



# PRITIKA AUTO INDUSTRIES LTD.

(Formerly known as Shivkrupa Machineries and Engineering Services Limited)

Regd. Office : Plot No. C-94, Phase VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab-160 055

CIN : L45208PB1980PLC046738 Phone No. : 0172-5008900, 5008901

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Website : www.pritikaautoindustries.com

February 5, 2018

To

The Secretary  
Corporate Relationship Dept.  
BSE Limited  
P.J. Towers, Dalal Street,  
Mumbai -400 001  
Scrip Code: 539359

## SUB: INVESTOR PRESENTATION


Dear Sir/Madam

Please find attached herewith Investor Presentation of the Company w.r.t Financial Results of the Company for the Quarter and nine month ended December 31<sup>st</sup> 2017, for your record and further dissemination.

Kindly take the same on Record.

Thanking you,

For PRITIKA AUTO INDUSTRIES LIMITED

  
HARPREET SINGH NIBBER  
(MANAGING DIRECTOR)





## Pritika Auto Industries Limited

Investor Presentation

February - 2018

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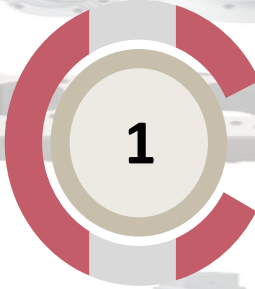
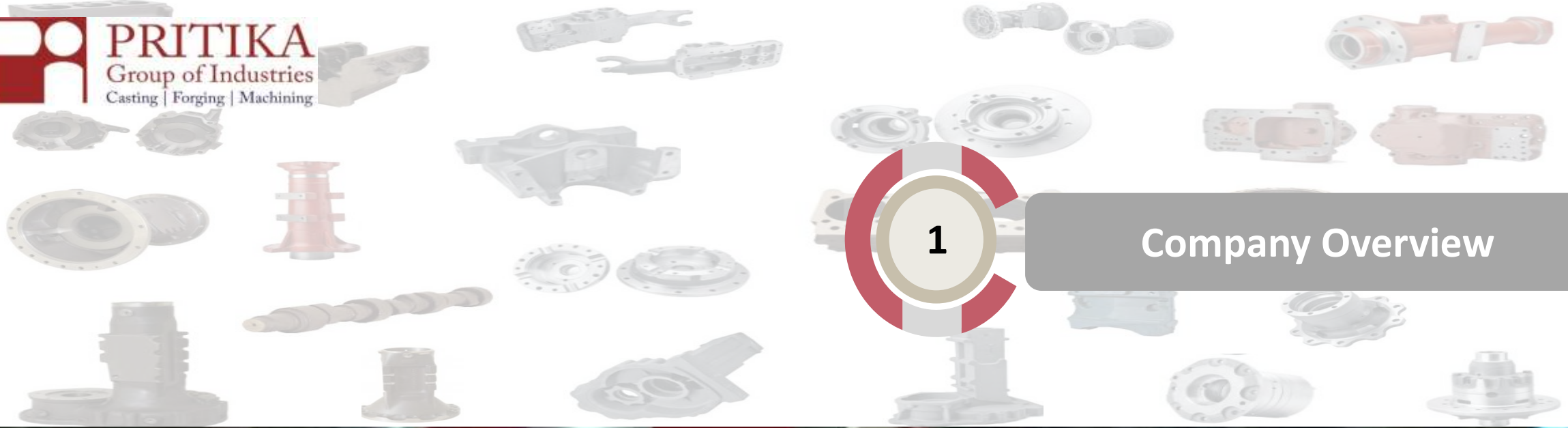
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Company Overview





## 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 capacity of 34,800 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

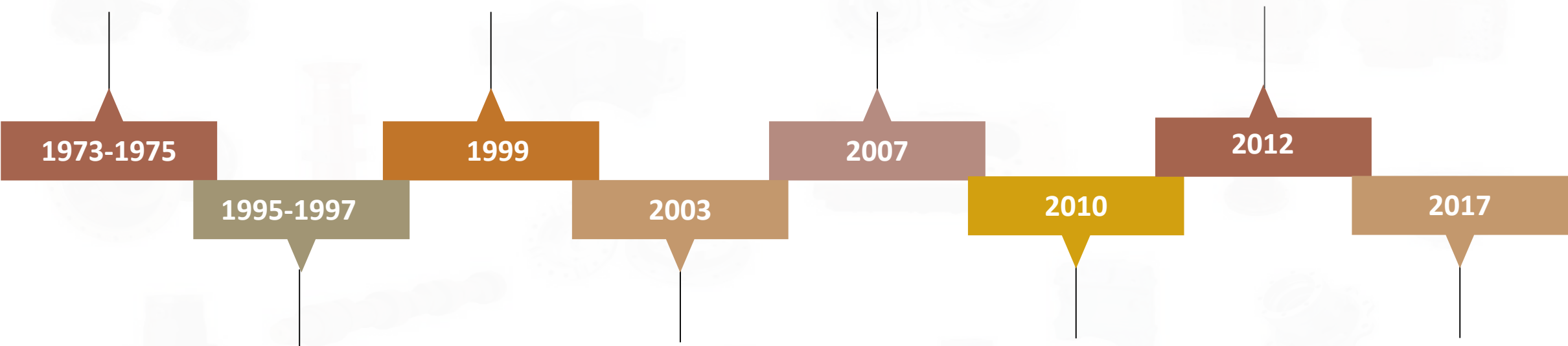
- Axle Housings, Wheel Housings, Hydraulic Lift Housings, End Cover, Plate Differential Carrier, Cylinder Blocks, Crank Cases

