



Precision Camshafts Limited

(100% EOU Division)

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



Sec/Dec/SE/N&B/01

Date: 1st December, 2016

BSE Limited,

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001
(CODE:539636)

**The National Stock Exchange of India
Limited**

Exchange Plaza, Bandra kurla Complex,
Bandra (E) Mumbai 400051
(CODE: PRECAM)

Dear Sirs,

Sub:- Submission of Investors Presentation under regulation 30 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

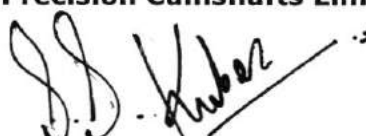
We would like to submit the Investors Presentation for the second quarter and half year ended on 30th September, 2016 for your information and record.

You are kindly requested to take the same on record.

Thanking you,

Yours Truly

For **Precision Camshafts Limited**


Swapneel S Kuber
Company Secretary &
Compliance Officer





RESULTS PRESENTATION – Q2 & H1 FY17

NOVEMBER 2016

PRECISION CAMSHAFTS LIMITED



This presentation and the following discussion may contain “forward looking statements” by Precision Camshafts Limited (“Precision Camshafts” or “PCL” or the “Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives are based on the current beliefs, assumptions, expectations, estimates and projections of the management of PCL about the business, industry and markets in which PCL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond PCL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not and should not be construed as a representation of future performance or achievements of PCL. In particular, such statements should not be regarded as a projection of future performance of PCL. It should be noted that the actual performance or achievements of PCL may vary significantly from such statements.

