



KEI INDUSTRIES LIMITED
Corporate Presentation
June 2020



**INDIA'S LEADING
WIRES AND CABLES
SPECIALIST**



1 **KEI**
Wires and Cables
The power behind the power™

Agenda



Company Overview



Company Strengths



Growth Strategy



Key Financials



Appendix

Company Overview



Overview

- Leading manufacturer of cables and wires with a wide product portfolio spread across
 - EHV, HT and LT Power Cables, House Wire, Stainless Steel Wire
- Forward integrated into EPC services for Power, Distribution, Transmission and sub-station projects
- 5 plants located at Bhiwadi, Chopanki, Pathredi (Rajasthan), Rakholi and Chinchpada (Silvassa)
- Robust R&D facility with in-house lab accredited by NABL
- Established in 1968

Key Metrics

5
Manufacturing
Plants

2,300+
Employees¹

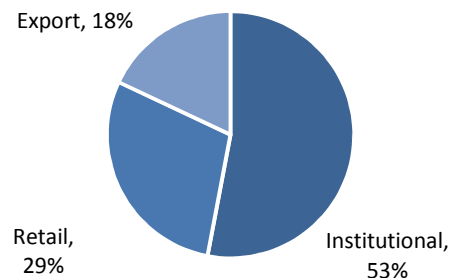
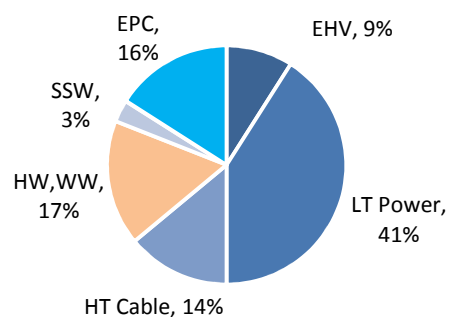
1,500+
Institutional
Customers¹

ISO 9001:2015
ISO 14001:2015
ISO 10025:2005

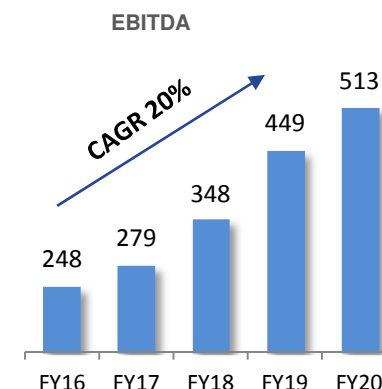
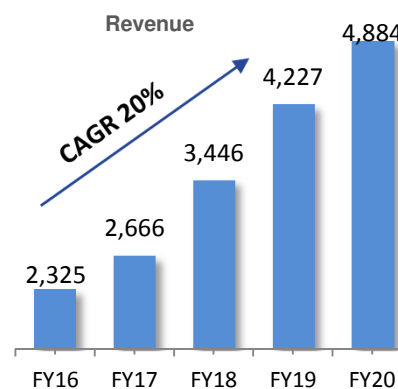
1,600+
Dealer/
Distributors¹

2,900+
Cr Order Book³

Product and Revenue Split² (FY20)



Key Financials² (INR Cr)



Note: 1 – As of 31st March, 2020 2 – Based on Standalone Financials 3- As on 31.07.2020

