

Investor Presentation September 2024



GROWTH

Commitment Towards Greener
Tomorrow

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, the word “KFIL” refers to “Kirloskar Ferrous Industries Limited .”



About US

Kirloskar Ferrous Industries Limited is one of the fastest-growing companies in the business of Pig Iron and Iron Castings, with fully backward integrated operations from iron ore mines to machined castings. With the merger, KFIL product range now extends to Steel and seamless tubes. ISMT pioneered seamless tube manufacturing in India and has made a place in the bearing, boiler tubes, automotive piping applications.



Established Global Customer Base

We are the destination of choice for the largest automotive manufacturers in the world who come to us for engine castings



Value Driven Culture

With the group that possesses a rich 135+ year manufacturing and engineering legacy, KFIL has been built on a solid foundation of innovation and customer-centricity



Transformative engineering

Relentless transformation helps us surpass all our limits. It is always our aim to innovate so as to surpass the customer expectations

Vision, Mission & Values

VISION

Be a sustainable growing organization creating value to all stakeholders with limitless opportunities

MISSION

To become the Largest Alloy steel manufacturer in India and the Global top 5 in Castings

To become a 2 Billion dollar company by 2030

1.4

Million Tonne
Liquid Metal

1.0

Million Tonne
Alloy Steel

0.3

Million Tonne
Casting

0.3

Million Tonne
Seamless Tubes

To be a preferred Employer & responsible neighbour

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

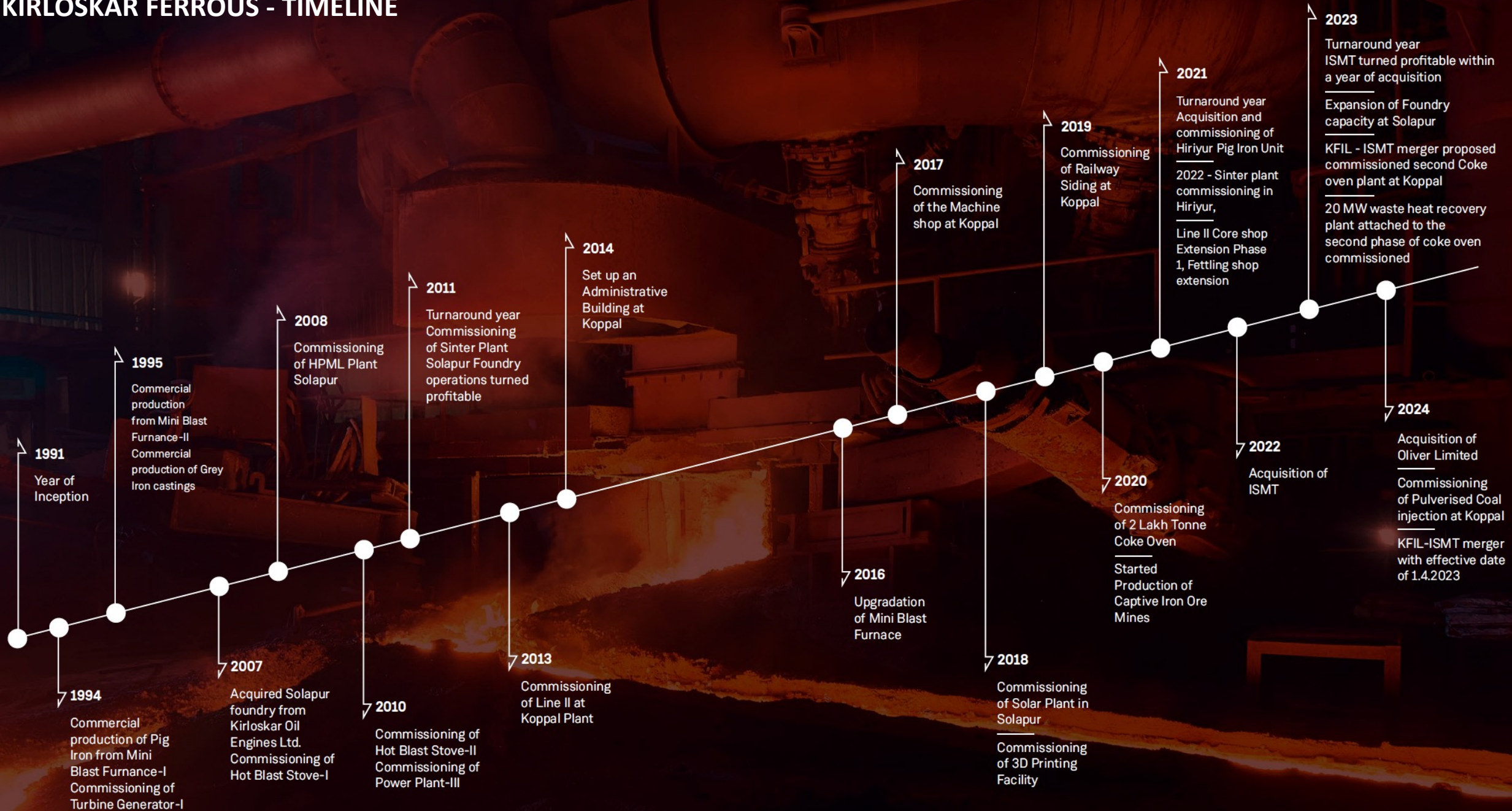
We're building for a shared prosperous future



