

MAY THE  
**POWER** ALWAYS BE  
WITH YOU



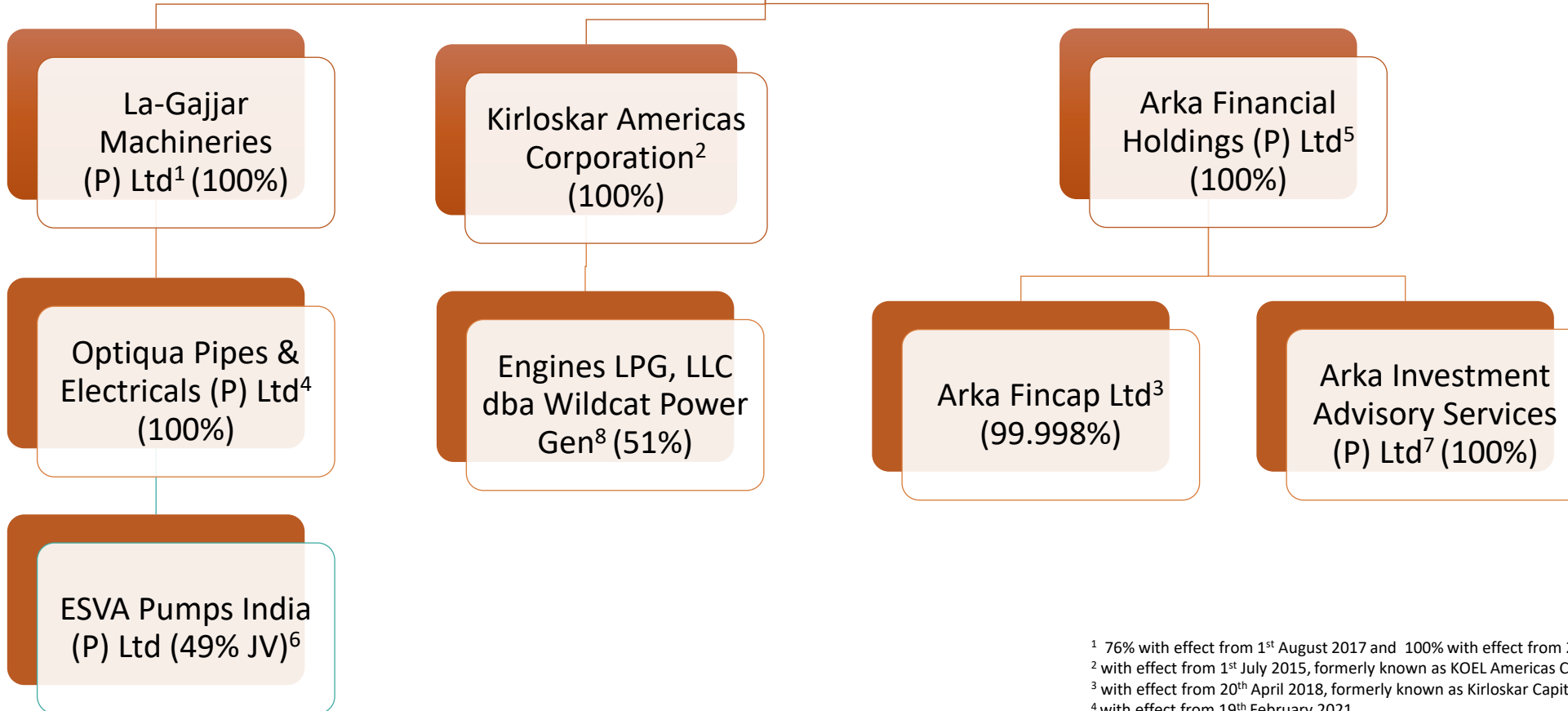
Earnings Call Presentation Q3 FY24  
13<sup>th</sup> February 2024

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<sup>1</sup> 76% with effect from 1<sup>st</sup> August 2017 and 100% with effect from 26<sup>th</sup> September 2022

<sup>2</sup> with effect from 1<sup>st</sup> July 2015, formerly known as KOEL Americas Corp

<sup>3</sup> with effect from 20<sup>th</sup> April 2018, formerly known as Kirloskar Capital Ltd

<sup>4</sup> with effect from 19<sup>th</sup> February 2021

<sup>5</sup> with effect from 13<sup>th</sup> July 2021

<sup>6</sup> with effect from 4<sup>th</sup> October 2021 (Optiqua has entered JV agreement with ESVA pumps)

