

May 17, 2024

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

**Scrip Code: 531147**

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

**Scrip Symbol: ALICON**

Dear Sir/ Madam,

**Sub: Earnings Presentation on Q4 & FY2024**

Pursuant to the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the presentation on the financials for the quarter and financial year ended March 31, 2024.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Alicon Castalloy Ltd**

**Amruta Joshi**

**Company Secretary**

# Alicon Castalloy Ltd

**Q4 & FY24 Results Presentation**

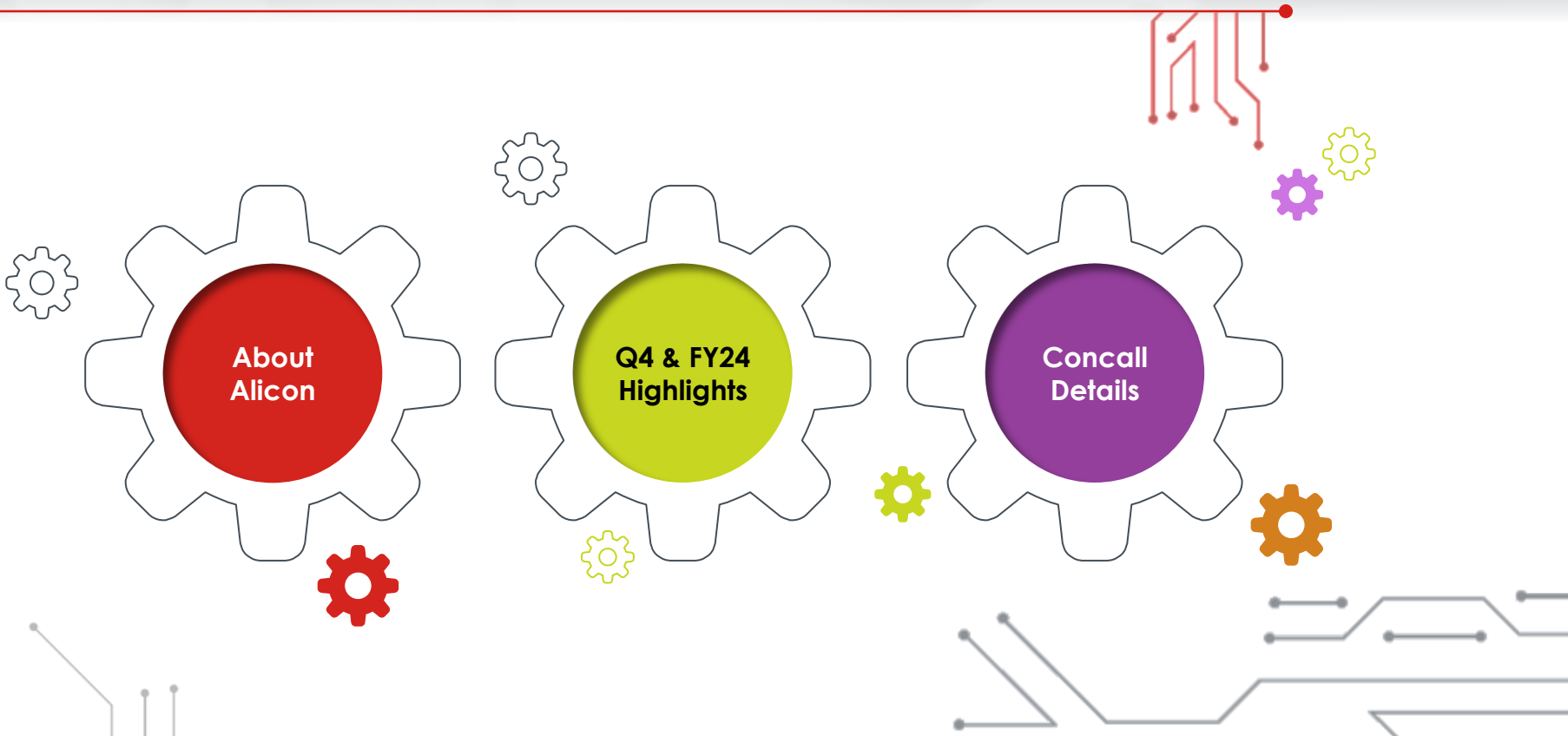
May 17, 2024

# 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 49 years, further enriched by 89 year legacy of Illichmann Castalloy



# Alicon Castalloy - At a Glance



**1,563**

INR crore of Total  
Income in FY24



**199**

INR crore of  
EBITDA in FY24



**96**

customers with..

