

CS/ER-Q3 (2023-24)

Date: 06th February, 2024

To,
The Listing Department
BSE Limited
Department of Corporate Affairs
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

To,
The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex,
Bandra (E)
Mumbai - 400 051

Dear Sir/Madam,

Subject :Press Release for the quarter and nine months ended December 31, 2023.

Reference :ISIN - INE02IJ01035; Scrip Id-544061; Scrip Code-AZAD

With reference to the subject cited, we are enclosing herewith Press Release for the quarter and nine months ended December 31, 2023.

You are requested to please take the same in your record.

Thanking you,

Yours truly,

For Azad Engineering Limited


Ful Kumar Gautam
(Company Secretary & Compliance Officer)
Membership No.: A49550



Azad Engineering limited

Q3 FY24 Consolidated Results

Tuesday, 6th February 2024, Hyderabad – Azad Engineering Limited, one of the key manufacturers of qualified product lines in the aerospace and defence, energy and oil and gas industries, manufacturing highly engineered, complex and mission and life-critical components, announced its unaudited Financial Results for the quarter and nine months ended December 31st, 2023.

Q3FY24 - Highest ever quarterly performance

Rs. **892** Mn
(49% YoY growth)
Revenue

Rs. **328** Mn
(37% margin)
(87% YoY growth)
Adj EBITDA

Rs. **327** Mn
(37% margin)
(88% YoY growth)
Reported EBITDA

Rs. **168** Mn
(19% margin)
(Over 3x YoY growth)
PAT

Consolidated Result Highlights

(Rs. Mn)	Q3FY24	Q3FY23	YoY	Q2 FY24	QoQ	9MFY24	9MFY23	YoY
Revenue from Operations	892.3	598.0	49%	828.4	8%	2,479.7	1,667.6	49%
Adj EBITDA	327.6	174.9	87%	265.5	23%	856.5	484.9	77%
Adj EBITDA Margin	36.7%	29.2%		32.1%		34.5%	29.1%	
Reported EBITDA	327.4	173.7	88%	262.9	25%	852.3	418.4	104%
Reported EBITDA Margin	36.7%	29.0%		31.7%		34.4%	25.1%	
Profit After Tax	168.0	38.3	339%	194.5	-14%	436.5	-63.5	nm
Profit After Tax Margin	18.8%	6.4%		23.5%		17.6%	-3.8%	

Revenue mix

Q3FY24

- By End-Use Segments: Energy – 81%, Aerospace & Defence – 17% and others 2%
- By Geographies: Exports – 88% and Domestic – 12%

Sales Mix – 9MFY24

- By End-Use Segments: Energy – 86%, Aerospace & Defence – 12% and others 2%
- By Geographies: Exports – 89% and Domestic – 11%

Key Highlights

Debt reduction

- As of September 30, 2023, the gross debt stood at Rs. 3,249 Mn
- By the end of December 31, 2023, past CCD investors had converted their investments into equity shares, amounting to Rs. 1,713 Mn. Consequently, the gross debt was notably reduced to Rs. 1,639 Mn.
- Additionally, utilizing IPO proceeds, the company has made further payments of Rs. 1,342 Mn year-to-date, leading to a reduction in gross debt to Rs. 300 Mn as of February 6, 2024
- Given this, the interest expenses in the business has drastically decreased which will be evident in Q4 FY24 and onwards

Commenting on the performance Rakesh Chopdar Chairman & CEO said, “We are happy to see an overwhelming response to our IPO. We thank all the shareholders for their faith in us. We welcome our new shareholders & congratulate every stakeholder of the company, i.e., employees, customers, business partners, bankers who made our IPO listing successful. The IPO has resulted in a strengthening of our balance sheet, which will contribute to better profitability through the reduction of interest costs and will also bolster our growth.

The culmination of our efforts over the course of many years has placed us on a fast growth trajectory. After achieving a topline growth of 43% (CAGR FY21-23), we delivered 49% YoY revenue growth in both Q3 FY24 and 9MFY24. This growth is marked by a 3x YoY growth in our Aerospace & Defense segment, which has been built based on our extensive experience in the Energy segment. Recently, we signed a 7-year contract with Rolls- Royce to produce / supply critical engine parts for their Defence/Military Aircraft engines. This contract which will give a fillip to our growth in the Aerospace & Defense segment. This prestigious contract is a testimony to our formidable capabilities in this space.

In the coming years, we expect the Aerospace & Defense business will contribute to our revenues on par with the Energy segment, with Oil & Gas coming in second.”

About Azad Engineering Limited

Azad Engineering Limited is one of the key manufacturers of qualified product lines supplying to global OEMs primarily engaged in highly regulated industries, including energy, aerospace & defence and oil & gas industries. It manufactures complex and highly engineered precision forged and machined components that are mission and life-critical and hence, some of its products have a "zero parts per million" defects requirement

The company’s products include 3D rotating airfoil / blade portions of turbine engines and other critical components for (a) gas, nuclear and thermal turbines used in industrial applications or energy generation, and (b) defence and civil aircrafts and spaceships. Airfoils / blades are one of the most critical 3D rotating and stationary parts of a turbine in the compression section.

The company’s customers include General Electric, Honeywell International Inc., Mitsubishi Heavy Industries, Ltd., Siemens Energy, Eaton Aerospace and MAN Energy Solutions SE amongst others.

For more information about the company and its business, please visit www.azad.in

Safe Harbour Statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For more information please contact:

Company:



Azad Engineering Limited:

CIN: U74210TG1983PLC004132

Mr. Ful Kumar Gautam, Company Secretary & Compliance Officer

Email id: cs@azad.in

Investor Relations Advisor:

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt Ltd.

CIN: U74140MH2010PTC204285

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