

RAIL:SEC:2017

December 05, 2017

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001  Scrip Code - <b>520008</b>	National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E) Mumbai - 400 051  Scrip Code - <b>RICOAUTO</b>
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Sub : **Presentation to Analysts on 5<sup>th</sup> December, 2017**


Dear Sir/Madam,

In continuation to our letter dated 4<sup>th</sup> December, 2017, please find enclosed the Presentation which will be made by the Company to the Analyst/Institutional Investor Meeting being held today. The presentation is also available on the website of the Company [www.ricoauto.in](http://www.ricoauto.in).

Kindly acknowledge receipt and take the same on record.

Thanking you,

Yours faithfully,  
for **Rico Auto Industries Limited**

  
**B.M. Jhamb**  
Company Secretary  
FCS : 2446

# RICO

RICO AUTO INDUSTRIES LIMITED

**A world class integrated supplier of  
Automotive Components & Assemblies**

**Investor Presentation**

Dec 2017



## Safe Harbor Statement

All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by us. Although Rico Auto Industries Limited believes that the expectations reflected in such forward looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and Rico Auto Industries Limited undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by, forward looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

## TABLE OF CONTENT

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Key Business Strategies	04
Vision, Strategies and Values	05
Strong Customer Value Chain & Milestones	07
Key Management	09
Geographical Presence	11
Product Divisions & Segments	12
Global Customers	16
Joint Ventures & Subsidiaries	17
After Market Initiative	20
Facilities & Infrastructure	23
R&D Capabilities	27
Organizational Structure	35
Financial Overview	36
Stock information	38
Awards & Recognition	39
CSR	40





## Preferred partner to OEMs

- Client engagement from concept to completion stage
- Strong in-house R&D capabilities.
- Long-established relationship with OEMs.

## Strategically located plants

- Proximity of its plants to the OEMs.
- Just in time approach
- Last Mile Connectivity for overseas customers



## 4 decades of Execution Experience

- Excellence in engineering critical products.
- Strong focus on product & process innovation.



## De-risked Business Model

Extensive product portfolio :

- Passenger vehicles,
- Commercial / Off Road Vehicles
- 2 Wheelers
- System Suppliers
- Balanced business: Segments / Geography



## ENTREPRENEURSHIP

The power of persuing new challenges with speed, flexibility and ownership



## TEAMWORK

The power of working together



## INTEGRITY

The power of honesty and transparency



## COMMITMENT

The power of responsibility, accountability and ownership



## EXCELLENCE

The power of being the best



<b>2015-17</b>	Added new facilities- Plants At Bawal & Chennai Added Customers – Bentley, PSA	<b>VDA 6.3</b> <b>CAT SQEP-Silver</b>
<b>2010-14</b>	Added new facilities - Plants At Bhiwadi, Sanand, & Haridwar Added Customers – Musashi, GKN, Toyota, VW, Kohler, Avtec	<b>GM QSB</b>
<b>2007-09</b>	JV with MAGNA Powertrain (Oil Pump, Water Pump) JV with Jinfei China (Aluminum Alloy Wheels – 2 Wheelers) Added Customers – JATCO, Magna, Renault, BMW	<b>FORD Q1</b> <b>CAT SQEP-Bronze</b>
<b>2004-06</b>	R&D Center Started Added Customers – NISSAN, TATA, Perkins	
<b>2003-04</b>	Enhanced Ferrous and Aluminum Capacity Added Customers – GM, Caterpillar, Honeywell, Detroit Diesel, Volvo	
<b>2000-02</b>	Full Service Engineering Design Development Added Customers – FORD, Landrover, Jaguar	<b>TS 16949</b> <b>ISO 14001 OHSAS 18001</b>
<b>1999-00</b>	Aluminium Die Casting & Machining ( <i>Gurgaon</i> )	<b>QS 9000</b>
<b>1994-96</b>	JV (50:50) FCC RICO (Clutch Assembly) Started Exports – GM, Eaton, Cummins	
<b>1990-92</b>	International Market OEM Supplier – MEC Japan Ferrous Casting & Machining ( <i>Gurgaon</i> ) Focus – Maruti Suzuki	<b>ISO 9000</b>
<b>1985-86</b>	Technical Collaboration FCC Japan Commercial Production Started (1986) Aluminum Die Casting & Machining ( <i>Dharuhera</i> ) Focus – Hero Honda & Maruti Suzuki	



