

RAIL:SEC:2017

July 12, 2017

| | |
|---|--|
| BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001 Scrip Code - 520008 | National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E) Mumbai - 400 051 Scrip Code - RICOAUTO |
|---|--|

Sub : **Investor Presentation – July, 2017**

Dear Sir/Madam,

Please find enclosed the Presentation which will be made by the Company to the Analyst/Institutional Investor Meeting being held today from 10.30 AM. The presentation is also available on the website of the Company www.ricoauto.in.

Kindly acknowledge receipt and take the same on record.

Thanking you,

Yours faithfully,
for **Rico Auto Industries Limited****B.M. Jhamb**
Company Secretary
FCS : 2446

The RICO logo is displayed in a bold, blue, sans-serif font. The letters are thick and closely spaced, with a slight shadow effect behind them. The 'O' is a solid circle.

RICO AUTO INDUSTRIES LIMITED

A large, modern, multi-story building with a curved facade and a glass-enclosed upper section. The building is light-colored with dark window frames. The RICO logo is visible on the glass section. In front of the building, there are several flags on poles, including the Indian national flag and two white flags with logos. The sky is blue with scattered white clouds. The foreground shows a paved area and some greenery.

**A world class integrated supplier of
Automotive Components & Assemblies**

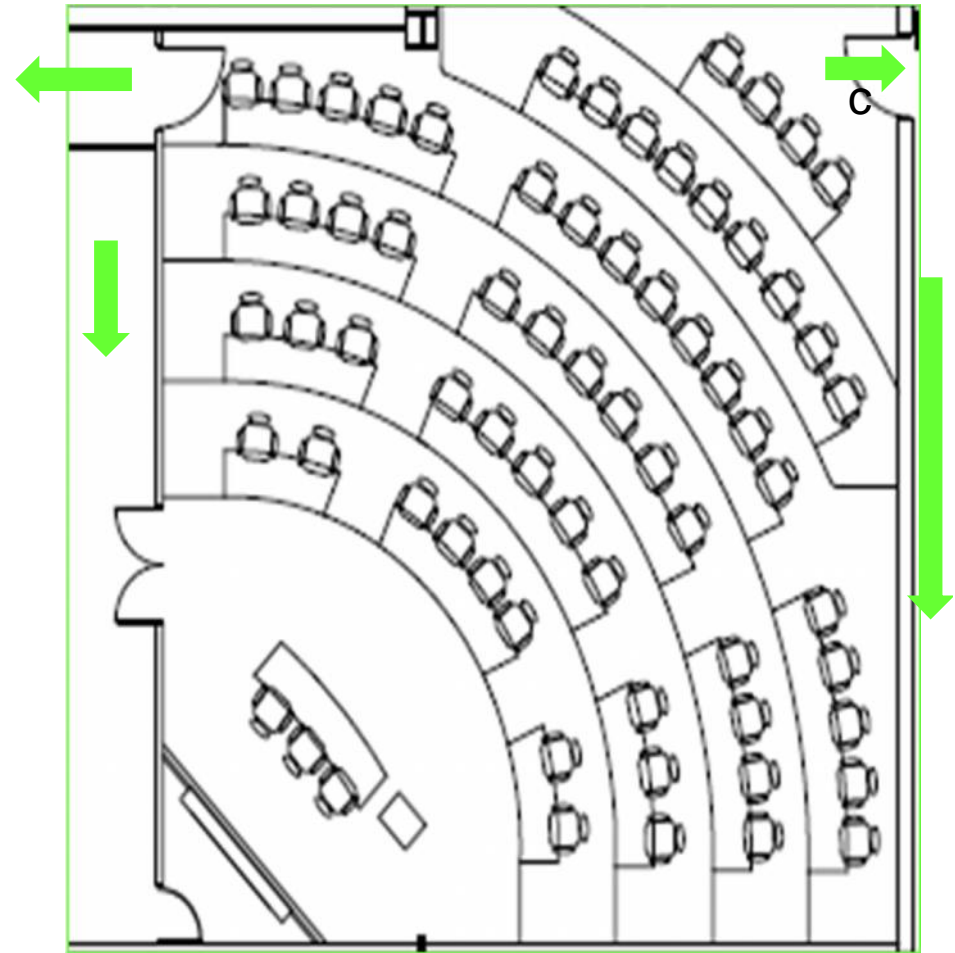
Investor Presentation

July 2017

Safety Is Our First Priority.

❖ Evacuate in case of emergency by hearing a long hooter. Follow the following steps:

- Use the emergency exits and move towards nearest Assembly Point No.-2 in front of dispensary.
- During Plant Tour - Follow the host Instruction to reach safely at emergency exits.
- Follow Your host.
- Maintain distance from machines.
- Only follow the Red path designated for walking





Safe Harbor Statement

All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by us. Although Rico Auto Industries Limited believes that the expectations reflected in such forward looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and Rico Auto Industries Limited undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by, forward looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

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Preferred partner to OEMs

- Client engagement from concept to completion stage
- Strong in-house R&D capabilities.
- Long-established relationship with OEMs.



Strategically located plants

- Proximity of its plants to the OEMs.
- Just in time approach
- Last Mile Connectivity for overseas customers



4 decades of Execution Experience

- Excellence in engineering critical products.
- Strong focus on product & process innovation.

De-risked Business Model

Extensive product portfolio :

- Passenger vehicles,
- Commercial / Off Road Vehicles
- 2 Wheelers
- System Suppliers
- Balanced business: Segments / Geography

Vision To be the preferred supplier to OEM's across the Globe.

Strategies

World Class Quality

ISO TS 16949, ISO 14001, OHSAS 18001

Preferred Supplier

Customer Focused Enterprise,
Efficient Account, Program &
Launch Management

Globalization

Global Teams, Global Presence &
Scale

Integrated Services - Concept to Delivery

Design, & Development , Testing
& Validation, Tooling &
Prototyping, Casting(Aluminum
& Ferrous), Machining &
Assembly, Logistics Management

