



Ref:Sec/Sto/2017/10/06
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001

November 9, 2017

Dear Sirs,

Subject : Copy of Managing Director's Presentation – 52nd Annual General Meeting
Disclosure under Regulation 30 read with Para A of Part A of Schedule III of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015
Ref: [Scrip Code: 505890] - Kennametal India Limited

Please find enclosed herewith the presentation made by Managing Director at the 52nd Annual General Meeting held on November 07, 2017 at the Registered Office of the Company.

Kindly take the same on record and oblige.

Thanking You,

Yours faithfully,

For **Kennametal India Limited**


Thulsidass T V
Company Secretary & Compliance Officer

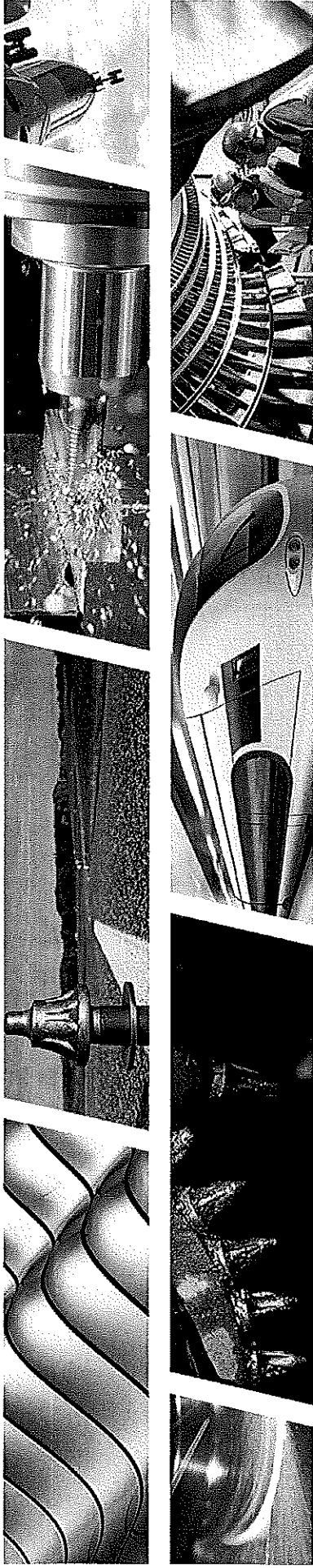


Encl: as above



52nd AGM Kennametal India Limited Bangalore

November 07, 2107



Content

- FY 17 Review
- Outlook

An overview of our business of last year and the outlook



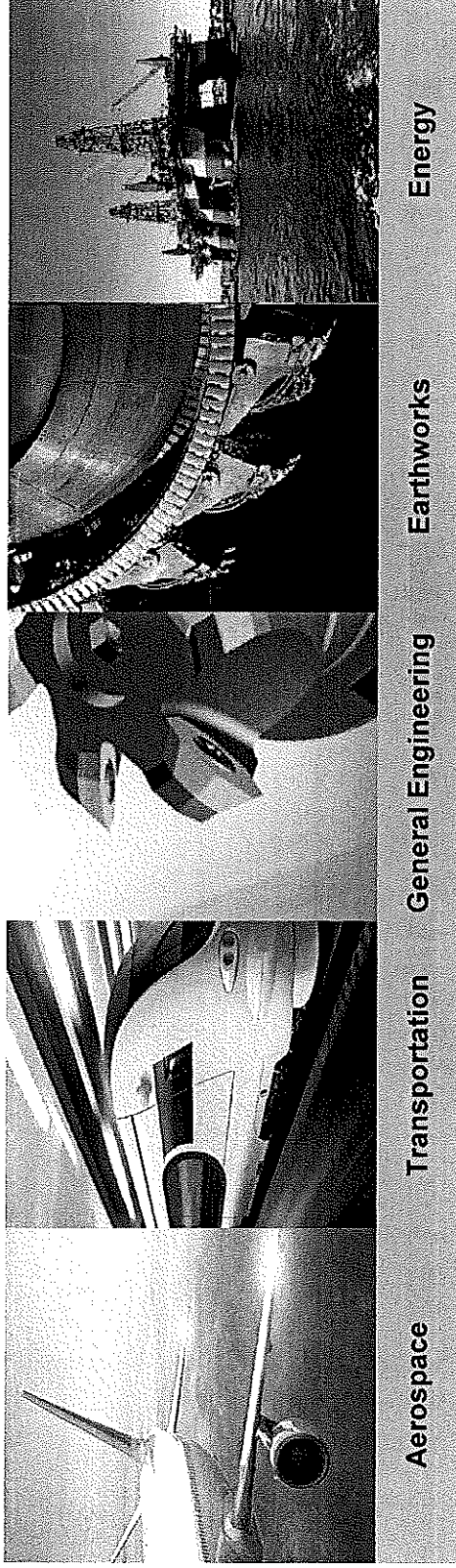
Disclaimer

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events and involves known and unknown risks, uncertainties and other factors. Kennametal India Limited (The "Company") cannot guarantee that these assumptions and expectations are accurate or exhaustive or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. No obligation is assumed by the Company to update the forward-looking statements contained herein.

