



Enriching Lives

---

# **Kirloskar Brothers Limited.**

## **Financial Analysts Presentation**

### **Q1 - FY 2015-16**

# Disclaimer

---



Enriching Lives

These materials may contain forward-looking statements regarding Kirloskar Brothers Ltd. (KBL), our corporate plans, future financial condition, future results of operations, future business plans and strategies. All such forward-looking statements are based on our management's assumptions and beliefs in the light of information available to them at this time. These forward-looking statements are, by their nature, subject to significant risks and uncertainties and actual results, performance and achievements may be materially different from those expressed in such statements. Factors that may cause actual results, performance or achievements to differ from expectations include, but are not limited to, regulatory changes, future levels of industry product supply, demand and pricing, weather and weather related impacts, wars and acts of terrorism, development and use of technology, acts of competitors and other changes to business conditions. KBL undertakes no obligation to revise any such forward-looking statements to reflect any changes in KBL's expectations with regard thereto or any change in circumstances or events after the date hereof.

# Companywide Highlights

---



Enriching Lives

- Continued focus on selective sale depending upon customer financial position, pricing & terms of payment
- Continued focus on closure of old projects and recovery of retention money
- Company has launched several new initiatives for focused marketing . Implemented GTM concept to increase the market and customer reach.
- Total tally of concrete volute pumps supplied by KBL has crossed 200 (double century)

# Sector Highlights



Enriching Lives

## Irrigation

- Civil works at Hiranyakeshi site completed and claim on account of Extra items submitted to client (KNNL, Karnataka).
- Claim under GO22, for Insurance charges and Bank Guarantee charges for Gandikota project submitted to client (ICAD, Govt. of A.P.)
- TERFA2 and TERFA3B pumping stations handed over to MED, Egypt.

## Power

- 2x500 MW CW System for BHAVINI PFBR of NPCIL : Erection chlorination package completed.
- Design and drawing approved for development of Shut Down Cooling Pump (SDCP) for 2x700 MW PHWR Nuclear project.
- Turnkey fire fighting project for BHAVINI (1x500 MW) PFBR has been completed and handed over successfully



# Sector Highlights

---

## **Oil & Gas**

- Successfully shipped all three Horizontal pumps of M/s Linde Engineering for Exxon Mobil, USA project
- Repeat order booked from M/s L & T Energy for Bangladesh project

## **Marine & Defense**

- Received orders for Goa Shipyard Ltd. modernization project,

## **Industry**

- Auto Prime demonstration for various customers.
- Vendor Registration done with some more consultants and customers.

## **Building & Construction**

- Launched Tab/Mobile Phone monitored and controlled HYPN

## **Distribution**

- Bagged OLIC order of STAR Rated (2-5 HP) Submersible Pumps.
- Kirloskar Family Bonanza started with "Navratan Club" with a focus on Retailers.
- Formalized Incentive based schemes for employees.

## **Customer Support & Services**

- KGSP bonanza scheme launched to promote SPB spares through Mechanics & free lancers



Enriching Lives

# Companywide Pending Orders

<b>Sector (Rs. Crs)</b>	<b>2Q Sep-14</b>	<b>3Q Dec-14</b>	<b>4Q Mar-15</b>	<b>1Q Jun-15</b>	<b>1Q % of Total</b>
Irrigation	655	722	747	729	46%
Water Resource	235	232	189	190	12%
Power	308	362	324	361	23%
Gas & Oil & Defence	112	92	76	47	3%
Marine & Defence				14	1%
Industry	70	56	66	76	5%
Building & Construction	23	28	38	35	2%
Distribution	40	40	41	38	2%
Customer Support & Spare	30	26	22	24	1%
Valves			88	88	6%
<b>TOTAL</b>	<b>1,472</b>	<b>1,558</b>	<b>1,589</b>	<b>1,601</b>	<b>100%</b>

Note: Orders of Irrigation sector not commenced for execution amounting to Rs. 395 Crs are excluded from pending orders on hand



# Q1 Financials – Standalone Highlights

## Positive factors:

- 12% rise in sales over Q1 of PY.
- Q1 PBT stands at Rs. 6 Crs against a loss of Rs. 22 Crs in Q1 of PY
- Net reduction in Retention Debtors by Rs. 14 Crs during Q1.
- Positive cash generation of Rs. 13 Crs in Q1 as against negative Rs. 11 Crs in corresponding quarter of PY.

## Concerns:

- Inventory has gone up by Rs. 14 Crs in Q1; (mainly FG & WIP due to dispatch clearance / inspection delay from some customers, & non opening of L/C by a few customers).

## Sales:

- Revenue from operations is Rs. 366 Crs as against Rs. 327 Crs in PY – Rise of 12%
- Product sectors sales are at Rs. 293 Crs as against Rs. 231 Crs in PY (rise of 27%). Project sector sales are at Rs. 73 Crs as against Rs. 94 Crs in PY (fall of 23%).

## Profit before Tax (PBT):

- PBT is Rs. 6 Crs as against loss of Rs. 22 Crs in PY.
- PBT of product sectors is at Rs. 22 Crs as against Rs. 13 Crs in PY
- Loss of project sectors is reduced to Rs. 25 Crs as compared to Rs. 37 Crs

# Q1 Key Financials – Standalone



Enriching Lives

Rs In Crs

Particulars	Quarter Ending			Year Ended Mar 31, 2015
	Jun-15	Jun-14	Jun-13	
<b>KEY FINANCIALS</b>				
Total Income	380	335	427	1,637
P B D I T	16	(10)	14	55
P B T	6	(22)	5	6
P A T	7	(20)	3	8
CASH PROFIT	17	(8)	12	58
<b>KEY FINANCIAL RATIOS</b>				
P B I D T % AGE	4.2%	-3.1%	3.2%	3.4%
P B T % AGE	1.5%	-6.6%	1.2%	0.3%
R O C E % AGE	4.9%	-5.6%	4.0%	3.8%





Enriching Lives

## Q1 Key Financials – Standalone

Rs In Crs

Particulars	Quarter Ending			Year Ended
	Jun-15	Jun-14	Jun-13	Mar 31, 2015
Total Assets	1,030	1,010	1,039	1,035
Gross Current Assets	1,329	1,327	1,493	1,356
Gross Current Liabilities	862	860	997	885
Net Current Assets	468	466	496	471
Borrowings	226	234	257	238

# Q1 Key Financials – Consolidated



Enriching Lives

Rs In Crs

Particulars				Year Ended
	Jun-15	Jun-14	Jun-13	Mar 31, 2015
<b>KEY FINANCIALS</b>				
Total Income	586	487	707	2,745
P B D I T	22	(12)	25	208
P B T	(6)	(42)	2	63
P A T	(6)	(39)	(1)	45
CASH PROFIT	11	(20)	12	140
<b>KEY FINANCIAL RATIOS</b>				
P B I D T % AGE	3.8%	-2.4%	3.6%	7.6%
P B T % AGE	-1.0%	-8.7%	0.3%	2.3%
R O C E % AGE	1.5%	-9.2%	3.7%	8.3%

# Q1 Key Financials – Consolidated



Enriching Lives

Rs In Crs

Particulars	Quarter Ending			Year Ended Mar 31, 2015
	Jun-15	Jun-14	Jun-13	
<b>Total Assets</b>	1,341	1,341	1,341	1,363
<b>Gross Current Assets</b>	2,002	1,931	2,116	2,027
<b>Gross Current Liabilities</b>	1,249	1,176	1,347	1,262
<b>Net Current Assets</b>	754	755	769	765
<b>Borrowings</b>	346	381	394	348



Enriching Lives

---

**Thank You**