

HIGHER AMBITION. DEEPER COMMITMENT.

KEI Industries Limited
Annual Report 2021-22



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Everything we do has a single focus - to deliver better value for our stakeholders.

This focus has guided how we have transformed our business over more than five decades. Steadily expanding our product portfolio, diversifying across sectors and geographies, and consistently investing in world-class manufacturing capabilities, we have emerged as one of the leading wires and cable manufacturers in India.

The past fiscal has been another year of strong growth delivery. Our performance has vindicated the belief in the strategy being pursued. It has also fueled the ambition for an even stronger and sustainable business by further improving the share of retail in the overall sales mix, increasing institutional sales, expanding exports, and achieving responsible growth.

Our ambition is being supported by a deeper commitment towards embedding the right growth enablers. Expanding our dealer network, enhancing our brand connect, conscious de-scaling of EPC segment, investments in capacity expansion, stepping up our business development efforts, and making the right choices for our people, planet, and communities are among the key focus areas.

KEI Industries is at a pivotal point for powering a bigger tomorrow.

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.

We are doing it with

**HIGHER AMBITION.
DEEPER COMMITMENT.**



ABOUT US

KEI Industries Limited is one of the leading manufacturers of wires and cables (W&C) and among the top three organized players in the Indian W&C industry. Established in 1968 as a partnership firm, we grew our scale and capabilities to be incorporated as a public limited company in 1992.

Our comprehensive product portfolio meets multiple industry applications. We are one of the few Indian players having the capability to manufacture EHV cables above 220kV and also amongst the select players globally to manufacture 400kV EHV cables. We also offer Engineering, Procurement and Construction (EPC) services for utility projects with considerable cabling requirements.

Featuring a diversified business model, we serve customers across retail and institutional segments in both public and private sectors and enjoy a significant presence in the domestic and international markets. Our operations are supported by our robust manufacturing and R&D capabilities and an extensive distribution network.

EXTENSIVE PRODUCT RANGE



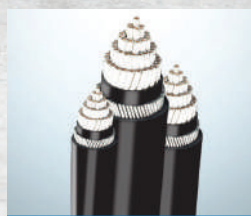
EHV Cables
(Up to 400kV)



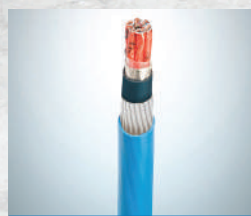
HT Cables



LT Cables



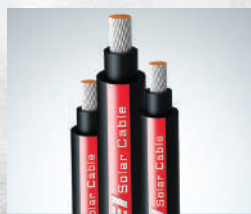
Control Cables



Instrumentation
Cables



Marine & Offshore
Cables



Solar Cables



Stainless Steel Wires



Winding Wires



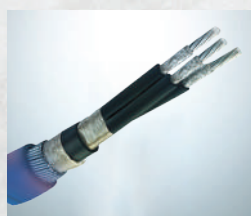
House Wires



Single Core / Multicore
Flexible Cables



Rubber Cables



Fire Survival/
Resistant Cables



Communication
Cables



Thermocouple
Cables

OUR STORY IN NUMBERS



Industry Experience

54 years

Manufacturing
Plants

5



Dealers/Distributors

1,800+

Institutional
Customers

2,000+

Countries where
products are exported

50+

Employees (including
contractual)

5,000+

Revenue in FY 2021-22
(↑ 36.95% from the
previous year)

₹ 5,727 Crore

EBITDA in FY 2021-22
(↑ 26.93% from the
previous year)

₹ 604 Crore

EBITDA Margin in
FY 2021-22 (11.37% in
the previous year)

10.54%

Profit After Tax in
FY 2021-22 (↑ 39.57%
from the previous year)

