



PRICOL LIMITED
Passion to Excel

Annual Report 2022



Technology At The Core
People At The Fore

DISCLAIMER

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Forward looking statements involve known and unknown risks, contingencies, uncertainties, market conditions and other factors which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. The Company disclaims any obligation or liability to any person for any loss or damage caused by errors or omissions whether arising from negligence, accident or any other cause.

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Forward-looking Statements

In this Annual Report we may have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Pricol Limited is one of India's leading automotive components and precision engineered products manufacturers head quartered in Coimbatore. Pricol commenced its operations in the year 1975 in Coimbatore, South India and today it strides as a reputable global brand in the automotive component and products business, highly recognized by top automotive OEMs across the world.

The company carries out its business and operations in Driver Information Systems and Sensors, Pumps and Allied Products, Telematics and Wiping Systems catering to leading automotive OEMs in Two / Three

Wheeler, Passenger Vehicles, Commercial Vehicles, Farm Equipment and Offroad Vehicles across India and in International Markets (45+ countries) with 2000+ product variants.

Today the company has 7 manufacturing plants across Coimbatore, Manesar, Pantnagar, Pune and Sricity in India, 1 manufacturing plant in Jakarta, Indonesia and 1 subsidiary in Satara in India, with 2 international offices in Tokyo, Japan and in Singapore. Pricol Group is powered by 5000+ strong, dedicated workforce which resolutely pursues the mission to be PASSIONATE, SUSTAINABLE, DYNAMIC and EVOLVING.



Our Mission

We will strive to attain leadership and excellence in all the products and services that we provide, through socially and environmentally acceptable means.



Our Values

Be Dynamic

Constantly innovate and find better ways to deliver value to our customers

Constantly Evolve

Improve in every sphere of our activity

Work Passionately

To enhance value to our customers, employees, suppliers and shareholders

Be Sustainable

Care for the society and environment around us



Our Vision

Passion

Whatever we do, we do it from the bottom of our heart.

Respect

We respect those who add value to our lives.

Integrity

We never compromise on our values.

Collaboration

We believe in working towards a unified goal.

Ownership

We are responsible for all our actions.

Listen

We listen to both the spoken and unspoken before we act.

