



SHRI HARE-KRISHNA SPONGE IRON LIMITED

Investor Presentation

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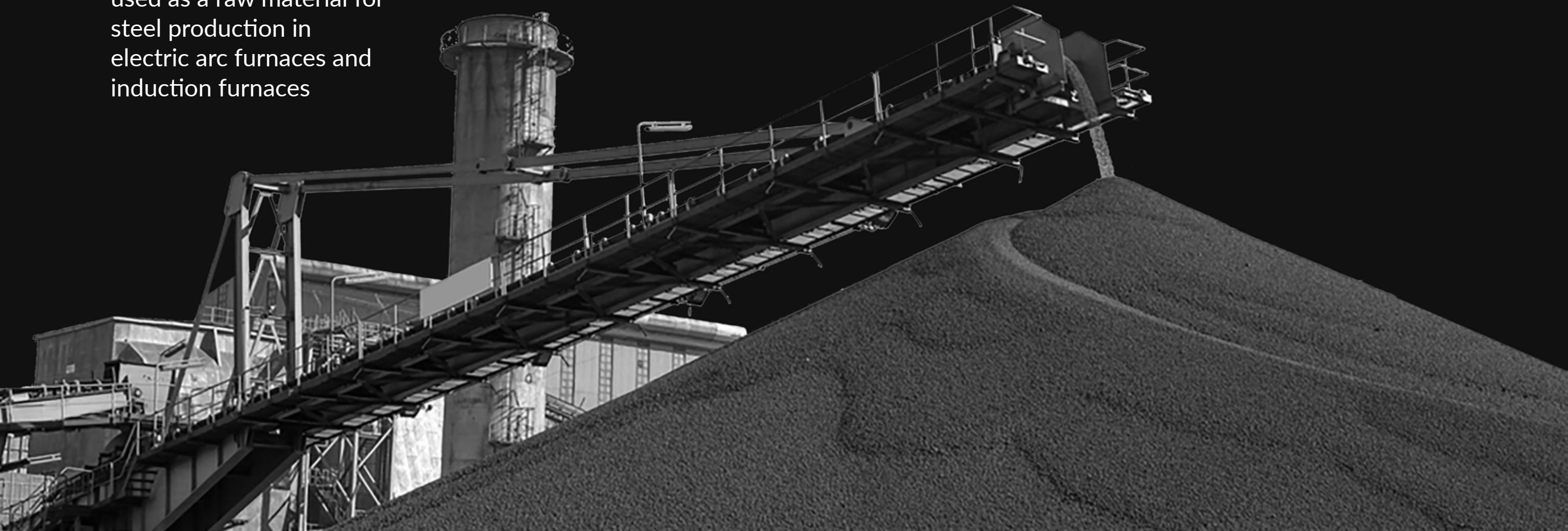


Book Running Lead Manager

Hem Securities Ltd.

SHK - Executive Summary

- Company is primarily engaged in the business of manufacturing and selling of Sponge Iron
- 20+ Years of Experience
- Sponge Iron is mainly used as a raw material for steel production in electric arc furnaces and induction furnaces
- Manufacturing facility is located in Siltara - Raipur, Chhattisgarh Spread across an area of around 13.45 acres of land
- Annual production capacity of 30,000 metric tonnes
- Planning to install a 5 MW captive power plant that will run on green energy, the plant will utilize hot gases from kiln operations and solid waste from DRI plant and rice husk



Product Offerings

Sponge Iron

Sponge Iron is the key raw material required to manufacture steel in both induction as well as electric arc furnace



