

Building the Future

kirloskar
Industries



Investor Presentation

November 2023

<https://www.kirloskarindustries.com/>

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."
- "ASL" refers to "Avante Spaces Limited."

Our Values



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

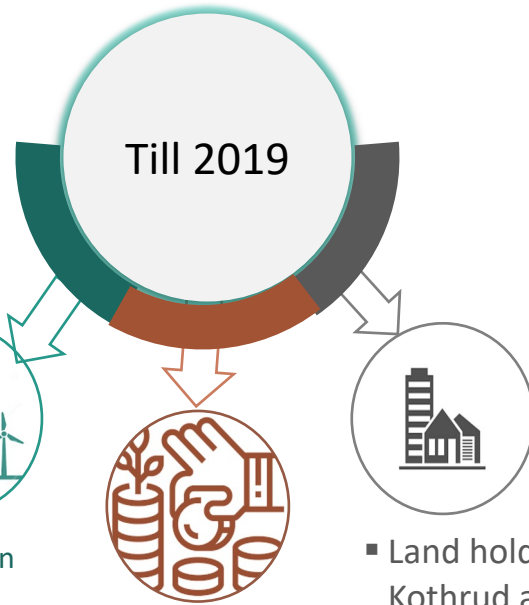


INNOVATIVE THINKING

Be bold and brave, & stay relevant

KIL Journey and Roadmap

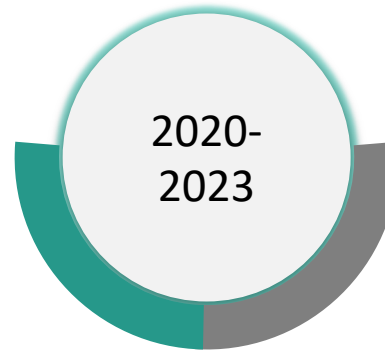
Past



Till 2019

- 5.6MW in Nashik, Maharashtra
- Sold in open market via MSEDCL (State Transmission Co)
- Group Companies, Fixed Deposits and Mutual Funds
- Holding Co. of – KFIL (50.87%)
- Significant holdings – KOEL 5.68%, KPCL 9.97%, Kirloskar Brothers 23.91%
- Land holding in Kothrud and Khadki, Pune, MH
- Office space on FC Road, Pune, MH
- Leased mainly to Group Companies

