

June 21, 2023

To
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P. J. Towers,
Dalai Street, Mumbai — 400 001

Scrip Code: 531147

To
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai — 400 051

Scrip Symbol: ALICON

Dear Sir/ Madam,

Sub: Corporate Presentation

Please find enclosed updated Corporate Presentation. The same is also placed on the website of the Company.

Kindly take the same on your records in the interest of general public at large.

Thanking you,

Yours faithfully,

For Alicon Castalloy Limited

VEENA
VAIDYA

Digitally signed by
VEENA VAIDYA
Date: 2023.06.21
14:04:02 +05'30'

Veena Vaidya
Company Secretary

Encl : as above



Alicon Castalloy Ltd

Corporate
Presentation

June 2023



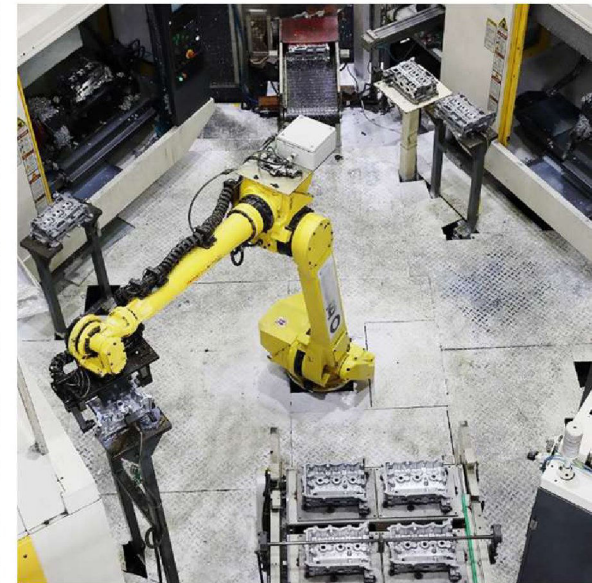
Disclaimer



Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



About Alicon



Alicon Castalloy - Overview



Offers end-to-end solutions spanning the entire spectrum of aluminum casting needs across multiple user industries

Offers - Design, Engineering, Casting, Machining and Assembly, Painting and Surface Treatment of Aluminum Components

Pioneer in India for processes of Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC)

Operates one of the largest Aluminum foundries in India

Leaders in the development of Pro-Cast and Magma space in India

Diversified marquee Customer base across core sectors in India coupled with steady rise in International presence

Robust track record of 49 years, further enriched by 89 year legacy of Illichmann Castalloy



Alicon Castalloy - At a Glance



1,405

INR crore of Total
Income in FY23



157

INR crore of
EBITDA in FY23



93

customers with..

