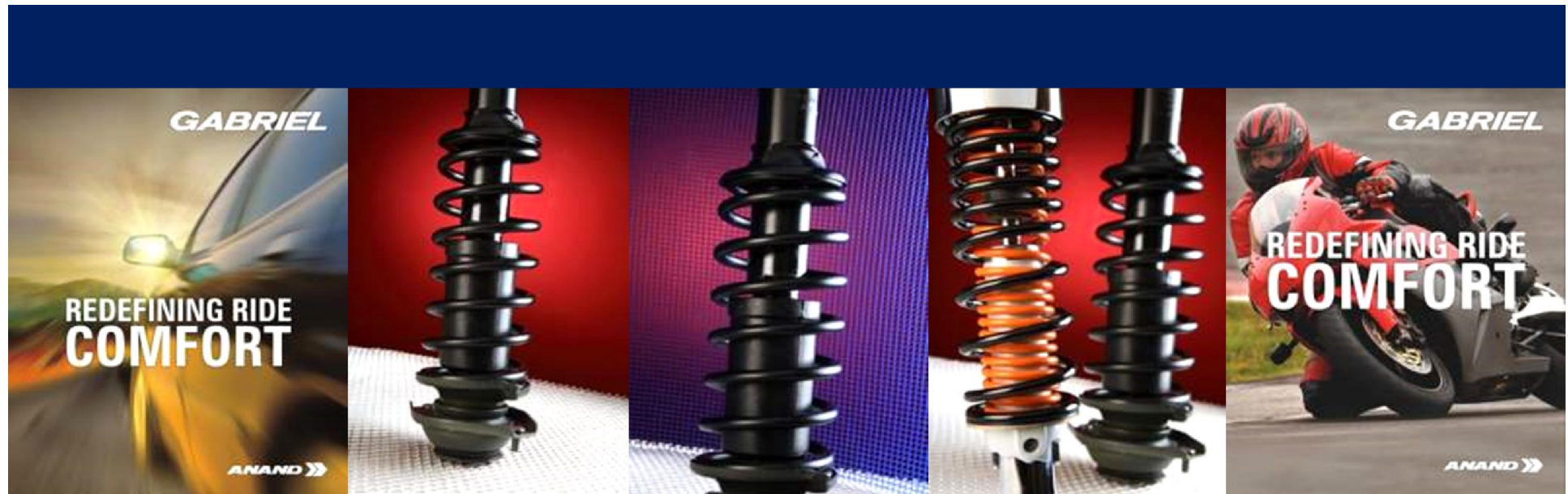


**GABRIEL**

**ANAND** >>

# Gabriel India Ltd.

Investor Presentation – June 2017



ACYM

ANSYSCO



faurecia  
Inspiring mobility

FEDERAL-MOGUL  
POWERTRAIN

GABRIEL

Haldex

Henkel

POWER

MAHLE  
Driven by performance

Mando

SNS Foundation

DANA SPICER

SUJÁN

TAKATA

Valeo

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 ancilliary 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.

Introduction

04

Business Overview

05

Strategy Going Ahead

20

Financial Highlights

23

Corporate Overview

35

# Introduction

**GABRIEL**

**ANAND** 

## Incorporated

The company, Gabriel India, in  
1961

## Experienced

& Professional Management



## Pioneers

Of Shock Absorber  
manufacturing in India

## Innovation

Strong R&D with over  
21 patents filed in  
Products & Processes



**GABRIEL**



## Significant Presence in all channels of sales

OE, Aftermarket and Exports

## Strategically Located

Strong manufacturing  
Capabilities built across  
India



## Only Player Present in all Segment

2/3 Wheelers, Passenger Cars and  
Commercial Vehicles with diversified OEM  
Base



Received the “Golden Peacock  
Eco Innovation Award” in the  
year 2012

No “OEM” accounts for  
more than 20% of sales

Ranked “Great Place to Work”  
in Auto Component Industry  
for 2012, 2015, 2016 & 2017



