

January 30, 2020

To  
The Manager  
The Department of Corporate Services  
BSE Limited  
Floor 25, P. J. Towers,  
Dalai Street, Mumbai — 400 001

To  
The Manager  
The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai — 400 051

**Scrip Code: 531147**

**Scrip Symbol: ALICON**

**Sub: Investor Presentation – Alicon Castalloy Limited**

Sir/ Madam,


Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith Investor Presentation for the third quarter and Nine Months ended December 31, 2019.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

For **Alicon Castalloy Ltd**

A handwritten signature in blue ink, appearing to read 'Swapnal Patane'.

**Swapnal Patane**  
Company Secretary

# Alicon Castalloy Ltd

Q3 & 9M FY20 Results Presentation

January 28, 2020



## Disclaimer

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Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

# Contents





# About Alicon Castalloy

# Alicon Castalloy - Overview

*Offers end-to-end solutions spanning the entire spectrum of aluminum casting needs across multiple user industries*

Offers - Design, Engineering, Casting, Machining and Assembly, Painting and Surface Treatment of Aluminum Components

Pioneer in India for processes of Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC)

Operates one of the largest Aluminum foundries in India

Leaders in the development of Pro-Cast and Magma space in India

Diversified marquee Customer base across core sectors in India coupled with steady rise in International presence

Robust track record of 44 years, further enriched by 89 year legacy of Illichmann Castalloy



# Alicon Castalloy - At a Glance



**17%**

Revenue CAGR  
(5 yr)



**21%**

EBITDA CAGR  
(5 yr)



**23%**

PAT CAGR  
(5 yr)



**4**

Manufacturing  
Units



**1,192**

INR crore of  
Revenue in FY19



**84**

customers with..

