

# Powering Growth with the **Retail Thrust**



ANNUAL REPORT **2020-21**



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Read the report across platforms at  
[www.kei-ind.com](http://www.kei-ind.com)

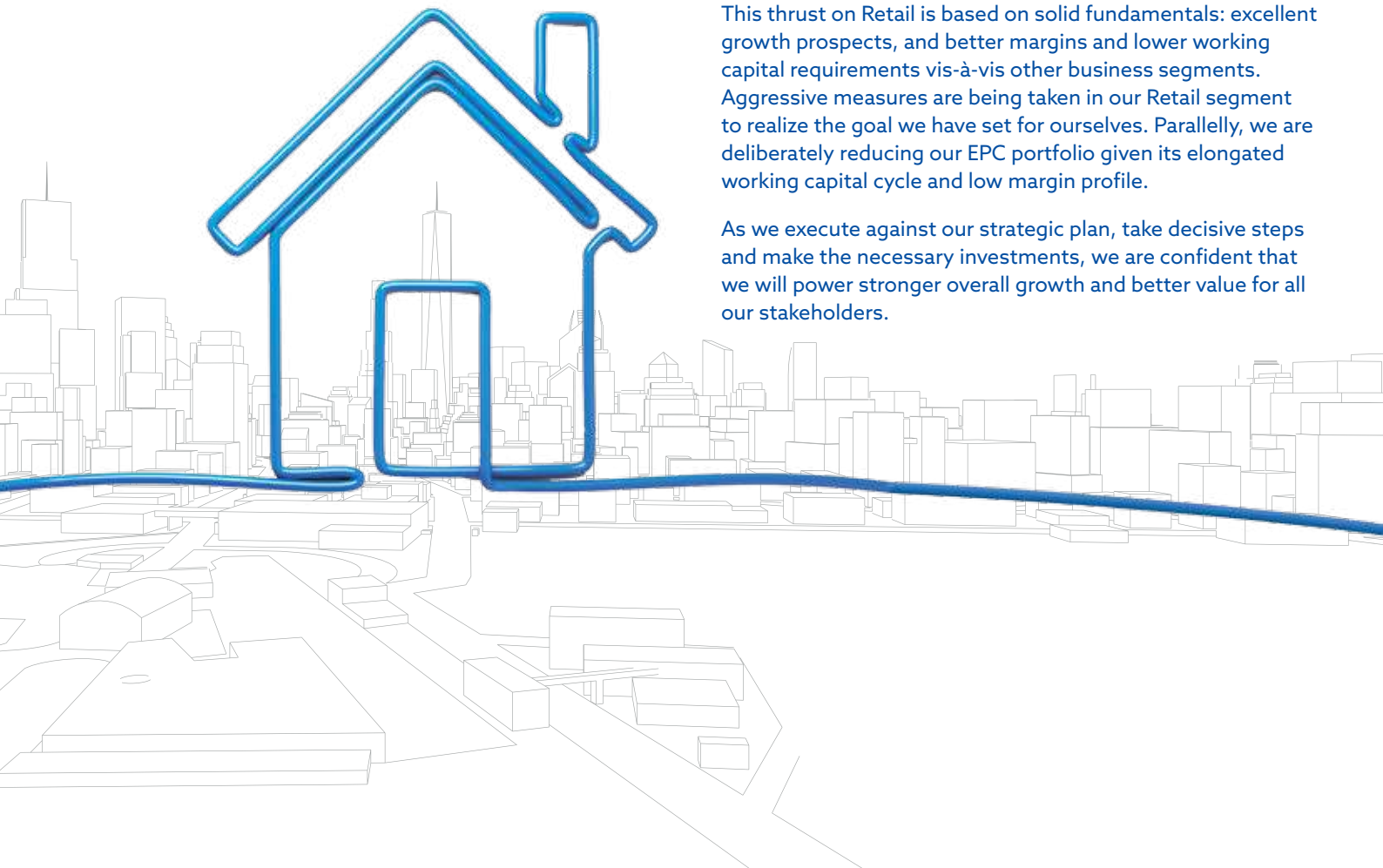
# Powering Growth with the **Retail Thrust**

The strength we have built into our business came to the forefront as we delivered a resilient performance in challenging market conditions. All our business segments – Retail, Institutional and Exports – not only withstood the turbulence caused due to the global health crisis, but also recorded a quick rebound as soon as the operating environment turned reasonably favorable.

