



Pritika Auto Industries Limited



Result Update Presentation
Q4 & 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, 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 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 (FY21)

Operating Revenue

Rs. 225.69 Cr

EBITDA

Rs. 23.78 Cr

PAT

Rs. 5.87 Cr

Vision

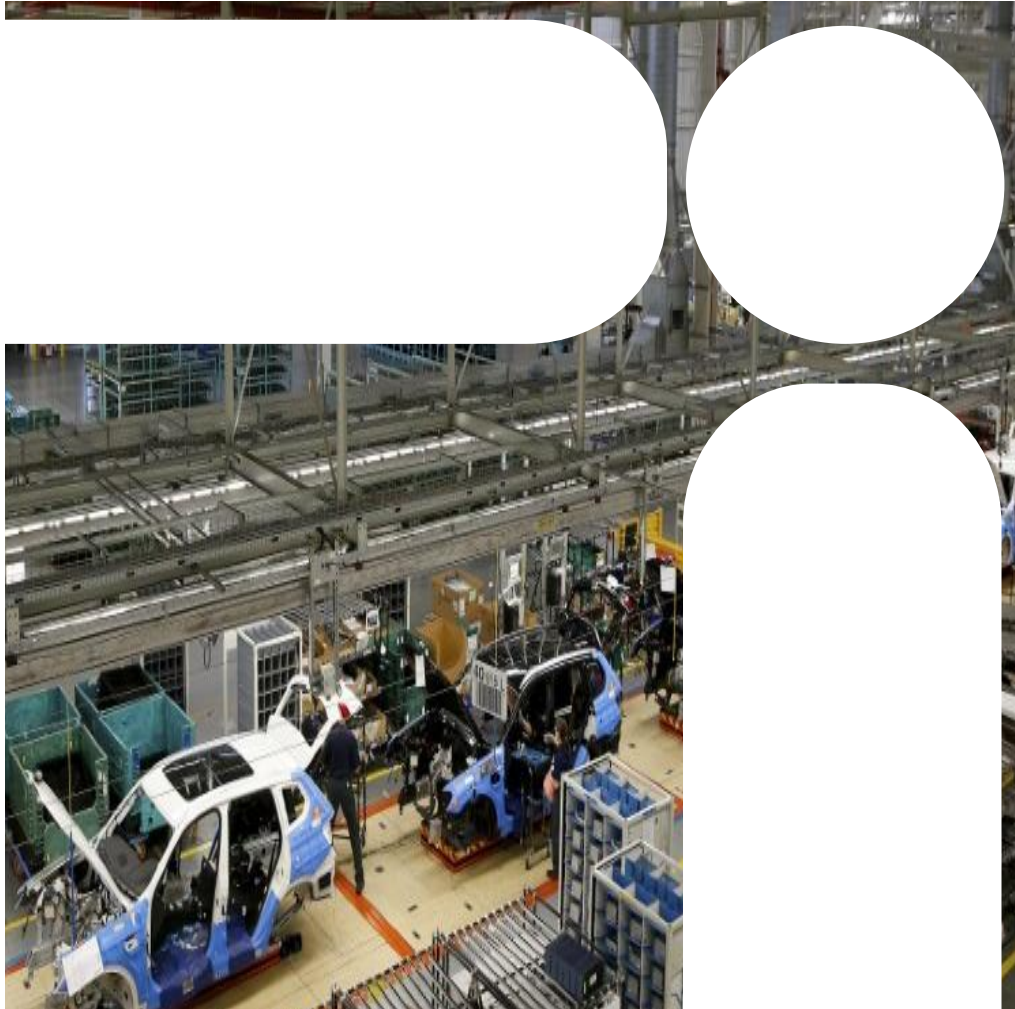
- To be First choice among Original Equipment's Manufactures for Machined Castings
- To be One of the Largest Producers of Machined Castings in India