- ☐ **Q2 & H1 FY17 RESULT ANALYSIS**
- ☐ **COMPANY OVERVIEW**
- ☐ **SHAREHOLDING STRUCTURE**

Q2 & H1 FY17 RESULT ANALYSIS

KEY HIGHLIGHTS

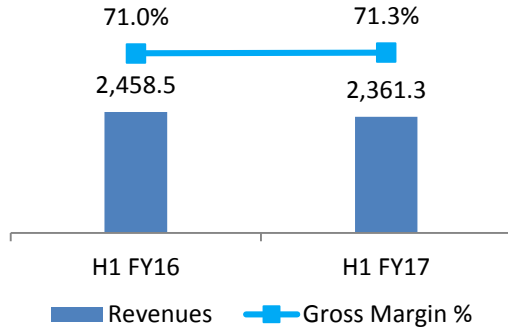


Based on Standalone Financials

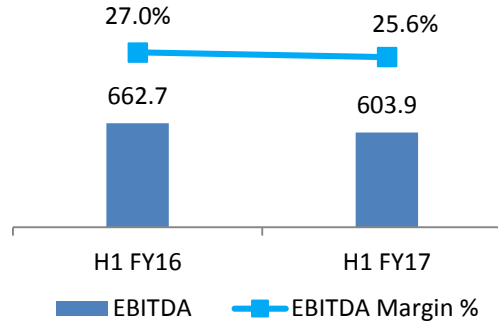
H1 FY17 YoY Analysis

In Rs Mn

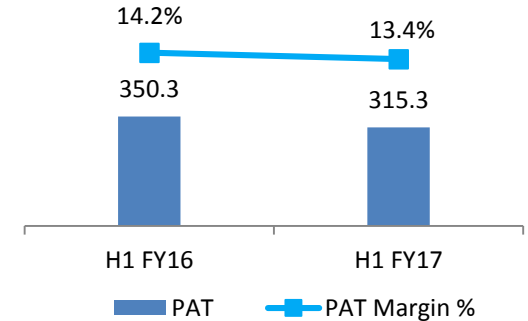
REVENUES & GROSS MARGIN



EBITDA & EBITDA MARGIN

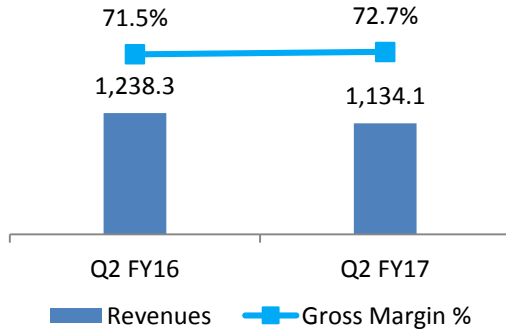


PAT & PAT MARGIN

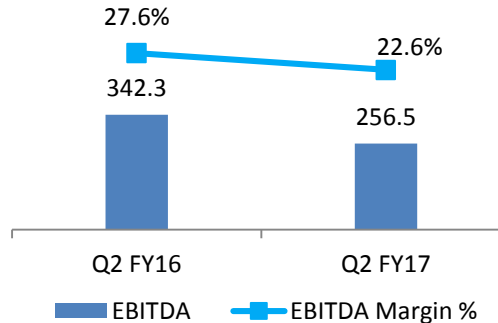