## 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 **Machine shop** in Delhi
- Expanded Foundry by 2,400 tons pa – Phase I – cuml. **5,400 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**
- Expansion of capacity by 4,800 tons pa – Total **25,200 tons pa**



- Started machine shop in Mohali - **1995**
- Started **Foundry** in Derabassi (Punjab) with capacity of 3000 tons/annum - **1997**
- Expanded Foundry by 2,400 tons pa – Phase II – Cuml. **7,800 tons pa**
- Further capacity expansion by 4,800 tons pa – Total **20,400 tons pa**
- 100% Booked by leading OEMs
- Expanded capacity by **9,600 tons pa**
- Total installed capacity – 34,800 tons pa
- 100% booked by leading OEMs

## 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 for Pritika Autocast
- Approved Internal Auditor for ISO



**Sri S.K Sharma**  
Sr. General Manager -  
Foundry Operations

- Graduated in Diploma in Mechanical Engineering
- 19 years of experience in various Foundry industries like DCM, Krishna Engg. & RICO
- Been with the group more than 10 years



**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



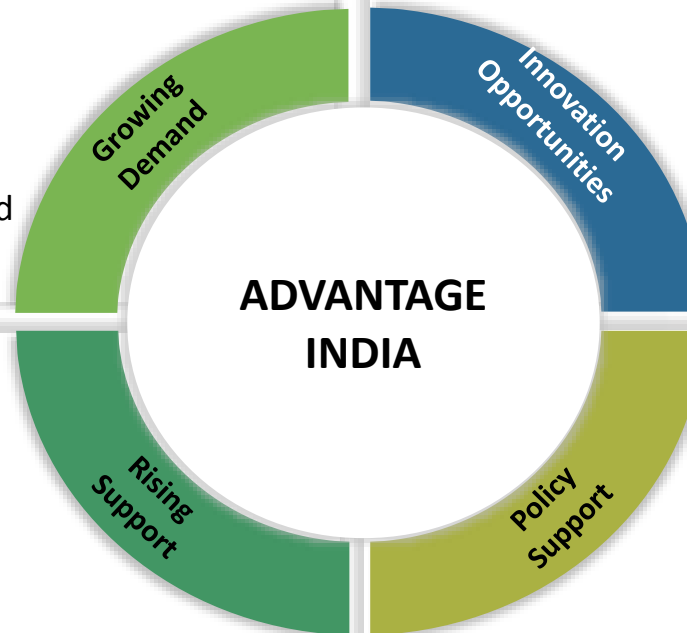
# Advantage India

- Strong growth in demand due to rising rural income
- Government's clear vision to double farmers income
- Replacement time period shortening gradually
- Bharatmala Project to boost CV demand

