



# Amara Raja Energy & Mobility

## COMPANY BACKGROUND.....

- Established in 1985, Amara Raja Energy & Mobility Limited (ARE&M), the flagship of the Amara Raja Group, is a major producer of lead-acid batteries for industrial and automotive use in India.
- The company’s flagship brands are ‘Amaron’ and ‘PowerZone’ which have a strong recall in the Indian domestic market and have received various accolades as well.
- ARE&M over the years has expanded, diversified, and modernized operations with a wide range of products for customers in both, domestic and International markets.

## NEW ENERGY .....

- Li Cell and Pack Manufacturing
- EV Charging Products
- Energy Storage Solutions
- Developed India’s First 21700 Cylindrical Cell (NMC 811)
- Successfully powered an E-Bike using in-house NMC based 2170 cylindrical cells
- Setting up E Positive Energy Labs: a unique innovation & research facility

## KEY STRENGTHS.....

- First VRLA battery manufacturer in India
- First AGM battery manufacturer for 2W
- 4 decades of experience in the business
- Market Leader in Telecom and Data Centre Industry
- 8,000+ employees
- 2.3 Billion AH - Total Industrial batteries capacity
- 50 Million units annualized Capacity for Automotive batteries
- Net Debt free
- 10 year Revenue CAGR 13%
- 18.61% ROCE
- AA+ Credit Rating by CRISIL
- Strong Brand recall

## FINANCIAL HIGHLIGHTS.....

(INR Mn)	Op. Income	EBITDA	EBITDA%	PAT*	PAT%	EPS*
<b>FY21</b>	71,498	11,156	15.6%	6,468	9.1%	37.87
<b>FY22</b>	86,971	10,239	11.8%	5,126	5.9%	30.01
<b>FY23</b>	103,920	14,320	13.8%	7,308	7.0%	39.93
<b>FY24</b>	117,084	16,585	14.2%	9,344	8.0%	51.05

\*PAT and EPS are for continuing operations

### Key Data

<b>BSE Code</b>	500008
<b>NSE Code</b>	ARE&M
<b>Reuters</b>	AMAR.NS
<b>Bloomberg</b>	ARENM:IN

### Market Data (INR) as on 31<sup>th</sup> March, 2024

<b>Face Value</b>	1.0
<b>CMP</b>	760.6
<b>52 Week H/L</b>	922.0/567.0
<b>MCAP (Mn)</b>	1,39,209.1
<b>Shares O/S (Mn)</b>	183.0
<b>Avg. Vol. ('000)</b>	998.3

### Performance as on 31<sup>th</sup> March, 2024

	3M	6M	12M
<b>ARE&amp;M</b>	(6.9)%	17.5%	31.6%
<b>SENSEX</b>	1.9%	11.9%	24.6%
<b>BSE Midcap</b>	6.2%	21.4%	62.9%

### Shareholding Pattern as on 31<sup>th</sup> March, 2024

<b>Promoters</b>	32.86%
<b>DII</b>	15.35%
<b>FII</b>	24.45%
<b>Public</b>	27.34%

## BUSINESS SEGMENTS .....

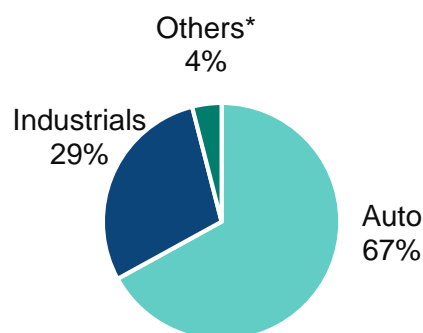
### Automotive

- The company is actively involved in the manufacturing and export of batteries for 2-wheelers (2W), 3-wheelers (3W), 4-wheelers (4W), and commercial vehicles (CVs). It proudly holds the distinction of being the largest exporter of 4W batteries.
- Additionally, the company has achieved a significant milestone by becoming the first manufacturer of Absorbent Glass Mat (AGM) batteries for 2-wheelers.
- In line with its dedication to environmental sustainability and the circular economy, the company is in the process of setting up a 1.5 lakh per annum (LPTA) lead recycling facility. This initiative is being undertaken through its wholly-owned subsidiary, ARCSPL.
- Moreover, the company has expanded its business portfolio by venturing into the lubricants segment, demonstrating its strategic diversification and adaptability in the market.