Q2 FY17 YoY Analysis

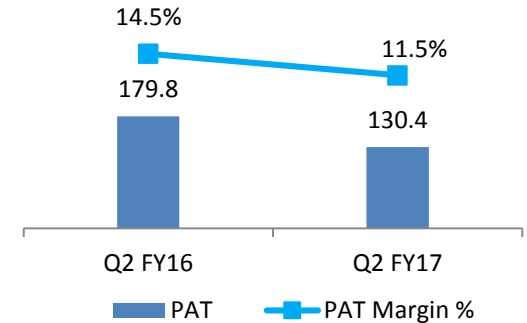
REVENUES & GROSS MARGIN



EBITDA & EBITDA MARGIN



PAT & PAT MARGIN



Q2 & H1 FY17 RESULT ANALYSIS

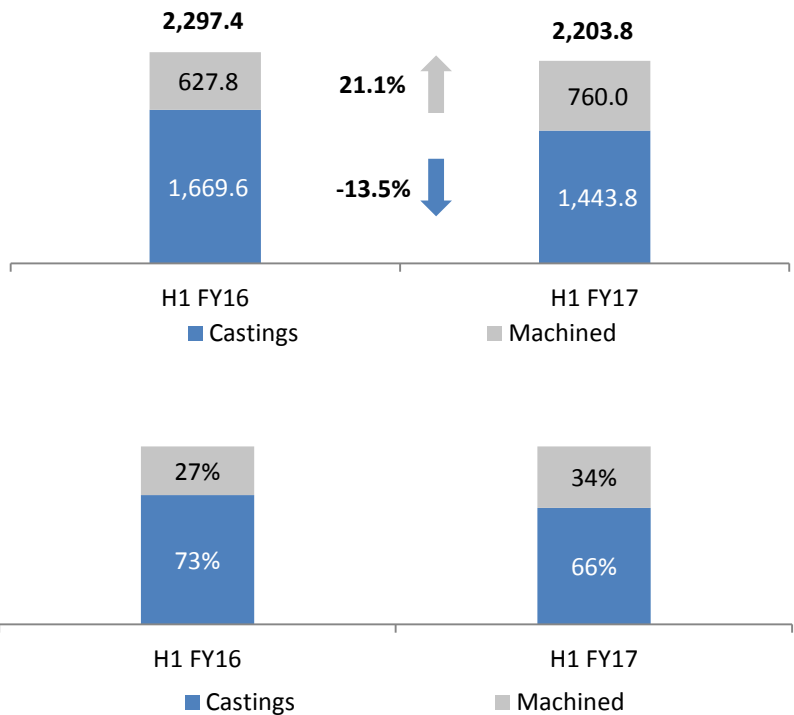
REVENUE ANALYSIS



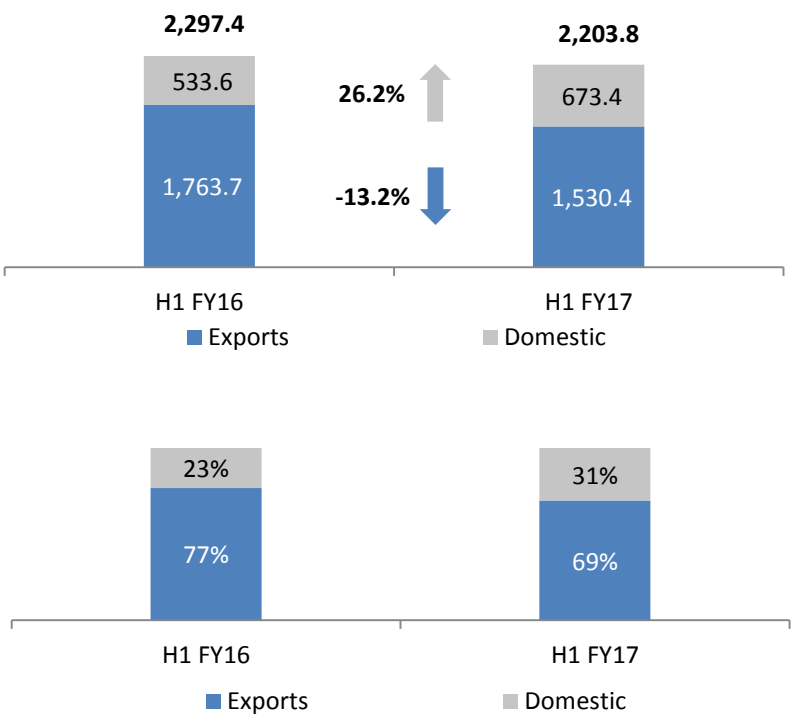
Based on Standalone Financials

H1 FY17 YoY Analysis

PRODUCT REVENUES - CASTINGS VS MACHINED CAMSHAFTS



PRODUCT REVENUES - DOMESTIC VS EXPORTS



In Rs Mn

Q2 & H1 FY17 RESULT ANALYSIS