Major Highlights

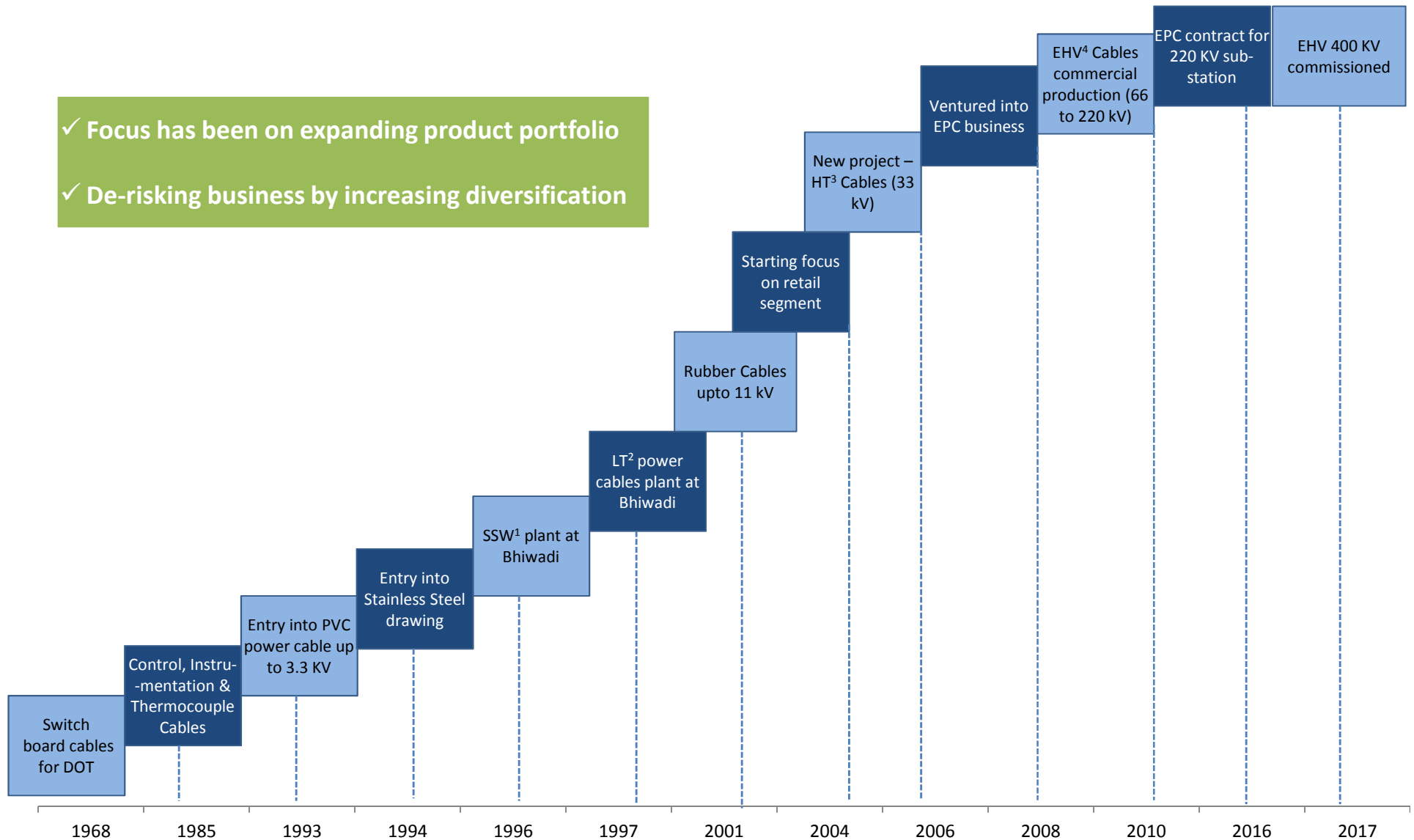


- ET 500 2019 KEI ranking improve to 317 against 338 previous ranking.
- During FY 2019-20, Company has raised fund Rs. 500 Crore through QIP
- ICRA Ltd & CARE has upgraded long term rating A from A-(A Minus) and short term rating A1 from A2+
- Insurance of Receivables to mitigate risk
- Healthy Order Book to achieved turnover and Profitability.
- Healthy Brand Visibility – TV Advertising , IPL Rajasthan Royals, Customer Loyalty and Preferences
- Super Brand Status 2011-2016 and 2019
- Diversified business profile across customers, industries and manufacturing locations.
- Increase focus on Exports, Retail segments and EHV to support expected improvement in turnover, profitability as well as working capital.
- Very Strong relationship with banks.
- Highly committed promoters and management.

