



## Pritika Auto Industries Limited



**Result Update Presentation**  
**Q3 & 9M FY21**

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

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

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

# Executive Summary

## Company Overview

- Pritika Auto Industries is among leading manufacturers of machined castings in India
- Incorporated in 1973, the Company manufactures components for tractors and commercial vehicles
- Total installed capacity of 50,000 tons per 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 Auto specializes in a diverse range of products and exports to clients in US as well

## Product Portfolio (as on FY20)

### Rear Axle Housings



### Hydraulic Lift Covers/ Housing



### Differential Case



### Wheel Hubs



### Front Engine/Axle Support



## Financial Highlights (FY20)

Operating Revenue

Rs. 167.95 Cr

EBITDA

Rs. 20.98 Cr

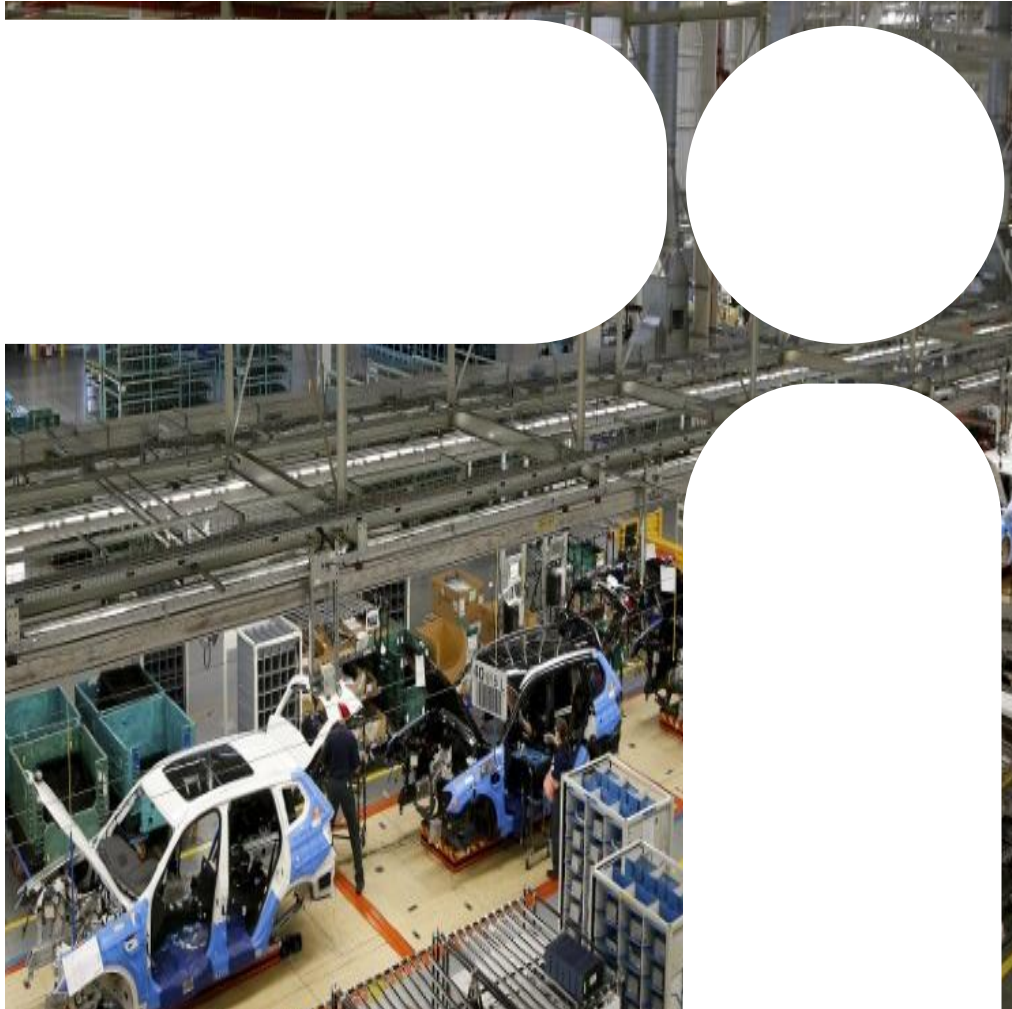
PAT

Rs. 5.58 Cr





Company Overview



## Leading manufacturer of tractor components in India

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

## Modern Manufacturing Facilities

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

## Among biggest component suppliers in machined casting Segment

- Supply to OEMs like M&M, Swaraj, TAFE, Escorts, SML Isuzu, TMTL, Ashok Leyland, New Holland Tractors India Ltd. , Brakes India Ltd.
- Wide & Diversified client base