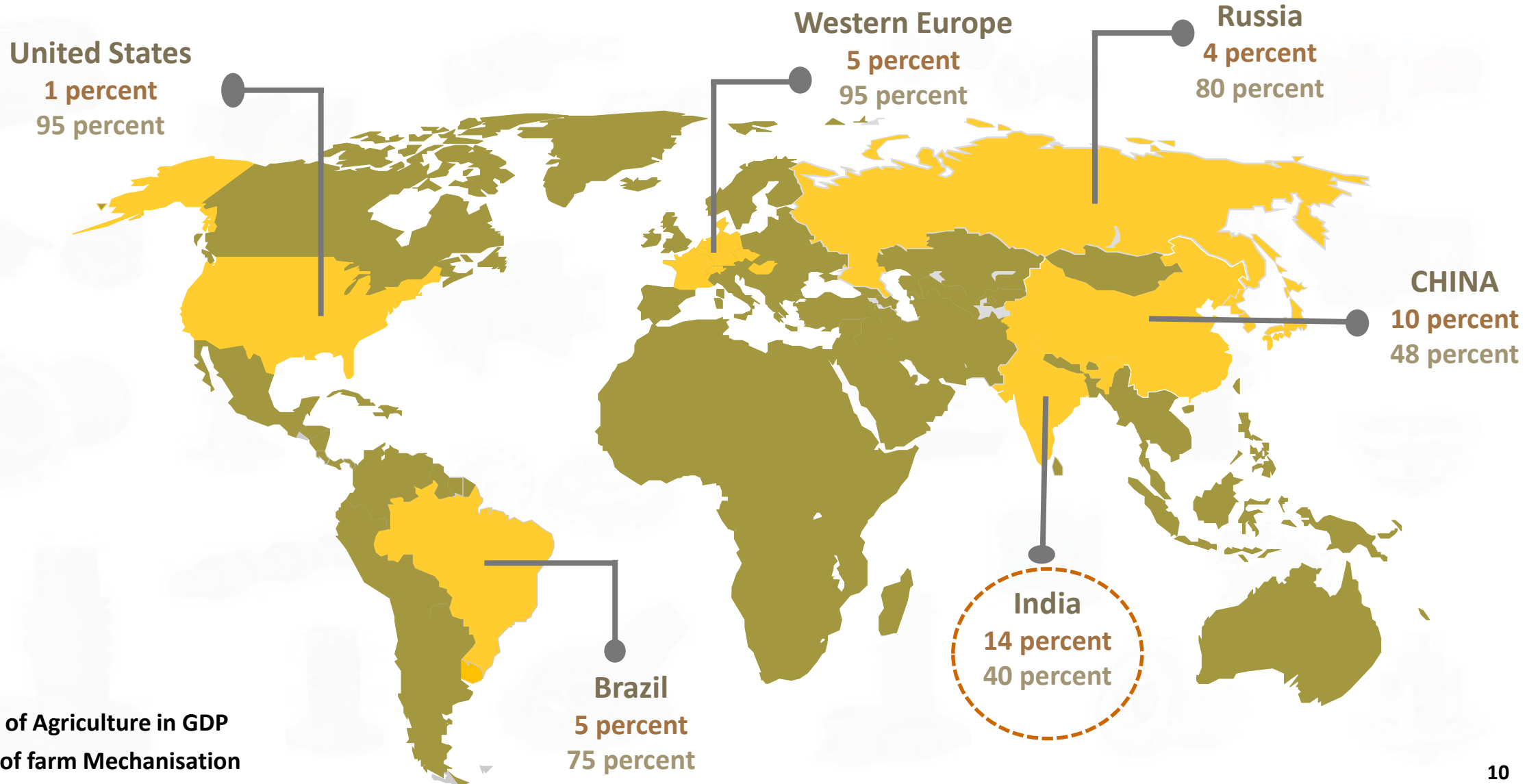
- Innovation is likely to intensify among engine technology & alternative fuels
- Acceptability of new technologies very high in India
- Government to build India into R&D hub
- Bharatmala to increase speed of vehicles and decrease supply chain costs from average 18% to 6%

- India has significant cost advantages; auto firms save 10-25 per cent on operations vis-à-vis Europe & Latin America.
- Cumulative FDI inflow of around US\$ 17.39 billion in the sector between April 2000 – June 2017
- Increasing investment base in road segment leading growth in CVs

- Automotive Mission Plan : 2016-26 shows clear vision of government.
- Strong Rural push of Government
- Government aims to develop India as a global manufacturing centre.
- Reforms like GST to help boost the sector's growth.
- 34,800 km target in phase I of Bharatmala