**866**

Live Parts



**4**

Manufacturing  
Units



**50**

No. of product  
innovations FY24



**18**

Customers in  
countries



**952**

No. of permanent  
employees

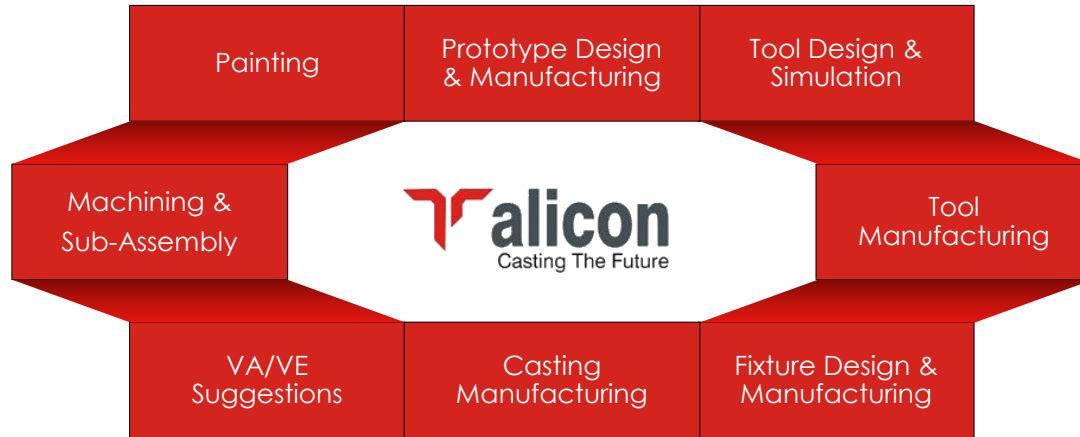
# Alicon Castalloy – Blending the best attributes

*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



Defense



Medical



Energy



Agriculture



Aerospace



Carbon Neutral

# Global Presence : Close-to-Demand

Strategic locations enable shorter time-to-market and enhanced 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)

## Austria

International Marketing  
Office

## Slovakia

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

## Chinchwad, Pune Maharashtra, India

- \* Manufacturing Plant
- \* Tool Room
- \* Product Validation Lab
- \* Machine Shop

## Shikrapur, Pune Maharashtra, India

- \* Manufacturing Plant
- \* Technology Centre
- \* Product Validation Lab
- \* Machine Shop

## Binola, Haryana, India

- \* Manufacturing Plant
- \* Product Validation Lab

# Diversified base of marquee customers

Diversity across markets and industries provides a natural hedge

## TWO WHEELER OEM



Not reliant on a single 'anchor' customer

None of the customers contribute >15% of turnover


## FOUR WHEELER OEM



## TIER 1 & NON AUTO



AND MANY MORE....

The background is split into two main sections. The top right section is white and contains a faint, light grey graphic of a circuit board with various lines and dots. The bottom left section is a solid dark red color, which serves as the background for the main title text.

# Q4 & FY2024 Operational & Financial Highlights

# Q4 FY24: Overview of Operating Environment

## Business & Macro-demand Highlights:

- In Q4 FY24, Auto sales showed a healthy performance, especially the 2W segment, which continued to outperform.
  - 10% growth in PV segment on a yoy basis
  - 1% de-growth in CV segment on a yoy basis
  - 26% growth in 2W segment on a yoy basis
- The growth in the PV segment was supported by several factors such as better vehicle availability, introduction of new models, improved supply dynamics, strategic marketing endeavors, continuous expansion of high-quality road infrastructure and robust demand in the SUV segment
- Exports across OEMs remained subdued during the quarter, primarily due to tepid demand in key markets stemming from geopolitical tensions and foreign exchange challenges.
- In Q4 FY2024, the retail volume of CV saw a decline, primarily because there was a decrease in LCVs and small commercial vehicles caused by a dip in the CNG segment. Additionally, the growth in commercial vehicles was affected by a shift towards higher tonnage trucks, resulting in increased payload capacity.
- The 2W segment continued to show resilience, driven by a surge in EV sales following the expiration of the FAME 2 subsidy on March 31st. This resulted in a significant increase in the market share of 2W-EVs.
  - The favorable market sentiment was reinforced by seasonality, enhanced vehicle availability, and financial incentives. Despite facing market fluctuations and intense competition, the industry is undergoing strategic transformations, particularly in the premium and EV sectors, indicating a promising future ahead.