Present



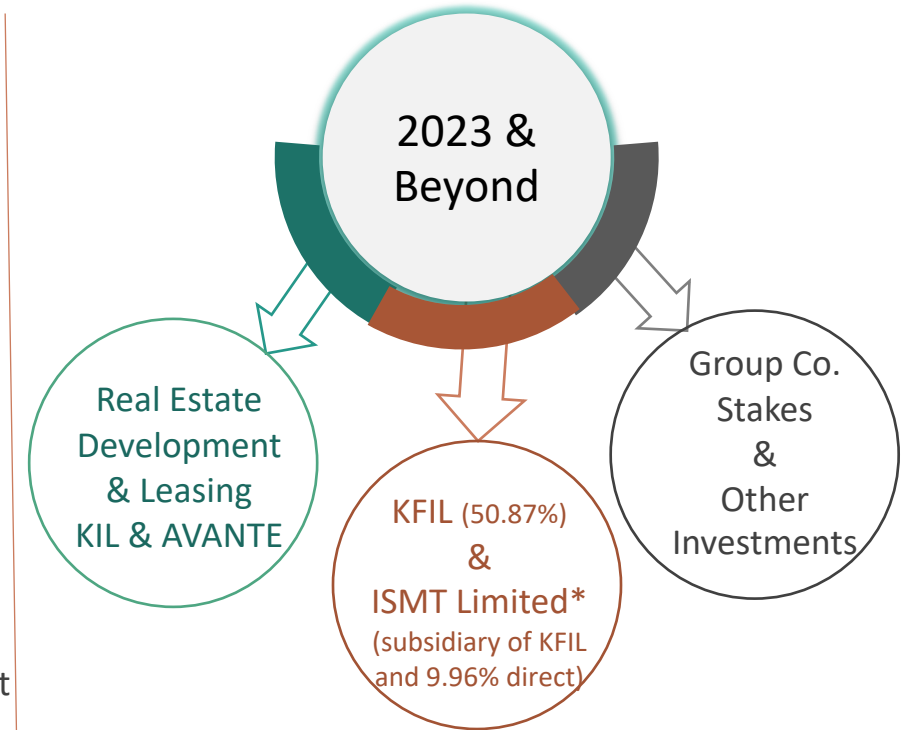
2020-2023

kirloskar
Industries

AVANTE

- Windmills
- Investments
- Leasing
- Real Estate Development Strategy and planning for (saleable / leasable area)
 - Project 1 - ~0.17 Mn Sq Ft
 - Project 2 - ~1.5 Mn Sq Ft
 - Project 3 - ~0.2 Mn Sq Ft

Future



2023 & Beyond

Real Estate Development & Leasing
KIL & AVANTE

KFIL (50.87%)
&
ISMT Limited*
(subsidiary of KFIL and 9.96% direct)

Group Co. Stakes & Other Investments

* KFIL and ISMT merger is in process

KIL – Divestment of Windmill Business

Focus on core areas

REC market has seen higher volatility and regulatory headwinds

Windmill power for captive use is more beneficial than selling it in open market

ISMT step-down subsidiary has significant operations in Maharashtra and is focused on green power and cost reduction

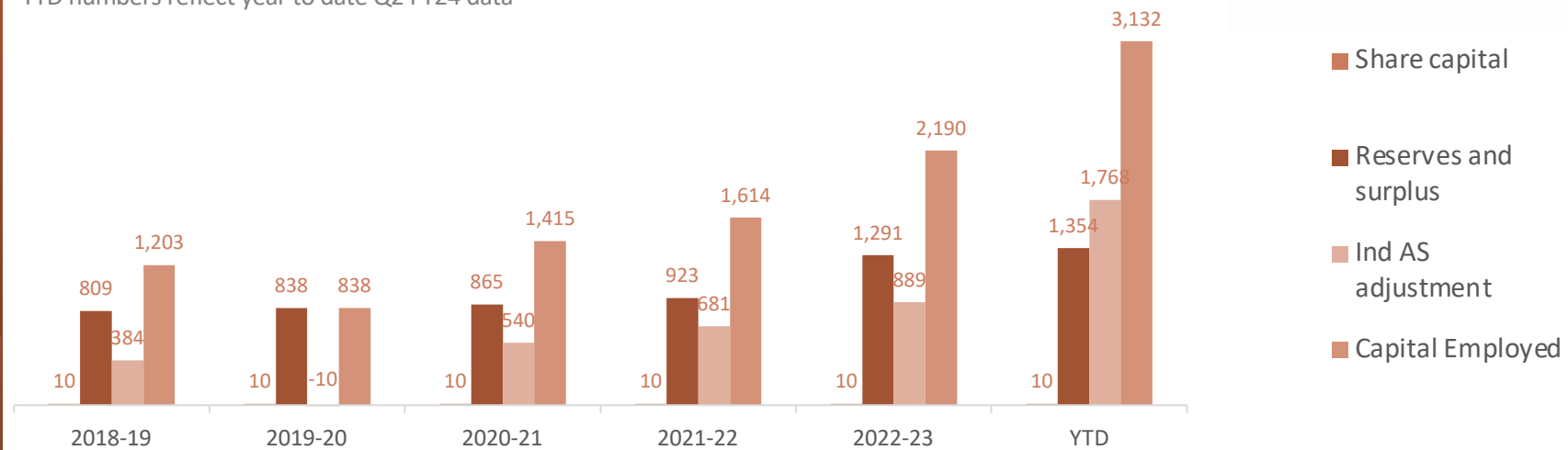
Any benefit to the subsidiary indirectly benefits the Company and it's shareholders

