ATUL

Ref: ATULAUTO/SEs/InvestorAnalystPresentation

May 22, 2017

To,
The Department of Corporate Services,
BSE Limited, Mumbai

To,
The Listing Compliance Dept.
National Stock Exchange of India Ltd, Mumbai

BSE Script Code: 531795
NSE Script Symbol: ATULAUTO

Dear Sir,

<u>Sub: Investor/ Analyst Presentation</u>

With reference to the above subject, we are forwarding herewith Investor/ Analyst Presentation of the Company.

Please take the same on your records.

Thanking you.

Yours faithfully,
For, ATUL AUTO LIMITED,

ATUL AUTO LTD. SHAPAR

(Paras J Viramgama)
Company Secretary & Compliance Officer

ATUL AUTO LIMITED
(Corporate Identification Number: L54100GJ1986PLC016999)
Regd. Office & Factory: National Highway 8-B, Near Microwave Tower, Shapar (Veraval), Rajkot – 360024 (Gujarat)
Phone: 02827 666000 **Fax**: 02827 666029 **Website**: www.atulauto.co.in **E-Mail**: info@atulauto.co.in

ONE DIRECTION

ATUL

Disclaimer

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Content

THREE WHEELER INDUSTRY

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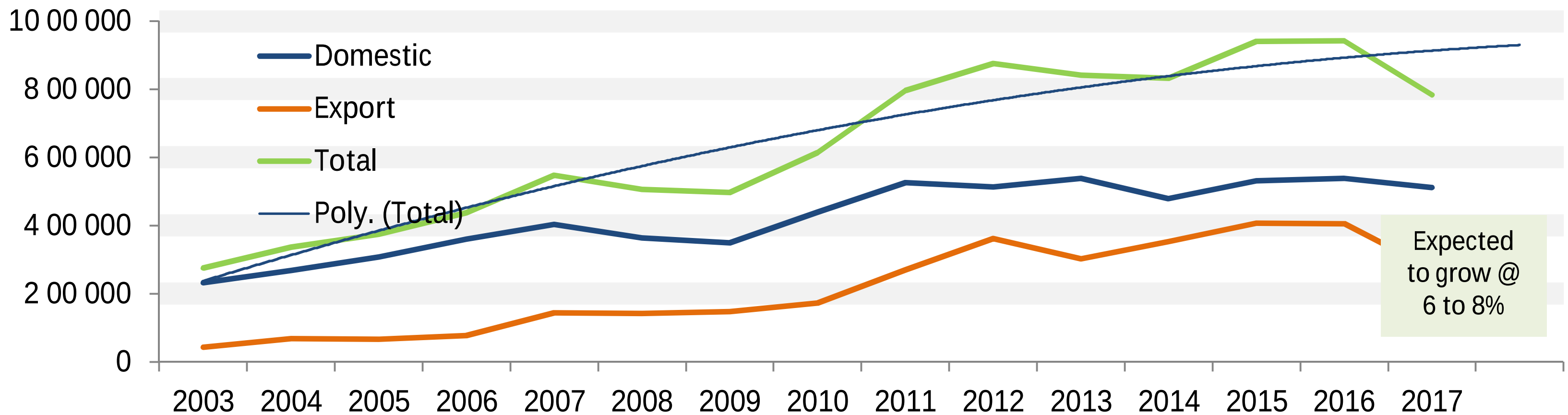
Industry – At a Glance



Domestic – 57%

5,11,658 units

- **Application**
  - Paxx 79%
  - Cargo 21%
- **Fuel-type**
  - Alt. Fuel 38%
  - Diesel 62%
- **Tonnage**
  - 0.5 Tonne 53%
  - 0.35 Tonne 47%

Export – 43%

2,71,894 units

- **Application**
  - Paxx 99%
  - Cargo 1%
- **Fuel-type**
  - Petrol 97%
  - Diesel 3%
- **Tonnage**
  - 0.5 Tonne 3%
  - 0.35 Tonne 97%

Market Overview

Typical End User	Segment	Market Characteristics
Large Corporates in FMCG, Pharma & Construction	Institutional ~15%	National presence and brand equity a pre-requisite to penetrate segment moderate volume, low margins
Mid-size companies for captive use / business proposition Fleet Operators	Captive ~20%	Regional reach, customized product & brand equity are key drivers. Growing segment with attractive margins
Individuals as means of self employment	First Time Users ~65%	Availability of finance, product characteristics, operation cost, overall low ownership cost & brand equity are key drivers

Growth in consumer driven industries such as Retail, Pharma, FMCG and infrastructure story has been driving growth in the past and likely to continue in medium to long run.