# Q4 & FY24 - Operational Resilience

- Lower fixed expenses
- Lean and Agile manufacturing processes
- Focus on reducing overheads
- Program to reduce interest cost
- Plan to diversify energy mix

## Sustainable Cost-optimisation

- Manufacturing facilities operated at utilization levels of around 70-71%
- After delay due to congestion and onset of Russia-Ukraine conflict, the overseas transit times for exports have begun to normalise. As a result, overseas customers are now witnessing build up of inventory and compressing their immediate term production schedules.

## Manufacturing processes

## New Business Wins:

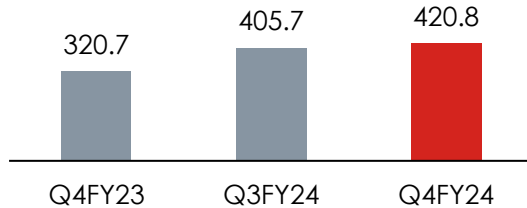
- In Q4 FY24, the Company has booked 12 new parts from 4 customers
- This includes 2 parts from EV/CN, 8 parts from ICE and 2 parts from the structural business
- 2 parts are for domestic business and 12 parts are for global business

## Future Ready

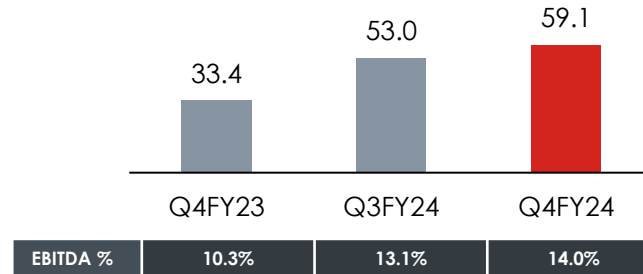
- Alicon, as an organization is Future Ready to tap opportunities arising from:
- Preference for Carbon Neutral tech such as hybrid, EV, fuel cells and hydrogen cells
- Staggered introduction of vehicle scrappage policy
- Thrust on higher fuel efficiency
- Cost-optimisation & light-weighting of products

