



AIA Engineering Limited

February 13, 2017

To,
The Manager (Listing),
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Script Code: 532683

To,
The Manager (Listing),
National Stock Exchange of India Limited
“Exchange Plaza”, C-1, Block – G,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051
Script Code: AIAENG

Dear Sir/Madam,

Sub: Presentation on the Unaudited Financial Results for the quarter/nine months ended December 31, 2016

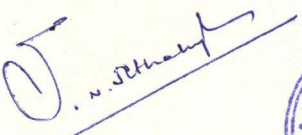
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a presentation on the Unaudited Financial Results of the Company for the quarter/nine months ended December 31, 2016 to be made to Investor/Analyst.

The aforesaid presentation is also being hosted on the website of the Company, www.aiaengineering.com in accordance with the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Thanking you.

Yours faithfully,
For AIA Engineering Limited


S. N. Jetheliya
Company Secretary



Encl: a/a.

CIN : L29259GJ1991PLC015182

An ISO 9001 Certified Company

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AIA ENGINEERING LIMITED

PRESENTATION TO INVESTORS

EARNINGS : Q3 FY 2016-17

1. Financial Snap Shot – Consolidated**(Rs. In lacs)**

Particulars	2016-17			NINE Months Ended on DEC-16	HALF YEAR ENDING on Sept-16	2015-16			NINE Months Ended on DEC-15	HALF YEAR ENDING on Sept-15	FY
	Q3 (As per IND AS)	Q2 (As per IND AS)	Q1 (As per IND AS)	2016.17 (AS per IND AS)	2016.17 (AS per IND AS)	Q3 (As per IND AS)	Q2 (As per IND AS)	Q1 (As per IND AS)	2015.16 (AS per IND AS)	2015.16 (AS per IND AS)	2015-16 (As per IND AS)
Production (MT)	58785	59280	54272	172337	113552	50700	48637	43713	143050	92350	189449
Sales (MT)	56846	51969	47572	156387	99541	44266	42876	45172	132314	88048	185788
1. INCOME											
a) Sales(with Excise)	59096	53419	48464	160980	101883	49636	49635	53566	152837	103201	212715
aa) Sales (without Excise)	57351	51479	46776	155606	98254	48065	47600	51566	147231	99166	205315
b) Other operating income (export benefits)	1654	1467	1113	4234	2580	1242	1224	946	3412	2170	4524
Total income from operations	60750	54886	49578	165214	104463	50878	50859	54512	156249	105371	217239
c) Other non operating income	2229	2683	3045	7957	5728	1845	1977	2807	6629	4784	10154
Total Income	62979	57569	52623	173171	110191	52723	52836	57319	162877	110155	227393
2. EXPENDITURE											
a) Raw material consumed	20426	19926	17742	58094	37668	16905	17780	17400	52084	35179	67257
b) Change in inventories of Finished goods, W.I.P. and stock-in-trade	(923)	(5263)	(3689)	(9875)	(8953)	(2258)	(1843)	1182	(2919)	(661)	4239
Excise Duty	1745	1940	1689	5374	3629	1571	2035	2000	5606	4035	7400
c) Employee benefit expenses	2713	2672	2567	7952	5239	2655	2498	2549	7701	5046	10237
d) Other expenses	19507	19666	17039	56212	36705	17154	16078	16554	49787	32632	67131
3. EBIDTA (Sale with Excise)	19511	18628	17275	55414	35903	16696	16288	17634	50891	33922	71129
4. EBIDTA (Percentage on income from operation including Excise)	32.12%	33.94%	34.84%	33.54%	34.97%	32.82%	32.82%	32.35%	32.40%	32.19%	32.74%
a)EBIDTA (Percentage on income from operation excluding Excise)	33.07%	35.18%	36.07%	34.67%	35.61%	33.86%	33.86%	33.58%	33.60%	33.48%	33.90%
5. Depreciation and amortising expenses	1701	1705	1749	5155	3454	1470	1649	1655	4774	3304	6545
6. Finance cost	85	102	119	306	221	76	95	114	285	209	487
7. PBT	17725	16821	15407	49953	32228	15150	14544	15865	45559	30409	64097
8. Tax	5677	5577	4503	15757	10080	4992	4619	4840	14451	9459	218613
9. PAT (after Minority Interest)	12033	11235	10900	34168	22135	10151	9920	11022	31094	20942	45493

2. Break-up of Certain Key Items – Consolidated

(Rs. In lacs)