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Global leader in tooling & wear resistant solutions



Kennametal delivers productivity to customers seeking peak performance, by providing innovative wear-resistant solutions, knowledge, and commitment to a sustainable environment.



At a glance

11,000
EMPLOYEES

\$2.1 BILLION
IN REVENUES

80,000
CUSTOMERS

>60
COUNTRIES

1,500
ACTIVE PATENTS

World headquarters:
Pittsburgh, PA, USA

India headquarters:
Bangalore, India



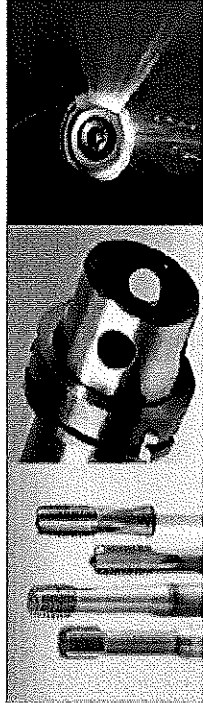
EMEA headquarters:
Neuhausen a. Rheinfall,
Switzerland

**Asia-Pacific
headquarters:**
Singapore, Singapore

Your Company's Hardmetal Business

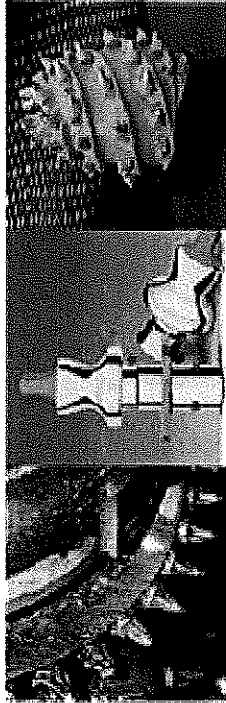
INDUSTRIAL

Kennametal Tooling and Metalworking Services



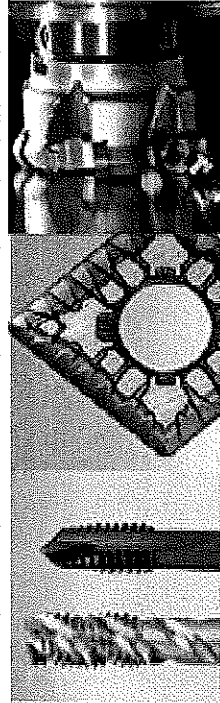
INFRASTRUCTURE

Engineered Products, Precision Surface Management and Life Extension Solutions



WIDIA

WIDIA Products Group



Specific to India : Machining Solutions Group



WIDMA

Machining Solutions Group

FY 17 Review : Economic Environment

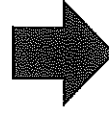
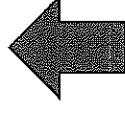
- **Government Reform Initiatives**
 - Demonetization
 - Regulatory as well as Emission Norms Change in Compliance guidelines impacting Auto
 - Positive impact from Govt s Policies on several New Initiatives
 - GST introduction – preparatory work
- **Business Confidence**
 - Cautiously optimistic with FEW BIG time policy initiatives causing disruptions
- **Exchange rate**
 - Rupee stable at around 65 level
- **Input Cost**
 - Raw material showed bit of rising trend. Input costs on Energy, employment etc., continued to go up.
- **Competition**
 - Quite intense. Couple of new Asian & European brands took entry into the country.

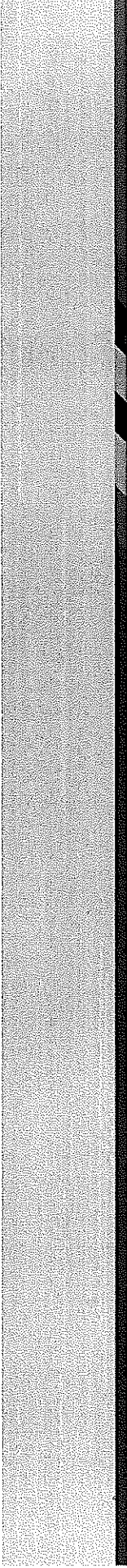
Challenging market situation



Served Markets Impacting our Business

- Automotive production
 - In specific 2W, PV, LCV
- MHCV
- Tractors production
- Steel Production
- Aerospace, Defense & Railways
- Capital Investments in Manufacturing including Greenfield facilities
- Oil & Gas, Energy & Mining





Financial Performance

Highlights of the year FY 17

Increased Revenues.....	+ 13.7%
Increased Bottom line.....	+ 16.5%
Increased Operational Cash Flow	+ 121 %

Invested Rs 50 crore in the Manufacturing to modernize, add capacity as well as capability upgrades.

