



Pritika Auto Industries Limited
Q1 FY19 Result Update Presentation
August 2018

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Chairman's Message

DELIVERING RESULTS, RELIABILITY & EXCELLENCE



Commenting on the quarterly results, Mr. Raminder Singh Nibber, Chairman, Pritika Auto Industries Limited said :

"We are pleased to share our financial performance for the quarter ended 30th June 2018 which has been in line with our targets. The production Volume for the quarter was at 8,195 tonnes, which is the highest ever quarterly production volume in our Company's history. The revenue for the quarter has grown by 26% to Rs. 50.7 cr on the back of addition of new capacities and better utilisation of existing capacities. The EBITDA and PAT have grown by over 75% and 118% respectively on back of value-added products and improving operational efficiencies. Our focus to improve our operating efficiencies along with the growing order book has contributed to this strong performance.

We are proud to share that the transition of acquired plant as well as its technological upgrade has been achieved in a record time of 45 days. This newly acquired plant has also commenced commercial production. The plant has a monthly capacity to produce 1,000 MT of machined castings & will cater to the tractor & automotive segment. The foundry is spread over 4.8 acres of land with ample scope for future expansion.

I would like to thank the entire team of 'Pritika' for their untiring efforts, hard work, sincerity and dedication. Also, I would like to thank our valued Shareholders, whose support and faith in our Company has given us the determination and ambition to set and achieve higher benchmarks."

Key Developments During Q1 FY19

- Successfully completed transition of newly acquired plant and its technological upgrade in record time of 45 days
 - Plant commenced commercial production with monthly capacity of 1,000 MT of machined castings - cater to tractor and automotive segment
 - Foundry spread over 4.8 acres of land with ample scope for future expansion
 - Company had signed agreement with Amrit Duraparts to buy assets {Land, Building & Machinery} of their plant located in Punjab, in February 2018
 - With this acquisition, total installed capacity increased to 50,000 tons per annum - enabling to achieve vision of FY20 well ahead of time

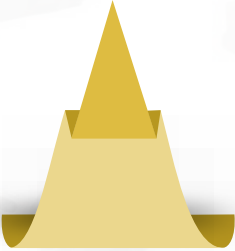
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Consolidated Financial Highlights

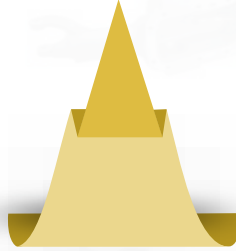
EXCELLENCE THROUGH THE QUALITY AND PRECISION



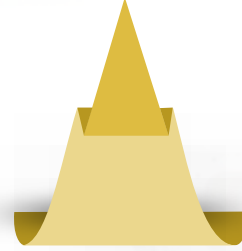
Quarterly Financial Highlights – Q1 FY19 (YoY)