ACYM

ANSYSCO



Faurecia  
Inspiring mobility

FEDERAL-MOGUL  
POWERTRAIN

GABRIEL

Haltech

Henkel

POWER

MAHLE  
Driven by performance

Mando

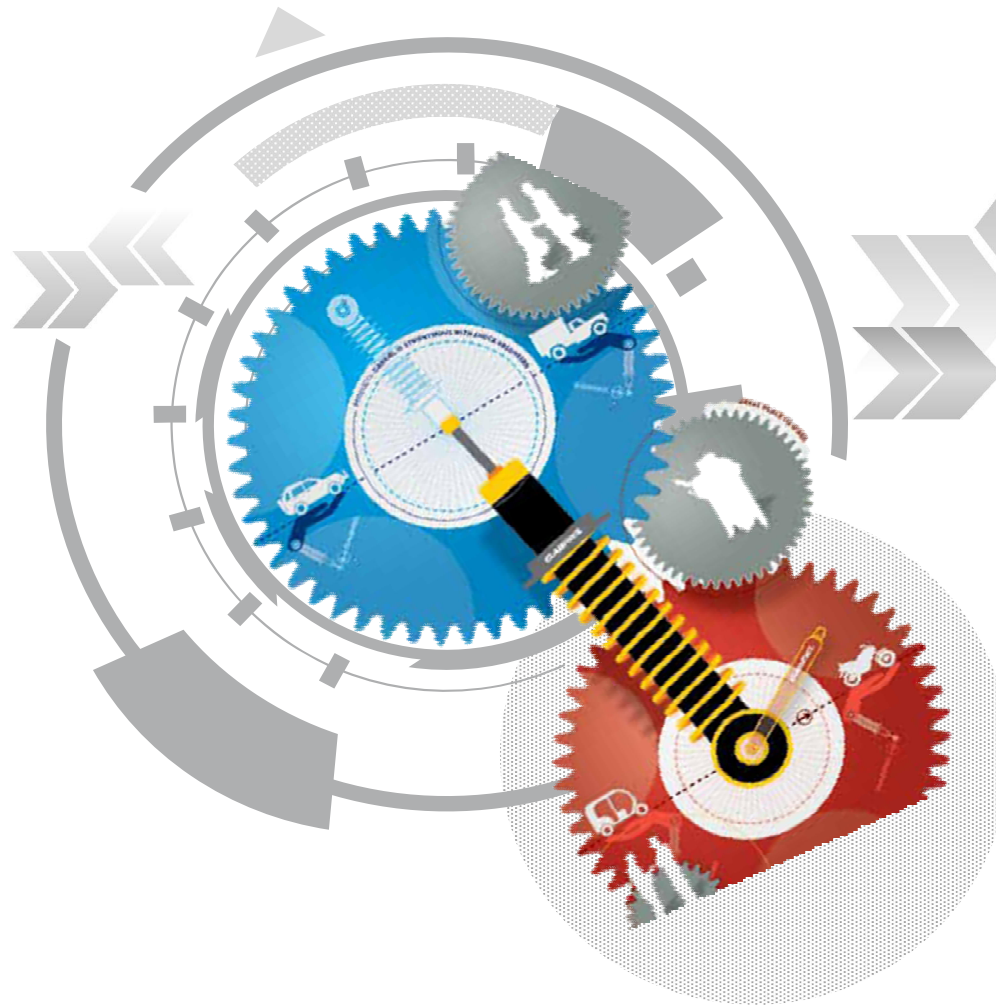
SNS Foundation

SPICER

SUJÁN

TAKATA

Valeo

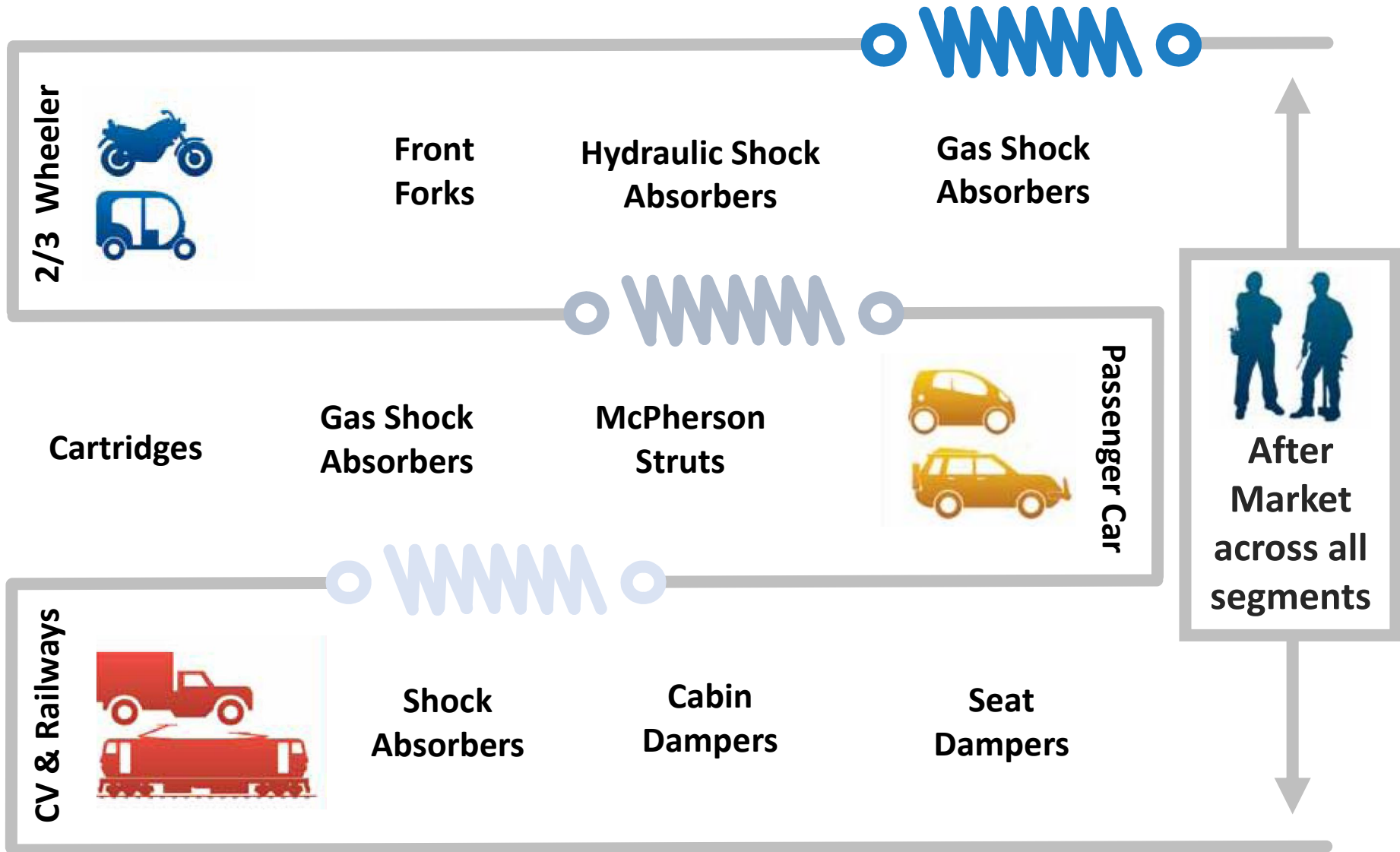


## Business Overview

# Pioneer of Ride Control Products...

**ANAND** 

**GABRIEL**



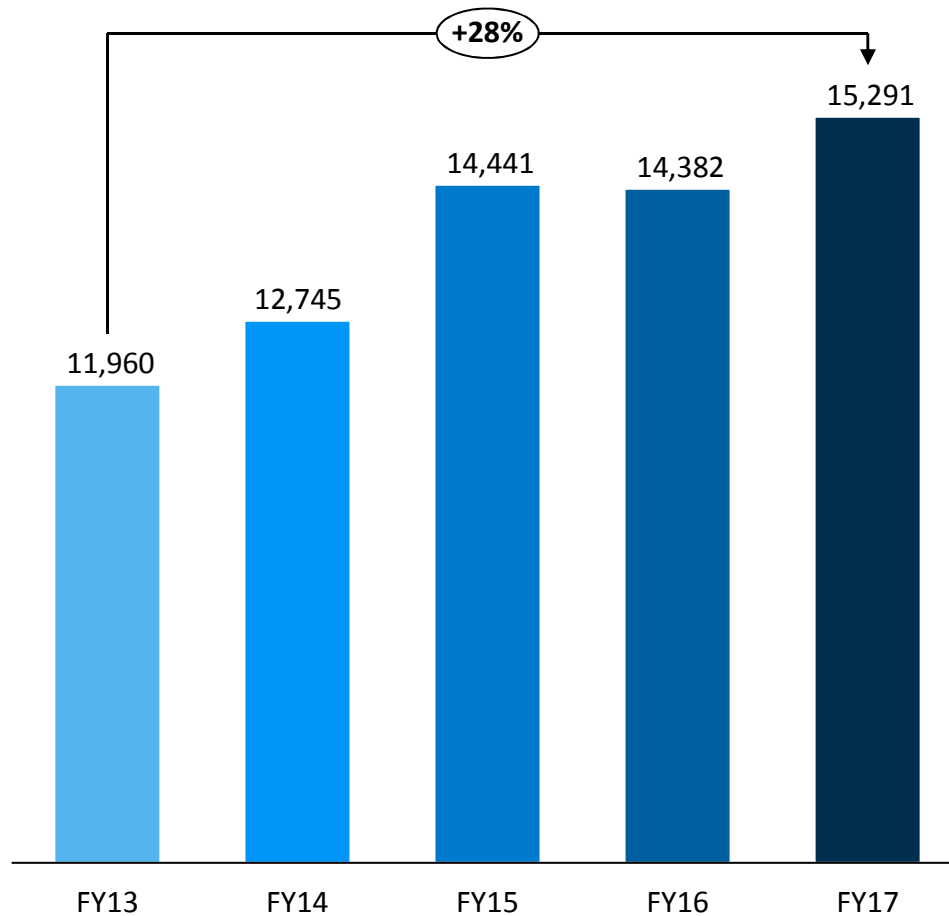


## ...with Diversified Revenue-Mix

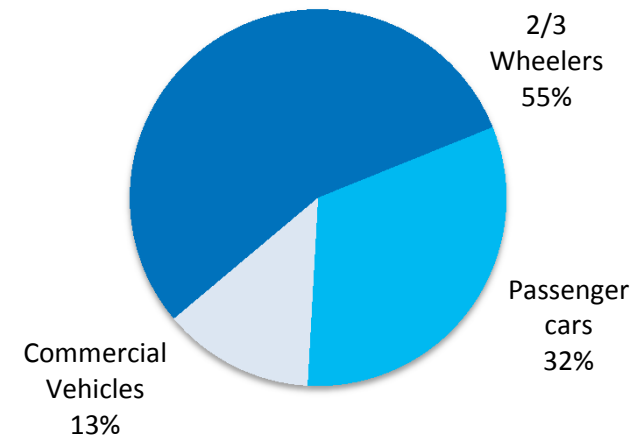


**GABRIEL**

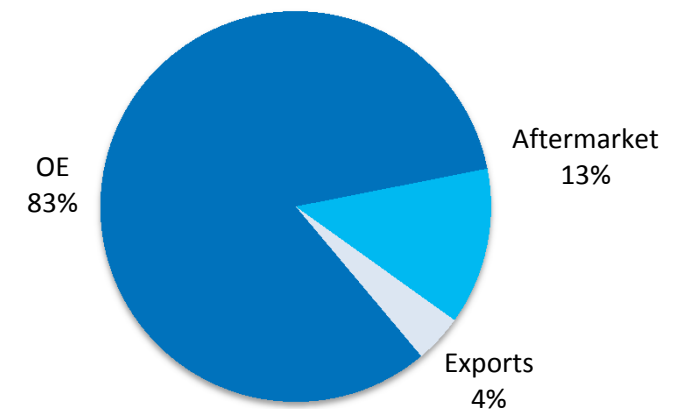
### Revenue (Rs. Mn)



### Segment-Wise: FY17



### Channel-Wise: FY17



... & “No” OEM accounting for >20% of Sales

**ANAND** 

**GABRIEL**

2/3 Wheeler



Passenger Car



CV & Railways

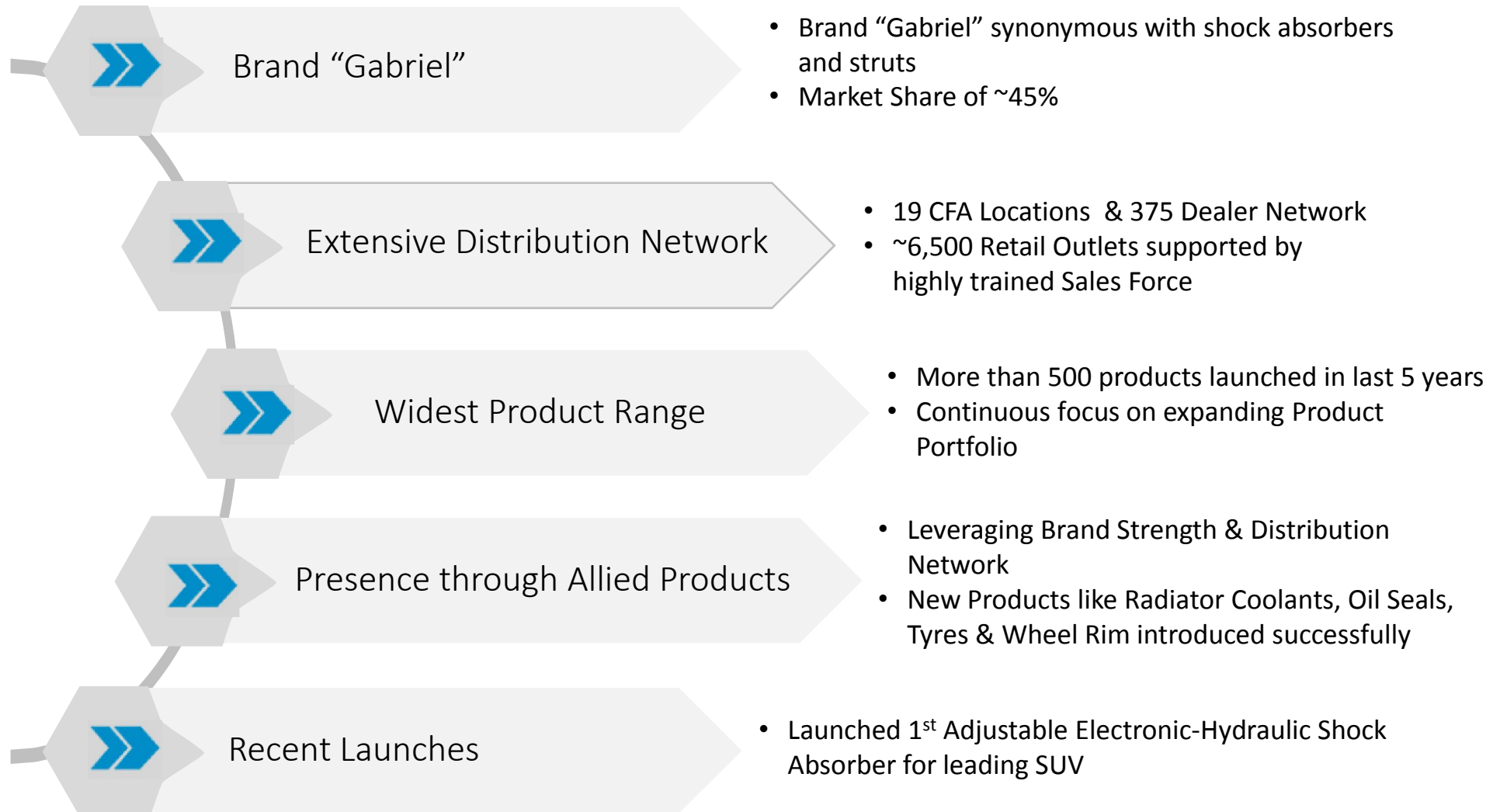




## ... Strongly supported by Aftermarket Presence



**GABRIEL**



First-of-its-Kind Program  
to build loyalty among Retailers & Mechanics

Aiming to connect with  
retailer emotionally, and  
understand their  
specific needs

Key initiative to  
strengthen brand  
“Gabriel” and connect  
with Retailers



Targets to reach another  
1,500 by 2018

In 1st phase, Honouring  
and embracing 500  
premier retailers pan-  
India

In 2nd phase, plans to  
reach out to mechanics  
and establish relationship

# ... Reinforcing Brand “Gabriel”

**ANAND** 

**GABRIEL**

Hoardings/  
Umbrella  
Distribution/  
Branding at Bus  
Shelters



Campus  
Branding



OEM Managed  
Sports events



# Creating Global Presence through Exports



**GABRIEL**

Leveraging relationship with  
Global OEMs in India to  
penetrate their Global  
Operations

