



## KRANTI INDUSTRIES LIMITED

Date: August 15, 2024

To,  
The Manager,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400001

Scrip Code: 542459  
Scrip Symbol: KRANTI

**Subject: Submission of Investor Presentation to be made to Analysts/Investors**

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III Part A Para A and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant amendment thereto from time to time, please find enclosed herewith the “**Investor Presentation**” to be made to Analysts/Investors for the 1<sup>st</sup> Quarter ended June 30, 2024.

The aforementioned presentation has been uploaded on the Company Website:  
<https://krantiindustries.com/investors>

We request you to take the above information on record.

Thanking you.

For and On Behalf of the  
**KRANTI INDUSTRIES LIMITED**

**SHRADDHA NANDKUMAR PHULE**  
Company Secretary & Compliance Officer  
Membership No.: A67126

# Kranti Industries Limited



Investing “Ahead of Time”

a **revolution** in accuracy...  
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## Investor Presentation

BSE: 542459

Q1 FY25  
June 2024

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**Late Shri. Subhash K. Vora**  
**Founder**  
(1955-2011)

## Work Hard with Honesty & Commitment, Growth will follow...

Ethos of Kranti Industries, as articulated by our **late founder, Shri Subhash K. Vora**, is succinctly captured in his profound statement: '**Diligence, honesty, and commitment pave the path to growth.**' These words resonate deeply within our organization, shaping our journey towards excellence and serving as guiding principles in all our endeavors.

At Kranti Industries, we understand that our core strength lies in resilience, compelling us to invest our time and effort thoughtfully, unwaveringly dedicated to our goals. We hold honesty as the cornerstone of our character, fostering trust through transparency and integrity. Together, united by a collective commitment to overcome challenges and surpass limitations, we ensure that growth is not merely a goal but an inevitable outcome of our diligent efforts.

In honoring the legacy of Late Shri. Subhash Vora, we embrace his shared vision, "forging ahead with integrity, resilience, and an unwavering commitment to continuous progress."



**Mr. Sachin Subhash Vora,**  
Chairman & MD

**Commenting on the quarterly results, Mr. Sachin Subhash Vora, Promoter, Chairman & Managing Director of Kranti Industries Limited said,**

*"In the first quarter of FY25, we achieved substantial revenue with good Gross Profit and EBITDA margins, reflecting effective cost management and operational efficiency. However, this quarter's PAT showed a slight loss, primarily due to low revenue to absorb fixed costs like finance expenses, and elevated depreciation and amortization costs. The heightened depreciation, stemming from the merger and capital expenditures in previous quarters, also contributed to this outcome. We are actively working to control finance costs as we move forward.*

*Looking ahead, we remain optimistic about the company's future, supported by a growing order book that includes value-added products from EV and Baler Projects, which guide us in the right direction. Recently, we secured a purchase order from a new customer, Kalyani Technoforge Limited, expanding the electric vehicle sector. Our ongoing focus is on operational efficiency and cost optimization to enhance profitability and deliver consistent value to our stakeholders. I would like to thank our team and partners for their continued support as we work towards improving our financial performance and achieving sustained success."*



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## 01. Company Overview

- **About Kranti Industries Limited**
- **Manufacturing Plants**
- **Our Journey**

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## Kranti Industries Limited

### At a glance

KRANTI is a renowned company globally recognized for its exceptional precision machining capabilities. As an original equipment manufacturer (OEM) supplier, the company specialises in providing solutions for critical machined components to leading Automobile giants.



**40+**

Years of Experience

**05**

Manufacturing Facilities

**82 Cr**

Revenue FY24

**500k**

Machined parts  
Delivered

**78+**

Hi-Tech Machines

**5,600 Tons**

Machined Casting  
Delivered

**11.4%**

Revenue CAGR (5 Yrs)

**1.05x**

FY24 Debt Equity Ratio



KRANTI prioritises advanced Machinery to improve manufacturing capabilities and operational efficiency.

**Enhanced Manufacturing**

**Diversified Product Portfolio**

KRANTI serves OEMs from industries like passenger cars, two wheelers, tractors, construction machineries, electric cars, railways, light vehicles, off-highway vehicles, and heavy trucks, showcasing adaptability.

KRANTI's proactive investments in cutting-edge technology drive innovation, opening doors to new opportunities and excellence in overcoming challenges.

**Proactive Investments**

**Strategic OEM Partnerships**

KRANTI forms strategic partnerships with leading automotive OEMs, optimizing operations and fostering robust relationships for enhanced production and supply chain efficiency.



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**40+ years of Experience**

KRANTI has a rich history of over 40+ years in the manufacturing industry, indicating a strong foundation and expertise in its field.