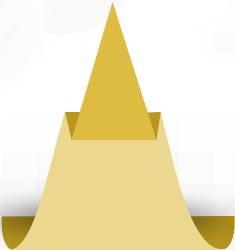
26.0%
Revenue
Rs. 50.7 cr



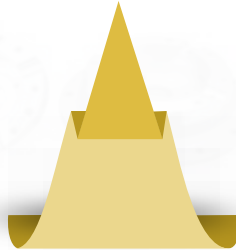
75.0%
EBTIDA
Rs. 8.4 cr



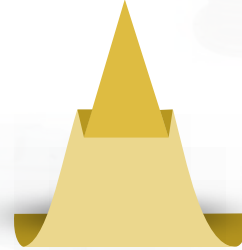
467 bps
EBITDA Margin
16.7%



118.5%
PAT
Rs. 3.5 cr



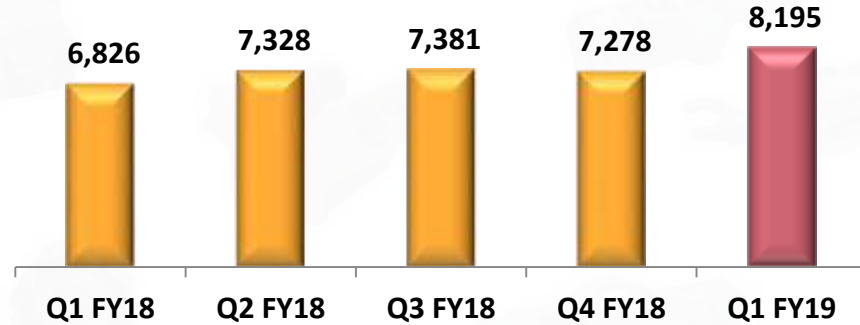
296 bps
PAT Margin
7.0%



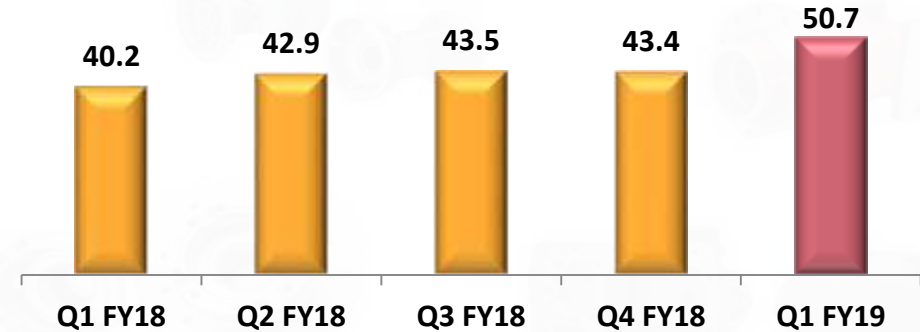
68.3%
EPS
Rs. 2.0 vs. Rs. 1.2 (Q1FY18)

Quarterly Financial Highlights – Q1 FY19

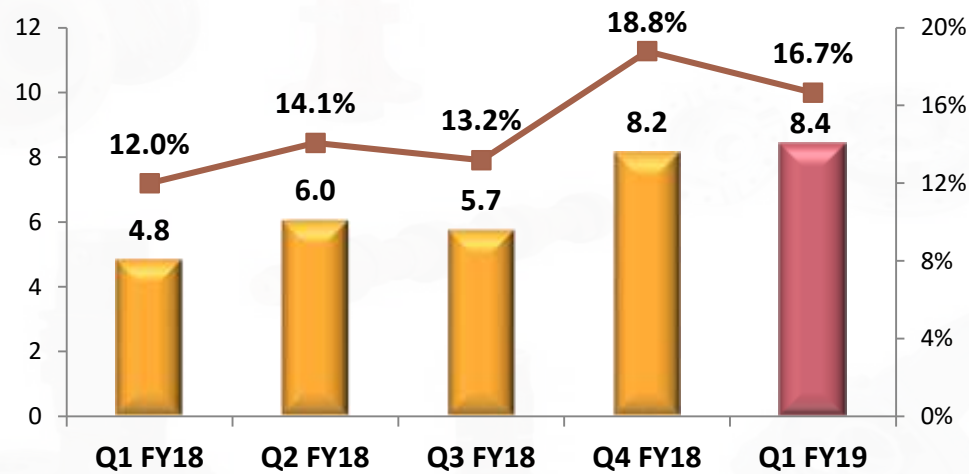
Production Volume (TPA)



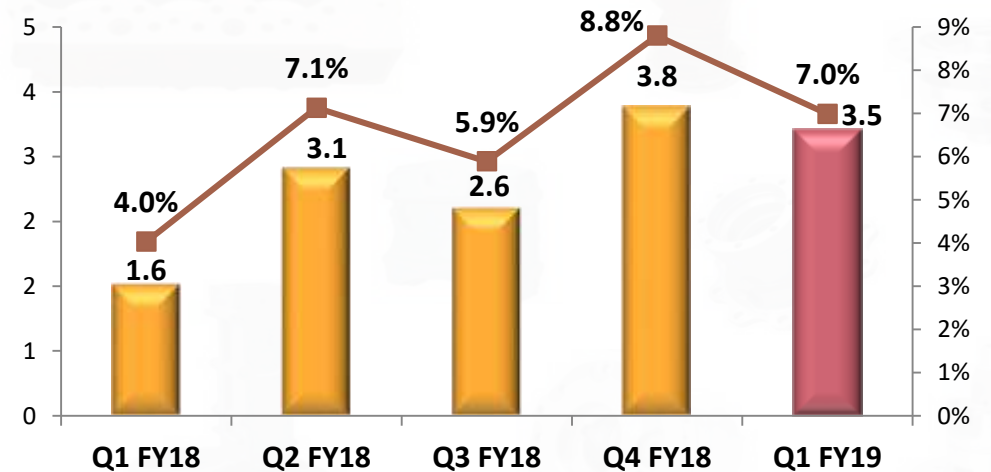
Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)



PAT (Rs. Cr) / Margin (%)



