

RAIL:SEC:2018

July 04, 2018

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001 Scrip Code - 520008	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E) Mumbai - 400 051 Scrip Code - RICOAUTO
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Sub : **Investor Presentation – July, 2018**

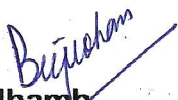
Dear Sir/Madam,

Please find enclosed the Presentation which will be made by the Company to the Analyst/Institutional Investor Meeting being held today from 10.00 AM. The presentation is also available on the website of the Company www.ricoauto.in.

Kindly acknowledge receipt and take the same on record.

Thanking you,

Yours faithfully,
for **Rico Auto Industries Limited**


B.M. Jhamb
Company Secretary
FCS : 2446

RICO

RICO AUTO INDUSTRIES LIMITED



**A world class integrated supplier of
Automotive Components & Assemblies**

Investor Presentation

July 18



Safe Harbor Statement

All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by us. Although Rico Auto Industries Limited believes that the expectations reflected in such forward looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and Rico Auto Industries Limited undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by, forward looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

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Preferred partner to OEMs

- Client engagement from concept to completion stage
- Strong in-house R&D capabilities.
- Long-established relationship with OEMs.

Strategically located plants

- Proximity of its plants to the OEMs.
- Just in time approach
- Last Mile Connectivity for overseas customers



4 decades of Execution Experience

- Excellence in engineering critical products.
- Strong focus on product & process innovation.



De-risked Business Model

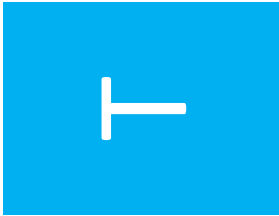
Extensive product portfolio :

- Passenger vehicles,
- Commercial / Off Road Vehicles
- 2 Wheelers
- System Suppliers
- Balanced business: Segments / Geography



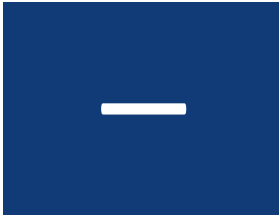
ENTREPRENEURSHIP

The power of persuing new challenges with speed, flexibility and ownership



TEAMWORK

The power of working together



INTEGRITY

The power of honesty and transparency



COMMITMENT

The power of responsibility, accountability and ownership



EXCELLENCE

The power of being the best



2015-18	Added new facilities- Plants At Bawal, Pathredi & Chennai Added Customers – Bentley, PSA, Daimler, Kia, PunchPowertrain	IATF 16949 VDA 6.3 CAT SQEP-Silver
2010-14	Added new facilities - Plants At Bhiwadi, Sanand, & Haridwar Added Customers – Musashi, GKN, Toyota, VW, Kohler, Avtec	GM QSB
2007-09	JV with MAGNA Powertrain (Oil Pump, Water Pump) JV with Jinfei China (Aluminum Alloy Wheels – 2 Wheelers) Added Customers – JATCO, Magna, Renault, BMW	FORD Q1 CAT SQEP-Bronze
2004-06	R&D Center Started Added Customers – NISSAN, TATA, Perkins	
2003-04	Enhanced Ferrous and Aluminum Capacity Added Customers – GM, Caterpillar, Honeywell, Detroit Diesel, Volvo, Honda	
2000-02	Full Service Engineering Design Development Added Customers – FORD, Land Rover, Jaguar	TS 16949 ISO 14001 OHSAS 18001
1999-00	Aluminium Die Casting & Machining (<i>Gurgaon</i>)	QS 9000
1994-96	JV (50:50) FCC RICO (Clutch Assembly) Started Exports – GM, Eaton, Cummins	
1990-92	International Market OEM Supplier – MEC Japan Ferrous Casting & Machining (<i>Gurgaon</i>) Focus – Maruti Suzuki	ISO 9000
1985-86	Technical Collaboration FCC Japan Commercial Production Started (1986) Aluminum Die Casting & Machining (<i>Dharuhera</i>) Focus – Hero Honda & Maruti Suzuki	



Arvind Kapur

Chairman, CEO & Managing Director



Kanwal Monga

Independent Director



Amarjit Chopra

Independent Director



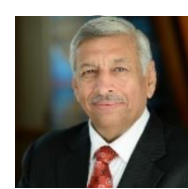
Dr. Ashok Seth

Independent Director



Satish Sekhri

Independent Director



Rajeev Kapoor

Independent Director



Vinod Kumar Nagar

Independent Director



Rakesh Kapur

non-executive director



Upasana Kapur

Non-executive director



Arun Kapur

Joint Managing Director



Surendra Singh
President & COO



Rakesh Sharma
Chief Financial Officer
Finance



R. K. Miglani
Vice President
Operations



M. K. Jain
Vice President
(Chief Technical Officer)



R. Dharna
Vice President
Operations



S. Kaul
Vice President
Operations



Sandeep Rajpal
Vice President
Marketing



Abhishek Kulshrestha
Vice President (Procurement,
Vendor Devp. & After Market.)



Subodh Mal
Associate Vice President
(Foundry & Tool Room)



Rajiv Kumar
Associate Vice President
(R & D / Engineering)

Advisory Committee



Sanjay Sharma
Chief General Manager
(Corporate Quality Head)



Neelam Dhaka
General Manager
(Corporate Human Resources)



N. K. Sethi
Management Advisor



O. P. Aggarwal
Financial Advisor



B. M. Jhamb
Company Secretary



15 Acres

BAWAL
(Al. HPDC, Machining)



5 Acres

MANESAR
(Al. GDC, Machining)



12 Acres

BHIWADI / PATHREDI
(Machining)



27 Acres

GURGAON
(Corporate, R&D, Tool
Manufacturing, Ferrous Casting, Al.
HPDC, Machining)



5 Acres

DHARUHERA
(Al. HPDC, Machining)



2 Acres

HARIDWAR
(Al. HPDC, Machining)