Dedicated Marketing team  
for exploring opportunities  
in Overseas Markets

Caters to demand  
from OEM &  
Aftermarket

Exports to developed markets  
of North America, Europe,  
Australia and Asia-Pacific  
Region

Focusing to increase presence  
in Aftermarket of South East  
Asian Countries

Export order from  
Mahindra GenZe USA  
for eScooter Amphere

Won export order from  
ISUZU for Thailand and  
Indonesia in CV Segment

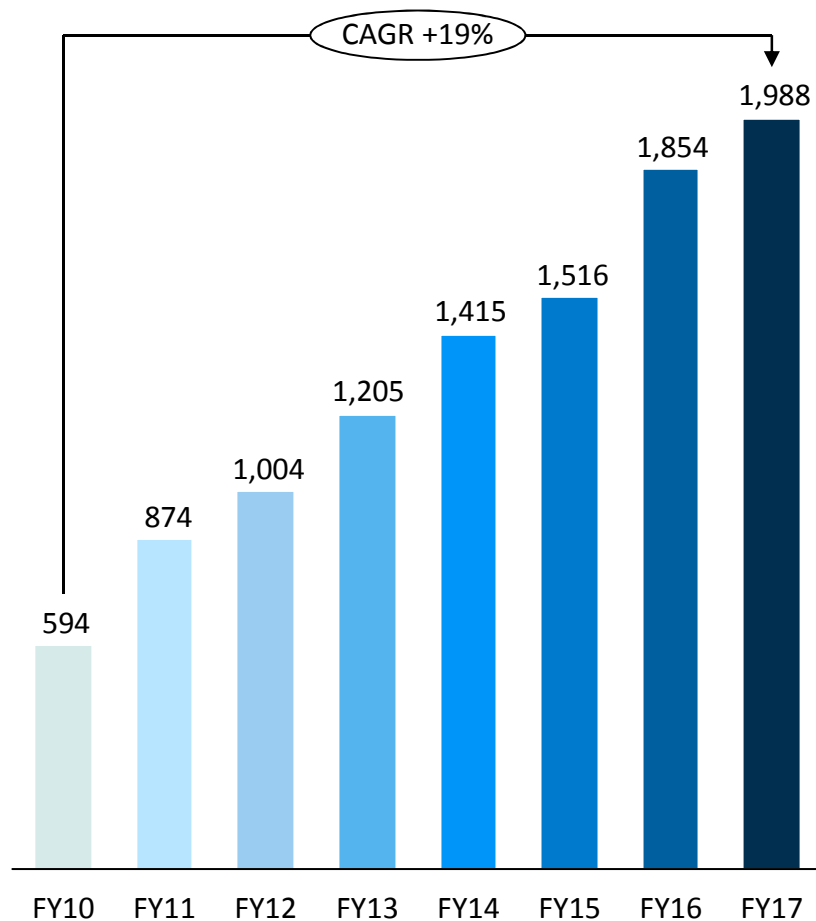
Signed an agreement with Gabriel  
South Africa to provide technology  
on products & processes

# Aftermarket & Exports – Improving Performance

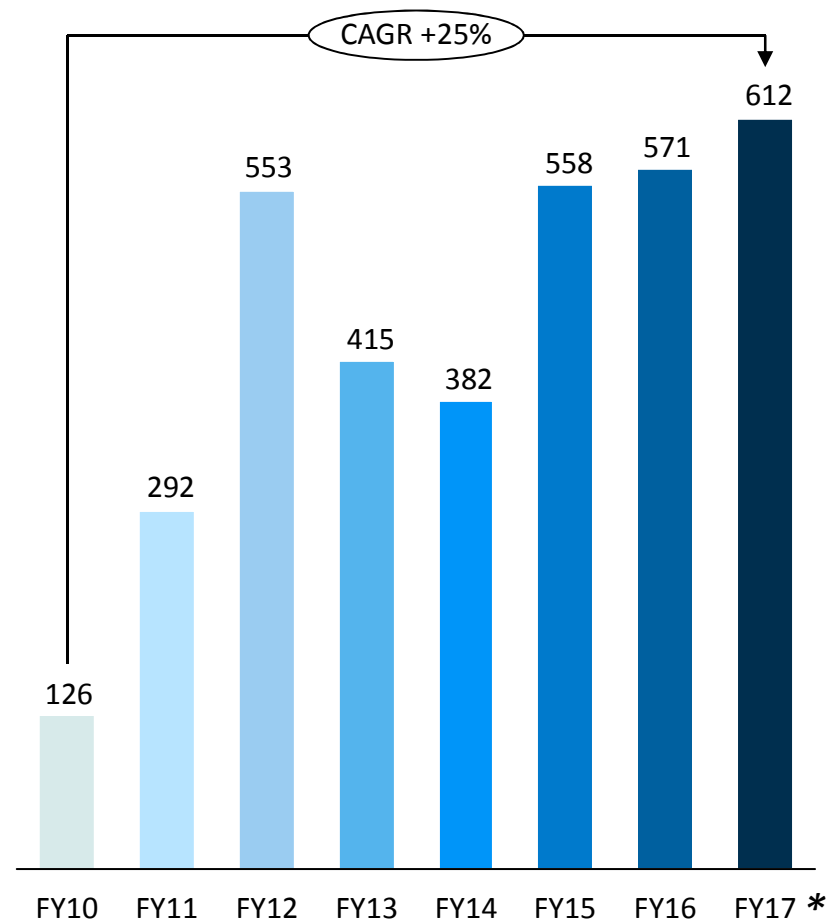


**GABRIEL**

**Aftermarket Sales (Rs Mn)**



**Export Sales (Rs. Mn)**



\* FY17 do not include Exports of Rs 570 Mn done Indirectly through IPOs & Global OEMs



