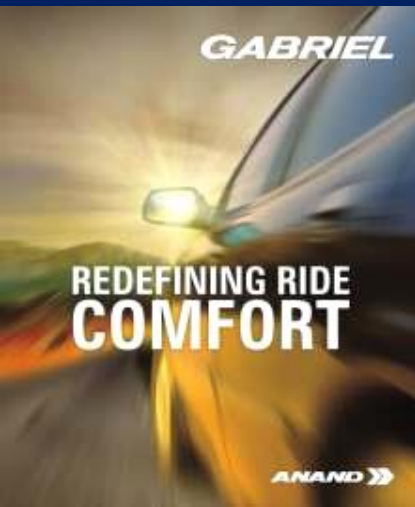


# Gabriel India Ltd.

Investor Presentation – May 2015



*This presentation and the accompanying slides (the “Presentation”), has been prepared by Gabriel India Limited (the “Company”), solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*

*Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the auto ancillary industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*

• An Introduction	4
• Business Overview	5
• Strategy Going Ahead	17
• Financial Highlights	20
• Corporate Overview	28

No "OE" accounts for more than 20% of sales

"Golden Peacock Eco Innovation Award in 2012"

Over 11 Product & Process Patents

Incorporation of Company, Gabriel India, in 1961 

Pioneer of Ride Control Products in the country

Established significant presence in all channels of automotive sale, OE, Aftermarket and Exports

Well diversified OEM Customer Base in every automotive segment, 2/3 Wheelers, Passenger Cars and Commercial Vehicles

Built Strong Manufacturing Capabilities across India

Strong R&D with over 11 patents in Products & Processes

Led by Experienced & Professional Management





**Business Overview**

**Head Office, Pune, India**

## GABRIEL

2/3 Wheeler



Passenger Car



Commercial Vehicle & Railways



Front Forks

McPherson Struts

Shock Absorbers

Hydraulic Shock Absorbers

Gas Shock Absorbers

Cabin Dampers

Gas Shock Absorbers

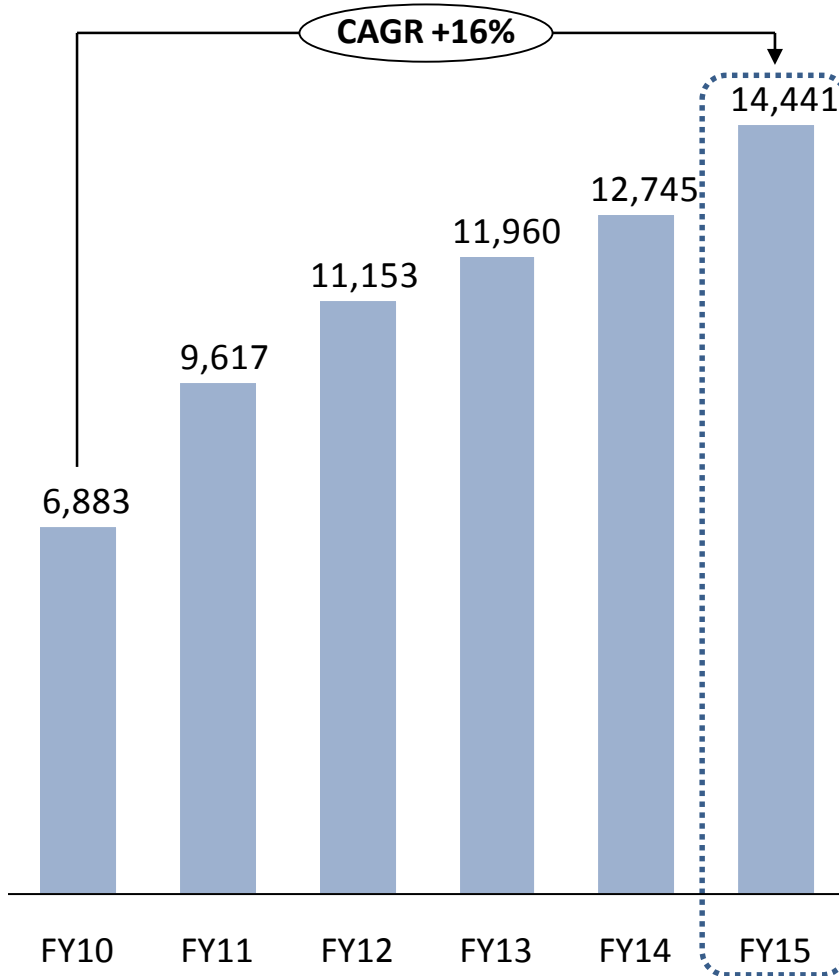
Cartridges

Seat Dampers

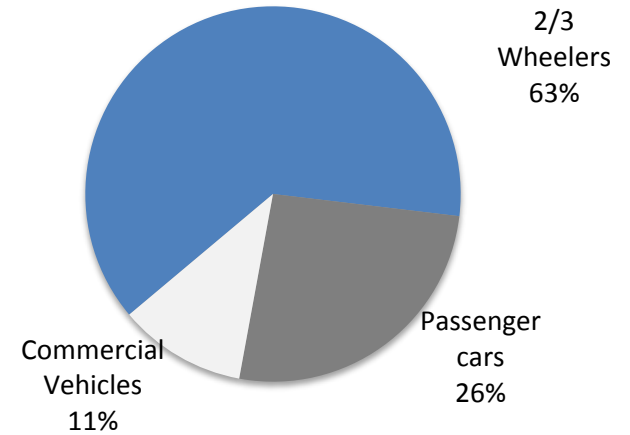
← AFTER MARKET ACROSS ALL SEGMENTS →

**GABRIEL**

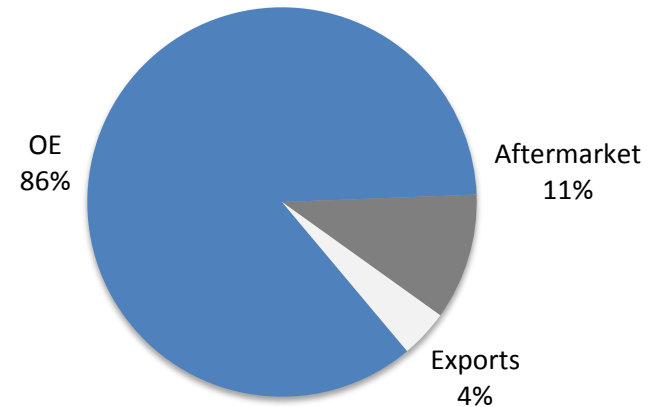
## Sales (Rs. Mn)



## Segment - Wise - FY15



## Channel - Wise - FY15





## GABRIEL

2/3 Wheelers



Passenger Cars



Commercial Vehicles & Railways



“No” OE Customer accounts for more than 20% of Total sales - *Balanced Portfolio*

