



KRISHNA DEFENCE AND ALLIED INDUSTRIES LTD.

FORMERLY KNOWN AS KRISHNA ALLIED INDUSTRIES LIMITED

DEFENCE | SECURITY | DAIRY | MEGA KITCHEN

Date:- 16.08.2022

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (East),
Mumbai - 400 051

Ref:- Krishna Defence and Allied Industries Limited (ISIN: - INE0J5601015)

Symbol: - KRISHNADEF, Series: - ST

Subject: Earning Presentation for half year and year ended 31st of March, 2022

Respected Sir/ Ma'am,

Pursuant to Regulation 30 and Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith the Investor Presentation for year ended 31st of March, 2022.

Kindly take the same on the record.

Thanking You,

Yours faithfully,
For Krishna Defence and Allied Industries Limited,

Charmy Shah
Company Secretary and Compliance Officer

REGISTERED OFFICE: 344, 3RD FLOOR, A TO Z INDUSTRIAL ESTATE, GANPATRAO KADAM MARG, LOWER PAREL, MUMBAI - 400013, MAHARASHTRA, INDIA.

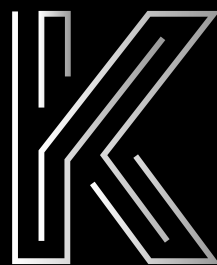
TEL NO. +91 22 4220 3800-99(100 LINES) | FAX NO. +91 22 4220 3888

REGIONAL OFFICE: 207-208, ATLANTIS HERITAGE, VADIWADI ROAD, SARABHAI COMPLEX, VADODARA-390 023, GUJARAT, INDIA, TEL. NO. +91 265 2960085

PLANT I: 121/9 & 20, GIDC, KALOL - 389330, DISTRICT PANCHMAHALS, GUJARAT, INDIA, TEL. NO. +91 2676 235452, 237145

PLANT II: 503A, GIDC, HALOL - 389350, DISTRICT PANCHMAHALS, GUJARAT, INDIA, TEL. NO. +91 2676 225295

info@krishnaallied.com | www.krishnaallied.com | CIN NO. U74900MH2013PLC248021 | GST NO. 24AAFCK3430J1ZQ



KRISHNA

DEFENCE AND ALLIED INDUSTRIES LTD

PRECISION ENGINEERING EXPERTISE

INVESTOR PRESENTATION **AUGUST 2022**



Safe Harbor

Certain statements in this document may be forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Krishna Defence and Allied Industries Ltd, will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

In-line with the **PM's Vision** of an
“Aatmanirbhar India”
by undertaking Manufacturing
initiatives under the
“Make in India” campaign.



AATMA-NIRBHAR
BHARAT

An MSME Embarking On Indigenous Defence Manufacturing....

1

Currently, India has the world's **third-largest Defence expenditure.**

2

Although there have been a few success stories in substituting imported material with indigenously produced materials, defence manufacturers still heavily rely on imports to fulfil their requirements.

3

The Indian government has announced 74% FDI in defence manufacturing & a **Positive Indigenisation (Import Embargo) List of 300+ military items under Defence Production and Export Promotion Policy 2020.**

4

The **Defence Research and Development Organization (DRDO)** also established the **Technology Development Fund (TDF)** for **MSMEs & Startups** to indigenize **cutting-edge Defence technologies** under which **135 Technologies** are being indigenized.

5

India has around **194 Defence tech start-ups** building innovative tech solutions to empower and support the country's defence efforts. Ongoing **DRDO projects** in India of worth **\$ 7.3 bn.**

Sources :-

1. <https://www.ibef.org/download/Defence-Manufacturing-August-2021.pdf>
2. <https://www.pheonixresearch.com/report/india-homeland-security- market.html>
3. <https://tdf.drdo.gov.in/>
4. <https://pib.gov.in/PressReleaselframePage.aspx?PRID=1795540>
5. Union Defence Budget

Company Overview

Krishna Defence & Allied Industries Limited (“KDAIL”) formerly known as Krishna Allied Industries Pvt Ltd. is among India’s very few manufacturing houses with comprehensive in-house capabilities of designing, developing, and manufacturing a wide range of equipment for the four major verticals it functions in, namely **Defence, Homeland Security, Dairy Equipments,** and **Mega Kitchens**. The Company’s manufacturing repertoire includes a wide range of special alloy steel and steel products.

Core belief in sustained & organic growth of their business which is in tune with the nation’s objective of socio-economic progress and achieving self-sustainability.

06

01

Offering a product mix that is innovation-driven, Technology-oriented & well-positioned to scale operations under the four major verticals it caters to, namely Defence, homeland security, dairy and mega kitchen.

05

Highly experienced Board Of Directors from diverse industrial background led by Ankur Shah having **22+** years of professional experience.



KRISHNA
DEFENCE AND ALLIED INDUSTRIES LTD.

02

Partnership with the DRDO to develop **DMR 249A grade steel bulb bars**, which were previously imported.

04

Awarded several Transfer of Technology (“TOT”) agreements by with the Defence Research and Development Organisation (“DRDO”) for manufacture and supply of specialized defence application products.

03

One of the few vertically integrated defence solution provider with industry expertise into **special steel alloys and steel products**.

Corporate Dashboard

Infrastructure Capabilities:

Two, ISO 9001:2015 certified manufacturing & precision engineering plants covering **1,00,000 Sq.Ft.** located at Vadodara, Gujarat.

Human Capital & Promoter's Pedigree

- **Visionary Promoters** with in-depth knowledge & expertise into Defence Manufacturing.
- Highly experienced team of scientists and metallurgist.
- A skilled team of 3 Scientists and 15 Researchers. Total Headcount = **250 +**

Product Offering & Strength

- Pioneer in manufacturing indigenous '**DMR 249A grade steel bulb bars**' for shipbuilding purposes
- **Patented** Robotic Milk Collection Unit (RMCU)

Accreditations & Accolades

- **Defence Technology Absorption Award** from Ministry of Defence (MoD) by the Honorable Prime Minister, Shri Narendra Modi
- **INDIA SME 100 Awards** organized by India SME Forum and Ministry of MSME

Financial Highlights FY22

- Revenue CAGR : **41% (FY20-22)**
- ROE : **13.6%**
- Debt Equity : **1.11**
- EBITDA : **14.02%**
- PAT : **4.88%**

Engineering Expertise

- Holder of **ABS certificate** of Steel mills for manufacturing Section components for marine applications.
- Holder of Certificate of **India Register of Shipping ("IRS")** for Bulb bars manufacture.

