



— Since 1983 —

Pitti Laminations Limited

(BSE: 513519, NSE: PITTILAM)

Q2 FY2017 Earnings Presentation
7 November 2016



Disclaimer

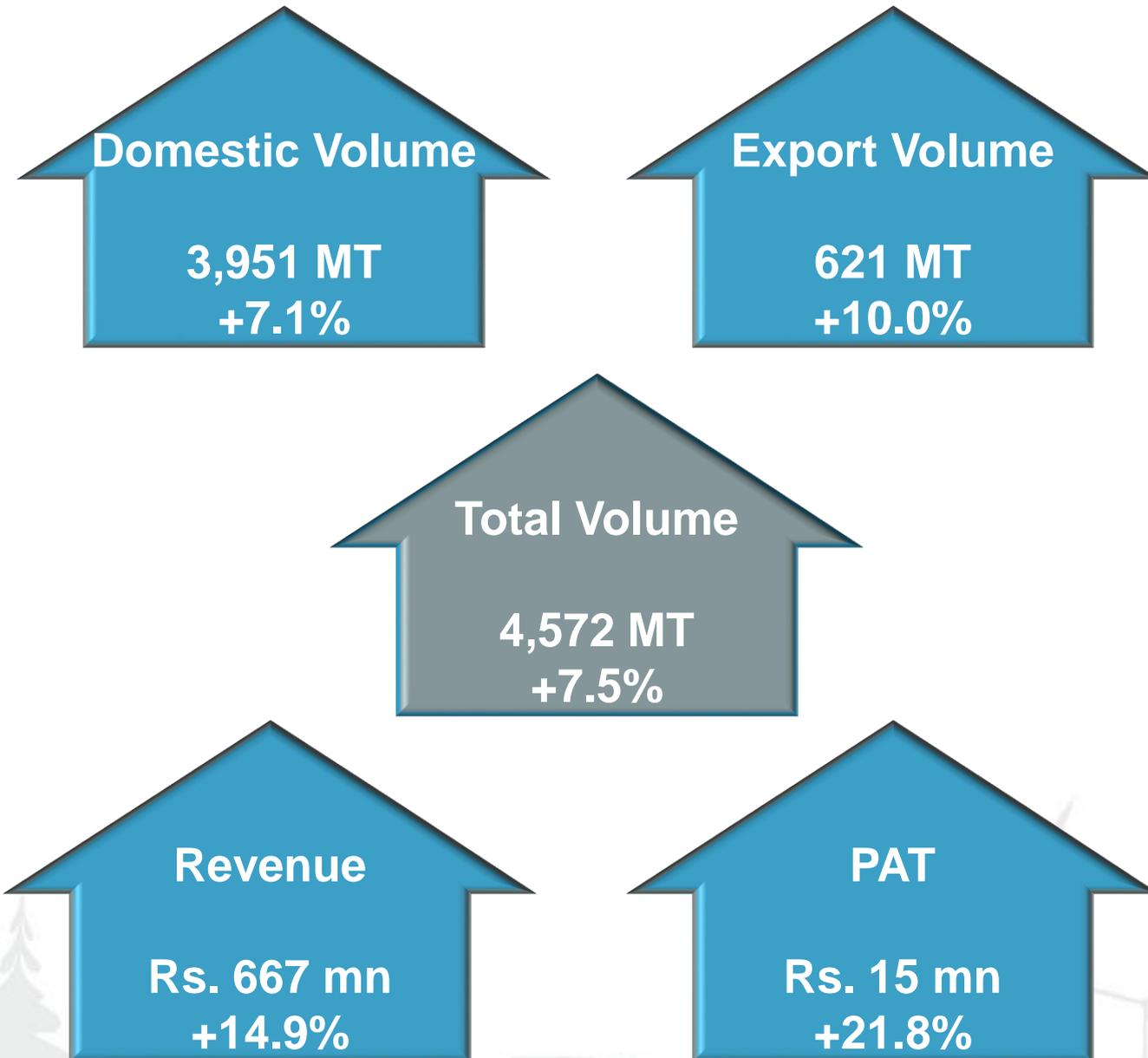
This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Pitti Laminations’ future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Pitti Laminations undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

Conference Call Details: Wednesday, November 9, 2016 at 4:00 PM IST

Dial-In Numbers	
Primary Number	+91 22 3960 0625
Secondary Number	+91 22 6746 8345
The numbers listed above are universally accessible from all networks and all countries	
Toll Free Number	USA: 1 866 746 2133 UK: 0 808 101 1573 Singapore: 800 101 2045 Hong Kong: 800 964 448