<sup>7</sup> with effect from 30<sup>th</sup> March 2022

<sup>8</sup> with effect from 29<sup>th</sup> November 2023



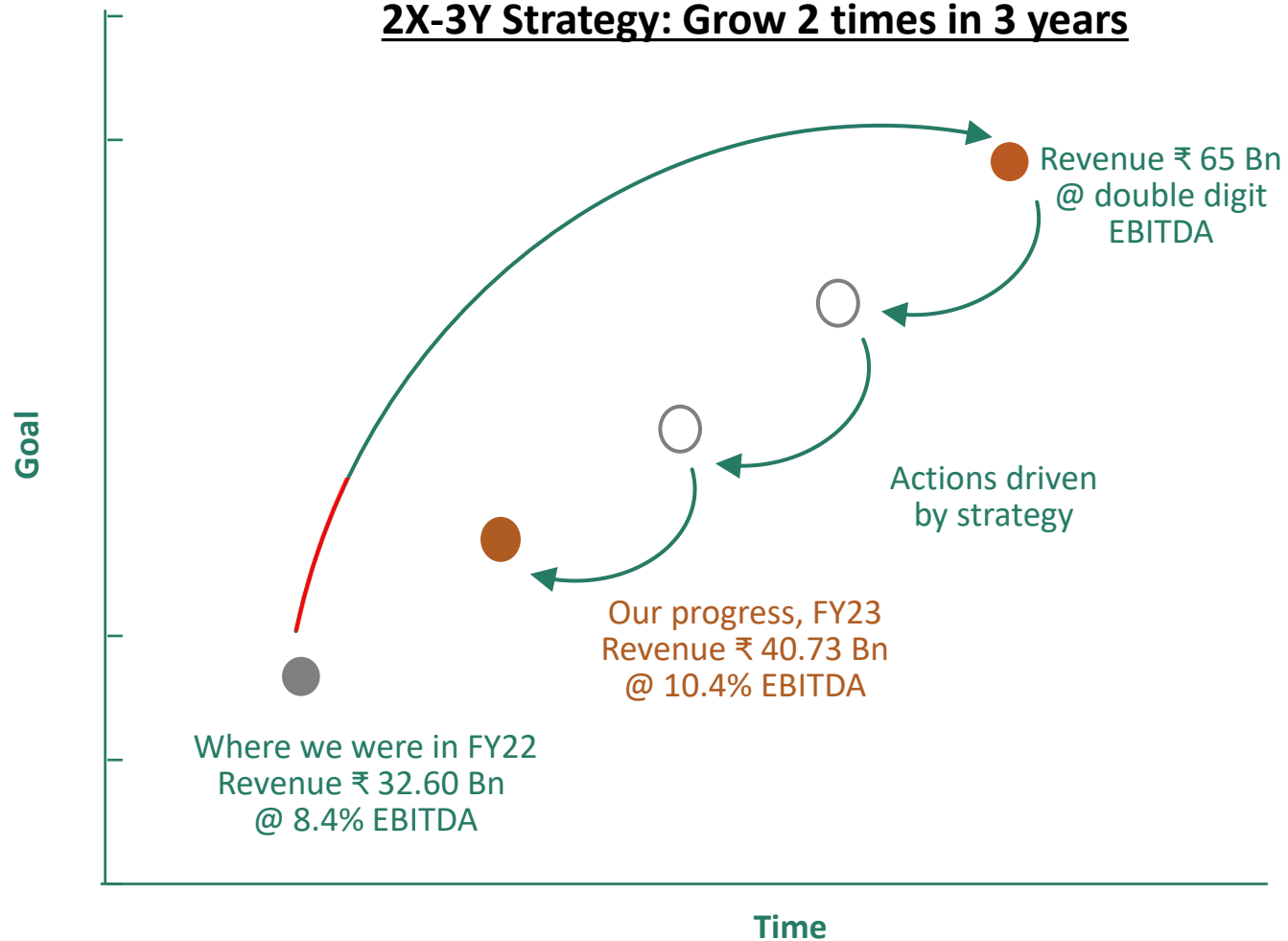
# CONTENT

- **STRATEGY**
- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW

# OUR 2X-3Y STRATEGY

Looking to drive exponential growth from FY 2022 - FY 2025

## 2X-3Y Strategy: Grow 2 times in 3 years



## 2X-3Y Strategy Pillars

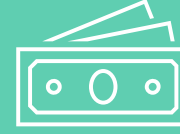


# WE ARE PROGRESSING WELL



**17%**

Top line growth (YTD YOY)



**₹ 3,459**

Cr Revenue (YTD FY24)



**11.5%**

EBITDA # Margin (YTD FY24)



**25%**

PAT # growth (YTD YOY)



**₹ ~78 Cr**

Strong net cash\* position



**22%**

EBITDA # growth ( YOY)



**6**

consecutive quarters of over ₹ 1,000 Cr revenue

\* Net of debt; includes treasury investments and excludes unclaimed dividends.