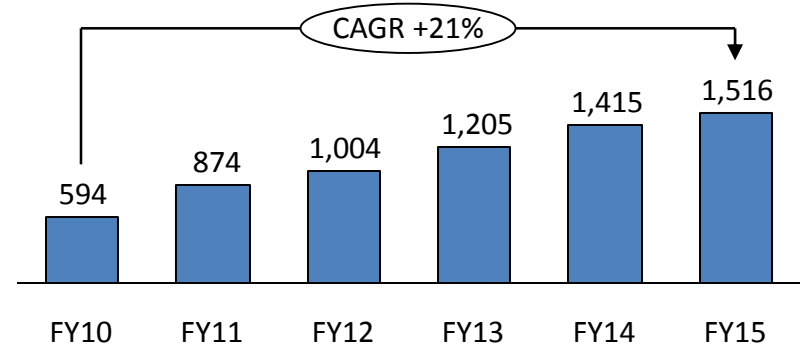


- “Gabriel” - Brand synonymous with shock absorbers, with market share of 45%
- Established Pan-India network
  - 17 CFA Locations
  - 300 - 350 dealer network & supported by 5000 retail outlets
- To ensure leading position, offers complete range of ride control products
- More than 500 products launched under “Gabriel” brand in last 5 years

### Branding Initiatives

- “Elite Retailer Program” – First of its kind in industry
- With objective to build loyalty amongst retailers & mechanics
- Honouring and embracing brand- loyal / Next Gen Loyalist
- 1st Phase - 500 Retailers Pan India, 2nd Phase : Mechanics

### Aftermarket Sales (Rs.Mn)



## GABRIEL



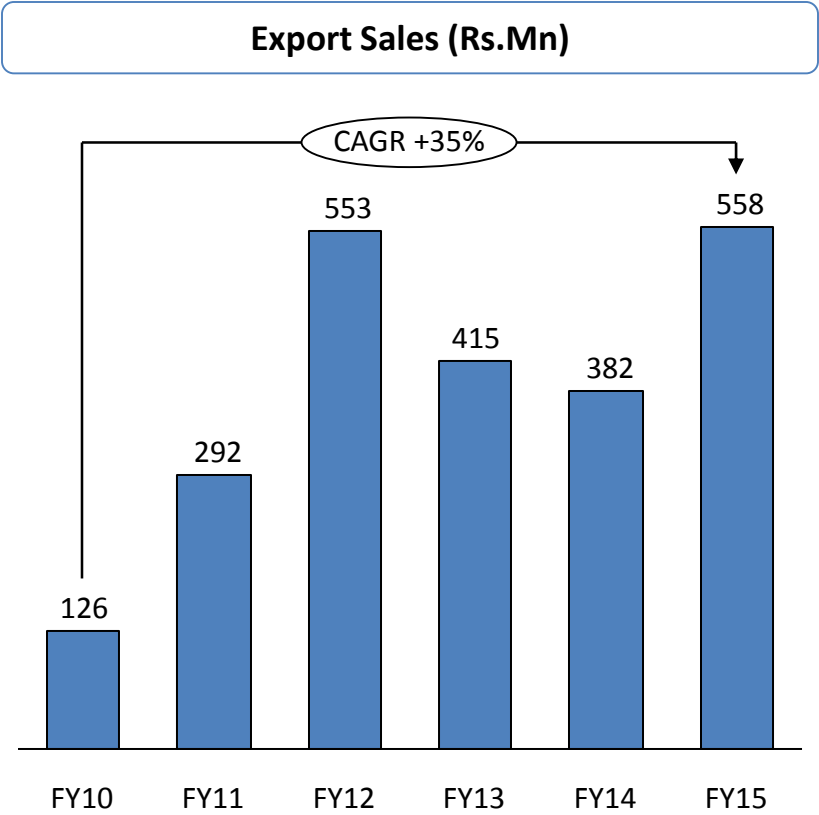
**Supercross**

**VW Polo R Cup**

**Campus Branding**

**Dhaba Branding**

- Establishing Network in 8 New Geographies
  - Through Structured Market Research & Systematic approach ingraining seeds of Gabriel India competencies worldwide
  - Created presence across Colombia, Venezuela, USA, Iran, Japan, African markets & Italy
- Services OE and Aftermarket demand
- Dedicated Marketing Team for Exports
- Strengthening Business with Gabriel Colombia
- 4% of Total Sales in FY15



### NEW ORDERS

- Won an Exports order from Mahindra GenZe USA for E Scooter - Amphere
- Won an Exports OEM order from ASEAN Region

