



PRUDENCE IN ACTION. CONSISTENCY IN EXECUTION.



01-22

CORPORATE OVERVIEW

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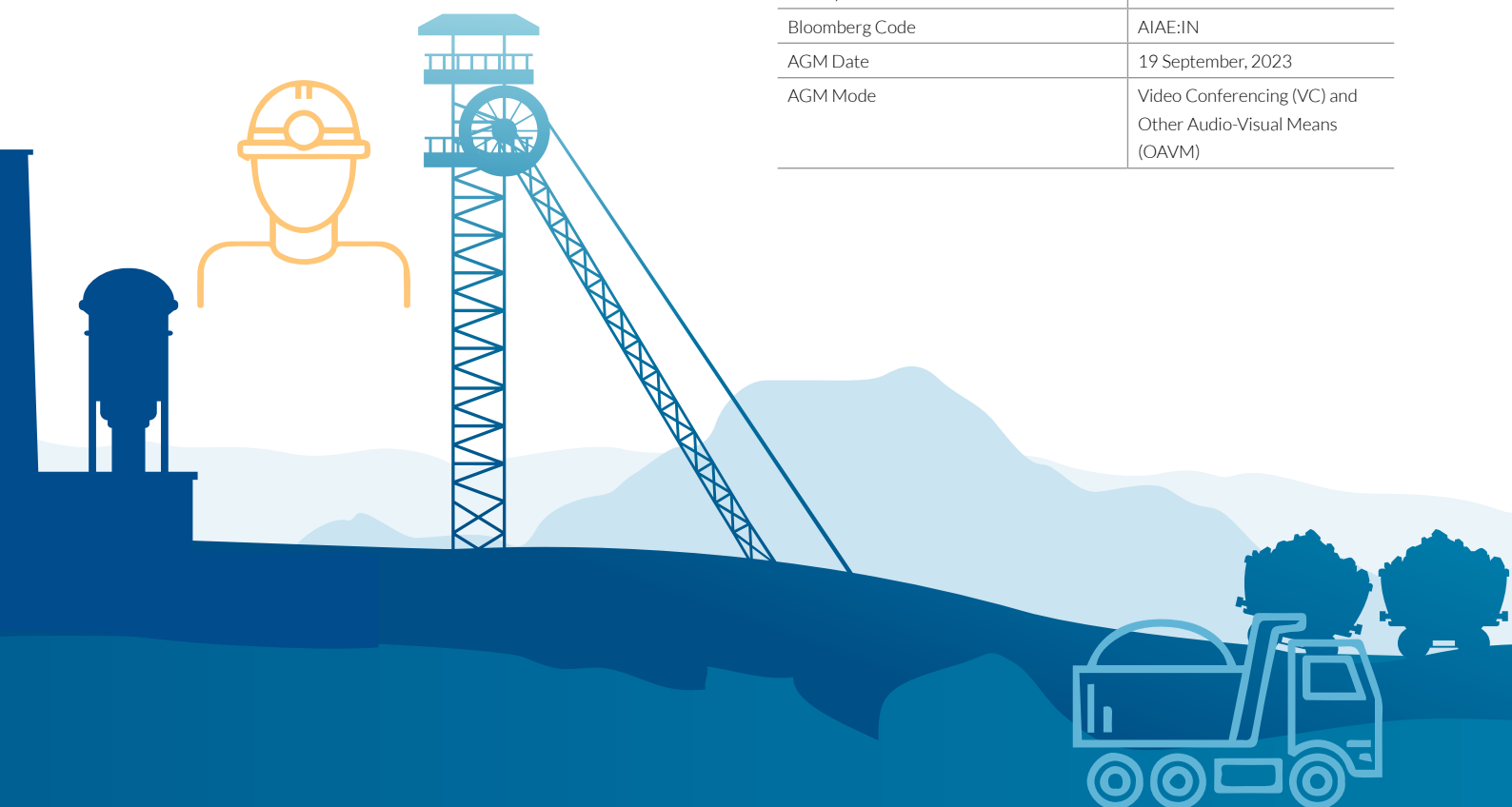
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INVESTOR INFORMATION

Market Capitalisation as at 31 March, 2023	₹ 27,375.07 Crores
CIN	L29259GJ1991PLC015182
BSE Code	532683
NSE Symbol	AIAENG
Bloomberg Code	AIAE:IN
AGM Date	19 September, 2023
AGM Mode	Video Conferencing (VC) and Other Audio-Visual Means (OAVM)



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Please find our online version at <http://www.aiaengineering.com/investor/>



Disclaimer: This document contains statements about expected future events of AIA Engineering Limited ('AIA' or 'the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. The numbers presented in this report pertain to financial year 2021-22 unless specifically mentioned otherwise. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