Reputed Clientele

- Government Bodies
- Shipyards
- Naval Dockyards
- Reputed FMCG's
- Listed companies
- Well-known brands

From the Managing Director's Desk



“Today India has a military budget of **~INR 5.25 lakh crore**, where **68%** of the capital procurement has been earmarked for domestic industry. As per the Union finance budget of FY 22, Out of the 3 arms of our defence system, the Navy received a **43% capital outlay** hike as compared to previous year.

Amidst the rising geo-political tensions across the globe, it is crucial that we increase our domestic defence manufacturing on the back of **state-of -the art technology & indigenous innovations**. We at Krishna Defence & Allied Industries Limited, bank on **25 successful years** of manufacturing excellence. Today, we manufacture over **20+ indigenous products**; few of which were pioneered, designed, and developed entirely by us.

One of the most common question people ask me is what is the connect between Dairy industry and Defence Industry, to which I humbly reply that, it is **Engineering**. We at Krishna Defence consistently work towards innovating with the latest technology, and using top notch **precision engineering** techniques to develop durable, globally competent **indigenous products** for other Industries and **Armed forces of the nation**. We firmly believe that our nation's talent pool, technology and resources are capable of substantially meeting our domestic demands, and also we have immense export capabilities.

Both **Defence and Dairy** sectors show great promise of an **exponential growth** owing to government initiatives in defence manufacturing & increase in commercialization of Dairy operations across the country. We are extremely enthusiastic on our venture into the **homeland security** vertical as it holds a great scope for expansion and interesting opportunities to showcase our capabilities.

The receipt of the **Defence Technology Absorption Award from Ministry of Defence (MoD)** by the Honorable Prime Minister, Shri Narendra Modi has recognized our efforts in this area. **We believe that the next decade holds tremendous opportunities for the company, and we are very well prepared to scale up and meet the demands of the industry verticals we cater to...**”

Vision & Mission Statement

Vision

To become the go-to company for world-class Engineering products within India by contributing towards **“Make in India”** and supporting the Indian Government, PSUs, and Private Customers through constant and continuous improvement in its products and services.

Mission

To continuously strive to deliver innovative, cost-efficient, and modern engineering solutions laced with the latest technology to benefit the Organizations and end-users.

Values

Performance with pride and honor wherein ethical behavior is encouraged. The company operates ethically and responsibly with its employees, customers, partners, suppliers, and shareholders.



Inclined Towards....

PRECISION ENGINEERING



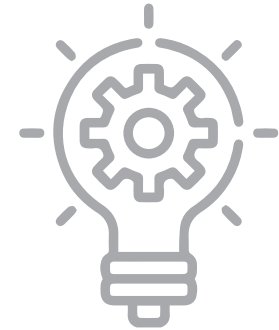
- Developed **defence application** products like: bulb bars, bhukhari, food containers, super alloys weld consumables like welding wire, flux and electrodes, special steel alloy Ballast bricks for critical applications etc. for Indian **Armed Forces**.
- In dairy sector developed products like **Solar Bulk Milk Cooler**. ("BMC") & **Robotic Milk Collection Unit** (patented).

RESEARCH & DEVELOPMENT



- **Rich in experience** & an accomplished team of Engineers catering to complex products and assembly which is in-line of technological developments.
- In process of signing a **MOU with NCETIS**, National Centre for Excellence for Technology for an Internal Security with **IIT Bombay**.

INNOVATION



- The strong R&D team has successfully received orders for developing customized engineered products.
- In process of filing an approval from **DSIR**, Department of Scientific and Industrial Research for **in house recognition** of its R&D facilities .

Leadership At Helm



Ankur Shah
Managing Director

B. Engg (Production) over 22 years of experience in the Rolling & Steel Industry and manages and implements business development.



Sandeep Kadam
Director Operations

B. Engg. (Mechanical) over 24 years of experience in Process Engineering & overlooks the operations in the factory



Piyush Patel
Chief Financial Officer

B. Sc, Cost and Management Accountant, Diploma in Taxation Laws with an Experience of over 20+ yrs. He heads the finance function of the company.development.



Jay Shah
CEO (Homeland Security)

M.com (Marketing) 20 years' experience in Marketing and Business Development.



Ravindranath Maroli
General Manager

B. Engg. (Mechanical) over 30 years' experience in Process Engineering.



Poorwal Oak
DGM Sales and Marketing

16 years' experience in Sales and Marketing.

Journey So Far



1997

**Establishment-
Started
manufacturing
Dairy Equipment**

2006

Entered in the defence sector and became an approved vendor with Defence Metallurgical Research Laboratory (DMRL), Hyderabad for Shipbuilding Steel Sections

2008

Recognition from DMRL, Hyderabad for successfully manufacturing Bulb Bars, used in Naval warships. The project was of National Importance involving import substitution.

2014

Awarded Defence Technology Absorption Award from Ministry of Defence (MoD) by the Honourable Prime Minister, Shri Narendra Modi.

2017

Received approval certificates of from American Bureau of Shipping(ABS) for for manufacturing steel section for marine applications.

2018

Awarded INDIA SME 100 Awards organized by India SME Forum and Ministry of MSME.

Contd...



2019

Signed three Transfer of Technology Agreements with Defence Institute of Physiology and Allied Sciences, DIPAS, New Delhi for developing Improved Space Heating Device, Man Mounted Cooling System and Solar Snow Melter for Indian Armed Forces.

2020

Ventured in a new business vertical of Homeland & Security Products.

2021

Successfully developed and delivered Ballast Bricks used for critical application to Indian Navy.

2019

Received Developmental Order for supply and manufacture of specialized Weld consumable for critical application of the Indian Navy.

2021

Signed TOT with Research & Development Establishment Engineers, Pune for developing Improvised Explosive Device (IED) Containment Vessel for protection of Indian Armed forces.