815

Live Parts



4

Manufacturing
Units



133

No. of product
innovations FY20-23



Presence in

18

countries

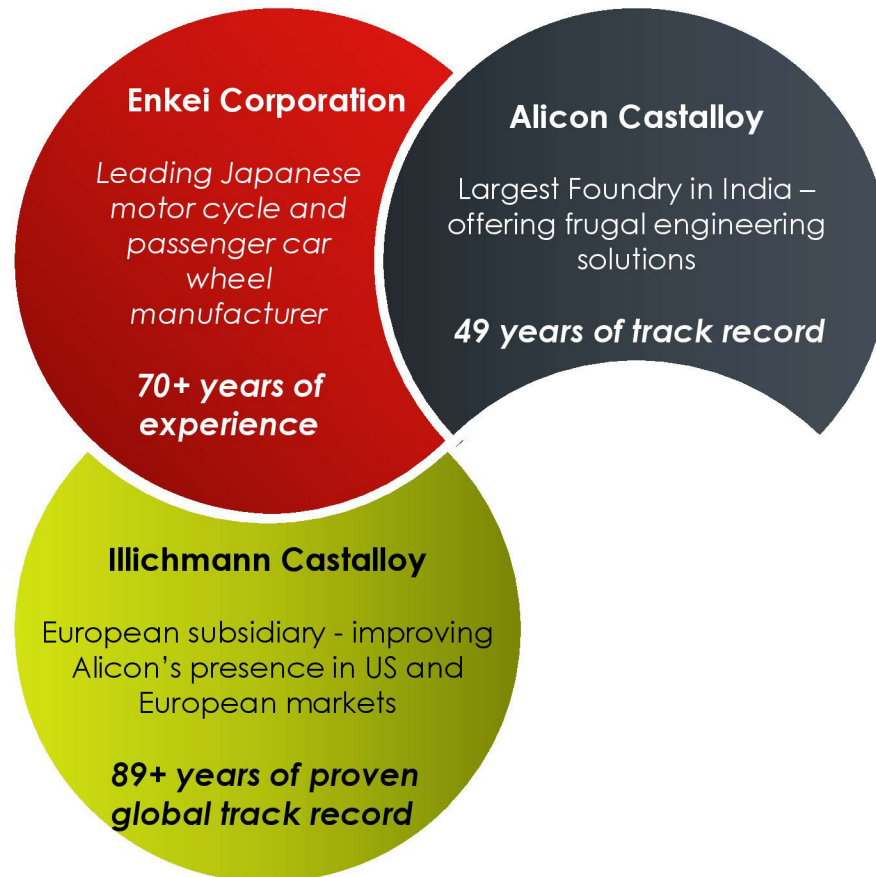


1,014

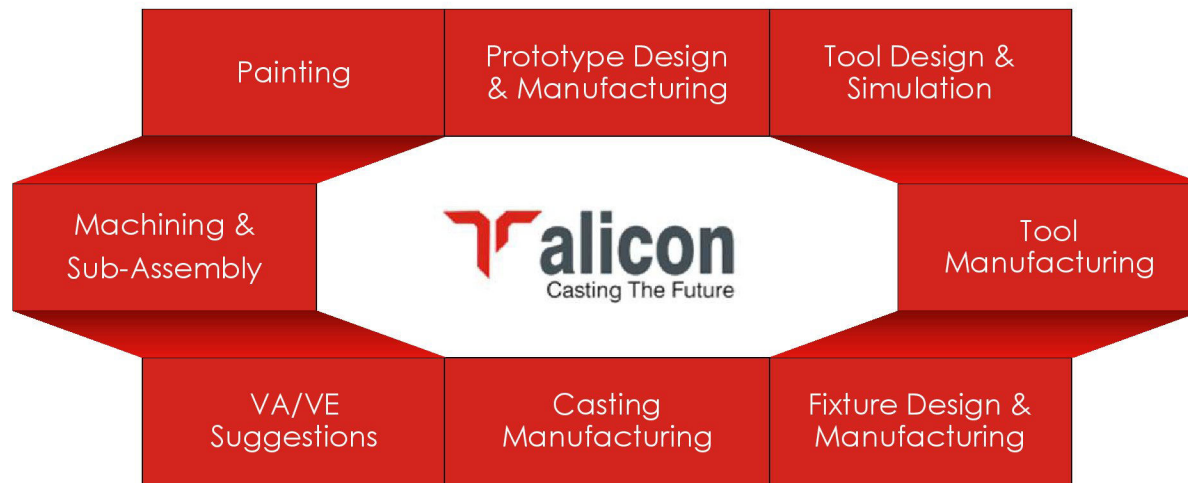
No. of permanent
employees

Alicon Castalloy – Blending the best attributes

*A blend of
European
engineering skills,
Japanese quality
and inherent
Indian ingenuity
and frugality*



One-stop shop for all engineering solutions related to aluminum alloy castings



Catering to key sectors of the Indian economy



Global Presence : Close-to-Demand



Strategic locations enable shorter time-to-market and enhanced cost optimization



4 modern plants
(1 international)

High-end machines

Advanced Technology Centre

Globally competent Tool
Rooms (20 tools/ a month)

Full-edged Machine Shop
(including assembly facility)

Austria

International Marketing
Office

Slovakia

- * Manufacturing Plant
- * Tool Room
- * Product Validation Lab

Chinchwad, Pune Maharashtra, India

- * Manufacturing Plant
- * Tool Room
- * Product Validation Lab
- * Machine Shop

Shikrapur, Pune Maharashtra, India

- * Manufacturing Plant
- * Technology Centre
- * Product Validation Lab
- * Machine Shop

Binola, Haryana, India

- * Manufacturing Plant
- * Product Validation Lab

Diversified base of marquee customers

Diversity across markets and industries provides a natural hedge

TWO WHEELER OEM

Not reliant on a single 'anchor' customer

None of the customers contribute >15% of turnover



FOUR WHEELER OEM



TIER 1 & NON AUTO



AND MANY MORE...



Financial Performance



FY23: Overview of Operating Environment (1/2)

Business & Macro-demand Highlights:

In Q4FY23, domestic automobile market witnessed 0.6% growth on a yoy basis, driven by

- 13% growth in PV segment on a yoy basis
- 6.5% growth in CV segment on a yoy basis
- 3% decline in 2W segment on a yoy basis

PVs witnessed strong growth ahead of initial expectations due to normalization of economic activity and new launches by OEMs

CVs witnessed continued growth on the back of sustained infrastructure spend and strong demand for buses due to school and office movement

2W industry's demand remained sluggish due to regulations pertaining to onboard diagnostics (OBD) causing OEMs to recalibrate their production schedules. This situation was further aggravated by unseasonal rainfall in various parts of the country impacting rural demand.