Quarterly Financial Highlights

Rs. Cr	Q1 FY19	Q1 FY18	Y-o-Y	Q4 FY18
Total Income from operations	50.7	40.2		43.4
Other Operating revenue	0.0	0.0		0.0
Net Revenue	50.7	40.2	26.0%	43.4
Raw Materials	30.5	25.1		25.6
Employee Cost	2.5	2.2		3.3
Other Cost	9.2	8.1		6.3
Total Expenditure	42.2	35.4		35.2
EBITDA	8.4	4.8	75.0%	8.2
EBIDTA margin (%)	16.7%	12.0%	467 bps	18.8%
Other Income	0.2	0.1		0.3
Depreciation	1.7	1.4		1.4
Interest	1.6	1.7		0.7
Profit Before Tax	5.3	1.8		6.4
Tax	1.7	0.2		2.6
Profit After Tax	3.5	1.6	118.5%	3.8
PAT Margin (%)	7.0%	4.0%	296 bps	8.8%
EPS (Rs.)	2.02	1.20	68.3%	2.61

- Revenue growth – driven by increase in volumes from existing and newly added facilities
- EBIDTA margin expansion – on account of Incremental prices passed on in same quarter and operational efficiencies

*Numbers are as per IND AS guidelines

Annual Financial Highlights – FY18



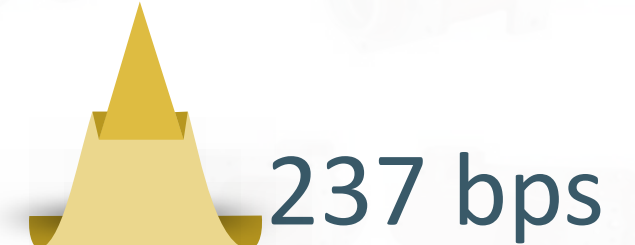
Revenue

Rs. 170.0 cr



EBTIDA

Rs. 24.7 cr



EBITDA Margin

14.6%



PAT

Rs. 11.1 cr



PAT Margin

6.5%

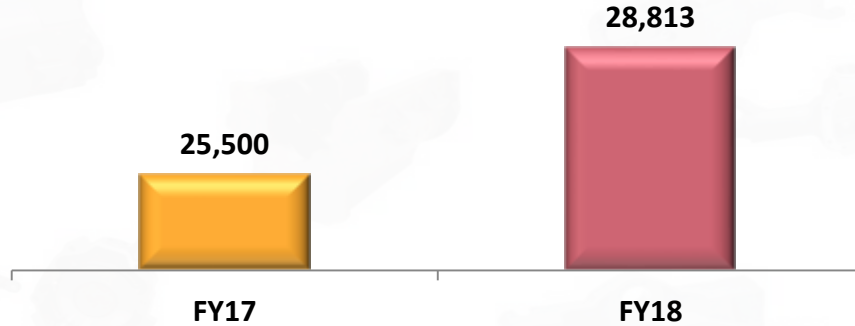


EPS

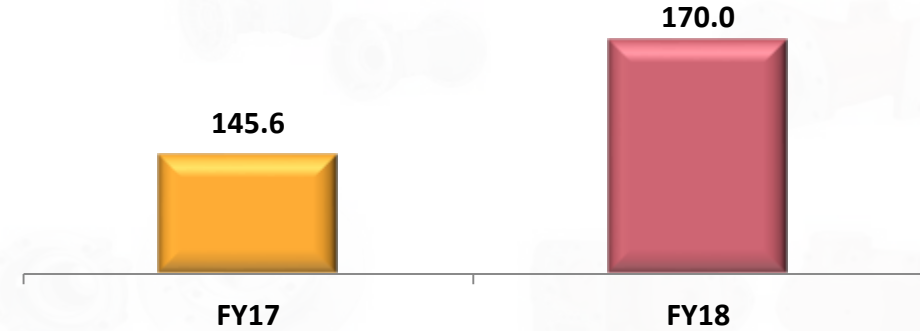
Rs. 7.56 vs. Rs. 3.15(FY17)

