



## Pritika Auto Industries Limited

Q3 & 9M FY19 Result Update Presentation

February 2019

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## Chairman's Message

DELIVERING RESULTS, RELIABILITY & EXCELLENCE



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

*“We are pleased to share our financial performance for the third quarter ended 31<sup>st</sup> December 2018 which has been in line with our targets. The sales volume for the quarter was at 8,150 tonnes, YoY growth of over 10%. This is reflective of our ability to not only be quality manufacturers but also efficient and fast executors of new and incremental demand.*

*We are hopeful of building on from here and reach the targeted production levels as scheduled. The revenue for the quarter has grown by 19% to Rs. 52 cr on the back of better capacity utilisation. The EBITDA and PAT have grown by over 32% each, on account of higher contribution from value-added products and improving operational efficiencies.*

*We continue to focus on improving our operational efficiencies, technical innovation and development. We are well poised to capitalize on the increase in industry opportunities over the long term. 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.”*

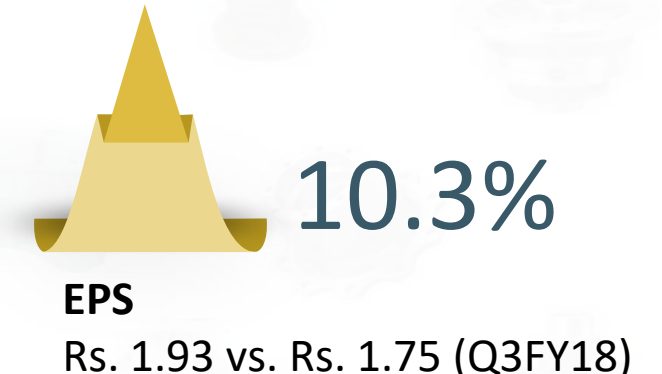
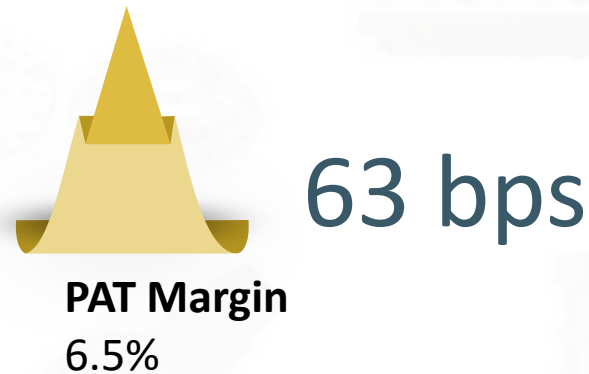
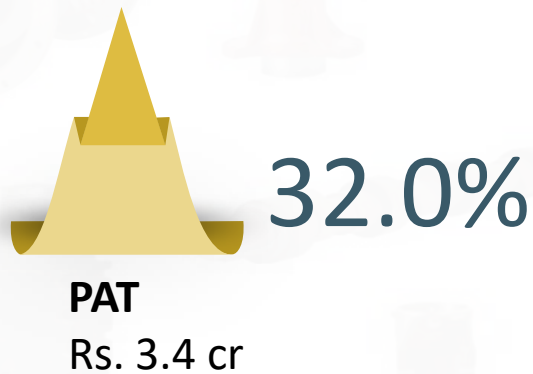
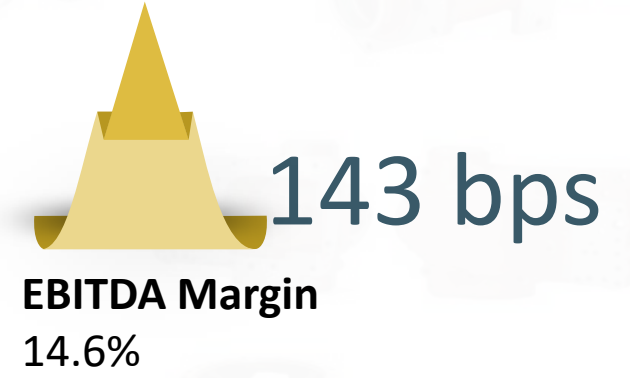
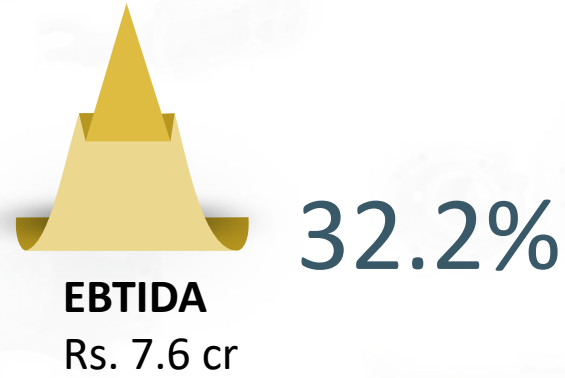
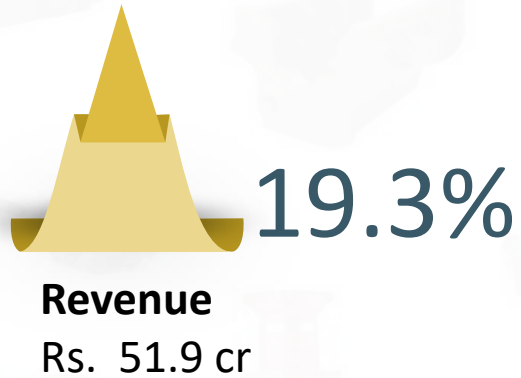
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## Consolidated Financial Highlights