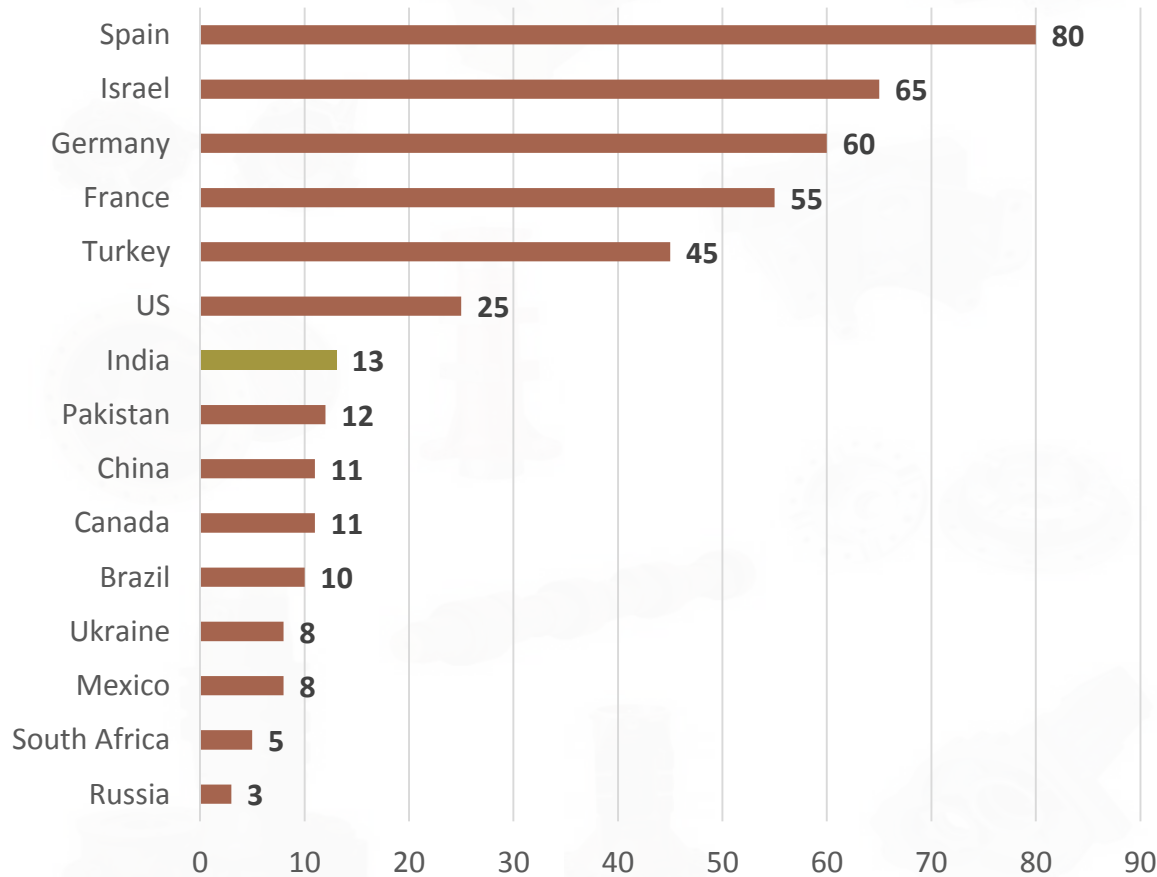


# Overall Agriculture Contribution & Level of Mechanization

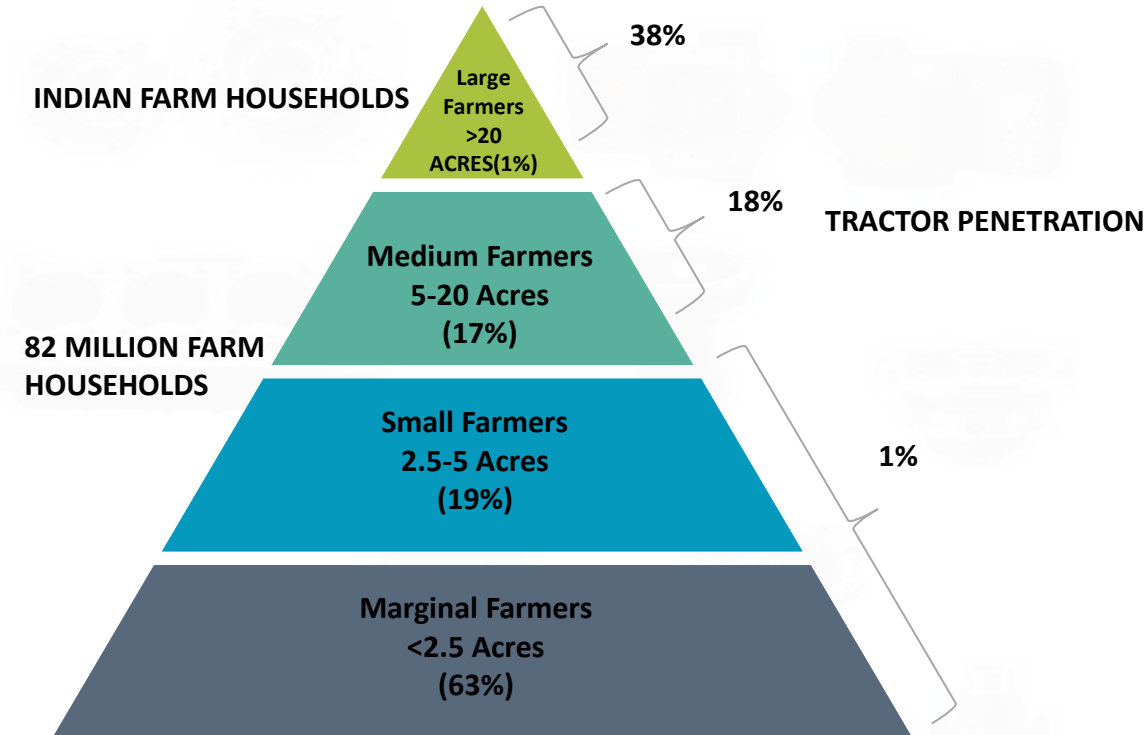


# Tractor Penetration – Global & Domestic

## Global Tractor Penetration(Per 1,000ha Arable Land)



## Domestic Penetration Scheme

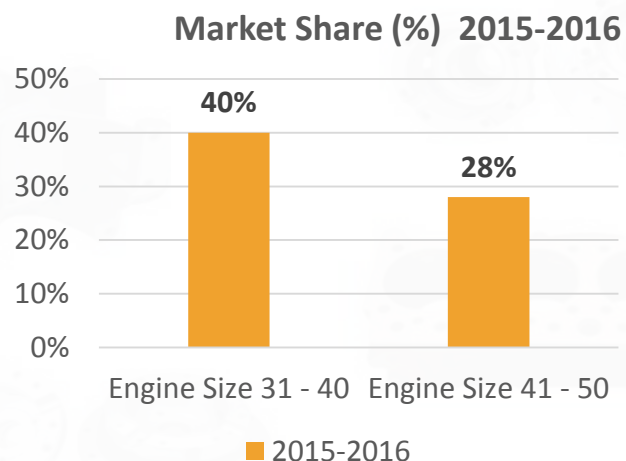


# India - Tractor Industry Overview & Opportunity...

## High Growth Potential of Major Clients

- M&M - Market leader in tractor industry contributes market share of over 37% in total industry volumes over past few years
- Escorts contributes market share of ~10%

## Tractors - Integral part of agricultural machinery segment in India



## Government Policies to improve growth

- Increasing allocation of farm credit to improve credit flow