INNOVATIVE THINKING

Be bold and brave, & stay relevant

KIRLOSKAR FERROUS - TIMELINE



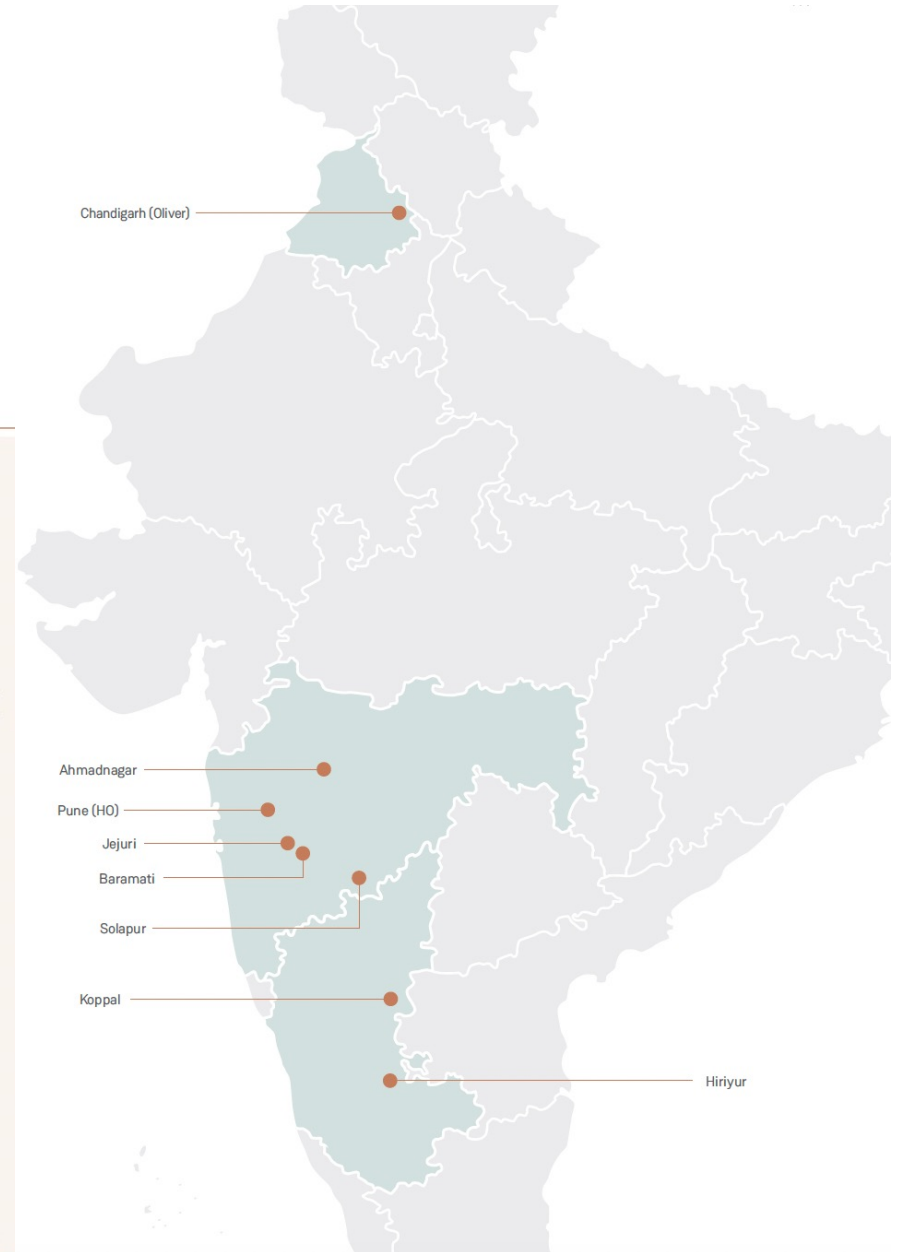
KFIL Overview

Leveraging complementary strengths and synergies

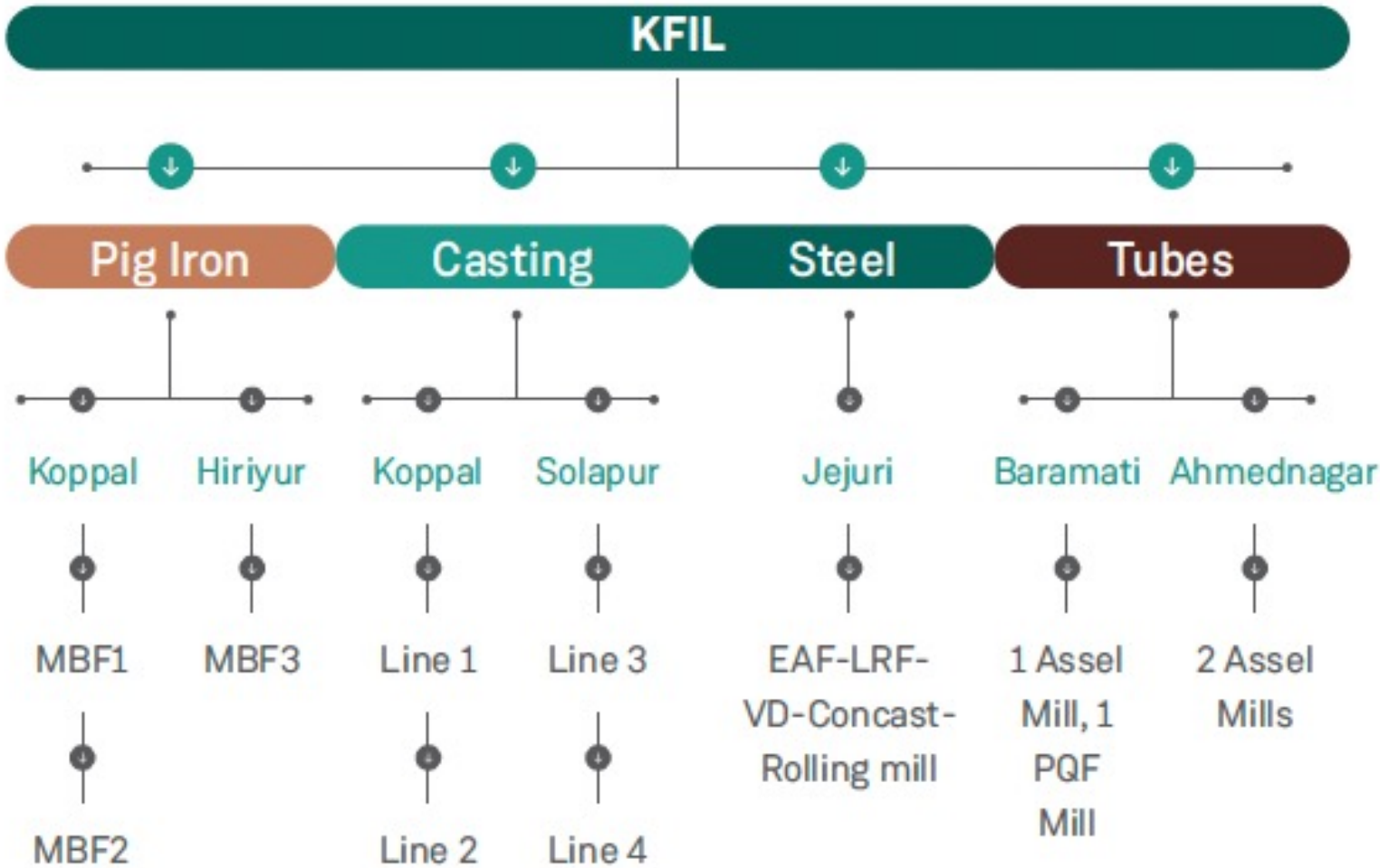
Leveraging the complementary strengths and synergies from KFIL-ISMT merger, we are poised to unlock new opportunities and drive value creation for our stakeholders.



Our key focus has always been on delivering what is critical to customers, be it in time delivery, lower rejection rates or products exceeding the quality expectations.