Mission

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



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

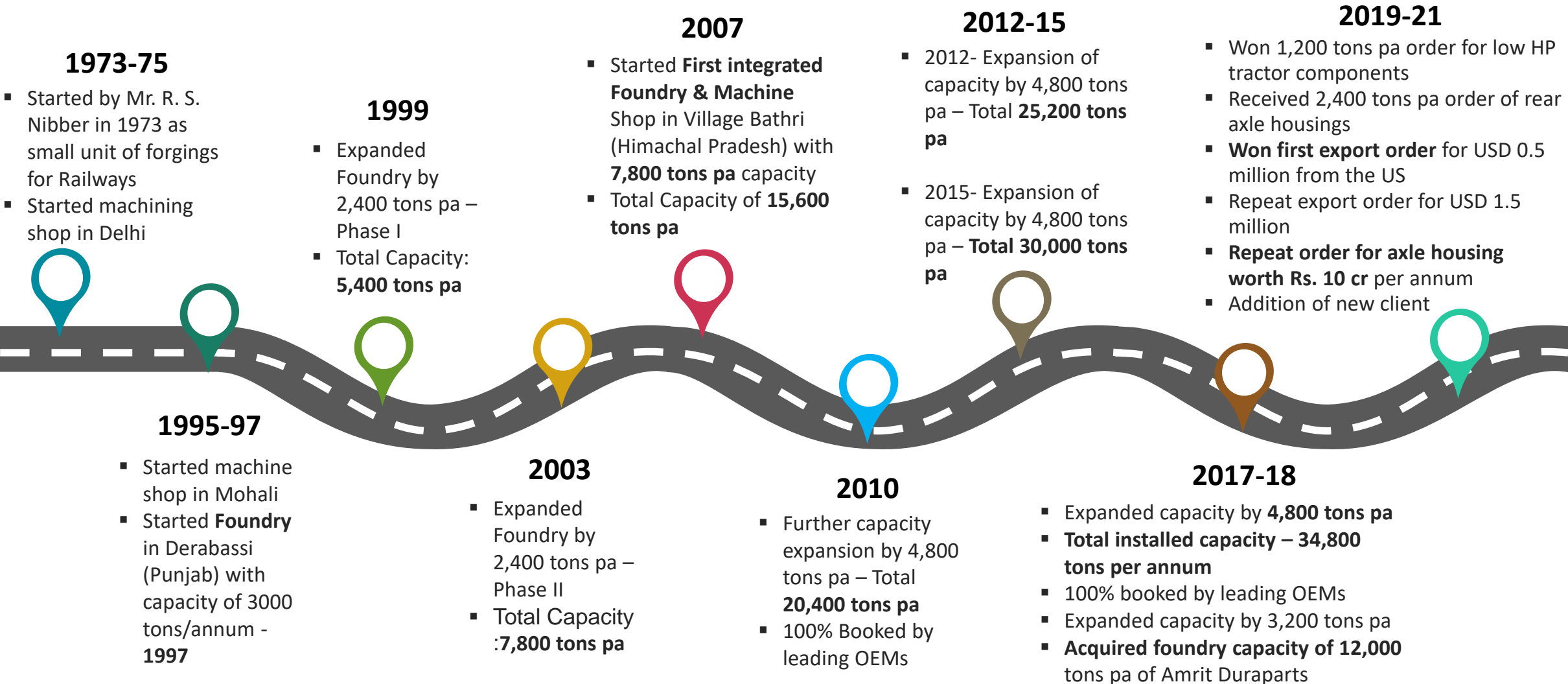
Diversified Portfolio

- 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 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

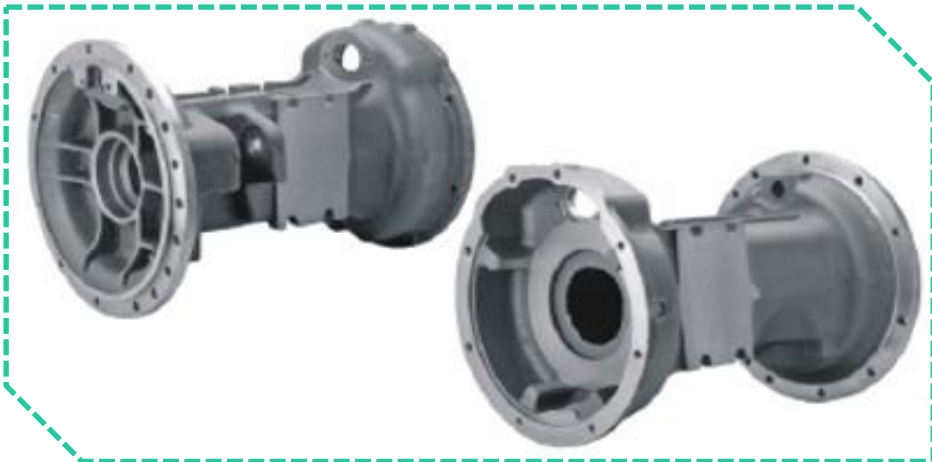
- Graduated in Mechanical Engineering and done Information Technology course
- 12 years of experience in customer support function
- Worked with Compaq as project team leader
- Responsible for Information Technology function
- Been with Group for more than 10 years