# Strategic Manufacturing Footprint

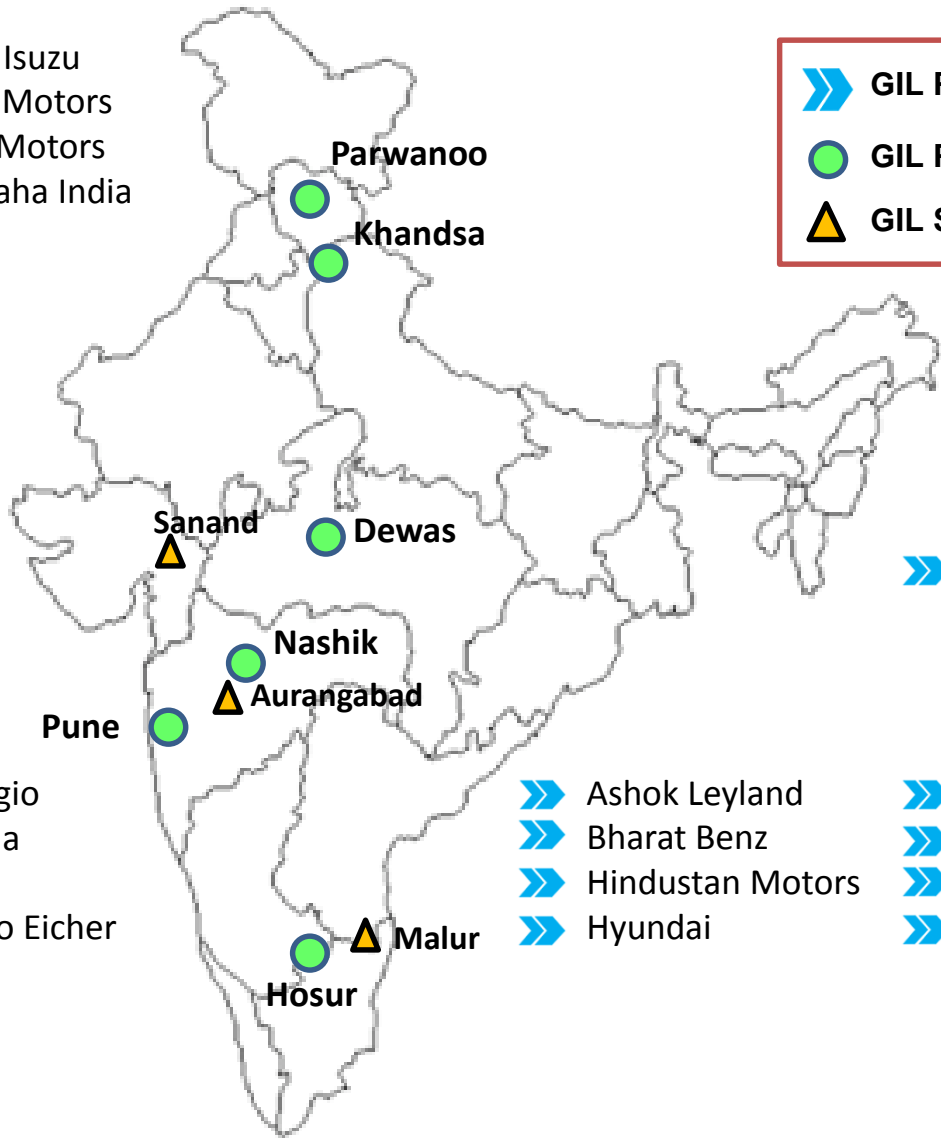


## GABRIEL

- » Ashok Leyland
- » Honda Cars
- » Honda Motorcycles
- » ICML
- » Maruti Suzuki
- » Suzuki Motorcycles

- » SML Isuzu
- » Tata Motors
- » TVS Motors
- » Yamaha India

- » GIL Presence
- » GIL Plants
- » GIL Satellite Locations



- » AMW
- » GM
- » Tata Motors
- » Honda Motorcycles

» Hindustan Motors

- » Bajaj Auto
- » FIAT
- » Force Motors
- » GM
- » Mahindra
- » Mahindra Trucks & Buses
- » MAN Trucks

- » Piaggio
- » Skoda
- » VW
- » Volvo Eicher

- » Ashok Leyland
- » Bharat Benz
- » Hindustan Motors
- » Hyundai

- » Royal Enfield
- » Tata Motors
- » Toyota Kirloskar
- » TVS Motors



## GABRIEL

### 2/3 Wheelers

### Client

### Key Features

Nashik



- Commenced production in 1990
- Products: Shock Absorbers & Front Forks
- TC with Yamaha Motors Hydraulic System

Hosur



- Commenced production in 1997
- Products: Shock Absorbers & Front Forks
- TC with KYB Japan & Yamaha Motors Hydraulic System

Parwano



- Commenced production in 2007
- Segment Served: 2Wheelers, Passenger Cars, Commercial Vehicles and Aftermarket
- Products: Shock Absorbers, Struts and Front Forks

## GABRIEL

### Passenger Cars

Chakan



### Client



### Key Features

- Commenced production in 1997
- Segment Served : Passenger Cars, Utility Vehicles and Railway
- Products: Shock Absorbers & Struts

Khandsa



- Commenced production in 2007
- Products: Shock Absorbers & Struts
- TC with KYB Japan

### Commercial Vehicle

Dewas



### Client



### Key Features

- Commenced production in 1992
- Segment Served : OE, Aftermarket and Exports
- Products: Shox – Commercial Vehicles

## **GABRIEL**

### **In-house Research & Development**

- Well equipped State-of-the-art R&D centres
  - Chakan, Hosur & Nashik
- Dept of Scientific Industrial Research approved R&D centres for development of Suspension Products
- Most Experienced R & D team in India



### **Proven Engineering Capabilities - Product**

- First to introduce adjustable rear suspension for 2W
- Designed & developed Remote Canister Shock Absorber
- Introduced Front Forks for Performance Bikes
- Co-developed suspensions for Volkswagen Polo & introduced concept of hollow Piston Rods in India

### **Proven Engineering Capabilities - Process**

- 1<sup>st</sup> to design & develop robotised damper assembly line for 2W
- Crank type damper force testing machine
- Laser welding of outer tube
- In – house equipment design & development for Shox manufacturing

### **Technical Collaborations with Global Leaders**

- KYB Japan – Passenger Cars
- KYBSE Spain – Passenger Cars & Commercial Vehicles
- Yamaha Motor Hydraulic System Company - 2 /3 Wheelers
- KONI – Luxury Commercial Vehicle & Buses

**Honored with “Golden Peacock Eco – Innovation Award 2012”**

**GABRIEL**



- **KONI**, Netherland based company and part of New York-based ITT Corp, has more than 150 years of experience in area of Shock Absorber solutions
- Develops, manufactures and markets high class performance shock absorbers for all types of cars and commercial vehicles
- Present in India in luxury vehicles segment with increased focus on growing Indian Luxury bus and CV segment



- Under arrangement, KONI will provide technology to design, develop and manufacture innovative damper products for Commercial Vehicles, Buses & Industrial Equipment Suspensions
- Cater to OEMs as well as Aftermarket demand in India, Bangladesh, Sri Lanka, Nepal and Bhutan
- Better products specially designed and suited for the Indian market
- Best possible technology combined with fastest time to market
- Enhance ride & performance of vehicle

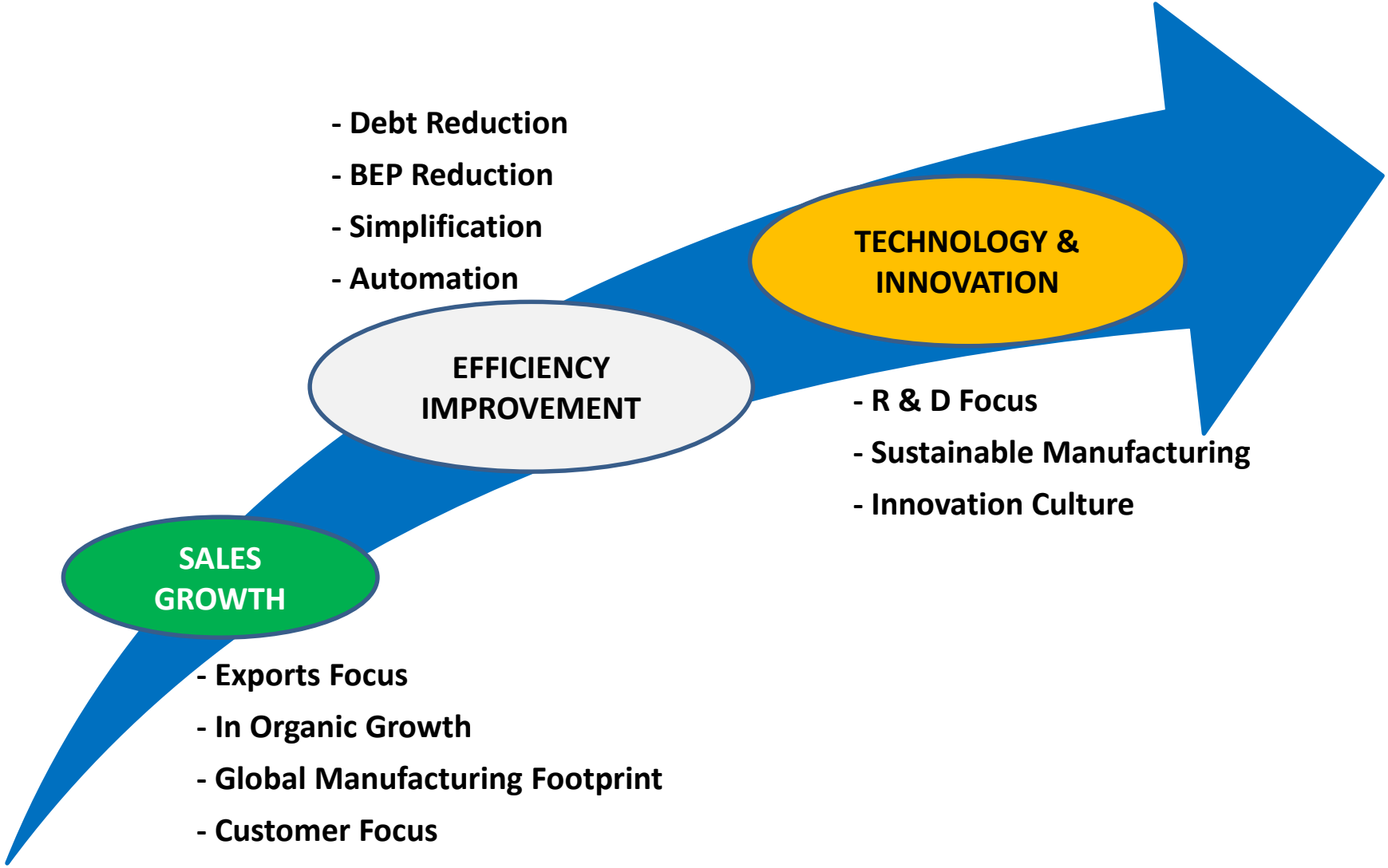
**...To help deliver high technology automotive products to Indian market in lesser time**





