



— Since 1983 —

Pitti Laminations Limited
(BSE: 513519, NSE: PITTILAM)

Investors Presentation
June 2017



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Business Overview



Business Overview

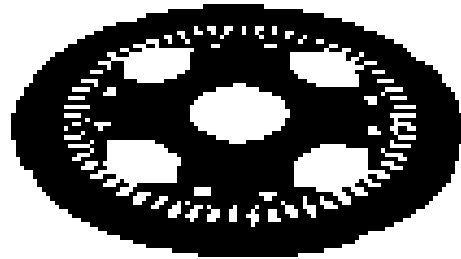
India's only end-to-end product and service provider in the electrical lamination segment

- India's largest manufacturer of Electrical Steel Laminations, Motor Cores, Sub-Assemblies, Die-Cast Rotors and Press Tools
- Largest exporter of laminations from India
- Diversified into manufacturing of Castings, Steel Fabricated Parts and machined components stator and rotor assemblies with plans of diversifying into forgings
- Present installed capacity is 32,000 TPA of laminations and is being expanded further, in stages to 50,000 TPA
- First commercial manufacturer of laminations in India certified by BVQI of UK for ISO 9002; In process of being certified to ISO-14001



Products and Services

Diversified product portfolio catering to various end markets



Electrical Steel Laminations

- Produces laminations from 50mm to 1,250mm outer diameter
- Spacer/vent and glued laminations for hydro/thermal



Die Cast Rotors & Assemblies

- Skew angle rotors upto 540mm OD & 1,000mm height including end rings and fins
- Riveting or bolting the rotor stacks under hydraulic pressure



Stator Core Assemblies

- Assemblies upto a diameter of 2,000mm with circular and segmental laminations and cleating / welding / riveting of assemblies



Rotor Core Assemblies

- Supplies ready to use assembled rotor with stacking



Pole Assemblies

- Assembled pole bricks with stacking under hydraulic pressure and welding / core bolting with end castings



Casting & Machine Components

- Machine shop that can handle range of precision machined components for different applications

Timeline

Journey from laminations manufacturer to an integrated engineering solutions provider



Started Production with a capacity of 2,500 TPA

Expanded Capacity to 6,000 TPA

Expanded Capacity to 10,000 TPA

Expanded Capacity to 25,000 TPA

Lamination Capacity Expanded To 32,000 TPA

Acquisition of foundry units for manufacturing of iron & steel castings up to weight of 3.5MT (single piece) by the promoter group

TPG approval for manufacture of NDT 3 yrs agreement for T4 parts signed with GE

Signed a multi-year contract with GE for supply of products to be used into Indian Railways Locomotives worth Rs. 500 cr.

Setting up plant in Aurangabad

Setting up machine castings plant in Hyderabad



Motor Manufacturing Process

Presence across the value chain of motor manufacturing

Housing

Raw castings from foundries are shot blasted and painted. They are rough machined, at which point casting defects such as blow holes and porosities are detected.

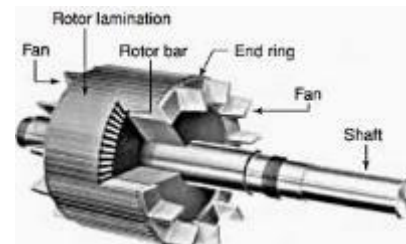


Rotor Assembly

The rotor assembly consists of a stack of laminations of high quality electrical steel, which is filled with a conducting material such as aluminum or copper.

It includes:

- Rotor Laminations
- Shaft (built-up or cast)

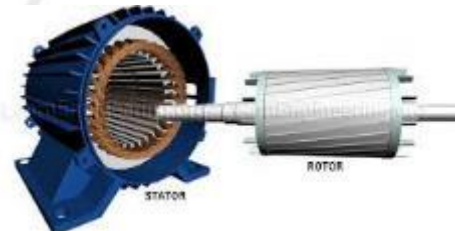


Stator Assembly

In most motors, the inner assembly is the rotating one and the outer one is the stationary one, called the stator assembly.

It includes:

- Stator Laminations
- Stator Windings



End Shield Assembly

There are a number of other cast components which have to be machined to support and enclose the motor assembly from either side. The assembly operation for motors involves putting the rotor assembly inside the stator assembly, fixing bearings to the shaft, adding the end shield covers and attaching the electrical connections and installation elements.



Painting, Testing & Packing

These are routine operations, although the testing operation can be quite rigorous and lengthy depending on the type of performance features demanded of the motor.