# Numbers excluding provision/(reversal) for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.



# Deploying the 2X-3Y strategy to deliver value to all stakeholders

65Bn @  
double-  
digit  
EBITDA

Customer  
Delight

Employer  
of Choice

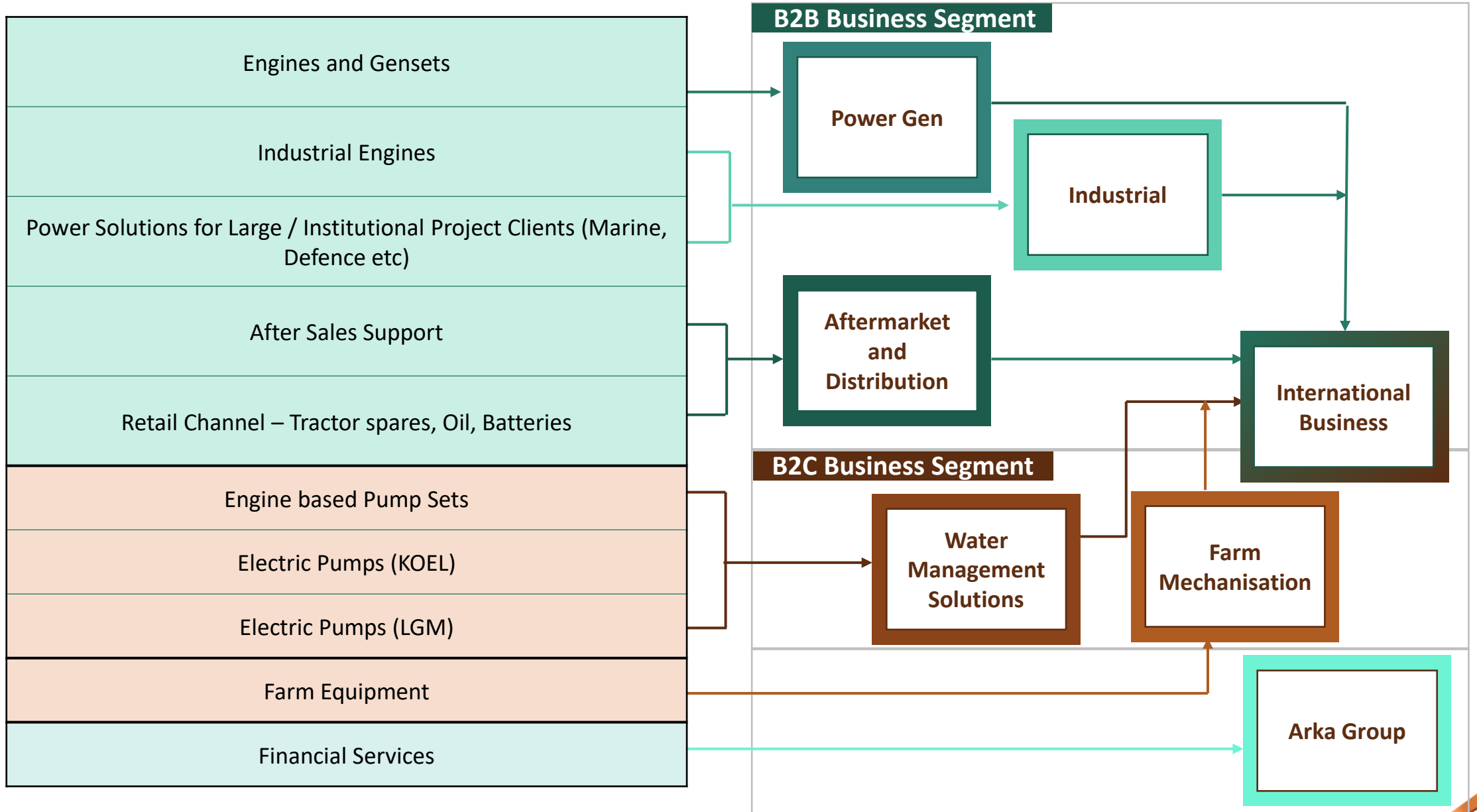


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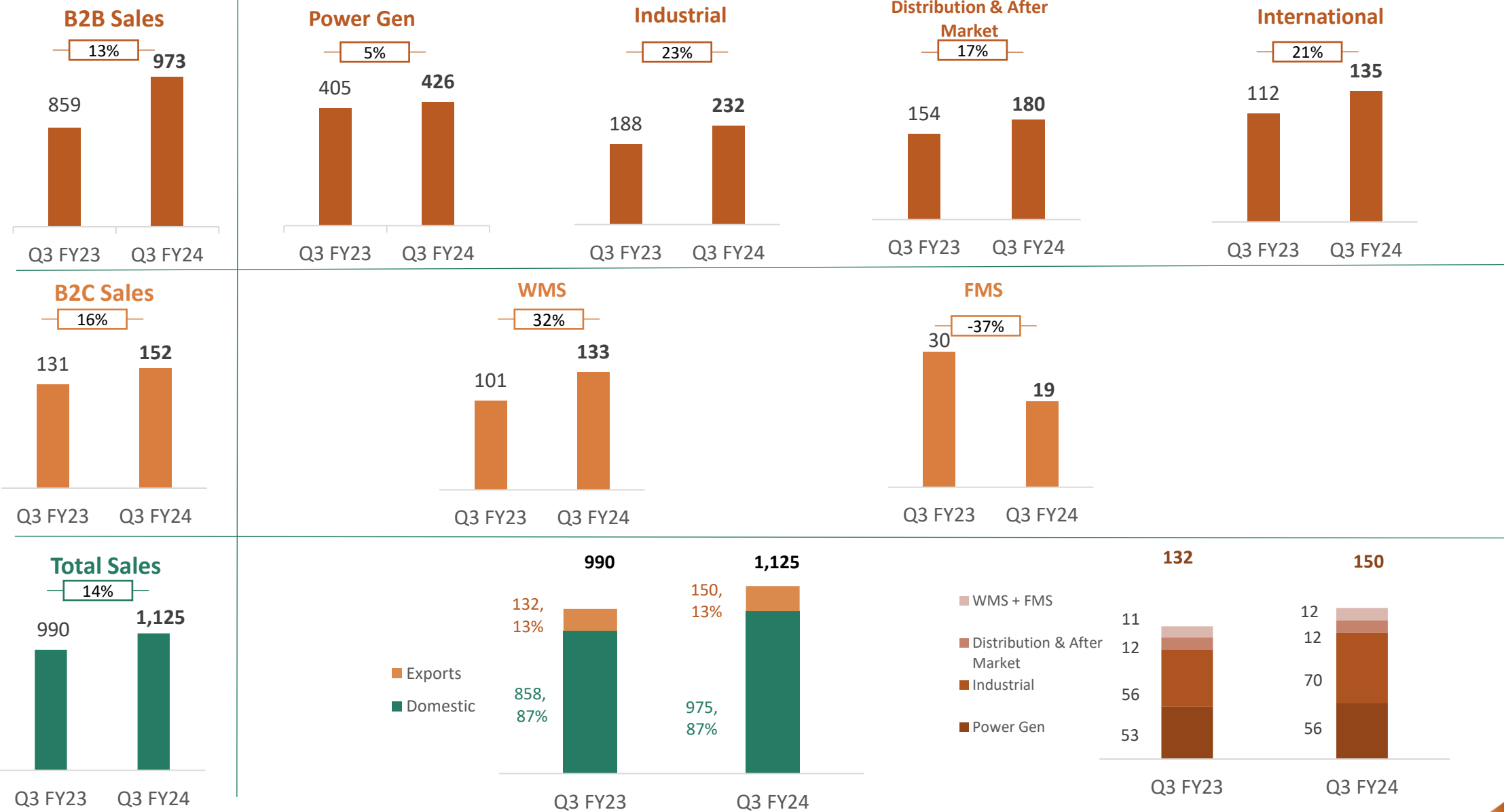
- STRATEGY
- **BUSINESS OVERVIEW**
  - STANDALONE
    - SALES HIGHLIGHTS
  - CONSOLIDATED
    - SEGMENT OVERVIEW
- FINANCIAL OVERVIEW



# Products to Business Segments...

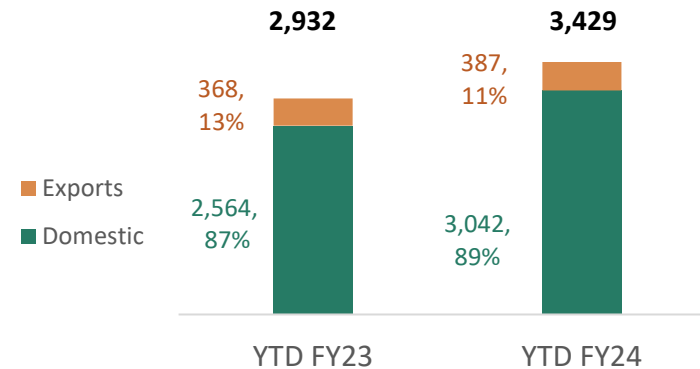
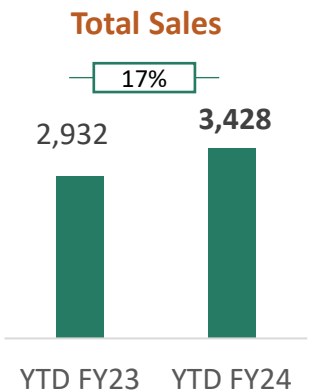
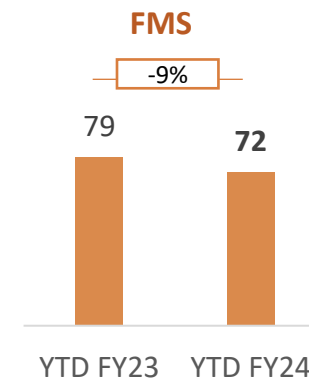
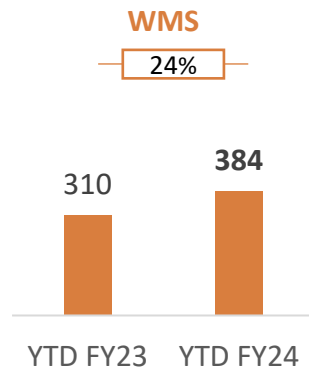
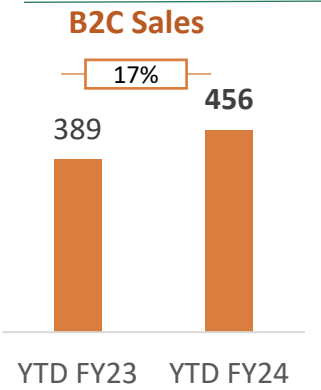
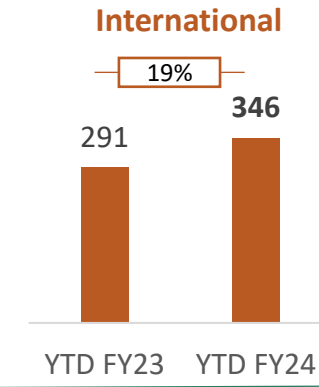
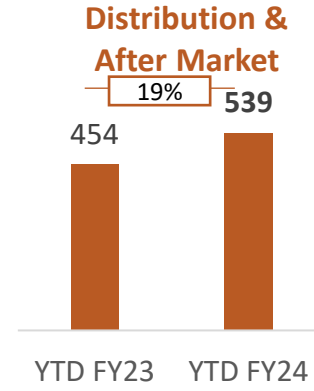
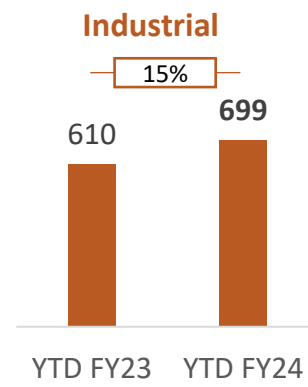
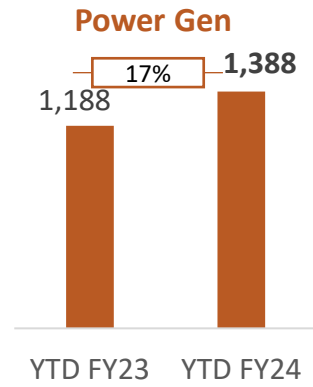
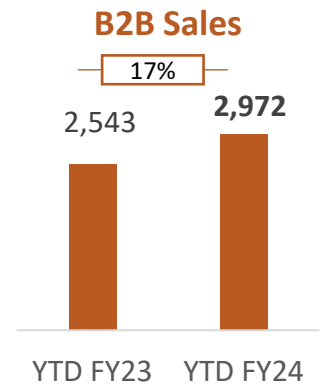


