



OWNING OUR FUTURE

ANNUAL REPORT 2016

ATUL AUTO LIMITED



OWNING OUR FUTURE

FY2016 grew very modestly due to two weak back-to-back monsoons. Since our products are primarily addressed to semi urban and rural markets where the economy was very weak, FY2016 was indeed challenging. In fact, the whole Industry has faced growth pains this year and despite this, we grew our topline by 5.5%. This was because we focused on protecting our market share and reinforcing our leadership position as India's third-largest domestic three-wheeler manufacturer serving a diverse customer base in the cargo and passenger segments. In particular, we continued to do well in the cargo segment where we enjoy good market share and saw healthy growth. We consolidated our presence in the domestic market, reinforced our core products and tried to make the best of a weak market within India's rural pockets. The good news is that the prospects for a normal monsoon this year look bright and this should further help the economy pick up and thus improve the demand for our products during FY2017.

A key highlight of FY2016 was the rolling out of 0.35-tonne petrol-based three-wheeler. This will help us to finally plug a long-standing gap in our product portfolio, thereby becoming our key driver for future growth. The petrol based 3 wheeler passenger vehicles, which is dominated by the likes of Bajaj and TVS, represents an addressable market size of 6 lakh units, a market we were not participating in at all before. We have now made a soft and steady entry through selected dealers and small

volumes, and expect this to be long-term growth driver for our business. We aim to make gradual inroads into the domestic and export markets for this variant over the years.

During the year FY2016, we pushed our R&D to focus on developing low-cost and last-mile futuristic transportation solutions. While still only representing a 1laks units addressable market size, we have come a long way towards finalising our concept and prototypes towards the launch phase for Battery / Electric 3 wheelers. As these have the potential to replace tricycles without polluting the air, we see big scope for these in the future. This is testimony to our forward thinking approach in using our research capabilities for producing disruptive new solutions.

Moving ahead, we are graduating to the next level and charting our next course of growth. We are investing in tomorrow to further strengthen our innovative core and lead change. We navigating confidently to capture future growth through increased volumes and enhanced market share in domestic and global markets. With higher operating leverage, lower raw material costs, good working capital management, we strive to generate a strong ROE. Being a value-accretive and solutions driven company, we are constantly fine-tuning our growth strategies and leveraging our intrinsic strengths to create and deliver value to our stakeholders.



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At a Glance

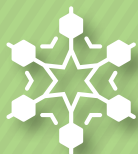
The story of Atul Auto began with a simple vision – that of an empowered India. Today, we are one of India's fastest growing, pure-play 3-wheeled Commercial vehicle manufacturing company. We are the Makers of "Atul Shakti", "Atul Gem", "Atul Smart" and "Atul Gemini" brands of 3-wheelers.

We are committed to provide world-class mobility solutions to rural and semi-urban areas, with a renewed focus on expanding our footprint.

We manufacture 3-wheelers in the "sub 1-tonne" category, targeting the passenger and cargo segment. In the passenger segment, we manufacture Alternate Fuel & Diesel powered vehicles for carrying 3-6 passengers. Under the cargo segment, we manufacture vehicles with a rated carrying capacity of 0.5 tonne.

We have an integrated manufacturing facility at Shapar in the Rajkot district of Gujarat, with an installed production capacity of 60,000 vehicles per annum on a single-shift basis. The setting up of a new manufacturing facility at the land purchased near Ahmedabad (Gujarat) is currently in process. Once this becomes operational, our total installed capacity will increase to 120,000 units per annum. We export our vehicles to the key markets of Bangladesh, Nigeria, Kenya, Egypt, Tanzania and other African nations.