# 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

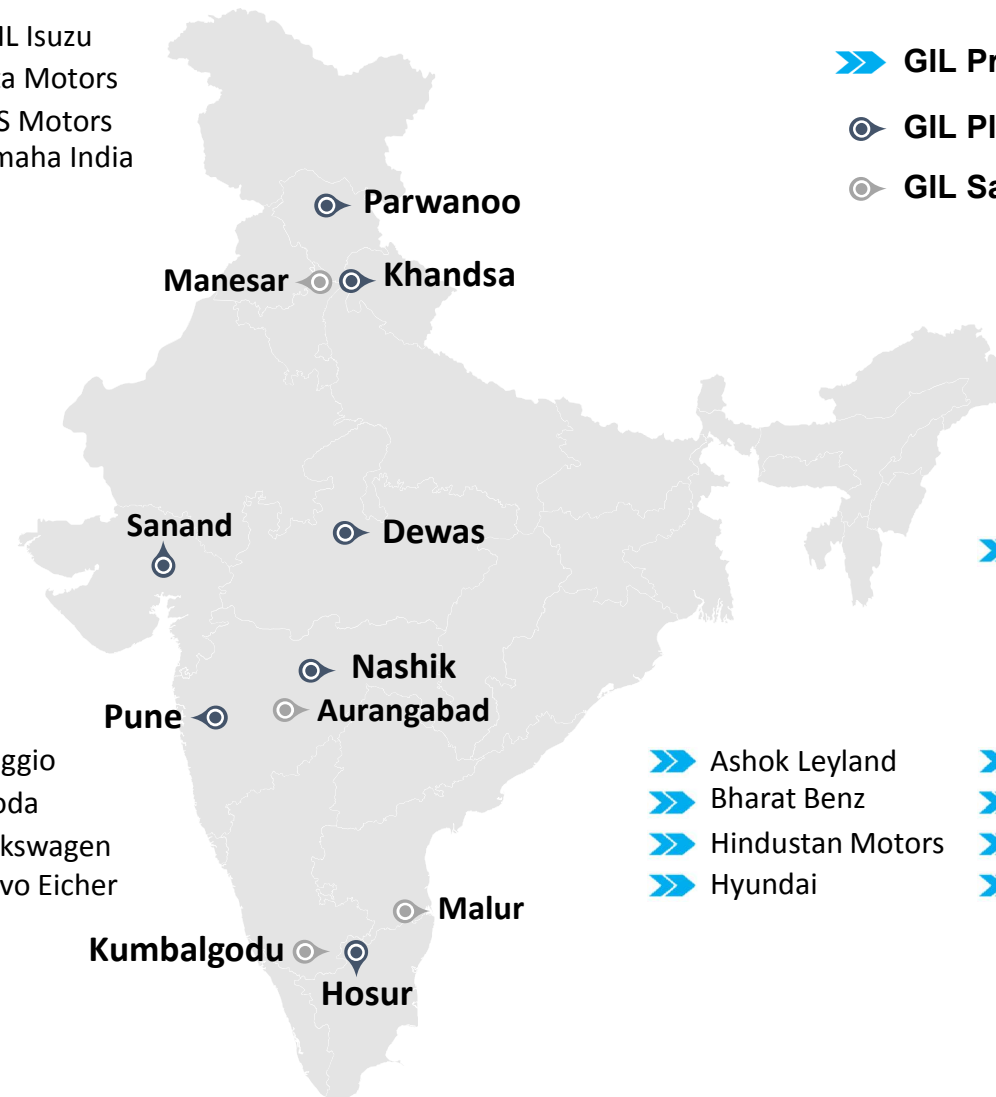
» Hindustan Motors

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

- » Piaggio
- » Skoda
- » Volkswagen
- » Volvo Eicher

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

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



\*Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.



# ... Manufacturing Facilities

**GABRIEL**

**ANAND**

## 2/3 Wheelers

## Key Features

## Clientele

Nashik



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

**BAJAJ**

**HONDA**

**genZe**  
by Mahindra

**Mahindra**

**YAMAHA**

**PIAGGIO**  
VEHICLES PVT. LTD.

Hosur



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

**TVS**

**HONDA**

**ROYAL ENFIELD**

**YAMAHA**

**SUZUKI**

Parwanoo



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

**TVS**

**TATA**

**Mahindra**

# ... Manufacturing Facilities

**GABRIEL**

**ANAND**

## Passenger Cars

## Key Features

## Clientele

Chakan



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



Khandsa



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



Sanand



- Commenced production in 2010
- Segment Serviced : Passenger Car & 2Wheelers
- Products: Shock Absorbers & Struts (Final Assembly)



### CV & Railways

Dewas



### Key Features

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

### Clientele



## Key Principles of R&D

- Developing light weight products at competitive costs
- Developing products that will last longer with reduced replacement cycle
- Manufacturing of affordable embedded electronics for key products

### DSIR Approved R&D Centres

Well equipped state-of-the-art

- Chakan
- Hosur
- Nashik

Possess capabilities for end-to-end product development

- Conceptualizing
- Designing
- Prototyping
- Testing
- Validation

### Technical Collaborations with Global Partners

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

### Focus on Shortening lead time for testing

- Invested in own Test Track at Hosur Plant
- In-house facility for customers for ride tuning of vehicles

# Achieving Engineering Excellence



**GABRIEL**

First time in India -  
Shock Absorbers  
with Floating Piston

Designed &  
developed Remote  
Canister Shock  
Absorber

First to Develop  
Adjustable Electronic-  
Hydraulic Shock  
Absorber for a leading  
SUV vehicle in  
Aftermarket

First time in India -  
Shock Absorber with  
Hollow Piston Rod

*Proven Engineering  
Capabilities –  
PRODUCT &  
PROCESS*

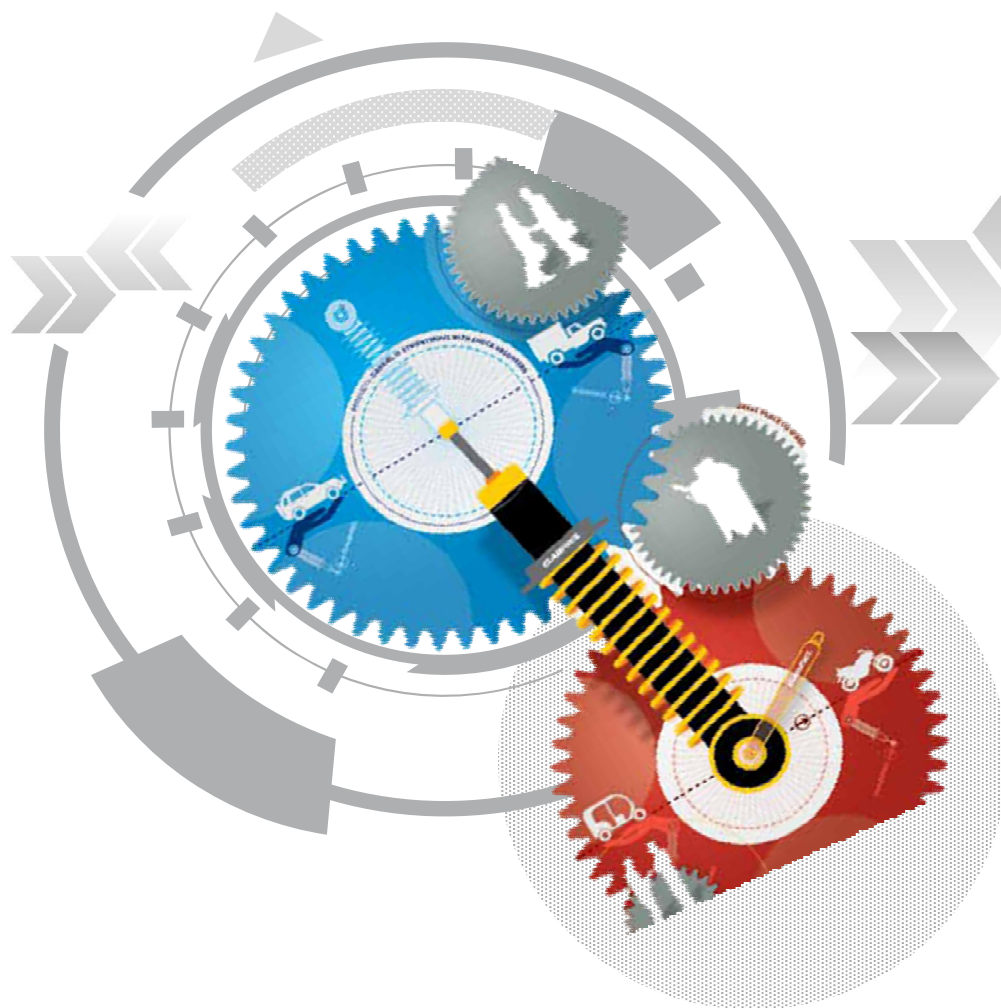
First Indian Company to  
indigenously develop  
Shock Absorbers for  
High Speed Railway  
Trains