Business Overview

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



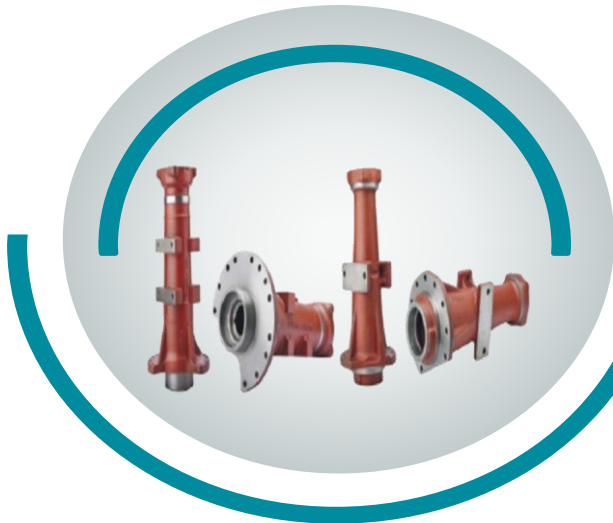
Brake Housings, End Covers & Actuating Disc



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

		 <p>Brakes India Private Limited</p>	
		 <p>Case New Holland</p>	
			
			



... 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)





Chairman's Message



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

"The second wave of COVID-19 continues to have an impact on the industry, business operations as well as personal lives of people across the country. With partial lockdowns in several parts of the nation, logistics and demand are still under pressure. However, I am happy to share that our Company has sustained well during such turbulent times and has proven to be resilient in the face of headwinds. Leading OEMs across India continue to rely on us to deliver quality products on time, reaffirming the trust that they have placed in us.

In Q4 FY21, we reported a 128.93% year-on-year growth in top line at Rs. 79.63 crore. Our EBITDA and PAT also grew 162.06% and 2245.79% year-on-year to Rs. 9.00 crore and Rs. 5.09 crore, respectively. This has mainly been driven by a robust demand from the tractor industry, based on a healthy agricultural sector. Infact, we reported our highest ever sales volume in a month at 3,200 tons in January 2021, and this quarter's sales volumes are also our highest ever in a quarter at 10,123 tons.

This, coupled with a strong order book gives us a buoyant outlook for the next quarter as well. We also expanded our clientele with the addition of a new reputed OEM in India. Moreover, our efforts to improve internal efficiencies and our product portfolio, reflects in our improving realization per ton during this quarter and full year.

To complement our domestic market, we are also on track with our export orders, which have grown substantially over the past year. We are cautiously optimistic about the export market in the coming quarters as international markets are recovering fairly well from the pandemic, and we 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 clients, 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 market beyond automotive.

Our technological capabilities, operational efficiencies, and strong client relationships continue to be our pillars of strength, seeing us through various market phases. The Company is well positioned to capitalize on its strengths and grow sustainably. I would like to thank the entire team of 'Pritika' for their untiring efforts and dedication, especially during such times. I would also 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."

Key Recent Developments during the year

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

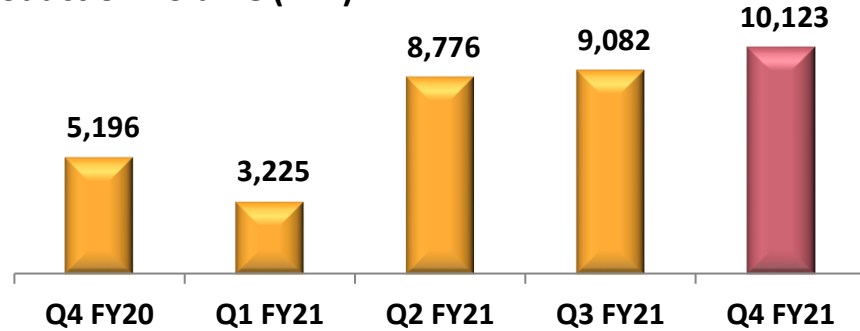
- Added a new reputed domestic client
- Won additional order for axle housings worth Rs. 10 cr per annum
- Won repeat export order from US-based client, bringing total export order value to USD 2 million
- Won first export order worth USD 0.5 million from US-based multinational conglomerate after regular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



