



**MERITOR**  
RUN WITH THE BULL



KALYANI



# AUTOMOTIVE AXLES LIMITED

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*August, 2021*

# SNAPSHOT FY21

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FY21: REVENUE - ₹913 Cr; EBIDTA - ₹73 Cr (8.0%); PBT - ₹30 Cr (3.3%)



MANUFACTURING LOCATIONS - 4 Manufacturing locations

Mysore, Jamshedpur, Pantnagar, Hosur



EQUITY SHARE: Meritor Inc, USA – 35.5%, Kalyani Group – 35.5%, Public – 29%



WORKFORCE - 2,000+ employees



CUSTOMERS – All major CV, specialty and defense OEMs



PRODUCTS – Axles, brakes and suspension systems



MARKET POSITION - #1 in Axles (independent) & #2 in Brakes

# COVID Update

Current Status



Total Vaccination > 95%\* employees vaccinated

## Key Initiatives



- Vaccination camps for employees and families



- Awareness campaigns for sensitising employees and families on covid appropriate behaviour



- Regular communication from the leadership team to ensure adherence to protocols and keep up employee morale



- Set up a 86 bed facility in Mysore for Covid treatment
- Donated mobile labs for improving diagnostics reach to rural areas
- Donated 3 crores to PM cares fund
- Donating oxygen generation plant to the hospital



