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Date: 28th December 2021

SEC/DEC/SE/N&B/2021

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Subject: - Transcript of Earnings Call with Investors/Analysts scheduled on Thursday, 18th November 2021

Dear Sir/Madam,

Pursuant to Clause 15(a) of Schedule III, Part A, Para A read with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. Please find enclosed transcript of earnings call with analyst/investors held on Thursday, 18th November 2021.

You are kindly requested to take the same on record.

Thanking you,

Yours Faithfully

For Precision Camshafts Limited

Mayuri I. Kulkarni
Company Secretary

Disclaimer

Transcript may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as of the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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“Earnings Call to Discuss Operational & Financial Performance for Q2 FY2022 of Precision Camshafts Limited”

November 18, 2021



MANAGEMENT:

**MR. KARAN SHAH - WHOLE-TIME DIRECTOR - BUSINESS DEVELOPMENT -
PRECISION CAMSHAFTS LIMITED**

**MR. RAVINDRA R JOSHI - WHOLE-TIME DIRECTOR & CHIEF FINANCIAL
OFFICER - PRECISION CAMSHAFTS LIMITED**



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Moderator: Ladies and gentlemen, good day and welcome to Earnings Conference Call to discuss operational and financial performance for Q2 FY2022 of Precision Camshafts Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. Today we have with us on the call Mr. Karan Shah – Whole-Time Director (Business Development) and Mr. Ravindra R Joshi - Whole-time Director & CFO. I now hand the conference over to Mr. Karan Shah. Thank you and over to you Sir!

Karan Shah: Thank you very much. Good afternoon ladies and gentlemen. I would like to thank you for being a part of the Precision Camshafts' Q2 FY2021-2022 Earnings Concall. I will start with an overview of the automotive industry and then get to the Company's performance.

The automotive industry has been going through some very difficult times starting with the COVID pandemic and more recently the supply shortages on semiconductors and higher commodity prices, which has put pressure on the global automotive OEMs and all ancillary businesses including ours. While experts predict that the constraints in the supply chain should ease by the end of next year it will be difficult to predict when things would actually get back to normal. Throughout these difficult times we continue to take care of our employees and our facilities around the world to ensure the highest levels of safety and also ensure readiness for customer demand.

I am happy to share that despite these challenging times your company has delivered a 17.8% growth in revenues at a standalone basis and a 16% growth in revenues at a consolidated level compared to Q2 of the previous financial year. Beyond the growth in topline your company has delivered a 16% PAT at a standalone level and a 9.33% PAT at a consolidated level despite all the above-mentioned challenges. Just to give you an absolute numbers the Company has delivered profit after tax on a consolidated basis of Rs.20.38



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Crores in just this quarter compared to a consolidated PAT of -0.78Crores in the entire 2021. The management of the company has taken major steps to cost control in these times were also focusing on the growth of the business. The parent business PCL India has stabilized over the last year posting consistent results and growth in topline as well. PCL has been awarded several new businesses over the last two years which will help in better utilization.

As informed in the 29th annual general meeting of the company PCL has won new business from Ford of USA, Renault Nissan India, Kia Motors India, Tata Motors, Fiat Europe, Jaguar Land Rover and Royal Enfield over the last two years. These businesses will fructify to max volumes in the coming two years. The Company has also started work on setting up a 15-megawatt captive solar plant which will further insulate the company from growing power cost in the future. In summary PCL India as a parent company continues to enjoy healthy margins and is poised for growth in the coming years.

Coming to MEMCO the Company has seen consistent demand in the last four to five months owing to the pent-up demand in the CV market in India. This along with some new business development from customers has helped the company achieved circa 20% EBITDA margin in this quarter. Our objective at MEMCO is to diversify our product portfolio as well as customer base going forward. Significant measures to reduce cost have also been taken place at MEMCO including the commencement of a rooftop solar plant installation.

