



Precision Camshafts Limited

(100% EOU Division)

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



Date: 1st June, 2018

SEC/JUN/SE/N&B/2018

To The Listing Department Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 SCRIP CODE:539636	To The Listing Department The National Stock Exchange of India Limited Exchange Plaza, Bandra kurla Complex, Bandra (E) Mumbai 400051 SCRIP CODE: PRECAM
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Sub: Submission of Investors Presentation under Regulation 30(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

Dear Sir,

We would like to submit the Investors Presentation for the quarter and year ended 31st March 2018 for your information and record.

You are kindly requested to take the same on record.

Thanking you,

Yours Truly,

For **Precision Camshafts Limited**

Mahesh Kulkarni
Company Secretary





INVESTOR PRESENTATION
MARCH 2018

PRECISION CAMSHAFTS LIMITED

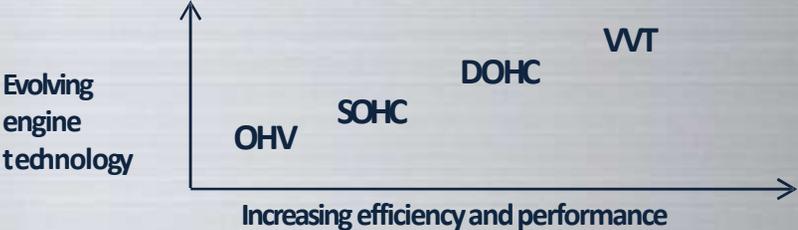


CONTINUOUS DEVELOPMENTS IN ENGINE TECHNOLOGY ARE EXPANDING OPPORTUNITIES FOR CAMSHAFT MANUFACTURERS



Engine technology is undergoing continuous developments—

- Improvement in engine efficiency and performance



- Compliance with stricter emission norms

Euro emission norms					
1992	1996	2000	2005	2009	2014
Euro 1	Euro 2	Euro 3	Euro 4	Euro 5	Euro 6



Constant engine technology developments create new opportunities for camshaft manufacturers

**OEMs ARE INCREASINGLY OUTSOURCING CAMSHAFT MANUFACTURING
HOWEVER, STRINGENT APPROVAL PROCESS LIMITS THE NUMBER OF SUPPLIERS**



Camshaft manufacturing process is highly capital intensive with long gestation period



OEM's source from suppliers with demonstrated technological and manufacturing capabilities



Camshaft design and profile are very critical for the engine performance; hence OEMs follow a very stringent approval process



As a result, there are very limited suppliers who work with the global OEMs

CAMSHAFT IS ONE OF THE MOST CRITICAL COMPONENTS OF VEHICLE IC ENGINE



PCL is one of the world's leading manufacturer and supplier of camshafts



PCL has strong relationships with marquee global & domestic OEMs

✓ General Motors	✓ Tata Motors
✓ Ford Motors	✓ Mahindra andMahindra
✓ Hyundai	✓ Toyota
✓ Maruti Suzuki	✓ Porsche
✓ Mercedes Benz	✓ Fiat
✓ SsangYong	✓ Diesel Locomotive Works Limited



PCL has consistently increased its global market share in passenger vehicle camshafts from 5% - 6% in 2010 to an estimated 8% - 9% in 2014 (Source: ICRA)

DISCLAIMER



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.

PCL- India

COMPANY OVERVIEW

BUSINESS MODEL

COMPETITIVE ADVANTAGES

BUSINESS STRATEGY & OUTLOOK

FINANCIAL RESULTS



COMPANY OVERVIEW

PRECISION CAMSHAFTS – BRIEF PROFILE



BUSINESS OVERVIEW

- Incorporated in 1992, PCL is one of the leading manufacturer and supplier of camshafts in India and globally
- Global market share of 8% - 9% in passenger vehicle camshafts
- Supplies more than 150 varieties of camshafts for passenger vehicles, tractors, light commercial vehicles and locomotive engine applications
- Strong management team led by Mr. Yatin Shah and Dr. Suhasini Shah having 20+ years of experience in auto component manufacturing

KEY STRENGTHS

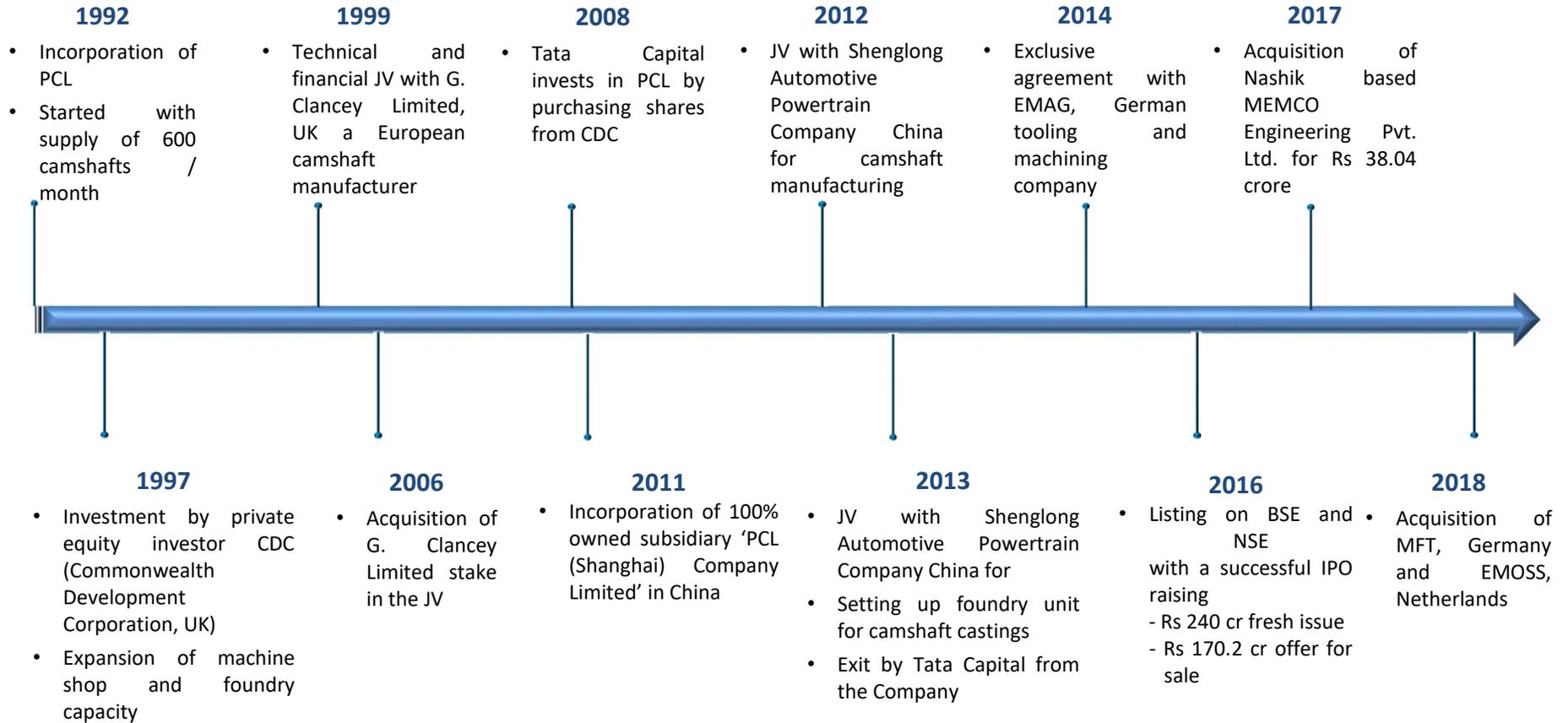
- State of art manufacturing facilities and cost competitive engineering expertise
 - EOU unit – 4 foundries and 3 machine shops, Domestic unit – 1 foundry and 1 machine shop
 - Relatively low defect rates due to strong technology, systems and processes
- Comprehensive product offering – PCL is one of the few global suppliers who manufacture all three types of camshafts i.e. cast iron, ductile iron, hybrid and assembled camshafts
- Long term relationships with marquee global OEMs - General Motors, Ford Motors, Hyundai, Maruti Suzuki, Tata Motors, Mahindra & Mahindra, Toyota, Porsche, Mercedes Benz, SsangYong etc.