- 'Pradhan Mantri Fasal Bima Yojna, Farm loan waiver expected to provide further 4-6% upside to industry growth
- Focus on infrastructure push – higher construction activities leading to higher demand for tractors for non-agricultural activities
- Upward revision in minimum support prices (MSPs) of kharif and rabi crops would lead to spurt in farm incomes

## Tractor demand

- India's arable area of 159.2 million hectares
  - ~13 million farm tractors needed to till
- Sustained growth potential of 8-10% CAGR (excluding commercial tractors) until 2026-27

# India - Tractor Industry Overview

**55%** Indians depends on Agriculture

More than **6 lacs** tractor sold every Year

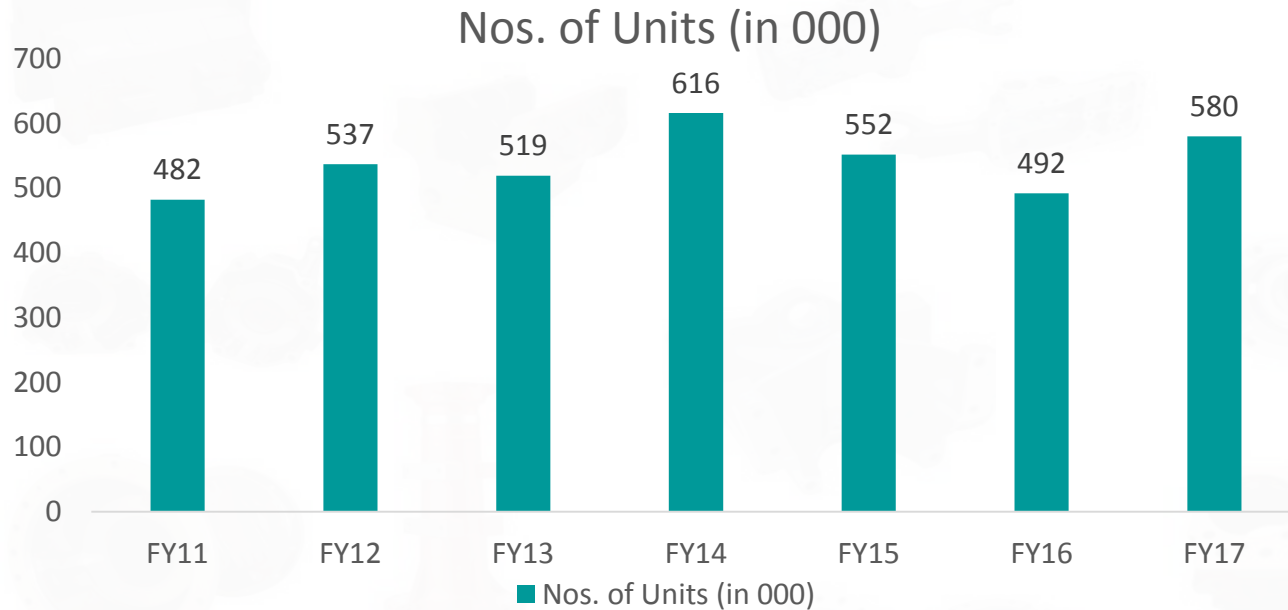
Still only **40%** mechanization in India

