



**Pritika Auto Industries Limited**  
Result Update Presentation  
Q2 & H1 FY20

# Disclaimer

*This presentation has been prepared by Pritika Auto Industries Limited (the “Company”) solely for information purposes and does not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*

*Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*

# Table of Contents

01

**Chairman's Message**

02

**Consolidated Financial Highlights**

03

**Company Overview**

04

**Business Overview**

05

**Way Ahead**



1

**Chairman's Message**

**DELIVERING RESULTS, RELIABILITY & EXCELLENCE**





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

*"Our revenue for this quarter stood at Rs. 48.6 crore, while EBITDA and PAT were Rs. 6.0 crore and Rs. 2.1 crore, respectively. Our Company has also been impacted by the headwinds faced by the entire automotive value chain, despite which we improved revenue realizations per ton. Leading OEMs across India rely on us to deliver quality products on time, reaffirming the trust and faith they have placed in us. Correspondingly, we continue to enhance our portfolio with new products that improve realizations and profitability. We expect the demand to recover through Q4 FY20.*

*I am very happy to share with you all that we won our first export order during this quarter. Our participation at 'Agritecnica' in Germany had fetched several inquiries. This has fructified into an export order worth USD 0.5 million from a US-based multinational conglomerate, for casted products. The products would be used in material handling applications, thereby diversifying our catering beyond the automotive sector. The order is under execution and we expect similar orders in the near future. This opens up our avenues in international markets for the first time, as well as diversifying our product portfolio. We will also be participating in this year's Agritecnica in Hanover, Germany.*

*We expect the domestic market to have bottomed out, with gradual signs of recovery by the end of the year. Correspondingly, we forecast a flattish financial year compared to the previous year. Our technological capabilities, operational efficiencies, and strong client relationships continue to be our pillars of strength, seeing us through this sluggish period. To complement this, we are also adding value-added products to our portfolio, which is expected to improve our profitability.*

*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 all our valued stakeholders, whose support and faith in our Company gives us the determination and ambition to set and achieve higher benchmarks."*

**Strategy – To expand capacity organically and through acquisitions, on back of strong order book, while seeking export opportunities**

- Won first export order worth USD 0.5 million from US-based multinational conglomerate
- Won new order to develop and supply cylinder heads for engines - order comes from an existing, long-standing customer which is a leading manufacturer of tractor engines in India
- Won initial order from TAFE and Eicher to supply 1,200 tons per annum of components for low horse-power tractors – reflects OEMs’ trust to deliver quality products on time



