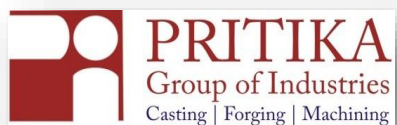


PRITIKA
Group of Industries
CASTING | MACHINING | SUB-ASSEMBLY



Pritika Auto Industries Limited

Result Update Presentation
Q3 & 9M FY23

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Executive Summary

Company Overview

- Pritika Auto Industries is among leading manufacturers of machined castings in India
- Incorporated in 1973, Company manufactures components for tractors and commercial vehicles
- Total installed capacity of over 50,000 tons / annum, with facilities across Punjab and Himachal Pradesh
- Key supplier to several long-standing clients/OEMs including M&M, Swaraj, TAFE, Escorts, SML Isuzu, TMTL, Ashok Leyland, New Holland Tractors India Ltd, Brakes India Ltd.
- Pritika specializes in a diverse range of products and exports to clients in US as well

Product Portfolio

Rear Axle Housings



Hydraulic Lift Covers/ Housing



Differential Case



Wheel Hubs



Front Engine/Axle Support



Engine Covers



Clutch & Fly Wheel Housings



Plate Diff. Carriers



Bull Cages



Crank Case, Cylinder Blocks & Cam Shafts



Brake Housings, End Covers & Actuating Disc

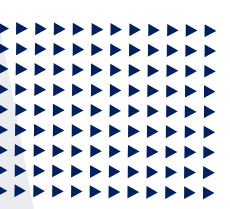


Financial Highlights (FY22)

Operating Revenue
Rs. 271.23 Cr

EBITDA
Rs. 30.02 Cr

PAT
Rs. 14.41 Cr



Consolidated Quarterly Financial Highlights



Chairman's Message **To be updated**



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

"The Company's performance in the third quarter has been in line with expectations, given the seasonality of our industry.

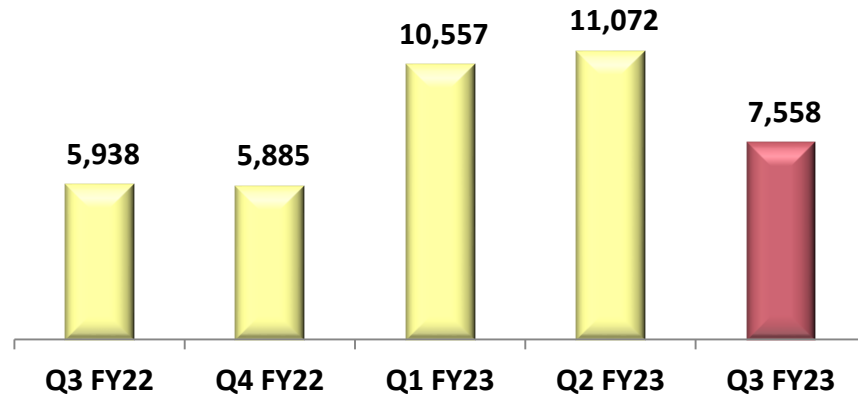
We have reported our quarterly volumes at 7,558 tons in Q3 FY23, reflecting a 27.28% Y-o-Y increase, driven by continued growth in the tractor and commercial vehicles market. Moreover, realizations per ton have grown 9.23% year-on-year in Q3 FY23, leading to a 39.03% YoY rise in quarterly revenues at Rs. 77.82 cr. EBITDA and PAT also grew 61.91% and 0.30% year-on-year to Rs. 8.42 cr and Rs. 2.86 cr, respectively. In the third quarter and nine months of the previous year, we had significant other income from one-time sale of shares worth Rs. 2.36 cr and Rs. 6.71 cr, respectively. When adjusted for this, the Q3 FY23 PAT has grown ~287% YoY.

Barring expected seasonal fluctuations, the market is improving steadily. We are strategically focusing on higher weight products which fetch better realizations, while expanding overall capacities. Moreover, our ongoing efforts to improve internal efficiencies, reflects in our improving EBITDA per ton during this quarter, which increased 27.21% year-on-year.