EXCELLENCE THROUGH THE QUALITY AND PRECISION

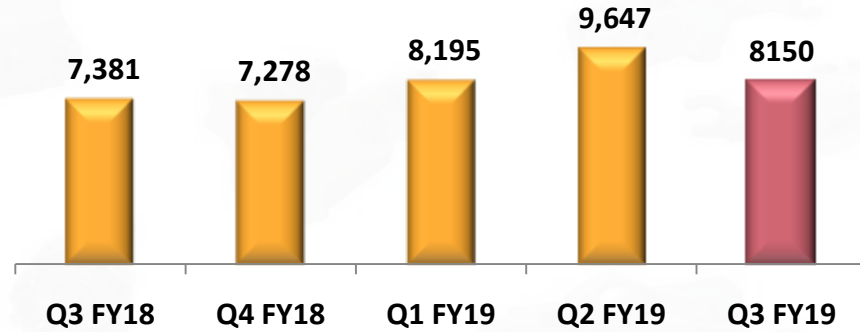


## Quarterly Financial Highlights – Q3 FY19 (YoY)

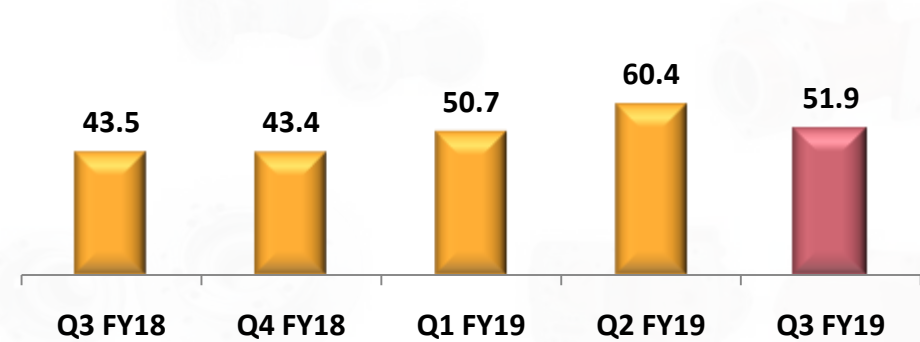


# Quarterly Financial Highlights – Q3 FY19

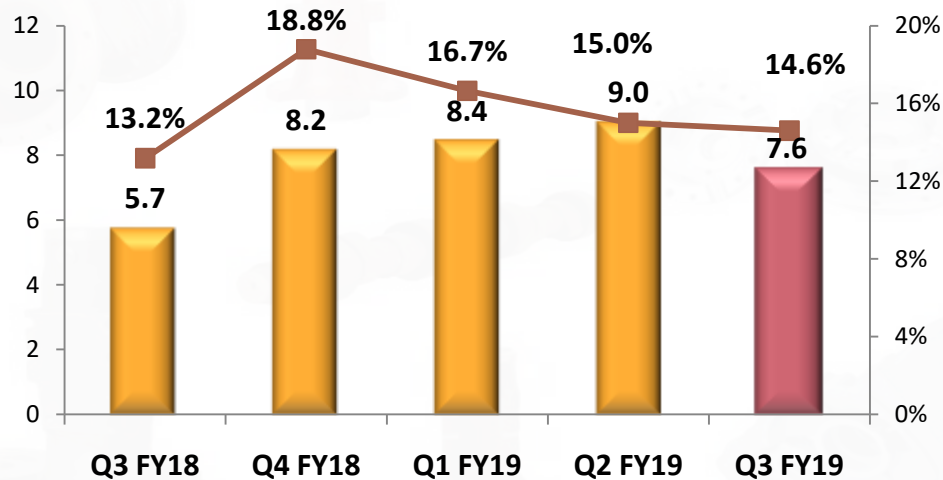
**Production Volume (TPA)**



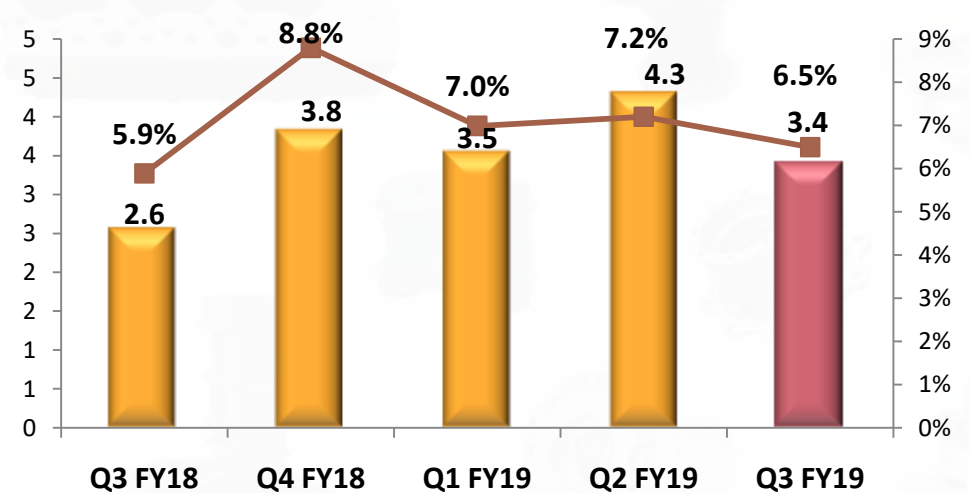
**Revenue (Rs. Cr)**



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



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



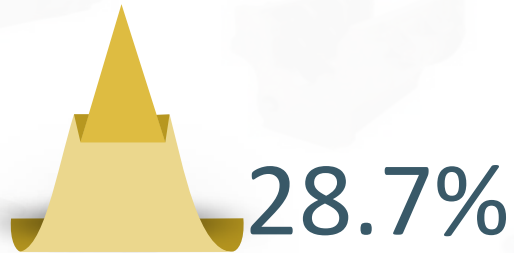


## Quarterly Financial Highlights

Rs. Cr	Q3 FY19	Q3 FY18	Y-o-Y	Q2 FY19
Total Income from operations	51.9	43.5		60.4
Other Operating revenue	0.0	0.0		0.0