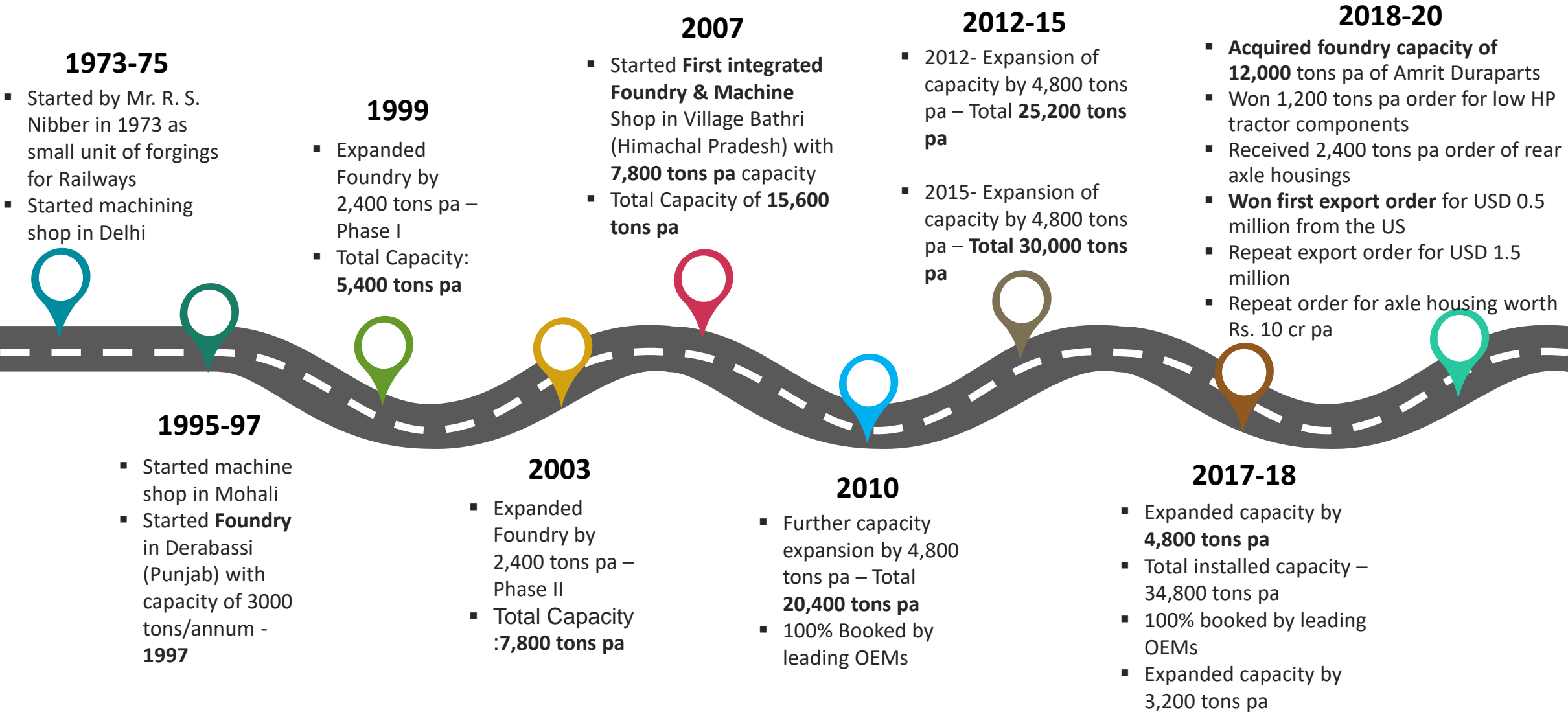
## Diversified Portfolio

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

## Strong Pan India Customer presence

- Strong demand for products across key markets in India

# Journey So Far...



# Leadership Team to drive Growth...



**Raminder Singh Nibber**  
Chairman

- 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



**Harpreet Singh Nibber**  
Managing Director

- Aged 46 years: Mechanical Engineer worked for more than 2 years in reputed tractor manufacturing Company
- Responsible for Manufacturing and Business Development of all Units
- Worked in Marketing & Development functions of Pritika Group for almost 2 decades
- Executive Member of Mohali Industries Association, Rotary Club



# ... Backed by Professional Management



**Mr. Narinder Kumar Tyagi**

## Chief Financial Officer

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



**Sri Ajay Kumar Rai**

## Executive Director

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



**Sri Navpreet S. Sujlana**

## Deputy General Manager- Sales & Marketing

- Graduated in Mechanical Engineering and done Information Technology course
- 12 years of experience in customer support function
- Worked with Compaq as project team leader
- Responsible for Information Technology function
- Been with Group for more than 10 years