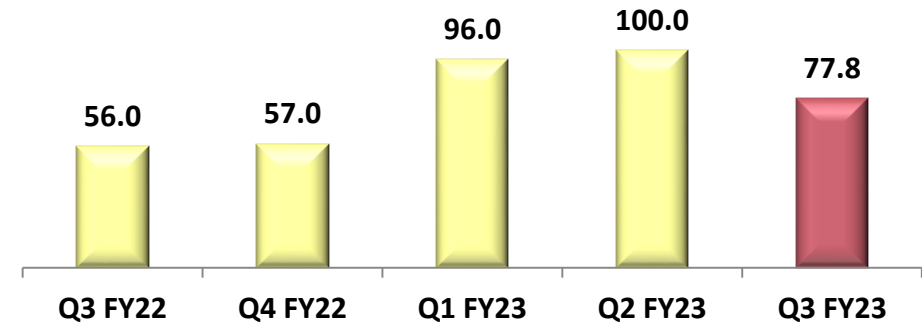
I would like to thank the entire team for their dedication towards our common vision. I would also like to thank all our valued stakeholders, whose support and faith in our Company drives us to achieve higher benchmarks."

Quarterly Financial Highlights – Q3 FY23

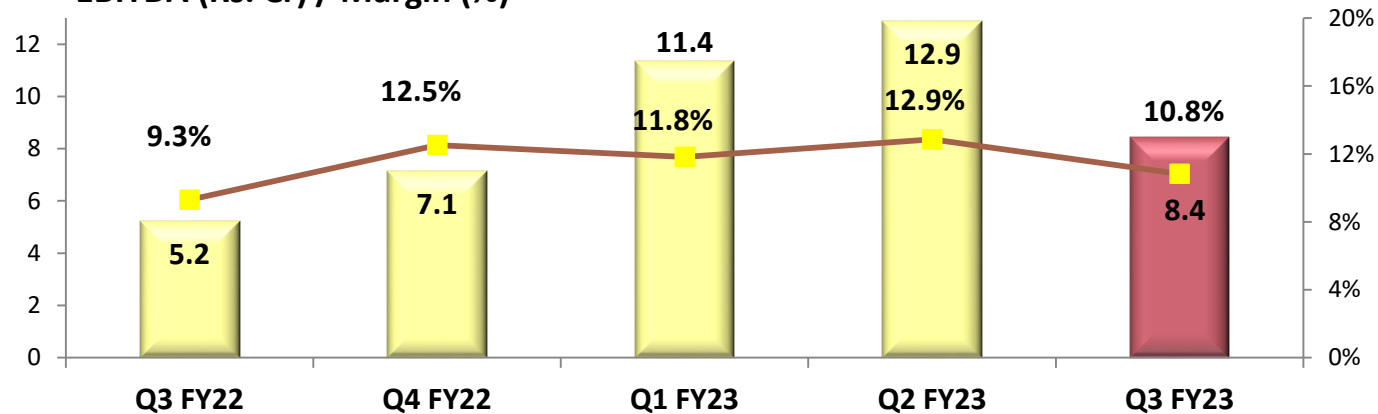
Production Volume (TPA)



Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)



Quarterly Revenue Realization crossed Rs. 1 lakh per Ton

Quarterly Financial Highlights

Rs. Cr	Q3 FY23	Q3 FY22	Y-o-Y	Q2 FY23
Total Income from operations	77.82	55.98		100.04
Other Operating revenue	0.00	0.00		0.00
Net Revenue	77.82	55.98	39.03%	100.04
Raw Materials	50.16	34.67		63.45
Employee Cost	4.99	4.19		5.36
Other Cost	14.25	11.92		18.39
Total Expenditure	69.40	50.78		87.19
EBITDA	8.42	5.20	61.91%	12.86
EBITDA margin (%)	10.82%	9.29%	153 bps	12.85%
Other Income (Incl. Exceptional Gain)	0.27	2.65		0.24
Exceptional Gain on Sale of Shares	-	2.36		-
Depreciation	2.97	2.70		3.10
Interest	2.45	2.14		2.45
Profit Before Tax	3.26	3.01	8.40%	7.55
Tax	0.40	0.15		2.54
Profit After Tax	2.86	2.86	0.30%	5.00
PAT (Excl. Exceptional Gain)	2.86	0.74	286.73%	5.00
PAT Margin (%)	3.68%	5.10%	(142 bps)	5.00%
Basic EPS (Rs.)	0.32	0.32	-	0.56