Key Enablers & Growth Drivers

- India is one of the largest manufacturer for 3-wheelers producing volume of ~800,000 units p.a. and expected to grow at 6-8% p.a. in medium term. Having a domestic market of ~500,000 units p.a..
- 3-wheeler is an important element of goods transportation in the country
  - Provides last mile connectivity in the metro and urban markets where entry of large commercial vehicles into city limits is increasingly getting restricted
  - Is the ideal and most widely used mode for goods transportation in rural and semi urban markets
- Also a cost effective mode for personal and mass transportation
- Export markets include developing and under-developed countries like Bangladesh, Sri Lanka, Indonesia, African countries and Latin American countries.

Cargo Segment

- Availability of Retail Finance through Banks and big NBFC's
- Growth in key user industries like FMCG, Pharma, Retail, Construction
- Major retail push by FMCG & Consumer product players in Tier II cities and smaller towns where 3-wheelers serve as the ideal mode of goods transportation
- Restriction imposed on Large Commercial Vehicles entry at metros and major cities

Passenger Segment

- Availability of Retail Finance through Banks and big NBFC's
- Government focus on improvement in rural road infrastructure
- 3-wheelers continue to be a popular mode of passenger transportation
- New permits for fuels like CNG/LPG driven vehicles are available more easily
- Passenger application in the rural & semi urban areas continues to grow

CORPORATE OVERVIEW

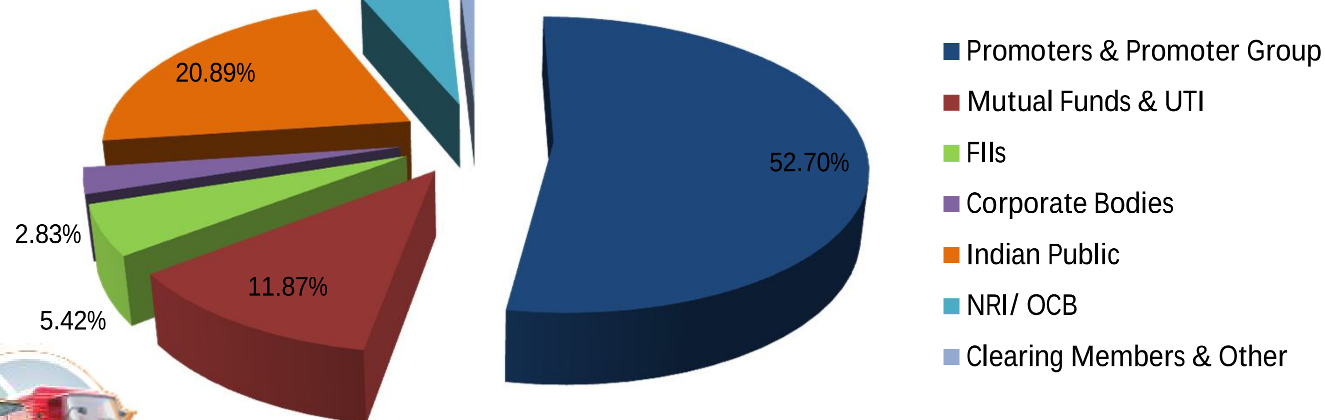
About Us

- Installed capacity of 60,000 units per annum at Rajkot Plant
- Caters to diverse customer base in the Cargo & Passenger segment, available on both the platforms i.e. 350 kgs payload capacity and 500 kgs payload capacity, multi fuel choice, i.e. Diesel, Petrol, CNG, LPG and E-Vehicles
- Enjoying Debt-free Status

