



- Investor Presentation
February 2024

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.

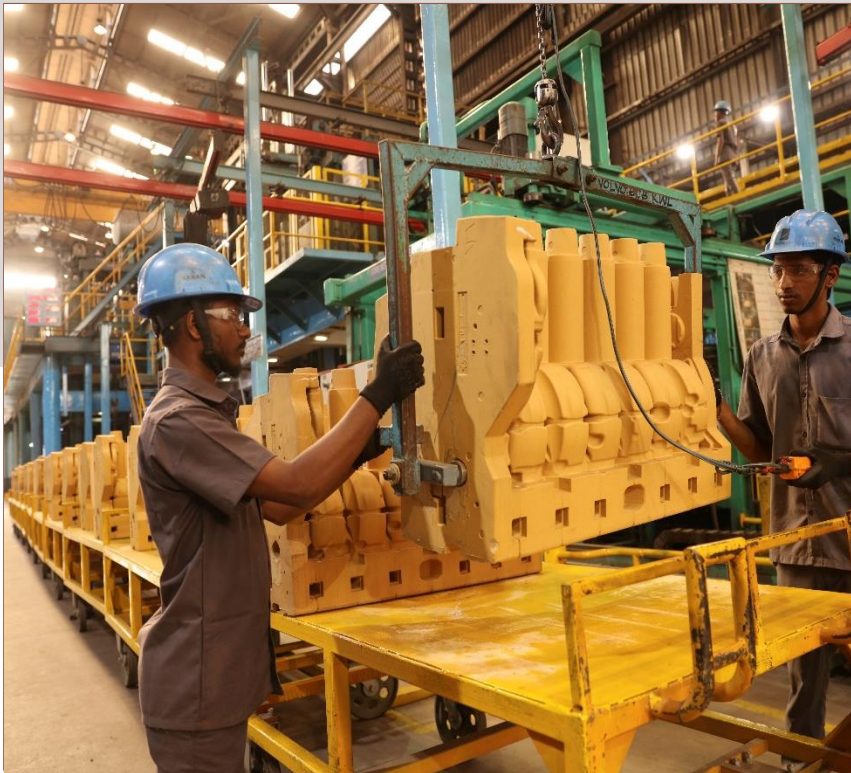
Note: Across this presentation, the word “KFIL” refers to “Kirloskar Ferrous Industries Limited .”

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.



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 134+ 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