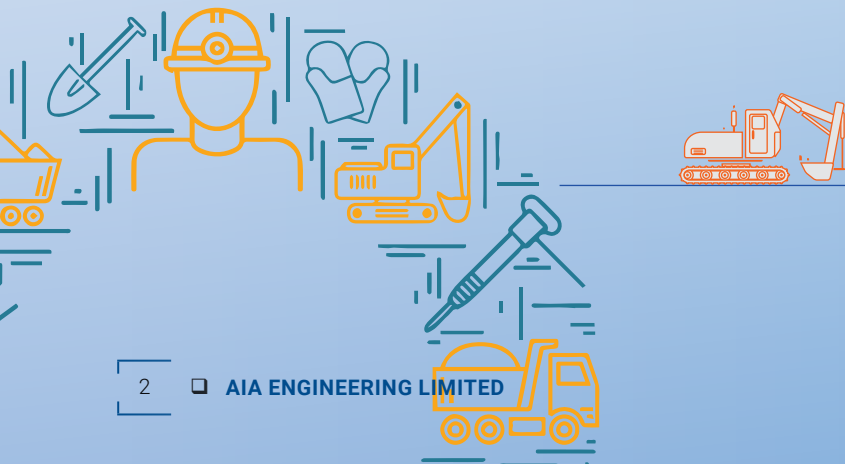


PRUDENCE IN ACTION.

CONSISTENCY IN EXECUTION.

AIA Engineering's actions are guided by a resolute commitment to prudence, backed by its expertise and experience. From product development to final delivery, AIA Engineering's unwavering focus on precision and efficiency ensures that every task is executed seamlessly, aligned to its pursuit of consistent growth. Thus, strengthening its reputation as a reliable partner in the engineering industry.

With over five decades of expertise in providing engineering solutions, AIA Engineering has consistently demonstrated prudence in its action whether it be decision-making processes, risk assessment or any other internal controls. This has been led by a keen focus on integrating sustainability and ethical practices to build and preserve the trust of its stakeholders. Simultaneously, it leverages the strength for AIA to be at the forefront of innovation, while continuously adapting to industry trends and customer needs. AIA firmly believes that consistency is the key to success. With this belief, it pursues growth such that its present acts as a strong foundation for the future. Going ahead, AIA remains optimistic about the unlimited possibilities ahead and through the strength of its rich industry insight, technology and adaptation to market dynamics, it is poised to tap into the untapped potential and create value for all its stakeholders.





₹ **51,433** million
Total Income

₹ **14,752** million
EBITDA

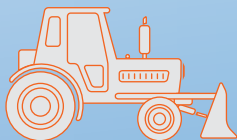
₹ **10,565** million
Profit After Tax

₹ **16** (800%)
Dividend Per Share

58.47 %
Promoters' Holding

1,326
Workforce Strength

EBITDA: Earnings before Interest, Taxes, Depreciation and Amortisation
PAT: Profit After Taxes





MESSAGE FROM THE MANAGING DIRECTOR



“ Our growth is a testament to our favourable conversion cycle, which presents ample room for the penetration of ferrochrome in the current market ”

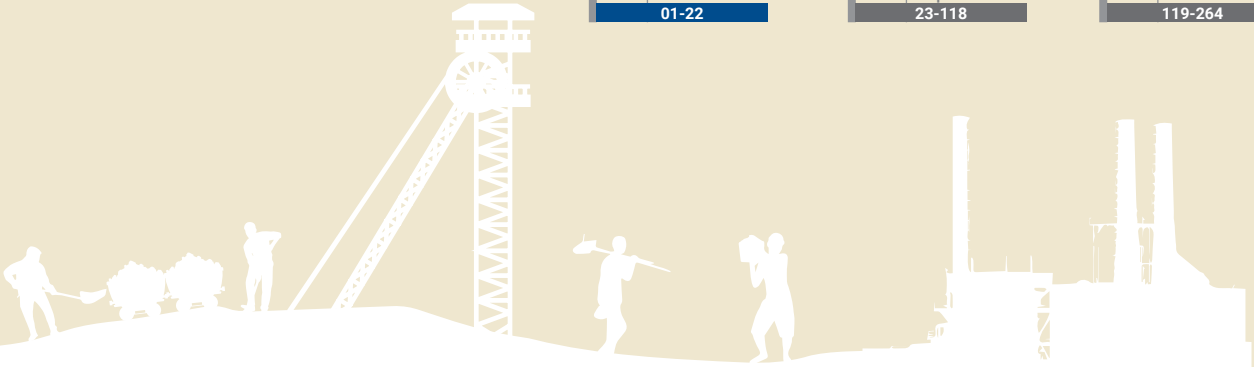
Dear Shareholders,

As we conclude the fiscal year 2022-23, we reflect upon a period that tested our resilience and adaptability in the face of global challenges. At AIA Engineering, our unwavering commitment to excellence and reliability ensured a robust performance.