Zero Discharge Chrome  
Plating

India's 1st Robotic  
Assembly line

Laser Welding  
Technology, Friction  
Welding Technology,  
Water based  
Autophoretic paint  
system

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



## Strategy Going Ahead



## 2/3 Wheeler

- Quality & Process Technology
- Capacity Enhancement



## CV & Railways

- Product Technology
- New Product Devolvement



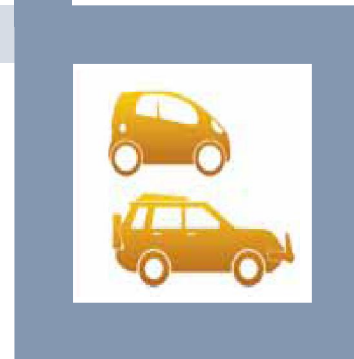
## Aftermarket

- Product Development
- Expanding Reach



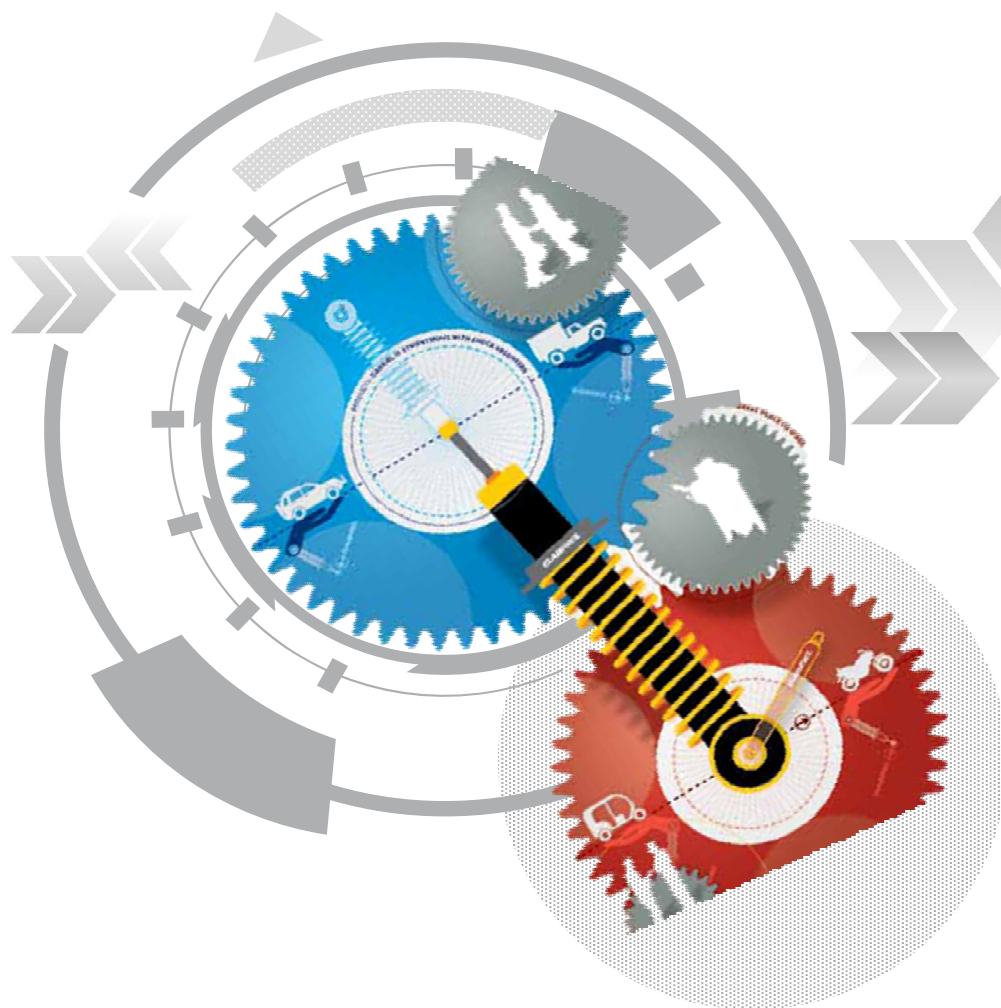
## Passenger Car

- Product Innovation
- Improving Market Share



**To Derive benefits in Customer & Product Focus,  
Export Push and After market expansion**





## Financial Highlights

# Historical Profit & Loss Highlights



**GABRIEL**

Rs.Mn	FY17	FY16	FY15	FY14	FY13
<b>Revenue</b>	<b>15,291</b>	<b>14,382</b>	<b>14,441</b>	<b>12,866</b>	<b>12,053</b>
Raw Material	10,844	10,282	10,434	9,266	8,644
Employee Expenses	1,279	1,150	1,077	982	911
Other Expenses	1,728	1,674	1,762	1,714	1,672
<b>EBITDA</b>	<b>1,440</b>	<b>1,276</b>	<b>1,168</b>	<b>904</b>	<b>826</b>
<i>Margin</i>	<i>9.4%</i>	<i>9.0%</i>	<i>8.1%</i>	<i>7.0%</i>	<i>6.9%</i>
Other Income	54	42	43	56	40
Interest & Finance Charges	17	25	55	90	123
Depreciation	353	332	311	271	273
<b>PBT before Exceptional Item</b>	<b>1,124</b>	<b>961</b>	<b>841</b>	<b>600</b>	<b>471</b>
<i>Margin</i>	<i>7.4%</i>	<i>6.7%</i>	<i>5.8%</i>	<i>4.7%</i>	<i>3.9%</i>
Exceptional Item*	-16	6	6	42	59
PBT	1,108	955	835	558	412
Tax	292	203	235	132	30
<b>PAT</b>	<b>816</b>	<b>752</b>	<b>600</b>	<b>426</b>	<b>381</b>
<i>PAT Margin</i>	<i>5.3%</i>	<i>5.2%</i>	<i>4.2%</i>	<i>3.3%</i>	<i>3.2%</i>
<b>Cash PAT**</b>	<b>1,169</b>	<b>1,084</b>	<b>912</b>	<b>697</b>	<b>654</b>