**Arvind Kapur**

Chairman, CEO & Managing Director



**Kanwal Monga**

*Independent Director*



**Amarjit Chopra**

*Independent Director*



**Dr. Ashok Seth**

*Independent Director*



**Satish Sekhri**

*Independent Director*



**Rajeev Kapoor**

*Independent Director*



**Vinod Kumar Nagar**

*Independent Director*



**Rakesh Kapur**

*non-executive director*



**Upasana Kapur**

*Non-executive director*



**Arun Kapur**

*Joint Managing Director*





**Surendra Singh**  
*President & COO*



**Rakesh Sharma**  
*Vice President Finance*



**R. K. Miglani**  
*Vice President Operations*



**M. K. Jain**  
*Vice President (Corporate Quality)*



**R. Dharna**  
*Vice President Operations*



**Sandeep Rajpal**  
*Vice President Marketing*



**Abhishek Kulshrestha**  
*Vice President (Procurement, Vendor Devp. & After Market.)*

## Advisory Committee



**N. K. Sethi**  
*Management Advisor*



**O. P. Aggarwal**  
*Financial Advisor*

## Company Secretary



**B. M. Jhamb**  
*Company Secretary*



15 Acres

**BAWAL**  
(Al. HPDC, Machining)



5 Acres

**MANESAR**  
(Al. GDC, Machining)



12 Acres

**BHIWADI / PATHREDI**  
(Machining)



27 Acres

**GURGAON**  
(Corporate, R&D, Tool  
Manufacturing, Ferrous Casting, Al.  
HPDC, Machining)



5 Acres

**DHARUHERA**  
(Al. HPDC, Machining)



2 Acres

**HARIDWAR**  
(Al. HPDC, Machining)



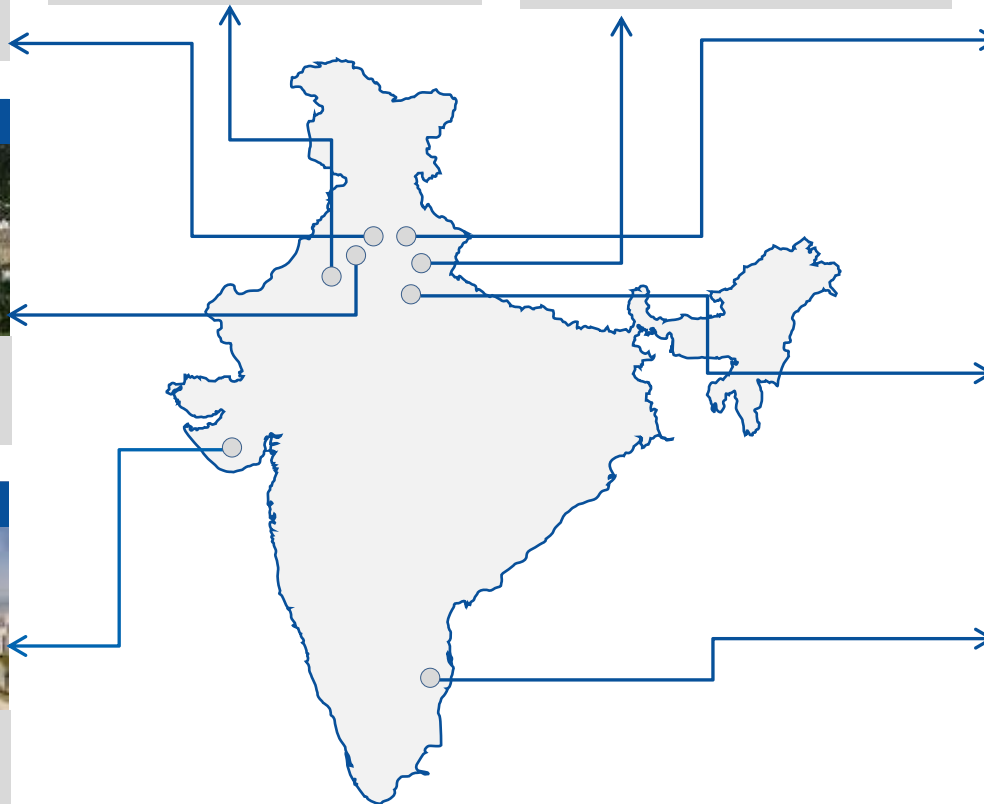
5.5 Acres

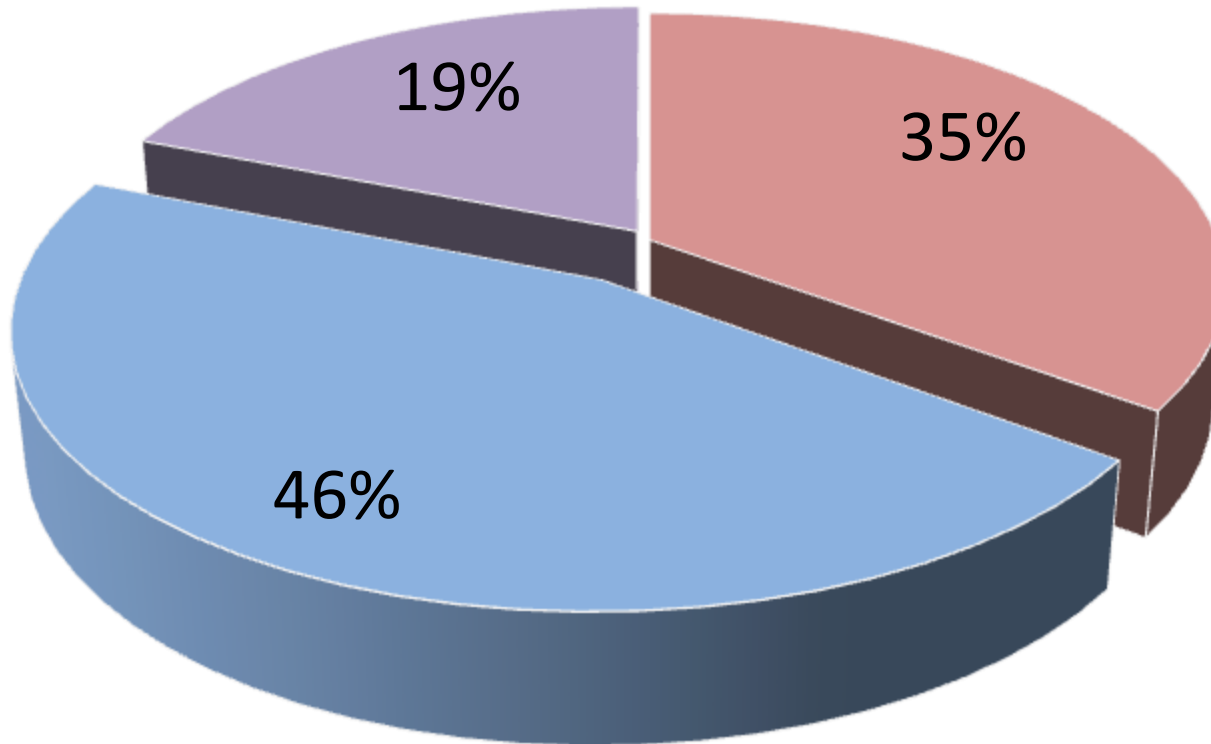
**SANAND**  
(Al. HPDC, Machining)