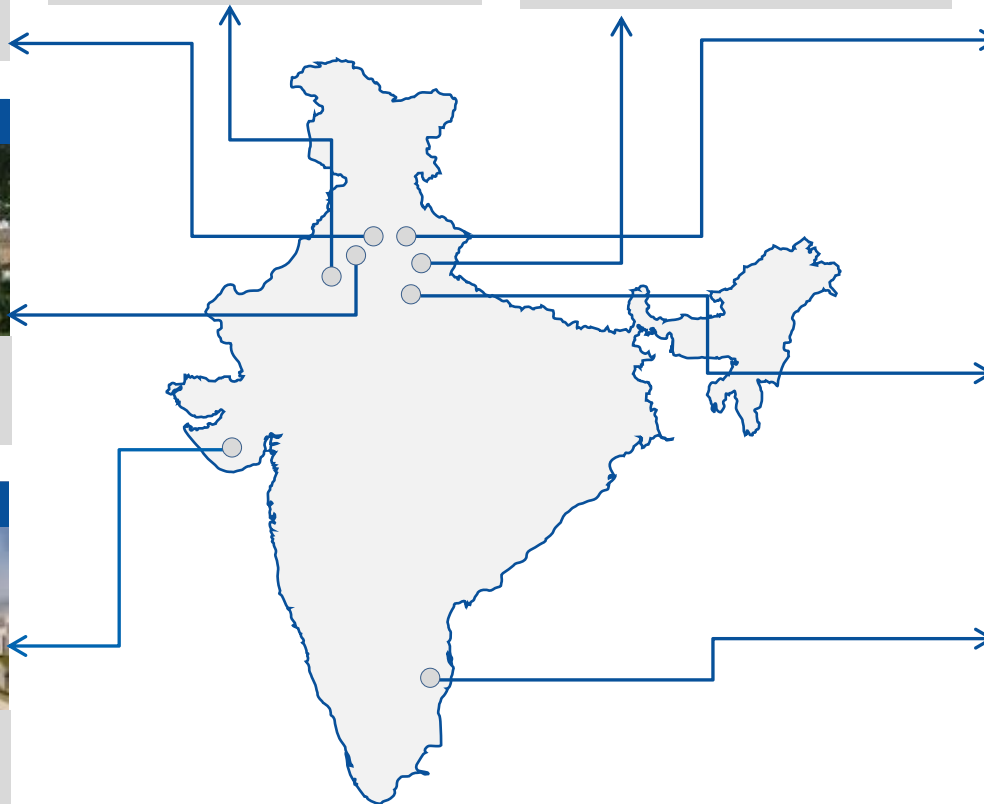
5.5 Acres

SANAND
(Al. HPDC, Machining)

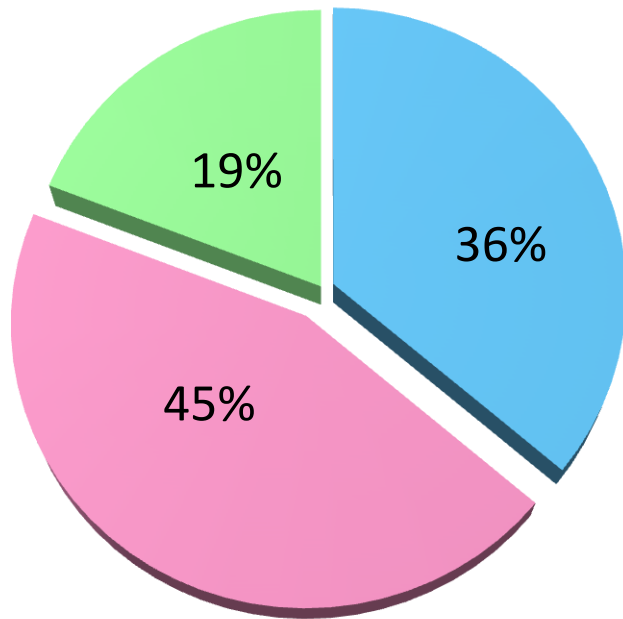


12 Acres

CHENNAI
(Al. HPDC, Machining)



2017-18



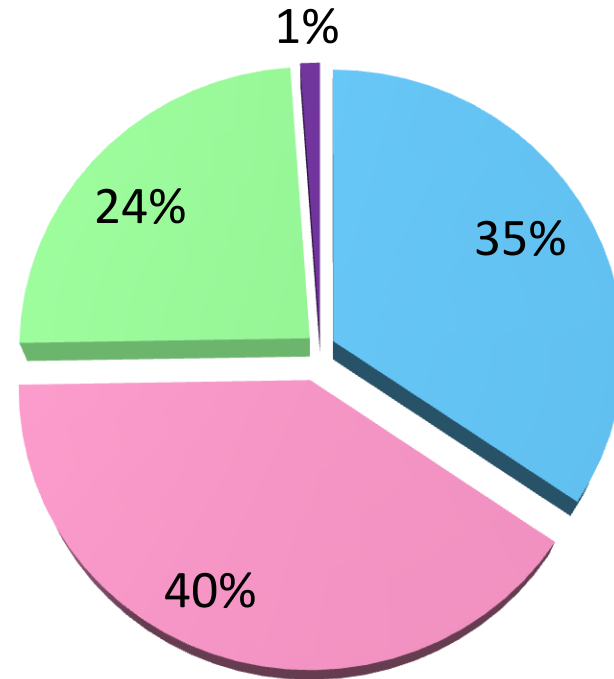
■ Engine

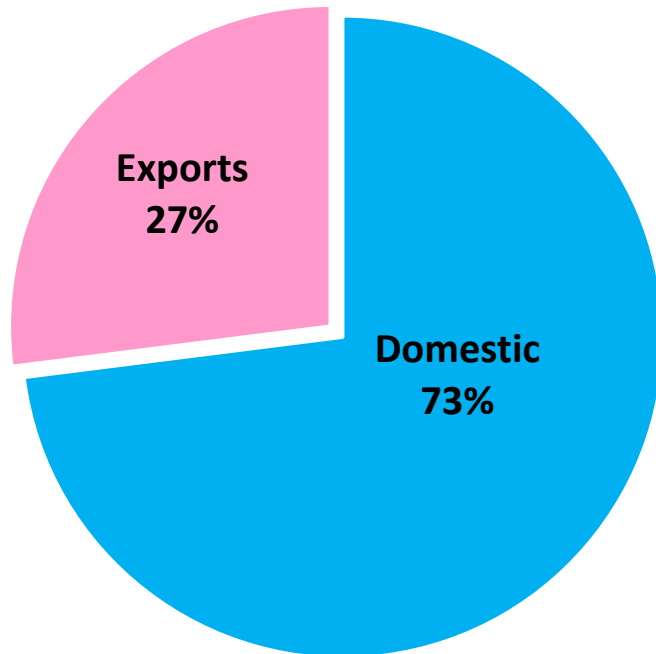
■ Transmission

■ Chassis

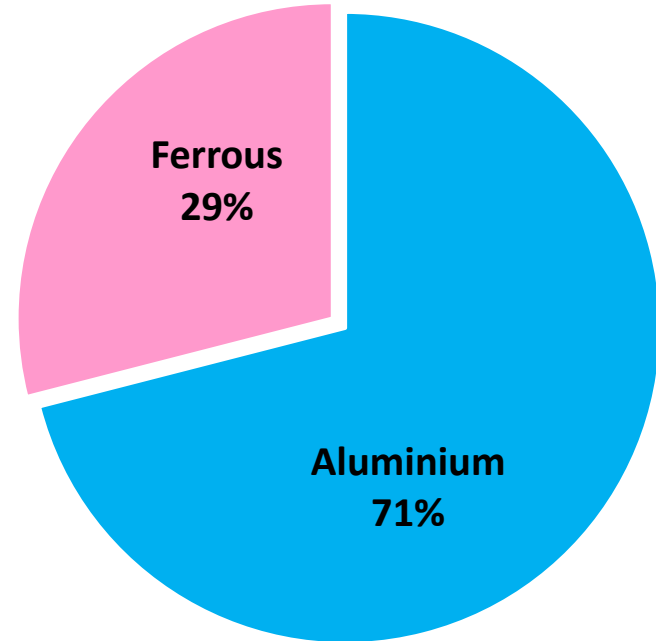
■ Electric

2019-20





■ Domestic ■ Exports



■ Aluminium ■ Ferrous



Assy. Cover Cylinder Head (Suzuki, GM)