- High demand from tractors & CVs, and better product mix boosted sales volumes & improved realizations per ton
- Internal operational efficiency measures offset rise in raw material prices, improving EBITDA margin

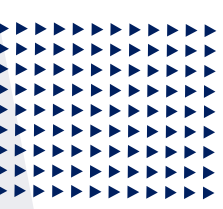
Nine Months Financial Highlights

Rs. Cr	9M FY23	9M FY22	Y-o-Y
Total Income from operations	273.87	214.23	
Other Operating revenue	0.00	0.00	
Net Revenue	273.87	214.23	27.84%
Raw Materials	176.69	131.74	
Employee Cost	15.20	12.92	
Other Cost	49.36	46.68	
Total Expenditure	241.25	191.34	
EBITDA	32.62	22.89	42.51%
EBITDA margin (%)	11.91%	10.68%	123 bps
Other Income (Incl. Exceptional Gain)	0.73	7.60	
Exceptional Gain on Sale of Shares	-	6.71	
Depreciation	8.83	8.13	
Interest	6.89	6.71	
Profit Before Tax	17.63	15.65	12.67%
Tax	4.64	3.50	
Profit After Tax	12.99	12.15	6.92%
PAT (Excl. Exceptional Gain)	12.99	6.14	111.61%
PAT Margin (%)	4.74%	5.67%	(93 bps)
Basic EPS (Rs.)	1.47	1.37	7.30%

Key Recent Developments during the year

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

- Company announced plans to raise Rs. 30.40 cr by issuance of 1,60,00,000 fully convertible warrants to non-promoter category on preferential basis, at Rs. 19/- per warrant, subject to shareholders and statutory approvals
- Successfully issued IPO for subsidiary, Pritika Engineering Components Ltd., for Rs. 12 cr – issue was over-subscribed ~150 times
- IPO proceedings to be used for capacity expansion and product diversification
- Added a new reputed domestic client



Company Overview



Leading manufacturer of tractor components in India

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

Diversified Portfolio

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



Modern Manufacturing Facilities

- Punjab and Himachal Pradesh
- Total installed machined capacity over 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

Strong Pan India Customer presence

- Strong demand for products across key markets in India

Vision and Mission of Company

- To be First choice among Original Equipment's Manufacturers for Machined Castings
- To be One of the Largest Producers of Machined Castings in India



Vision

- Installed capacity of 1,00,000 tons of Machined Castings by Year 2025



Missions



Journey So Far...

1973-75

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



1995-97

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

1999

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



2003

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



2007

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



2010

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



2012-15

- 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**



2017-18

- Expanded capacity by **4,800 tons pa**
- Total installed capacity – 34,800 tons per annum**
- 100% booked by leading OEMs
- Expanded capacity by 3,200 tons pa
- Acquired foundry capacity of 12,000 tons pa** of Amrit Duraparts



2019-22

- Won 1,200 tons pa order for low HP tractor components
- Received 2,400 tons pa order of rear axle housings
- Won first export order** for \$0.5 mn from the US, followed by repeat export order for \$1.5 mn
- Repeat order for axle housing worth Rs. 10 cr** per annum
- Addition of new client
- Successfully issued IPO for subsidiary company, Pritika Engineering Components