People

Training, Skill Building,
Empowerment and Leadership

Shareholder Value

Focus on return on Capital
Employed Consistent Dividend
Distribution

E

ENTREPRENEURSHIP

The power of persuing new challenges with speed, flexibility and ownership

T

TEAMWORK

The power of working together

I

INTEGRITY

The power of honesty and transparency

C

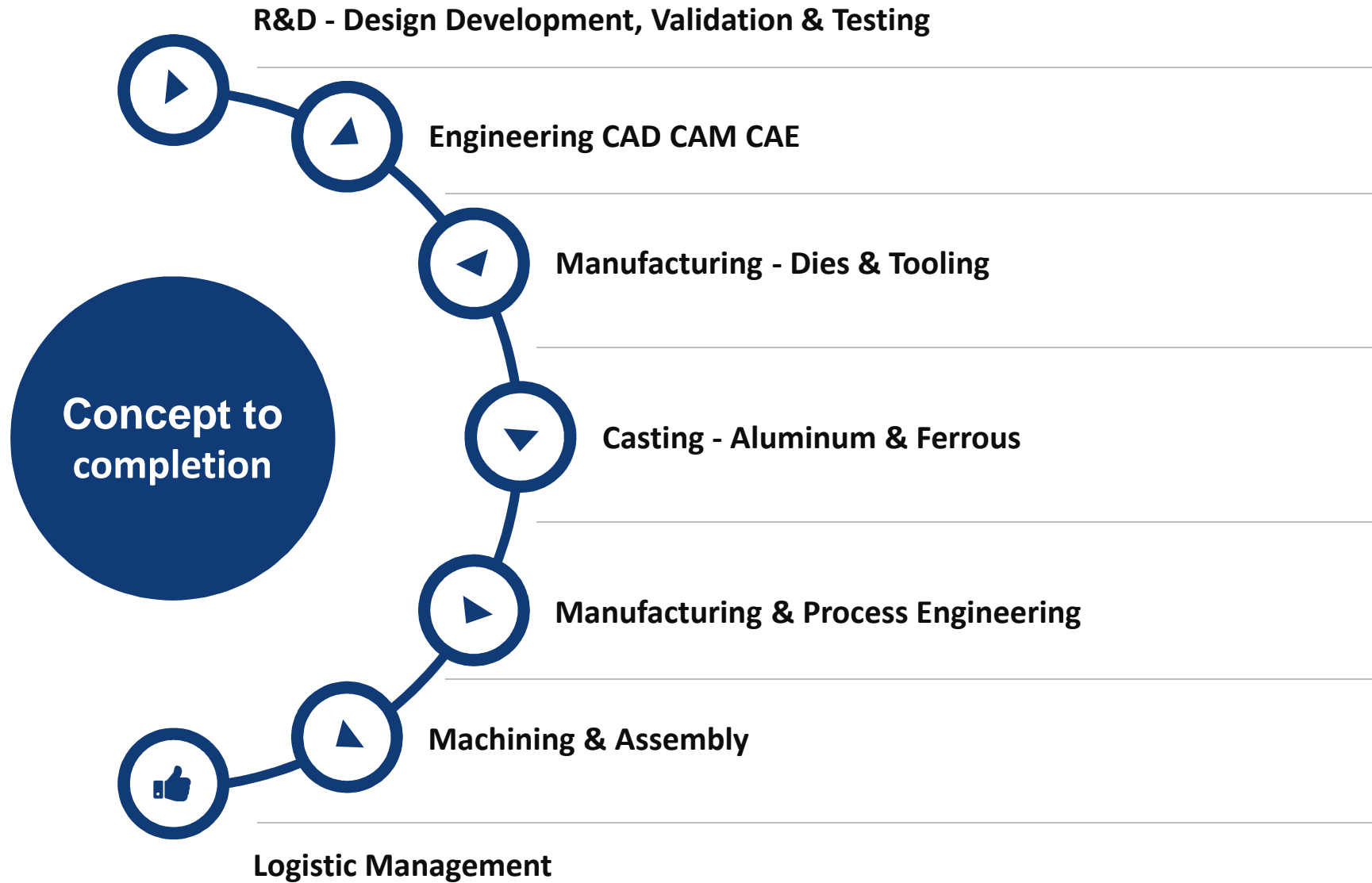
COMMITMENT

The power of responsibility, accountability and ownership

EX

EXCELLENCE

The power of being the best





| | | |
|----------------|--|-----------------------------------|
| 2015-17 | Added new facilities- Plants At Bawal & Chennai Added Customers – Bentley, PSA | VDA 6.3 CAT SQEP-Silver |
| 2010-14 | Added new facilities - Plants At Bhiwadi, Sanand, & Haridwar Added Customers – Musashi, GKN, Toyota, VW, Kohler, Avtec | GM QSB |
| 2007-09 | JV with MAGNA Powertrain (Oil Pump, Water Pump) JV with Jinfei China (Aluminum Alloy Wheels – 2 Wheelers) Added Customers – JATCO, Magna, Renault, BMW | FORD Q1 CAT SQEP-Bronze |
| 2004-06 | R&D Center Started Added Customers – NISSAN, TATA, Perkins | |
| 2003-04 | Enhanced Ferrous and Aluminum Capacity Added Customers – GM, Caterpillar, Honeywell, Detroit Diesel, Volvo | |
| 2000-02 | Full Service Engineering Design Development Added Customers – FORD, Landrover, Jaguar | TS 16949 ISO 14001 OHSAS 18001 |
| 1999-00 | Aluminium Die Casting & Machining (<i>Gurgaon</i>) | QS 9000 |
| 1994-96 | JV (50:50) FCC RICO (Clutch Assembly) Started Exports – GM, Eaton, Cummins | |
| 1990-92 | International Market OEM Supplier – MEC Japan Ferrous Casting & Machining (<i>Gurgaon</i>) Focus – Maruti Suzuki | ISO 9000 |
| 1985-86 | Technical Collaboration FCC Japan Commercial Production Started (1986) Aluminum Die Casting & Machining (<i>Dharuhera</i>) Focus – Hero Honda & Maruti Suzuki | |



Arvind Kapur

Chairman, CEO & Managing Director



Kanwal Monga
Independent Director



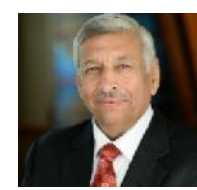
Amarjit Chopra
Independent Director



Dr. Ashok Seth
Independent Director



Satish Sekhri
Independent Director



Rajeev Kapoor
Independent Director



Vinod Kumar Nagar
Independent Director



Rakesh Kapur
non-executive director



Upasana Kapur
Non-executive director



Arun Kapur
Joint Managing Director



Surendra Singh
President & COO



Rakesh Sharma
Vice President Finance



R. K. Miglani
Vice President Operations



M. K. Jain
Vice President (Corporate Quality)



R. Dharna
Vice President Operations



Sandeep Rajpal
Vice President Marketing



Abhishek Kulshrestha
Vice President (Procurement, Vendor Devp. & After Market.)