Highlights

Q2 FY2017 vs. Q1 FY2017



Management Commentary

Mr. Akshay S Pitti
Vice Chairman and Managing Director



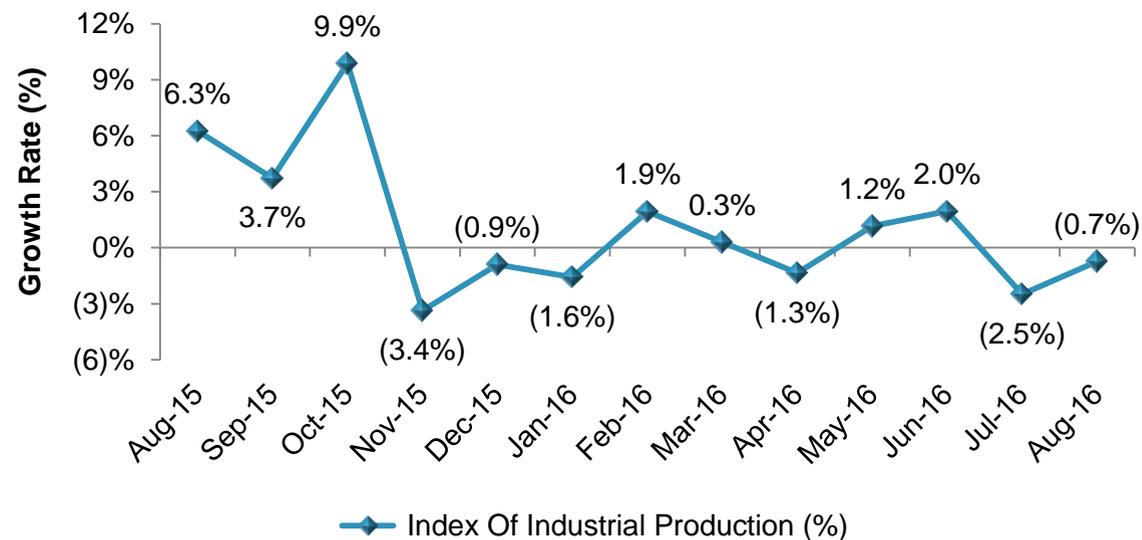
“We are very pleased to let you know that we continued to build on the growth momentum generated over the previous quarter. This is evident from the robust sequential performance reported by Pitti Laminations. In particular, our continued strategic focus on the domestic market supported volume growth. In addition, various initiatives undertaken by the senior management such as cost control, efficiency improvement and better working capital management were key drivers of profitability.

Going ahead, we expect to continue on our growth trajectory coupled with improvement in margins. We have received new orders from customers such as GE India, Crompton Greaves and Siemens which will give a further impetus to our performance in the near to medium term.”

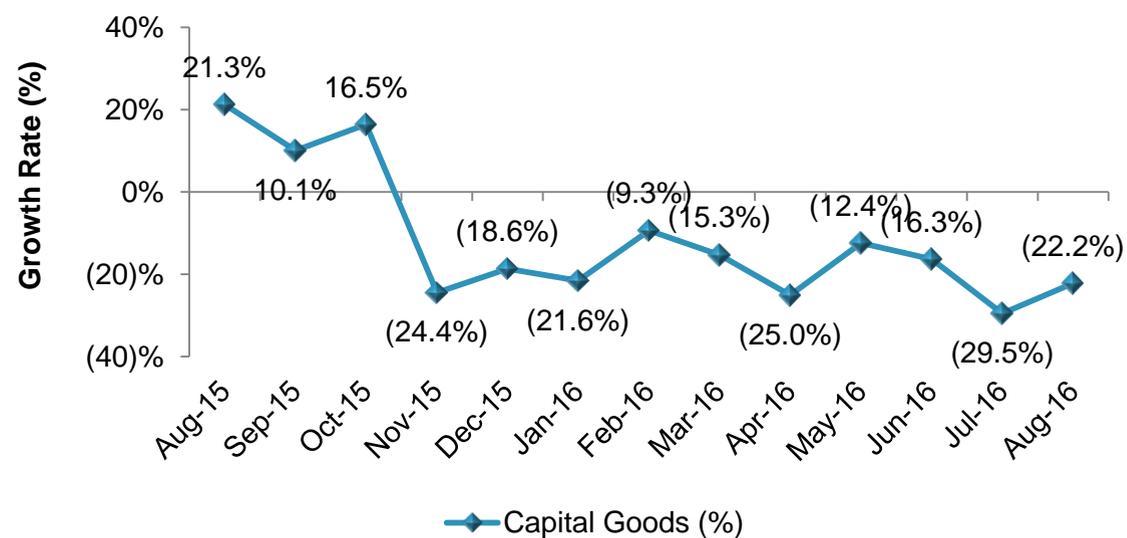
Economy and Industry Update

Macroeconomic Indicators

IIP



IIP – Use Based



Commentary

- Index of Industrial Production (IIP) contracted in Aug 2016 by 0.7% on y-o-y basis primarily due to de-growth in mining and manufacturing output
- Compared to July 2016 IIP benefitted from a sequential improvement in the performance of basic goods, capital goods and consumer non-durables
- The core industries outperformed the overall IIP for the tenth month in a row
- As the reservoirs replenished at the end of the monsoon season, hydroelectricity generation is likely to continue to record strong growth going forward
- Overall, the performance of the IIP in September 2016 is likely to improve q-o-q but remain weaker in y-o-y comparison

Financial Summary

(Rs. Million, unless stated)