Transaction is "Business Transfer Agreement" on arms length basis

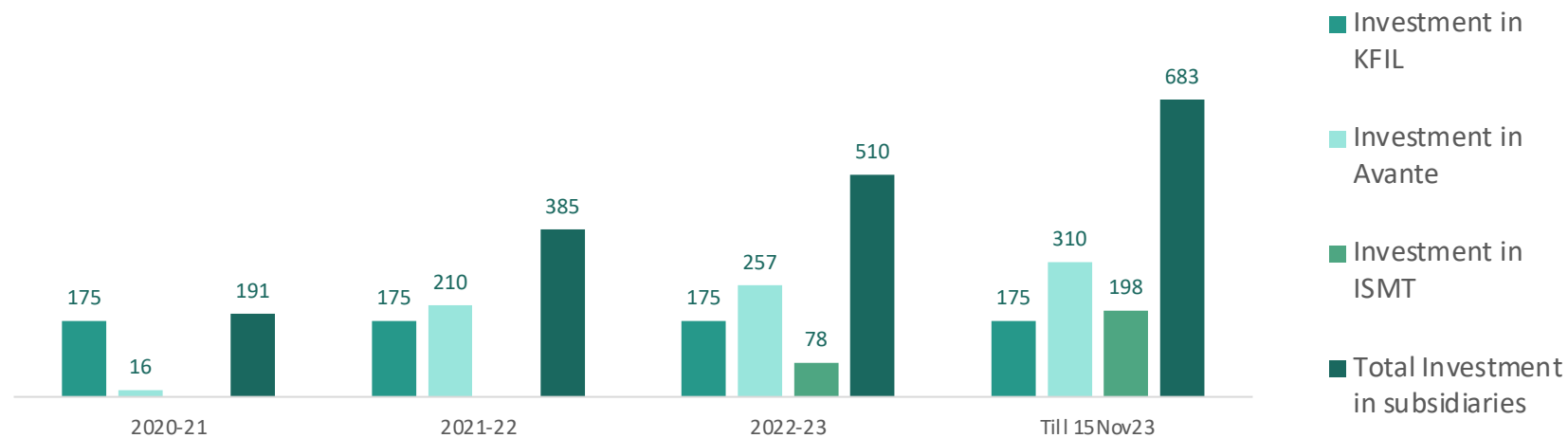
Focus on Real Estate Development and investments in Group Companies