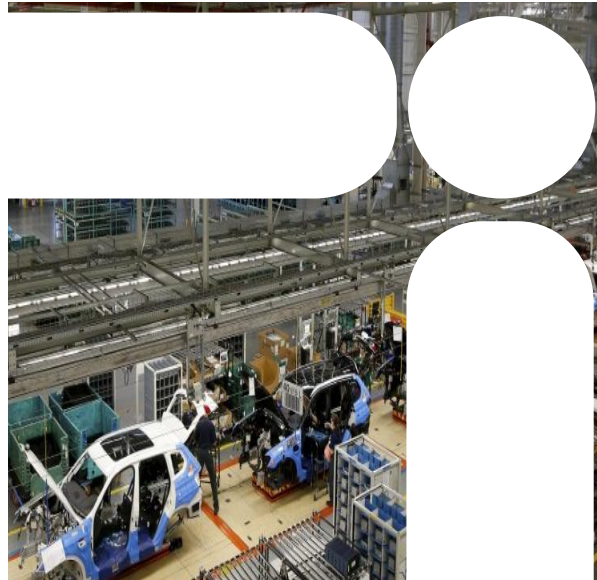


Leadership Team to drive Growth...



Raminder Singh Nibber
Chairman

- 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



Harpreet Singh Nibber
Managing Director

- 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 two 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

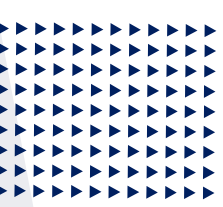
- Graduate in Mechanical Engineering and a Masters Degree holder in Business Administration
- 21 years of experience in various engineering industries and been with the group for 15 years
- Was the head of materials at Nibber Castings for about 4 years and Project Head for Pritika Autocast
- Approved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

