



# Kriti Industries (India) Limited

## COMPANY BACKGROUND.....

- Kriti Industries (India) Ltd. (KIIL) was incorporated in 1990 and got listed on BSE in 1994.
- The company is headquartered out of Indore, Madhya Pradesh, and the manufacturing facility is located at Pithampur, Madhya Pradesh.
- It manufactures premium quality piping products and solutions, accessories, gas pipes, telecom ducts, submersible pipes and casing pipes which are used in applications of potable water supply, irrigation, building construction and infrastructure.
- Strategic manufacturing location at Central India near Indore as it is equidistance from large consumer markets like Maharashtra, Gujarat, Rajasthan, Telangana, and Andhra Pradesh.
- The products are sold under the “Kasta” brand, which is well known in Central India for consistency, quality and service.
- Under the leadership guidance of Mr. Shiv Singh Mehta, KIIL has a strong distribution network with over 400+ dealers spread across 16 of the high growth states in India.

## BUSINESS MIX (9M-FY24).....

- **Agriculture (66%):** Agriculture pipes like RPVC, Column, HDPE, Suction, Elastomeric UPVC pipes are used To source water from ponds, rivers, and bore-wells for irrigation.
- **Industrial Solutions (23%):** Serving clients like Department of Telecommunications, Reliance Telecom, Bharti Telenet, Railways, Defence Department, Telesonic Networks Ltd., Indian Oil Corporation Ltd., Reliance Projects & Property, Torrent Gas Private Ltd., AGP CGD India Pvt. Ltd.
- **Building Products (11%):** Building products are used to transport any fluid to consumers. The varieties of water pipes include large diameter main pipes, which supply entire towns, smaller branch lines that supply a street or group of buildings, or small diameter pipes located within individual buildings.

## KEY STRENGTHS.....

- Strong brand recall value
- Strong governance
- Providing customized value added products
- Diversified product portfolio catering to multiple sectors
- Experienced management team
- Strong footprint in rural India

## FINANCIAL PERFORMANCE.....

(INR Mn)	Operational Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY21	5,892	686	11.64%	361	6.13%	7.27
FY22	5,447	390	7.16%	199	3.65%	4.02
FY23	7,325	(78)	NA	(230)	NA	(4.64)
9M-FY24	6,720	456	6.79%	183	2.72%	3.70

## Key Data

BSE Code	526423
NSE Code	KRITI
Reuters	KRTI.BO
Bloomberg	KAP:IN

## Market Data (INR) as on 31<sup>st</sup> December, 2023

Face Value	1.00
CMP	112.45
52 Week H/L	140.75/72.60
MCAP (Mn)	5,577.92
Shares O/S (Mn)	49.60
1 Yr Avg. Vol. ('000)	97.40

## Performance as on 31<sup>st</sup> December, 2023

	3M	6M	12M
KIIL			
SENSEX	9.8%	11.4%	18.7%
BSE SMALLCAP	13.2%	30.5%	47.3%

## Shareholding Pattern as on 31<sup>st</sup> December, 2023

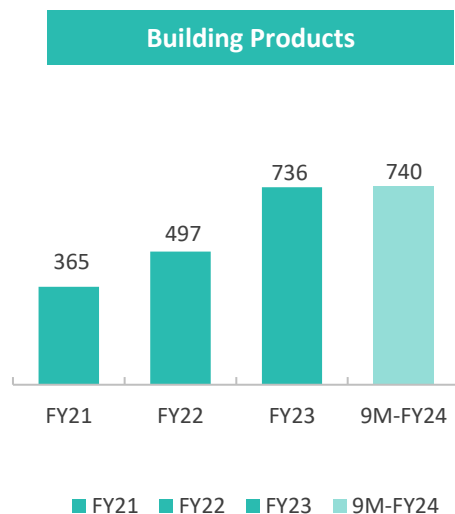
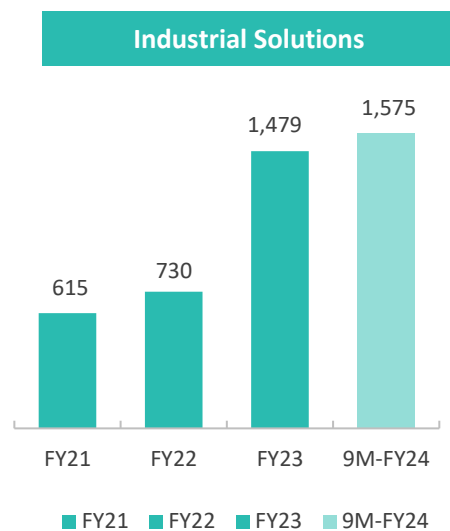
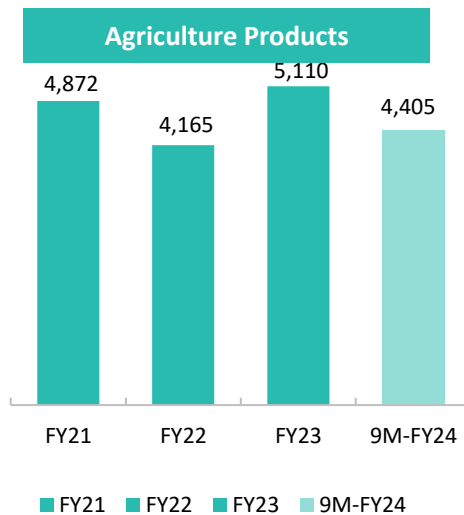
Promoters	66.35%
Public	33.65%
FPI	0.15%