Balancer Shaft (GM)



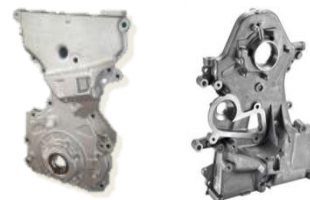
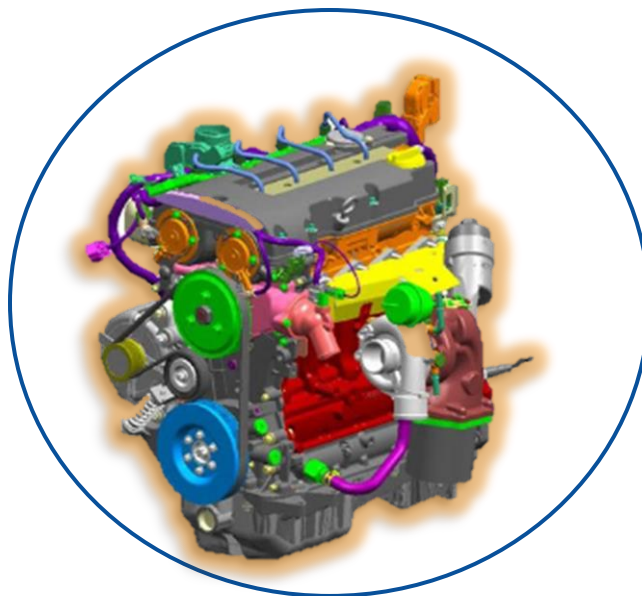
Exhaust Manifold (Renault, Nissan, Suzuki)



Turbine/ Center Hsg (Nissan, Tata, GM, Suzuki, Fiat, Honda, Ford, Hyundai)



Engine Block (Renault, Tata, Kia)



Case Chain/ Case Timing (Honda, Renault, Suzuki)



Engine & Support Brackets (Suzuki, Renault, VW, Volvo, Toyota)



Oil Pan (Suzuki, Honda, GM, Tata, PSA, Kohler)



Bearing Cap (Renault, Nissan, Cummins)



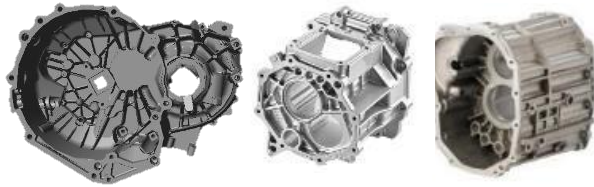
Turbo Outlet (Renault)



EGR Pipe (Renault)



Cam Cap Support / Ladder Frame (Renault, Suzuki)



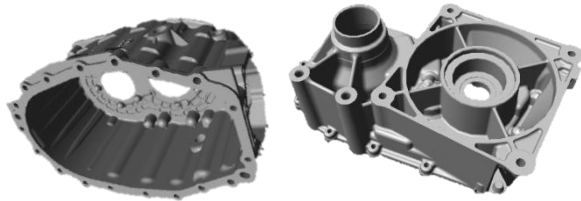
Transmission Case
(Eaton, Renault, Suzuki, Tata)



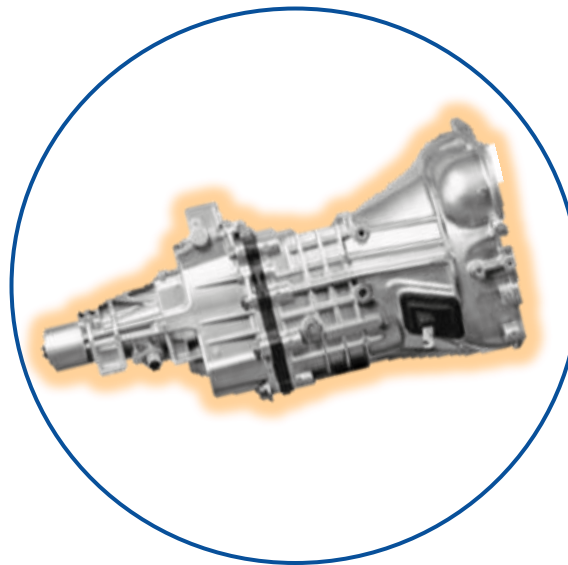
Clutch / Mechanical
Housing
(Renault, PSA)



Shifter Forks
(Suzuki)



Front Diff Housing
(Tata, Renault)



Ground Sleeve & Shaft
(Allison)



Differential Case & Housing
(BMW, GKN, Suzuki, Ford, Honda)



Retainer Bearing Support
(Jatco, PunchPowertrain)



Front & Rear Hubs



Front & Rear
Brake Panel Assy



Crank Cases



Clutch Assembly



Grips



Engine Cover



Alloy Wheels



Four Wheelers



DAIMLER



System Supplier



Two Wheelers





50% : 50%

Year	FY 15-16	FY 16-17	FY 17-18
Oil & Water Pump Assy (Nos in Mn)	1.21	1.46	1.55
Turnover (INR Cr)	68	87	94



Clients:

VOLVO



MARUTI SUZUKI
Count on us



Mahindra



93.49% : 6.51%



Aluminum Alloy Wheels (Two Wheelers)

Year	FY 15-16	FY 16-17	FY 17-18
Alloy Wheels (nos. in Mn)	0.85	0.96	1.12
Turnover (INR Cr)	79	84	114

Client :



Capacity Expansion Plan

3 Mn : Dec 18

4 Mn : July 19



Year	FY 15-16	FY 16-17	FY 17-18
Turnover (INR CR)	0.3	3.7	4.1

Client :



ECIL



OF Khamaria



Prototype Tool
Factory



OF Muradnagar

AAN Engineering Industries Ltd.



