



Earnings Call Presentation Q3 FY22

10th February 2022

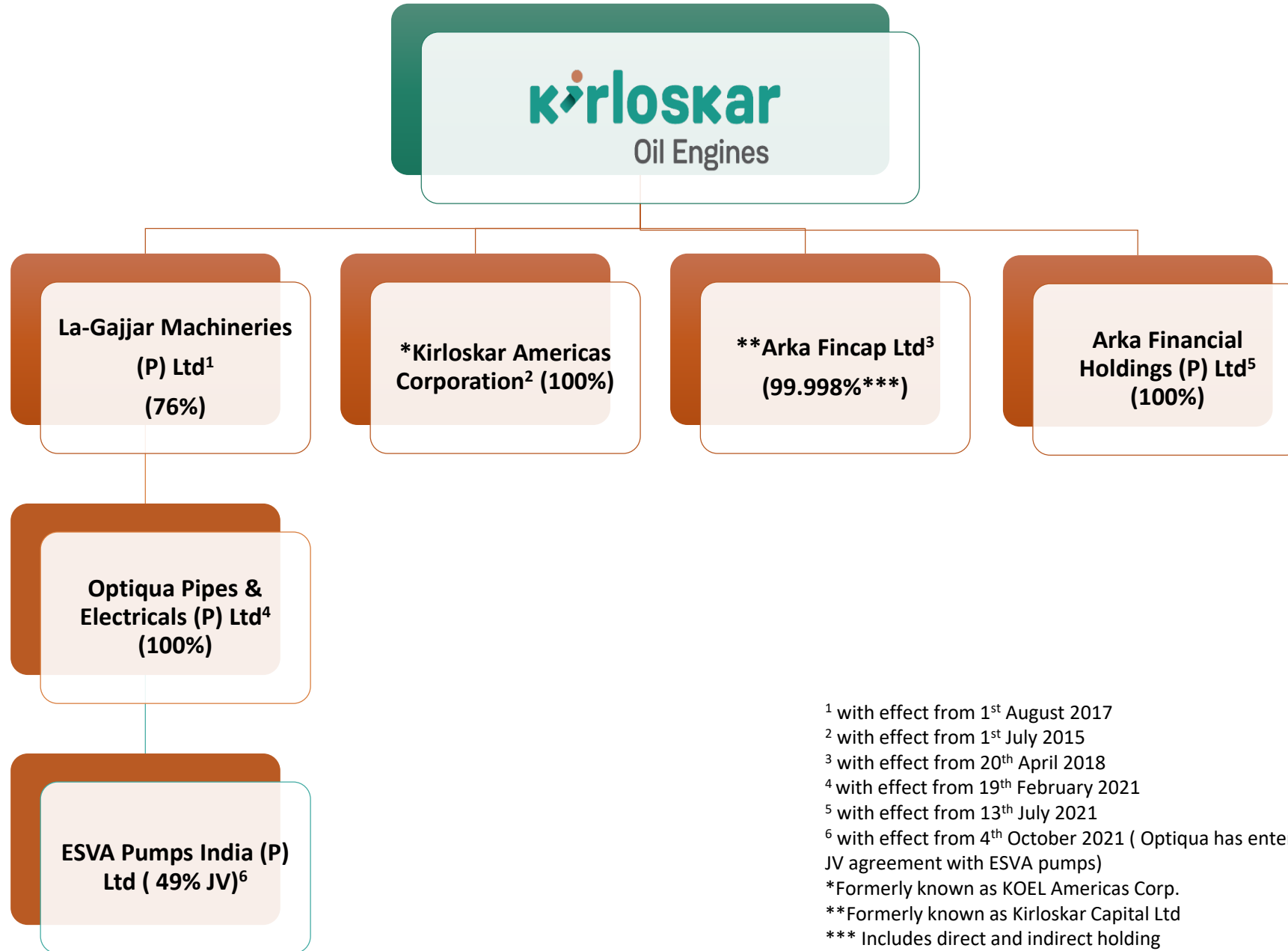
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¹ with effect from 1st August 2017

² with effect from 1st July 2015

³ with effect from 20th April 2018

⁴ with effect from 19th February 2021

⁵ with effect from 13th July 2021

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

*Formerly known as KOEL Americas Corp.

**Formerly known as Kirloskar Capital Ltd

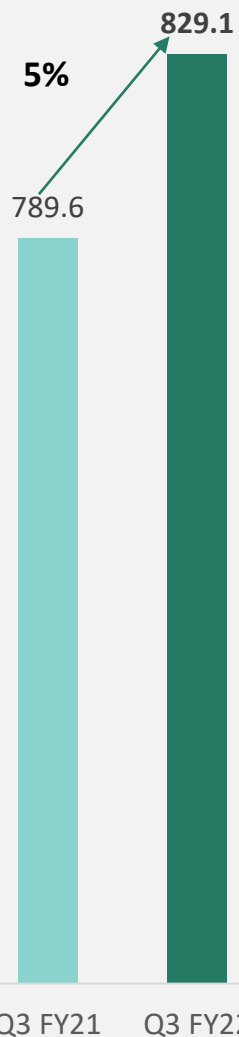
*** Includes direct and indirect holding

CONTENT

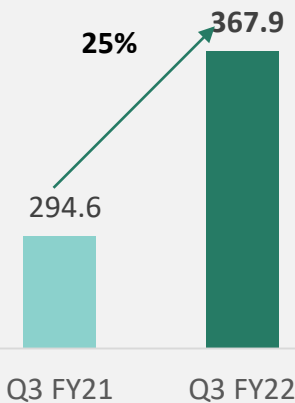
- **BUSINESS OVERVIEW**
 - STANDALONE
 - SALES HIGHLIGHTS
 - CONSOLIDATED
 - SEGMENT OVERVIEW
- FINANCIAL OVERVIEW
- ESG