Compound annual growth rate of **10%** in last 14 years

Customer exchange their tractor in every **4 - 6 years**



# India Tractor Industry Trend



**Increasing Trend Towards Mechanisation**

**Minimum Support Prices For Key Crops**

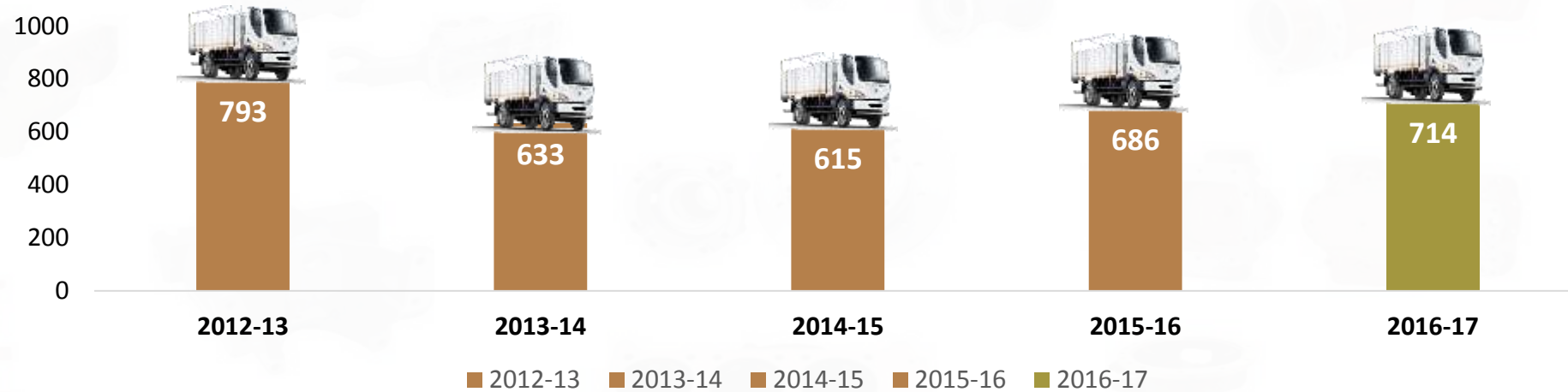
**Scarcity of Labour**

**Ease of Credit Availability from Govt.**

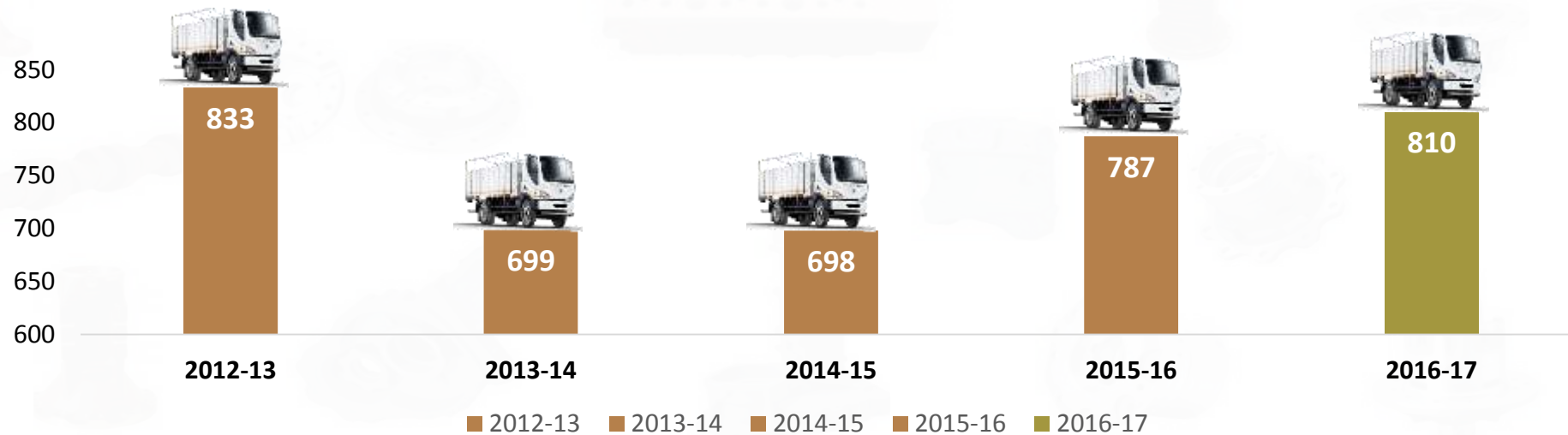
- After 2 years of degrowth, domestic industry in FY17 up by 18%
- FY18 - Industry expected to grow by 13-15%
- Long term industry fundamentals - strong with lowering of replacement cycle
- Pace of central & state Government's policy roll out and final monsoon behaviour to govern short term industry performance