About KFIL

Business Update

Financial Performance

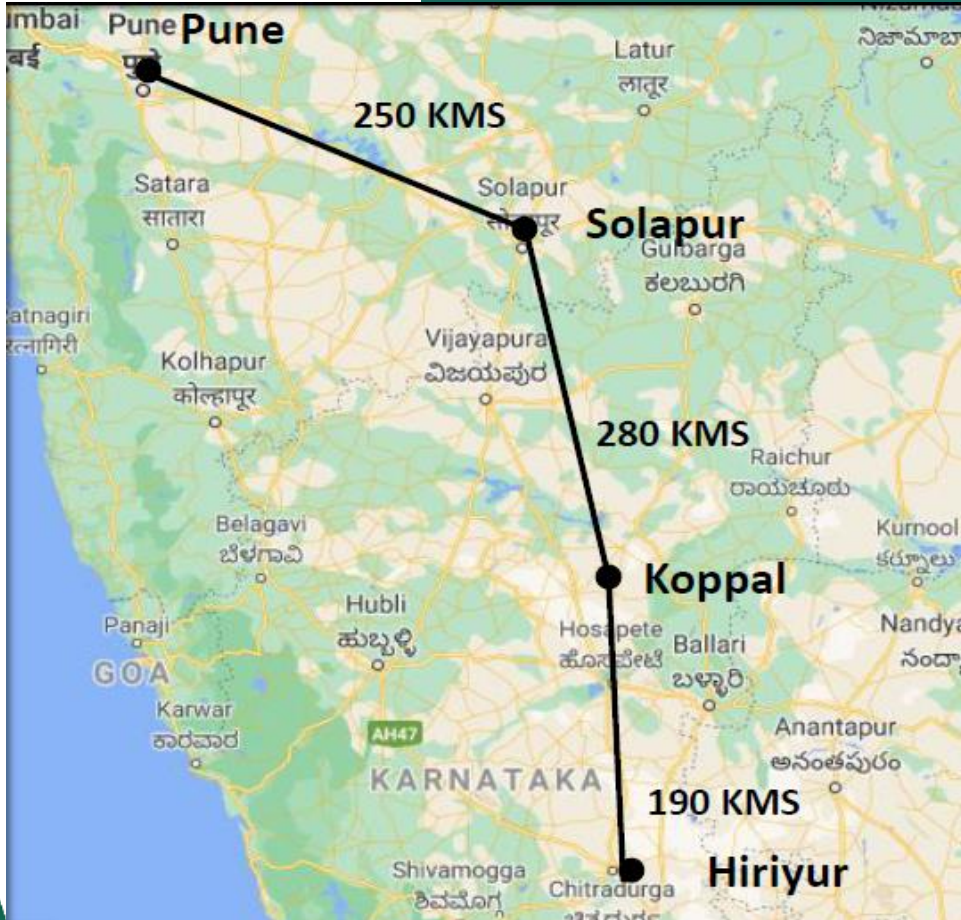
Strategic Growth Projects

Sustainable business practices



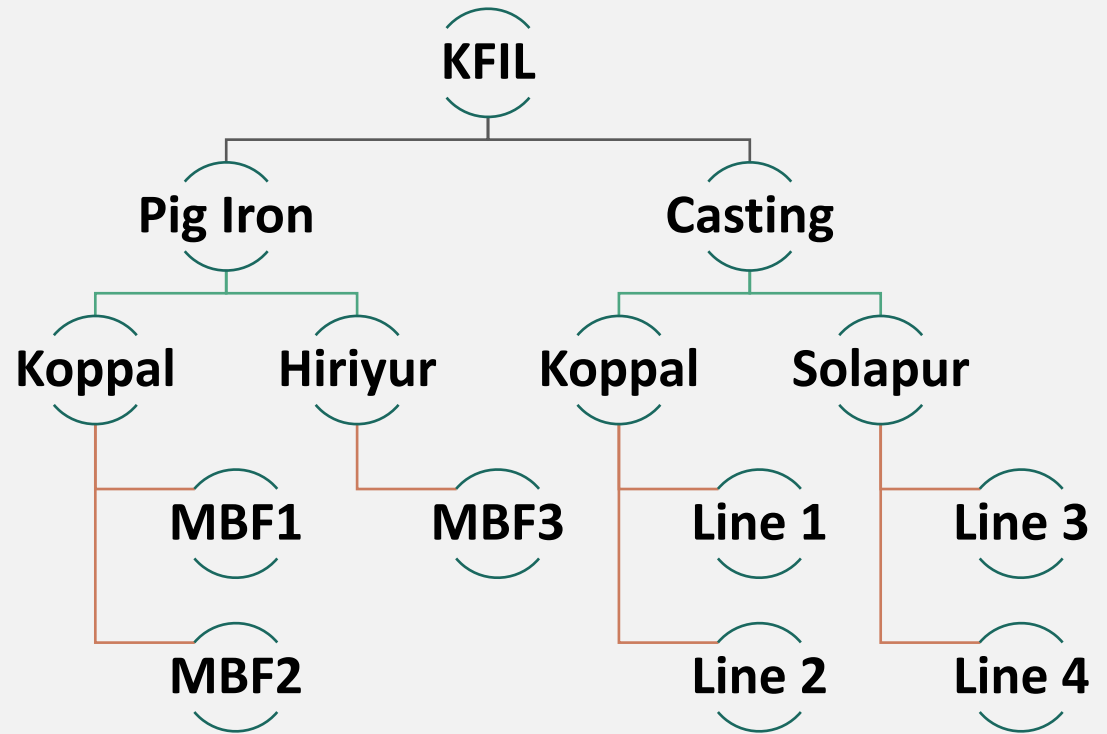
About KFIL

It takes the strength of iron to build a robust dream



Pune – Corporate Office,
Koppal: works I ,
Solapur: works II,
Hiriyur –works III Hiriyur

3	1,604	~180,000 Ton	~700,000 Ton
MANUFACTURING FACILITIES	EMPLOYEE STRENGTH¹	IRON CASTINGS CAPACITY PER ANNUM	PIG IRON CAPACITY PER ANNUM



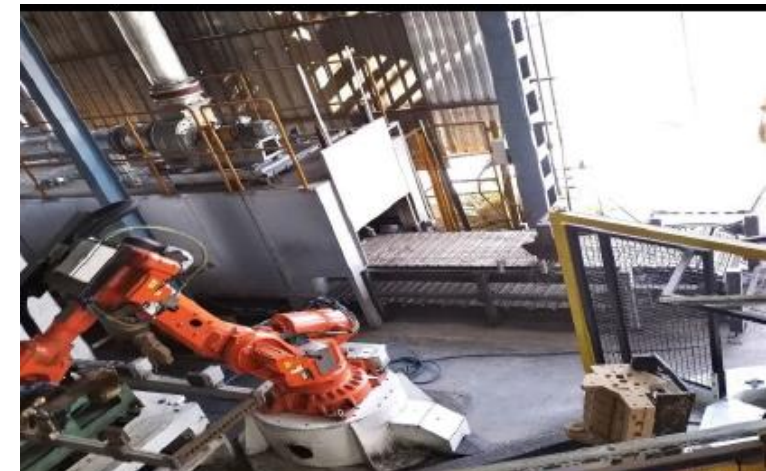
¹ As of March 31, 2023

¹ Employee on Payroll

Business Updates



Coke Oven – 3.8 Lac MT /Annum



Line II - Solapur

ISMT - Acquisition and turnaround

ISMT Turnaround

- ISMT turned profitable within a year of the acquisition

Proposed Merger

- KFIL and ISMT Proposed a scheme of the merger in November 2022
- Rationale –
 - Synergy arising out of consolidation will make the business activities more sustainable in the long term as well as grow at a faster pace
- Effective Date
 - The appointed date of the proposed scheme is April 1, 2023
- Approval Status –
 - NOC received from the Stock Exchanges
 - NCLT order received
 - Shareholders' meeting scheduled on 14.03.2024