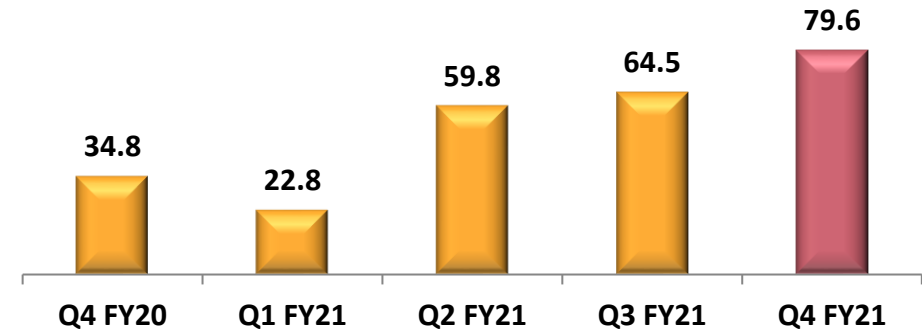
Consolidated Financial Highlights

Quarterly Financial Highlights – Q4 FY21

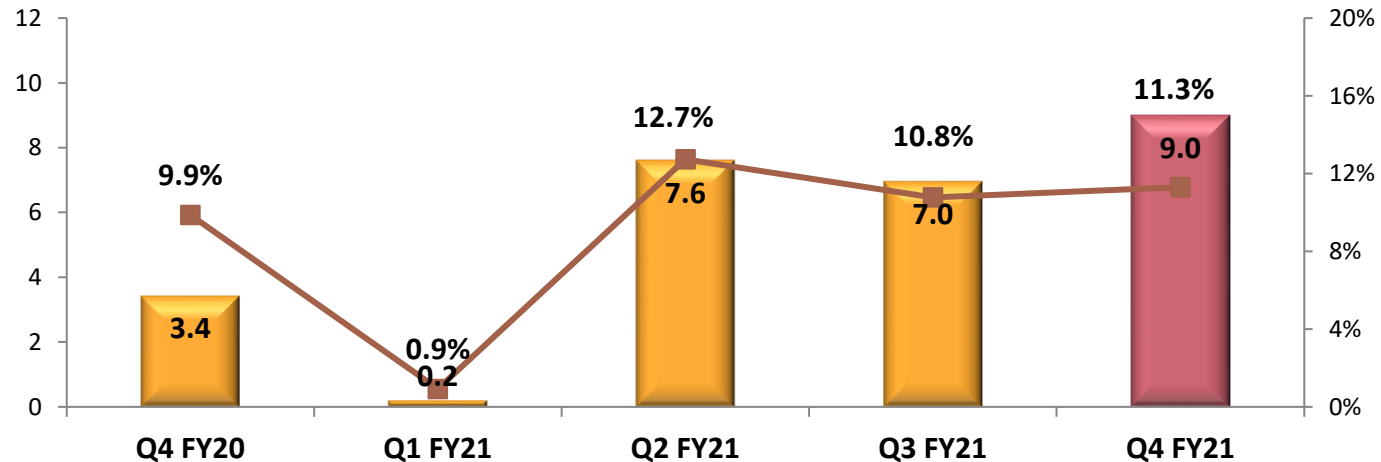
Production Volume (TPA)



Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)



