



GROUP OVERVIEW

September 2024

<https://www.kirloskarlimitless.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.”
- “ASL” refers to “Avante Spaces 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, Steel and Seamless Tubes



**Kirloskar
Pneumatic**

Air and Gas Compressors, Refrigeration systems, Gears



**Kirloskar
Chillers**

Chillers



**Kirloskar
Industries**

Windmills, Real Estate



**ARKA
Fincap**

Financial Services and Lending





KIRLOSKAR LIMITLESS NUMBERS THAT MATTER

135+

Years of
History

30

Countries
Presence

7k+

Employee
Base##

14,221

INR Crore
Combined
Turnover*

45,101

INR Crore
Combined Market
Cap**

10,830

INR Crore
Net Worth#

1+

Million gensets
installed across globe

130k

MT of Castings
Produced in a year

50%

CNG Stations in
India are Powered
by Kirloskar

*Turnover Includes – Consolidated numbers for KOEL, ISMT and standalone numbers for KIL, ## KFIL, KPCL and ASL for the year ended March 31, 2024.

Employees on payroll as on March 31, 2024

** Market cap based on closing market price of 31st May, 2024

Based on the March 31, 2024 results for the listed companies only



KIRLOSKAR LIMITLESS-

PERFORMANCE FOCUSED



All amounts INR Crore

	Kirloskar Oil Engines Limited	Kirloskar Ferrous Industries Limited**	Kirloskar Pneumatic Company Limited
EBITDA & Margin	₹ 578, 12%	₹ 862, 14%	₹ 213, 16%
Net Profit & Margin	₹ 375, 8%	₹ 322, 5%	₹ 133, 10%
Cash Position [#]	₹478	₹ 33	₹ 239
Long Term Debt	₹67	₹ 795*	-

[#] Includes Treasury Investments.

* Loan funds for expansion plans.

** ISMT Limited has merged with KFIL by order of NCLT dt. 24th Jul 2024 with Appointed date as 01st Apr 2023.





The Group Overview



Financial update & business outlook



Transitioning for future-ready businesses



Sustainability

Agenda



The Kirloskar Group



- | | |
|---|--|
| Manufacturing Excellence and Strong R&D Focus | <ul style="list-style-type: none">• Strong manufacturing footprint• Best-in-class processes• Strong focus on research and development- 33 IPs, patents, trademark applications, designs and Research Publications filed during FY 2024• Broadened and diversified portfolio in allied sectors |
| Resilient Supply Chain | <ul style="list-style-type: none">• Backward integration for core businesses• Strong channel network across India• Long-standing relationships with all key suppliers |
| People Focused | <ul style="list-style-type: none">• Customer delight at the core• Wide customer base – B2C,B2B, and Government• Employee base of 7,000+• People and culture-driven organisations• Nurturing leaders for the future-ready businesses |
| Sustainable Business Model | <ul style="list-style-type: none">• ESG Focused approach across businesses• Strong focus on governance• Focus on low leverage and cash generation• Effective use of established asset base |





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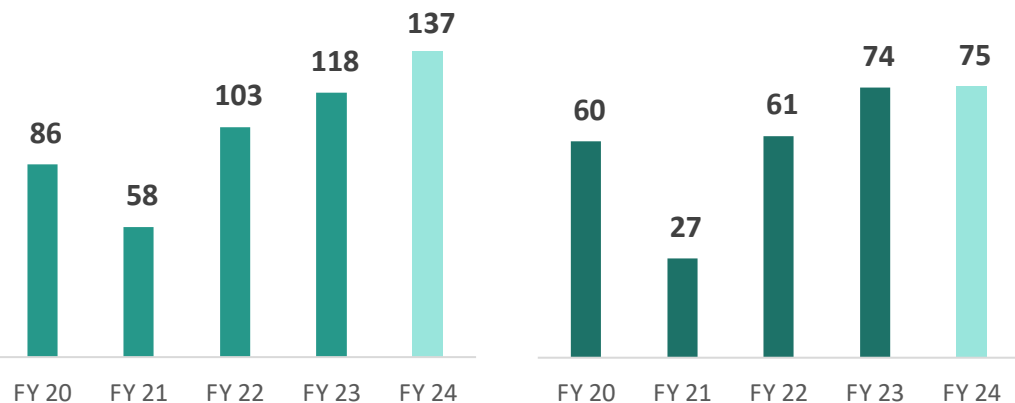