**Strategy Ahead**

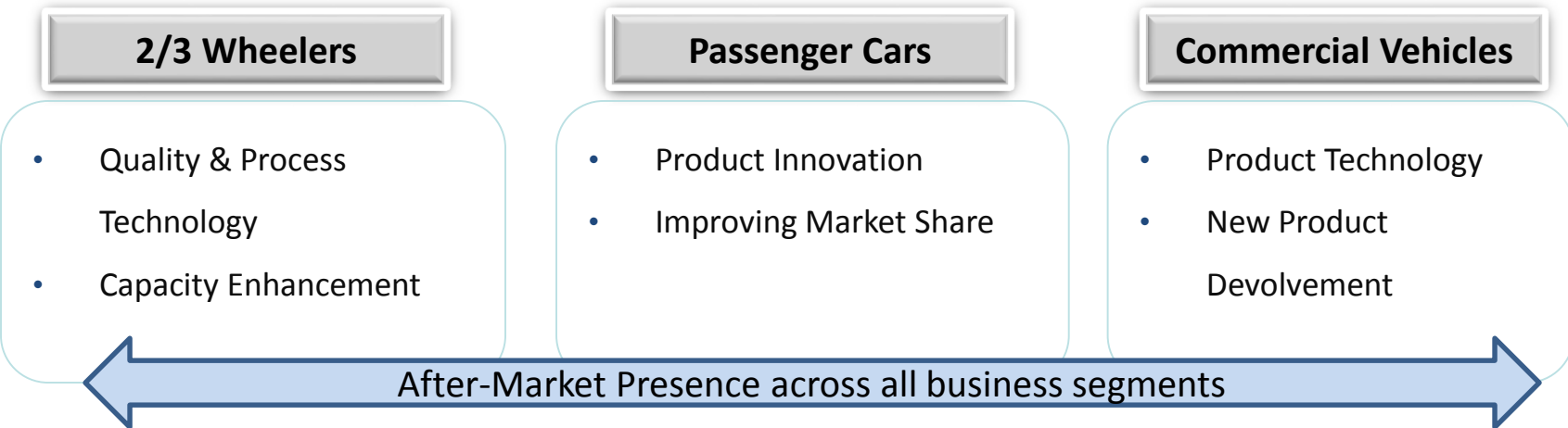
**Head Office, Pune, India**



**SBU Structure for focused approach**

- Created Strategic Business Units for each automotive segment : 2Wheelers/ 3Wheelers, Passenger Cars & Commercial Vehicles / Railways and After-Market Channel
- To derive benefits in
  - Customer & Product Focus
  - Export Push
  - After market expansion

**Focus Area : SBU-wise**







**Financial Highlights**

**Head Office, Pune, India**



Rs.Mn	FY15	FY14	FY13
<b>Revenue</b>	<b>14,441</b>	<b>12,866</b>	<b>12,053</b>
Raw Material	10,432	9,266	8,644
Employee Expenses	1,075	982	911
Other Expenses	1,769	1,714	1,672
<b>EBITDA</b>	<b>1,164</b>	<b>904</b>	<b>826</b>
<i>Margin</i>	<b>8.1%</b>	<b>7.0%</b>	<b>6.9%</b>
Other Income	43	56	40
Interest & Finance Charges	55	90	123
Depreciation	311	271	273
<b>PBT before Exceptional Item</b>	<b>841</b>	<b>600</b>	<b>471</b>
<i>Margin</i>	<b>5.8%</b>	<b>4.7%</b>	<b>3.9%</b>
Exceptional Item*	6	42	59
PBT	835	558	412
Tax	235	132	30
<b>PAT</b>	<b>600</b>	<b>426</b>	<b>381</b>
<i>PAT Margin</i>	<b>4.2%</b>	<b>3.3%</b>	<b>3.2%</b>
<b>Cash PAT</b>	<b>912</b>	<b>697</b>	<b>654</b>

\* Exceptional Item includes provision made on re-assessment of disputed liabilities towards rates & taxes

Rs. Mn	Mar-15	Mar-14
<b>Shareholder's Fund</b>	<b>3,254</b>	<b>2,852</b>
Share capital	144	144
Reserves & Surplus	3,111	2,708
<b>Non-current liabilities</b>	<b>256</b>	<b>232</b>
Long term borrowings	58	96
Other non-current liabilities	198	136
<b>Current liabilities</b>	<b>2,653</b>	<b>2,777</b>
Short term borrowings	0	468
Trade Payables	1,907	1,572
Other current liabilities	746	737
<b>Total Liabilities</b>	<b>6,164</b>	<b>5,861</b>

Rs. Mn	Mar-15	Mar-14
<b>Non-current assets</b>	<b>2,958</b>	<b>3,032</b>
Fixed assets	2,708	2,797
Long-term loans and advances	226	233
Other non-current assets	24	2
<b>Current assets</b>	<b>3,206</b>	<b>2,829</b>
Inventories	1,121	1,168
Trade receivables	1,723	1,361
Cash and bank balances	39	47
Short-term loans and advances	321	253
Other current assets	1	0
<b>Total Assets</b>	<b>6,164</b>	<b>5,861</b>