Clients

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

Laminations



ABB

ANDRITZ
Hydro

Bharat Bijlee

GE

Crompton Greaves

DOL GROUP
An Electrical Engineering Group

EMERSON

GE

marathon®

ReGen
POWERTECH

SIEMENS

SUZLON
POWERING A GREENER TOMORROW

VOITH

Machining



CATERPILLAR®

EMERSON

Gamesa

GE

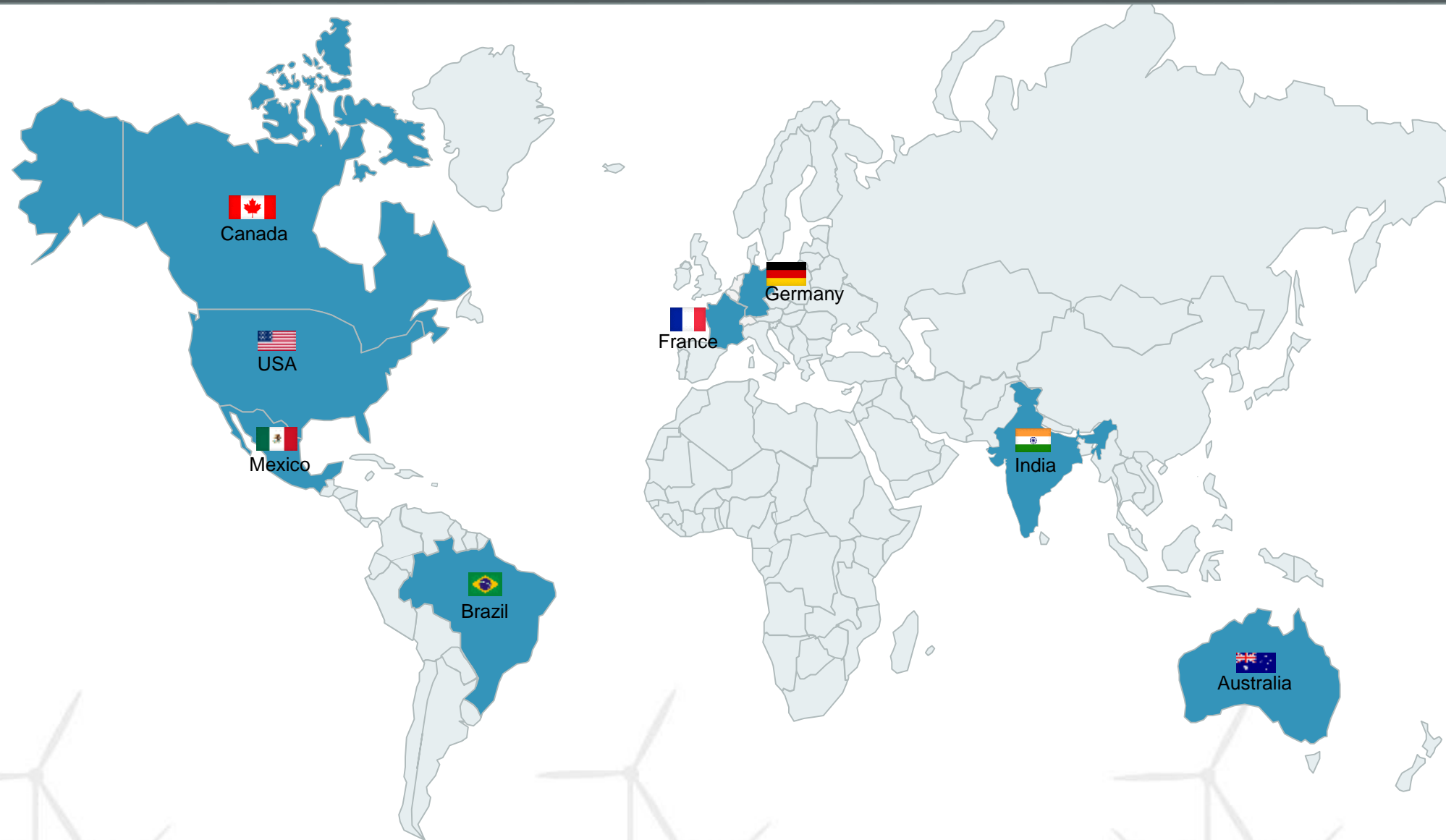
SIEMENS

WIND WORLD
Clean Energy Forever

Note: Capterpillar, Gamesha, GE, Simens and Wind World are end customers of Pitti Castings for whom work is executed by Pitti Laminations' machining division; GE and Emerson are also direct customer of Pitti Laminations' machining division