PRICOL'S PRESENCE



Plant Locations

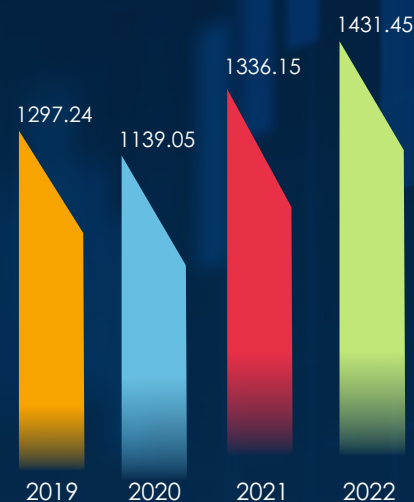


International Offices

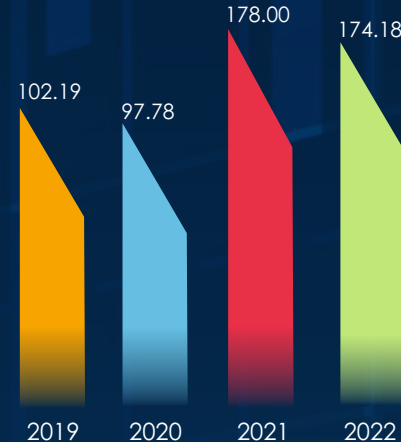
All Value in INR(₹) Crs

All Value in INR(₹) Crs

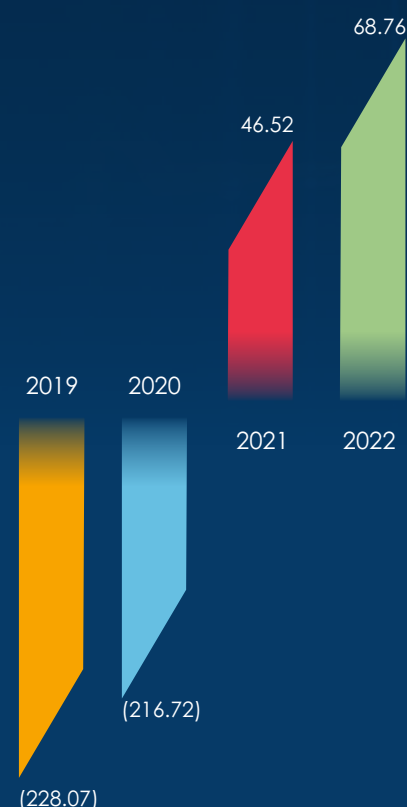
Revenue From Operations



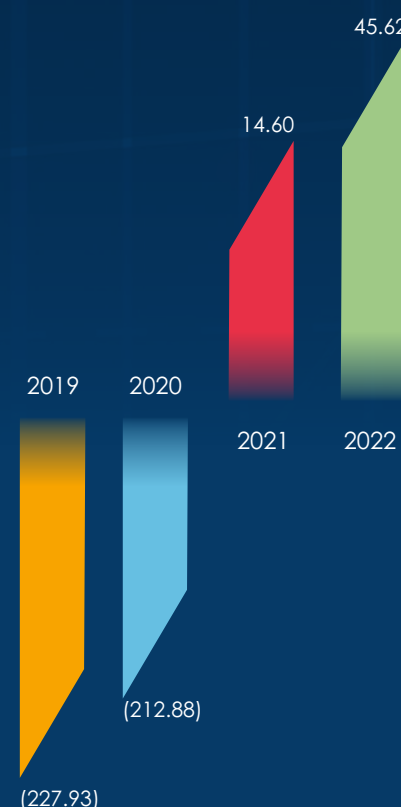
EBITDA



Profit Before Tax



Profit After Tax



PERFORMANCE HIGHLIGHTS

	REVENUE		EBITDA
Standalone	1,431.45	Standalone	174.18
Consolidated	1,500.07	Consolidated	189.40
	PROFIT BEFORE TAX		ROCE (%)
Standalone	68.76	Standalone	12.24
Consolidated	80.28	Consolidated	13.52
	FREE CASH FLOW		CASH RESERVES
Standalone	98.19	Standalone	2.55
Consolidated	112.26	Consolidated	50.15
	OVERALL CURRENT DEBT		
Standalone	126.45		
Consolidated	128.06		

Despite tough market conditions, at a consolidated level,

Cash generated from operations is ₹ 161.56 Crores in FY 22 as against ₹ 75.60 Crores in FY 21

Long terms borrowings is reduced to ₹ 125.15 Crores in FY 22 as against ₹ 244.86 Crores in FY 21



Since our inception, Pricol has always been a symbol of holding its values, vision, and mission in high regard along with our perusal to achieve excellence in all that we do. Staying true to that core, we commit ourselves to create value for all our stakeholders, i.e. customers, suppliers, shareholders and employees, and the community at large.

This year we have largely focussed on two key aspects for charting our growth story – Technology and People

Technology is becoming a driving force of change across all sectors and automotive industry has seen a its fair share of technology disruption. Right from our earlier years, we have been embracing the changes positively to stay ahead of the curve. Today, we are at the forefront of innovation in our sector with cutting edge work carried out by our team complemented with strategic partners to deliver best-in class products and solutions. We have already become

EV ready in our class of products and solutions and further enhancing our portfolio through select partnerships. With such building blocks in place, we are committed to grow our business with strong technology footprint and further augment our leadership in our sector.

People are the greatest strengths of any organization and we acknowledge the fact that we have one of the best human minds associated with us for decades. Pricol has always been known to take good care and interests in their people and recognized as one of the best places to work for. With our aspirations to provide the best work environment at all times, we are reinventing ourselves and moving beyond our legacy thinking to stay relevant in today's time with renewed policies and programs so as to amplify value generation to our people. We stay committed to enhance the well-being of our people in all fronts at all times.

At Pricol, technology and people are a winning combination which makes the real and positive difference. With the right balance of technology and people, we are able to adopt a holistic view in making the right choices for our growth.