KFIL – The Manufacturing Prowess



*Liquid Metal
Hot mill rolling

~700,000 Ton

PIG IRON
CAPACITY PER
ANNUM

~180,000 Ton

IRON CASTINGS
CAPACITY PER
ANNUM

~350,000 Ton

STEEL CAPACITY*
PER ANNUM

~370,000 Ton

SEAMLESS TUBES CAPACITY#
PER ANNUM

Financial Performance



Power Plant – 40 MW

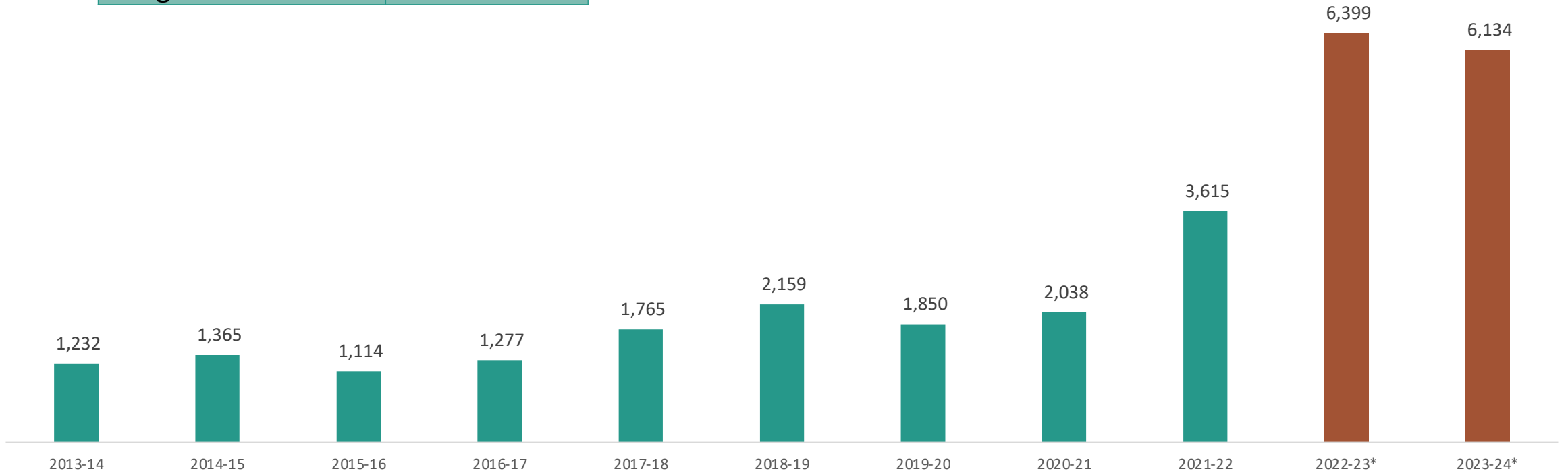
Financial Performance

All numbers in ₹ Crores

KFIL's Position in Indian Market	
Casting Business	1 st
Pig Iron Business	2 nd

Sales

10-Year CAGR (Standalone): 20%



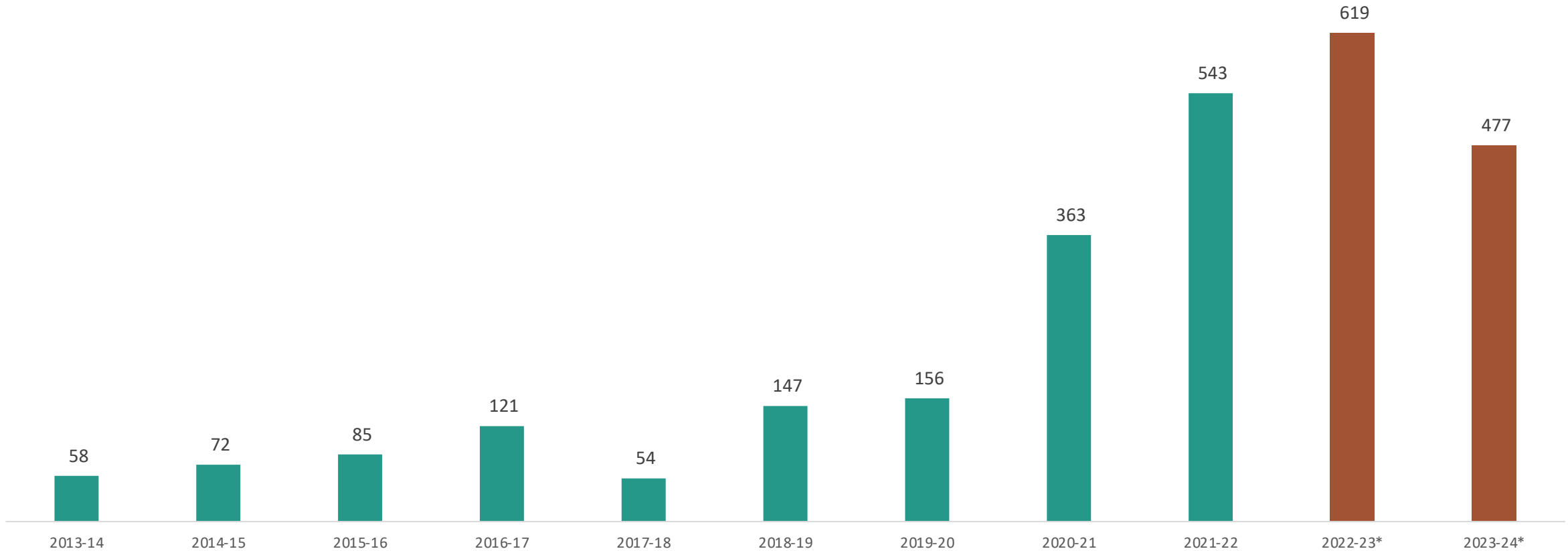
* Note: Post Merger of the Amalgamating Company (ie., ISMT Ltd)