Global Presence

Strong client base across the globe

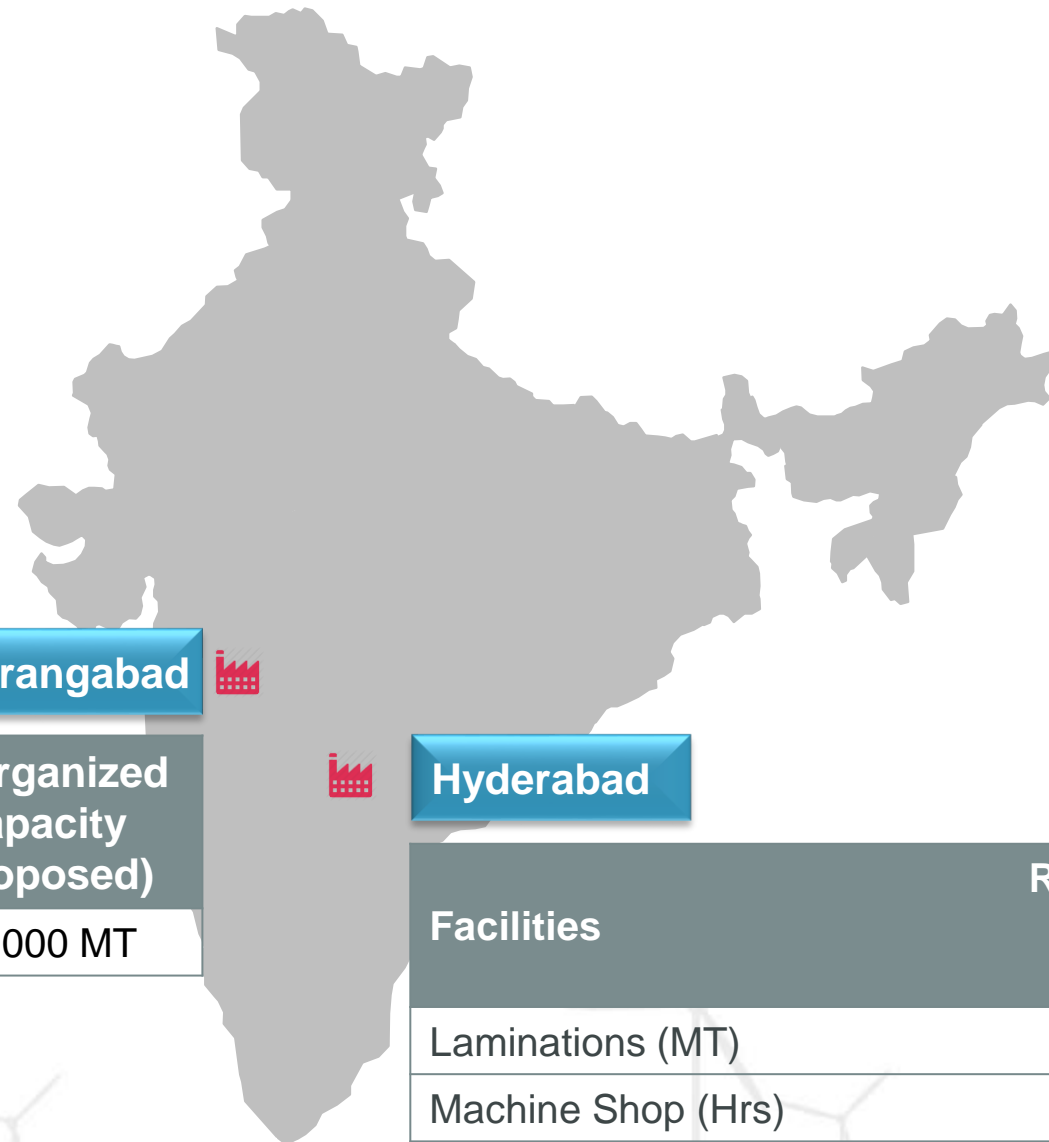


■ Indicates the location of customers



Manufacturing Facilities

Strategically located manufacturing facilities



Aurangabad



Hyderabad



Facilities	Reorganized capacity (Proposed)
Laminations	26,000 MT

Facilities	Reorganized capacity (Proposed)
Laminations (MT)	8,000
Machine Shop (Hrs)	1,85,400
Tool Room (Hrs)	46,000