## BUSINESS SEGMENTS.....

The polymer pipes manufacturing company is an integrated fluid transmission products company that caters to both retail and institutional business players.

Its product portfolio is segmented as:

- Agriculture(69%):** The two basic categories of pipes are – (a) To source water from ponds, rivers, and bore-wells for irrigation and (b) Suction Pipes to convey water to the fields, remove sludge or unwanted debris, transfer grains through vacuum application, and ventilation or blow off dust or husk from grains.  
 This segment comprises of RPVC Pipes & fittings, Column Pipes & Fittings, Bore well Casing Pipes & Fittings, HDPE Pipes & Fittings, Suction Pipes & Fittings and Elastomeric Pipes & Fittings.
- Industrial Solutions (20%):** The pipes under this segment are generally used in industries such as Telecom, Infrastructure, CATV and network builders.  
 This segment comprises of Fiber Duct, Fiber Fly, Fiberi Track, Fiber Ways, Fiber F8, Fiber Main, Gas Pipes and Multi Duct.
- Building Products (10%):** The pipes and tubes are designed to transport any fluid to consumers. The varieties of water pipes include large diameter main pipes, which supply entire towns, smaller branch lines that supply a street or group of buildings, or small diameter pipes located within individual buildings.  
 This segment comprises of CPVC Pipes, UPVC Pipes, SWR/ Drainage RPVC, Garden Pipes, Protech CPVC Solvent Cement and Water Tank.
- Micro Irrigation (1%):** This irrigation systems that supply water through small devices with lower pressure and flow than a traditional sprinkler system. Low volume irrigation is used in agriculture for row crops, mulched crops, orchards, gardens, vineyards, greenhouses and nurseries.  
 This segment comprises of HDPE Sprinkler Pipes & Fittings and Drip Irrigation System (both on line drip and in line drip irrigation system)



## GROWTH DRIVERS .....

- Increase capacity utilizations to enhance economies of scales and subsequently margins
- Network expansion within the existing states and entry into new states
- Increase sale of Value-Added products
- Reduction of Long-Term Debt
- Enhance presence in Industrial pipes
- The government's focus is on providing clean water, clean cities with well-organized plans for sewage removal and efficient transport facilities.

## PEER COMPARISON (TRAILING 12 MONTHS) (INR MN) .....

Company	Operational Income	EBITDA	EBITDA%	Net Profit	PAT%	Market Cap
KIIL	8,605	613	7.1%	343	4.0%	5,577
Prince Pipes and Fittings Ltd	25,931	3,635	14.0%	2,219	8.6%	82,246
Apollo Pipes Ltd.	9,833	998	10.1%	509	5.2%	26,938
Finolex Industries Ltd.	42,232	5,928	14.0%	4,752	11.3%	1,31,417
Astral Ltd.	55,225	9,357	16.9%	5,705	10.3%	5,12,270

