

July 31, 2023

The Secretary  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E),  
Mumbai - 400 051  
**Stock Code – KAYNES**

The Secretary  
**BSE Ltd.**  
Corporate Relationship Dept.,  
14th floor, P. J. Tower,  
Dalal Street, Fort  
Mumbai - 400 001  
**Stock Code – 543664**

Dear Sir/Madam,

**SUB: Investors/ Earnings Presentation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

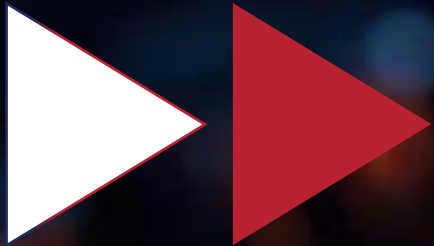
With reference to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Investors/ Earnings Presentation for the year ended June 30, 2023. The Company will use this presentation for any meeting scheduled with analysts or institutional investors up to September 30, 2023.

The above information will also be available on the website of the Company at [www.kaynes technology.co.in](http://www.kaynes technology.co.in).

Request to kindly take this intimation on record.

Thanking You,  
Yours faithfully,  
For **Kaynes Technology India Limited.**

**Jairam P Sampath**  
Whole Time Director and Chief Financial Officer  
DIN: **08064368**



# Kaynes Technology India Limited

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Earnings Presentation | July 2023

# Disclaimer

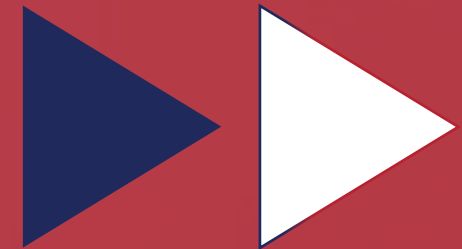


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# Quarterly Financial Highlights



# Q1FY24 Results Snapshot (Consolidated)



**₹ 30,004 mn**

**Order Book**

₹ 26,482 mn in FY23



**₹ 2,972 mn**

**Revenue**

49% YoY



**₹ 403 mn**

**EBITDA**

64% YoY



**13.5%**

**EBITDA Margin**

+ 122 bps YoY



**₹ 246 mn**

**Profit After Tax**

145% YoY



**8.3 %**

**PAT Margin**

+325 bps YoY



**₹ 9,824 mn**

**Networth**

₹ 2,120 mn in Q1FY23



**₹ 972 mn**

**Net Debt**

₹ 1,690 mn in Q1FY23



**21.7%**

**ROCE**

22.2% in Q1FY23



**16.8%**

**ROE**

19.2% in Q1FY23



**121 Days**

**Net WC Days**

122 days in Q1FY23



**0.1x**

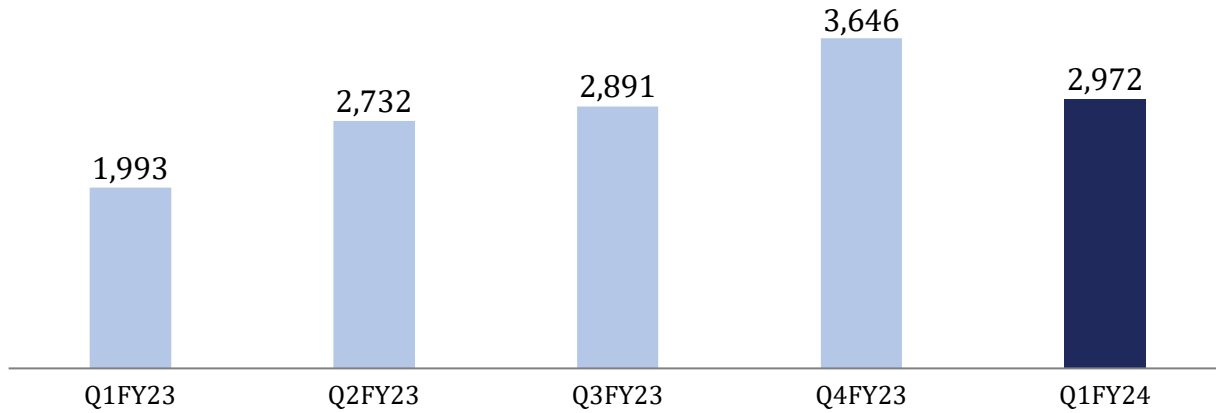
**Net Debt to Equity**

0.8x in Q1FY23

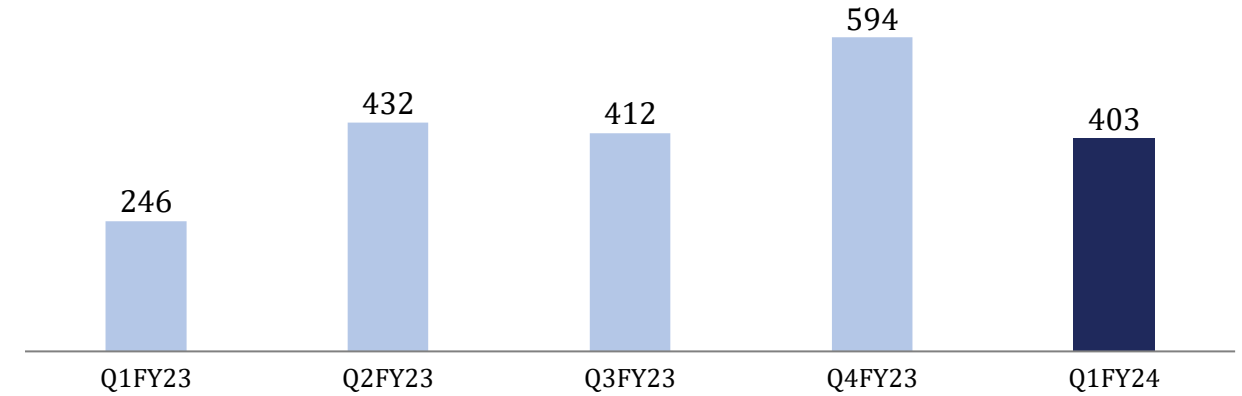
# Consistent quarterly financial performance



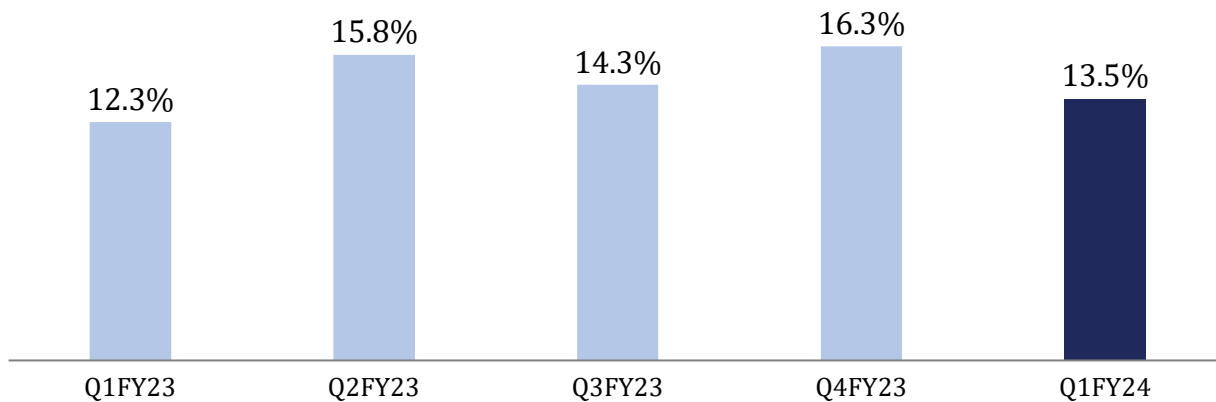
## Revenue (₹ Mn)



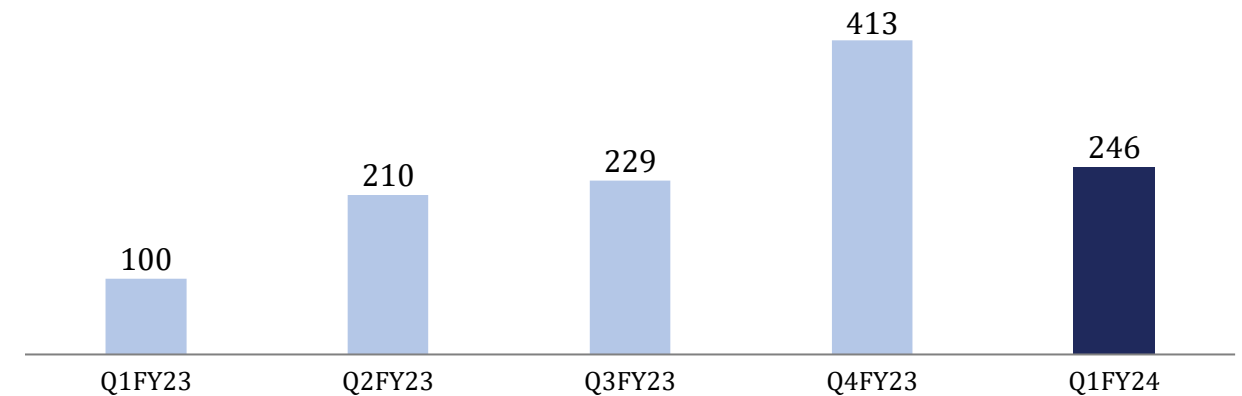
## EBITDA (₹ Mn)



## EBITDA Margins (%)



## Profit After Tax (Restated) (₹ Mn)



# Diversified Revenue Mix

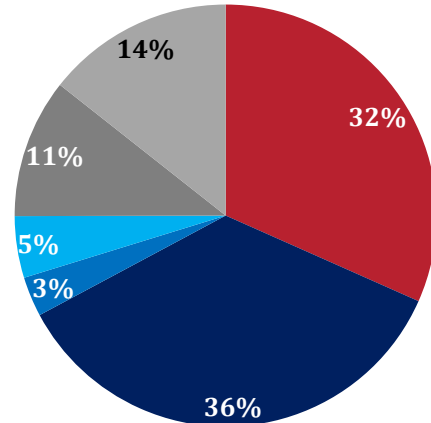
## Revenue across verticals

Q1FY24

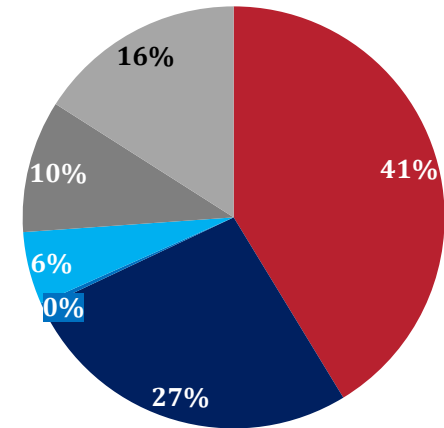
Q1FY23



- Automotive
- Industrial incl EV
- Aerospace, Outerspace & Strategic electronics
- Medical
- Railways
- IoT / IT, Cons and Others



- Automotive
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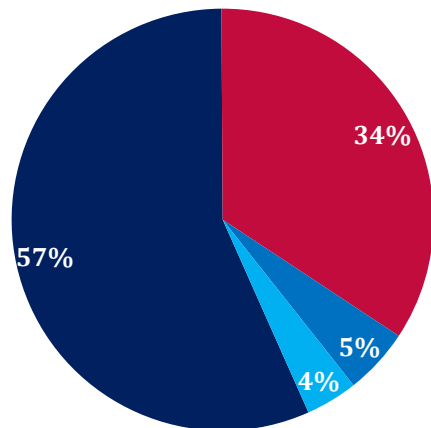


## Revenue across segments

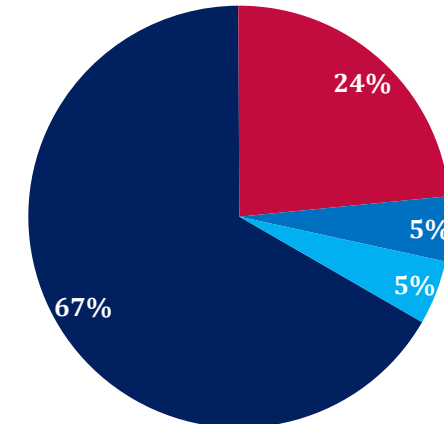
Q1FY24

Q1FY23

- OEM - Turnkey - PCBA
- OEM - Turnkey - Box Build
- ODM
- Prod. Eng. and IoT solutions