Kirloskar Industries Limited

All amounts INR Crore

Total Income[#]

Net Profit[#]



Holding structure

Company name	Percentage of holding
Avante Spaces Limited	100%
Kirloskar Ferrous Industries Limited	46.10%
Kirloskar Brothers Limited	23.91%
S.L. Kirloskar CSR Foundation	19.60%
Kirloskar Pneumatic Company Limited	9.91%
Kirloskar Management Services Private Limited	7.00%
Kirloskar Oil Engines Limited	5.66%

* As of June 30, 2024

Key Business Updates

- 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
- First project of Avante Spaces, ready for occupancy by end of Second quarter
- ISMT Limited has merged with KFIL by order of NCLT dt. 24th Jul 2024 with Appointed date as 01st Apr 2023

Outlook

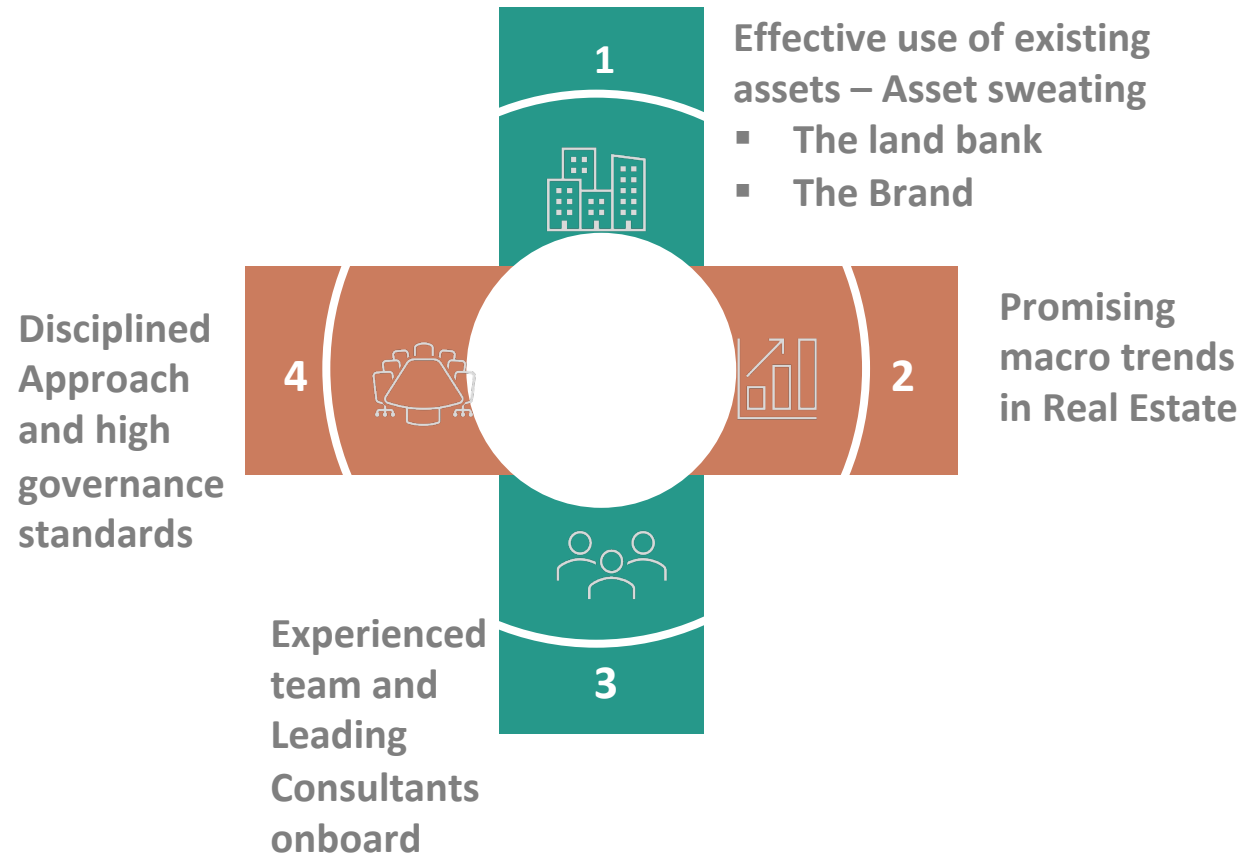
- Developing the real estate arm under the holding company
- Building future-ready smart buildings
- Currently possess 80+ acres between two land banks in Pune