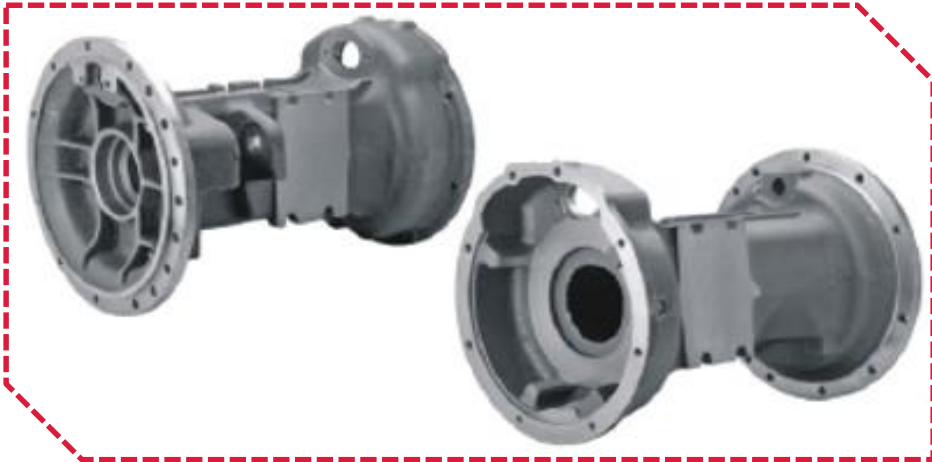


Business Overview



Diverse Product Offerings

Rear Axle Housings



Diverse Product Offerings

Hydraulic Lift Covers/ Housing



Differential Case



Engine Covers



Clutch & Fly Wheel Housings



Plate Diff. Carriers



Bull Cages



Diverse Product Offerings

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

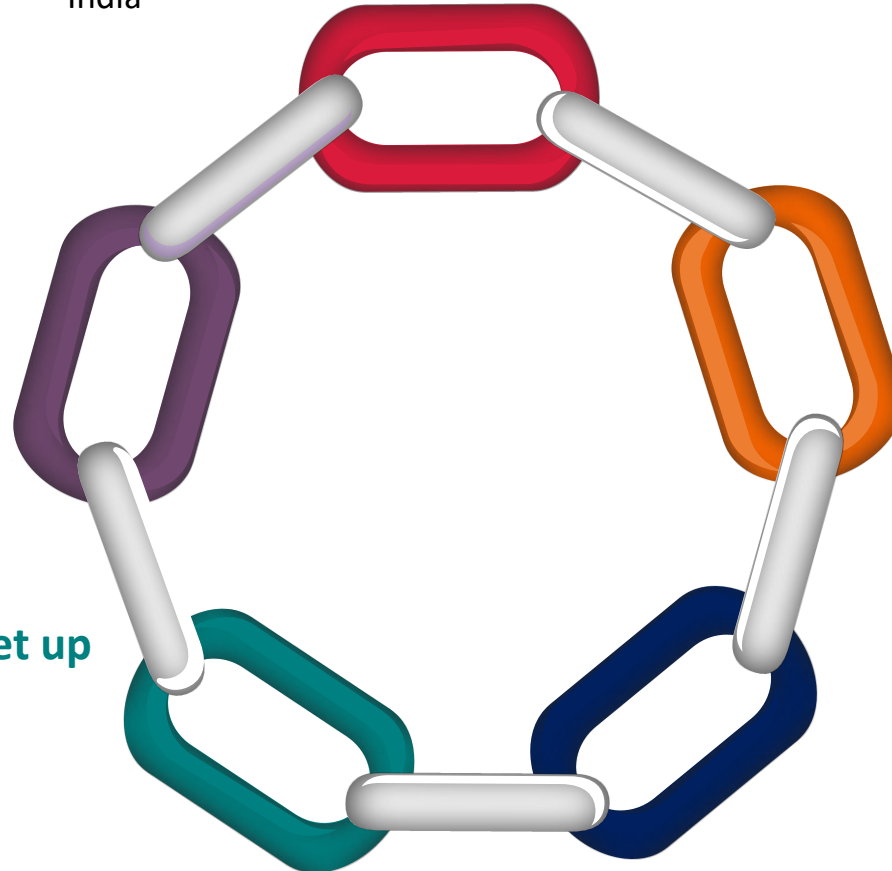


Key Customers

		 Brakes India Private Limited
		 Case New Holland
		
	 EICHER	 Mahindra
		 ESCORTS

Over five decade old strong & established brand

- Among leading manufacturers of tractor components in India



Diversified Product offerings

- Manufactures diverse range of products
- Continual expansion of product offerings

Reputed and established Management

- Dynamic Experienced Leadership
- Vast experience in Tractor and Auto Components leads to maintain business viability & steer business through operational hurdles

Fully Integrated manufacturing set up

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

Long standing association with key Customers

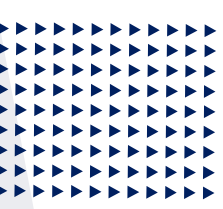
- Escorts – 43+ years
- TAFE – 20+ years
- M&M – 14+ years

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

Awards & Recognitions

AWARDS	YEAR	ORGANIZATION
Best Quality	2001	CII – SIDBI India Engineering Trade Fair
2 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 Info Media Pvt. Ltd.
Award for Corporate Excellence	2018	Make in India Foundation (MIIF)