2

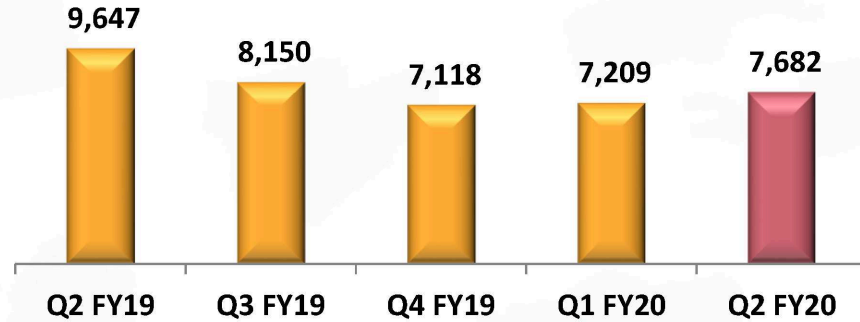
## Consolidated Financial Highlights

EXCELLENCE THROUGH THE QUALITY AND PRECISION

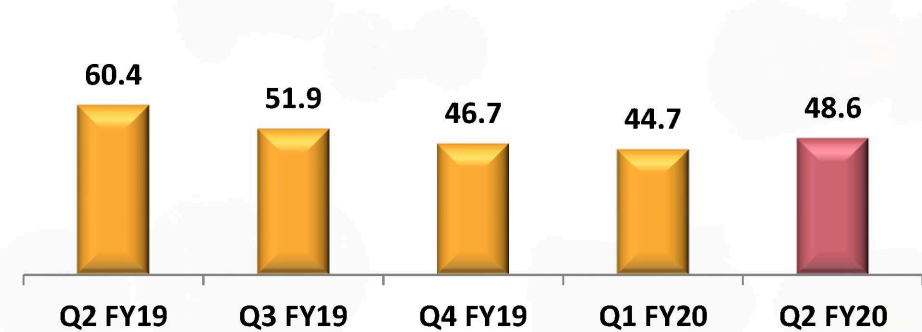


# Quarterly Financial Highlights – Q2 FY20

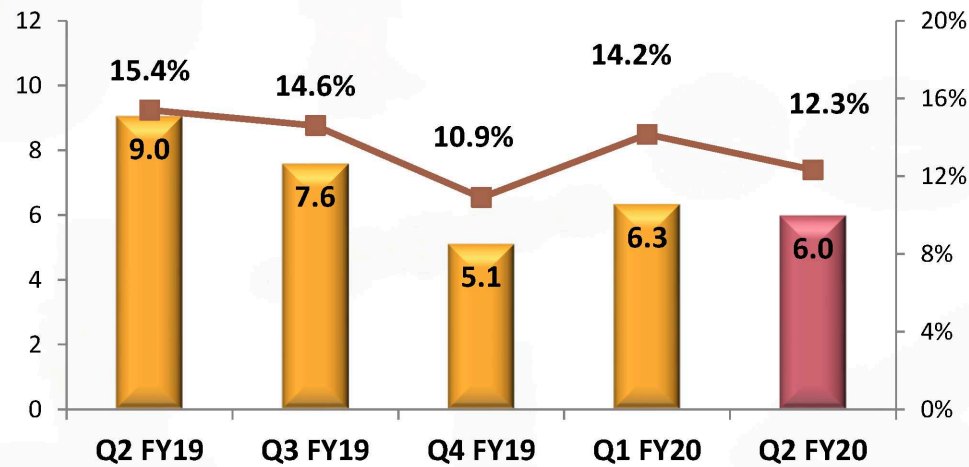
**Production Volume (TPA)**



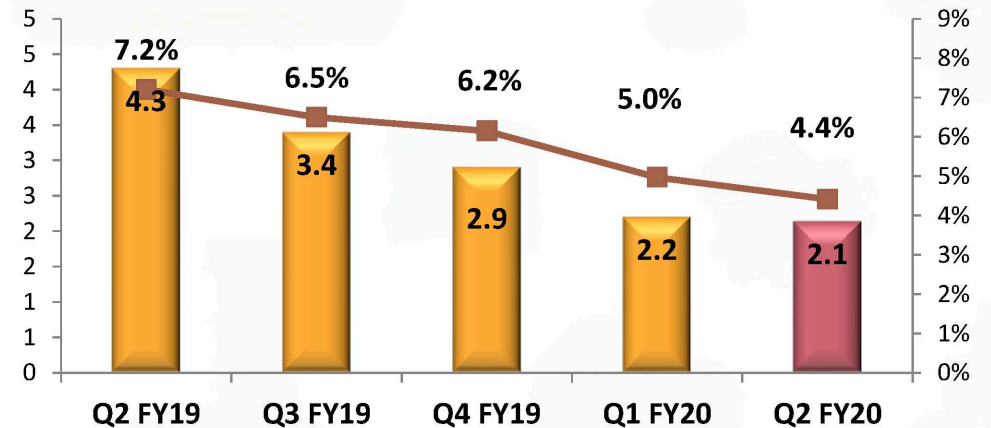
**Revenue (Rs. Cr)**



**EBITDA (Rs. Cr) / Margin (%)**



**PAT (Rs. Cr) / Margin (%)**



## Quarterly Financial Highlights

Rs. Cr	Q2 FY20	Q2 FY19	Y-o-Y	Q1 FY20
Total Income from operations	48.58	60.45		44.70
Other Operating revenue	0.00	0.00		0.00
<b>Net Revenue</b>	<b>48.58</b>	<b>60.45</b>	<b>(19.64%)</b>	<b>44.70</b>
Raw Materials	28.29	35.62		25.29
Employee Cost	3.73	3.39		3.43
Other Cost	10.58	12.39		9.66
<b>Total Expenditure</b>	<b>42.59</b>	<b>51.40</b>		<b>38.37</b>
<b>EBITDA</b>	<b>5.98</b>	<b>9.04</b>	<b>(33.84%)</b>	<b>6.32</b>
<b>EBIDTA margin (%)</b>	<b>12.32%</b>	<b>14.96%</b>	<b>(264 bps)</b>	<b>14.15%</b>
Other Income	0.38	0.37		0.29
Depreciation	1.80	1.73		1.81
Interest	1.70	2.07		1.95
<b>Profit Before Tax</b>	<b>2.86</b>	<b>5.61</b>		<b>2.85</b>
Tax	0.72	1.28		0.63
<b>Profit After Tax</b>	<b>2.14</b>	<b>4.33</b>	<b>(50.50%)</b>	<b>2.22</b>
<b>PAT Margin (%)</b>	<b>4.41%</b>	<b>7.16%</b>	<b>(275 bps)</b>	<b>4.97%</b>