**Sri Ram Lal Dhiman**

## Director - Technical Foundry

- Post Graduate in Mechanical Engineering and Masters Degree in Business Administration
- 39 years of experience in engineering, Foundry industries and has been with Group for last 5 years
- Worked with giants of Industry like DCM, Mahindra & Mahindra and Amtek Group
- Approved Internal Auditor for ISO

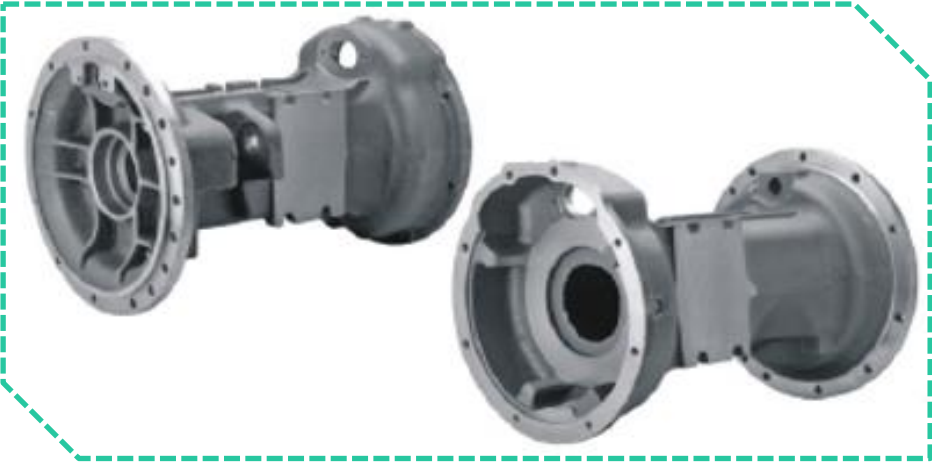




## Business Overview

DELIVERING RESULTS, RELIABILITY & EXCELLENCE

## 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

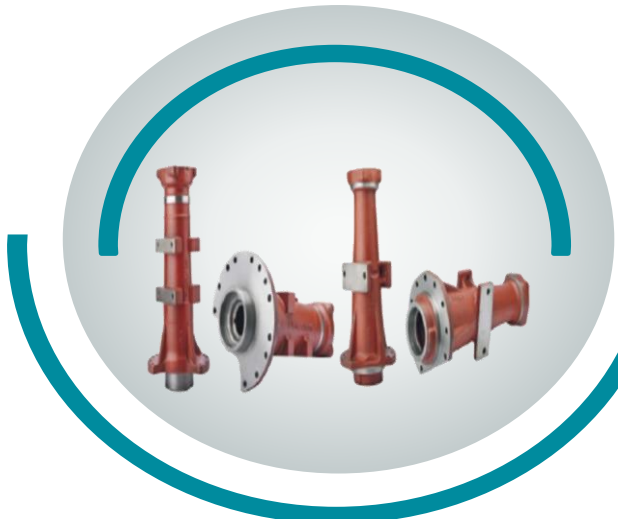




# Market Share – Major Products

## Axle Housings

**28%** Market share



## Differential Case

**25%** Market share



## Brake Housings

**20%** Market share



# Wide Application of Products



# Key Customers

		 <b>Brakes India Private Limited</b>
		 <b>Case New Holland</b>
		
	 <b>EICHER</b>	 <b>Mahindra</b>   <b>ESCORTS</b>



**... 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)





## Chairman's Message



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

*"This financial year began on a tough note, with the COVID-19 pandemic impacting our whole supply chain and entire economy in general. Suspension of operations in the first quarter adversely affected our operations. However, I am glad to share that our Company has shown tremendous resilience and is recovering well from this headwind. Leading OEMs across India continue to rely on us to deliver quality products on time, reaffirming the trust and faith they have placed in us.*

*In Q3 FY21, we reported a 61.71% year-on-year growth in top line at Rs. 64.51 crore. Our EBITDA and PAT also grew 32.66% and 106.59% year-on-year to Rs. 6.96 crore and Rs. 2.21 crore, respectively. This has primarily been driven by a robust demand from the tractor industry, on the back of a healthy agricultural sector. Infact, we see this demand momentum continue as we reported our highest ever sales volume in a month at 3,200 tons in January 2021. This, coupled with a strong order book gives us a buoyant outlook for the next quarter as well. Moreover, our efforts to improve internal efficiencies and our product portfolio, reflects in our improving realization per ton during this quarter and nine months.*