### INDUSTRIAL

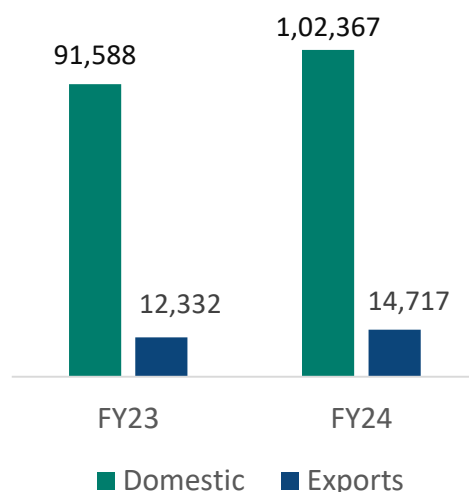
- In the highly competitive Telecom sector, the company proudly holds the position of market leader.
- Recognized as a pioneer, the company was the first to introduce Valve Regulated Lead-Acid (VRLA) batteries in India, revolutionizing the energy storage landscape and setting new industry standards.
- Standing as a testament to its commitment to excellence, the company boasts the title of having the largest Integrated Facility for Maintenance-Free Valve Regulated Lead-Acid (MVRLA) Batteries, showcasing its dedication to scale and efficiency.
- The company has played a pivotal role in transforming the railway sector by pioneering battery solutions tailored to the unique needs of Indian Railways, contributing to the advancement and modernization of the transportation infrastructure.
- In the case of solar energy, and uninterruptible power supply (UPS), the company continues to demonstrate its expertise and leadership, contributing to the growth and sustainability of these crucial sectors.

### FY24 REVENUE BREAKUP (%)



\*Others predominantly includes New Energy business.

### GEOGRAPHICAL REVENUE SPLIT (INR Mn)



## GROWTH DRIVERS.....

- Leverage ASG/MSG technologies to enhance cost efficiencies within our operations, ensuring optimal resource utilization and streamlined processes.
- Strategically expand our market presence in both the European and American markets, identifying key opportunities for growth and establishing a strong foothold in these regions.
- Deepen our market penetration in Southeast Asia, West Asia, and African markets.
- Uphold and strengthen our dominant market leadership in the Telecom and UPS sectors by continuously innovating our products and services, staying ahead of industry trends, and providing unparalleled customer experiences.
- Capitalize on the 5G rollout in India by aligning our offerings with the evolving needs of the telecommunications sector, positioning ourselves as a key player in this transformative technology landscape.

## PEER COMPARISON (TRAILING 12 MONTHS) INR MN.....

Company (INR Mn)	Operational Income	EBITDA	EBITDA%	NET PROFIT	PAT%	Market Cap
Amara Raja Energy and Mobility	1,17,073	16,203	13.8%	9,029.9	7.7%	1,39,209
Exide Industries Ltd	1,67,697	18,222	10.9%	8,828	5.3%	2,58,825
HBL Power Systems Ltd	22,334	4,234	19.0%	2,645	11.8%	1,25,985
High Energy Batteries Ltd	781	226	29.0%	171	21.9%	5,389