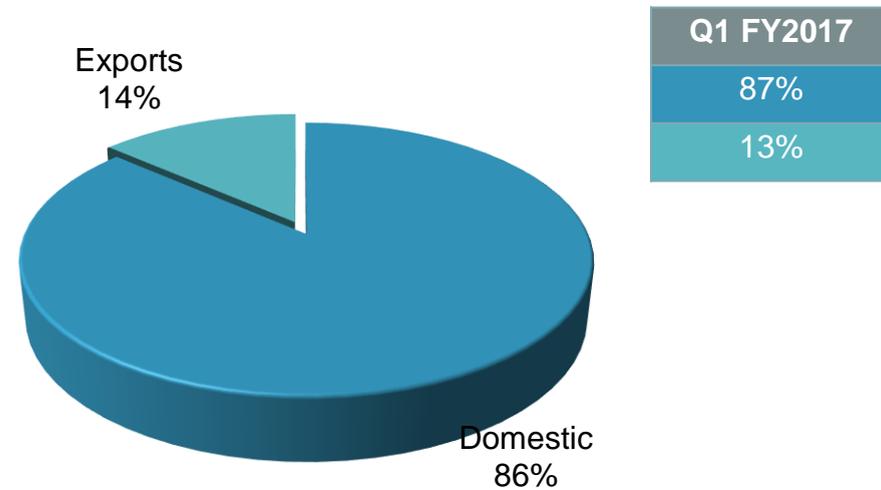
Particulars	Q2		y-o-y Growth	Q1		Half Year		y-o-y Growth
	FY2017	FY2016		FY2017	q-o-q Growth	FY2017	FY2016	
Sales Volume (MT)	4,572	4,737	(3.5)%	4,253	7.5%	8,825	9,845	(10.4)%
Net Revenue	667	781	(14.6)%	581	14.9%	1,248	1,638	(23.8)%
EBITDA	87	32	171.9%	89	(2.1)%	177	126	40.1%
Margin (%)	13.1%	4.1%		15.4%		14.2%	7.7%	
Profit After Tax	15	(28)	nm	12	21.8%	27	(13)	nm
Margin (%)	2.3%	nm		2.1%		2.2%	nm	
Basic EPS (Rs.)	0.56	(1.03)	nm	0.46	22.1%	1.02	(0.47)	nm

Performance Discussion (Q-o-Q)

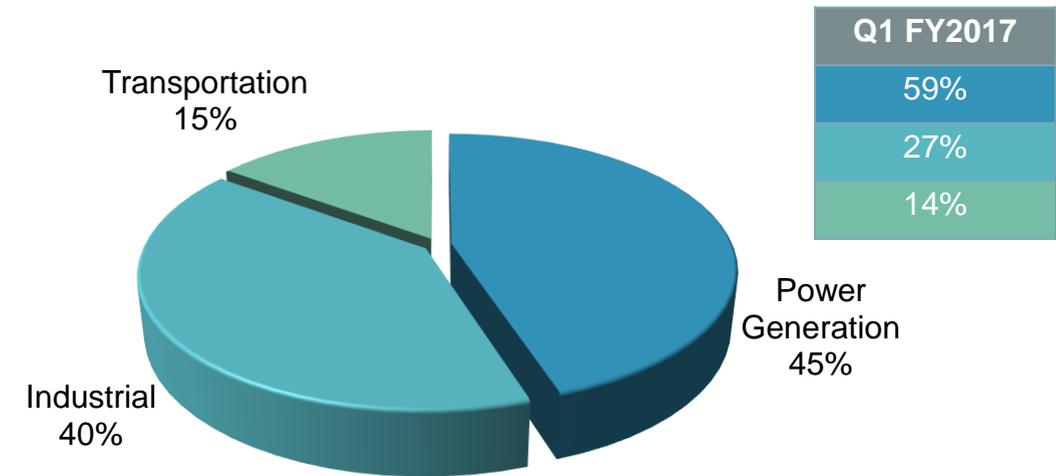
- Overall demand scenario was encouraging during the quarter
- Revenue benefitted from higher volumes and better price realization in both domestic as well as export market primarily on account of increase in base raw material prices and product mix
- Improvement in the profitability at PAT level for the quarter is primarily driven by reduction in finance cost on account of improvement in operating cycle

Operational Performance

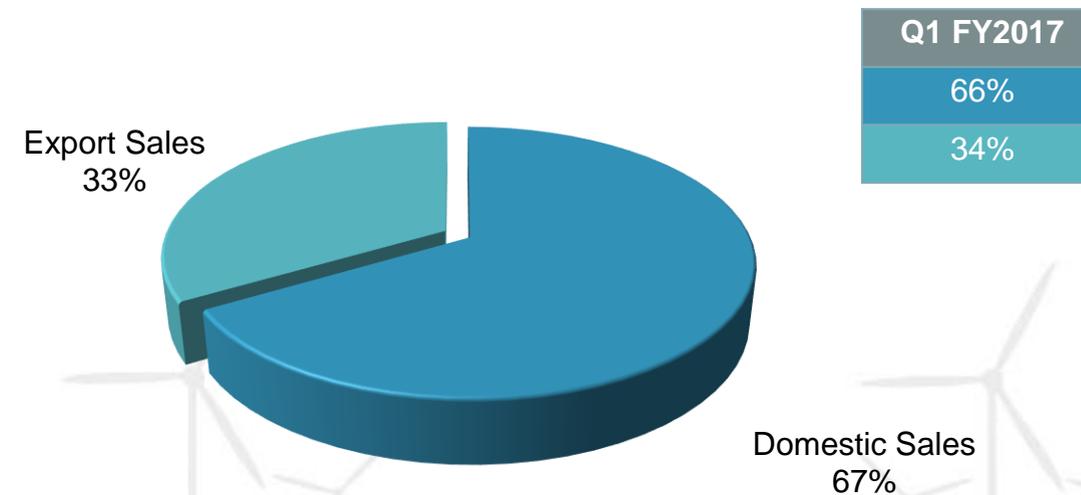
Q2 FY2017 Volume Break-up (4,572 MT)