Board of Directors & Share Holding

J J Chandra	Chairman and Managing Director
M J Patel	Whole Time Director & CFO
Niraj J Chandra	Whole Time Director
Vijay K Kedia	Non Executive Director
CA Hemant Bhatt	Independent Director
Hasmukh Adhvaryoo	Independent Director
Adv. H J Lalakiya	Independent Director
Dr. Margie Parikh	Independent Director

Share Holding Pattern as on 31.03.2017



Consistent Track Record of Product Development

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Road Master (RTV)

Customized Vehicle

Atul Smart (0.5T FE)

Atul Gemini Gx
(0.35T Alt. Fuel)

1975-2000 | 2000 Onwards | 2003 Onwards | 2009 Onwards | 2011 Onwards | 2013 Onwards | 2016 Onwards | 2017 Onwards

Atul Shakti (0.5T FE)

Atul Gem (0.5T RE)

Atul Gemini Dz
(0.35T Diesel)

Atul E – Lite
(0.35T Electric)

Product Portfolio

Network

- 15 Regional Offices
- 2 Training Centers

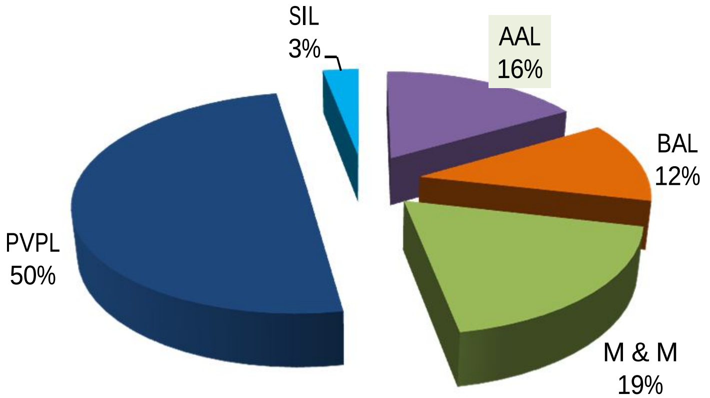
- 200 Primary Dealerships
- 120 Secondary Dealerships

Overseas Presence

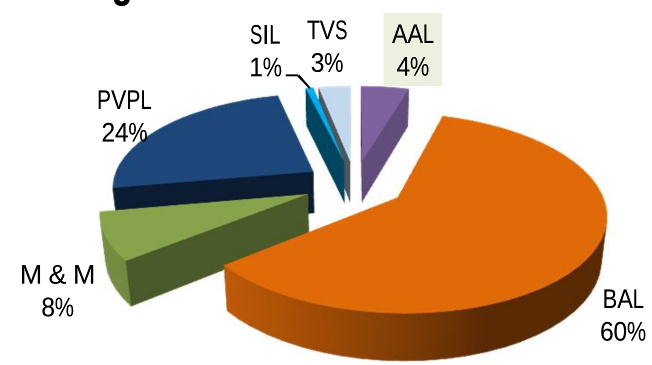
★ Bangladesh	★ Madagaskar
★ Nepal	★ Honduras
★ Tanzania	★ D R Congo
★ Kenya	★ U K
★ South Africa	
★ Nigeria	
★ Malawi	
★ Mexico	