Arms Licence for the Manufacturing of Ammunition

- Aerial Ammunition 50 Cr spread in 3 years by Aug 18
- **Mechanical Fuses – under bidding Dec 19**
 - 2500 Cr program value spread over for 10 years
- **Electronic Fuse Assemblies – under bidding Dec 2019**
 - 3500 Cr program value spread over for 10 years
- Track-links

- Aftermarket Business Initiated on 20th May'2017
- First Phase – 2W Range
- 52 Dealers appointed in India, Srilanka & Nepal.
- 191 different parts launched (2W Range)



Year	FY 17-18
Turnover (INR CR)	10

Product Spectrum



WHEELS & BRAKING SYSTEMS



CLUTCH ASSEMBLY & COMPONENTS

Launch Of 4W Parts in August 2018

Combined Braking System (CBS)

Mandatory : 1 Apr 2019 for 2W
 Rico SOP: Oct' 18
 Co-Development with Hero R&D
 Safety Sub-System
 Capacity: 13000 / day
 Automated Assembly Line



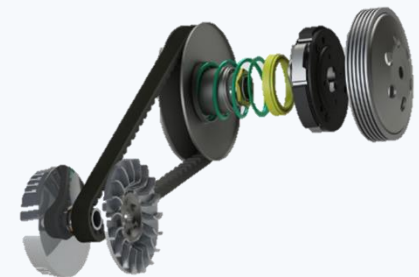
Clutch

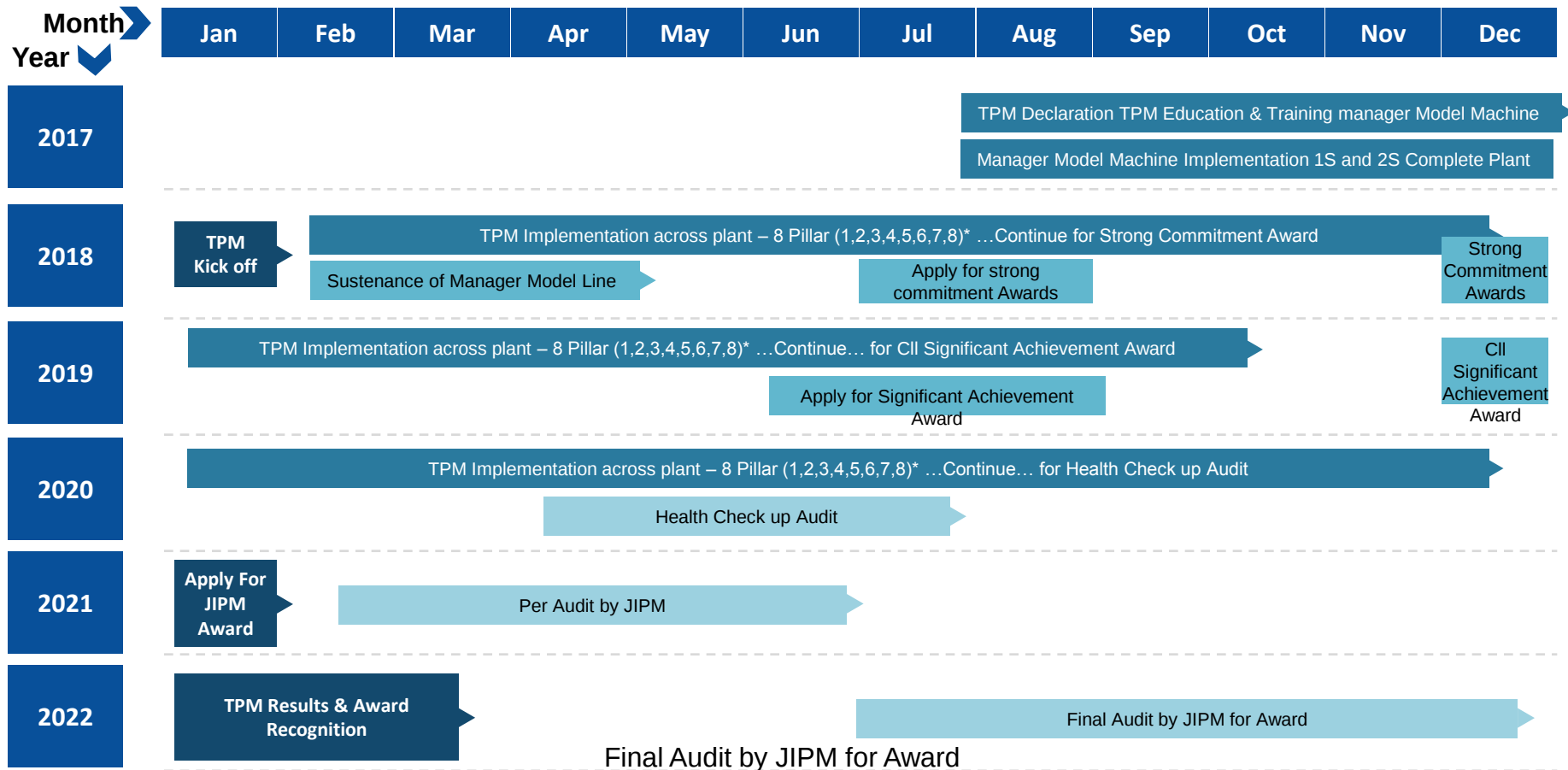
New BSVI Clutch Development
 Concept to Production
 Rico SOP : Sept' 18
 New CFD developed under validation
 New paper based CFD for higher CC also under development by Jul' 19



Continuous Variable Transmission (CVT)

Massive growth in 2W
 JV under advanced stages of negotiation with Taiwanese
 Technology leader
 SOP : Oct' 19