Access to skilled engineers and technicians

Efficient supply chain management

Credibility and visibility within the industry

Machinery and Infrastructure: Advanced Equipment for Precision Manufacturing



PLANT 1



PLANT 2



PLANT 3

5-Axis Turn Mill Machining Centers

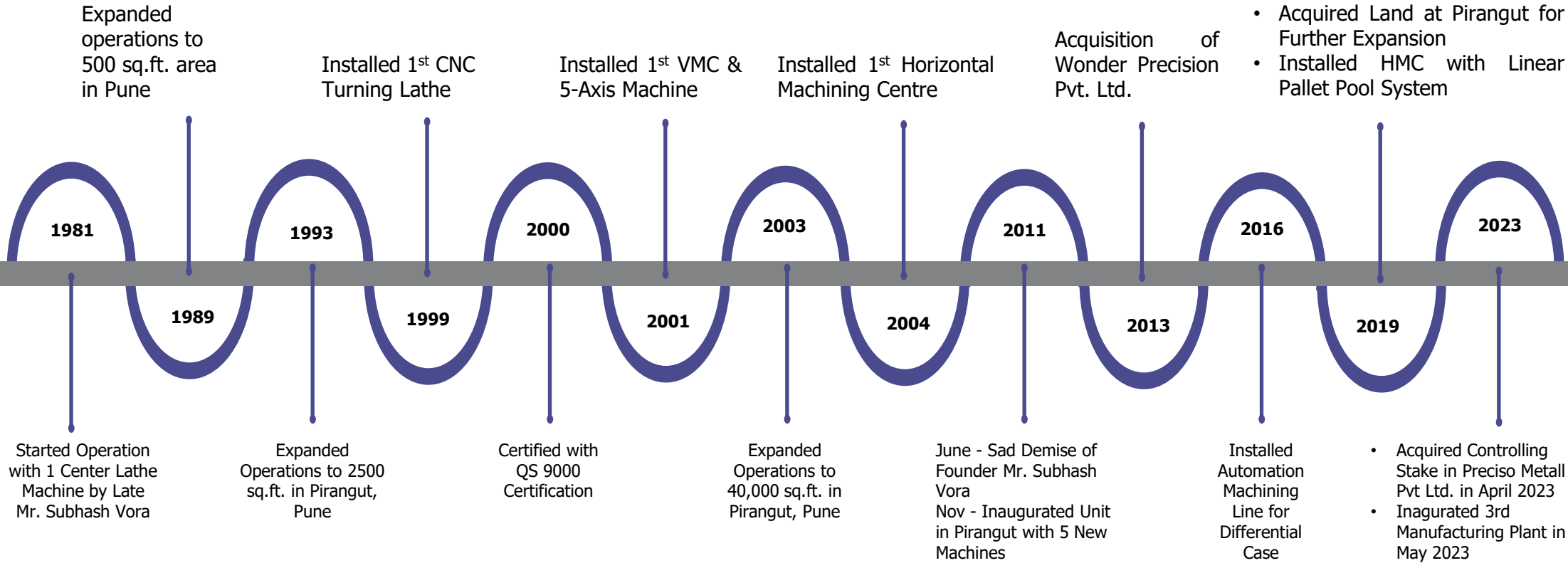
Vertical Machining Centers

CNC Turning Center

HMC with Linear Pallet Pool System

Co-Ordinate Measuring Machines

- Incorporated KRANTI SFCI Pvt Ltd, as a JV with RGK group and commenced operation at Rajkot
- Acquired Land at Pirangut for Further Expansion
- Installed HMC with Linear Pallet Pool System



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## 02. Financial Performance

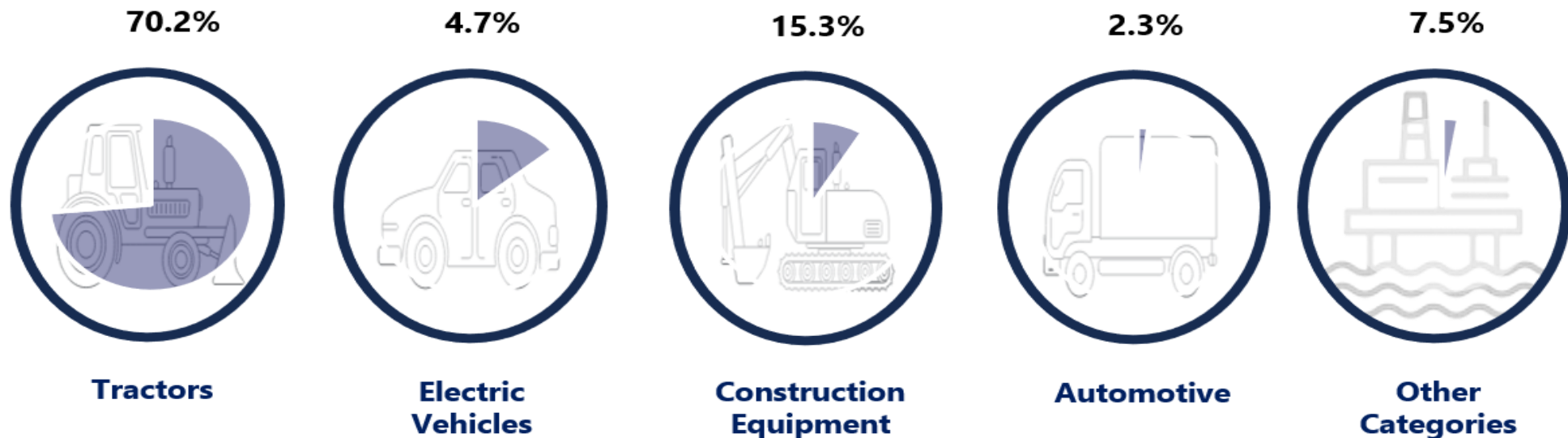
- **Q1 FY25 Financial Performance**
- **Historical Financials**