<b>Net Revenue</b>	<b>51.9</b>	<b>43.5</b>	<b>19.3%</b>	<b>60.4</b>
Raw Materials	29.1	26.5		35.6
Employee Cost	3.3	2.4		3.4
Other Cost	11.9	8.8		12.4
<b>Total Expenditure</b>	<b>44.3</b>	<b>37.8</b>		<b>51.4</b>
<b>EBITDA</b>	<b>7.6</b>	<b>5.7</b>	<b>32.2%</b>	<b>9.0</b>
<b>EBIDTA margin (%)</b>	<b>14.6%</b>	<b>13.2%</b>	<b>143 bps</b>	<b>15.0%</b>
Other Income	0.5	0.2		0.4
Depreciation	1.4	1.5		1.7
Interest	2.3	1.8		2.1
<b>Profit Before Tax</b>	<b>4.4</b>	<b>2.6</b>	<b>66.1%</b>	<b>5.6</b>
Tax	1.0	0.1		1.3
<b>Profit After Tax</b>	<b>3.4</b>	<b>2.6</b>	<b>32.0%</b>	<b>4.3</b>
<b>PAT Margin (%)</b>	<b>6.5%</b>	<b>5.9%</b>	<b>63 bps</b>	<b>7.2%</b>
<b>EPS (Rs.)</b>	<b>1.93</b>	<b>1.75</b>	<b>10.3%</b>	<b>2.46</b>

