



Automotive Axles Limited

9th November, 2020



Snapshot FY20



FY20: REVENUE - ₹960 Cr; EBIDTA - ₹101 Cr (10.5%); PBT - ₹59.9 Cr (6.2%)



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

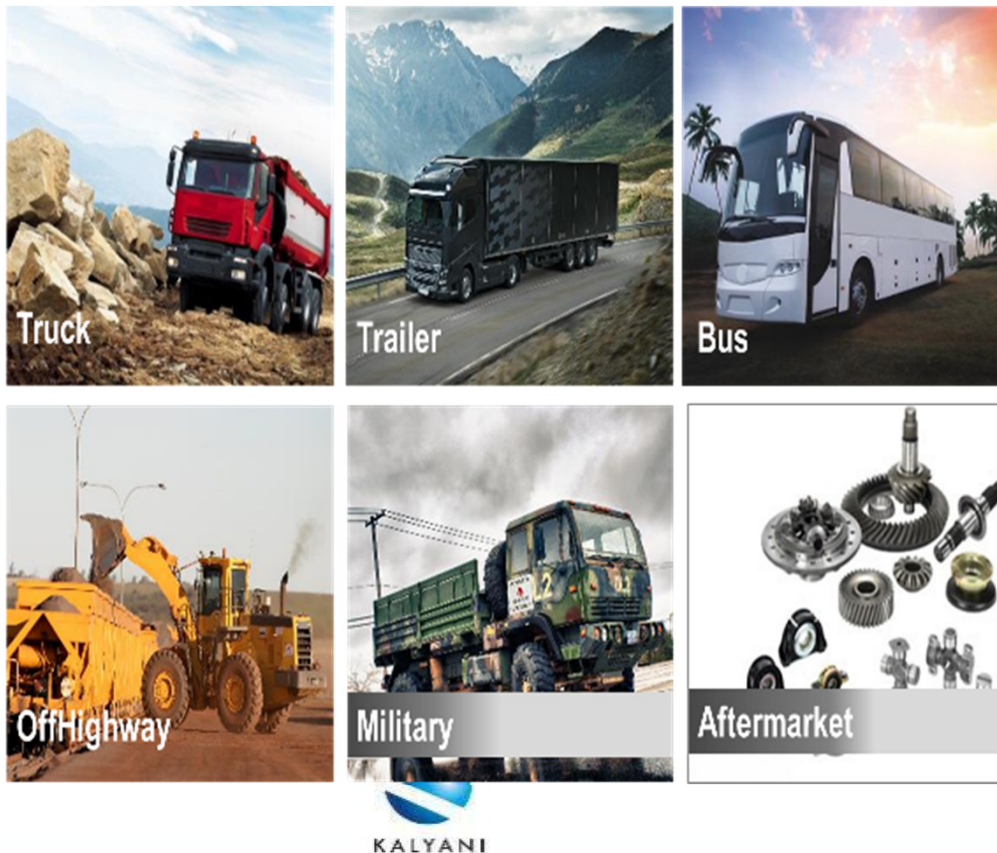


MARKET POSITION - #1 in Axles (independent) & #2 in Brakes



Diverse End Markets and Major Customers

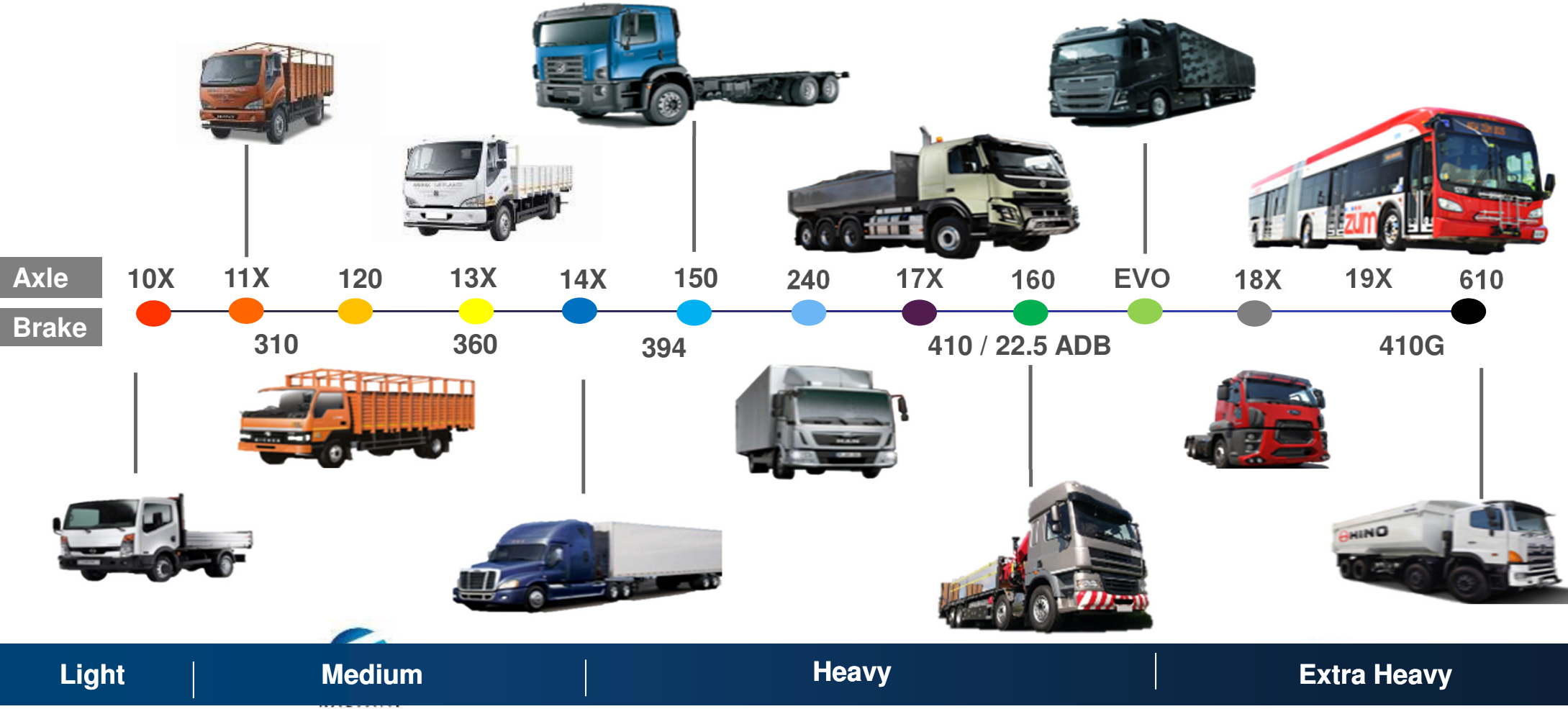
Diverse End Markets



Major Customers



Most Comprehensive Axle & Brake Offerings



Light

Medium

Heavy

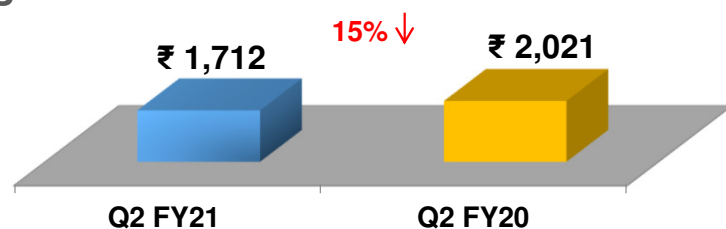
Extra Heavy

Financial Results - Q2 FY2021

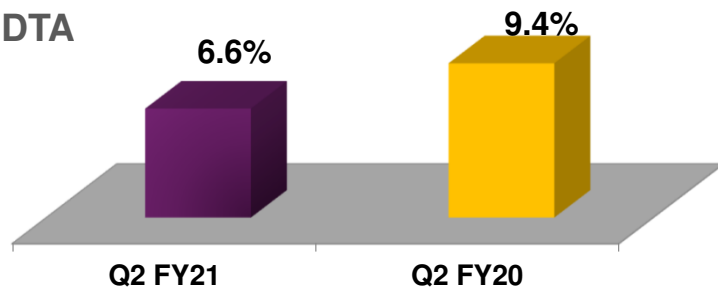
Values in INR Mn

Q2 Performance

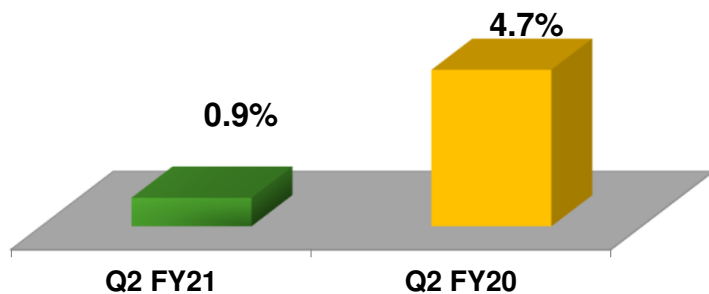
Sales



EBIDTA



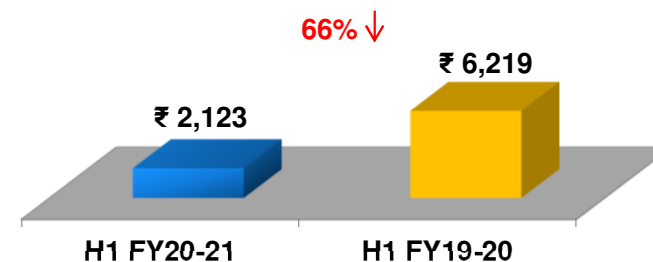
PBT



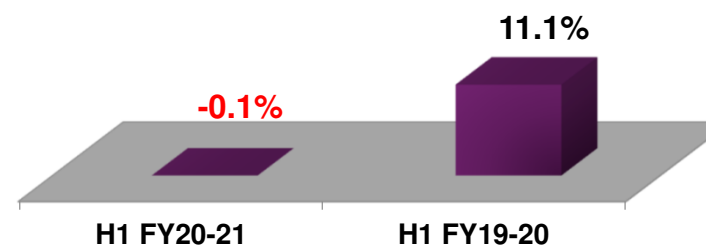
KALYANI

H1 Performance

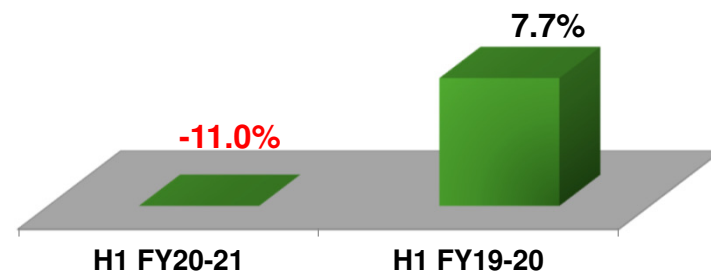
