



Enriching Lives

## KIRLOSKAR BROTHERS LIMITED

A Kirloskar Group Company

SEC/ F:22

February 13, 2022

**(BSE Scrip Code – 500241)**

**BSE Limited**

Corporate Relationship Department,  
2<sup>nd</sup> Floor, New Trading Ring,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai-400 001**

**(NSE Symbol - KIRLOSBROS)**

**National Stock Exchange of India Ltd.,**

5<sup>th</sup> Floor, Exchange Plaza,  
Bandra (East)  
**Mumbai – 400 051**

Dear Sir,

**Sub.: Investor Release**

Pursuant to the Regulation 30 read with Schedule III, Part A Para A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of "Investor Release" for the Quarter and Nine months ended on December 31, 2021. The same will be uploaded on the Company's website as well.

You are requested to take the same on record.

This is for your information.

Thanking you,

Yours faithfully,

For **KIRLOSKAR BROTHERS LIMITED**

**Chittaranjan M. Mate**  
**Sr. Vice President -Finance and**  
**Chief Financial Officer**

**Encl: As above**

## Investor Release

**Kirloskar Brothers Limited Announces Q3 & 9M FY22 Results**

- ✓ **9MFY22 consolidated revenue and gross profit grew by 13.2 % and 10.8% respectively on a YoY basis**
- ✓ **Strong consolidated orderbook of ₹ 2,346 crores (19% YoY growth)**

**Pune, February 13, 2022:** Kirloskar Brothers Limited (KBL) (NSE: KIRLOSBROS; BSE:500241), announced its financial results for the quarter and nine-months ended 31<sup>st</sup> December 2021.

Particulars (In ₹ Crores) (Consol.)	Q3 FY22	Q3 FY21	YoY%	9MFY22	9MFY21	YoY%
Revenue	725.3	760.8	-4.7%	2103.2	1857.7	13.2%
Gross Profit	352.2	370.9	-5%	989.1	892.4	10.8%
<b>EBITDA</b>	<b>59.1</b>	<b>106.9</b>	<b>-44.7%</b>	<b>140.2</b>	<b>183.7</b>	<b>-23.7%</b>
<b>EBITDA Margin %</b>	<b>8.1%</b>	<b>14.1%</b>	<b>-590bps</b>	<b>6.7%</b>	<b>9.9%</b>	<b>-322bps</b>
<b>Profit After Tax (PAT)</b>	<b>20</b>	<b>69</b>	<b>-71%</b>	<b>34.5</b>	<b>75.8</b>	<b>-54.5%</b>
PAT Margin %	2.8%	9.1%	-631bps	1.6%	4.1%	-244bps
EPS (in ₹)	2.73	8.88	-69.3%	5.01	9.85	-49.1%

**Orderbook**

Sector (In ₹ Crores)	Q3 FY22	Q2 FY22	Q1 FY22	Q4 FY21	Q3 FY21
Irrigation + Water Resource Mgmt.	718	733	691	733	746
Power	490	460	460	481	406
Oil & Gas	68	42	36	40	41
Marine & Defence	76	48	50	52	21
Industry	111	98	87	67	80
Building & Construction	101	73	92	82	88
Customer Support & ESD	85	82	73	17	20
Valves	83	83	81	79	66
<b>Total</b>	<b>1,731</b>	<b>1,618</b>	<b>1,571</b>	<b>1,551</b>	<b>1,468</b>

KBL Standalone	Q3FY22	Q2FY22	Q1FY22	Q4FY21
Orders Received	624	524	404	686
<b>KBL Consol.</b>				
Orders Received	1044	884	753	1,118
Pending Orders	2346	2,183	2,179	2,131

**Company Highlights**

- KBL received three patents namely “Double Suction Concrete Volute Impeller” (for concrete volute design pumps), “Arrangements for reducing the weight of pumps” (for NS series-submersible non-clog pumps) & “Mechanism for sealing leakage” (for iCP series pumps with seal-less / gland-less design)
- KBL received “India’s Most Ethical Companies” awards (Industrial manufacturing category) & “Maharashtra State Best Employer Brand” award (recognition for effective communications in attracting, developing and retaining talent) from World HRD Congress.

## **Sector Highlights**

- **Water & Irrigation:**
  - Received orders for 110 nos. pumpset including 14 nos. UPH1050 Pumps.
  - QoQ order intake growth of 60%.
- **Project Execution:**
  - Closed physically one project and financially one project closed during this quarter and collected BG worth 20 M.
- **Building & Construction:**
  - QoQ order intake growth of 47%.
- **Power:**
  - Order received for 2 unit of PICO and 8 units of PAT machines.
- **Industry:**
  - Order received for 68 nos. pumpsets for multiple industries.
  - Order received for supply of 25 nos. process and utility pumpsets from sugar industry.
- **Marine & Defence:**
  - Received prestigious orders for strategic applications.
- **Valve Sector:**
  - Bagged order to supply 30 nos. large valves (Size 1000 mm and above).
- **Export Excellence Cell**
  - Bagged major orders to supply 3 nos large Low Life Cycle cost split case pump with high voltage motors for water pumping station project in Israel and 40 nos various pumpsets for a Steel Plant project in Bangladesh.
  - Order received from Israeli customer for Fish Farm Project in Mexico to supply 10 nos of vertical turbine pump sets and 5 nos of process pump sets.
  - Order received to supply 10 nos multistage multi outlet pumpsets for customer in Egypt.
  - Order bagged to supply 53 numbers multistage pumps to water projects in Algeria.