In the face of external headwinds, we remained optimistic about the resurgence of the mining and cement industries, which fuelled the demand for our products. I am delighted to share that AIA Engineering Limited experienced a favourable product mix, resulting in a notable increase in margins. Furthermore, we successfully managed raw material costs. Our contracts include a price pass-through mechanism, which reflects previous raw material/freight costs in pricing,

thus maintaining stability. Financially, we achieved impressive growth compared to the previous year:

- Our annual sales volume soared to 2,91,342 MT, a substantial leap from the previous year's 2,60,469 MT
- Our total revenue witnessed a healthy growth, reaching ₹ 5,143.31 Crores, compared to ₹ 3,722.84 Crores in the previous year
- Our EBITDA stood at a robust ₹ 1,475.18 Crores, marking a significant increase from ₹ 877.24 Crores last year
- PAT experienced remarkable growth, reaching ₹ 1,056.50 Crores, compared to ₹ 619.62 Crores in the previous fiscal year



We are pleased to announce that our dedicated Mill Lining facility for Mining Liners has already gone on stream with an installed capacity of 50,000 TPA. Further we have resumed our Brownfield expansion for Grinding Media involving an additional investment of around ₹ 200 crores to further augment our capacity by 80,000 MTPA, which will increase our total capacity to around 5,20,000 MTPA by March 2025. We remain extremely bullish on the long term growth prospects in the mining industry given the huge conversion opportunity available to us for converting the mines from the conventional Forged Products into our High Chrome Solutions. Our unwavering focus on core industries like Cement and Mining and our commitment to customer satisfaction positions us well for continued success.

We remain committed to broadening our customer base and enhancing existing relationships. Our primary focus is on key markets such as North America, LATAM, Australia, and CIS, as well as critical countries like Chile, Peru, Brazil, and Canada. Market dynamics remain unchanged, and we forge ahead with an unwavering focus on gold, copper, and iron.

As a responsible corporate citizen, we strive to contribute to the socio-economic development of our communities while preserving the environment. Initiatives such as providing quality education, ensuring digital literacy, offering healthcare services, and protecting biodiversity empower the underprivileged and foster self-reliance.

We extend our deepest gratitude to all stakeholders who have stood by us. Improving productivity and employee morale remain key priorities for us. Looking ahead, our large and well-equipped R&D team will continue to develop comprehensive solutions to meet evolving market demands.

As we step into the next fiscal year, we pledge to deliver value to all those associated with us through ethical, sustainable, and profitable means. Our mission remains steadfast, and we are excited about the opportunities that lie ahead.

Best Wishes,

Bhadresh K. Shah

Managing Director
AIA Engineering Limited





ABOUT AIA ENGINEERING

A leading provider of cutting-edge wear components and innovative solutions

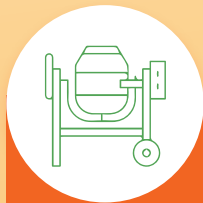


Incorporated in 1991, AIA Engineering Limited (hereinafter referred to as 'the Company', 'AIA' or 'it') is a distinguished entity in the design, development, production, installation, and servicing of high chromium wear, corrosion, and abrasion-resistant castings. These superior products specifically serve the cement, mining, and thermal power-generating industries, highlighting the Company's capacity to cater to diverse market demands.

INDUSTRIES SERVED



Mining



Cement

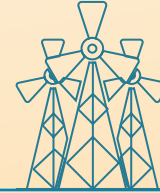


Quarry



Thermal





Committed to delivering customised solutions, the Company excels in crafting metallurgically optimised products to flawlessly align with each application's unique requirements. Beyond mere product delivery, it provides process optimisation services. These services hinge upon a thorough technical evaluation of the customers' distinctive needs, ensuring an integrated approach that elevates the overall customer experience.

Such a comprehensive methodology has propelled the Company to the forefront of the industry, acclaimed for its dedication to quality, exceptional service delivery, and cutting-edge innovation. As a result, it is globally recognised and trusted as a solution provider. This well-deserved reputation mirrors the Company's steadfast dedication to excellence, and it continues to position itself as a paragon of innovation and quality in the industry.