Advisory Committee



N. K. Sethi
Management Advisor



O. P. Aggarwal
Financial Advisor



B. M. Jhamb
Company Secretary

Company Secretary



Manufacturing Locations - 14



15 Acres

BAWAL
(Al. HPDC, Machining)



5 Acres

MANESAR
(Al. GDC, Machining)



12 Acres

BHIWADI / PATHREDI
(Machining)



27 Acres

GURGAON
(Corporate, R&D, Tool
Manufacturing, Ferrous Casting, Al.
HPDC, Machining)



5 Acres

DHARUHERA
(Al. HPDC, Machining)



2 Acres

HARIDWAR
(Al. HPDC, Machining)



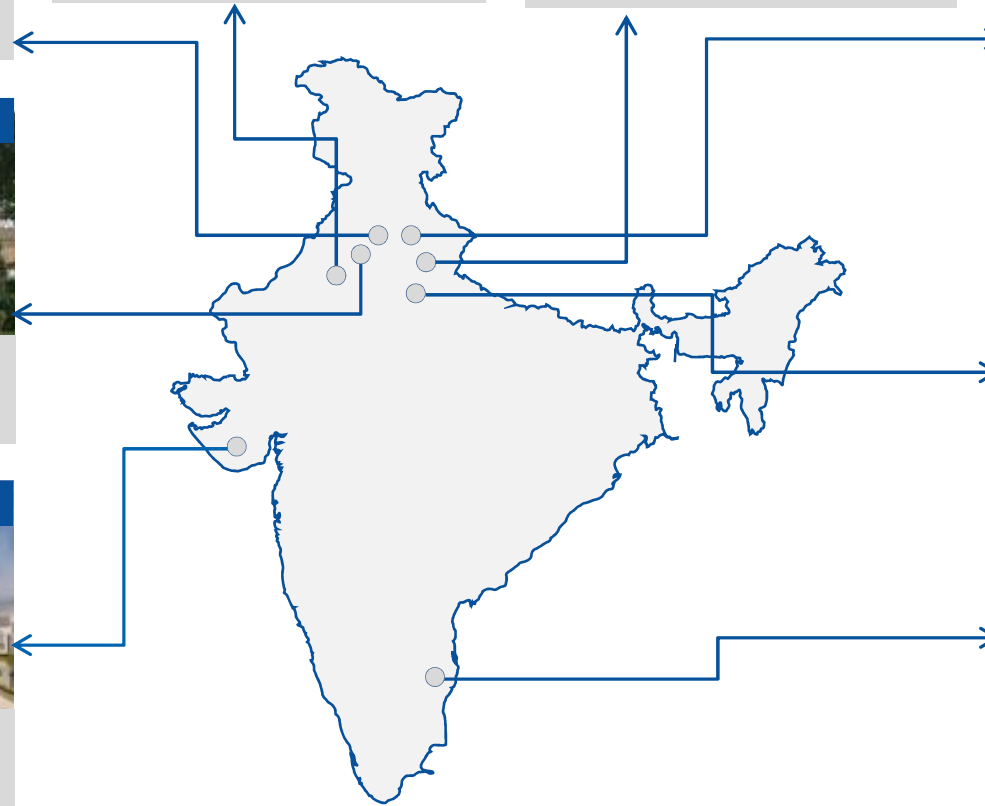
5.5 Acres

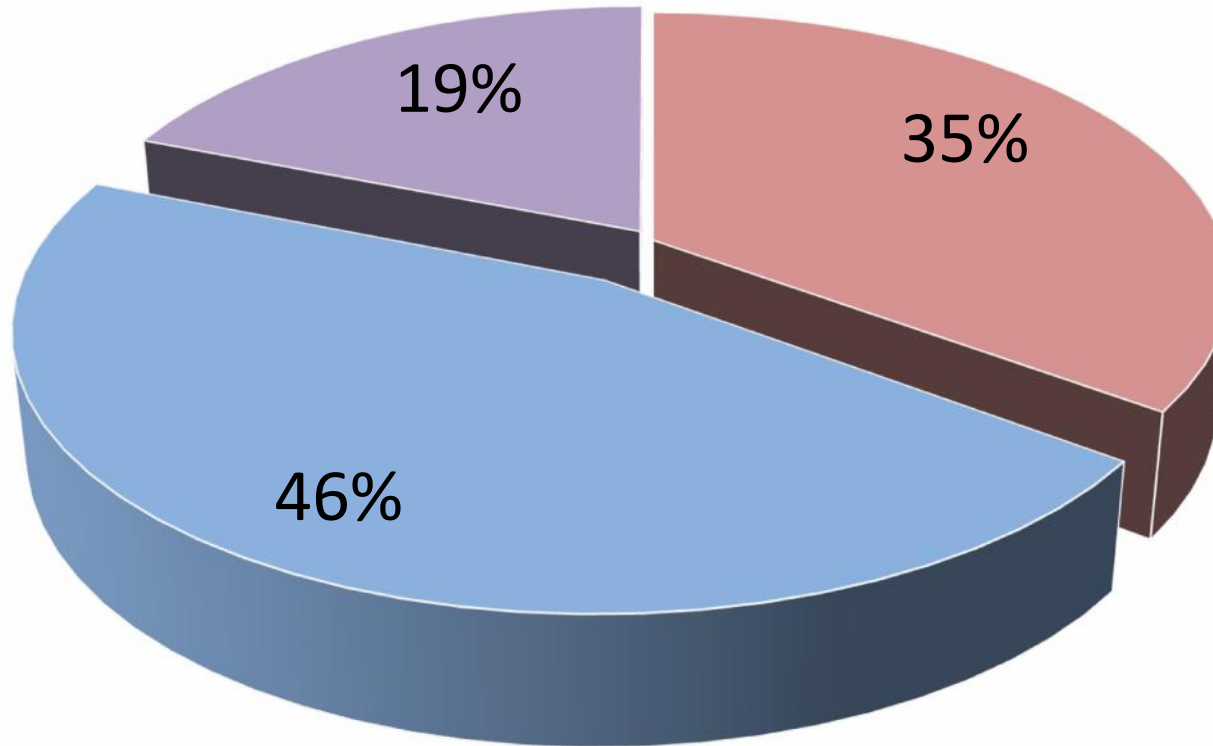
SANAND
(Al. HPDC, Machining)



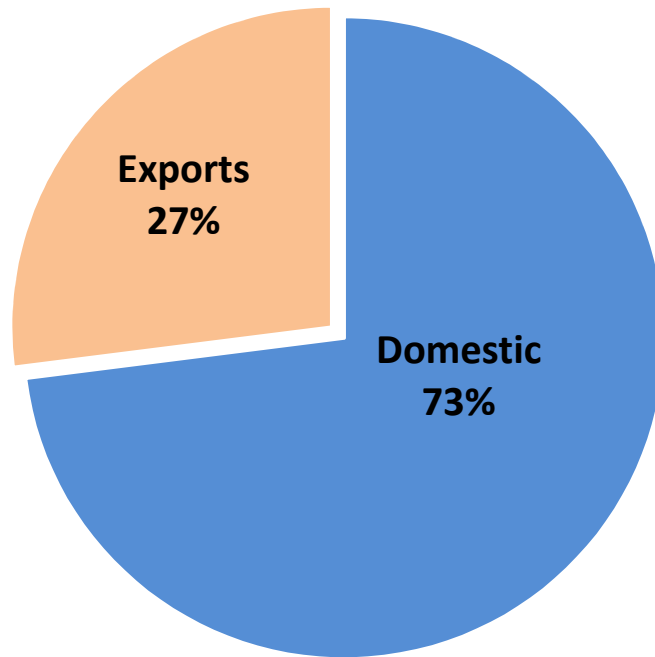
12 Acres

CHENNAI
(Al. HPDC, Machining)