Productivity Improvement

25%

Reduction in Equipment Failure

50%

Reduction in Product Defects

10%

Reduction in manufacturing Cost

25%

Reduction in Maintenance Cost

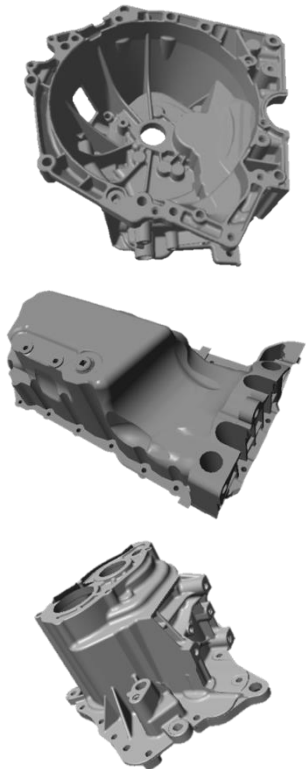
50%

Reduction in Product Inventory

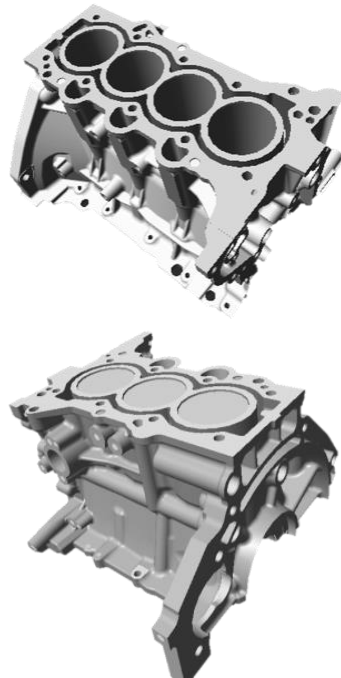
10%



Program Value
441 Cr



Program Value
425 Cr



Program Value
180 Cr



DAIMLER

Program Value
37 Cr





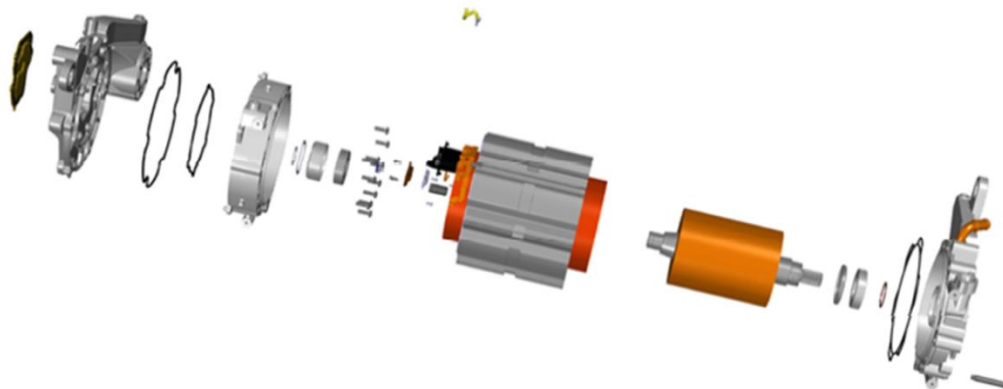
Program Value
INR 950 Cr



Program Value
INR 115 Cr

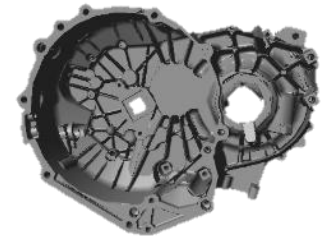
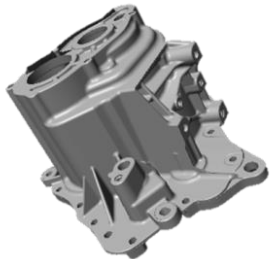
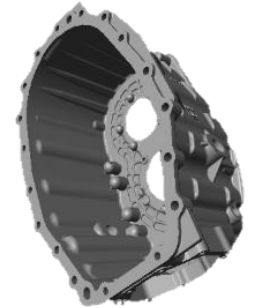
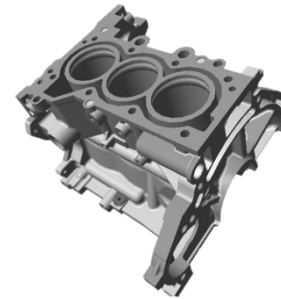
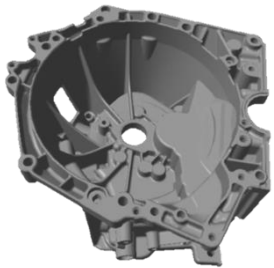


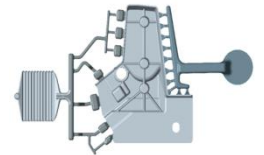
Program Value
INR 40 Cr





Program Value: INR 1200 Cr





- 100 + New Projects
- 25 New Engineers added
- Expansion of Engineering set up to Bawal & Chennai

- Prototype Cell Created
- Pool of machines
- 3D Printing
- Concurrent Engineering

- High Strength Aluminum Alloy
- Structural Parts
- Stainless Steel Turbine

BAWAL



Planned : 5

Completed : 2

**INR 15 Cr.
INVESTMENT**

MANESAR



Planned : 6

Completed : 2

**3 YEARS
ROI**

GURUGRAM



Planned : 5

Completed : 1

**20% ↑
PRODUCTIVITY**

CHENNAI



Planned : 5

Completed : 1

**200
MANPOWER
SAVING**

TARGET COMPLETION - SEPT 2018



**Over 110 High Pressure Die Casting Machines (upto 2700 Tns Locking Force)
Largest High Pressure Die Casting Capacity in India including GDC & LPDC.**



4 Molding Lines - 2 DISA & 2 Horizontal (SINTO & DISA)
Vertical Size (650 * 535 * 130~330) & Horizontal Size (610 * 510 * 200+200)
Material: Gray (FC), Ductile (FCD), SiMo, SiMo Chrome



Over 2000 Machines (CNCs & SPMs)

One of the Largest Machining Facility in India

Over 50% of Our Product Range is with Assemblies



Manufacture over 250 Dies & Patterns and 800 Die Inserts Annually

Design & Manufacturing

- Dies for HPDC Critical Parts upto 2500 T
- Dies for LPDC & GDC dies.

PATHREDI (near Bhiwadi)

New Iron Foundry & Machine Shop
Target – Q1 2020



BAWAL

New Machine Shop Ready
Aluminium Casting Shop Expansion - July 2018



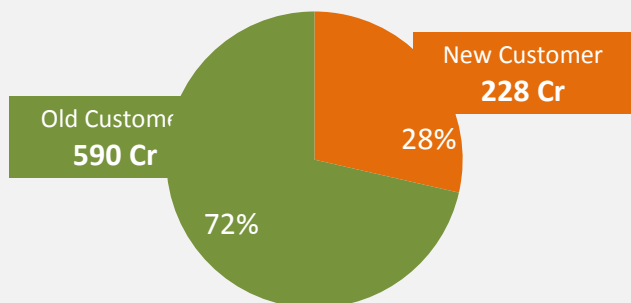
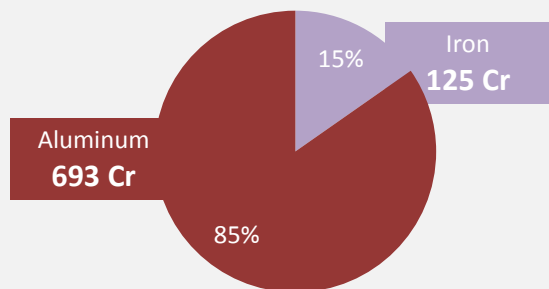
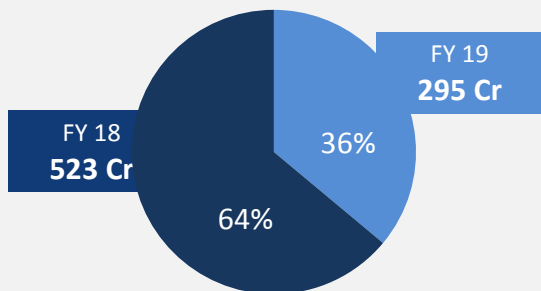
CHENNAI