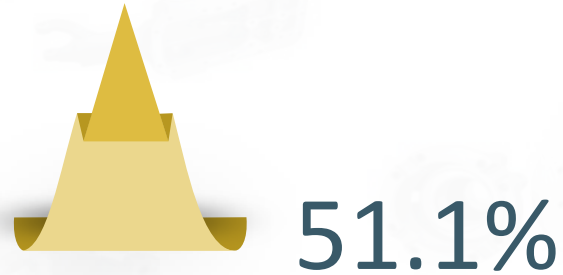
- Revenue growth – driven by increase in capacity, better utilisation and good traction from market in weakest quarter
- EBIDTA margin expansion – on account of higher contribution of value added products and operational efficiencies

## Nine Month Financial Highlights – 9M FY19 (YoY)



**Revenue**

Rs. 163.0 cr



**EBTIDA**

Rs. 25.1 cr



**EBITDA Margin**

15.4%



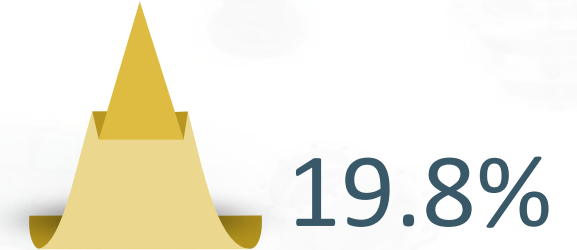
**PAT**

Rs. 11.3 cr



**PAT Margin**

6.9%



**EPS**

Rs. 6.4 vs. Rs. 5.3 (9M FY18)

## Nine Month Financial Highlights

Rs. Cr	9M FY19	9M FY18	Y-o-Y
Total Income from operations	163.0	126.6	
Other Operating revenue	0.0	0.0	
<b>Net Revenue</b>	<b>163.0</b>	<b>126.6</b>	<b>28.7%</b>
Raw Materials	95.2	76.6	
Employee Cost	9.2	6.9	
Other Cost	33.5	26.5	
<b>Total Expenditure</b>	<b>138.0</b>	<b>110.1</b>	
<b>EBITDA</b>	<b>25.1</b>	<b>16.6</b>	<b>51.1%</b>
<b>EBIDTA margin (%)</b>	<b>15.4%</b>	<b>13.1%</b>	<b>227 bps</b>
Other Income	1.1	0.3	
Depreciation	4.9	4.3	
Interest	6.0	4.9	
<b>Profit Before Tax</b>	<b>15.3</b>	<b>7.7</b>	<b>99.5%</b>
Tax	4.0	0.4	
<b>Profit After Tax</b>	<b>11.3</b>	<b>7.2</b>	<b>55.4%</b>
<b>PAT Margin (%)</b>	<b>6.9%</b>	<b>5.7%</b>	<b>118 bps</b>
<b>EPS (Rs.)</b>	<b>6.41</b>	<b>5.35</b>	<b>19.8%</b>

- Revenue growth – driven by increase in volumes and better utilisations
- EBIDTA margin expansion – on account of Incremental prices passed on in same quarters along with higher contribution of value added products & improving operational efficiencies

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

Rs. Cr	30 <sup>th</sup> Sept 18	31 <sup>st</sup> Mar 18
<b>Equity</b>	<b>89.1</b>	<b>81.6</b>
Equity Share Capital	17.6	17.6
Other Equity	71.5	64.1
<b>Non Current Liabilities</b>	<b>27.9</b>	<b>21.2</b>
<b>Financial Liabilities</b>		
Borrowing	25.0	18.6
Provisions	1.5	1.4
Deferred Tax Liabilities (Net)	1.4	1.2
Other Current Liabilities	0.0	0.0
<b>Current Liabilities</b>	<b>85.1</b>	<b>76.2</b>
<b>Financial Liabilities</b>		
Borrowings	34.8	33.3
Trade Payables	20.3	17.1
Other Financial Liabilities	19.4	19.3
Provisions	7.1	2.8
Other Current Liabilities	3.5	3.7
<b>Total Liabilities</b>	<b>202.1</b>	<b>179.0</b>