Located at industrial hubs

Nearer to source of raw material

Closer to customers

Lower logistic cost

Availability of skilled workforce

Segment Overview



Segment Overview

Laminations

Overview

- Cold rolled non oriented silicon steel is used for manufacture of stator and rotor laminations in thickness varying from 0.35 to 1mm
- Punches and dies are made out of high carbon, high chromium steel; hardened and precision machined for consistent quality
- Tool-room is equipped with state-of-the-art machines to manufacture hardened and precision ground punches and dies

Slitting / Cutting



Punching and Notching



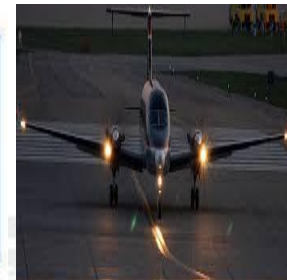
Cleating, Welding And Riveting



PLL Advantages

- Electrical motors are used extensively in every sphere and is poised to grow year-on-year
- Pitti laminations (PLL) is the only Company that provides specialized stator cleated, welded directly for winding by the motor manufacturers
- PLL provides assembled rotors or die-cast rotors which directly go into assembly in the motor

End Market



Segment Overview

Casting (Through Promoter Group Company)

Overview

- Operates through its group Company Pitti Castings, a state of the art eco friendly and ISO certified foundry
- Manufactures ductile iron, gray iron and plain carbon and stainless steel castings
- Has capacity of 1,000 MT per month for iron and 600MT per month of steel

PLL Advantages

- Expertise in making critical and metallurgically challenging grades of iron and steel castings, e.g. sub zero temperature ductile iron grades for the wind mill application
- Capability to process various grades of iron, steel and alloy steels
- Blue-chip clientele geographically spread across countries such as Canada, the UK and the US



End Market



Segment Overview

Machining

Overview

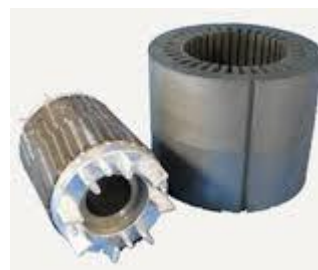
- State-of-the-art machines for machining large castings such as vertical turret lathe, horizontal machining center, horizontal boring machine and computer numerical control
- Also has state-of-the-art coordinate measuring machine (CMM) for precisely measuring the machined castings to meet customer requirements

PLL Advantages

- Has precision machines required for machining of large castings, fabricated frames that have application in various industries
- The Company's products have consistent quality due to its CMM machines
- PLL is the best supplier for large machined parts



End Market



Growth Drivers



Strategic Initiatives

Promising future outlook driven by multiple strategic initiatives

Order win from GE India, Siemens and Gamesa

New expansion in machine shop at Hyderabad
Plant IV

Setting up of new facility at Aurangabad

Expanding presence in domestic market in small
lamination and fan segment

Better product mix and technology upgradation

Leadership



Experienced Management Team



Sharad B Pitti
Chairman and MD

He has experience of over 32 years of experience in the laminations industry. He is also Chairman of Pitti Electrical Equipment, Pitti Components, Pitti Castings and Pitti Holdings



Akshay S Pitti
Vice Chairman and MD

He plays a pivotal role in adding various prestigious clients for export business. He is also Director of Pitti Electrical Equipment, Pitti Components, Pitti Castings and Pitti Holdings



N K Khandelwal
CFO

He has experience of over 24 years in management positions for finance and operations across diverse industries. Responsible for financial planning, control, information technology, ERP and SAP implementation



Sandip Agarawala
Head, Marketing

He is a Post Graduate in Business Administration. He has 16 years of experience in the field of Marketing and Business Development matters. He is on the Board of Pitti Castings Private Ltd



Rishab Gupta
Head, Strategic Supply Chain Management

He is Post Graduate in Business Administration. He has rich experience in the field Supply Chain Management.



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

S Thiagarajan
Chartered Accountant
Former Director (Finance),
NMDC Limited

Gayathri Ramachandran
Retired IAS

 Executive Director

 Independent Director

Audit Committee

Name	Status	Independent
S Thiagarajan	Chairman	✓
N R Ganti	Member	✓
G Vijaya Kumar	Member	✓

Remuneration Committee

Name	Status	Independent
N R Ganti	Chairman	✓
G Vijaya Kumar	Member	✓
S Thiagarajan	Member	✓