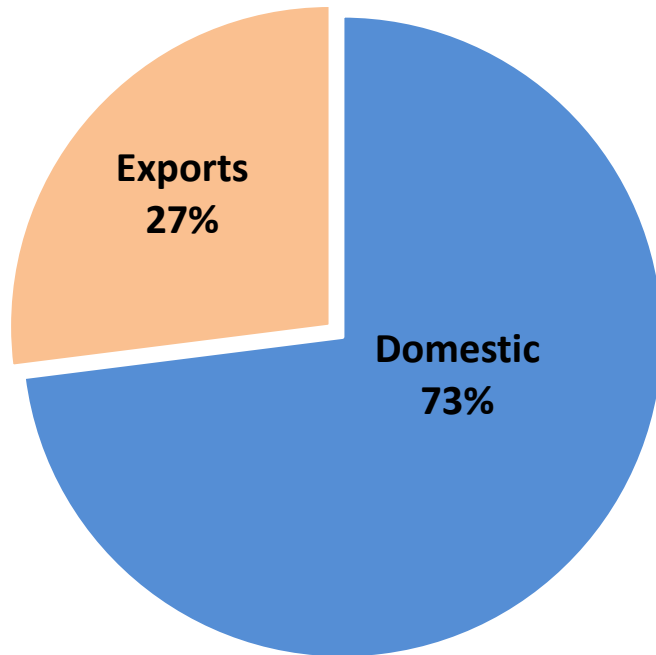
12 Acres

**CHENNAI**  
(Al. HPDC, Machining)

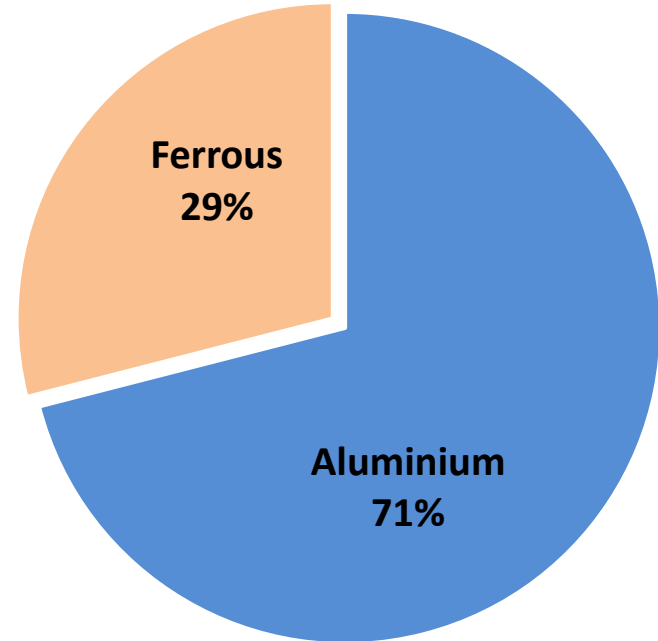




■ Engine 
 ■ Transmission 
 ■ Chassis Suspension & Braking System



■ Domestic ■ Exports



■ Aluminium ■ Ferrous





Assy. Cover Cylinder Head (Suzuki, GM)



Balancer Shaft (GM)



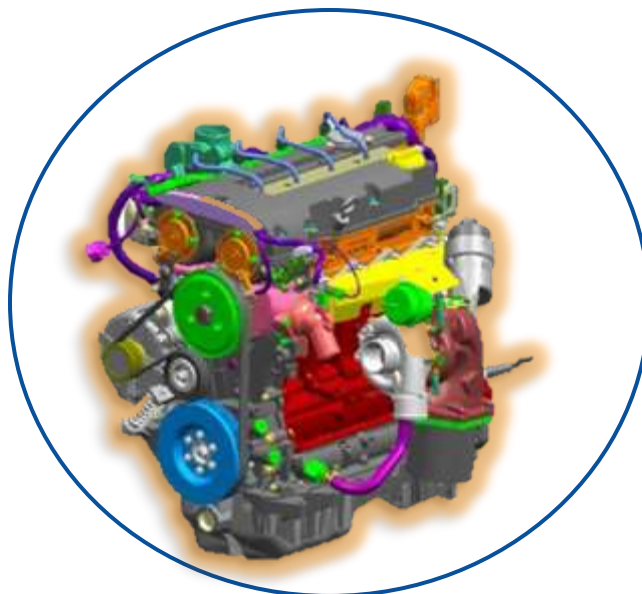
Exhaust Manifold (Renault, Nissan, Suzuki)



Turbine/ Center Hsg (Nissan, Tata, GM, Suzuki, Fiat, Honda, Ford, Hyundai, JCB)



Engine Block (Renault, Tata)



Case Chain/ Case Timing (Honda, Renault, Suzuki)



Engine & Support Brackets (Suzuki, Renault, VW, Volvo)



Oil Pan (Suzuki, Honda, GM, Tata)



Bearing Cap (Renault, Cummins)



Turbo Outlet (Renault)



EGR Pipe (Renault)



Cam Cap Support / Ladder Frame (Renault, Suzuki)



Transmission Case  
(Eaton, Renault, Suzuki )



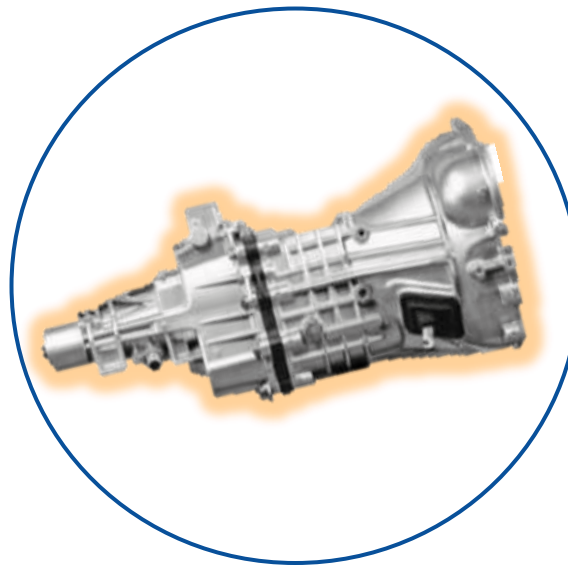
Clutch Housing  
(Renault , Eaton )



