



PRITIKA AUTO INDUSTRIES LTD.

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Pritika Auto Industries Ltd Announces Record Consolidated Dispatches in August 2021

Becomes the Largest Machined Castings Manufacturer in North India

Chandigarh, 6th September 2021: BSE and NSE listed Pritika Auto Industries Ltd. Has announced highest ever consolidated monthly dispatches, touching 3450 tons and highest consolidated monthly sales which crossed Rs. 30 crs for the month of August.

Currently, it has three ultra modernstate of art manufacturing units, wherein two are located in Punjab and one in Himachal Pradesh. In addition to these, the company is working towards setting up its fourth plant in Punjab. Pritika has a strong pan India presence and also exports to major clients in the US. With regards to products, they have a diversified portfolio which includes axle housings, wheel housings, hydraulic lift housings, end cover, plate differential carrier, cylinder blocks, crank cases.

Recently,the company had announced highest Monthly sale ever and highest yearly sale on consolidated basis and are now one of the largest company in North India for machined castings.

The company's clientele includes OEMs like M&M, Swaraj, TAFE, Escorts, SML Isuzu, TMTL, Ashok Leyland, New Holland Tractors India Ltd., Brakes India Ltd. As of today, the company has a wide and diversified client base across India and overseas.

Speaking about the expansion plans, Mr. Harpreet Singh Nibber, Managing Director said, "We currently have three manufacturing units across Punjab and Himachal Pradesh with a total production capacity of over 50,000 tons per annum. To cater to the rising demand, the Company plans to expand capacity by 1,500 tons per month, resulting in a capacity of 18,000 pa, through a new manufacturing unit in Punjab – operational from 2023. Thus, we will have a total capacity of 68,000 ton pa by 2023. The new unit would be built on land already owned by the Company and will be fully equipped with the latest technology and machinery, capable of manufacturing the whole gamut of products that the company currently produces. We aim to raise capital of approximately Rs. 35 cr for this new endeavour. Of this, Rs. 25 cr would be for the new plant, while Rs. 10 cr would go into working capital. "

On broader terms, there is a strong outlook in agriculture, backed by a healthy monsoon, is driving demand for tractors. Tractor industry is expected to grow at CAGR of 8-10% during 2017-22 wherein unit sales are expected to reach one million by mid of next decade, registering a 6-7% CAGR. Buoyant agriculture industry is complemented by supportive government initiatives for the agriculture and rural sectors, as well as for the automotive sector. Point worth highlighting here is the government's Automotive Mission Plan (AMP) 2016-26 which will benefit the industry in the multiple ways. This will lead to an increase in



contribution of auto industry in the country's GDP to over 12%. In addition, End of Life Policy would be implemented for old vehicles that will open up new opportunities.”

The company has recently announced their highest ever export sales/dispatches. Speaking about export scenario and emerging opportunities in international markets, the company added, “India exports auto components to several parts of the world, major markets being developed countries such as the US, Germany and UK. Some of the important Asian markets for auto components include Sri Lanka, Bangladesh and Thailand. According to ACMA, exports in auto components sector grew at 8.3% CAGR during 2014-19 to USD 15.17 billion, and are further forecast to reach USD 80 billion by 2026. These are good positive indicators for us.

In recent years, we have won two export orders for casted components from a US based conglomerate, amounting to USD 2 million. Going forward, we aim to further expand such export opportunities and gain recognition among global clients.”

Furthermore, Pritika plans to tap emerging opportunities for exports to global OEMs. In order to cater to this, we already as shared earlier are adding to production capacities. Apart from expansion in global market, we also aim to increase our presence in geographically strategic locations in India. In addition to above, we will continue to focus and keep adding new products in our portfolio.”

About Pritika Auto Industries Ltd:

Incorporated in 1973, Pritika Auto Industries Ltd. has nearly five decades of experience in Tractor/Auto component manufacturing. Currently, it has three plants wherein two are located in Punjab and one in Himachal Pradesh. In addition, the company is working towards setting up one more plant in Punjab. It has a strong pan India presence and also exports to major clients in the US. With regards to products, it has a diversified portfolio which includes axle housings, wheel housings, hydraulic lift housings, end cover, plate differential carrier, cylinder blocks, crank cases.

Catering primarily to tractors and commercial vehicles, Pritika focuses on expanding and diversifying its product portfolio. The Company manufactures a wide range of products such as axle housings, wheel housings, hydraulic lift housings, end cover, plate differential carrier, brake housings, cylinder blocks, and crank cases, among others. Pritika is one of the biggest component suppliers in the tractor segment of the automobile industry in India and supplies to OEMS like M&M Swaraj, Swaraj Engines Ltd, TAFE, Escorts, SML Isuzu, TMTL Ashok Leyland, New Holland Tractors India Ltd., Brakes India etc. The Company's vision is to provide products which meet customer's quality requirement constantly at competitive prices.

The company is listed on Bombay Stock Exchange – Scrip code: 539359 and National Stock Exchange – Symbol: PRITIKAUTO. Bloomberg: PAUTO:IN

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