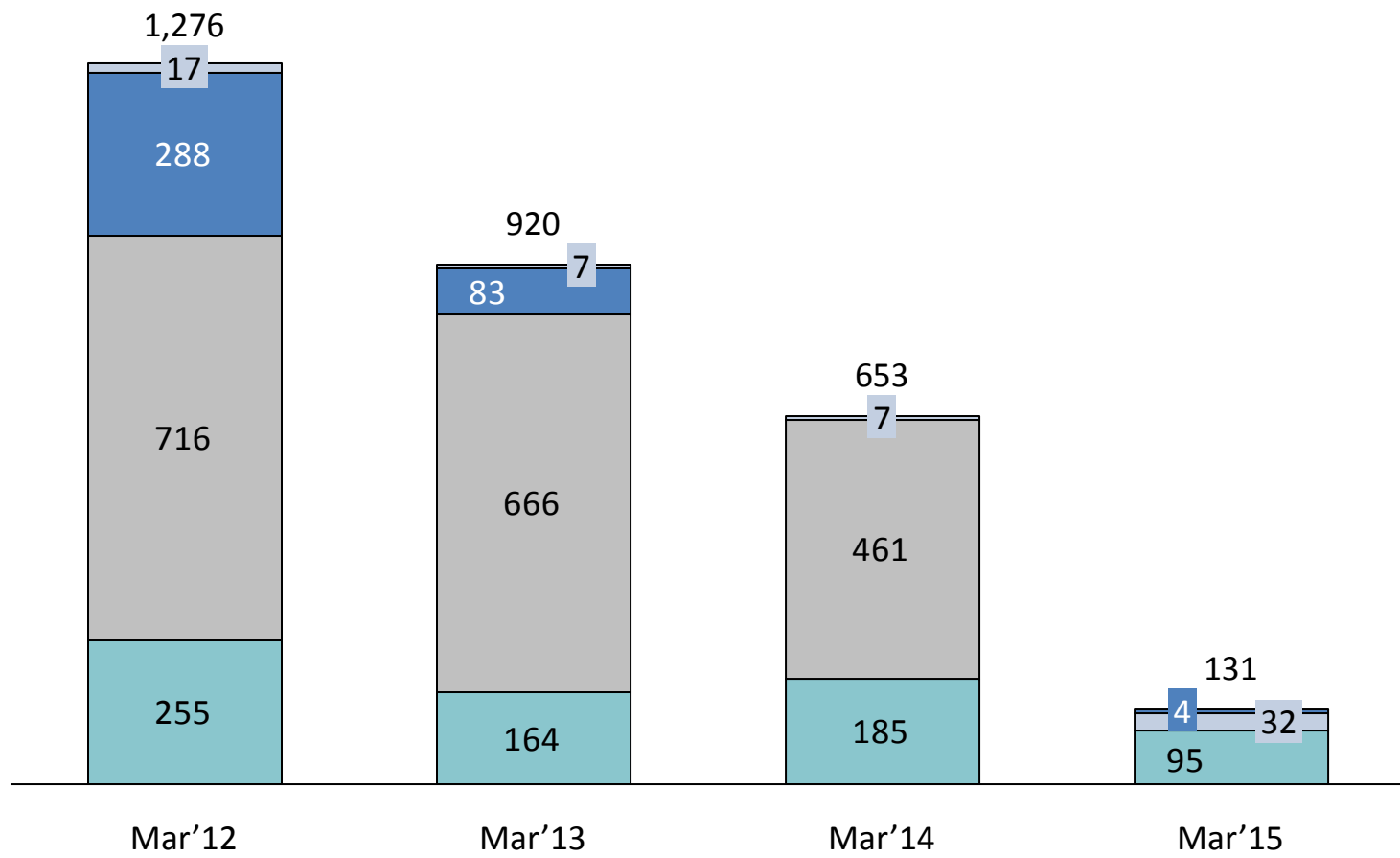
# Reduction in Borrowings



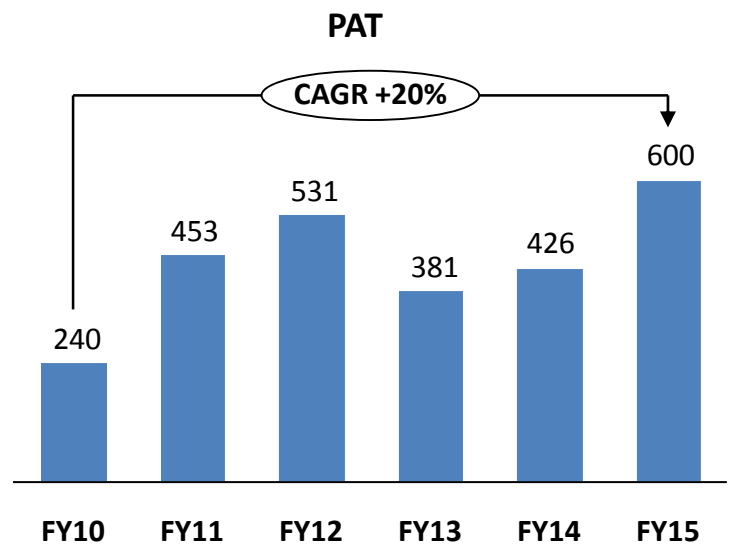
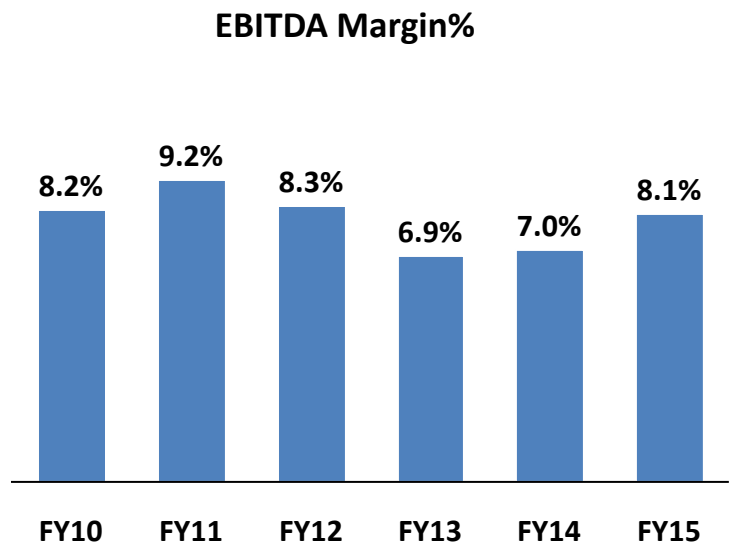
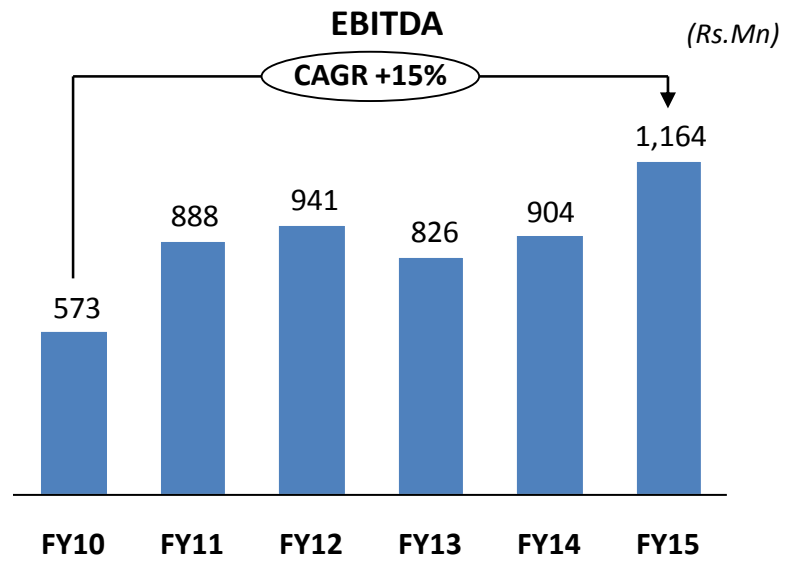
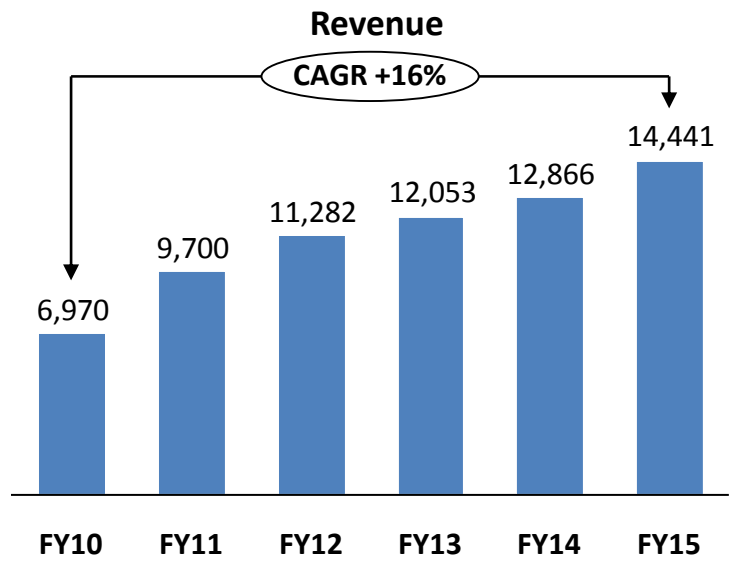
**GABRIEL**