We continue to manage without any External Borrowings to meet our Funds requirement.

Initiatives taken to reduce costs.

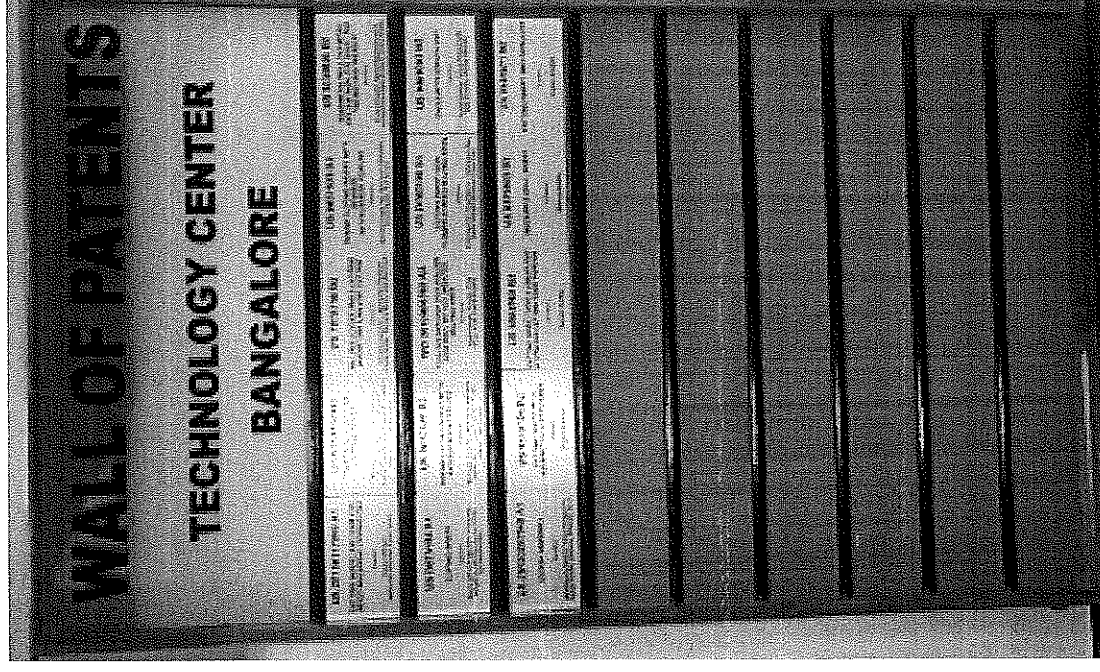
- Rationalization of headcount
- Rationalization of Admin costs.

Patent Display at our R&D

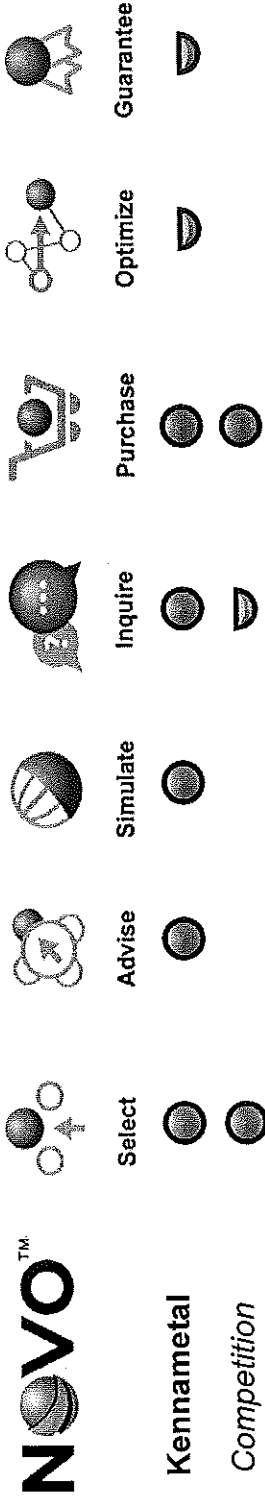
- As history always recommended & taught us, if we can, to patent or protect whatever is our idea, is one of the costliest asset to the company.

PATENTED

- This wall of patents is all granted patents which has at least one Indian inventor. This encourages every individual to contribute & rock the future even after their retirement.



