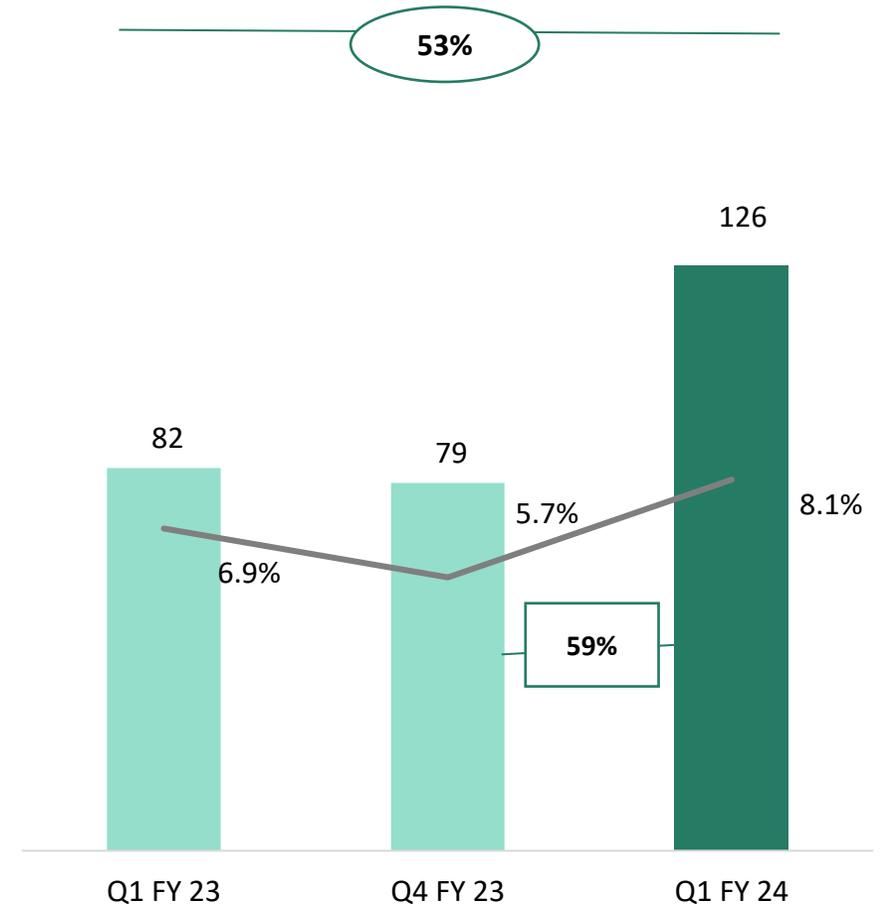
30%

Quarterly



## PAT & %

53%



# CONSOLIDATED - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q1 FY 24	Q4 FY 23	QoQ	Q1 FY 23	YoY
<b>Net Sales*</b>	<b>1,530.5</b>	<b>1,368.5</b>	<b>12%</b>	<b>1,179.2</b>	<b>30%</b>
Other Operating Income	12.9	15.3	-16%	12.3	5%
<b>Revenue from operation</b>	<b>1,543.4</b>	<b>1,383.8</b>	<b>12%</b>	<b>1,191.4</b>	<b>30%</b>
Other Income	8.4	10.5	-20%	5.5	52%
<b>Total Income</b>	<b>1,551.8</b>	<b>1,394.3</b>	<b>11%</b>	<b>1,197.0</b>	<b>30%</b>
Raw Material	951.0	841.2	13%	764.3	24%
Employee Costs	89.4	96.6	-7%	77.8	15%
Other Expenses	238.8	258.0	-7%	176.4	35%
Depreciation	26.8	26.1	3%	26.6	1%
Interest	76.5	64.0	20%	41.9	82%
Share of net profit of joint venture accounted for using the equity method (net of tax)	0.7	0.4	68%	0.4	77%
<b>PBT</b>	<b>170.0</b>	<b>108.8</b>	<b>56%</b>	<b>110.4</b>	<b>54%</b>
Tax	44.5	29.9	49%	28.4	57%
<b>PAT</b>	<b>125.5</b>	<b>78.9</b>	<b>59%</b>	<b>82.1</b>	<b>53%</b>
<b>PAT Margin %</b>	<b>8.1%</b>	<b>5.7%</b>	<b>2.4%</b>	<b>6.9%</b>	<b>1.2%</b>

\*Net Sales includes revenue from financial service business

# SEGMENT RESULTS - CONSOLIDATED

All amounts are in "₹ Crore"

Particulars	Q1 FY24	Q4 FY23	QoQ	Q1 FY23	YoY
<b>Segment Revenue</b>					
B2B	1,105.6	1,000.0	11%	816.5	35%
B2C	309.5	270.9	14%	297.2	4%
Financial Services	128.2	112.9	14%	77.7	65%
<b>Revenue From Operations</b>	<b>1,543.4</b>	<b>1,383.8</b>	<b>12%</b>	<b>1,191.4</b>	<b>30%</b>
<b>Segment Results</b>					
B2B	132.4	75.4	76%	75.8	75%
B2C	17.4	11.6	50%	15.2	15%
Financial Services <sup>#</sup>	21.5	16.6	29%	20.6	4%
Unallocated	1.6	7.4	-78%	2.4	-33%
<b>Total</b>	<b>172.9</b>	<b>111.0</b>	<b>56%</b>	<b>114.0</b>	<b>52%</b>
Less:					
<b>Finance Cost*</b>	2.9	2.2	29%	3.6	-20%
<b>Profit Before Tax</b>	<b>170.0</b>	<b>108.8</b>	<b>56%</b>	<b>110.4</b>	<b>54%</b>

\*Other than the interest pertaining to the "Financial Services" segment

<sup>#</sup>Profit/(Loss) before tax and after interest

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