All amounts in INR Crores
YTD numbers reflect year to date Q2 FY24 data

KIL – Evolving Capital Structure



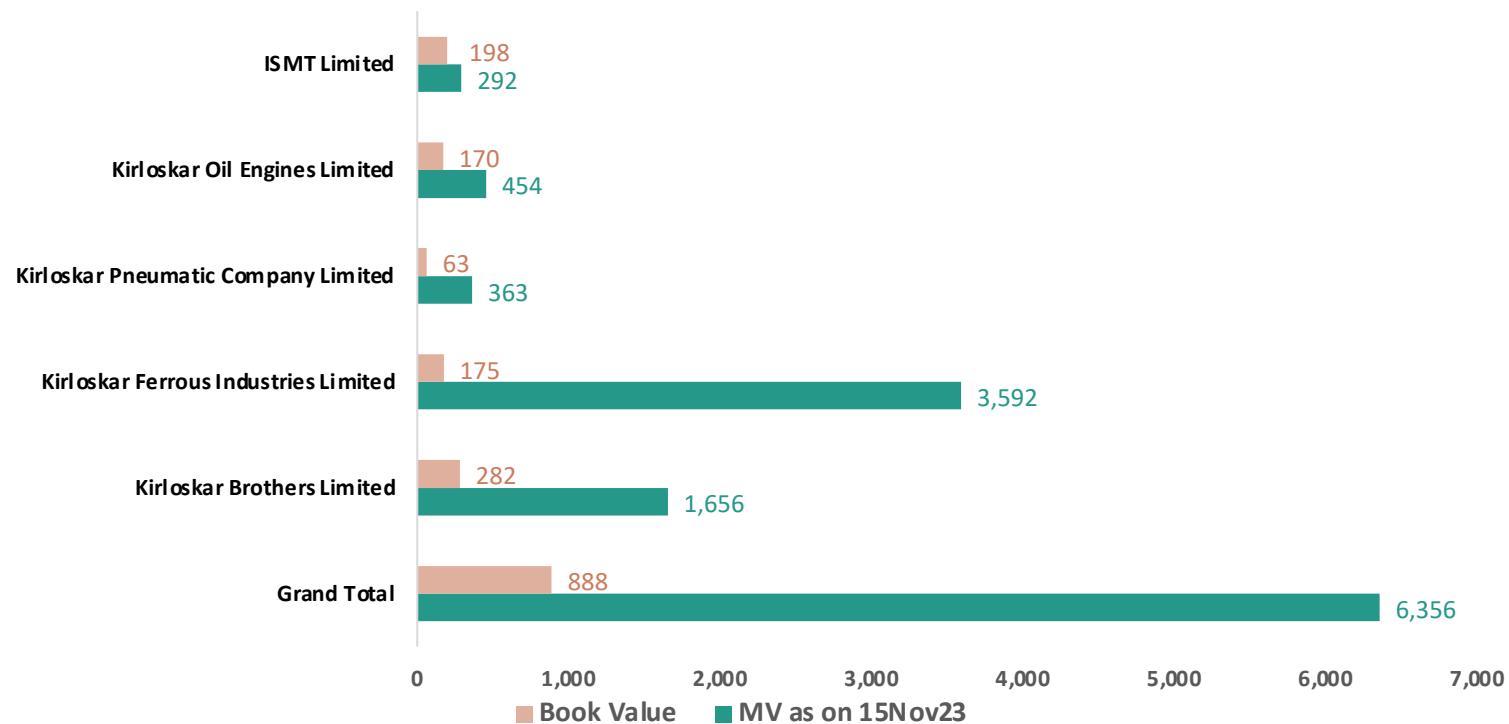
Investment in subsidiaries



In Nov'23, further 4.97 % stake of ISMT acquired

All amounts in INR Crores
Data updated till 15Nov23

Investments in Listed Companies (Major)



KIL – Listed Investments

- Kirloskar Industries Limited (**NSE:** KIRLOSIND | **BSE:** 500243 | **ISIN:** INE250A01039)
- Price as on 15/Nov/23: **INR 3174.95**
- KIL Investment in Listed entities – Aggregate Book value 888 Cr - Market value is ~Rs. 6,356 Cr