# DIVERSE End Markets and Major Customers

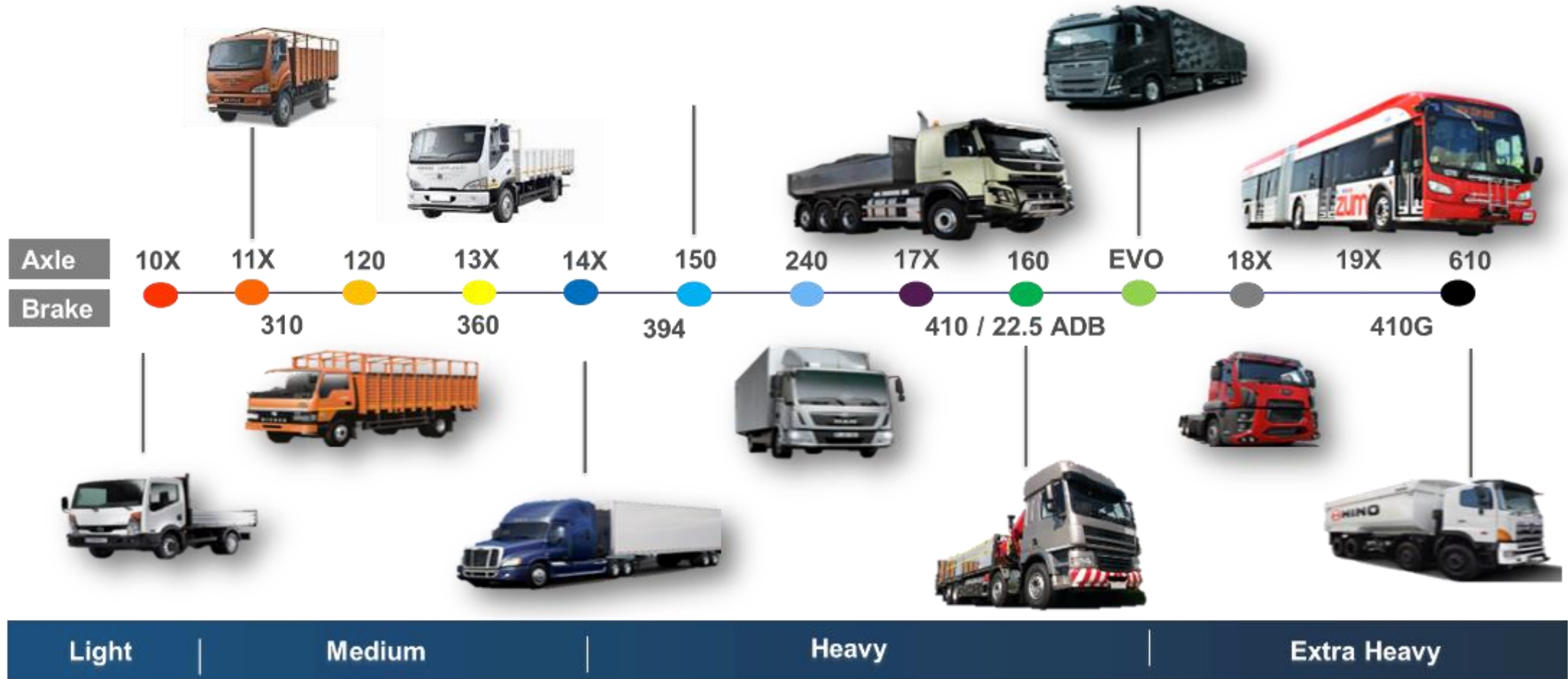
## Diverse End Markets



## Major Customers



# MOST COMPREHENSIVE Axle & Brake Offerings



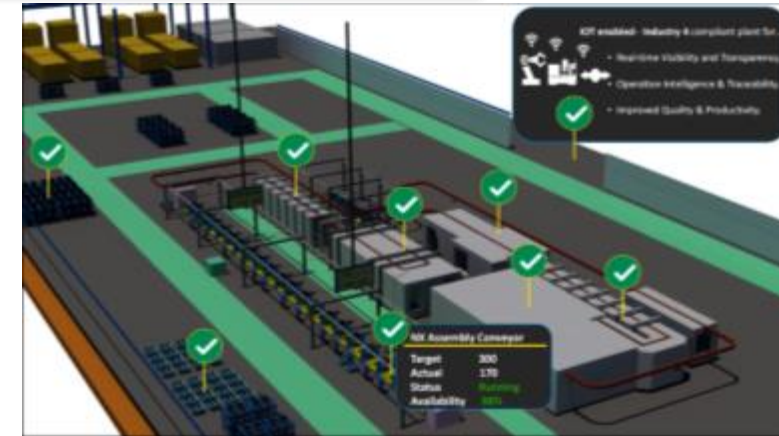
# NEW AXLE ASSEMBLY PLANT ~ Industry V4.0 Enabled

## Axle Assembly Plant

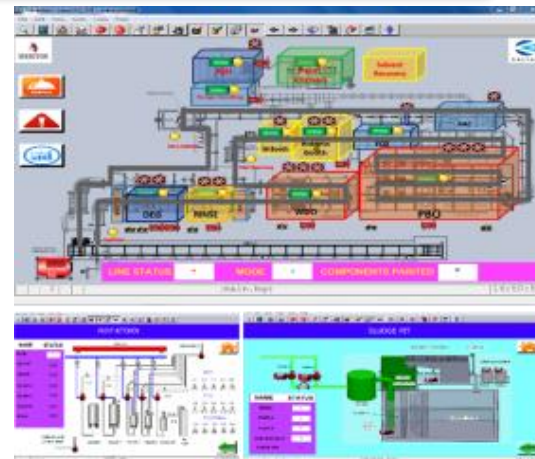


- Axle assembly plant with robotic paint shop & Industry 4.0 Enabled
- Total Area – 4734 Sqm
- Axle Assembly – 20K/ Month