Annual Financial Highlights – FY18

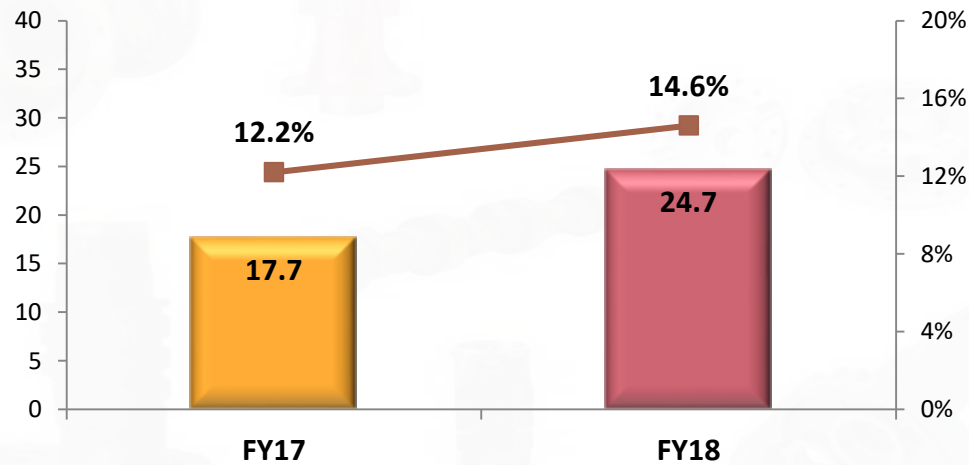
Production Volume (TPA)



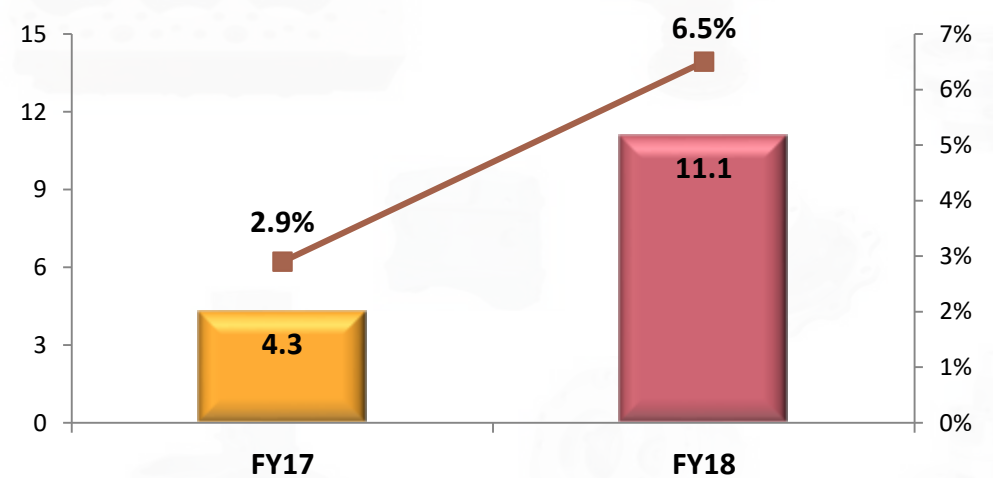
Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)



PAT (Rs. Cr) / Margin (%)



Cons. Annual Financial Highlights – FY18

Rs. Cr	FY18	FY17*	YoY%
Total Income from operations	170.0	145.6	
Other Operating revenue	0.0	0.0	
Net Revenue	170.0	145.6	16.8%
Raw Materials	102.2	88.8	
Employee Cost	10.2	9.6	
Other Cost	32.8	29.4	
Total Expenditure	145.3	127.8	
EBITDA	24.7	17.7	39.5%
EBIDTA margin (%)	14.6%	12.2%	237bps
Other Income	0.6	0.4	
Depreciation	5.7	5.0	
Interest	5.6	6.6	
Profit Before Tax	14.1	6.6	114.2%
Tax	3.0	2.3	
Profit After Tax	11.1	4.3	159.2%
PAT Margin (%)	6.5%	2.9%	358bps
EPS (Rs.)	7.56	3.15	140.0%

- Revenue registered YoY growth of 16.8% on account of addition and better utilization of new capacities
- EBITDA Margin improved on account addition of high value-added products and better operational efficiencies
- Profit After Tax registered YoY growth of 159% on account of higher efficiencies and lower utilization of banking limits
- Board of Directors have recommended, subject to the shareholders' approval, final dividend @ 2% i.e. Rs. 0.2 per equity share