Apart from Europe, international markets, including the USA, Japan, and South-east Asia, have experienced improved growth rates. Energy costs in Europe have started to ease, which could benefit the overall macro environment

The ongoing challenge of constrained chip availability has begun to gradually ease, leading to better outlook for production by OEMs



FY23: Update on EV / Carbon Neutral Trends

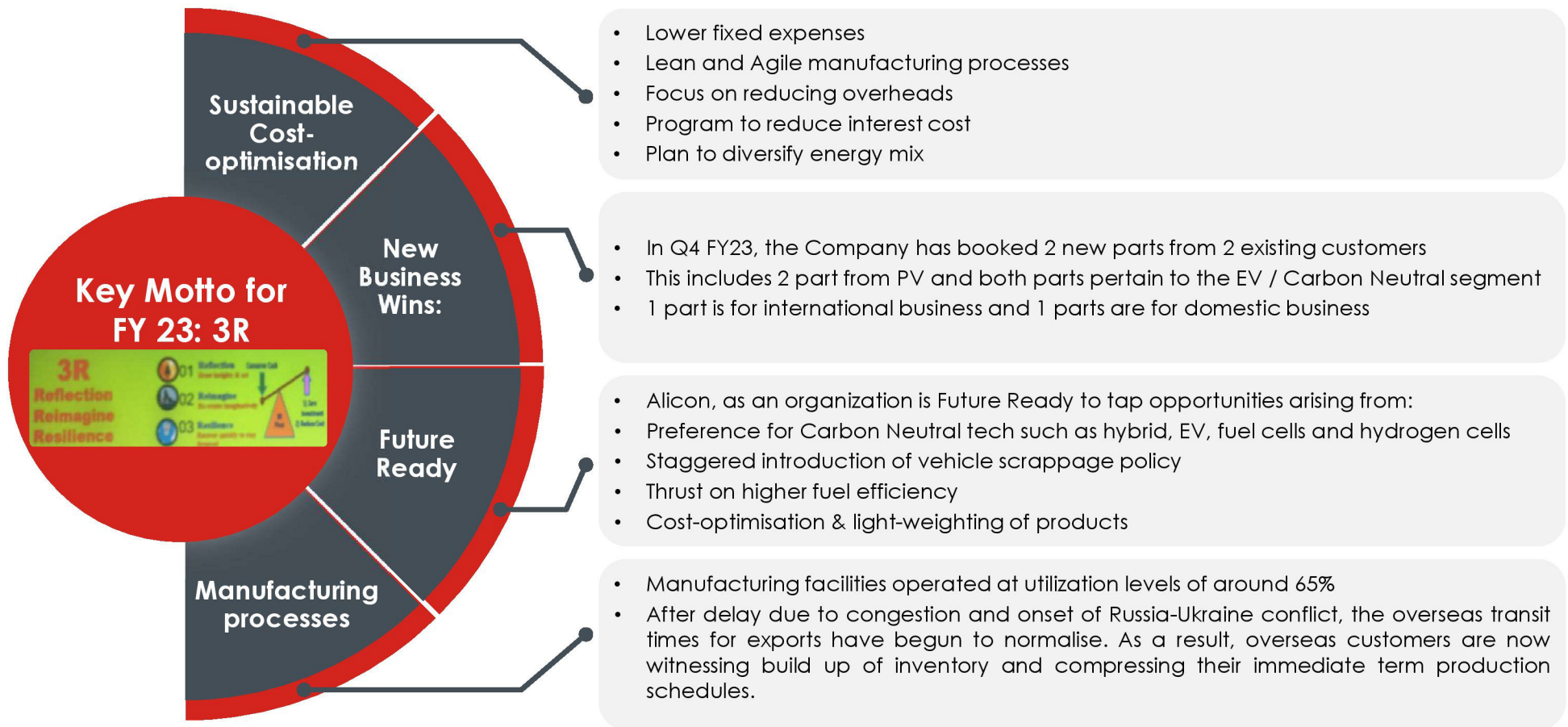
Key Highlights for the EV industry:

- Global EV Sales remained strong with a total of 10.5 million new BEVs and PHEVs delivered during CY2022, an increase of 55% compared to CY2021.
- Global light vehicle sales for CY2022 were 81 Million units, still 0.5% lower than CY2021 and 15% below pre-COVID levels. EV Sales (BEV + PHEV) represented 13% of overall light vehicle sales.
- In India, the transition is slower in the segment due to phasing out of subsidy and lack of products in the mass market segment
- In India, number of EVs sold increased from 3.2 lakh in CY2021 to around 10 lakh vehicles in CY2022, an increase of over 200%. While 1.8% of all vehicles sold in 2021 were EVs, in CY2022 that number increased to 4.7%
- Electric 2 wheeler (E2W) sales crossed 75,000 units for the first time in Oct 2022 at 75,294 and in Nov 2022 increased further to 76,148 units.
- Number of manufacturers has increased and there were over 30 pure EV manufacturers exhibiting products in Auto Expo 2023.