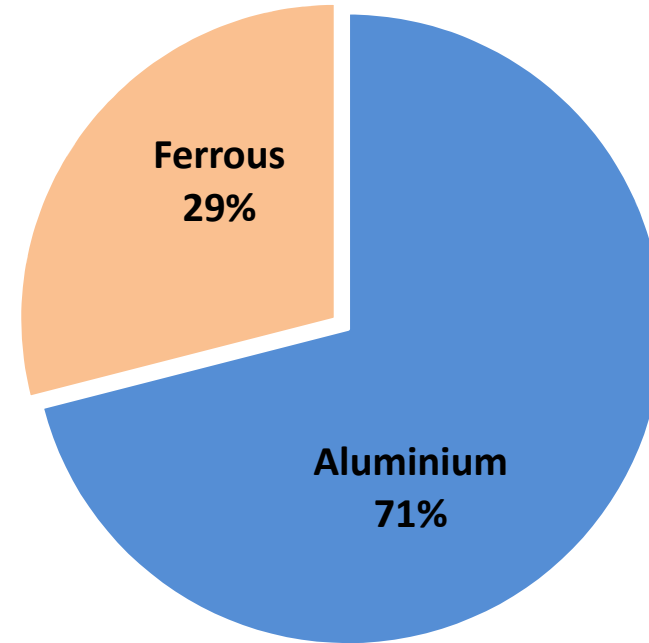




■ Engine ■ Transmission ■ Chassis Suspension & Braking System



■ Domestic ■ Exports



■ Aluminium ■ Ferrous



Assy. Cover Cylinder Head (Suzuki, GM)



Balancer Shaft (GM)



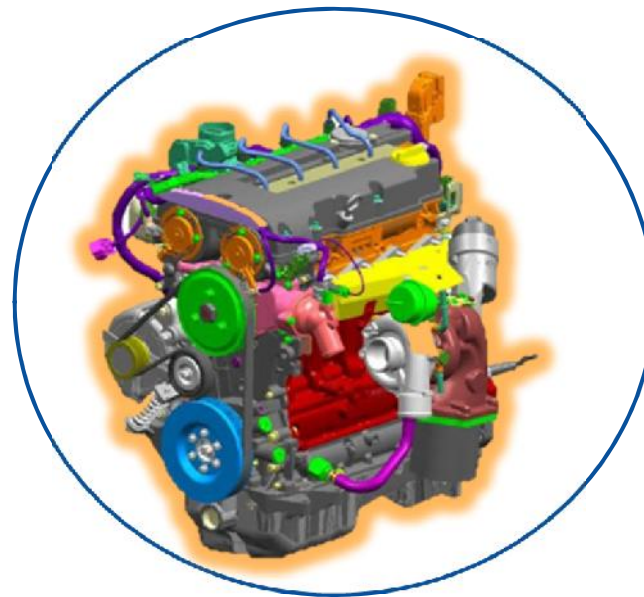
Exhaust Manifold (Renault, Nissan, Suzuki)



Turbine/ Center Hsg (Nissan, Tata, GM, Suzuki, Fiat, Honda, Ford, Hyundai, JCB)



Engine Block (Renault, Tata)



Case Chain/ Case Timing (Honda, Renault, Suzuki)



Engine & Support Brackets (Suzuki, Renault, VW, Volvo)



Oil Pan (Suzuki, Honda, GM, Tata)



Bearing Cap (Renault, Cummins)



Turbo Outlet (Renault)



EGR Pipe (Renault)



Cam Cap Support / Ladder Frame (Renault, Suzuki)



Transmission Case
(Eaton, Renault, Suzuki)



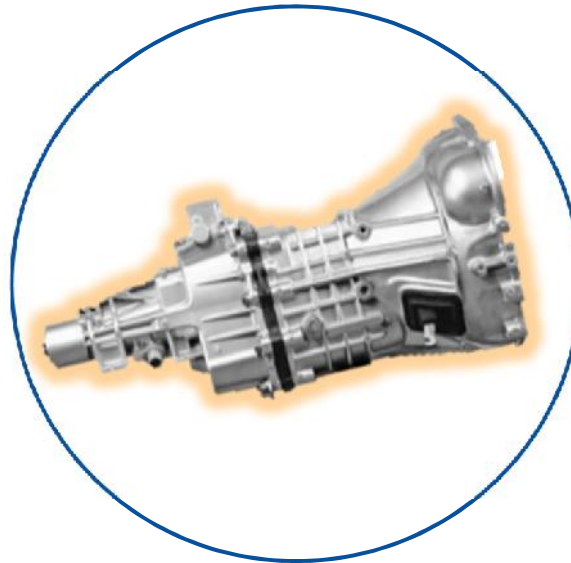
Clutch Housing
(Renault, Eaton)



Shifter Forks
(Suzuki)



Clutch Plate
(Eaton)



Ground Sleeve & Shaft
(Allison)



Differential Case & Housing
(BMW, GKN, Suzuki, Ford, Honda)



Retainer Bearing
(Jatco)

Four Wheelers



System Supplier



Two Wheelers





Oil Pump
Water Pump
(Automotive Engines)
(India & Europe)

50% : 50%



| Year | FY 15-16 | FY 16-17 | |
|---|----------|----------|-------|
| Oil & Water Pump Assemblies (Nos in Mn) | 1.21 | 1.46 | ↑ 28% |
| Turnover (INR CR) | 68 | 87 | |



Aluminum Alloy Wheels
Two Wheelers

93.49% : 6.51%



| Year | FY 15-16 | FY 16-17 | |
|-----------------|----------|----------|--------|
| Alloy Wheels | 8,56,000 | 9,55,000 | ↑ 5.4% |
| Turnover INR CR | 74 | 78 | |



AAN ENGINEERING INDUSTRIES LTD.



Enlisted and Registered with DGS&D, & DPSU's (HAL, HVF, ECIL)

| Year | FY 15-16 | FY 16-17 |
|-------------------|----------|----------|
| Turnover (INR CR) | 0.29 | 3.69 |

- Aftermarket Business Initiated on 20th May'2017
- First Phase – 2W Range
- Second Phase – 4W Range from Jan.'2018



Product Spectrum



WHEELS & BRAKING SYSTEMS



CLUTCH ASSEMBLY & COMPONENTS

Electric Programs

- Motors - Covers & Housings
- Transmission - Housings & Diff Cases
- Light Weighting – Structural Parts

Products

- Turbo Manifolds
- Water-cooled Bearing Housing
- Clutches for Motorcycles
- CVT for Scooters

New Metallurgy

- Stainless Steel
- Low Si Cu Mg Alloy (Rico Spec)





**Over 100 High Pressure Die Casting Machines (upto 2500 Tns Locking Force)
Largest High Pressure Die Casting Capacity in India including GDC & LPDC.**