2022

Listed on the NSE-SME Stock exchange



Business Segments








Defence Equipment

- KDAIL is a recognized **Member of Society of Indian Defence Manufacturers**
- Under the Defence vertical, the company manufactures equipment for the Indian Armed forces under **various Transfer of Technology (ToT)** arrangements in partnership with the **DRDO**. The chief products manufactured under such TOTs include heating devices, cooling systems and explosive containment vessels to be used under extreme climatic conditions
- KDAIL specializes in supply of **Naval ship building materials** for construction of Warships, and various ships & water vessels.
 - Approved vendor by Indian Navy (included in Naval Contractual Directives) & Indian Register of Shipping (IRS) for supply of shipbuilding steel sections, **Bulb Bars** for Warships.
 - It also manufactures specialized material for Shipbuilding purposes like **Super Alloys Weld Consumables, Ballast Bricks & Fused Flux.**
 - Listed as an Indigenizing Organization for **“Hull Construction Materials”** under the Indian Naval Indigenization Plan (INIP) (2015-2030).
 - Received a **Certificate of Steel Mills** from American Bureau of Shipping for manufacturing section components of marine applications.
- With an aim to expand their existing defence repertoire KDAIL is now evaluating the viability of producing **ammunition** (bullets) for the SRGM (Super Rapid Gun Mount) gun. This is under an initial feasibility evaluation stage & will scale up in the next 2-3 years.
- The company's focus on R&D and its long-standing association with the DRDO has spearheaded the process of **import substitution in Defence Manufacturing in India.**







CLIENTELE ▶



The Defence Product Range

PRODUCT	PRODUCT DESCRIPTION	PRODUCT APPLICATION	IMAGE
“DMR249A” Grade Steel Bulb Bars	Agreement with DRDO & DMRL for a period of 10 years (As per TOT agreement)	Components for Critical Naval Applications. Used as stiffeners in shipbuilding, especially in the Ship Hull.	
Special Steel Alloy Ballast Bricks	Special Alloy bricks having low magnetic signature, & high Corrosion Resistance	Used as counterweight for critical Naval applications.	
Welding Wire	Special Alloy steel, Diameter from range 1.20mm to 4.0mm	Used for Welding special Steel in Critical Naval Applications. Known for High Tensile and high impact toughness.	
Fused Flux	Specially developed Fused flux for SAW	Suitable for high tensile weld joints. Provides shielding of Weld arc for Moisture free weld joints.	
Welding Electrodes	Specially Developed Super Alloy Steel Weld Electrodes	Suitable for all kinds of Arc Welding. Developed for critical Naval Application	

Contd....

PRODUCT NAME	PRODUCT DESCRIPTION	PRODUCT APPLICATION	IMAGE
5.5 Ltrs. Food Containers	Agreements with Defence Material Stores Research & Development Estt. (DMSRDE), Kanpur and (DRDO)	Food Tiffin to be used in extremely cold climates by Army. Keeps food warm for 4-6 hrs at -20°C temperature.	
Improved Space Heating Device or Bukhari	Agreement with Défense Institute for Physiology & Allied Sciences (DIPAS) and DRDO for Transfer of Technology.	Used by the Army at High Altitude for room warming to protect from extreme cold temperatures. Safe to use , prevents accidents from CO2 and NO2 emissions	
Improvised Explosive Device (IED) Containment Vessel (Under Development Stage)	Agreement entered with Research & Development Establishment (Engineers) (R&DEE), Pune and DRDO for renewal of Transfer of Technology	Indigenous, one-time use, cost-effective vessel to contain detonation effects of IEDs. Can contain detonation effects upto a 6kg IED.	
Man Mounted Cooling System (Under Development Stage)	Agreement entered with Defence Institute for Physiology & Allied sciences (DIPAS), Delhi and DRDO for Transfer of Technology	Made of Microclimate cooling garment. Used by army in extremely hot conditions to bring a reduction in body temperature.	
Solar Snow Melter (Under Development Stage)	Agreement entered with Defence Institute for Physiology & Allied sciences (DIPAS), Delhi and DRDO for Transfer of Technology	Solar based snow melting machine to be used at army outposts which do not have electricity. Helps meet daily water requirements , thus promoting cost saving.	
Mounting and support Equipment for Camouflage Net. (Under Development Stage)	Agreement entered with Defence Material Stores Research & Development Establishment (DMSRDE), Kanpur and DRDO for Transfer of Technology	Helps to disrupt army geometry & contour thereby providing desired camouflage cover. Suitable to be used in high Speed winds.	





Homeland Security

- In 2020, KDAIL forayed into a new vertical of manufacturing and marketing of Homeland & Security products.
- KDAIL is in process of developing and selling a wide range of products to be used by the Indian Armed Forces & Domestic agencies to help maintain inland security, crowd management & Border Safety.
- The company has recently developed and supplied Modular Vehicle Barriers in this vertical, to be used in Crowd control and highway traffic management. Some of the other products under this vertical are Automatic tyre Killers and Multi-purpose Launchers.
- KDAIL has entered into agreements with some foreign vendors for import of critical components required to manufacture/assemble Homeland security products in their factory. By manufacturing these novel homeland security products in India, the company proposes to market these products under the **MAKE IN INDIA** Program.
- In the recent times, KDAIL has participated in the Homeland Security Expo & Police Expo which enabled the company to showcase it's products to the industry.
- The management is extremely enthusiastic about the growth of this vertical and believes it to become a substantial part of the business in the coming years.

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The Homeland Security Product Range

PRODUCT	PRODUCT DESCRIPTION	IMAGE
Multi-Purpose Launcher	MPL can stop a hostile vessel in sea and very useful for search and rescue.	
Modular Vehicle Barrier	MVB prevents intruding Vehicle, ensuring safety in large gathering/crowds.	
Crowd Control Barrier	Crowd control barriers are commonly used to manage and control the crowd.	
Automatic Tyre Killer	ATK is a remote controlled, lightweight, portable tyre killer which can be used as a surprise element to stop the hostile vehicle	








Dairy Equipment

- KDAIL commenced its business operations in 1997 with the production of dairy equipment for commercial dairy operators and Village Milk collection units. Over the years it has developed a wide range of dairy equipments to facilitate procurement, processing, distribution of milk & other dairy products.
- In the landmark year of 2021 the company achieved a milestone when they were granted a patent under The Patents Act,1970 for invention of automated milk analysis and collection apparatus called Robotic Milk Collection Unit (RMCU) up to the year 2035.
- The company has also exported dairy equipment products like: Bulk Milk Coolers, , Stainless Steel Milk Cans, Milking Machines etc. to countries like: Finland, Sri Lanka, Fiji, Kenya, Uganda.
- The company's range of dairy equipment products offer quality solutions to a variety of needs of dairy farmers across the nation. Some of the ways in which KDAIL's products have made an impact are as follows: -
 - o Robust Milk collection Process-Automatic milk deposit ensuring less human dependency for milk collection & detection of milk adulteration.
 - o Hassle Free Milk Transport-Proper, healthy and odorless transportation of milk & preservation of milk for longer duration.
 - o Structured Data Collection-Establish data base for farmers and milk societies.
 - o Cost Savings-Structured & automated processes have resulted in better management of commercial dairy livestock and milk collection units, thereby leading to a considerable cost saving.
- Some of the products under the company's umbrella are stainless-steel milk Cans, Milk Cooling Tanks or Bulk Milk Coolers, Milking Machine, Cow Brooming Brush, and Robotic Milk Collection Unit.