Financial Performance

All numbers in ₹ Crores

PBT

10-Year CAGR (Standalone) : 30%



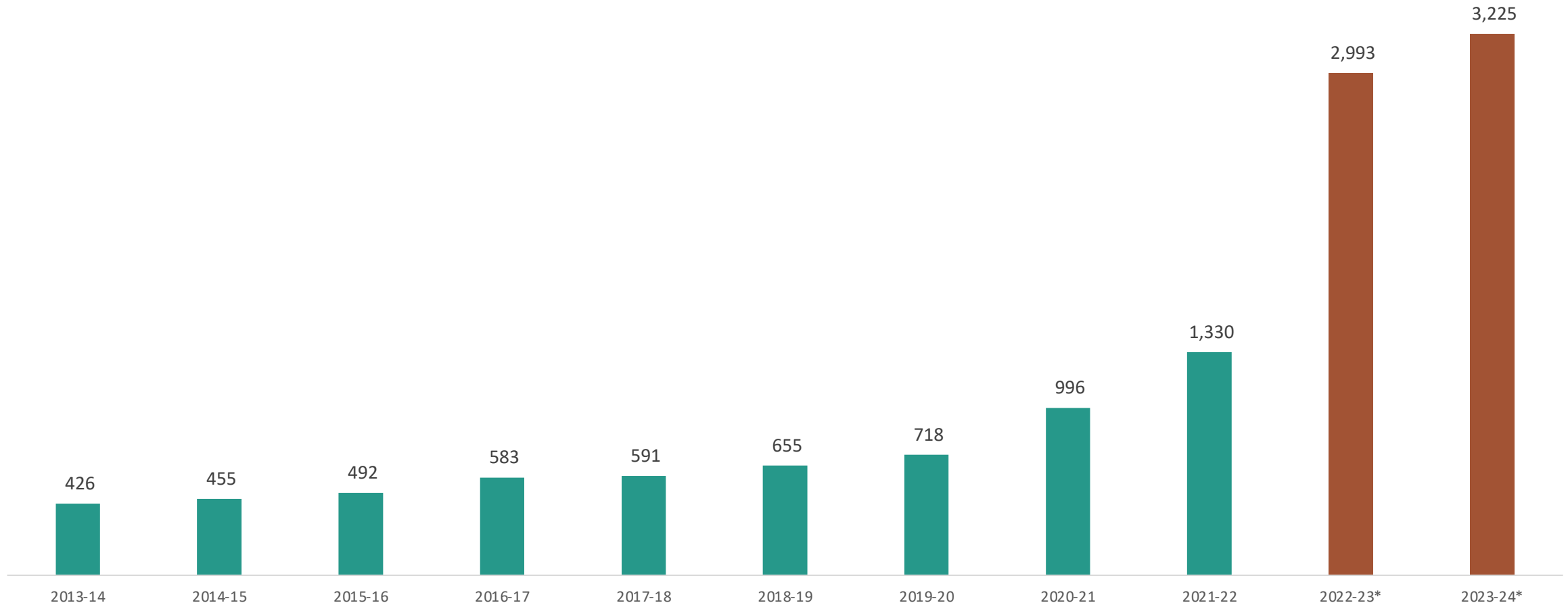
* Note: Post Merger of the Amalgamating Company (ie., ISMT Ltd)

Financial Performance

All numbers in ₹ Crores

Shareholders' Funds

10-Year CAGR (Standalone) : 24%

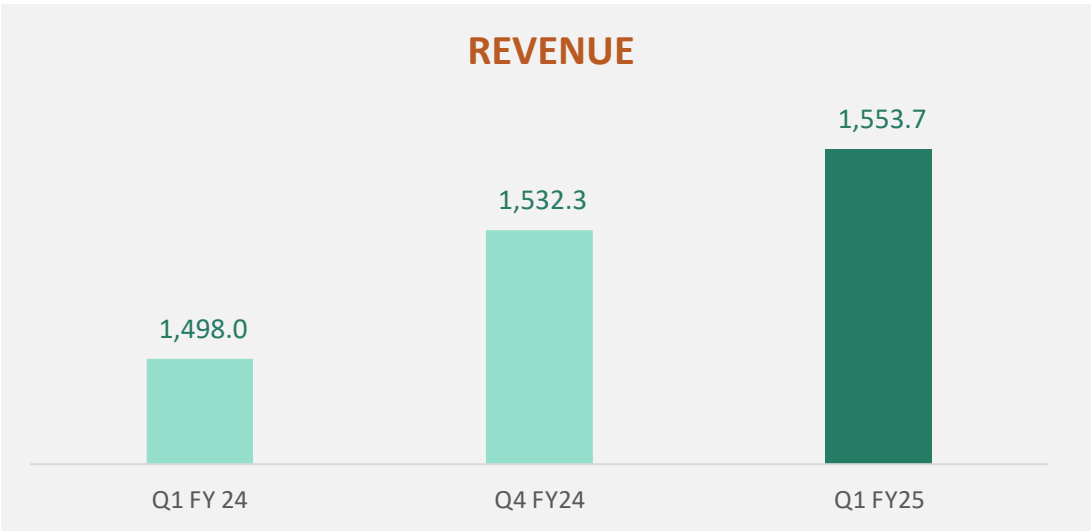


* Note: Post Merger of the Amalgamating Company (ie., ISMT Ltd)

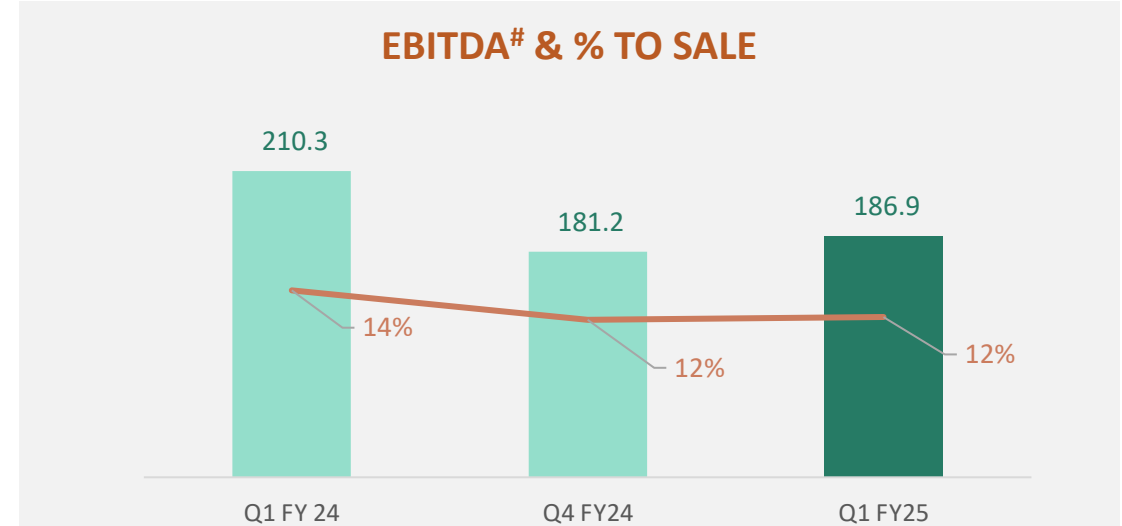
P&L Highlights – Standalone Quarterly

All amounts in INR Crores.