STANDALONE SALES HIGHLIGHTS – Q3 FY22 Y-o-Y

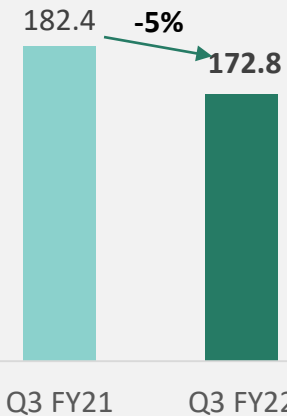
Sales Performance



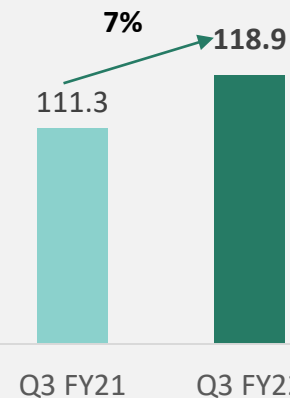
Power Generation



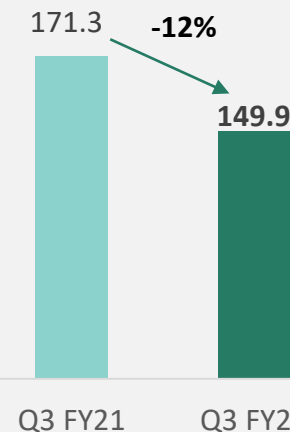
Industrial



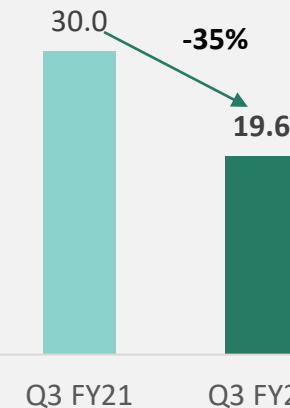
Customer Support



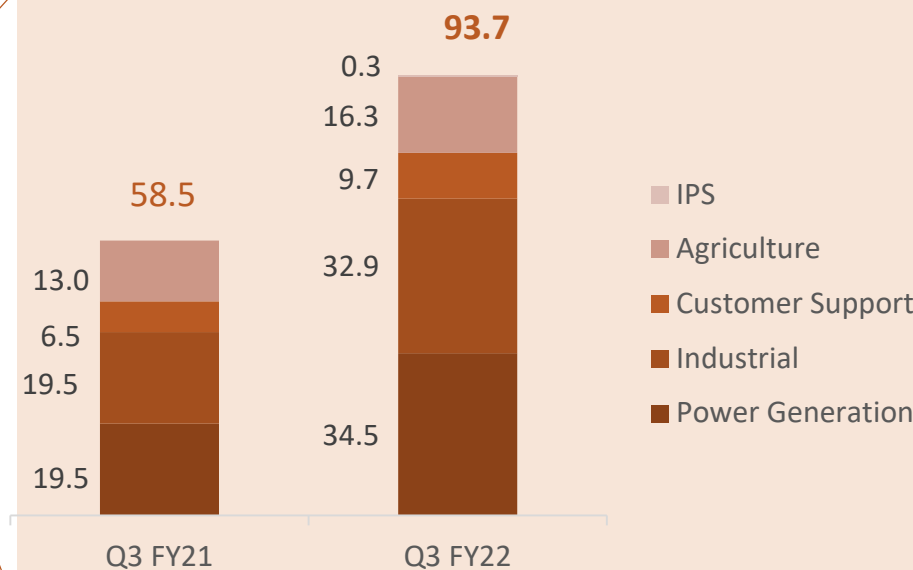
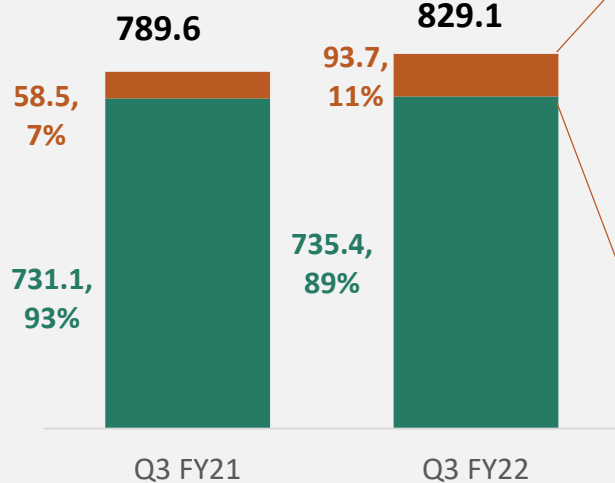
Agriculture*



IPS (Large Engines)



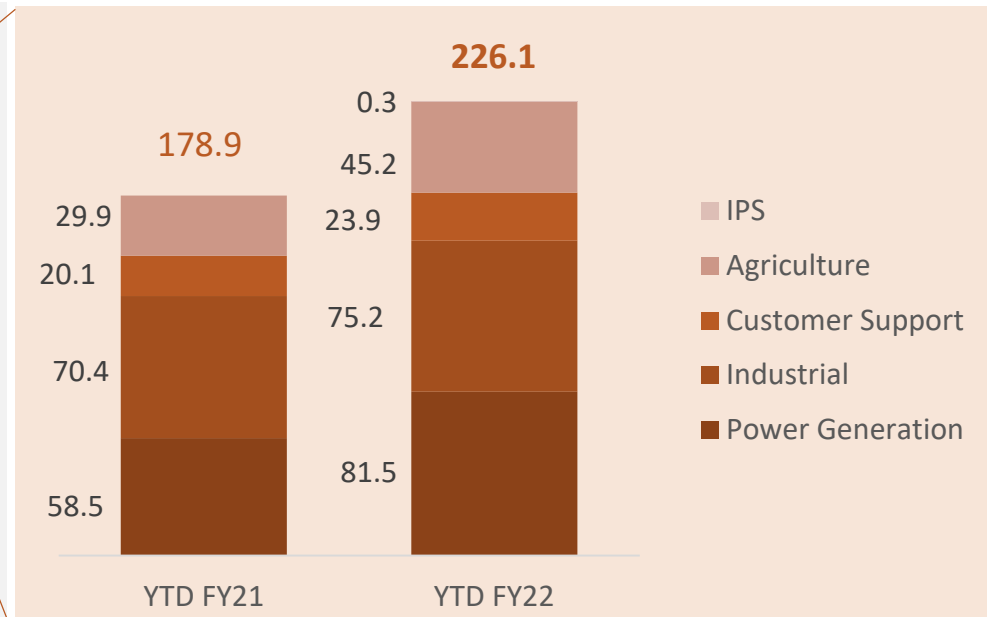
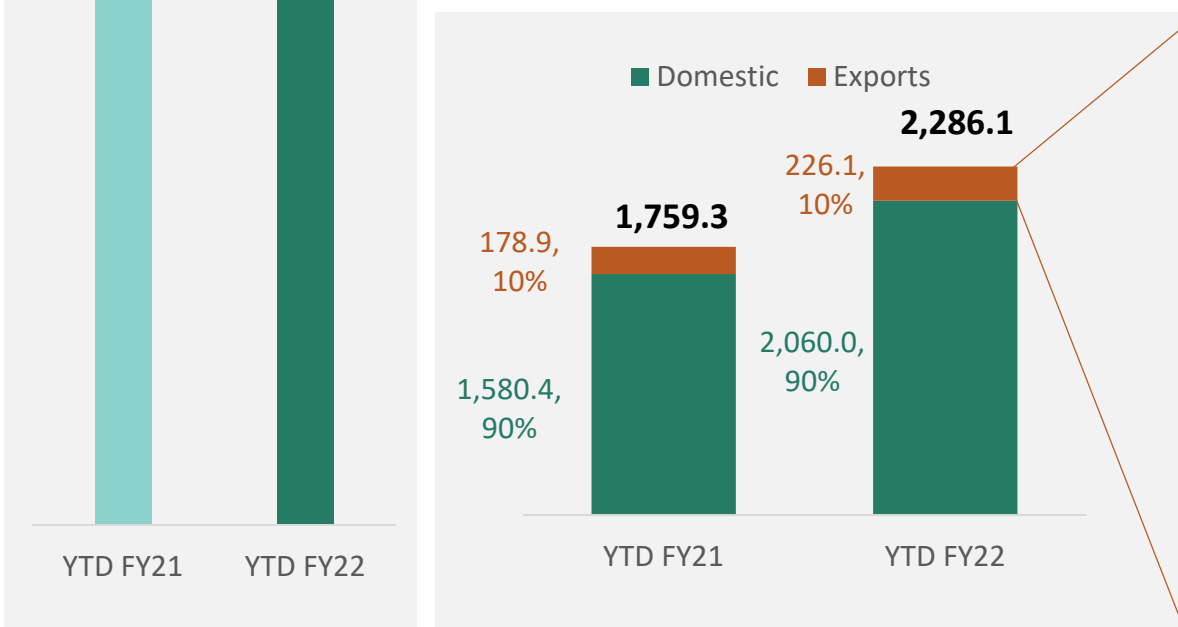
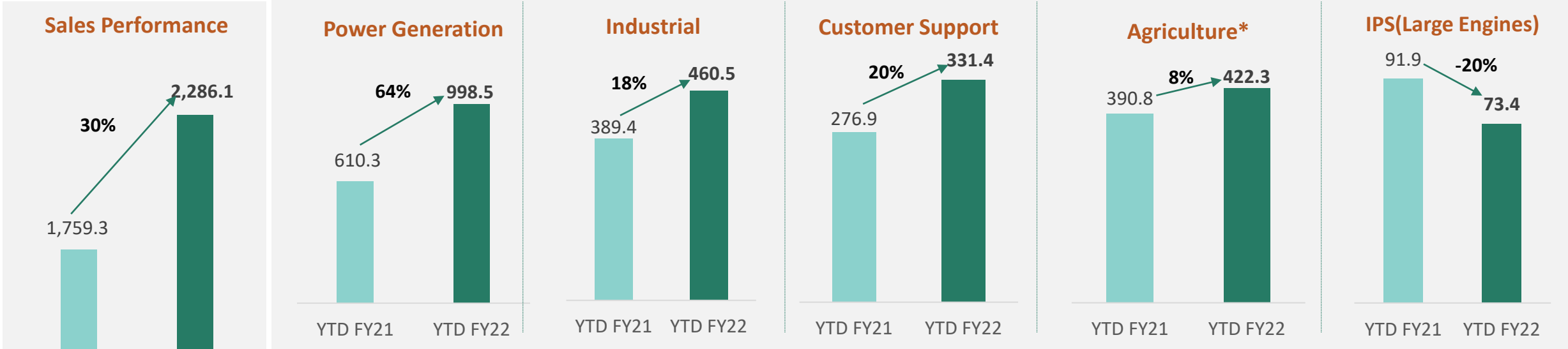
■ Domestic ■ Exports