Kirloskar Ferrous Industries Ltd

Mines to Machined
castings



Revenue - Rs 41.49 Billion*

ISMT

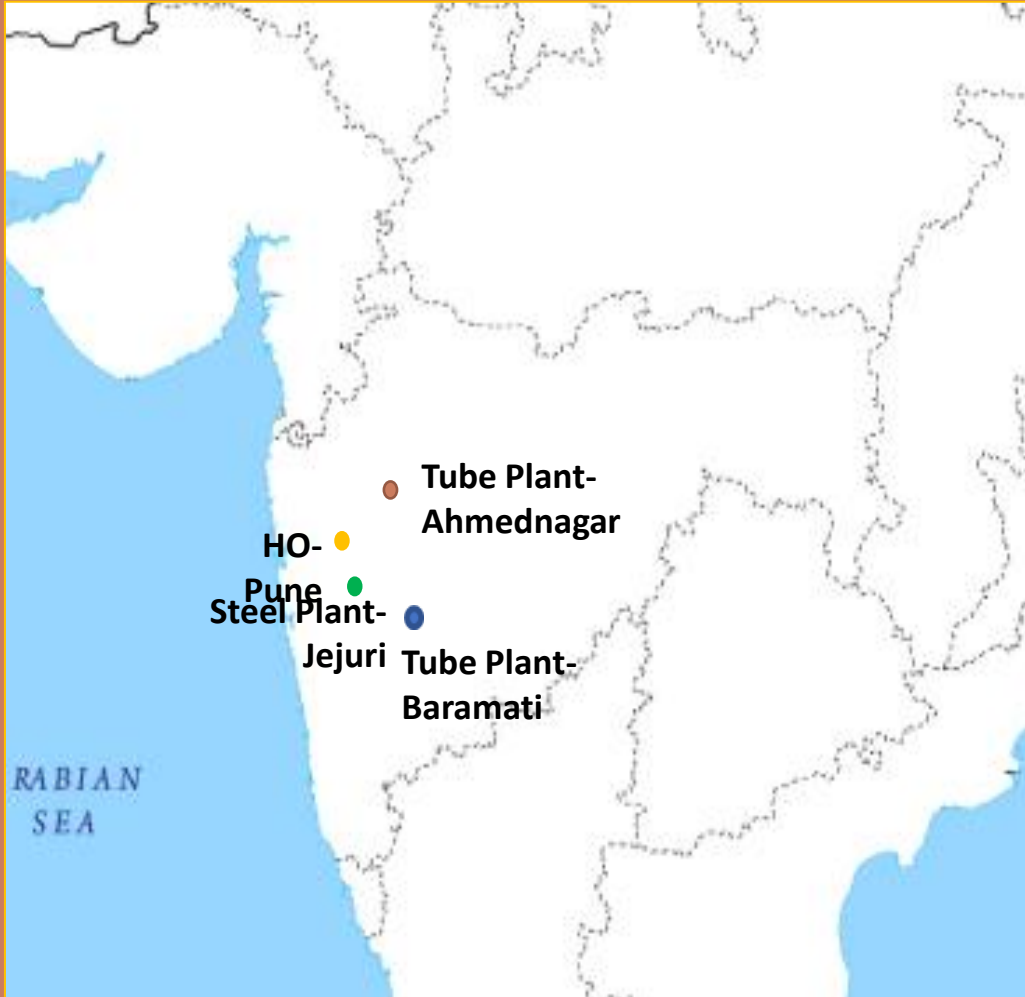
Largest integrated specialized
seamless tube manufacturer in
India



Revenue - Rs 25.61 Billion*

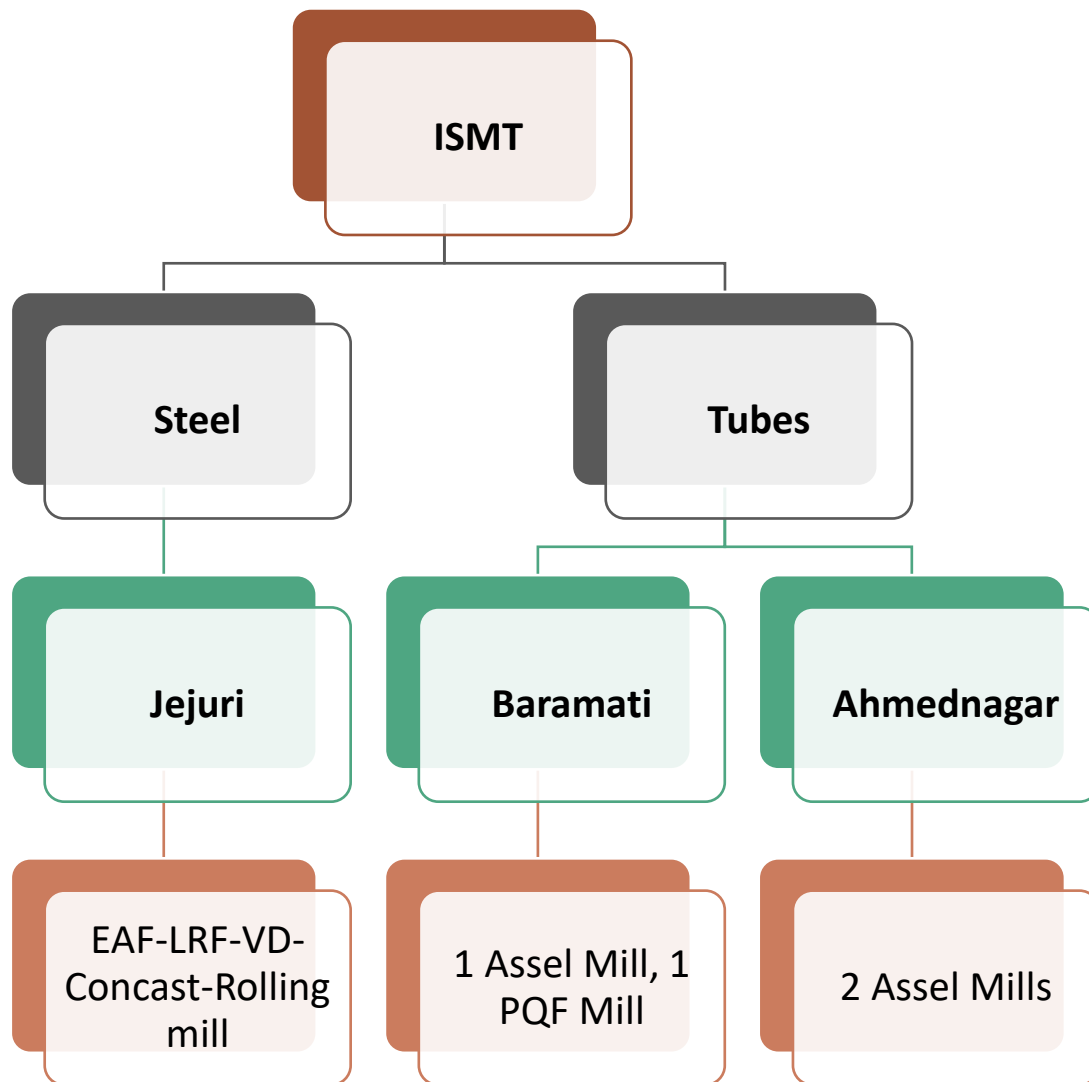
Revenue for FY 2023

ISMT - Overview



- The largest integrated specialised seamless tube manufacturer in India
- One of the most diversified manufacturers of specialised seamless tubes in the world, producing tubes in the range of 06 to 273 mm OD
- One of the most modern steel alloy plants in India that produces a wide range of alloy steel from 25 to 225 mm diameter

ISMT- Manufacturing Footprint



~300,000 Ton

STEEL CAPACITY
CAPACITY PER ANNUM

~200,000 Ton

SEAMLESS TUBES
CAPACITY PER
ANNUM

ISMT Advantage

Only Integrated manufacturer of Steel & Tubes in the Asia Pacific region Own steel mill advantages-

- Quick response to changes in steel specification
- Customization & fine tuning of steel intrinsic quality
- Close & real time control on steel parameters
- Flexibility in scheduling & delivery of raw material to tube plant
- Continual improvisation of steel quality

Expertise in manufacturing of Bearing steel & tubes over past 4 decades.