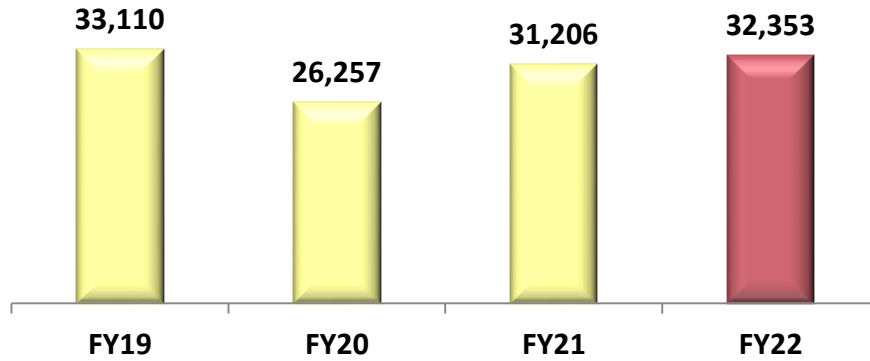


Consolidated Annual Financial Highlights

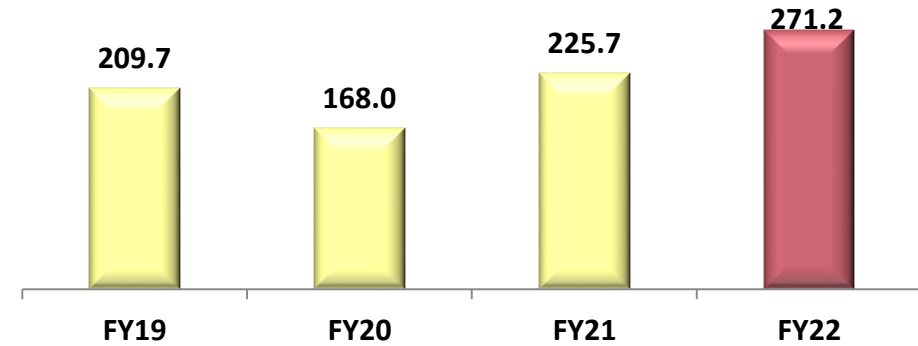


Annual Financial Highlights – FY22

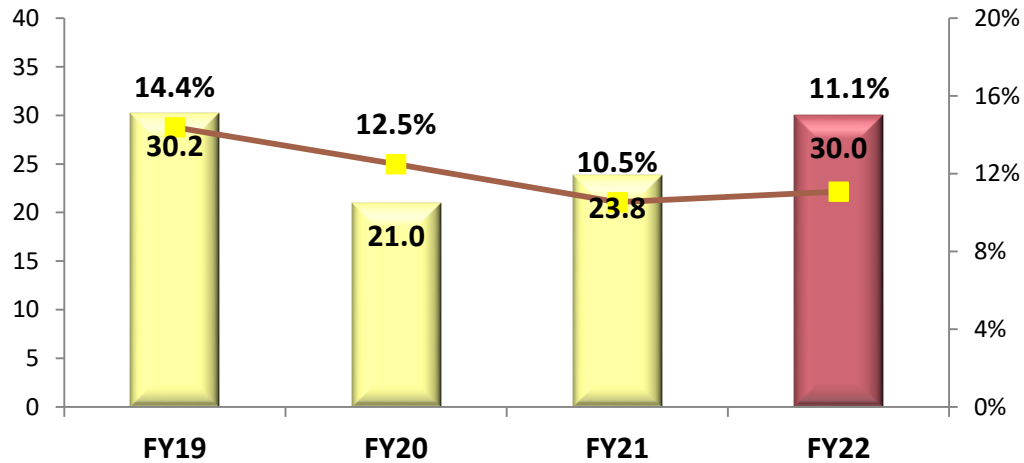
Volumes (Tons)



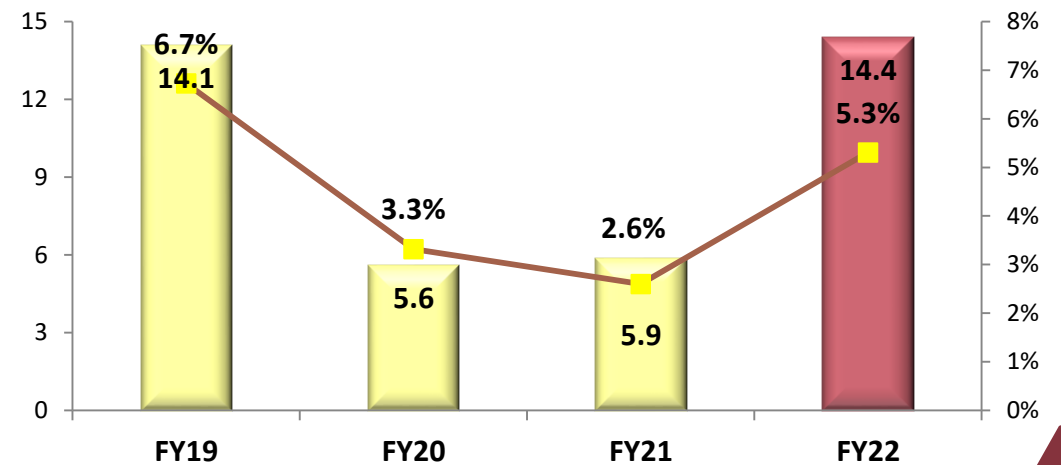
Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)