<b>Basic EPS (Rs.)</b>	<b>1.21*</b>	<b>2.46</b>	<b>(50.81%)</b>	<b>1.25*</b>

- 19.6% decline in revenue owing to significant slowdown in commercial vehicles industry
- EBITDA decline – on account of lower capacity utilizations due to sluggish demand across the sector

\*Preferential issue of 1,75,000 equity shares during Q4 FY19

## Half Yearly Financial Highlights – H1 FY20

Rs. Cr	H1 FY20	H1 FY19	YoY%
Total Income from operations	93.27	111.13	
Other Operating Income	0.00	0.00	
<b>Net Revenue</b>	<b>93.27</b>	<b>111.13</b>	<b>(16.07%)</b>
Raw Materials	53.58	66.15	
Employee Cost	7.15	5.90	
Other Cost	20.24	21.59	
<b>Total Expenditure</b>	<b>80.96</b>	<b>93.65</b>	
<b>EBITDA</b>	<b>12.31</b>	<b>17.49</b>	<b>(29.61%)</b>
<b>EBIDTA margin (%)</b>	<b>13.20%</b>	<b>15.73%</b>	<b>(253 bps)</b>
Other Income	0.67	0.60	
Depreciation	3.61	3.48	
Interest	3.65	3.71	
<b>Profit Before Tax</b>	<b>5.71</b>	<b>10.90</b>	
Tax	1.35	3.03	
<b>Profit After Tax</b>	<b>4.36</b>	<b>7.87</b>	<b>(44.57%)</b>
<b>PAT Margin (%)</b>	<b>4.68%</b>	<b>7.08%</b>	<b>(240 bps)</b>
<b>Basic EPS (Rs.)*</b>	<b>2.46</b>	<b>4.48</b>	<b>(45.09%)</b>

- Decline in revenue and EBITDA due to slowdown in commercial vehicles segment – adversely impacting demand