Quick response to customer feed-backs, customer product & process changes

Short delivery cycles

Quality Capacity ahead of demand cycle

Financial Performance



Power Plant – 40 MW

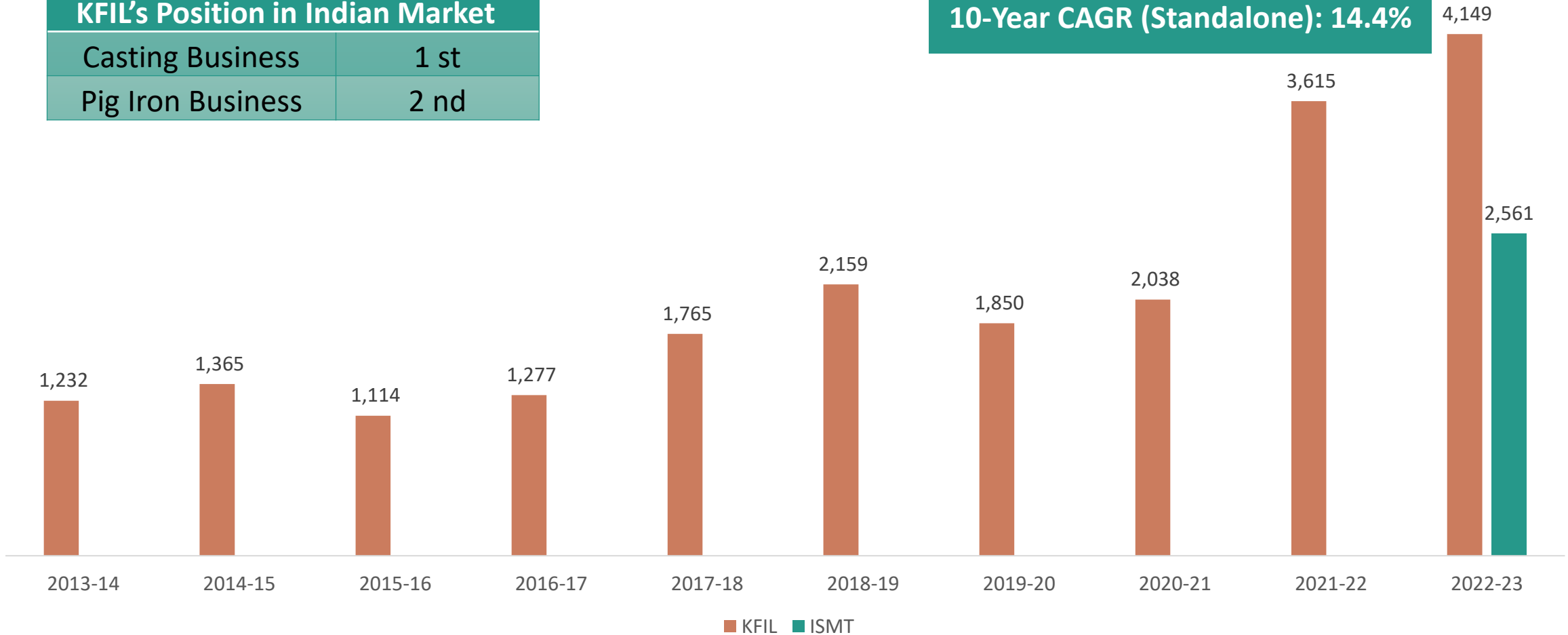
Financial Performance

All numbers in ₹ Crores

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

Sales

10-Year CAGR (Standalone): 14.4%

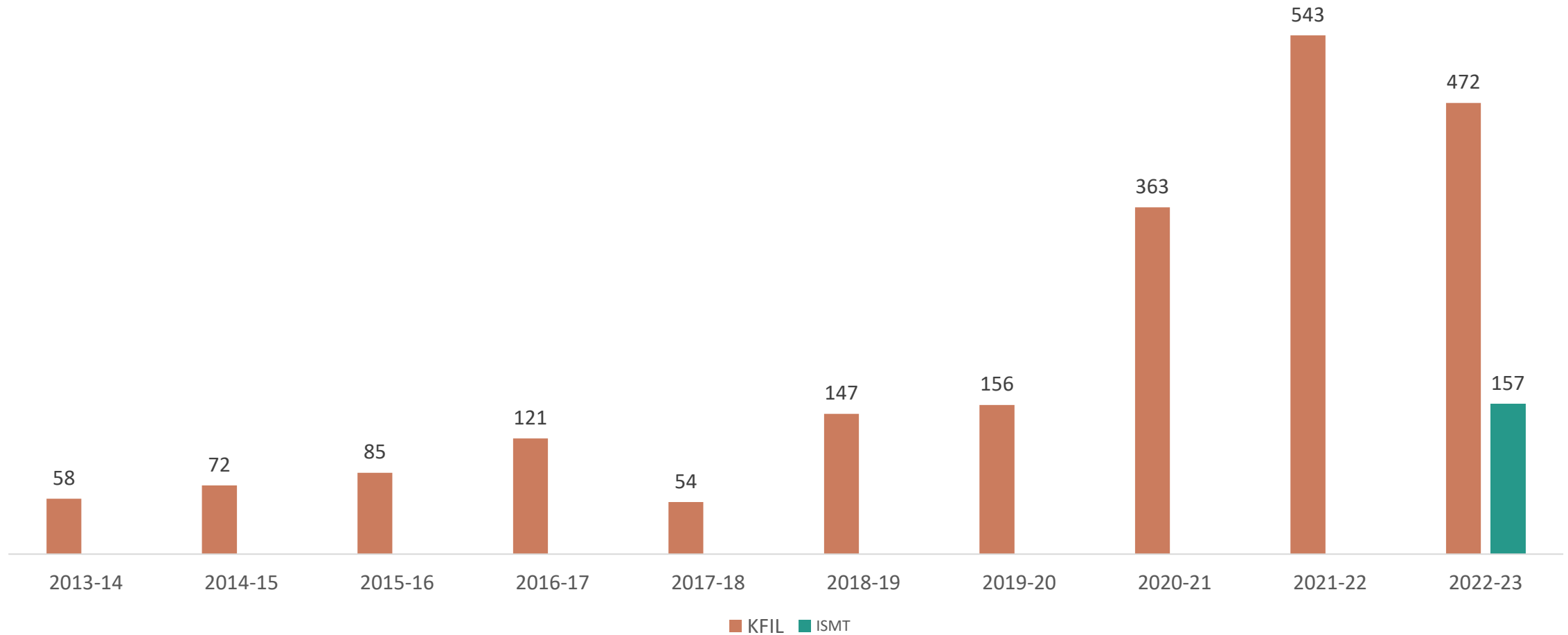


