

**CHAIRMAN'S SPEECH AT THE ANNUAL GENERAL MEETING ON 12  
AUGUST 2023**

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1. The Company Secretary has informed me that the necessary quorum is present and I call the meeting to order.
  
2. On behalf of the Board of Directors, I extend a hearty welcome to all of you at the 29<sup>th</sup> Annual General Meeting (AGM) of the Members of the Company.

This AGM is being held through a video conferencing facility in compliance with the provisions of the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India from time to time.

It is always a pleasure to connect with all of you and although virtual, it is a privilege to host you today. I trust all of you and your family members are well.

3. I would now like to introduce your Directors:

I am Atul Kirloskar	Chairman of the Board
Mr. Mahesh Chhabria	Managing Director
Ms. Aditi Chirmule	Executive Director
Mr. Satish Jamdar	Independent Director (Chairman of the Audit Committee and the Risk Management Committee)
Mr. A. N. Alawani	Non-Independent Director (Chairman of CSR Committee and Stakeholders' Relationship Committee)
Mr. D. Sivanandhan	Independent Director (Chairman of the Nomination and Remuneration Committee)
Mr. Vinesh Kumar Jairath	Non-Independent Director
Mr. Tejas Deshpande	Independent Director
Mr. Ashit Parekh	Independent Director
Mr. Vijay Varma	Independent Director
Ms. Purvi Sheth	Independent Director

*\*If any Director is absent, the reason for absence will have to be provided.*

4. I would also like to inform you that the following persons are also attending this meeting:

- Mr. Anandh Baheti, Chief Financial Officer
- Mrs. Ashwini Mali, Company Secretary
- Mr. Parag Panasare, Partner of Kirtane and Pandit LLP, Chartered Accountants and the Statutory Auditors of the Company.
- Mr. Mahesh Risbud, Practicing Company Secretary and the Secretarial Auditor of the Company.

5. The following registers / documents are available electronically for inspection during the meeting:

- a) Register of Contracts or Arrangements in which Directors are interested,
- b) Register of Directors, Key Managerial Personnel and their shareholding,
- c) Statutory Audit Report,
- d) Secretarial Audit Report,

e) Auditor's Certificate on Employees Stock Appreciation Rights Plan, 2019.

6. The Notice of this AGM and the Annual Report for the Financial Year 2022-2023, have been facilitated by email to the Members of the Company and are also available at the websites of the Company, BSE Limited and National Stock Exchange of India Limited.

With the consent of the Members, I will consider them as read.

7. Pursuant to the provisions of Section 145 of the Companies Act, 2013; the Independent Auditor's Report and the Secretarial Audit Report need not be read at the AGM, since the same do not contain any qualification, observation, or comment.

8. I will now commence my address.

## **KIRLOSKAR INDUSTRIES LIMITED**

### **CHAIRMAN'S SPEECH AT THE ANNUAL GENERAL MEETING ON 12 AUGUST 2023**

Ladies and gentlemen, it gives me great pleasure to welcome you once again on behalf of my colleagues on the Board and the management of the Company to this Annual General Meeting through video conferencing.

During the year 2022-2023, our primary efforts were directed toward re-aligning the Company's operations to enhance the returns. As you are aware, the Company operates as an unregistered core investment company. The process of realigning our activities involved directing our attention towards the new business sector, i.e., real estate, and capitalizing on non-core investments.

**Let me now take you through the financial performance of FY 2022-2023.**

You are all aware that your Company has, at present, three main sources of income, viz. sale of wind energy, property licensing fees and dividend income.

During the Financial Year ended 31 March 2023, your Company earned a total income of approximately Rs. 118 crores against Rs. 103 crores in the previous year.

The Profit Before Tax for the Financial Year was at Rs. 93 crores against Rs. 80 crores. The substantial increase in the Profit Before Tax is mainly due to higher dividend income from the investee companies.

Further details will be covered in MD's presentation.

The Board of Directors in its meeting held on 23rd May 2023, has recommended a Dividend of Rs. 11/- (110%) per equity share of Rs. 10/- each for the Financial Year 2022-23, subject to shareholder's approval.

Now I will update you about the key highlights of our subsidiaries -

### **Avante Spaces Limited**

Avante Spaces embarked on the mixed-use development of the land parcel in Kothrud, Pune in the year 2020 and has continued to make satisfactory progress considering the challenges involved in the development of any area in the main city center or a prime locality.

Avante has put a strong emphasis on environmentally and socially responsible actions while continuing to create world-class spaces and redefine / uplift the overall locality.

Avante obtained registration under the Real Estate (Regulations and Development) Act, 2016, (RERA) for "One Avante and has sold some under-construction units in the Project. The sale has allowed Avante to fund balance work on the Project and prepay the construction

finance facility availed from ICICI Bank. Avante is on course to recognize revenue and profits in the next financial year.

Avante is continuing with its objective of all round development of the Kothrud land parcel. With the construction of the first Project nearing completion, Avante is now focused on the second project's planning and execution. The details of these projects will be covered in MD's presentation.

### **Kirloskar Ferrous Industries Limited**

Kirloskar Ferrous Industries Limited (KFIL) is in the business of manufacture of pig iron and castings and has its manufacturing facilities located at Bevinahalli village and Hiriyur in Karnataka and Solapur in Maharashtra.

During the year under review:

KFIL achieved Net Sales of Rs. 4,149 crores as compared to Rs. 3,615 crores in the previous year. The Profit Before Tax for the year under review stood at Rs. 472 crores as compared to Rs. 543 crores of the previous year.

### **ISMT Limited**

ISMT has a steel production facility at Jejuri in Maharashtra and seamless tube and pipes manufacturing units at Ahmednagar and Baramati in Maharashtra.

ISMT Management has been able to stabilize and streamline the operations within the first year of acquisition by KFIL. ISMT achieved a total income of Rs. 2,598 crores as compared to Rs. 2,182 crores in the previous year. The Profit Before Tax (before exceptional items) for the year under review stood at Rs. 155 crores as compared to Rs. 5.5 crores of the previous year.

The Board of KFIL and ISMT approved the Scheme of Arrangement and Merger between ISMT (Transferor Company), KFIL (Transferee Company) and their respective shareholders. The Scheme is subject To the receipt of necessary statutory and regulatory approvals.

**Now I turn to the First Quarter Results for the Financial Year 2023-2024 of the Company:**

The results for the first quarter were approved by the Board today, i.e., on 12 August 2023.

The Total Income for the first quarter ended 30 June 2023, is Rs. 29 crores, (corresponding previous year quarter Rs. 8 crores), and the profit after tax for the quarter stands at Rs. 12 crores (corresponding previous year quarter Rs. 2.4 crores).

**Acknowledgements:**

I am grateful for the support given to us by you, the shareholders, our bankers, our employees, and all other relevant stakeholders.