# India - Commercial Vehicles Production & Sales Trend

**Total Sales Trend  
(000 Units)**



**Production  
(000 Units)**





**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

## 5 Decade old strong and established brand

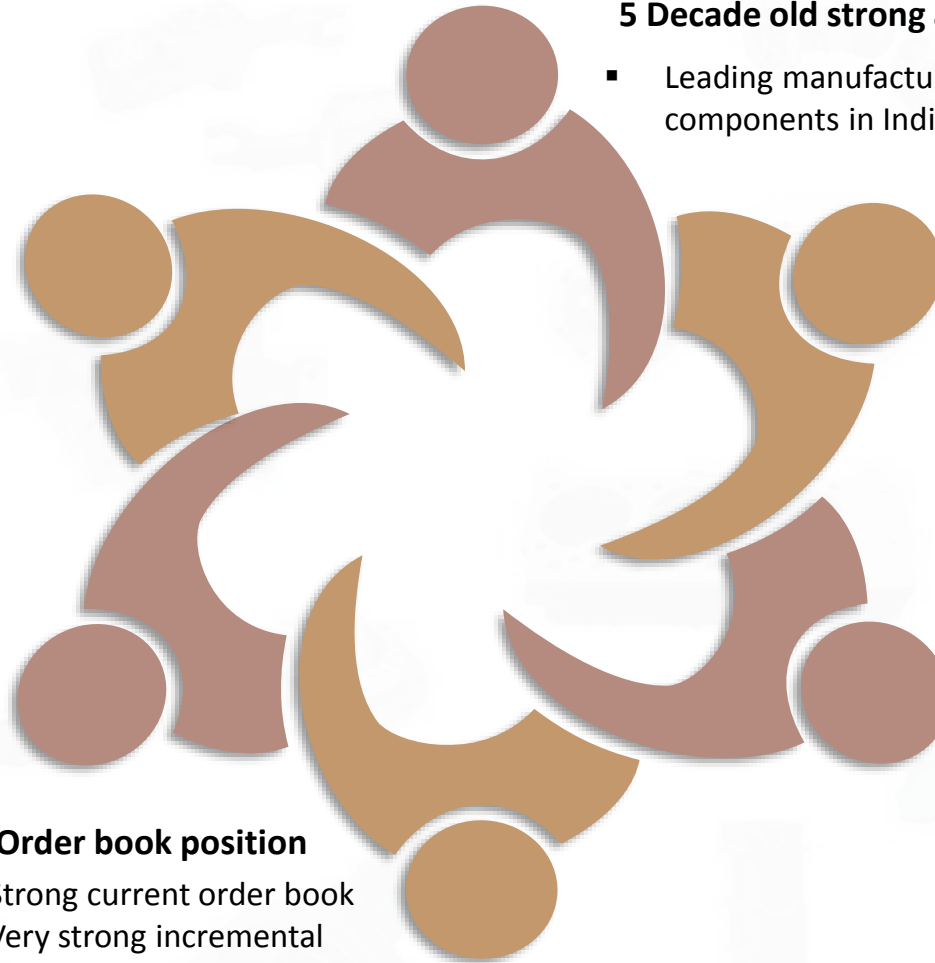
- Leading manufacturer of tractor components in India

## 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 Supplier	2012	TAFE
Award For Casting Commodity	2012	Mahindra & Mahindra
Best Quality Performance	2010-11	Swaraj Ltd.
Best Kaizen	2013-14	TAFE
2 <sup>nd</sup> Best Display Award	2005	Centre for International Trade & Industry at Made in Punjab Show
Best Quality	2001	CII – SIDBI India Engineering Trade Fair
Star of Asia Award	2015	Economic Growth Society of India



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Consolidated Financial Highlights

EXCELLENCE THROUGH THE QUALITY AND PRECISION



## Quarterly & 9M FY18 Financial Highlights

Rs. Crores	Q3 FY18	Q2FY18	9M FY18
<b>Revenue</b>	<b>43.50</b>	<b>42.90</b>	<b>126.65</b>
Raw Materials	26.49	25.09	76.65
Employee Cost	2.45	2.23	6.92
Other Cost	8.84	9.55	26.48
Total Expenditure	37.77	36.87	110.06
<b>EBITDA</b>	<b>5.73</b>	<b>6.04</b>	<b>16.59</b>
<b>EBIDTA margin (%)</b>	<b>13.18%</b>	<b>14.07%</b>	<b>13.10%</b>
Other Income	0.15	0.09	0.34
Depreciation	1.46	1.45	4.33
Interest	1.78	1.50	4.94
<b>Profit Before Tax</b>	<b>2.64</b>	<b>3.18</b>	<b>7.66</b>
Tax	0.08	0.12	0.42
<b>Profit After Tax</b>	<b>2.56</b>	<b>3.06</b>	<b>7.24</b>
<b>PAT Margin (%)</b>	<b>5.89%</b>	<b>7.13%</b>	<b>5.72%</b>
<b>EPS (Rs.)</b>	<b>1.75</b>	<b>2.26</b>	<b>5.35</b>

- Since Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd. became the 100% wholly owned subsidiaries of Pritika Auto Industries Ltd. with effect from 15.03.2017, the previous year figures have not been given as the same are not comparable
- Process of merger of Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd. with Pritika Auto Industries Ltd. is underway and is pending before the Honourable NCLT bench, Chandigarh