**Commenting on the results Mr. Sanjay Kirloskar, CMD – Kirloskar Brothers Limited said, “Our strong operational recovery continued into Q3 FY 22-23 in spite of significant input cost increases, continued supply chain disruptions etc. New order booking and production in terms of numbers of pumps increased significantly. In the nine months ended December FY 22 revenue and gross profit grew by 13% and 11% on a YoY basis, respectively. However, significant increases in raw material prices and manufacturing expenses, change in the product mix as well as execution bottlenecks impacted the EBITDA and PAT**

*margins for YTD December 2021 as well as Q3FY22. At a standalone level the company witnessed a healthy QoQ revenue growth of 12%. However pandemic led slowdown, supply chain disruptions resulted in a decrease in the revenues of the overseas entities thereby impacting the group level revenues for Q3 FY 22.*

*The company has embarked onto a focused internal cost reduction plan in addition to other measures like calibrated price increases in the end products to tackle the impact of input cost increases.*

*During the quarter, the company witnessed a 37% growth in order booking over Q3 FY 21. There have been increases in order booking in Water & Irrigation, Building & Construction and Industry sectors coupled with a 30% growth in enquiry closure as compared to previous three quarters of 2021. Hence the company is confident of maintaining the healthy growth rate in the order booking based on the enquiry flow as well as a sharp pick up in the customer spend being witnessed across various sectors.*

*The closing orderbook of ₹ 2,346 crores, which does not include orders for made to stock products that contribute substantially to the top-line, provides healthy revenue visibility to the company. Going forward the company is well positioned due to this healthy orderbook, strong market presence in the small pumps business alongside the measures to tackle the input cost increases.*

**Commenting on the international business, Mr. Alok Kirloskar, Managing Director – Kirloskar Brothers International B.V. said,** *“In the international business, the company witnessed a healthy QoQ as well as YoY revenue growth in its Far East (Thailand) and South African businesses. However, UK and US businesses posted a revenue degrowth on a QoQ basis due to significant headwinds in terms of supply chain disruptions coupled with pandemic led slow recovery.*

*Currency loss has impacted the profitability of Thailand business though at an operating level the business made a profit. The company is focusing to stabilise the Dutch operations which has witnessed stiff competition levels amidst an overall shrinkage in the market for pumps due to pandemic led slowdown. The other companies in the international business are doing better. Rodelta has bagged a major project by SHELL for their prestigious Red to Green Program as move towards Carbon net zero. These include the various clean fuel initiatives that have been kicked off by SHELL as well as our companies that follow the shell initiatives around the world. A similar project has also been done with Thai Oil last year. The new Projects include pumps for blue hydrogen as oil companies like SHELL have invested in these initiatives where Rodelta has a full range of pumps.*

*International orderbook stood at Rs. 615 cr which along with a healthy pick up in the enquiries flow provides strong revenue visibility going forward. This will be further supported by our various other initiatives around digital thrust, sustainability, stability and scalability along with improved profitability.”*

**Commenting on the domestic business, Ms. Rama Kirloskar, Joint Managing Director of KBL & Managing Director of Kirloskar Ebara Pumps Limited said,** *“In the domestic market, the company has witnessed a strong pick up in momentum in the Industry segment of small pumps but in retail and agriculture segments Q3 FY 22 sales of small pumps was slightly impacted due to unseasonal rains and partial lockdowns in December. However, geography specific new product launches of small pumps, de-risking of the supply chain to ensure material availability and the recent significant step up in Governments expenditure in the Budget for Financial Year 2022-23 has ensured the business is well positioned going forward.*

*As far as the domestic subsidiaries/joint ventures are concerned, Karad Projects and Motors Limited (KPML) has reported robust nine months FY22 numbers. Kirloskar Ebara Pumps Limited (KEPL) too had a healthy YoY growth with a revenue increase of 32% over PY YTD Dec and PBT increase of 19.2% despite material cost increases. The Kolhapur Steel Limited continues to sail through troubled waters. The company is in the process of addressing its issues and should see an improvement in the coming quarters. However, there is growth in its production and sales as compared to PY.”*

### **About Kirloskar Brothers Limited**

Kirloskar Brothers Limited (KBL) is a world-class pump manufacturing company with expertise in engineering and manufacture of systems for fluid management. Established in 1888 and incorporated in 1920, KBL is the flagship company of the \$ 2.1 billion Kirloskar Group. As the market leader in fluid management, KBL provides complete fluid management solutions for large infrastructure projects in the areas of water supply, power plants, irrigation, oil & gas and marine & defence. KBL engineers and manufactures industrial, agriculture & domestic pumps, valves and hydro turbines. KBL is the only pump manufacturing company in India and ninth in the world to be accredited with the N and NPT certification by the American Society of Mechanical Engineers (ASME).

For more information, please visit [www.kirloskarpumps.com](http://www.kirloskarpumps.com)

### **Safe Harbour**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project-related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

**For more information please contact:**



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**Kirloskar Brothers Limited**

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