(Rs.Mn)

- Others
- Finance Lease
- Term Loan
- Working Capital
- Public Deposit



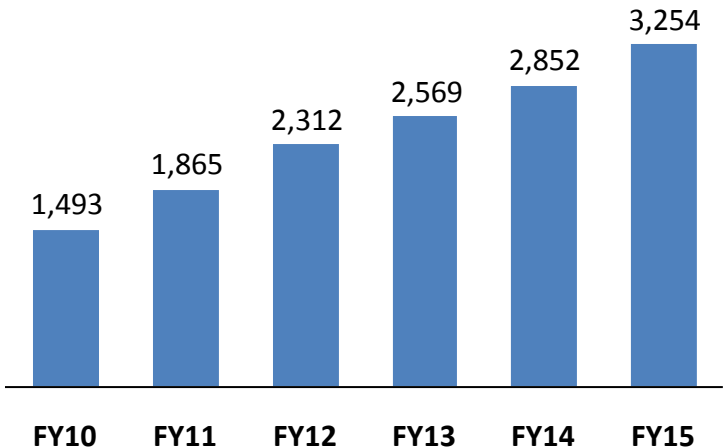
## GABRIEL



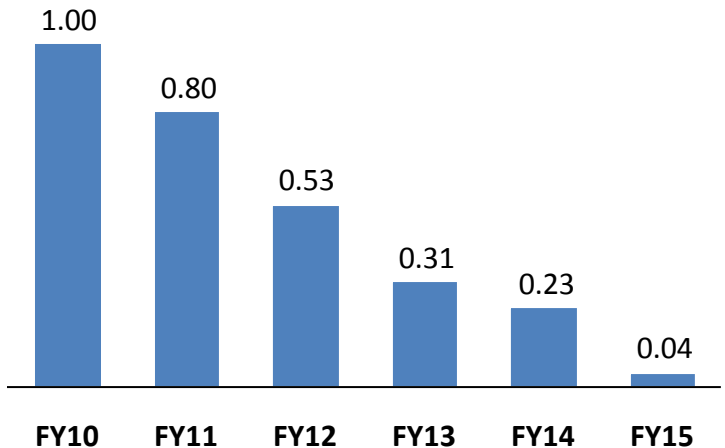


(Rs.Mn)