*Agriculture includes Agri Crop Irrigation, Farm Mechanization and 'Tractor Spares and Oil' Business divisions



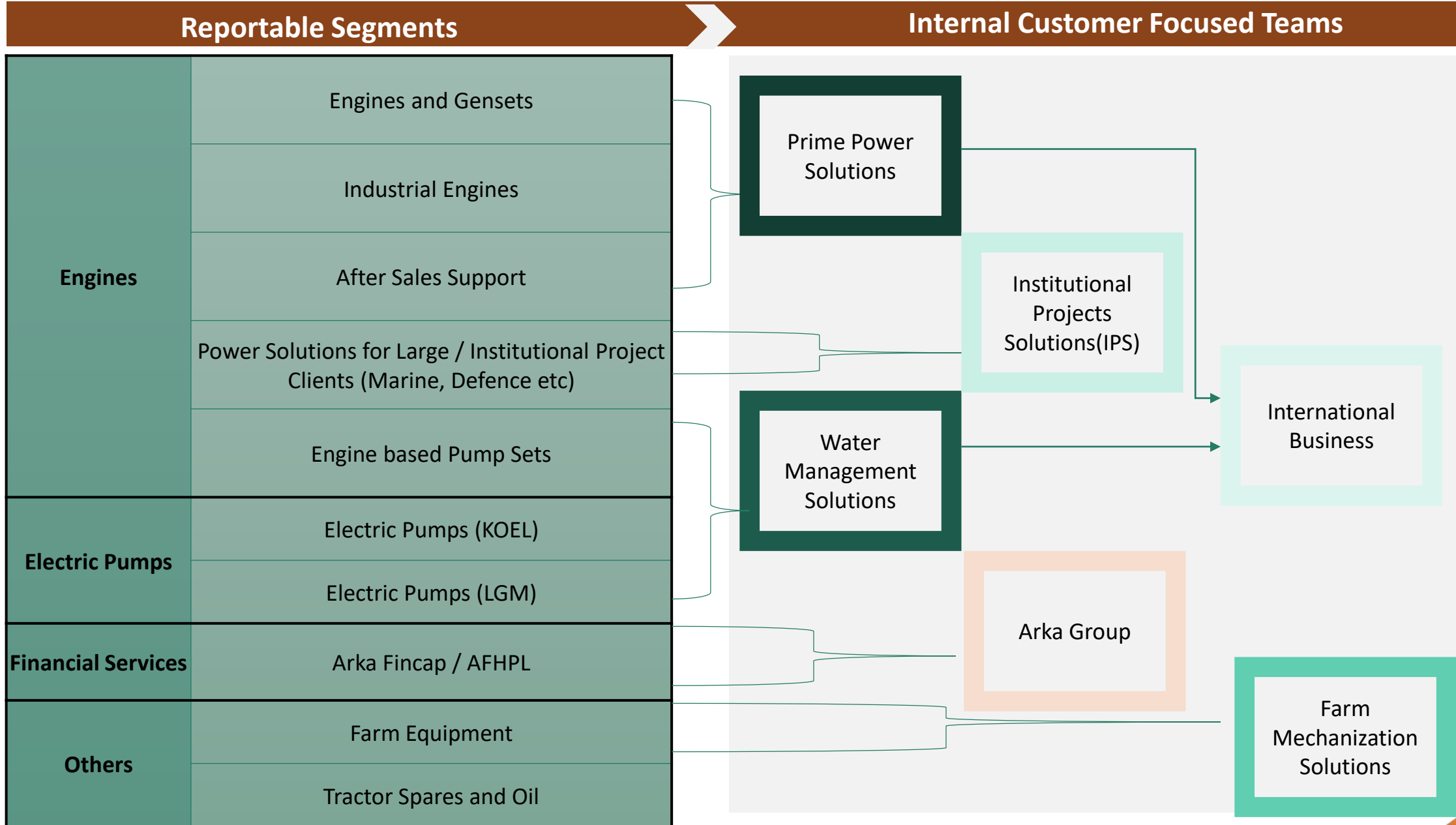
STANDALONE SALES HIGHLIGHTS – YTD Dec FY22 Y-o-Y



*Agriculture includes Agri Crop Irrigation, Farm Mechanization and 'Tractor Spares and Oil' Business divisions

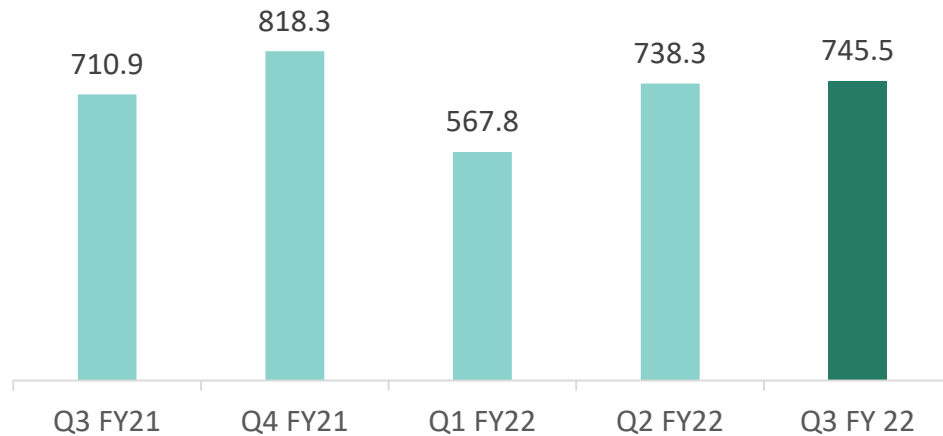
KOEL- Earnings Call – Q3 FY22 – Standalone Business Overview

Refocusing From Business Standpoint...

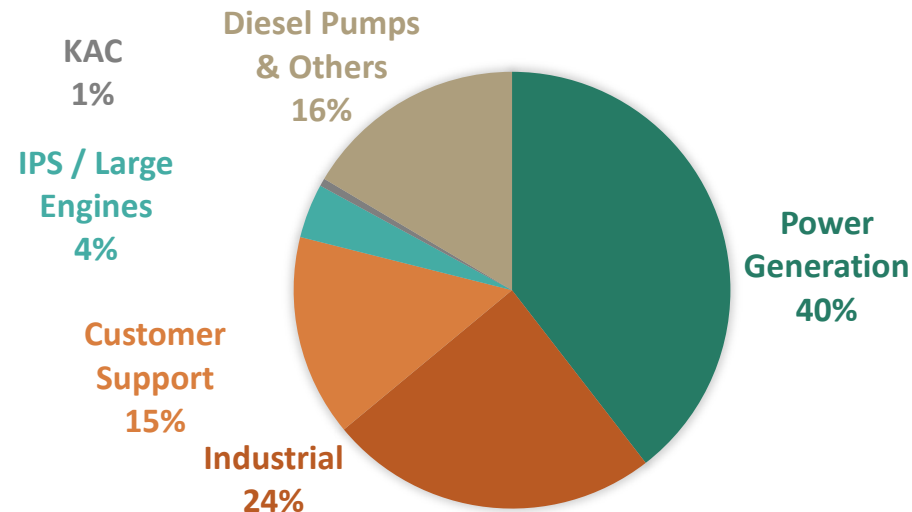


SEGMENT PERFORMANCE OVERVIEW – ENGINES

Segment Revenue Trend



Segment Revenue Composition For Current Quarter



Performance Updates

Power Generation Business -

- All major sub segments have registered healthy double digit sales growth Y-o-Y
- Exports sales have registered growth of ~77% Y-o-Y
- Won & executed orders from health care infra segment
- *i*-Green continues to be the market leader with significant improvements in IoT activations and is getting encouraging response from customers