Now coming to our Group Company MFT which is based in Germany. The Company has seen stabilization of business during these difficult times. However we still see challenges ahead due to the increasing COVID situation in Europe as well as the long-lasting impact of the semiconductor shortages. The new management team at MFT will steer the Company to better times in the coming years. In summary the groups 'automotive component business is now well diversified in terms of product as well as customer base wherein no single customer contributes to more than 23% of revenues and the automotive component business is showing consistent growth in topline and in margins.



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Now coming to our e-mobility subsidiary EMOSS based in the Netherlands, the Company has registered significant growth in business over the last two years. Since we have completed the 100% acquisition of the Company in July 2020, we have focused the business on addition of new customers and technologies to the Company. While the traditional business of retrofitting, medium and heavy commercial vehicles continues, we now look forward to an exciting new journey as we partnered with several niche OEMs across Europe to provide them with ready to assemble electric driveline kits. The Company EMOSS has posted a topline of circa ₹ 45 Crores in Q2 of FY2022 compared to revenues of circa ₹ 36 Crores in Q2 of 2021. The Company, ladies and gentlemen for the very first time has posted a positive EBITDA margin of 10% and a PAT margin of 7.5% for Q2 of FY2022. All the exceptional hits taken on the balance sheet pertaining to the previous financial year were completed in Q1 of FY2022 and all this is behind us now. We now look forward to a very exciting and a promising journey ahead at EMOSS.

To tell you a little bit about the e-mobility drive in India, over the last one year the Company has retrofitted a mid-size passenger bus into a 100% electric bus in India, this vehicle is a major milestone for the PCL group as the electric driveline was designed and developed in the Netherlands but build ground up in India. The Company has already localized 60% of the electric driveline in the very first attempt further indigenize in the upcoming vehicles. The team in India has also grown from just 2 to a size of 8 full time personnel working on electrification now. On October 18, 2021, the management of the company had the opportunity to present its e-bus and other electrical vehicles to the Government of Maharashtra, Shri. Sharad Pawar, President of NCP, Shri. Uddhav Thackeray, Honorable Chief Minister of Maharashtra, Shri. Ajit Pawar Honorable Deputy Chief Minister of Maharashtra, Shri. Aditya Thackeray, Shri. Sanjay Pandey, Shri. Ashish Kumar Singh, Shri. Avinash Dhakane and other officials were present at this meeting and gave the management a very patient hearing. The honorable audience appreciated all the work done by PCL and EMOSS and would further engage in discussions once more vehicle data is available from our side. The Company also signed an MoU with the Solapur



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Municipal Corporation on 3rd November 2021, to provide SMC with three fully homologated electric light commercial vehicles on a “free of cost” returnable basis. The vehicles will be provided to SMC by the end of 2022. Based on a successful outcome and final validation of these trial vehicles SMC would float an e-tender on GeM as per the pilot vehicle specifications for additional vehicles. These vehicles will be used for waste collection application within the city. Solapur Municipal Corporation itself has 250 such vehicles and the numbers would be multifold across Maharashtra and India. The various meetings with the officials give the Company great confidence in the future of its e-mobility offerings in India. While the Company hopes to grow the India business in the coming three to four years our focus very much remains on the European market where the demand is consistently growing and we see great visibility in the order position till 2023 and beyond. I thank you now for joining this call and I will handover to Mr. Ravindra Joshi, our Director & CFO for providing financial updates. Thank you.

Ravindra Joshi: Thank you very much Karan for giving brief detail about our company, future, and everything. Now I will go to the financials.

First I will brief about the PCL: PCL sales for the first half year is ₹ 213.58 Crores in which export is ₹ 114.48 Crores and domestic 99.27 Crores, EBITDA is 21%, PAT is 14.3%, and loan component is 37.31 Crores these are only of working capital and we have bank deposit of 40.58 Crores, the banks and mutual funds ₹ 207.08 Crores, so totally approximately ₹ 250 Crores worth of bank, investments and deposit and we have given a corporate guarantee of 55 Crores to Bank of Baroda UK and 20 Crores to Citi Bank for the loans taken.

Now next Company is MEMCO, MEMCO sales is 23.93 Crores this is I am talking about first half year; EBITDA is 21.8%, PAT 11.8%, working capital loan is 3 Crores, term loan is 4.11 Crores and worth of mutual fund out of the generations to the tune of ₹ 9 Crores.