Q2 FY2017 Volume by End Market (4,572 MT)

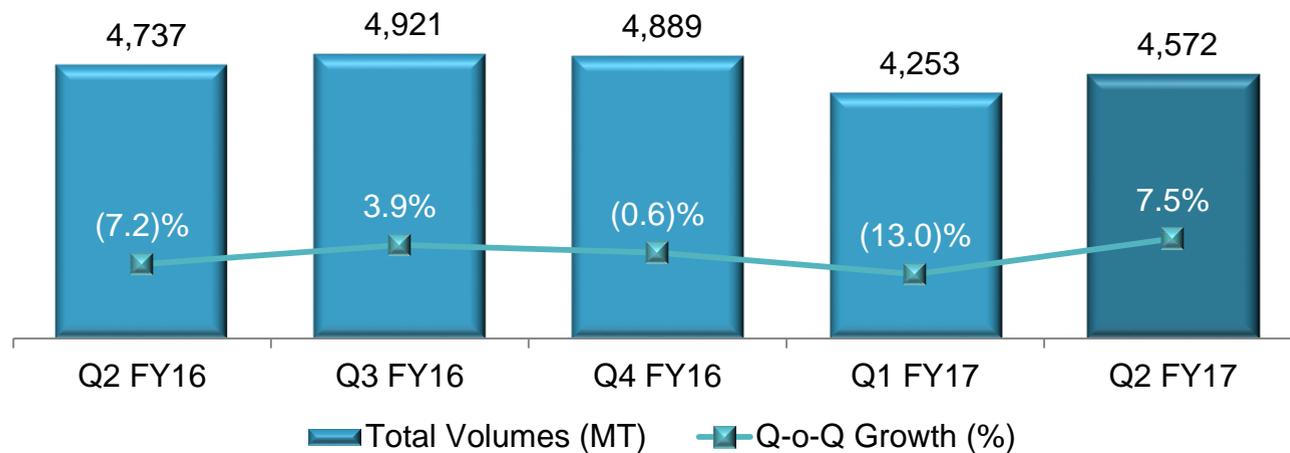


Q2 FY2017 Revenue Break-up (Rs. 667 mn)