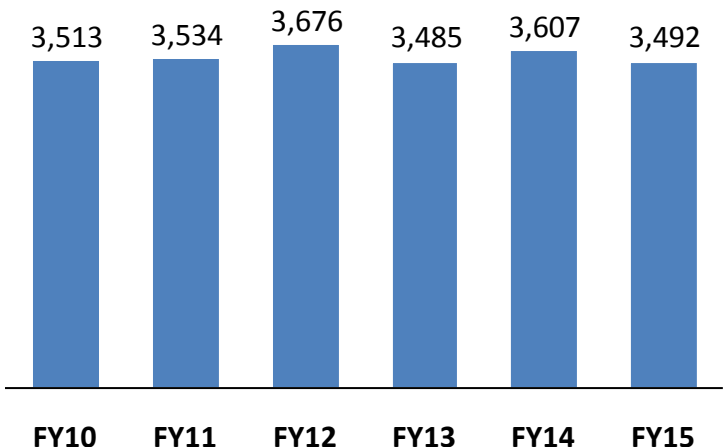
**Networth**



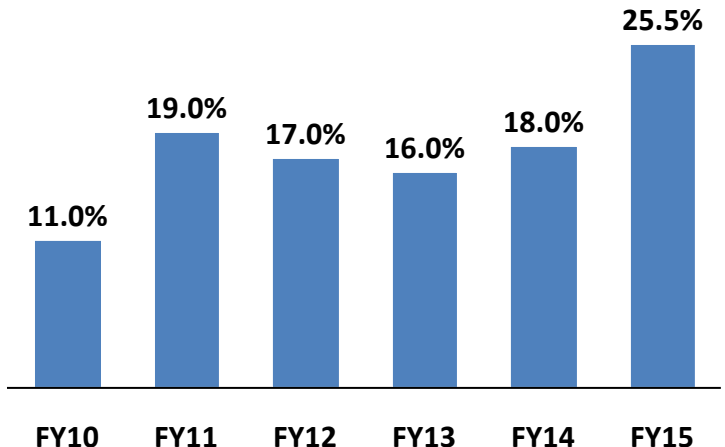
**D:E Ratio**



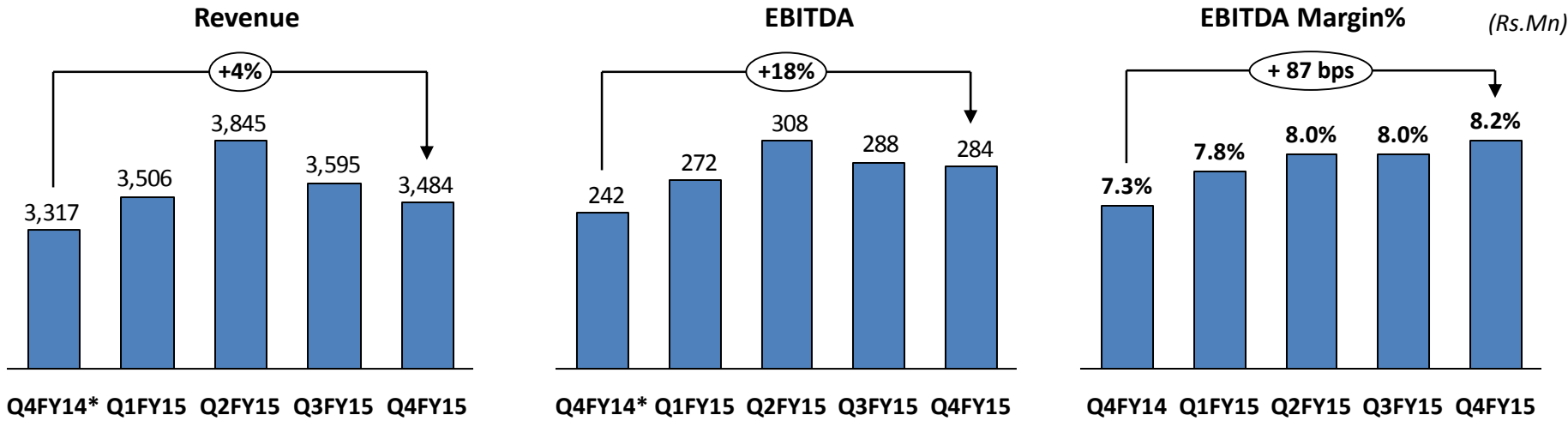
**Capital Employed**



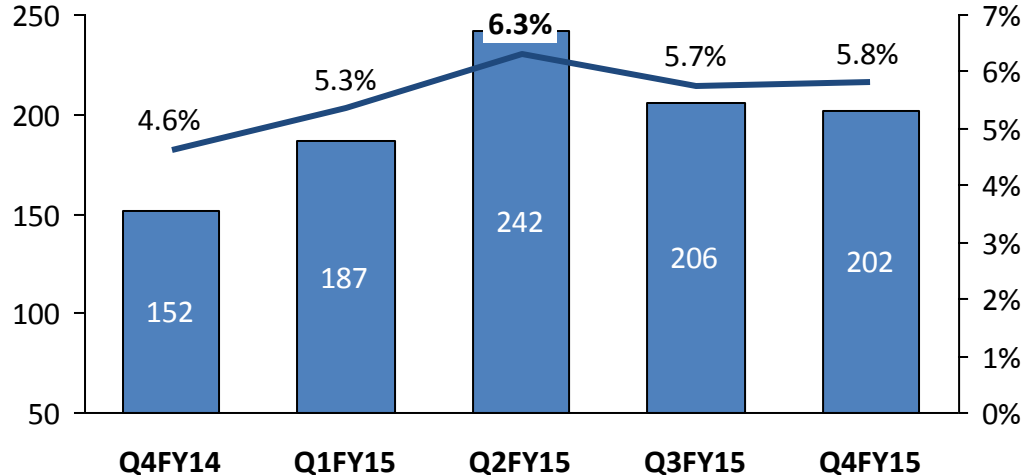
**ROCE**



## GABRIEL

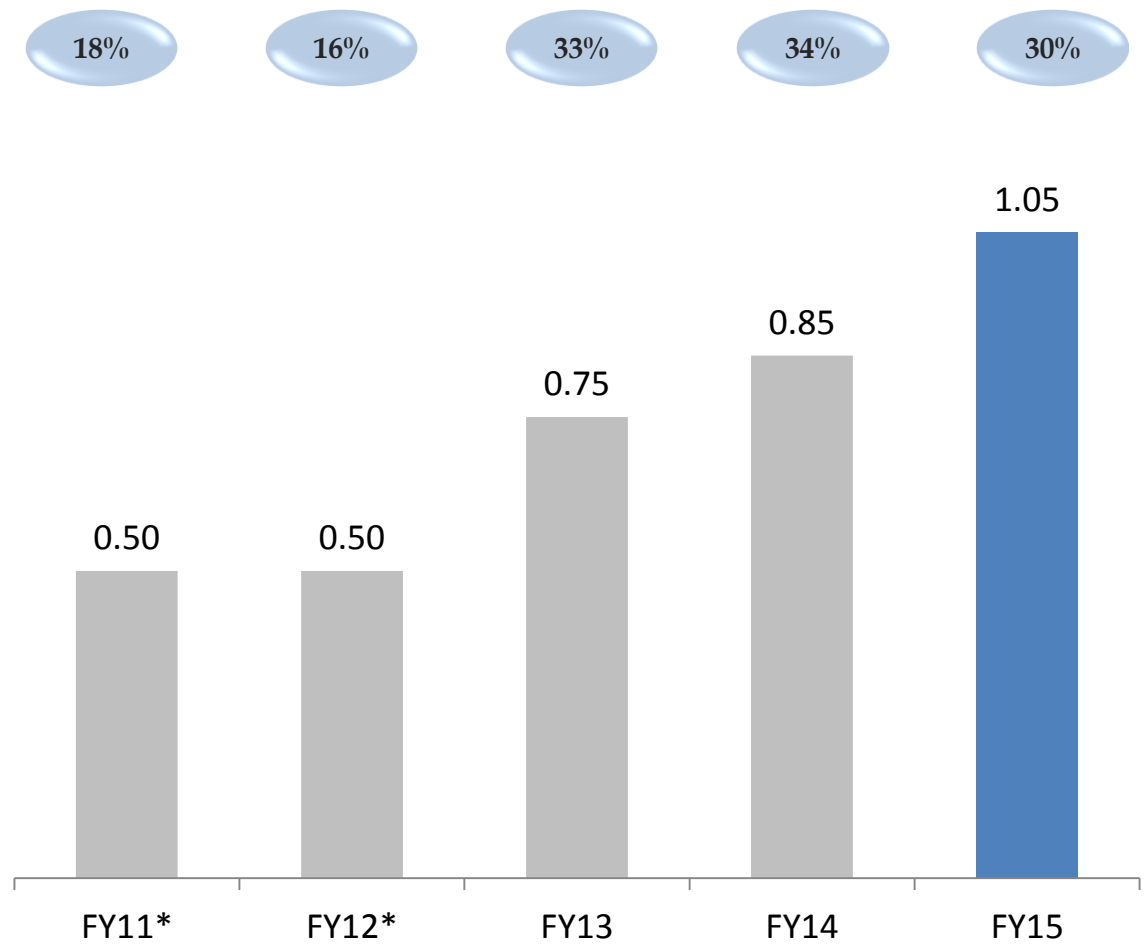


### PBT Before Exceptional Item & Margin (%)



\* Q4 FY14 – figures adjusted for Rs. 35.19 Mn octroi refund under Package Scheme of Incentives 2007

Dividend Per Share (Rs.)