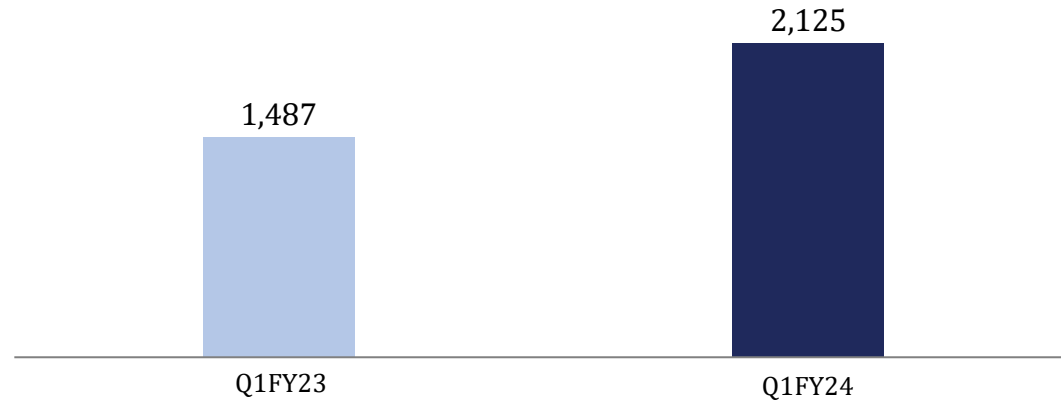
- OEM - Turnkey - PCBA
- OEM - Turnkey - Box Build
- ODM
- Prod. Eng. and IoT solutions



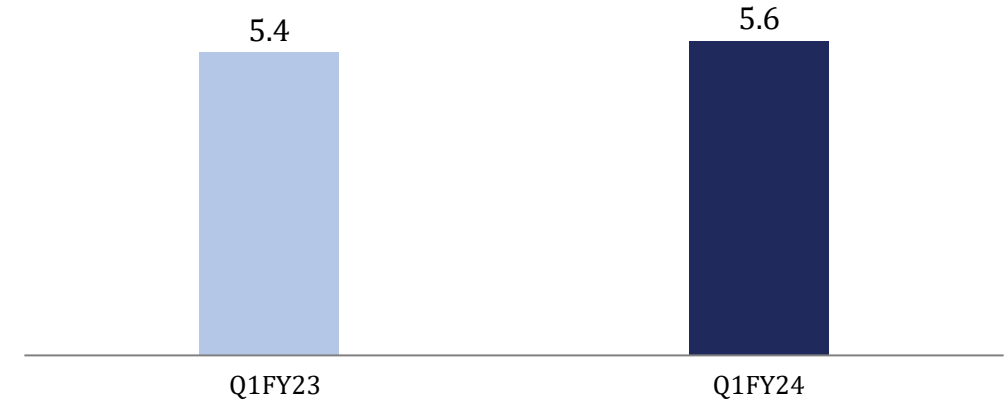
# Consistent quarterly financial performance



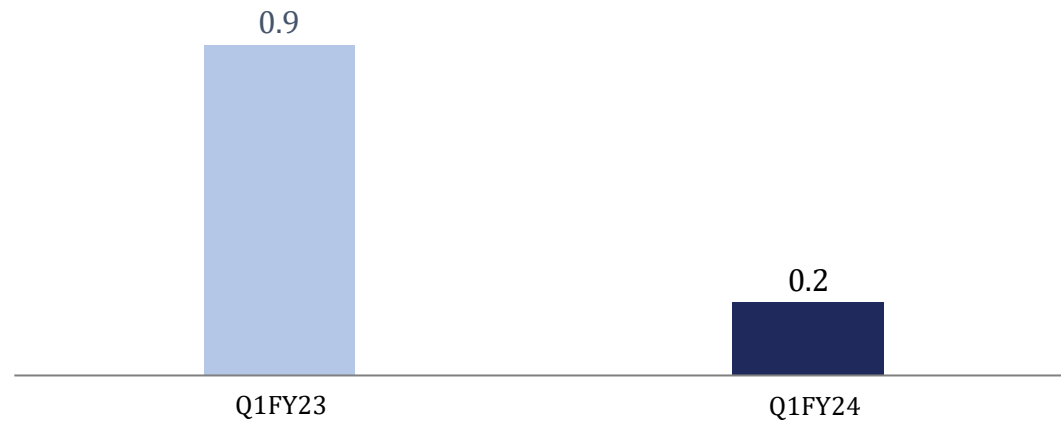
Gross Block (₹ Mn)



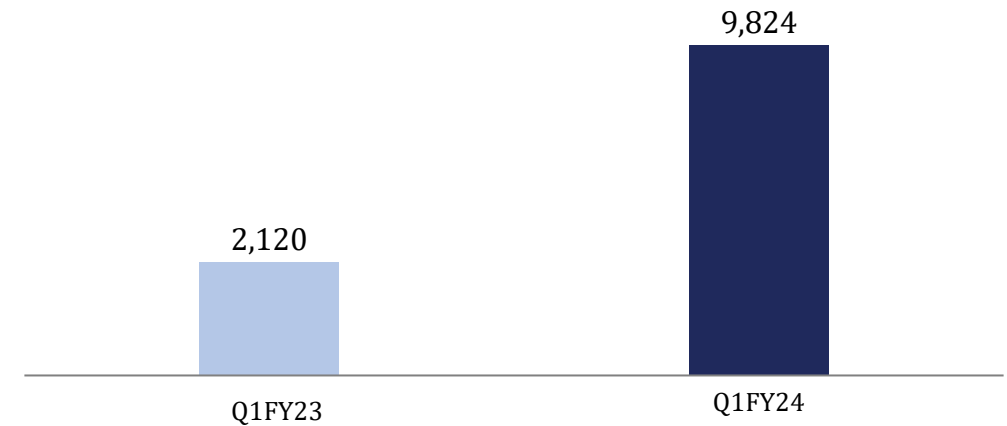
Asset Turnover ratio (x)<sup>1</sup>



Debt/Equity (x)



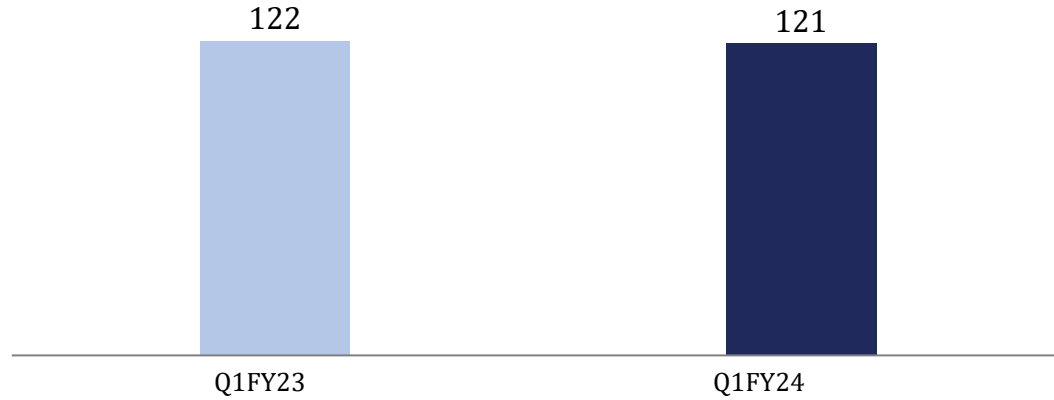
Networth (₹ Mn)



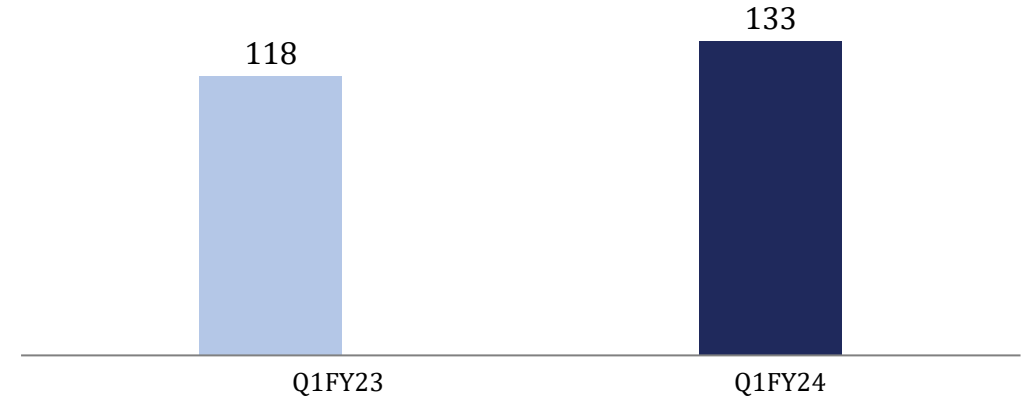
# Consistent quarterly financial performance



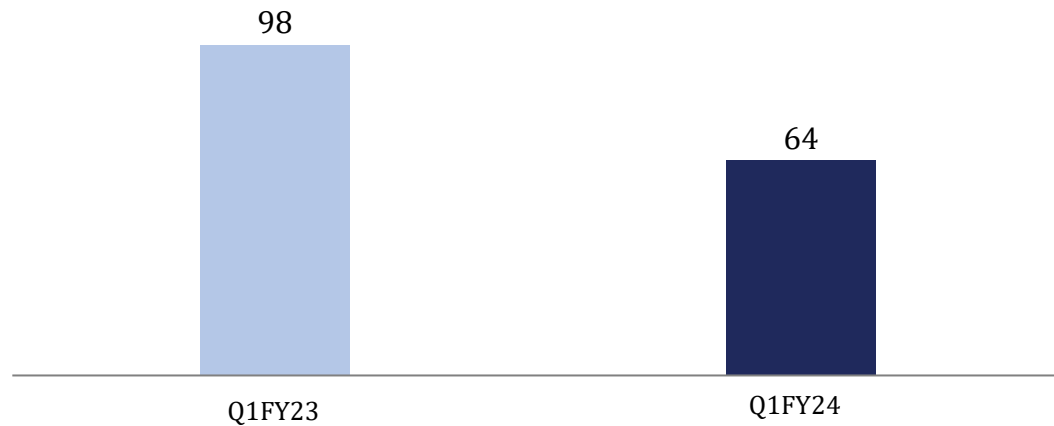
## Net Working Capital Days



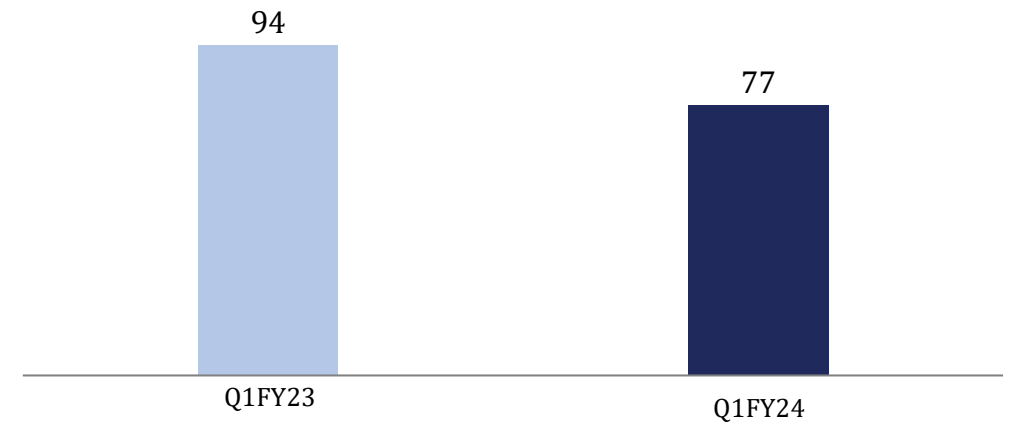
## Inventory Days



## Receivable Days



## Payable Days



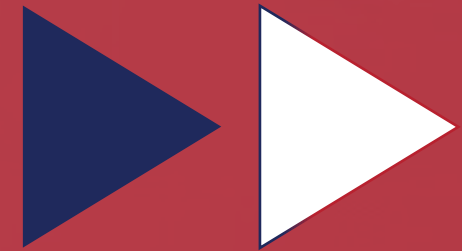
Net working capital is calculated as average inventory days plus average receivable days less average payable days  
Above data is annualized