Financial Performance

All numbers in ₹ Crores

PBT

10-Year CAGR (Standalone) : 26.2%

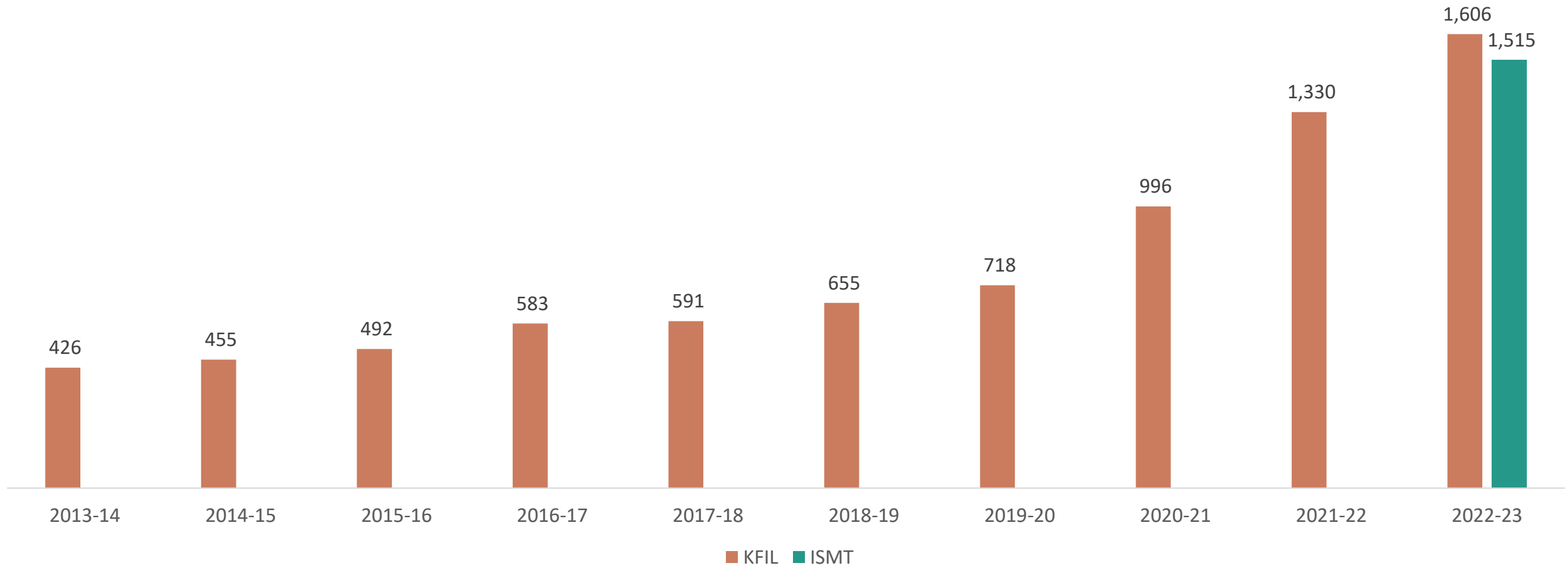


Financial Performance

All numbers in ₹ Crores

Net Worth

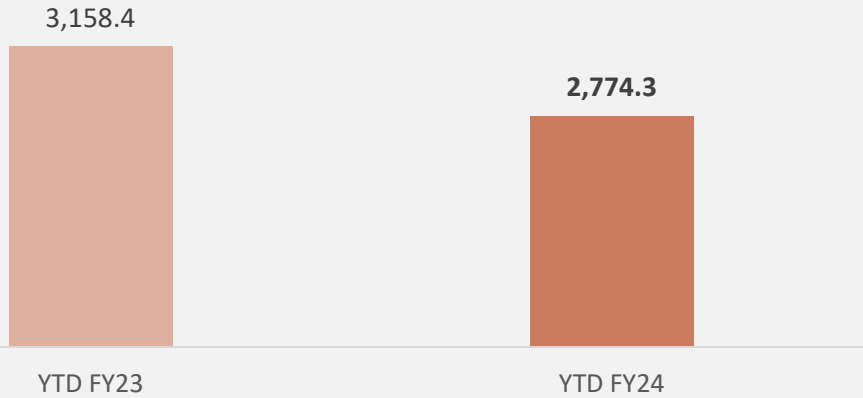
10-Year CAGR (Standalone) : 15.9%



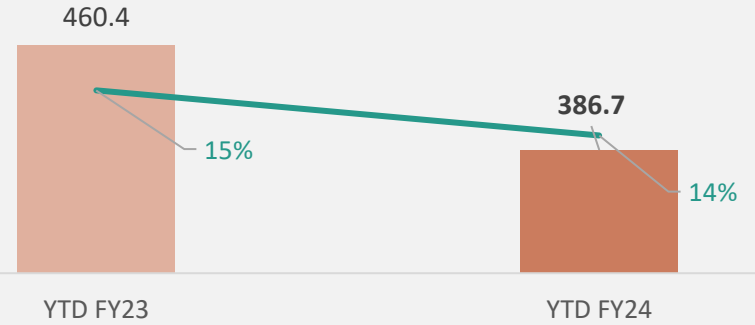
P&L Highlights – Standalone YTD FY 2024

All amounts in INR Crores.