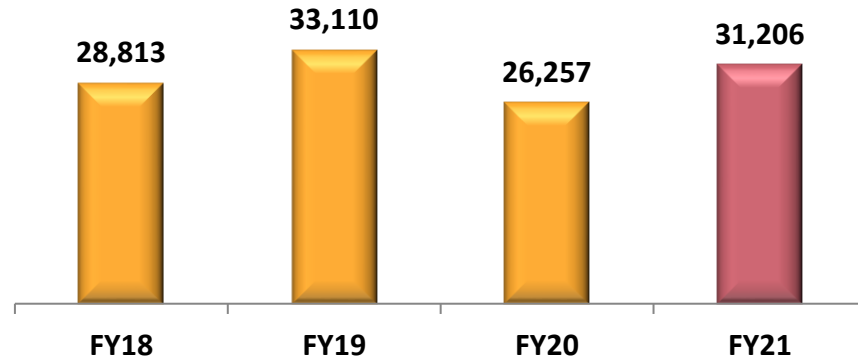
Quarterly Financial Highlights

Rs. Cr	Q4 FY21	Q4 FY20	Y-o-Y	Q3 FY21
Total Income from operations	79.63	34.79		64.51
Other Operating revenue	0.00	0.00		0.00
Net Revenue	79.63	34.79	128.93%	64.51
Raw Materials	47.85	19.87		38.00
Employee Cost	4.25	3.62		3.96
Other Cost	18.55	7.86		15.60
Total Expenditure	70.64	31.35		57.56
EBITDA	9.00	3.43	162.06%	6.96
EBIDTA margin (%)	11.30%	9.87%	143 bps	10.78%
Other Income	0.66	0.52		0.21
Depreciation	2.35	2.03		2.17
Interest	2.22	1.87		1.89
Profit Before Tax	5.09	0.05		3.11
Tax	1.69	-0.10		0.90
Profit After Tax	3.40	0.14	2245.79%	2.21
PAT Margin (%)	4.27%	0.42%	385 bps	3.43%
Basic EPS (Rs.)	1.92	0.08	2300.00%	1.25

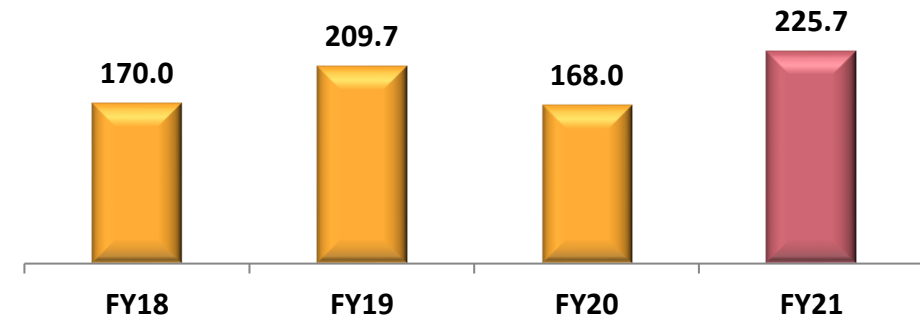
- Significantly higher volumes and revenues driven by pick-up in tractor demand from strong agriculture sector
- Revenue realizations per ton improved during this quarter
- Higher sales and change in product mix offset rise in raw material and fixed expenses, improving EBITDA margin

Annual Financial Highlights – FY21

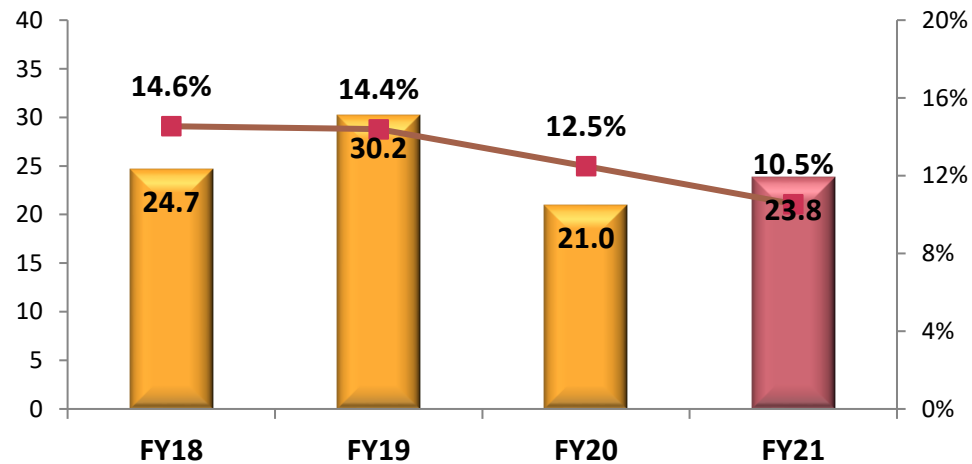
Volumes (Tons)