Dolochar

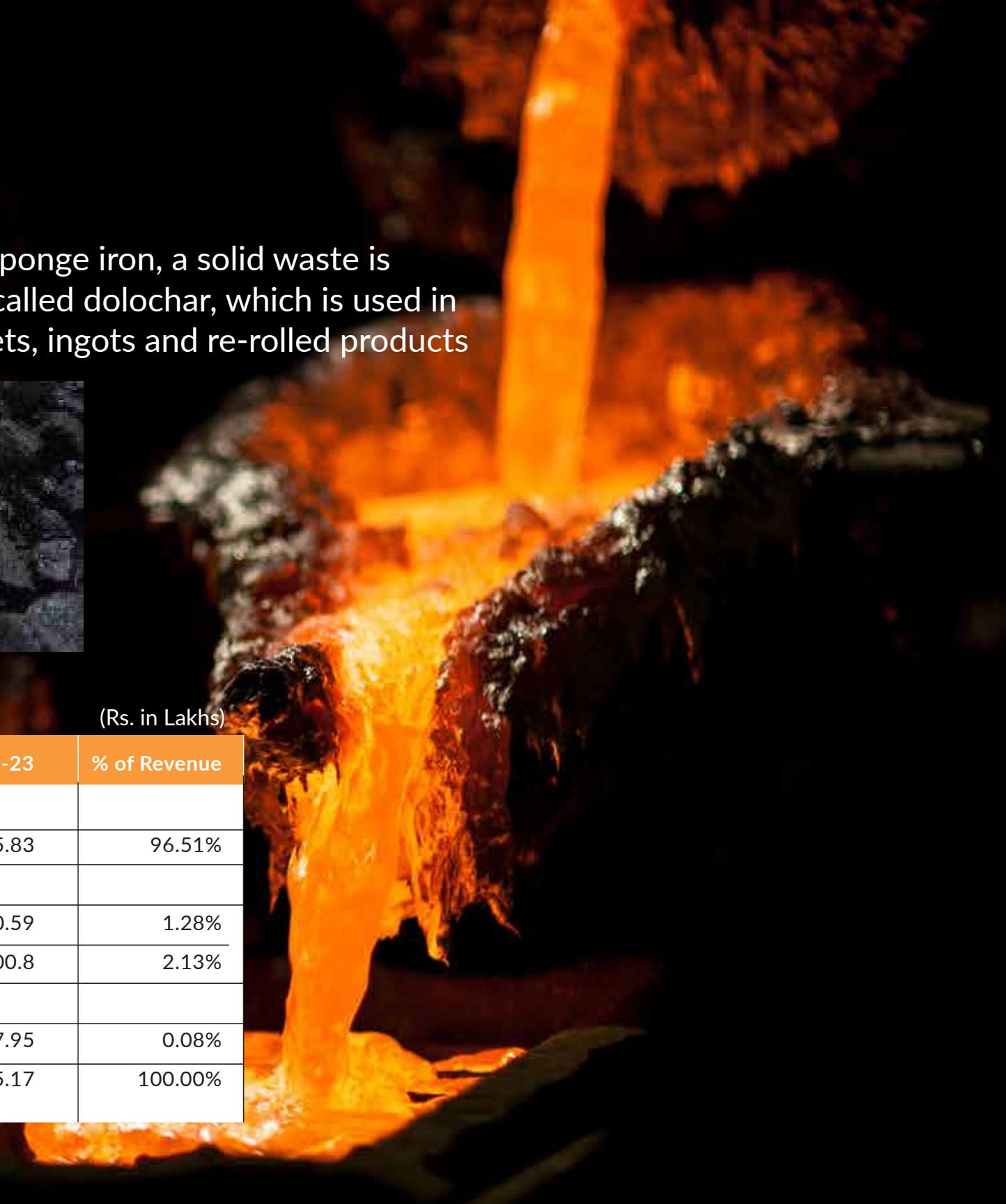
During the Production of Sponge iron, a solid waste is produced as a by-product called dolochar, which is used in manufacturing of steel billets, ingots and re-rolled products



Product-wise Revenue Break Up

Particulars	2024-25	% of Revenue	2023-24	% of Revenue	2022-23	% of Revenue
Primary Product						
Sponge Iron	7,698.32	95.67%	7,941.15	96.53%	9,095.83	96.51%
By-Products						
Dolochar	82.34	1.02%	90.36	1.10%	120.59	1.28%
Iron Ore Fines	230.03	2.86%	188.46	2.29%	200.8	2.13%
Others						
Others products	36.31	0.45%	6.66	0.08%	7.95	0.08%
Revenue from Operations	8,047.00	100.00%	8,226.63	100.00%	9,425.17	100.00%

(Rs. in Lakhs)



Revenue Break Up

Sponge iron business, cater to the metallic requirements of steel producers in selected geographies