Consistently Evolving Business Model



- ✓ Focus has been on expanding product portfolio
- ✓ De-risking business by increasing diversification



Note: 1 – Stainless Steel Wire; 2 – Low tension cables; 3 – High Tension Cables; 4 – Electric High Voltage

Richly Experienced Management Team



Mr. Anil Gupta	Chairman-cum- Managing Director	Mr. Manoj Kakkar	Executive Director (Sales & Marketing)
Ms. Archana Gupta	Director	Mr. Lalit Sharma	COO
Mr. Akshit Diviaj Gupta	Director	Mr. K.C. Sharma	Sr. Vice President (operation-Bhiwadi)
Mr. Rajeev Gupta	Executive Director (Finance) & CFO	Mr. Manish Mantri	Sr. Vice President (EPC)
Mr. Daya Nand Sharma	Vice President (operation-Chopanki)	Mr. Dilip Barnwal	Vice President (operations-Silvassa)

Comprehensive Product Portfolio



Wide product basket comprising:

- Extra-High Voltage Cables up to 400 KV
- High & Medium Voltage Cables
- Control & Instrumentation Cables
- Specialty Cables
- Submersible Cables
- Rubber Cables
- PVC/Poly Wrapped Winding Wires
- Flexible & House Wires
- Stainless Steel Wires
- EPC Projects

Helping the company service a wide spectrum of sectors such as power, oil refineries, railways, automobiles, cement, steel, fertilizers, textile and real estate, amongst others



EHV cables



LT cables



HT cables



Control cables



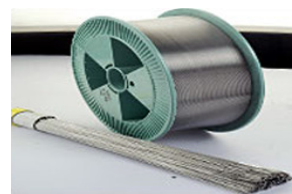
Instrumentation



Offshore cables



Solar cables



S.S. Wires



Winding Wires



House Wires




Flexible Wires




Rubber cables

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Company Strengths



1

- **Well diversified across multiple dimensions**

- *Wide basket of products used across multiple industries*
- *Low customer concentration*

2

- **Strategically located manufacturing facilities and Strong R&D capabilities**

- *Manufacturing facilities across 5 locations*
- *Strong R&D focus helps in new product development and customized solutions to customers*

3

- **Strong presence in retail segment with a well entrenched distribution network**

- *Increasing focus on retail segment*
- *Strong distribution network with pan India retail sales*

4

- **Growing exports presence**

- *Presence in 50+ countries with offices in 5 countries*
- *Exports provide natural hedge on forex as the company also imports raw materials*

5

- **Strong Finance performance**

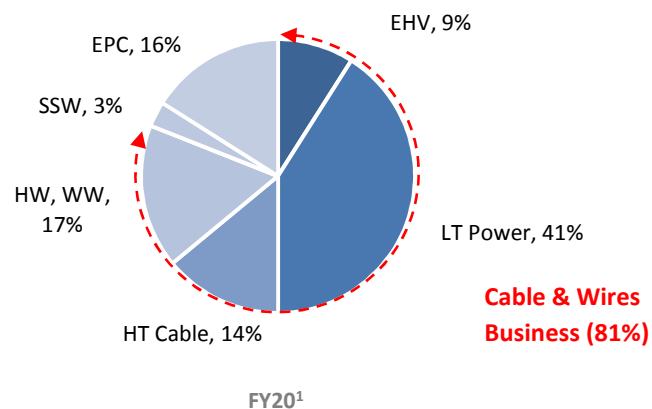
- *Strong growth and return ratios with comfortable debt profile*

1

Well Diversified across Multiple Dimensions



Wide Product Basket...