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Now we are coming back to the MFT: MFT the sale is 87.05 Crores, EBITDA 10.7%, PAT -1.84%, working capital 21.64 Crores taken from the bank and term loan 46.28 Crores taken from the bank and

EMOSS 94.23 Crores, EBITDA 3.22 %, PAT 0.35%, working capital NIL and bank loan NIL.

Now coming back to the total loan components: PCL India has got 37.31 Cr , I am talking about the group, PCL NL that is taken for the acquisition of the company it is 29.9 Crores, and MFT 67.92 Crores total 139 Crores including working capital.

Now future investment: As Karan has already briefed about it. Solar power project PCL India has initiated installing its own solar power plant with a capacity of 15 megawatt for captive consumption considering the continuous increase in the power cost of the entity, the total cost of project would be around 56 Crores wherein the PCL will be saving approximately 9 Crores per annum on power cost and also there is a benefit of income tax. Now we are going to set up a greensand plant in Solapur up to the investment of 22 Crores wherein the resin coated sand cost will be reduced substantially. Induction Hardening: The Company has proposed to invest into induction hardening equipment to support the requirement of induction hardening for camshafts for Maruti Suzuki. The said investment would be about 20 Crores.

MEMCO the company has initiated installing the rooftop project. The cost of the project would be around 1.6 Crores and the company would be saving around 48 lakhs per annum.

At MFT, no investment is proposed as we are expecting a full utilization of - the expanded capacity in machine shop and

EMOSS, there is no capital investment is required. Only additional space is required which is available on rent for additional business.



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Now I will tell you about the reason for EBITDA. There is an impact on EBITDA on PCL financials due to abnormal expenses like foreign exchange loss incurred in Q2 and exchange loss during the first quarter there is restatement on loan has been given to PCLNL and the cost of major raw materials is also one of the reasons for a decrease in EBITDA margin. MEMCO: Due to increase in raw material cost, the EBITDA margin for Q2 has decreased from 23% to 20%. For MFT there is abnormal income of 3.32 Crores has been received against tooling for development of balancer shaft for PCL India hence the EBITDA shows increased to 12.26% from 9.25% as compared to Q1.

EMOSS the EBITDA for Q2 stood at 9.97% when compared to 11% the major reason for decrease in EBITDA because of semiconductor issue.

One more thing I want to highlight here is that PCL has recognized the intangible assets while in three subsidiaries. These intangible assets are amortized over a period of 7 years, the amount of such amortization is around 16 to 17 Crores per annum in the consolidated financials of PCL India. This is just a notional entry and no cash outflows is involved. Right now we have already taken a hit of 56 Cr over the period of three to four years now only 30 to 40 Crores remaining there which is up to 2022-2023. This is from my side and now anybody can ask questions on this.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Yash Agarwal from JM Financial Service. Please go ahead.

Yash Agarwal: Hi and congrats on a good set of numbers. My first question is on the standalone business so what was the utilization of the standalone business in the second quarter and how do we see it going ahead we have been hearing that from December onwards Toyota and all these global PV majors have guided for record production so how is the order book looking and how do we see our utilization panning out in the third and the fourth quarter?



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- Ravindra Joshi:** Presently our capacity utilization in second quarter machining is 56% and ass cast is 64%, in future machining will increase to 65% and ass cast may go up to 70%. This underutilization is mainly because of the semiconductor issues.
- Yash Agarwal:** So the increased utilization will be in third quarter itself?
- Ravindra Joshi:** No it again depends on the semiconductor issue.
- Karan Shah:** It is very difficult to answer that question because we have no clarity at this point of time based on how the COVID and semiconductor situation continues to play out. So I think it is we have to be patient and watch. In terms of readiness we are ready to cope with additional demand whenever there is but at this point of time very difficult to say what the utilization would be in the next quarters.
- Yash Agarwal:** But it would be better from what it was in the second quarter right is that something which it is getting better day by day?
- Karan Shah:** We hope so.
- Yash Agarwal:** In EMOSS was there any supply side challenges which impacted the revenue or this was normalized quarter revenue for EMOSS?
- Karan Shah:** Fairly normal quarter but I think there is a slight perhaps a very small different topline compared to Q1 and that is purely because in the month of August most of Europe is on summer vacations and lot of the production as well as demand is reduced in August which is why you see a slight dip perhaps but I think this is very normal at this time of the year. Other than that I think we have some supply chain constraints due to the semiconductor shortages but I think we are trying to manage this in the best way we can.
- Yash Agarwal:** Have we got any orders from the Indian market for EMOSS?
- Karan Shah:** No order so far. We are still in the process of development so it is we are not looking at saying that we are pushing for orders right now but we want to make