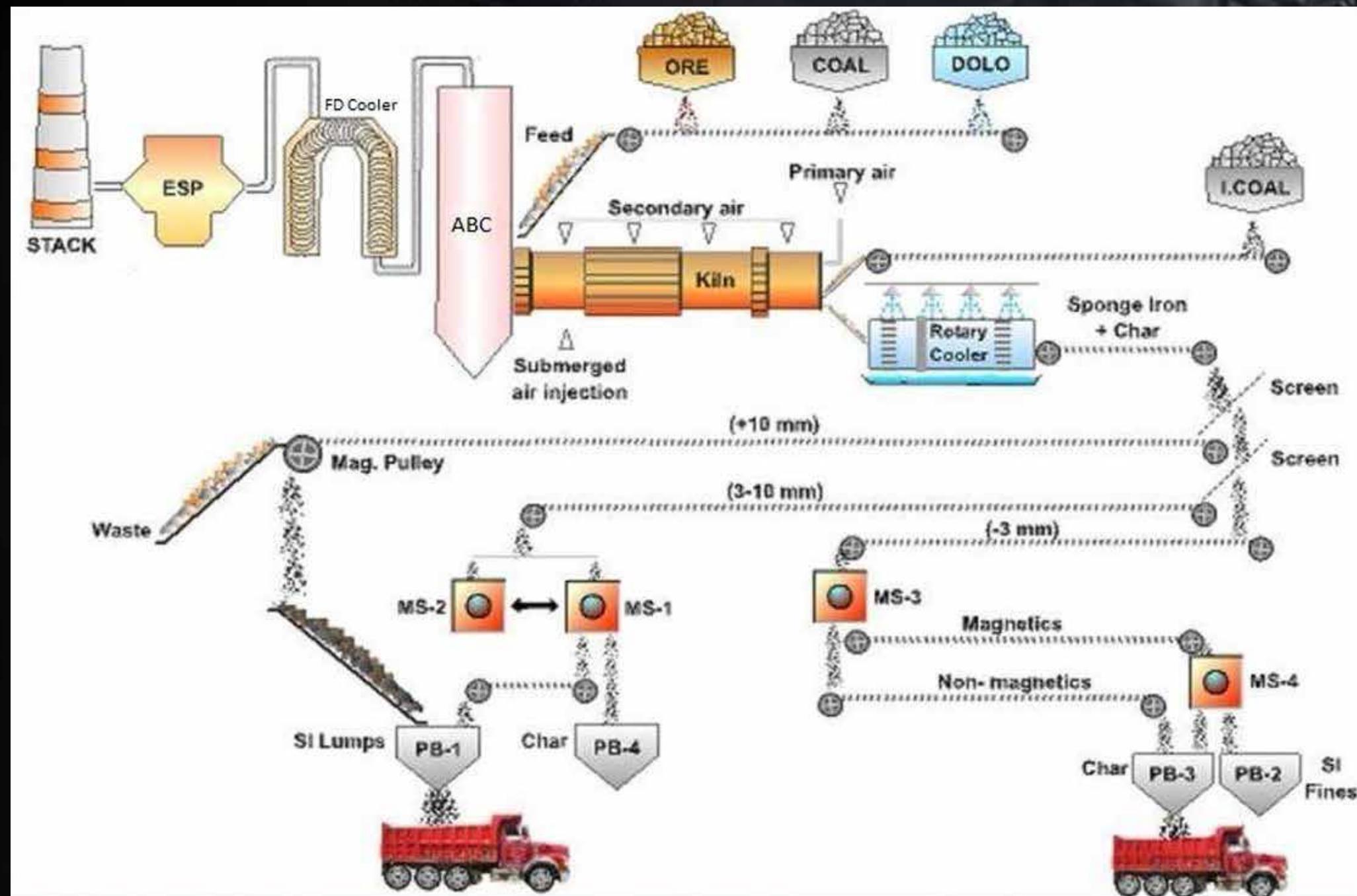
State	2024-25	% of Revenue from operations	2023-24	% of Revenue from operations	2022-23	% of Revenue from operations
Chhattisgarh	4,883.85	60.70%	6,960.26	84.61%	6,220.95	66.00%
Madhya Pradesh	1,467.87	18.24%	1,115.46	13.56%	2,456.47	26.06%
Maharashtra	1,695.28	21.06%	150.91	1.83%	747.75	7.93%
Total Revenue from Operations	8,047.00	100.00%	8,226.63	100.00%	9,425.17	100%

The contribution of top five customers in sales as a percentage of the revenue from operations during Fiscal 2025 is disclosed hereunder: -

(Rs. in Lakhs)

S.No.	Customer	% contribution in the revenue from operations for Fiscal 2025
1	Customer 1	21.70%
2	Customer 2	18.24%
3	Customer 3	17.88%
4	Customer 4	8.19%
5	Customer 5	4.21%
	Total	70.22%