4 Molding Lines - 2 DISA & 2 Horizontal (SINTO & DISA)
Vertical Size (650 * 535 * 130~330) & Horizontal Size (610 * 510 * 200+200)
Material: Gray (FC), Ductile (FCD), SiMo, SiMo Chrome



Over 2000 Machines (CNCs & SPMs)

One of the Largest Machining Facility in India

Over 50% of Our Product Range is with Assemblies

PATHREDI (near Bhiwadi)

New Iron Foundry & Machine Shop
Target – June 2018



BAWAL

New Machine Shop Ready
Aluminium Casting Shop Expansion - July 2017



CHENNAI

Aluminium Casting & Machine Shop Expansion
Target - August 2017





Capabilities (Over 60 Seats)

CAD – CAM

NX, Pro E, Catia, C3P, Ideas, Vericut

CAE - FEA, CFD, Ansys, FCX, MSC Fatigue

Magmasoft, 3D Printing

Advantages

Concurrent Engineering with Customers

Inhouse Designing, Prototyping & Special CNC Machine Building

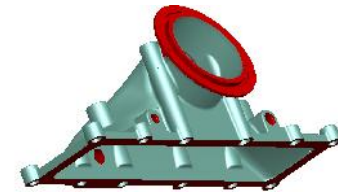
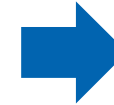
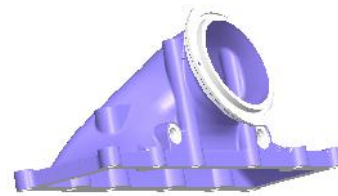
Shorter development time.

○ Process Change

○ Weight Reduction

○ Quality Improvement

○ Machining elimination



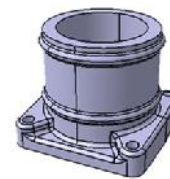
Process Change – GDC to HPDC
Weight Reduction – 0.55 Kg



Quality Improvement
Weight Reduction – 0.50 Kg



Process Change – GDC to HPDC
Weight Reduction – 1.80 Kg



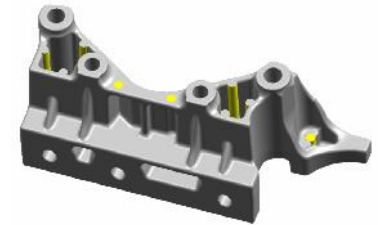
Process Change – GDC to HPDC
Weight Reduction – 0.85 Kg
Machining Elimination

NTA BRACKET

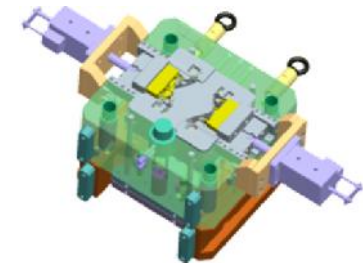
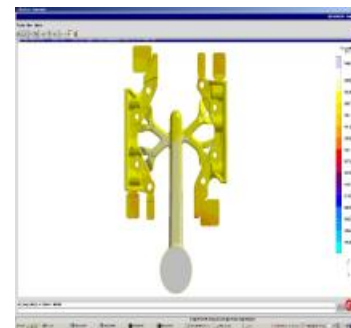
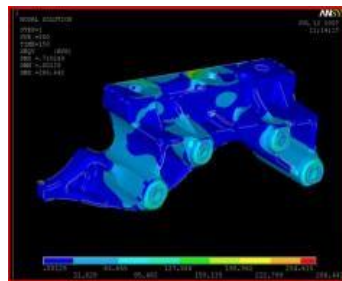


OLD PART WT
1.100 Kg

NEW PART WT
0.810 Kg



- PART PRODUCED IN HPDC PROCES
- MEETING POROSITY REQUIREMENTS
- MEETING STRENGTH REQUIREMENT





Manufacture over 250 Dies & Patterns and 800 Die Inserts Annually

Design & Manufacturing

- Dies for HPDC Critical Parts upto 2500 T
- Dies for LPDC & GDC dies.