Particulars	2016-17			NINE Months Ended on DEC-16	HALF YEAR ENDING on Sept- 16	2015-16			NINE Months Ended on DEC-15	HALF YEAR ENDING on Sept- 15	FY
	Q3	Q2	Q1	2016-17	2016-17	Q3	Q2	Q1	2015-16	2015- 16	2015- 16
1. Other Operating Income											
a) Export benefits	1654	1467	1113	4234	2580	1242	1224	946	3412	2170	4524
2. Other income											
a) Dividend / profit on sale of MF / Interest income	144	234	229	607	463	454	1086	309	1849	1395	2998
b) Foreign exchange gain	262	641	467	1307	1108	74	118	1270	1462	1388	2621
c) Others (including fair value of Investments)	1824	1808	2349	5980	4157	1317	773	1228	3318	2001	4535
Total	2229	2683	3045	7957	5728	1845	1977	2807	6629	4784	10154

3. Working Capital – Consolidated

(Rs. In lacs)

Particulars	2016-17					2015-16					FY
	Q3	Q2	Q1	NINE Months Ended on Dec-16	HALF YEAR ENDING on Sept-16	Q3	Q2	Q1	NINE Months Ended on Dec-15	HALF YEAR ENDING on Sept-15	2015-16
1. Inventories											
a) Raw material – Amount	9806	7684	8452	9806	7684	6948	6129	6685	6948	6129	5873
No. of days	43	35	38	43	35	38	34	39	38	34	33
b) WIP & FG – Amount	36029	35061	29929	36029	35061	33228	30882	29194	33228	30882	25930
No. of days	61	62	58	61	62	59	54	52	59	54	46
2. Receivables – Amount	44675	34913	39283	44675	34913	35181	28929	44393	35181	28929	43122
No. of days	76	62	76	76	62	63	50	78	63	50	77

4. Segmental Sales (in MT) – Consolidated

Particulars	2016-17					2015-16					FY
	Q3	Q2	Q1	NINE Months Ended on Dec-16	HALF YEAR ENDING on Sept-16	Q3	Q2	Q1	NINE Months Ended On Dec-15	HALF YEAR ENDING on Sept-15	2015-16
i) Mining	35854	31858	29187	96899	61045	24100	24350	23649	72099	47999	100684
ii) Others	20992	20111	18385	59488	38496	20166	18526	21523	60215	40049	85104
Total	56846	51969	47572	156387	99541	44266	42876	45172	132314	88048	185788

5. CAPEX/PROJECTS IN PIPELINE

- a) GIDC Kerala Greenfield Phase-I and Trichy Brownfield expansion effectively commissioned in Q-3 FY 2016. Present Installed Capacity 3,40,000 TPA.
- b) GIDC Kerala, Phase-II Greenfield expected to be commissioned by October, 2017 – estimated capacity addition in Phase-II: 1,00,000 TPA making total installed capacity up to 4,40,000 TPA; by October, 2017 for total Capex of Rs. 350 crores.
- c) Capex incurred during Q3-FY2017: Rs. 21.5 crores.
- d) Capex estimated to be incurred in FY 2016-17: Rs.164 crores.

6. Strategy

- a. The opportunity landscape over medium to long term horizon remaining unchanged with the total addressable annual mining replacement market estimated at around 3 million TPA coupled with a very low penetration of high chrome consumable wear parts in mining. Bulk of future growth is expected to come from outside India and that too mainly in mining segment.
- b. Apart from significant cost reduction due to much lower wear rates, high chrome solutions also bring about benefits like improved process efficiencies, reduction in other consumables (other than high chrome consumables), improved environmental benefits, etc. which are other key growth drivers.
- c. Targeted incremental volume growth over the 3 year horizon around 1,20,000 MT

7. Key Highlights/Developments

- A. FY 2016 sales volumes remained flat primarily attributable to certain strategic and conscious decisions viz. restricting sales to Ukraine; reduction in SA market volume owing to currency uncertainties; and volume reduction owing to closure of one particular iron ore mine in Brazil. However, volumes expected to pick-up from Q3 FY-2017.
- B. Developmental activities of new mines in several key locations in full swing.
- C. Order book as at 1st January 2017: Rs. 610 crores
- D. Outstanding foreign currency forward contracts (sales contracts) as of 31st December-2016: US \$ 47.50 MIO, EURO 2.5 MIO, ZAR 132 MIO.

7. Key Highlights/Developments contd....

- E. Cement sector outlook continues to remain flat with no near term signs of recovery visible either in India or outside India.
- F. The supplies of high chrome mill internals to Indian thermal power plants, although flat as of now, are expected to pick up from this fiscal, but the growth rate will be pegged to the growth rate achieved by thermal power segment in India.
- G. For the time being, AIA has a limited presence in China limited to the VSMS high chrome mill internal parts.