\*Preferential issue of 1,75,000 equity shares during Q4 FY19



## Balance Sheet as on 30<sup>th</sup> September

Rs. Cr	As on 30 <sup>th</sup> Sept 19	As on 31 <sup>st</sup> Mar 19
<b>Equity</b>	<b>118.70</b>	<b>115.41</b>
Equity Share Capital	17.73	17.73
R&S	100.97	97.68
<b>Non-Current Liabilities</b>	<b>30.70</b>	<b>31.55</b>
<b>Financial Liabilities</b>		
Long Term Borrowing	21.83	23.30
Deferred Tax Liabilities(net)	1.72	1.65
Other LT Liabilities	5.87	5.32
LT Provisions	1.28	1.28
<b>Current Liabilities</b>	<b>91.57</b>	<b>85.24</b>
<b>Financial Liabilities</b>		
Short term Borrowings	38.59	32.50
Trade Payables	19.43	19.97
Other Financial Liabilities	25.44	26.87
Other Current Liabilities	5.82	4.03
Short term Provisions	2.29	1.87
<b>Total Equity &amp; Liabilities</b>	<b>240.97</b>	<b>232.20</b>

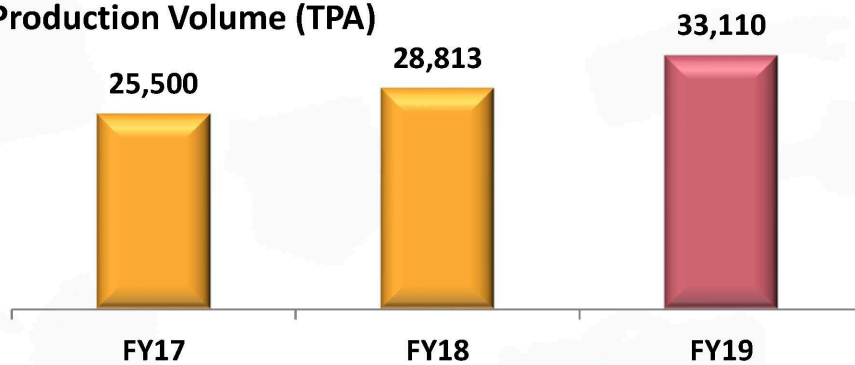
Rs. Cr	As on 30 <sup>th</sup> Sept 19	As on 31 <sup>st</sup> Mar 19
<b>Non-current Assets</b>	<b>110.44</b>	<b>105.47</b>
Property, Plant and Equipment	77.98	78.40
Capital work in progress	14.40	8.88
Goodwill on Consolidation	13.55	13.55
<b>Financial Assets</b>		
Non Current Investments	0.23	0.23
Other Financial Assets	1.21	1.14
Deferred Tax Assets/ (Liability)	1.68	1.85
Long term Loans & Advances	0.00	0.00
Other Non Current Assets	1.39	1.41
<b>Current Assets</b>	<b>130.53</b>	<b>126.73</b>
Inventories	56.41	55.93
<b>Financial Assets</b>		
Trade Receivables	53.20	47.43
Cash & Cash Equivalents	0.46	0.53
Bank	1.45	1.29
Other Financial assets	15.77	17.44
Short term Loans & Advances	0.00	0.00
Other Current Assets	3.25	4.11
<b>Total Assets</b>	<b>240.97</b>	<b>232.20</b>

**Significant slowdown in automotive sector adversely impacted working capital in H1 FY20**

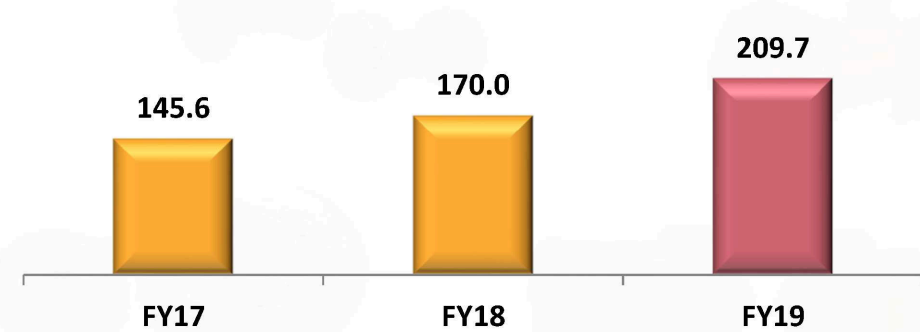
Preferential issue of 1,75,000 equity shares during Q4 FY19