CLIENTELE ▶



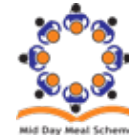
The Dairy Equipment Product Range

PRODUCT	PRODUCT DESCRIPTION	IMAGE
PATENTED Robotic Milk Collection Unit ®	RMCU is a state of art solution for milk collection measuring the milk volume, SNF, Fat and Adulteration of the Milk. The developed product works like a kiosk for Milk Collection for Milk Society, and it analyses the farmer milk not only for Fat & SNF but also tests the milk for adulteration. The RMCU ensures only top-quality milk is collected by the Milk Society and below par milk or adulterated milk is rejected. The product patent is valid for the term of 20 years.	
NON-PATENTED Stainless Steel Milk Can	Stainless Steel Milk cans with Capacity from 5 Ltrs to 50 Ltrs.	
Milk Cooling Tank	Milk Cooling Tanks from Capacity 300Ltrs to 10,000Ltrs, used by Dairies for Cooling of Milk during procurement.	
Milking Parlour	Milking Parlours for Commercial Dairy Farms.	
Cow Grooming Brush	With the access to the grooming brush, cows are cleaner and happier and spend about fivefold more time for grooming compared with when brushes are not available.	
Milking Machine	It is designed to minimize human contact with milk which helps in maintaining hygiene during milking and produces with a lower bacterial count.	
Solar Powered Milk Cooling Tank	Power Tracking Module for optimum use of Solar Energy which operates on both Grid and Battery Power.	







Mega Kitchen Equipment

- KDAIL has been involved in several turnkey projects for Mega Kitchens, delivering quality cooking equipments majorly powered by Steam, Gas & Electricity.
- Some of the products under this vertical are Rice Cauldron, Dal Cauldron, Braising Pan, Distribution Vessels, Rice Chute, Dal Storage Tank, which are being used by organizations which run Midday Meal Programs which serves about 1,00,000 meals a day.
- Presently the company is supplying such products to The Akshaya Patra Foundation, Touch Stone Foundation, Anna Mitra, and a few State-run Bulk Kitchens and MNCs. who are among the most trusted Non-Government Organization's (NGO) that sponsor meals for children.

CLIENTELE ▶



The Mega Kitchen Product Range

PRODUCT NAME	PRODUCT DESCRIPTION	PRODUCT APPLICATION	IMAGE
Distribution Vessels	<ul style="list-style-type: none"> • 10L ,20L and 30L • Product is Made from AISI 304 Food Grade Stainless Steel 	<ul style="list-style-type: none"> • Useful to store and distribute food in smaller quantities. • It can also be stacked in a cold room or in a vehicle for storing or transportation. 	
Dal Storage Tank	<ul style="list-style-type: none"> • 500-2500L 	<ul style="list-style-type: none"> • Used to store cooked dal or sambhar before distribution. 	
Dal Cooker/ Cauldron	<ul style="list-style-type: none"> • 300-3000L • Made from AISI 304 Food Grade Stainless Steel 	<ul style="list-style-type: none"> • Used to cook Dal/Sambhar. • Available in LPG & Steam 	
Rice Cooker/ Cauldron	<ul style="list-style-type: none"> • 150-700L • Made from AISI 304 Food Grade Stainless Steel 	<ul style="list-style-type: none"> • Used to cook rice in huge quantities without sticking to bottom or burning 	
Braising Pan	<ul style="list-style-type: none"> • 150 – 500L • It is made from AISI 304 Food Grade Stainless Steel 	<ul style="list-style-type: none"> • Heavy-duty commercial cooking appliance • Can perform up to eight cooking functions : braising, boiling, steaming, poaching, stewing, roasting, deep frying, and shallow frying. 	
Rice Storage Chute	<ul style="list-style-type: none"> • 500 – 700kg 	<ul style="list-style-type: none"> • Equipment used for dumping the cooked rice from the rice cookers and act as filling station for distribution vessels. 	

delivered solid results in a challenging market

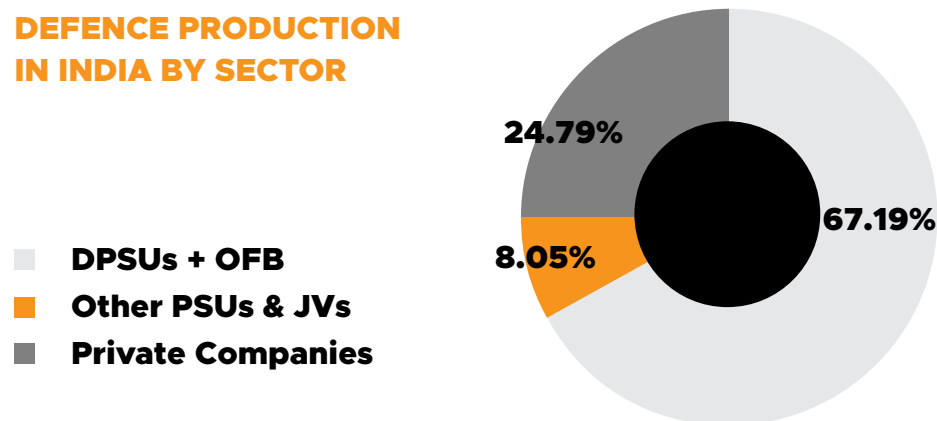
INDUSTRY OUTLOOK

The Defence And Homeland

DEFENCE MANUFACTURING INDUSTRY

- Indian defence production target in 2025 ~US\$ 25.00 billion.
- India has the world's third-largest defence expenditure, as of 2021, and expects to export equipment worth US\$ 15.00 billion by 2026.
- In January 2021, Defence Research and Development Organization (DRDO) announced that it will support at least 30 start-ups every year to develop innovative products for Indian defence forces.
- The government is taking steps to boost domestic defence manufacturing. In line with this, between FY17 and FY22 (until June 2021), the government signed 264 contracts for defence equipment procurement, with 159 contracts for armed equipment procurement.