~45 Years'

Rich Industry Experience

Global

Presence

4,40,000 TPA

Total Manufacturing Capacity

ISO **9001:2015**

Certified





MILESTONES OF AIA'S JOURNEY

With a relentless pursuit of excellence and a commitment to delivering innovative solutions, AIA has established itself as a leading force in providing innovative products and services. From humble beginnings, AIA has evolved into a trusted partner, catering to the diverse needs of its esteemed clients worldwide.

2019

Installed capacity enhancement by 50,000 MTPA at Kerala's GIDC plant
Installed 8 Wind Turbines of 2.1 MW each

2020

Obtained ISO 14001 certification for environmental management system and OHSAS 18001 certification for health and safety management system at its Moraiya and Kerala Plants

2018

Developed mill lining solutions for mine



2017

Commissioned the Phase 1 of the Kerala GIDC, a greenfield facility near Ahmedabad for grinding media production

1991

Amalgamated Ahmedabad Induction Alloys Private Limited with the Company, AIA



1996

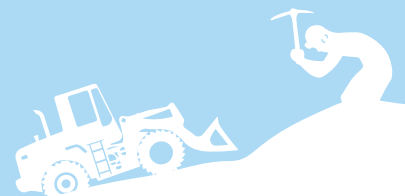
Received ISO 9001 certification of Quality Management Systems

1989

Began producing high chromium liners, level control diaphragms, and other diaphragms

1985

Started production of high chrome grinding media



2022

Installed 2 Wind Turbines
of total 5.4 MW

2023

Added two Hybrid Projects (2.1 MW Windmill + 1.89
MWp Solar) at Village Dedan, Gujarat, taking total
Renewable Energy Capacity to 32.28 MW.

Expanded capacity of 50,000 MT in Castings at Kerala
GIDC Facility

2014

Expanded capacity to 2,60,000
MTPA at Moraiya facility

2011

Commissioned a new plant
for mining liners and vertical
mill parts

2003

AIA incorporated Vega ME as a
Wholly-Owned Subsidiary

2005

Listed on the Indian
Stock Exchanges

1979

Commenced operations and started producing
wear parts for cement and power plants

1978

Incorporated by Mr. Bhadresh K
Shah as Ahmedabad Induction
Alloys Private Limited



INDUSTRY PRESENCE

With a long-standing history of delivering effective solutions, AIA has established itself as a trusted provider of wear components and innovative technologies. The Company's expertise in metallurgy, grinding applications, and component design enables it to manufacture high-quality parts for tube mills, vertical mills, pulverisers, and more.



120+
Countries Served





Subsidiaries and Representative Offices



Global Logistics Network (Warehouses)



This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection concerning its accuracy or completeness.





ENGINEERING SOLUTIONS



CEMENT

- » Strong foundation in the cement production industry, with a history of success
- » Specialised in providing effective solutions for worn-out parts in the cement sector as well as manufacturing parts for tube mills and vertical mills
- » Backed by extensive experience in metallurgy, grinding applications, and component design
- » Led by a unique manufacturing approach that significantly enhances the working life of components
- » Pioneer in innovative solutions that reduce maintenance costs and improve cost effectiveness for customers

Application

- » Grinding of limestone and cement



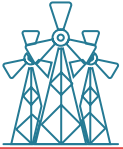
MINING

- » Focussed on minimising downtime in mining operations for achieving success
- » Specialised in producing durable wear components with extended lifespan, which reduce operating costs
- » Led by expertise in developing specialised alloys and advanced manufacturing techniques for various minerals
- » Producing modified components for specific mineral types. Thus, increasing efficiency of machinery while extracting
- » Pioneer in mill lining solutions to optimise throughput and reduce operational expenses

Application

- » Mineral ore grinding prior to processing for separation of different materials





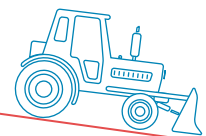
THERMAL



- »» Crafting long-lasting wear components with extended durability for reduced operational costs
- »» Innovating alloys and employing cutting-edge manufacturing techniques customised for diverse minerals
- »» Producing improvised shell liners & grinders that has a highly positive impact on the efficiency
- »» Optimum utilisation of resources by the pulverisers which grind the coal and avoid any wastage before feeding them to the boiler

Application

- »» Coal grinding prior to entering the boiler



QUARRY

- »» Created specialised alloys and manufacturing methods suitable for a range of mineral varieties
- »» Producing enhanced wear machinery components for extraction purposes for increased productivity and profitability
- »» Specialising in extraction of minerals like iron, gold, lead/zinc, bauxite copper and phosphorus

Application

- »» Crushing of aggregates





STRATEGIC IMPERATIVES

Through a careful analysis of market dynamics, customer needs, and technological advancements, the Company has formulated a set of strategic imperatives that guide its decision-making and shape its future trajectory. These imperatives encompass various aspects, including product innovation, customer engagement, operational efficiency, and sustainable practices.