Manufacturing Process of Sponge Iron

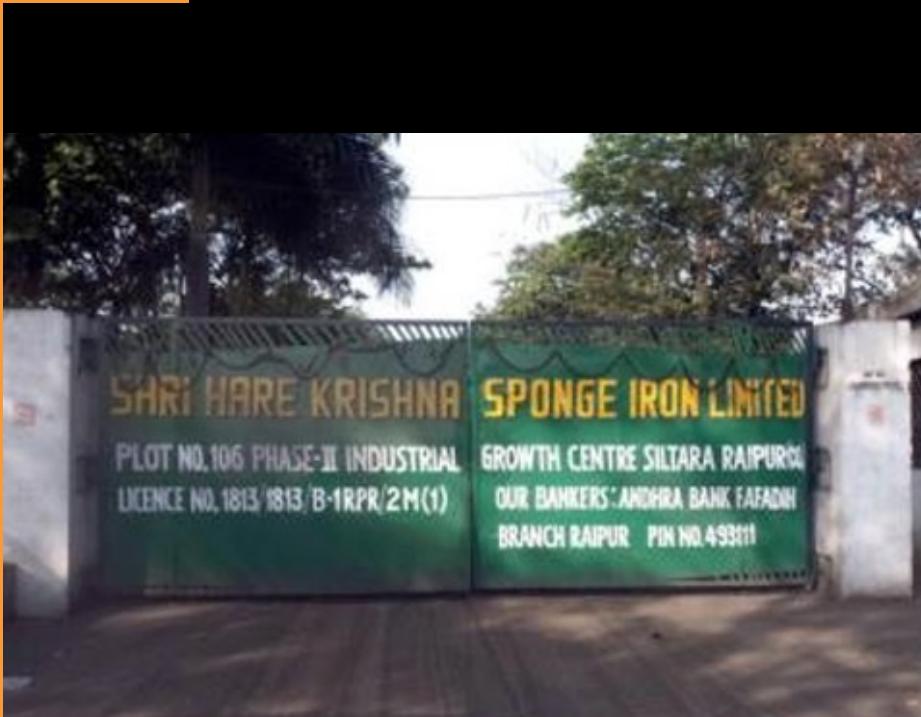


Manufacturing Unit

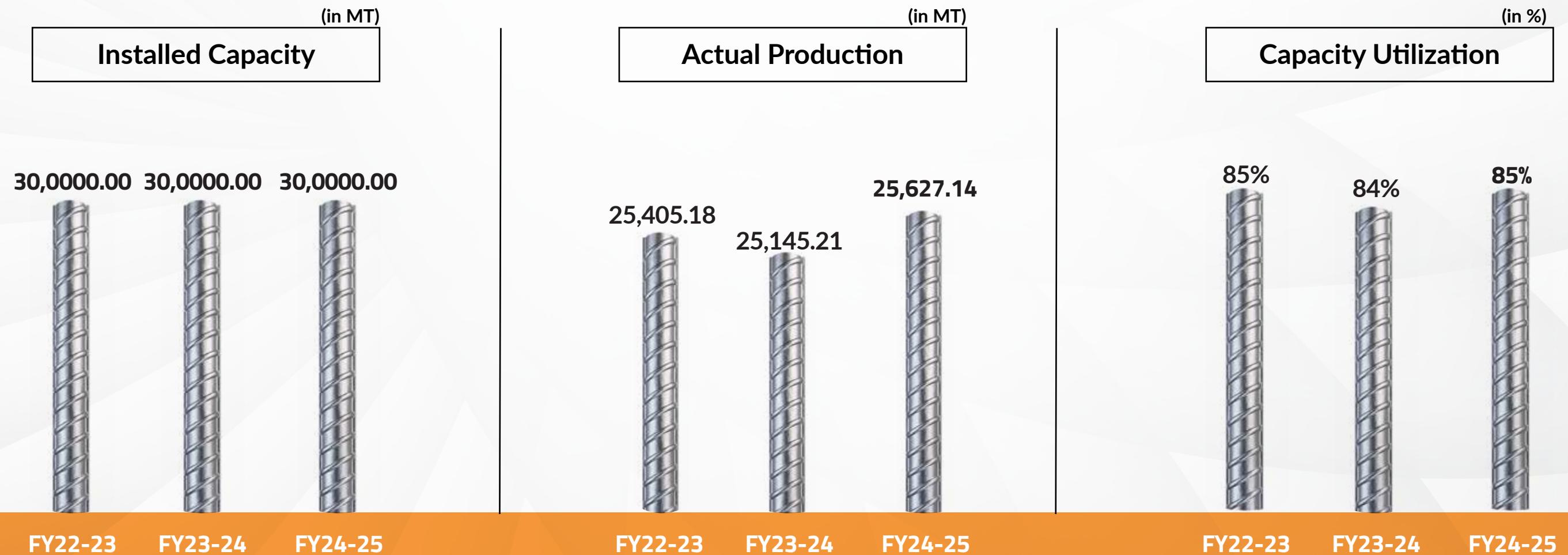


- Registered Office: Flat No 2D, 2nd Floor , Tower No. 1, Alcove Gloria, Municipal Premises No 403/1, Dakshindari Road, VIP Road, Kolkata, Sreebhumi, North 24 Parganas, West Bengal 700048

- Manufacturing Unit: Phase – II, Plot No. 106, Industrial Growth Centre, Siltara, Raipur, Chhattisgarh, India



Capacity and Utilization



*The information related to the installed capacity is based on the certificate received from Sandeep Sharma, Chartered Engineer vide their certificate dated May 26th, 2025

Plant & Machinery

- Kiln & Cooler Main Drive
- Gear Box
- Payloader and Tipper machine
- Crusher with Vibratory sieve machine
- Raw Material Handling system
- FD Cooler, Conveyor system & Screening system
- Weigh bridge machine
- Electrical & Machinery Equipment
- Laboratory Equipment and all other accessories