# Q4 FY24 Highlights – Consolidated

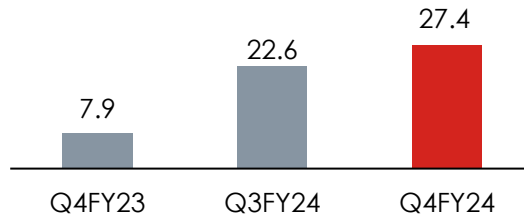
## Total Income



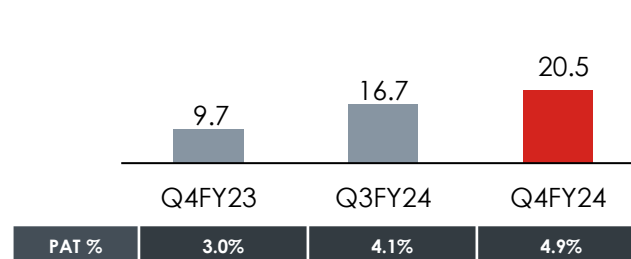
## EBITDA



## PBT



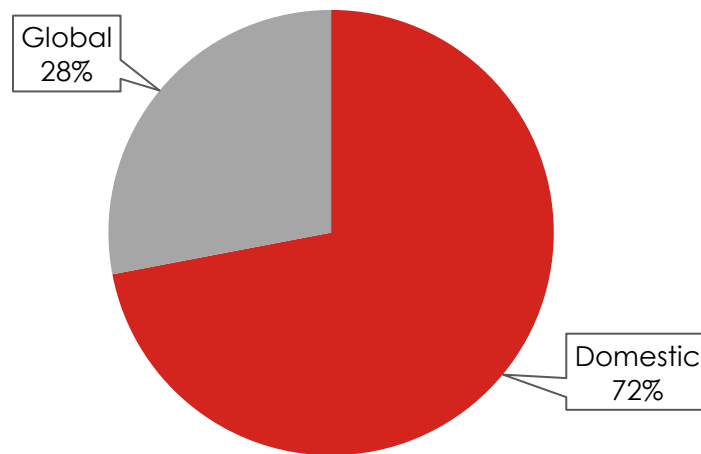
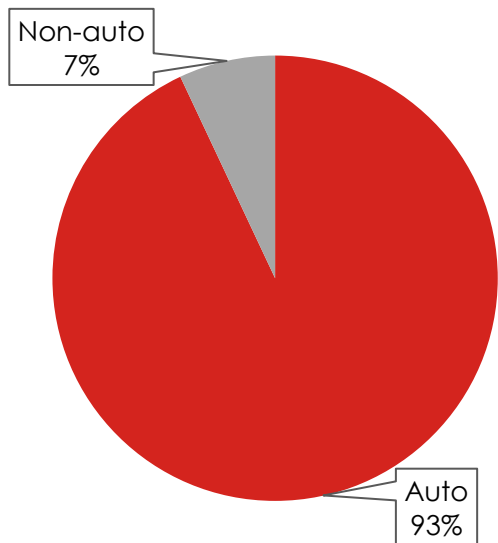
## PAT



- In Q4, Alicon delivered Growth in Total Income of 31% on a yoy basis and of 4% on a qoq basis. Revenues of Rs. 420 crore in Q4 represent the **highest ever quarterly revenues** in the history of the Company.
- Gross profit was Rs. 226.69 crore, with the gross margin at 54.06%. **Gross Margin has improved by 246 Bps on a yoy basis** due to richer product mix and softening input prices.
- EBITDA of Rs, 59.08 crore, was higher by 78% on a yoy basis and 12% on a qoq basis, **The EBITDA margin has improved to 14.0%**. This is after accounting for non-cash charge of Rs. 3.66 crore on account of ESOP Scheme and other one-time items, adjusting for which EBITDA margin would be higher.
- Profit after tax of Rs. 20.54 crore in Q4 was higher by 112% YoY. **On a QoQ basis, PAT was higher by 23%**.