# Q1FY24 Profit & Loss Statement (Consolidated)

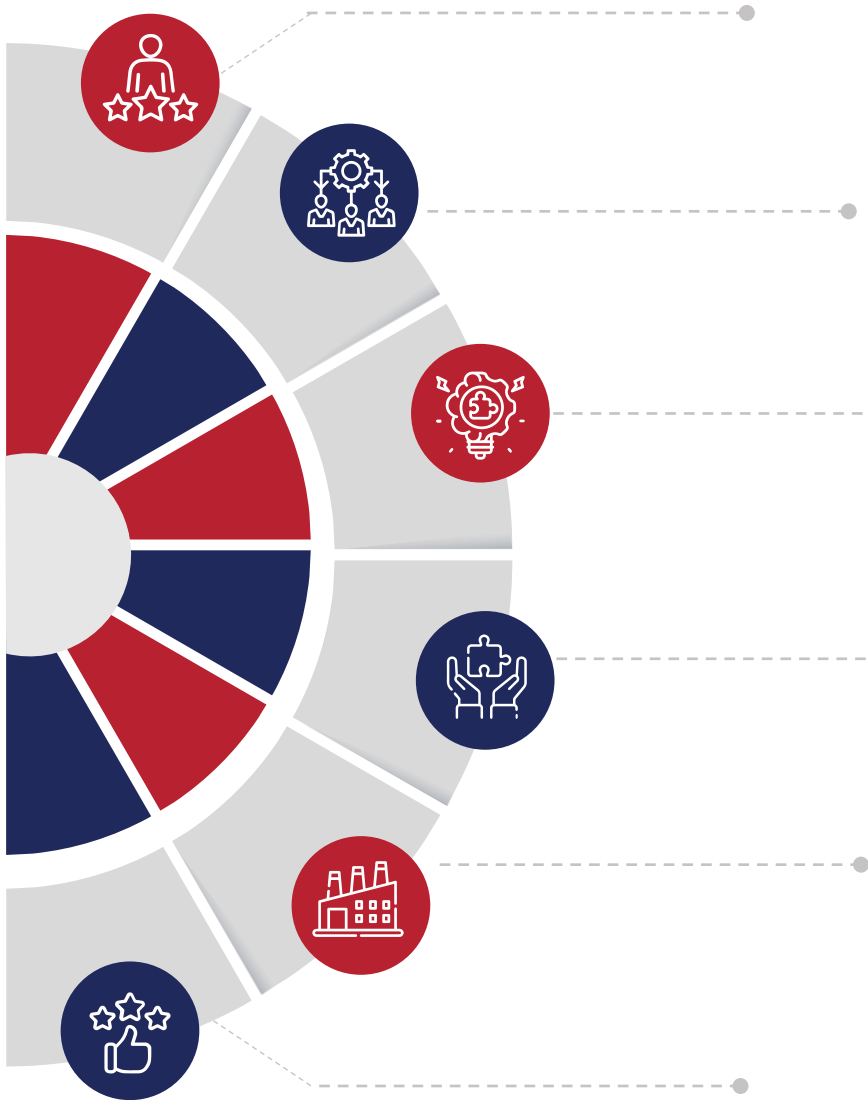


Particulars (₹ Mn)	Q1FY24	Q1FY23	YoY Chg
<b>Revenue from operations</b>	<b>2,972</b>	<b>1,993</b>	<b>49%</b>
Raw material cost	2,057	1,405	46%
Employee expenses	236	184	28%
Other expenses	276	158	75%
<b>EBITDA</b>	<b>403</b>	<b>246</b>	<b>64%</b>
<b>EBITDA margin (%)</b>	<b>13.5%</b>	<b>12.3%</b>	<b>122 bps</b>
Depreciation and amortization expense	53	46	15%
Other income	81	7	1044%
Finance cost	113	73	55%
Profit before tax	319	134	137%
Total tax expenses	72	34	113%
<b>Net profit after tax</b>	<b>246</b>	<b>100</b>	<b>145%</b>
<b>Net profit margin (%)</b>	<b>8.3%</b>	<b>5.0%</b>	<b>325 bps</b>

# Company Overview



# Company Overview



**Over 3 decades of experience** in providing conceptual design, process engineering, integrated manufacturing and life-cycle support to OEMs

**Leading integrated and IoT enabled solutions provider**, having capabilities across the entire spectrum of ESDM<sup>1,2</sup>

**Caters to multiple industry verticals** - automotive, aerospace and defense, industrial, railways, medical and IT / IoT. Has served **350+ customers in 26** countries including marquee MNCs<sup>3</sup>

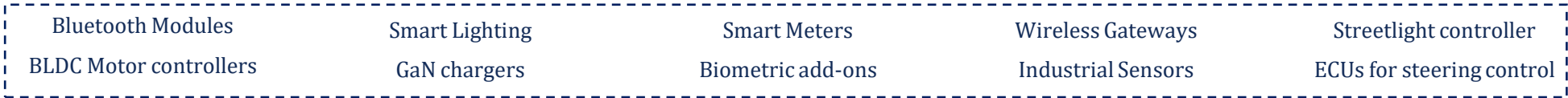
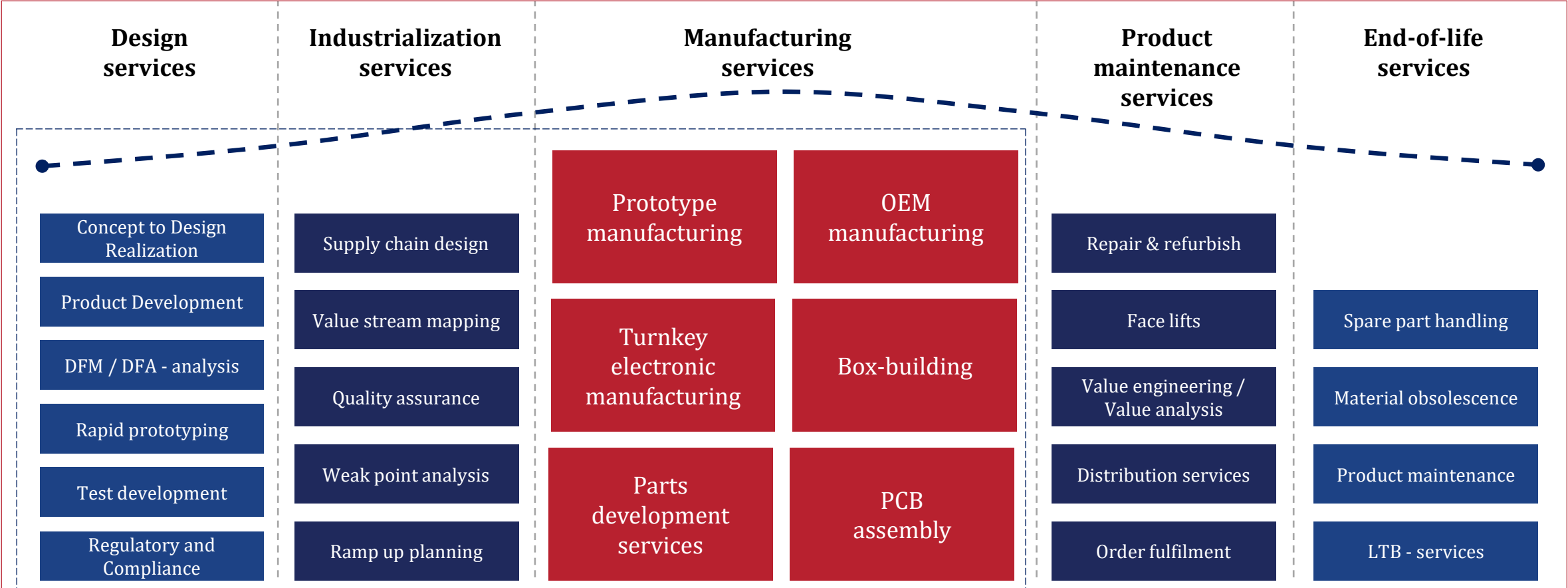
**Design led manufacturer - ODM** solutions in the fields of smart devices, IoT solutions, brushless drive technology and Gallium Nitride technology

**8 Advanced manufacturing facilities** to undertake high mix and high value products with variable or flexible volumes

**Strong Financials** – Revenue/EBITDA of **Rs11,261 mn/Rs 1,683 mn** in FY23 and Order Inflow per month of Rs2,165mn during Q1FY24

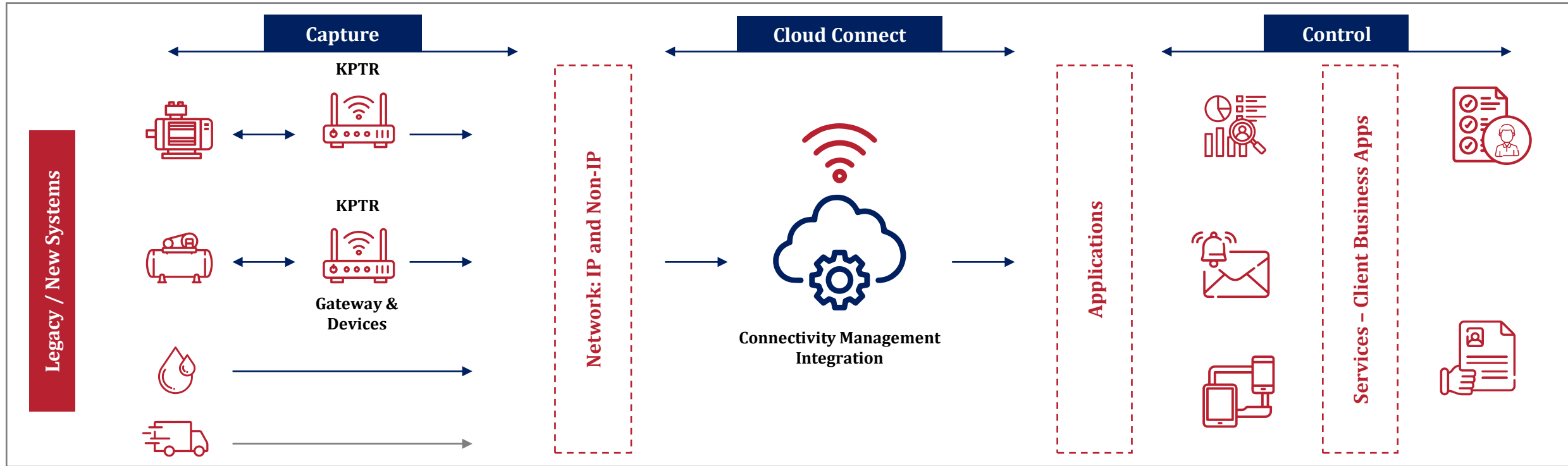


## Service offering across entire customer value chain





End-to-end connected asset platform, including business applications, managed cloud service, and ODM Device solution



Kemsys Platform Product: Snapshots

**Transformer - Large Asset Monitoring**

**Industrial Compressor Condition Monitoring**

**Cooling Tower - Predictive Maintenance**

**Power Equipment Rental Solution**

# Diversified Product Portfolio



## Automotive

Cluster PCBA



Head/Tail/Fog/DRL PCBA



Switches PCBA



BCU Master / Slave



## Industrial & EV

Smart Energy Meter



Street light controller



BMS, BMU, VCU and TGU



Precision Bridge and Strain



## Railways

AFTC & Interlocking



Westrace High Level Assy



SDTC cubicle



SDMI



## Medical

Ventilator, Endoscopy cart & Data Logger



Glucose Meter



Controller - Dental Chair



Protein & chemical analyzers

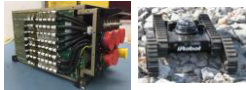


## Aerospace, Outerspace & Strategic electronics

Air Data Sensor



Mission Critical Products



Thermal Imaging Systems



Communication Electronics



## IoT / IT and others

Eval Kits



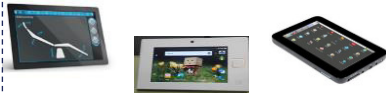
PLC & IIOT gateway



Sensors



Industrial Reader, HMI & Tablet



# Capacity for Manufacturing at Scale Augmented by Technical Capabilities



- 1 Parwanoo
- 2 Manesar
- 3 Navi Mumbai
- 4 Bengaluru Unit I
- 5 Bengaluru Unit II
- 6 Bengaluru Design Facility
- 7 Mysuru Unit I
- 8 Mysuru Unit II
- 9 Mysuru Packing facility
- 10 Chennai
- 11 Chamarajanagar
- 12 Kochi