At the heart of the Company’s mission lies a relentless pursuit of customer satisfaction. AIA Engineering has strategically embedded a meticulous series of quality checks throughout every operational process, leaving no room for compromise. These checks are reinforced by vigilant supervision and regular mill audits, ensuring that the engineering solutions are nothing short of excellence.

The unwavering commitment to customer satisfaction drives the Company to go above and beyond. AIA Engineering understands that each customer is unique, with distinct requirements and expectations. That’s why the Company has established a purpose-driven approach, tailoring the engineering solutions to address their specific needs. By consistently delivering results that align perfectly with the customers’ demands, the Company forges enduring partnerships based on trust and mutual success.



Quality Checks

for increased customer satisfaction



Supervision

to closely monitor installation of each wear part



Regular Mill Audits

to ensure higher efficiencies and better adaptability



KEY FOCUS AREAS



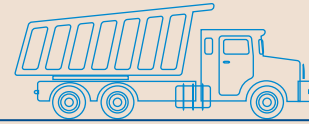
Adapting renewable power on a large scale to strengthen sustainable energy practices

Strategically positioned in the market by leveraging a deep understanding of various mill lining options

Expanding the offerings beyond grinding media and tapping into the growth potential of each type of mill lining

Constantly investing to enhance capabilities and product portfolio to maintain a competitive edge and meet evolving customer needs

Prioritising optimal performance by introducing automation and streamlining production processes to drive efficiency



CAPEX PLANS

AIA continues to focus on capacity expansion to provide tailored solutions and fulfil global demand. During the year, the Company commissioned mill liners plant with a capacity of 50,000 TPA. Through its innovative solutions, the Company expects to reduce customer expenses and increase in throughput significantly.

₹ **195** Crores

Capex incurred during F.Y. 2022-23



KERALA GIDC PROJECT

The Company continues to proceed with its brownfield capacity expansion of grinding media capacity. With an ongoing capex of ₹ 250 Crores, it is estimated to be commissioned by the end of F.Y. 2024-25

₹ **250** Crores

Capex to be incurred by F.Y. 2024-25

RESTRUCTURING OF MANUFACTURING OPERATIONS

The restructuring of the Company's manufacturing operations encompasses a range of strategic initiatives aimed at optimising operational efficiency. These initiatives include some capacity de-bottlenecking and restructuring, creation of warehouse space, pattern storage facilities and related infrastructure investment at an estimated cost of ₹ 200 Crores. While the primary objective of this restructuring is not to directly augment production capacity, it undoubtedly enhances their capability to manufacture specialised parts with precision and reliability. Company will also see 20,000 MT of capacity addition in castings because of de-bottlenecking.

₹ **200** Crores

Capex planned for reorganisation

Moreover, there is a significant emphasis placed on power consumption and its environmental impact. Aligned with the commitment to sustainability, The Company is dedicated to intensifying its utilisation of captive and renewable energy sources. By prioritising the adoption of environmentally-friendly practices, AIA Engineering endeavours to reduce the carbon footprint while ensuring long-term operational sustainability.

₹ **60** Crores

Investment in renewable energy resources



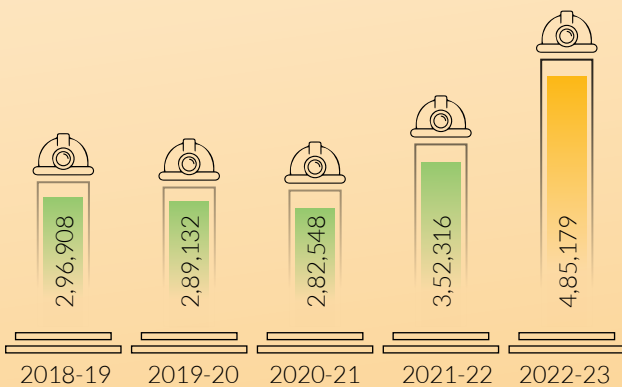


FINANCIAL PERFORMANCE

The Company's steadfast business model has consistently yielded impressive financial results, exemplifying its adeptness in managing risks and generating sustainable profits. AIA's prudent investment strategies and rigorous risk management practices bolster its financial stability, enabling it to meet its obligations and deliver long-term value to its stakeholders in the engineering sector.