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sure that the product that we get to the market is of the highest quality it is the most reliable one and one that actually works.

Yash Agarwal: We are operating on an annualized revenue run rate of 180 Crores or something in Emoss at the moment so what do you feel or what is conservatively your guidance for FY2023 or maybe two years down the line how much could EMOSS scale up to in your assessment?

Karan Shah: Yash, as of now I cannot answer that so I am sorry but I cannot provide you with forward looking numbers.

Yash Agarwal: My last question is what was the total component of one-off expenses in the EBITDA in the first quarter on a consolidated basis just the one-off components that we spoke about?

Karan Shah: Joshi sir if you can answer this.

Ravindra Joshi: I am not able to understand his question Karan.

Karan Shah: Was there any one-off expenses in Q2 at a consolidated level and if there were any can you please let him know.

Ravindra Joshi: I told you know because of the foreign exchange loss the EBITDA has come down.

Yash Agarwal: I just want to know the total amount.

Ravindra Joshi: Abnormal total amount is 3.5 Crores.

Yash Agarwal: About 3.5 Crores, right?

Ravindra Joshi: 3.5 Crores yeah

Yash Agarwal: Okay thank you, that is all from my side.



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- Moderator:** Thank you. The next question is from the line of Faisal Hawa from HG Hawa & Co. Please go ahead.
- Faisal Hawa:** Since our capacity utilization is down due to the semiconductor shortage have we tried at all in the export markets if some material could be sold and steel is still cheaper in India so that difference also could probably work in our favor?
- Karan Shah:** Almost 60% of our business is exports anyway we are supplying to all major OEMs around the world and it is not a product that we do camshaft is not something that we can start supplies of development at short notice like this it typically takes two-and-a-half years to develop a camshaft that goes into a vehicle so I think at this point of time just as all other ancillary and automotive companies are facing some heat due to the semiconductor shortages I think we have to be patient in getting through this because I think one thing is there that there will be pent-up demand because of the shortages right now and we hope that in the coming year that there will be an increase across the globe not just India.
- Faisal Hawa:** Do you feel that any cost cutting measures could be taken and have we taken any such measures?
- Karan Shah:** Absolutely a lot of cost cutting measures have been taken place which is why we see the increased margins despite the flat revenue so if you look at the additional solar power plant that we are putting up to reduce expenses. Mr. Joshi explained regarding the greensand plant that we would intent to put up to reduce sand cost, there are some certain cost cutting initiatives taken place across all the companies so for sure this is being done to protect margins.
- Faisal Hawa:** Thank you so much Sir.
- Moderator:** Thank you. The next question is from the line of Shubham Jain, individual investor. Please go ahead.



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Shubham Jain: Congratulations for a fantastic set of numbers in Q2. I had a couple of questions one is last time I had asked you we were trying to shift away from the camshaft business into other precision competent business which will be non-automotive. It has been a quarter and some work has started on that and I wanted to just check with you on this because we wanted to see what percentage of revenue start flowing from the nonautomotive business which we are planning to start, second is on Emoss you had also said that there will be some amount of component for the Emoss vertical which you will be now starting to get exported out of India even we are basically developing those components here in India and then exporting out to Netherlands to reduce the cost further and increase the margins in the European markets for Emoss business so I wanted to know if there are any updates in these two points?