- 12 SMT Lines + 9 new SMT Lines in FY24
- 57 THD Lines
- 26 Cable Harness Lines
- 15 plastic moulding machines
- 10K class clean room
- Most manufacturing at low cost locations
- Dedicated humidity controlled stores
- Fungible infrastructure
- 2 exclusive RoHS compliant lines for green manufacturing



## Research and Development

Focused on development of new products and improvement existing products

Dedicated research facility at Mysore, Bangaluru & Ahmedabad with a 75 member R&D Team<sup>1</sup>

Operations complying with global standards with 12 global accreditations –most for an ESDM company in India<sup>1,3</sup>

Facilities approved by global certifications Agencies  
E.g. Underwriters Laboratories, CSA2, TUV Rhineland



## Certifications



## Supply chain

Long term relationship with suppliers leading to better credit terms

**Top 10 suppliers - avg relationship of 12 years<sup>1</sup>**

1,500 + suppliers with multiple sources for a single component with specialized dealers for niche verticals<sup>1</sup>

# Well Diversified Business Profile...

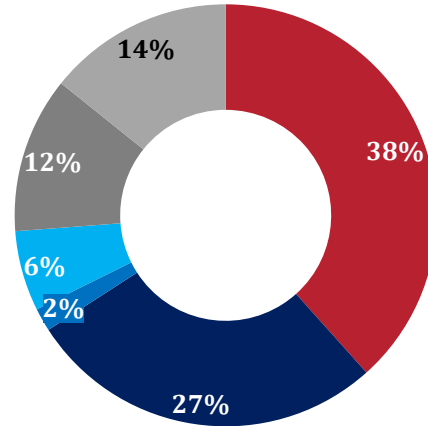


## Revenue across verticals

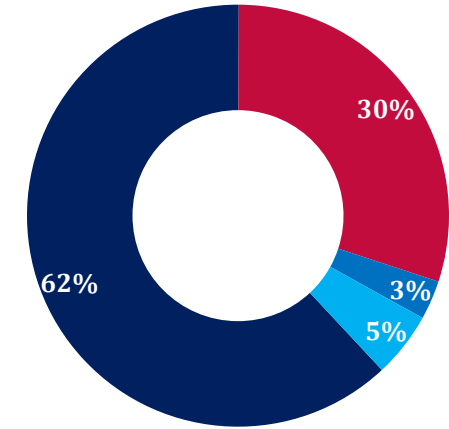
FY23

## Revenue across segments

- Automotive
- Industrial incl EV
- Aerospace, Outer-space & Strategic electronics
- Medical
- Railways
- IoT / IT, Cons and Others

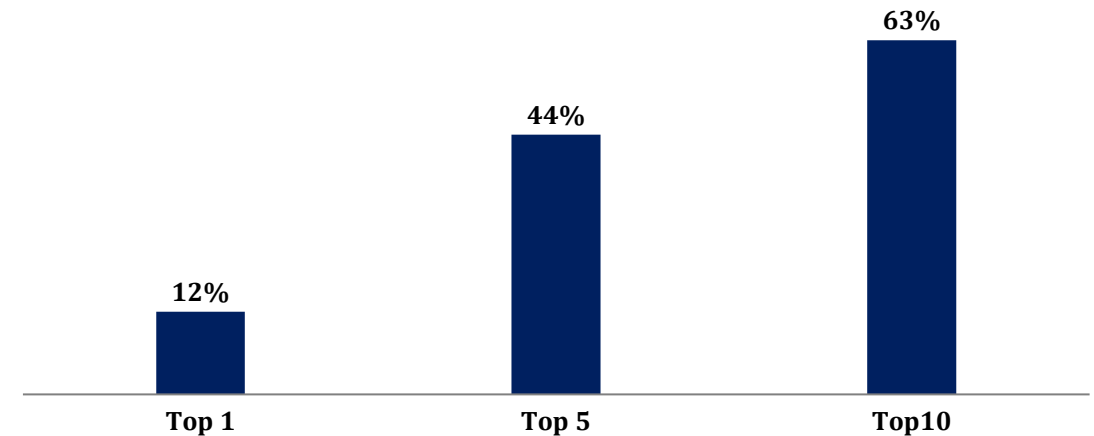
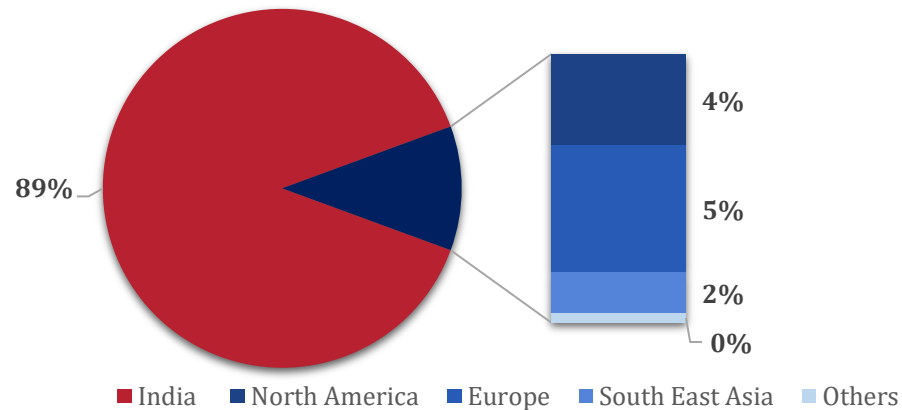


- OEM-Turnkey-PCBA
- OEM- Turnkey- Box Build
- ODM
- Prod. Eng. & IoT Solutions



## Revenue across geographies<sup>1</sup>

## Low customer concentration<sup>1</sup>



<sup>1</sup>-as of Q1FY24 and have billed 250+ clients

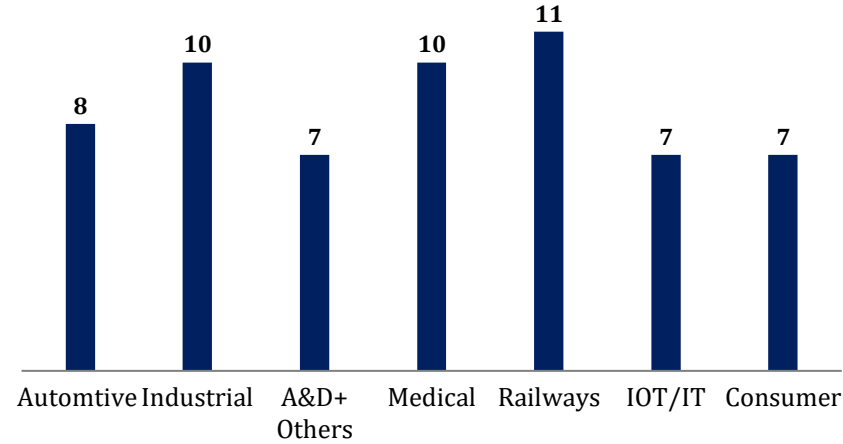
# Marquee customer base



Industry	Key Customers
Industrial	Leading global mfg of electronic instruments and electromechanical devices
Railways	
Automotive	
Medical	
Aerospace+ Others <sup>1</sup>	
IoT / IT and others	
Consumer	Leading players in BLDC Fans, Consumer Appliances

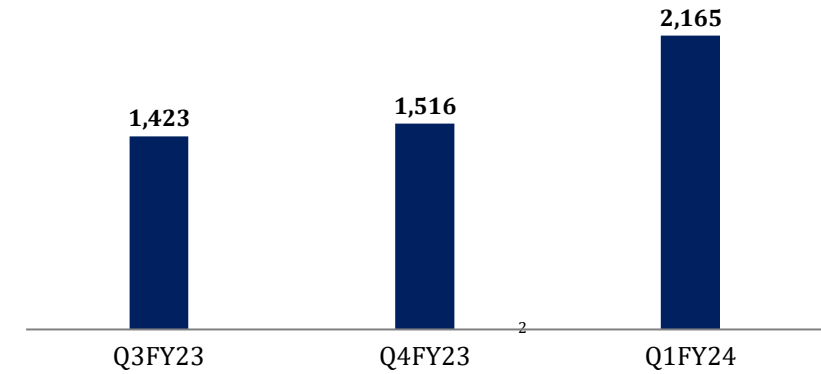
## Long standing relationship with clients

Average business period relationship of top 10 customers in each vertical<sup>3</sup>



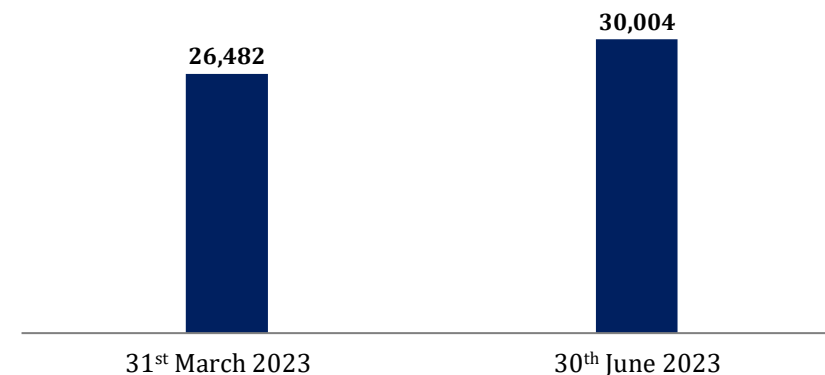
## Average order inflow per month

INR Mn



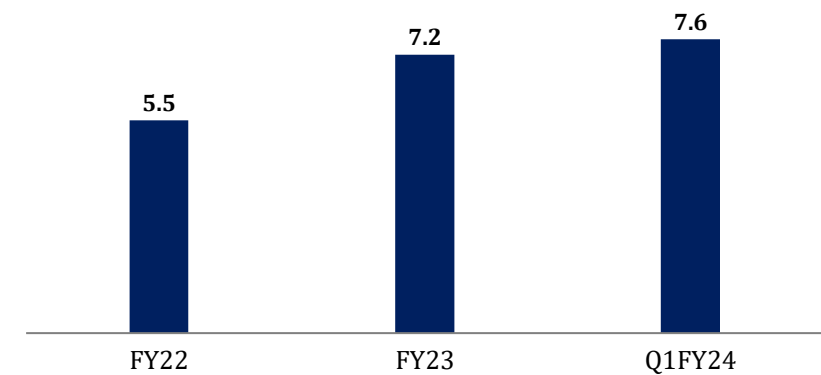
## Strong order book

INR Mn



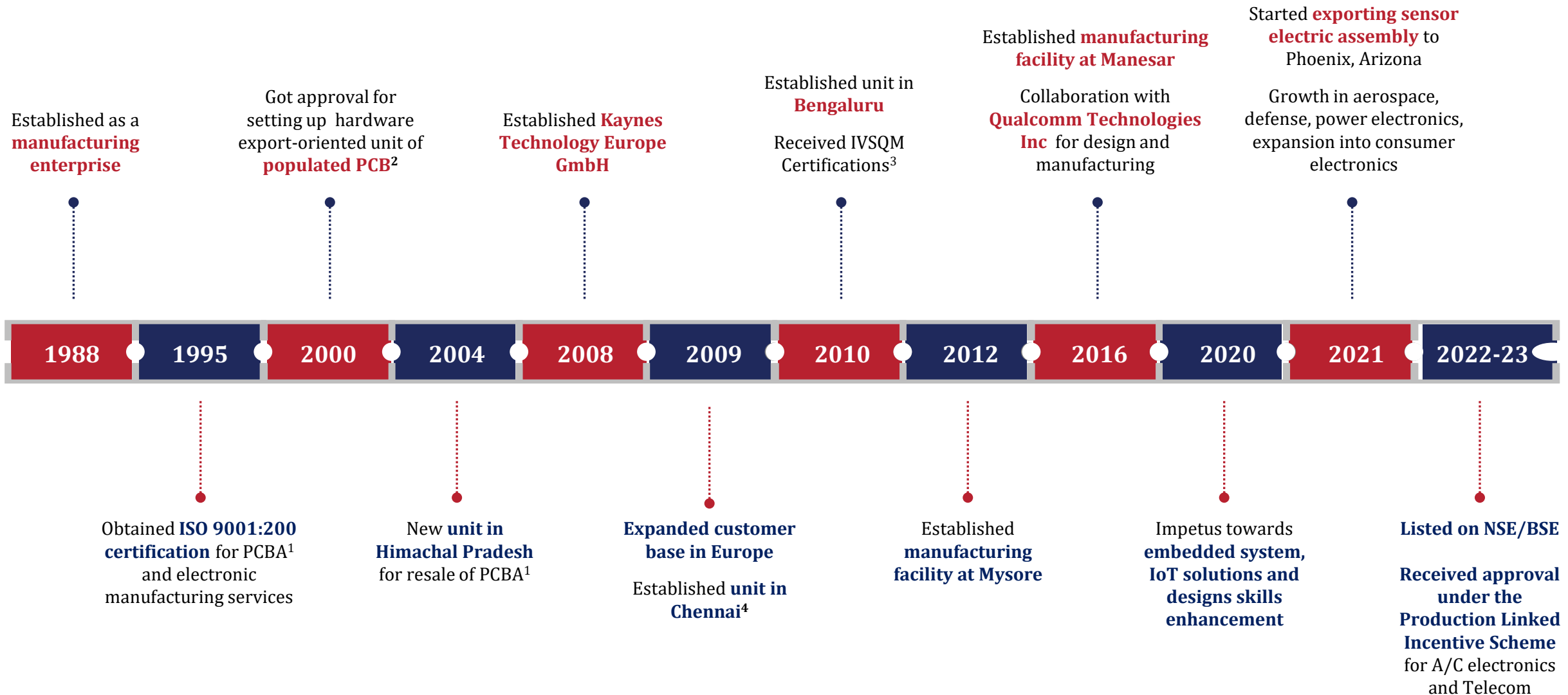
## Increase in average order value

INR Mn



1 - Aerospace, Outer space and strategic electronics; 2 - IoT/IT and Others, 3 - Average period of business relationship is determined based on the length of relationship of top 10 customers in each vertical.