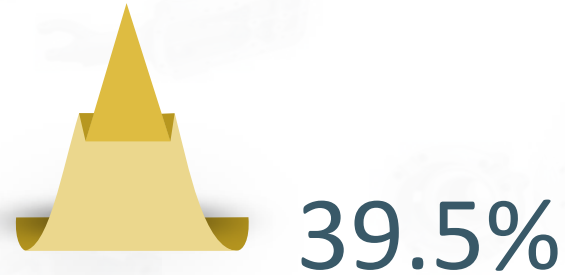
Rs. Cr	30 <sup>th</sup> Sept 18	31 <sup>st</sup> Mar 18
<b>Non-current Assets</b>	<b>79.1</b>	<b>55.3</b>
Tangible Assets	74.5	47.1
Intangible Assets	0.0	0.0
Capital work-in-progress	3.5	7.3
<b>Financial Assets</b>		
Investments	0.2	0.0
Loans	0.0	0.0
Other Financial Assets	0.0	0.7
Other non current assets	0.9	0.3
<b>Current Assets</b>	<b>123.0</b>	<b>123.7</b>
Inventories	53.7	48.1
<b>Financial Assets</b>		
Trade Receivables	44.2	37.7
Cash & Cash Equivalent	1.7	4.5
Bank Balance other than Cash	2.4	2.0
Loans	0.0	0.0
Other	0.7	4.2
Other Current Assets	20.3	27.2
<b>Total Assets</b>	<b>202.1</b>	<b>179.0</b>

## Annual Financial Highlights – FY18



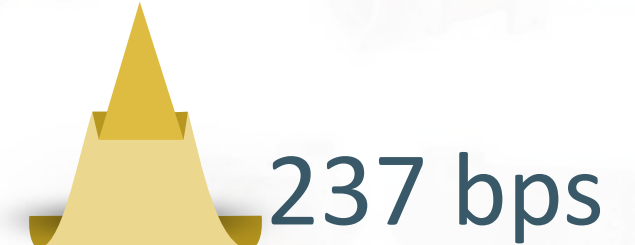
**Revenue**

Rs. 170.0 cr



**EBTIDA**

Rs. 24.7 cr



**EBITDA Margin**

14.6%



**PAT**

Rs. 11.1 cr



**PAT Margin**

6.5%

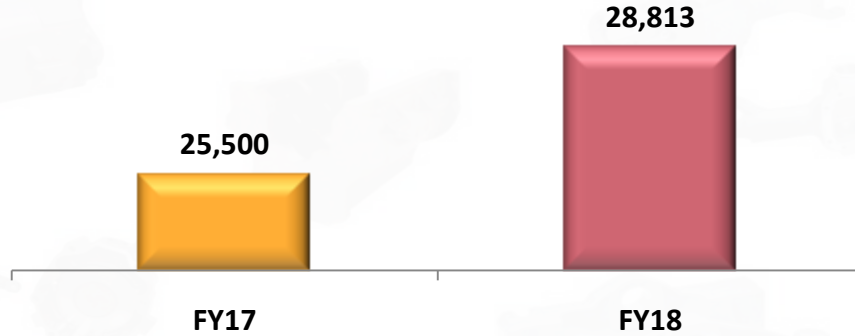


**EPS**

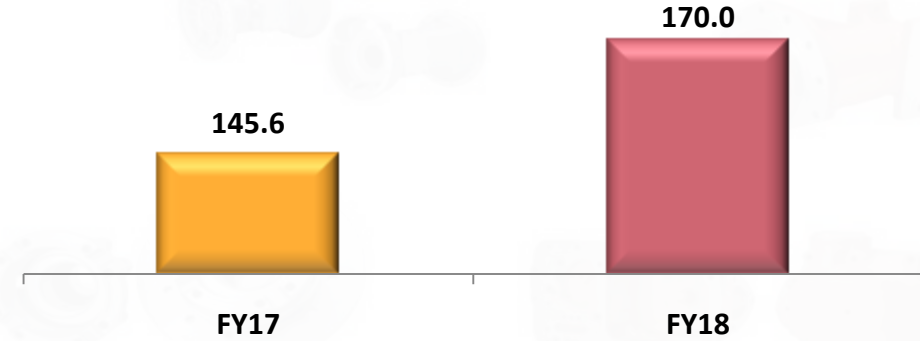
Rs. 7.56 vs. Rs. 3.15(FY17)