PAT (Rs. Cr) / Margin (%)



Annual Financial Highlights – FY22

Rs. Cr	FY22	FY21	YoY%
Total Income from operations	271.23	225.69	
Other Operating Income	0.00	0.00	
Net Revenue	271.23	225.69	20.18%
Raw Materials	166.10	134.76	
Employee Cost	17.74	13.59	
Other Cost	57.35	53.56	
Total Expenditure	241.20	201.91	
EBITDA	30.02	23.78	26.26%
EBIDTA margin (%)	11.07%	10.54%	53 bps
Other Income (Incl. Exceptional Gain)	7.81	1.49	
Exceptional Gain on Sale of Shares	6.71	-	
Depreciation	10.92	8.50	
Interest	8.99	8.22	
Profit Before Tax	17.93	8.56	
Tax	3.52	2.69	
Profit After Tax	14.41	5.87	145.45%
PAT (Excl. Exceptional Gain)	8.40	5.87	
PAT Margin (%)	5.31%	2.60%	271 bps
Basic EPS (Rs.)	1.62	0.66	145.45%

- Recovery in demand driven by agriculture sector, coupled with post-COVID recovery led to higher volumes
- Revenue realizations per ton improved during this period due to higher product prices and change in product mix
- Improved operational efficiencies offset the impact of rise in raw material cost, boosting EBITDA & PAT margins

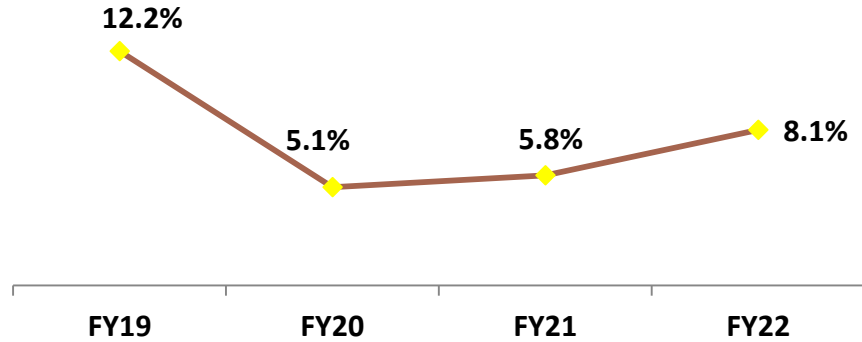
Balance Sheet as on 31st March 2022

Rs. Cr	As on 31 st Mar '22	As on 30 th Sep '22	Rs. Cr	As on 31 st Mar '22	As on 30 th Sep '22
Equity	139.01	149.11	Non-current Assets	134.64	136.01
Equity Share Capital	17.73	17.73	Property, Plant and Equipment	115.18	115.63
R&S	121.27	131.38	Capital work in progress	2.42	3.12
Non-Current Liabilities	46.03	38.32	Goodwill on Consolidation	13.55	13.55
Financial Liabilities			Financial Assets		
Long Term Borrowing	34.56	32.59	Non Current Investments	0.04	0.12
Provisions	1.84	2.09	Other Financial Assets	1.24	1.24
Deferred Tax Liabilities	3.15	3.27	Deferred Tax Assets/ (Liability)	0.70	0.75
Other LT Liabilities	6.48	0.38	Long term Loans & Advances	0.00	0.00
Current Liabilities	105.27	122.97	Other Non Current Assets	1.51	1.61
Financial Liabilities			Current Assets	155.67	174.39
Short term Borrowings	50.12	64.59	Inventories	66.75	78.05
Trade Payables	26.57	25.31	Financial Assets		
Other Financial Liabilities	21.46	21.98	Trade Receivables	71.54	63.86
Other Current Liabilities	4.12	6.89	Cash & Cash Equivalents	0.91	13.62
Short term Provisions	3.00	4.21	Bank	1.81	1.17
Total Equity & Liabilities	290.31	310.40	Other Financial assets	10.54	12.62
			Short term Loans & Advances	0.00	0.00
			Other Current Assets	4.11	5.08
			Total Assets	290.31	310.40