## Industry 4.0

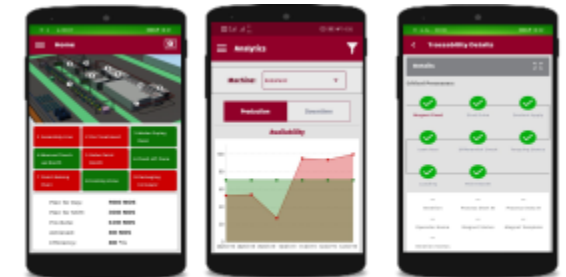


## Traceability & Real Time Monitoring



SCADA Enabled

## Digital MIS



Machine Wise Overview Real-time Analytics Product Traceability

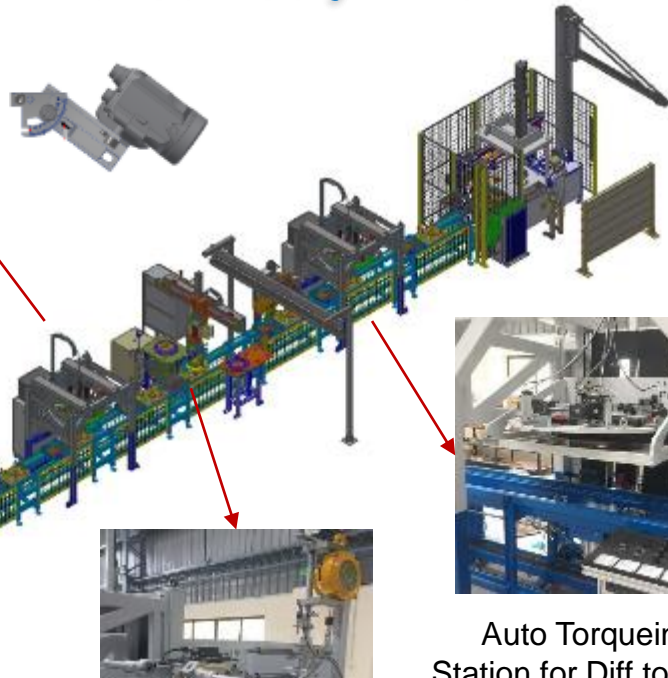
# DIGITAL Assembly Line



## Diffcase Assly Line



Vision Camera for Thrust washer - Pokayoke



Auto Torqueing Station for Diff to case & Gear to case



Rotation Checking Station

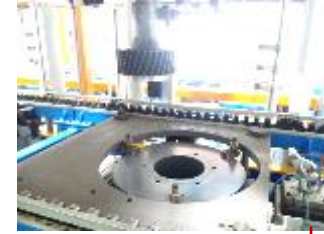


Assembly Conveyor

## Pinion Assembly Line



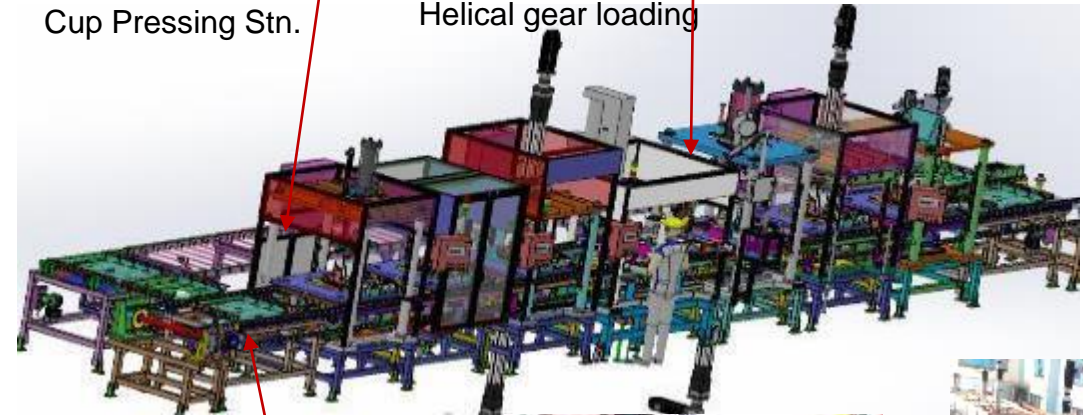
Cup Pressing Stn.