*To complement our domestic market, we are also on track with our export orders, which have grown substantially over the past year. We expect an optimistic market in the coming quarters and are prepared in terms of capacity to meet the rise in demand. Our regular participation in 'Agritechnica' in Germany, and our relationship with the existing international client, should further boost our visibility and brand name in global markets. Moreover, our export products are being used in material handling applications, thereby diversifying our target markets.*

*Our technological capabilities, operational efficiencies, and strong client relationships continue to be our pillars of strength, seeing us through turbulent phases. I would like to thank the entire team of 'Pritika' for their untiring efforts, sincerity and dedication, especially during such times. Also, I would like to thank all our valued stakeholders, whose support and faith in our Company gives us the determination and ambition to set and achieve higher benchmarks."*





## Consolidated Financial Highlights

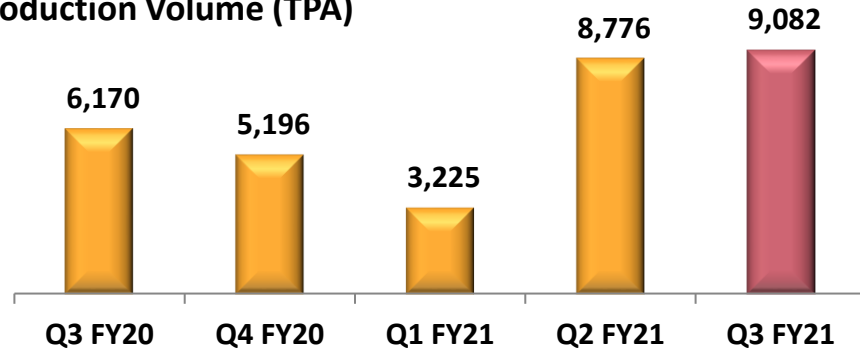


**Strategy – To expand capacity organically and through acquisitions, on back of strong order book, while expanding export opportunities**

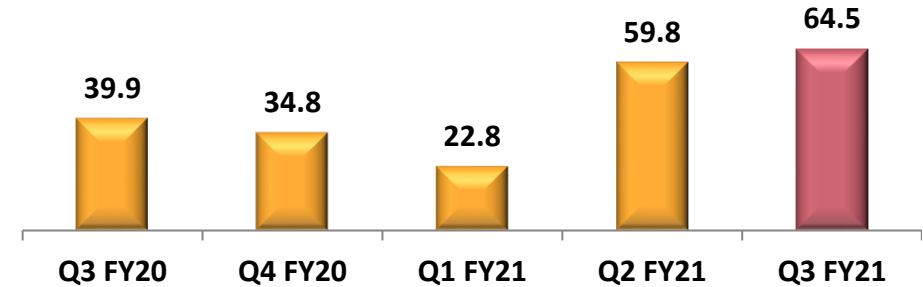
- Won additional order for axle housings worth Rs. 10 cr per annum
- Won repeat export order from US-based client, bringing total export order value to USD 2 million
- Won first export order worth USD 0.5 million from US-based multinational conglomerate after regular participation in Agritechnica
- Company temporarily suspended production and all operations in March-April 2020 as per government directives, in light of the outbreak of Covid-19 pandemic

# Quarterly Financial Highlights – Q3 FY21

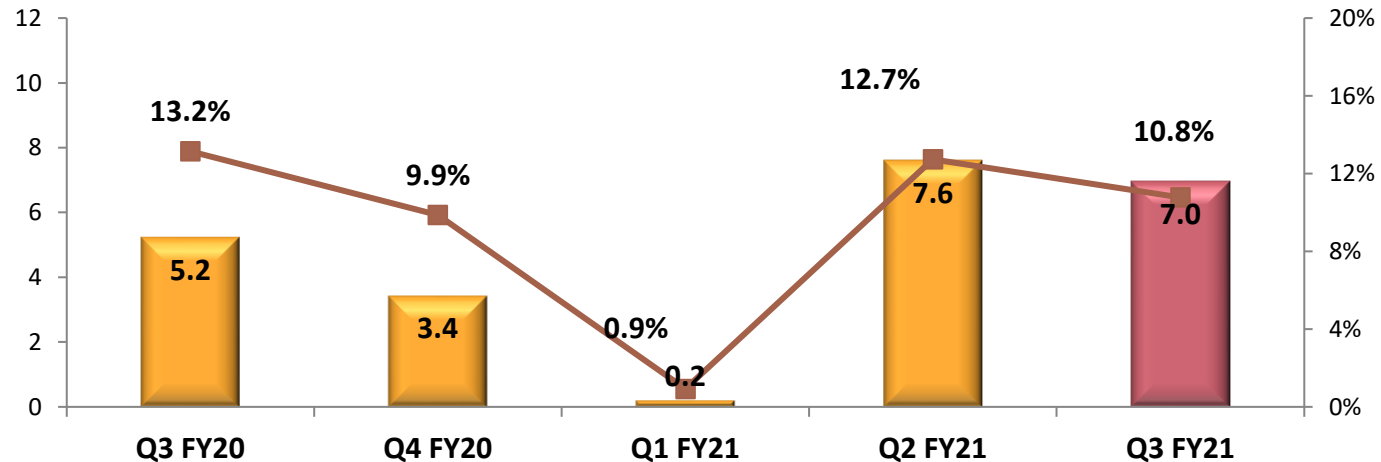
### Production Volume (TPA)