STRONG FINANCIALS

- Consolidated Revenues, EBITDA and PAT were Rs . 428.61 crore, Rs. 104.45 crore and Rs. 47.33 crore in FY18
- Strong balance sheet as on FY18 – Cash & Investments - Rs 136.62 crore, Debt - Rs 75.86 crore (including short-term debt), Equity - Rs 572.45 crore, D:E ratio - 0.13x
- Return Ratios in FY18 :
 - ROCE – 10.84%
 - ROE – 8.11%

COMPANY OVERVIEW

OUR EVOLUTION



COMPANY OVERVIEW

MARQUEE CUSTOMERS AND GLOBAL FOOTPRINT



PCL

Common

MFT

MEMCO

	<p>TOYOTA</p>	<p>PORSCHE</p>			<p>Audi</p>	<p>BOSCH Invented for life</p>	
	<p>MARUTI SUZUKI</p>	<p>HYUNDAI</p>	<p>Mahindra</p>		<p>WESTFALIA</p>	<p>HATZ DIESEL</p>	<p>Endress+Hauser</p>
<p>LEEWON PRECISION</p>	<p>MUSASHI Power to Value</p>	<p>TATA</p>	<p>ESCORTS</p>	<p>Mercedes-Benz</p>	<p>SHW</p>	<p>RENAULT</p>	<p>SUZUKI</p>
<p>SONALIKA INTERNATIONAL</p>	<p>MAHLE</p>	<p>FORCE MOTORS</p>	<p>BMW</p>	<p>GN</p>	<p>Mubea</p>	<p>Gir</p>	

COMPANY OVERVIEW

MARQUEE CUSTOMERS AND GLOBAL FOOTPRINT

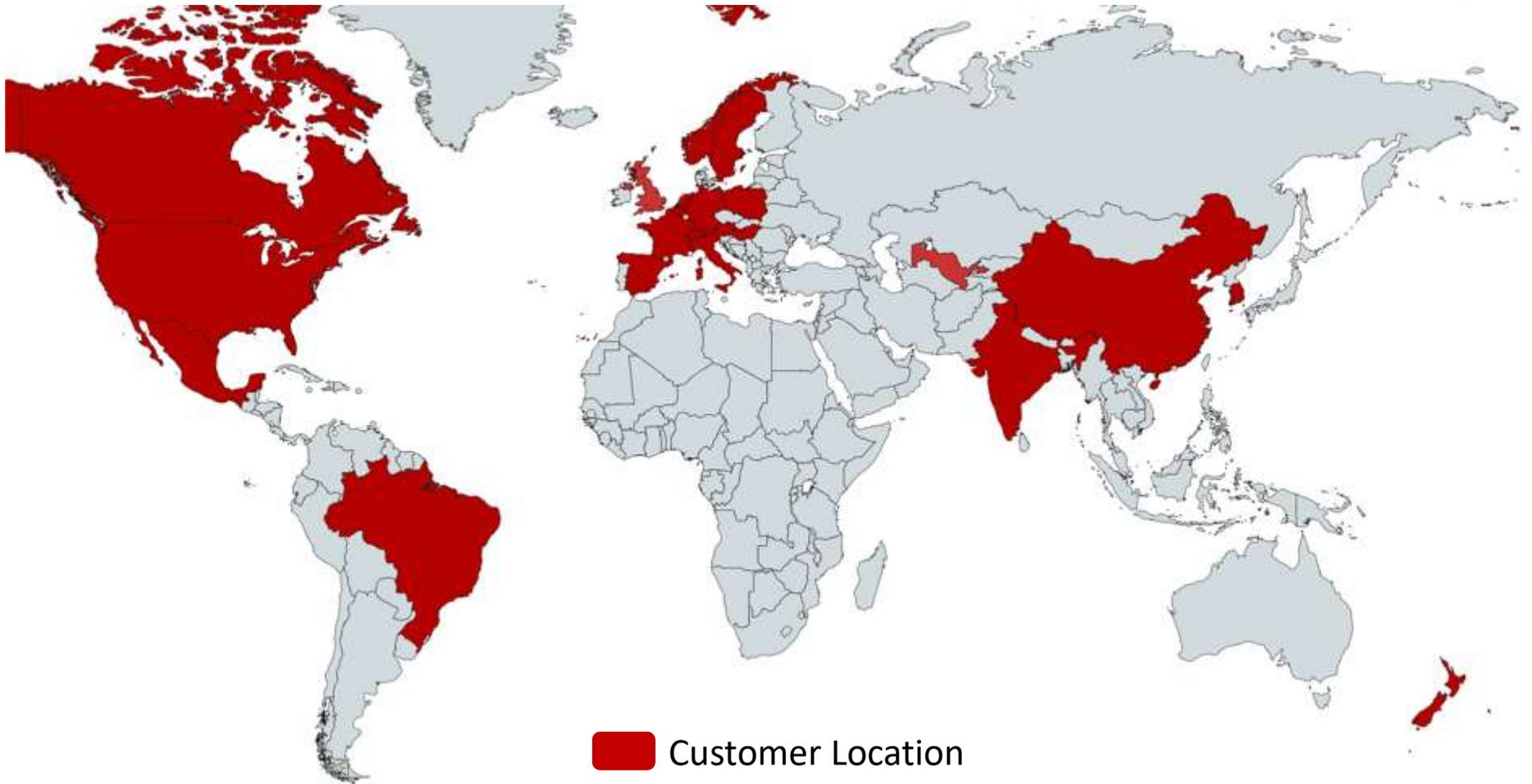


EMOSS



COMPANY OVERVIEW

MARQUEE CUSTOMERS AND GLOBAL FOOTPRINT



COMPANY OVERVIEW

BOARD OF DIRECTORS



<p>Mr. Yatin Shah <i>Chairman & Managing Director</i></p>	<ul style="list-style-type: none"> ▪ He holds a B.Com from Bombay University and a MBA from Pune University ▪ Over 23 years of experience in the auto component manufacturing sector ▪ Received various awards, including J.R.D. Tata Udyog Ratna Award by Maharashtra Audyogik Vikas Parishad, Pune in 2011
<p>Dr. Suhasini Shah <i>Director</i></p>	<ul style="list-style-type: none"> ▪ She holds Bachelor's degree in law, in medicine and in surgery from Shivaji University ▪ She has a PGDM in medico-legal systems, Symbiosis Centre of Health Care and has participated in an executive education programme on small and medium enterprises at IIM, Ahmedabad ▪ Over 23 years of work experience in management
<p>Mr. Ravindra Rangnath Joshi <i>Director & CFO</i></p>	<ul style="list-style-type: none"> ▪ He holds a BCom from Bangalore University and a Diploma in Business Management from Shivaji University ▪ 28 years of experience in the field of finance with various organizations
<p>Mr. Sarvesh Joshi <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ He holds a Bachelor's degree in law and a Bachelor's degree in commerce from the University of Pune. He is a certified member of the Institute of Chartered Accountants of India and has been a practicing Chartered Accountant for over 27 years
<p>Mr. Pramod Mehendale <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ He holds a Bachelor's degree in commerce and is a fellow of the ICSI. He holds a certificate of merit from the Institute of Cost and Work Accountants of India. ▪ He is the founder and a former director of Link Intime India Private Limited.
<p>Mr. Vedant Pujari <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ He holds a Bachelor's degree in commerce from Nagpur University, a bachelor's degree in law from the University of Pune and a diploma in corporate laws from Indian Law Society Pune. ▪ He is a member of the Delhi High Court Bar Association
<p>Mr. Vaibhav Mahajani <i>Independent Director</i></p>	<ul style="list-style-type: none"> ▪ He holds a Bachelor's degree in electronics engineering from Dnyaneshwar Vidyapeeth and has been certified by the ISACA, Pune as an Information Security Manager.

