Q1FY14 Investor update

August 2013

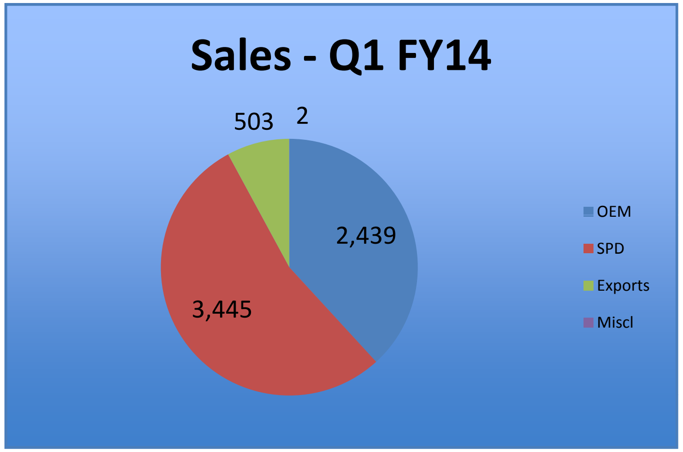
Q1FY14 RESULTS AND PERFORMANCE REVIEW

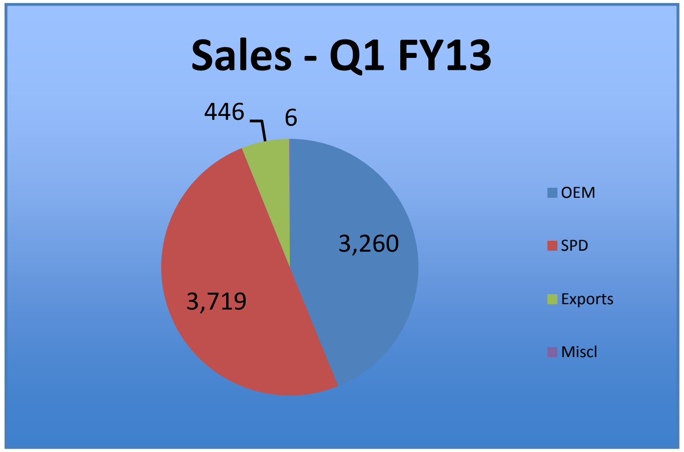
Q1FY14 vs. Q1FY13

(Rs mn)	Q1 FY14	Q1 FY13	% growth
Sales	638.8	743.1	(14.0)
Operating Profit	75.9	111.7	(32.0)
EBIDTA (%)	*11.9*	*15.0*	
Other Income	45.4	19.1	
Interest	45.5	41.7	
Depreciation	23.7	21.3	
Profit Before Tax	52.1	67.8	(23.2)
Tax			
Corporate Tax(MAT) – Current period	8.9	1.8	
Deferred Tax	2.0	3.8	
Profit After Tax	41.2	62.2	(33.8)
Cash Profit After Tax	66.9	87.3	
Equity	266.8	177.2	
EPS (Rs)	1.54	2.34	

PERFORMANCE REVIEW

- During Q1FY14 OE Sales were down by 25% to Rs. 243.9 mn on account of continuing slowdown in general economic environment and curtailing of production activity by all OE players.
- Economic slowdown and reduction in industrial activity pulled Replacement sales down by 7.4% to Rs. 344.5 mn.
- Exports for the quarter grew by 12.6% to Rs. 50.3 mn continuing the results of seeding efforts done by company in previous years.
- The EBITDA margin for Q1FY14 were lower by 3.1% on account of lower sales volumes and increase in operating costs.
- PAT for the quarter has declined by 32 % to Rs. 41.2 mn.





OUTLOOK

- With India experiencing normal rainfall, the agricultural activity is expected to pick momentum. This will generate goods movement and thus result in increased OEM demand.
- In addition, new product launches including LCV range is expected to contribute to growth in OEM segment.
- Replacement Sales are expected to post decent growth, as a result of various initiatives taken by the company. BS III compliant clutches fitted in commercial vehicles in 2010 is expected to enter replacement cycle in 2nd half of 2013-14. This along with improved market conditions is expected to boost aftermarket sales.
- New products and penetration into new geographies will continue to boost exports growth at a robust pace.

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