

PRITIKA
Group of Industries
CASTING | MACHINING | SUB-ASSEMBLY



Pritika Auto Industries Limited

Result Update Presentation
Q4 & 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 consolidated 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

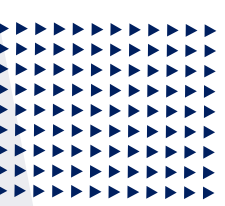


Financial Highlights (FY23)

Operating Revenue
Rs. 362 Cr

EBITDA
Rs. 42 Cr

PAT
Rs. 16 Cr



Consolidated Quarterly Financial Highlights





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

“The Company’s performance in the Fourth quarter has been in line with expectations, given the sharp fluctuations in raw material price.

We have reported quarterly volumes of 9,929 tons in Q4 FY23, reflecting a 68.72% Y-o-Y increase, driven by continued growth in the tractor and commercial vehicles market. As for the entire period of FY23, we did record volume sales of 39,116 against a demand that is pushing us to achieve even higher volumes. In the previous year, we had significant other income from one-time sale of shares worth Rs. 6.56 cr. When adjusted for this, the FY23 PAT has grown by more than 83% over FY22.

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 are likely to keep improving the margins. Also we are raising equity through warrants to enable us to grab any opportunity of growth in the short to medium term.

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.”

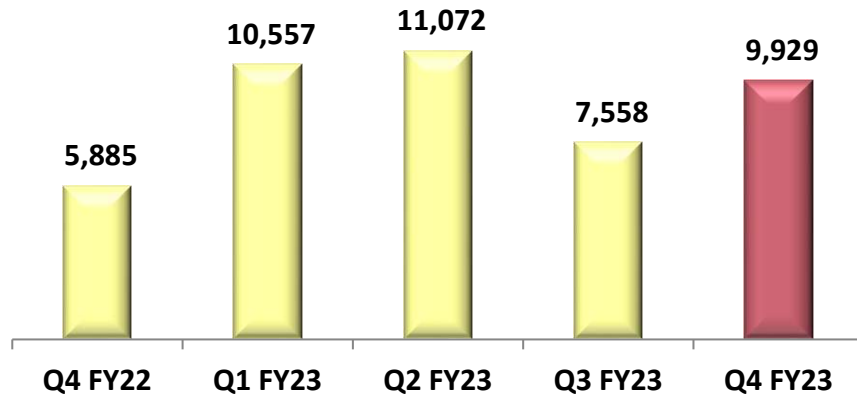
Key Recent Developments during the year

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

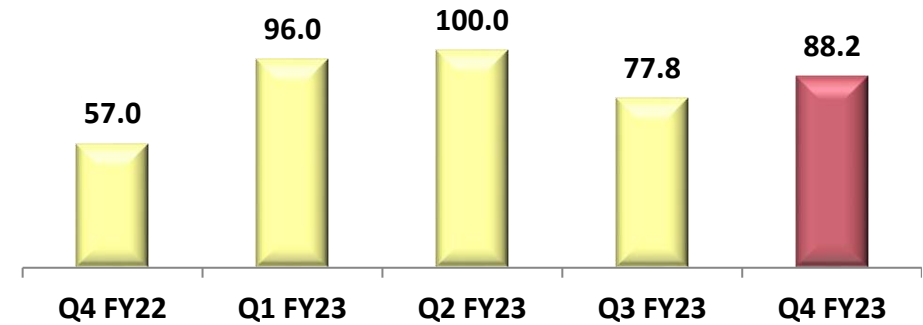
- Company announced plans to raise Rs. 30.40 cr by issuance of 1,60,00,000 fully convertible warrants to non-promoter category on preferential basis, at Rs. 19/- per warrant against which 25% application money has been received
- Successfully issued IPO for subsidiary, Pritika Engineering Components Ltd., for Rs. 9.50 cr – issue was over-subscribed ~150 times
- IPO proceedings to be used for capacity expansion and product diversification
- Added a new reputed domestic client