COMPANY OVERVIEW

KEY MANAGEMENT

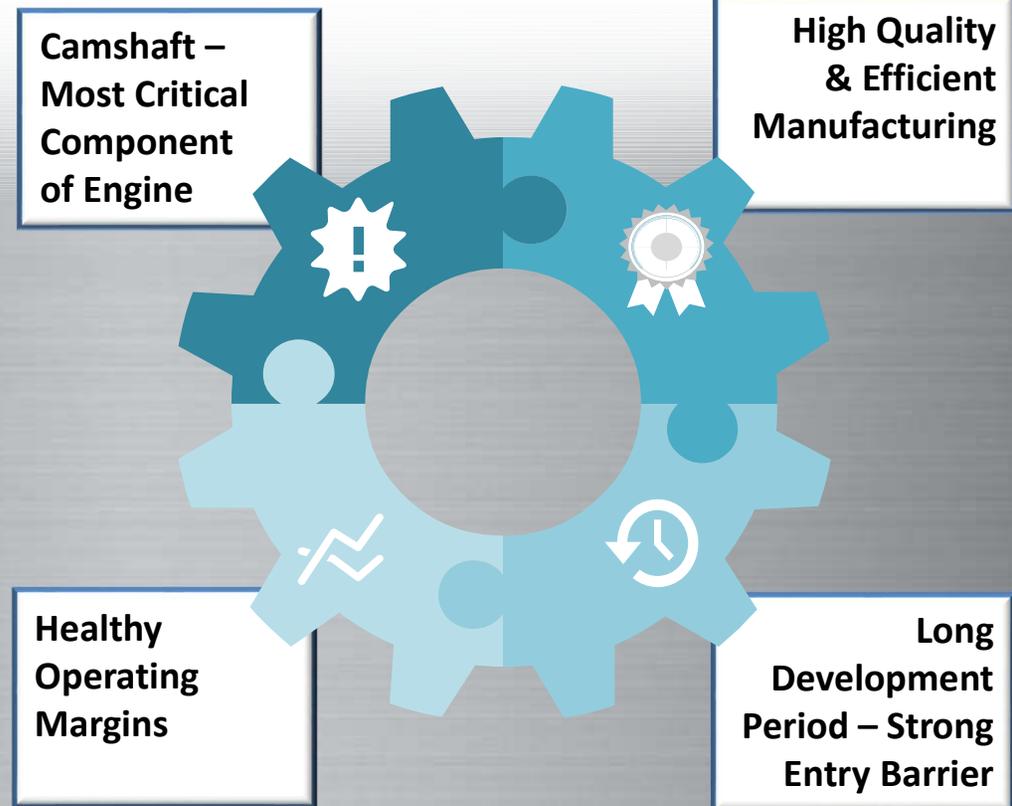


Mr. Karan Shah <i>Executive, Business Development</i>	<ul style="list-style-type: none">▪ He holds a Bachelor of Science in Engineering from Purdue University and an MBA from Harvard Business School▪ Joined PCL in 2017 and has 2+ years of work experience in automotive manufacturing
Mr. Achyut Gadre <i>GM, Production</i>	<ul style="list-style-type: none">▪ He holds a Bachelor of Science in Engineering from Shivaji University▪ Joined PCL in 1995 and has 19 years of work experience in automobile manufacturing
Mr. Ajitkumar Jain <i>GM, BD & Projects</i>	<ul style="list-style-type: none">▪ He holds a Bachelor's degree in production engineering from VJTI, Mumbai▪ Joined PCL in 2004 and has 20 years of work experience in manufacturing engineering.
Mr. Madhav Valse <i>GM, Design and Engineering Services</i>	<ul style="list-style-type: none">▪ He has a Diploma in mechanical engineering from the Maharashtra Board of Technical Examinations▪ Joined PCL in 2000 and has 34 years of work experience in product development
Mr. Rajkumar Kashid <i>GM, Human Resources</i>	<ul style="list-style-type: none">▪ He holds a Master's degree in social welfare and an LLB degree from Shivaji University▪ Joined PCL in 1995 and has 25 years of work experience in management
Mr. Deepak Kulkarni <i>AGM, Projects</i>	<ul style="list-style-type: none">▪ He holds a Diploma in mechanical engineering▪ Joined PCL in 1990 and has 25+ years of work experience in product development
Mr. Pradeep Mahindrakar <i>Sr. Manager, Maintenance</i>	<ul style="list-style-type: none">▪ He holds a Diploma in mechanical engineering▪ Has 21 years of work experience in mechanical engineering

DISCUSSION SUMMARY



- ❑ COMPANY OVERVIEW
- ❑ BUSINESS MODEL
- ❑ COMPETITIVE ADVANTAGES
- ❑ BUSINESS STRATEGY & OUTLOOK
- ❑ FINANCIAL RESULTS



BUSINESS MODEL

WHAT IS CAMSHAFT?



5C's of IC engine

- Camshaft
- Crankshaft
- Connecting rod
- Cylinder block
- Cylinder head

Why is camshaft critical?

Camshaft design impacts the engine's power, efficiency, mileage and emission

How does camshaft function?

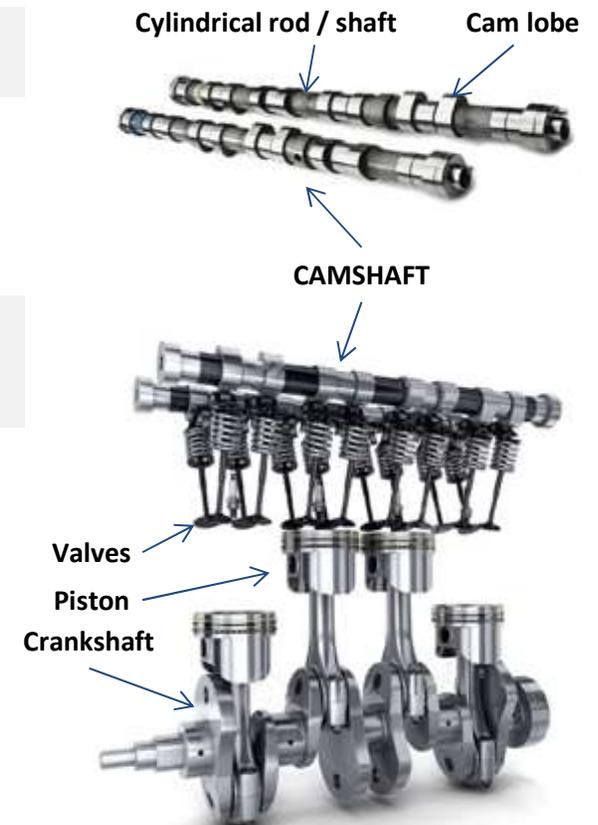
- Camshaft converts the rotary motion of the crankshaft into an oscillating motion of the engine valves
- The rotating cam lobes control the engine valves in the correct sequence, controlling the piston movement
- The camshaft in turn is driven by the crankshaft through timing gears

What governs camshaft demand?

- Camshaft demand is dependent on automobile demand, as camshafts are required in all IC engines
- Passenger vehicles largely use either single camshaft engines (SOHC) or double camshaft engines (DOHC)
- On an average, camshaft volumes are 1.5x times the passenger vehicles produced**

Camshaft manufacturing is largely outsourced

- Camshaft manufacturing is highly capital intensive with long gestation period
- OEMs prefer to outsource the camshaft manufacturing
- OEMs prefer to source camshafts from a single supplier for a particular engine platform or a geography



BUSINESS MODEL

CAMSHAFT MANUFACTURING TECHNOLOGIES



Process	Chilled Cast Iron Casting	Ductile Iron Casting	Assembled Camshaft
Details	With the chill-cast approach, cam lobes that need local hardening have chill inserts placed in the tool. The inserts freeze the molten iron on contact, producing high-hardness microstructure formations that penetrate deep into the metal, while leaving the remainder of the camshaft with tougher, more flexible iron		Assembled camshafts are produced by assembling / fixing aggregate parts, i.e., lobes, journals, sprockets etc. on a tubular shaft
Key Raw Material	Pig Iron, M S Scrap, Resin Coated Sand (RCS), Filter	Pig Iron, CRCA, Low Boron Scrap, RCS, Filter	Different material can be used for shaft and lobes
Comments	Ductile iron can handle more pressure than cast iron though ease of machining and cost make chilled cast iron the preferred method Additional weight reduction can be achieved by using hollow/profiled shafts Chilled cast iron generally doesn't require additional hardening while ductile iron can require additional hardening if chills are not used		Provides increased design flexibility along with potential to reduce shaft weight by more than 30% providing improved fuel efficiency and lesser emissions