Kiln Machine



Conveyor Belt



Crusher



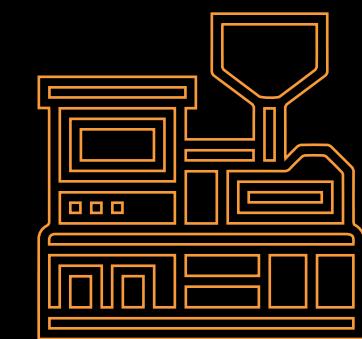
Kiln Tyre



Cooler

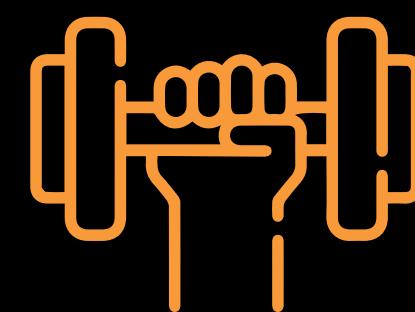


PSB



Competitive Strength

- **In-house manufacturing facility:** Manufacturing operations through manufacturing facility located at Siltara - Raipur, Chhattisgarh, which is situated on a vast area of over 13.45 acre land with an annual production capacity of 30,000 metric tonnes. It is strategically located and is well connected with road for transportation of raw materials & finished goods
- **Stringent quality control mechanism ensuring standardized product quality:** In-house testing laboratory at sponge iron manufacturing facility, which is equipped with precision equipments, that is responsible for conducting tests and checks in respect of the quality of our key raw materials
 - ISO 9001:2015 for quality management systems
 - ISO 14001:2015 for environmental management systems
 - ISO 45001:2018 for occupational health and safety management systems
- **Long standing relationship with customers:** Owing to strong customer relationships and service, Company have been able to retain customers for a long period of time ensuring uninterrupted supplies of products to them



Business Strategies

- **Continue to invest in technological capabilities:** Company's strategy focuses on establishing a **5MW** captive power plant at existing manufacturing facility in Siltara, Raipur, Chhattisgarh, **Rs. 2,300 lakhs** from Net Proceeds for this project, with a total cost of **Rs. 4,709.38 lakhs** and remaining will be financed through a combination of borrowings and internal accruals

- **Continue to strive for cost efficiency:** Higher operational effectiveness results in greater production volumes and higher sales which allows us to reduce our fixed cost and thereby, increasing our profit margins

- **Enhancing Brand image and meeting quality standards:** This will also aid in enhancing company's brand value, intend to continue to build brand image by providing quality services to the satisfaction for clients

- **Expansion of Cast iron division:** Aim to expand cast iron division to **2.5 MVA*2 units** by leveraging byproducts from Sponge Iron plant, further bolstering manufacturing capabilities



Key Events and Milestones

2005

Added induction furnace in factory to increase production efficiency

2007

Established a semi-automated structure Rolling mill to enhanced production technology and Capabilities

2012

Started the production of steel shots (an import-substituted product)

2020

Crossed Total Revenue of Rs. 7,500 lakhs



Leadership



**Manoj
Parasrampuria**

Designation:
Chairman &
Managing Director
Experience: 36
years
Qualification:
Bachelor of
Commerce



**Manish
Parasrampuria**

Designation:
Non-Executive
Director
Experience: 32 years
Qualification:
Bachelor of
Commerce



**Anubhav
Parasrampuria**

Designation:
Whole-time Director
Qualification:
BBA from NIMIS
University

Peer Comparison

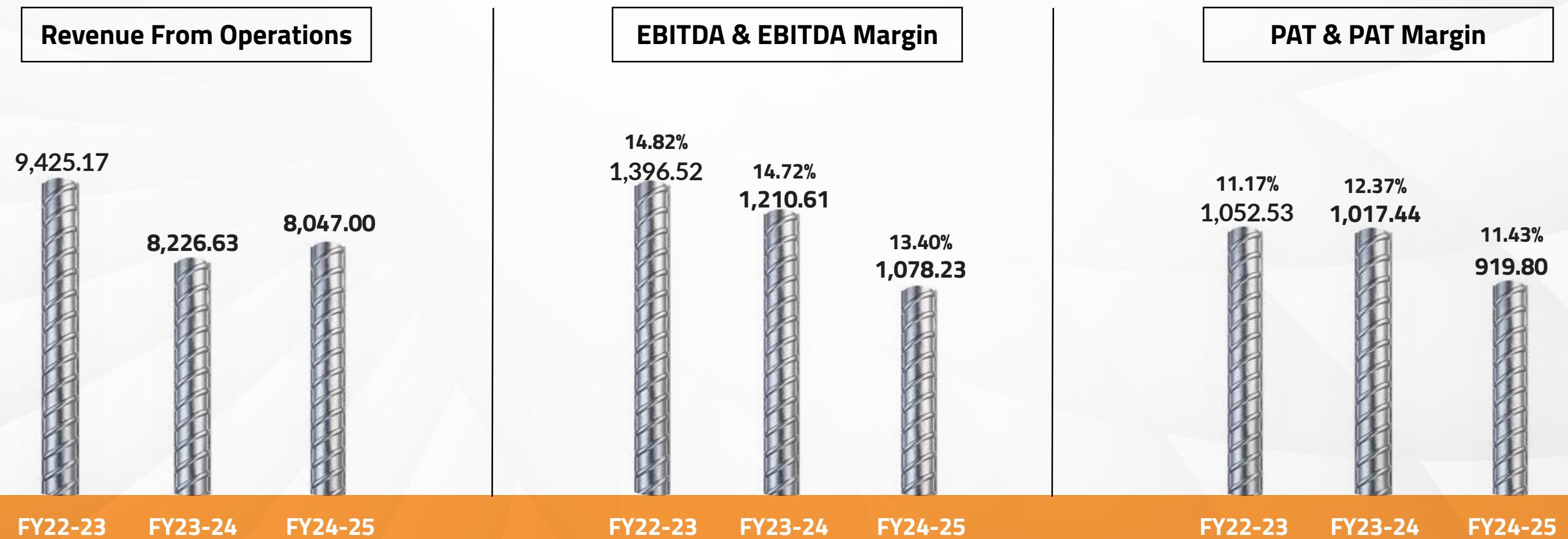
Significant competitors in the organized segment include Vraj Iron and Steel Limited, Bihar Sponge Iron Ltd and Chaman Metallics.

