



AIA Engineering Limited

February 8, 2016

To,

The Manager (Listing), The Bombay Stock Exchange Ltd. Mumbai Fax No.(022) 22723121	The Manager (Listing), National Stock Exchange of India Ltd. Mumbai Fax No. (022) 26598237/38
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Dear Sir,

Sub: Presentation on the Unaudited Financial Results for the quarter ended 31st December, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed a presentation on the Unaudited Financial Results of the Company for the quarter ended 31st December, 2015 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 Regulations.

Kindly take the same on record.

Thanking you.

Yours faithfully,
For AIA Engineering Ltd.

S.N. Jetheliya
Company Secretary



Encl: a/a.



AIA ENGINEERING LIMITED

PRESENTATION TO INVESTORS

EARNINGS : Q3 FY 2015-16

1. Financial Snap Shot – Consolidated

(Rs. In lacs)

Particulars	Q3 2015-16	Q2 2015-16	Q3 2014-15	9 Months 2015-16	9 Months 2014-15	FY 2014-15
Production (MT)	50700	48637	50648	143050	148991	200315
Sales (MT)	44238	42876	44211	132342	136030	186656
1. INCOME						
a) Income from operations	48065	47600	49293	147231	152048	210775
b) Other operating income (export benefits)	1242	1224	2138	3412	5835	7589
Total income from operations	49307	48824	51431	150643	157883	218364
c) Other non operating income	699	1196	2330	3769	6620	8321
Total Income	50006	50020	53761	154412	164503	226685
2. EXPENDITURE						
a) Raw material consumed	16905	17780	21354	52084	64971	86063
b) Change in inventories of Finished goods, W.I.P. and stock-in-trade	(2258)	(1843)	(7003)	(2919)	(10548)	(9903)
c) Employee benefit expenses	2650	2493	2401	7688	7053	9811
d) Other expenses	17154	16049	19456	49787	53675	73911
3. EBIDTA	15555	15541	17553	47772	49352	66803
4. EBIDTA (Percentage to total operating income)	31.54%	31.83%	35.61%	31.71%	31.26%	30.49%
5. Depreciation and amortising expenses	1509	1688	1811	4890	5171	6975
6. Finance cost	76	95	91	285	228	394
7. PBT	13970	13758	15651	42597	43953	59434
8. Tax	4629	4405	4150	13617	12088	16341
9. PAT (after Minority Interest)	9335	9348	11504	28966	31825	43094

2. Break-up of Certain Key Items – Consolidated

(Rs. In lacs)

Particulars	Q3 2015-16	Q2 2015-16	Q3 2014-15	9 Months 2015-16	9 Months 2014-15	FY 2014-15
1. Other Operating Income						
a) Export benefits	1242	1224	2138	3412	5835	7589
2. Other income						
a) Dividend / profit on sale of MF / Interest income	455	1095	497	2275	2423	3262
b) Foreign exchange gain	203	36	1785	1296	4049	4846
c) Others	41	65	48	198	148	213
Total	699	1196	2330	3769	6620	8321

3. Working Capital – Consolidated

(Rs. In lacs)

Particulars	Q3 2015-16	Q2 2015-16	Q3 2014-15	9 Months 2015-16	9 Months 2014-15	FY 2014-15
1. Inventories						
a) Raw material – Amount No. of days	6947 37 days	6129 34 days	8248 35 days	6947 37days	8248 35 days	8539 36 days
b) WIP & FG – Amount No. of days	33228 61 days	30882 56 days	31190 55 days	33228 61 days	31190 55 days	30410 53 days
2. Receivables – Amount No. of days	35181 65 days	28929 52 days	35607 63 days	35181 65 days	35607 63 days	39493 68 days

4. Segmental Sales (in MT) – Consolidated

Particulars	Q3 2015-16	Q2 2015-16	Q3 2014-15	9 Months 2015-16	9 Months 2014-15	FY 2014-15
i) Mining	24094	24347	24355	72236	80730	106056
ii) Others	20144	18529	19856	60106	55300	80600
Total	44238	42876	44211	132342	136030	186656

5. CAPEX/PROJECTS IN PIPELINE

- a. GIDC Kerala Greenfield Phase-I and Trichy Brownfield expansion commissioned. 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 in FY 2016 till Q3 FY 2015-16: Rs. 138 crores.
- d. Capex estimated to be incurred in Q4 FY 2015-16: Rs. 10 crores.
- e. Capex estimated to be incurred in FY 2016-17: Rs.125 crores.

6. Key Highlights/Developments

- 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 next 3 year horizon around 1,20,000 MT

6. Key Highlights/Developments contd...

- d. FY 2016 sales volumes expected to be flat primarily attributable to certain strategic and conscious decisions viz. not entering Ukraine; reduction in SA market volume owing to currency uncertainties; and volume reduction owing to closure of one particular iron ore mine in Brazil.
- e. Developmental activities of new mines in several key locations in full swing.
- f. Order book as at 1st January 2016: Rs. 537 crores
- g. Outstanding foreign currency forward contracts (sales contracts) as of 31-Dec-2015: US \$ 44.50 MIO, EURO 6.00 MIO.

6. Key Highlights/Developments contd...

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