Sales



EBIDTA



PBT



Q2 Financial Highlights

Q2 FY2021 Results

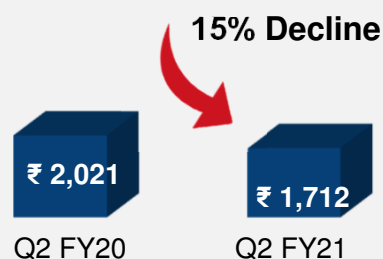
REVENUE
₹1712 Mn

EBITDA
₹114 Mn 6.6%

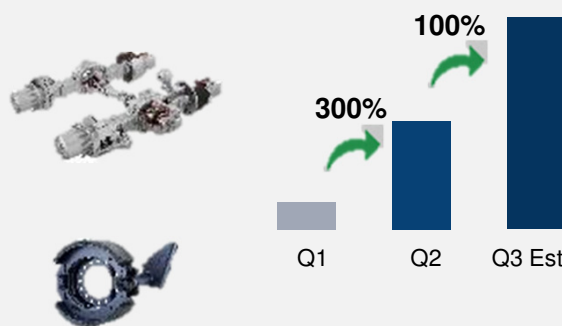
PBT
₹15 Mn 0.9%

Impact of Pandemic & Recovery Trend

Sales



Production Rate on Increasing Trend



Key Highlights

Revenue:

- Q2 revenue impacted due to COVID
- Q3 revenue expected to improve w.r.t. Q2
- FY21 revenue estimated to degrow by 20-25%

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

Safety Practices

- Successful implementation of Safe Start practices
- Audits led by the Management Team
- Monitoring Covid -19 tests, results and recovery within the company



Cost Measures

- Cost reduction measures at organization and plant level
- Significant savings expected through M2022 timeframe
- Further cost measures in place for Conversion, Material and Manpower cost control