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

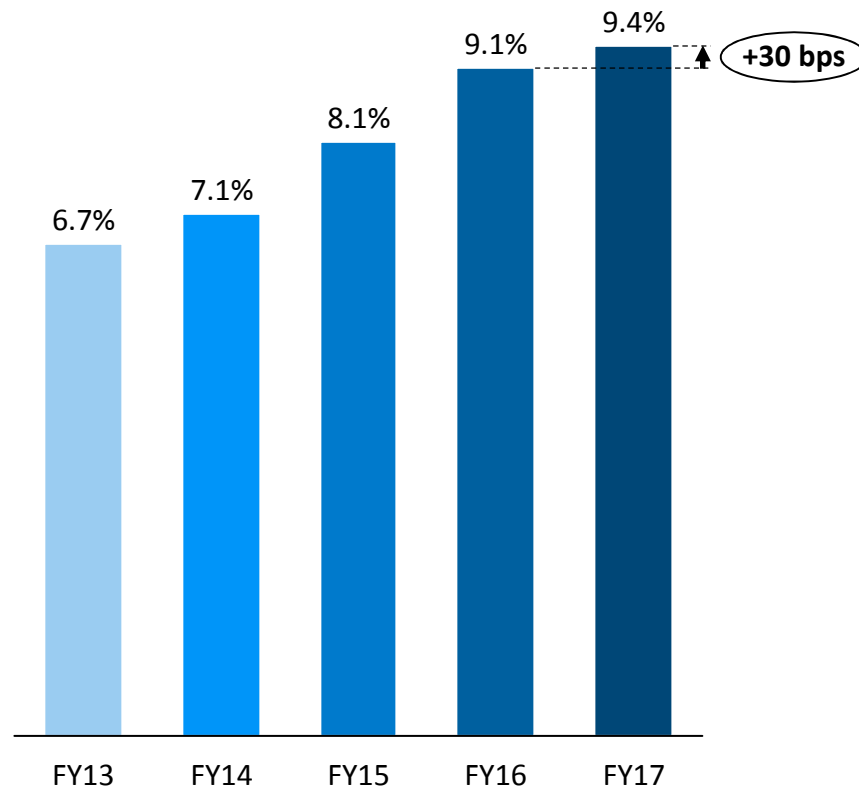
\*\* Cash PAT = PAT + Depreciation

# Margin Expansion Continues- Yearly

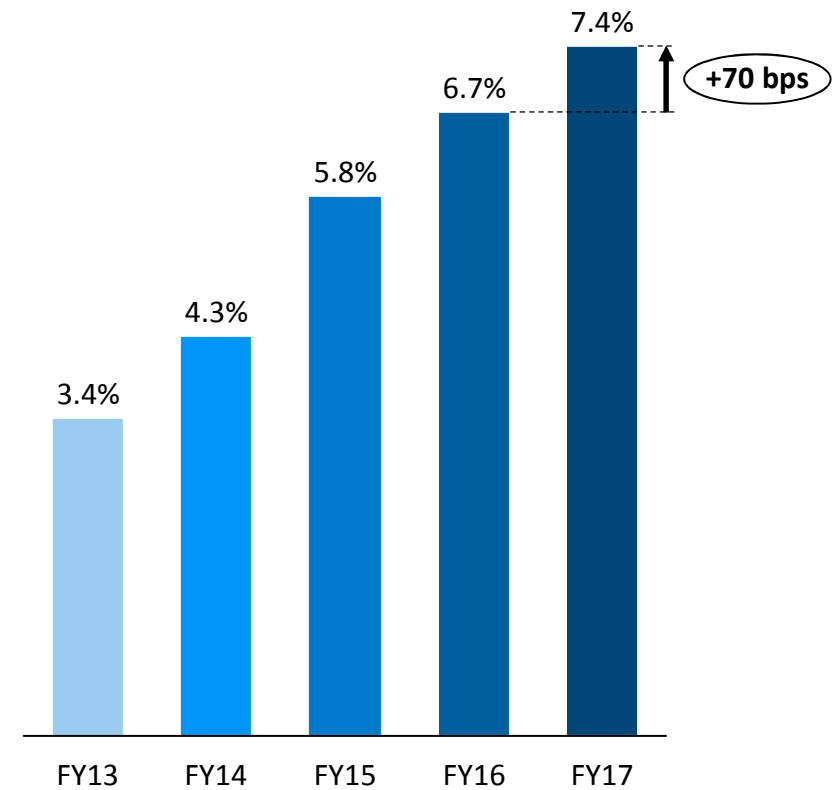


**GABRIEL**

## EBITDA Margin %



## PBT Before Exceptional Item Margin %

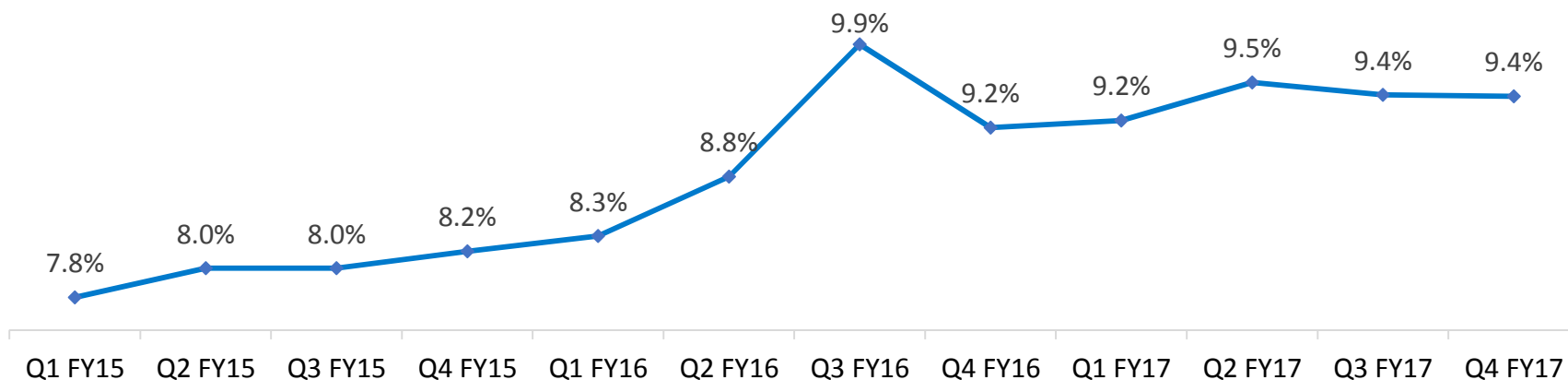


# Quarterly Performance Trend

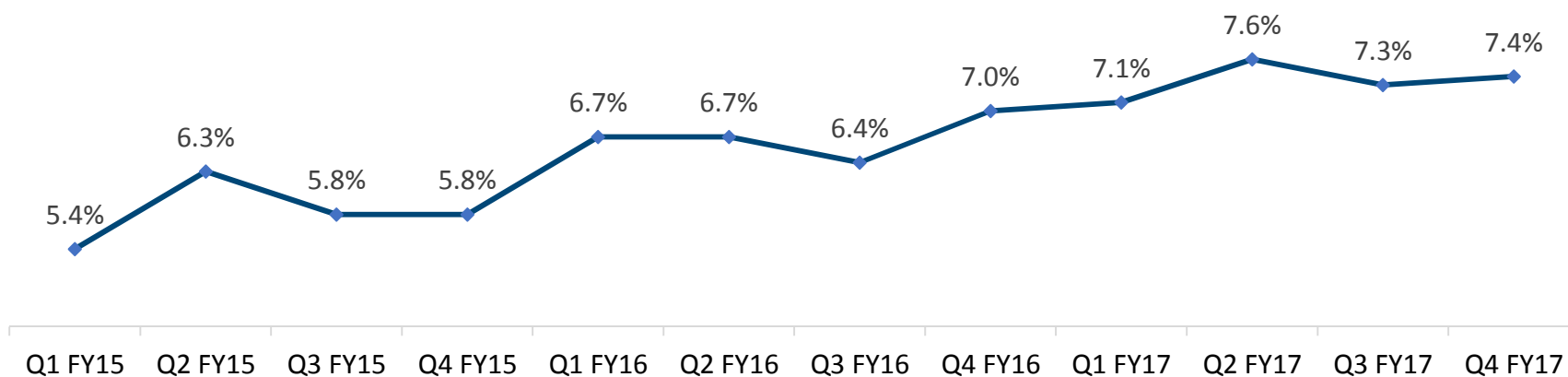


**GABRIEL**

**EBITDA Margin %**



**PBT Margin (%)**





# Balance Sheet

**GABRIEL**

**ANAND** 

EQUITY & LIABILITIES (Rs. Mn)	Mar-17	Mar-16
<b>Shareholder's Fund</b>	<b>4,505</b>	<b>3,799</b>
Share capital	144	144
Reserves & Surplus	4,361	3,656
<b>Non-current liabilities</b>	<b>335</b>	<b>258</b>
Long term borrowings	78	81
Other non-current liabilities	257	176