Standalone performance

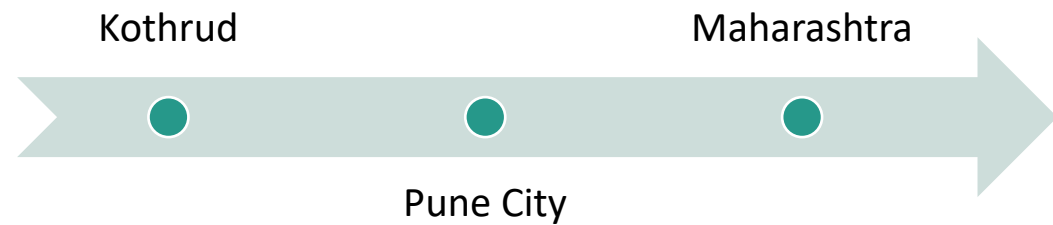
<https://www.kirloskarindustries.com/>



Kirloskar Group's Diversification in Real Estate Business



Market segment and Location Focus



Funding Update

- Investment from KIL into ASL of ~ INR 1 Billion





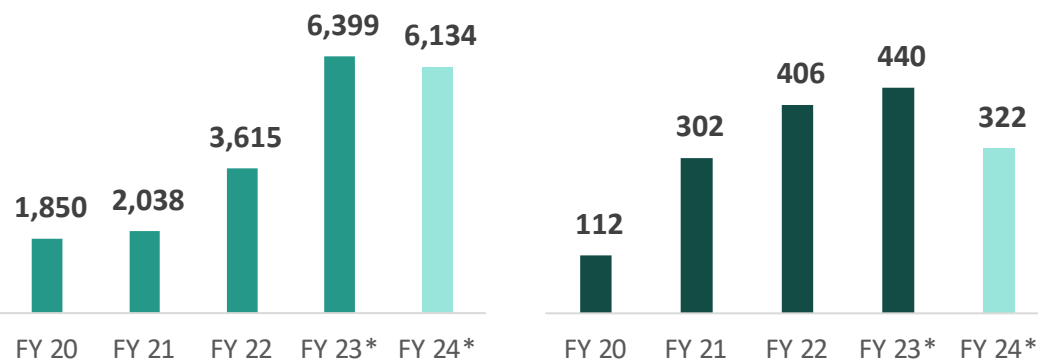
Project*	Location	Saleable /Leasable Area	Area Sold	Tentative Completion Date	Construction Update – Google map location
One Avante	Kothrud, Pune	0.18mn	0.12mn	2024	https://goo.gl/maps/KS9MGFg2t9wcS2zh8
Project 2	Kothrud, Pune	1.56mn	NA	2028	https://goo.gl/maps/73zrfxrpsvEtyJi29

Kirloskar Ferrous Industries Limited

All amounts INR Crore

Revenue*

Net Profit*



Update on Key Projects

Sr. No	Project	Key Objective	Projected timeline for completion
1	O2 Plant	Oxygen Injection in blast furnaces	QIII 2024-25
2	Pig casting Machine	To convert the extra hot metal production after oxygen enrichment	QIII 2024-25
3	Machining capacity enhancement	Ramping up machine shop capacity	QIV 2024-25
4	New Foundry Line at Solapur - Phase II	High pressure module; for auto sector opportunity	QIV 2024-25
5	SOLAR PROJECT - JALNA – Phase 2 & 3	Going green & power cost Reduction	QIV 2024-25
6	SOLAR PROJECT - BEED – Phase 1	Going green & power cost Reduction	QI 2025-26

Key Business Updates

- Iron ore mines to machined castings – Fully backward integrated operations, post ISMT merger, product portfolio includes Steel, Seamless Tubes and value-added products
- 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
- Acquisition of Oliver Engineering, foundry near Chandigarh – Step towards geographical expansion

Outlook

- Further expansion of Solapur Foundry
- 200 MW of Renewable energy projects (KFIL+ISMT)
- Target to become a 2-Billion-dollar company by 2030