**674**

Live Parts



**46**

No. of product  
innovations during FY19



Presence in  
**18**

countries

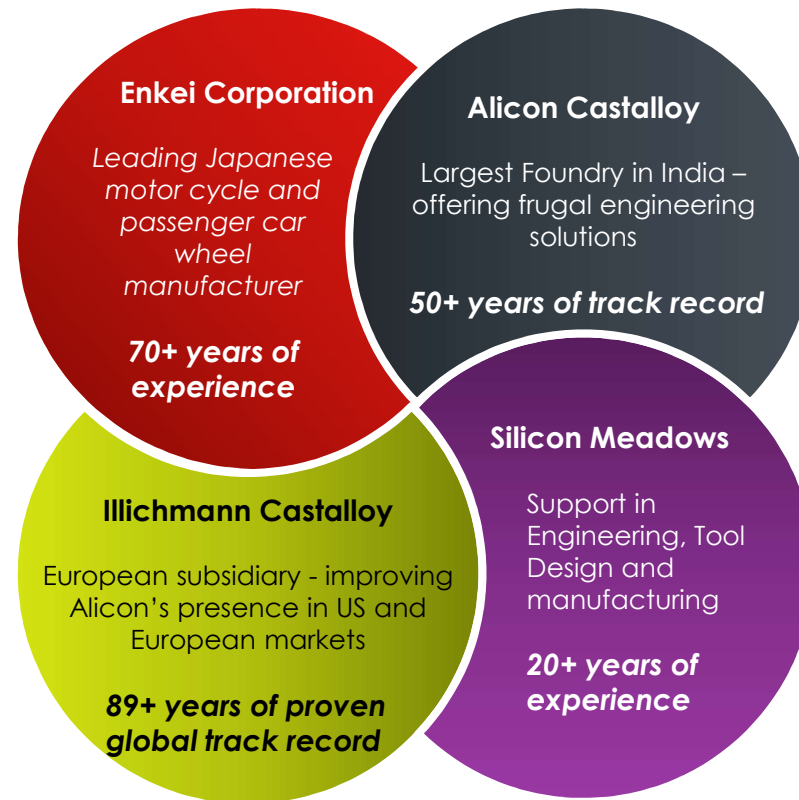


**1,039**

No. of permanent  
employees

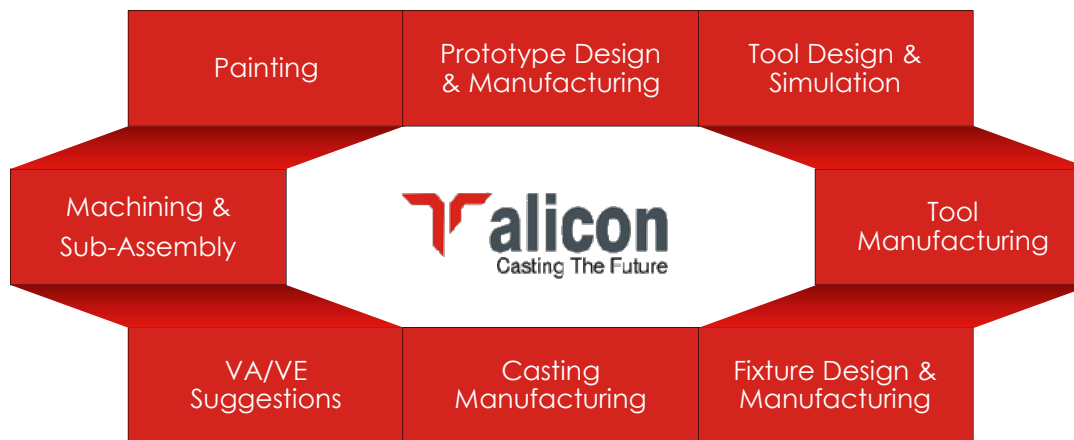
# Alicon Castalloy – Blending the best attributes

*A blend of  
European  
engineering skills,  
Japanese quality  
and inherent  
Indian ingenuity  
and frugality*





# One-stop shop for all engineering solutions related to aluminum alloy castings



Catering to key sectors of the Indian economy

  
Automobile

  
Infrastructure

  
Aerospace

  
Medical

  
Energy

  
Agriculture

# Global Presence : Close-to-Demand

Strategic locations enable better speed-to-market and increased cost optimization



- 4 modern plants (1 international)
- High-end machines
- Advanced Technology Centre
- Globally competent Tool Rooms (20 tools/ a month)
- Full-edged Machine Shop (including assembly facility)

**USA**  
Marketing Franchise

**France**  
Marketing Franchise

**Austria**  
International Marketing Office

**Slovakia**  
\* Manufacturing Plant  
\* Tool Room  
\* Product Validation Lab

**Chinchwad, Pune Maharashtra**  
\* Manufacturing Plant  
\* Tool Room  
\* Product Validation Lab  
\* Machine Shop

**Shikrapur, Pune Maharashtra**  
\* Manufacturing Plant  
\* Technology Centre  
\* Product Validation Lab  
\* Machine Shop

**Binola, Haryana**  
\* Manufacturing Plant  
\* Product Validation Lab

# Diversified base of marquee customers

Diversity across markets and industries provides a natural hedge

## TWO WHEELER OEM



## FOUR WHEELER OEM



## TIER 1 & NON AUTO



Not reliant on a single 'anchor' customer

None of the customers contribute >15% of turnover

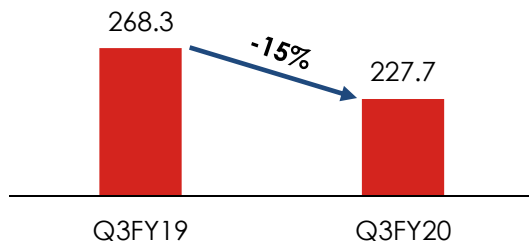
AND MANY MORE....