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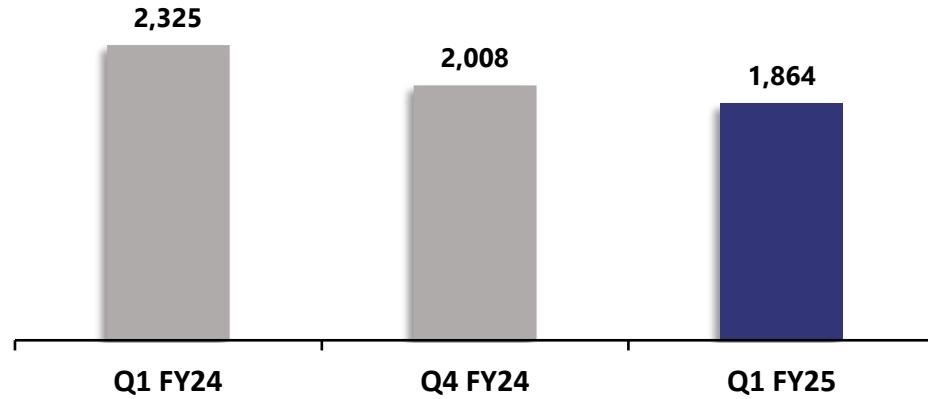


- ▶ In Q1 FY25, the company reported a standalone revenue of ₹1,864.1 lakhs, with a Gross Profit of ₹723.7 lakhs, achieving a Gross Profit Margin of 38.8%. EBITDA stood at ₹202.8 lakhs, reflecting a margin of 10.9% and a year-on-year increase of 54 basis points.
- ▶ In Q1 FY25, at the PAT level, we recorded a loss of ₹7.2 lakhs, primarily due to increased raw material costs, higher finance expenses, and elevated depreciation and amortization charges.
- ▶ Kranti Industries Limited has secured a purchase order from new customer Kalyani Technoforge Limited, marking a significant milestone in its expansion into the EV sector. This accomplishment further enhances the company's position in the rapidly growing EV market.
- ▶ The Company is also developing various components of Agri Implements (Baler Project) for its customers.
- ▶ Issue and allotment of 16,00,000 fully convertible warrants, each warrant entitling the holder to subscribe to one Equity Share (Face Value ₹10/-) at an issue price of ₹80/- per warrant, on a preferential basis to identified allottees, totalling ₹12.8 crore, subject to shareholders approval.

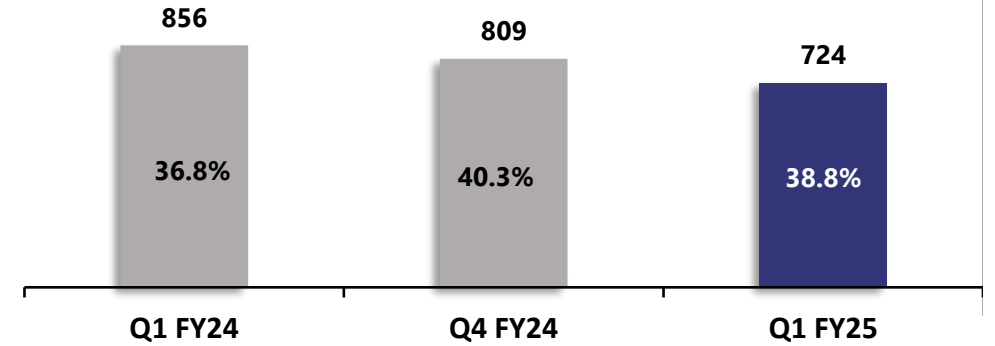
## Q1 FY25 Segmental Revenue Contribution:



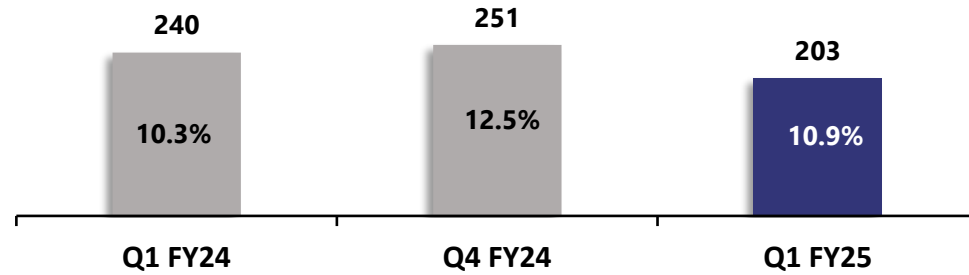
## Revenue



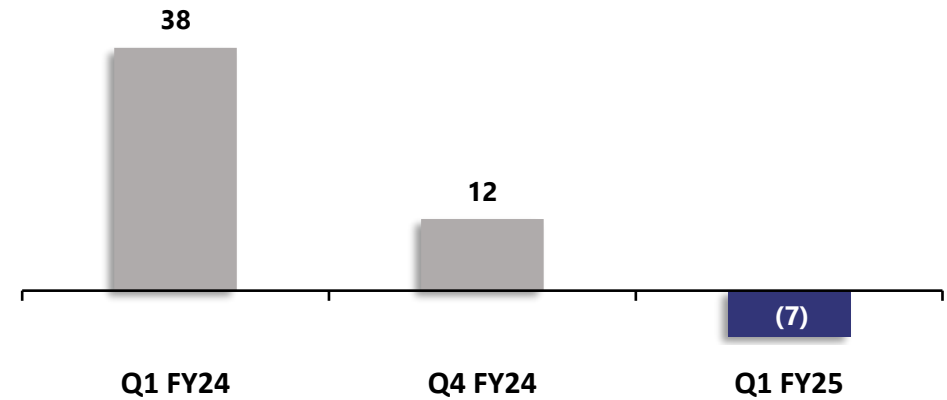
## Gross Profit & GP Margin(%)