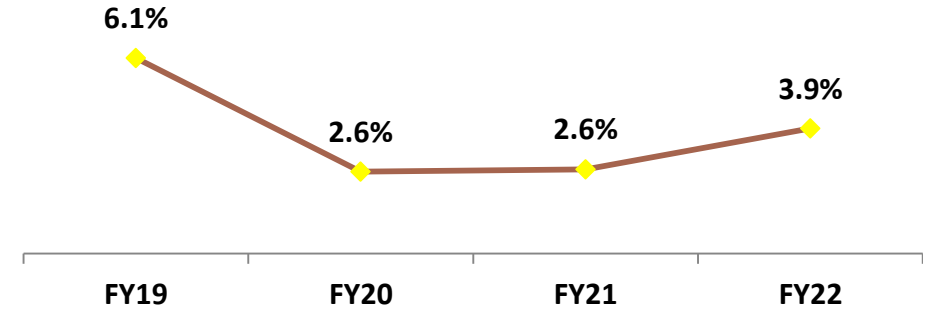
Continued improvement in working capital cycle
Reduction in long-term debt levels

Key Ratios

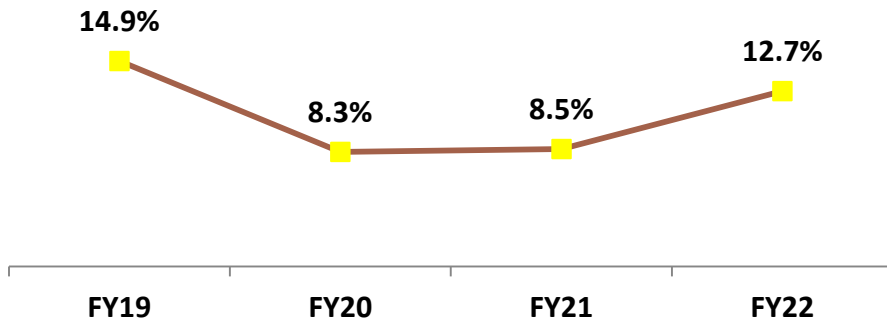
RoE (%)



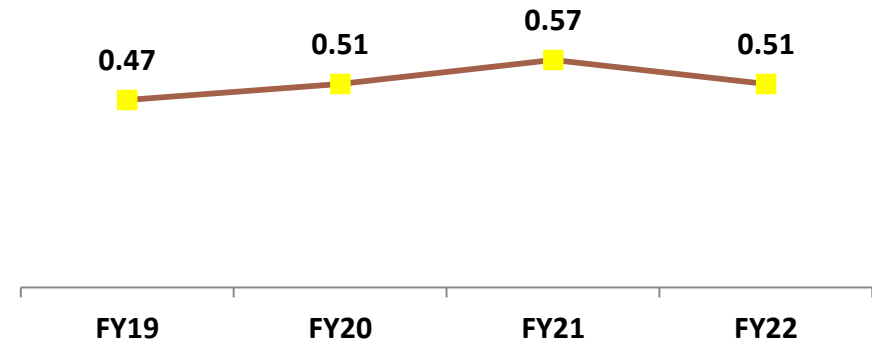
RoA (%)



RoCE (%)



Net Debt/Equity (x)



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

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

Way Ahead





01

Geographical Diversification

- *Expand in Geographically strategic locations of India*
- *Continue to focus on export opportunities and increase export contribution in revenues*



02

New Product Development

- *Continued focus to keep adding new products in basket of products*
- *Develop Value Added products*



03

Export Opportunities

- *Fully equipped manufacturing facilities of global standards – to provide opportunity to global OEMs*
- *Incremental Capex, partially, to be dedicated towards export market*



04

Key Focus Areas

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

Thank You

For further information, please contact:

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