### Revenue (Rs. Cr)



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



# Quarterly Financial Highlights

Rs. Cr	Q3 FY21	Q3 FY20	Y-o-Y	Q2 FY21
Total Income from operations	64.51	39.89		59.77
Other Operating revenue	0.00	0.00		0.00
<b>Net Revenue</b>	<b>64.51</b>	<b>39.89</b>	<b>61.71%</b>	<b>59.77</b>
Raw Materials	38.00	22.98		34.60
Employee Cost	3.96	3.12		3.68
Other Cost	15.60	8.55		13.87
<b>Total Expenditure</b>	<b>57.56</b>	<b>34.65</b>		<b>52.15</b>
<b>EBITDA</b>	<b>6.96</b>	<b>5.24</b>	<b>32.66%</b>	<b>7.61</b>
<b>EBIDTA margin (%)</b>	<b>10.78%</b>	<b>13.15%</b>	<b>(237 bps)</b>	<b>12.74%</b>
Other Income	0.21	0.31		0.28
Depreciation	2.17	1.91		2.04
Interest	1.89	1.74		2.21
<b>Profit Before Tax</b>	<b>3.11</b>	<b>1.90</b>		<b>3.64</b>
Tax	0.90	0.83		0.99
<b>Profit After Tax</b>	<b>2.21</b>	<b>1.07</b>	<b>106.59%</b>	<b>2.65</b>
<b>PAT Margin (%)</b>	<b>3.43%</b>	<b>2.69%</b>	<b>74 bps</b>	<b>4.44%</b>
<b>Basic EPS (Rs.)</b>	<b>1.25</b>	<b>0.60</b>	<b>108.33%</b>	<b>1.50</b>

- Increase in volumes and revenues driven by pick up in demand from strong agriculture sector
- Revenue realizations per ton improved during this quarter
- Higher raw material and fixed expenses offset operational efficiencies, exerting pressure on EBITDA margins

# Nine Months Financial Highlights

Rs. Cr	9M FY21	9M FY20	Y-o-Y
Total Income from operations	147.09	133.17	
Other Operating revenue	0.00	0.00	
<b>Net Revenue</b>	<b>147.09</b>	<b>133.17</b>	<b>10.45%</b>
Raw Materials	86.91	76.56	
Employee Cost	9.35	10.27	
Other Cost	36.04	28.79	
<b>Total Expenditure</b>	<b>132.30</b>	<b>115.61</b>	
<b>EBITDA</b>	<b>14.78</b>	<b>17.55</b>	<b>(15.78%)</b>
<b>EBIDTA margin (%)</b>	<b>10.05%</b>	<b>13.18%</b>	<b>(313 bps)</b>
Other Income	0.83	0.98	
Depreciation	6.15	5.52	
Interest	6.00	5.40	
<b>Profit Before Tax</b>	<b>3.47</b>	<b>7.61</b>	
Tax	0.99	2.18	
<b>Profit After Tax</b>	<b>2.47</b>	<b>5.43</b>	<b>(54.48%)</b>
<b>PAT Margin (%)</b>	<b>1.68%</b>	<b>4.08%</b>	<b>(240 bps)</b>
<b>Basic EPS (Rs.)</b>	<b>1.39</b>	<b>3.06</b>	<b>(54.58%)</b>

- Recovery in demand driven by agriculture sector led to higher volumes, offsetting impact of nationwide lockdown in first quarter
- Revenue realizations per ton improved during this period
- Volatile raw material cost and fixed expenses incurred during lockdown impacted EBITDA & PAT margins