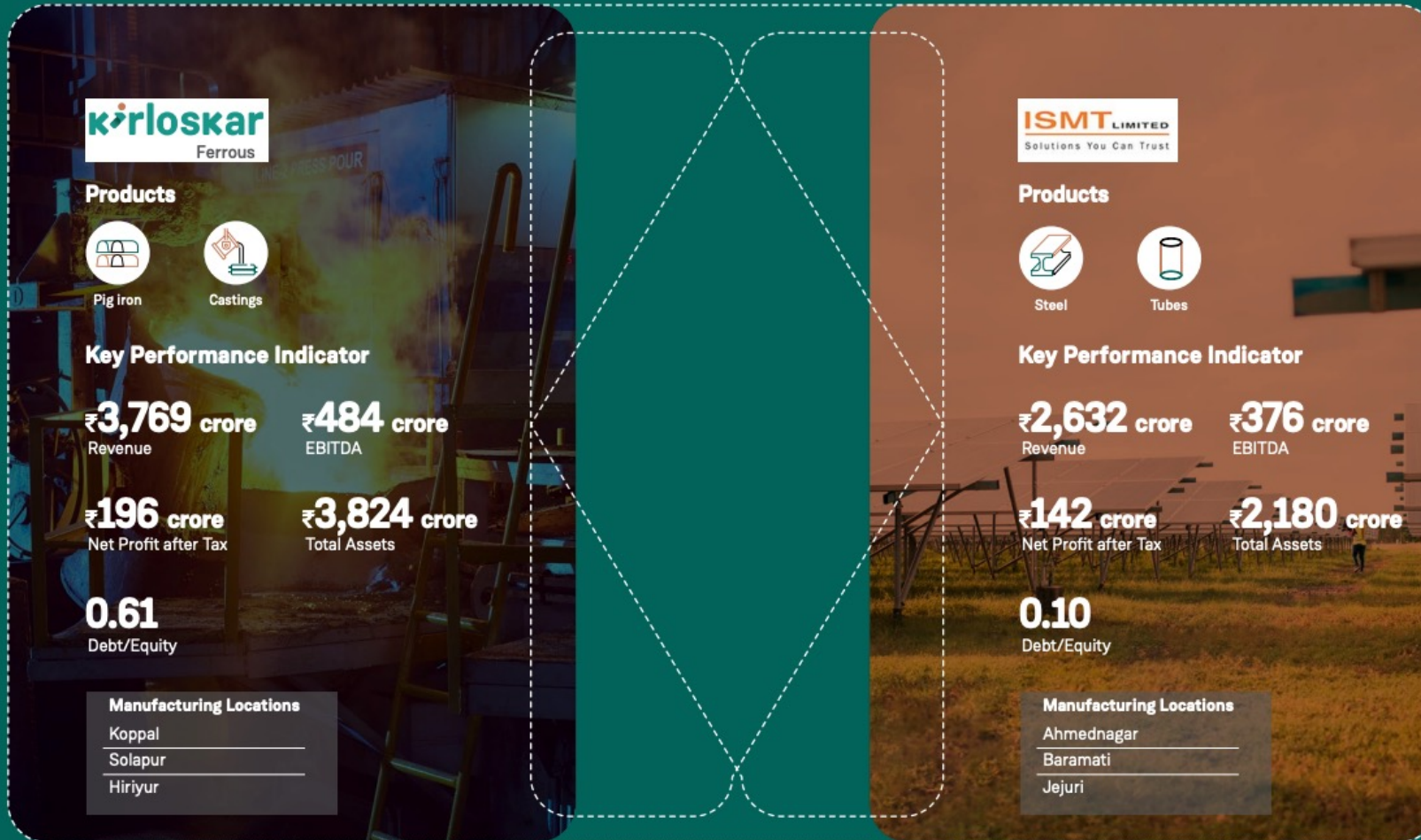
* Standalone performance, Post Merger of the Amalgamating Company (ie., ISMT Ltd)



KFIL – ISMT Merger

Joining Forces for a Sustainable and Limitless Future

Pre-merger (FY24)



Post-merger



Products



Key Performance Indicator



Strategic Benefits

- Diversification**
Expanded product range and value-added products.
- Market Reach**
Expanding access to new markets and customer segments to broaden our market presence and attract a diverse customer base.
- Operational Efficiency**
Enhancing production capabilities and achieving economies of scale to improve efficiency and
- Innovation Potential**
Increasing our capacity for research and development to drive product innovation and stay ahead in the industry.