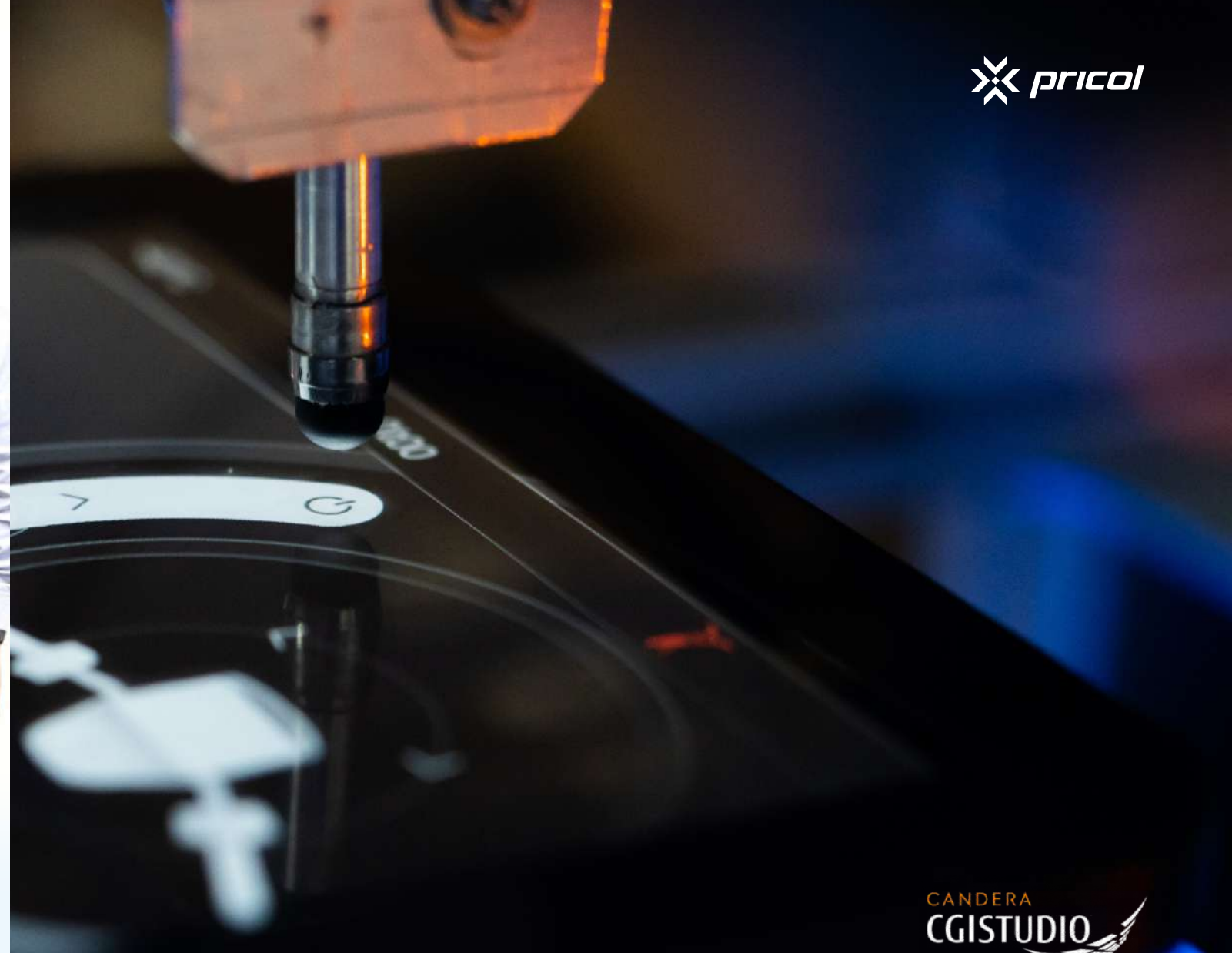


Technology Partnership with Sibros Technology Inc for End-to-End Telematics Solution.

Entered into a strategic technology partnership in February 2022 to deliver Deep Connected Vehicle Solutions in the Indian and ASEAN markets.

Sibros' connected all-in-one platform will complement Pricol's suite of products on Driver Information Systems (DIS) and Telematics to offer end-to-end solutions to the OEMs. The cloud-based platform of Sibros, combined with the next generation products of Pricol, will enable features such as OTA software and firmware updates, vehicle data insights for analytics, diagnostics and troubleshooting for the OEMs to make the best use of the connected solutions.

Sibros is an award-winning connected vehicle software company founded in 2018 and located in the heart of Silicon Valley, guided by passionate leaders Hemant Sikaria from Tesla and Mayank Sikaria from Faraday Future with fast growing team of 80+ with deep automotive tech and mobility roots. Sibros recently raised USD 70 million through Series B funding led by Energy Impact Partners (EIP) with participation from Google, Qualcomm Ventures, Fontinalis Partners, Iron Pillar and existing investors Nexus Venture Partners and Moneta Ventures.



Strategic Partnership with Candara CGI Studio for HMI Solutions

Pricol has Collaborated with Candara for Human Machine Interface (HMI) engineering to bring cost effective solution for vehicle across all segments with shorted lead time.

As vehicles become smarter by the day and the landscape is shifting towards EVs, the need for a clear and concise interface between man and machine is more apparent. Pricol has been working towards adopting the next-generation technologies and systems like powerful multi-core processors, larger displays, CGI studio, ASPICE, AUTOSAR, ISO26262, and Over the Air (OTA) updated, vehicle tracking, remote diagnostics, predictive maintenance and more.