*FY17Numbers are restated as per IND AS guidelines

Cons. Balance Sheet as on 31st March FY18

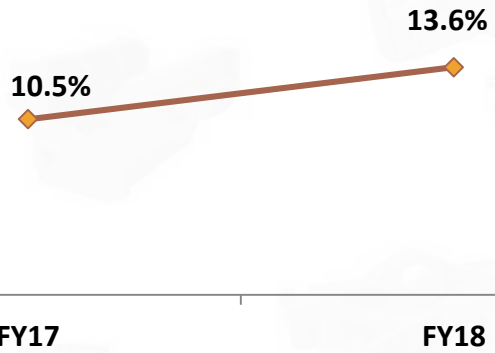
Rs. Cr	31 st Mar 18	31 st Mar 17*
Equity	81.6	40.8
Equity Share Capital	17.6	13.5
Other Equity	64.1	27.3
Non Current Liabilities	20.3	9.3
Financial Liabilities		
Borrowing	19.1	7.5
Provisions	0.0	0.0
Deferred Tax Liabilities (Net)	1.2	1.7
Other Current Liabilities	0.0	0.0
Current Liabilities	77.1	81.5
Financial Liabilities		
Borrowings	33.3	33.4
Trade Payables	17.1	15.7
Other Financial Liabilities	19.3	26.2
Provisions	4.1	3.0
Other Current Liabilities	3.2	3.3
Total Liabilities	179.0	131.6

Rs. Cr	31 st Mar 18	31 st Mar 17*
Non-current Assets	55.3	36.8
Tangible Assets	47.1	34.1
Intangible Assets	0.0	0.0
Capital work-in-progress	7.3	2.4
Financial Assets		
Investments	0.0	0.0
Loans	0.0	0.0
Other Financial Assets	0.7	0.3
Other non current assets	0.3	0.0
Current Assets	123.7	94.8
Inventories	48.1	42.6
Financial Assets		
Trade Receivables	37.7	38.3
Cash & Cash Equivalent	4.5	1.0
Bank Balance other than Cash	2.0	1.9
Loans	0.0	0.0
Other	4.2	1.4
Other Current Assets	27.2	9.5
Total Assets	179.0	131.6

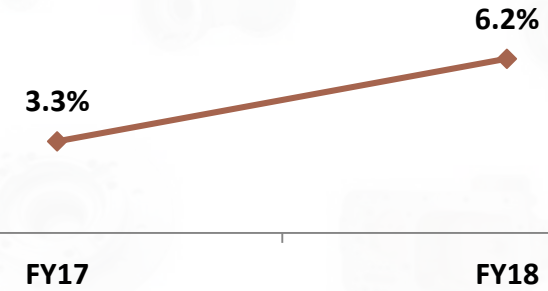
*FY17 Numbers are restated as per IND AS guidelines

Key Ratios

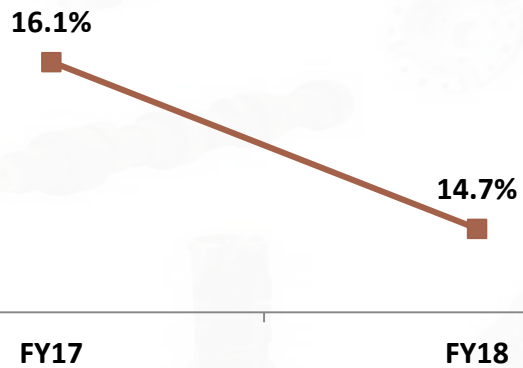
RoE (%)



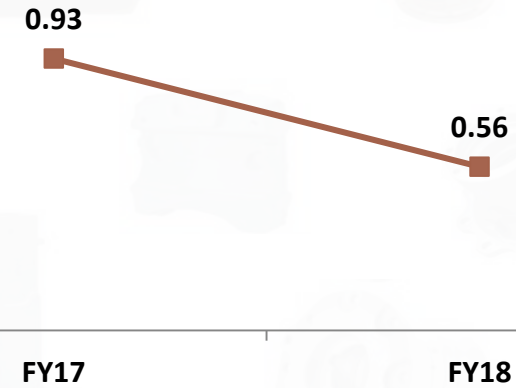
RoA (%)