Digital Customer



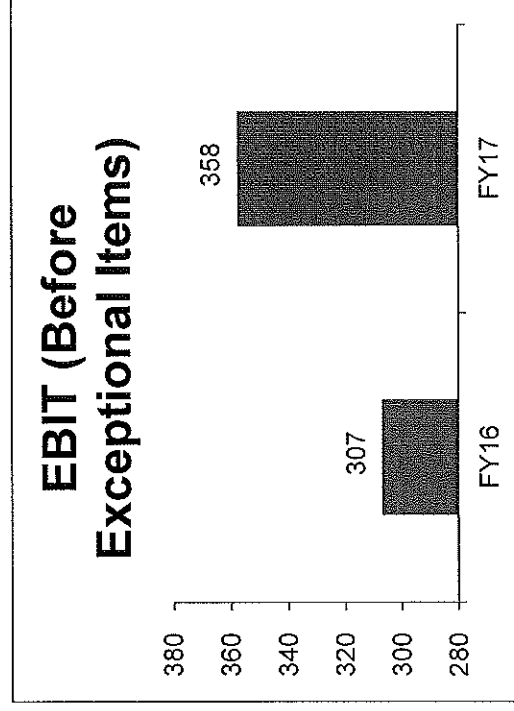
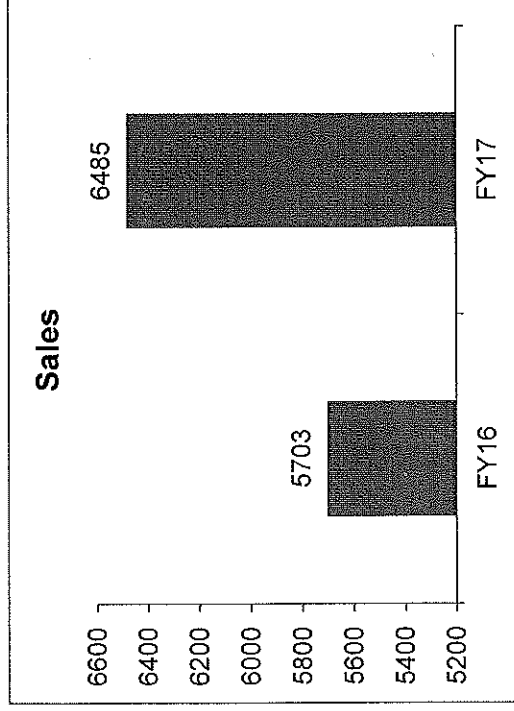
- From “art to part,” delivers the Connected Customer
- Provides a virtual Application Engineer on demand; 24/7 service level, “always on”
- Goes where the customer wants us to be, customer chooses the channel

Registered Users	18,000+
Assemblies Built	350,000+

- Customers increased cross-portfolio purchases by 18%
- Customers grew sales 16% more than non-NOVO customers

Delivering productivity “art to part”

Key Performance Indicators – FY17

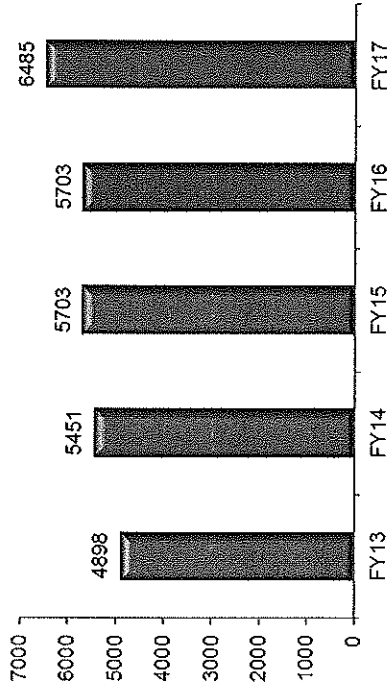


(₹. In Million)

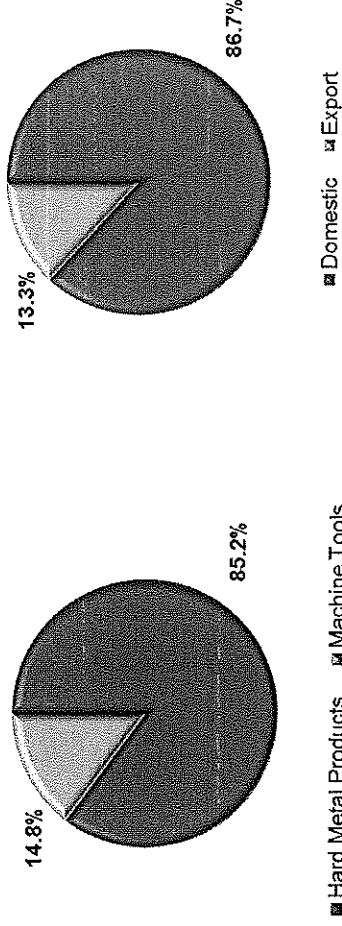
	FY16	FY17
Sales	5703	6485
EBIT (Before exceptional items)	307	358