Karan Shah: Yeah, I think on both fronts there is a lot of work going on and I cannot explain all the details on this call because we are working with a lot of customers to develop this, obviously we only spoke about this last quarter so I cannot give it in three months but I think as we said we have a plan at PCL to have at least 20%, 25% of revenues coming from non-camshaft business by 2025 and we are very much on track to look at such a target, we are working with several customers to develop products that are in fact non-engine related so I think good progress going on there. As far as Emoss is concerned lot of trial validation process is going on in terms of localization and seeing how gross margins at Emoss can be improved but regardless I think at Emoss as the company grows we have better leverage to negotiate with our suppliers, we have better cost improvement opportunities in Emoss itself at this point of time which is why you see the company has posted a positive profit after tax for the very first time since we have acquired it and I think this speaks great volume is about the business development side and the cost side of thing and I think we are very proud to have the results that we have posted this time and I think we can only improve from here on.



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- Shubham Jain:** As a follow-on question do we envisage the semiconductor issue having impact on the Emoss revenues in the months to come or we are relatively well insulated from the semiconductor issue at Emoss at least?
- Karan Shah:** I would not say it is fully insulated there are certain challenges in the supply chain, as of now we are managing them as best as we can and we do not see any immediate effects on revenues in the coming months or quarters but if the situation gets worse of course it will start affecting us but the only hope that it is getting eased out from here on.
- Shubham Jain:** Thank you Karan.
- Moderator:** Thank you very much. The next question is from the line of Sudheer Padiyar from Consultant Capital Advisor. Please go ahead.
- Sudheer Padiyar:** Hi Karan many thanks for taking my query. I had a couple of questions focused on Emoss so one is are there any sort of laws or regulatory provisions which actually prohibit sort of easy launch of retrofit electrical kits in the passenger vehicle segment?
- Karan Shah:** You mean in India?
- Sudheer Padiyar:** Yes, in India or can anyone actually launch a retrofit kit electric kit?
- Karan Shah:** Sorry I did not get your question if you can please repeat it are you saying that are there any regulatory provisions to restrict the retrofitting is that what you are asking?
- Sudheer Padiyar:** Yes, so what I am saying is can anyone actually launch an electric retrofit kit in India or are the regulatory approvals which are required for anyone to launch a retrofit kit?
- Karan Shah:** No, of course there are regulatory approvals required as in the case of our first bus that we have retrofitted here in India we did this in close cooperation with the Automotive Research Association of India which is a regulatory body



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comes under the Ministry of Heavy Industries as well as Rail and Transport so there is a lot of regulatory process, there is a lot of component level testing, vehicle level testing, safety testing, lot of bench testing that has to happen before our kit can be approved by ARAI to be fitted into a vehicle so I think one of the good things is a lot of these steps has been done by us already for a specific type of vehicle so we know the process fairly well so going forward when we are doing new types of vehicles new type of kits we know exactly what the expectation is from the regulatory body but it is not that somebody can come in tomorrow and buy the same components that we do and supply a kit that is not possible.

Sudheer Padiyar: Alright and just pardon my ignorance Karan but are these regulations also applicable to all other automotive segments for example three-wheelers, two-wheelers, passenger car?

Karan Shah: Every car or let us put it every vehicle that is driven on Indian roads has to go through this process which is basically called homologation and the homologation process is done at ARAI or similar institutes across India.

Sudheer Padiyar: Because a general surf on online actually shows a couple of retrofit companies actually in two-wheelers, three-wheelers, and other things so I was just wondering so what kind of competitive intensity do we envisage for our company for Emoss in particular?

Karan Shah: I think this is a very nascent industry there are very few people in India doing this some are doing it well some are starting up I think what we bring to the table or what we bring differently is the tremendous experience that Emoss has over the last 10 years working on electrification of commercial vehicle. So in one of the presentation mentioned that we have about 600 vehicles that we have developed electrified till now and these 600 vehicles have driven more than 100 million miles total that is the amount of data that we have to basically say how do we quickly deploy that data and that experience in the India context make sure that the supply chain is from India to be cost competitive in India and bring a high-quality product to the market. So I think we do have let us put it



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like this a head start and I think that industry is very small right now and I think there is room for everybody to grow right now.

