



AIA Engineering Ltd.

August 14, 2017

To,
The Manager (Listing),
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Script Code: 532683

To,
The Manager (Listing),
National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block - G,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
Script Code: AIAENG

Dear Sir/Madam,

Sub: Presentation on the Unaudited Financial Results for the quarter ended June 30, 2017

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a presentation on the Unaudited Financial Results of the Company for the quarter ended June 30, 2017 to be made to Investor/ Analyst.

The aforesaid presentation is also being hosted on the website of the Company, www.aiaengineering.com in accordance with the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Thanking you.

Yours faithfully,
For AIA Engineering Limited


S. N. Jetheliya
Company Secretary
Encl: a/a.



CIN : L29259GJ1991PLC015182

An ISO 9001 Certified Company

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AIA ENGINEERING LIMITED

PRESENTATION TO INVESTORS

EARNINGS : Q1 FY 2017-18

1. Financial Snap Shot – Consolidated

(Rs. In lacs)

| Particulars | F.Y.2017-18 | F.Y. 2016-17 | | | | |
|--|---------------|--------------|--------------|--------------|--------------|---------------|
| | Q1 | Q1 | Q2 | Q3 | Q4 | F.Y. 2016-17 |
| Production (MT) | 56744 | 54272 | 59280 | 58785 | 60785 | 233122 |
| Sales (MT) | 55680 | 47572 | 51969 | 56646 | 58290 | 214477 |
| 1. INCOME | | | | | | |
| a) Sales(with Excise) | 57639 | 48465 | 53419 | 59096 | 62944 | 223924 |
| b) Other operating income (export benefits) | 1,513 | 1113 | 1467 | 1654 | 1655 | 5889 |
| Total income from operations | 59152 | 49578 | 54886 | 60750 | 64599 | 229813 |
| c) Other non operating income | 1,850 | 3045 | 2683 | 2229 | 4709 | 12666 |
| Total Income | 61002 | 52623 | 57569 | 62979 | 69308 | 242479 |
| 2. EXPENDITURE | | | | | | |
| a) Raw material consumed | 24,212 | 17742 | 19926 | 20426 | 25117 | 83211 |
| b) Change in inventories of Finished goods, W.I.P. and stock-in-trade | (1277) | (3689) | (5263) | (923) | (644) | (10519) |
| Excise Duty | 2155 | 1689 | 1940 | 1745 | 2059 | 7433 |
| c) Employee benefit expenses | 2738 | 2567 | 2672 | 2713 | 2719 | 10671 |
| d) Other expenses | 18338 | 17039 | 19666 | 19507 | 21570 | 77782 |
| 3. EBIDTA | 14835 | 17275 | 18628 | 19511 | 18487 | 73901 |
| 4. EBIDTA (Percentage on income from operation including Excise) | 25.08% | 34.84% | 33.94% | 32.12% | 28.62% | 32.16% |
| 5. Depreciation and amortising expenses | 1776 | 1749 | 1705 | 1701 | 2093 | 7248 |
| 6. Finance cost | 140 | 119 | 102 | 85 | 143 | 449 |
| 7. PBT | 12,919 | 15407 | 16821 | 17725 | 16251 | 66204 |
| 8. Tax | 4049 | 4503 | 5577 | 5677 | 4726 | 20483 |
| 9. PAT (after Minority Interest) | 8849 | 10900 | 11235 | 12033 | 11511 | 45679 |

2. Break-up of Certain Key Items – Consolidated

(Rs. In lacs)

| Particulars | F.Y. 2017-18 | F.Y. 2016-17 | | | | |
|--|--------------|--------------|-------------|-------------|-------------|--------------|
| | Q1 | Q1 | Q2 | Q3 | Q4 | 2016-17 |
| 1. Other Operating Income | | | | | | |
| a) Export benefits | 1513 | 1113 | 1467 | 1654 | 1655 | 5889 |
| 2. Other income | | | | | | |
| a) Dividend / profit on sale of MF / Interest income | 127 | 229 | 234 | 144 | 116 | 723 |
| b) Foreign exchange gain | 358 | 467 | 641 | 262 | 1030 | 2400 |
| c) Others (including fair value of Investments) | 1365 | 2349 | 1808 | 1824 | 3563 | 9543 |
| Total | 1850 | 3045 | 2683 | 2229 | 4709 | 12666 |

3. Working Capital – Consolidated

(Rs. In lacs)

| Particulars | 2017-18 | 2016-17 | | | | |
|---------------------------------|---------|---------|-------|-------|-------|--------------|
| | Q1 | Q1 | Q2 | Q3 | Q4 | 2016-17 |
| 1. Inventories | | | | | | |
| a) Raw material – Amount | 11006 | 8452 | 7684 | 9806 | 8838 | 8838 |
| No. of days | 38 | 38 | 35 | 43 | 37 | 37 |
| b) WIP & FG – Amount | 37982 | 29929 | 35061 | 36029 | 36364 | 36364 |
| No. of days | 60 | 58 | 62 | 61 | 59 | 59 |
| 2. Receivables – Amount | 51417 | 39283 | 34913 | 44675 | 49606 | 49606 |
| No. of days | 81 | 76 | 62 | 76 | 81 | 81 |

4. Segmental Sales (in MT) – Consolidated

| Particulars | F.Y. 2017-18 | F.Y. 2016-17 | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | Q1 | Q1 | Q2 | Q3 | Q4 | 2016-17 |
| i) Mining | 34083 | 29187 | 31858 | 35854 | 29580 | 126479 |
| ii) Others | 21597 | 18385 | 20111 | 20792 | 28710 | 87998 |
| Total | 55680 | 47572 | 51969 | 56646 | 58290 | 214477 |

5. CAPEX/PROJECTS IN PIPELINE

- a) GIDC Kerala Greenfield Phase-I and Trichy Brownfield expansion effectively commissioned in Q-3 FY 2016. Present Installed Capacity 3,40,000 TPA.
- b) GIDC Kerala, Phase-II Greenfield expected to be commissioned in two phases. First phase will add 50,000 TPA capacity in F.Y. 2017-18 while Second phase will add another 50,000 TPA capacity in F.Y. 2018-19. Taking installed capacity to 4,40,000 TPA; total Capex of Rs. 500 crores.
- c) Capex incurred during Q1-FY 2018: Rs. 41 crores.
- d) Capex estimated to be incurred in FY 2017-18: Rs. 185 crores.

6. Strategy

- a. The opportunity landscape over medium to long term horizon remaining unchanged with the total addressable annual mining replacement market estimated at around 3 million TPA coupled with a very low penetration of high chrome consumable wear parts in mining. Bulk of future growth is expected to come from outside India and that too mainly in mining segment.
- b. Apart from significant cost reduction due to much lower wear rates, high chrome solutions also bring about benefits like improved process efficiencies, reduction in other consumables (other than high chrome consumables), improved environmental benefits, etc. which are other key growth drivers.
- c. Targeted incremental volume growth over the 3 year horizon around 1,20,000 MT

7. Key Highlights/Developments

- A. Mining Sector sales increased on account of continued business penetration efforts in the sector..
- B. Order book as at 1st July 2017: Rs. 536 crores
- C. Outstanding foreign currency forward contracts (sales contracts) as of 30th June-2017: US \$ 16.50 MIO, EURO 8.00 MIO, ZAR 64.00 MIO.