Industrial Business -

- Business has registered sales decline of 5% Y-o-Y and growth of 7% Q-o-Q
- Kirloskar engine based firefighting pump set range launched in Q3 FY21; it is gaining good traction in market

Customer Support Business -

- Business has registered sales growth of 7% Y-o-Y and decline of 3% Q-o-Q
- Continues to maintain healthy Customer Delight Index (CDI) score of more than 90
- Direct online AMC 'KOEL Bandhan' is gaining momentum, sales grew at 27% Y-o-Y

Large Engines Business (IPS) -

- Business has registered sales decline of 35% Y-o-Y and 26% Q-o-Q. Restrictions to many customer premises due to COVID-19 impacted project execution
- Healthy order board in excess of ~ 150 Cr

Agri Crop Irrigation Business (KOEL) Diesel Pumps -

- Business has registered sales decline of 32% Y-o-Y and growth of 9% Q-o-Q

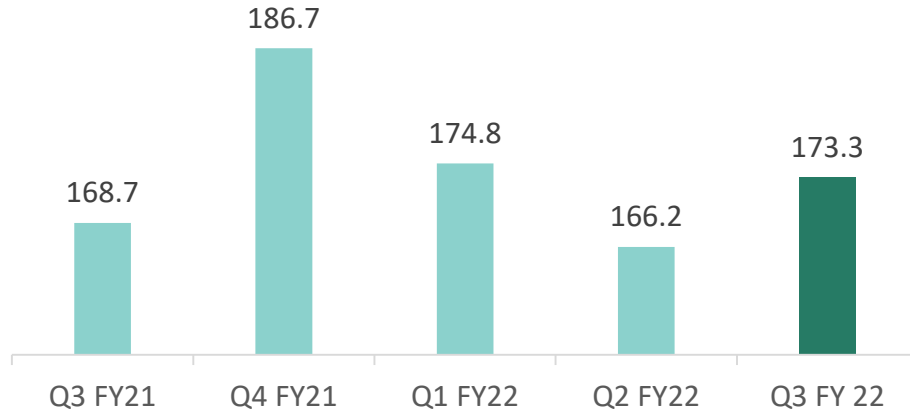
Kirloskar Americas Corporation (KAC) -

- Business has registered sales decline of 55% Y-o-Y and 46% Q-o-Q
- Growth is expected in gensets and G Drive engines in the US market in Q4 FY22

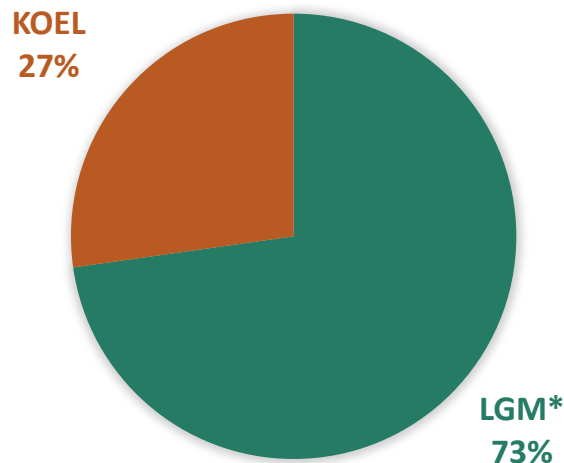


SEGMENT PERFORMANCE OVERVIEW – ELECTRIC PUMPS

Segment Revenue Trend



Segment Revenue Composition For Current Quarter



* Consolidated

Performance Updates

La-Gajjar Machineries (P) Ltd (“LGM”)*

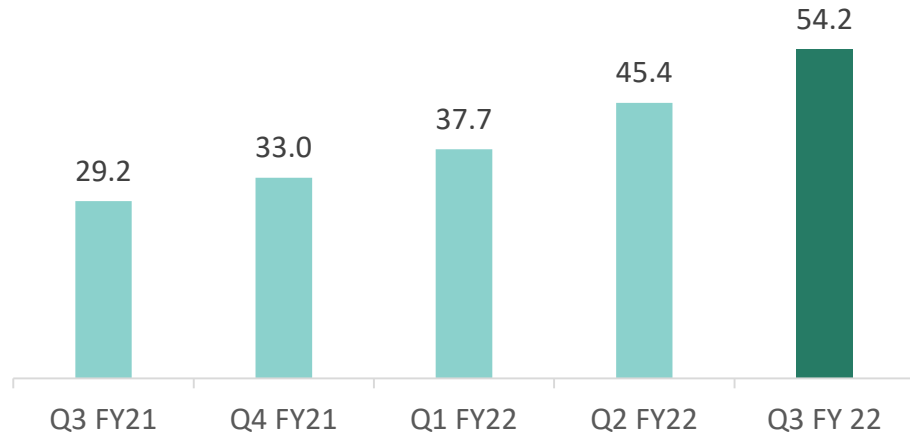
- Business has registered sales growth of 7% Y-o-Y and decline of 1% Q-o-Q
- EBITDA margin for the quarter continued to remain under pressure due to steep increase in commodity prices
- LGM has formed a wholly owned subsidiary i.e. Optiqua Pipes and Electricals (P) Ltd in February 2021 to tap the market opportunities in the “allied segment” and adjacencies in the Water Management Solution vertical
- Optiqua entered into a joint venture (JV) with ESVA Pumps India (P) Ltd by obtaining 49% equity stake on 4th Oct 2021.

Agri Crop Irrigation Business (KOEL) - Electric Pumps

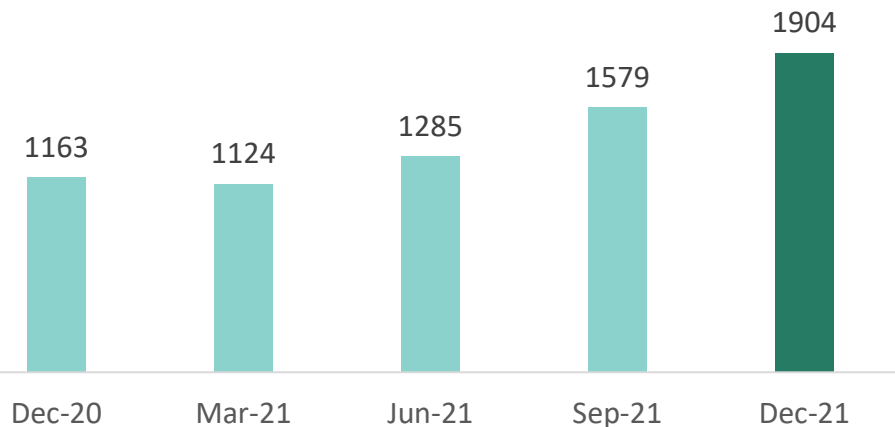
- Business has registered sales growth of 26% Y-o-Y and 27% Q-o-Q

SEGMENT PERFORMANCE OVERVIEW – FINANCIAL SERVICES

Segment Revenue Trend



AUM* Trend



Performance Updates

Arka Fincap Ltd (“AFL”)** & Arka Financial Holdings (P) Ltd (“AFHPL”)