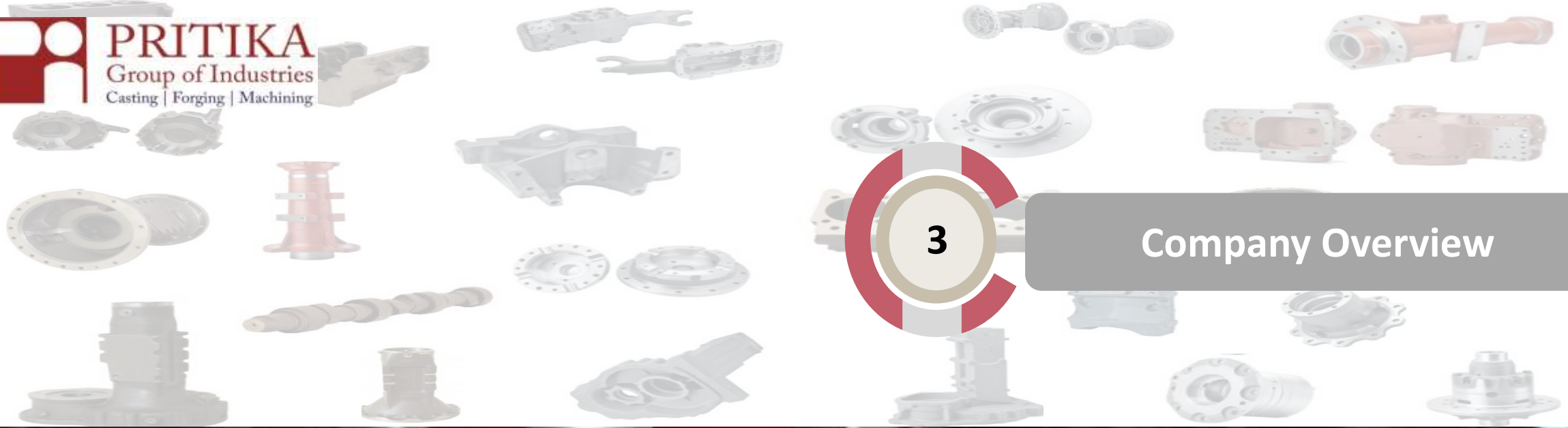


RoCE (%)



Net Debt/Equity (x)





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Company Overview





Leading manufacturer of tractor components in India

- Incorporated in 1973 by Mr. R.S. Nibber
- Nearly 5 Decades of experience in Tractor/Auto Component manufacturing

Modern Manufacturing Facilities

- Punjab and Himachal Pradesh
- Total installed machined capacity 50,000 tons pa

One of biggest component suppliers in machined casting Segment

- Supply to OEMs like M&M, Swaraj, TAFE, Escorts, SML Isuzu, TMTL, Ashok Leyland, New Holland Tractors India Ltd. , Brakes India Ltd.
- Wide & Diversified client base