Name of Compoany	Current Market Price (₹)	Face Value	EPS	PE	RoNW (%)	Book Value (₹)	Total Incom (₹ in lakhs)
			Basic/Diluted				
Shri Hare-Krishna Sponge Iron Limited	[●]	10.00	6.51	[●]	12.51%	52.12	8,360.02
Peer Group							
Vraj Iron and Steel Limited	179.05	10.00	14.28	12.54	11.11%	120.34	47,886.00
Chaman Metallics Limited	146.00	10.00	4.05	36.05	9.83%	41.19	17,416.77

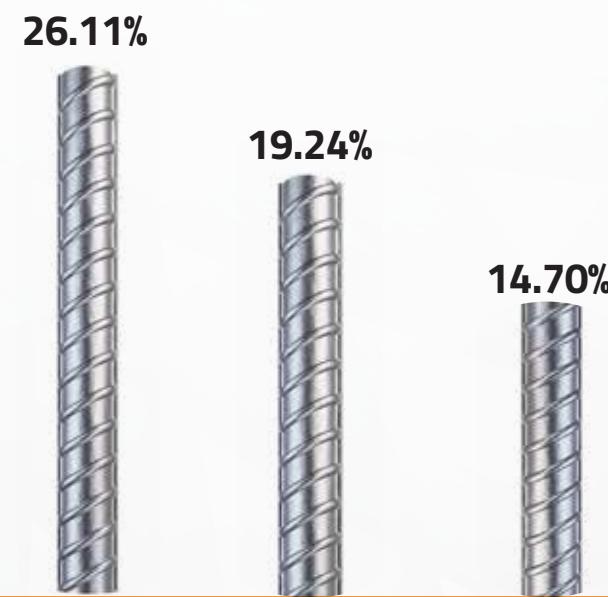
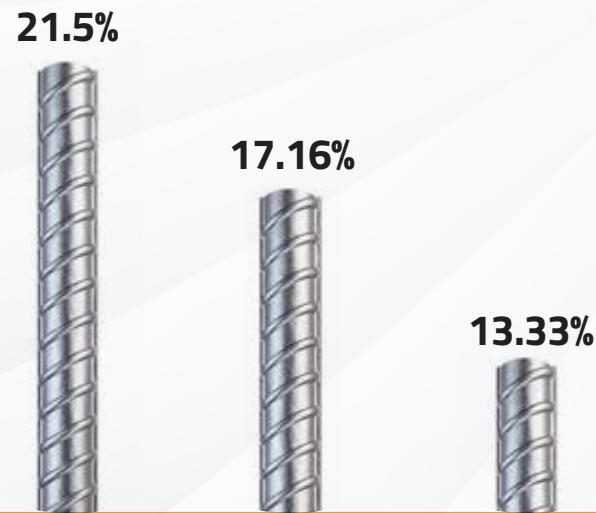
Source: All the financial information for listed industry peers mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2025 and stock exchange data dated 09.06.2025 to compute the corresponding financial ratios. Further, P/E/ Ratio is based on the current market price of the respective scrips.

Key Performance Indicator

(₹in Lakhs)