PV

6-9 %

M&HCVs

9-12 %

LCV

6-9 %

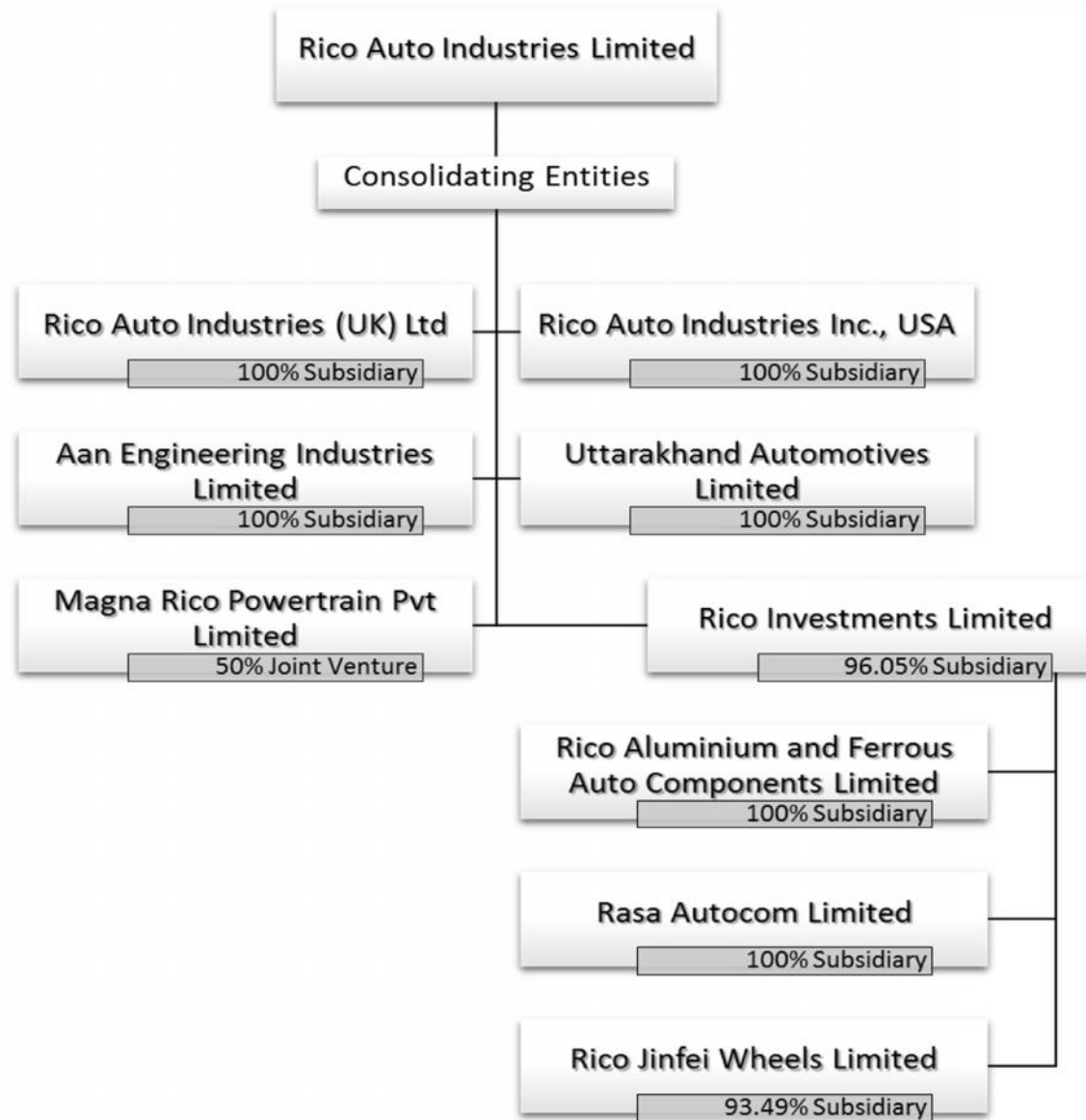
Two Wheelers

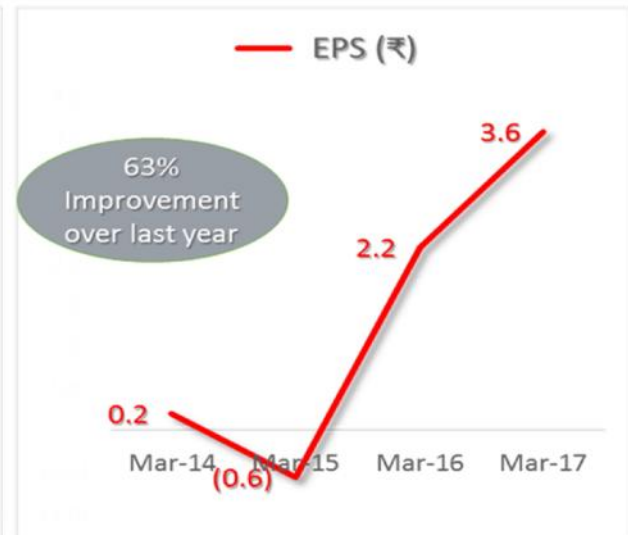
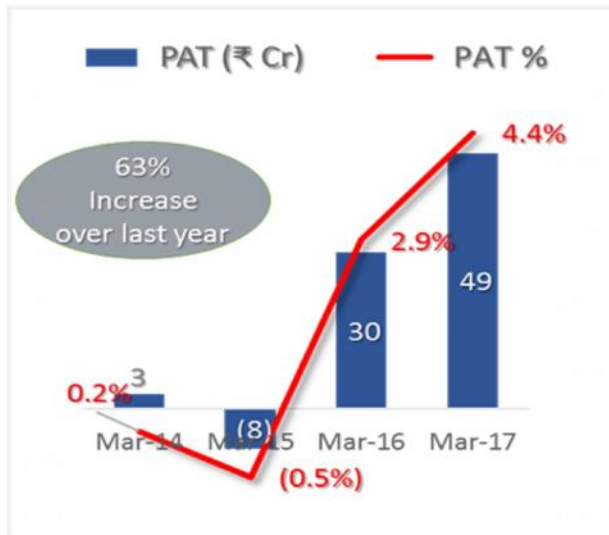
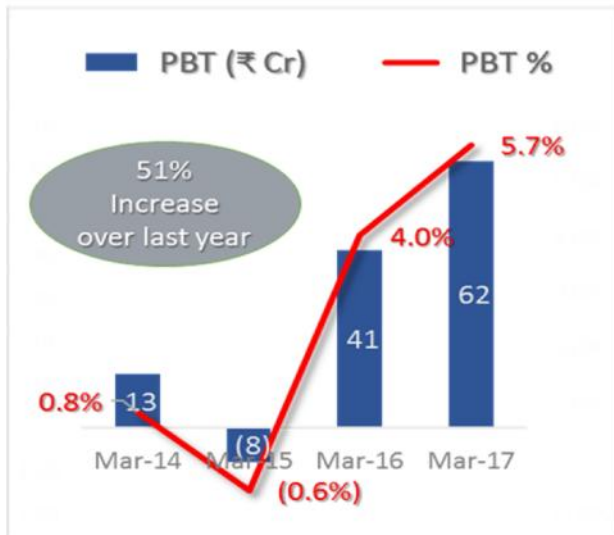
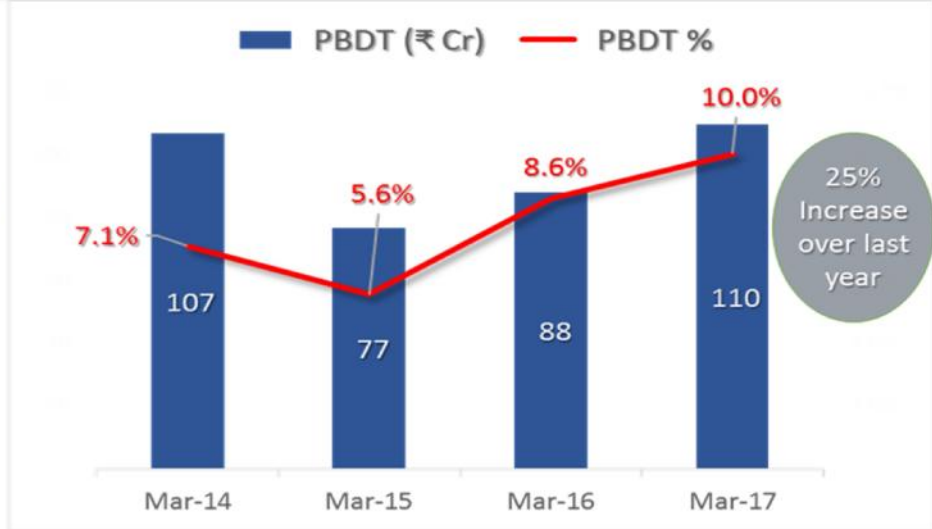
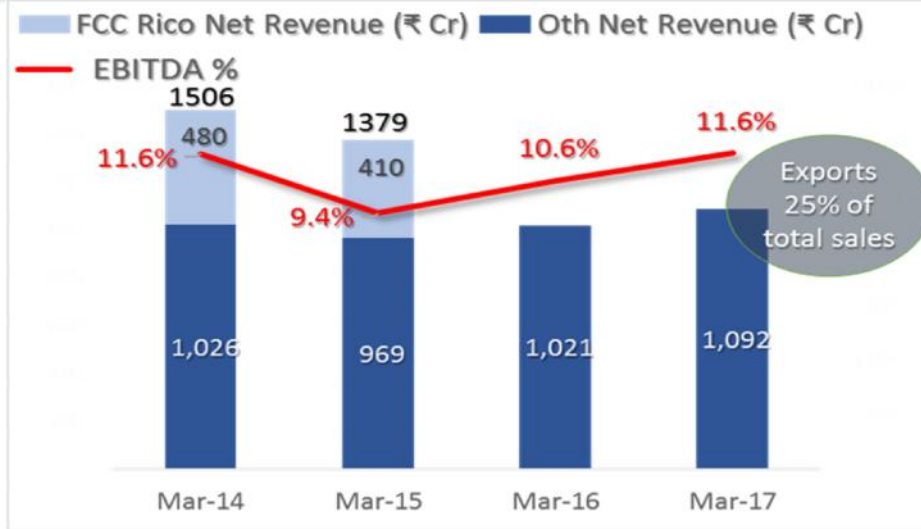
**Overall
9-12%**