# STANDALONE SALES HIGHLIGHTS – Q3 FY24 YoY

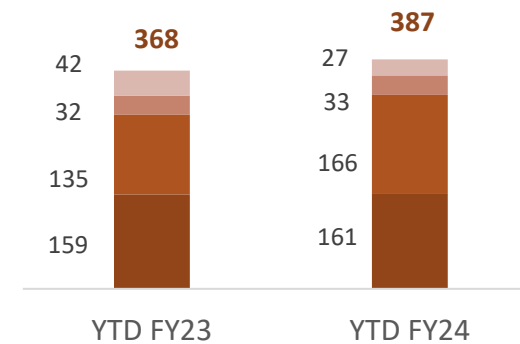


# STANDALONE SALES HIGHLIGHTS – YTD FY24 YoY

KOEL- Earnings Call – Q3 FY24 – Standalone Business Overview

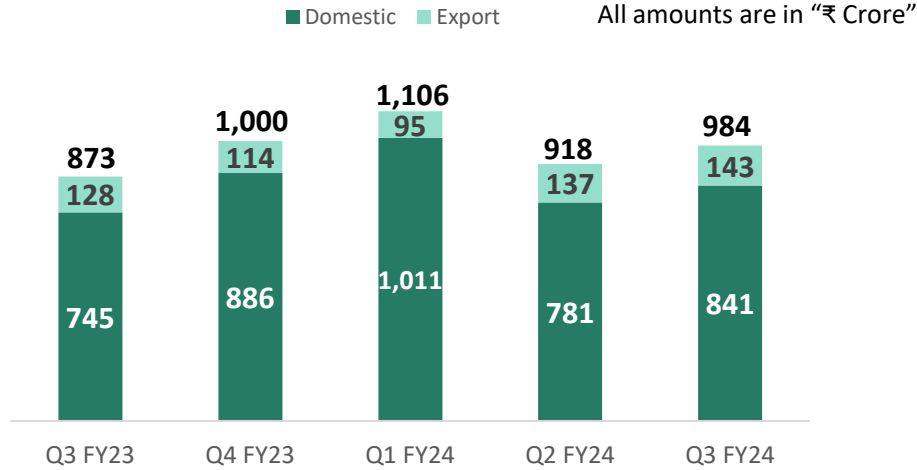


- WMS + FMS
- Distribution & After Market
- Industrial
- Power Gen

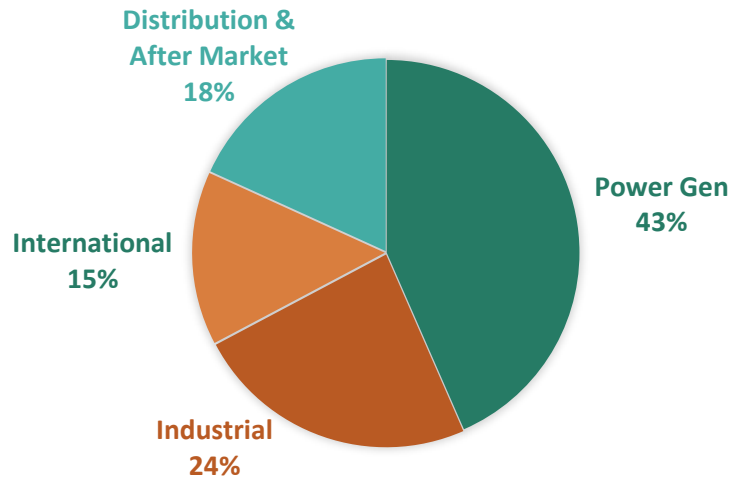


# CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2B

## Segment Revenue Trend



## Segment Revenue Composition For Current Quarter



## Performance Updates

- Highest ever YTD numbers in all Businesses. Continue to deliver higher volumes of engines from Kagal

### Domestic:

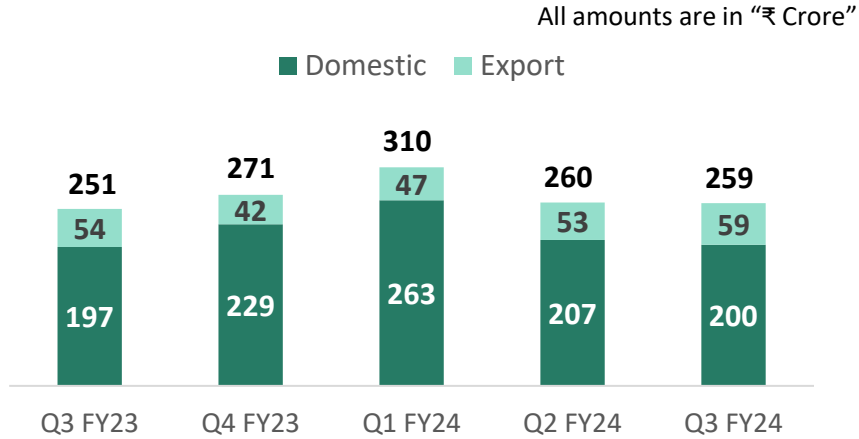
- Power Generation: Strong demand for CPCBII gensets. Continue to fulfill orders for both CPCBII and CPCBIV+. Significant growth in Gas genset sales, YTD numbers crossed 150
- Industrial: Traction from construction and railways segment. Won biggest single Order (NPCIL) worth Rs. 768 crores

### International:

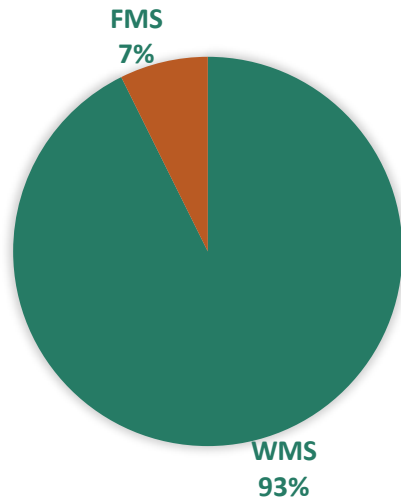
- Exports registered higher Q3 revenue of Rs. 143 Crore in FY24 with ~12% growth over Q3 PY
- GOEMs for MENA and US market appointed; Shipments commenced

# CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2C

## Segment Revenue Trend



## Segment Revenue Composition For Current Quarter



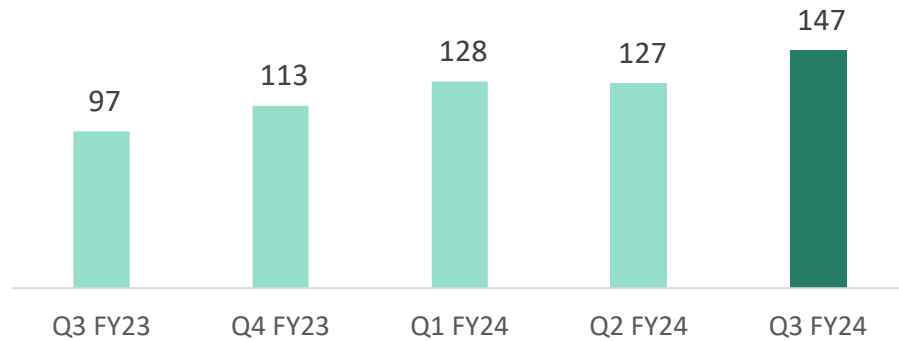
## Performance Updates

- Profitability Improvement
  - Segment profit for YTD FY24 grew by 105%
  - LGM PBT jumped from Rs. 11 Crore to Rs. 25 Crore
- Deepening & Widening -
  - Distributors grew 22% over Q3 FY23
  - 83 deepening channel contributing Rs.14 crore
  - 91 widening channel contributing Rs. 17 crore
- WMS pumps & small engine growing at 25% & 30% respectively
- LGM new plant construction as per schedule
- LGM export growing at 10% with further margin improvement