DEFENCE PRODUCTION IN INDIA BY SECTOR



HOMELAND SECURITY INDUSTRY

- Today India is 2nd highest populated country & being a land of diverse communities and races; is subject to lot of communal tensions, Political unrest, protests and mass gatherings.
- FY 22-23 budget allocation to the Ministry of Home Affairs - **Rs 1,85,776.55 crore**, higher by **11.5%** as compared to PY. Modernization of police forces, intelligence gathering apparatus, women safety, cyber security and the decennial census gets priority.
- The global homeland security market valued **\$514.38 billion** in 2020 and is projected to reach **\$801.01 billion in 2028**, registering a **CAGR of 5.7%**.
- The domestic security forces of India like the Indian Police force, Central Reserve Police Force (CRPF), & Border Security Force (BSF), are in through requirement of advanced, modern & safer defence equipment, which creates an extremely lucrative opportunity for Homeland Security Equipments in India.

Source:- <https://www.alliedmarketresearch.com/homeland-security-market>

Dairy And Mega Kitchen

DAIRY & MEGA KITCHENS

- The global dairy processing equipment market is expected to grow at a **CAGR of 5.4% during the forecast period (2022-2032)**. The market value is projected to increase from US\$ 10.2 Bn in 2022 to US\$ 17.2 Bn by 2032. The dairy processing equipment market was valued at US\$ 9.7 Bn in 2021 and is anticipated to exhibit Y-o-Y growth of 5.2% in 2022.
- India is ranked 1st in milk production contributing 23 per cent of global milk production.** Milk production in the country has grown at a compound annual growth rate of about 6.2 per cent to reach 209.96 million tonnes in 2020-21 from 146.31 million tonnes in 2014-15.
- Preference for high-performance equipment, is likely to drive dairy processing equipment sales during the assessment period. Milk products are gaining popularity due to its health benefits. **This is expected to boost the India dairy processing equipment market at a CAGR of 10.06% by 2032.**
- Statistics indicate an exponential demand for dairy equipment's in the coming years with completely automated dairy processing plants and processing lines for new products.

WORLD'S LARGEST MILK PRODUCERS

Rank	Country	As Per 2019 Production (million tonnes)
1	India	196.18
2	US	99.16
3	Pakistan	47.30
4	Brazil	35.17
5	China	32.67
6	Russia	31.16
7	Germany	31.10
8	France	25.01
9	New Zealand	21.79
10	Turkey	21.53

Source : USDA, Economic Research Service. Food & Agriculture Organization, FAOSTAT Database

Geographical Presence

KALOL PLANT

(Plot No. 121/8/9/20/21/22/23-24, GIDC Estate, Kalol, Panchmahals, Gujarat, 389330)

- Covering an area of ~40,000 Sq. ft.
- Accredited with ISO 9001:2015 quality management system as manufacturer and exporter of stainless-steel milk cans, milking machine, milk coolers, dairy and kitchen Equipment, milk testing Equipment, Galley Equipment, shipbuilding steel bulb bars, modular vehicle barrier & automatic tyre killer.
- Leased from the GIDC and is leased until Dec31, 2070.
- **Products manufactured : Dairy Equipment**



HALOL PLANT

(Plot No: 503/A, GIDC Estate, Halol – 389350)

- Covering an area of ~60,000 Sq. ft
- Accredited with ISO 9001:2015 quality management system as manufacturer and exporter of stainless-steel milk cans, milking machine, milk coolers, dairy and kitchen Equipment, milk testing Equipment, Galley Equipment, shipbuilding steel bulb bars, modular vehicle barrier & automatic tyre killer.
- Leased from Krish Industries Private Limited and is leased until Oct 31, 2026.
- **Products manufactured: Defence Product**



REGIONAL OFFICES

At Vadodara & Corporate office at Mumbai

- Mumbai : 344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai – 400013, Maharashtra, India.
- Vadodara: 2nd floor office no-207-208 Atlantis Heritage, Vadivadi Road, Sarabhai campus, Vadodara, Dist.: Baroda-390023.
- The office has an employee strength of 30 and manage marketing, selling, purchase, accounts and finance functions of the company.



Our Capacities

Product	Monthly Installed Capacity	Units	2019-20		2020-21		2021-22	
			Capacity Utilised	%	Capacity Utilised	%	Capacity Utilised	%
Milk Cooling Tanks	24	Set	74	26%	37	13%	110	38%
SS Milk Cans 40Ltrs	2,000	Pcs	18,350	76%	19,535	81%	20,500	85%
Milking Machines	200	set	517	22%	198	8%	205	35%
Ship Building Section Bulb Bars	200	MT	215	9%	344	14%	580	24%
Kitchen Equipment	2	Set	4	17%	16	67%	18	75%

Industry Opportunity For Naval Steel Sections - Bulb Bars

(in ₹Cr)

- The Indian navy's budget for 2022-23 witnessed a massive jump of around **43% per cent at Rs 47,590.99 crore.**
- As a result of various Atmanirbhar initiatives of the Indian government, large number of big and small Indian equipment manufacturers have come forward to develop ship borne equipment and systems.
- Shown alongside is an extract of the order book of listed companies who manufacture Defence Equipments & Navy vessels.
- Indian Navy plans to add about 40 ships in the next decade, valuing over 2 Lac Crores, providing an huge opportunity for KDAIL.

Product	Order Book	FY21-22 Revenue	OrderBook Revenue X	Mcap
Cochin Shipyard Ltd.	20,000	2,819	7	4,497
Garden Reach Shipbuilders & Engineers Ltd.	24,600	1,141	22	3,438
Mazagon Dock Shipbuilders Ltd.	47,000	4,048	12	6,443
Total	91,600	8,278	5	14,378

Source: Moneycontrol Research



FINANCIAL SYNOPSIS

Financial Highlights

FY21 Vs FY22

Particulars (INR Mn)	FY22	FY21	YOY%
Revenue from Operations	499.19	350.27	42.52%
Other Income	4.24	13.01	
Total Revenue	503.43	363.28	
Total Expenses excluding Depreciation, Amortization & Finance Cost	432.88	306.21	
EBITDA	66.31	44.06	50.50%
EBITDA Margin (%)	13.28%	12.58%	
Depreciation & Amortization	16.75	13.97	
Finance Cost	18.61	16.74	
PBT before Exceptional Item	35.19	26.37	
Exceptional Items	-	-	
PBT	35.19	26.37	
Current Tax	9.137	6.70	
Earlier Years	0.56	0.89	
Deffered Tax	0.90	0.16	
Total Tax Expenses	10.60	7.75	
PAT	24.60	18.62	32.11%
Other comprehensive profit / loss	-	-	
Net PAT	24.60	18.62	
PAT Margin %	4.93%	5.32%	
Diluted EPS	2.93	2.22	0.32%