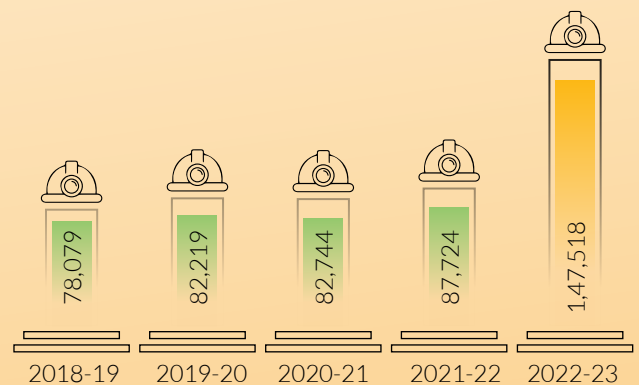
NET SALES

(₹ in Lakhs)



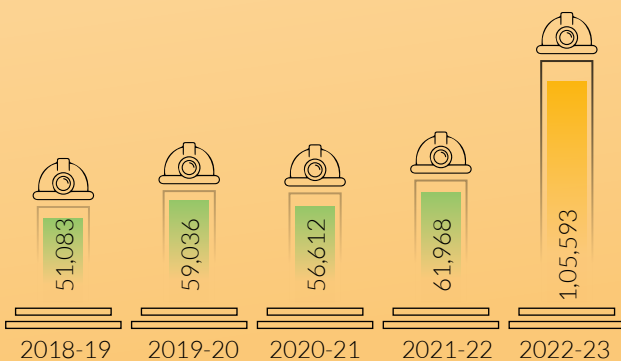
EBITDA

(₹ in Lakhs)



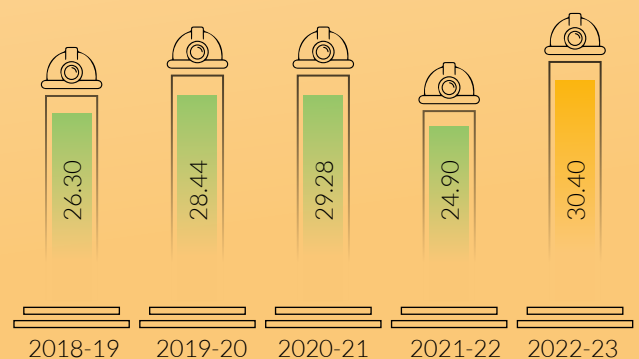
PROFIT AFTER TAX (AFTER MINORITY INTEREST)

(₹ in Lakhs)

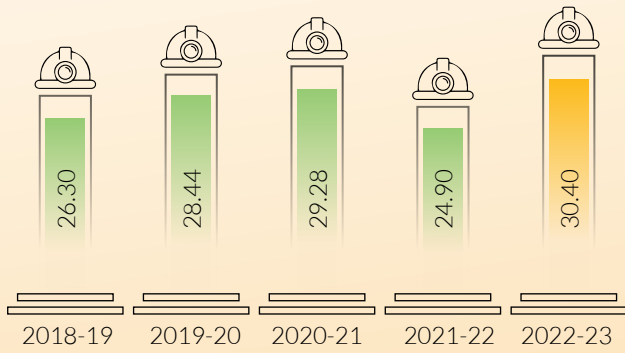


EBITDA MARGIN

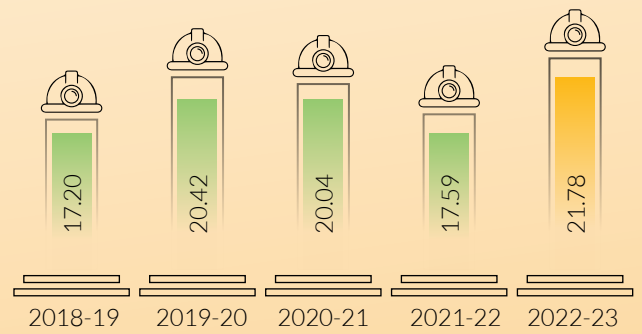
(%)



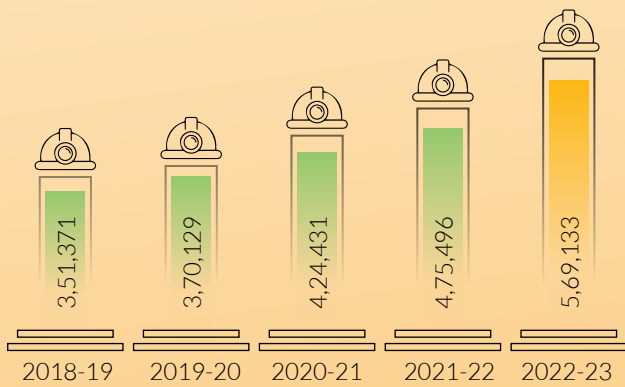
OPERATING PROFIT MARGIN (%)