**Scooters
15-18%**

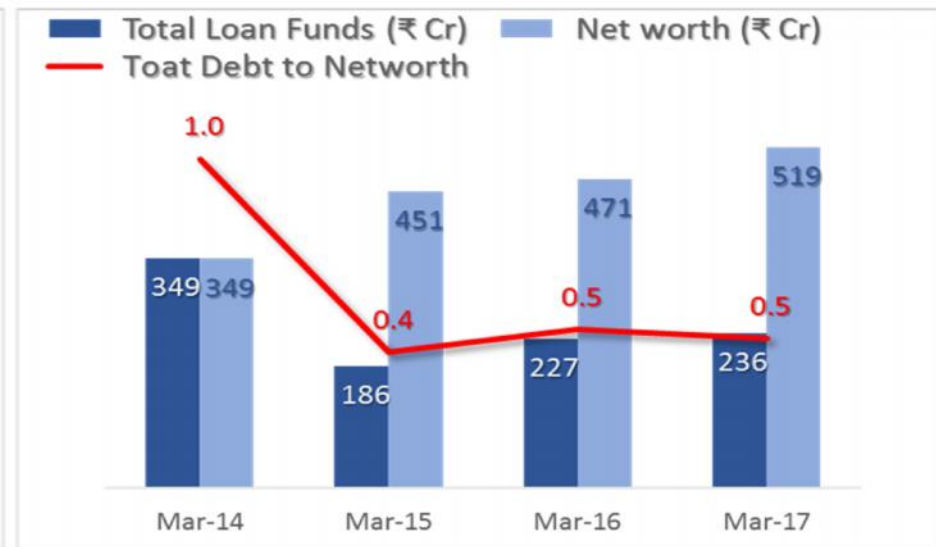
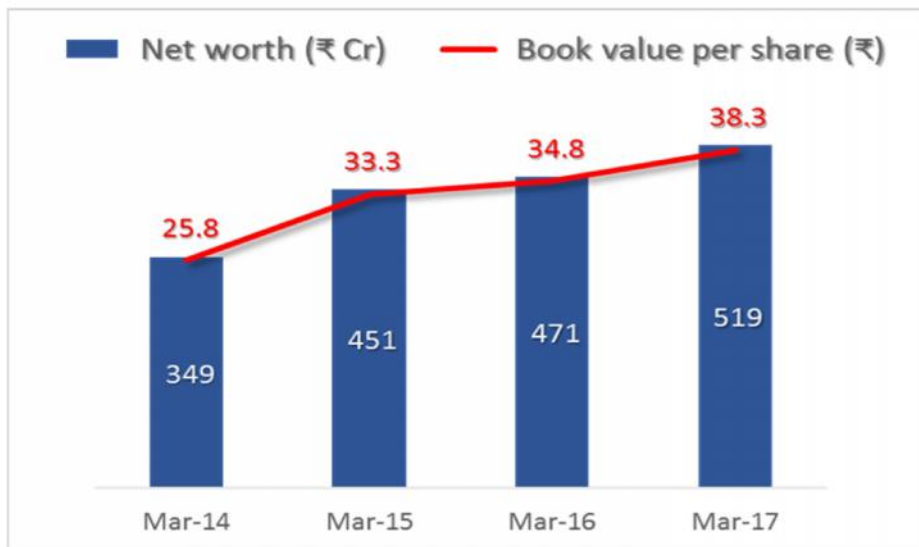
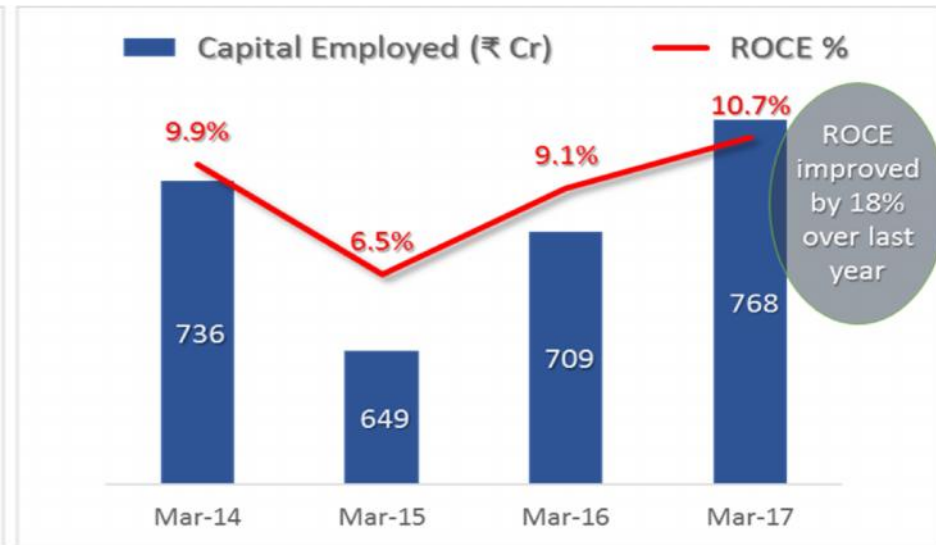
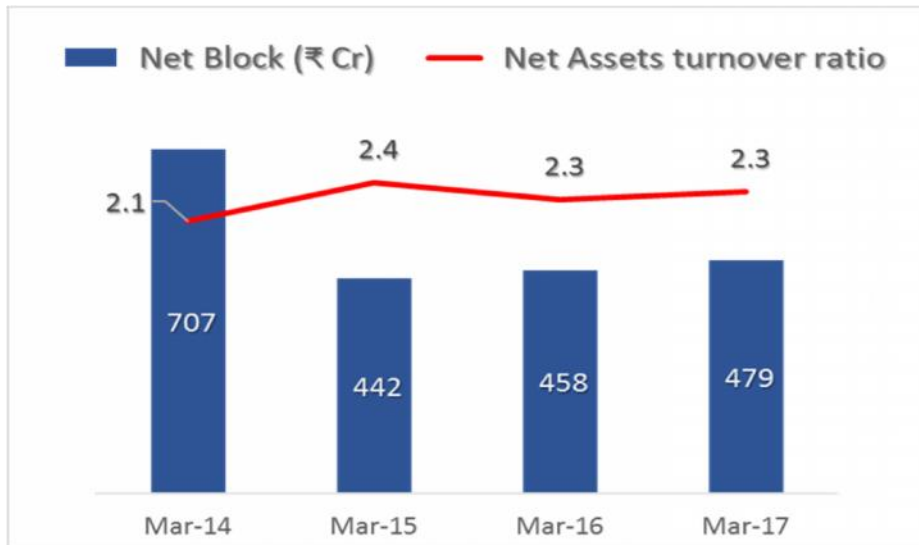
**Motorcycle
7-9 %**

Impact of GST Implementation is yet to be ascertained.