...With applications across Industries



Power



Oil & Gas



Real Estate



Cement



Railways



Automobiles

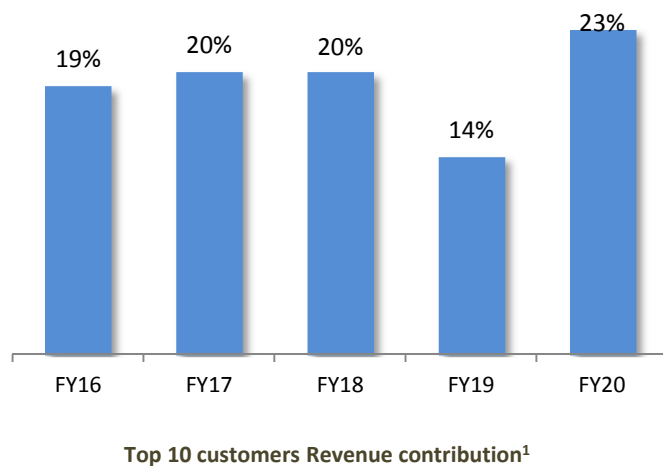


Steel



Fertilisers

...Coupled with low customer concentration



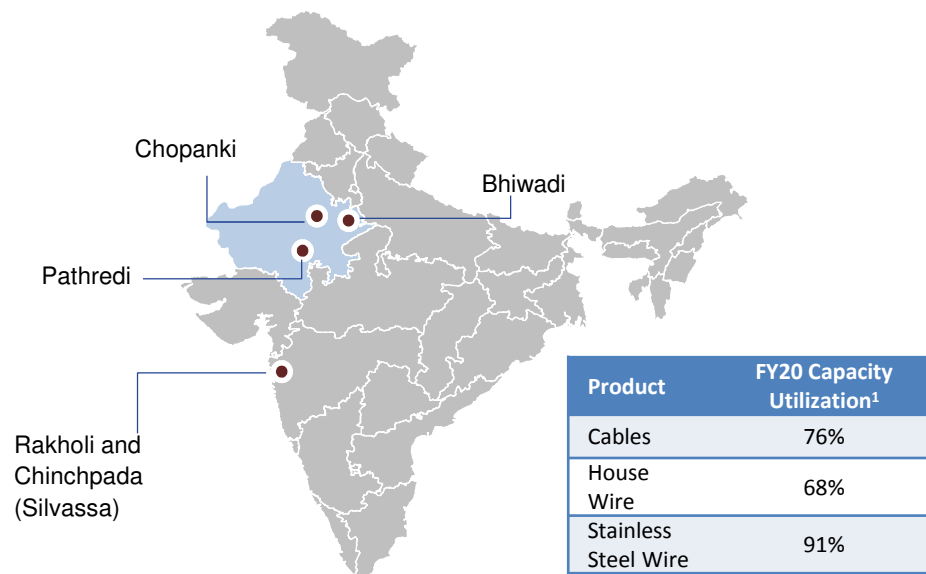
- KEI is diversified across products and industries
- Customer concentration is low with top 10 customers accounting for 23% of sales in FY20
- Diversification helps in de-risking

Note: 1 – Based on Standalone Financials

② Strategically located manufacturing facilities and Strong R&D capabilities



Plant Locations and Key Capacities



Plant Location	Start Date	Capacity (As of 31st March'20)
Bhiwadi	1996	<ul style="list-style-type: none"> Cable – 57,400 Kms House Wire – 190,000 Kms Stainless Steel Wire – 6,600 Kms
Rakholi	2002	<ul style="list-style-type: none"> Cable – 30,000 Kms House Wire – 627,000 Kms
Chopanki	2007	<ul style="list-style-type: none"> Cable – 7,600 Kms
Pathredi	2018	<ul style="list-style-type: none"> Cable – 22,600 Kms
Chinchpada	2019	<ul style="list-style-type: none"> House Wire – 3,00,000 Kms Cable- 7500 Kms

Products (as of 30 Sep'19)	Bhiwadi	Rakholi	Chopanki	Pathredi	Chinchpada
EHV	✓		✓		
HT Power Cable	✓		✓	✓	
LT Power Cable	✓	✓	✓	✓	
Control Cable	✓	✓	✓	✓	✓
Instrumentation Cable	✓			✓	
Rubber Cable	✓				
House Wire	✓	✓			✓
Stainless Steel Wire	✓				