Financial Overview

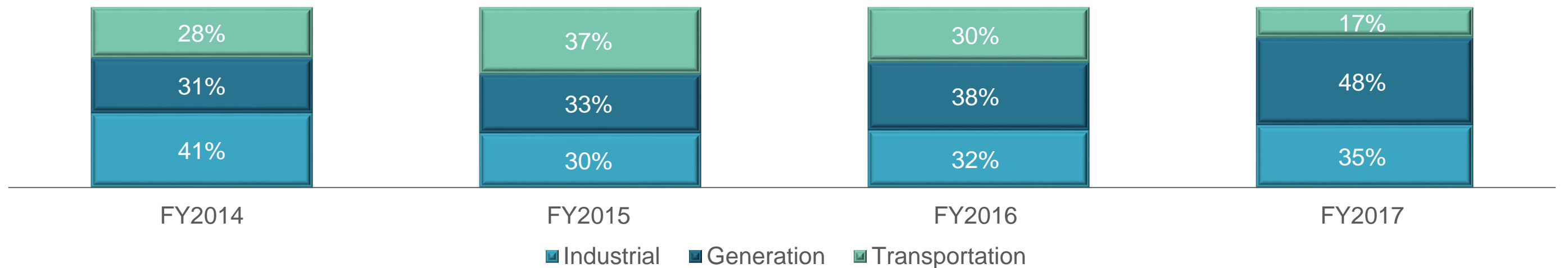


Volume Trend

Total Volumes (MT) – Geographic Breakdown

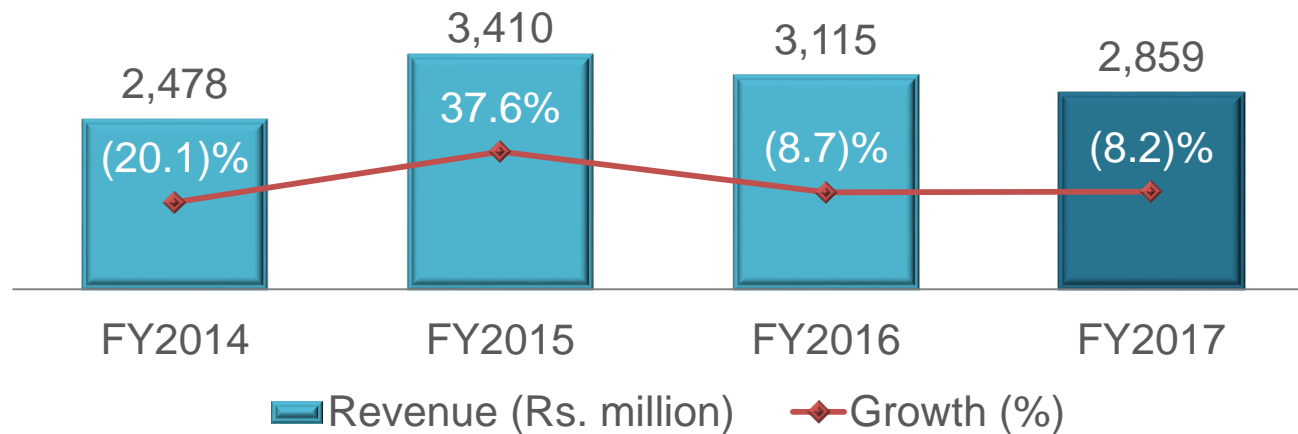


Total Volumes (MT) – End-Market wise Breakdown