Quarterly Financial Highlights – Q4 FY23

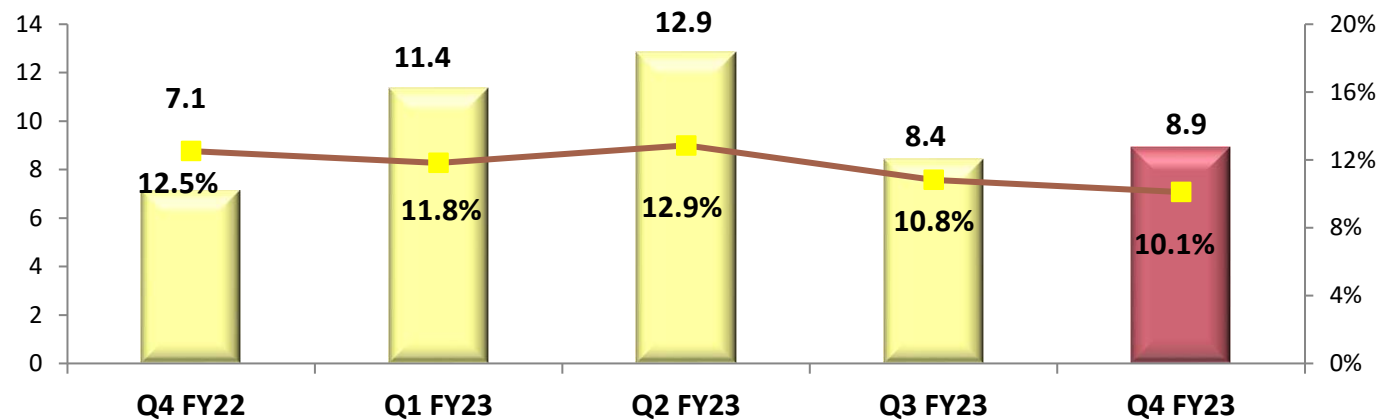
Production Volume (TPA)



Revenue (Rs. Cr)

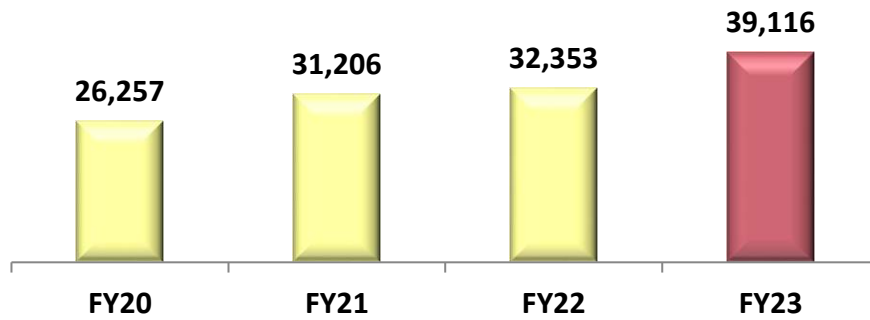


EBITDA (Rs. Cr) / Margin (%)