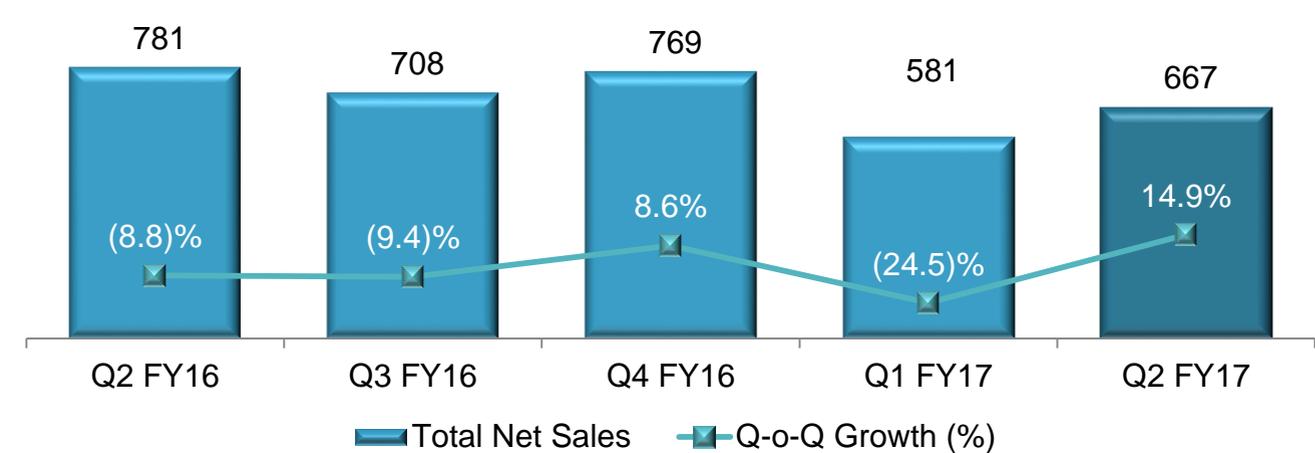


Financial Performance Trend

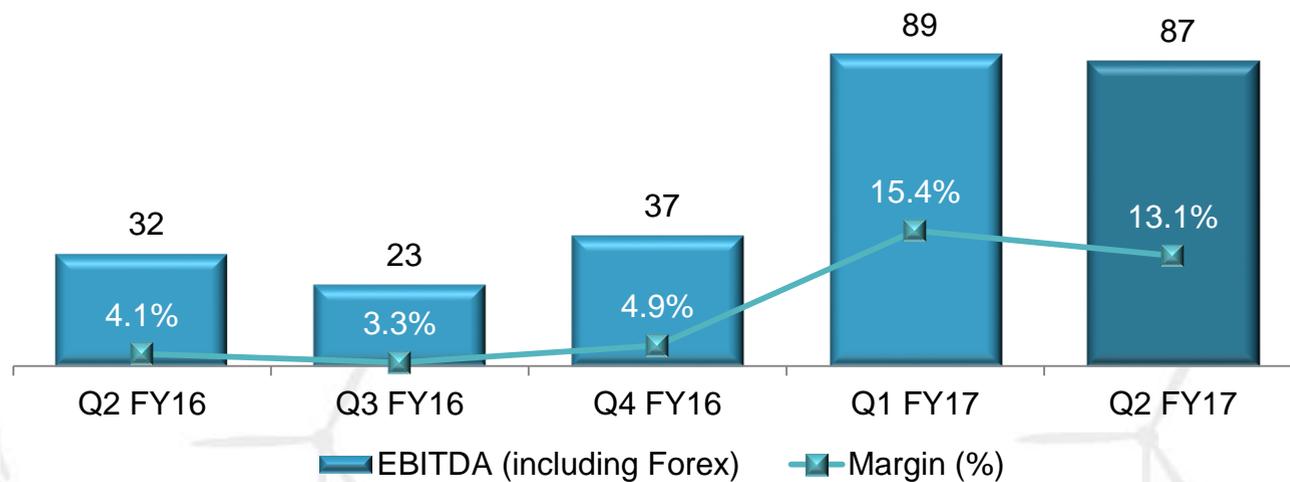
Total Volumes (MT)



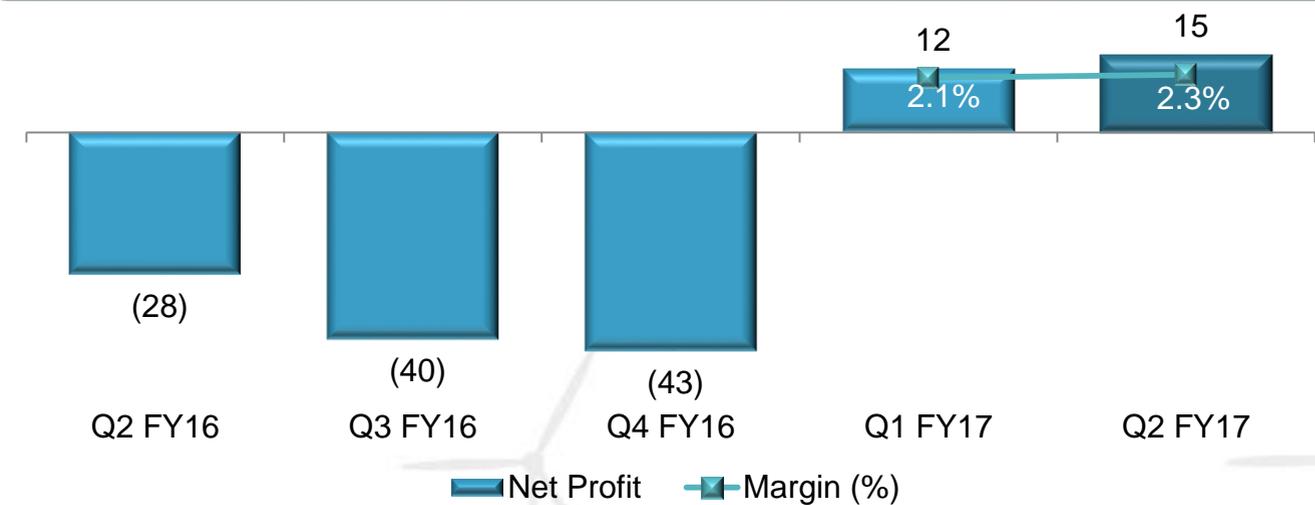
Revenue (Rs. Mn)



EBITDA (Rs. Mn)



PAT (Rs. Mn)

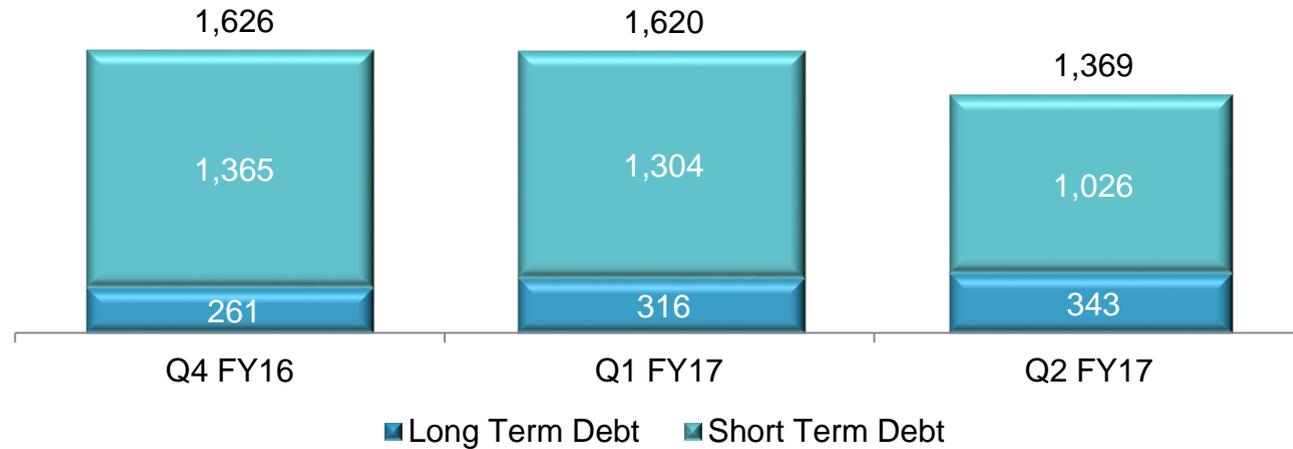


Note:

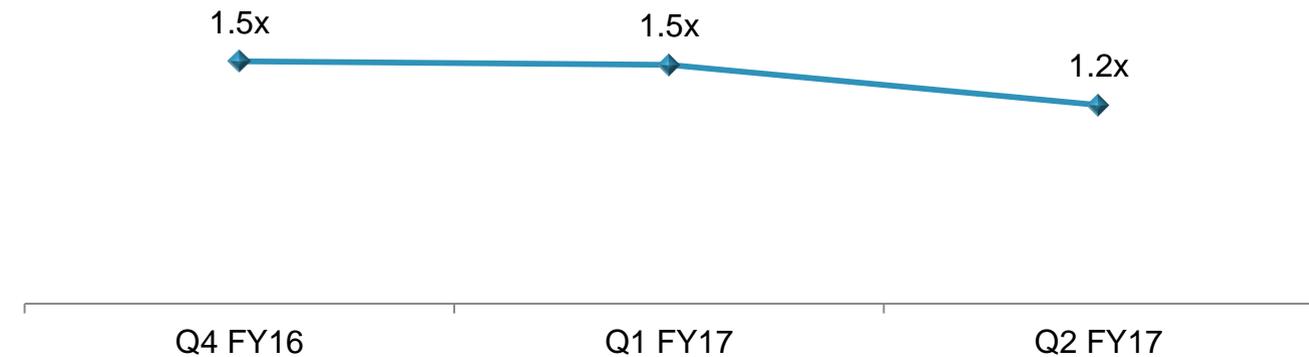
1. EBITDA is Profit from ordinary activities before finance cost, depreciation, exceptional items and includes forex loss / (gain)

Leverage Profile

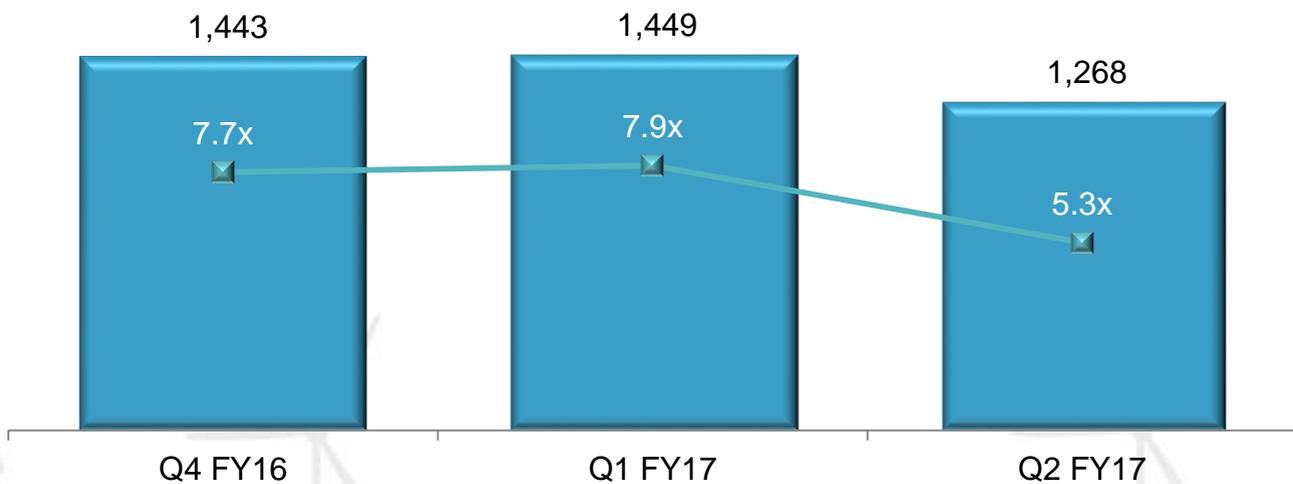
Debt (Rs. Mn)



Total Debt / Equity (x)



Net Debt (Rs. Mn) and Net Debt / LTM EBITDA (x)



- CARE has assigned following ratings to Pitti Laminations bank facilities (August 2016):
 - Long Term Bank Facilities: **CARE BBB+**
 - Short Term Bank Facilities: **CARE A2**
- CARE revised downwards the ratings of the Company on account of subdued operational and financial performance during FY2016

Recent Corporate Developments

Received a contract from GE India amounting to Rs. 500 Crores

- The Company will supply traction motor related products along with some other products to be used in locomotives for catering to the requirements of Indian Railways
- The commercial delivery is expected to start from Q4 FY2018 and will be executed over a period of 10 years within the agreement validity period of 2030

Machined casting business is generating significant interest

- The management is in process to expand the capacity to cater to clients such as GE India, Siemens and Gamesa
- This plant (Plant 4, Hyderabad) is expected to be operational by Q4 FY2017 with capacity of around 72,000 machine hours

Shifting of Pune operation to Aurangabad

- The plan is running as per schedule and is expected to start operations by Q1 FY2018
- This plant will also cater to the new order received from Crompton Greaves to supply 1,000 MT / year for small laminations to be used in ceiling fans