PRECISION CAMSHAFTS IS ONE OF THE FEW GLOBAL CAMSHAFT MANUFACTURERS HAVING TECHNOLOGICAL CAPABILITIES ACROSS ALL THE THREE MANUFACTURING PROCESSES

BUSINESS MODEL

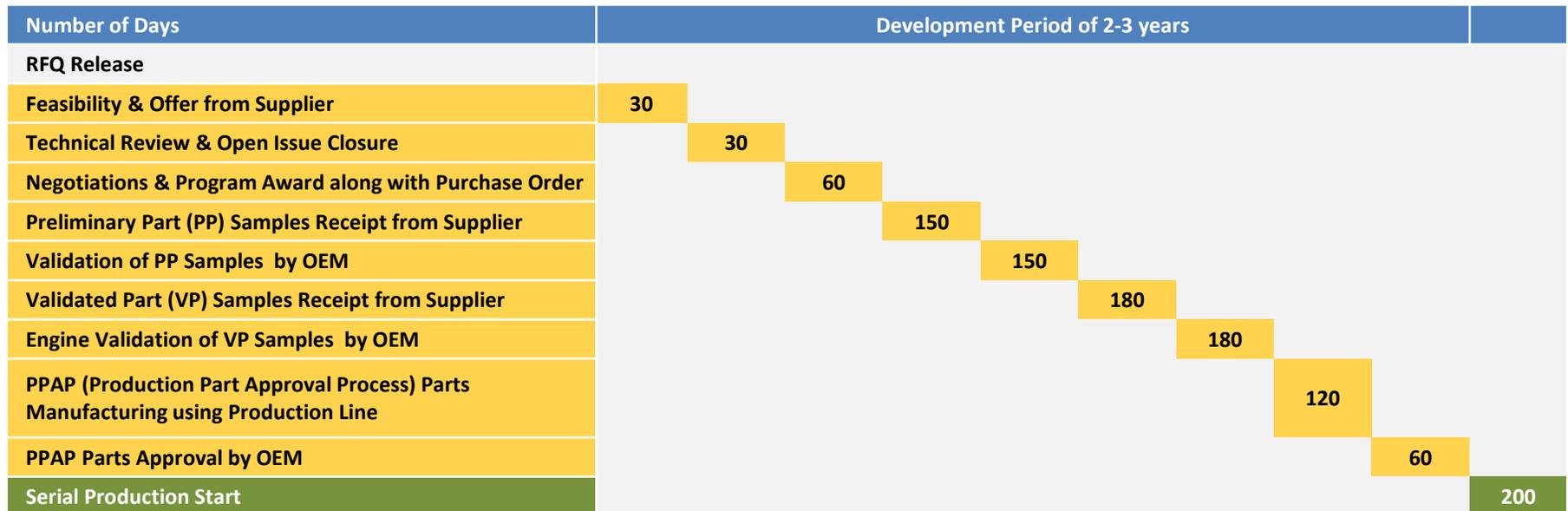
LONG DEVELOPMENT PERIOD – STRONG ENTRY BARRIER



Camshafts play a very critical role in impacting the overall engine performance. Hence OEMs involve camshaft manufacturers right from the engine platform design stage

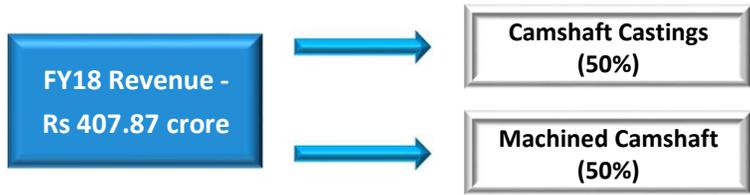
Camshaft development process:

In case of a new engine platform under development, the OEM works along with the approved camshaft supplier for finalising the camshaft design and specifications



BUSINESS MODEL

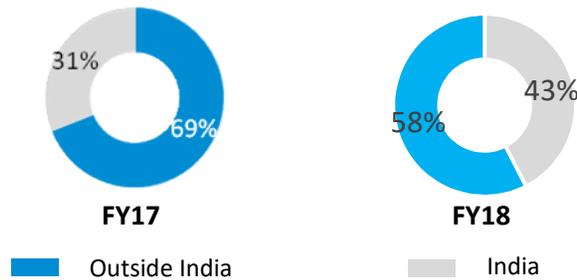
PCL: REVENUE & MARGINS



SALES REALISATION OF MACHINED CAMSHAFT IS 2.5X - 3.0X TIMES OF CAMSHAFT CASTING

HIGHER SALES OF MACHINED CAMSHAFTS TO DRIVE MARGIN EXPANSION

GEOGRAPHICAL DISTRIBUTION OF SALES





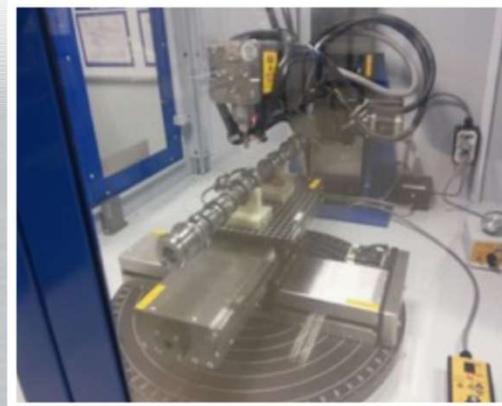
COMPANY OVERVIEW

BUSINESS MODEL

COMPETITIVE ADVANTAGES

BUSINESS STRATEGY & OUTLOOK

FINANCIAL RESULTS



COMPETITIVE ADVANTAGE

STATE OF ART MANUFACTURING FACILITIES & ENGINEERING EXPERTISE

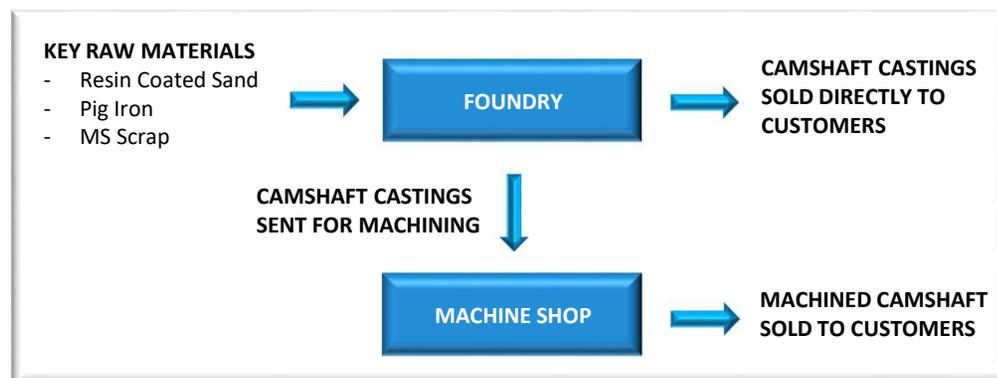


INDIA FACILITIES

Facility	Description	Installed Capacity – FY16 (Million Units p.a.)
EOU Unit (Solapur, Maharashtra)	<ul style="list-style-type: none"> 4 Foundries 3 Machine shops 	<ul style="list-style-type: none"> Foundry: 12.00 Machine Shop: 1.86
Domestic Unit (Solapur, Maharashtra)	<ul style="list-style-type: none"> 1 Foundry 1 Machine shop 	<ul style="list-style-type: none"> Foundry: 1.38 Machine Shop: 0.36

CHINA FACILITIES – THROUGH STRATEGIC JVs

Joint Venture	Installed Capacity – FY16 (Million Units p.a.)
Ningbo Shenglong PCL Camshafts Company Limited (“NSPCCL”) PCL’s stake: 22.5%	<ul style="list-style-type: none"> Machine Shop: 1.50
PCL Shenglong (Huzhou) Specialized Casting Company Limited (“PCLSHSCCL”) PCL’s stake: 40%	<ul style="list-style-type: none"> Foundry: 4.00



STATE OF ART MANUFACTURING FACILITY:

- Foundries - Latest technology enabling cost-competitive and non-polluting manufacturing
- Machine Shops - World class machinery equipments recognized by global OEMs
- Low rejection rate -
 - Internal rejection rate of 7-9%
 - Customer rejection rate of 5,000 – 10,000 ppm

COMPETITIVE ADVANTAGE STATE OF ART MANUFACTURING FACILITIES - FOUNDRY



Quality Certifications:

- **ISO/ TS 16949:2009**
Consistent manufacturing practices and defect free products
- **ISO:14001:2004**
Environmental Management System
- **BS OHSAS: 18001:2007**
Occupational Health & Safety Management System

COMPETITIVE ADVANTAGE STATE OF ART MANUFACTURING FACILITIES – MACHINE SHOP



Quality Certifications:

- **ISO/ TS 16949:2009**
Consistent manufacturing practices and defect free products
- **ISO:14001:2004**
Environmental Management System
- **BS OHSAS: 18001:2007**
Occupational Health & Safety Management System

COMPANY OVERVIEW

CAPACITY EXPANSION – ADDITION OF NEW MACHINE SHOP



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 230.20 crore
 - Utilised Rs 126.40 crore till 31st March 2018
 - Balance to be utilised in FY19
- Capacity addition to take place in phases over FY18-19
- 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
- PCL is also setting up a plant in Brazil for machining of camshafts to General Motors to supply 6 million over the life of program.