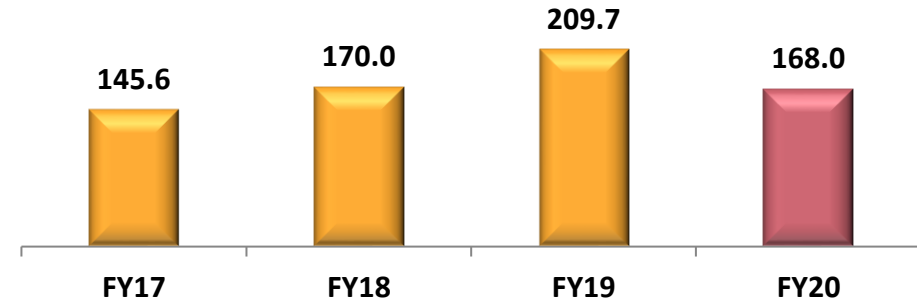
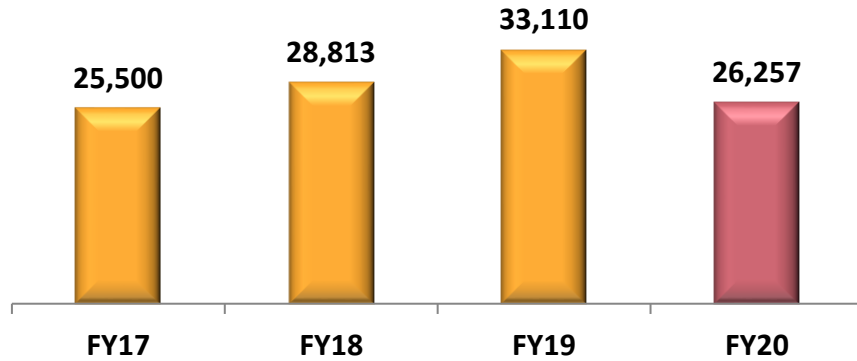
# Balance Sheet as on 30<sup>th</sup> September 2020

Rs. Cr	As on 30 <sup>th</sup> Sep '20	As on 31 <sup>st</sup> Mar '20
<b>Equity</b>	<b>120.65</b>	<b>120.37</b>
Equity Share Capital	17.73	17.73
R&S	102.91	102.63
<b>Non-Current Liabilities</b>	<b>40.01</b>	<b>31.71</b>
<b>Financial Liabilities</b>		
Long Term Borrowing	29.65	22.32
Provisions	1.91	1.53
Deferred Tax Liabilities	2.60	2.01
Other LT Liabilities	5.85	5.85
<b>Current Liabilities</b>	<b>91.63</b>	<b>90.60</b>
<b>Financial Liabilities</b>		
Short term Borrowings	32.61	41.81
Trade Payables	19.69	17.15
Other Financial Liabilities	30.00	25.11
Other Current Liabilities	8.58	5.12
Short term Provisions	0.76	1.41
<b>Total Equity &amp; Liabilities</b>	<b>252.29</b>	<b>242.68</b>

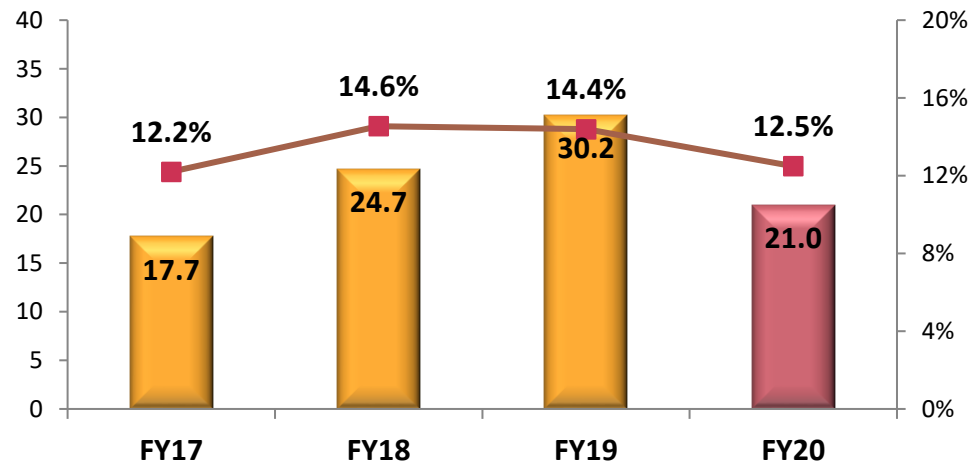
Rs. Cr	As on 30 <sup>th</sup> Sep '20	As on 31 <sup>st</sup> Mar '20
<b>Non-current Assets</b>	<b>123.44</b>	<b>118.65</b>
Property, Plant and Equipment	98.73	82.47
Capital work in progress	1.80	14.59
Goodwill on Consolidation	13.55	13.55
<b>Financial Assets</b>		
Non Current Investments	3.64	3.62
Other Financial Assets	2.07	1.38
Deferred Tax Assets/ (Liability)	1.90	1.27
Long term Loans & Advances	0.00	0.00
Other Non Current Assets	1.75	1.77
<b>Current Assets</b>	<b>128.85</b>	<b>124.03</b>
Inventories	60.59	58.11
<b>Financial Assets</b>		
Trade Receivables	45.88	46.40
Cash & Cash Equivalents	3.43	1.33
Bank	1.41	1.32
Other Financial assets	13.80	13.32
Short term Loans & Advances	0.00	0.00
Other Current Assets	3.74	3.55
<b>Total Assets</b>	<b>252.29</b>	<b>242.68</b>