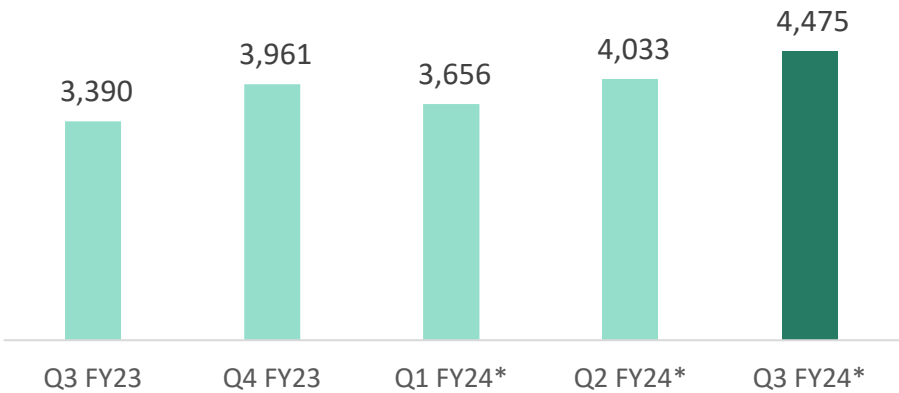
# SEGMENT PERFORMANCE OVERVIEW – FINANCIAL SERVICES

## Segment Revenue Trend

All amounts are in “₹ Crore”



## AUM\*\*Trend



## Performance Updates

- KOEL’s total investment in AFHPL as on 31st Dec 23 stood at 1,052.7 Cr#
- AFHPL revenue from operations stood at 147 Cr in Q3 FY24; a growth of 52% YoY
- AFHPL PAT stood at 4.4 Cr in Q3 FY24; decline of 76% YoY
- Above PAT of AFHPL is after provision of Rs. 30.9 crore made for investment in ARKA’s Alternate Investment Fund, due to regulatory changes announced in Dec 2023
- Total Debt as on 31st Dec 23 stood at 3,685 Cr including Rs. 300 crores NCDs raised through public issue during Q3 FY24
- Debt to Equity Ratio:
  - 31st Dec 23 - 3.3
  - 30th Sep 23 - 2.8
  - 30th Jun 23 - 2.6
  - 31st Mar 23 - 3.1
  - 31st Dec 22 - 2.4
- Total AUM\* as on 31st Dec 23 at 4,475 Cr
- No asset-liability mismatch

\* Consolidated excluding off balance sheet loan book 47 Cr in June 23 and 94 Cr in Sep 23 and 249 Cr in Dec’23.

\*\* Excludes treasury assets

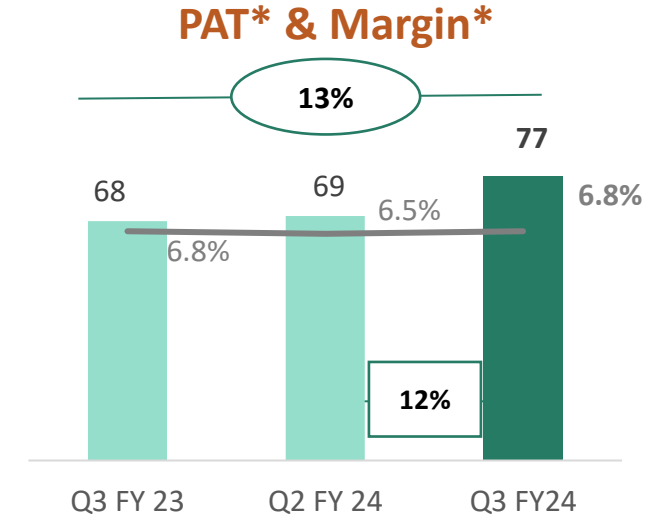
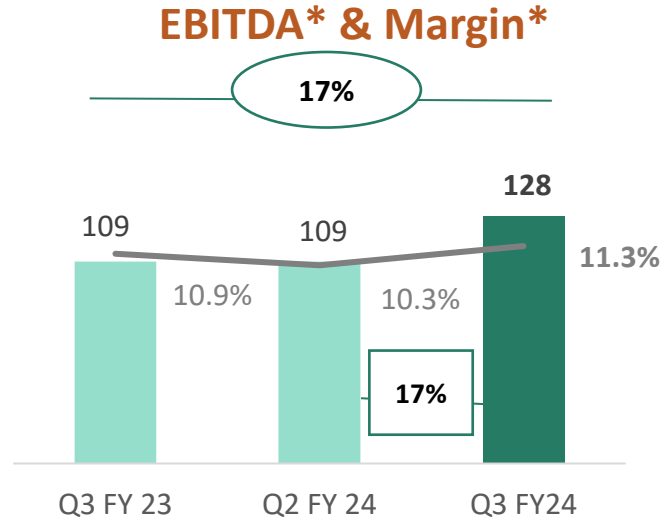
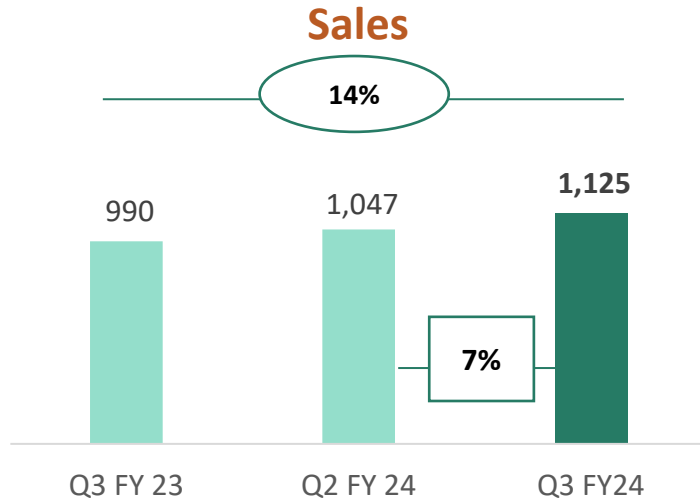
# Includes profit of 52.7 Cr on holding structure change

- STRATEGY
- BUSINESS OVERVIEW
- **FINANCIAL OVERVIEW**
  - **STANDALONE**
    - PERFORMANCE HIGHLIGHTS
    - PROFIT AND LOSS STATEMENT
    - WORKING CAPITAL AND NET CASH POSITION
  - **CONSOLIDATED**
    - PERFORMANCE HIGHLIGHTS
    - PROFIT AND LOSS STATEMENT
    - SEGMENT RESULTS