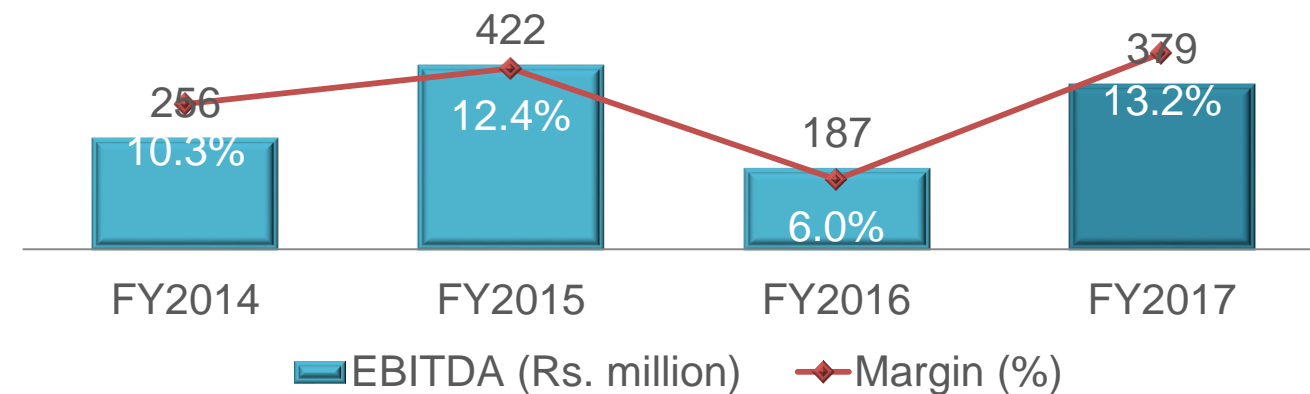


Financial Performance Trend

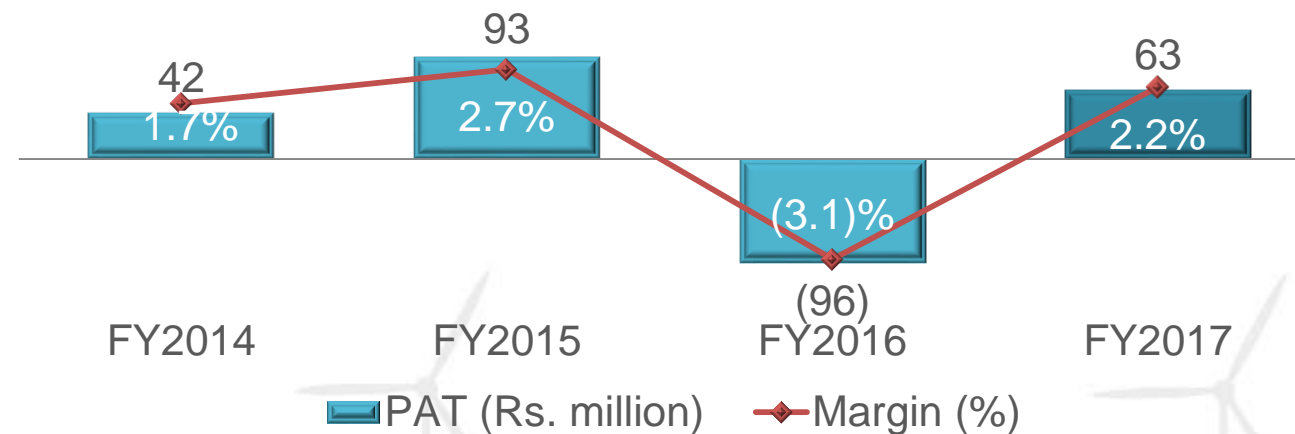
Revenue (Rs. Mn)



EBITDA (Rs. Mn)



PAT (Rs. Mn)

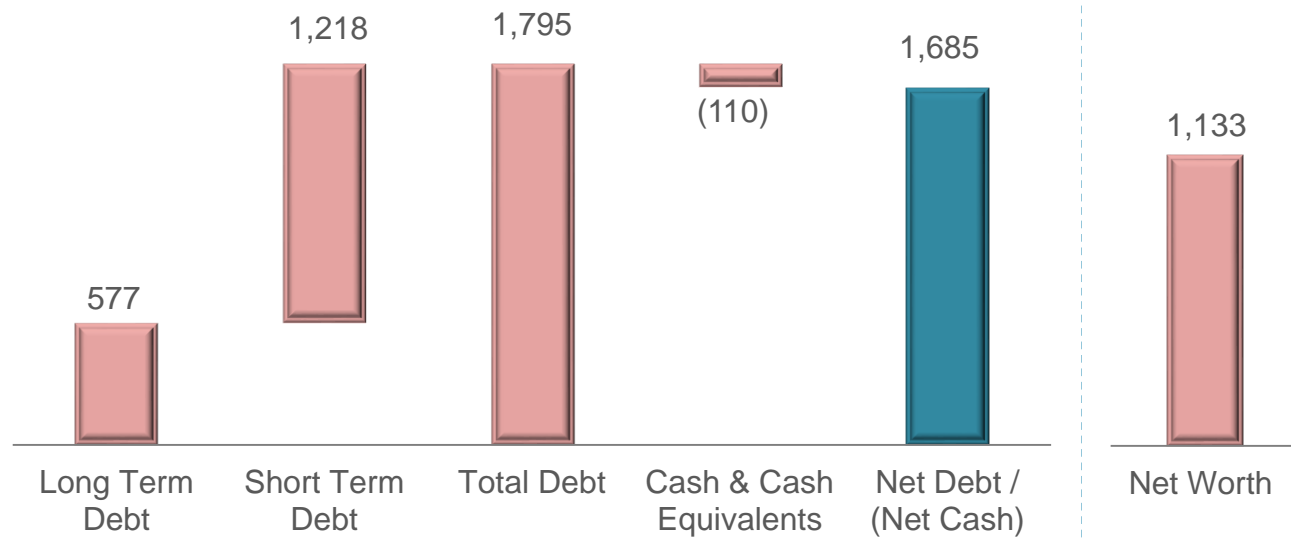


Note:

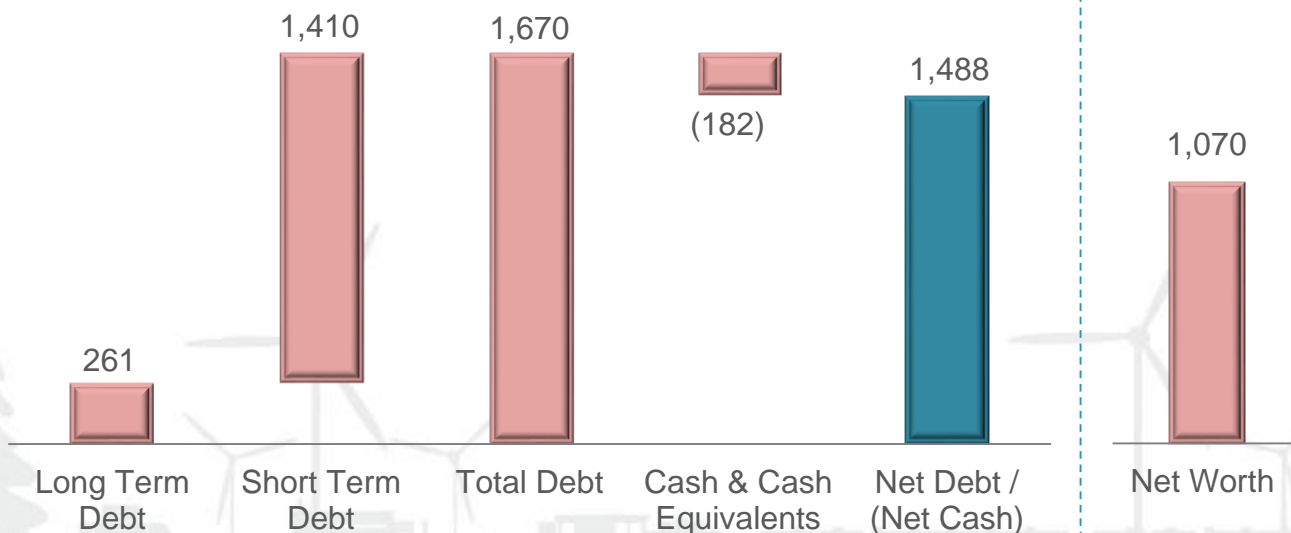
1. EBITDA is Profit from ordinary activities before finance cost, depreciation, exceptional items and includes forex loss / (gain)