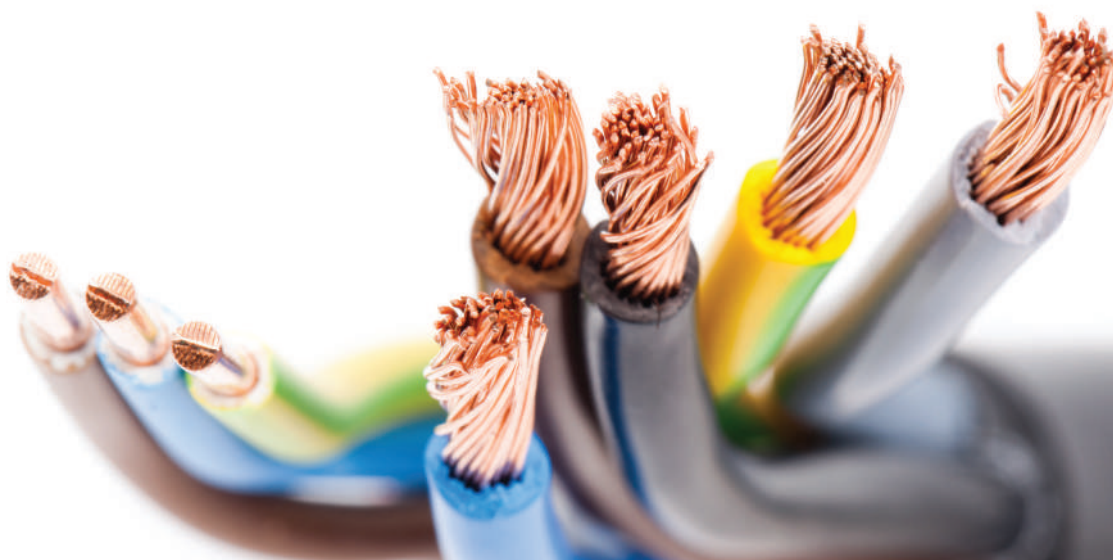
₹ 376 Crore

PAT Margin
(6.45% in the previous year)

6.57%

Order Book as of
May 30, 2022

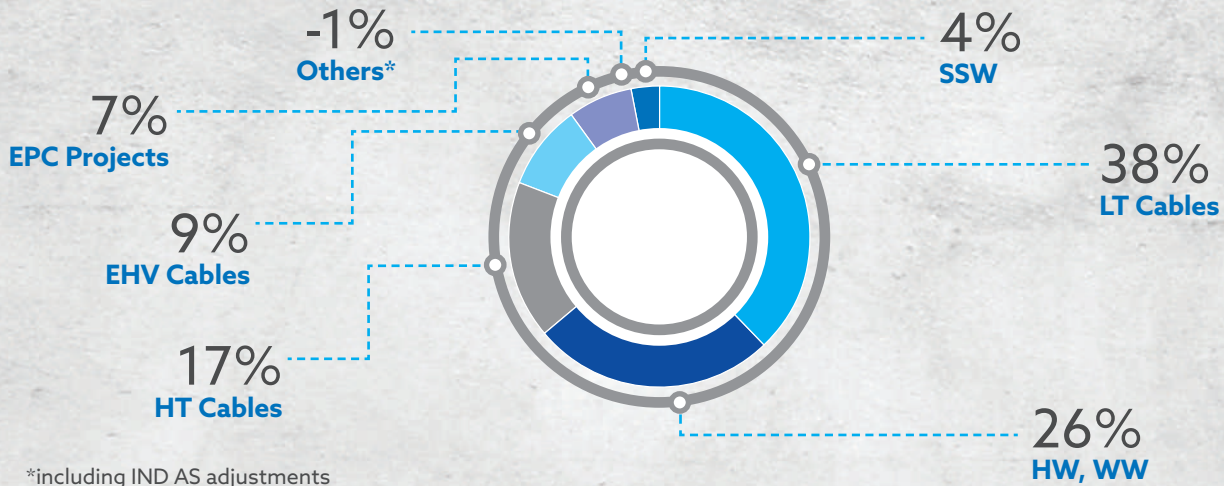
₹ 2,350+ Crore



DRIVING GROWTH THROUGH DIVERSIFICATION

Our growth ambition is underpinned by our diversification across products, customers, segments, industries, and geographies. This diversification multiplies business opportunities as well as mitigates the risk of a downturn in any one or more areas.

PRODUCT-WISE REVENUE MIX



DIVERSE INDUSTRY APPLICATIONS

Power



Oil & Gas



Railways



Automobiles



Cement



Steel



Real Estate



Fertilizers

Infrastructure Projects,
Roads, Highways

Textile



Telecommunication



Renewable Energy

LOW CUSTOMER CONCENTRATION

We are well-distributed in terms of customer revenue as well. Our top 10 customers accounted for 22% of our revenue in FY 2021-22, making us well insulated from the risk of customer concentration. Further, we have built long-standing relationships with several institutional customers.