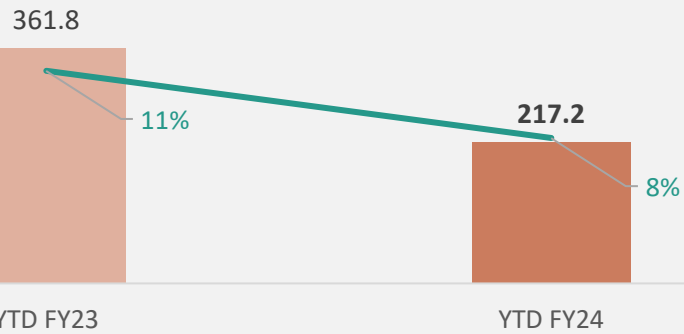
REVENUE



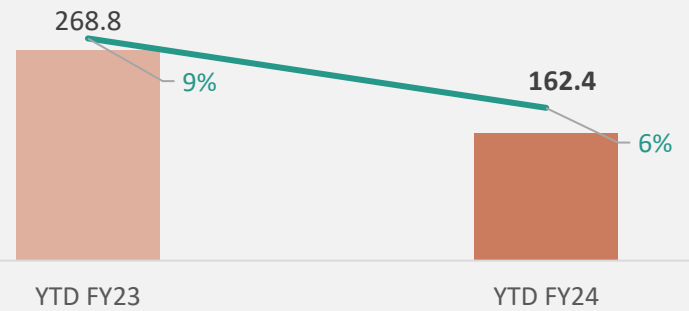
EBITDA & % TO SALE



PBT & % TO SALE

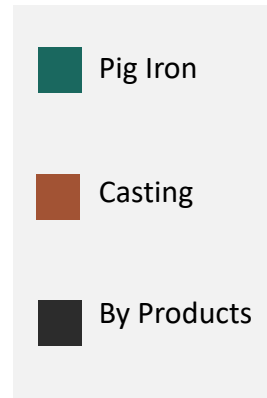
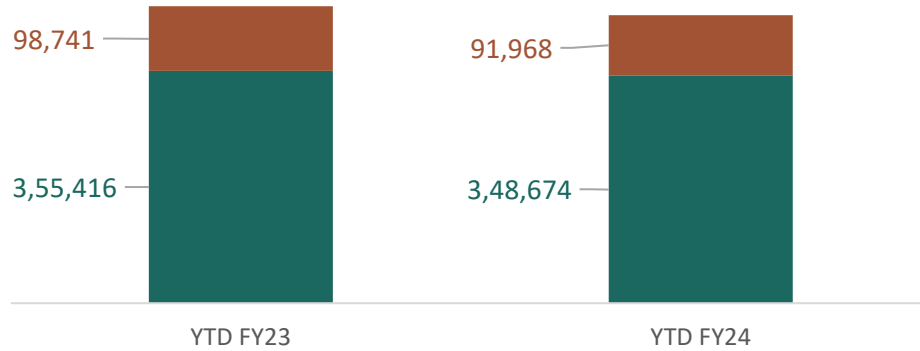


PAT & % TO SALE



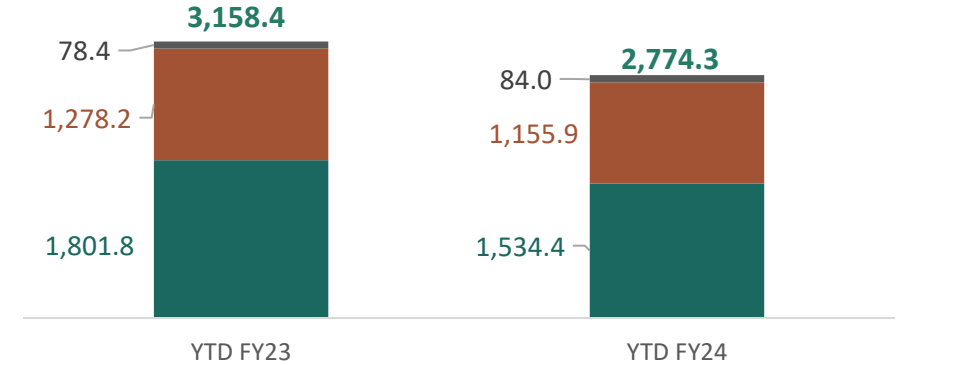
Volume and Sales Update - Standalone YTD FY 2024

VOLUME (MT)



Volume	Pig Iron	Castings
Y-o-Y	-2%	-7%

SALES (INR Crore)