Figures in Rs. Crore

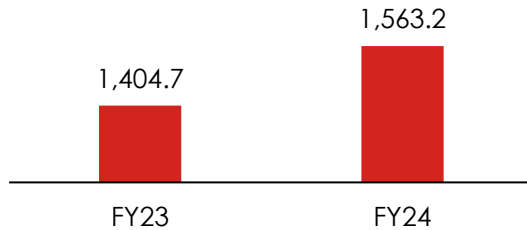
# Revenue Mix – Q4 FY24





# FY24 Highlights – Consolidated

## Total Income

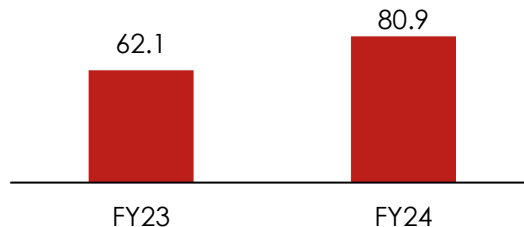


## EBITDA

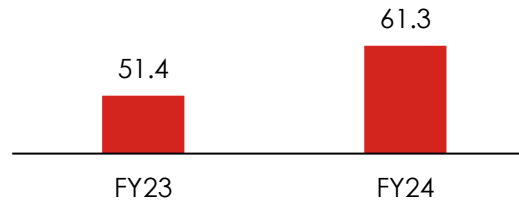


| EBITDA % | FY23  | FY24  |
|----------|-------|-------|
|          | 11.2% | 12.7% |

## PBT



## PAT

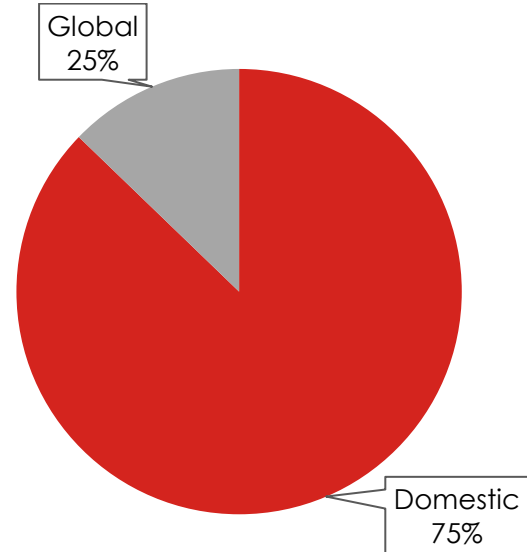
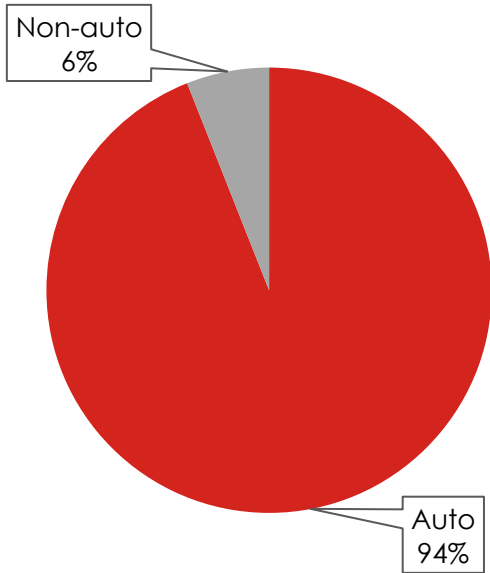


| PAT % | FY23 | FY24 |
|-------|------|------|
|       | 3.7% | 3.9% |

- Alicon has reported an increase in Total Income **by 11% YoY in FY24**. This has been achieved by addition of new parts as well as new logos with strong traction witnessed in global business.
- Gross profit of Rs. 803.52 crore, **higher by 17% YoY**. Gross margin improves **233 basis points** to 50.6% due to higher value add in product mix and stabilization of input prices at lower levels.
- EBITDA **rises 27% YoY** to Rs. 199.11 crore. Reported an EBITDA margin of 12.7% in FY24, higher **by 157 basis points YoY** after absorbing Rs. 14.4 cr on account of ESOP Cost. Adjusting for this, EBITDA would be **higher by 36% YoY with margin at 13.7%**.
- PBT and PAT have grown well despite the increase in interest and depreciation costs on a YoY basis.

Figures in Rs. Crore

# Revenue Mix – FY24



# Abridged P&L – Consolidated

| Particulars (Rs. crore)       | Q4 FY24       | Q4 FY23       | Y-o-Y Shift     | FY24            | FY23            | Y-o-Y Shift     |
|-------------------------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|
| Net Revenue from Operations   | 419.30        | 319.25        | 31%             | 1,559.37        | 1,401.16        | 11%             |
| Other Income                  | 1.47          | 1.42          | 4%              | 3.80            | 3.50            | 9%              |
| <b>Total Income</b>           | <b>420.77</b> | <b>320.67</b> | <b>31%</b>      | <b>1,563.17</b> | <b>1,404.65</b> | <b>11%</b>      |
| <b>Total Expenditure</b>      | <b>361.69</b> | <b>287.53</b> | <b>26%</b>      | <b>1,364.06</b> | <b>1,247.75</b> | <b>9%</b>       |
| Raw Material expenses         | 192.62        | 154.50        | 25%             | 755.86          | 711.88          | 6%              |
| Employee benefits expense     | 53.44         | 40.06         | 33%             | 199.99          | 164.90          | 21%             |
| Other expenses                | 115.63        | 92.97         | 24%             | 408.22          | 370.98          | 10%             |
| <b>EBITDA</b>                 | <b>59.08</b>  | <b>33.14</b>  | <b>78%</b>      | <b>199.11</b>   | <b>156.91</b>   | <b>27%</b>      |
| <b>EBITDA margin (%)</b>      | <b>14.0%</b>  | <b>10.33%</b> | <b>+371 Bps</b> | <b>12.7%</b>    | <b>11.17%</b>   | <b>+157 Bps</b> |
| Finance Costs                 | 10.84         | 8.56          | 27%             | 40.69           | 31.24           | 30%             |
| Depreciation and Amortization | 20.85         | 16.69         | 25%             | 77.52           | 63.56           | 22%             |
| <b>PBT</b>                    | <b>27.39</b>  | <b>7.89</b>   | <b>247%</b>     | <b>80.90</b>    | <b>62.12</b>    | <b>30%</b>      |
| Tax Expenses                  | 6.85          | (1.81)        | -478%           | 19.61           | 10.69           | 83%             |
| <b>PAT</b>                    | <b>20.54</b>  | <b>9.70</b>   | <b>112%</b>     | <b>61.28</b>    | <b>51.42</b>    | <b>19%</b>      |
| <b>PAT Margin (%)</b>         | <b>4.9%</b>   | <b>3.03%</b>  | <b>+186 Bps</b> | <b>3.9%</b>     | <b>3.66%</b>    | <b>+26 Bps</b>  |