Shifter Forks  
(Suzuki)



Clutch Plate  
(Eaton)



Ground Sleeve & Shaft  
(Allison )



Differential Case & Housing  
(BMW, GKN, Suzuki, Ford, Honda)



Retainer Bearing  
(Jatco)

## Four Wheelers



## System Supplier



## Two Wheelers







Oil Pump  
Water Pump  
(Automotive Engines)  
(India & Europe)

**50% : 50%**



Year	FY 15-16	FY 16-17	FY 17-18 H1	FY 17-18 E
Oil & Water Pump Assy ( Nos in Mn)	1.21	1.46	0.82	1.57
Turnover INR CR	68	87	44.3	90





Aluminum Alloy Wheels  
Two Wheelers  
Capacity Expansion – 2.5 Ml

**93.49% : 6.51%**



Year	FY 15-16	FY 16-17	FY 17-18 H1	FY 17-18 E
Alloy Wheels ( nos. in Mn )	0.85	0.96	0.56	1.2
Turnover Cr	78.8	84.1	55.6	120



**AAN ENGINEERING INDUSTRIES LTD.**



**Enlisted and Registered with DGS&D, & DPSU's (HAL, HVF, ECIL )**

Year	FY 15-16	FY 16-17	FY 17-18 E	FY 18-19 E
Turnover (INR CR)	0.29	3.69	10+	70 +

- Aerial Ammunition
- Electronic Fuse Assemblies
- Track-links

- Aftermarket Business Initiated on 20<sup>th</sup> May'2017
- First Phase – 2W Range
- Second Phase – 4W Range from Jan.'2018
- 31 Dealers appointed Pan India, 70 by March 18
- Over 70 different parts launched



Year	FY 17-18 E	FY 18-19 E
Turnover (INR CR)	10 +	30 +



### Product Spectrum



**WHEELS & BRAKING SYSTEMS**



**CLUTCH ASSEMBLY & COMPONENTS**



### Electric Programs

- Motors - Covers & Housings
- Transmission - Housings & Diff Cases
- Light Weighting – Structural Parts

### Products

- Turbo Manifolds
- Water-cooled Bearing Housing
- Clutches for Motorcycles
- CVT for Scooters

### New Metallurgy

- Stainless Steel
- Low Fe Cu Mg Alloy (Rico Spec)





**Over 100 High Pressure Die Casting Machines (upto 2500 Tns Locking Force)  
Largest High Pressure Die Casting Capacity in India including GDC & LPDC.**





**4 Molding Lines - 2 DISA & 2 Horizontal (SINTO & DISA)**  
**Vertical Size ( 650 \* 535 \* 130~330) & Horizontal Size ( 610 \* 510 \* 200+200)**  
**Material: Gray (FC), Ductile (FCD), SiMo, SiMo Chrome**



**Over 2000 Machines (CNCs & SPMs)**

**One of the Largest Machining Facility in India**

**Over 50% of Our Product Range is with Assemblies**





### Capabilities (Over 60 Seats)

**CAD – CAM**

**NX, Pro E, Catia, C3P, Ideas, Vericut**

**CAE - FEA, CFD, Ansys, FCX, MSC Fatigue**

**Magmasoft, 3D Printing**

### Advantages

**Concurrent Engineering with Customers**

**Inhouse Designing, Prototyping & Special CNC Machine Building**

**Shorter development time.**



Manufacture over 250 Dies & Patterns and 800 Die Inserts Annually

## Design & Manufacturing

- Dies for HPDC Critical Parts upto 2500 T
- Dies for LPDC & GDC dies.