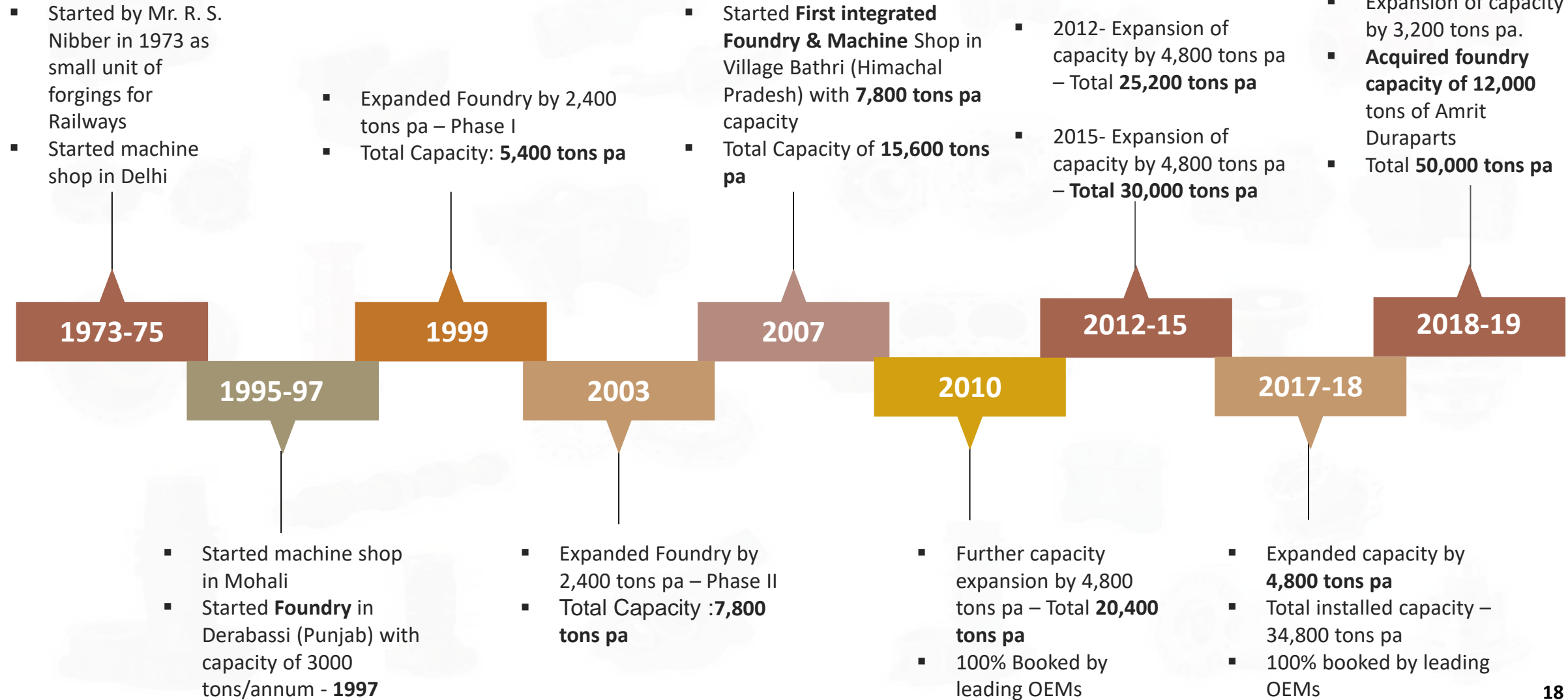
Diversified Portfolio

- Axle Housings, Wheel Housings, Hydraulic Lift Housings, End Cover, Plate Differential Carrier, Cylinder Blocks, Crank Cases

Strong Pan India Customer presence

- Strong demand for products across key markets in India

Journey So Far...



Leadership Team to drive Growth...



Chairman

Raminder Singh Nibber

- Aged 75 years: Mechanical Engineer started career with Escorts Limited for 10 years
- Awarded “UDYOG PATRA” for Self Made Industrialists by Institute of Trade and Industrial Development in July 2003
- Chairman of Confederation of Indian Industry - Mohali Zone
- Executive Member of Mohali Industries Association, Rotary Club & PHD Chamber of Commerce



Managing Director

Harpreet Singh Nibber

- Aged 46 years: Mechanical Engineer worked for more than 2 years in reputed tractor manufacturing company
- Responsible for Manufacturing and Business Development of all Units
- Worked in Marketing & Development functions of Pritika Group for almost 2 decades
- Executive Member of Mohali Industries Association, Rotary Club.

... Backed by Professional Management



Sri. Ramesh Chander Saini
Chief Financial Officer

- Commerce graduate with more than 35 years of experience in finance and accounts functions
- worked with various reputed public and private sector organizations like HMT, Punjab tractors, Oswal, Atlas among others
- Been with the group for more than 15 years



Sri Ajay Kumar Rai
Executive Director

- Graduate in Mechanical Engineering and a Masters Degree holder in Business Administration
- 21 years of experience in various engineering industries and been with the group for 15 years
- Was the head of materials at Nibber Castings for about 4 years and Project Head for Pritika Autocast
- Approved Internal Auditor for ISO



Sri S.K Sharma
Sr. General Manager -
Foundry Operations

- Graduated in Diploma in Mechanical Engineering
- 19 years of experience in various Foundry industries like DCM, Krishna Engg. & RICO
- Been with the group more than 10 years



Sri Navpreet S. Sujlana
Deputy General Manager-
Sales & Marketing

- Graduated in Mechanical Engineering and done Information Technology course
- 12 years of experience in customer support function
- Worked with Compaq as a project team leader
- Looking after the IT function in the group
- Been with the group for more than 10 years



Sri Ram Lal Dhiman
Director - Technical
Foundry

- Post graduate in Mechanical Engineering and Masters Degree in Business Administration
- 39 years of experience in engineering, Foundry industries and has been with the group for last 5 years
- Worked with giants of Industry like DCM, Mahindra & Mahindra and Amtek group
- Approved Internal Auditor for ISO

DELIVERING RESULTS, RELIABILITY & EXCELLENCE

Diverse Product Offerings

Rear Axle Housings



Diverse Product Offerings contd...

Hydraulic Lift Covers/ Housing



Differential Case



Engine Covers



Clutch & Fly Wheel Housings



Plate Diff. Carriers



Bull Cages



Diverse Product Offerings contd...

