



# Precision Camshafts Limited

(100% EOU Division)

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



Date: 29<sup>th</sup> May 2019

SEC/MAY/SE/N&B/2019

<b>National Stock Exchange of India Limited,</b> "Exchange Plaza" 5 <sup>th</sup> Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051  NSE Scrip Code - PRECAM	<b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001  BSE Scrip Code - 539636
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**Subject: Press release in connection with Standalone and Consolidated audited financial results for the quarter and year ended 31<sup>st</sup> March 2019.**

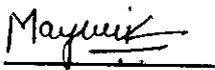
Dear Sir/Madam,

Please find enclosed herewith the copy of Press Release in connection with the Standalone and Consolidated audited financial results of the company for the quarter and year ended 31<sup>st</sup> March 2019.

Thanking you,

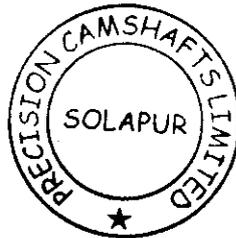
Yours sincerely,

**FOR PRECISION CAMSHAFTS LIMITED**



Mayuri I Kulkarni

Company Secretary & Compliance Officer





## Precision Camshafts Limited

29<sup>th</sup> May 2019, Solapur

Precision Camshafts Limited (PCL) is a leading manufacturer and supplier of camshafts in India and globally. PCL is one of the few global players with technological capabilities across all the manufacturing processes – chilled cast iron, ductile iron, hybrid and assembled camshafts. Precision has announced its Standalone & Consolidated audited Financial results for Fourth Quarter and Year Ended March 31, 2019 results.

### Highlights of Q4 & FY19 Standalone Financials:

Profit and Loss (in Rs. Crs.)	Q4FY19	Q4FY18	YoY	Q3FY19	QoQ	FY19	FY18	YoY
Revenue**	125.9	114.2	10%	112.9	11%	440.6	425.1	4%
EBITDA#	41.6	27.2	53%	26.6	56%	115.5	101.2	14%
EBITDA (%)	33.0%	23.8%	918 bps	23.6%	944bps	26.2%	23.8%	241bps
PAT	20.5	9.5	117%	8.1	153%	42.9	34.8	23%
PAT (%)	16.3%	8.3%	802 bps	7.2%	912bps	9.7%	8.2%	157bps

\*Net of Taxes

# Including Other Income

- Revenue for FY19 increased by 4% to Rs. 440.6 Crores YoY on account of higher volumes and better realizations for our products.
- EBITDA for FY19 increased by 14% to Rs. 115.5 Crores YoY on account of higher volume contribution from more profitable machined camshafts viz-a-viz camshaft castings.
- PAT for FY19 increased by 23% to Rs. 42.9 Crores YoY

### Camshaft Volumes

Volumes (In Mn. Units)	Q4FY19	Q4FY18	YoY	Q3FY19	QoQ	FY19	FY18	YoY
Machined Camshafts	0.59	0.46	28%	0.54	9%	2.08	1.84	13%
Camshaft Castings	1.38	1.57	-12%	1.34	3%	5.36	6.23	-14%
Total Camshafts	1.97	2.03	-3%	1.88	5%	7.44	8.07	-8%

- Our focus is to increase volume contribution from more profitable Machined Camshafts compared to Camshaft Casting which is evident from our performance. As a result: -
  - Machined Camshafts contributed 28.0% to total volumes in FY19 vs 22.8% contribution in FY18 while Camshaft Castings contributed 72.0% to total volumes in FY19 vs 77.2% contribution in FY18.
  - We continue to focus on increasing the product mix towards higher margin Machined Camshafts

### **Highlights of FY19 Consolidated Financials:**

Consolidated FY19 financials include financials of 3 acquisitions namely Memco acquired on 10/10/2017, MFT acquired on 22/03/2018 and E Moss acquired on 17/05/2018, which are part of PCL Consolidation during FY19 and thus are not comparable to FY18 numbers.

Profit and Loss (in Rs. Crs.)	FY19	FY18
Revenue*#	712.9	446.0
EBITDA#	143.8	104.4
EBITDA (%)	20.2%	23.4%
Exceptional Gain/(Loss) ^	(27.3)	-
PAT from Continuing Operations	16.1	46.1

\*Net of Taxes

# Including Other Income

^Exceptional Loss represents Loss due to fair value of Investments, Reversal of Deferred Tax Liability and ESOS as well as Accumulated balance of Foreign Currency Translation reserve

### **Liquidation of PCL (Shanghai) Co. LTD, wholly owned subsidiary**

Phasing out of camshaft castings along with overall auto industry facing challenging times in China making it unsustainable for the company to continue with its operations and therefore it has been strategically decided to shutdown business operations of PCL (Shanghai) Co. LTD within the next 2 Months.

### **Management Perspective**

Commenting on the Results, **Mr. Yatin Shah**, Chairman and Managing Director said, "This year has been a landmark year for Precision in many ways. We have started seeing fructification of new machined camshaft business which is clearly seen in the 23% growth in Standalone PAT from FY18 to FY19. Our three acquired companies are being solidly integrated into the Precision Group and we are exploiting several synergies already. With this performance, we are at over Rs. 700 crore in terms of Revenues while still maintaining a very healthy 20% + EBITDA Margins on Consolidated basis.

Our endeavor is to continue to build on the strong foundations of the 4 group companies and deliver better performance in revenues and profitability in the years to come. We see an exciting future ahead! While we are exiting our China business due to slack in overall Chinese market and poor performance and future of the JVs, our focus is now to strengthen and grow our business in India, Europe, North America and Brazil.

Our team's passion and dedication has led to this achievement and we will strive to deliver extraordinary performance everyday!"

### **About Precision Camshafts Limited (PCL)**

Incorporated in 1992, Precision Camshafts Limited is a leading manufacturer and supplier of camshafts in India and globally. PCL is one of the few global players with technological capabilities across all the manufacturing processes – chilled cast iron, ductile iron, hybrid and assembled camshafts.

PCL manufacture and supply ~8.07 million camshafts across the globe, making them one of the largest independent camshaft manufacturers with marquee customers on board. PCL supplies more than 150

varieties of camshafts for passenger vehicles, tractors, light commercial vehicles and locomotive engine applications with a global market share of ~ 9% in passenger vehicle camshafts.

**Safe harbor statement:**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

**For further details please contact:**

Company	Investor Relations Advisors:
 <p>Precision Camshafts Limited CIN - L24231PN1992PLC067126</p>	<p><b>SGA</b> <u>Strategic Growth Advisors</u></p> <p>Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285</p>
<p><b>Mr. Ravindra R. Joshi – Director &amp; CFO</b> <a href="mailto:cs@pclindia.in">cs@pclindia.in</a> <a href="http://www.pclindia.in">www.pclindia.in</a></p>	<p><b>Mr. Shogun Jain / Mr. Shrenik Shah</b> <a href="mailto:shogun.jain@sgapl.net">shogun.jain@sgapl.net</a> / <a href="mailto:shrenik.shah@sgapl.net">shrenik.shah@sgapl.net</a> +91-77383 77756 / +91-96647 64465 <a href="http://www.sgapl.net">www.sgapl.net</a></p>