# Annual Financial Highlights – FY19

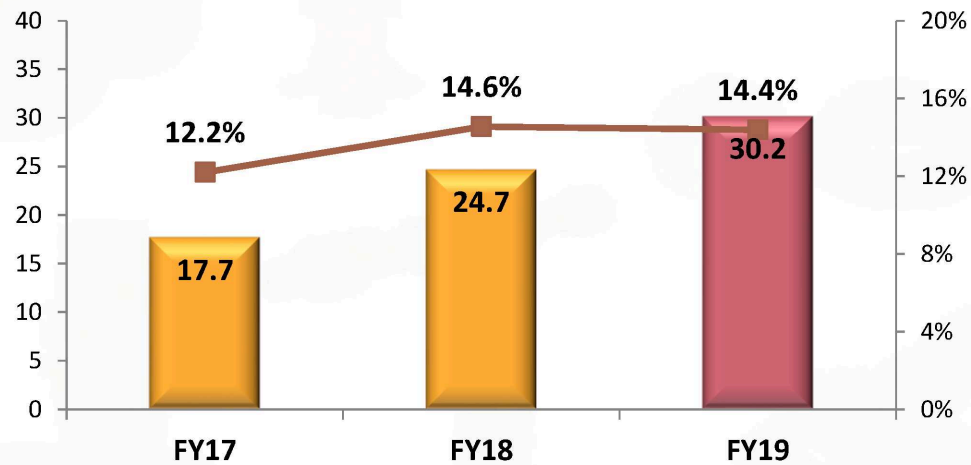
**Production Volume (TPA)**



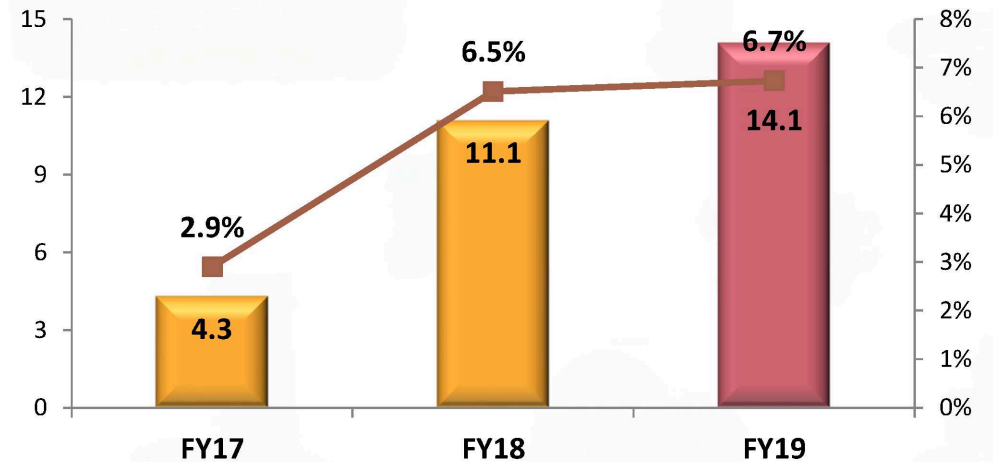
**Revenue (Rs. Cr)**



**EBITDA (Rs. Cr) / Margin (%)**

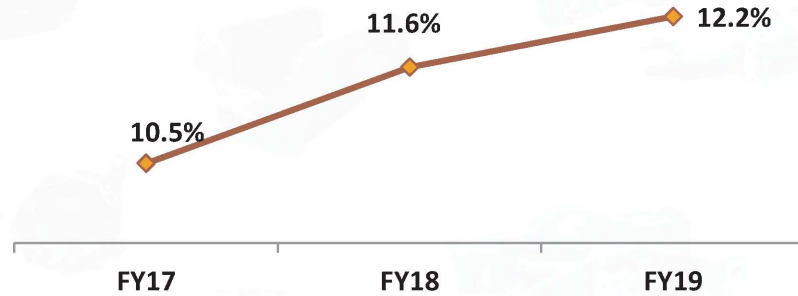


**PAT (Rs. Cr) / Margin (%)**

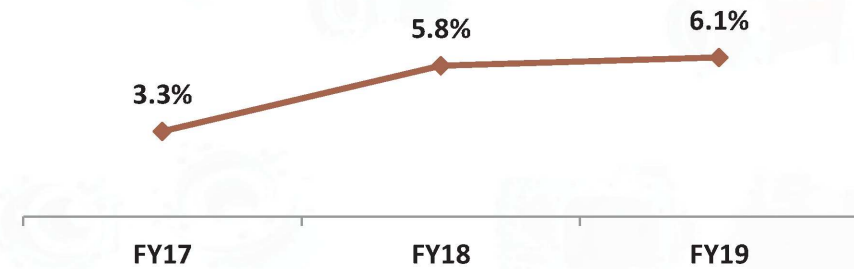


# Key Ratios

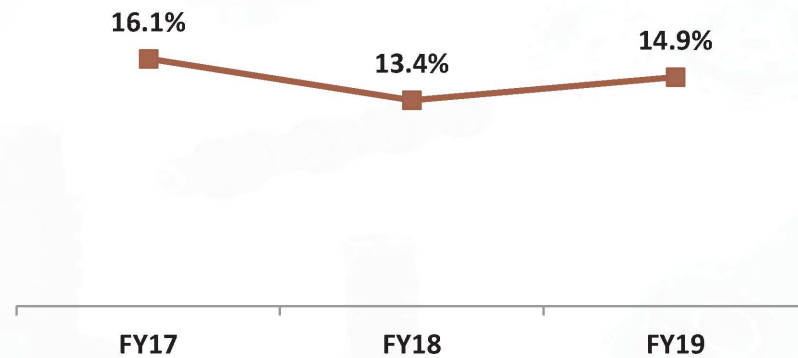