COMPETITIVE ADVANTAGE TECHNOLOGY EVOLUTION & COMPREHENSIVE PRODUCT OFFERING



PCL's CONTINUOUS THRUST ON IMPROVING CAMSHAFT TECHNOLOGY AND EXPAND CAMSHAFT OFFERINGS

Chilled Cast Iron Solid Camshafts



Chilled Cast Iron Hollow Camshafts



Ductile Iron Solid Camshafts



Ductile Iron Hollow Camshafts



Chilled Cast Iron Tri-Lobe Camshafts



Hybrid Camshafts - Chilled Cast Iron Fuel-Lobe Assembled



Assembled Camshafts



COMPETITIVE ADVANTAGE TECHNOLOGY EVOLUTION & COMPREHENSIVE PRODUCT OFFERING



MEMCO
ENGINEERING PVT. LTD.

- Fuel Injection Components for Conventional and CRDi Diesel Engines
- Brake Components
- High Pressure Diesel Injector Connectors for Naval Ships
- Stainless Steel Components for Instrumentation



- **Nozzle Holder Body**



- **Nozzle Retaining Nut**



- **Stainless Steel Components for Instrumentation / Equipment**



- **Brake Pistons**



Balancer Shafts

- Fully machined, hardened and balanced (vertical and horizontal)
- Forged, ductile iron.



Prismatic Components

- Various Powertrain, Brake and Chassis components
- Machining of all casting materials (GG, GGG, Aluminium)



COMPETITIVE ADVANTAGE TECHNOLOGY EVOLUTION & COMPREHENSIVE PRODUCT OFFERING



E-Truck

- 80 - 240 kWh
- 7.5 - 27 tons
- 100 - 350 km

E-Semi

- 120 - 200 kWh + range extender
- Max. 50 tons
- 100 km extended range 300+

E-Light

- 72 kWh
- 4.2 tons
- 150 km

Digital development

Integrated cockpit for all Emiss product

Real-time online tracking for:
Power management & Data analysis

emoss
Driven by innovation

COMPETITIVE ADVANTAGE

LONG TERM RELATIONSHIPS WITH MARQUE GLOBAL OEMs



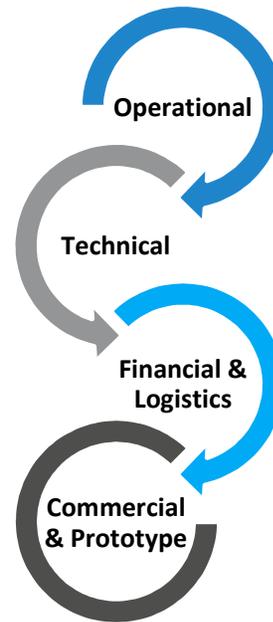
TIER 1 / TIER 2 SUPPLIER TO MARQUEE CLIENTS

- ✓ General Motors
- ✓ Ford Motors
- ✓ Hyundai
- ✓ Maruti Suzuki
- ✓ Mercedes Benz
- ✓ SsangYong
- ✓ Tata Motors
- ✓ Mahindra and Mahindra
- ✓ Toyota
- ✓ Porsche
- ✓ Fiat
- ✓ Diesel Locomotive Works Limited

STRONG CUSTOMER VALUE PROPOSITION

- Developed long-term relationships with Global OEMs across multiple geographies over the years
- Ability to cross sell to global OEMs beyond one geography
- 4 continents serviced through various agencies
- Relationships for over 10 years with some of the marquee clients

STRINGENT OEM APPROVAL PROCESSES ADDS STICKINESS



- Inspection and review of the manufacturing facilities
- Review of the raw materials used in manufacturing
- Technical review of the designs
- Specification of the proposed product
- Review of financial capabilities
- Review of logistical capabilities across geographies
- Review of the target price by the purchase team of the customer
- Multiple inspection and review of the product prototypes

- **OEM approval and camshaft development is a 2-4 years process**
- **This acts as a strong entry barrier**
- **Further, any change in vendor entails significant switching costs for OEMs**



PCL's ONE STOP SOLUTION

- ❑ COMPANY OVERVIEW
- ❑ BUSINESS MODEL
- ❑ COMPETITIVE ADVANTAGES
- ❑ BUSINESS STRATEGY & OUTLOOK
- ❑ FINANCIAL RESULTS



BUSINESS STRATEGY & OUTLOOK



Diversify Product Range

- Focus to offer “One Stop Solution” with diversified product range - Chilled, Ductile and Assembled Camshafts
- Exclusive agreement with EMAG, a German machining and tooling process company, for licensing the 'Force Free Heat Shrink' process. This will help PCL to strengthen its foray into assembled camshafts and expand business operations in the European market

Expand Our Role With Customer

- Expand our engagement with customer by being involved from designing to helping in validation with the help experts on board

Focus on Increasing Sale of Machined Camshafts

- Focus on supplying higher number of machined camshafts to existing customers as well as target new customers
- Higher share of machined camshafts will help to improve the operating margins and return ratios

Focus On New Technologies

- Focus on new components to meet future market expectations –
 - Sliding cams , Cam modules, Balancer shafts

Expansion through Inorganic Growth

- Continue to explore possibilities of partnerships with companies operating in niche machined components, by leveraging our knowledge

