



Precision Camshafts Limited

(100% EOU Division)

Works : D-5,D-6,7,7-1, MID C, Chincholi, Solapur 413 255.



Sec/Apr/SE/N&B/03

Date: 16th April, 2016

BSE Limited,

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

**The National Stock Exchange of India
Limited**

Exchange Plaza, Bandra kurla Complex,
Bandra (E) Mumbai 400051

Dear Sirs,

Sub: Regulation 30 (Disclosure of Information) - SEBI - LODR(Listing Obligations and Disclosure Requirements) Regulations 2015.

Please find attached herewith copy of the communication being released to the Shareholders by Mr. Yatin Shah, Chairman and Managing Director of the Company today.

You are kindly requested take the note of the same.

Thanking you,

Yours Truly

For **Precision Camshafts Limited**

Swapneel Kuber
Company Secretary &
Compliance Officer



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Date: 16th April, 2016

Dear Shareholder

I welcome you to the family of shareholders.

I thank you for your overwhelming support at the time of IPO and trust reposed by you in PCL. It will always be our endeavor to meet your expectations.

I am sure that by now you would have received credit in your bank account for the interim dividend declared by the Board of Directors in March 2016 out of the profits for the year 2015-16.

The proceeds of the IPO have been invested in Bank Fixed Deposits pending the deployment of funds for the objects for which Public issue was done.

I am happy to share with you the recent developments at our company and apprise you of the opportunities ahead.

As you are aware, the first half of FY16 was an encouraging one with an all round improvement in our company's working. Though the company continues to enjoy an uptrend in many a global region because of its pre-eminent position in the camshafts market, disturbances in Chinese market and also reduced supplies to General Motors (GM) in Russia due to political reasons did affect the company's top line growth in the latter half. Nevertheless, despite the setback in overall revenue growth, the company is hopeful of maintaining the EBIDTA margin despite continued sluggish market conditions in the automotive industry, both in India and outside.

The situation in China seems to be improving from March of 2016 and the company is in touch with GM Russia to address the reduced off-take in that country. While China and Russia have taken the sheen away in the recently concluded year, we still foresee some exciting times ahead.

Our company is poised to procure major contracts from global OEM's for recent technologies that it has introduced - namely - DUCTILE IRON / HYBRID CAMSHAFTS and ASSEMBLED CAMSHAFTS. The company has presented some unique cost advantages to global OEMs in this process besides ensuring sustainable supplies over the long run. It is in the process of establishing ENGINEERING CENTERS manned with international experts in the US and Europe to sustain the growth.



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The company remains very focused on its strategy in increasing sale of machined camshafts that strengthens the profitability. Also, the company plans to put up a separate facility for manufacturing larger variety of camshafts that go into large stationary engines besides catering to the locomotive industry. There is a growing market for these specialized products in India and abroad. The company also plans to cater to the two wheeler market - a space that has not been tapped till now. Both these segments should help the company mitigate risks.

The company has formed a special team of experts to pursue opportunities with Japanese OEMs given our breakthrough with Toyota and Suzuki for DUCTILE IRON camshafts.

Further, as part of the inorganic drive, the company is actively pursuing an acquisition in Europe that will not only add niche products to the current portfolio but will also strengthen the company's position with customers in Europe and the US.

Going forward, the company is all set to emerge from a REGIONAL SPECIALIST to a TRUE GLOBAL PLAYER in the next couple of years and the management is leaving no stone unturned to make PCL a GLOBAL ENGINEERING COMPANY by 2020.

Thank you for your support and trust.

Warm regards Accelerated Growth * Quantum Opportunities

Yatin S Shah
Chairman & Managing Director
Precision Camshafts Limited
Solapur