# Annual Financial Highlights – FY18

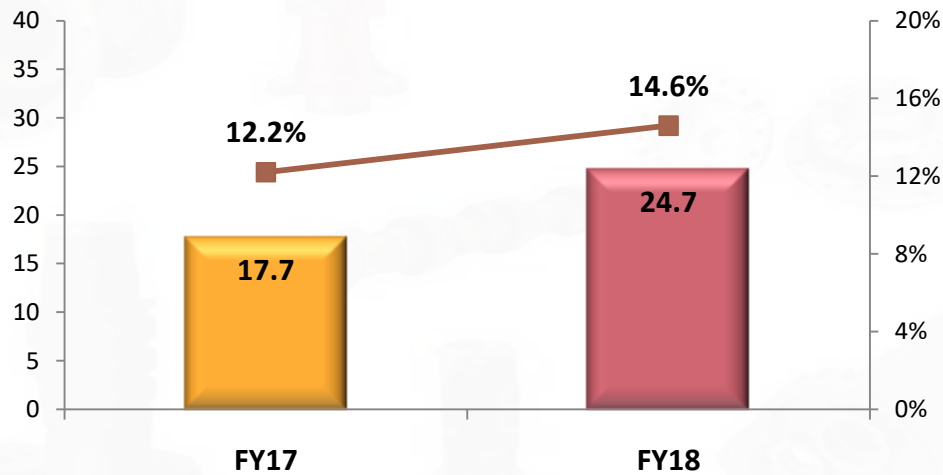
**Production Volume (TPA)**



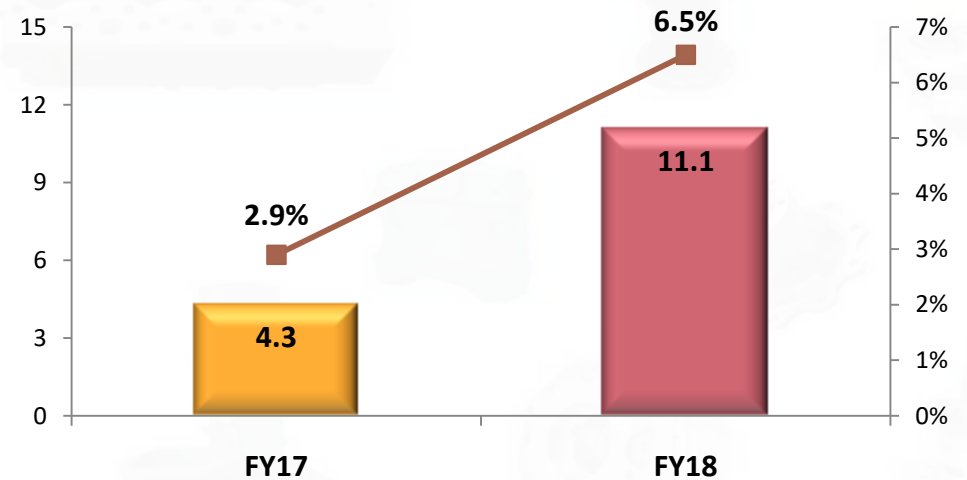
**Revenue (Rs. Cr)**



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

- 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 31<sup>st</sup> March FY18

Rs. Cr	31 <sup>st</sup> Mar 18	31 <sup>st</sup> Mar 17*
<b>Equity</b>	<b>81.6</b>	<b>40.8</b>
Equity Share Capital	17.6	13.5
Other Equity	64.1	27.3
<b>Non Current Liabilities</b>	<b>21.2</b>	<b>9.3</b>
<b>Financial Liabilities</b>		
Borrowing	18.6	7.5
Provisions	1.4	0.0
Deferred Tax Liabilities (Net)	1.2	1.7
Other Current Liabilities	0.0	0.0
<b>Current Liabilities</b>	<b>76.2</b>	<b>81.5</b>
<b>Financial Liabilities</b>		
Borrowings	33.3	33.4
Trade Payables	17.1	15.7
Other Financial Liabilities	19.3	26.2
Provisions	2.8	3.0
Other Current Liabilities	3.7	3.3
<b>Total Liabilities</b>	<b>179.0</b>	<b>131.6</b>