Source: Ministry of Road Transport and Highways – Vahan, ev-vehicles.com

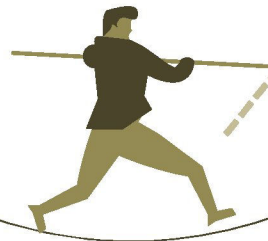


FY23 - Operational Resilience



Alicon combating the 7Cs

Auto Industry is faced with seven key challenges impacting demand & consumer sentiments



1. COVID pandemic-related disruptions

- Demand slowdown and weak sentiments due to lockdowns, job losses, reduced household income impacted auto sales

3. Cost-based inflation

- Increase in costs of vehicle fuels, aluminium, elements, energy, logistic and other logistic costs resulted in higher production expenses. This, in addition to higher selling price of vehicles impacted demand

5. Conflict between Russia and Ukraine

- Production and sales stop in Russia in addition to shortages of RMs and subcomponents will impact Europe auto production

7. Recessionary Conditions in key Customer Markets

- Combination of high inflation, interest rate hikes by Central Banks and widespread news of layoffs is expected to impact GDP growth rate and consumer spend in key global markets

2. Chip (semiconductor) shortages

- Chip shortages due to lockdowns impacted production across OEMs, resulting in loss in sales volumes and loss in customer schedules

4. Cost of new product development

- Increase NPD cycle due to complex parts led by EV evolution. Also, more trials required for reaching normal efficiency and rejection levels

6. Supply Chain Crisis in Global Auto Industry

- Constraints in container availability and congestion at ports led to extended transit times. Customers are shifting to larger inventory days in response.

Alicon combated these 7Cs through:

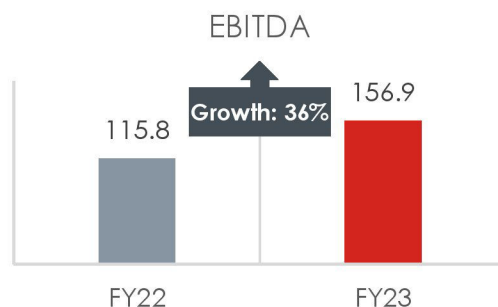
Focus on enriched product mix and driving improved volumes of higher margin products

Collaboratively working with customers to undertake price hikes

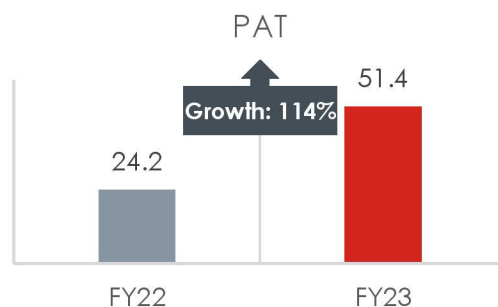
Sustained cost reduction initiatives using Kaizen principles that enabled cost reduction at a micro-level across operations

Driving higher operational efficiencies across business model

FY23 Highlights – Consolidated



EBITDA %	FY22	FY23
	10.7%	11.2%

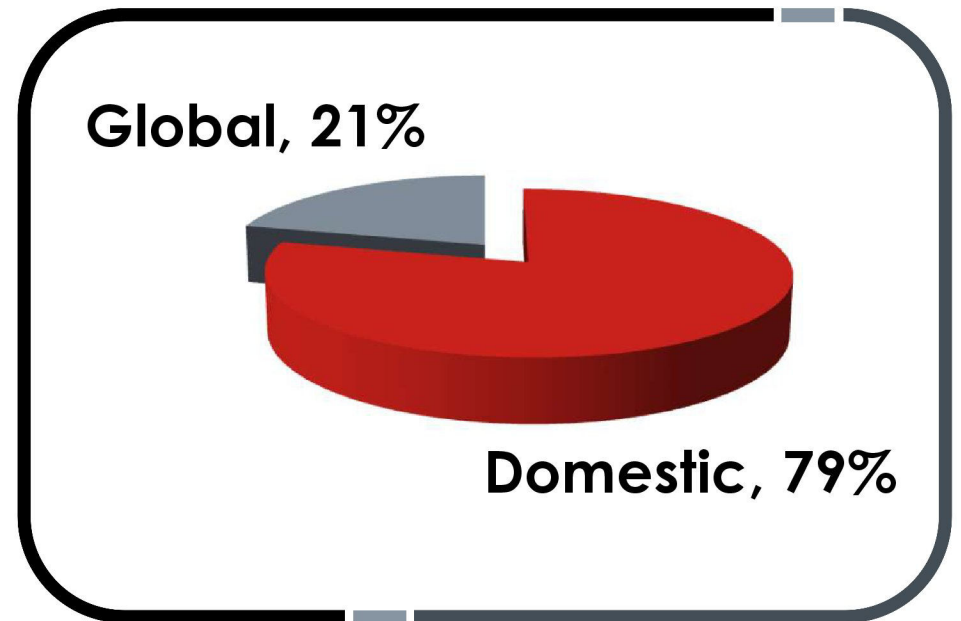
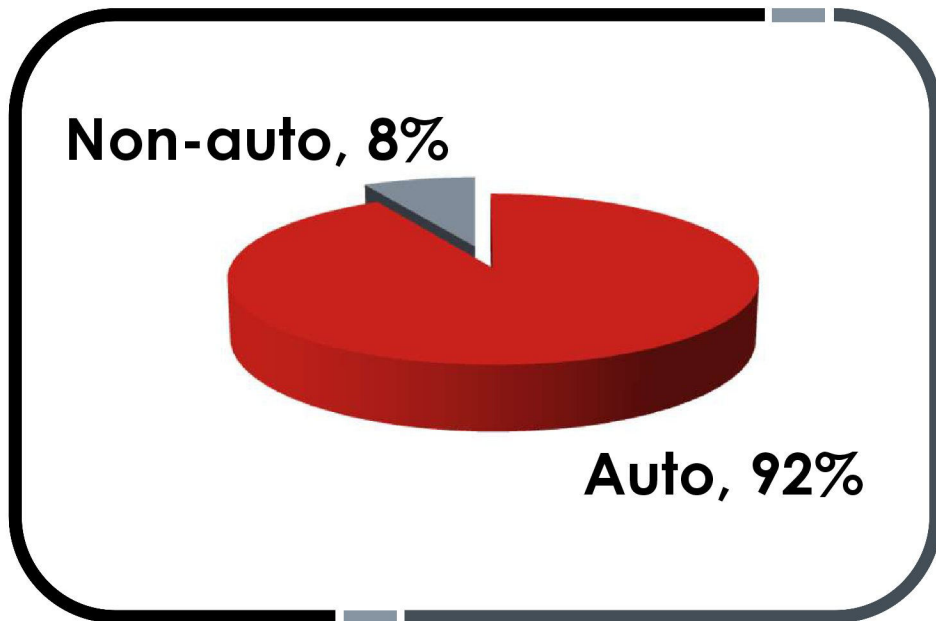