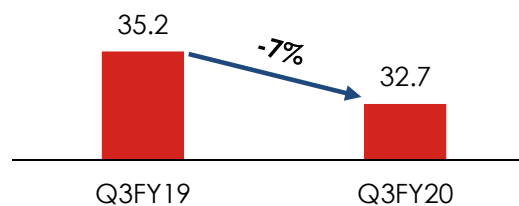
Q3 & 9M FY2020  
Financial Performance

# Q3FY20 Highlights – Consolidated

**Total Income**

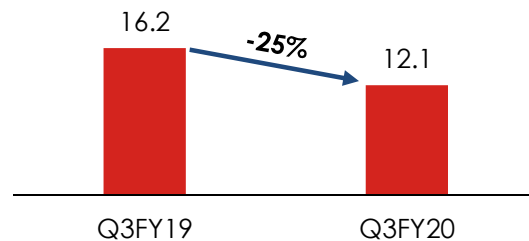


**EBITDA**

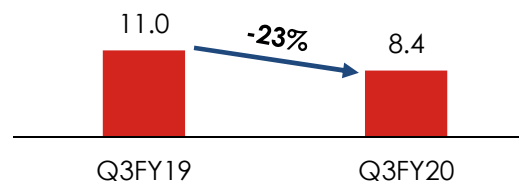


EBITDA %	13.1	14.3
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**PBT**



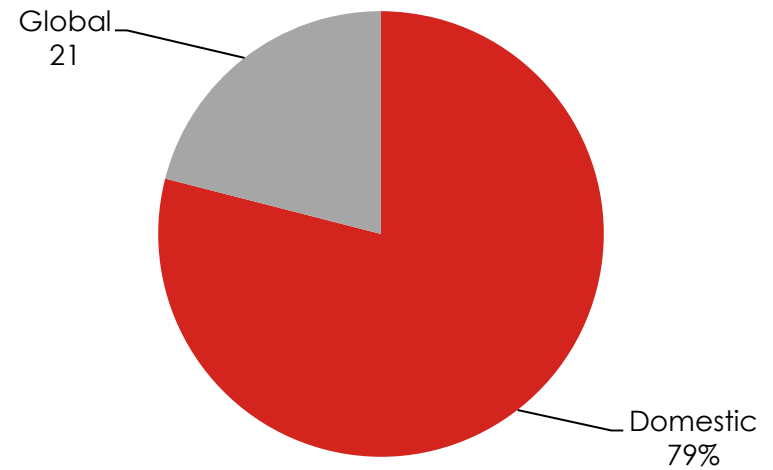
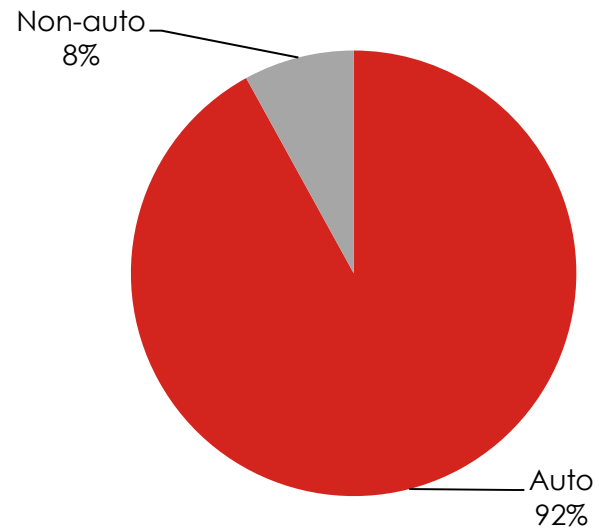
**PAT**



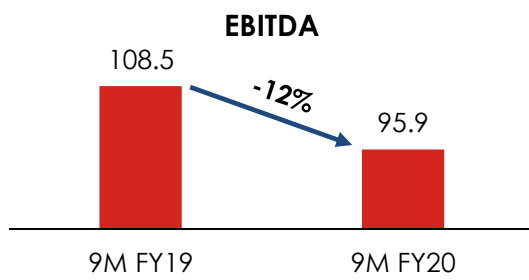
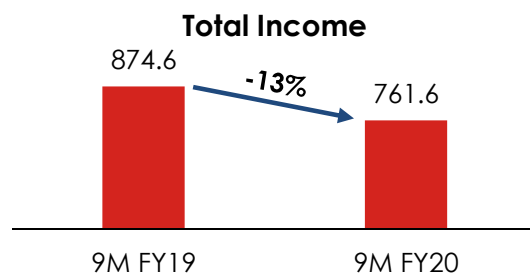
PAT %	4.1	3.7
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- Total Income stood at Rs. 227.8 crore, compared to Rs. 266.9 crore in the immediately preceding quarter
- On a YoY basis, Domestic Revenues de-grew by 15% and the Export segment de-grew by 16%\*.
- Other income stood at Rs. 0.88 crore, higher by 34% yoy
- EBITDA was Rs. 32.68 crore, lower by 8% compared to Q2FY20
- On a YoY basis, EBITDA margins improved 122 bps to 14.3% due to cost control and operating efficiencies
- On a sequential quarter basis, EBITDA margin improved by 110 bps
- PAT stood at Rs. 8.4 cr
- EPS (Diluted) stood at Rs. 6.01 in Q3FY20 as against Rs. 7.84 in Q3FY19