## INCOME STATEMENT (CONSOLIDATED) .....

Particulars (In Mn)	FY21	FY22	FY23	9M-FY24
<b>Operational Income</b>	<b>5,892</b>	<b>5,447</b>	<b>7,325</b>	<b>6,720</b>
Total Expenses	5,206	5,057	7,403	<b>6,264</b>
<b>EBITDA</b>	<b>686</b>	<b>390</b>	<b>(78)</b>	<b>456</b>
<b>EBITDA Margin (%)</b>	<b>11.64%</b>	<b>7.16%</b>	<b>NA</b>	6.79%
Other Income	9	13	35	22
Depreciation	75	81	91	89
Finance Cost	110	141	167	146
Exceptional Item	-	(12)	-	-
<b>Profit Before Tax</b>	<b>510</b>	<b>193</b>	<b>(301)</b>	243
Tax	130	50	(73)	<b>61</b>
<b>Profit After Tax from Continuing Operations</b>	<b>380</b>	<b>143</b>	<b>(228)</b>	<b>182</b>
<b>Profit/ (Loss) Before Tax from Discontinuing Operations</b>	<b>(23)</b>	<b>55</b>	<b>(1)</b>	0
Tax	(4)	(1)	1	<b>0</b>
<b>Profit/ (Loss) After Tax from Discontinuing Operations</b>	<b>(19)</b>	<b>56</b>	<b>(2)</b>	0
Net Profit/(Loss) before shared Profit/(Loss) of Associate	<b>361</b>	<b>199</b>	<b>(230)</b>	182
Share in Net Profit/(Loss) of Associate	-	-	-	1
<b>Net Profit/ (Loss) for the Period</b>	<b>361</b>	<b>199</b>	<b>(230)</b>	<b>183</b>
<b>PAT Margin (%)</b>	<b>6.13%</b>	<b>3.65%</b>	<b>NA</b>	<b>2.72%</b>
Other Comprehensive Income	-	(1)	0	0
<b>Total Comprehensive Income</b>	<b>361</b>	<b>198</b>	<b>(230)</b>	<b>183</b>

## BALANCE SHEET (CONSOLIDATED) .....

Particulars (INR Mn)	FY21	FY22	H1-FY24	Particulars (INR Mn)	FY22	FY23	H1-FY24
<b>EQUITY AND LIABILITIES</b>				<b>ASSETS</b>			
<b>Equity</b>				<b>Non-Current Assets</b>			
Share Capital	50	50	50	Property, Plant & Equipment	1,058	1,235	1,359
Other Equity	1,492	1,251	1,355	Capital Work-in-Progress	137	169	125
<b>Total Equity</b>	<b>1,542</b>	<b>1,301</b>	<b>1,405</b>	Other Intangible Assets	1	0	0
<b>Non Current Liabilities</b>				<b>Financial Assets</b>			
Financial Liabilities				Investments			
Borrowings	196	252	267	Loans	-	-	-
Lease Liability	29	27	25	Other Financial Assets	23	21	31
Other Non Current Liabilities	2	6	6	Other Non-Current Assets	-	-	-
Provisions	102	29	61	<b>Sub Total of Non-Current Assets</b>	<b>1,219</b>	<b>1,454</b>	<b>1,544</b>
Deferred Tax Liabilities (Net)	32	43	45	<b>Current Assets</b>			
<b>Sub Total Non Current Liabilities</b>	<b>361</b>	<b>357</b>	<b>404</b>	Inventories	2,066	1,549	1,621
<b>Current Liabilities</b>				Financial Assets			
Borrowings	764	919	866	Trade Receivables	324	524	507
Trade Payables	1,272	1,292	1,252	Cash & Cash Equivalents	1	1	3
Other Financial Liabilities	1	1	1	Bank Balance other than	139	131	157
Other Current Liabilities	117	224	258	Loans	22	15	2
Provisions	18	20	22	Income Tax Assets	11	21	22
Current Tax Liabilities (Net)	-	-	-	Other Current Assets	309	365	352
<b>Sub Total Current Liabilities</b>	<b>2,172</b>	<b>2,456</b>	<b>2,399</b>	<b>Sub Total Current Assets</b>	<b>2,871</b>	<b>2,660</b>	<b>2,664</b>
Other Advances received against assets held for sale	17	-	-	Property, Plant & Equipment held for Sale	2	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,092</b>	<b>4,114</b>	<b>4,208</b>	<b>TOTAL ASSETS</b>	<b>4,092</b>	<b>4,114</b>	<b>4,208</b>

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