**Rico has been nominated for Annual peak value of 340 Cr in the first 8 months of current year.**



### PATHREDI ( near Bhiwadi )

New Iron Foundry & Machine Shop  
Target – Q1 2019



### BAWAL

New Machine Shop Ready  
Aluminium Casting Shop Expansion - May 2018



### CHENNAI

Aluminium Casting & Machine Shop Expansion  
Phase 2– Completed  
Phase 3 expansion – Dec 18







### Bawal

Available for Expansion (6,000 sq. mtr.) Planned May 18	Constructed (6,000 sq. mtr.)
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Available for Expansion (6,000 sq. mtr.)	Constructed (6,000 sq. mtr.)
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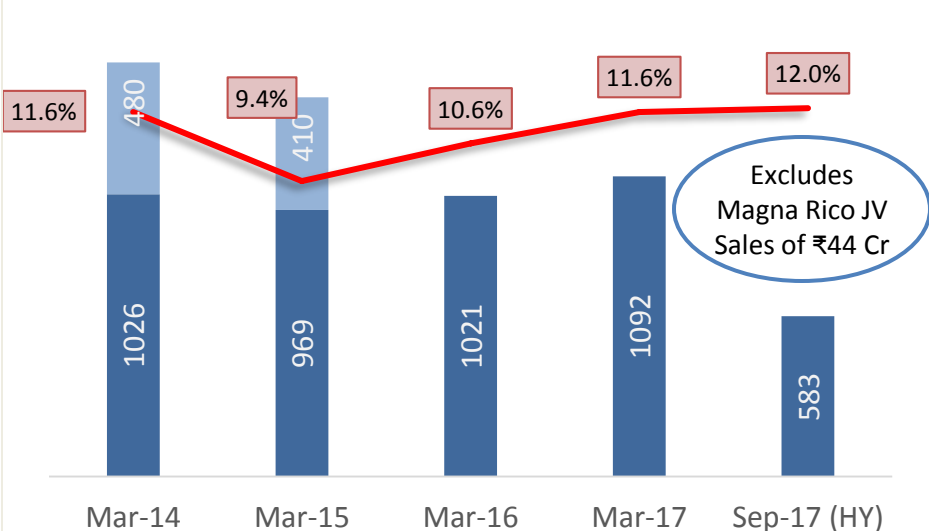
Available for Expansion (4,000 sq. mtr.)
Constructed (6,000 sq. mtr.)



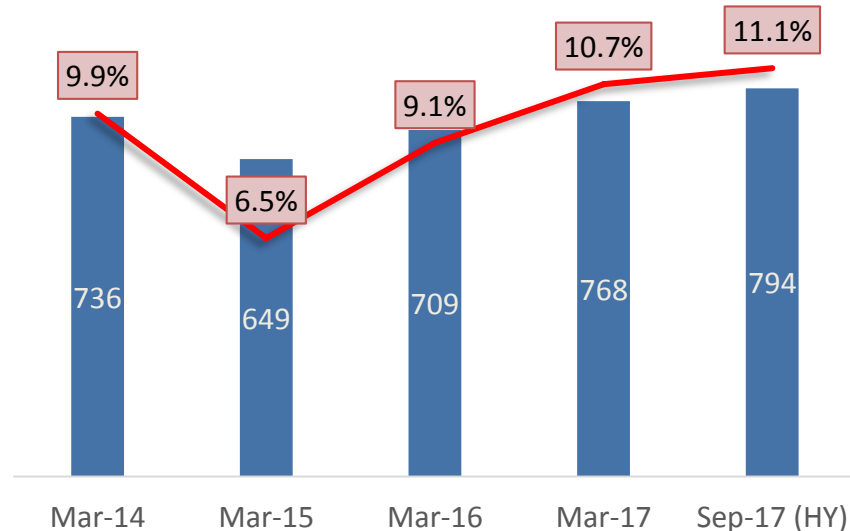
### Chennai

Ready by March 18	
Under Construction (10,000 sq. mtr.) Ready	Constructed (8,000 sq. mtr.)
Available for Future Expansion (20,000 sq. mtr.)  Phase 3 Ready by Dec 18	

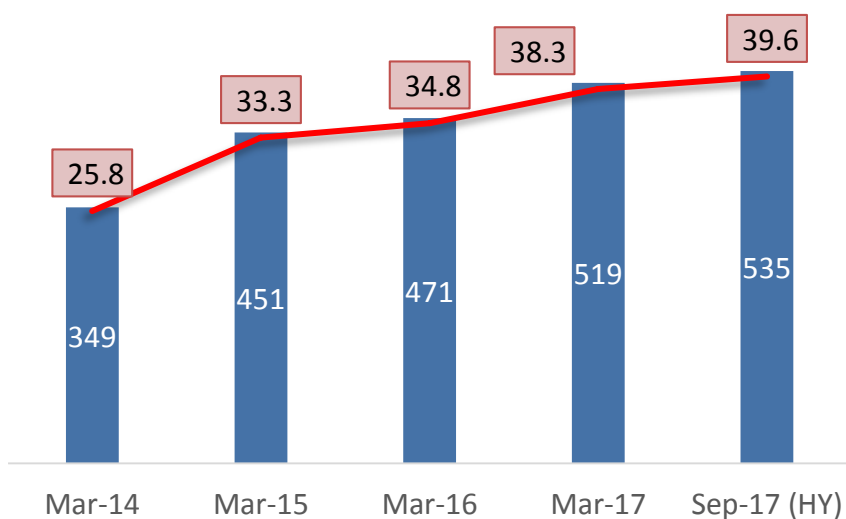
Net Revenue Net Revenue- FCC Rico EBITDA %