Financial Results & Trends

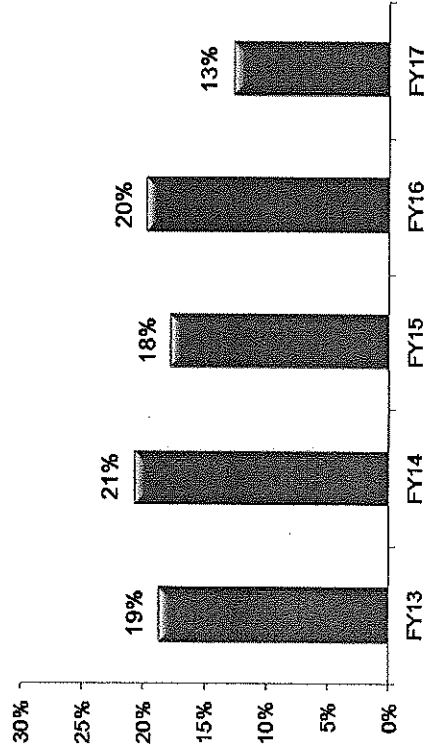
Sales (₹ Mn)



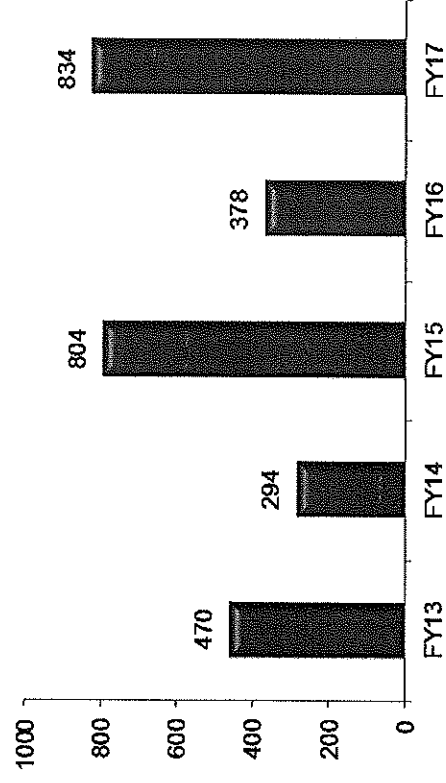
Revenue Break-up – FY17



Working Capital % to Sales



Operating Cash Flow (₹ Mn)