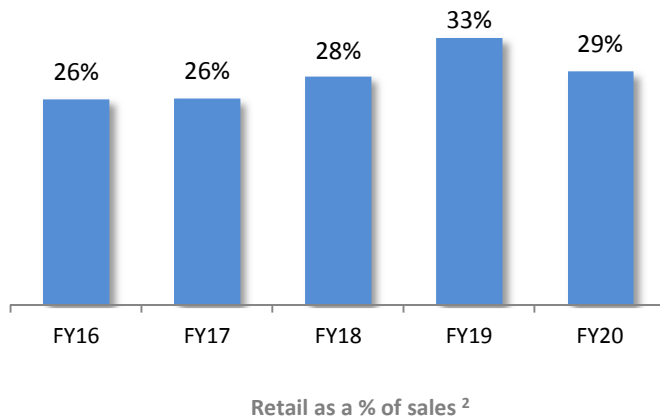
Strong R&D capabilities

- R&D facility with in-house lab accredited by NABL
- Customized solutions for customers
- Continuous focus on development of new products
- Niche product offerings
- Focus on developing specialty products

3 Strong presence in retail segment with a well entrenched distribution network



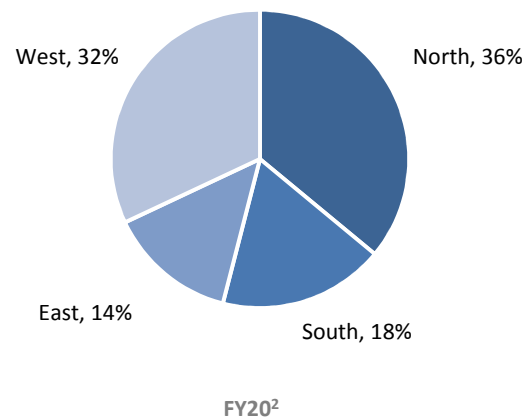
Increasing focus on retail...



...With strong distribution network...

	# of Dealers / Distributors ¹	# of Marketing Offices ¹
North	561	8
South	351	7
East	398	5
West	358	14

...Leading to Pan India retail sales



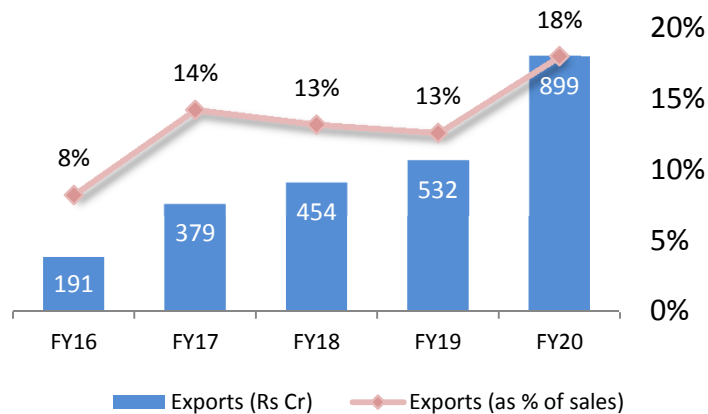
- Strong distribution network covering major metros and Tier 1 and 2 cities
- 22 depots across India
- 34 marketing offices across the country
- Company is focussing on marketing through various brand promotion activities via multiple communication channels

Note: 1- As of 31st March, 2020; 2- Based on Standalone Financials

Growing Exports Presence



Exports sales have increased over last 5 years



- Exports accounted for 18% of sales in FY20 Exports provide natural hedge on forex as the company also imports raw materials
- Strong order book for exports of Rs. 507 Cr as of 31st July, 2020.