Recent lockdown adversely impacted working capital cycle; recovery seen in subsequent quarters  
Ongoing capex on machine shop leafing led to higher long-term borrowing

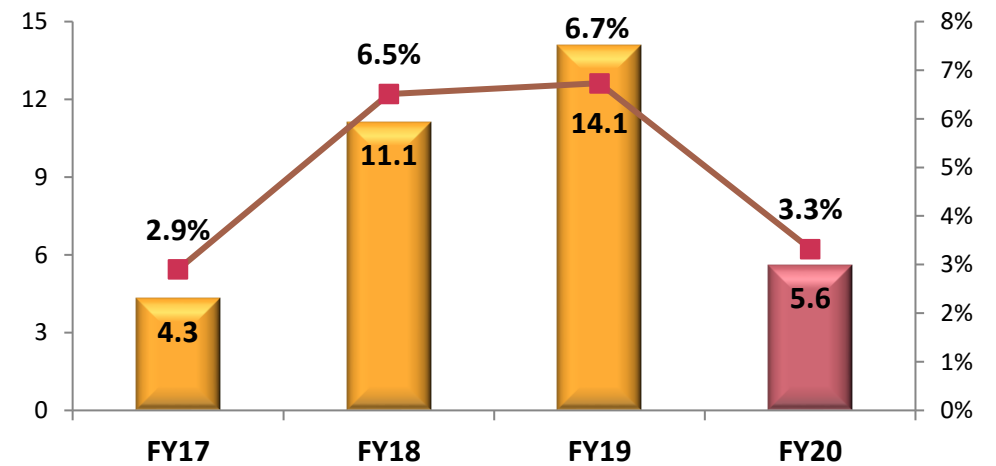
# Annual Financial Highlights – FY20



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



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



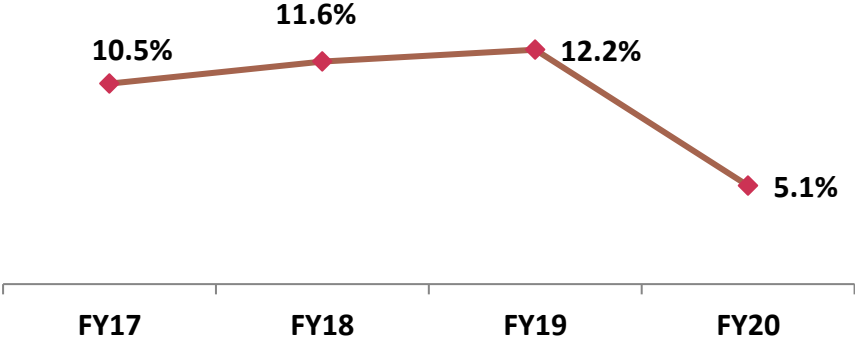
# Annual Financial Highlights – FY20

Rs. Cr	FY20	FY19	YoY%
Total Income from operations	167.95	209.71	
Other Operating Income	0.00	0.00	
<b>Net Revenue</b>	<b>167.95</b>	<b>209.71</b>	<b>(19.91%)</b>
Raw Materials	96.43	122.76	
Employee Cost	13.89	12.72	
Other Cost	36.65	44.06	
<b>Total Expenditure</b>	<b>146.97</b>	<b>179.54</b>	
<b>EBITDA</b>	<b>20.98</b>	<b>30.17</b>	<b>(30.45%)</b>
<b>EBITDA margin (%)</b>	<b>12.49%</b>	<b>14.39%</b>	<b>(190 bps)</b>
Other Income	1.50	1.65	
Depreciation	7.55	6.33	
Interest	7.27	7.85	
<b>Profit Before Tax</b>	<b>7.66</b>	<b>17.64</b>	
Tax	2.08	3.52	
<b>Profit After Tax</b>	<b>5.58</b>	<b>14.12</b>	<b>(60.50%)</b>
<b>PAT Margin (%)</b>	<b>3.32%</b>	<b>6.73%</b>	<b>(341 bps)</b>
<b>Basic EPS* (Rs.)</b>	<b>3.15</b>	<b>8.03</b>	<b>(60.77%)</b>