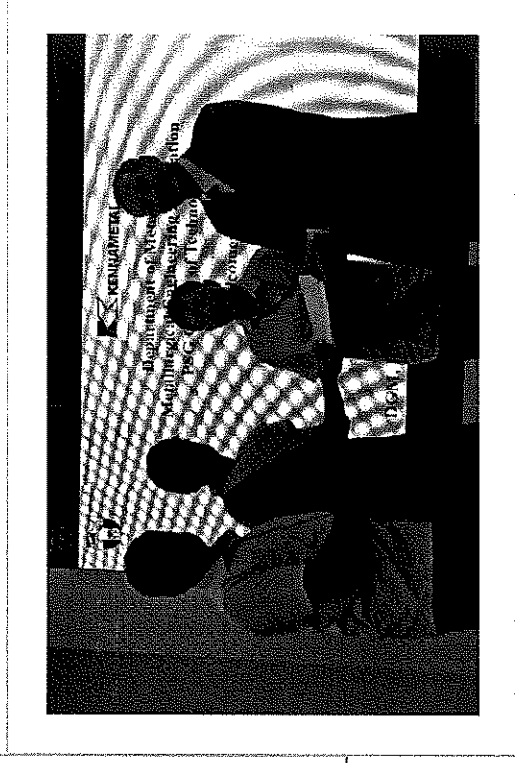
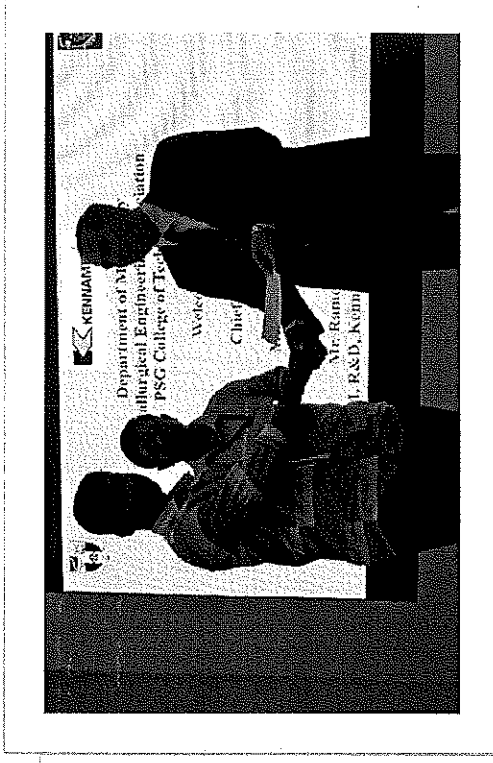
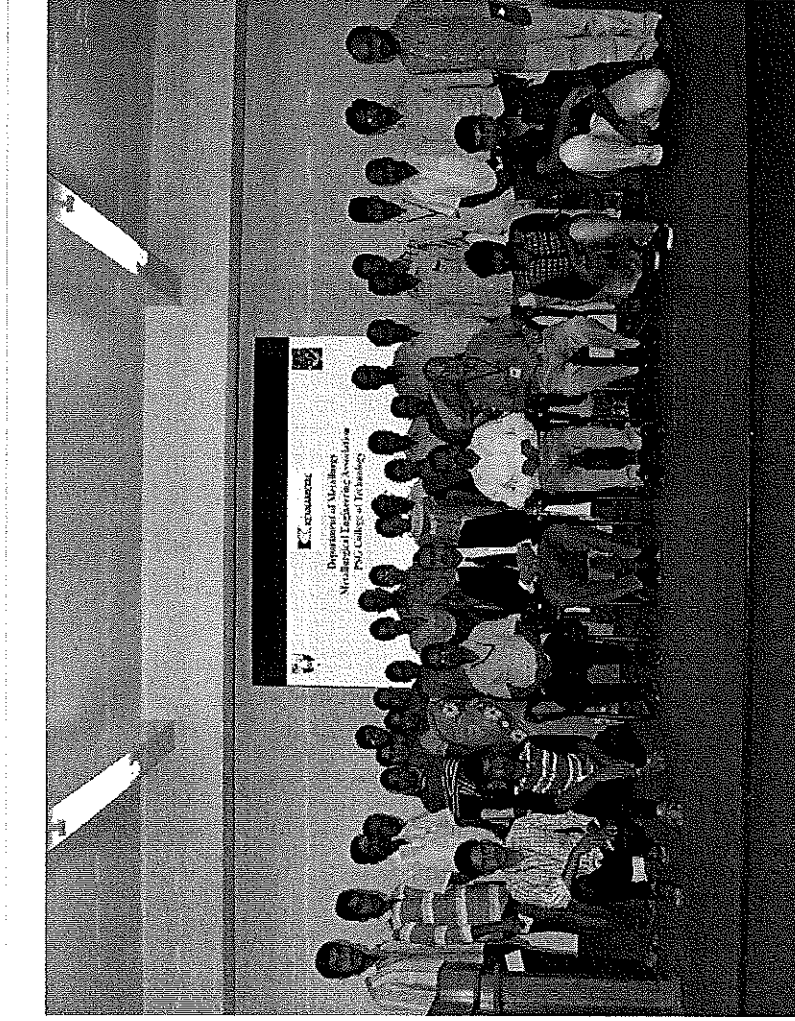
Corporate Social Responsibility

Rs.66.95 lacs worth contribution to the ongoing initiatives in the areas of :