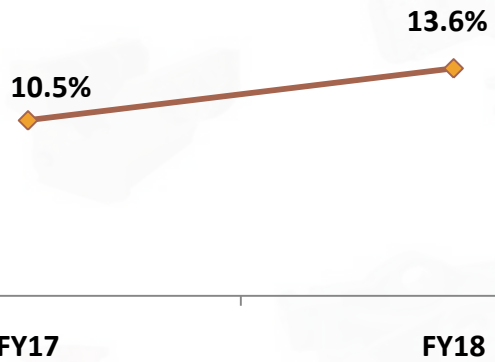
Rs. Cr	31 <sup>st</sup> Mar 18	31 <sup>st</sup> Mar 17*
<b>Non-current Assets</b>	<b>55.3</b>	<b>36.8</b>
Tangible Assets	47.1	34.1
Intangible Assets	0.0	0.0
Capital work-in-progress	7.3	2.4
<b>Financial Assets</b>		
Investments	0.0	0.0
Loans	0.0	0.0
Other Financial Assets	0.7	0.3
Other non current assets	0.3	0.0
<b>Current Assets</b>	<b>123.7</b>	<b>94.8</b>
Inventories	48.1	42.6
<b>Financial Assets</b>		
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
<b>Total Assets</b>	<b>179.0</b>	<b>131.6</b>