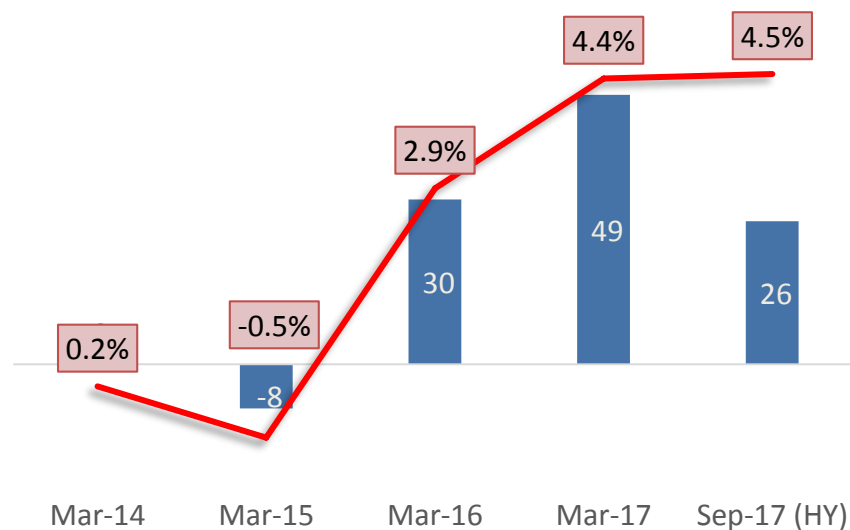
Capital Employed ROCE %



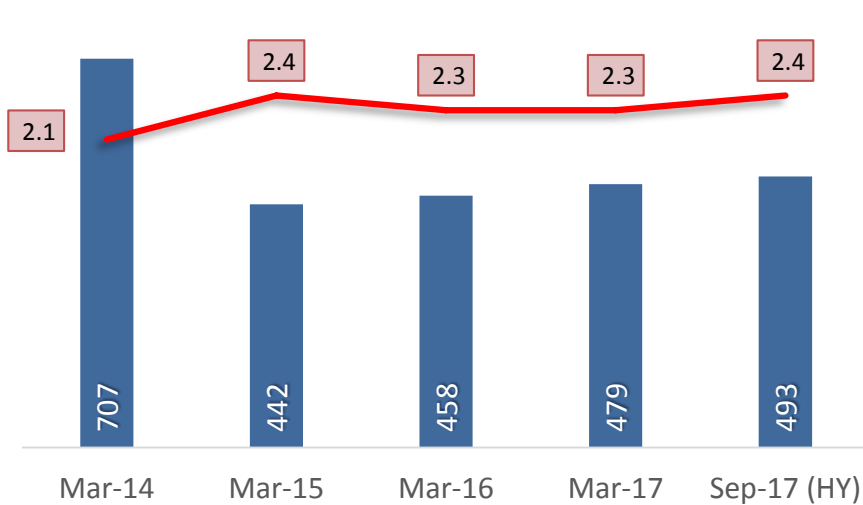
Net worth (₹ Cr) Book value per share



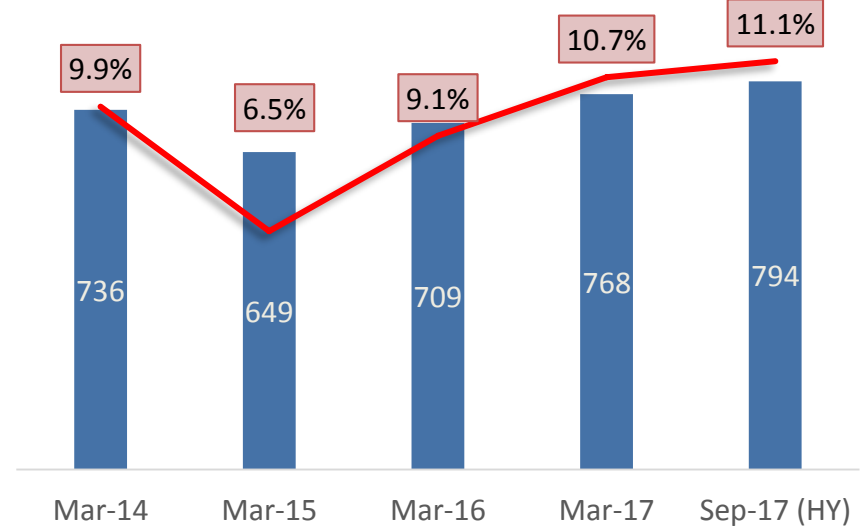
PAT PAT %



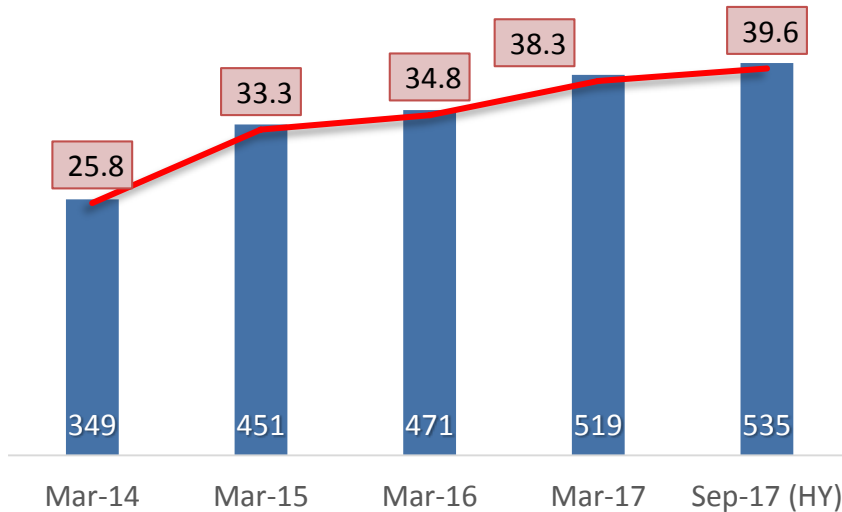
■ Net Block (₹ Cr)    — Net Assets Turnover Ratio



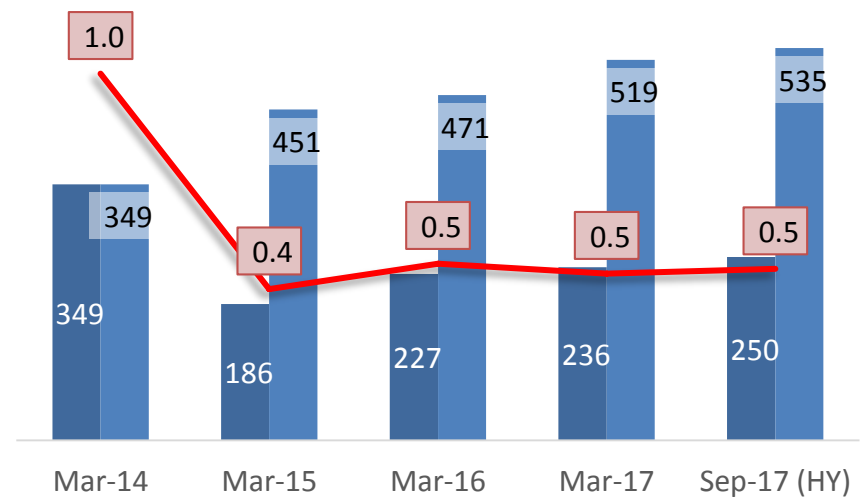
■ Capital Employed    — ROCE %    Annualized



■ Net worth (₹ Cr)    — Book value per share



■ Total loan funds    ■ Net worth    — Total debt to Net worth









Enhancing Environmental Sustainability



Supporting Rural Development



Providing Preventive Health Care



Promoting Girls Education & Skill Development



Promoting "Cleanliness & Sanitation" in Rural areas



**Induction Training – “Parichay”**



**Company Wide Training – “Jagriti”**



**Kaizen Award Ceremony**



**Best Work Place - Competition**



**Family Connect Program**



**Employees Children Safety Competition**



**Sports Competition**



**Yoga Training**



**Health Awareness Camp**



**Long Service Awards**



**Thanks**