PAT %	FY22	FY23
	2.2%	3.7%

- Alicon outperformed the industry with robust revenue growth of 30% YoY in FY23
- Revenue growth has been driven by higher volumes on a y-o-y basis and start of production on new business. This has been supported by improved contribution from international subsidiary – Illichman
- Gross profit of Rs. 689.68 crore, with margin at 49.2% in FY23 compared to 49.4% in FY22. Improved revenue mix and value engineering have led to stable gross margin despite sharp rise in input prices on a YoY basis
- Reported an improved EBITDA margin of 11.2% in FY23, higher by 46 basis points YoY. New parts added with higher value addition have contributed to structurally improved EBITDA margin
- Reported sharp growth in PBT and PAT on a YoY basis

Figures in Rs. Crore

Revenue Mix – FY23



Abridged P&L – Consolidated

Particulars (Rs. crore)	Q4 FY23	Q4 FY22	Y-o-Y Shift	FY23	FY22	Y-o-Y Shift
Net Revenue from Operations	319.25	320.56	0%	1,401.16	1,078.05	30%
Other Income	1.42	0.81	76%	3.50	3.32	6%
Total Income	320.67	321.37	0%	1,404.65	1,081.37	30%
Total Expenditure	287.53	282.65	2%	1,247.75	965.57	29%
Raw Material expenses	154.50	158.91	-3%	711.88	545.48	31%
Employee benefits expense	40.06	40.63	-1%	164.90	138.10	19%
Other expenses	92.97	83.11	12%	370.98	282.00	32%
EBITDA	33.14	38.72	-14%	156.91	115.79	36%
EBITDA margin (%)	10.33%	12.05%	-171 Bps	11.17%	10.71%	+46 Bps
Finance Costs	8.56	7.14	20%	31.24	30.12	4%
Depreciation and Amortization	16.69	13.87	20%	63.56	53.09	20%
PBT	7.89	17.70	-55%	62.12	32.58	91%
Tax Expenses	(1.81)	4.49	-140%	10.69	8.40	27%
PAT	9.70	13.21	-27%	51.42	24.18	113%
PAT Margin (%)	3.03%	4.10%	-107 Bps	3.66%	2.24%	+142 Bps

Abridged Balance Sheet – Consolidated

Liabilities (Rs. Crore)	As on March 31, 2023	As on March 31, 2022
a) Shareholders' Funds	487.85	449.07
b) Non-current Liabilities (NCL)	134.20	152.15
- Long-term Borrowings	108.56	114.90
- Other NCL	25.64	37.25
c) Current Liabilities (CL)	465.52	401.14
- Short-term Borrowings	192.30	146.17
- Trade Payables	219.82	211.73
- Other CL	53.39	43.24
Total	1,087.56	1,002.36

Assets (Rs. Crore)	As on March 31, 2023	As on March 31, 2022
a) Non-current Assets	459.13	441.98
a) Current Assets	628.43	560.38
- Inventories	152.83	131.00
- Trade Receivables	440.33	396.33
- Cash & Bank balance	11.95	15.52
- Others	23.33	17.53
Total	1,087.56	1,002.36

Management Message



Commenting on the performance, Mr. Rajeev Sikand, Group CEO, Alicon Castalloy said,

“We are pleased to end fiscal year 22-23 with a consolidated total income of Rs. 1,405 crore, representing 30% growth on a year-on-year basis. Our transformation initiatives, firmly rooted in our comprehensive 5-pillar strategy, consistently reinforce our position as the preferred partner for both domestic and global customers.

