

AUTOMOTIVE AXLES LIMITED

9th November 2022

The BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Scrip Code: 505010

National Stock Exchange Limited

Exchange Plaza, Plot No. C/1, G- Block
Bandra (E)
Mumbai – 400 051
Scrip Code: AUTOAXLES

Attn: Listing Department

Dear Sir/Madam,

Sub: Investor Presentation for the Analyst / Institutional Investor Meeting under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We are enclosing herewith the Investor Presentation of the 'Automotive Axles Limited 2QFY23 Financial Performance Discussion' scheduled to be held on **Wednesday, 9th November, 2022 at 03:00 PM (IST)**.

This intimation is being provided in compliance with Regulation 30(6) read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

This is for your information and records.

Thanking You

Yours truly,

For Automotive Axles Limited

Debadas Panda

Company Secretary & Compliance Officer

Encl: as above



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CIN : L51909KA1981PLC004198

ISO 9001:2015 / IATF 16949 : 2016, EMS : ISO : 14001:2015 & OHSAS : ISO : 45001 : 2018





AUTOMOTIVE AXLES LIMITED

November 2022

CUMMINS-MERITOR : BETTER TOGETHER



Meritor

The acquisition strengthens Cummins' industry-leading range of powertrain components and accelerates development of electrified power solutions.

"We are excited to welcome Meritor's employees into Cummins. Together, Cummins and Meritor will move further and faster in developing economically viable decarbonized powertrain solutions that are better for people and our planet".

"I warmly welcome Cummins as our new partner in Automotive Axles and Meritor HVS. Bharat Forge has a long relationship with Cummins as a supplier and also user of their engines in our special products and we look forward to bigger relationship, now as partners in this venture and also as a supplier. I wish the venture all success. Unfortunately , I am not able to personally be there to make this announcement jointly with Ms. Anjali Pandey of Cummins but look forward to this new relationship which will benefit all of us"



Jennifer Rumsey
Cummins' President and CEO



Baba Kalyani
Chairman , Bharat Forge Ltd.

SNAPSHOT Q2 FY23



Particulars (Mn INR)	22-23 (6 M)	FY 21-22	FY 20-21	FY 19-20
Revenue	9772	14949	9126	9597
EBIDTA	1043	1389	729	1010
PBT	821	1001	302	600



MANUFACTURING LOCATIONS - 4 Manufacturing locations

Mysore, Jamshedpur, Pantnagar, Hosur



EQUITY SHARE: Meritor Inc, USA – 35.5%, Kalyani Group – 35.5%, Public – 29%



WORKFORCE - 2,000+ employees



CUSTOMERS – All major CV, specialty and defense OEMs



PRODUCTS – Axles, brakes and suspension systems



MARKET POSITION - #1 in Axles (independent) & #2 in Brakes

SUSTAINABILITY ROAD MAP - MISSION 2028

Meritor India - Sustainability Road Map



SUSTAINABILITY SIX PILLAR MODEL



CIRCULAR ECONOMY

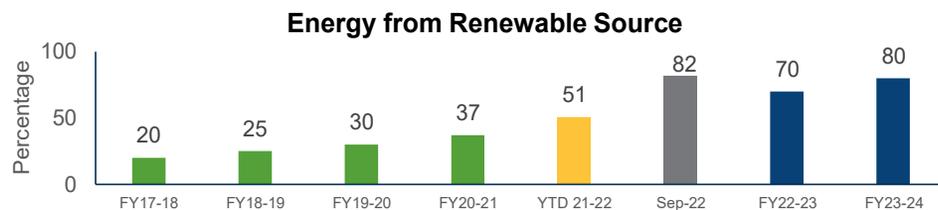
SUSTAINABILITY SIX PILLAR MODEL



Circular Economy is a frame work aiming at achieving Sustainability across end to end Supply chain