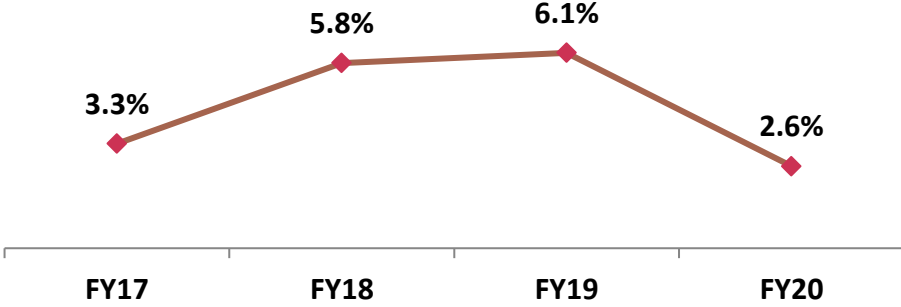
- Decline in revenue reflects slowdown in commercial automotive sector – adversely impacting demand
- Lower volumes with fixed costs during lockdown impacted EBITDA margins

# Key Ratios

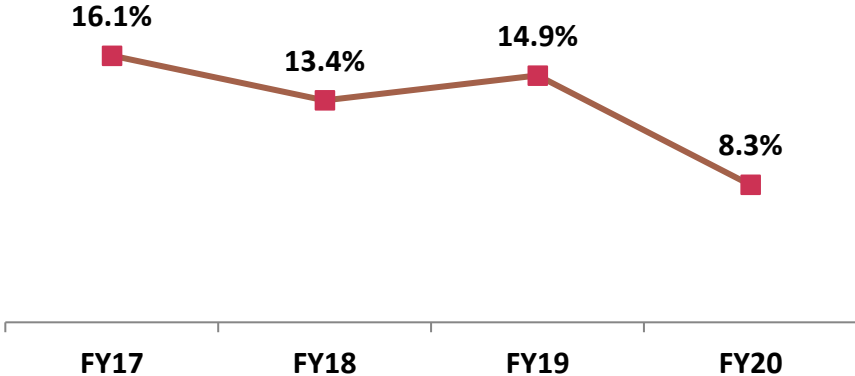
RoE (%)



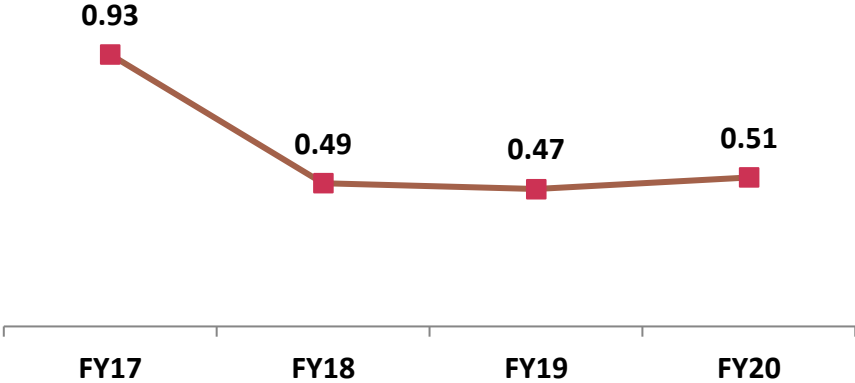
RoA (%)



RoCE (%)



Net Debt/Equity (x)



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

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





Way Ahead



EXCELLENCE THROUGH THE QUALITY AND PRECISION

## 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

## Mission

- Installed capacity of 1,00,000 of Machined Castings by Year 2023



# Way Ahead....

## Geographical Diversification

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

## New Product Development

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

## Export Opportunities

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

## Key Focus Areas

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



# Thank You



For further information, please contact:

**Company :**

**Pritika Auto Industries Limited.**

**Ms. Nisha Saini**

EA to MD

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

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

**Investor Relations Advisors :**

**Bridge Investor Relations Pvt. Ltd.**

**Mr. Amit Sharma**

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

**Mr. Rahul Trivedi**

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

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