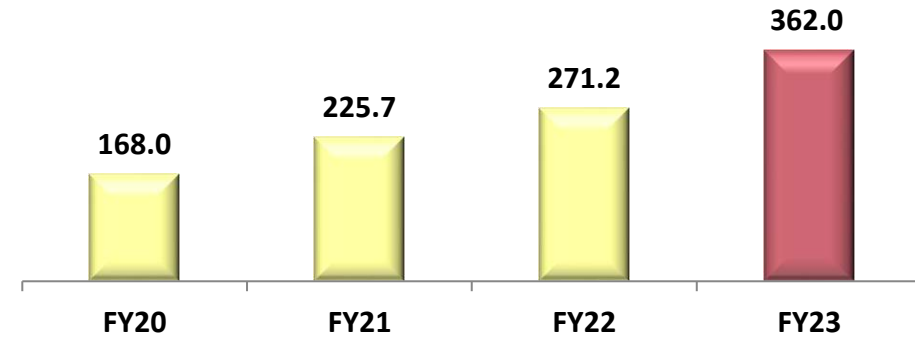


Annual Financial Highlights – FY23

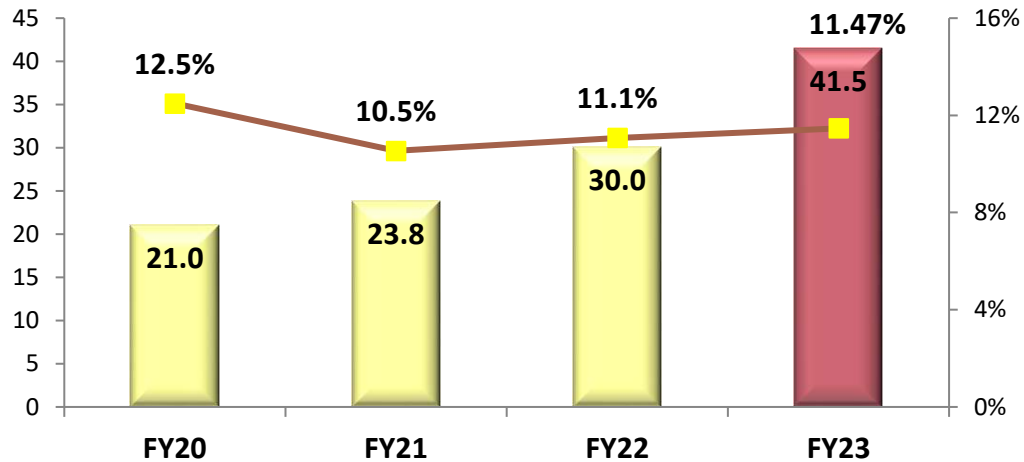
Production Volumes (Tons)



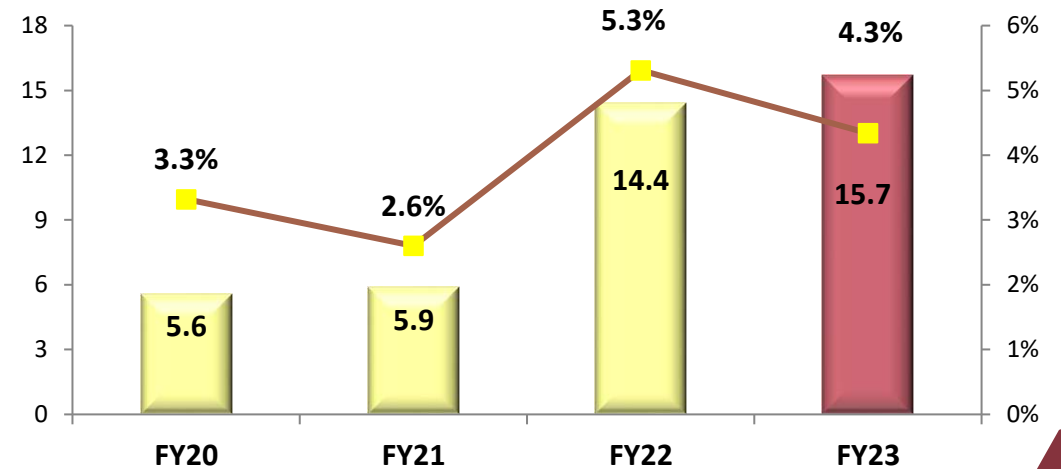
Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)



PAT (Rs. Cr) / Margin (%)



Quarterly Financial Highlights

Rs. Cr	Q4 FY23	Q4 FY22	Y-o-Y	Q3 FY23
Total Income from operations	88.1648	56.99		77.82
Other Operating revenue	0.00	0.00		0.00
Net Revenue	88.16	56.99	54.68%	77.82
Raw Materials	56.40	34.36		50.16
Employee Cost	5.38	4.83		4.99
Other Cost	17.47	10.68		14.25
Total Expenditure	79.25	49.86		69.40
EBITDA	8.91	7.13	24.92%	8.42
EBIDTA margin (%)	10.11%	12.52%	(241 bps)	10.82%
Other Income	0.47	0.21		0.27
Depreciation	3.08	2.79		2.97
Interest	2.36	2.28		2.45
Profit Before Tax	3.94	2.28	72.93%	3.26
Tax	1.24	0.03		0.40
Profit After Tax	2.70	2.25	19.75%	2.86
PAT Margin (%)	3.06%	3.96%		3.68%
Basic EPS (Rs.)	0.30	0.25	20.0%	0.32