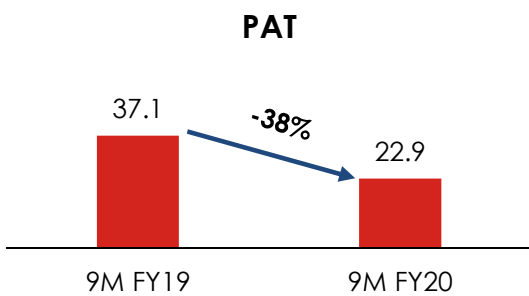
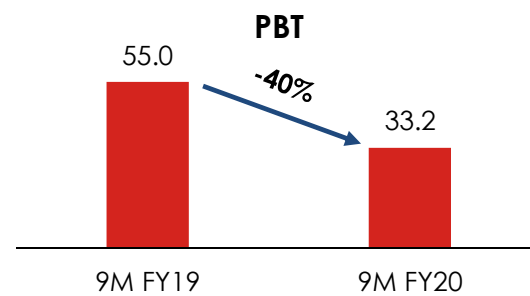
## Revenue Mix – Q3FY20



# 9M FY20 Highlights – Consolidated



EBITDA %	12.0	13.0
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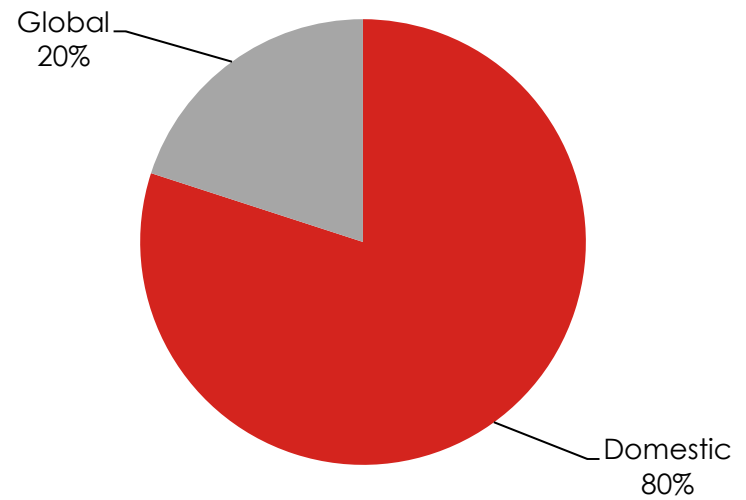
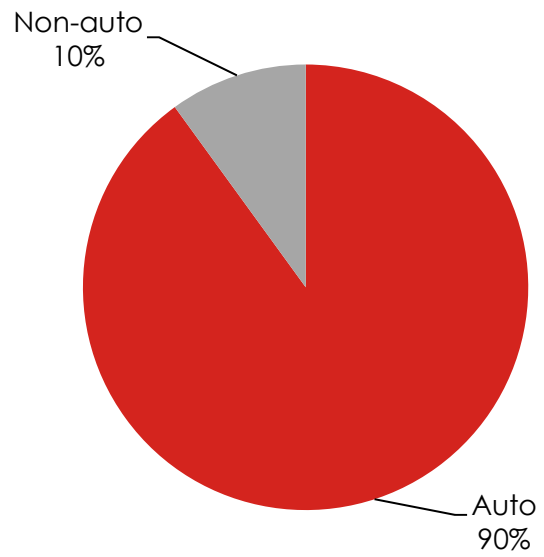


PAT %	4.2	3.0
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- Total Income stood at Rs. 761.7 crore as against Rs. 874.6 crore in 9M FY19
  - Domestic Revenues were lower by 14% YoY
  - Export\* segment reported de-growth of 7% YoY
- Reduced volumes across the auto industry due to slowing economic growth and changing technologies and emission standards contributed to the de-growth
- Other income stood at Rs. 2.18 crore, lower by 5%
- EBITDA stood at Rs. 95.9 crore
- EPS (Diluted) stood at Rs. 16.39 in 9MFY20