Candara CGI Studio is a scalable and hardware independent HMI design software with 21 years of experience. The special USP of this GUI creation tool are its user-friendly interface and the high-performance representation of 2D / 3D display elements and animations. More than 5,00,00,000 cars worldwide are equipped with CGI Studio HMI Application.



Centre of Excellence along with PSG College of Technology for Micro Motors and Robotics.

The PSG - Pricol Centre of Excellence was inaugurated jointly by Mr. Vikram Mohan, Managing Director, Pricol Limited and Mr. L.Gopalakrishnan, Managing Trustee, PSG Institutions in the presence of top management personnel from Pricol and the Management, Governing Council members, faculty and students at PSG College of Technology.

Pricol has identified several new Technology products and innovative processes to meet demanding requirement of automotive OEMs in India and International Markets. The Centre of Excellence has been conceptualized to develop high efficiency micro motors and Robotics and Artificial Intelligence based processes and equipment. With Pricol's strong foot print in product domain and customer connect and PSG Institutions' expertise in first principle fundamentals, the Centre of Excellence will certainly benefit the community at large to come out with world class new technology products and processes.



सत्यमेव जयते
Government Of India

Pricol is approved for PLI (Production Linked Incentives) Scheme

The PLI scheme (outlay of \$ 3.5 bn(or) ₹ 25,938 crore) for the automobile sector proposes financial incentives of up to 18% to boost domestic manufacturing of Advanced Automotive Technology (AAT) products and attract investments in the automotive manufacturing value chain...

Pricol Limited is approved by the Ministry of Heavy Industries(MHI) for the Component champion Incentive Scheme. Total 95 applicants have been approved under this PLI Scheme: 20 under Champion OEM and 75 under Component Champion.

Incentives are applicable under the scheme for determined sales of Advanced Automotive Technology (AAT) products manufactured in India from 1st April 2022 onwards for a period of 5 consecutive years.



“Today, Pricol is becoming a force to reckon within the Indian automotive industry with global recognition.”

Chairman's Message

Dear Shareholders,

Greetings from Pricol!

With the threat of COVID-19 behind us (well almost), I hope you and your family are safe, keeping good health and moving steadily towards normalcy in your day-to-day lives and I pray for everyone's wellbeing.

From its humble beginnings in Coimbatore more than four decades ago, Pricol, your company, today is recognised across the world for innovative, yet cost effective automotive solutions to OEMs. Aiming at technology and engineering excellence, we are driven by a passionate work force that has led the company to partner with leading automotive brands through solutions that help them stay ahead of the curve.

The past two years presented unprecedented challenges in every which way, but at the same time also offered unanticipated opportunities. By continuing to being bold, remaining resilient and prioritising futuristic decisions, we sailed through the challenges and augmented new opportunities that will put us in good stead in the years to come. We also put a clear and strategic emphasis on all our stakeholders so as to grow stronger together.

The domestic auto industry was looking forward to decent growth in the calendar year 2022. But with the current situation of increase in raw material costs and semiconductor prices, coupled with supply chain disruptions could become headwinds for the Indian automobile industry going forward this year thereby affecting growth. Restricted supplies of critical raw materials are causing new supply chain impacts, driving up raw material prices including that of lithium, cobalt and nickel, aluminium and to some extent steel too. Furthermore, gases used in

the production of semiconductors are also impacted – although the overall effect is unlikely to be immediately material. To cope with these cost increases, automakers across regions have reluctantly increased their vehicle prices, despite the likely impact on demand. So there certainly are risk factors that exist because of these inflationary pressures and geopolitical tensions. Nevertheless, we are gearing up internally to manoeuvre these challenges and deliver results to best of our efforts in all possible ways.

As a responsible business house, we are constantly evolving each day and continuously working on the improvement of all stakeholders and society at large. I am personally involved in several initiatives to improve the safety, physical and mental well-being of all our associates across the organization and various communities outside the organization as well. Plus, we also undertake sustainability initiatives focussed on tree plantation, water conservation, renewable energy, etc as a commitment and a moral responsibility to give back to Mother Earth.

Today, Pricol is becoming a force to reckon with in the Indian automotive industry with global recognition. With the blessings of the almighty and all our sustained efforts, we are here to grow putting our focus on technology, people and society at large. I take this opportunity to thank each and every one of you for your trust and confidence in our vision. I would like to acknowledge the contributions of all our employees, board members, bankers, business partners and shareholders for their continued support and faith in us.