OUR INFRASTRUCTURE AND CERTIFICATIONS

Supporting our growth ambition are our robust manufacturing and R&D capabilities and our sustained focus on operational excellence.

MANUFACTURING CAPABILITIES

We have five state-of-the-art plants located across Rajasthan and Silvassa. Over the years, we have continuously expanded our manufacturing capacity to support our growing operations and are committed to investing further towards this end.

Backward Integration

Enabling backward integration through in-house production of PVC, our manufacturing facilities provide us with excellent control on the availability of raw materials and the entire manufacturing process. This reduces turnaround time, improves product quality and drives cost efficiencies, helping us to deliver competitive solutions with speed and agility.

Quality Commitment

With deep commitment to product excellence, a key growth enabler, we meet the stringent quality requirements of our institutional and international customers.

ADHERENCE TO STRINGENT QUALITY STANDARDS

Our products are tested by KEMA (The Netherlands), TUV (Rheinland), SGS, IRS, ABS, CEIL, BRE (UK), LLOYDS REGISTER, BVQI, DNV, CPRI, ERDA, IDEMI, EIL, PDIL, MECON, NTPC, NPCIL, TUV India, RINA, PGCIL, TPL, DQAN, EQM, UL, RDSO, CE regulatory, UKCA regulatory, Ghost Cutr.

Plant Location	Start Date	Capacity (as of March 31, 2022)			
		Cable (in Kms)	House Wire/WW (in Kms)	Communication Cable (in Kms)	Stainless Steel Wire (in MT)
Bhiwadi (Rajasthan)	1996	54,800	1,90,000	-	9,000
Rakholi (Dadra & Nagar Haveli and Daman and Diu)	2002	30,000	6,96,000	-	-
Chopanki (Rajasthan)	2007	4,900	-	-	-
Pathredi (Rajasthan)	2018	22,600	-	-	-
Chinchpada (Dadra & Nagar Haveli and Daman and Diu)	2019	12,900	4,46,000	28,800	-
Total		1,25,200	13,32,000	28,800	9,000

CAPACITY UTILIZATION



76%
Cables



59%
House Wire



84%
Stainless Steel Wire

STRONG R&D CAPABILITIES

Our growth trajectory is considerably attributed to a wide product suite that enables us to serve customers across multiple sectors. Through a continuous focus on R&D, we remain committed to developing new and innovative products and improving our competitive edge in the industry.

- Accredited facility at Bhiwadi, Rajasthan
- Led by expert researchers, technicians and designers
- Continuous focus on development of new products
- Customized solutions and niche product offerings
- Focus on developing specialty products



COMMITTED TO OPERATIONAL EXCELLENCE

Our ambition for growth is coupled with our commitment to responsible and sustainable operations. Care for quality, people, and planet is therefore embedded in our values and validated through certifications from necessary regulatory authorities.

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

PROGRESSING ON OUR STRATEGY

In FY 2020-21, we had embarked on a five-pronged strategy marking our high growth ambition. During the year under review, we made considerable progress against this strategy, enabling us to steadily transform our business segments and deliver strong performance.

1 Expand Manufacturing Capacity



PROGRESS

We added 25,400 kms to cables, 2,15,000 kms to House Wires/WW and 1,800 MT to Stainless Steel Wire manufacturing capacity during FY 2021-22.

NEXT STEPS

Investments of ₹ 800 crore will be made over the next four to five years in capacity expansion to support future growth. This will involve greenfield projects for increasing the plant capacity of LT, HT, and EHV cables. Additionally, debottlenecking projects in existing plants are undertaken on a regular basis.

2 Focus on Retail Business



PROGRESS

More thrust on retail improved its contribution in the overall sales mix to 41% in FY 2021-22 from 34% in the previous year. Our strong retail focus also resulted in the segment registering a solid growth of 65% on a year-on-year basis.

NEXT STEPS

We remain focused on the continued expansion of our retail businesses with the target being to increase the sales contribution from our dealer network to 50% within two-three years.