Aluminium Casting & Machine Shop Expansion
Phase 2– Completed
Phase 3 expansion – Aug 18



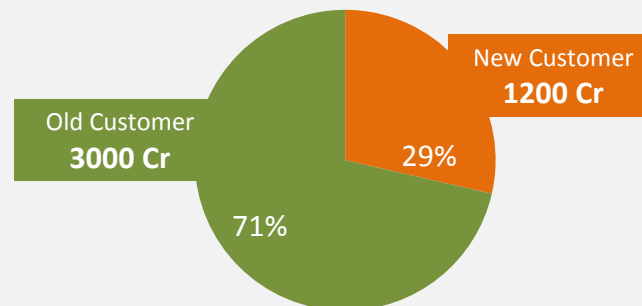
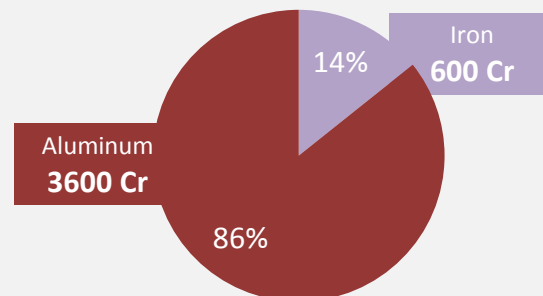
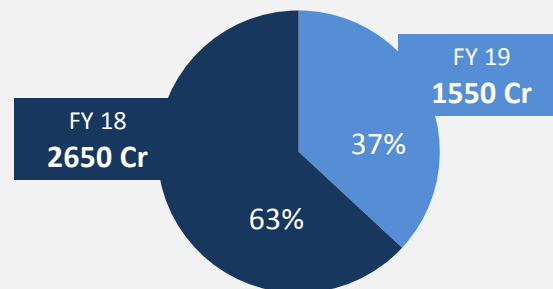
In INR