# Annual Financial Highlights – FY17

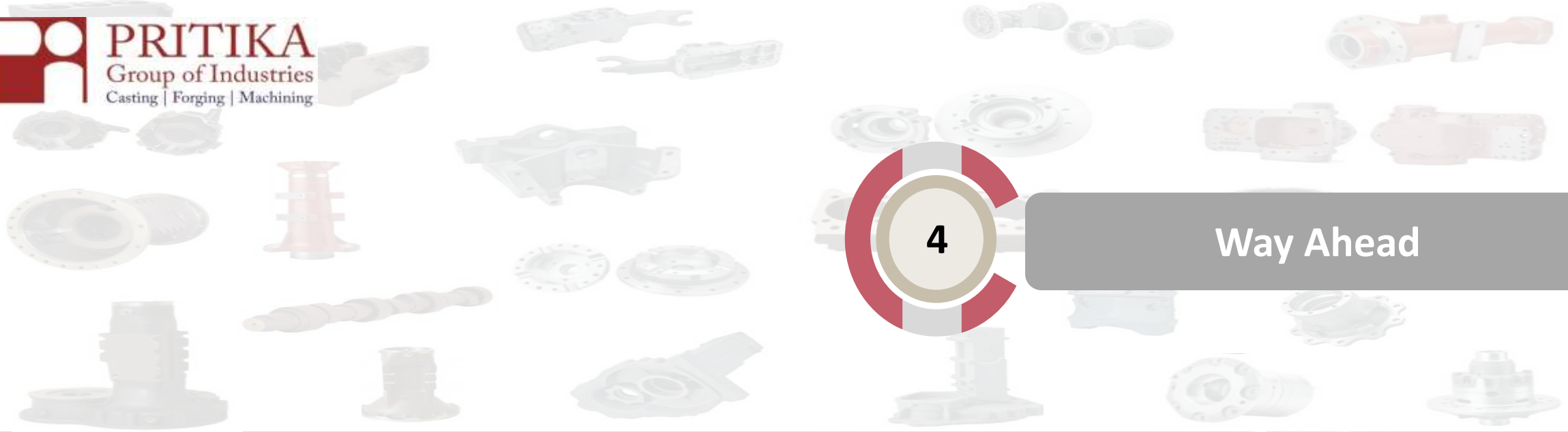
## Cons. Profit & Loss - March FY17

Rs. Crores	FY17
Total Income from operations	157.94
Excise Duty	12.38
<b>Net Revenue</b>	<b>145.57</b>
Raw Materials	88.76
Employee Cost	9.62
Other Cost	29.45
Total Expenditure	127.82
<b>EBITDA</b>	<b>17.74</b>
<b>EBIDTA margin (%)</b>	<b>12.19%</b>
Other Income	0.43
Interest	6.58
Depreciation	5.02
<b>Profit Before Tax</b>	<b>6.58</b>
Tax	2.31
<b>Profit After Tax</b>	<b>4.27</b>
<b>PAT Margin (%)</b>	<b>2.93%</b>
<b>EPS (Rs.)</b>	<b>3.15</b>

## Balance Sheet as on March FY17

Rs. Crores	As on Mar-17
<b>Shareholder's Funds</b>	<b>40.82</b>
Share capital	13.54
Reserves & Surplus	27.27
Share application money	0.00
<b>Non-current liabilities</b>	<b>9.26</b>
Long term borrowings	7.53
Defer Tax liabilities	1.73
Other Long-Term liabilities	0.00
Long-Term Provisions	0.00
<b>Current liabilities</b>	<b>81.51</b>
Short Term Borrowings	33.40
Trade Payables	15.67
Other Current liabilities	29.47
Short-term provisions	2.97
<b>Total Equities &amp; Liabilities</b>	<b>131.59</b>

Rs. Crores	As on Mar-17
<b>Non-current assets</b>	<b>36.54</b>
Fixed assets	36.46
Non-current Investments	0.01
Deferred tax assets	0.00
Long-term loans & advances	0.00
Other non-current assets	0.07
<b>Current assets</b>	<b>95.05</b>
Current investments	0.00
Inventories	42.57
Trade receivables	38.35
Cash & Cash equivalents	2.91
Short-term loans & Advances	10.25
Other Current Assets	0.97
<b>Total Assets</b>	<b>131.59</b>



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Way Ahead

CAPABILITIES TO MEET YOUR GOALS



### 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

To Produce 50'000 Tons of Machined Castings by Year 2020

To Produce One Lakh Tons 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

### Key Focus Areas :

- ✓ Leading to Performance
  - Improving Operational efficiencies
  - Margin expansion
  - Gain in Market Share

Thank You



**PRITKAUTO**

**Bloomberg PAUTO IN**

**REUTERS**  **PITI.BO**

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