

## Why can some Laser operators seemingly offer low prices?

Cost Head	What Prime Lasers offers	What some new / other Laser operators offer	How much lesser should these operators price as compared to Prime Lasers?	Risks
Laser Machine	<ul> <li>World's Leading Brands</li> <li>Best Quality</li> <li>Superior Accuracy</li> </ul>	<ul> <li>Chinese brand fibre lasers</li> <li>Unknown, Assembled brands (beyond top 10 Chinese)</li> </ul>	Rs. 15 min to Rs. 30 / min • Above price gap for top 10 Chinese • Some assembled ones are cheaper	<ul> <li>Compromised quality consistency &amp; accuracy</li> <li>Non established support in India – long down times</li> </ul>
Bending Machine	<ul> <li>World's Leading Brand</li> <li>Only E-Brake in Pune</li> <li>Best in Class, WILA (Eu) tools</li> </ul>	<ul><li>Outsource bending</li><li>Lesser accurate hydraulic tech</li><li>India based tooling</li></ul>	Rs. 5.5 to Rs 7 / min (Asia / Turkey / Italy based)	<ul> <li>Lack of expertise &amp; control</li> <li>Compromised quality consistency &amp; accuracy</li> </ul>
Redundancy & OPEX	<ul> <li>Multiple machines</li> <li>Best in class machine up time</li> <li>Support during urgent reqs.</li> </ul>	<ul><li>Single machine</li><li>No planned backup</li><li>No maintenance capability</li></ul>	Rs. 4.8 / min	<ul> <li>No backup plan in case of machine failure</li> <li>Frequent delivery delays</li> </ul>
Quality Assurance	<ul> <li>Dedicated team – all engineers trained for QC (7% of the staff)</li> <li>ISO certified process&amp; facility</li> </ul>	<ul><li>Little or no focus on quality of finished goods</li><li>Lack of technical know how</li></ul>	Rs. 2.5 / min	<ul> <li>High rejections (seldom accepted by vendor)</li> <li>Poor consistency</li> </ul>
Liquified Gas Bank	<ul> <li>Specialized PESO approved gas bank from INOX / Linde (high purity)</li> <li>Consistent gas flow rate</li> </ul>	<ul> <li>Risky / illegal trader installed make-shift gas banks</li> <li>Inconsistent gas flow rate</li> </ul>	Rs. 3.4 / min	<ul><li>Poor cut quality</li><li>Higher serration and burr formation</li></ul>
Backend Support	<ul> <li>Order to dispatch customer service orientation</li> <li>Ethical &amp; Transparent services</li> </ul>	<ul> <li>No delivery focus</li> <li>No technical expertise</li> <li>Lack of supporting teams</li> </ul>	Rs. 2.8 / min	<ul> <li>Raw material and scrap getting mixed /misplaced even stolen</li> <li>Poor customer service</li> <li>Accounting inconsistencies</li> </ul>
Scratch Free Facility	<ul> <li>Special in house facility, trained team and experience in delivering contamination / scratch free finished goods</li> </ul>	<ul> <li>Lack of structure and process</li> <li>Haphazardly stored raw material and finished goods</li> </ul>	Rs. 1.5 / min	<ul> <li>Wrong material grades used</li> <li>Scratched and damaged finished goods</li> </ul>
Other Intangible benefits	<ul> <li>Owners daily involvement</li> <li>Core Business, Expert Operators</li> <li>Engineering &amp; Management graduates in the core team</li> <li>Raw material sourced only from TATA and Jindal with matching TC</li> </ul>	<ul> <li>Lack of owner involvement</li> <li>Typically non core Business</li> <li>Single order focussed</li> <li>No technical understanding</li> <li>Unable to source from Tata/Jindal</li> </ul>		<ul> <li>Focus only on near term market disruption without real customer involvement</li> <li>Risk of shut down as it is typically non core business</li> <li>No transparency</li> </ul>

## Does this mean Prime Lasers is Rs.30-45 per min more expensive than competitors?

- Absolutely not. Prime Lasers pricing is based on years of experience, expertise and efficiencies developed in order to offer value for money services to customers without sacrificing long term viability of the business and the customer relationship.
- In fact, some of the fly-by-night operators are priced excessively high (~Rs. 50-55/min) as compared to the facilities and services they offer
- As a partner, we implore you to be cognizant of the risks involved while choosing your vendors