# Business Evolution and Key Milestones



1 – Printed Circuit Board Assemblies; 2 – Printed Circuit Boards; 3 - Industry Vertical Specific Quality Management System for manufacturing PCB, electromechanical assemblies, cable harness for aerospace application; 4 – Chennai Unit for undertaking services related to solenoids, electromagnetic relays, inductors, transformers and electro mechanical parts;

# The Kaynes Advantage - Key Strengths



End to end design and engineering capabilities enabled with IoT solutions

1

Internationally recognized and certified manufacturing facilities supported by a strong supply chain

2

Well diversified business profile across industry verticals : Address the Low Volume, High Value segment

3

Longstanding relationships with top global & domestic customers

4

Strong R&D capabilities with a state-of-the-art manufacturing facilities to support client across the value chain

5

Successful track record of technology transfers among MNC & domestic client

6

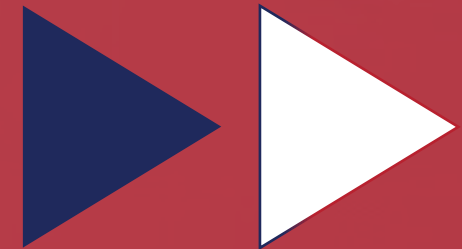
Well positioned to capitalize on strong industry tailwinds

7

Demonstrated ability to handle different projects with various levels of complexity

8

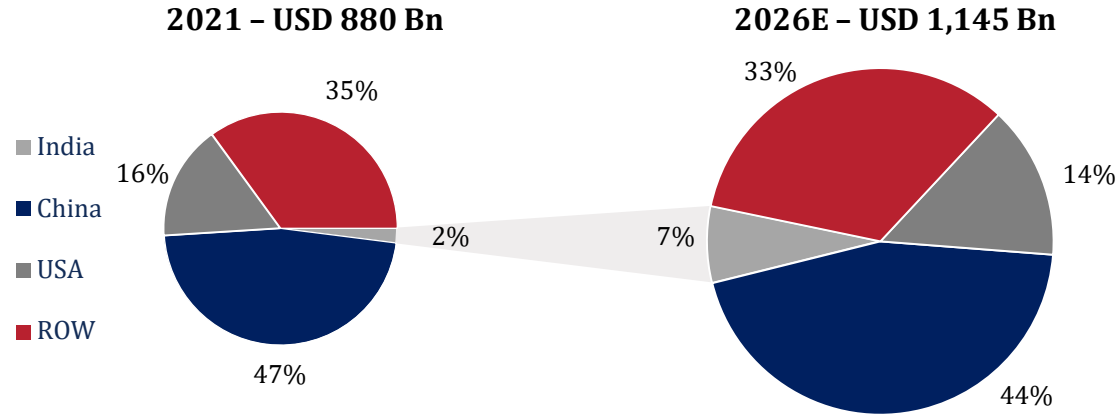
# Business Strategy



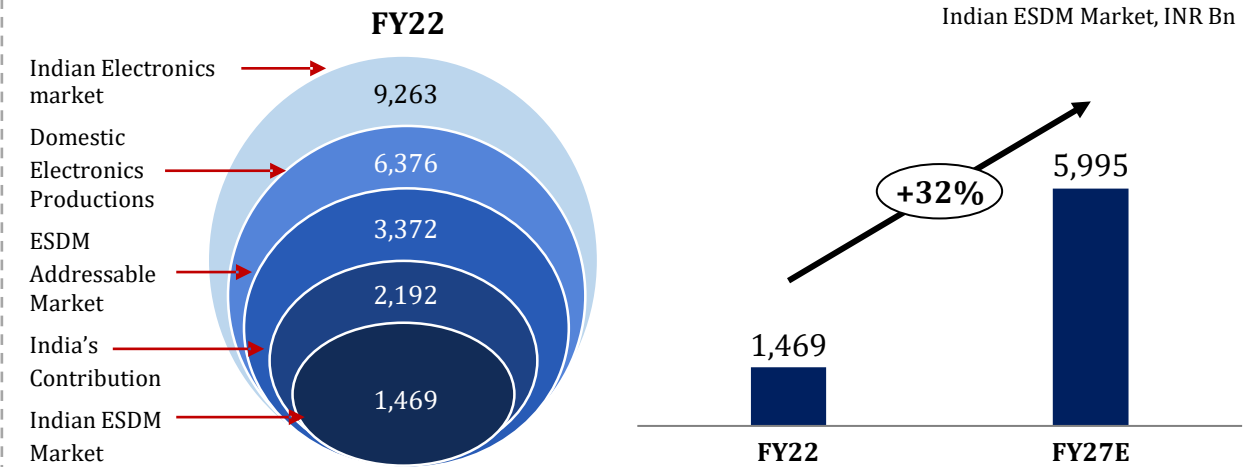
# Well Positioned To Capitalize On Strong Industry Tailwinds...



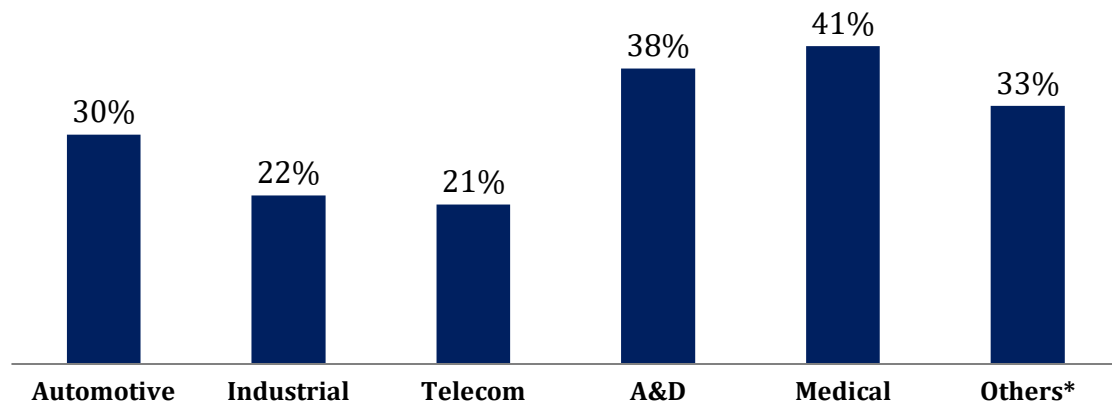
## Global ESDM – A trillion dollar industry



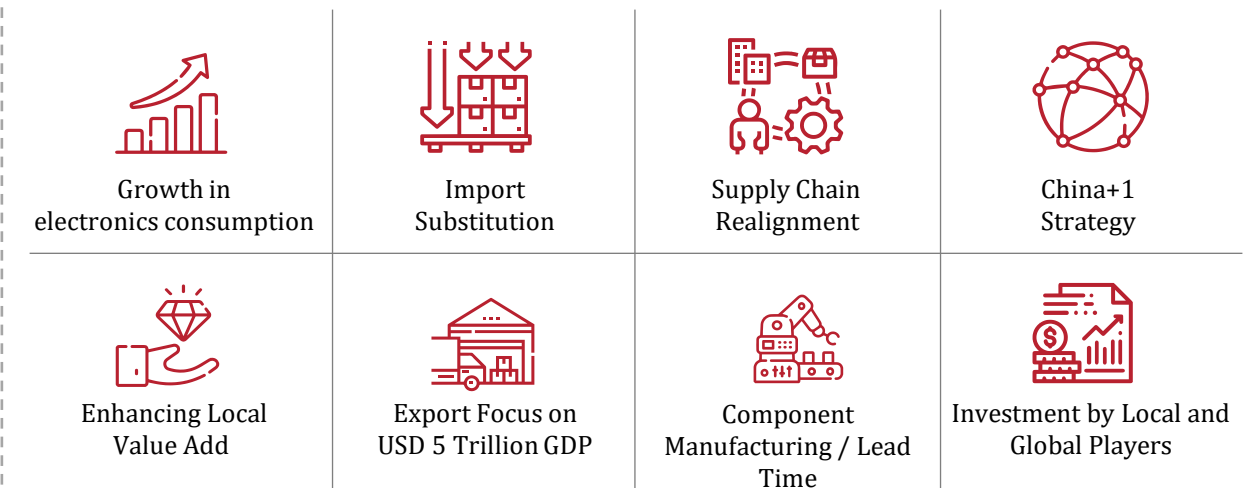
## India all set to be a large ESDM Market



## Vertical wise CAGR (FY22-FY27)



## Advantage India –favorable growth drivers





## Focus on full product / box build capabilities

Catering to OEMs with in-house test fixtures for reliability, faster turn-around, complex prototypes, zero defects, and upgrading facilities to expand consumer portfolio and provide full box build services to secure a larger revenue share



## Continue to diversify product portfolio and expand across verticals

Leverage our in-house design and R&D team, continuously invest in infrastructure, and employ tailored strategies for each vertical to capitalize on industry opportunities



## Continue expanding customer base to focus on large customers

Expand geographical footprint with additional sales and BD representatives, generate brand awareness through content-based marketing, grow exports through S&M teams in the US, Japan, and Europe, and enhance manufacturing facilities to better serve customers



## Expand and set up manufacturing facilities

Establish a new manufacturing facility in Chamarajnagar, Karnataka, and expand our existing facilities in Mysore and Manesar