### RoE (%)



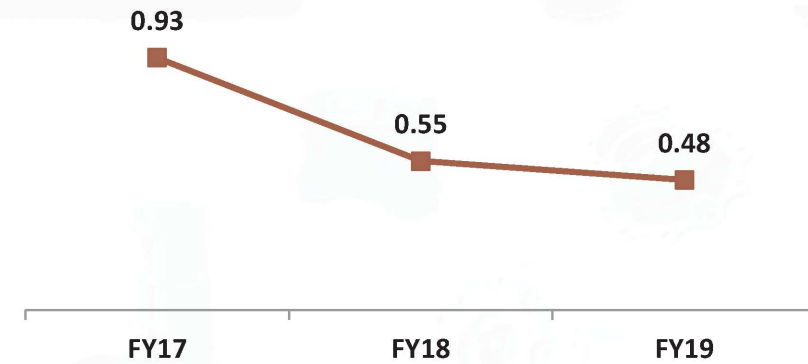
### RoA (%)



### RoCE (%)



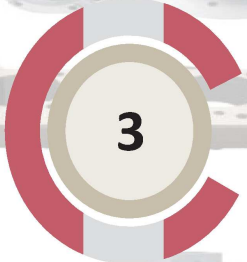
### Net Debt/Equity (x)



Preferential issue of 1,75,000 equity shares during Q4 FY19

RoA = Net Profit/Total Assets \ Net D/E= (Total Debt-Cash)/Total Equity \ RoE = Net Profit/ Total Equity \ RoCE= EBIT/(Shareholders Fund+Total Debt-non-current investments)