Profit after tax for financial year 22-23 was Rs. 52 crore, higher by 114% on a year-on-year basis. This growth in profitability is attributed to higher volumes, driven by new parts and customers, as well as increased value addition and cost optimization measures. The Board has recommended an interim dividend of Rs. 2.5 per share in view of the performance.

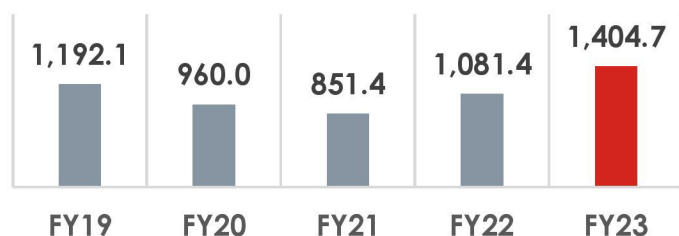
We have exerted substantial efforts to revamp our business model, positioning ourselves as an agile and diversified entity that capitalizes on our inherent strengths of design excellence, value engineering and consistent execution. Our global teams have actively fostered deeper customer engagements harnessing these capabilities leading to an improving track record and enhanced order wins.

FY23 was a year of consolidation after experiencing significant macro-economic challenges for the last 3 financial years. We believe that we have reclaimed our pre-pandemic base and will look to resume our longer term growth trajectory in FY24 on the back of a cautiously optimistic outlook.”

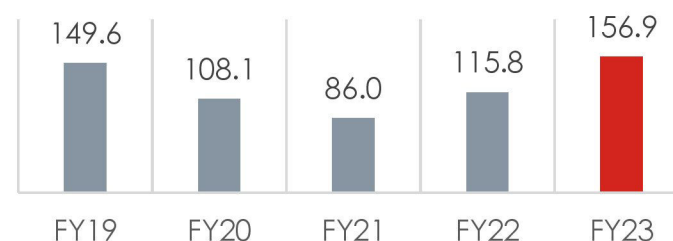
Historical Financial Trends – Consolidated