- Promotion of Tech Education
- Protect our Planet
- Kennametal In the Community

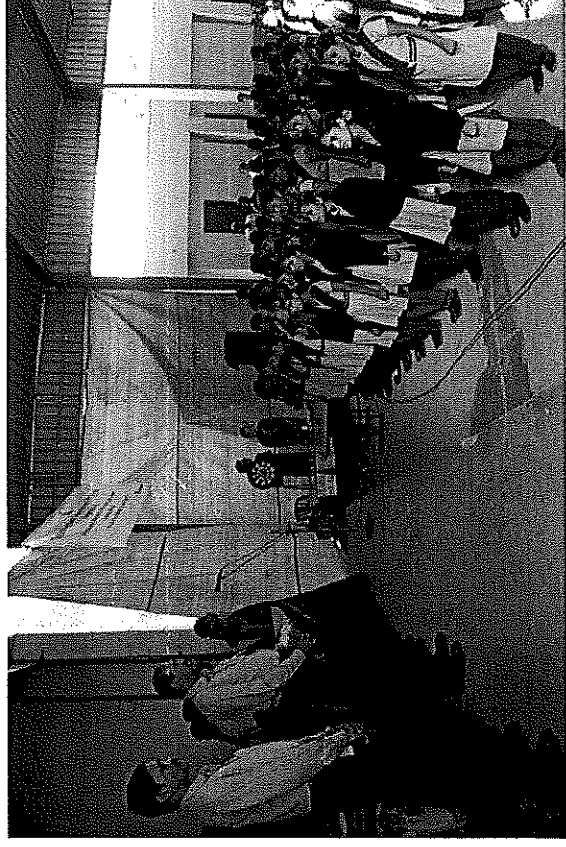
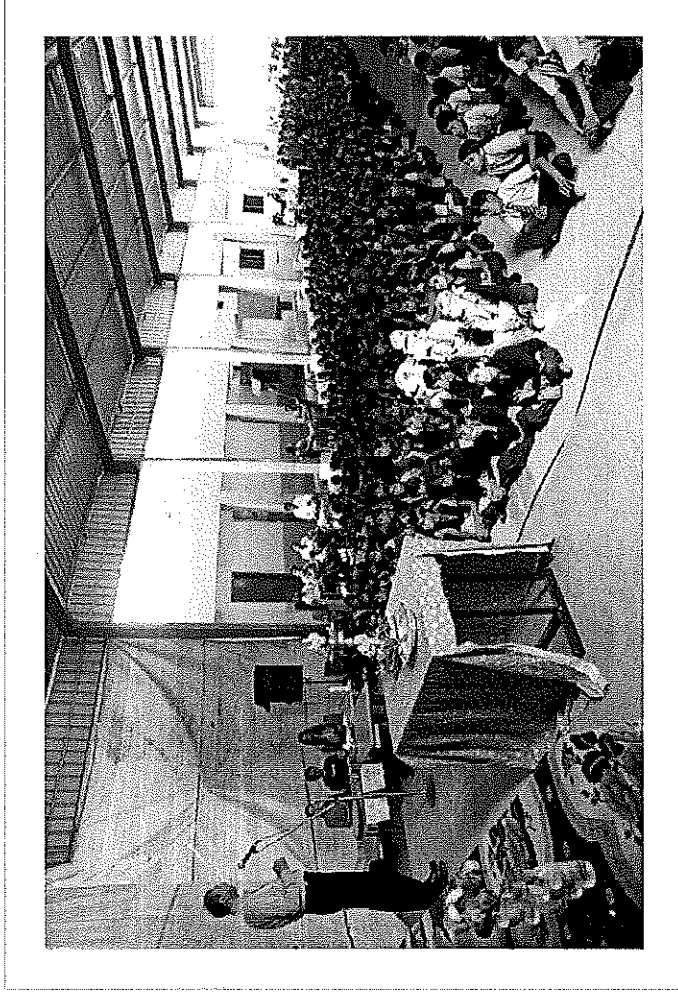
'Promotion of Tech Education' – Scholarship support to PSG College of Technology

Supported scholarship for economically backward students at PSG College of Technology - Rs.5,13,000/- was given as scholarship amount for 19 economically backward students to support their education.



'Protect our Planet' Program at Govt School, Bagalagunte (adjacent KIL)

'Protect our Planet' program at Govt School, Bagalagunte - Preliminary Interschool competitions on Essay writing, Debate, Speech, Colouring etc.were conducted in various schools on topics related to 'Protect our Planet'. The winners from various schools participated in the final competitions which were held at the Govt High School, Bagalakunte, adjacent KIL and prizes were distributed by KIL CSR Team.



'Kennametal - In the Community' program at Sparsha Nisarga Grama

'Kennametal - In the Community program' - Donated Mini School Bus for transporting the underprivileged children of Nisarga Grama (Sparsha Trust) to nearby schools/colleges.