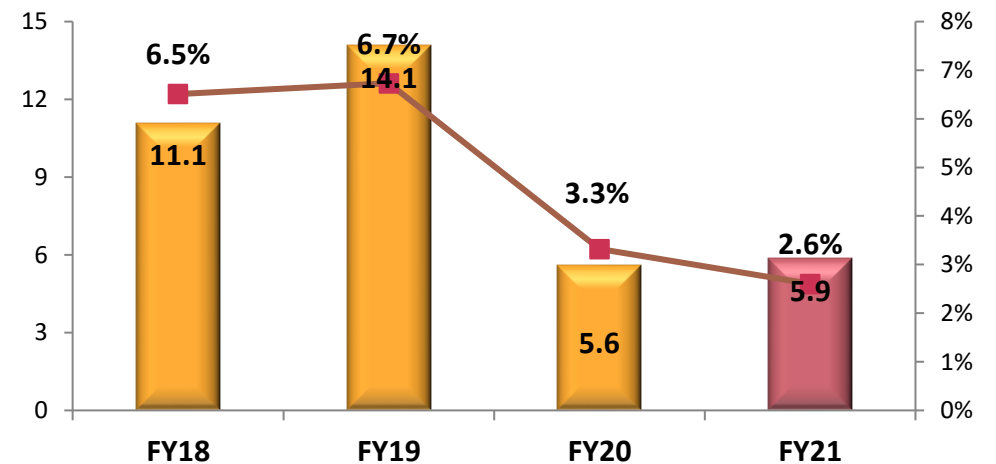
Revenue (Rs. Cr)



EBITDA (Rs. Cr) / Margin (%)



PAT (Rs. Cr) / Margin (%)



Annual Financial Highlights – FY21

Rs. Cr	FY21	FY20	YoY%
Total Income from operations	225.69	167.95	
Other Operating Income	0.00	0.00	
Net Revenue	225.69	167.95	34.38%
Raw Materials	134.76	96.43	
Employee Cost	13.59	13.89	
Other Cost	53.56	36.65	
Total Expenditure	201.91	146.97	
EBITDA	23.78	20.98	13.31%
EBITDA margin (%)	10.54%	12.49%	-195 bps
Other Income	1.49	1.50	
Depreciation	8.50	7.55	
Interest	8.22	7.27	
Profit Before Tax	8.56	7.66	
Tax	2.69	2.08	
Profit After Tax	5.87	5.58	5.23%
PAT Margin (%)	2.60%	3.32%	-72 bps
Basic EPS* (Rs.)	3.31	3.15	5.08%

- 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 due to higher product prices and change in product mix
- Rise in raw material cost and fixed expenses incurred during lockdown impacted EBITDA & PAT margins

Balance Sheet as on 31st March 2021

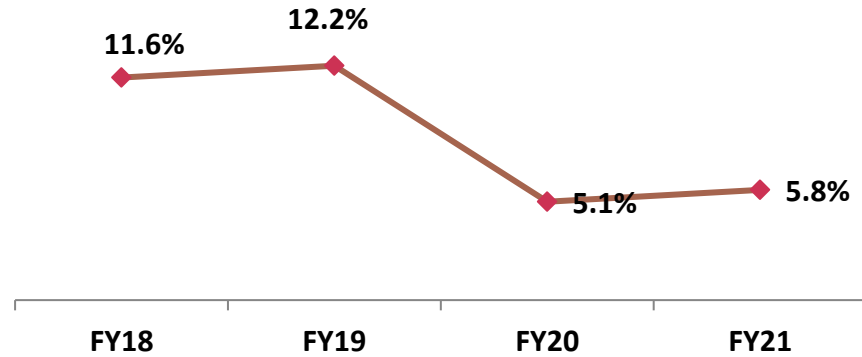
Rs. Cr	As on 31 st Mar '21	As on 31 st Mar '20
Equity	127.71	120.37
Equity Share Capital	17.73	17.73
R&S	109.97	102.63
Non-Current Liabilities	48.15	31.71
Financial Liabilities	0.00	0.00
Long Term Borrowing	36.29	22.32
Provisions	1.68	1.53
Deferred Tax Liabilities	2.55	2.01
Other LT Liabilities	7.63	5.85
Current Liabilities	104.13	90.60
Financial Liabilities	0.00	0.00
Short term Borrowings	40.02	41.81
Trade Payables	23.89	17.15
Other Financial Liabilities	30.86	25.11
Other Current Liabilities	7.70	5.12
Short term Provisions	1.66	1.41
Total Equity & Liabilities	279.99	242.68