# Abridged Balance Sheet – Consolidated

| Liabilities (Rs. Crore)                 | As on March 31, 2024 | As on March 31, 2023 | Assets (Rs. Crore)           | As on March 31, 2024 | As on March 31, 2023 |
|---|----------------------|----------------------|------------------------------|----------------------|----------------------|
| <b>a) Shareholders' Funds</b>           | <b>555.20</b>        | <b>487.85</b>        | <b>a) Non-current Assets</b> | <b>533.36</b>        | <b>459.13</b>        |
| <b>b) Non-current Liabilities (NCL)</b> | <b>160.18</b>        | <b>134.20</b>        | <b>a) Current Assets</b>     | <b>696.85</b>        | <b>628.43</b>        |
| - Long-term Borrowings                  | 120.94               | <b>108.56</b>        | - Inventories                | 135.92               | <b>152.83</b>        |
| - Other NCL                             | 39.24                | <b>25.64</b>         | - Trade Receivables          | 523.09               | <b>440.33</b>        |
| <b>c) Current Liabilities (CL)</b>      | <b>514.83</b>        | <b>465.52</b>        | - Cash & Bank balance        | 11.21                | <b>11.95</b>         |
| - Short-term Borrowings                 | 185.29               | <b>192.30</b>        | - Others                     | 26.63                | <b>23.33</b>         |
| - Trade Payables                        | 246.46               | <b>219.82</b>        | <b>Total</b>                 | <b>1,230.21</b>      | <b>1,087.56</b>      |
| - Other CL                              | 83.08                | <b>53.39</b>         |                              |                      |                      |
| <b>Total</b>                            | <b>1,230.21</b>      | <b>1,087.56</b>      |                              |                      |                      |

# Management Message

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

*"We have reported our highest ever quarterly revenues for the second successive quarter. At Rs. 420.77 crore in Q4FY24, revenues are higher by 31% on a YoY basis. This has been made possible by our efforts to address higher value opportunities in passenger vehicles and commercial vehicles combined with the addition of marquee global names to our customer set. We are actively seeking to be a supplier of choice as we endeavour to provide solutions based on technical feasibility, process excellence, design differentiation and material management.*

*The evolution and transformation of Alicon is now steadily being reflected in our performance and we are heartened to share that our growth in revenues has been accompanied by improved profitability. EBITDA of Rs. 59.08 crore is higher by 78% on a year-on-year basis. The EBITDA margin of 14.0% in Q4FY24 is higher by 371 basis points on a year-on-year basis and by 99 basis points on a Q-o-Q basis. The trend of enhanced EBITDA margin, despite rising labour expenses and overheads, reflects the effectiveness of strategic endeavors such as prioritizing value engineering, optimizing product mix and driving cost-saving initiatives.*

*In view of the resilient performance, the Board of Directors has recommended a dividend of Rs. 3 per share.*

*As we look ahead to FY2025, we are quietly confident of our prospects as our business possesses adaptability, enabling us to supply a diverse range of components essential for both established as well as evolving technologies. We are concentrating on opportunities that capitalize on our entrenched capabilities and expertise, enhancing our likelihood of success. Concurrently, we are broadening our business scope and striving for increased market share by pursuing opportunities across various markets, customer segments, fuel technologies, and vehicle categories."*



# Concall Details

# Conference Call Details

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## Alicon Castalloy's Q4 & FY24 Earnings Conference Call

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**Time & Date**

- 11:30 am IST on Saturday, May 18, 2024

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**Local dial-in numbers**

- +91 22 6280 1141

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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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**Pre-registration Link**

- [Diamond Pass](#)
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# Thank You

For further information, please contact:

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