Common Vision Common Mission Shared Values

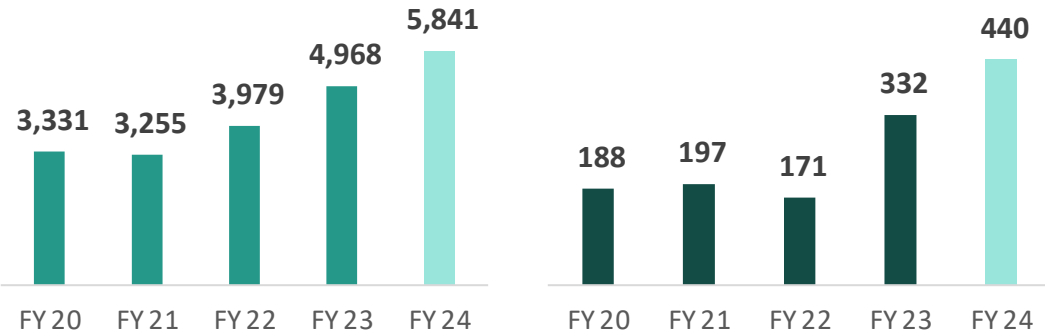
Kirloskar Oil Engines Limited



All amounts INR Crore

Revenue#

Net Profit#

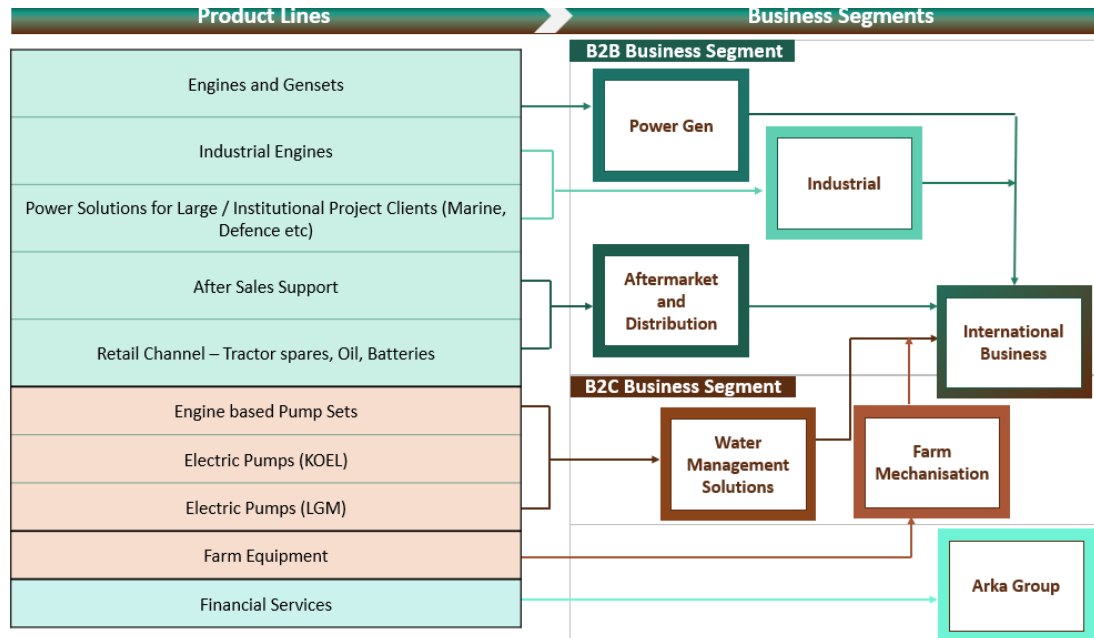


Highlights

- Strong inhouse R&D
- Widely spread-out aftermarket network. Ability to reach any customer in India in under 4 hours
- Strong brand presence
- Market leader by volume in the Indian market
- Manufacturing capability

Outlook

- First Indian company to get the entire range of Gensets certified for CPCB IV+ Norms
- Stated growth strategy of 2X3Y progressing as per plan – Double the top line in 3 years
- Proven track record of manufacturing from India to other geographies. Well poised to capitalise on the global interest on India as a manufacturing and engineering hub
- Long term vision of 2B2B - Grow the Kirloskar Oil Engines business to \$2 Billion in the next 5 (By 2030) years at a consolidated level