Presence across over 45 countries with offices in 5 countries

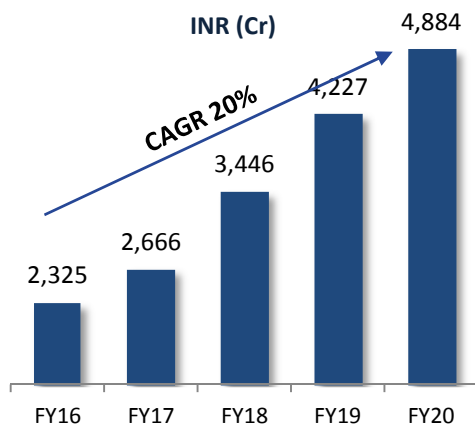


Note: Based on Standalone Financials

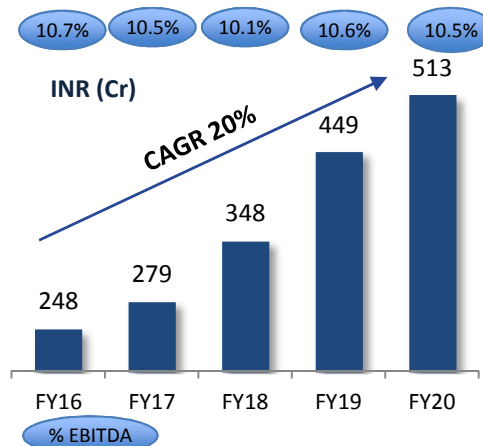
5 Strong Financial Performance



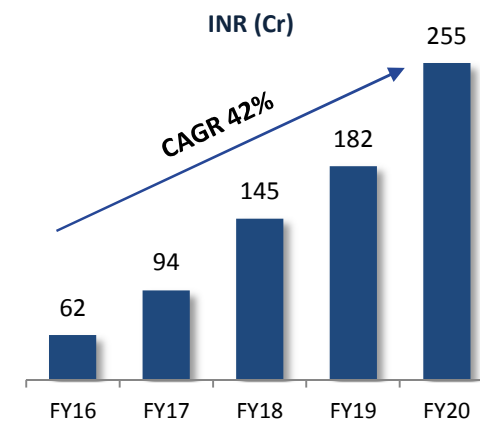
Robust Revenue Growth...



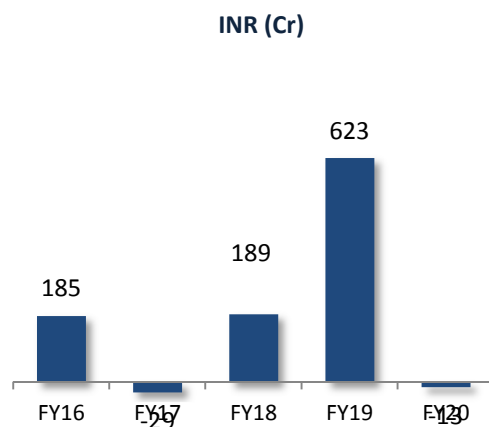
...with stable EBITDA Margins...