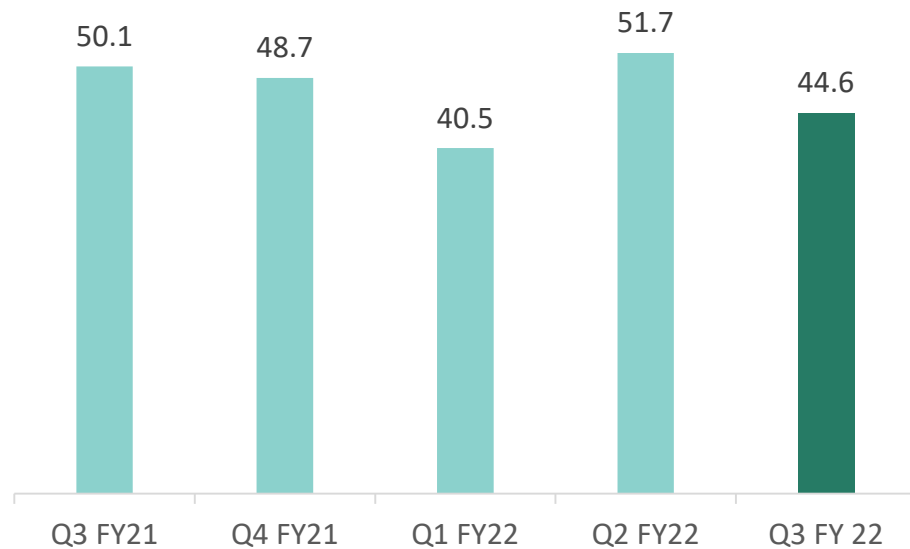
- KOEL’s total investment in AFL as on 31st Dec 21 stood at 701 Cr
- KOEL has infused equity share capital of 83 Cr in AFHPL in Q2 FY22
- AFHPL, in turn, infused 80 Cr of equity share capital in AFL
- AFL revenue from operations stood at 54.2 Cr in Q3 FY22; growth of 86% Y-o-Y and 19% Q-o-Q
- AFL PAT stood at 11.0 Cr in Q3 FY22; growth of 121% Y-o-Y and 23% Q-o-Q
- Total Debt as on 31st Dec 21 ~1,275 Cr vs 1,047 as on 30th Sep 21
- Debt to Equity Ratio:
 - 31st Dec 21 1.55
 - 30th Sep 21 1.29
 - 31st Dec 20 0.99
- Total AUM* as on 31st Dec 21 includes:
 - Loan book - 1,854 Cr
 - NCD/PTC - 50 Cr
- No asset liability mismatch

*Excludes treasury assets

** Formerly known as Kirloskar Capital Ltd

SEGMENT PERFORMANCE OVERVIEW – OTHERS*

Segment Revenue Trend



Performance Updates

- Power tiller segment has registered sales growth of 36% Y-o-Y decline of 27% Q-o-Q
- Power Weeder registered sales of 1,130 quantities in Q3 FY22; growth of 27% Y-o-Y and 70% Q-o-Q
- Farm Mechanization business continued to be in loss due to steep increase in commodity prices
- Tractor Spares and Oil business has registered growth of 29% Y-o-Y and 3% Q-o-Q

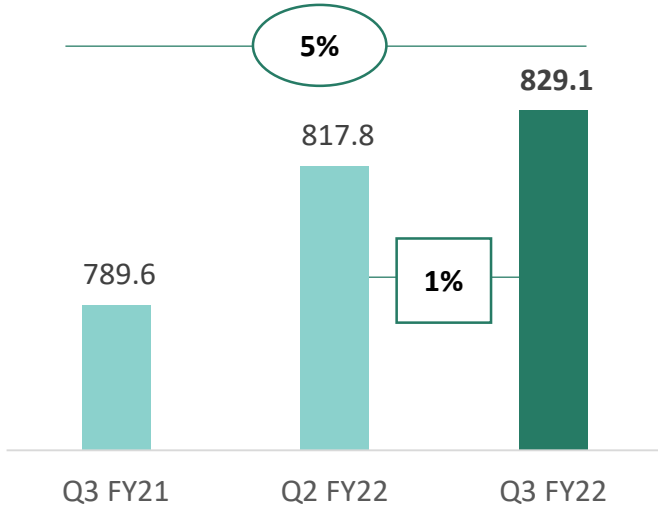
*Others include Farm Mechanization and 'Tractor Spares and Oil' Business divisions