Consolidated performance

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



KOEL Advantage

A sweet spot with strong macro economic tailwinds and organizational strengths converging

Domestic Demand

One of the few economies projected to grow at a healthy rate

Manufacturing Hub

Current geopolitical dynamics are forcing companies to look for alternate manufacturing and supplier base

Emission Standards

New emissions standards, CPCB4+ and BSV are at par with most advanced norms

Demographic dividend

Availability of trained workforce and a stable democracy

Macro Economic Tailwinds

Who we are

Values Driven

Values based organization. Known for its business practices and social commitment. Has proven track record of being in successful partnerships with many global players

Manufacturing and Supply Chain Acumen

World class manufacturing facilities and capacity ahead of demand strategy. Localised supply chain, resistant to global shocks. Capacity and capability to manufacture from India to the world

Strong R&D

In house state of the art R&D. Most of the products are developed internally

Strong Channel Presence

Ability to reach a customer in under 4 hours. Strong presence across the country both on first fit sales and aftermarket



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

INR 52.1 Billion
ASSETS UNDER
MANAGEMENT

INR 11.5 Billion
EQUITY

PRESENCE IN
31
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

ATTRACTIVELY POSITIONED



SOLID CULTURE



TAILOR-MADE PRODUCTS



EFFECTIVE USE OF TECHNOLOGY



WELL-DIVERSIFIED FUNDING PROFILE



EXPERIENCED MANAGEMENT



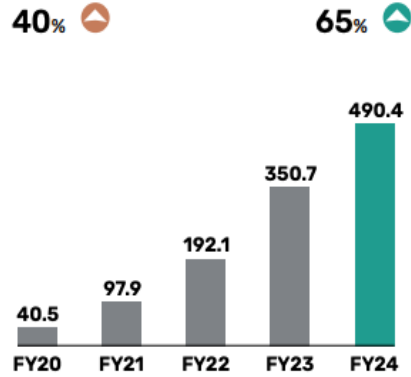
WELL-DIVERSIFIED ASSET BASE

As of March 31, 2024

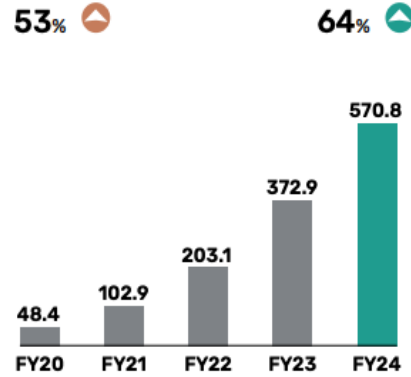


ARKA FINCAP Ltd – Key Performance Indicators

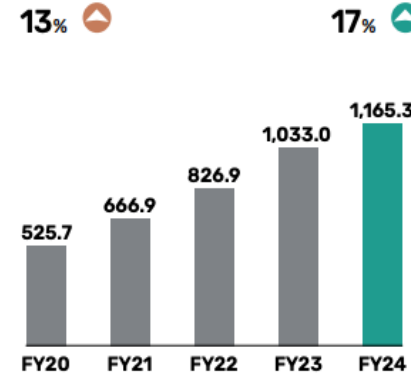
INTEREST INCOME
(₹ in Crore)



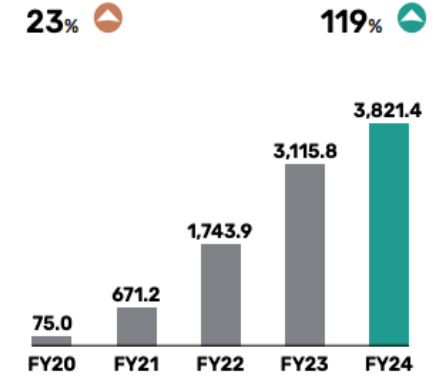
TOTAL INCOME
(₹ in Crore)



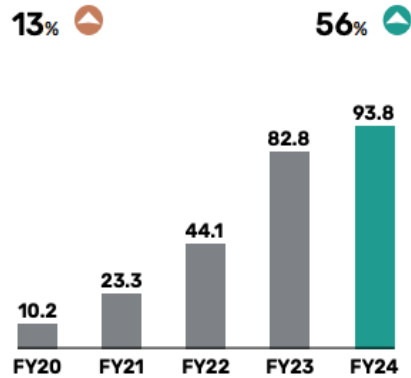
NET-WORTH
(₹ in Crore)