Financial Performance Comparison

- Revenue from Operation recorded a **growth by 42.52% from Rs 350.27 Mn in FY21 to Rs 499.19. Mn in FY22.**
- The EBITDA increased by 50.50 % from **Rs. 44.06 Mn in FY21 to Rs 66.31 Mn in FY22** and there was a gain in the EBITDA margins from **12.58 % in FY21 to 13.28 % in FY22.**
- Net profit stood at **Rs 24.60 Mn in FY22**, compared to **Rs 18.62 Mn** in FY21 recorded a growth of **32.11 %**

Balance Sheet

Particulars (INR Mn)	As at 31st March 2022	As at 31st March 2021
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment and Intangible Assets		
(i) Property, Plant and Equipment	136.03	99.61
(ii) Capital work in progress	-	33.92
(iii) Intangible assets	-	-
(b) Non-current investments	0.10	0.10
(c) Long-term loans and advances	0.83	1.72
(d) Other non-current assets	9.42	8.82
	146.39	144.17
Current assets		
(a) Current investments		-
(a) Inventories	157.12	152.80
(b) Trade receivables	218.67	132.07
(c) Cash and Bank Balance	144.20	96.56
(d) Short Term loans and advances	6.81	11.34
(e) Other current assets	4.94	26.18
	531.74	418.97
TOTAL	678.14	563.15

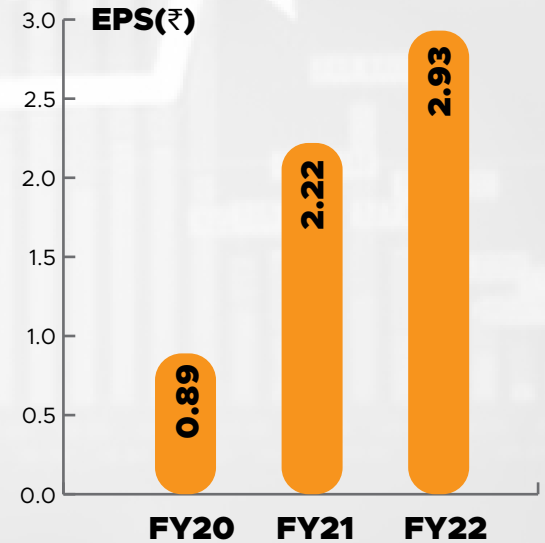
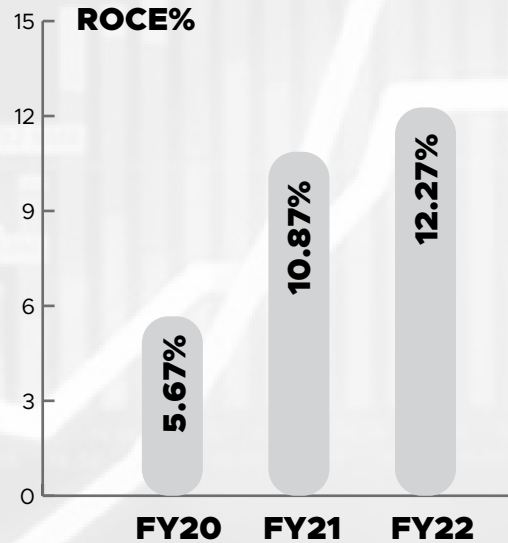
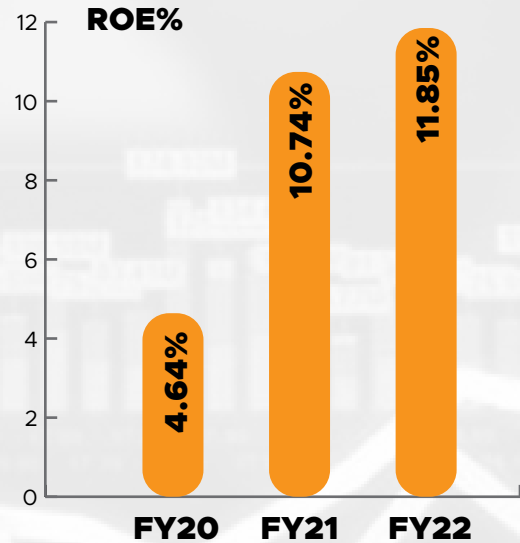
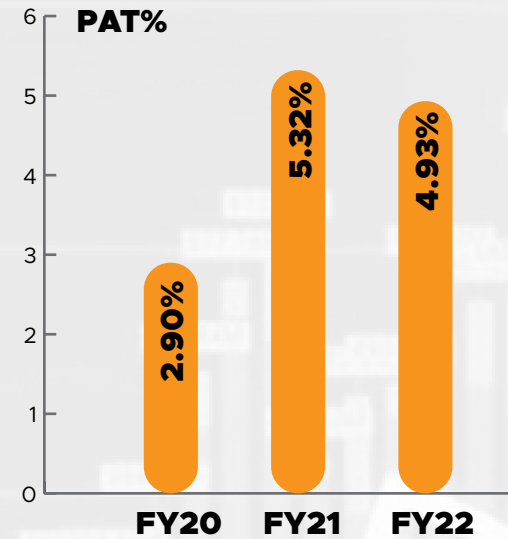
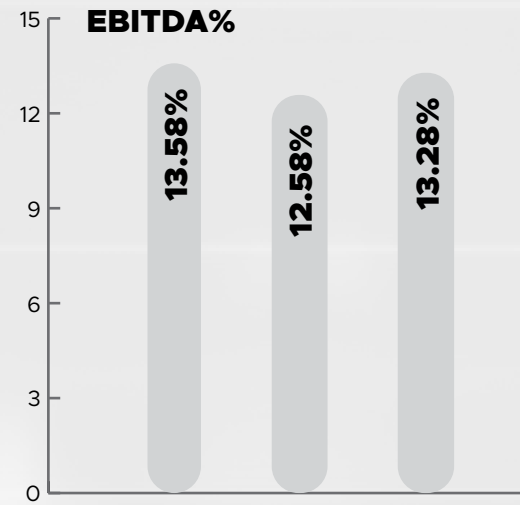
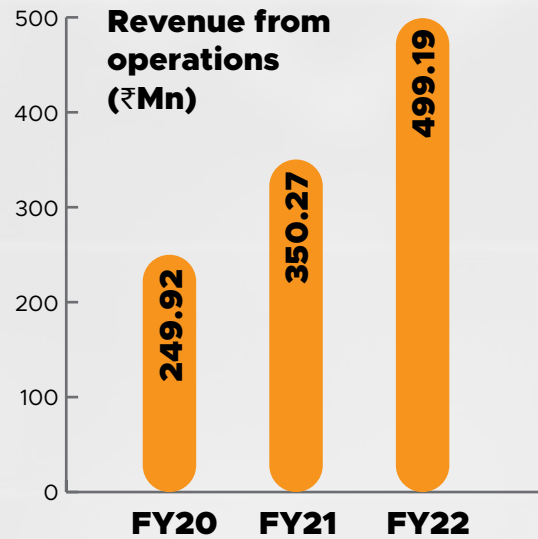
Balance Sheet