## EBITDA & EBITDA Margin(%)



## PAT



## Purchase Order and Operational Update:

### ▶ Procurement of New Machinery:

- We procured two state-of-the-art Horizontal Machining Centers (MAH 600) from OKUMA, Japan. This investment will enhance our production capabilities and maintain our competitive edge in precision engineering. The machine is installed in Plant no. 3 and it will be functional by end of August'24 month.

### ▶ New Business Nominations from CNH Industrial (India) Private Limited:

- On 10<sup>th</sup> April 2024, we received a business nomination letter for the supply of machine parts, along with the tooling cost requirements from CNH Industrial (India) Private Limited.
- Subsequently, on 19<sup>th</sup> April 2024, we were honoured to receive another business nomination letter along with a purchase order for the supply of machine parts and the necessary tooling for Baler operations from CNH Industrial (India) Private Limited.
- On 23<sup>rd</sup> May 2024, we further received a business nomination letter accompanied by a purchase order for the development and supply of F28 Balancer Box from CNH Industrial (India) Private Limited.

### ▶ Expansion into the EV Sector:

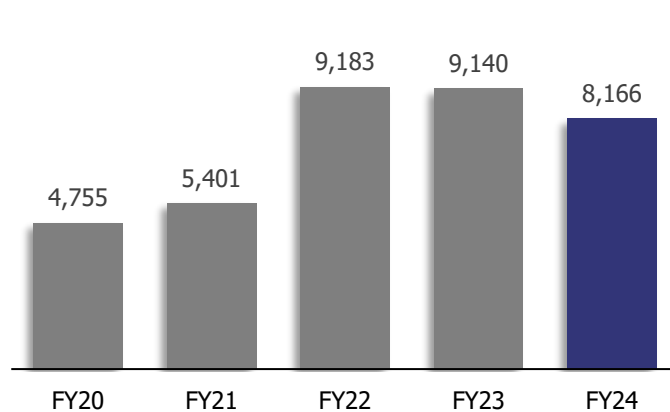
- On 30<sup>th</sup> July 2024, Kranti Industries Limited achieved another significant milestone by expanding our footprint in the electric vehicle sector through the acquisition of a new customer, Kalyani Technoforge Limited. This partnership marks a pivotal moment in our efforts to contribute to the growing EV industry.

**These milestones reaffirm our commitment to innovation, growth, and excellence in serving our valued customers.**

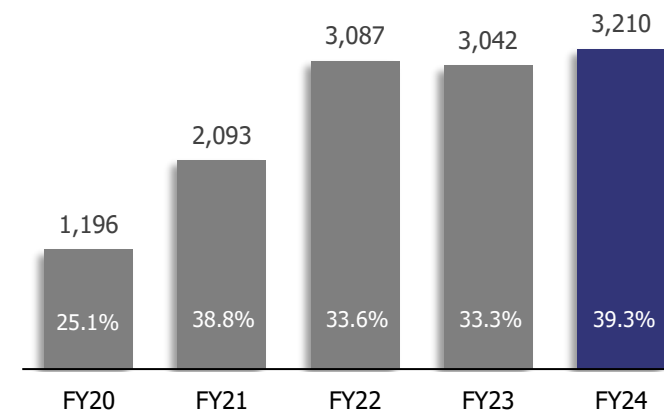


₹ in lakhs

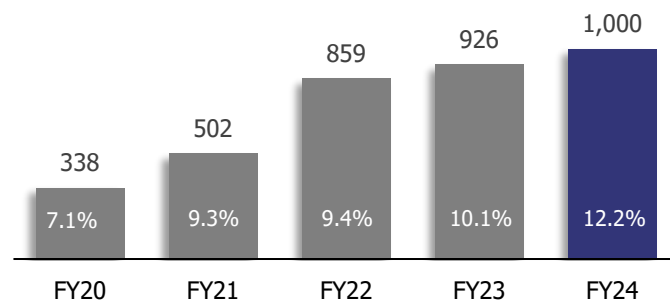
### Revenue



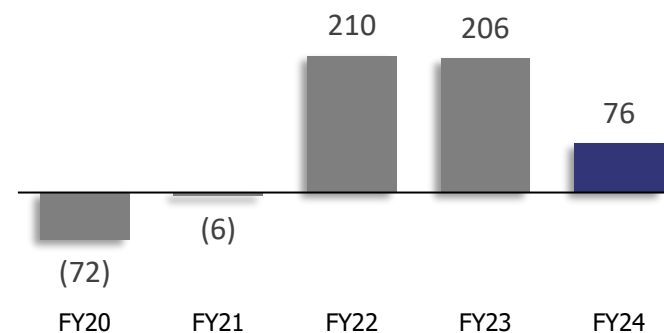
### Gross Profit & GP Margin(%)