- Q3 & Q4 FY23 witnessed downward price revision (industrywide phenomenon) – effect of both quarters reflected in Q4FY23
- High demand from tractors & CVs, and better product mix boosted sales volumes and mitigated impact of price correction

Annual Financial Highlights – FY23

Rs. Cr	FY23	FY22	YoY%
Total Income from operations	362.03	271.23	
Other Operating Income	0.00	0.00	
Net Revenue	362.03	271.23	33.48%
Raw Materials	233.09	166.10	
Employee Cost	20.58	17.74	
Other Cost	66.83	57.35	
Total Expenditure	320.50	241.20	
EBITDA	41.53	30.02	38.33%
EBIDTA margin (%)	11.47%	11.07%	40 bps
Other Income (Incl. Exceptional Gain)	1.20	7.81	
Exceptional Gain on Sale of Shares	-	6.56	
Depreciation	11.91	10.92	
Interest	9.25	8.99	
Profit Before Tax	21.57	17.93	
Profit Before Tax (Excl. Exceptional Gain)	21.57	11.37	89.77%
Tax	5.88	3.52	
Profit After Tax	15.69	14.41	
PAT (Excl. Exceptional Gain)	15.69	8.53	83.94%
PAT Margin (% - Excl. Exceptional Gain)	4.34%	3.15%	
Basic EPS (Rs.)	1.77	1.62	9.26%

- Highest ever Sales volume of 39,116 ton in FY23
- Revenue realizations per ton improved during in FY23 – better product mix led improvement
- Improved operational efficiencies offset the impact of rise in raw material cost, boosting EBITDA & PAT margins

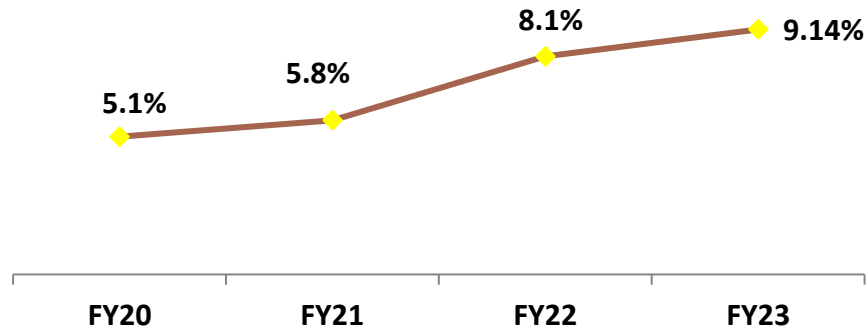
Balance Sheet as on 31st March 2023

Rs. Cr	As on 31 st Mar '22	As on 31 st March '23
Equity	139.01	169.70
Equity Share Capital	17.73	17.73
R&S	121.27	143.57
Share Application Money	-	8.39
Non-Current Liabilities	46.03	59.83
Financial Liabilities		
Long Term Borrowing	34.56	33.43
Provisions	1.84	2.46
Deferred Tax Liabilities	3.15	3.50
Other LT Liabilities	6.48	20.44
Current Liabilities	105.27	121.63
Financial Liabilities		
Short term Borrowings	50.12	61.41
Trade Payables	26.57	31.06
Other Financial Liabilities	22.71	22.62
Other Current Liabilities	2.87	3.78
Current Tax Liability	2.59	2.37
Provisions	0.41	0.38
Total Equity & Liabilities	290.31	351.15