Our focus on powering growth remains unchanged. To get there, we are deploying multiple levers, the most important being a thrust on the Retail portfolio, which currently comprises about 34% of our total revenues, besides strengthening our Institutional segment and expanding our Exports. Our target is to achieve 40-50% of our revenues from Retail in the coming years.

This thrust on Retail is based on solid fundamentals: excellent growth prospects, and better margins and lower working capital requirements vis-à-vis other business segments. Aggressive measures are being taken in our Retail segment to realize the goal we have set for ourselves. Parallely, we are deliberately reducing our EPC portfolio given its elongated working capital cycle and low margin profile.

As we execute against our strategic plan, take decisive steps and make the necessary investments, we are confident that we will power stronger overall growth and better value for all our stakeholders.



# About Us

KEI Industries Limited ('KEI') is one of India's leading and amongst the fastest-growing Wires and Cables (W&C) manufacturers. We have a broad-based product portfolio ranging from House Wires (HW) to Extra High Voltage (EHV) cables, which enables us to cater to a wide customer base across industries. We are also amongst the few players globally with manufacturing capabilities for EHV 400kV cables.

KEI was incorporated in 1992 while our beginnings trace back to 1968 when we commenced operations as a partnership firm. Our robust manufacturing prowess, high-quality products and growing presence, both in India and overseas, have enabled us to successfully scale up our business.

## PRODUCT PORTFOLIO



Extra High Voltage Cables



High Voltage Cables



Low Voltage Cables



Control Cables



House Wires



Single Core / Multicore Flexible Cables



Instrumentation Cables



Thermocouple Extension / Compensating Cables



Solar Cables



Rubber Cables



Fire Survival / Resistant Cables



Marine & Offshore Cables



Winding Wires



Stainless Steel Wires

## OUR BUSINESS SEGMENTS AND SEGMENT-WISE REVENUE MIX



Retail  
**34%**



Institutional  
**51%**



Exports  
**15%**

## EPC SERVICES

Leveraging our in-house cable production, we have forward integrated into Engineering, Procurement and Construction (EPC) services for utility projects having significant cabling requirements. Our EPC Division offers end-to-end turnkey solutions including engineering, consultancy and project management for EHV substation, transmission lines, underground cabling, overhead lines etc. These services are being delivered across core sectors like power, renewables, railways, refineries, petrochemicals, cement, steel, among others.

## OUR STRENGTHS

1.

### Wide product and sectoral presence

Serving multiple industries with a broad product range

2.

### Low customer concentration

Top 10 customers accounting for 25% of sales in FY 2020-21

3.

### Strategic manufacturing

Backward integrated manufacturing across 5 locations

4.

### Strong prequalification credentials

Meeting stringent requirements of institutional and export customers

5.

### Stable institutional relationships

Long-term relationships with institutional customers

6.

### Growing exports presence

Products sold in 50+ countries with offices in 5 countries

7.

### Robust R&D capabilities

Driving new product development and customized solutions

8.

### Healthy financial performance

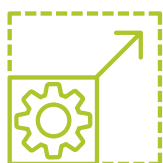
Strong growth and return ratios with a comfortable debt profile

9.

### Experienced management team

Visionary leadership having extensive industry knowledge

## OUR GROWTH STRATEGY



### Capacity Expansion

Increase capacity in existing product portfolio by brownfield and greenfield expansion