Payout Ratio incl. DDT

\*Adjusted for Bonus Share Capital

- Continuous Dividend since 1998
- Stable Dividend Payout Ratio
- **Declared Final Dividend of Rs.0.60 per share, amounting to 60% of Face Value**
- Total Dividend of Rs. 1.05 per share for FY15



**Corporate Overview**

**Head Office, Pune, India**



- Incorporated Gabriel India in 1961
- Serviced Commercial Vehicles segment from plant in Mulund
- In House design centre followed by in house SPM design center

**1961-1990**

- Single Unit Manufacturing to Multi Location segment wise manufacturing : Passenger cars segment with plant at Chakan & launch of McPherson Struts & Gas shock Absorbers, 2W segment with Plant in Nashik & Hosur, CV segment with plant at Dewas
- OE Model – First time in Auto Industry

**1991 - 2000**

- Expanded in all segments with new plants at Parwanoo, Khandsa , Sanand & Malur
- Installed “Dynachrome Automation Machine” for plating, 1<sup>st</sup> in Asia
- Expanded footprint to China
- State of R&D Centres at Chakan, Hosur & Nashik
- DSIR recognized all R&D Centres

**2001 - 2013**

## Mrs. Anjali Singh – Chairperson, Gabriel India

- Joined Anand Group in 2005
- Studied Business Management at University of Westminster, UK, and Fine Arts at Central Martin's School of Arts and Design, UK
- Also serves as Chairperson, Supervisory Board, Anand Group since 2011

## Mr. Rohit Philip – Director & Group CFO, Anand Group

- Vast experience spanning over 17 years in a number of finance roles with significant depth of experience, structuring complex financial transactions, including the merger between United
- Prior to joining Anand, Rohit was Senior Vice President, Corporate Strategy and Business Development for United Continental Holdings Airlines and Continental Airlines

## Mr. Pradipta Sen – Non Executive Independent Director

- President for India, Middle East and Africa region of Emerson, Fortune 500 conglomerate involved in Manufacturing products and Engineering Services
- Prior to joining Emerson, Mr. Sen spent 16 years with General Electric, USA in leadership roles
- Also sits on the Boards of various Emerson subsidiary companies like Emerson Process Management India Pvt Ltd, Emerson Climate Technologies Ltd

## Mr. Atul Khosla – Non Executive Independent Director

- Founding Partner for Oliver Wyman (the leading global consultancy) in India
- Mr. Atul is actively involved in higher education and research in India, and is the founding trustee of Shoolini University at Solan, Himachal Pradesh
- Mr. Atul is a B.Tech from the Indian Institute of Technology at Kanpur and MBA from the Jamnalal Bajaj Institute of Management Studies, Mumbai

## Mr. Aditya Vij – Non Executive Independent Director

- Vast experience spanning over three decades in the corporate world with a proven track record of developing and turning around businesses in various leadership positions.
- Served as the Chief Executive Officer at Fortis Healthcare Limited from July, 2011 to November, 2014. He joined Fortis Healthcare from Punj Lloyd where he held the position of Group President – Defence
- Prior to Punj Lloyd, Mr. Aditya Vij had a distinguished innings of 18 years with General Motors, across five countries in Europe and Asia. He served as an Executive Director of Sales, Marketing and After-Sales at General Motors Europe AG

## Mr. Deepak Chopra – Group CEO, Anand Group



- Chartered Accountant & Company Secretary, with 37 years of experience across Industries
- Associated with Anand Group since 1976
- Rich experience in Finance, Tax, Operations, Secretarial, and Project Management

## Mr. Manoj Kolhatkar – MD, Gabriel India



- B.E. Mechanical & DBM, with more than 25 years of experience in Automotive industry
- Associated with Gabriel India since 2011
- Prior to this, served in TATA Group in senior roles for 22 years

## Mr. Rajendran Arunachalam – CFO, Gabriel India



- Qualified CPA (USA) and Degree in Management from BITS Pilani
- Associated with Gabriel India since Nov' 2013
- More than 20 years of experience in areas Finance, Treasury across various industries



## GABRIEL

Mr. Rajendra Abhange, CTO



Mr. Atul Jaggi , COO, TWBU



Mr. Sumit Bhatnagar, COO, PCBU



Mr. Umesh Shah , COO, CVRBU



Mr. Amitabh Srivastava, COO, AMBU



Mr. Chetan Deshpande, VP, Human Resource



TWBU : Two Wheeler Business Unit; PCBU : Passenger Car Business Unit; CVRBU : Commercial Vehicle & Railways Business Unit

## GABRIEL

- **Suzuki Motorcycles** – VAVE Cost Reduction
- **Toyota** – Quality Appreciation Award
- **M&M** - SPD Performance Award
- **Bajaj Auto** - Gold Quality Award
- **Volkswagen** - Appreciation Award
- **Yamaha** - Special Award for 'Excellence in Sales Support
- Dr. R.J. Rathi Award for Green Initiatives
- DSK Energy Conservation Award



**Gabriel India Ltd - Listed as one of the India's Top 1000 companies for the 2014 by Business Today**

## GABRIEL

### Green Initiatives

- Green Initiatives Implemented across all plants.
- Solar Energy Park generates at its peak 400 KW. One of the largest Solar Car Park in Maharashtra
- Won MCCIA Dr. RJ Rathi & Institute of Engineers DSK Energy Award regarding Energy Conversation & savings



### Innovation

- Innovation Course inaugurated by Chief Guest Former President of India Honorable Dr. APJ Abdul Kalam

### Facility Expansion

- Inner Tube Grinding line , Outer Tube Cell and Front Fork Assembly Cell inaugurated at Gabriel Nashik plant



### Technology

- Technology License agreement signed with KONI B.V. (KONI) of ITT Group for Commercial Vehicle, Buses and Industrial Equipment suspensions in India
- New Ride Van for Ride Tuning at OEM's
- 12 patents filed for Process and Product Innovations

**For further information, please contact:****Company :**

Gabriel India Ltd.  
L34101PN1961PLC015735  
Mr. Rajendran Arunachalam  
[rajendran.arunachalam@gabriel.co.in](mailto:rajendran.arunachalam@gabriel.co.in)  
  
[www.gabrielindia.com](http://www.gabrielindia.com)

**Investor Relations Advisors :**

Strategic Growth Advisors Pvt. Ltd.  
U74140MH2010PTC204285  
Ms. Sanjita Ghosh / Mr. Shogun Jain  
[gsanjita@sgapl.net](mailto:gsanjita@sgapl.net) / [jshogun@sgapl.net](mailto:jshogun@sgapl.net)  
  
[www.sgapl.net](http://www.sgapl.net)