Our Key Differentiators



**DIVERSIFIED
PRODUCT MIX**



**RISING PENETRATION IN SEMI-
URBAN AND RURAL AREAS**



**IMPROVEMENT IN
CAPACITY UTILISATION**



**EXPANDING
GEOGRAPHICAL
REACH**



FUTURE

60,000

UNITS PER ANNUM

Existing Manufacturing Capacity at Shapar, Rajkot

17

Regional Offices

60,000

UNITS PER ANNUM

Capacity of New Plant at Ahmedabad

02

Training Centres

200

Exclusive Dealers

18

States we are present in

120

Sub-Dealers

200

CITIES

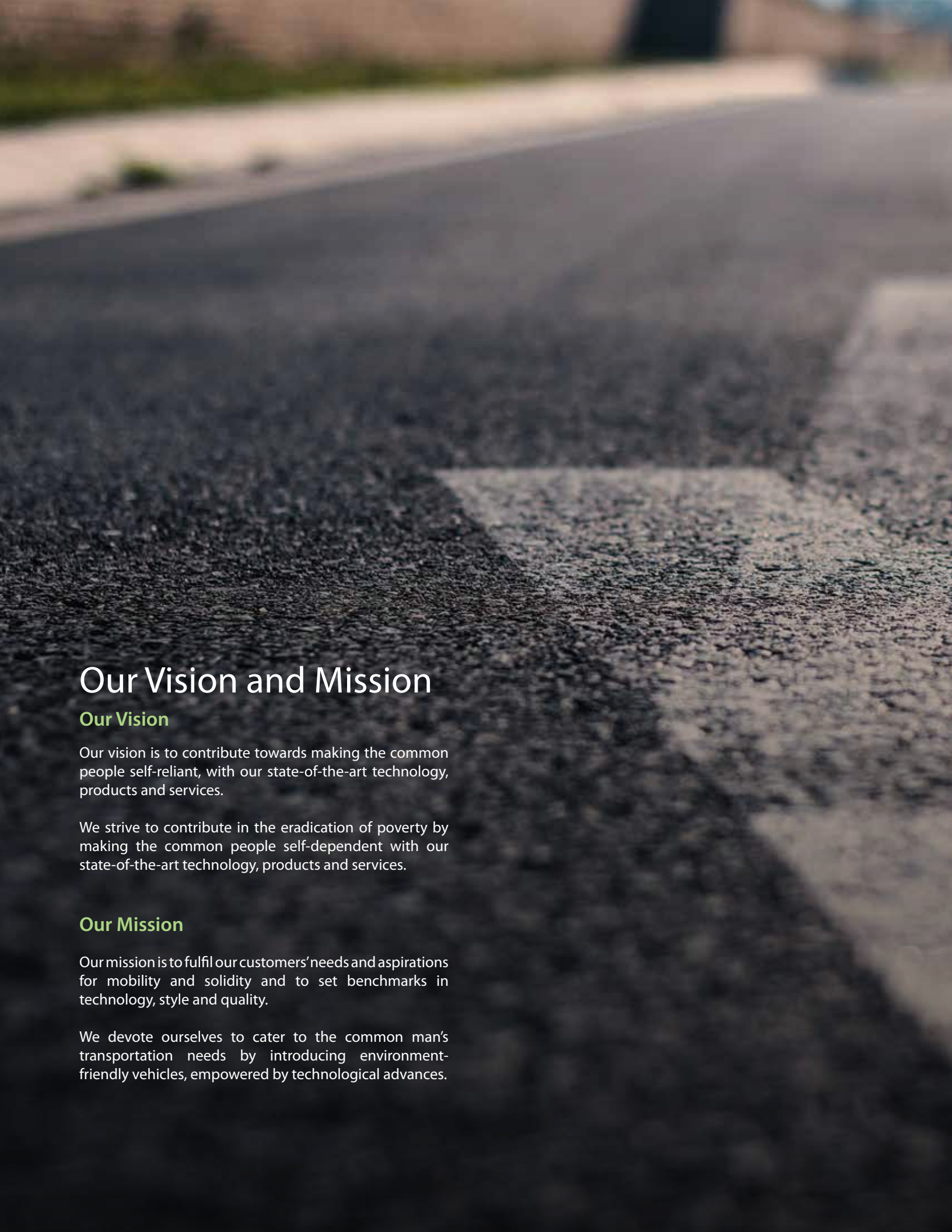
Presence across India

Rs 11,395

MILLION

Market Capitalisation

On BSE as on 31st March, 2016



Our Vision and Mission

Our Vision

Our vision is to contribute towards making the common people self-reliant, with our state-of-the-art technology, products and services.

We strive to contribute in the eradication of poverty by making the common people self-dependent with our state-of-the-art technology, products and services.

Our Mission

Our mission is to fulfil our customers' needs and aspirations for mobility and solidity and to set benchmarks in technology, style and quality.

We devote ourselves to cater to the common man's transportation needs by introducing environment-friendly vehicles, empowered by technological advances.



Our Key Focus Areas

- Creating and sustaining powerful brands
- Delivering excellence through resource optimised manufacturing
- Ensuring customer and shareholder delight
- Creating and delivering value through seamless and efficient supply chain
- Creating enduring relationships with dealers, partners and suppliers
- Providing an engaging environment for employees

Our Diversified Portfolio of Products



FRONT ENGINE | PASSENGER 6+1
500 KG PAYLOAD CAPACITY



FRONT ENGINE | PASSENGER 3+1
500 KG PAYLOAD CAPACITY



FRONT ENGINE | HIGH DECK
500 KG PAYLOAD CAPACITY



FRONT ENGINE | HIGH DECK
500 KG PAYLOAD CAPACITY



FRONT ENGINE | DELIVERY VAN
500 KG PAYLOAD CAPACITY



FRONT ENGINE | DELIVERY VAN
500 KG PAYLOAD CAPACITY

ATUL // GEM



REAR ENGINE | PASSENGER 3+1
500 KG PAYLOAD CAPACITY

ATUL // Gemini-Dz

ATUL // Gemini PETROL

ATUL // Gemini-LPG

ATUL // Gemini-CNG



REAR ENGINE | DELIVERY VAN
500 KG PAYLOAD CAPACITY



REAR ENGINE | CARGO
500 KG PAYLOAD CAPACITY



REAR ENGINE | PASSENGER 3+1
350 KG PAYLOAD CAPACITY

Our Presence

India Presence



We aim to expand our footprint in the eastern and southern markets of India as our production capacity increases with the commissioning of the new manufacturing plant in Ahmedabad.