### Retail Business

Continued focus to increase the share of retail business in overall sales mix



### Distribution Channel

Focus on increasing penetration by further expanding distribution network



### Overseas Market

Further increase presence in the overseas market



### FMEG Market

FMEG market to be the next avenue of growth after 2-4 years

## KEY FACTS



**5**

State-of-the-art  
manufacturing facilities



**7%**

Market Share in  
India's organized  
wires and cables  
industry



**>1,450**

Institutional customers  
in India



**12%**

Market share in the  
institutional segment  
in India



**>50**

Countries where our  
products are exported



**1,655**

Distribution partners  
across India

**5,000+\***

Employees



\*including Contractual





Corporate Overview



Statutory Reports



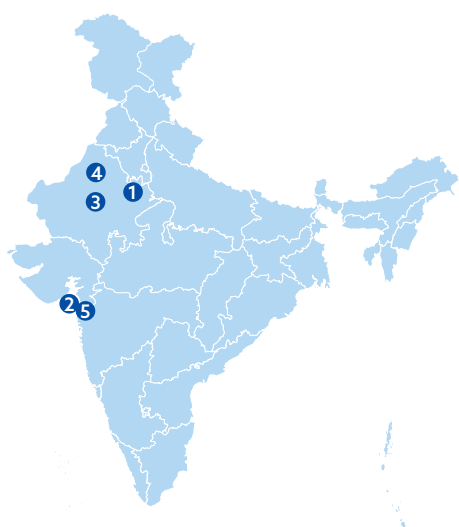
Financial Statements



## MANUFACTURING AND R&D CAPABILITIES

Our state-of-the-art manufacturing capabilities are backward integrated through in-house PVC production. Backward integration enables us to exercise greater control over the manufacturing process and quality, thereby resulting in improved efficiencies. It also enables us to offer cost-competitive solutions and meet our customers' needs on time.

We have an advanced and accredited research and development facility. A team of expert R&D engineers, designers and technicians are driving innovation at the facility, enabling us to bring to the market customized, high-quality products that meet the requirements of our institutional and export customers.



### PLANT LOCATION

- ① Bhiwadi (Rajasthan) ② Rakholi (Silvassa)  
③ Chopanki (Rajasthan) ④ Pathredi (Rajasthan)  
⑤ Chinchpada (Silvassa)

### R&D LOCATION

- ① Bhiwadi  
(Rajasthan)

Plant	Commencement Year	Cables (Kms)	Wires (Kms)	Stainless Steel Wires (MT)
Bhiwadi	1996	57,400	190,000	7,200
Rakholi	2002	30,000	627,000	
Chopanki	2007	7,600		
Pathredi	2018	22,600		
Chinchpada	2019	11,000	300,000	
<b>Total</b>		<b>128,600</b>	<b>1,117,000</b>	<b>7,200</b>

**OUR PRODUCTS ARE TESTED AS PER INTERNATIONAL STANDARDS BY KEMA (THE NETHERLANDS), FGH (GERMANY), TUV (RHEINLAND), SGS, IRS, ABS, CEIL, BRE (UK), LLOYDS REGISTER, BVQI, DNV, KVERNER POWERGAS, CPRI, ERDA, IDEMI, EIL, PDIL AND MECON.**

### PRODUCT-WISE CAPACITY UTILIZATION

**59%**  
CABLES

**61%**  
HOUSE WIRES

**85%**  
STAINLESS STEEL WIRES

**OUR STATE-OF-THE-ART FACILITIES ARE EQUIPPED WITH FLEXIBLE MANUFACTURING SYSTEMS THAT CAN RESPOND QUICKLY TO THE RAPIDLY CHANGING MARKET AND PRODUCE HIGH-QUALITY PRODUCTS AT COST-EFFECTIVE PRICES.**

### CERTIFICATIONS

- ISO 14001:2015 certification for environment management system
- ISO 45001:2018 certification for occupational health and safety management
- ISO 9001:2015 certification for quality management system
- NABL accreditation under the ISO/IEC 17025:2017 standard for R&D facility



## SECTORAL PRESENCE



Power



Oil Refineries



Railways



Automobiles



Cement



Steel



Fertilizers



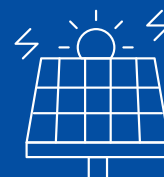
Telecommunication



Textile



Real Estate



Renewable Energy

# Financial Highlights

## REVENUE

**₹4,181 Crore**

FY 2020-21

**₹4,884 Crore**

FY 2019-20

## EBITDA MARGIN

**11.49%**

Up by 100 basis points  
from the previous year

## EBITDA

**₹481 Crore**

FY 2020-21

**₹513 Crore**

FY 2019-20

## PROFIT AFTER TAX

**₹273 Crore**

FY 2020-21

**₹255 Crore**

FY 2019-20

## PAT MARGIN

**6.54%**

FY 2020-21

Up by 132 basis points  
from the previous year

## ORDER BOOK

(AS OF JULY 28, 2021)

**₹3,022 Crore**

**Long-term rating upgraded to AA-**

**Short-term rating upgraded to A1+**