DISCUSSION SUMMARY



COMPANY OVERVIEW

BUSINESS MODEL

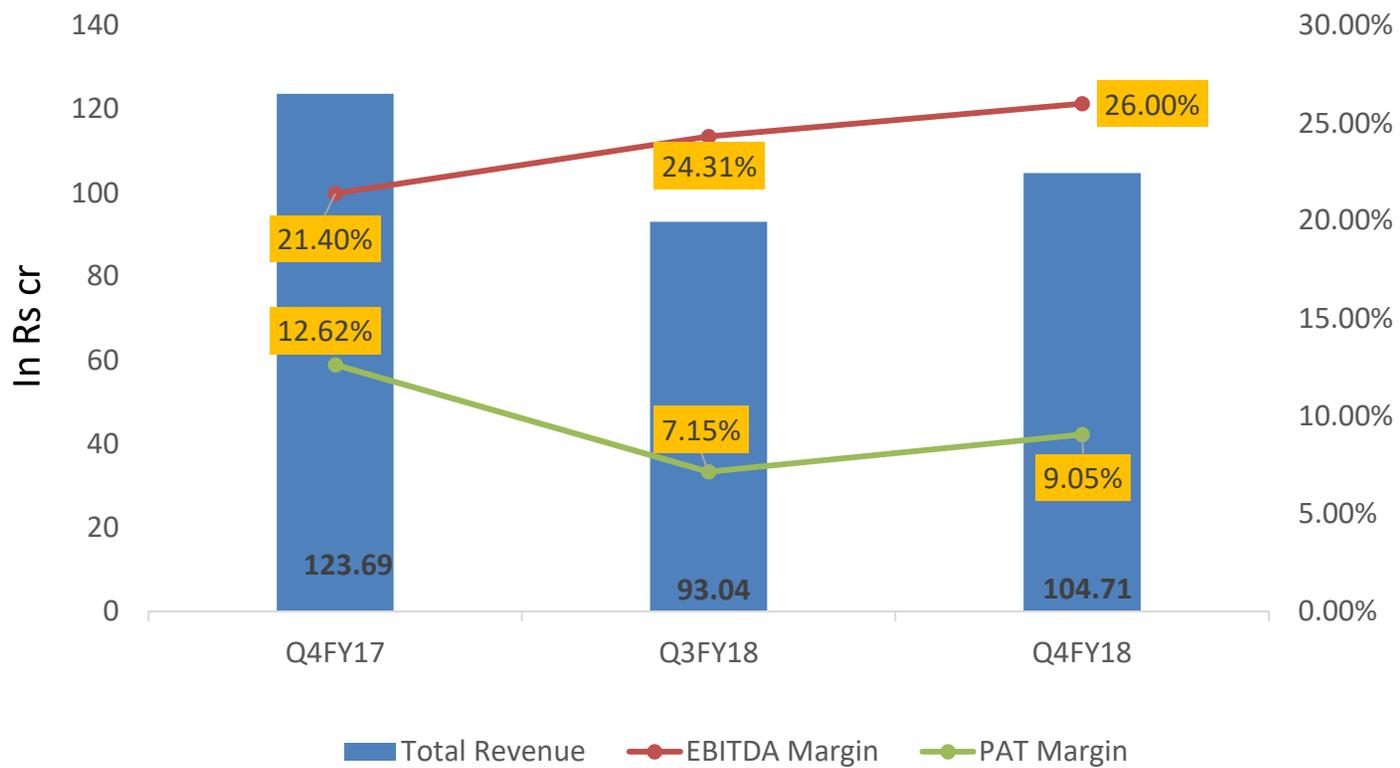
COMPETITIVE ADVANTAGES

BUSINESS STRATEGY & OUTLOOK

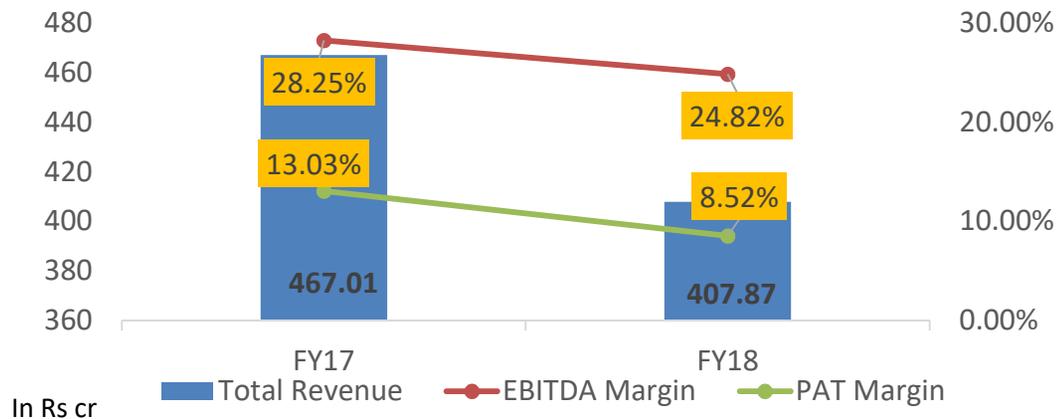
FINANCIAL RESULTS



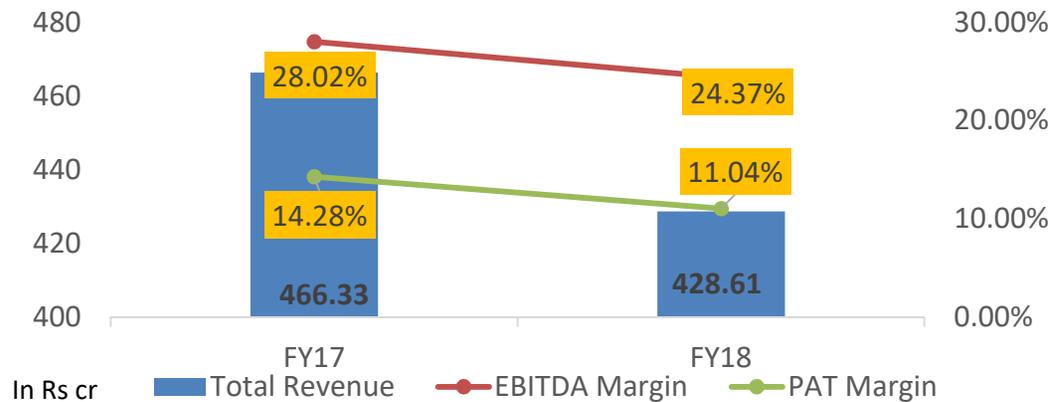
Quarterly Result Highlights (Standalone)



FY18 Result Highlights (Standalone & Consolidated)

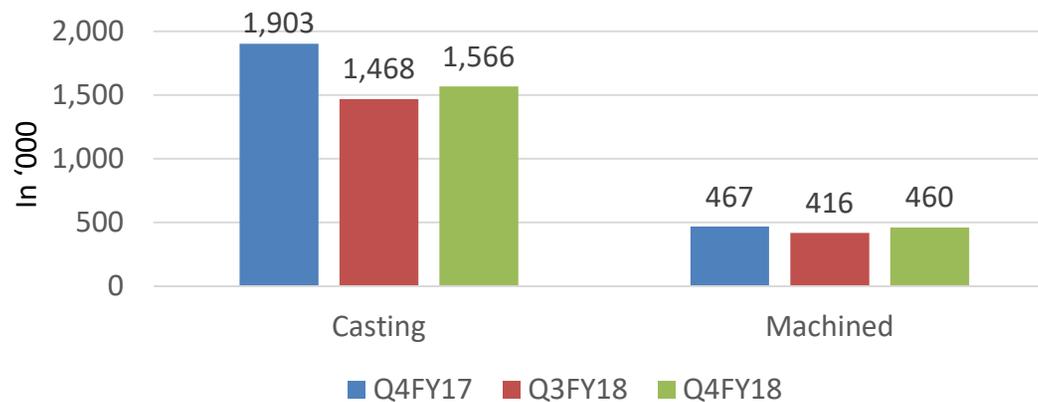
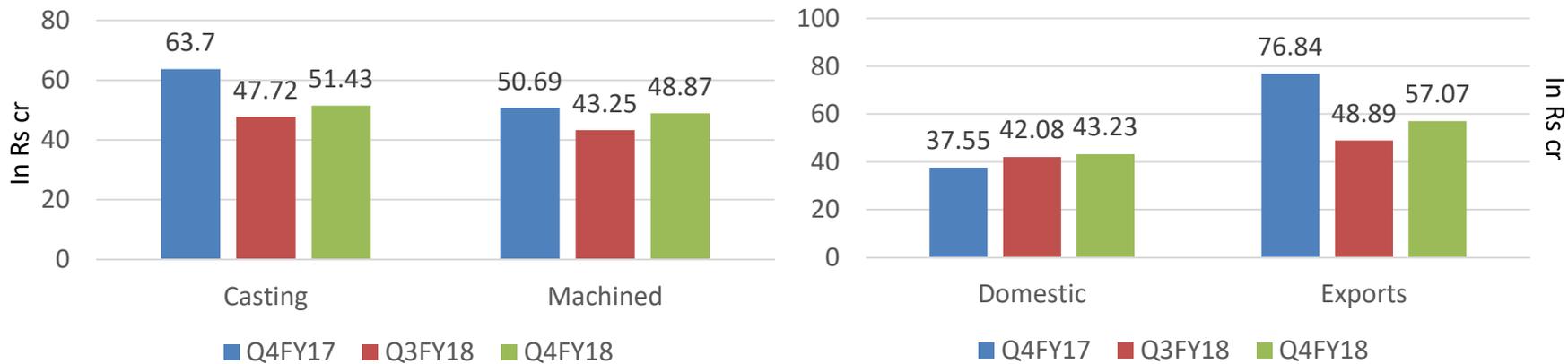