Total Income

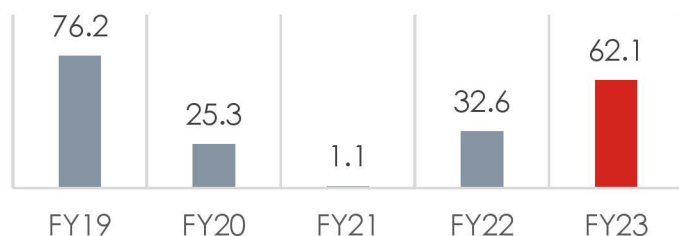


EBITDA

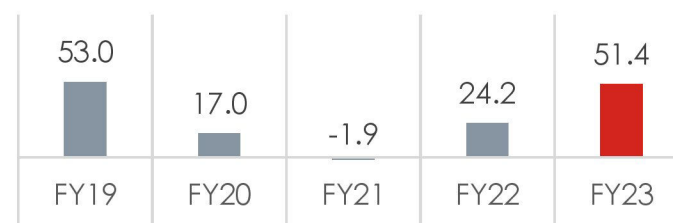


EBITDA %	FY19	FY20	FY21	FY22	FY23
	12.6%	11.3%	10.1%	10.7%	11.2%

PBT



PAT



PAT %	FY19	FY20	FY21	FY22	FY23
	4.4%	1.8%	NM	2.2%	3.7%

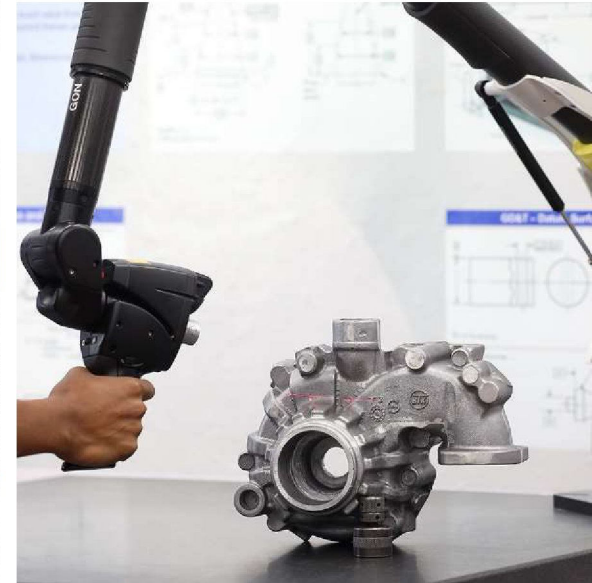
Figures in Rs. Crore

Historical P&L – Consolidated

Particulars (Rs. crore)	FY23	FY22	FY21	FY20	FY19
Net Revenue from Operations	1,401.16	1,078.05	848.57	957.19	1,188.90
Other Income	3.50	3.32	2.86	2.79	3.16
Total Income	1,404.65	1,081.37	851.43	959.98	1,192.05
Total Expenditure	1,247.75	965.57	765.41	851.29	1042.44
Raw Material expenses	711.88	545.48	412.82	487.66	599.50
Employee benefits expense	164.90	138.10	135.04	143.04	165.04
Other expenses	370.98	282.00	217.56	220.60	277.90
EBITDA	156.91	115.79	86.01	108.69	149.61
EBITDA margin (%)	11.17%	10.71%	10.1%	11.3%	12.6%
Finance Costs	31.24	30.12	36.14	39.34	35.34
Depreciation and Amortization	63.56	53.09	48.79	44.03	38.09
PBT	62.12	32.58	1.08	25.32	76.19
Tax Expenses	10.69	8.40	3.01	8.28	23.24
PAT	51.42	24.18	-1.92	17.03	52.95
PAT Margin (%)	3.66%	2.24%	NM	1.77%	4.4%



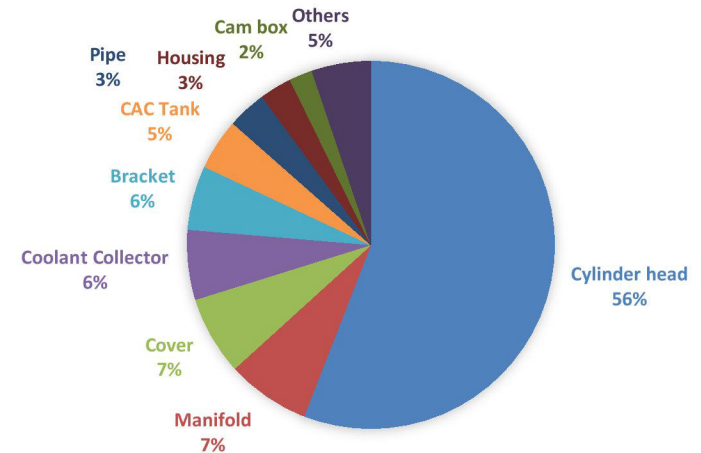
Diverse Product Offerings



Cylinder Heads – The Alicon Expertise

- Cylinder Heads constitute about **56%** of the products manufactured at Alicon. Hence deep expertise developed.
- **122** different types of Cylinder Heads manufactured over the last four decades [(4W (15%), non-auto (5%) and 2W (80%)).
- Clients ranging from local to international OEMs who have a brand loyalty towards us owing to our immaculate quality.
- Certified by International Organizations and awarded by Clients and hence recognized and preferred within the engineering fraternity.

SALES CONTRIBUTION



Types of Cylinder Heads Manufactured in LPDC & GDC:

- Diesel Cylinder Head for multi-cylinders.
- Diesel Cylinder Head for single cylinder.
- Petrol Cylinder Head for multi-cylinders.
- Petrol & CNG Engine for single cylinder.

Types of Al alloys used in Cylinder Heads:

- AC4B
- AC4C
- LM9
- LM16
- LM25
- AlSi7Mg
- AlSi9Mg
- AlSi10Mg
- AlSi11Mg
- AlSi12Mg
- AlSi9Cu3
- AlSi12CuMgNi
- LM9+2%Cu

ALICON CYLINDER HEADS – ALICON PORTFOLIO



2W	3W	4W	Non Auto
<p>9 Mn nos. yearly supplies</p>	<p>0.36 Mn nos. yearly supplies</p>	<p>0.54 Mn nos. yearly supplies</p>	<p>0.20 Mn nos. yearly supplies</p>

ALICON CYLINDER HEAD CELL

Automatic Sand core placing in die and casting extraction from die.



Automatic Sand core placing in die and casting extraction from die.



Automatic Pouring cup.



RCM machine



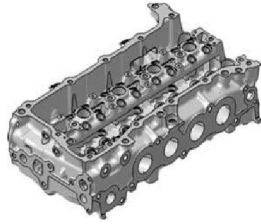
CYLINDER HEAD – USP ALICON

- Alicon made a robotic line for cylinder head first time ever for casting process.
- This robotic line will 3 dies at one time, with automatic pouring, automatic placing of sand core set in die and automatic extraction of casting from die.