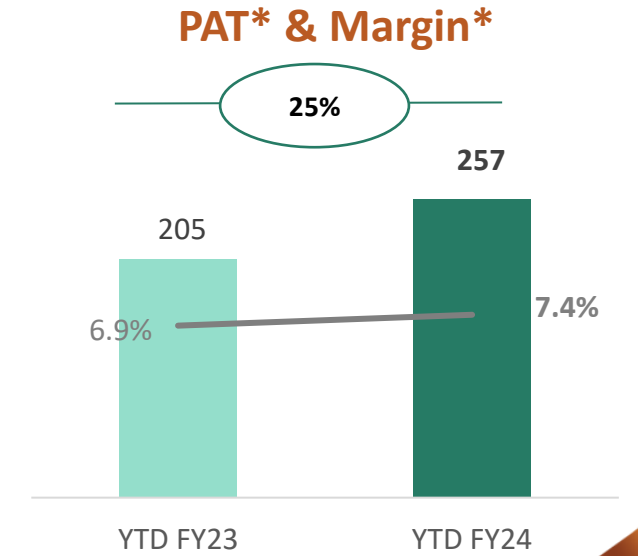
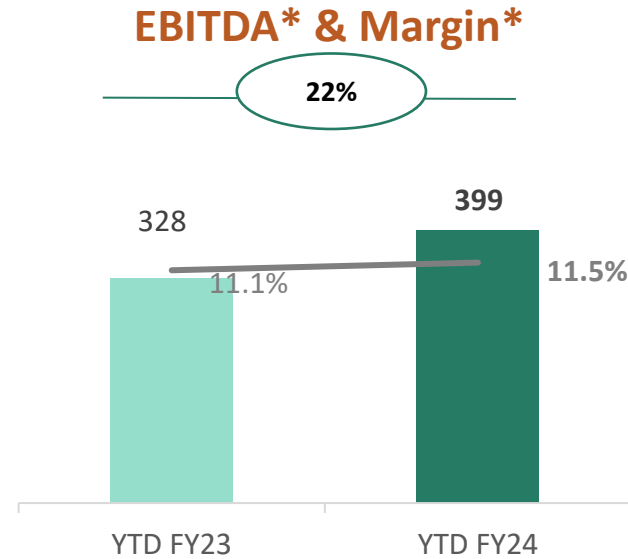
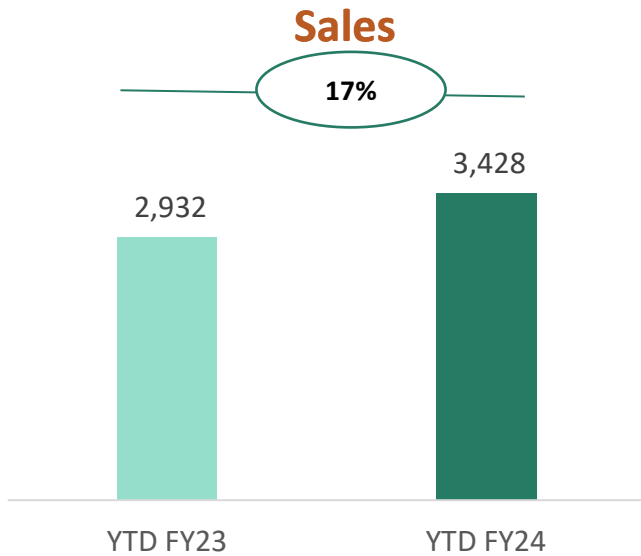
# STANDALONE – PERFORMANCE HIGHLIGHTS

All amounts are in “₹ Crore” Oil Engines

Quarterly



YTD Dec



\* Numbers excluding provision/(reversal) for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.





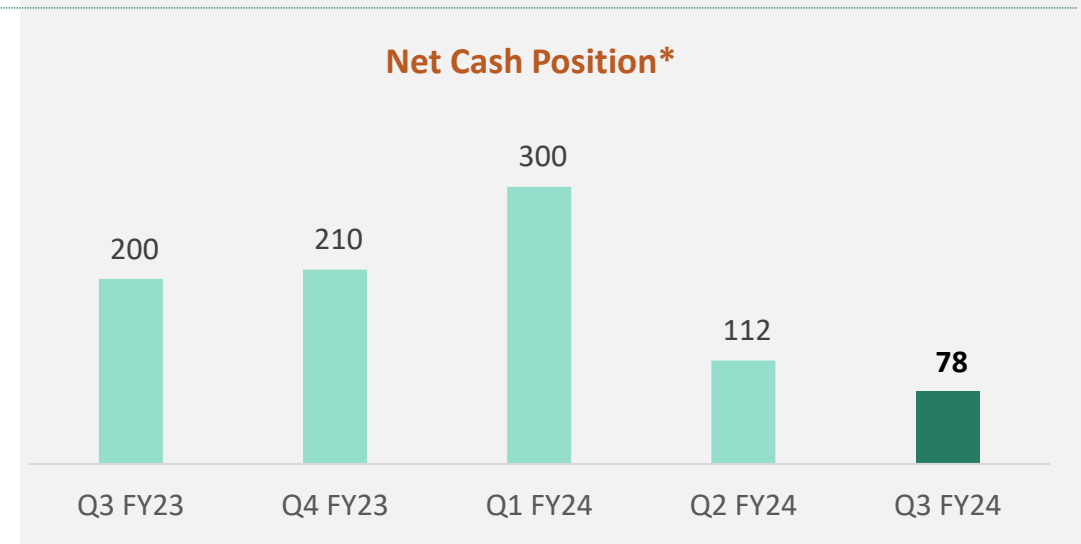
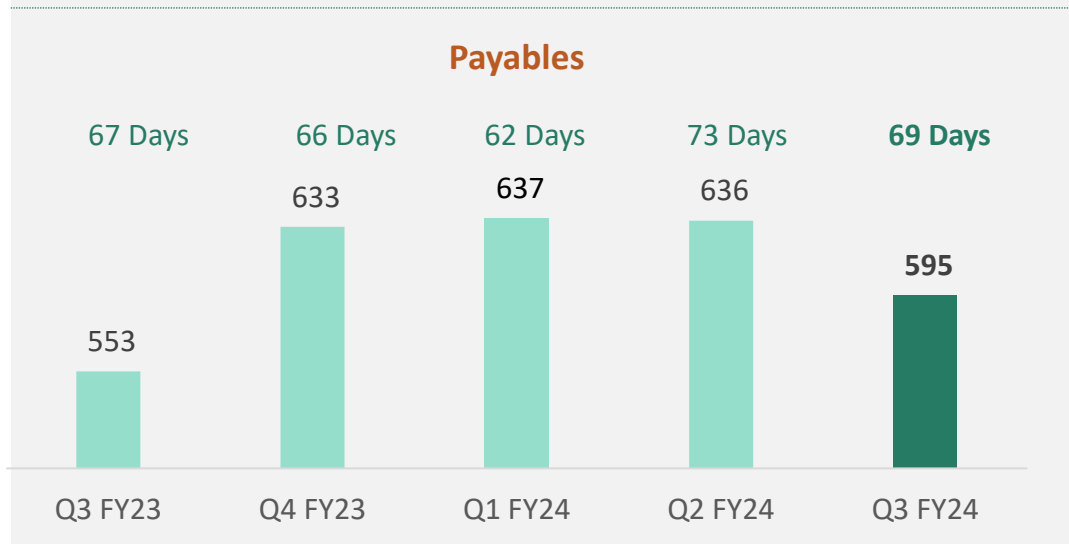
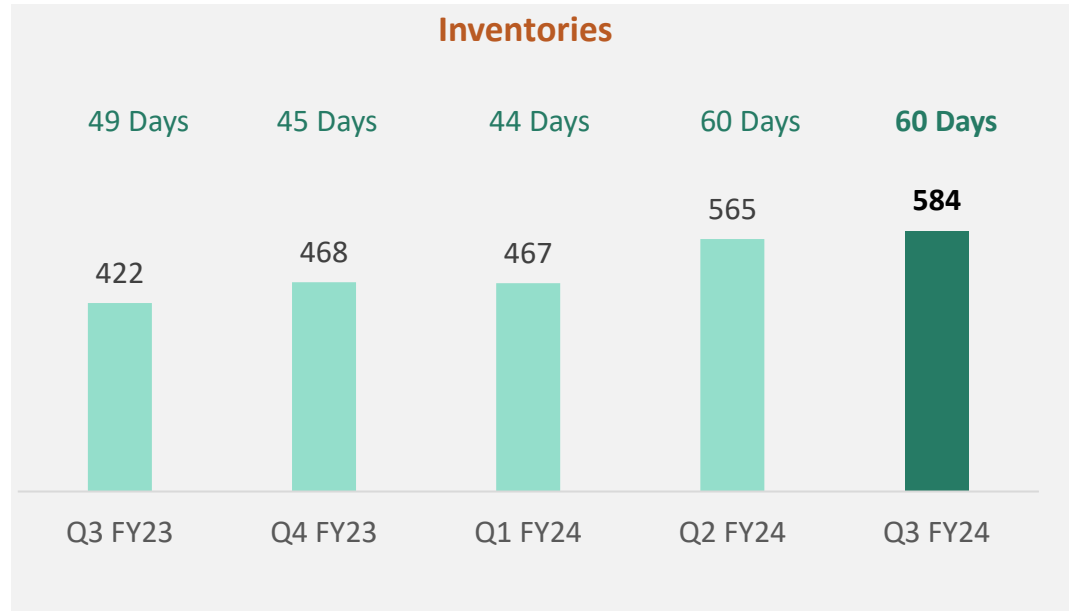
# STANDALONE - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q3 FY24	Q2 FY24	QoQ	Q3 FY23	YoY	YTD FY24	YTD FY23	YoY
<b>Net Sales</b>	<b>1,125.4</b>	<b>1,047.3</b>	<b>7%</b>	<b>989.6</b>	<b>14%</b>	<b>3,428.4</b>	<b>2,931.9</b>	<b>17%</b>
Other Operating Income	9.8	11.7	-16%	10.5	-7%	30.5	31.7	-4%
<b>Revenue from operations</b>	<b>1,135.2</b>	<b>1,059.0</b>	<b>7%</b>	<b>1,000.1</b>	<b>14%</b>	<b>3,458.9</b>	<b>2,963.6</b>	<b>17%</b>
Raw Material	749.3	708.1	6%	677.1	11%	2,322.7	2,012.2	15%
Employee Costs	79.2	74.4	7%	61.2	29%	219.4	173.4	27%
Other Expenses	173.8	177.8	-2%	152.5	14%	530.7	449.7	18%
<b>EBITDA</b>	<b>132.9</b>	<b>98.6</b>	<b>35%</b>	<b>109.4</b>	<b>21%</b>	<b>386.0</b>	<b>328.3</b>	<b>18%</b>
<b>EBITDA Margin %</b>	<b>11.7%</b>	<b>9.3%</b>	<b>2.4%</b>	<b>10.9%</b>	<b>0.8%</b>	<b>11.2%</b>	<b>11.1%</b>	<b>0.1%</b>
Other Income	5.7	6.4	-11%	5.5	3%	19.0	15.5	23%
Depreciation	25.7	24.3	5%	21.2	21%	71.3	63.1	13%
Interest	2.0	1.6	24%	1.9	4%	4.9	4.0	22%
<b>PBT</b>	<b>110.9</b>	<b>79.1</b>	<b>40%</b>	<b>91.7</b>	<b>21%</b>	<b>328.7</b>	<b>276.6</b>	<b>19%</b>
Tax	28.7	20.5	40%	23.6	22%	84.7	71.3	19%
<b>PAT</b>	<b>82.2</b>	<b>58.6</b>	<b>40%</b>	<b>68.2</b>	<b>21%</b>	<b>244.0</b>	<b>205.4</b>	<b>19%</b>
<b>PAT Margin %</b>	<b>7.2%</b>	<b>5.5%</b>	<b>1.7%</b>	<b>6.8%</b>	<b>0.4%</b>	<b>7.1%</b>	<b>6.9%</b>	<b>0.2%</b>