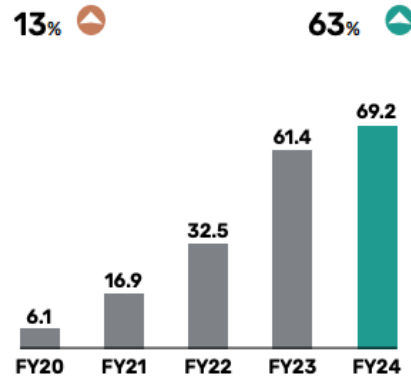
BORROWINGS
(₹ in Crore)



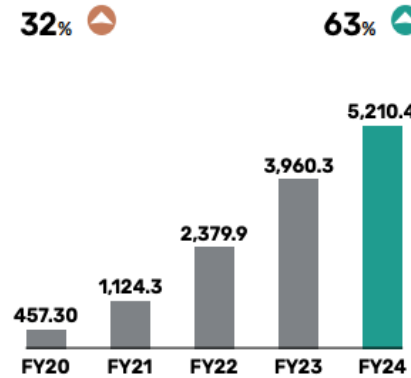
PBT
(₹ in Crore)



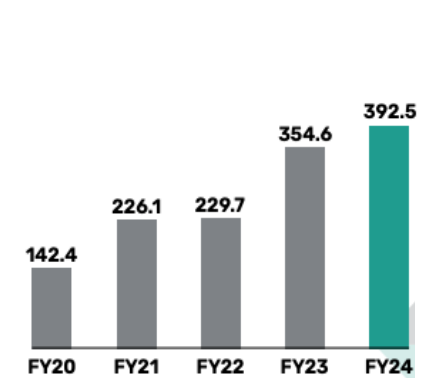
PAT
(₹ in Crore)



AUM
(₹ in Crore)



LIQUIDITY
(₹ in Crore)



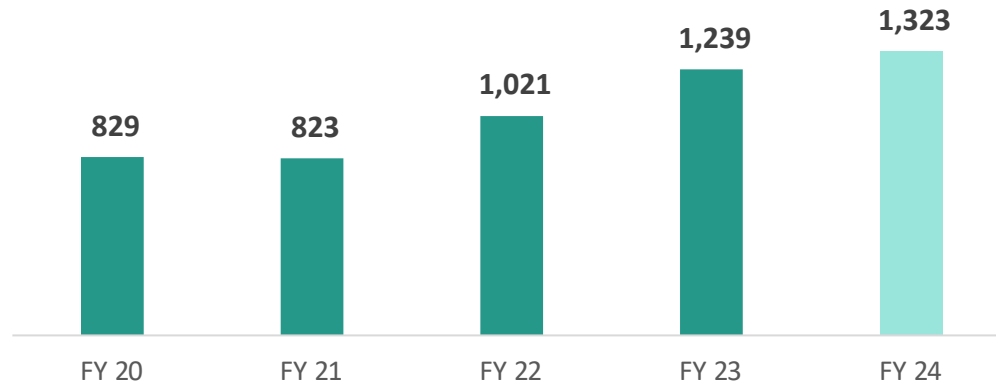
Y-o-Y growth 5-year CAGR



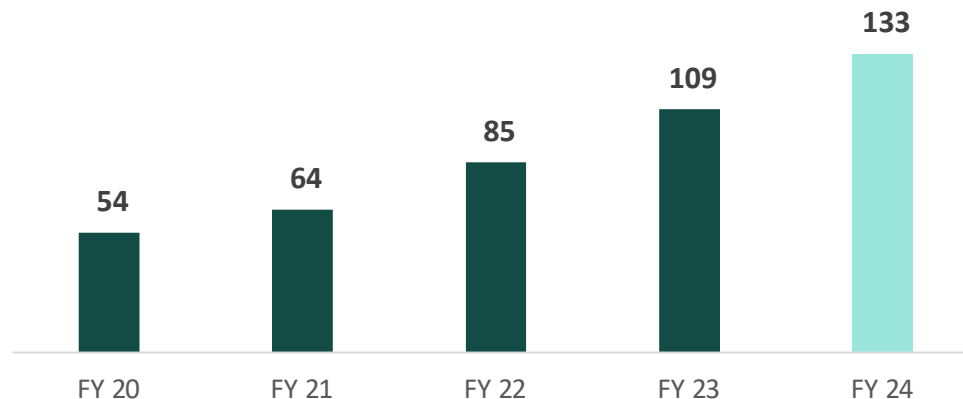
Kirloskar Pneumatic Company Ltd

All amounts INR Crore

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, ARIA Series, Ammonia Screw Compressors