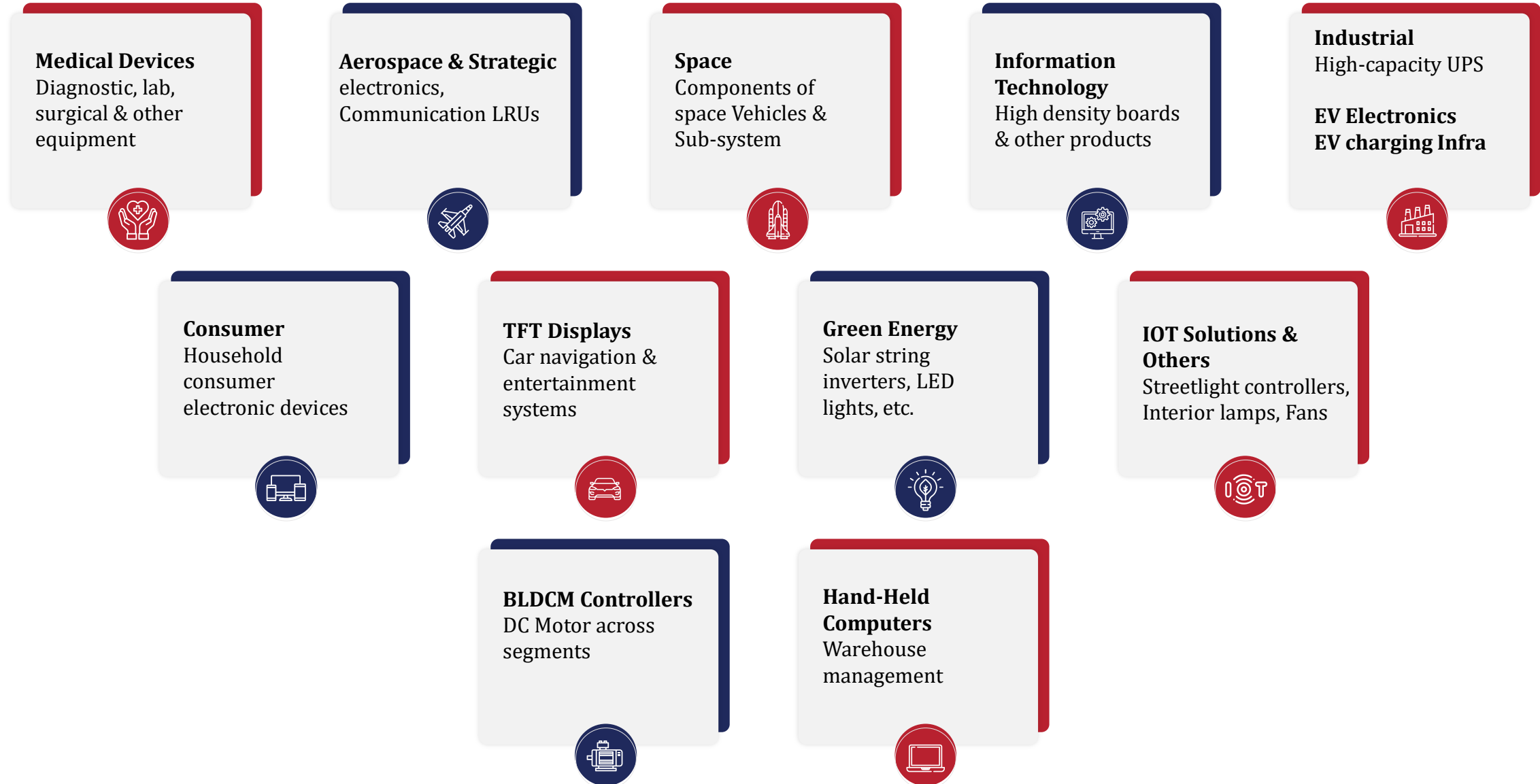


## Improve operational efficiency through backward integration and pursue inorganic growth

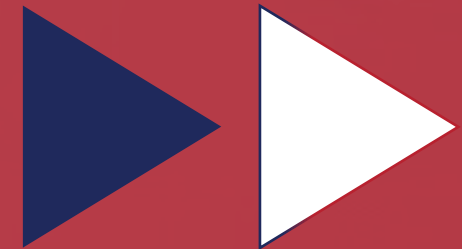
Enhance operational efficiency through backward integration through manufacturing in-house components like bare printed circuit boards and in design of integrated circuits, chip sets and system on chips to leverage complete backward integration for supporting component development.

We also intend to pursue inorganic growth through strategic acquisitions, investments, and alliances to expand capabilities and enter new geographies

# Application Specific Product Roadmap



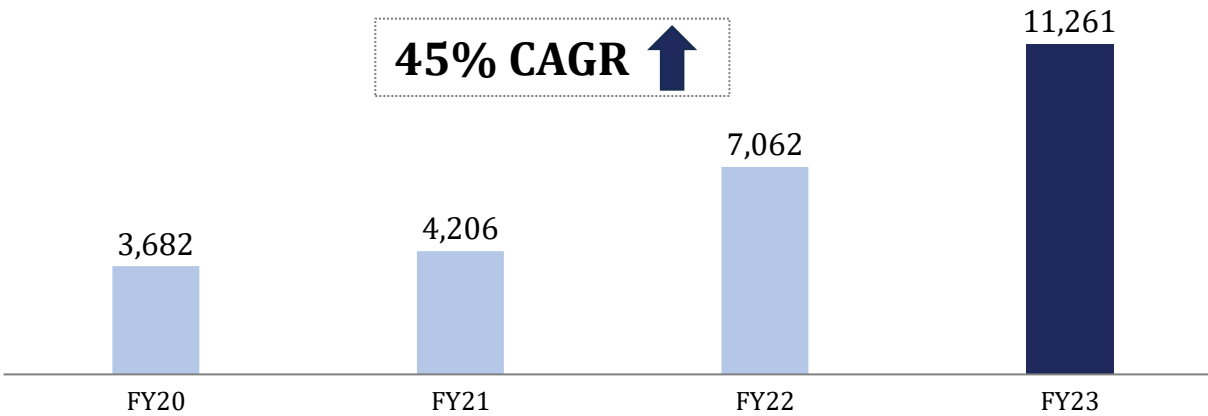
# Financial Highlights



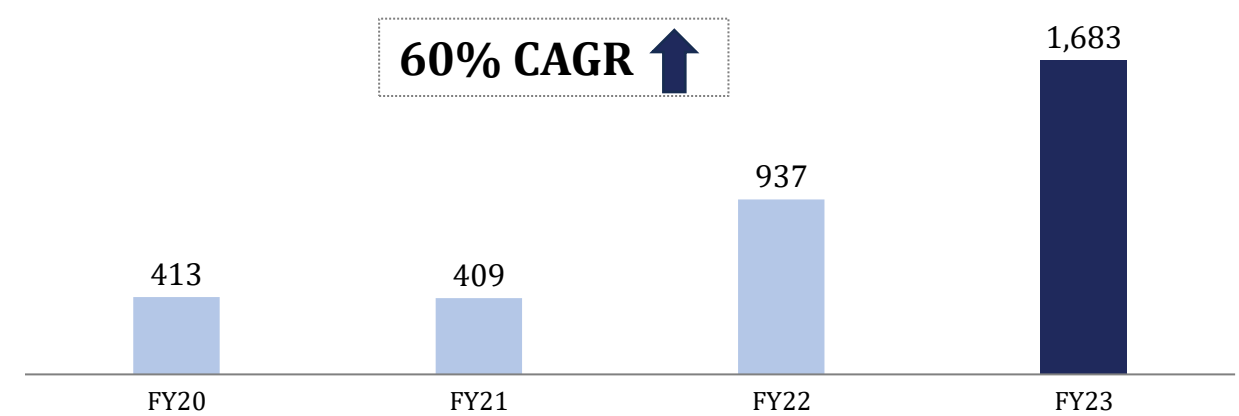
# Proven record of consistent financial performance (1/4)



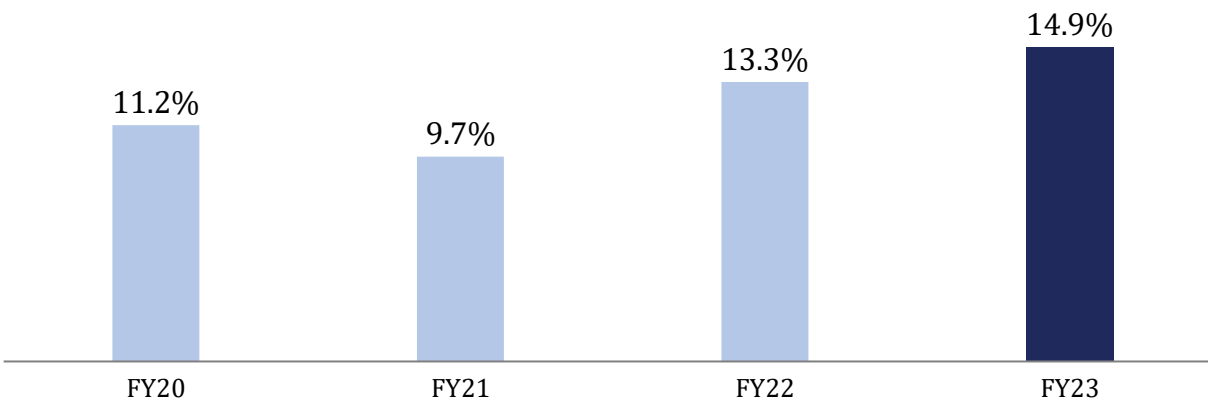
Revenue (₹ Mn)



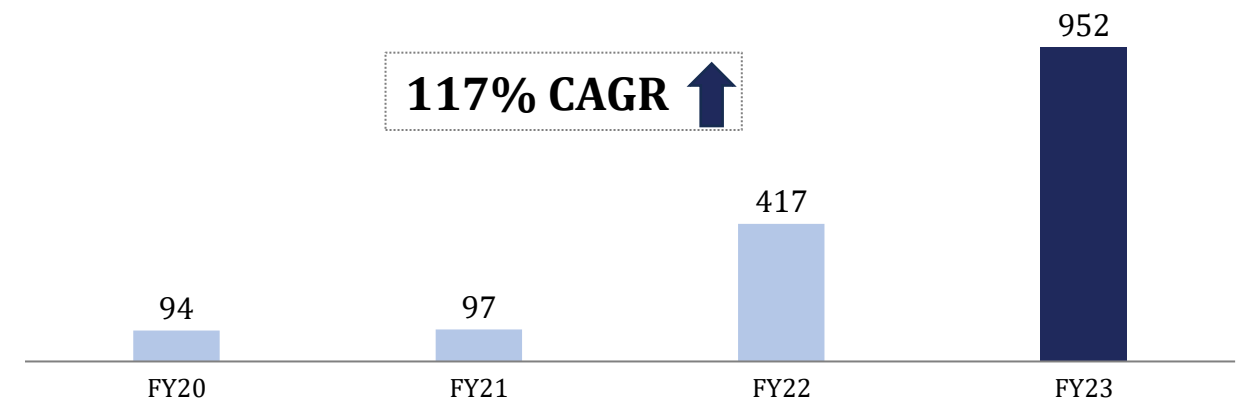
EBITDA (₹ Mn)



EBITDA Margins (%)



Profit After Tax (Restated) (₹ Mn)

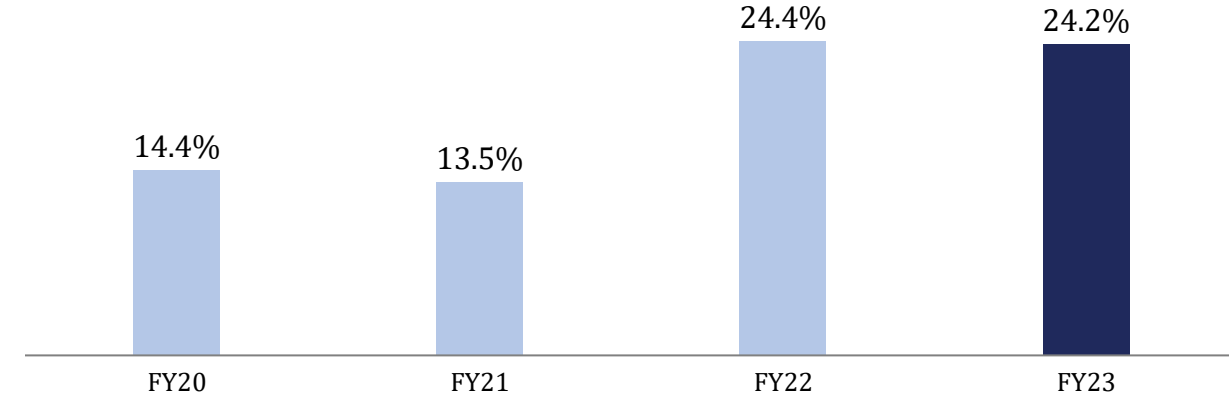
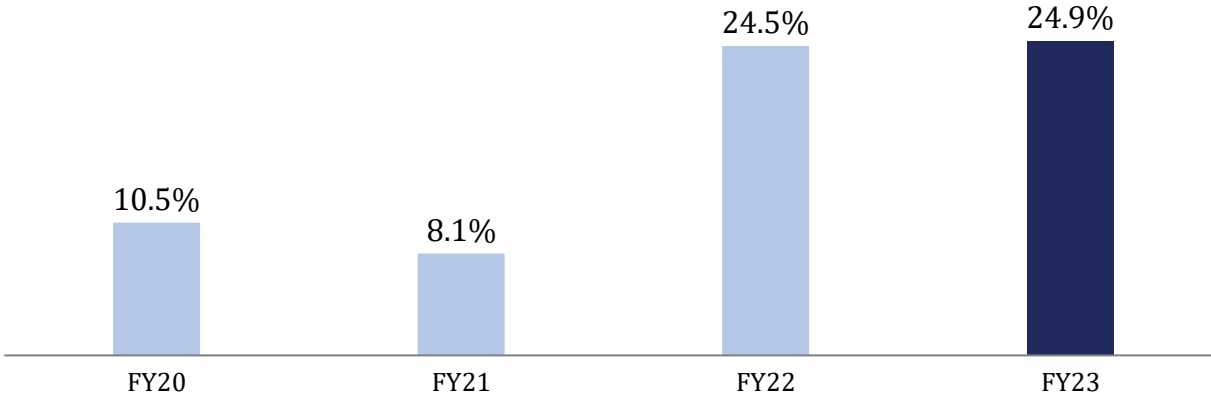


