AMARA RAJA Gotta be a better way

# Amara Raja Energy & Mobility Ltd

## 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
- 11,000+ employees
- 3.2 Billion AH - Total Industrial batteries capacity
- 65+ Million units annualized Capacity for Automotive batteries
- Marginal debt in the books
- 10-year Revenue CAGR 12%
- 16% ROCE
- AA+ Credit Rating by CRISIL
- Strong Brand recall

## FINANCIAL HIGHLIGHTS…………………………………………………………….

| (INR Mn) | Op. Income | EBITDA | EBITDA% | PAT | PAT% | EPS |
|---|---|---|---|---|---|---|
| FY22 | 86,971 | 10,239 | 11.8% | 5,126 | 5.9% | 30.01 |
| FY23 | 1,03,920 | 14,320 | 13.8% | 7,308 | 7.0% | 39.93 |
| FY24 | 1,17,084 | 16,585 | 14.2% | 9,344 | 8.0% | 51.05 |
| FY25 | 1,28,463 | 16,165 | 12.6% | 9,447 | 7.4% | 51.62 |

| Key Data | |
|---|---|
| BSE Code | 500008 |
| NSE Code | ARE&M |
| Reuters | AMAR.NS |
| Bloomberg | ARENM:IN |

| Market Data (INR) As on 31st March, 2025 | |
|---|---|
| Face Value | 1.0 |
| CMP | 1,003.0 |
| 52 Week H/L | 1,774.9/767.6 |
| MCAP (Mn) | 1,83,574.4 |
| Shares O/S (Mn) | 183.0 |
| Avg. Vol. ('000) | 1,482.8 |

**Performance As on 31st March, 2025**

| | 3M | 6M | 12M |
|---|---|---|---|
| ARE&M | (17.07)% | (29.86)% | 30.67% |
| SENSEX | (1.09)% | (8.12)% | 4.66% |
| BSE Midcap | (10.84)% | (15.95)% | 4.76% |

| Shareholding Pattern As on 31st March, 2025 | |
|---|---|
| Promoters | 32.86% |
| DII | 14.58% |
| FII | 20.70% |
| Public | 31.86% |

## BUSINESS SEGMENTS ……………………………………………….

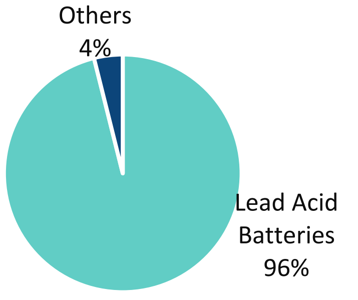
### Automotive

- 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

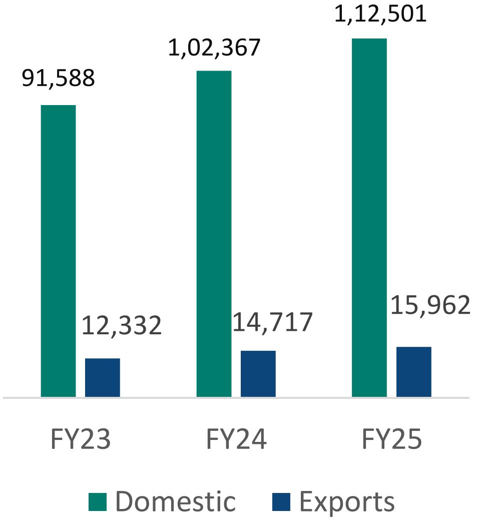
- In the highly competitive Telecom sector, the company proudly holds the position of market leader.
- Recognized as a pioneer, the company was the first to introduce Valve Regulated Lead-Acid (VRLA) batteries in India, revolutionizing the energy storage landscape and setting new industry standards.
- 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.

### FY25 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** | 1,28,464 | 16,166 | 12.6% | 9,447 | 7.4% | 1,83,574 |
| **Exide Industries Ltd** | 1,72,378 | 17,980 | 10.4% | 8,005 | 4.6% | 3,06,298 |
| **HBL Engineering** | 19,673 | 3,921 | 19.9% | 2,781 | 14.1% | 1,30,878 |
| **High Energy Batteries Ltd** | 810 | 173 | 21.4% | 154 | 19.0% | 4,503 |