- 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
- ESG

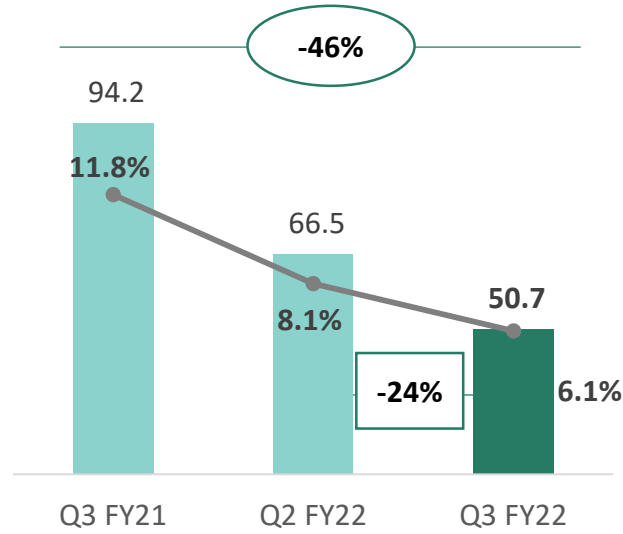
STANDALONE – PERFORMANCE HIGHLIGHTS

Sales

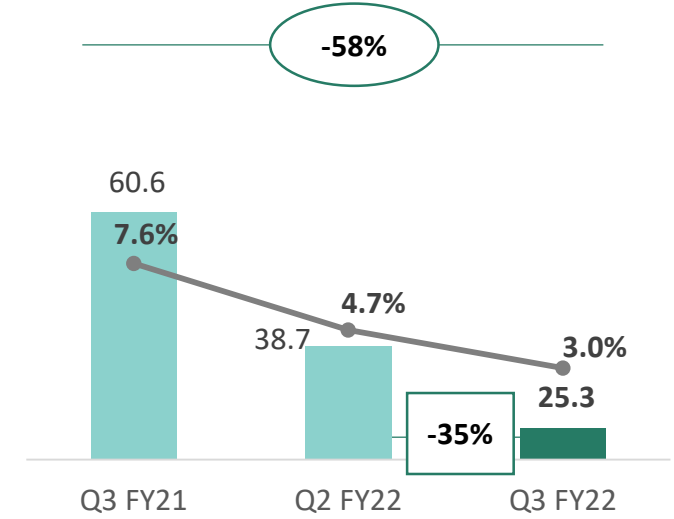
Quarterly



EBITDA & Margin

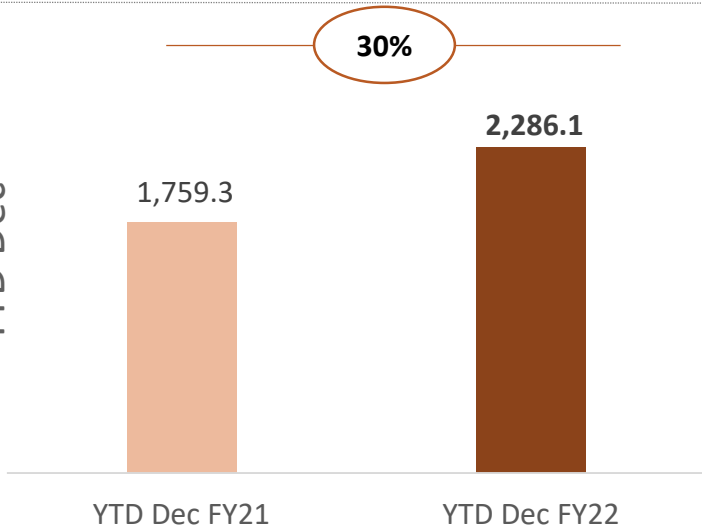


PAT & Margin

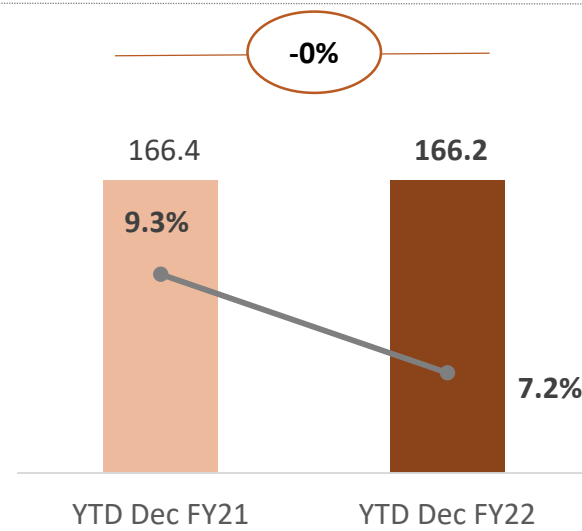


30%

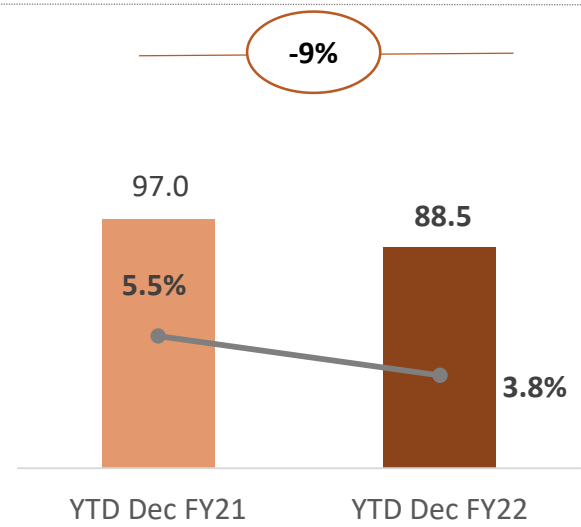
YTD Dec



-0%



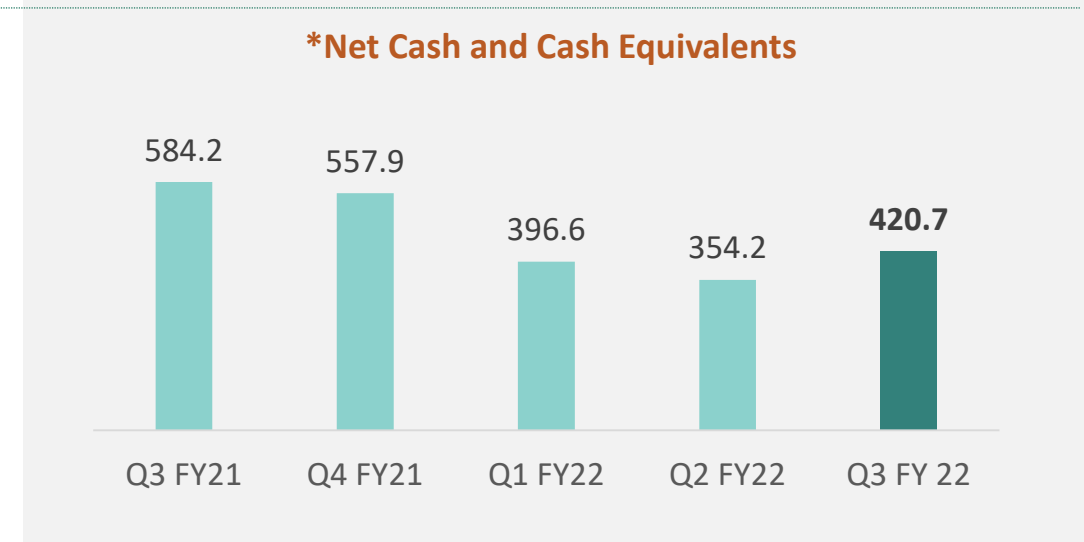
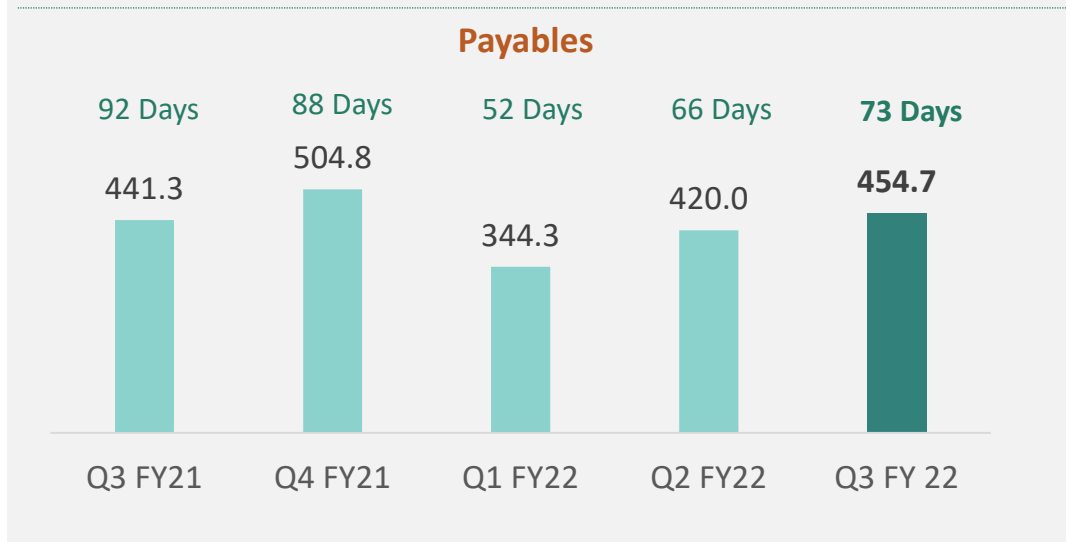
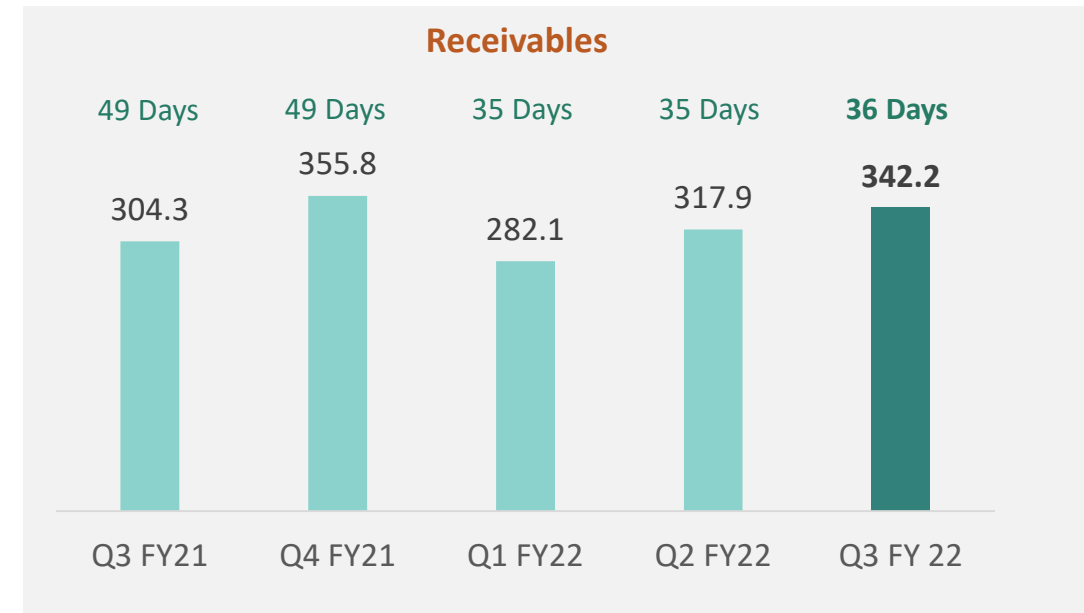
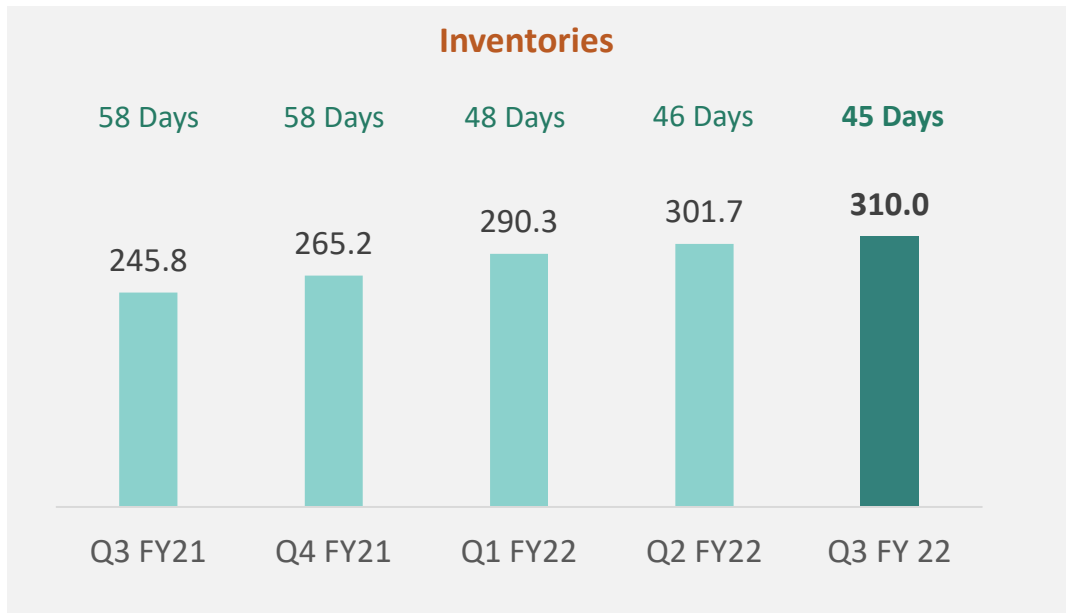
-9%