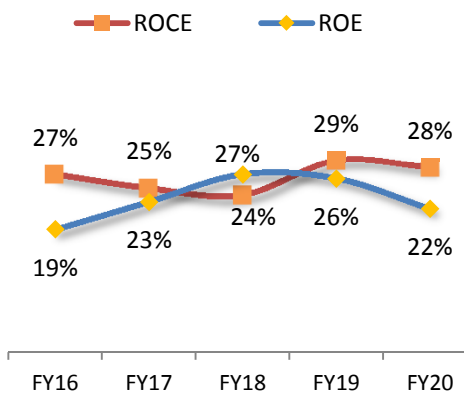
...and strong PAT Growth



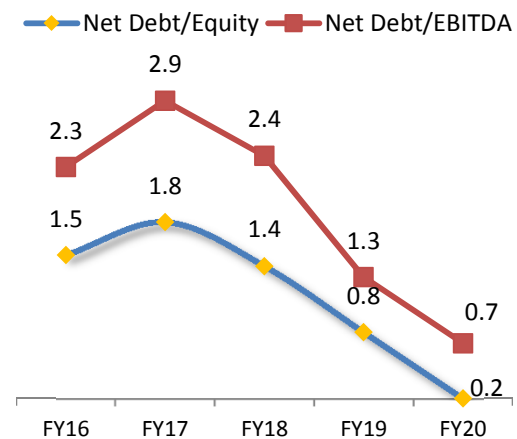
Cash Flow



Robust Return Ratios




Comfortable Debt Profile




Note: Standalone Financials

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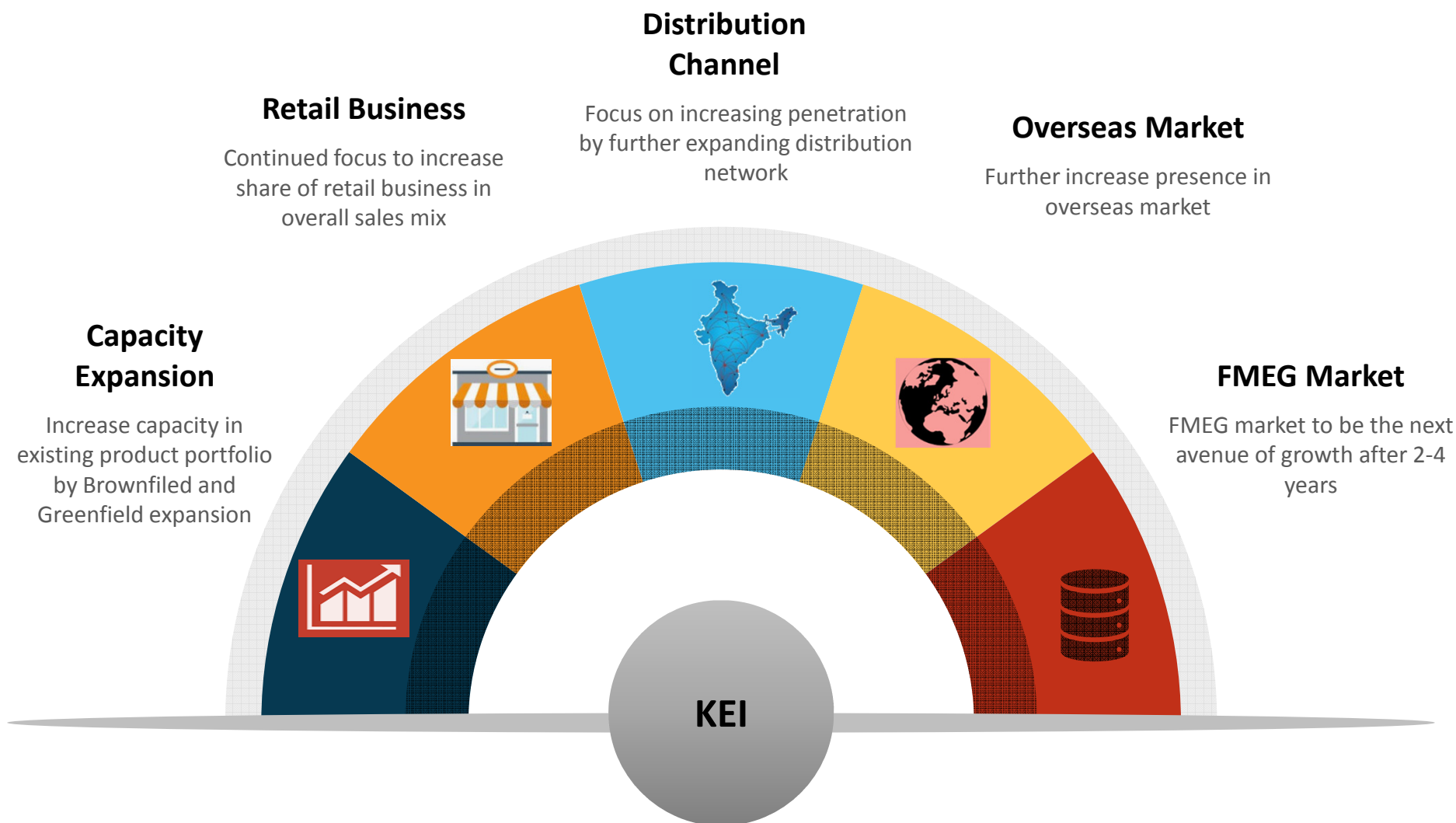
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Summary Financials (Standalone)