Material Flow Chart

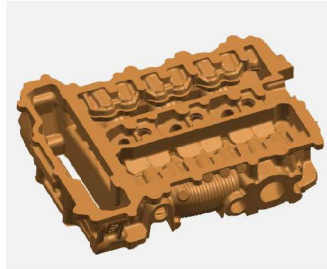


PRODUCT GALLERY CYLINDER HEAD – 4W INDIAN LOCATIONS



COMPONENT	CYLINDER HEAD
MODEL	TOYOTA
FUEL VARIANT	GASOLINE/ HYBRID_2000 cc
ALLOY	AC2C

Outsourced cylinder head for the 1st time in the history



COMPONENT	CYLINDER HEAD
MODEL	PSA
FUEL VARIANT	GASOLINE_120cc
ALLOY	AlSi7Cu0, 5Mg 0.3



COMPONENT	B08 CYLINDER HEAD
MODEL	RENAULT_NISSAN_KWID
FUEL VARIANT	GASOLINE_798 cc
ALLOY	AC4B



COMPONENT	P15 CYLINDER HEAD
MODEL	NISSAN ASHOK LEYLAND_DOST
FUEL VARIANT	DIESEL_1598 cc
ALLOY	LM25



COMPONENT	CYLINDER HEAD
MODEL	TATA ACE
FUEL VARIANT	DIESEL_798 cc
ALLOY	AlSi9Cu3



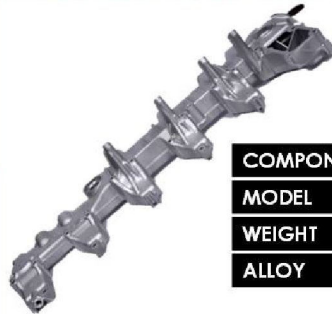
COMPONENT	CYLINDER HEAD
MODEL	TATRA_TRUCK
FUEL VARIANT	DIESEL_800 cc
ALLOY	LM25

Product Gallery Others – 2w & 4w



COMPONENT	SWING ARM
MAKE	KTM
LENGTH	690 mm
ALLOY	AlSi7Mg

DAIMLER



COMPONENT	COOLANT COLLECTOR
MODEL	DAIMLER
WEIGHT	9.5 kgs
ALLOY	AlSi10Mg

This component was earlier in sand casting, converted in Gravity Die Casting, Length is 1050 mm



COMPONENT	CHAMBER COMP
MODEL	HONDA CIVIC
WEIGHT	1.5 Kg
ALLOY	AC4B

Casting is hollow from inside



COMPONENT	WHEEL HUB
MODEL	BMW R 1200 GS Adventure
ALLOY	A356



COMPONENT	COMPRESSOR HOUSING
MODEL	TATA 1.5 L, DAIMLER FUSO
ALLOY	AC4C

Total Variants -18

Domestic – 9
Exports - 9



COMPONENT	Intake Manifold – BS4 & BS6
MODEL	Innova Crysta / Fortuner
WEIGHT	3.29 Kg
ALLOY	AC2B

Product Gallery – Non Auto

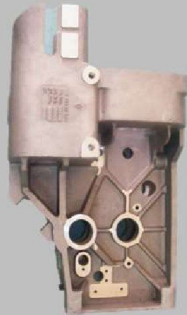
AGRICULTURE



PART	VALVE COVER
LENGTH	620 mm
ALLOY	AC4B
WEIGHT	2.20 kg

ENERGY

SIEMENS



PART	FA2 HOUSING
LENGTH	720 mm
ALLOY	Alsi10mg
WEIGHT	42 kg

MEDICAL



PART	INTERMEDIATE PLATE
LENGTH	410 mm
ALLOY	LM6
WEIGHT	3.2 kg

DEFENCE



PART	VENTILATOR
DAIMETER	568 mm
ALLOY	A356
WEIGHT	30 kg

INFRASTRUCTURE



PART	INTAKE MANIFOLD
LENGTH	450 mm
ALLOY	AC4B
WEIGHT	4.27 kg

LOCOMOTIVE



PART	VALVE HOUSING
LENGTH	153 mm
ALLOY	Alsi10mg
WEIGHT	3.58 kg

AERO & MARINE



PART	HOUSING VALVES
LENGTH	370 mm
ALLOY	Alsi10mg
WEIGHT	11.2 kg

MANUFACTURING LOCATION – ALICON INDIA

MANUFACTURING LOCATION – ALICON SLOVAKIA

CLASSIFICATION OF EV COMPONENTS

EV applications are mainly classified into 3 architectures based on specific application.

Low Voltage

KW Rating	Upto 20KW
Voltage Rating	48V
Cooling System	Air
Enclosure Architecture	Open
Casing Design	Plastic & New Materials



We involved in total 37 Low voltage parts

Mid Voltage

KW Rating	Upto 50KW
Voltage Rating	300V-450V
Cooling System	Liquid
Enclosure Architecture	Closed
Casing Design	Metal (Crash Safety)



We involved in total 12 Mid voltage parts

High Voltage

KW Rating	Upto 60KW +
Voltage Rating	600V-1500V
Cooling System	Liquid
Enclosure Architecture	Closed
Casing Design	Metal (Crash Safety)



We involved in total 39 High voltage parts