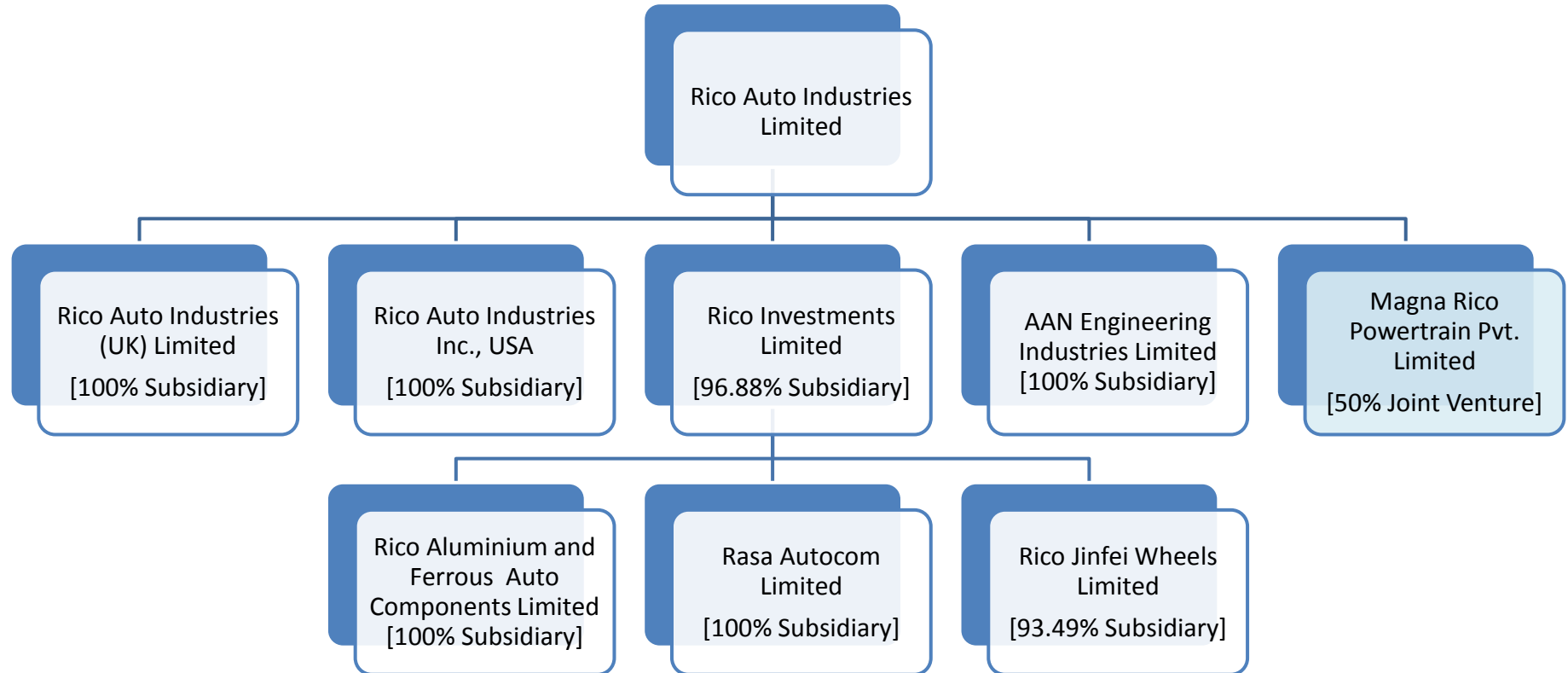
Annual Value – 818 Cr



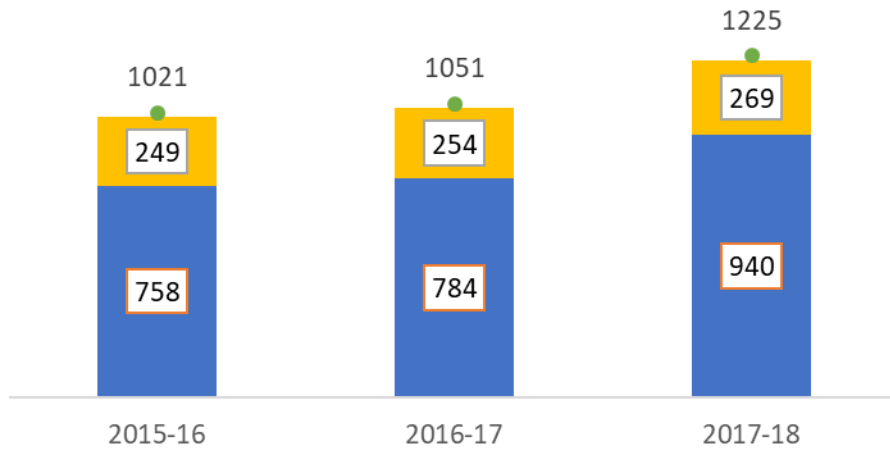
In INR

Program 4200 Cr

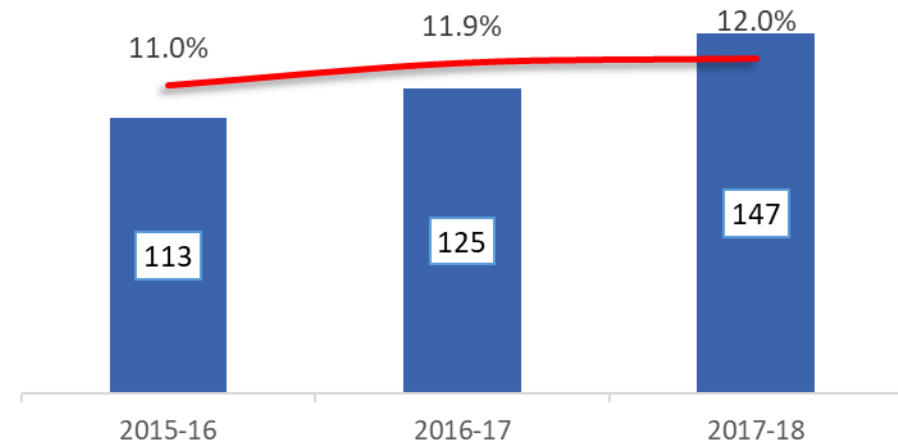




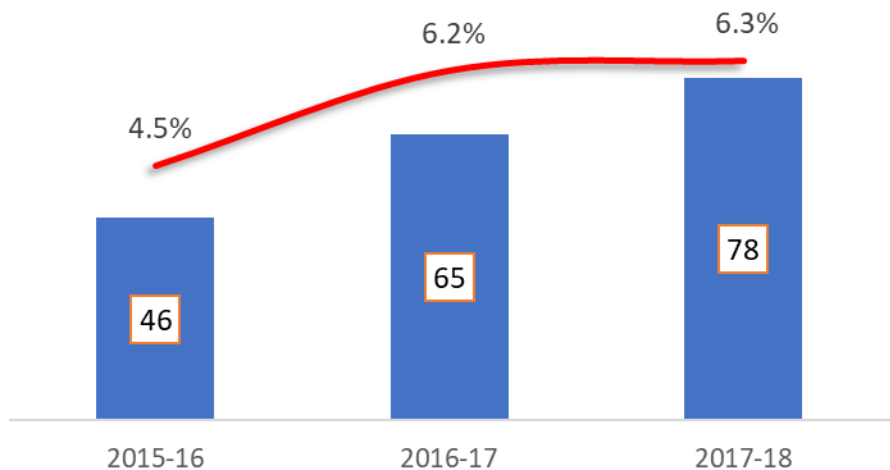
■ Domestic sales ■ Exports ● Net Revenue



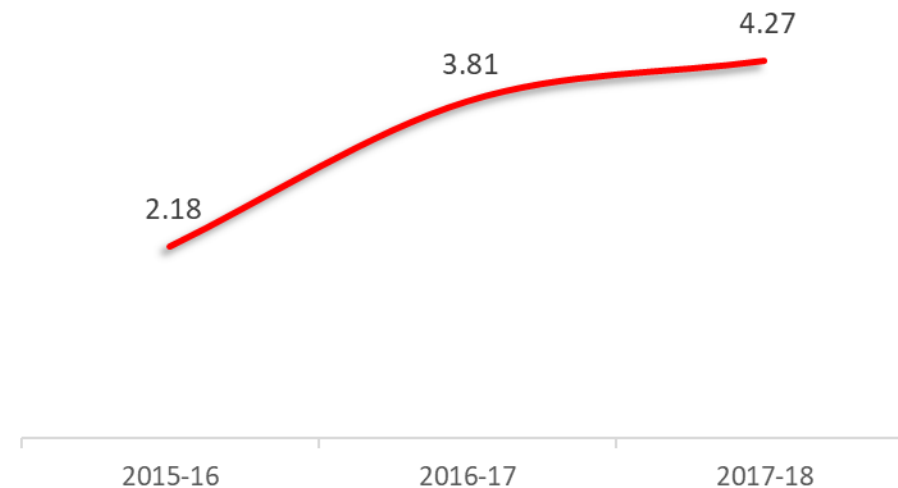
■ EBITDA — EBITDA Margin



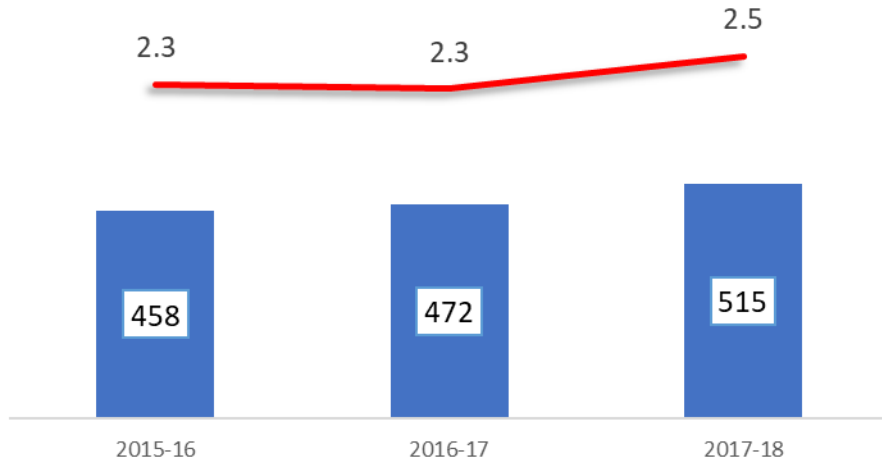
■ PBT before Exceptional Items (PBTX) — PBTX %



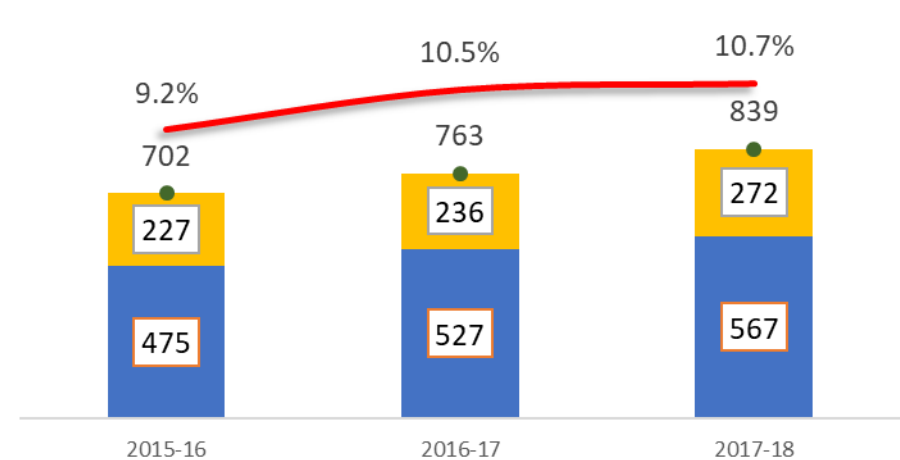
— EPS (₹)