Wheel Hubs



Front Engine/Axle Support



Crank Case, Cylinder Blocks & Cam Shafts



Brake Housings, End Covers & Actuating Disc



Market Share – Major Products

**Axle
Housings**
28% Market share



**Differential
Case**
25% Market share



**Brake
Housings**
20% Market share



Wide Application of Products



Key Customers



Case New Holland



ASHOK LEYLAND



Brakes India Private Limited



Key Strengths

Reputed and established Management

- Dynamic Experience Leadership
- Vast experience in Tractor and Auto Components - indicates strong ability to maintain business viability and steer business through operational hurdles
- Strong Team of Highly Skilled and Dedicated Professionals

Diversified Product offerings

- Manufactures diverse range of products
- Already expanding the product offerings further

Strong Order book position

- Strong current order book
- Very strong incremental enquiries

5 Decade old strong and established brand

- Leading manufacturer of tractor components in India

Fully Integrated manufacturing set up

- Casting
- Machining

Strong Association with key Customers

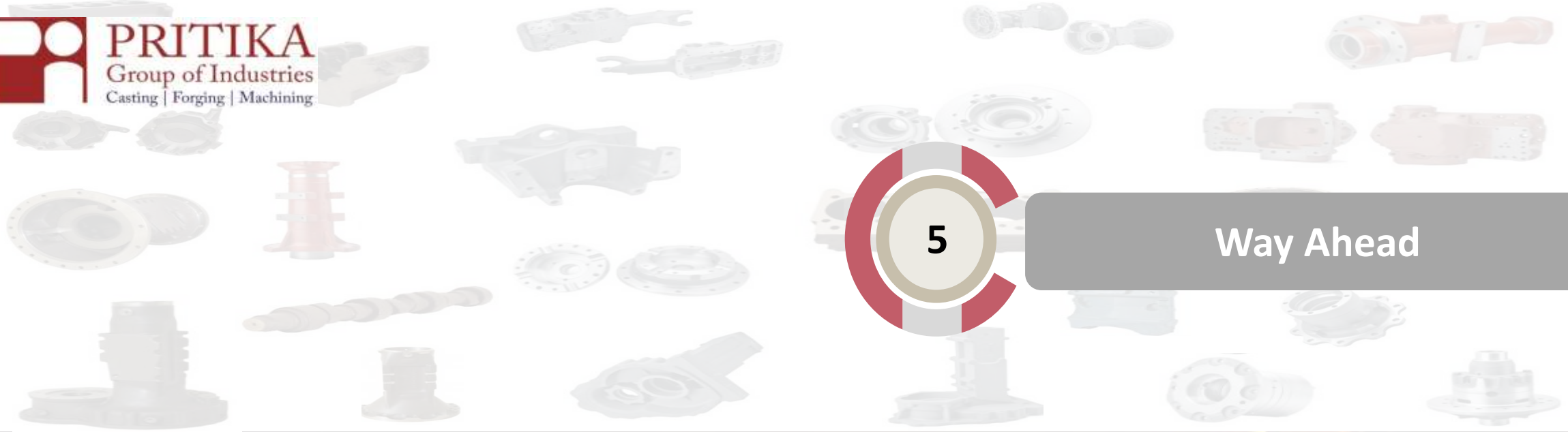
- Escorts – 43 years
- TAFE – 20 years
- M&M – 14 years

... All capacity additions till date - 100% pre-booked

Awards & Recognitions

AWARDS	YEAR	ORGANIZATION
Best Quality	2001	CII – SIDBI India Engineering Trade Fair
2 nd Best Display Award	2005	Centre for International Trade & Industry at Made in Punjab Show
Best Quality Performance	2010-11	Swaraj Ltd.
Award For Casting Commodity	2012	Mahindra & Mahindra
Best Supplier	2012	TAFE
Best Kaizen	2013-14	TAFE
Star of Asia Award	2015	Economic Growth Society of India
India's Best Company of the year 2017- Best Automotive Components Manufacturing Company	2017	IBC InfoMedia Pvt. Ltd.
Award for Corporate Excellence	2018	Make in India Foundation (MIIF)





5

Way Ahead

CAPABILITIES TO MEET YOUR GOALS



Vision and Mission of Company

Our Vision

To be First choice among Original Equipment's Manufactures for Machined Castings

To be One of the Largest Producers of Machined Castings in India

Our Mission

Installed capacity of 1,00,000 of Machined Castings by Year 2023

With newly acquired foundry, vision of 50,000 tons of Machined casting achieved in FY18

Way Ahead....

Export Opportunities

- ✓ Fully equipped manufacturing facilities with best standards – to provide opportunity for exports to the global OEM's
- ✓ Incremental Capex, partially, to be dedicated towards export market

New Product Development

- ✓ Continuous focus to keep adding new products in basket of products

Geographical Diversification:

- ✓ Expand in Geographically strategic locations of India
- ✓ Looking for export opportunities

Key Focus Areas :

- ✓ Leading to Performance
 - Improving Operational efficiencies
 - Margin expansion
 - Gain in Market Share

Thank You



PRITKAUTO

 **PAUTO IN**

 **REUTERS**

PITI.BO

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