Domestic Market Share – FY 17

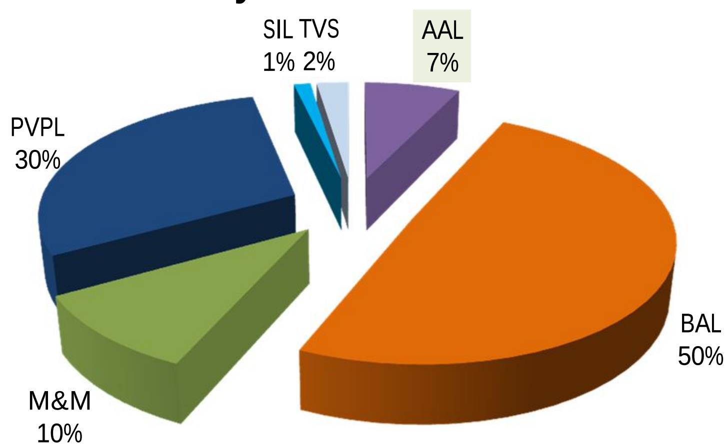
Cargo



Passenger



Domestic Industry



Source : SIAM

Growth Strategy & Expansion

- Although FY 17 has remained exceptional year in terms of growth, the management is confident that based on its value offerings in the market, it is expected that it will continue up ward and positive growth momentum in the time to come.
- The growth drivers in near terms are, network expansion - deeper penetration in the domestic market, exploring overseas market, introduction of e-vehicles in the potential domestic market and developing various application & upgrading the existing product portfolio.
- Strategic tie-ups with all leading banks and NBFC's to provide retail financing for Atul Auto's vehicles.
- Existing plant will be able to cater the growth for next 2 years with current capacity of 60,000 vehicles per annum
- Started conceiving the expansion near Ahmedabad for additional installed capacity of 60,000 vehicles per annum at an estimated Capex of INR 1500 Mn., Till FY 17, company has incurred INR 415 Mn. through internal accruals.