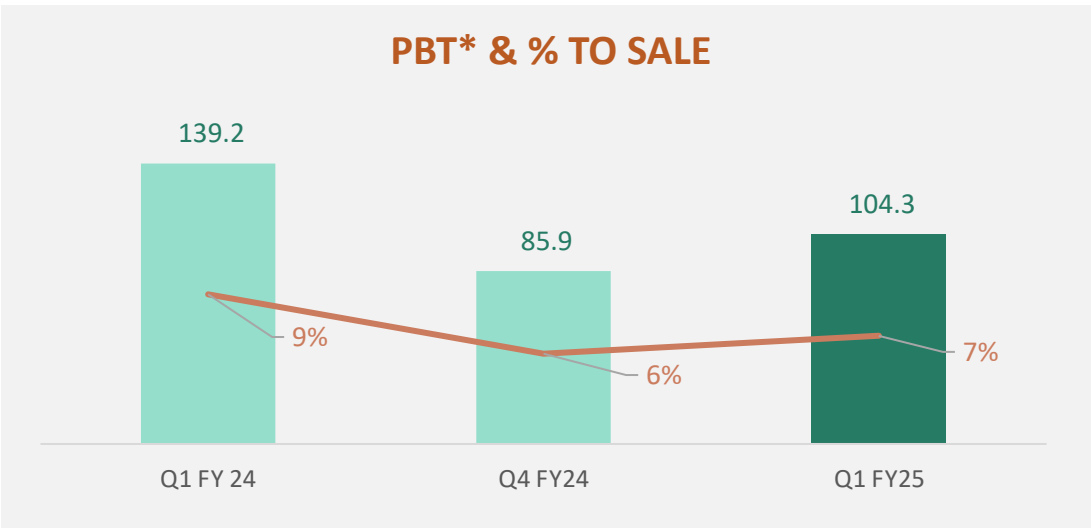
REVENUE



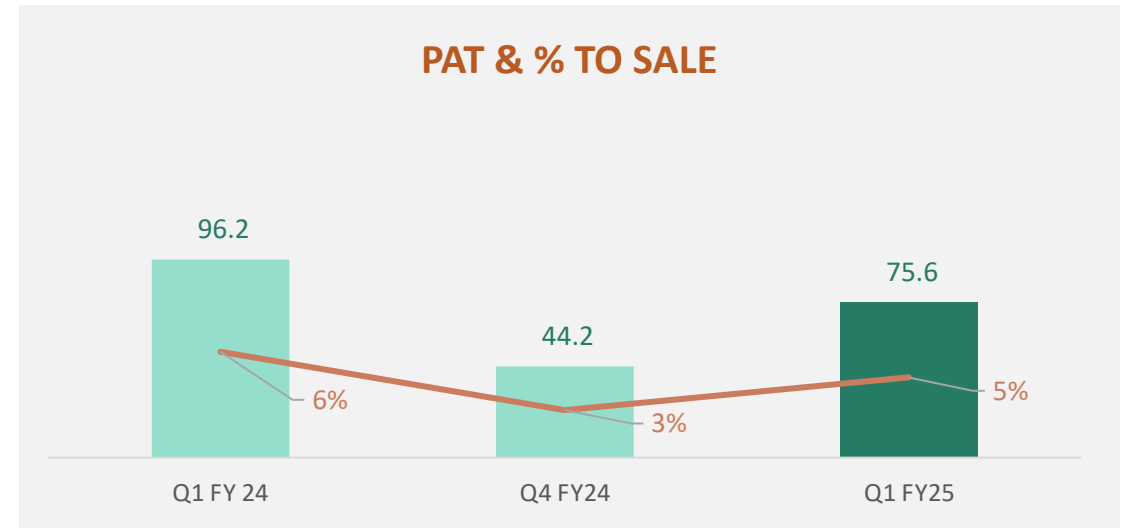
EBITDA# & % TO SALE



PBT* & % TO SALE



PAT & % TO SALE

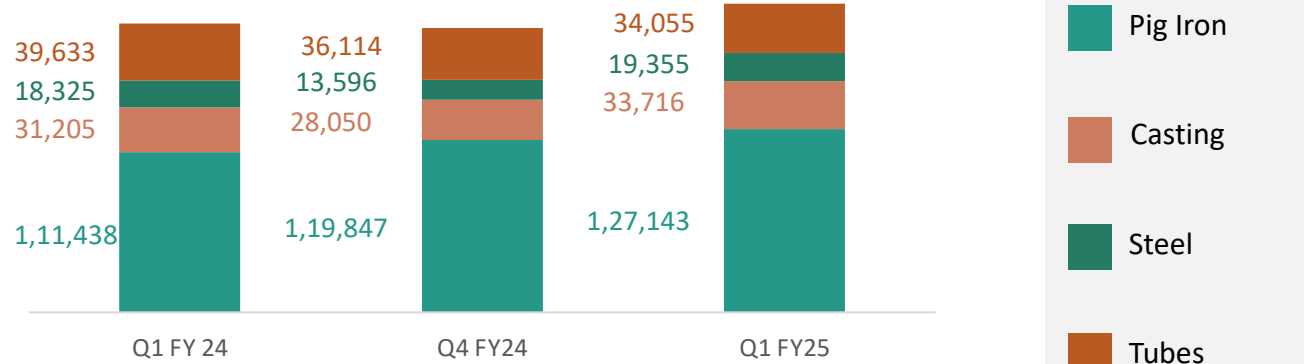


EBITDA excluding Other Income and Exceptional Item

*PBT before exceptional items.

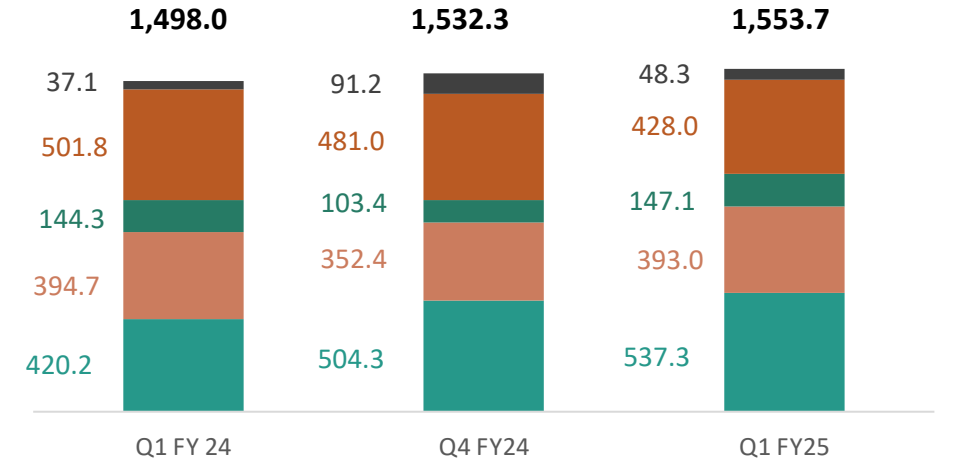
Volume and Sales Update - Standalone Quarterly