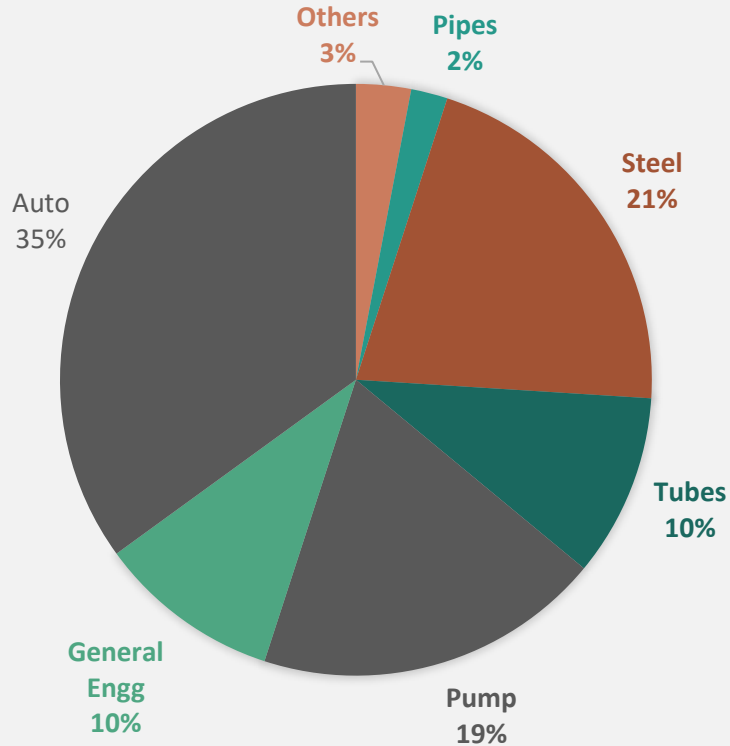
Sales	Pig Iron	Castings
Y-o-Y	-15%	-10%

REALISATION

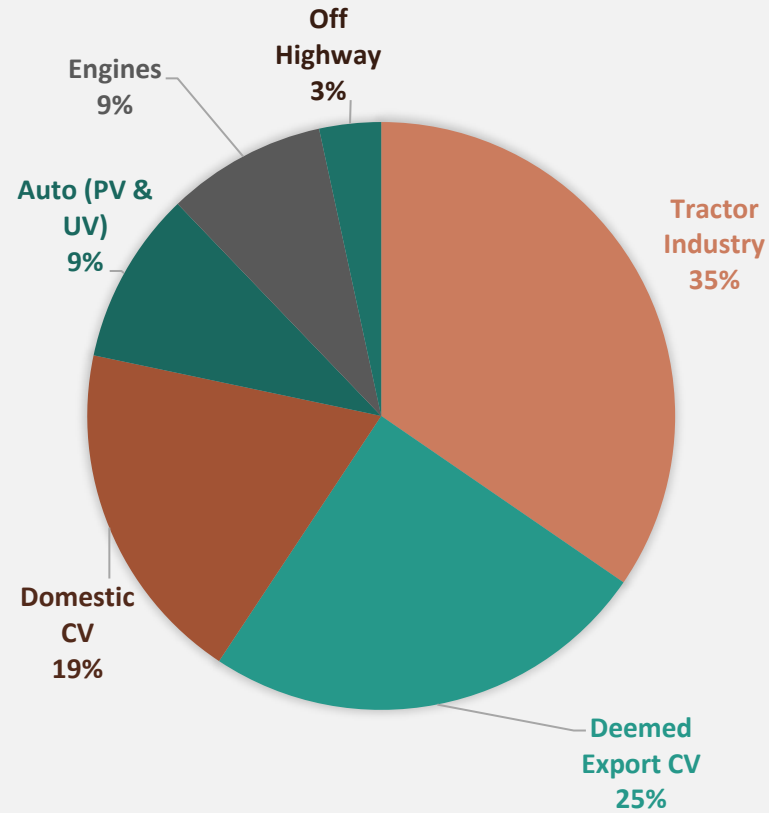
	YTD FY23	YTD FY24
Pig Iron (INR PMT)	50,695	44,006
Castings (INR Per Kg)	129.45	125.69

End User Profile

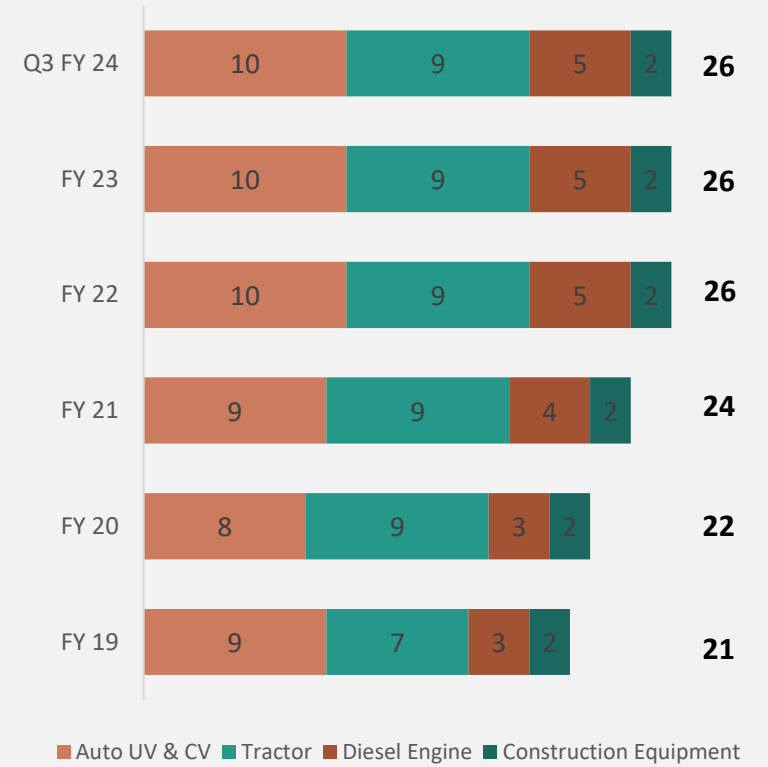
Pig Iron



Castings



Castings Customer Base



Updates- Q3 FY 24

P&L Standalone YTD FY 2024

Particulars	Quarter ended			Period ended		Year ended
	31/12/2023	30/09/2023	31/12/2022	31/12/2023	31/12/2022	31/03/2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	968.00	879.81	1,075.08	2,774.29	3,158.44	4,149.42
Other Income	4.71	2.44	3.27	8.49	39.12	42.38
Total income (1+2)	972.71	882.25	1,078.35	2,782.78	3,197.56	4,191.80
Expenses						
(a) Cost of Materials consumed	621.92	538.70	664.15	1,746.42	2,028.30	2,639.50
(b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00
(c) Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	-8.35	-23.63	-6.54	-40.94	4.54	-12.43
(d) Employee benefits expense	41.66	38.83	36.12	117.92	104.87	152.05
(e) Finance costs	27.39	26.99	22.03	80.00	61.52	84.76
(f) Depreciation and amortisation	34.27	32.24	26.46	97.96	76.15	103.96
(g) Other expenses	185.83	193.18	197.61	564.21	560.36	751.93
Total Expenses	902.72	806.31	939.83	2,565.57	2,835.74	3,719.77
Profit Before tax	69.99	75.94	138.52	217.21	361.82	472.03
Profit After tax	51.74	56.88	102.97	162.38	268.85	350.70
EBITDA (excluding other income)	126.94	132.73	183.74	386.68	460.36	618.37