Particulars (INR Mn)	As at 31st March 2022	As at 31st March 2021
I. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	84.00	42.00
(b) Reserves and surplus	123.49	140.90
	207.49	182.90
2 Share Application Money Pending Allotment	33.69	-
3 Non-current liabilities		
(a) Long-term borrowings	72.05	147.68
(b) Deferred tax liabilities (Net)	3.01	2.11
(c) Long-term provisions	0.74	0.51
	75.81	150.30
4 Current liabilities		
(a) Short-term borrowings	158.78	108.05
(b) Trade payables		
(A) Total outstanding dues of Micro and small enterprises than micro and small enterprises	15.15	15.26
(B) Total outstanding dues of creditors other	124.82	52.02
(c) Other current liabilities	53.34	46.57
(d) Short-term provisions	9.04	8.03
	361.14	229.94
TOTAL	678.14	563.15

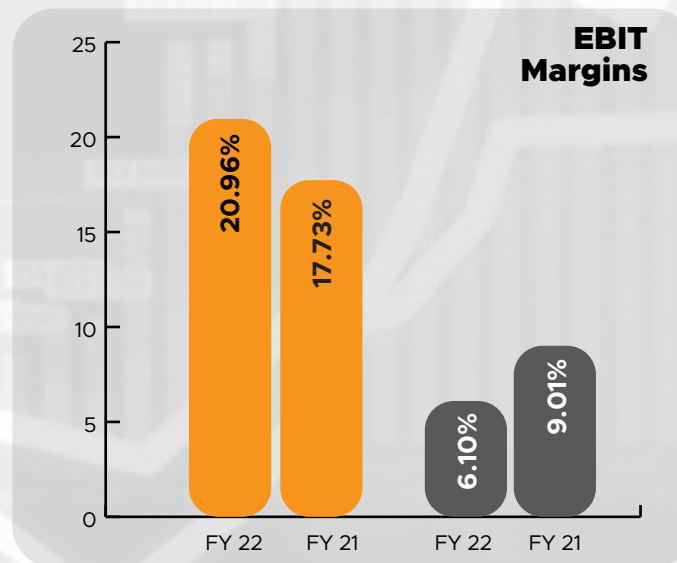
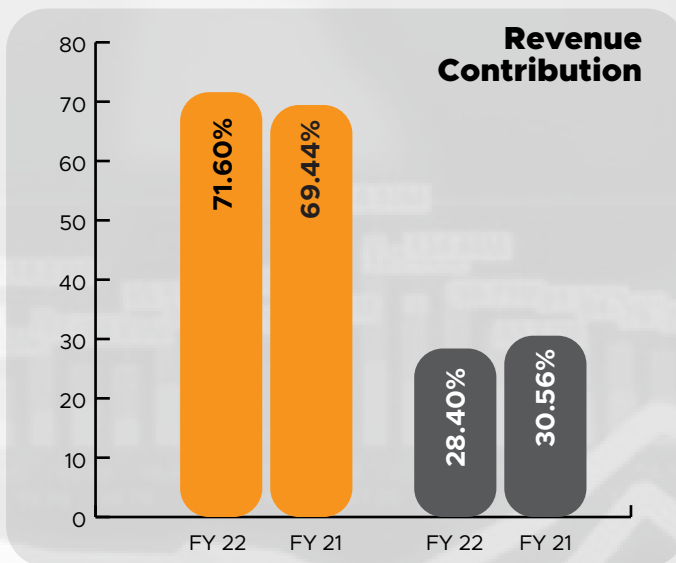
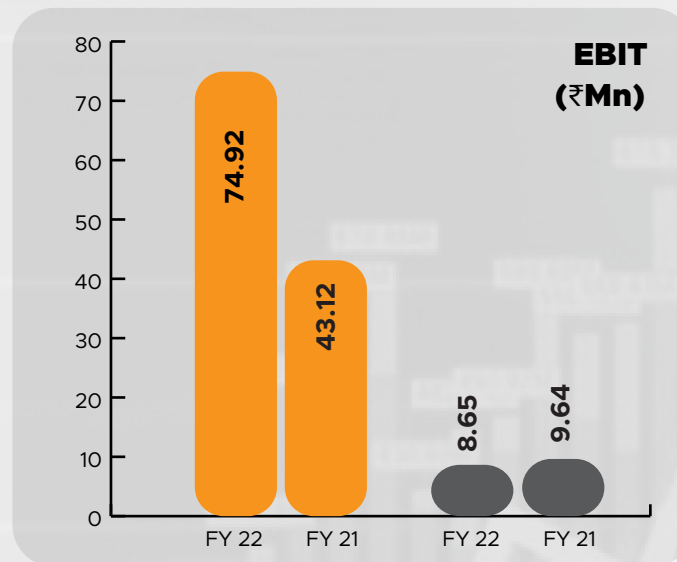
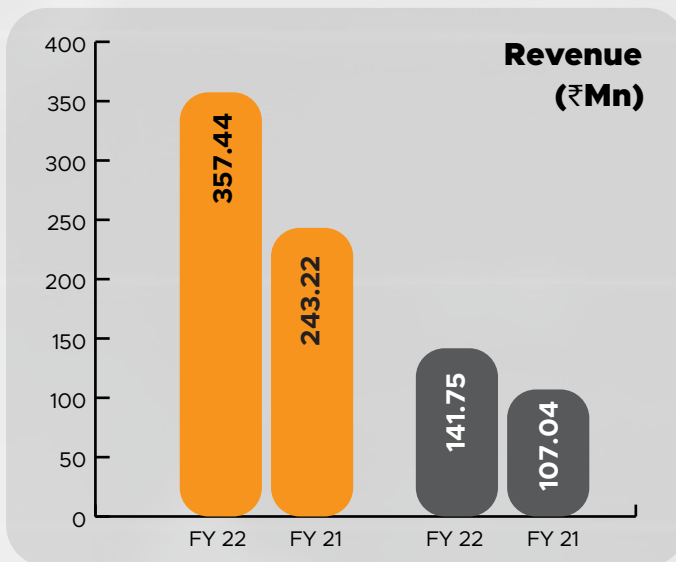
Financial Performance Comparison