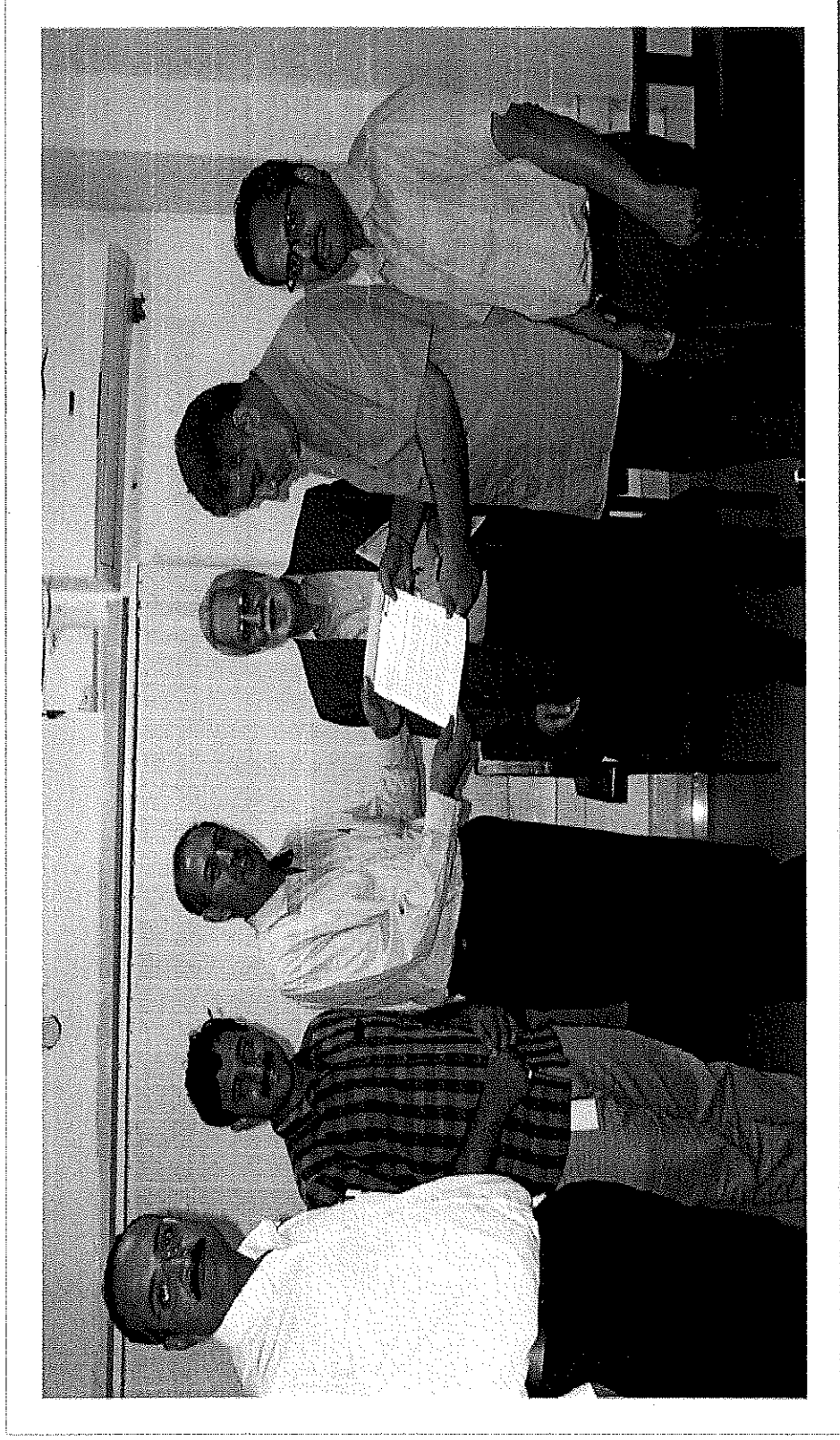


'Kennametal - In the Community' program – Ambulance sponsored to Raghavendra People Tree Hospital, Dasarahalli



'Kennametal - In the Community' program at Enable India

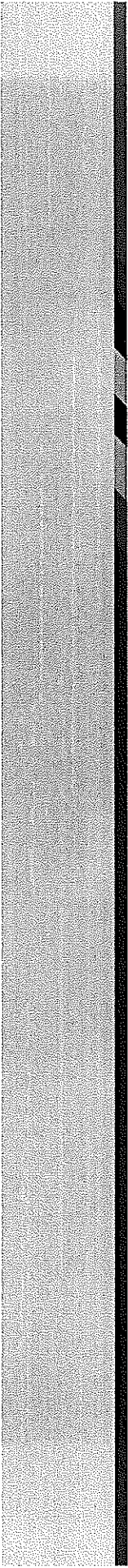
'Kennametal - In the Community program' - Visit to Enable India (An Organization which empowers people with disabilities) to handover cheque of Rs.6,00,000/- for post training internship of 20 candidates with disability.



'Kennametal - In the Community program' at Prerana Resource Centre – A Home for physically challenged women

Visit to M/s. Prerana Resources, Home for physically challenged women at Goraguntepalya & handed over cheque of Rs.3,60,000/- for providing food for the inmates.





Going Forward

Economic Outlook FY18

- Policy Changes & reform Initiatives from the Govt. Expected to stay the Reforms course
- Raw material rising price trend
- Enhanced focus on Manufacturing Make in India initiative – Defense & Railways new opportunities
- Liquidity crunch, stressed balance sheets & NPA of banks
- Good monsoon (surplus demand); GDP forecast is 6.7 to 7% for FY17-18**
- Rising costs. Intense & growing competition & Pricing challenges

** (Sources : - CRISIL Research India Economy Forecast
- International Monetary Fund
- World Bank projection)

Actions to grow Topline

- Stay focused on Core business & drive growth
- Enhance market reach & invest in building Distribution channel partner capability
- Diversify end markets : Aero, Defense, Railways added focus
- Accelerate growth of Eco grind machine exports to China
- Focus on Hardmetals Export

Our Continued Focus to secure the Bottom line

- Operational Excellence Initiatives focused around productivity improvement
- Energy cost savings through Solar Power
- Efficient procurement of raw material
- Continue with the Cost reduction initiatives

With the growth on sales, our leverage for profitability significantly improves



Management Team

Stable and experienced Senior Management Team with around 20 years plus of industry experience.

- BC Rao, MD
- Suresh Reddy, CFO
- T.V. Thulsidass, Legal Counsel & Company Secretary
- Chandrashekar Sharma, Industrial Business Head
- Prashant Shetty, WIDIA Business Head
- M.T.Swamy, Infrastructure Business Head
- M.N.Bhaskara Rao, Manufacturing Head
- Manu Kidave – HR Head.

Thank You

