



Enriching Lives

Kirloskar Brothers Limited.

Financial Analysts Presentation

Q1 - 2018 -19



Disclaimer



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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.



Sector Highlights



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Water & Irrigation

1. Sector has achieved combined booking of Rs. 847 M (only through product orders) This is 25% higher than Previous year.
2. We have received major orders from customers for supply of VT Pump-sets required for various projects like Harapanhalli LIS, Karnataka and Odisha Cluster development project etc.

Building and Construction

1. For this quarter we achieved growth of 27% in booking and 21% in sales as compared to the previous year
2. The launch of KBL branded completely packaged fire pump sets well received by the market, resulting in order booking for 180 plus sets in first week of the launch

Industry

1. Sector bagged prestigious high value orders from renowned customers



Sector Highlights



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Oil & Gas

1. Sector received order from IOCL for supply of firefighting pump sets. These will be installed at their various terminals across India.

Marine & Defense

1. Sector received order for supply of various sizes Butterfly valves for Naval dry-dock at Vizag

Export business

1. On the Export business front, we successfully commissioned 6 nos. Concrete volute pumps supplied for BMA Thailand project, and pumps for CW and ACW application for EGAT and Marubeni projects
2. At Binh-bo, Vietnam site, we successfully commissioned 6 large vertical turbine pumps each delivering 12,000 m³/hr operated by HT motors
3. We participated in 13th CII Exim Bank conclave on India Africa Project partnership held at New Delhi. It is India's largest Africa-focused business event with the presence of eminent dignitaries from Africa and India



Sector Highlights



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Small Pump Business

1. In Q1, we achieved overall growth of 8% in sales.
2. For Industry range of products, we received orders from IGNP, Rajasthan for 273 star rated mono-block pumps with corro-coating. Also, orders for SP series pumps for dewatering application were received from Brihan-Mumbai Municipal Corporation and Bidhan Nagar Municipal Corporation, Kolkata
3. On export front, we have received stock orders from dealers in Africa. Also, repeat order is received from Bangladesh Water Board
4. In the new submersible pumps category, we launched 14 variants in 4" submersible range, 10 variants in 6" and above range. In the surface pump range, total 4 models were launched including swimming pool application pump



Plant Highlights



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Kirloskarvadi

1. Plant has achieved 20% growth in dispatches.
2. Plant is focusing on process strengthening. Total Productive Maintenance (TPM) initiative has been launched to strengthen the maintenance processes and increase productivity. The initiative will be horizontally deployed across the plant in Q2
3. KOV plant has received GreenCo “Gold” certification award from CII in the month of June 18

Small Pumps Business plants (Dewas, Sanand & Kaniyur)

1. Achieved 24% growth over previous year.
2. After conducting pilot study, the Total Productive Maintenance (TPM) project has been kicked off in the month of June in Dewas
3. Along with KOV, Dewas plant also has received GreenCo ‘Gold’ certification in June 18
4. Among the new products, plant has started production of the 24 variants in submersible range

Kondhapuri

1. On the new development for larger sized valves, we have successfully manufactured 2400 mm PN10 size Hydraulically operated pump discharge valves and 1600 mm PN10 rated Main Inlet Valve



Companywide Pending Orders



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Pending Order Board as on June 2018

Sector (Rs.Crs)	Q -2 Sep-17	Q -3 Dec-17	Q -4 Mar-18	Q -1 Jun-18	Q - 1 % of Total
Irrigation	644	604	679	638	39%
Water Resource Mgmt	159	130	93	103	6%
Power	530	532	516	492	30%
Oil & Gas	32	29	15	79	5%
Marine & Defence	43	44	25	53	3%
Industry	83	76	53	78	5%
Building & Construction	39	43	35	62	4%
Customer Support & ESD	37	48	16	34	2%
Valves	84	79	50	86	5%
TOTAL	1,651	1,583	1,482	1,625	100%

	Sep-17	Dec-17	Mar-18	Jun-18
KBL Standalone	Q 2	Q 3	Q 4	Q 1
Orders Received	474	368	501	592

	Sep-17	Dec-17	Mar-18	Jun-18
KBL Consolidated	Q 2	Q 3	Q 4	Q 1
Orders Received	832	653	877	960
Pending Orders on Hand	2,432	2,181	2,149	2,320

* Excluding Orders kept on hold Rs. 229 Cr, and orders for which work not commenced Rs. 284 Cr



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Q1- Standalone Financial Highlights

Highlights standalone:

1. Total income for Q 1 of FY 2018-19 is higher by 10% as compared Q1 of FY 2017-18. This is after regrouping previous years' figures to make them comparable with current year. There is an increase of 15% in sales of own products, while there is decrease in sale of traded items and other activities.
2. CY total income include –
 - a. Net FOREX gain (realized and unrealized) of Rs. 4.4 Cr.
 - b. Interest received on Tax refund Rs. 8.7 Cr as against Rs. 3.5 Cr in PY.

Profitability:

1. Profit before tax is at Rs. 24.9 Cr as against of Rs. 7.4 Cr in PY. PBT has increased by 239 % over PY.
2. Finance cost for the quarter is at Rs 4.5 Cr as against Rs 6.7 Cr in previous year.

Balance Sheet:

1. During the current year company has made an investment of Rs. 24.8 Cr (Euro 3.1 M) in Kirloskar Brothers International BV.
2. During the current year, company has received refund of income tax (including interest) of Rs. 45.6 Cr.
3. Working capital borrowings are at Rs. 68.3 Cr as against Rs 118 Cr as on March 31, 2018.



Q1 Key Financial - Standalone



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Rs. Crs

Particulars	Quarter Ending			Year Ended
	Jun-18	Jun-17	Jun-16	Mar 31, 2018
KEY FINANCIALS				
Total Income	472	427	379	1,947
P B D I T	38	23	16	153
P B T	25	7	(2)	92
P A T	18	5	(2)	67
CASH PROFIT	27	14	8	102
KEY FINANCIAL RATIOS				
P B I D T % AGE	8.1%	5.4%	4.2%	7.8%
P B T % AGE	5.3%	1.7%	-0.5%	4.7%
R O C E % AGE	11.6%	5.5%	2.3%	11.1%



Q1 Key Financial - Standalone



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Rs. Crs

Particulars	Quarter Ending			Year Ended
	Jun-18	Jun-17	Jun-16	Mar 31, 2018
Total Assets	1,016	1,024	1,030	1,061
Gross Current Assets	1,383	1,363	1,346	1,475
Gross Current Liabilities	984	919	875	1,003
Net Current Assets	399	443	471	471
Total Borrowings	112	180	226	165



Q1 Key Financial - Consolidated



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Rs In Crs

Particulars				Year Ended Mar 31, 2018
	Jun-18	Jun-17	Jun-16	
KEY FINANCIALS				
Total Income	682	611	589	2,797
P B D I T	27	16	4	175
P B T	5	(8)	(23)	77
P A T	1	(7)	(21)	50
CASH PROFIT	16	8	(3)	109
KEY FINANCIAL RATIOS				
P B I D T % AGE	4.0%	2.6%	0.7%	6.3%
P B T % AGE	0.7%	-1.4%	-4.0%	2.7%
R O C E % AGE	4.2%	0.3%	-4.0%	9.0%



Q1 Key Financial - Consolidated



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Rs In Crs

Particulars	Quarter Ending			Year Ended Mar 31, 2018
	Jun-18	Jun-17	Jun-16	
Total Assets	1,224	1,328	1,344	1,292
Net Current Assets	667	731	737	734
Total Borrowings	317	439	396	346





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Thank You