Leverage Profile

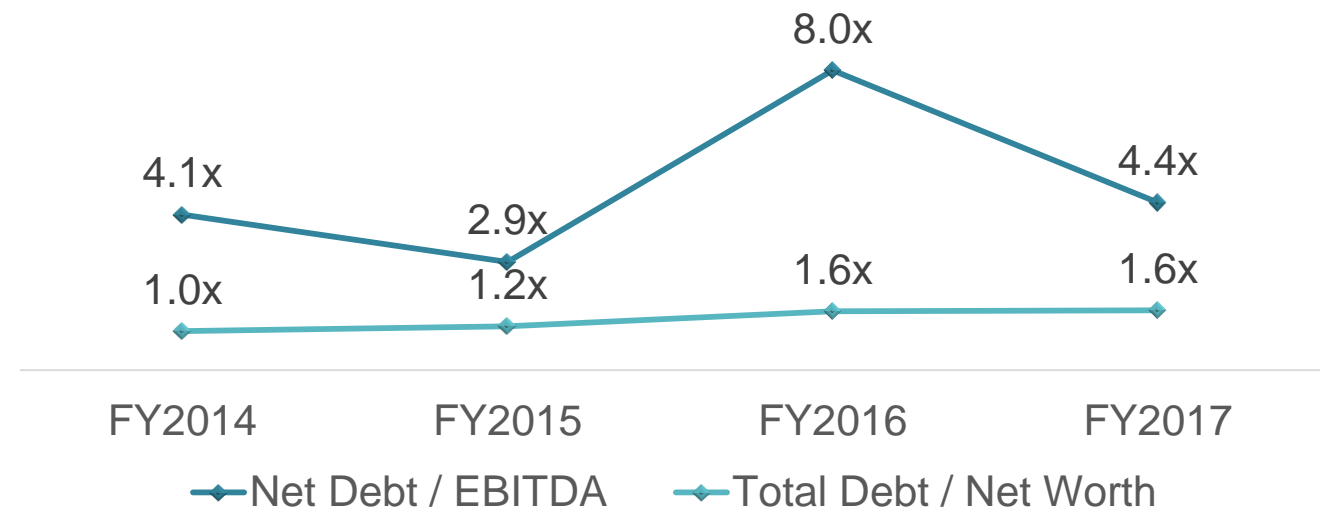
March 2017



March 2016

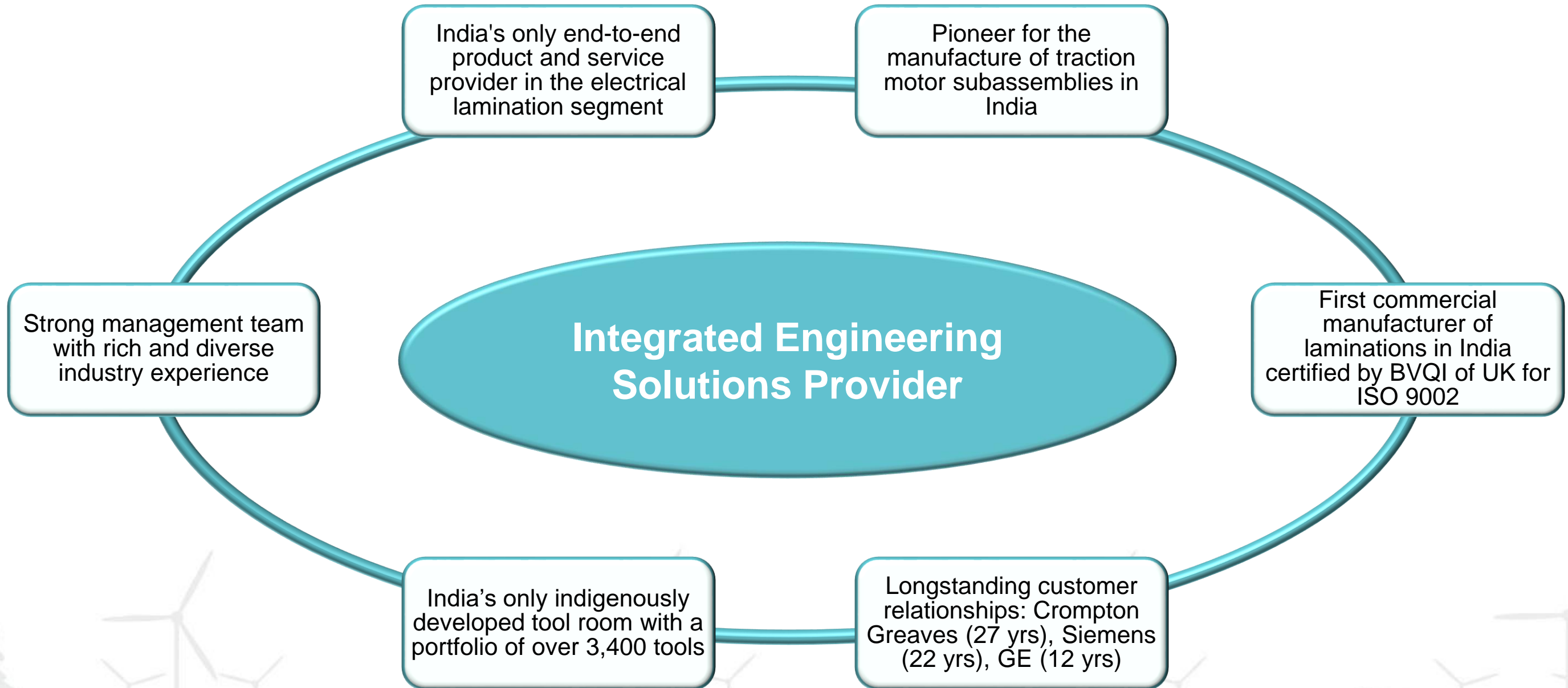


Total Debt / Equity (x) and Net Debt / EBITDA (x)



- CARE has assigned following ratings to Pitti Laminations bank facilities (August 2016):
 - Long Term Bank Facilities: **CARE BBB+**
 - Short Term Bank Facilities: **CARE A2**

Key Takeaways



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.



— 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@churchgatepartners.com
+91 22 6169 5988