SALES VOLUME (MT)



Sales Volume	Pig Iron	Casting	Steel	Tubes
Q-o-Q	6%	13%	42%	-6%
Y-o-Y	37%	1%	6%	-14%

SALES (INR Crore)



Sales	Pig Iron	Casting	Steel	Tubes
Q-o-Q	7%	12%	42%	-11%
Y-o-Y	28%	0%	2%	-15%

REALISATIONS

INR per MT	Q1 FY 24	Q4 FY24	Q1 FY25
Pig Iron	45,358	42,078	42,258
Casting	1,26,474	1,25,626	1,24,398
Steel	78,767	76,066	76,001
Tubes	1,26,599	1,33,196	1,25,670

P&L Standalone

Particulars	Quarter ended			Year ended
	30-Jun-24	30-Jun-23	31-Mar-24	31-Mar-24
	Unaudited	Unaudited	Audited	Audited
Revenue from Operations	1,553.7	1,498.0	1,532.3	6,133.9
Other Income	8.5	4.5	5.6	23.2
Total income (1+2)	1,562.2	1,502.5	1,537.9	6,157.1
Expenses				
(a) Cost of Materials consumed	921.1	869.7	865.3	3,389.4
(b) Purchase of stock-in-trade	-	-	-	-
(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(40.6)	(46.2)	10.7	(19.5)
(d) Employee benefits expense	87.7	77.9	82.3	331.3
(e) Finance costs	33.3	29.1	31.9	120.1
(f) Depreciation and amortisation	57.8	46.4	68.9	231.6
(g) Other expenses	398.6	386.3	392.7	1,570.6
Total Expenses	1,457.9	1,363.2	1,452.0	5,623.5
Profit Before tax (Before Exceptional Item)	104.3	139.2	85.9	533.5
Exceptional Items	-	-	(23.5)	(56.7)
Profit After tax	75.6	96.2	44.2	321.6
EBITDA (excluding other income & exceptional item)	186.9	210.3	181.2	862.1

Key Ratios Standalone

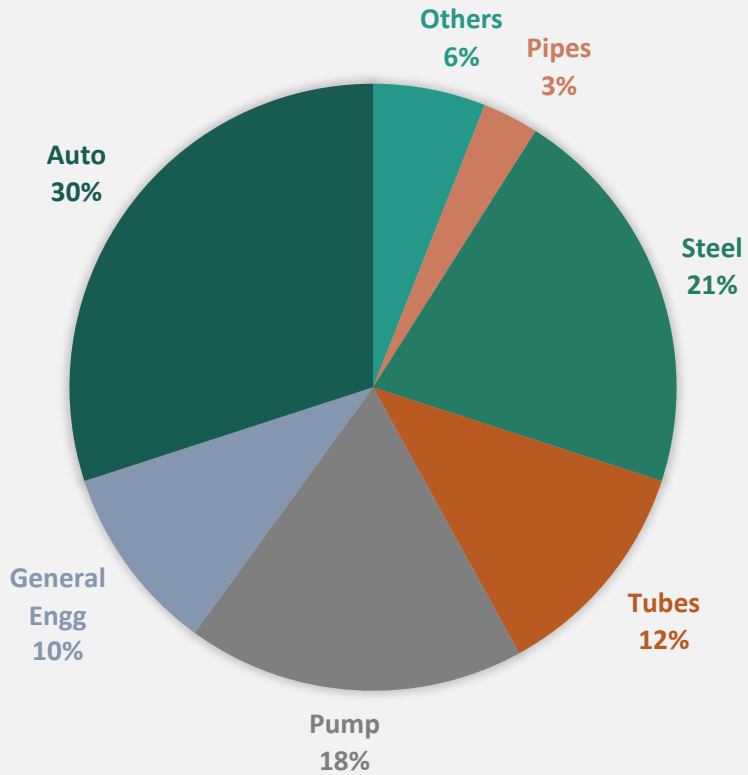
Particulars	Quarter Ended			Year Ended
	30 June 2024	30 June 2023	31 March 2024	31 March 2024
Material Costs	56.7%	55.0%	57.2%	54.9%
Power Costs	8.9%	9.2%	8.6%	8.8%
Employee Benefit Expenses	5.6%	5.2%	5.4%	5.4%
Finance Costs	2.1%	1.9%	2.1%	2.0%
PBT (before exceptional items)	6.7%	9.3%	5.6%	8.7%
PAT	4.9%	6.4%	2.9%	5.2%
EBITDA (excluding other income before exceptional items)	12.0%	14.0%	11.8%	14.1%

P&L Consolidated

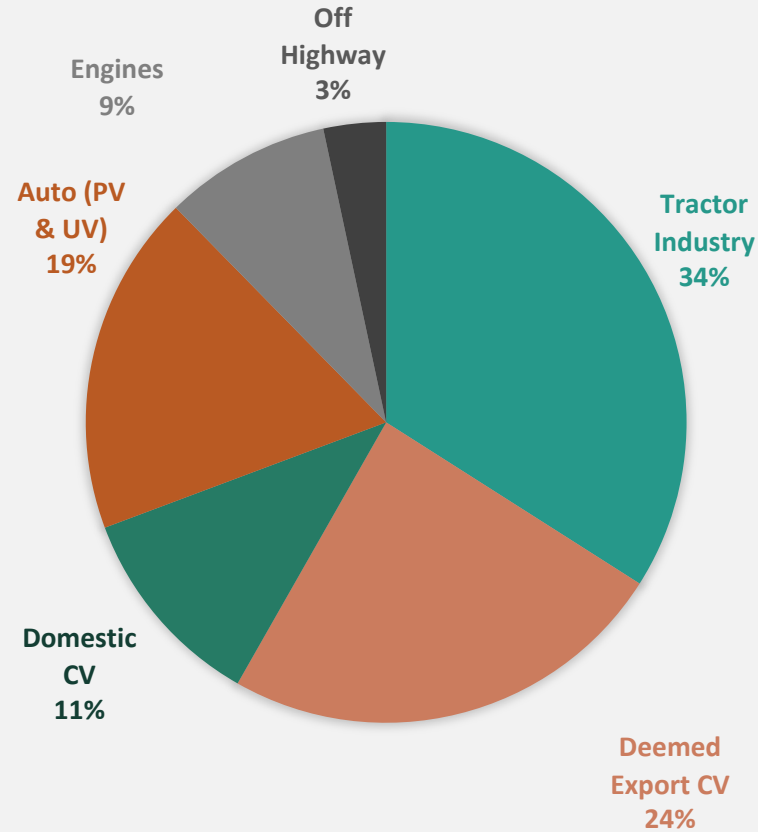
Particulars	Quarter ended			Year ended
	30-Jun-24	30-Jun-23	31-Mar-24	31-Mar-24
	Unaudited	Unaudited	Audited	Audited
Revenue from Operations	1,553.7	1,502.5	1,535.9	6,146.3
Other Income	6.0	4.5	1.7	19.3
Total income (1+2)	1,559.7	1,506.9	1,537.6	6,165.6
Expenses				
(a) Cost of Materials consumed	921.0	871.3	866.2	3,392.3
(b) Purchase of stock-in-trade	-	-	-	-
(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-40.6	-44.5	11.3	-17.8
(d) Employee benefits expense	87.7	79.9	82.4	336.9
(e) Finance costs	33.3	29.2	32.0	120.5
(f) Depreciation and amortisation	60.8	46.7	72.2	239.4
(g) Other expenses	399.0	388.3	411.0	1,578.1
Total Expenses	1,461.2	1,371.0	1,475.0	5,649.4
Profit Before tax	98.5	135.9	62.6	516.2
Exceptional Items	-	-	-26.6	-63.3
Profit After tax	69.8	92.9	17.7	297.7
EBITDA (excluding other income)	186.6	207.4	165.1	856.8