On Standalone Basis



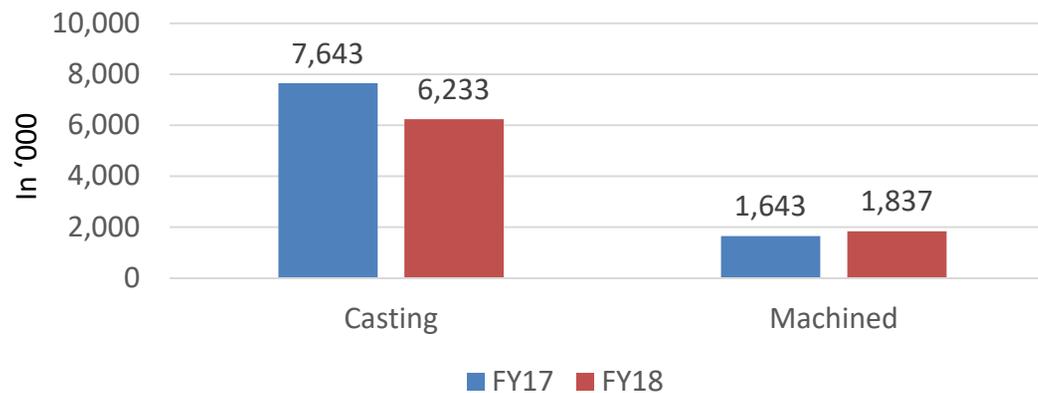
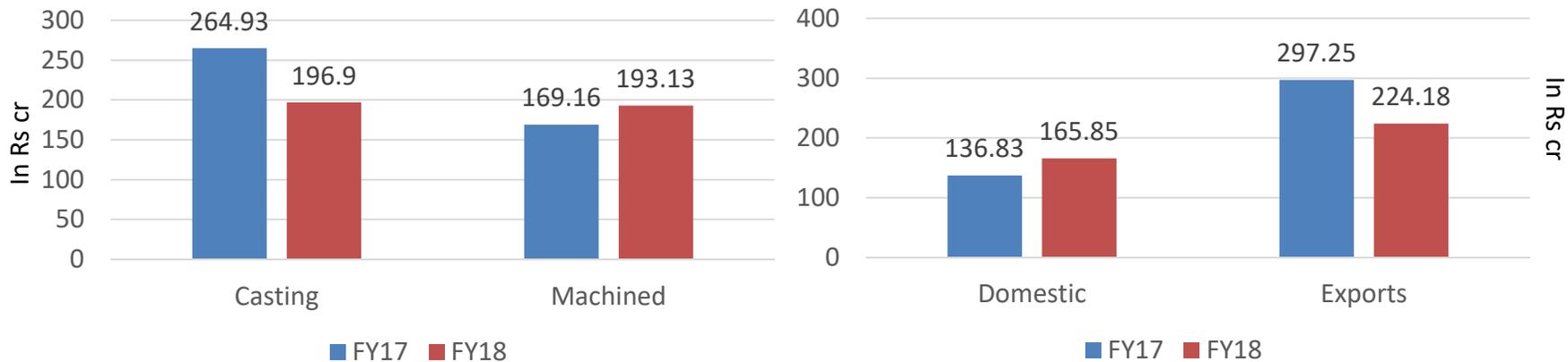
On Consolidated Basis

Quarterly Revenue & Volume Break-up (Standalone)



Data Excluding Excise Duty, Rejection, Jobwork & Intercompany Sale

FY18 Revenue & Volume Break-up (Standalone)



Data Excluding Excise Duty, Rejection, Jobwork & Intercompany Sale

Key Financials

BALANCE SHEET Snapshot – As on 31st March, 2018



Networth – Rs 570 cr

Debt – Rs 21.98 cr

Cash & Investments –
Rs 118.44 cr

Debt / Equity – 0.038

FY18 (CONSOLIDATED) RESULT ANALYSIS

RESULT HIGHLIGHTS



FY18 Total Revenues decreased by 8% to Rs. 429 crore

- Revenue drop was result of change in sales mix, due to increased share of domestic sales and decrease in exports

EBITDA declined 20% to Rs. 104 crore. EBITDA margins were down 366 bps at 24.37%.

- The decrease in margins was mainly due to decrease in Export Sales
- VRS given to the workers was another reason that led to a dip in the operating profit

FY18 PAT fell by 29% to Rs. 47 crore. PAT margins were reported at 11% from 14% in the previous year



Acquisition of 95% stake in MEMCO Engineering Private Limited (MEMCO)

- The company acquired Nashik-based MEMCO Engineering Private Limited (MEMCO) for Rs. 38.04 crore in October 2017. The acquisition was made through internal accruals
- MEMCO enjoys long term relationships with marquee global customers like Bosch, Delphi, Endress+Hauser and Giro
- MEMCO has a capacity to produce 10.7 million precision components per annum
- Key products include fuel injection components for conventional and CRDi diesel engines, brake components, high pressure diesel injector connectors for naval ships and high precision instrumentation components



Acquisition of 76% shares in MFT Motoren und Fahrzeugtechnik GmbH (MFT), through PCL's wholly owned Dutch subsidiary PCL (International) Holding B.V for Rs 25 crore

- This acquisition will help strengthen PCL's niche machining capabilities and diversify into a new product range.
- MFT is a financially strong company with a turnover of about INR 160 crore (~€20 million) in 2017. With the merged know-how in manufacturing, increased financial bandwidth from PCL and proximity to European customers, there is a great potential to scale the business in Germany.
- MFT enjoys long term relationships with marquee global customers like Volkswagen, Audi, Opel, Westfalia, Hatz, Suzuki, etc. The company's key products include –
 - Balancer Shafts
 - Camshafts
 - Bearing Caps
 - Engine Brackets and several non-engine Prismatic components



PCL acquires 51% stake in Dutch electric mobility company - Emiss Mobile Systems B.V. via its 100% subsidiary PCL (International) Holding B.V. for a total consideration of Rs 58 crore

- PCL forays into electric mobility with the acquisition of Emiss – a one stop solution for electric powertrains
- The acquisition to pave access to mature electrical mobility markets such as Europe, North America and Australasia
- Emiss posted a turnover of ~€6 million in 2017 and grew at a CAGR of over 100% in the last 3 years. The company is poised to grow significantly going forward
- Emiss promoters to continue holding 49% and remain actively involved in day to day activities
- Emiss to capitalise on the financial bandwidth of PCL for its working capital requirements to drive future growth
- PCL's global sales and engineering network, close relationships with leading OEMs and strong know how in lean manufacturing will help Emiss scale rapidly

STANDALONE P&L STATEMENT



Particulars (In Rs Crore)	Q4FY18	Q4FY17	Y-o-Y %	Q3FY18	Q-o-Q %	FY18	FY17	Y-o-Y%
Revenue from Operations	104.71	123.69	-15.34%	93.04	12.55%	407.87	467.01	-12.66%
Other Income	9.53	7.62	25.04%	3.75	154%	24.60	31.35	-21.55%
Total Revenues	114.24	131.31	-13%	96.79	18.03%	432.47	498.36	-13.22%
COGS	37.14	39.07	-4.94%	25.82	43.84%	127.80	137.75	-7.22%
Gross Profit	67.57	84.62	-20.15%	67.22	0.53%	280.07	329.26	-14.94%
Gross Margin %	64.53%	68.41%	-388 bps	72.25%	-772bps	68.67%	70.50%	-184 bps
Employee Expenses	13.29	18.01	-26.19%	13.40	-0.78%	52.35	63.14	-17.08%
Other Expenses	36.57	41.16	-11.15%	34.95	4.63%	143.76	141.54	1.57%
Excise Duty on Sale of Goods	-	6.59	-100%	-	-	7.32	24.03	-69.54%
EBITDA	27.23	26.47	2.86%	22.61	20.42%	101.24	131.91	-23.25%
EBITDA Margin %	26.00%	21.40%	460 bps	24.31%	170 bps	24.82	28.25	-274 bps
Depreciation	10.72	9.31	15.24%	10.68	0.41%	42.77	37.36	14.47%
Finance Cost	1.02	1.24	-17.53%	1.08	-4.90%	4.71	7.13	-34.01%
PBT	15.48	15.92	-2.78%	10.86	42.61%	53.76	87.42	-38.50%
Tax Expense	6.01	0.31	1828.96%	4.20	42.96%	19.01	26.56	-28.46%
PAT	9.47	15.61	-39.33%	6.65	42.39%	34.76	60.85	-42.89%
PAT Margin %	9.05%	12.62%	-358 bps	7.15%	190 bps	8.52%	13.03	-451 bps
EPS In Rs. (Basic)	1	1.64	-39.02%	0.70	42.86%	3.67	6.42	-42.90%