Figures in Rs. Crore  
\*Exports (incl. overseas business)

# Revenue Mix – 9M FY20





## Abridged P&L – Consolidated

Particulars (Rs. crore)	Q3FY20	Q3FY19	Y-o-Y Shift	9M FY20	9M FY19	Y-o-Y Shift
Net Revenue from Operations	226.87	267.66	-15%	759.47	872.34	-13%
Other Income	0.88	0.65	34%	2.18	2.30	-5%
<b>Total Income</b>	<b>227.75</b>	<b>268.32</b>	<b>-15%</b>	<b>761.65</b>	<b>874.64</b>	<b>-13%</b>
<b>Total Expenditure</b>						
Raw Material expenses	112.61	135.32	-17%	390.51	443.99	-12%
Employee benefits expense	33.23	39.81	-17%	105.54	125.92	-16%
Other expenses	49.23	57.97	-15%	169.73	196.22	-13%
<b>EBITDA</b>	<b>32.68</b>	<b>35.22</b>	<b>-7%</b>	<b>95.87</b>	<b>108.51</b>	<b>-12%</b>
<b>EBITDA margin (%)</b>	<b>14%</b>	<b>13%</b>	<b>+122 Bps</b>	<b>13%</b>	<b>12%</b>	<b>+18 Bps</b>
Finance Costs	9.61	9.41	2%	30.01	25.57	17%
Depreciation and Amortization	10.92	9.61	14%	32.65	27.94	17%
<b>PBT</b>	<b>12.15</b>	<b>16.19</b>	<b>-25%</b>	<b>33.21</b>	<b>55.01</b>	<b>-40%</b>
Tax Expenses	3.71	5.24	-29%	10.33	17.95	-42%
<b>PAT</b>	<b>8.44</b>	<b>10.95</b>	<b>-23%</b>	<b>22.87</b>	<b>37.06</b>	<b>-38%</b>
<b>PAT Margin (%)</b>	<b>4%</b>	<b>4%</b>	<b>-38 Bps</b>	<b>3%</b>	<b>4.2%</b>	<b>-123 Bps</b>

## Management's Message

### **Commenting on the performance, Mr. Rajeev Sikand, Group CEO , Alicon Castalloy said,**

*"The auto industry continued to witness tepid volumes in Q3 given the challenging macro-economic conditions as well as uncertainty amidst the evolution towards BS-VI emission standards. The festive season which carried into the third quarter did not see increased production at Auto Manufacturing. In this backdrop, we are encouraged to report a relatively stable performance accompanied by improved operating profitability on the back of our cost management initiatives.*

*Investments in new technologies and talent in recent years have enhanced our preparedness for emerging trends across the industry landscape. We are focused towards increasing market share in India, increase penetration among global customers as well as elevate our platform of products catering to non-auto sectors.*

*Amidst the dynamic operating environment, we are tightening our belts to enhance efficiencies. Contract wins announced last quarter are progressing along targeted schedules. We believe we are well placed to capitalize on opportunities that will arise as demand recovers."*



# Concall Details

# Conference Call Details

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## Alicon Castalloy's Q3 & 9M FY20 Earnings Conference Call

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**Time & Date** • 3:30 PM on Friday, January 31, 2020

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**Local dial-in numbers** • +91 22 6280 1141  
• +91 22 7115 8042

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**International Toll Free Number** • Hong Kong: 800 964 448  
• Singapore: 800 101 2045  
• UK: 0 808 101 1573  
• USA: 1 866 746 2133

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# Thank You

For further information, please contact:

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**Alicon Castalloy Ltd**

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E-mail: [tarun.vyas@alicongroup.co.in](mailto:tarun.vyas@alicongroup.co.in)

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**Mayank Vaswani / Shikha Kshirsagar / Mit Shah**

**CDR India**

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[shikha@cdr-india.com](mailto:shikha@cdr-india.com)



For more information, visit [www.alicongroup.co.in](http://www.alicongroup.co.in)