End User Profile

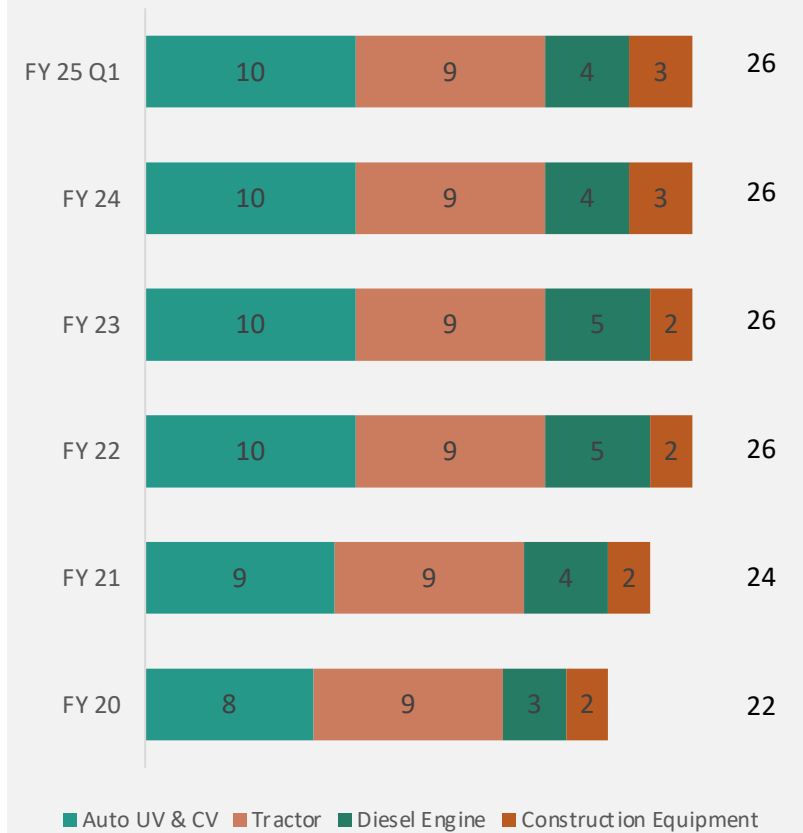
Pig Iron



Castings



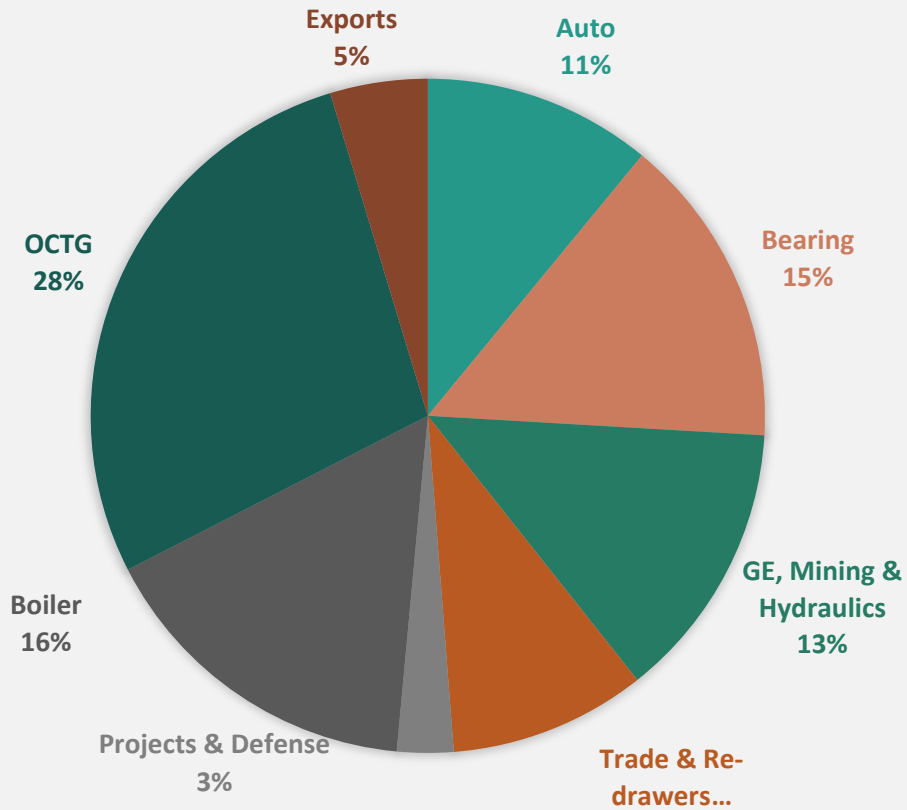
Castings Customer Base



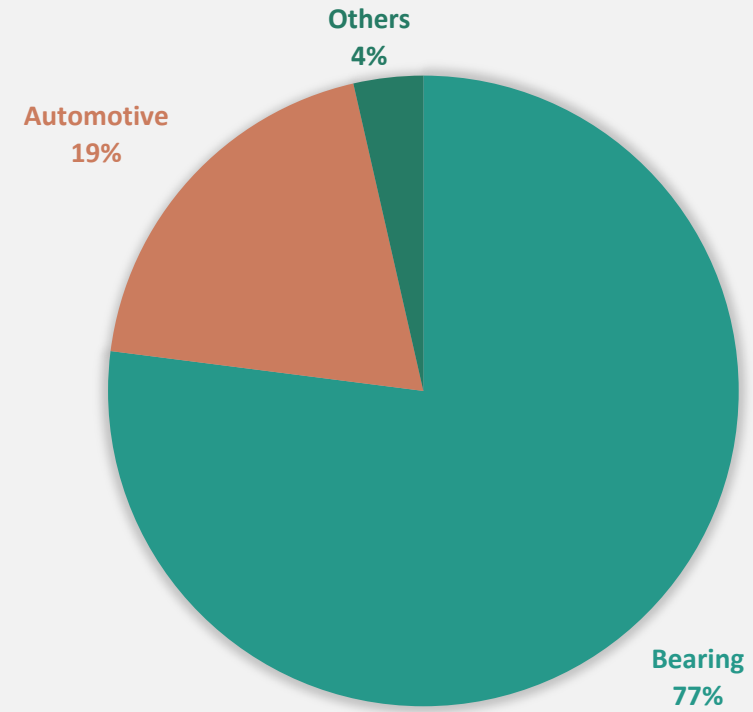
Updates- Q1 FY 25

End User Profile

Tubes



Steel

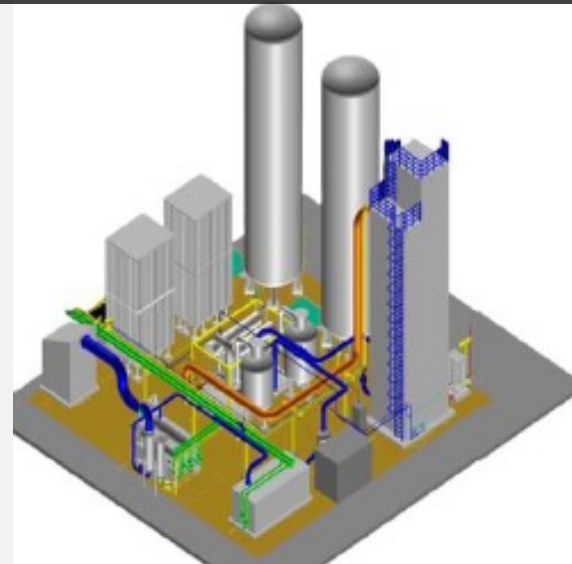


Updates- Q1 FY 25

Strategic Growth Projects



Mini Blast Furnace – Bell less Top Installation and RMHS Modification



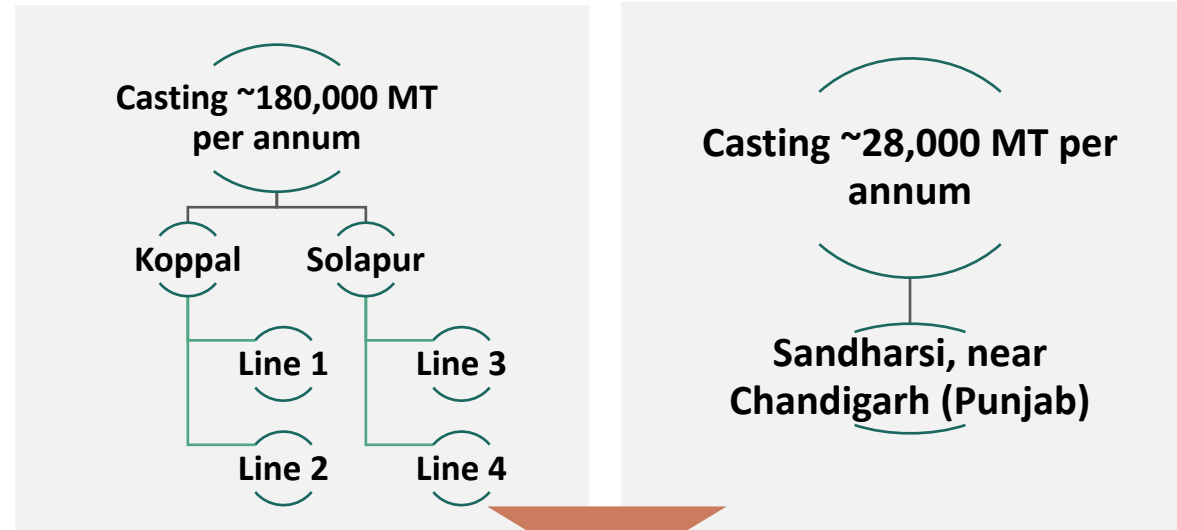
Pulverized Coal Injection and Oxygen Plant

Geographical Expansion – Oliver Engineering

k·rloskar
Ferrous

OLIVER ENGINEERING PVT LTD

Now a 100% Subsidiary of KFIL



Capacity expansion at a new location

Close proximity to Northern India Customer Base

Delivering what is critical to customer

Key Project Updates

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

Updates- Q1 FY 25

ESG Update



Purpose led ESG approach

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 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

Sustainable business practices

Green Energy Commitment

We continually strive to minimise 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

Plan to reach to 200 MW renewable energy capacity by FY 2027

11 MW

Solar Plant at Solapur

70 MW

Solar Plant for at Jalna

40 MW

Waste heat recovery Boiler based Captive Power Plant at Koppal



With the power generated from Solar plant and Waste heat recovery plant

100 %

of our electricity consumption is generated in house*