STANDALONE - PROFIT AND LOSS STATEMENT

Particulars	Q3 FY22	Q2 FY22	Q-o-Q ∂ %	Q3 FY21	Y-o-Y ∂ %	YTD Dec FY22	YTD Dec FY21	Y-o-Y ∂ %
Net Sales	829.1	817.8	1%	789.6	5%	2,286.1	1,759.3	30%
Other Operating Income	7.8	7.7	1%	8.1	-4%	23.5	20.6	14%
Revenue From Operations	836.9	825.5	1%	797.7	5%	2,309.6	1,779.9	30%
Raw Material	594.1	571.7	4%	524.1	13%	1,611.6	1,150.6	40%
Employee Costs	54.9	54.3	1%	55.7	-2%	158.1	142.2	11%
Other Expenses	137.3	133.0	3%	123.8	11%	373.9	320.7	17%
EBITDA	50.7	66.5	-24%	94.2	-46%	166.2	166.4	-0%
EBITDA Margin (%)	6.1%	8.1%	-2.0%	11.8%	-5.7%	7.2%	9.3%	-2.1%
Other Income	4.8	6.7		6.2		17.2	16.3	
Depreciation	19.0	19.6		15.3		58.1	45.1	
Interest	2.2	0.9		2.7		4.8	5.0	
PBT	34.3	52.7	-35%	82.4	-58%	120.5	132.5	
Tax	9.0	14.0		21.8		32.1	35.5	
PAT	25.3	38.7	-35%	60.6	-58%	88.5	97.0	-9%
PAT (%)	3.0%	4.7%	-1.7%	7.6%	-4.6%	3.8%	5.5%	-1.7%

WORKING CAPITAL AND NET CASH POSITION



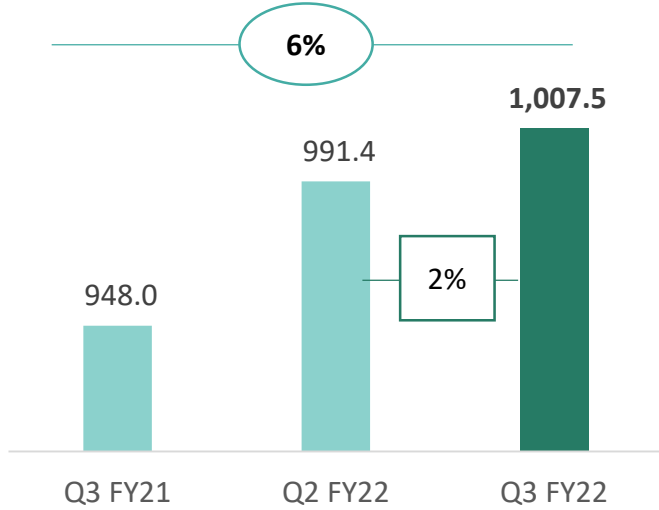
- Notes :
- 1) No. of days has been calculated using average value and TTM (Trailing Twelve Months method)
 - 2) *Above Cash position excludes unclaimed dividend and is net of debt; includes Company's treasury investments (liquid & money market funds)