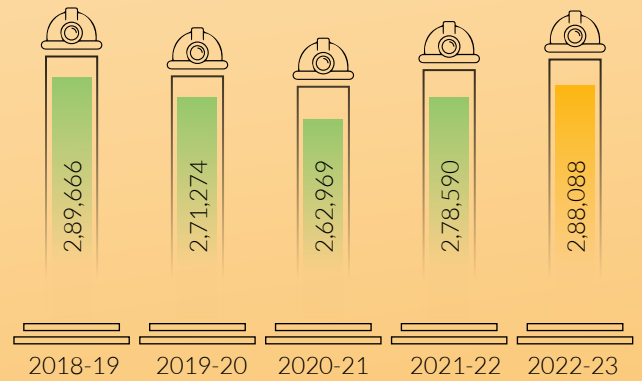
PROFIT MARGIN (%)



NET WORTH (₹ in Lakhs)



PRODUCTION VOLUME (in MT)





CSR COMMITMENTS

Our commitment to CSR is not only driven by our responsibility as a corporate citizen, but also by the recognition that sustainable practices are key to our long-term growth. We strive to ensure a resilient future for AIA and the broader communities in which we operate.

CSR CONTRIBUTION OF ₹ 1,289.32 LAKHS IN THE FIELDS OF :



Education - ₹ 603.12 Lakhs

- Gyan Deep Programme
- Scholarship Programme
- LXS Foundation
- Jan Jagrati Sevarth Sansthan
- IIT, Kanpur

Healthcare - ₹ 364.06 Lakhs

- Care Institute of Medical Sciences Foundation (CIMS)
- Dr. Jivraj Mehta Smarak Health Foundation
- Gujarat Cancer Society
- Nihar Charitable Trust

Environment - ₹ 167.36 Lakhs

- ARC Foundation

Promotion of Sports - ₹ 64.53 Lakhs

National Heritage/Art/Culture - ₹ 55.25 Lakhs

- Karmakshetra Educational Foundation (DARPANA)

Eradicating Hunger - ₹ 35.00 Lakhs

- Tulsi Vallabh Nidhi
- Akshay Patra Foundation



EDUCATION INITIATIVES

GYAN DEEP PROGRAMME

AIA has continued to expand the Company's educational initiative called as Gyan Deep Programme through:

11
Schools Covered

(i) Yuva Unstoppable

It establishes an environment that promotes the utilisation of Information and Communications Technology (ICT) in Government Schools. This includes ensuring widespread access to ICT devices, internet connectivity, and fostering ICT literacy among students. The objective is to empower every student with digital literacy while equipping teachers with the necessary skills to effectively deliver education using IT resources and contemporary techniques. By fostering self-learning and shifting the learning paradigm from teacher-centred to student-centred, this initiative encourages critical thinking, analytical skills, and overall academic growth.

(ii) Jeevantirth VaaGaLe Utsav

Jeevantirth is implementing the 'VaaGaLe Utsav' project and is focussed on Joyful Learning & Meaningful Education. This project aims to benefit government schools in Ahmedabad. Its objective is to prepare these schools for child-centred education by facilitating knowledge construction, fostering relationships, and providing essential materials such as Activity Sheets, Working Materials, and Stationery for Students. Additionally, the project encourages active participation in workshops like scientific fairs to rekindle interest in education through interactive and experiential learning methods.



AIA Scholarship Programme

AIA CSR Foundation addresses the challenges of education among marginalised communities and fosters employment opportunities through its innovative education scholarship management system, Vidyasaarathi. By providing educational support, this system empowers deserving students to overcome financial barriers and pursue higher education. Through its initiatives, the Foundation not only contributes to the growth of education but also creates pathways for socio-economic development, benefiting both individuals and the nation at large.

AIA SCHOLARSHIP PROGRAMME

COURSES

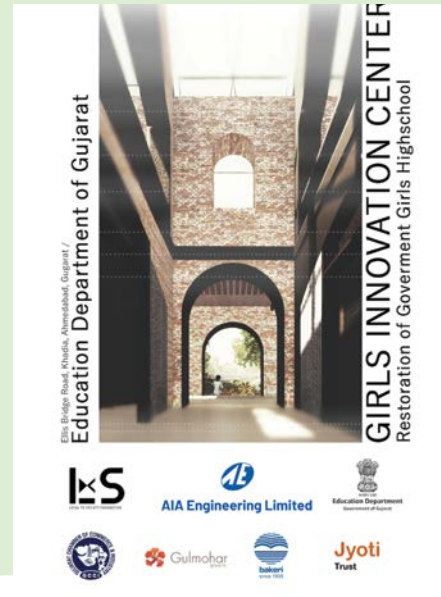
- Class 11 • Class 12
- Undergraduate Courses (12+3)
- B.E./B.Tech • Diploma • ITI

MINIMUM ELIGIBILITY CRITERIA

- Open to All Gender
- Minimum 50% in Class 10th & 12th
- Annual Family income to be 5 Lakhs & below

LXS Campaign

LXS Foundation is aiming to develop an Innovation Centre for underprivileged girls of Ahmedabad and Gujarat. It is restoring old school building located at Raikhad-Khadia, Old City, Ahmedabad. (Gujarat).