Rs. Cr	As on 31 st Mar '21	As on 31 st Mar '20
Non-current Assets	133.17	117.87
Property, Plant and Equipment	101.08	82.47
Capital work in progress	10.53	14.59
Goodwill on Consolidation	13.55	13.55
Financial Assets	0.00	0.00
Non Current Investments	6.04	3.62
Other Financial Assets	0.29	1.38
Deferred Tax Assets/ (Liability)	0.64	1.27
Long term Loans & Advances	0.00	0.00
Other Non Current Assets	1.05	0.99
Current Assets	146.82	124.81
Inventories	62.98	58.11
Financial Assets	0.00	0.00
Trade Receivables	63.92	46.40
Cash & Cash Equivalents	0.40	1.33
Bank	3.31	1.32
Other Financial assets	11.79	13.32
Short term Loans & Advances	0.00	0.00
Other Current Assets	4.41	4.33
Total Assets	279.99	242.68

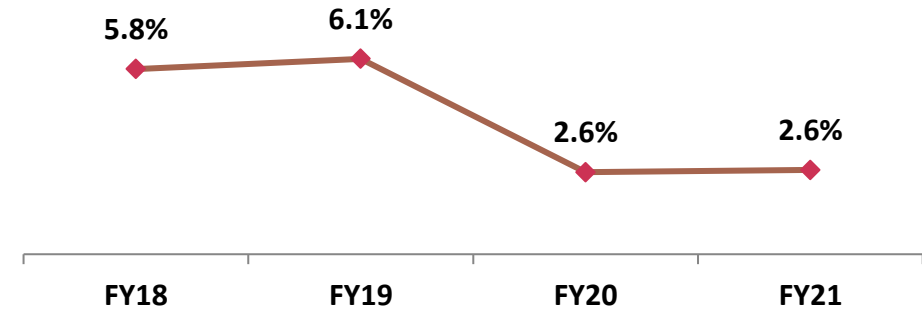
Improvement in working capital cycle despite impact of lockdown in initial months
Ongoing capex and working capital led to higher borrowing

Key Ratios

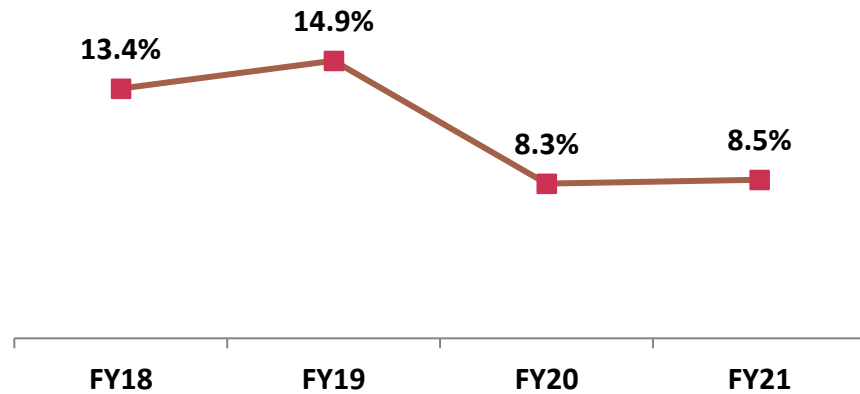
RoE (%)



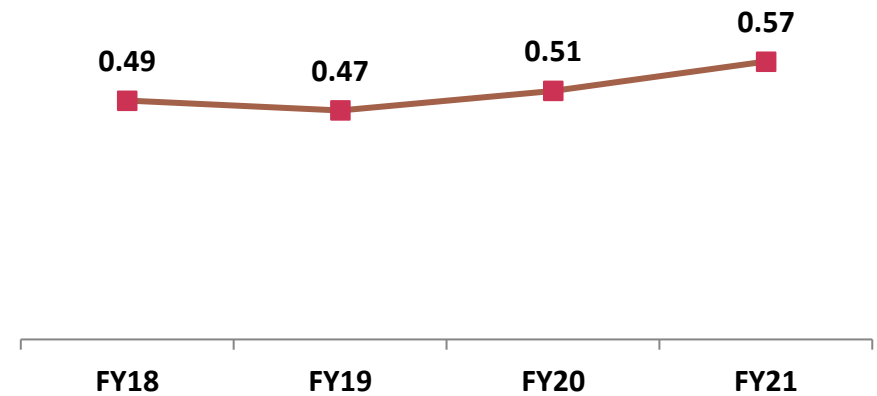
RoA (%)



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

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

www.pritikagroup.com

Investor Relations Advisors :

Bridge Investor Relations Pvt. Ltd.

Mr. Amit Sharma

amit@bridge-ir.com

Mr. Rahul Trivedi

rahul@bridge-ir.com

www.bridge-ir.com