Pitti Laminations - At a Glance

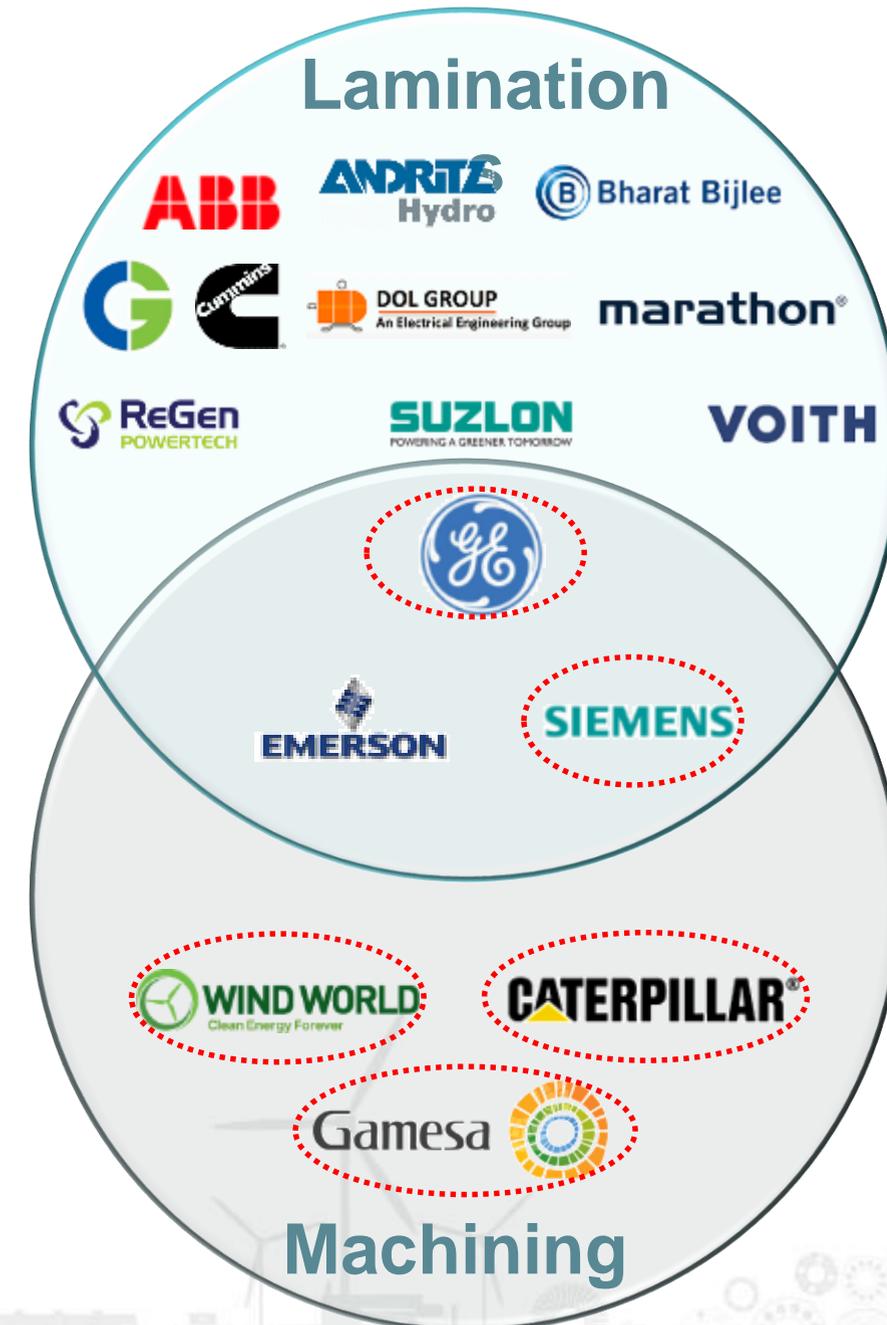
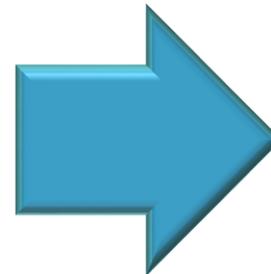
India's only end-to-end product and service provider in the electrical lamination segment

Pioneer for the manufacture of traction motor subassemblies in India

Longstanding customer relationships: Crompton Greaves (27 yrs), Siemens (22 yrs), GE (12 yrs)

First commercial manufacturer of laminations in India certified by BVQI of UK for ISO 9002