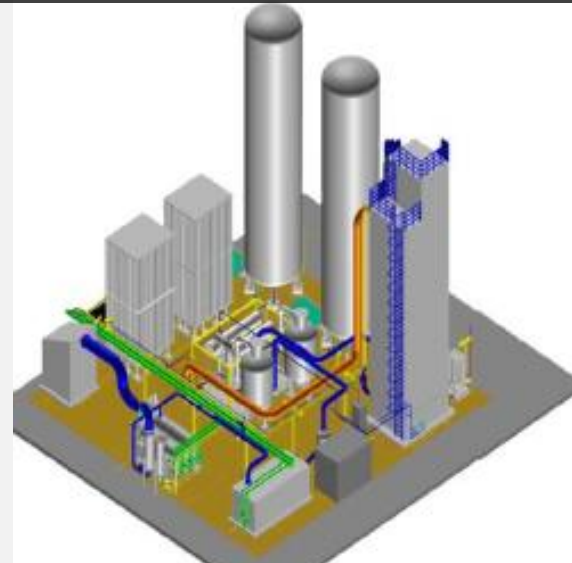
P&L Consolidated

Particulars	Quarter Ended			Period ended	Period ended	Year ended
	31/12/2023	30/09/2023	31/12/2022	31/12/2023	31/12/2022	31/03/2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	1,548.21	1,559.69	1,600.52	4,610.37	4,851.89	6,417.45
Other Income	8.89	4.29	4.81	17.64	37.73	49.33
Total income (1+2)	1,557.10	1,563.98	1,605.33	4,628.01	4,889.62	6,466.78
Expenses						
(a) Cost of Materials consumed	844.69	810.15	921.93	2,526.14	2,840.16	3,717.86
(b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00
(c) Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	3.98	11.41	-33.34	-29.07	10.62	-19.89
(d) Employee benefits expense	88.82	85.74	80.92	254.48	230.74	319.68
(e) Finance costs	29.57	29.74	24.73	88.54	69.76	95.47
(f) Depreciation and amortisation	63.46	57.04	42.92	167.18	124.66	172.58
(g) Other expenses	378.70	400.09	389.78	1,167.11	1,155.70	1,564.09
Total Expenses	1,409.22	1,394.17	1,426.94	4,174.38	4,431.65	5,849.79
Profit Before tax (Before Exceptional Item)	147.88	169.81	178.39	453.63	457.97	616.99
Profit Before tax (After Exceptional Item)	147.88	133.08	178.39	416.90	457.97	616.99
Profit After tax	105.33	81.67	129.70	279.93	342.76	437.33
EBITDA before Exceptional item (excluding other income)	232.02	252.30	241.23	691.71	614.66	835.71

Strategic Growth Projects



Mini Blast Furnace – Bell less Top Installation and RMHS Modification

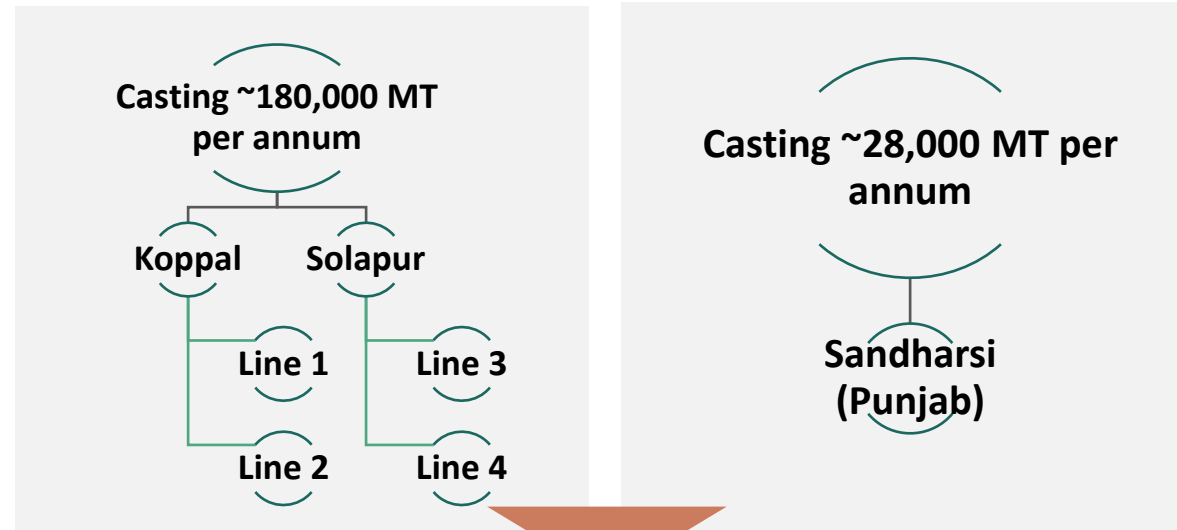


Pulverized Coal Injection and Oxygen Plant

Geographical Expansion – Oliver Engineering

k·rloskar
Ferrous

OLIVER ENGINEERING PVT LTD



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	Pulverized Coal Injection	➤ Reduction in coke consumption	➤ QIV 2023-24
2	Machining capacity enhancement	➤ Ramping up machine shop capacity	➤ QII 2024-25
3	New Foundry Line at Solapur Phase II	➤ High pressure module; for auto sector opportunity	➤ QIV 2024-25

Updates- Q3 FY 24

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 ISMT

40 MW

Waste heat recovery Boiler based Captive Power Plant



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

100 %

of our electricity consumption is generated in house**

* Proposed solar plant

** For KFIL standalone operations

For the proposed merged entity (KFIL + ISMT)

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 : 2023-24



“Best supply chain management” award 2023 by Eicher



“Delivery Performance” awarded from JCB



Prestigious National Sustainability Award – Indian Institute Metal



“Unnatha Suraksha Puraskara”award 2023



Greentech HR Award-2023 Employee Engagement



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





Thank You

<https://kirloskarferrous.com/>