# STANDALONE WORKING CAPITAL AND NET CASH POSITION

All amounts are in “₹ Crore” Oil Engines



Notes :

- 1) No. of days has been calculated using average value and TTM (Trailing Three Months method)
- 2) \*Net of debt; includes treasury investments and excludes unclaimed dividends.

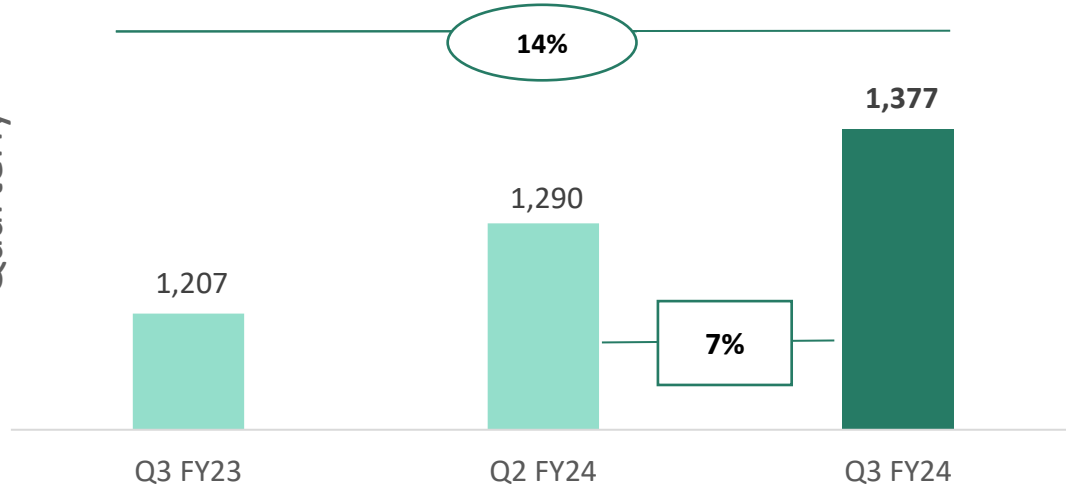


# CONSOLIDATED – PERFORMANCE HIGHLIGHTS

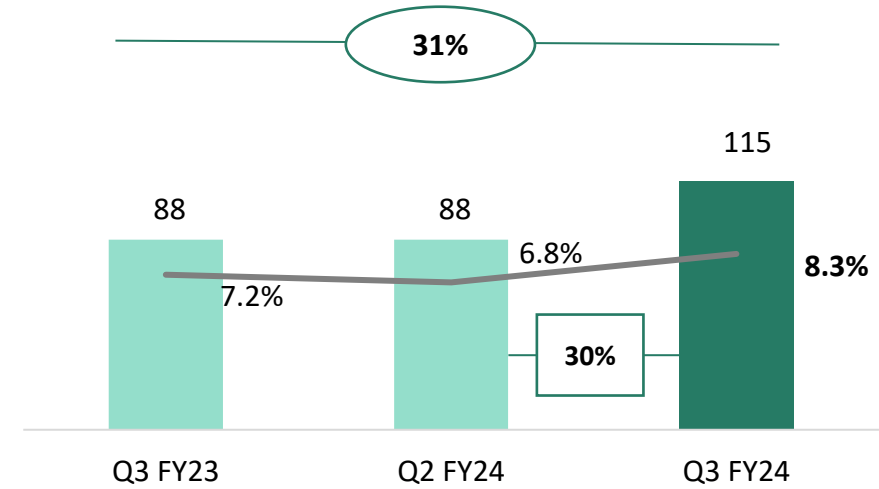
All amounts are in “₹ Crore” Oil Engines