SI#	ESG Initiatives	Sustainability Pillar Connect
1	Reducing packaging in Supply chain	A & B
2	Diversify and inclusion initiatives	C
3	End-Customer recycling	B & D
4	Renewable energy	A & B
5	Reduce emission in supply chain	A & B
6	Changing Sourcing Standards	A & B
7	Employee safety, health and fair treatment	F
8	Other social issues	E
9	Changing consumer preferences	E

Spare a Watt, Save a Lot



- Energy from Captive source – Solar energy
 - 1.5 MW by Sep - 22
- Replace LPG with LNG reduce cost & CO2 emission – Dec-22

DIVERSE End Markets and Major Customers

Diverse End Markets



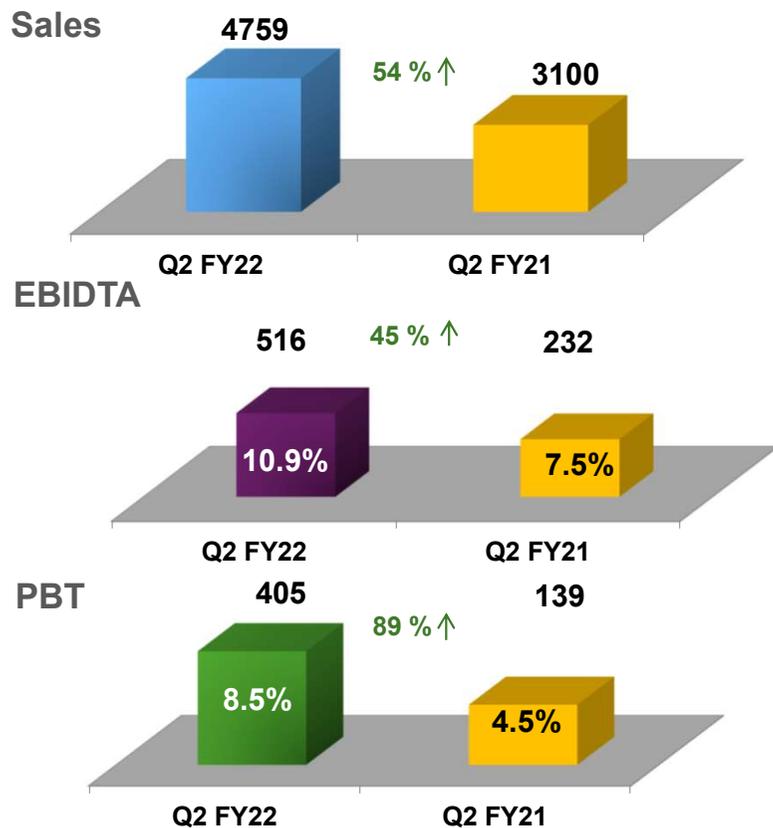
Major Customers



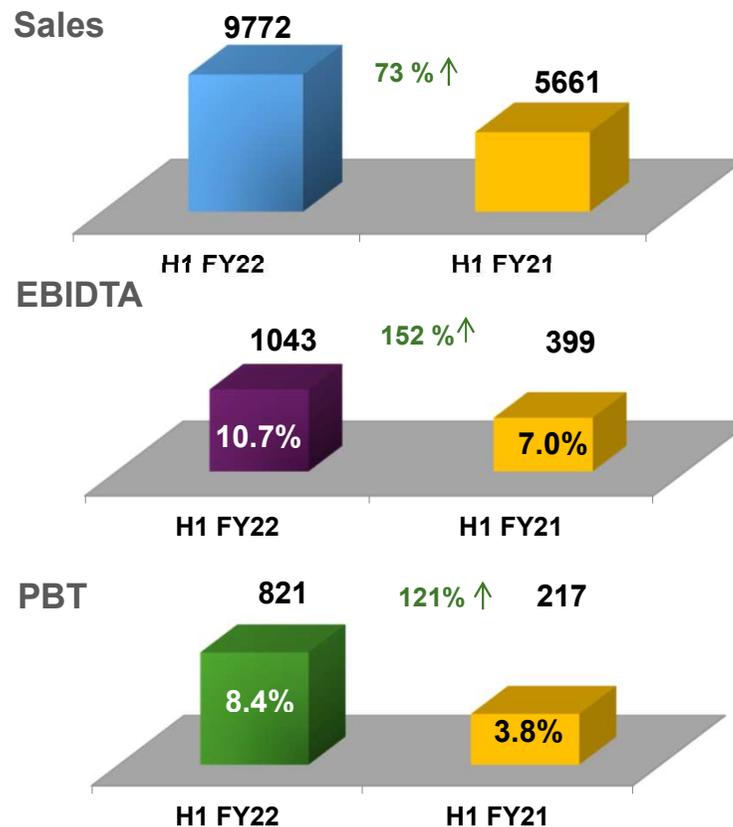
FINANCIAL Results

Values in INR Mn

Q2 FY23 Performance

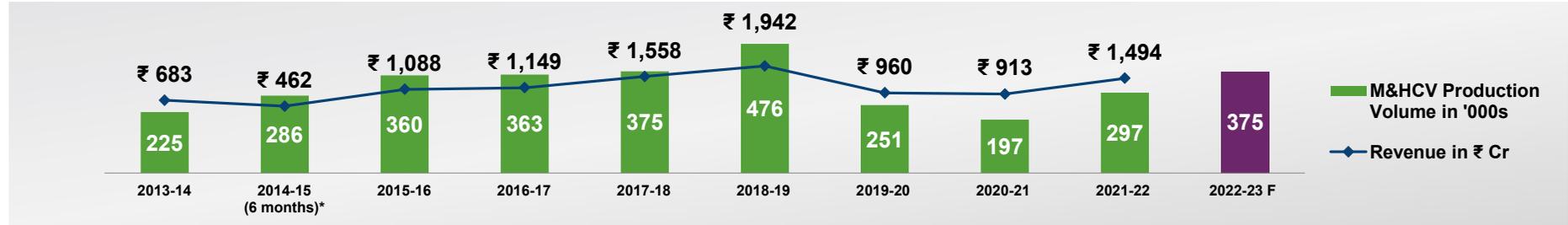


H1 FY23 Performance



GROWTH through Mission 25 Strategy

AAL Vs MHCV Market Growth



Mission 25 Focus	Status
Grow Revenue	On Track
Enhance Profitability	On Track
New Business Wins	On Track
Operations Excellence	On Track
Customer Value	On Track

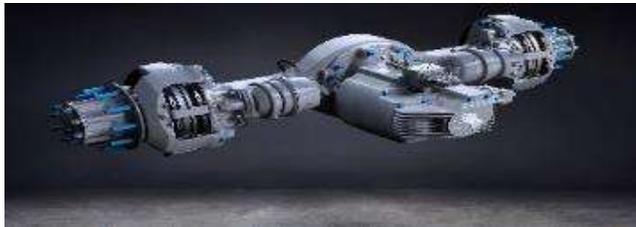
Focus

- FY23 Q2 demand is estimated to be slightly higher than FY23 Q1
- Continuous focus on Industry 4.0 & other digitisation initiatives
- Commodity price softens however focus continues
- Focus on improving conversion and material cost performances.

KEY ACTIONS to Manage Business Successfully

Business Growth Strategy

- Successful implementation of LTA agreement
- Gold Award in Cost savings category by AL
- Focus on export business opportunities
- Improve operational performance & Increase share of business with OE
- Product Development – Launch of New products
- Drive e-mobility business
- Digitalization – Implementation of Industry 4.0
- Geared up with capacity to cater to rising market demand



Cost Measures

- Cost reduction measures at organization and plant level
- Continuous Focus on M 25 initiatives, and Significant savings expected through M2025 timeframe
- Further cost measures in place for Conversion, Material and Manpower cost control



Safety Practices

- ESG strategy & implementation in progress
- Specific steps on to improve ESG standards and the reporting requirements.
- Focus on safety of employees continues though COVID pressure is low