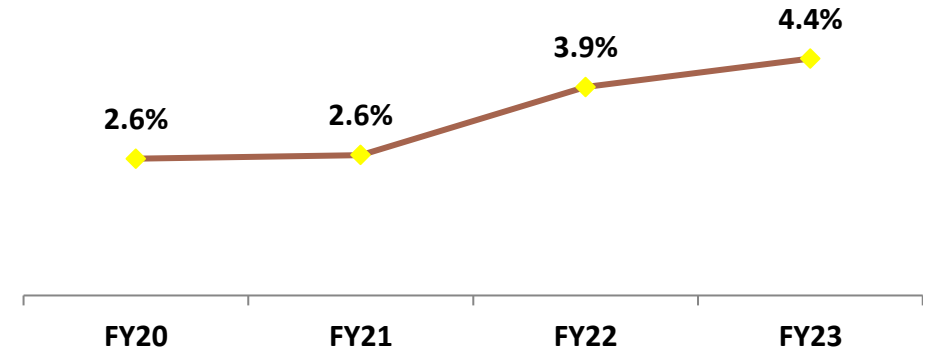
Rs. Cr	As on 31 st Mar 22	As on 31 st March '23
Non-current Assets	134.64	145.08
Property, Plant and Equipment	115.18	118.22
Capital work in progress	2.42	9.40
Goodwill on Consolidation	13.55	13.55
Financial Assets		
Non Current Investments	0.04	0.12
Other Financial Assets	1.24	1.30
Deferred Tax Assets/ (Liability)	0.70	0.80
Long term Loans & Advances	0.00	0.00
Other Non Current Assets	1.51	1.69
Current Assets	155.67	206.08
Inventories	66.75	75.94
Financial Assets		
Trade Receivables	71.54	97.30
Cash & Cash Equivalentents	0.91	13.22
Bank	1.81	2.34
Other Financial assets	10.54	12.07
Short term Loans & Advances	0.00	0.00
Other Current Assets	4.11	5.20
Total Assets	290.31	351.15

Key Ratios

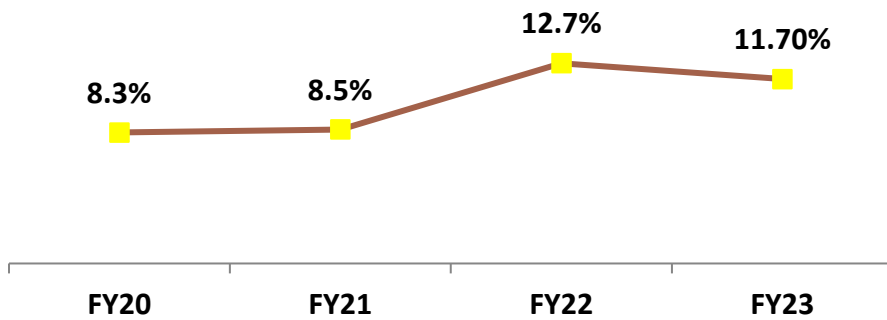
RoE (%)



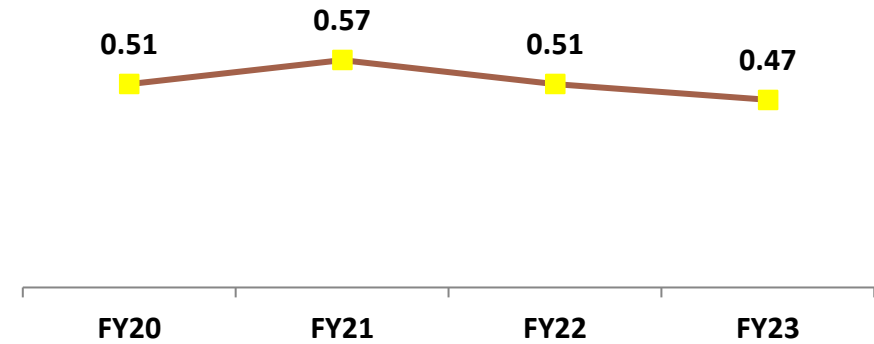
RoA (%)



RoCE (%)