Key Performance Indicator



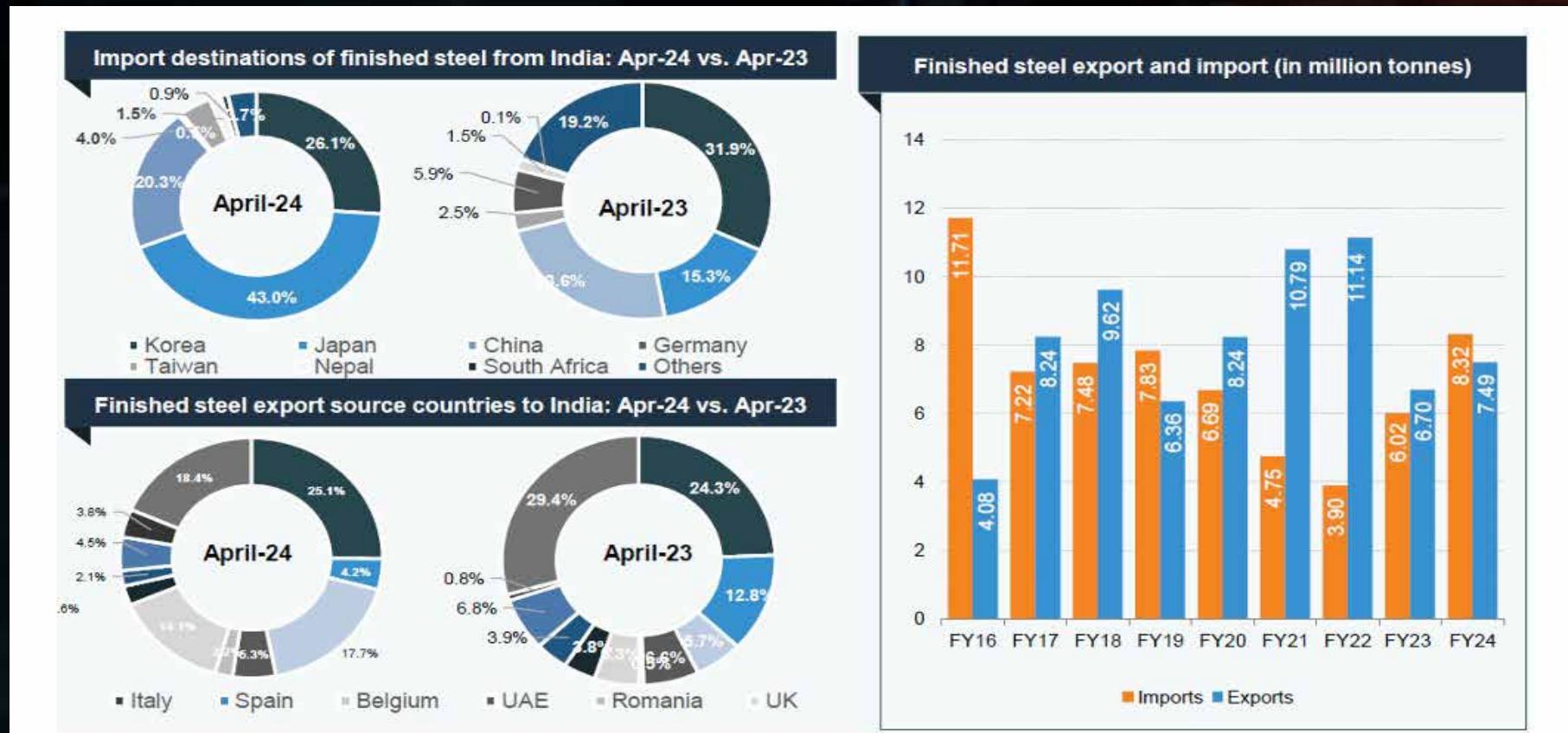
Industry Overview

- India is the second largest steel producer in the world with an installed capacity of 161.3 MT in FY23
- Second largest consumer of finished steel with a consumption of 120 MT in FY23.
- The National Steel Policy aims to increase per capita steel consumption to 160 kgs by 2030-31
- Consumption of steel by India's infrastructure segment is expected to increase to 11% by FY26
- For the first time ever, India surpassed China as the top developer of coal-based steel capacity in July 2023, according to the latest report from Global Energy Monitor (GEM)
- Expansion of production capacity to 300 MT will translate into additional investment of Rs. 10 lakh crore (US\$ 156.08 billion) by 2030-31



Trends in Import & Export of Steel

- In FY24, the exports and imports of finished steel stood at 7.49 MT and 8.32 MT, respectively
- In FY23, exports and imports of finished steel stood at 6.7 MT and 6.02 MT, respectively
- In FY22, India exported 11.14 MT of finished steel



Statement of Profit and Loss

(₹ in Lakhs)

PARTICULARS	For the year ended		
	31 March 2025	31 March 2024	31 March 2023
Revenue from operations	8,047.00	8226.63	9425.17
Other Income	313.02	266.5	99.78
Total Income (1+2)	8,360.02	8493.13	9524.95
Expenses			
Cost of materials consumed	6,227.89	6115.92	7246.95
Changes in inventories of Finished Goods	(100.73)	0.84	42.71
Employee benefits expenses	369.65	356.67	279.8
Finance costs	20.17	23.09	21.58
Depreciation and amortisation expense	142.28	99.15	60.78
Other Expenses	463.73	528.67	447.53
Total Expenses	7,122.99	7124.34	8099.35
Profit before tax (3-4)	1,237.03	1368.79	1425.6
Prior Period Items	-	0	0
Profit Before Tax (5+6)	1,237.03	1368.79	1425.6
Tax Expense:			
Current Tax	326.04	355	375
Deferred Tax	(7.88)	(3.06)	(2.60)
Deferred Tax for earlier years	-	0	0
Income Tax for Earlier Years	(0.93)	(0.59)	0.67
Profit / (Loss) for the year (7-8)	919.80	1017.44	1052.53
Profit/(Loss) for the period	919.80	1017.44	1052.53
Earning per equity share:			
(1) Basic	6.51	7.21	7.45
(2) Diluted	6.51	7.21	7.45

Statement of Assets & Liabilities

(₹in Lakhs)