Sudheer Padiyar: One last question so obviously I hear you that 60% of your production is already kind of indigenized and you plan to indigenize the balance also in the next couple of quarters but at what price point in your assessment would Indian consumers be ready to kind of take the retrofit case actually?

Karan Shah: I think it is not the price point it is about the ROI right so if you think about a vehicle which you convert into electric and if you can recover that additional investment whatever it might be right it might be 10 lakhs or 50 lakhs or 90 lakhs depending on the type of vehicle and the type of range that you are looking for. As long as the customer has the opportunity to recover this money in two, three, four years then it becomes a very, very attractive option for a customer because at the end of that recovery period we are saving tremendous amount of money for the rest of the life of this vehicle. I cannot tell you a number right now to convert this type of vehicle it will cost so much and convert this type of vehicle it will cost so much because we have done one retrofitting so it is very hard to say how the next 100 or the next 1000 will look like but of course we are very much aware of the cost competitiveness that is required for the Indian market which is why on further vehicles that we are developing especially on the LCV side which is used for last mile transport we are being extremely conscious about this ROI matrix which will become the setting point for the customer.

Sudheer Padiyar: I am saying that you do not feel that the price point is not the determinant in that sense of it the price point that a better ROI will not discourage anyone from actually just buying.

Karan Shah: No.

Sudheer Padiyar: Thanks a lot Karan.



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Moderator: Thank you. The next question is from the line of Vipul Shah from Sumangal Investment Consultants. Please go ahead.

Vipul Shah: We have booked some income by way of cancelation of orders so will this income be repeated in the coming quarters?

Ravindra R. Joshi: No, this is only one time this is a compensation for the loss of the business and this is only one time.

Vipul Shah: Previously you have given the data of number of machined camshaft and un-machined camshaft so why we have stopped sharing those details?

Ravindra R. Joshi : You mean to say on the presentation?

Vipul Shah: Yes.

Ravindra R. Joshi: We have not stopped but we did not add it. We will add it.

Vipul Shah: So if I want means should I drop you a mail Sir?

Ravindra R. Joshi: You can drop the mail or we will update that in the presentation.

Vipul Shah: Yes, so if you can add that part it will be better.

Ravindra R. Joshi: Okay.

Vipul Shah: Lastly what is the R&D run rate per annum at Emoss and the expenditure?

Karan Shah: I will get back to you with an exact number on this.

Vipul Shah: If you can say any ballpark figure it will be fine.

Karan Shah: It should be approximately 2% to 3% at this point of time.

Vipul Shah: 2% to 3% of the revenue?

Karan Shah: Yeah.



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- Vipul Shah:** Thank you and all the best for the future.
- Moderator:** Thank you. The next question is from the line of Shubham Jain, Individual Investor. Please go ahead.
- Shubham Jain:** Karan one more question I had at my end. Are we seriously looking at the two-business side one is the retrofitting of vehicles and the second is supplying the entire drive line to OEMs what is the strategy forward in terms of become a full-fledged OEM supplier or moving deeper into this retrofitting segment I means what gives us more margins as a company and where do we see ourselves because once if you tie up with an OEM it becomes a long-lasting relationship in terms of supplying drive line kits?
- Karan Shah:** Yeah I think we will continue to do this because there is demand for both but since the time of acquisition we have pushed the business more towards the partnerships with OEMs and the kit supplies to OEMs because that is the real business where we can scale get to big volumes get to real revenues and have this healthy margins so the retrofits will still continue to happen these are one off, three off, ten off kind of vehicles which require a lot of engineering work, lot of development cost, etc., that goes into each vehicle because everyone is different when we can start consolidating and saying that we can provide kits to a specific chassis or a specific body kind it becomes more efficient for us.
- Shubham Jain:** Thanks Karan.
- Moderator:** Thank you. The next question is from the line of Sunil Jain from Nirmal Bang Securities. Please go ahead.
- Sunil Jain:** Thank you for this opportunity Sir. My question again relate to more of a EV business what we are trying to do in India so you said that ROE will drive the purchase of the customer so considering whatever experience you have and the percentage of 60% you had done indigenization in India so at current point of time whether the ROE is better than the people who are already there in the market or how it is at current point of time?