- Total Fixed Asset grew by 1.87% from **Rs. 133.53 Mn in FY21 to Rs 136.03 Mn in FY22.**
- Current Asset stood at **Rs. 531.74 Mn in FY22**, compared to **Rs. 418.95 Mn in FY21.**
- Debt Equity ratio improves from 1.37% in FY21, to 1.11% in FY22 & Cash flow from operations stands at **Rs. 68.19 Mn for FY 22 from 19.01 Mn** for FY 21.
- Long term borrowing stood at **Rs. 72.06 Mn in FY22**, compared to **Rs. 147.68 Mn in FY21** and Short-term borrowing at **Rs. 158.79 Mn in FY22**, compared to **Rs. 108.05 Mn in FY21.**
- Inventory Holding Period has increased to **271 days** in FY22 compared to **98 days** in FY21 this is due to lockdown related disruptions in COVID-19.
- Working Capital Cycle has increased to **313 days in FY22** compared to 155 days in FY21. Most of the sales has happened in Q4 of FY22, translating to a high working capital cycle.

Key Financial Indicators



Segmental Performance



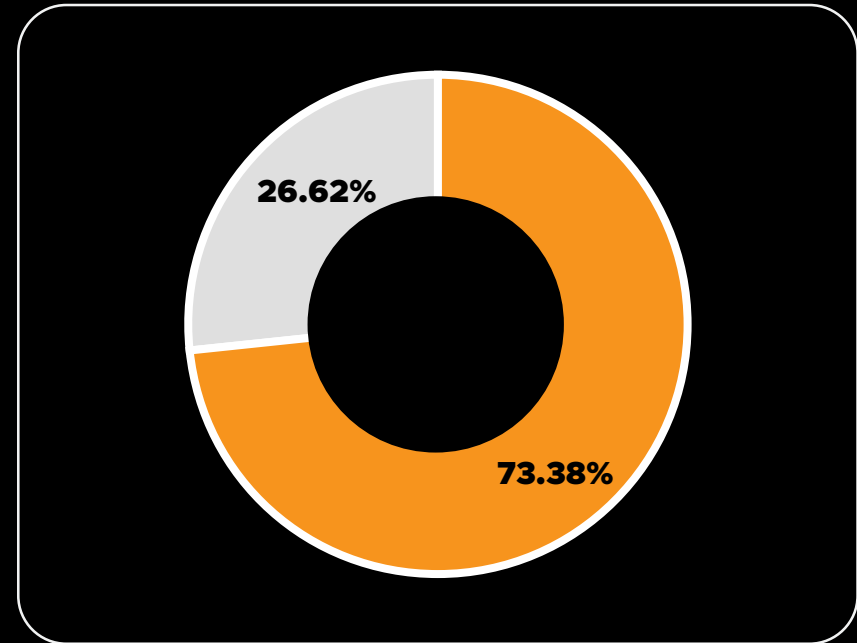
Defence Products
Dairy and Kitchen Products

Market Indicators

SHAREHOLDING AS ON 31.03.2022

Category of Shareholder	No of shares held	Percentage (%)
(A) Promoter & Promoter Group	84,00,000	73.38%
(B) Public	30,48,000	26.62%
Grand Total	1,14,48,000	100.00%

MARKET INDICATOR	NSE- SME
Face Value (INR)	10
52 weeks High / Low (In INR)	118.35/53.05
Market Cap (in Mn) As on 31st July, 2022	707



Awards And Laurels



Mr. Ashwin Shah receiving DTA Awardsipsum from **Honorable Prime Minister Narendra Modi.**



Mr. Ankur Shah receiving the Transfer of Technology Award from **Honourable Defence minister of India Shri. Rajnath Singh.**



DRDO Technology Absorption Award -2013



India SME Award



DRDO Certificate



DRDO Group Photo

Management Guidance & Outlook For FY23

- In line with various government initiatives under the **“Make In India”** programme with an objective to encourage **Indigenous Defence equipment** manufacturing in the country, the management has an extremely favourable outlook for FY23 and is looking at a **40-50% growth in the top line** of the business from the previous financial year.
- The company firmly believes in **continuous innovation** through **precision engineering** and empirical technology. It is in the process of partnering with various research and vocational educational hubs to develop cutting edge technologies and security products for the armed forces of India.
- The Defence vertical to **grow by 30% to 40%** driven by increased government demand owing to **Defence budget**. The upscaling of the **Homeland Security** division is expected to contribute significantly towards the **top line expansion** under this vertical.

- The Dairy and Mega Kitchen verticals are supported by robust demand and **increasing commercialization** of Dairy farming are expected **to post growth by 10-15%**.



- The **multi-fold revenue** growth on the back of scaling up of all the verticals is expected to bring about a **EBITDA margin expansion** of **~100-150 bps** on full year basis.
- **PAT margins** to grow **~100 bps** points from current margins of FY22 due increase in scale of operations & effective utilization of infrastructural capacities.
- The management plans to focus on generating sustainable growth of the business following the economic headwinds of **self- sustenance** in key sectors, strengthen culture & austerity in the organization thereby enhancing **shareholders value**.
- **Expanding geographical presence** to Middle-East and Africa countries by increasing exports, especially for the Homeland Security and Dairy Equipment vertical.



KRISHNA

DEFENCE AND ALLIED INDUSTRIES LTD

THANK YOU

For further information on the Company, please visit
www.krishnaallied.com

**Krishna Defence and Allied
Industries Ltd**

Email: sales@krishnaallied.com
Contact: +91 22 4220 3888

Krunal Shah | Sneha Khetwani

Captive IR Strategic Advisors Pvt. Ltd.

Email: krunal@cap-ir.com /
sneha@cap-ir.com
Contact: +91 98922 88895