PARTICULARS	As at the year ended		
	31 March 2025	31 March 2024	31 March 2023
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1,412.11	1,412.11	1,412.11
(b) Reserves and surplus	5,947.07	5,027.27	4,009.83
	7,359.18	6,439.38	5,421.94
Non-current liabilities			
(a) Long term Borrowings	762.49	-	-
(b) Long term Provisions	26.38	22.16	17.82
Current liabilities			
(a) Short Term Borrowings	376.59	724.28	74.98
(b) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; &	7.16	7.49	0.04
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	95.61	63	67.22
(c) Other current liabilities	674.18	203.05	230.19
(d) Short-term provisions	14	114.17	46.26
TOTAL EQUITY & LIABILITIES	9,315.59	7,573.53	5,858.45
ASSETS			
Non-current assets			
(a) Plant, Property & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	726.26	837.41	372.91
(ii) Intangible Assets	80.75	-	-
(iii) Capital Work-in-Progress	1,158.11	-	-
(iv) Intangible assets under development	-	85	-
(b) Non-current investments/Long Term	198.93	198.93	198.93
(c) Deferred Tax Asset (Net)	20.56	12.68	9.62
(d) Long Term Loans & Advances	613.34	-	-
(e) Other Non-Current Assets	721.93	545.19	1,262.14
Current assets			
(a) Inventories	983.01	1,147.28	854.29
(b) Trade receivables	1.39	0.01	5.52
(c) Cash and Bank Balances	3,886.27	3,899.64	2,732.60
(d) Short-term loans and advances	923.32	847.39	422.44
(e) Other Current Assets	1.72	-	-
TOTAL ASSETS	9,315.59	7,573.53	5,858.45

Cash Flow Statement

(₹in Lakhs)

PARTICULARS	31 March 2025	31 March 2024	31 March 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax as restated adjustments for:	1,237.03	1,368.79	1,425.60
Adjustments for non-cash and non-operating items:			
Provision for gratuity	5.23	4.45	4.27
Share of Profit/Loss from LLP	0.14	0.16	4.22
Property, Plant & Equipment written off	-	2.55	-
Interest on Loan	-3.51	-10.47	-
Bad Debts written off	-	3	-
Depreciation and amortisation expense	142.28	99.15	60.78
Finance cost	20.17	23.09	21.58
Operating profit before working capital changes	1,401.34	1,490.72	1,516.45
Changes in working capital:			
(Increase) / Decrease in Inventories	164.27	-292.99	401.54
(Increase) / Decrease in Trade and other receivables	-37.44	-488.1	879.83
Increase/ (Decrease) in Trade and other payables	497.78	-27.03	33.01
Cash generate from / (used in) operation	2,025.95	682.6	2,830.83
Direct Taxes paid (Net of refund)	-425.17	-286.61	-405.8
Net cash generated from / (used in) operating activities (a)	1,600.78	395.99	2,425.03
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant & Equipment / Capital WIP	-26.87	-651.24	-66.92
Loan Repaid	75.58	222.84	-
Loan given	-125	-100.84	-141.06
Interest on Loan Received	9.77	7.35	-
Expenditure towards Capital WIP	-1,158.11	-	-
Expenditure towards Capital advances for CWIP	-613.34	-	-
Purchase of Non-current investments	-	-	-71.3
Proceeds From Maturity of/ Investment made in Fixed Deposits	-489.79	-1,282.45	-1,469.87
Net cash generated from / (used in) investing activities (b)	-2,327.77	-1,803.50	-1,749.15
CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from Short Term Borrowings	-	724.28	-0.1
Proceeds from Long Term Borrowings	762.49	-	-
Repayment of Short Term borrowings	-347.69	-74.98	-
Interest paid	-15.8	-23.09	-21.58
Net cash generated from / (used in) financing activities (c)	399	626.21	-21.68
Net Increase / (Decrease) in Cash & Cash Equivalents (a+b+c)	-327.99	-781.3	654.2
Add: Cash and cash equivalents at the beginning of the year	1,588.83	2,370.13	1,715.93
Cash and cash equivalents at the end of the year*	1,260.84	1,588.83	2,370.13



Issue Structure

Equity Shares Offered	: 50,70,000
Category Allocation	: QIB - 24,02,000, NII - 7,24,000 RII - 16,86,000, MM - 2,58,000
Stock Exchange to be listed on	: NSE Emerge
Issue Price & Size	: Rs. 56-59, Rs. 29.91 Cr
Lot Size	: 2000
Issue Period	: 24 June - 26 June 2025
Issue Proceeds	: • Funding of Capital Expenditure requirements of company towards setup of Captive Power Plant at Siltara – Raipur : 2300 Lakhs • General Corporate Purpose
Book Running Lead Manager	: Hem Securities Ltd.
Registrar to the Issue	: KFIN TECHNOLOGIES LIMITED



SHRI HARE-KRISHNA SPONGE IRON LIMITED



Hem Securities LTD.

Building your wealth through values

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