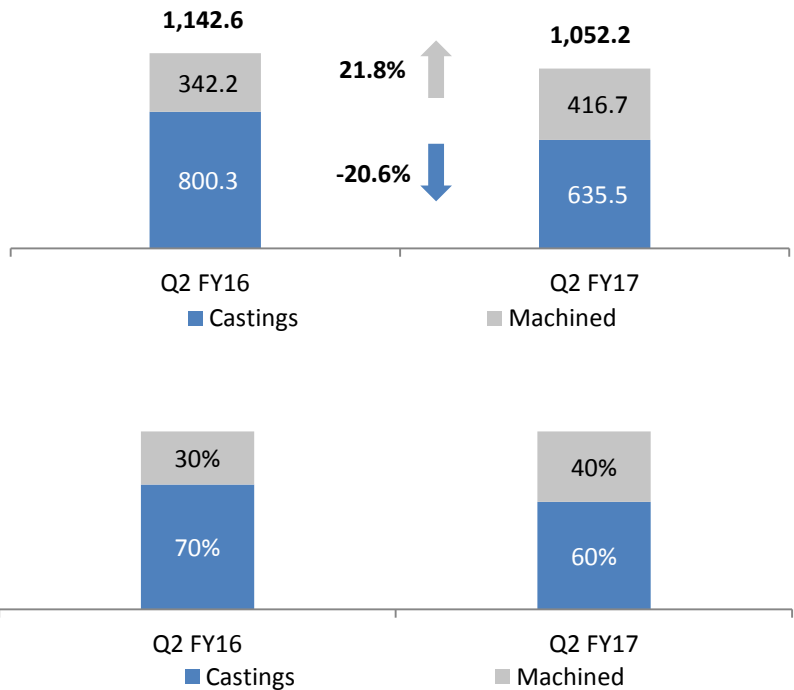
REVENUE ANALYSIS



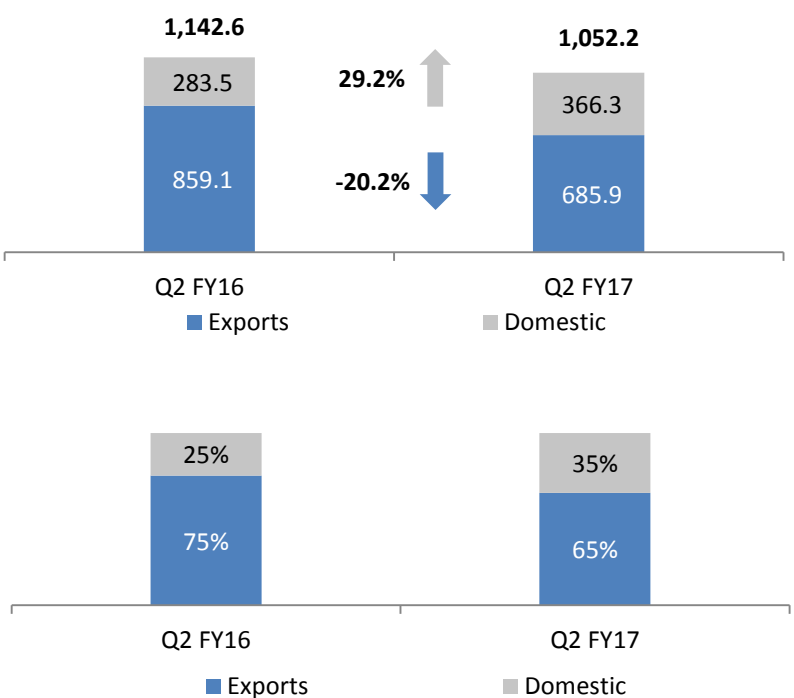
Based on Standalone Financials

Q2 FY17 YoY Analysis

PRODUCT REVENUES - CASTINGS VS MACHINED CAMSHAFTS



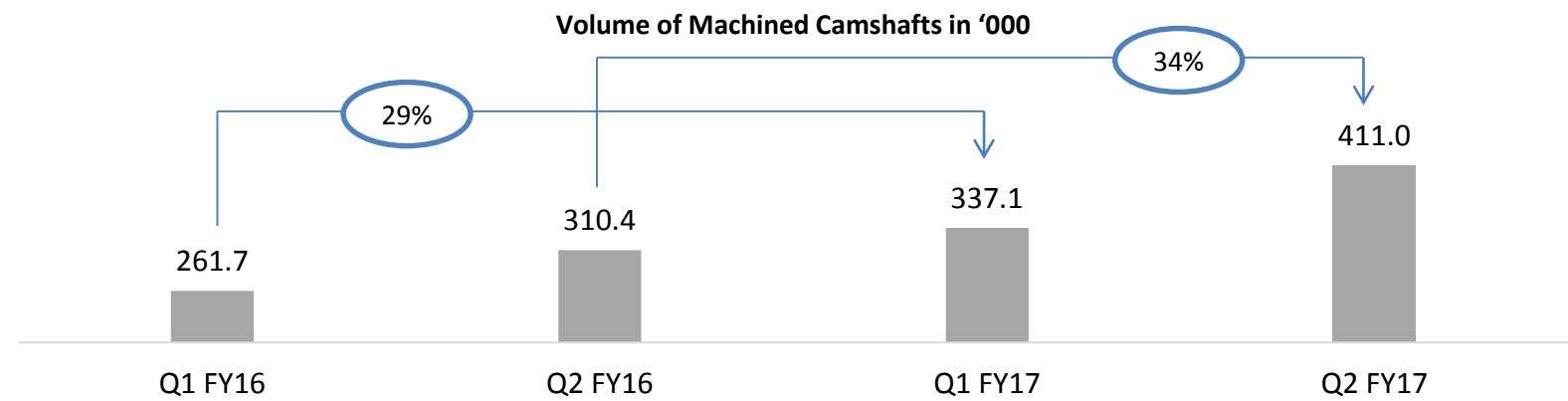
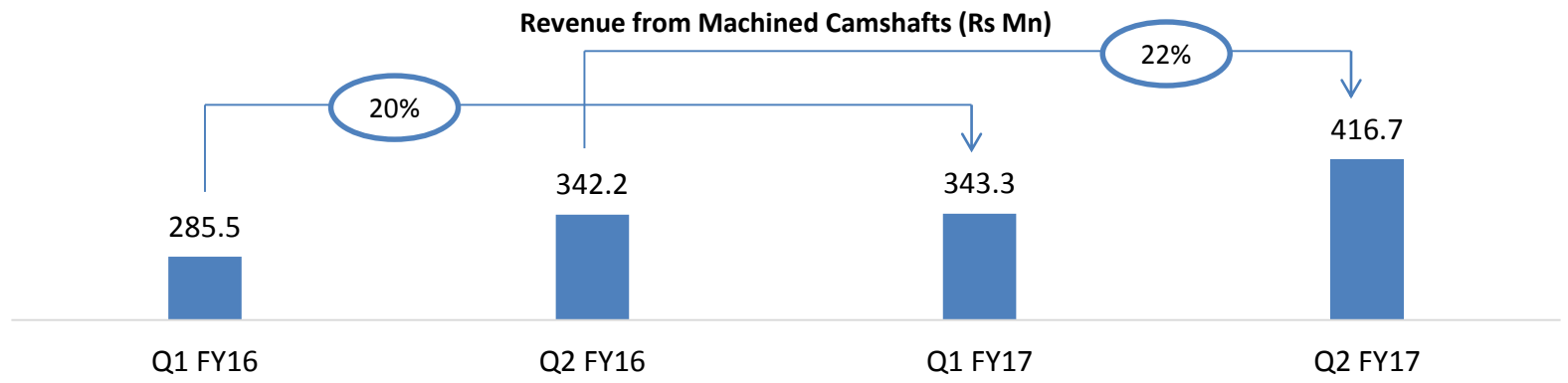
PRODUCT REVENUES - DOMESTIC VS EXPORTS



In Rs Mn



CONTINUED FOCUS ON INCREASING THE SHARE OF MACHINED CAMSHAFTS



Q2 FY17 Total Revenues declined by 8.4% to Rs 1,134.1 mn.