# Company Overview





### Leading manufacturer of tractor components in India

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

### Modern Manufacturing Facilities

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

### Among 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...

- Started by Mr. R. S. Nibber in 1973 as small unit of forgings for Railways
- Started machining shop in Delhi

- Expanded Foundry by 2,400 tons pa – Phase I
- Total Capacity: **5,400 tons pa**

- Started **First integrated Foundry & Machine Shop** in Village Bathri (Himachal Pradesh) with **7,800 tons pa** capacity
- Total Capacity of **15,600 tons pa**

- 2012- Expansion of capacity by 4,800 tons pa – Total **25,200 tons pa**
- 2015- Expansion of capacity by 4,800 tons pa – Total **30,000 tons pa**

- Expanded capacity by 3,200 tons pa.
- Acquired foundry capacity of 12,000 tons pa** of Amrit Duraparts
- Total **50,000 tons pa**
- Received 1,200 tons pa order for low HP tractor components
- Won 2,400 tons pa order of rear axle housings
- Won first export order for USD 0.5 million from the US

1973-75

1995-97

1999

2003

2007

2010

2012-15

2017-18

2018-19

- Started machine shop in Mohali
- Started **Foundry** in Derabassi (Punjab) with capacity of 3000 tons/annum - **1997**

- Expanded Foundry by 2,400 tons pa – Phase II
- Total Capacity : **7,800 tons pa**

- Further capacity expansion by 4,800 tons pa – Total **20,400 tons pa**
- 100% Booked by leading OEMs

- Expanded capacity by **4,800 tons pa**
- Total installed capacity – 34,800 tons pa
- 100% booked by leading OEMs



## 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



**Mr. Narinder Kumar Tyagi**  
Chief Financial Officer

- Chartered Accountant with more than 25 years of experience in finance and accounts functions
- Worked with various reputed public and private sector organizations like Nahar Spinning Mills Limited, TDT Copper Ltd. & others



**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 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 project team leader
- Responsible for Information Technology function
- Been with 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 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

**SML  
ISUZU**

  
**EICHER**

  
**Mahindra**

**SIGMA**  
vibra<sup>ε</sup>coustic

**CNH**  
Case New Holland

**SWARAJ**

**TAFE** 

  
Brakes India Private Limited

  
**ASHOK LEYLAND**

  
**Mahindra  
SWARAJ**

  
**DANA**



  
**ESCORTS**



## Key Strengths

### Reputed and established Management

- Dynamic Experienced 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
- Continual expansion of product offerings

### Strong Order book position

- Robust current order book
- Significant incremental enquiries

### Over five decade old strong and established brand

- Among leading manufacturers of tractor components in India

### Fully Integrated manufacturing set up

- Integrated operations from casting to machining
- “Ready to use” products for OEM’s

### Long standing 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 <sup>nd</sup> 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 Info Media Pvt. Ltd.
Award for Corporate Excellence	2018	Make in India Foundation (MIIF)





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

## Way Ahead....

### Key Focus Areas

- ✓ Improve operational efficiencies
- ✓ Margin expansion
- ✓ Gain in Market Share

### Export Opportunities

- ✓ Fully equipped manufacturing facilities of global standards – to provide opportunity for exports to global OEMs
- ✓ 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

Thank You



**PRITIKAUTO**



**PAUTO IN**



**PITI.BO**

For further information, please contact:

**Company :**

**Pritika Auto Industries Limited.**

**Ms. Nisha Saini**

EA to MD

[nisha@pritikagroup.com](mailto:nisha@pritikagroup.com)

[www.pritikagroup.com](http://www.pritikagroup.com)

**Investor Relations Advisors :**

**Bridge Investor Relations Pvt. Ltd.**

**Mr. Amit Sharma**

[amit@bridge-ir.com](mailto:amit@bridge-ir.com)

**Mr. Rahul Trivedi**

[rahul@bridge-ir.com](mailto:rahul@bridge-ir.com)

[www.bridge-ir.com](http://www.bridge-ir.com)