## INCOME STATEMENT (CONSOLIDATED) .....

PARTICULARS (INR Mn)	FY21	FY22	FY23	FY24
<b>Operational Revenue</b>	<b>71,498</b>	<b>86,971</b>	<b>1,03,920</b>	<b>1,17,084</b>
Total Expenses	60,342	76,732	89,600	1,00,499
<b>EBITDA</b>	<b>11,156</b>	<b>10,239</b>	<b>14,320</b>	<b>16,585</b>
<b>EBITDA Margins (%)</b>	<b>15.60%</b>	<b>11.77%</b>	<b>13.8%</b>	<b>14.2%</b>
Other Income	874	780	924	1,104
Depreciation	3,192	3,957	4,504	4,843
Finance Cost	105	151	296	344
<b>Profit Before Exceptional Items &amp; Tax</b>	<b>8,733</b>	<b>6,911</b>	<b>10,444</b>	<b>12,502</b>
Exceptional	-	-	477	-
<b>PBT</b>	<b>8,733</b>	<b>6,911</b>	<b>9,967</b>	<b>12,502</b>
Tax	2,265	1,785	2,659	3,158
<b>PAT</b>	<b>6,468</b>	<b>5,126</b>	<b>7,308</b>	<b>9,344</b>
<b>PAT Margins (%)</b>	<b>9.05%</b>	<b>5.89%</b>	<b>7.0%</b>	<b>8.0%</b>
Other Comprehensive Income	(67)	7	1,093	(61)
<b>Total Comprehensive Income</b>	<b>6,401</b>	<b>5,133</b>	<b>8,401</b>	<b>9,283</b>
Diluted EPS (INR)	37.87	30.01	39.93	51.05

## BALANCE SHEET (CONSOLIDATED) .....

PARTICULARS (INR Mn)	FY22	FY23	FY24	PARTICULARS (INR Mn)	FY22	FY23	FY24
<b>Assets</b>				<b>Equity And Liabilities</b>			
<b>(1) Non-current Assets</b>				<b>(1) Equity</b>	<b>45,525</b>	<b>60,070</b>	<b>67,987</b>
(A) Property, Plant And Equipment	21,276	28,555	29,095	(A) Equity Share Capital	171	171	183
(B) Right Of Use Asset	2,852	3,966	4,081	(B) Other Equity	45,354	53,174	67,804
(C) Capital Work-in Progress	8,293	2,481	6,255	(C) Share application money pending allotment		6,726	
(D) Goodwill		4,280	4358	<b>(2) Non-current Liabilities</b>			
(E) Other Intangible Assets	795	669	538	(A) Financial Liabilities			
(F) Intangible Assets Under Development	3	8	154	(i) Borrowings	165	800	260
(G) Financial Assets				(ii) Lease Liabilities	773	635	751
(i) Investments	425	2,617	3,608	(B) Provisions	1,083	1,463	1,838
(ii) Other Financial Assets	83	1,252	132	(C) Deferred Tax Liabilities (Net)	314	1040	906
(H) Deferred Tax Assets (Net)	-	9	17	(D) Other Non-current Liabilities	637	830	785
(I) Income Tax Assets (Net)	72	15	131	<b>Total Non-current Liabilities</b>	<b>2,972</b>	<b>4,768</b>	<b>4,540</b>
(J) Other Non-current Assets	1,713	1,251	2,714	<b>(3) Current Liabilities</b>			
<b>Total Non-current Assets</b>	<b>35,513</b>	<b>45,107</b>	<b>51,083</b>	(A) Financial Liabilities			
<b>(2) Current Assets</b>				(i) Borrowings	69	311	273
(A) Inventories	18,046	17,340	19,484	(ii) Lease Liabilities	252	268	283
(B) Financial Assets				(iii) Trade Payables	8,055	7,577	8,565
(i) Investments	347	1,653	3,531	(iv) Other Financial Liabilities	2,988	2,537	3,614
(ii) Loans	-	887	-	(B) Provisions	1,373	1,417	1,328
(iii) Trade Receivables	7,920	8,866	11,358	(C) Current Tax (Net)	-	3	-
(iv) Cash And Cash Equivalents	349	949	983	(D) Other Current Liabilities	2,528	2,670	3,188
(v) Bank Balances Other Than Cash And Cash Equivalents	193	104	195	<b>Total Current Liabilities</b>	<b>15,265</b>	<b>14,782</b>	<b>17,251</b>
(vi) Other Financial Assets	167	3,222	919	<b>Total Equity And Liabilities (1+2+3)</b>	<b>63,761</b>	<b>79,621</b>	<b>89,778</b>
(C) Other Current Assets	1,227	1,494	2,225				
<b>Total Current Assets</b>	<b>28,248</b>	<b>34,513</b>	<b>38,695</b>				
<b>Total Assets (1+2)</b>	<b>63,761</b>	<b>79,621</b>	<b>89,778</b>				

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