### EBIDTA & EBIDTA Margin(%)

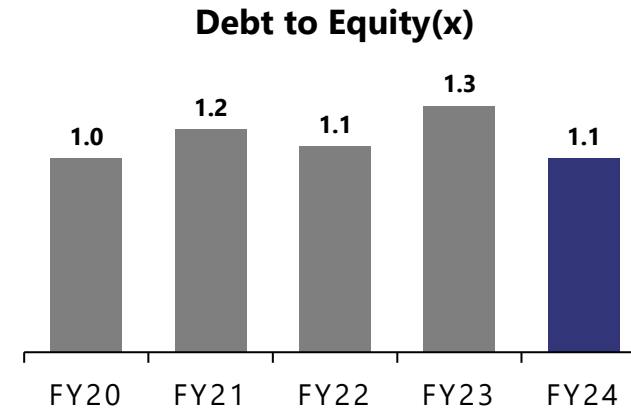
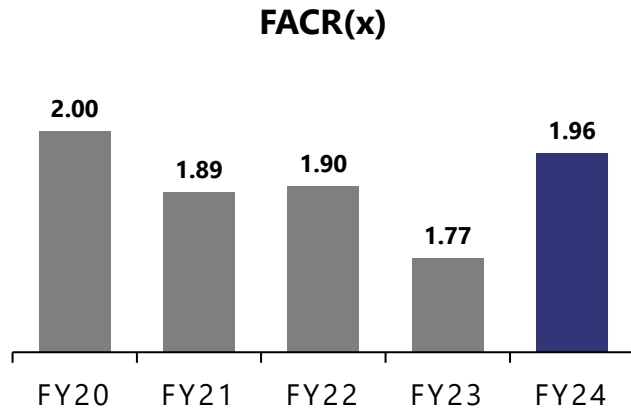
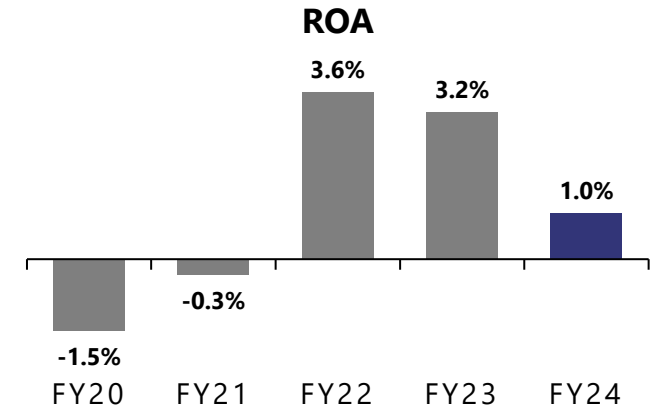
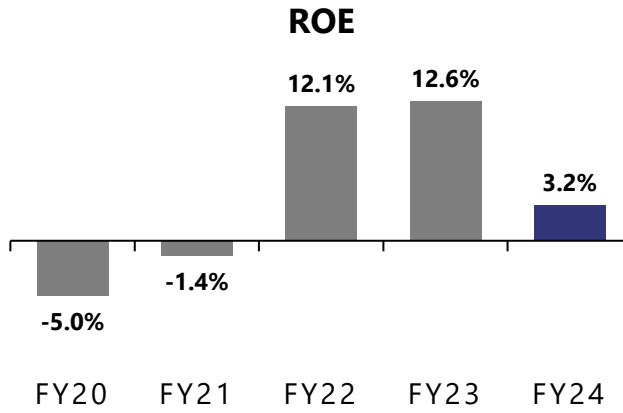
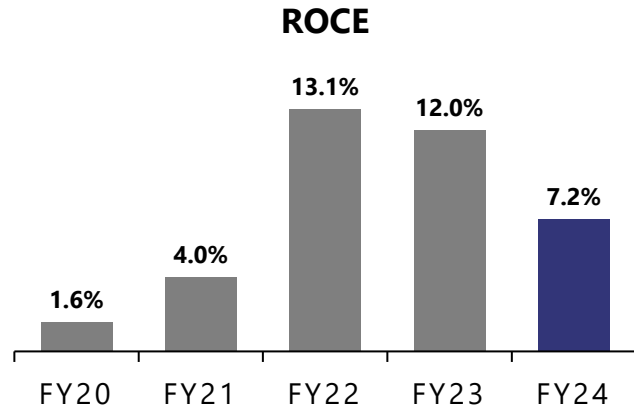