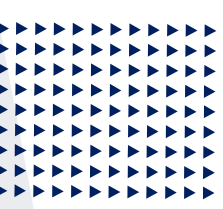


Net Debt/Equity (x)



Preferential issue of 1,60,000 equity shares during Q4 FY19

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



Company Overview

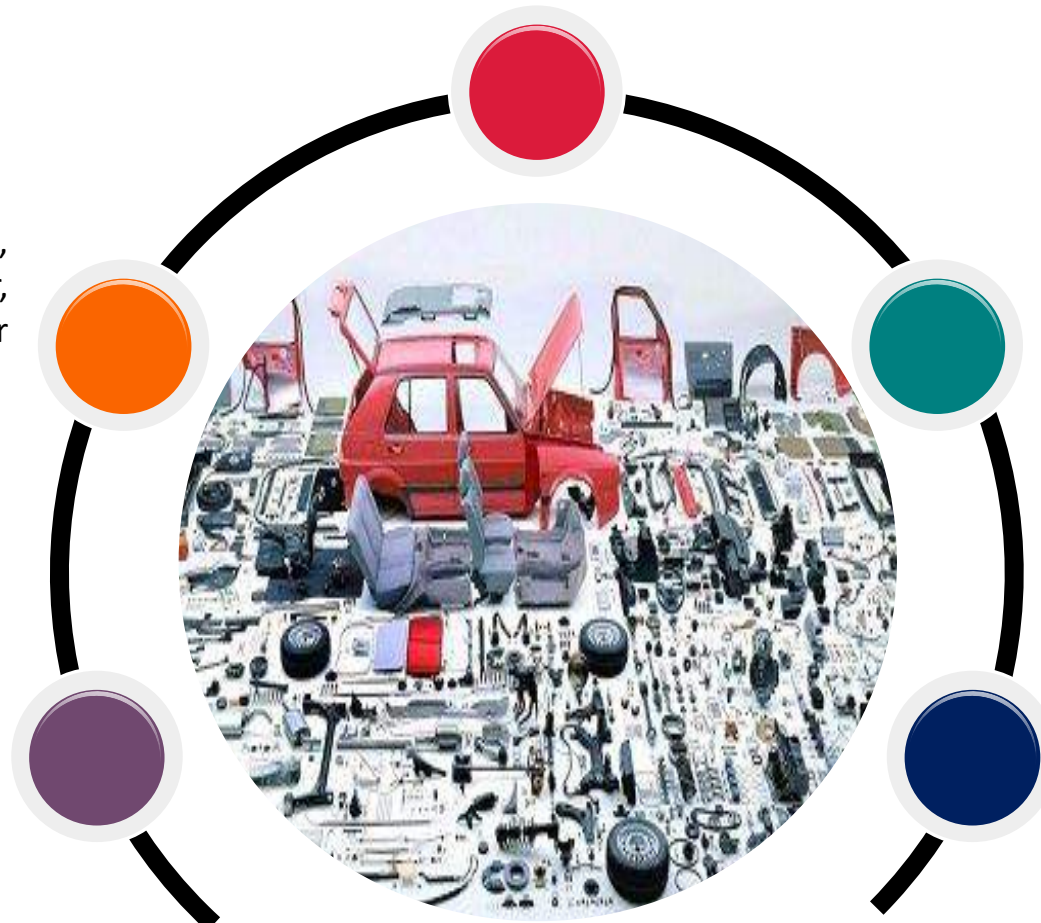


Leading manufacturer of tractor components in India

- 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



2019-23

- 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

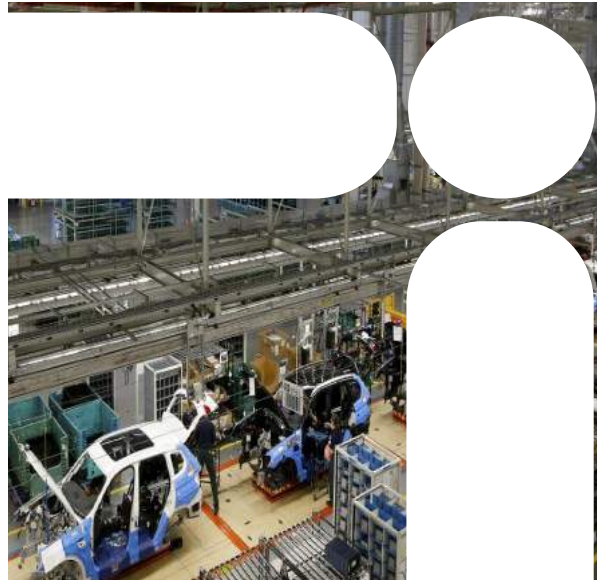


Leadership Team to drive Growth...



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

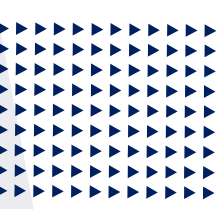