\*FY17 Numbers are restated as per IND AS guidelines

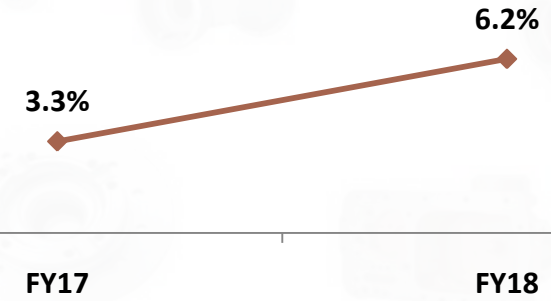


# Key Ratios

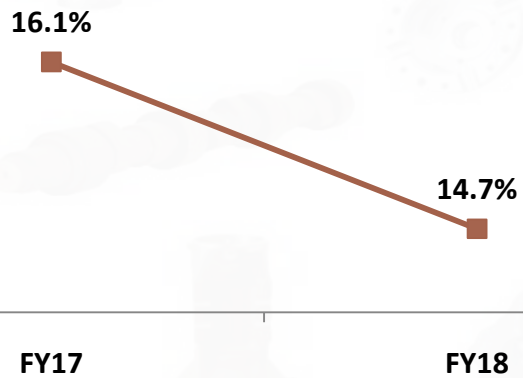
**RoE (%)**



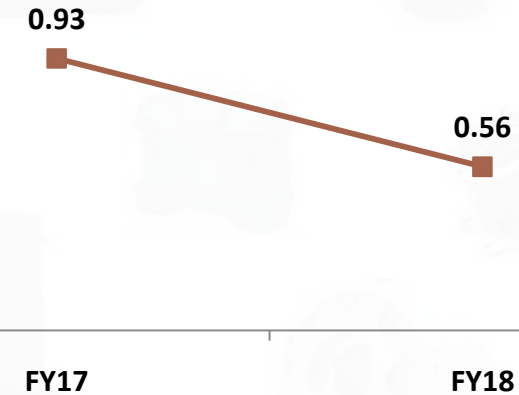
**RoA (%)**

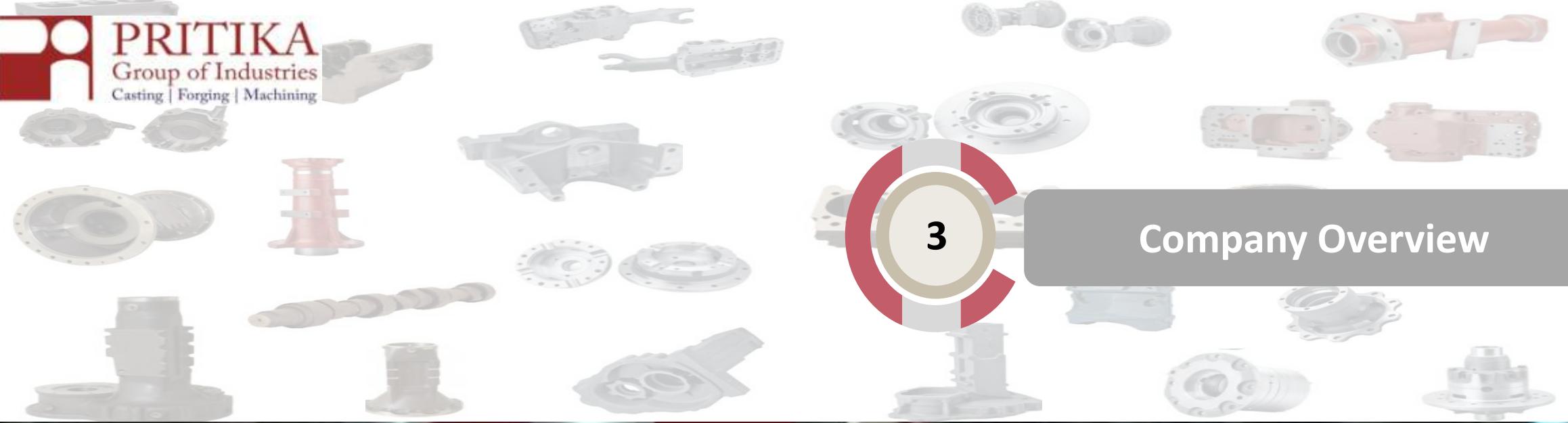


**RoCE (%)**



**Net Debt/Equity (x)**





3

## 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...

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

1973-75

1995-97

- 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 I
- Total Capacity: **5,400 tons pa**

1999

2003

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

2007

2010

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

- 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**

2012-15

2017-18

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

- Expansion of capacity by 3,200 tons pa.
- Acquired foundry capacity of 12,000 tons pa** of Amrit Duraparts
- Total **50,000 tons pa**

2018-19

## 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
- 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 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**

## 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

## Over 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

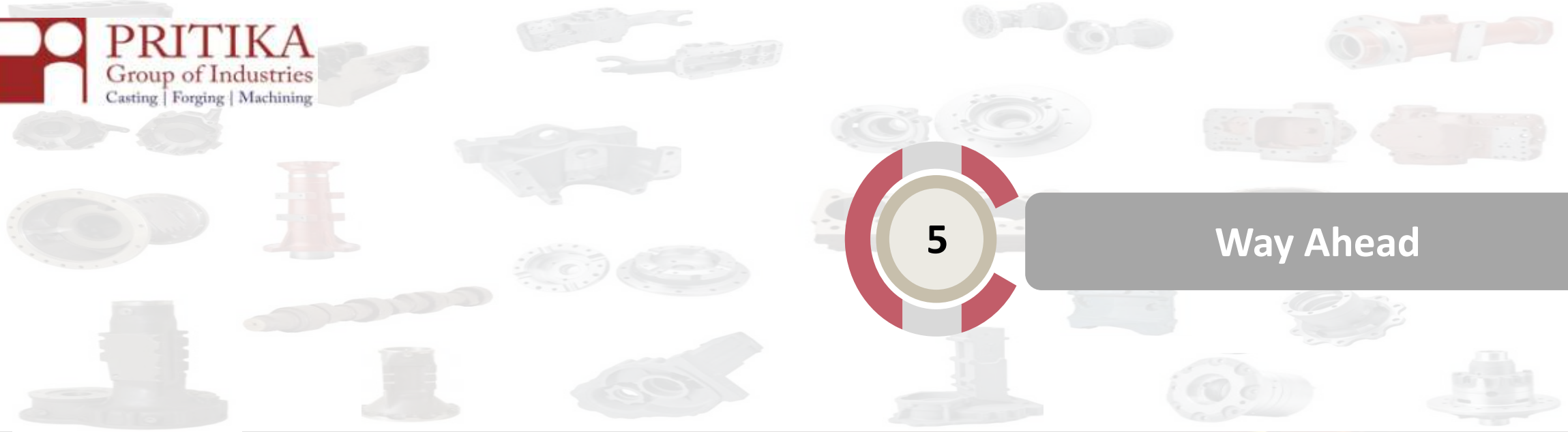
- Escorts – 43+ years
- TAFE – 20+ years
- M&M – 14+ years

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

# Awards & Recognitions

AWARDS	YEAR	ORGANIZATION
Best Quality	2001	CII – SIDBI India Engineering Trade Fair
2 <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)





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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....

### 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**

**Bloomberg**

**PAUTO IN**

**REUTERS**

**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. Harshit Gandhi**

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

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