### PAT





₹ in lakhs



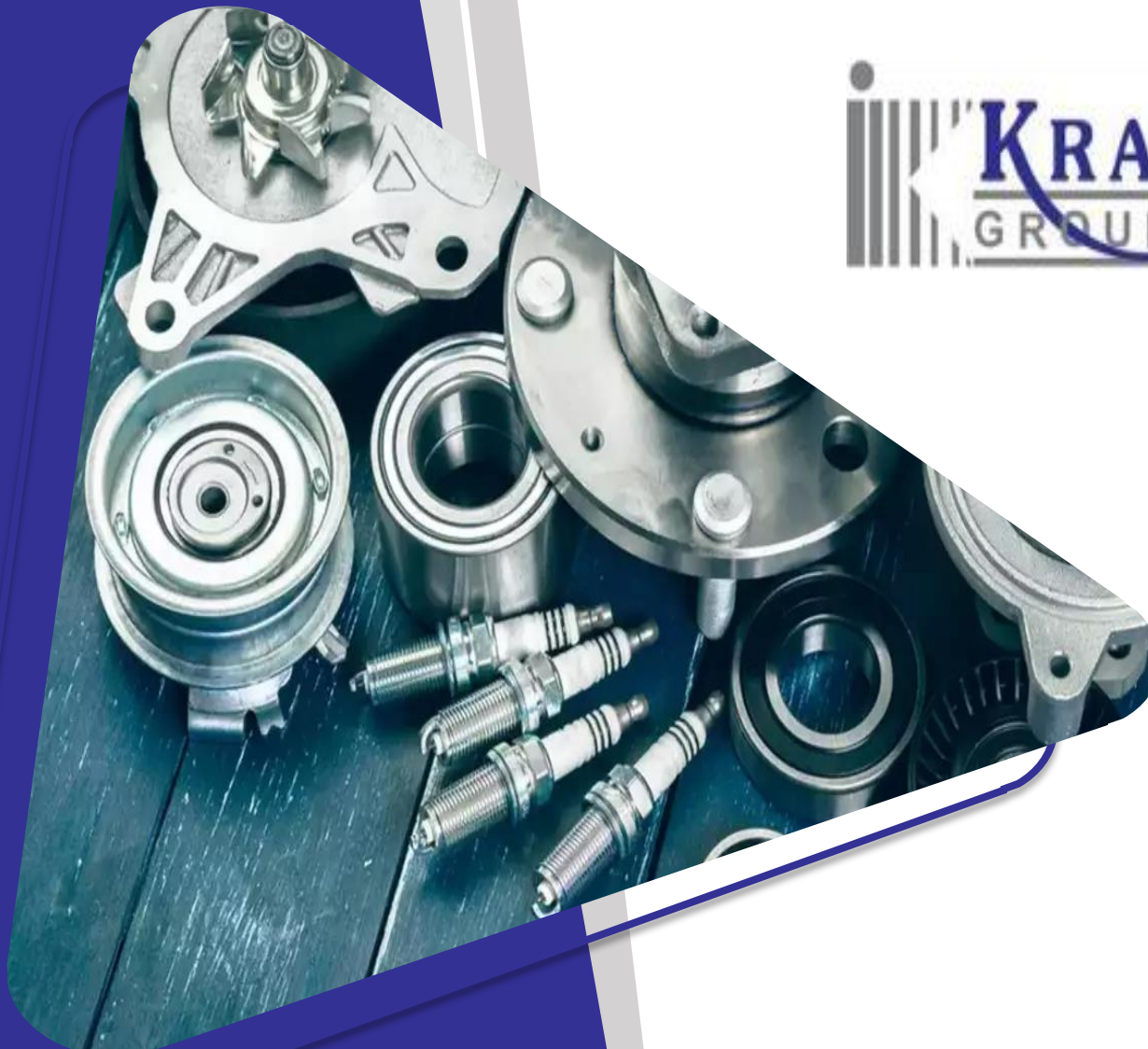
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### 03. Product Segments

- **Market Segments**
- **Our Product Segments**

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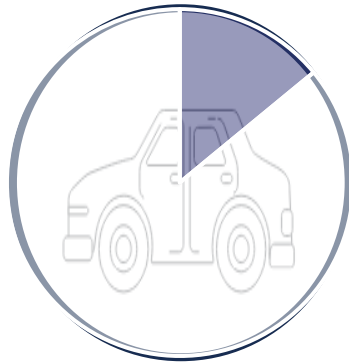
In FY24, Kranti Industries Limited excels in multiple market segments

**63.40%**



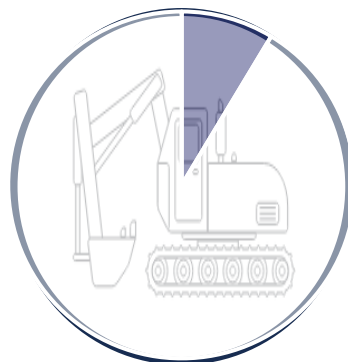
**Tractors**

**13.50%**



**Electric Vehicles**

**11.50%**



**Construction Equipment**

**1.90%**



**Automotive**

**9.70%**



**Other Categories**

Diverse market coverage solidifies Kranti Industries' position as a successful & versatile player in the industry



During the financial year 2023-24, Kranti Industries Limited manufactured components ranging from 100 MM to 1200 MM, demonstrating our versatility and ability to meet a wide range of specifications.