- Graduate in Mechanical Engineering and a Masters Degree holder in Business Administration
- 21 years of experience in various engineering industries and been with the group for 15 years
- Was the head of materials at Nibber Castings for about 4 years and Project Head for Pritika Autocast
- Approved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

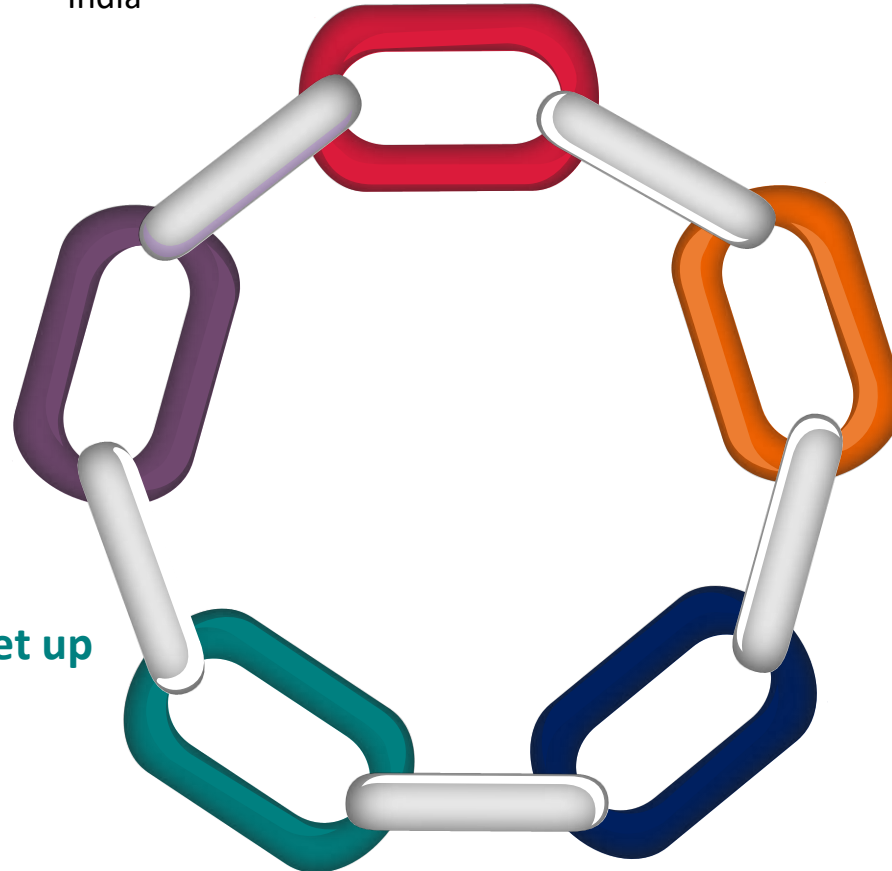


Key Customers

		 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 – 44+ years
- TAFE – 21+ years
- M&M – 15+ 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)