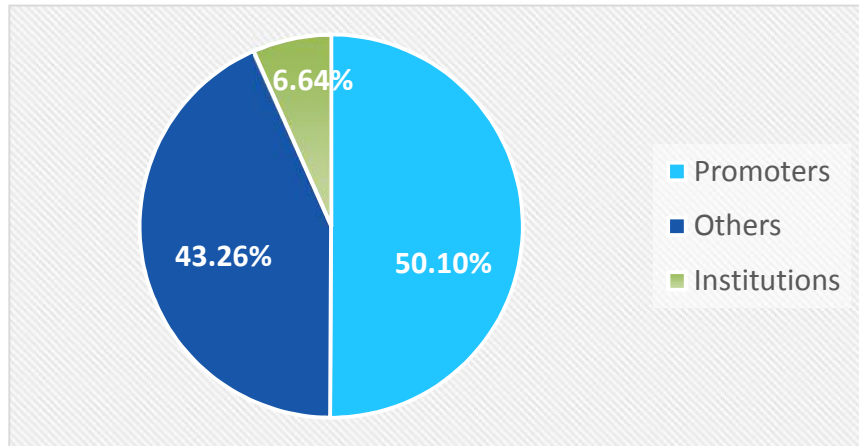


Mar-15 figures are excluding exceptional gain from sale of our stake in JV company 'FCC Rico' and impact of restructuring



Mar-15 figures are excluding exceptional gain from sale of our stake in JV company 'FCC Rico' and impact of restructuring

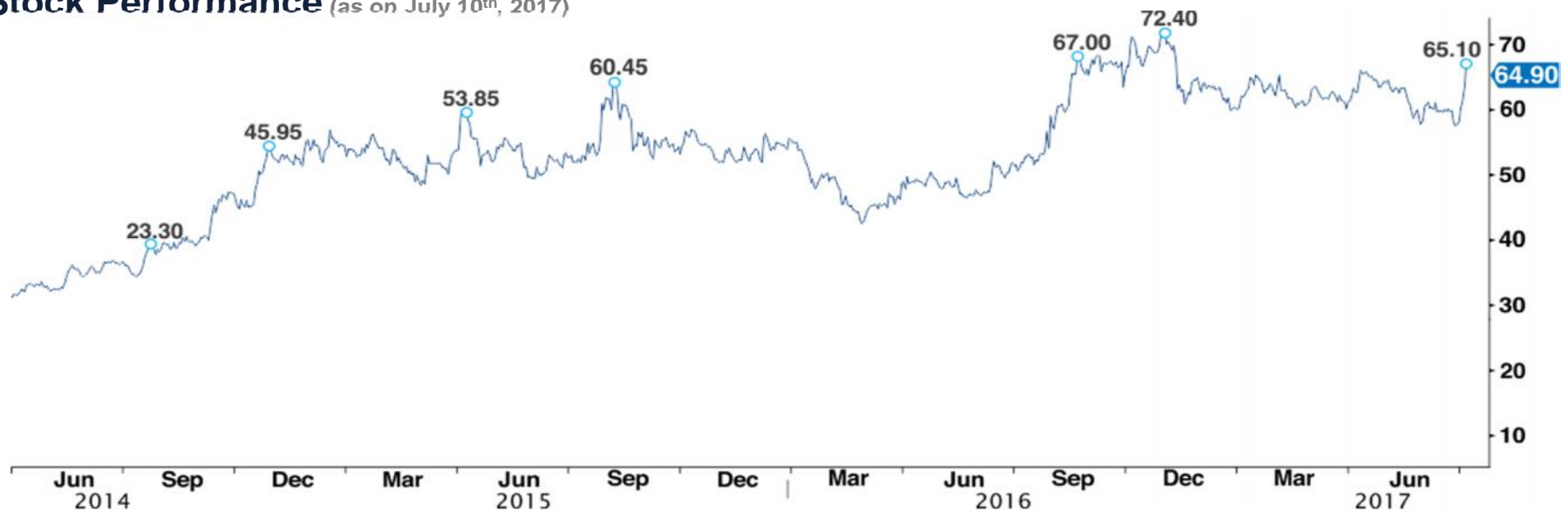
Shareholding Pattern

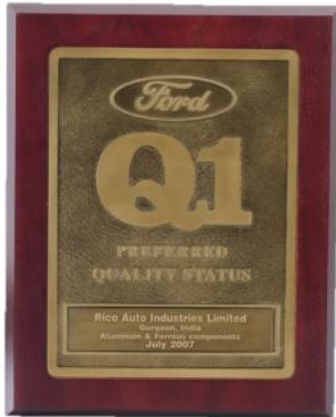


Stock Data

| | |
|---------------------------|--|
| Market Cap | 878.00 (in Crs.) (as on July 10, 2017) |
| Stock Price | 64.90 (as on July 10, 2017) |
| 52 Week (High / Low) | 75.25 / 40.35 |
| NSE / BSE | RICOAUTO / 520008 |
| No. of Shares Outstanding | 13,52,85,000 |
| Free Float | 48.88% |

Stock Performance (as on July 10th, 2017)







Enhancing Environmental Sustainability



Supporting Rural Development



Providing Preventive Health Care



Promoting Girls Education & Skill Development



Promoting "Cleanliness & Sanitation" in Rural areas

Joy of Giving

Oct 2nd – Oct 8th



Distributed Lunch Box, Water Bottle, Soft toys, Winter Clothes & bags



Step Up Education Facility For Nathupur Slum Area operated by HPPI



CSR Project Sites



Ongoing CSR site
Govt. Middle School , Village Jiwana



Inauguration Ceremony of CSR Site
On 25th July 2016



Toilet Facility Provided in
PHC of Banipur



Govt. Middle School ,
Village Chaupanki



Govt. School , Village
Malpura

Ride Safe Program

Jan. 2017



Eye Checkup Camp for External Vehicle Operator
10th Jan 2017



Ride Safe Program with HERO MotoCorp
12th Jan 2017



Create With Joy Workshop
21st January 2017



Induction Training – “Parichay”



Company Wide Training – “Jagriti”



Kaizen Award Ceremony



Best Work Place - Competition



Family Connect Program



Employees Children Safety Competition



Sports Competition



Yoga Training



Health Awareness Camp



Long Service Awards



RICO

Thanks