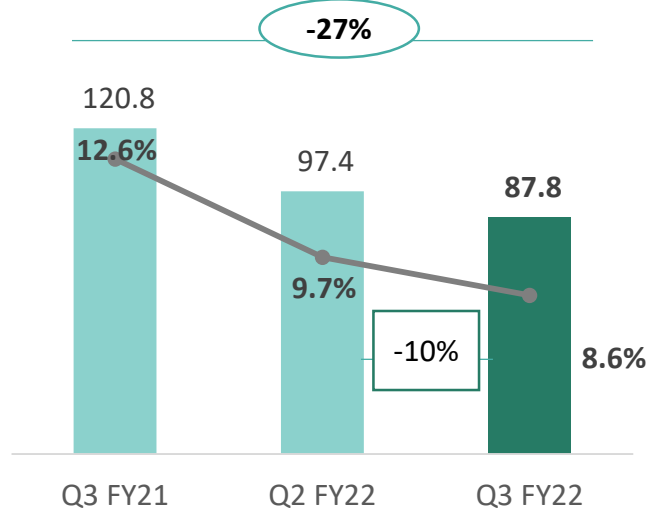
CONSOLIDATED – PERFORMANCE HIGHLIGHTS

Quarterly

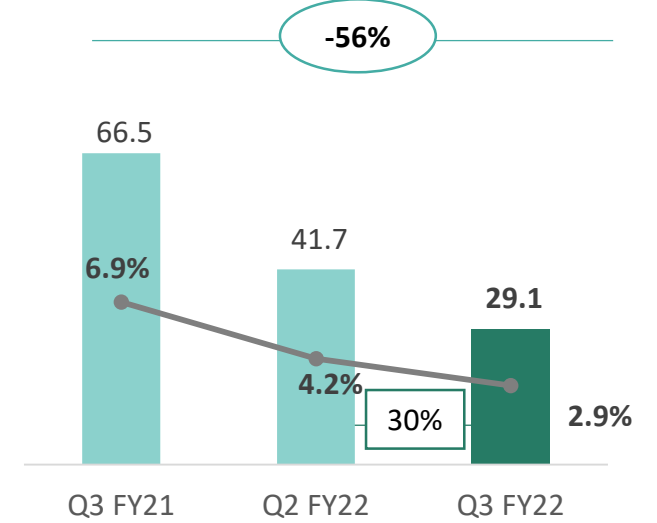
Sales



EBITDA & Margin

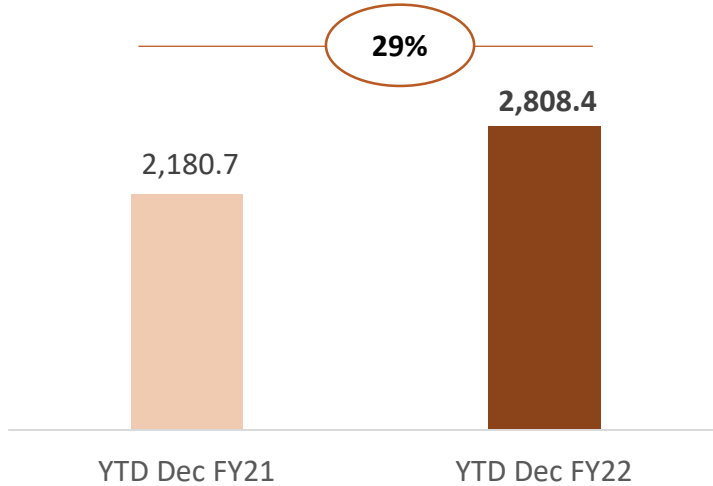


PAT & Margin

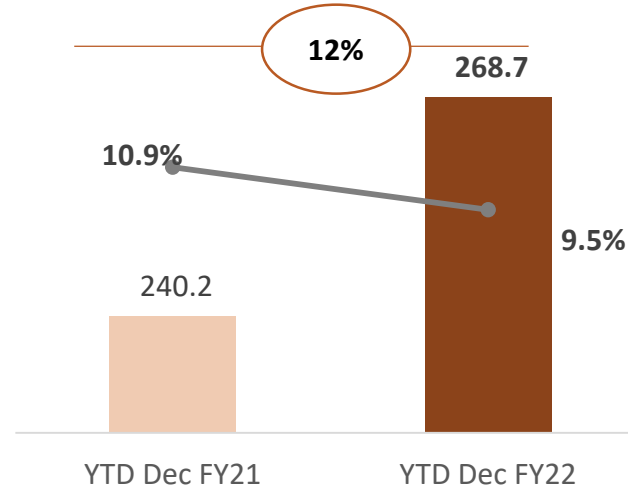


YTD Dec

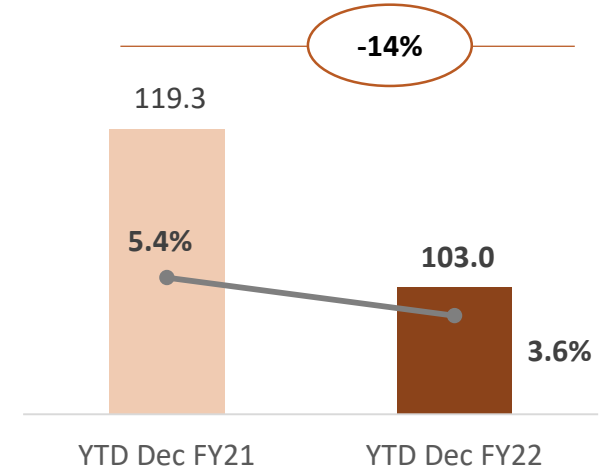
29%



12%



-14%



CONSOLIDATED - PROFIT AND LOSS STATEMENT

Particulars	Q3 FY22	Q2 FY22	Q-o-Q ∂ %	Q3 FY21	Y-o-Y ∂ %	YTD Dec FY22	YTD Dec FY21	Y-o-Y ∂ %
Net Sales	1,007.5	991.4	2%	948.0	6%	2,808.4	2,180.7	29%
Other Operating Income	10.3	10.0	3%	10.7	-4%	31.6	28.2	12%
Revenue From Operations	1,017.8	1,001.4	2%	958.7	6%	2,840.0	2,208.9	29%
Raw Material	683.8	656.3	4%	614.4	11%	1,872.5	1,385.7	35%
Employee Costs	73.1	71.9	2%	70.5		209.9	183.1	15%
Other Expenses	173.0	175.9	-2%	152.9	13%	488.9	400.1	22%
EBITDA	87.8	97.4	-10%	120.8	-27%	268.7	240.2	12%
EBITDA Margin (%)	8.6%	9.7%	-1.1%	12.6%	-4.0%	9.5%	10.9%	-1.4%
Other Income	5.3	7.4		7.3		18.9	18.1	
Depreciation	25.0	25.5		20.9		76.0	61.2	
Interest	28.4	22.0		16.2		70.8	33.3	
PBT	39.7	57.3		90.9		140.9	163.9	
Tax	10.6	15.6		24.4		37.9	44.6	
PAT	29.1	41.7	-30%	66.50	-56%	103.0	119.3	-14%
PAT (%)	2.9%	4.2%	-1.3%	6.9%	-4.0%	3.6%	5.4%	-1.8%

SEGMENT RESULTS - CONSOLIDATED

Q2 FY22	Particulars	Q3 FY22	Q3 FY21	YTD Dec FY22	YTD Dec FY21
	SEGMENT REVENUE				
738	Engines	745	711	2,052	1,573
166	Electric Pumps	173	169	514	436
45	Financial Services	54	29	137	69
52	Others	45	50	137	131
-	Unallocated	0	(0)	0	1
1,001	REVENUE FROM OPERATIONS	1,018	959	2,840	2,209
	SEGMENT RESULTS				
54	Engines	37	79	125	128
(3)	Electric Pumps	(8)	6	(6)	21
29	Financial Services	40	19	93	41
(2)	Others	(3)	1	(6)	2
2	Unallocated	2	2	6	5
79	Total	68	107	212	197
	Less:				
22	Finance Costs	28	16	71	33
-	Exceptional Items	-	-	-	-
57	PROFIT BEFORE TAX	40	91	141	164

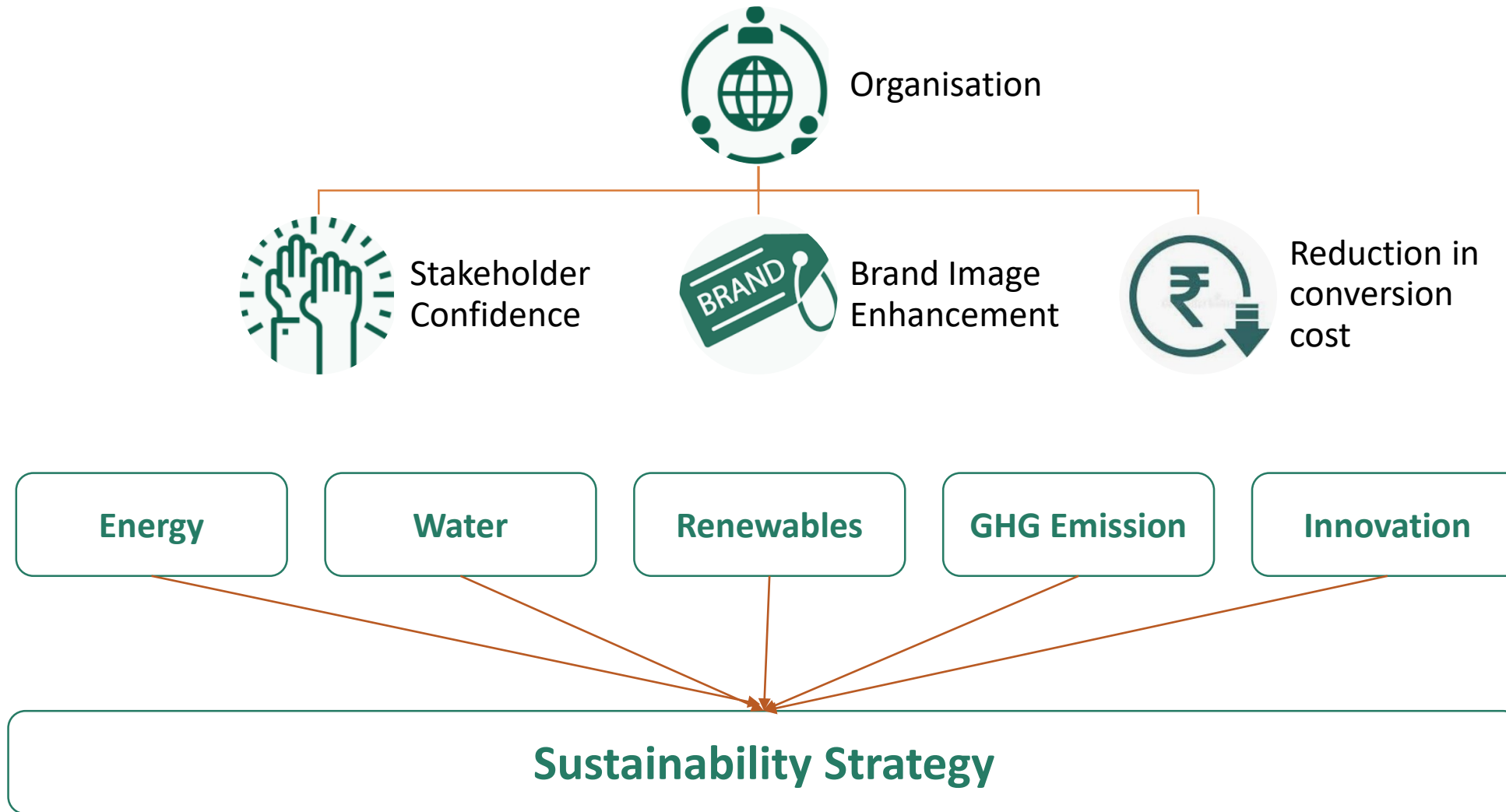
Notes:

- 1) Electric Pumps segment includes entire LGM (Consolidated) and Electric pumps segment of Agri Crop Irrigation division of KOEL
- 2) Financial Services division represents AFL & AFHPL
- 3) Others includes Farm Mechanization, Tractor Spares and Oil



CONTENT

- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW
- **ESG**



THANK YOU

For Further Information Please Contact:

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