Outlook

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





The Group Overview



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Brand Refresh

- Brand Kirloskar refreshed with a new logo and new business vision: limitless; on 16th 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*



kirloskar
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
- Third-party **Ethics Helpline** in place for whistleblower complaints

	% of Independent Directors (IDs)	No of Committees Chaired By IDs
KIL	54%	3 out of 5
KFIL*	50%	2 out of 5
KOEL	55%	4 out of 5
KPCL	64%	4 out of 6

As on June 30, 2024

* ISMT Limited has merged with KFIL by order of NCLT dt. 24th Jul 2024 with Appointed date as 01st Apr 2023.



Experienced Leadership



Atul Kirloskar
Chairman – KIL,
KFIL, KOEL



Rahul Kirloskar
Chairman – KPCL



Mahesh Chhabria
Managing
Director
KIL



Vinesh Kumar
Jairath
Managing
Director
ASL



R.V. Gumaste
Managing
Director
KFIL



Gauri Kirloskar
Managing
Director
KOEL



Rahul Sahai
CEO B2B
KOEL



Aseem Srivastav
CEO B2C
KOEL



Vimal Bhandari
Executive Vice
Chairman & CEO
ARKA



K. Srinivasan
Managing Director
KPCL



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



Agenda



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Sustainability



Kirloskar Group Sustainability Efforts

To create a sustainable and limitless future through Innovation, Inclusion, and Integrity

ESG Focus

Integrating Climate Action and deepening Circular Economy efforts

01 GREEN PLANET

- Climate action (Energy management, GHG emissions)
- Circular economy (Waste & water management, product stewardship & life cycle management)



Maintaining stakeholder relationships and creating social value

02 NURTURING WORKPLACE

- Employee health and safety
- Talent Management
- Stakeholder Relations (Shareholders, Customers, Community & Supply Chain Partners)
- Responsible Supply Chain
- Human Rights & labor practices (Diversity, Equity & Inclusion, Human Rights)



Building transparent Governance

03 Building Transparent Governance

- Corporate Governance (Business Ethics, Board Structure & Management, Risk Management, Tax Transparency)
- Innovation Management
- Cyber security & Data privacy
- Transparent disclosures



Sustainability Foundation

Corporate Governance

Policies

Transparency



Kirloskar Group Sustainability Efforts

Kirloskar – Limitless Pledges Green Leadership: Embracing India's Climate Change Vision with Unbounded Commitment!



Reach 200 MW Non-fossil energy capacity by 2030



50 per cent of its energy requirements from renewable and recovered energy by 2030



10% Reduction of total carbon emissions intensity by 2030*



Aligning with India's net zero emissions target before 2070

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[#]

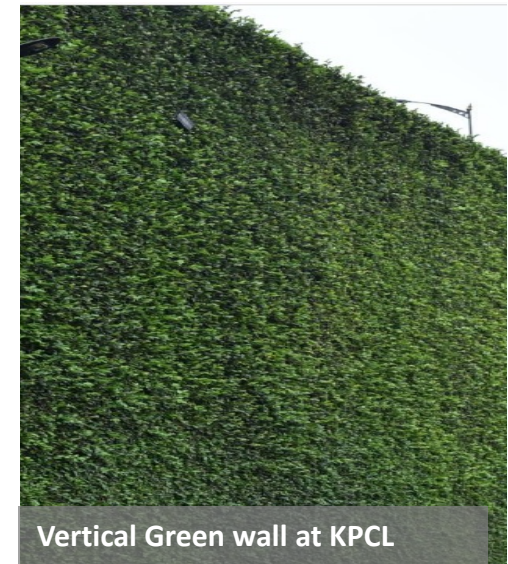
KPCL's

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 KFIL

At Koppal plant



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 farming zones



Education

School bag distribution



Thank You