Helical gear loading



Pinion cone pressing



Assembly Conveyor



Pinion preloading



## Defect Free Product Line



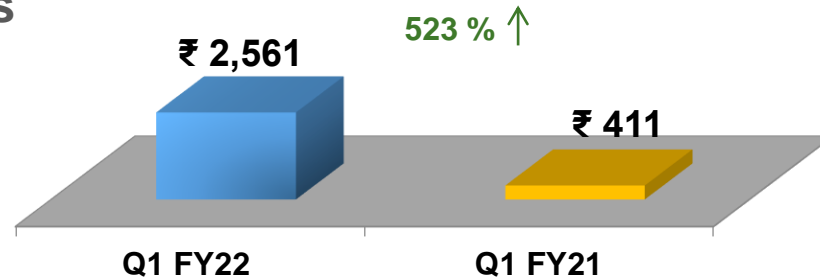


# FINANCIAL RESULTS:

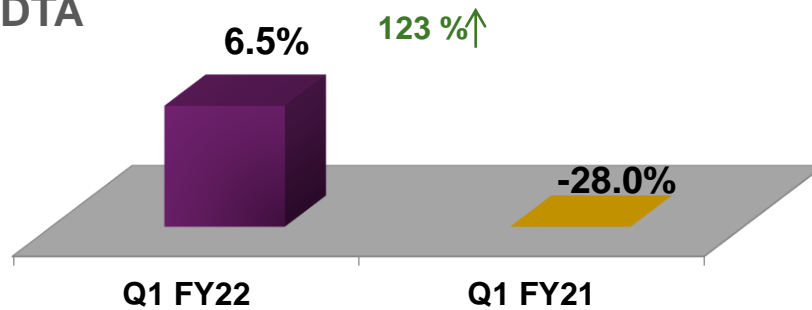
Values in INR Mn

## Q1 Performance

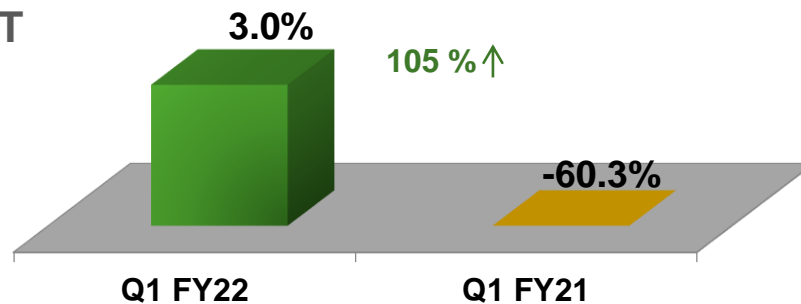
### Sales



### EBIDTA



### PBT



## Key Highlights

### Revenue:

- Q1 FY22 revenue has grown by 523% as compared to previous year Q1 (low base due to lockdown)

### EBITDA:

- Protect and grow EBITDA
- Continuous focus on revenue improvement, cost reduction and new product development as part of Mission 25 Strategy

### PBT:

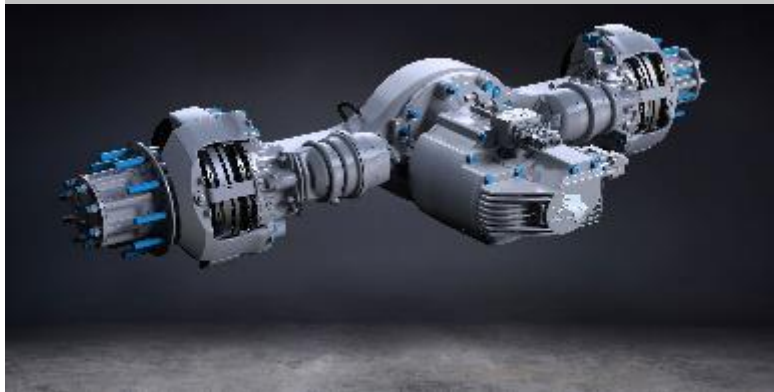
- No working capital borrowing
- PBT might get impacted due to depreciation and interest cost

**Continuous focus on Cost Control and Process Improvement**

# KEY ACTIONS to Manage Business Successfully

## Business Growth Strategy

- New Business wins and opportunities in pipeline
- Product Development – Launch of New products
- Drive eMobility business
- Digitalization – Implementation of Industry 4.0
- Geared up with capacity to cater to rising market demand



## Cost Measures

- Cost control measures in place for Conversion, Material and Manpower cost control
- Commodity price increases gives temporary pressure in reflecting the true cost reduction in the financials
- Significant savings expected through M2022 timeframe



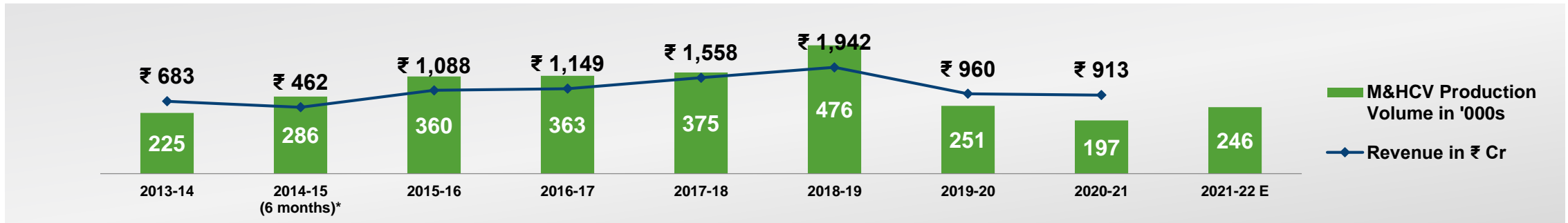
## Safety Practices

- Regular and continuous audits led by the Management Team to ensure safety protocols
- Multi-shift operations continue across locations
- Monitoring Covid -19 tests, results and recovery within the company



# GROWTH through Mission 25 Strategy

## AAL Vs MHCV Market Growth



Mission 25 Focus	Status
Grow Revenue	On Track
Enhance Profitability	On Track
New Business Wins	On Track
Operations Excellence	On Track
Customer Value	On Track