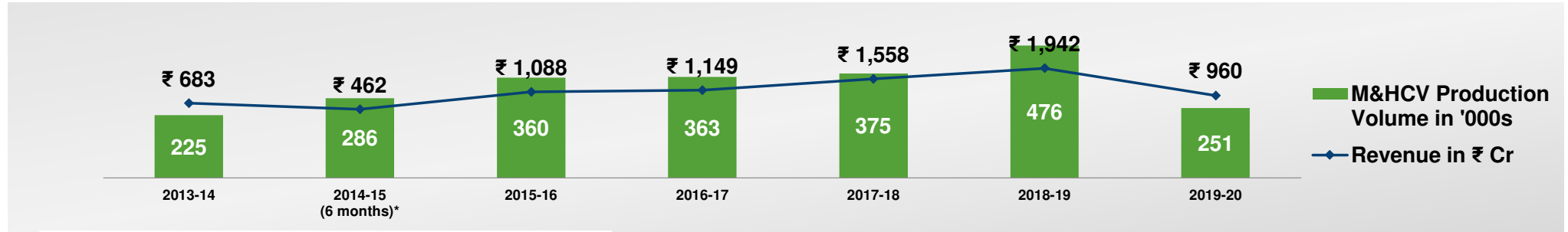
Growth Strategy

- Product Development – Launch of New products
- Drive eMobility business
- Digitalization – Implementation of Industry 4.0



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



Momentous Events



Automotive Axles Ltd awarded “Machinist Super Shop Floor Of The Year 2020”



Automotive Axles Limited donated India's first “**Lab Built on Wheels**” through its CSR initiative. First vehicle of “Lab On Wheels” project, sponsored by AAL handed over to CEO of Zilla Panchayat to be deployed in Mysore district



“Lab Built on Wheels” is a novel initiative by Saicorp Health Technologies Pvt Ltd (SHPTL) to serve the rural population of our country, more specifically to the state of Karnataka)





KALYANI



MERITOR
RUN WITH THE BULL

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