STANDALONE BALANCE SHEET



(In Rs Crore)

Particulars	Standalone	
	As at March 31, 2018	As at March 31, 2017
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	241.87	215.29
(b) Capital work-in-progress	8.57	8.90
(c) Intangible assets	0.20	0.31
(d) Financial assets		
(i) Investments	73.40	13.05
(ii) Loans	1.89	1.90
(iii) Other financial assets	2.00	11.75
(e) Other non-current assets	10.81	8.02
Total non-current assets	338.73	259.21
II. Current assets		
(a) Inventories	27.00	31.33
(b) Financial assets		
(i) Investments	110.22	89.15
(ii) Trade receivables	82.55	111.05
(iii) Cash and cash equivalents	8.22	16.07
(iv) Bank balance other than (iii) above	141.74	240.86
(v) Loans	0.02	0.02
(vi) Others financial assets	6.12	5.39
(c) Other current assets	11.08	16.87
Total current assets	386.96	510.74
Total Assets	725.69	769.96

(In Rs Crore)

Particulars	Standalone	
	As at March 31, 2018	As at March 31, 2017
Equity		
(a) Equity share capital	94.88	94.79
(b) Other equity		
Securities premium account	216.71	215.83
General reserve	4.72	4.72
Share based payments	2.06	2.60
Retained earnings	251.74	234.00
Other reserve	-	-
Total Equity	570.12	551.95
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	24.86
(c) Deferred tax liabilities (net)	11.49	10.11
(c) Provisions	5.93	4.38
Total non-current liabilities	17.42	39.35
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	21.98	42.38
(ii) Trade and other payables	64.34	70.34
(iii) Other financial liabilities	45.99	57.80
(b) Other current liabilities	0.99	1.95
(c) Provisions	0.97	3.13
(d) Current tax liabilities (net)	3.86	3.06
Total current liabilities	138.15	178.66
Total liabilities	155.57	218.01
Total Equity and Liabilities	725.69	769.96

CONSOLIDATED P&L STATEMENT



Particulars (In Rs. Crore)	FY18	FY17	YoY%
Revenue from Operations	428.61	466.33	-8.09%
Other Income	24.72	31.46	-21.42%
Total Revenues	453.34	497.79	-8.93%
COGS	133.41	137.82	3.20%
Gross Profit	295.21	328.51	-10.14%
Gross Margin	68.87%	70.45%	-157 bps
Employee Expenses	58.17	63.26	-8.05%
Excise duty on sale of goods	7.32	24.03	-69.54%
Other Expenses	149.99	141.99	5.64%
EBITDA	104.45	130.69	-20.08%
EBITDA Margin %	24.37%	28.02%	-366 bps
Depreciation	44.22	37.36	18.36%
Finance Cost	5.18	7.15	-27.50%
PBT & Share of profit of JVs	55.04	86.18	-36.12%
Share of profit of JVs	15.09	10.99	37.27%
PBT	70.13	97.17	-27.82%
Tax Expense	22.81	30.58	-25.42%
PAT	47.33	66.59	-28.93%
PAT Margin %	11.04%	14.28%	-324 bps

CONSOLIDATED BALANCE SHEET



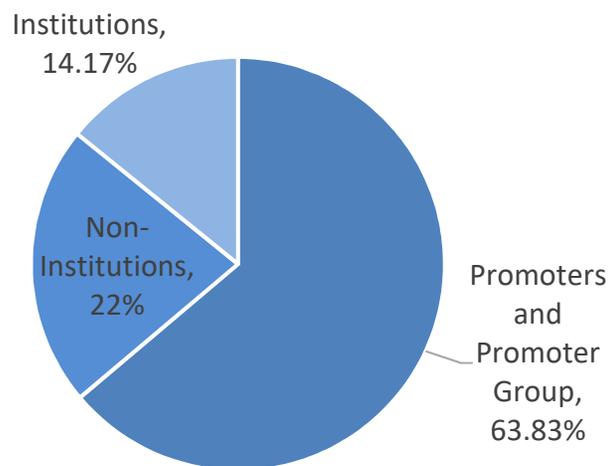
Particulars	Consolidated	
	As at March 31, 2018	As at March 31, 2017
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	314.26	215.29
(b) Capital work-in-progress	8.60	8.90
(c) Goodwill on consolidation	20.96	-
(d) Intangible assets	0.56	0.31
(e) Financial assets		
Investments	44.25	27.47
(ii) Loans	2.06	1.90
(iii) Other financial assets	1.16	11.75
(f) Deferred tax assets (net)	1.19	-
(g) Other non-current assets	11.13	8.02
Total non-current assets	404.18	273.64
II. Current assets		
(a) Inventories	58.92	33.40
(b) Financial assets		
(i) Investments	110.23	89.15
(ii) Trade receivables	111.38	105.23
(iii) Cash and cash equivalents	26.40	16.10
(iv) Bank balance other than (iii) above	141.95	240.88
(v) Loans	0.03	0.02
(vi) Others financial assets	6.92	5.39
(c) Other current assets	13.12	17.47
Total current assets	468.95	507.64
Total Assets	873.13	781.28

(In Rs Crore)

Particulars	Consolidated	
	As at March 31, 2018	As at March 31, 2017
Equity		
(a) Equity share capital	94.88	94.79
(b) Other equity		
Securities premium account	216.72	215.83
General reserve	4.72	4.72
Share based payments	2.06	2.60
Retained earnings	247.91	243.85
Capital reserve	5.85	-
Other reserve	0.31	(3.28)
Non controlling interest	10.78	-
Total Equity	583.23	558.52
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	52.94	24.86
(ii) Other financial liabilities	33.16	-
(b) Deferred tax liabilities (net)	17.29	14.77
(c) Provisions	8.48	4.38
Total non-current liabilities	111.88	44.01
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	22.93	42.38
(ii) Trade and other payables	80.23	70.43
(iii) Other financial liabilities	67.01	57.80
(b) Other current liabilities	2.42	1.95
(c) Provisions	1.16	3.13
(d) Current tax liabilities (net)	4.29	3.06
Total current liabilities	178.04	178.75
Total liabilities	289.92	222.75
Total Equity and Liabilities	873.13	781.28



% Shareholding – 31st March 2018



■ Promoters and Promoter Group ■ Non-Institutions ■ Institutions

Source: BSE

Key Institutional Investors – As on 31st March 2018

SBI Magnum Balanced Fund	7.16%
IDFC Premier Equity Fund	3.43%

About Us



Precision Camshaft Limited (www.pclindia.in; BSE 539636; NSE PRECAM)

Incorporated on June 8, 1992, PCL is one of the world's leading manufacturer and supplier of camshafts, a critical engine component, in the passenger vehicle segment. The company supplies over 150 varieties of camshafts for passenger vehicles, tractors, light commercial vehicles and locomotive engine applications. The company specializes in the small and mid-size passenger vehicles segment and the key client it caters to are GM, Ford, Hyundai, Mahindra, Escorts, Tata, Maruti Suzuki. PCL exports 78% of its total production to 5 continents caters to approx 9% of the global market.

PCL operates through two state-of-the-art manufacturing facilities - an EOU unit and a domestic unit both situated at Solapur, Maharashtra. The EOU unit consists of four foundries and two machine shops and the domestic unit consists of one foundry and one machine shop. PCL has two joint ventures, the first with Ningbo Shenglong PCL Camshafts Company Limited, for machining of camshafts and the second, PCL Shenglong (Huzhou) Specialised Casting Company Limited, for setting up a foundry in China.

In the last 10 years, PCL has supplied over 58 million units of camshafts to different clients located in different geographies such as US, Brazil, the United Kingdom, Germany, Austria, Hungary, Russia, South Korea, Spain, Uzbekistan and China.

For further information please contact:

Mr Ravindra R. Joshi (Director & Chief Financial Officer)
Precision Camshafts Limited
Ph: +020 – 25673050 / 69401114
Email: rrjoshi@pclindia.in

Snighter A / Pratik P
Concept Investor Relations
Mo: +91 9819123804 / 8291510324
Email: snighter@conceptpr.com / pratik@conceptpr.com