FINANCIAL PERFORMANCE

Financial Performance

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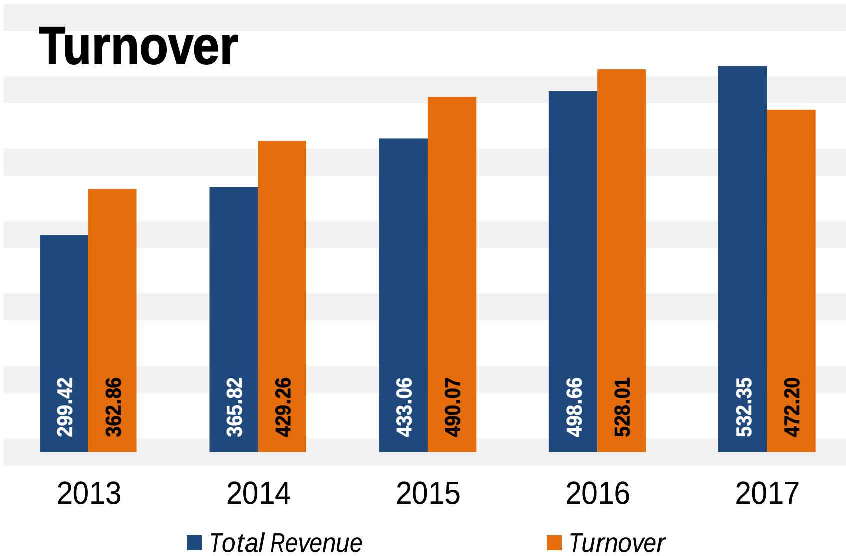
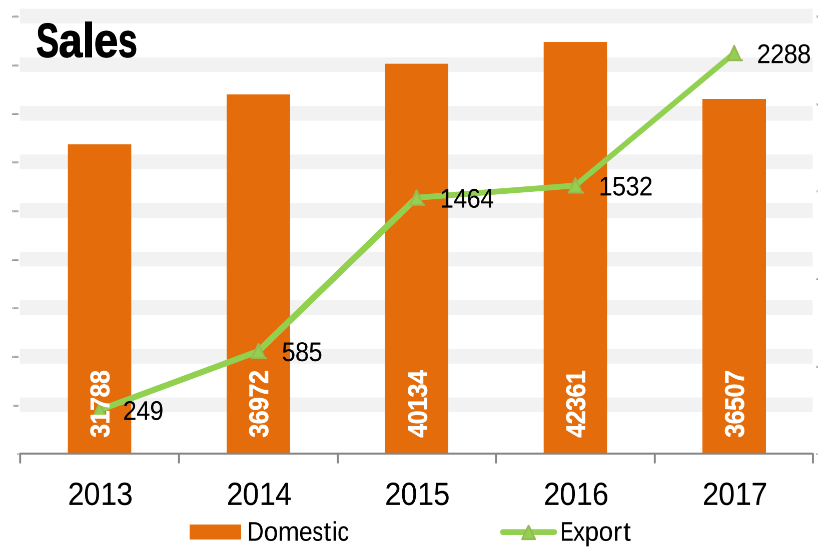
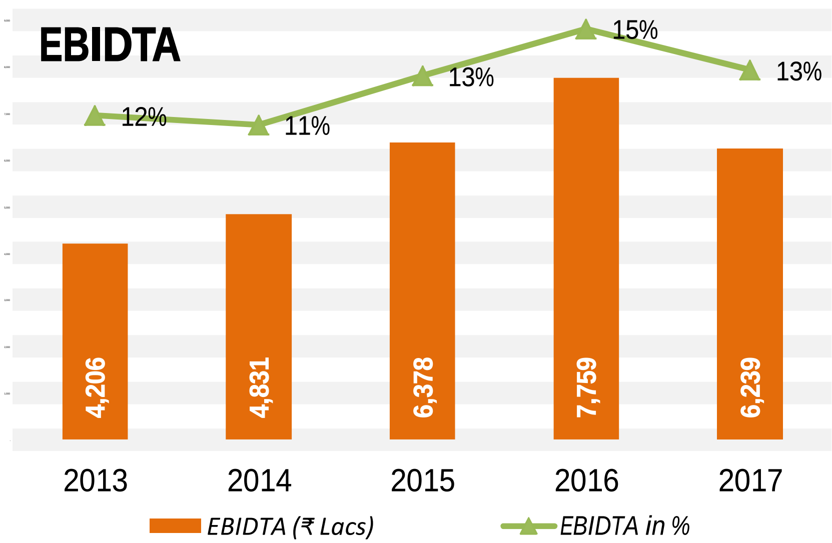
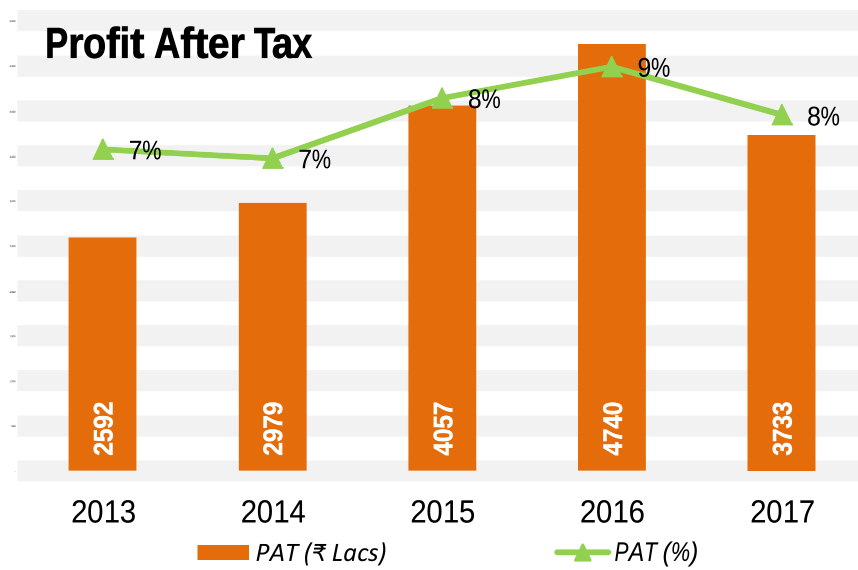