- Domestic revenues increased by 29.2% and export revenues decreased by 20.2%.
- Share of domestic vs. exports was 35:65 in Q2 FY17 compared to 25:75 in Q2 FY16.
- Sales of casting camshafts declined by 20.6% YoY, however this was offset by 21.8% increase in sales of machined camshafts.
- In domestic market, sales to Maruti Suzuki, Toyota Kirloskar, Ford India and Hyundai increased.
- In exports market, sales to Ford (UK & Europe), General Motors (Korea & Brazil), Mahle (Germany) and Schleicher (Germany) decreased while sales to Ford China (PCL Shanghai) & Musashi (Hungary) increased.
- The supplies to General Motors (Uzbekistan) have been resumed and is gradually gaining traction.
- The new machine shop facility has been commissioned by installing one dedicated line with a capacity of 0.25mn camshafts per annum for Ford.

Q2 FY17 EBITDA declined by 25.1% to Rs 256.5 mn. EBITDA margin declined from 27.6% to 22.6%.

- Higher share of domestic sales lead to increase in excise duty on sale of camshafts.
- Higher labour costs due to increase in minimum wages.
- Negative impact of foreign exchanges fluctuations due to depreciation of Euro and GBP.

Q2 FY17 PAT declined by 27.5% to Rs 130.4 mn. PAT margin declined from 14.5% to 11.5%.

Q2 & H1 FY17 RESULT HIGHLIGHTS

STANDALONE P&L STATEMENT



Particulars (In Rs Mn)	Q2 FY17	Q2 FY16	YoY %	Q1 FY17	QoQ %	H1 FY17	H1 FY16	YoY%
Revenue from Operations	1,114.2	1,184.6	-5.9%	1,202.3	-7.3%	2,316.5	2,382.1	-2.8%
Other Operating Income	19.9	53.7	-62.9%	24.9	-20.1%	44.8	76.3	-41.3%
Total Revenues	1,134.1	1,238.3	-8.4%	1,227.2	-7.6%	2,361.3	2,458.5	-4.0%
COGS	309.7	353.5	-12.4%	367.3	-15.7%	677.0	713.5	-5.1%
Gross Profit	824.4	884.8	-6.8%	859.9	-4.1%	1,684.3	1,745.0	-3.5%
Gross Margin	72.7%	71.5%	124 bps	70.1%	262 bps	71.3%	71.0%	35 bps
Employee Expenses	147.3	138.2	6.6%	137.5	7.2%	284.8	274.0	4.0%
Other Expenses	241.4	230.8	4.6%	199.8	20.8%	441.2	460.8	-4.3%
Power and Fuel expenses	117.9	126.9	-7.1%	123.9	-4.9%	241.8	260.1	-7.1%
Excise Duty on Sale of Goods	61.3	46.6	31.5%	51.2	19.7%	112.6	87.3	28.9%
EBITDA	256.5	342.3	-25.1%	347.4	-26.2%	603.9	662.7	-8.9%
EBITDA Margin %	22.6%	27.6%	-503 bps	28.3%	-569 bps	25.6%	27.0%	-138 bps
Depreciation	94.2	100.9	-6.6%	93.1	1.2%	187.3	199.7	-6.2%
Finance Cost	18.9	24.0	-21.4%	23.0	-18.0%	41.9	45.3	-7.6%
Other Income	67.6	52.1	29.7%	68.1	-0.8%	135.6	114.9	18.0%
PBT	211.0	269.5	-21.7%	299.4	-29.5%	510.4	532.7	-4.2%
Tax Expense	80.6	89.7	-10.2%	114.6	-29.7%	195.1	182.4	7.0%
PAT	130.4	179.8	-27.5%	184.8	-29.4%	315.3	350.3	-10.0%
PAT Margin %	11.5%	14.5%	-302 bps	15.1%	-356 bps	13.4%	14.2%	-90 bps
Earnings Per Share (EPS) In Rs. (Basic)	1.39	2.23	-37.7%	1.97	-29.4%	3.4	4.33	-22.6%