**33.78%**



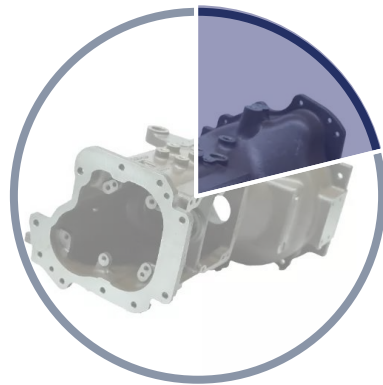
**Axle Parts**

**29.67%**



**Differential Housing Parts**

**21.35%**



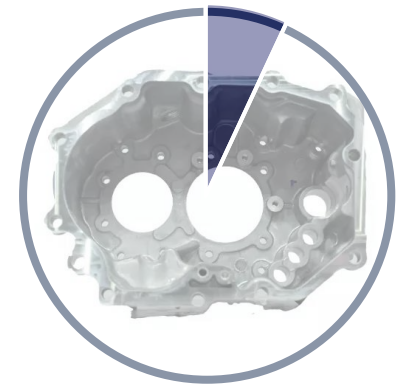
**Transmission Housing**

**1.95%**



**New Product Development**

**13.25%**



**Other Categories**



## Differential Housing



## Axle Components



## Transmission Components



## Automotive Components



## Other Components



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## 04. Growth Drivers

- **Growth Driving Factors**
- **Marquee Clients**

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## Auto Ancillary OEM Aspirations

- ❑ OEM aspiration numbers drawn from Automotive Mission Plan 2026 with Auto ancillary OEMs aim for massive growth, targeting \$180-200 billion by FY26.
- ❑ Exports reaching \$70-80 billion by FY26.
- ❑ Manufacturing GDP contribution doubling to 10% by FY26.

## Export Opportunities

- ❑ As per the Automobile Component Manufacturers Association (ACMA) forecast, auto component exports from India is expected to reach \$30 billion by 2026.
- ❑ The auto component industry is projected to record US\$ 200 billion in revenue by 2026
- ❑ The auto component industry will grow 20-23%.

## Policy Support

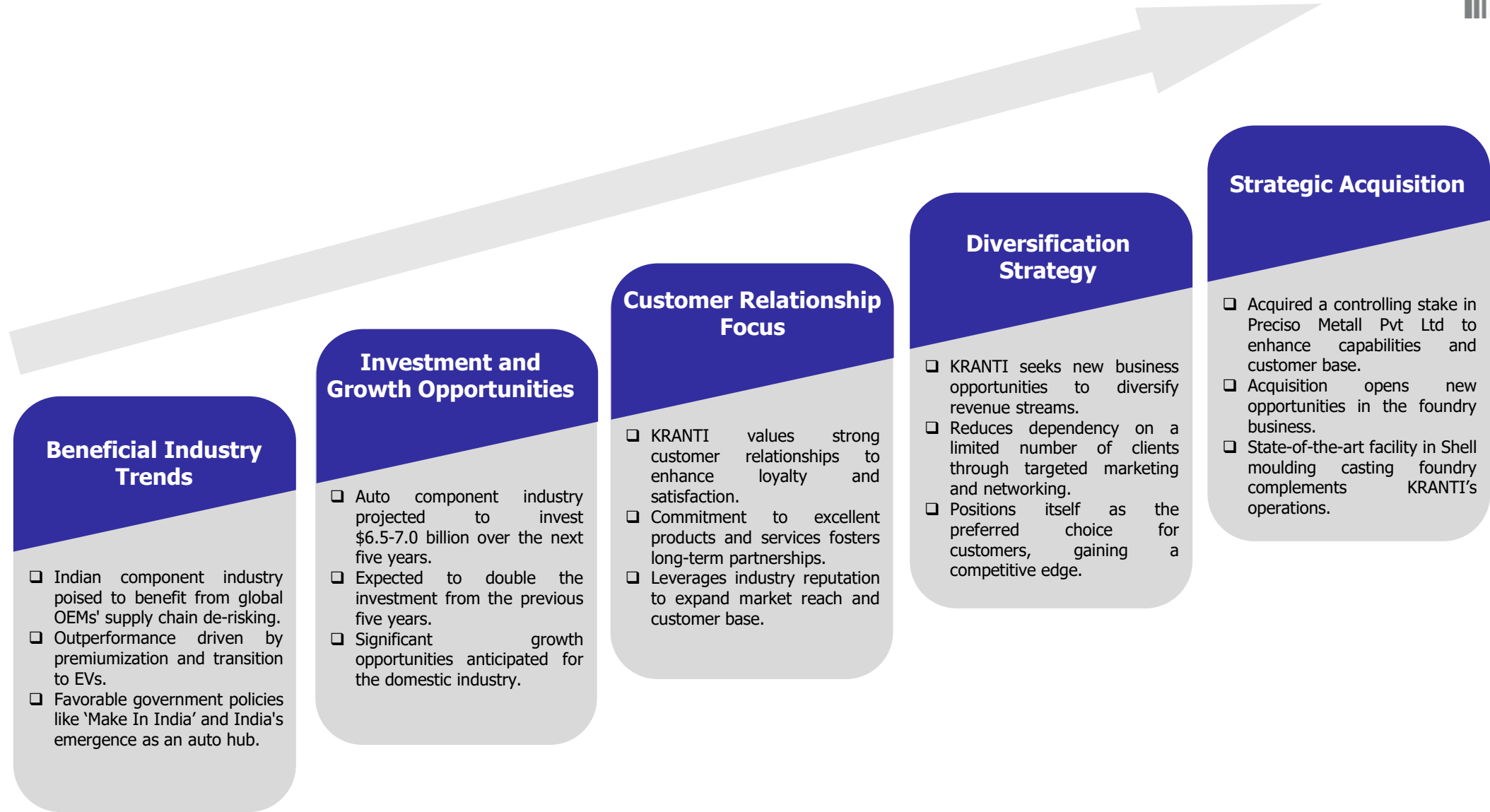
- ❑ 100% FDI is allowed under the automatic route for auto components sector.
- ❑ Production Linked Incentive (PLI) schemes on automobile and auto components are expected to bring a capex of ₹74,850 crore in the next 5 years.