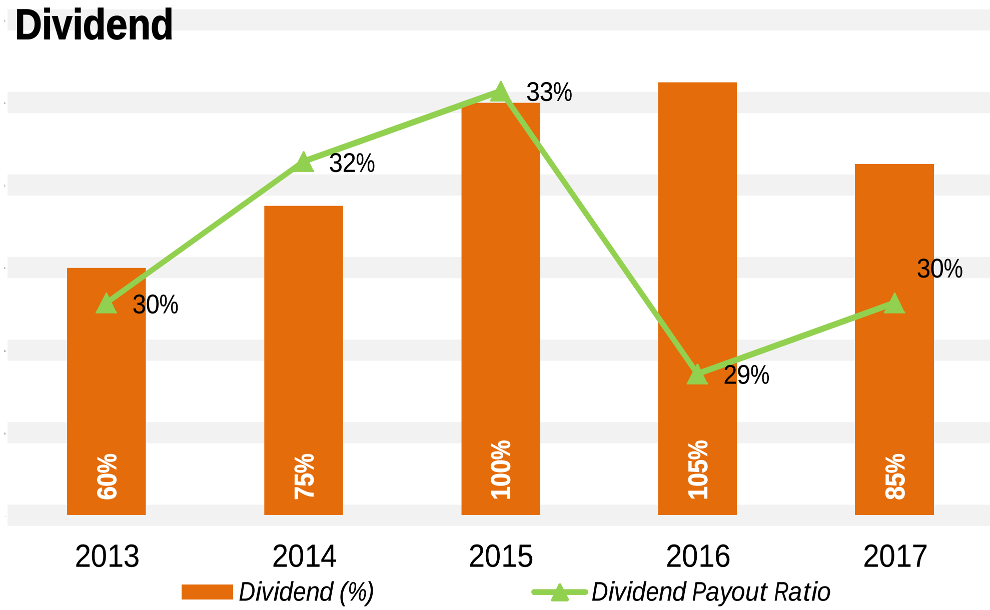


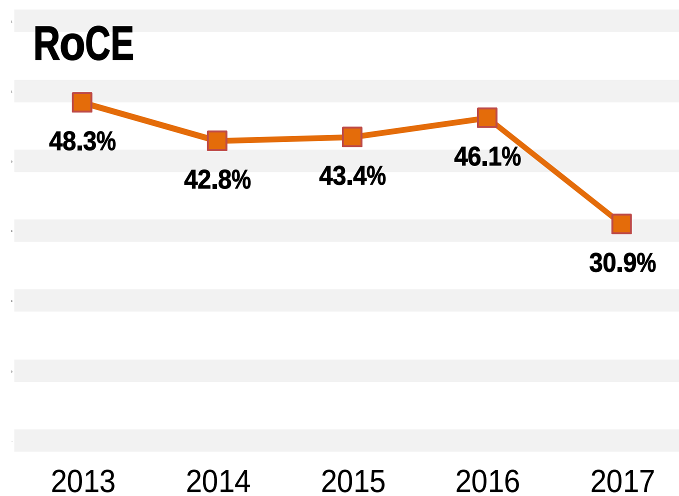
Financial Performance





Dividend History





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Key Financial Indicators

Particulars	FY 11 Audited	FY 12 Audited	FY 13 Audited	FY 14 Audited	FY 15 Audited	FY 16 Audited	FY 17 Audited
Volume (No. of Vehicles)	19,404	27,000	32,040	37,557	41,598	43,893	38,795
Turnover (INR in Millions)	2010.7	2979.8	3,628.6	4,292.6	4,900.7	5,280.1	4722.0
Growth (on TO)		48.2%	21.8%	18.3 %	14.2%	7.7%	-10.6
Op. EBIDTA (INR in Millions)	189.8	275.5	400.8	453.9	579.2	762.9	598.6
Op. EBIDTA (%)	9.4%	9.2%	11.0%	10.6%	11.8%	14.5%	13.7%
PAT (INR in Millions)	94.3	155.9	259.2	297.9	405.7	474.0	373.2
PAT (%)	4.7 %	5.2 %	7.1 %	6.9 %	8.3%	9.0%	7.9%
Equity (INR in Millions)	58.5	73.1	109.7	109.7	109.7	109.7	109.7
EPS (INR) (FV – INR 5/share)	5.4	8.3	11.8	13.6	18.5	21.6	17.0
Dividend (%)	40%	50%	60%	75%	100%	105%	85%
Return on Capital Employed (%)	32.1%	39.2%	48.3%	42.8%	43.4%	46.1%	30.9%
Debt-Equity (x)	0.2	0.1	0.0	0.0	0.0	0.0	0.0

THANK YOU

Rgd Off: 8-B, National Highway, Nr. Microwave Tower, Shapar-Veraval - 360024
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