# Proven record of consistent financial performance (2/4)



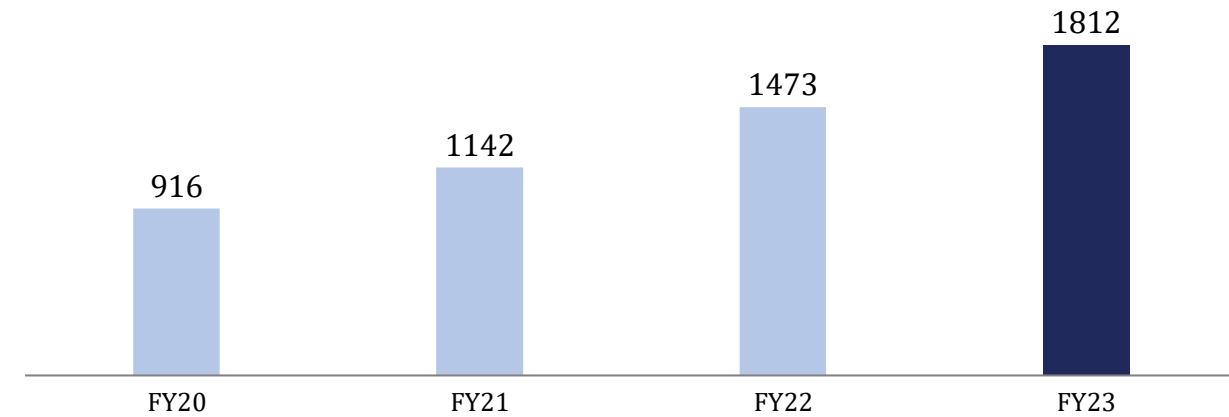
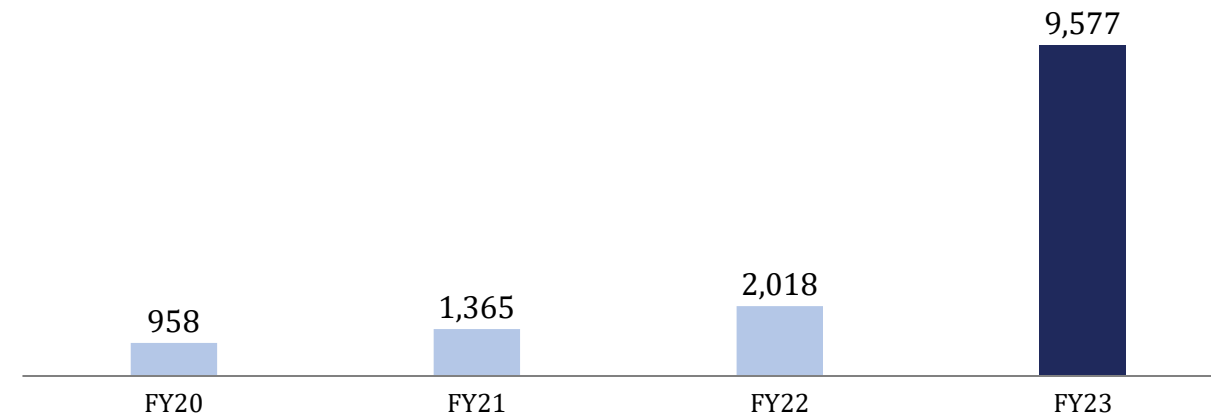
### ROE (%)

### ROCE (%)



### Net Worth (Rs Mn)

### Gross Block (Rs Mn)

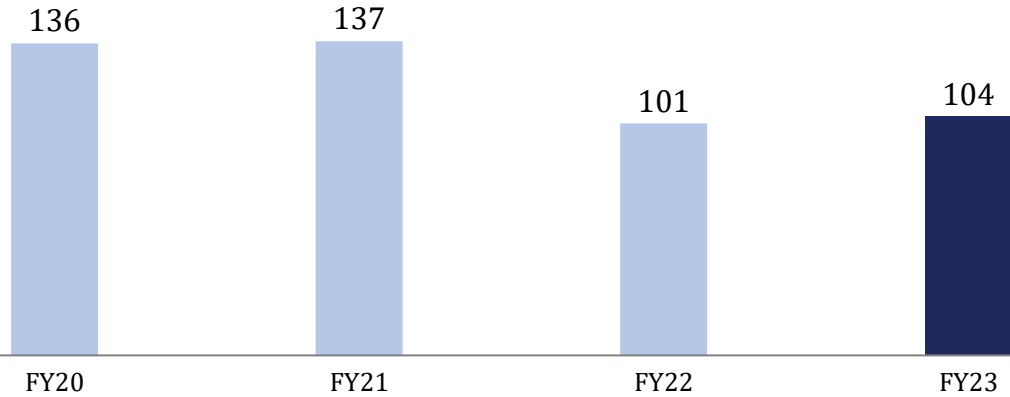


ROCE and ROE are adjusted for unutilized IPO proceeds

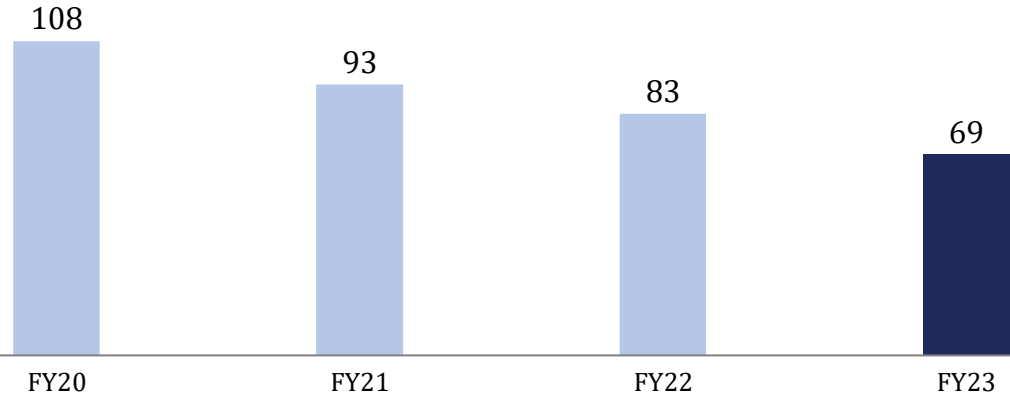
# Proven record of consistent financial performance (3/4)



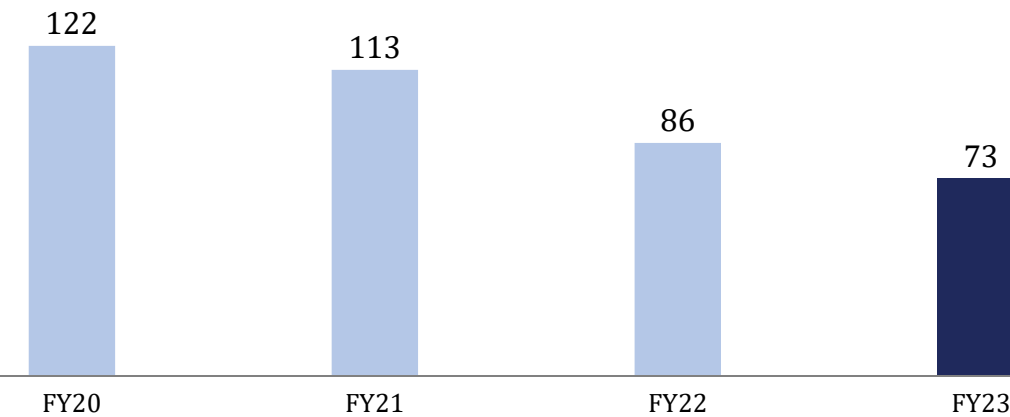
## Inventory Days



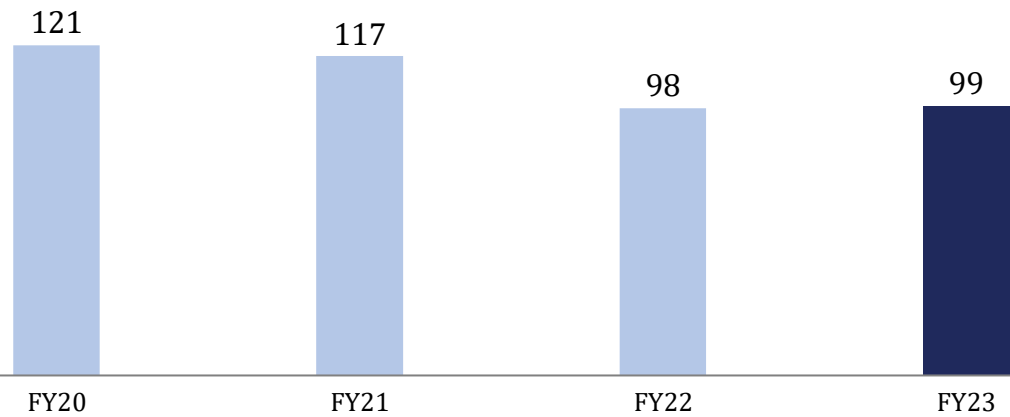
## Receivable Days



## Payable Days



## Net Working Capital Days

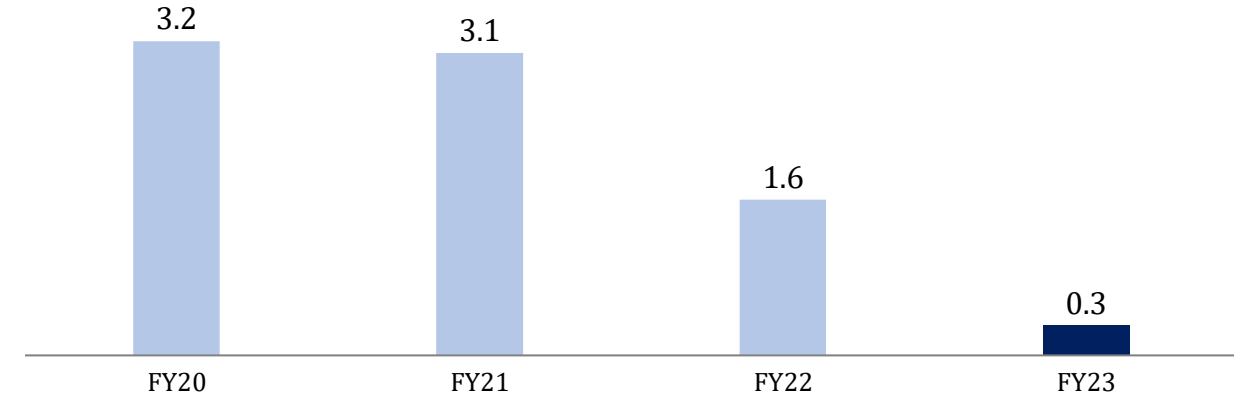
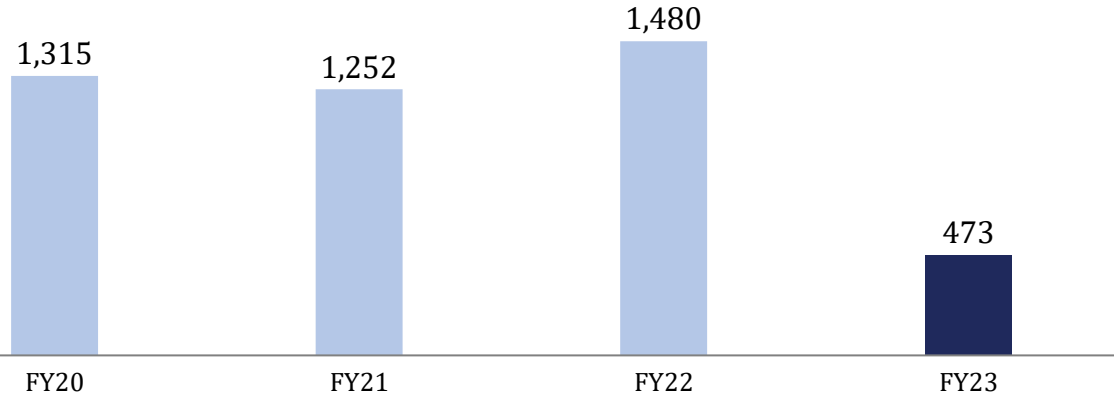