## Cost Advantage

- ❑ With a cost-effective manufacturing base, costs are 10-25% lower compared to operations in Europe and Latin America.
- ❑ India, the world's second-largest steel producer, offers a cost advantage.









BHARAT GEARS LIMITED



Casting End-to-End Solutions



JOHN DEERE



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## 05. Management Team

- **Key Managerial Personnel**
- **Achievements**

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### **Mr. Sachin Subhash Vora**

*Promoter, Chairman & Managing Director*

- He has 20+ years of experience in the automobile components industry.
- He has completed his B.E. (Industrial Electronics) from University of Pune in the year 2002.
- He is responsible for the development and execution of the company's business strategies in order to attain the goals of the board and shareholders.



### **Mr. Sumit Subhash Vora**

*Promoter and Whole Time Director*

- He has 20+ years of experience in the automobile components industry.
- He completed his Diploma in Mechanical Engineering from Maharashtra State Board of Technical Education in the year 2002.
- He is specialized in leading teams for continuous improvement in each function/department leading to the increase in profitability of the business.





ACMA Winner for Excellence in Digitalization under Turnover Category - Medium - BY ACMA Excellence Awards & 9th Technology Summit 2024



Best Employer By World HRD Congress (2021)



Recognised by Asian Leadership Awards & Middle East Leadership Awards 2023 under the following categories:  
a) Smart Factory b) Best in class operational excellence  
c) Auto components business leader of the year.



Certified by Leaders Globe The most Renowned Brands (2020)



The Machinist Super Shopfloor Awards 2022 Excellence in Digital Manufacturing-SME Category



Insights success The Most Admirable Business In Pune (2019)



Manufacturing Excellence Award 2022 by Global Edition of Asia Business Leadership Awards 2022



Performance Appreciation Award - By Oerlikon (2018)



Machinist Super Shopfloor SME Winner By Times Group (2021)



Begin up Excellence Awards Best Company of the Year (2018)



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## 06. Annexure

- **Standalone Profit & Loss Statement**

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| Parameters<br>(₹ in lakhs) | Quarterly      |                |                  |                |                | Yearly         |
|----------------------------|----------------|----------------|------------------|----------------|----------------|----------------|
|                            | Q1 FY25        | Q4 FY24        | QoQ              | Q1 FY24        | YoY            | FY24           |
| <b>Total Income</b>        | <b>1,875.6</b> | <b>2,020.9</b> | <b>(7.2)%</b>    | <b>2,342.0</b> | <b>(19.9)%</b> | <b>8,188.7</b> |
| Cost of Material Consumed  | 1,234.9        | 1,285.3        |                  | 1,525.2        |                | 4,866.0        |
| Employee benefit expenses  | 292.5          | 309.8          |                  | 315.2          |                | 1,205.0        |
| Other Expenses             | 228.4          | 247.6          |                  | 300.4          |                | 1,005.0        |
| Inc./Dec. in Inventory     | (94.5)         | (86.3)         |                  | (56.0)         |                | 90.5           |
| Other Income               | 11.5           | 13.2           |                  | 16.8           |                | 22.6           |
| <b>EBIDTA*</b>             | <b>202.8</b>   | <b>251.4</b>   | <b>(19.3)%</b>   | <b>240.4</b>   | <b>(15.6)%</b> | <b>999.7</b>   |
| <b>EBIDTA Margin*</b>      | <b>10.9%</b>   | <b>12.5%</b>   | <b>(164) bps</b> | <b>10.3%</b>   | <b>54 bps</b>  | <b>12.2%</b>   |
| Depreciation               | 143.3          | 175.3          |                  | 129.8          |                | 612.7          |
| Finance Cost               | 82.4           | 79.3           |                  | 73.6           |                | 303.6          |
| <b>PBT</b>                 | <b>(11.4)</b>  | <b>10.0</b>    | <b>-</b>         | <b>53.8</b>    | <b>-</b>       | <b>105.9</b>   |
| Tax                        | (4.2)          | (1.7)          |                  | 16.1           |                | 29.8           |
| <b>PAT</b>                 | <b>(7.2)</b>   | <b>11.7</b>    | <b>-</b>         | <b>37.7</b>    | <b>-</b>       | <b>76.1</b>    |
| <b>PAT Margin</b>          | <b>-</b>       | <b>0.6%</b>    | <b>-</b>         | <b>1.6%</b>    | <b>-</b>       | <b>0.9%</b>    |

\* Excludes Other Income



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# Thank You!

**Kranti Industries Limited:**

**Mr. Sachin Subhash Vora**

*Chairman & Managing Director*

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**W:** [www.krantiindustries.com](http://www.krantiindustries.com)

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