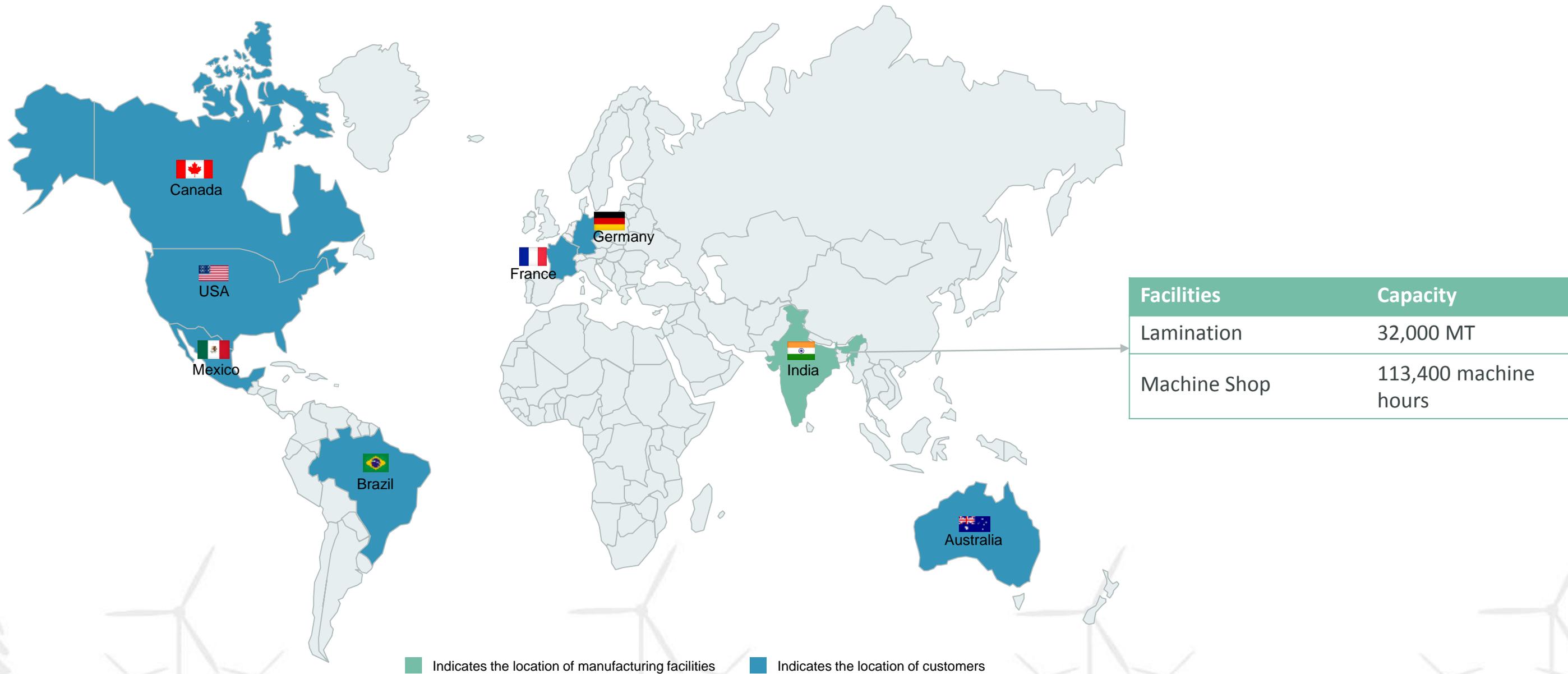
India's only indigenously developed tool room with a portfolio of over 3,400 tools



Products and Services

Product	Description	Application / End-market
Electrical Steel Laminations 	<ul style="list-style-type: none"> • Produces laminations from 50mm to 1,250mm outer diameter • Spacer/vent and glued laminations for hydro/thermal 	 
Die Cast Rotors & Assemblies 	<ul style="list-style-type: none"> • Skew angle rotors upto 540mm OD & 1,000mm height • Riveting or bolting the rotor stacks under hydraulic pressure 	 
Stator Core Assemblies 	<ul style="list-style-type: none"> • Assemblies upto a diameter of 2,000mm with circular and cleating / welding / riveting of assemblies 	 
Rotor Core Assemblies 	<ul style="list-style-type: none"> • Supplies ready to use assembled rotor cores with stacking 	
Pole Assemblies 	<ul style="list-style-type: none"> • Assembled pole bricks with stacking under hydraulic pressure with end castings 	
Casting & Machine Components 	<ul style="list-style-type: none"> • Machine shop that can handle range of precision machined applications 	

Global Presence



Leadership

Management Team

Sharad B Pitti
Chairman and MD

Akshay S Pitti
Vice Chairman and MD

N K Khandelwal
CFO

Sandip Agarawala
Head, Marketing

Praveen K
Head, Manufacturing
(Hyderabad)

Vikas Hinge
Head, Manufacturing
(Maharashtra)

Rishab Gupta
Head, Strategic Sourcing

Board of Directors

Sharad B Pitti
Chairman and MD

Akshay S Pitti
Vice Chairman and MD

N R Ganti
Management Consultant

G Vijaya Kumar
Senior Advocate, AP High Court

M Gopala Krishna
Retired IAS

Gayathri Ramachandran
Retired IAS

S Thiagarajan
Chartered Accountant
Ex-Director (Finance),
NMDC Limited

■ Executive
Director

■ Independent
Director



— Since 1983 —

PITTI LAMINATIONS LIMITED

6-3-648/401, 4th Floor, Padmaja Landmark,
Somajiguda Hyderabad 500082. Telangana, India.

Ph: 91-40-23312770, 23312774

Fax: 91-40-23393985

E-mail: info@pittilam.com

Website: www.pittielectriclam.com

CIN: L29253TG1983PLC004141

N. K. Khandelwal, CFO
Pitti Laminations

nk.khandelwal@pittilam.com
+91 40 2331 1164

Bijay Sharma / Ajay Tambhale
Churchgate Partners

pittilam@churchgatepartnersindia.com
+91 22 6169 5988