# Proven record of consistent financial performance (4/4)



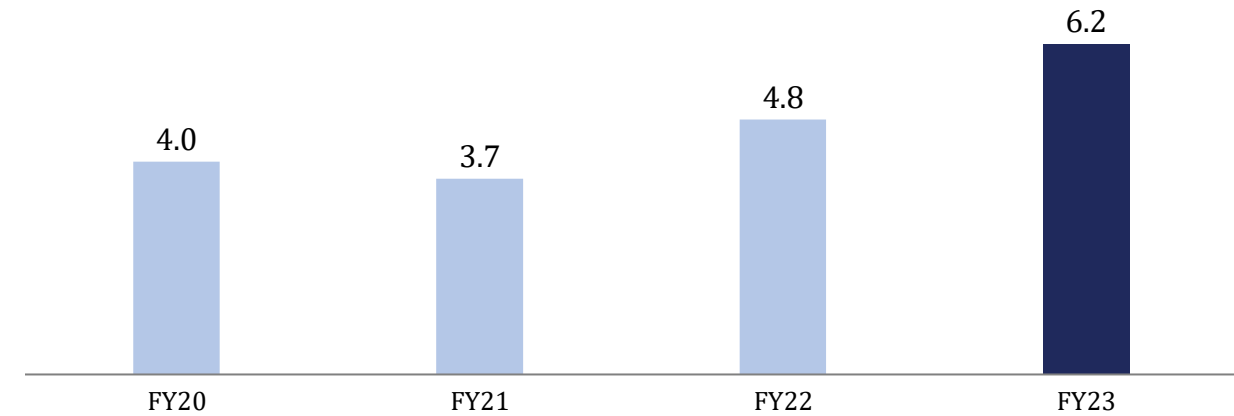
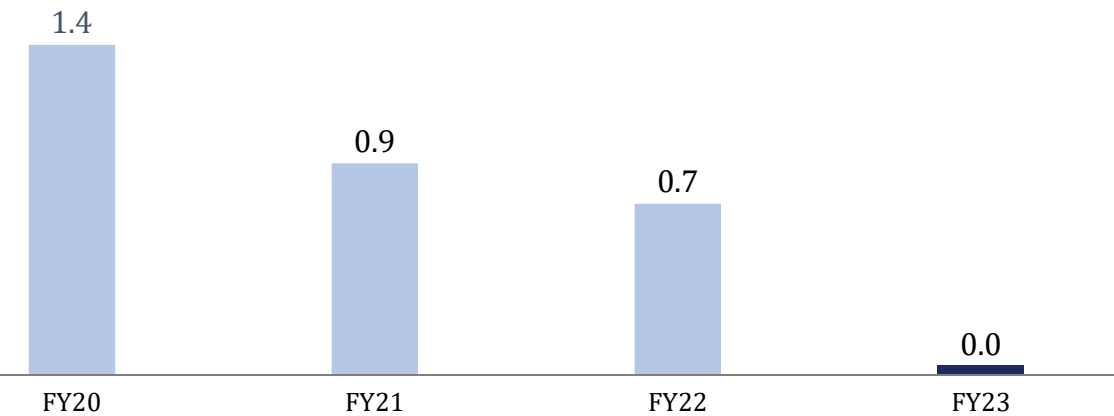
**Net Debt (₹ Mn)**

**Net Debt/EBITDA (x)**



**Net Debt/Equity (x)**

**Asset Turnover ratio (x)**



Net debt is adjusted for unutilized IPO proceeds

# Profit & Loss Statement (Consolidated)



Particulars (₹ Mn)	FY20	FY21	FY22	FY23
<b>Revenue from operations</b>	<b>3,682</b>	<b>4,206</b>	<b>7,062</b>	<b>11,261</b>
Raw material cost	2,417	2,861	4,894	7,801
Employee expenses	424	459	602	771
Other expenses	428	477	629	1,006
<b>EBITDA</b>	<b>413</b>	<b>409</b>	<b>937</b>	<b>1,683</b>
<b>EBITDA margin (%)</b>	<b>11.2</b>	<b>9.7</b>	<b>13.3</b>	<b>14.9</b>
Depreciation and amortization expense	84	101	132	187
Other income	19	40	41	114
Finance cost	236	240	256	349
Profit before tax	113	109	590	1,260
Total tax expenses	19	11	174	308
<b>Net profit after tax</b>	<b>94</b>	<b>97</b>	<b>417</b>	<b>952</b>
<b>Net profit margin (%)</b>	<b>2.5</b>	<b>2.3</b>	<b>5.9</b>	<b>8.5</b>

# Balance Sheet (Consolidated)



Particulars (₹ Mn)	FY20	FY21	FY22	FY23
Gross Block (tangible assets)	850	979	1,112	1,451
Accumulated Depreciation	348	408	473	549
Net Block (tangible assets)	502	571	640	902
Intangible assets	138	267	352	426
Other non-current assets	236	165	369	552
<b>Total non-current assets</b>	<b>877</b>	<b>1,002</b>	<b>1,361</b>	<b>1,880</b>
Inventories	1,511	1,639	2,264	4,132
Trade receivables	936	1,217	1,977	2,271
Cash and cash equivalents	123	143	216	4,860
Other current assets	334	193	410	1,045
<b>Total current assets</b>	<b>2,905</b>	<b>3,192</b>	<b>4,864</b>	<b>12,308</b>
<b>Total Assets</b>	<b>3,781</b>	<b>4,194</b>	<b>6,224</b>	<b>14,187</b>
Borrowings	98	171	293	150
Other non-current liabilities	196	148	273	282
<b>Total non-current liabilities</b>	<b>294</b>	<b>320</b>	<b>566</b>	<b>432</b>
Short-term borrowings	1,340	1,224	1,403	1,209
Trade payables	921	954	1,641	2,229
Other current liabilities	194	300	578	714
<b>Total Current Liabilities</b>	<b>2,454</b>	<b>2,478</b>	<b>3,621</b>	<b>4,152</b>
<b>Total Equity &amp; Reserves</b>	<b>1,032</b>	<b>1,396</b>	<b>2,037</b>	<b>9,604</b>
<b>Total Equity and Liabilities</b>	<b>3,781</b>	<b>4,194</b>	<b>6,224</b>	<b>14,187</b>

# Cash Flow Statement (Consolidated)



Particulars (₹ Mn)	FY20	FY21	FY22	FY23
<b>Cash flow from operating activities</b>				
Profit before tax	113	109	590	1,260
Adjustment for non-operating items	314	333	386	452
<b>Operating profit before working capital changes</b>	<b>427</b>	<b>442</b>	<b>976</b>	<b>1,713</b>
(Increase)/ decrease in inventories	-293	-128	-625	-1868
(Increase)/decrease in trade receivables	293	-281	-760	-293
(Increase)/decrease in payables & other adjustments	44	271	642	535
<b>Cash generated from operations</b>	<b>471</b>	<b>305</b>	<b>233</b>	<b>87</b>
Less: direct taxes paid	-19	-28	-22	-503
<b>Net cash from operating activities</b>	<b>452</b>	<b>277</b>	<b>211</b>	<b>-416</b>
<b>Cash flow from investing activities</b>	<b>-99</b>	<b>-241</b>	<b>-445</b>	<b>-4,937</b>
<b>Cash flow from financing activities</b>	<b>-354</b>	<b>-13</b>	<b>272</b>	<b>5,543</b>
<b>Net increase/ (decrease) in cash &amp; cash equivalent</b>	<b>-1</b>	<b>23</b>	<b>38</b>	<b>191</b>
Add: Cash and cash equivalents as at 1st April	8	7	31	69
Add: Net effect of exchange gain on cash and cash equivalents	0	0	0	0
<b>Cash and cash equivalents as at 31st march</b>	<b>7</b>	<b>31</b>	<b>69</b>	<b>259</b>

# Expansion Update



## Manesar (Haryana)

120k built up space taken  
Planned operationalization  
under progress

## Chamrajanagar (Karnataka)

Work going on at full swing  
Phase 1 to be  
operationalize by Q2FY24

## Pune (Maharashtra)

Leased place  
To be operationalized by  
Q2'FY24






## Upgradation existing facilities

Mysore Unit 1 & 2  
Manesar  
Banglore  
Chennai



# Utilization of IPO fund



	Amount to be Utilized as per Prospectus (₹ Mn)	Utilization up to 30 <sup>th</sup> June 2023 (₹ Mn)	Utilization up to 30 June 2023 (%)
 <b>Repayment/ prepayment of Borrowings</b>	1,300	1,300	100%
 <b>Expansion of existing manufacturing capacity</b>	989	70	7%
 <b>Setting up a new facility at Chamarajanagar, Karnataka</b>	1,493	103	7%
 <b>Working capital requirements</b>	1,147	1,000	87%
 <b>General Corporate Purpose</b>	1,327	110	8%

# Experienced Board of Directors and Leadership Team



Board of Directors



## Ramesh Kunhikannan

### Managing Director & Promoter

33 years of experience in the EMS industry  
Associated with the company since inception  
B.Tech from National Institute of Engineering, Mysore



## Savitha Ramesh

### Chairperson, Promoter & Whole time director

25 years of experience in the EMS industry  
Associated with the company since inception  
B.Com from University of Madras



## Jairam Paravastu Sampath

### Whole time director and CFO

35 years of experience across various roles  
Associated with company since 2011  
B.Tech from IIT Madras, PGDM from IIM Ahmedabad



## Poornima Ranganath

### Independent Director

Current Managing Partner of Law Assist  
Graduate of National Law School of India University, Bangalore



## Anup Kumar Bhat

### Independent Director

Several years of experience  
Ex. VP Ashok Leyland (subsidiary support)  
B.Tech from Banaras Hindu University



## Vivekanandah Ramasamy

### Independent Director

30 years of experience  
Ex. Titan Engineering and Automation Limited  
B.Tech from University of Madras



## Koshy Alexander

### Independent Director

34 years of experience in finance  
Ex. Director Bharat Electronics Limited  
B.Com from Bangalore University  
Member of ICAI



## Murali S G

### Independent Director

34 years of experience in finance  
Ex. Group CFO TVS Group  
B.Com from Bangalore University, Member of ICAI

KMPs



## Rajesh Sharma

### CEO

27+ years of experience in  
accounting, finance & management  
B.Com from Bangalore University,  
Member of ICAI



## Sajan Anandaraman

### Head of commercial and corporate affairs

20+ years of experience in Kaynes across  
verticals B.Tech in E&E, University of Calicut

# Awards and Recognition



**Platinum Award**  
Best Performing SME

**Exports Award**  
ELCINA - EDY, 2018

**Best EMS Co.**  
IESA

**Emerging Entrepreneur**  
Make in India, India Today

**Excellence in manufacturing product (large scale)**  
ELCINA, 2022

**Defenovation Awards**  
Excellence in Manufacturing, 2022



**Thank You**

**COMPANY**

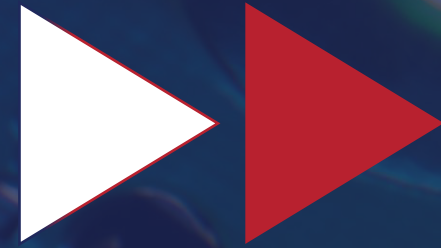


**Kaynes Technology India Limited**

**Jairam P Sampath**  
**Whole-time Director & Chief Financial Officer**  
Email: [ir@kaynestechnology.net](mailto:ir@kaynestechnology.net)

**Neeraj Vinayak**  
**AVP Investor Relations**  
Email: [neeraj.vinayak@kaynestechnology.net](mailto:neeraj.vinayak@kaynestechnology.net)

CIN: L29128KA2008PLC045825  
Website: [www.kaynestechnology.co.in](http://www.kaynestechnology.co.in)



**INVESTOR RELATION ADVISORS**

**Orient Capital**  
(A division of Link Intime India Pvt Ltd)

**Payal Dave**  
Phone Nos.: +91 98199 16314  
Email: [payal.dave@linkintime.co.in](mailto:payal.dave@linkintime.co.in)