In Rs Cr	FY16	FY 17	FY 18	FY 19	FY 20
Net Sales	2,325	2,666	3,446	4,227	4,884
EBITDA	248	279	348	449	513
PBT	95	126	204	279	327
PAT	62	94	145	182	255
Net Fixed Assets	357	408	430	520	565
Net Worth	366	461	605	779	1507
Total Debt(Incl. Buyers Credit and Bill Discounting)	567	813	842	600	367
ROCE (%)	27	25	24	29	28
ROE (%)	19	23	27	26	22

Summary Financials (Standalone)



₹ in Crore

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	FY19	FY19	FY19	FY20	FY20	FY20	FY20	FY21
Net Revenue	997	1087	1259	1081	1230	1314	1259	745
PBDIT	102	119	141	119	127	144	123	81
PBT	63	76	90	71	77	97	82	50
PAT	41	48	60	46	76	72	61	36
EPS	5.27	6.14	7.6	5.85	9.65	9.10	7.03	4.05

Summary Financials (Product and segment wise)



₹ in Crore

Net Sales	FY 18	FY 19	FY 20	Q1	Q2	Q3	Q4	Q1
				FY20	FY20	FY20	FY20	FY21
Domestic	2022	2338	2623	613	651	657	701	386
Dealer	978	1400	1413	366	355	371	321	186
Export	454	531	899	112	235	300	252	183
Less: Ind AS	8	42	51	10	11	14	16	10
Total	3446	4227	4884	1081	1230	1314	1258	745
LT Cable	1426	1634	2041	404	512	533	592	342
HT Cable	498	712	673	156	171	212	134	89
EHV	168	189	435	78	95	135	127	88
HW,WW	564	819	852	219	220	223	190	132
SS Wire	116	137	137	31	33	33	40	21
EPC other Than Cable	654	730	764	195	201	182	186	78
Other net of Ind AS	20	6	-18	-2	-2	-4	-11	-5
Total	3446	4227	4227	1081	1230	1314	1258	745

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Key Financials

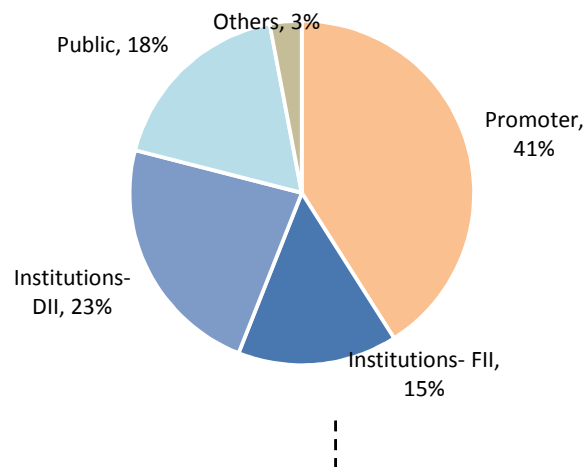


Appendix

Shareholding



Shareholding Pattern (as of 30 June, 2020)



Key Institutional Investors (as of 30 June 2020)

	% Holding
Franklin Templeton	5.34%
HDFC Asset Management	4.50%
DSP INDIA	3.83%
Masachusetts Institute of Technology	2.18%
Sundaram Asset Management	1.85%
Others	20.3%

www.kei-ind.com



Thank You