Q2 & H1 FY17 RESULT HIGHLIGHTS

STANDALONE BALANCE SHEET



Particulars (In Rs Mn)	Sep-16
Equities & Liabilities	
Shareholder's Funds	
Equity Share Capital	947.4
Other equity	4,388.1
	5,335.6
Liabilities	
Non-Current Liabilities	
Financial Liabilities	
Borrowings	488.6
Deferred Tax Liability	40.8
	529.3
Current Liabilities	
Financial Liabilities	
Borrowings	407.8
Trade Payables	617.3
Other Financial Liabilities	552.0
Other Current Liabilities	19.1
Provisions	49.8
Current Tax Liabilities (net)	67.6
	1,713.7
Total Equity & Liabilities	7,578.6

Particulars (In Rs Mn)	Sep-16
Assets	
Non-Current Assets	
Property, plant and equipment	1,803.9
Capital work-in-progress	471.9
Intangible assets	2.9
Financial assets	
Investments	709.0
Other	37.0
Other non-current assets	60.9
	3,085.6
Current Assets	
Inventories	371.9
Financial assets	
Investments	80.9
Trade Receivables	967.7
Cash & Cash Equivalents (C&CE)	206.5
Bank balances other than C&CE	2,615.1
Others	134.8
Other Current Assets	116.2
	4,493.0
Total Assets	7,578.6

COMPANY OVERVIEW

MARQUEE CUSTOMERS AND GLOBAL FOOTPRINT



MARQUEE CUSTOMERS



HYUNDAI



TOYOTA



Mercedes-Benz



PORSCHE



SSANGYONG

MAHLE



GEOGRAPHICAL FOOTPRINT



- Geographies in which customers are serviced by PCL

MARKETING NETWORK

4 continents serviced through various agencies –

- KorConsulting LLC - North America, Europe and UK
- Huppert Engineering - South America
- T&G Auto-tec - South Korea

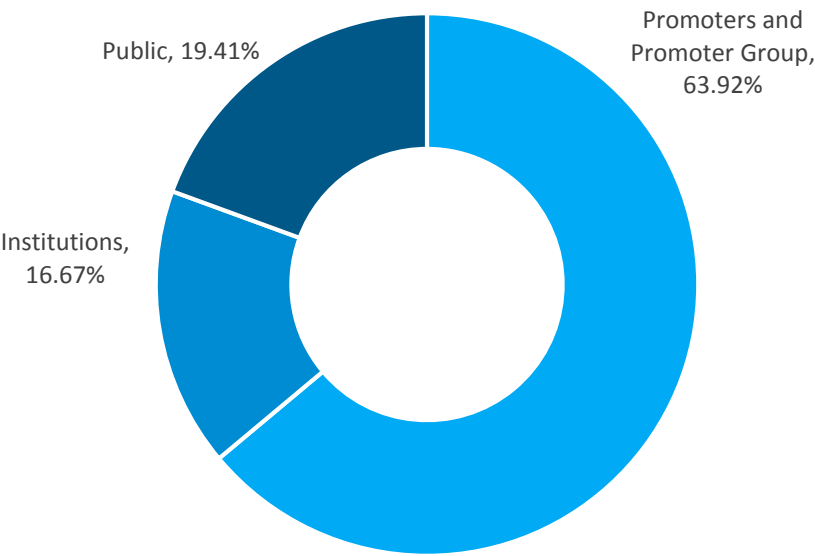
CAPACITY EXPANSION: ADDITION OF MACHINE SHOP

- New machine shop for ductile / assembled / chilled cast iron camshafts at EOU division in Solapur
- Proposed capacity – 2.0 mn units / year
- Total capex – Rs 2,302 mn
- Capacity addition to take place in phases over FY17 and FY18 subject to the orders received from customers
- This will help PCL expand its product offerings for existing customers, as well as target new customers
- PCL has already received orders from Ford Motors and Toyota for ductile camshafts





% Shareholding – September 2016



Key Institutional Investors – As on 30th SEPTEMBER 2016

SBI MF	7.20%
IDFC PREMIER EQUITY FUND	3.60%
ICICI PRUDENTIAL MF	1.96%
Canara ROBECO MF	1.28%
HDFC MF	1.12%

FOR FURTHER QUERIES:



Mr Ravindra R Joshi

Precision Camshafts Limited
Director & CFO

Email ID: rrjoshi@pclindia.in

Contact No: 91 217 23295433



Nilesh Dalvi / Yashesh Parekh

Dickenson Seagull IR
IR Consultant

Email ID: nilesh.dalvi@dickensonir.com
yashesh.parekh@dickensonir.com

Contact No: +91 9819289131 / 8108321555