## Sales

Quarterly

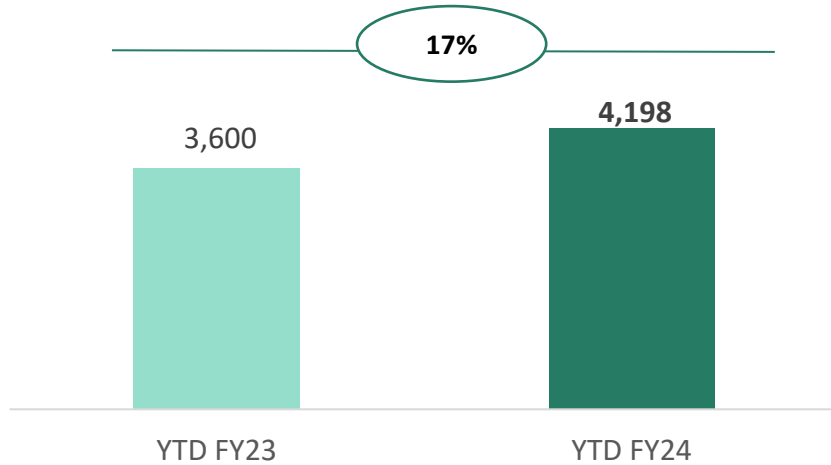


## PAT\* & Margin\*

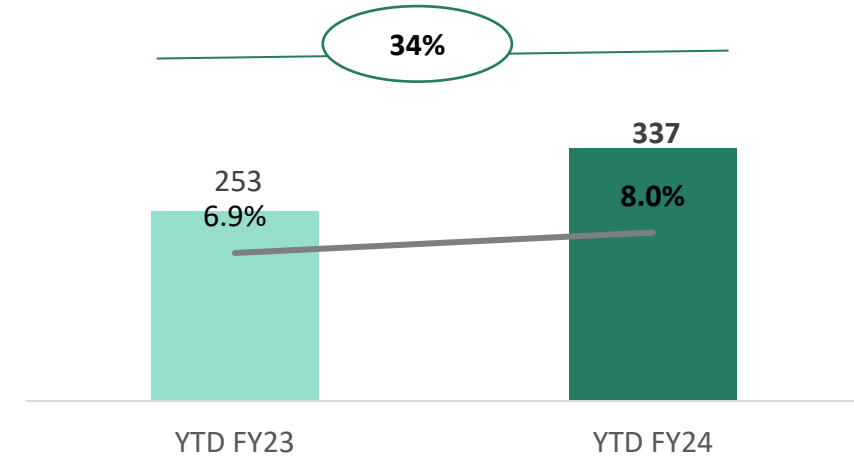


## Sales

YTD Dec



## PAT\* & Margin\*



\* Numbers excluding provision/(reversal) for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.

# CONSOLIDATED - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q3 FY24	Q2 FY24	QoQ	Q3 FY23	YoY	YTD FY24	YTD FY23	YoY
<b>Net Sales*</b>	<b>1,377.4</b>	<b>1,289.7</b>	<b>7%</b>	<b>1,207.2</b>	<b>14%</b>	<b>4,197.6</b>	<b>3,599.8</b>	<b>17%</b>
Other Operating Income	12.7	15.1	-16%	13.2	-4%	40.7	40.2	1%
<b>Revenue from operations</b>	<b>1,390.1</b>	<b>1,304.8</b>	<b>7%</b>	<b>1,220.4</b>	<b>14%</b>	<b>4,238.3</b>	<b>3,640.0</b>	<b>16%</b>
Other Income	7.6	7.8	-4%	6.4	17%	21.5	17.1	25%
<b>Total Income</b>	<b>1,397.7</b>	<b>1,312.7</b>	<b>6%</b>	<b>1,226.9</b>	<b>14%</b>	<b>4,259.8</b>	<b>3,657.0</b>	<b>16%</b>
Raw Material	804.7	772.4	4%	750.4	7%	2,528.1	2,276.6	11%
Employee Costs	111.5	103.1	8%	86.7	29%	303.9	243.1	25%
Other Expenses	217.3	227.6	-5%	190.8	14%	681.4	573.7	19%
Depreciation	31.0	29.9	4%	25.6	21%	87.7	78.5	12%
Interest	81.4	74.0	10%	57.2	42%	231.9	145.9	59%
Share of net profit of joint venture accounted for using the equity method (net of tax)	0.7	(0.4)	276%	0.4	67%	1.0	0.9	14%
<b>PBT before exceptional items</b>	<b>152.5</b>	<b>105.3</b>	<b>45%</b>	<b>116.5</b>	<b>31%</b>	<b>427.8</b>	<b>340.1</b>	<b>26%</b>
Exceptional items - (Expenses) / Income	(30.9)	-	-	-	-	(30.9)	-	-
<b>PBT</b>	<b>121.6</b>	<b>105.3</b>	<b>15%</b>	<b>116.5</b>	<b>4%</b>	<b>396.9</b>	<b>340.1</b>	<b>17%</b>
Tax	32.2	27.4	18%	28.4	13%	104.0	87.4	19%
<b>PAT</b>	<b>89.4</b>	<b>78.0</b>	<b>15%</b>	<b>88.2</b>	<b>1%</b>	<b>292.9</b>	<b>252.7</b>	<b>16%</b>
<b>PAT Margin %</b>	<b>6.4%</b>	<b>6.0%</b>	<b>0.5%</b>	<b>7.2%</b>	<b>-0.8%</b>	<b>6.9%</b>	<b>6.9%</b>	<b>0.0%</b>

\*Net Sales includes revenue from financial services business

# SEGMENT RESULTS - CONSOLIDATED

All amounts are in "₹ Crore"

Particulars	Q3 FY24	Q2 FY24	QoQ	Q3 FY23	YoY	YTD FY24	YTD FY23	YoY
<b>Segment Revenue</b>								
B2B	984.0	917.6	7%	872.8	13%	3,007.2	2,582.1	16%
B2C	259.1	260.4	0%	250.7	3%	829.0	800.0	4%
Financial Services	147.0	126.8	16%	96.9	52%	402.1	257.9	56%
<b>Revenue From Operations</b>	<b>1,390.1</b>	<b>1,304.8</b>	<b>7%</b>	<b>1,220.4</b>	<b>14%</b>	<b>4,238.3</b>	<b>3,640.0</b>	<b>16%</b>
<b>Segment Results</b>								
B2B	105.9	75.5	40%	92.2	15%	313.8	261.1	20%
B2C	12.3	6.3	95%	3.6	242%	36.0	17.5	105%
Financial Services <sup>#</sup>	37.0	25.1	48%	22.8	63%	83.6	65.6	27%
Unallocated	0.6	1.4	-57%	2.3	-73%	3.7	7.4	-50%
<b>Total</b>	<b>155.8</b>	<b>108.4</b>	<b>44%</b>	<b>120.9</b>	<b>29%</b>	<b>437.1</b>	<b>351.6</b>	<b>24%</b>
Less:								
<b>Finance Costs*</b>	3.4	3.0	11%	4.3	-22%	9.3	11.5	-19%
Exceptional items**	30.9	-	-	-	-	30.9	-	-
<b>Profit Before Tax</b>	<b>121.6</b>	<b>105.3</b>	<b>15%</b>	<b>116.5</b>	<b>4%</b>	<b>396.9</b>	<b>340.1</b>	<b>17%</b>

\*Other than the interest pertaining to the "Financial Services" segment

<sup>#</sup> Profit/(Loss) before tax and after interest

\*\* Exceptional item related to financial services business i.e. provision recorded for the investment in alternative investment funds on account of regulatory change in Q3FY24.

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