Jan Jagrati Sevarth Sansthan

Jan Jagrati Sevarth Sansthan, an Indian non-profit organisation, uplifts marginalised communities through education, skill development, and health initiatives. Founded by dedicated individuals, it employs participatory methodology for sustainable impact. The organisation is also establishing an English Medium Co-Education School in Rajasthan for holistic student growth. It strives to combat illiteracy and improve hygiene among rural populations, enhancing their quality of life.



IIT Kanpur

Contribution was provided to augment Solar Energy Capacity by 200 KW at IIT, Kanpur (UP).



HEALTHCARE INITIATIVE



AIA has been committed to enhancing healthcare services through collaborations with renowned institutions like Care Institute of Medical Sciences Foundation, Dr. Jivraj Mehta Smarak Health Foundation, Nihar Charitable Trust and Gujarat Cancer Society etc. These partnerships reflect AIA's dedication to fostering a positive well-being of Society.





PLANTATION INITIATIVE

AIA, in collaboration with ARC foundation, planted approximately 1,00,000 trees at Chiloda Air-Force Colony, Air Force Recruitment Board, Gandhinagar, Military Cantonment Board, Ahmedabad, Air Force Military Cantonment, Baroda, Ahmedabad Municipal East Zone Park and Nikol Ward Garden, Ahmedabad.



ART & CULTURE INITIATIVE

AIA, through Darpana, proposes to teach Indian folk dance to children between the ages of 8 to 14 studying in under-privileged schools. Darpana works with the school administration, teachers, parents and School Management Committees, convincing them of the value of the holistic development that would take place in their students with the inclusion of performing arts pedagogy in their schooling.



ERADICATING HUNGER INITIATIVE

The Akshaya Patra Foundation serves mid-day meals to School Children in Government and Government aided Schools.



AKSHAYA PATRA
UNLIMITEED FOOD FOR EDUCATION



Support to
Mid Day Meal
Program

Supported by



AIA Engineering Ltd.
ISO 9001 Certified

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajendra S. Shah

Chairman : Independent-Non-Executive Director

Mr. Bhadresh K. Shah

Managing Director : Executive-Promoter

Mr. Sanjay S. Majmudar

Independent Director

Mr. Yashwant M. Patel

Whole-Time Director

Mr. Dileep C. Choksi

Independent Director

Mrs. Khushali S. Solanki

Non-Executive-Non-Independent Director

Mrs. Bhumika S. Shodhan

Non-Executive-Non-Independent Director

Mr. Rajan Harivallabhdas

Independent Director

Mrs. Janaki U. Shah

Independent Director

CHIEF FINANCIAL OFFICER

Mr. Viren K. Thakkar

COMPANY SECRETARY

Mr. S. N. Jetheliya

STATUTORY AUDITORS

B S R & CO. LLP

Chartered Accountants

COST AUDITORS

Kiran J. Mehta & Co.

Cost Accountants

SECRETARIAL AUDITORS

Tushar Vora & Associates

Company Secretaries

REGISTERED OFFICE

115, GVMM Estate,
Odhav Road, Odhav, Ahmedabad - 382 415

CORPORATE OFFICE

11-12, Sigma Corporates,
B/h. HOF Show Room, Off. S.G. Highway,
Sindhu Bhavan Road, Bodakdev, Ahmedabad - 380 054

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited,

C 101, 247 Park, L B S Marg,
Vikhroli (W), Mumbai - 400 083

Phone No. : 022-49186270

Fax No. : 022-49186060

Email : rnt.helpdesk@linkintime.co.in

BANKERS

State Bank of India

Citi Bank N.A.

JPMorgan Chase Bank N.A.

HSBC Bank Limited

AXIS Bank Limited

IDBI Bank Limited

HDFC Bank Limited



If undelivered, please return to:

Corporate Office: 11-12, Sigma Corporates, B/h. HOF Show Room,
Off. S.G. Highway, Sindhu Bhavan Road, Bodakdev,
Ahmedabad - 380 054

Tel.: +91-79-66047800, **Fax:** +91-79-66047848

E-mail: snj@aiaengineering.com,

Website: www.aiaengineering.com

CIN: L29259GJ1991PLC015182