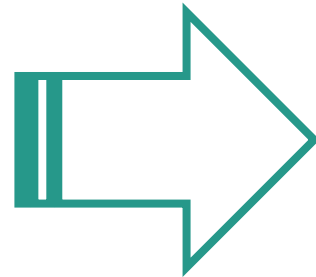
Avante Spaces Limited

Future-ready,
Sustainable buildings

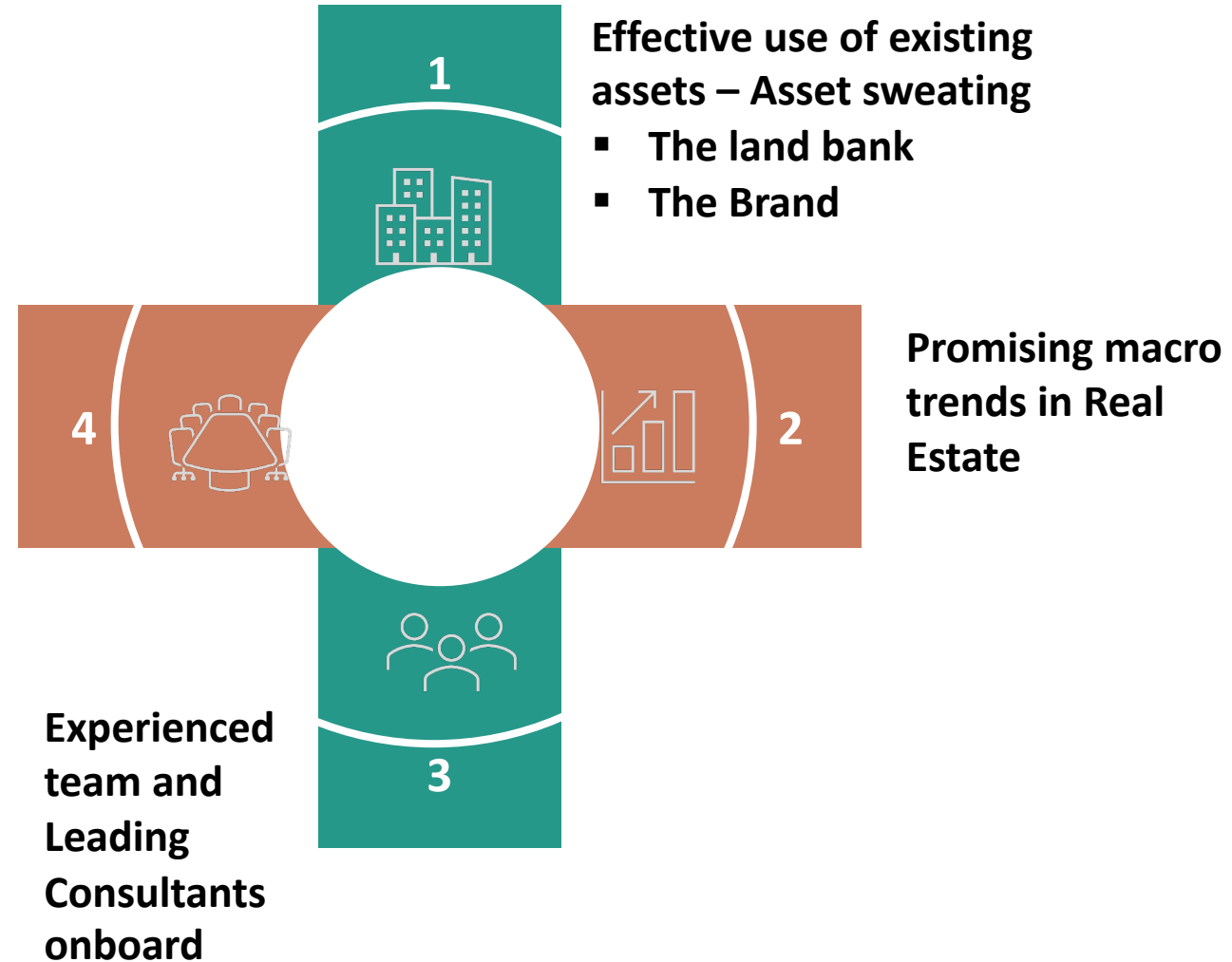


Why Avante?

**Kirloskar group's
Diversification in
Real Estate Business**



**Disciplined
Approach
and high
governance
standards**



Pune – key development indicators

Pune & Real Estate Development

3rd largest contributor to IT Exports

6th highest per capita income in India

Major segments: IT and ITeS, Automotive Industry, Logistics and Education industry

~3200 active start-ups

~8.5mn population by 2030 (from 6.7mn)

Pune ranked as the 'second easiest city to live in' as per The Ease of Living Index 2020

Key advantage of talent, technology, industry and connectivity to Mumbai - Financial Capital of India

Robust PE investments in real estate, totalling USD 1.8 billion since 2017. This represents a 6% share in overall India private equity investments.

Total Inventory – Offices*		Cushman Wakefield		Savills
Area	Mn. Sq. Ft.	Vacancy	Avg. Rental INR psft	Lease Rent Range INR psft
CBD	4.55	2.61%	105.14	80 -120
SBD East	33.18	7.41%	98.65	65-105
SBD West	8.58	12.41%	79.20	60-95

CY22 (in Mn Sq. Ft.)	Cushman Wakefield	Savills
Supply	6.90	7.30
Leasing Volume	6.70	6.40
Net Absorption	4.05	4.90
Vacancy	11.59%	13.90%

*Total Inventory of commercial / office spaces is approx. 76mn sq. ft.

CBD: Laxmi Road, Camp, Bund Garden, Boat Club, Koregaon Park, Dhole Patil Road, Pune Station, Shivaji Nagar, FC Road, JM Road, Wakdewadi, SB Road, Model Colony, Ganeshkhind Road

SBD East: Kalyani Nagar, Kharadi, Mundhwa, Yerwada, Nagar Road, Viman Nagar, Hadapsar, Kondhwa;

SBD West: Aundh, Baner, Pashan, Khadki, Paud Road;

India's office market remains resilient amidst global headwinds - gross leasing for H1 2023 up by 2.5% to 25.31 mn sq ft compared to the same period a year ago,

The new terminal building spread across 500,000 sq ft on the Pune International Airport in Lohegaon is set to be operational from October 2023. It has 10 aero-bridges and 72 check-in counters, will significantly ease the traffic woes on the existing airport terminal.