Best wishes,



Vanitha Mohan



Dear Shareholders,

As the world encountered unprecedented challenges and economic slowdown over the past two years, we at Pricol displayed exceptional resilience to navigate the turbulent times and swiftly transform ourselves so as to continue our growth trajectory. It is this resilient nature of ours, backed by our rich legacy and strong commitment to our values, has enabled us to adapt to the changing times and today we are seen as a globally renowned brand in the automotive industry.

Technology at the Core

The technology landscape of future mobility is going through a rapid transformation. With CASE (connected, autonomous, shared and electrification) becoming a popular acronym in the industry, the sheer fabric of mobility is getting disrupted with major technological advancements. At Pricol, we have always been at the forefront of exploring and adopting new technologies and providing cutting edge solutions to our customers. Whilst we continue to put our best efforts for in-house product development, we are also embracing partners who complement our solutions and product portfolio to keep pace with the technological advancements.

Our recent partnership with Sibros, a company based out of Silicon Valley and founded by ex-Tesla members, to enhance our Telematics Solutions offering and provide a deep connected end-to-end solution is one such example. Similarly, with a focus on electrification, our teams have internally developed Electric Coolant Pump a case in point as yet another example.

Today, Pricol is seen as one of the leading automotive technology companies providing a holistic solution and benchmarked as best in class in the industry against global

Managing Director's Message

competition. We are continuing to put our focussed and sustained efforts to become an innovation powerhouse to address the future mobility trends.

People at the fore

One of the key strengths of Pricol is its people who have stood by the company rock solid at all times. As a responsible management, we acknowledge this very fact and always believe in the well-being of our employees. Keeping our legacy thinking aside, we are in constant pursuit to evolve and be relevant to our people in line to current market scenarios. We have relooked into the human resource policies and made significant changes fundamentally for our people to embrace the workplace even better. With renewed policies, rewards and recognition programs being put in place and upgradation of workplace facilities, we believe to create an ecosystem and build a stellar team with right talent, who will resonate with the tagline "My Pricol My Pride".

Moving Ahead with Caution

We saw the Indian automotive sector moving into calendar year 2022 with subdued optimism and hoping for some semblance of normalcy coming back into global supply chains in the latter half of the year. Despite the semiconductor / chip shortage situation which had a major impact on sales and profitability for the sector, we managed to build quite a strong base in FY22 to move forward. We reported a consolidated revenue of INR 1,500.07 crores with a 12.63% EBITDA and a PBT of INR 80.28 crores. Cash generated from operations was INR 161.56 crores and we reduced our long terms borrowings significantly to INR 125.15 crores as compared to INR 244.86 crores in last financial year.

Though the covid regulations are opening up and the economic activities are gaining momentum, the outlook for the industry remains bleak with continued chip shortage and supply chain disruptions. With a strong order book in hand, our focus remains sharp towards meeting the customer demands as much as possible and be consistent in our approach in all facets of business and operations thereby outperforming the market growth.



Creating Value

It is our collective responsibility to create long-term value for all our stakeholders and we are building our company with that very principle in all aspects. With leaner and integrated operations across the automotive value chain, we are developing world-class products and solutions with high value and high margins, while improving efficiencies and elevating customer experience.

The ebbs and flows of business cycles notwithstanding, we have focussed on strengthening our balance sheet, upholding the highest standards in ethical and responsible business practices and striving towards a shared future of prosperity. The strategic moves Pricol has made over the last few years has given it the structural and financial strength to capture the opportunities that arise going forward, while ensuring its resilience in the face of uncertainty and a dynamic operating environment.

Welcoming Senior Management Council

I also wish to take this opportunity to welcome the new senior management council which has been constituted to effectively manage the growth needs of the company:

1. Mr. P. M. Ganesh has been elevated as the Chief Executive Officer & Executive Director.
2. Mr. Ameer D has been elevated to Director – Technology and Quality Systems
3. Mr. Siddharth Manoharan has been elevated to Director - Strategy and Projects

On behalf of the Board of Directors, I would like to thank our customers, shareholders, banking partners, automobile manufacturers and channel partners for reposing trust and faith in us. Last but not the least, I would like to whole heartedly thank my colleagues for their continued support for the growth of Pricol!

Best wishes,

Vikram Mohan



EV CLUSTERS



2W ELECTRONIC DIGITAL CLUSTERS



PASSENGER VEHICLES CLUSTERS



2W CONNECTED, LCD & TFT CLUSTERS



OFF ROAD VEHICLES CLUSTERS



OIL PUMPS

WATER PUMP