*For KFIL Koppal plant

Key Sustainability performance Indicators



21% Reduction in Energy Intensity



11% Reduction in Scope 1 and Scope 2 Emission Intensity



21% Reduction in Water Intensity



2.67 Lakh MT Waste recycled



₹ 8.7 Cr CSR expenditure; **35,000** people benefited

Community Care

Education

School bag distribution,
Personality development
Financial assistance,
Coaching classes School
teachers training

Health & Hygiene

Visit of Specialist Doctors,
Free medicine distribution,
Water supply from plant,
Nutritious food ,
WaSH

Focus Areas

Community Development

Financial Assistance,
Participation – Festivals &
Fairs , Sports Activities,
Water facilities during Fairs

Environment

Green Development
Kirloskar Vasundhara Film
Festival, Nature Walk etc.,



Health Centre



School Building



Scholarships



Women Empowerment

Awards & Accolades



“Genentech International EHS Awards-2023
In Best EHS practices category



Bundry Koppal

National Sustainability Award from Indian Institute of Metal

Won 1st prize in National level Kaizen competition by IIF

Won 2nd prize in southern region Kaizen competition by IIF



Bundry Solapur

Received Volvo-Eicher – Award for Best Supply Management for the year 2023 in category Casting & Machining.

Supplier Quality Improvement – Silver Award

Vendor Ware Housing Award received for ware house management

Jayaswal Neco Quality Award



Prestigious National Sustainability Award – Indian Institute Metal



THANK YOU