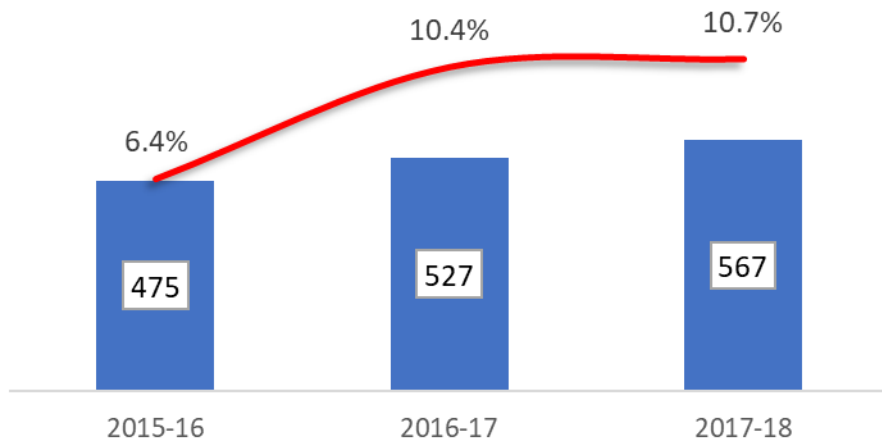
■ Net fixed assets — Net Assets Turnover Ratio



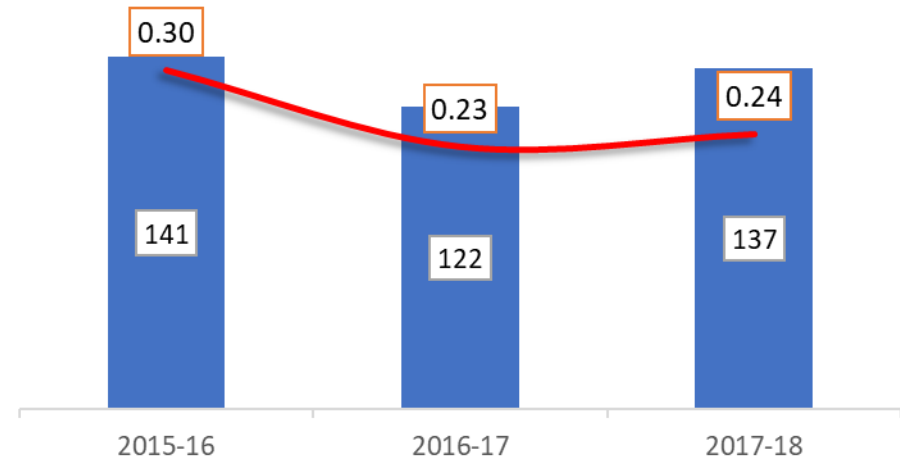
■ Network ■ Total Loans ● Capital Employed — ROCE



■ Network — RONW



■ Long Term Debt — Debt to Equity





Upgraded – Infrastructure facility in Schools/ Rural Areas

Construction of Grand stand for School of size (56' x 15')



Govt. Sr. Sec. School, Banipur (Bawal)

Construction of 2 Classroom with extended lobby on first floor (25' x 28' each)



Govt. Sr. Sec. School, Jhiwana (Bhiwadi)

Cremation Centre of size 45' x 15'



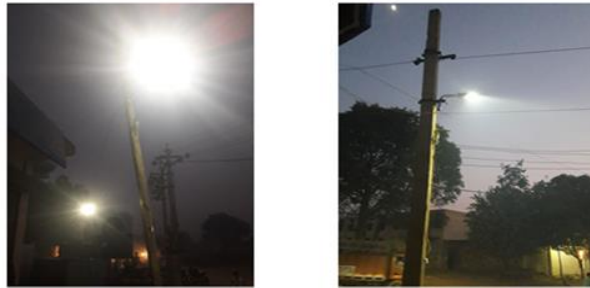
Joniawaas (Dharuhera)

Construction of 1 Classroom of size 15' x 15'



Govt. Primary School, Banban (Bhiwadi)

50 no. Street lights provided in 02 no. village (25 street lights per village)



Jhiwana & Banban (Bhiwadi)

Construction of Classroom (25' x 27') with extended lobby and open hall of size 25' x 12' in



Govt. Middle School, Chaupanki (Bhiwadi)

Classroom with extended lobby of size 22' x 28'
Extended lobby of size 90' x 9' in Front of already constructed class rooms



Govt. Middle School, Village Husaipur (Bhiwadi)

Construction of Classroom (25' x 27') with extended lobby and open hall of size 25' x 12' in



Govt. Middle School, Chaupanki (Bhiwadi)

Extended lobby of size 140' x 9' in Front of Class Rooms



Govt. Sr. Sec School, Jhiwana (Bhiwadi)

Toilet Facility



PHC of Banipur (Bhiwadi)

Toilet Facility



Govt. School, Malpura (Dharuhera)

Toilet Facility



Govt. School, Bandapur (Bhiwadi)

Toilet Facility



Govt. School, Husaipur (Bhiwadi)

Toilet Facility



Community Centre, Jhiwana (Bhiwadi)

Toilet Facility



Govt. School, MP Jharsa (Gurug)

Contribution to Rotary Southend Charitable Trust

RICO

Project Name: Southend Sparsh

Location: Batra Hospital & Medical Research Centre.

Activity: Dialysis Treatment for Children Below 12 Yrs.

Impact: 84 Children Benefited (Annex. Attached)



Dialysis treatment to children below 12 years of economically weaker section

Contribution to Raman Kant Munjal Foundation

RICO

Project Name: Raman Munjal Vidya Mandir

Location: Dharuhera

Activity: Education Support to economically weaker and deprived children.

Impact: 05 Children Benefited (Class VII)



Education Support to economically weaker and deprived children.

Contribution to SOPAN An NGO

RICO



Diagnosis of Autism Spectrum Disorder (ASD)

Early Intervention of ASD

Training Programs for ASD

Project Name: SAMARPAN

Location: Mumbai

Activity: Autism Awareness, Education and train children with disability thru special education and allied therapies.

Impact: 250 Children will be Benefited

Thanks