Office leasing activity primarily driven by BFSI, Flex and ITeS – Mastercard, Bajaj Finance, 315 work avenue, Suma Soft, etc. were key transactions in Pune and starting rents continue to rise – approx 1.2% quarter on quarter.

Pune saw net absorption of ~1.7mn sq. ft. in Q3 and overall vacancy in the Pune region is approx. 8%

As flight-to-quality gains steam, occupiers are expected to continue leasing in ESG-compliant and green-rated next generation office spaces.

Avante Projects in Kothrud, Pune

Rs. In Crores

Project*	Type	Saleable /Leasable Area	Est. Total Cost	Cost Incurred till Sep'23	Area Sold	Area Sold Value	Tentative Completion Date	Construction Update – Google map location
Project 1	Commercial	0.17mn	219	143	0.12mn	233	Mar-24	https://goo.gl/maps/KS9MGFg2t9wcS2zh8
Project 2	Commercial	1.53mn	1635	375	NA	NA	FY26-27	https://goo.gl/maps/73zrfxrpsvEtyJi29

- IGBC and LEED green certifications
- Adopting the WELL building standards
- Adaptive designs

* Including announced projects only | ^ Land cost taken at Government Valuation | Planned Resi Project (P3) on hold due to Industry wide Regulatory issue



Indian Green Building Council (IGBC)

hereby precertifies

Commercial Building by Avante Spaces Limited

C.T.S. 703(P)+704, S. No.156C(P)+156B Kothrud

(IGBC Registration No. NBT 20 0037)

*The project has demonstrated intent to design and build
high performance building in accordance with*

IGBC Green New Buildings Rating System

(Tenant-Occupied Building)

Precertified Platinum

26 August 2022

(Precertification is valid for 3 years, renewed based on six monthly progress updates till certification)

Raghavendran
Green New Buildings

Gurmit Singh Arora
Chairman, IGBC

K S Venkatagiri
Executive Director, CII-G

RERA Regn No. P52100049092



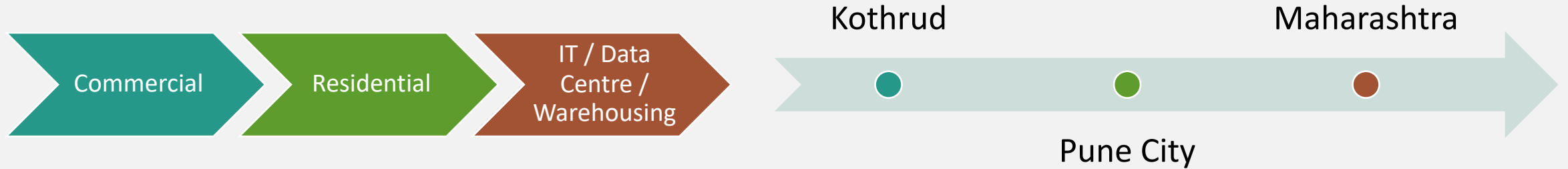
Avante Spaces Limited Project 1



Avante Spaces Limited Project 2

Real Estate Development – Future roadmap

Market segment and Location Focus



2025 onwards:

- Explore Integrated Development on 75 Acres in Khadki (KIL Land)
- Explore Group Company land parcels' development
- Explore opportunities for development in other major cities in Maharashtra

Leadership Team



Mahesh Chhabria
MD, KIL



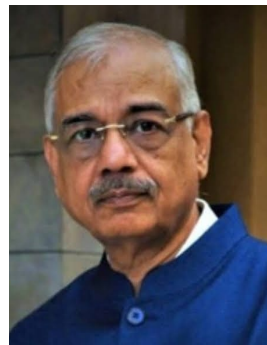
Vinesh Kumar Jairath
MD, ASL



Aditi Chirmule
Executive Director



Anandh Baheti
CFO



Chandrahas Charekar
VP Liaison & Strategy



Lokesh Gupta
VP Projects



Akshay Sahni
VP Asset Mgt



Jagdish Purandare
Head HR

Thank You.