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*

Pritika Engineering Components Ltd

Pritika Auto Industries Limited



Pritika Engineering Components Limited

- Wholly – owned subsidiary of Pritika Auto Industries Ltd, which is a captive unit for Pritika Group of Industries
- Successfully listed on December 8th, 2022, with a total issue size of approximately Rs. 9.42 crores
- Pritika Engineering Components Limited was formerly known as Pritika Engineering Components Pvt. Ltd. and started in 1973 by Mr. R.S. Nibber, a young technocrat manufacturing small forgings



Established Player in Castings & Forgings for Tractor & Automotive OEM industry



Niche & Comprehensive Product Portfolio to cater wider customers

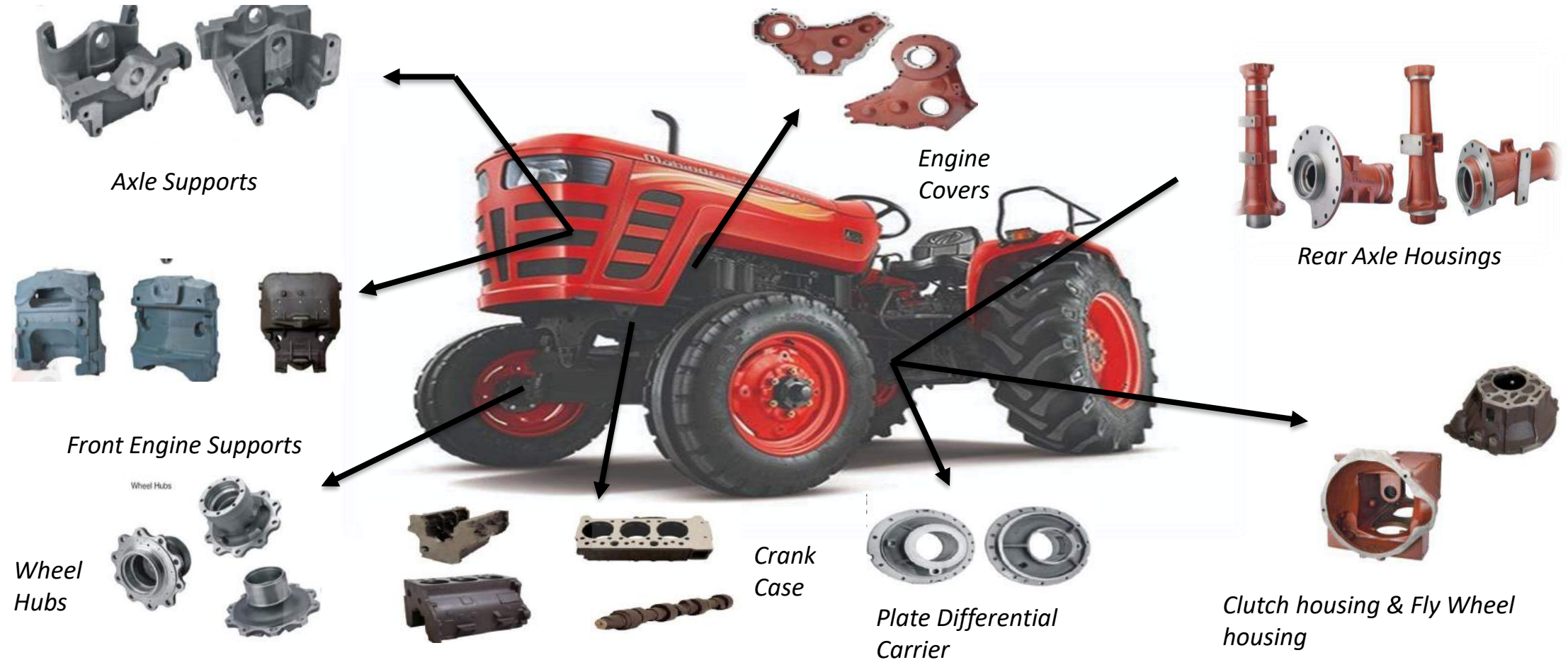


Long standing core customer base consisting of leading OEMs



Well-Invested in Lost Foam Technology to enhance the production & enhance long-term growth

Pritika Engineering's Product Portfolio



Thank You

For further information, please contact:

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