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Karan Shah: Thank you for the question Sir. I really cannot give you a clear answer on this because we have only built one vehicle, the cost related to purchasing components for one vehicle is very different from when we do it as scale so the ROI will never work when we are doing one vehicle because all costs are attached to that we are only buying one off components although they are localized we are buying one off or two off at the most so this will only start I will only be able to give you a more valid or a more fair answer once we start talking about larger numbers and I think that when we start we are focusing on a few type of applications and not doing everything that comes to our table and when we start looking the LCVs in a more bigger way I think we would have a much clearer picture as to what ROIs look like, what is the selling price of a kit, how much time will it take to recover the cost, etc., so hard to answer that right now.

Sunil Jain: Great Sir thank you very much and all the best.

Moderator: Thank you. The next question is from the line of Amit Desai from Excel Capital. Please go ahead.

Amit Desai: Good afternoon, I joined this call late so I am not sure this question has been answered. Regarding your India plant in your last call you said that you are maybe five years away any change to that or is it likely to happen much sooner I am talking about EV and Emoss?

Karan Shah: I think if you want to look at the significant chunk of revenue coming from EV in India I think we are still looking at four to five years away.

Amit Desai: Okay, that was the only question I had. Thank you.

Moderator: Thank you. The next question is from the line of Shubham Jain, Individual Investor. Please go ahead.

Shubham Jain: Karan one more question I have with respect to India. So we have already EV buses coming in India where JBM Auto launching some buses and even BYD in partnership with Olectra has been something in India. Is there any talks with



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the bus manufacturers and shaft manufacturers like Ashok Leyland or probably Eicher and Tata Motors and all these guys because we are anyway supplying to most of them from the camshaft side of business in terms of starting engagements with them on supplying EV driveline kits to LCV and MCVs which these guys are producing in India?

Karan Shah: For sure we are in talk with OEMs but I cannot disclose to you with whom and what at this point of time.

Shubham Jain: Is there a possibility that if something gets fructified the plans are launching in India can get accelerated and move ahead of time?

Karan Shah: Yeah.

Shubham Jain: Fine Sir. Thank you Karan.

Moderator: Thank you. The next question is from the line of Vipul Shah from Sumangal Investments. Please go ahead.

Vipul Shah: Can you breakup your Emiss revenue into retrofitting and supply to original OEMs?

Ravindra Joshi: That figure we don't have if you requires then you can send a mail and we will give the information.

Karan Shah: Yes, you can please write to us we will get back to you.

Vipul Shah: That is fine but I just want to know how scalable that business is particularly supplying driveline to OEMs means can you give any ballpark figure of what will be the content per vehicle in euro or dollar?

Karan Shah: It is very hard to define content per vehicle because every vehicle is different if you are talking about a 50 ton vehicle the content per vehicle is €300000, if you are talking about a small LCV it is €10000 it is very, very different so hard to define but I think what I can tell you for sure is that because of the additional



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businesses that we have got from OEMs let us say the yearly revenue has increased from near 40 Crores just three years ago touching 150, 160 Crores this year so based on the current run rate so you can see that there is a lot of traction based on these new customers that we have.

Vipul Shah: So bulk of the growth is coming from OEM segment only right?

Karan Shah: Majority, Yeah.

Vipul Shah: Okay thank you.

Moderator: Thank you. As there are no further questions, I would now hand the conference over to Mr. Karan Shah for closing comments.

Karan Shah: Thank you very much for joining this earnings call for Q2 FY2022. I hope we have been able to answer most of your queries and we do look forward to your participation in the next quarter and we thank you again for your continuous support in your Company.

Ravindra R. Joshi: Thank You

Moderator: Thank you very much. On behalf of Precision Camshafts Limited that concludes this conference. Thank you for joining us. You may disconnect your lines.