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

| PARTICULARS (INR Mn) | FY22 | FY23 | FY24 | FY25 |
|---|---|---|---|---|
| **Operational Revenue** | **86,971** | **1,03,920** | **1,17,084** | **1,28,463** |
| Total Expenses | 76,732 | 89,600 | 1,00,499 | 1,12,299 |
| **EBITDA** | **10,239** | **14,320** | **16,585** | **16,165** |
| **EBITDA Margins (%)** | ***11.77%*** | **13.8%** | ***14.2%*** | **12.6%** |
| Other Income | 780 | 924 | 1,104 | 1,156 |
| Depreciation | 3,957 | 4,504 | 4,843 | 5,257 |
| Finance Cost | 151 | 296 | 344 | 443 |
| **Profit Before Exceptional Items & Tax** | **6,911** | **10,444** | **12,502** | **11,621** |
| Exceptional | - | 477 | - | 1,111** |
| **PBT** | **6,911** | **9,967** | **12,502** | **12,732** |
| Tax | 1,785 | 2,659 | 3,158 | 3,285 |
| **PAT** | **5,126** | **7,308** | **9,344** | **9,447** |
| **PAT Margins (%)** | ***5.89%*** | ***7.0%*** | ***8.0%*** | **7.4%** |
| Other Comprehensive Income | 7 | 1,093 | (61) | (1,639) |
| **Total Comprehensive Income** | **5,133** | **8,401** | **9,283** | **7,808** |
| Diluted EPS (INR) | 30.01 | 39.93 | 51.05 | **51.62** |

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

| PARTICULARS (INR Mn) | FY23 | FY24 | FY25 |
|---|---|---|---|
| **Assets** | | | |
| **(1) Non-current Assets** | | | |
| (A) Property, Plant And Equipment | 28,555 | 29,095 | 31,164 |
| (B) Right Of Use Asset | 3,966 | 4,081 | 4,154 |
| (C) Capital Work-in Progress | 2,481 | 6,255 | 12,975 |
| (D) Goodwill | 4,280 | 4,358 | 4,358 |
| (E) Other Intangible Assets | 669 | 538 | 465 |
| (F) Intangible Assets Under Development | 8 | 154 | 7 |
| (G) Financial Assets | | | |
| (i) Investments | 2,617 | 3,608 | 3,521 |
| (ii) Other Financial Assets | 1,252 | 132 | 151 |
| (H) Deferred Tax Assets (Net) | 9 | 17 | 72 |
| (I) Income Tax Assets (Net) | 15 | 131 | 182 |
| (J) Other Non-current Assets | 1,251 | 2,714 | 2,168 |
| **Total Non-current Assets** | **45,107** | **51,083** | **59,216** |
| **(2) Current Assets** | | | |
| (A) Inventories | 17,340 | 19,484 | 21,954 |
| (B) Financial Assets | | | |
| (i) Investments | 1,653 | 3,531 | 3,294 |
| (ii) Loans | 887 | - | - |
| (iii) Trade Receivables | 8,866 | 11,358 | 12,631 |
| (iv) Cash And Cash Equivalents | 949 | 983 | 1,578 |
| (v) Bank Balances Other Than Cash And Cash Equivalents | 104 | 195 | 168 |
| (vi) Other Financial Assets | 3,222 | 919 | 209 |
| (C) Other Current Assets | 1,494 | 2,225 | 2,632 |
| **Total Current Assets** | **34,513** | **38,695** | 42,467 |
| **Total Assets (1+2)** | **79,621** | **89,778** | **1,01,683** |

| PARTICULARS (INR Mn) | FY23 | FY24 | FY25 |
|---|---|---|---|
| **Equity And Liabilities** | | | |
| **(1) Equity** | **60,070** | **67,987** | **73,891** |
| (A) Equity Share Capital | 171 | 183 | 183 |
| (B) Other Equity | 53,174 | 67,804 | 73,708 |
| (C) Share application money pending allotment | | | |
| **(2) Non-current Liabilities** | | | |
| (A) Financial Liabilities | | | |
| (i) Borrowings | 800 | 260 | - |
| (ii) Lease Liabilities | 635 | 751 | 814 |
| (B) Provisions | 1,463 | 1,838 | 2,106 |
| (C) Deferred Tax Liabilities (Net) | 1040 | 906 | 743 |
| (D) Other Non-current Liabilities | 830 | 785 | 996 |
| **Total Non-current Liabilities** | **4,768** | **4,540** | **4,658** |
| **(3) Current Liabilities** | | | |
| (A) Financial Liabilities | | | |
| (i) Borrowings | 311 | 273 | 1,446 |
| (ii) Lease Liabilities | 268 | 283 | 349 |
| (iii) Trade Payables | 7,577 | 8,565 | 10,866 |
| (iv) Other Financial Liabilities | 2,537 | 3,614 | 5,106 |
| (B) Provisions | 1,417 | 1,328 | 1,767 |
| (C) Current Tax (Net) | 3 | - | 1 |
| (D) Other Current Liabilities | 2,670 | 3,188 | 3,599 |
| **Total Current Liabilities** | **14,782** | **17,251** | 23,133 |
| **Total Equity And Liabilities (1+2+3)** | **79,621** | **89,778** | **1,01,683** |

## INVESTOR RELATIONS TEAM AT VALOREM ADVISORS …………………………………………………………….

| Name | Designation | Email | Phone |
|---|---|---|---|
| Anuj Sonpal | CEO | anuj@valoremadvisors.com | +91-22-4903-9500 |
| Purvangi Jain | AVP | purvangi@valoremadvisors.com | +91-22-4903-9536 |
| Nupur Jainkunia | AVP | nupurj@valoremadvisors.com | +91-22-4903-9536 |

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