<b>Current liabilities</b>	<b>2,861</b>	<b>2,660</b>
Short term Provisions	171	352
Trade Payables	2,147	1,781
Other current liabilities	543	527
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>7,701</b>	<b>6,716</b>

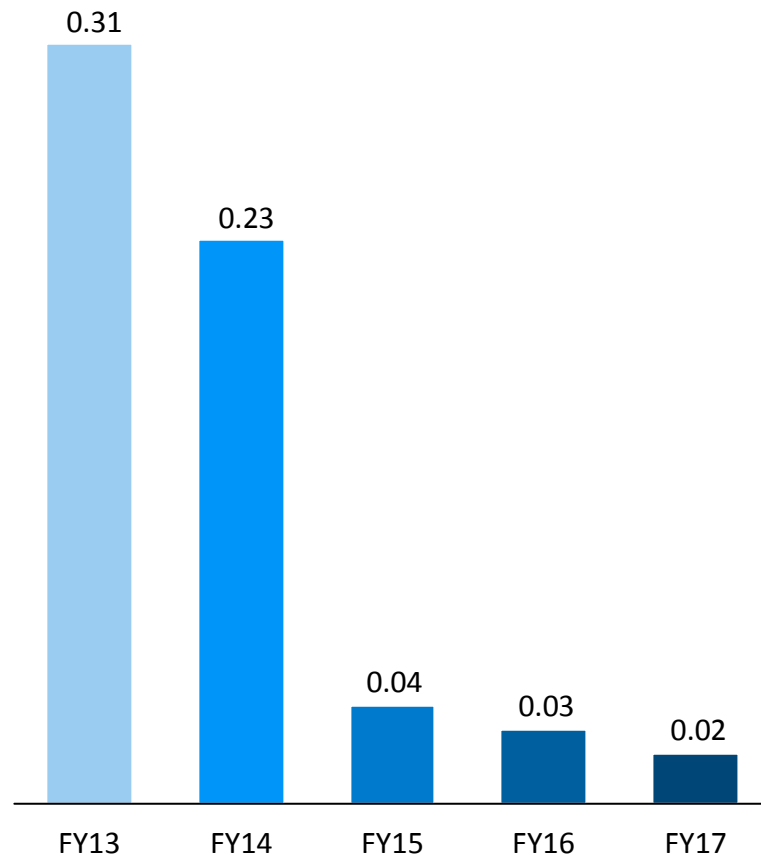
ASSETS (Rs. Mn)	Mar-17	Mar-16
<b>Non-current assets</b>	<b>3,155</b>	<b>2,997</b>
Fixed assets	2,904	2,746
Long-term loans and advances	251	236
<b>Current assets</b>	<b>4,546</b>	<b>3,734</b>
Current Investments	280	-
Inventories	1,298	1,107
Trade receivables	2,118	1,924
Cash and bank balances	527	377
Short-term loans and advances	280	290
Other current assets	43	36
<b>TOTAL ASSETS</b>	<b>7,701</b>	<b>6,716</b>

# Strong Balance Sheet

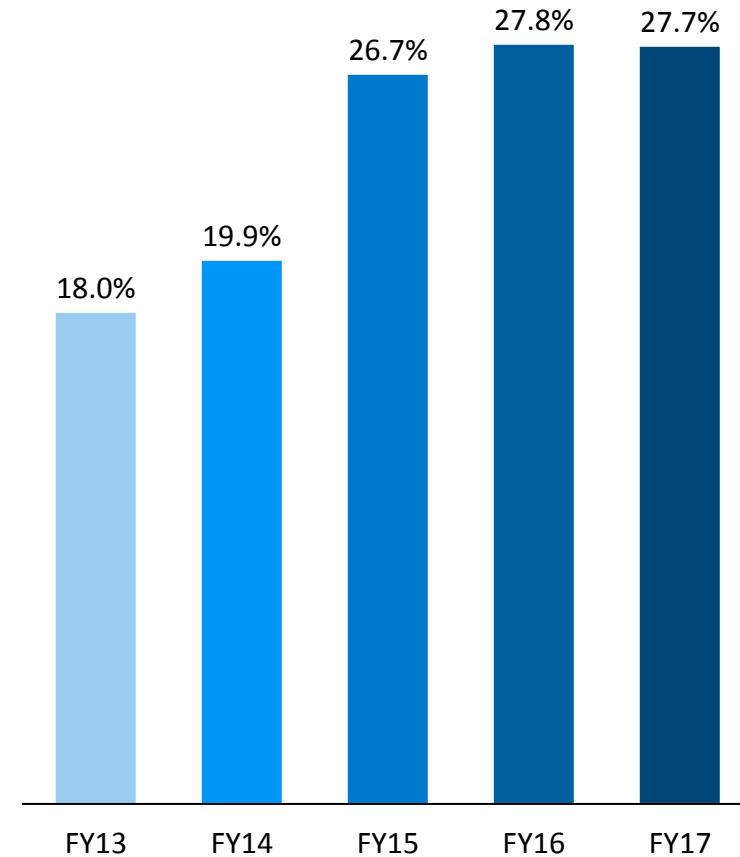


**GABRIEL**

## D:E Ratio



## ROIC\* (%)



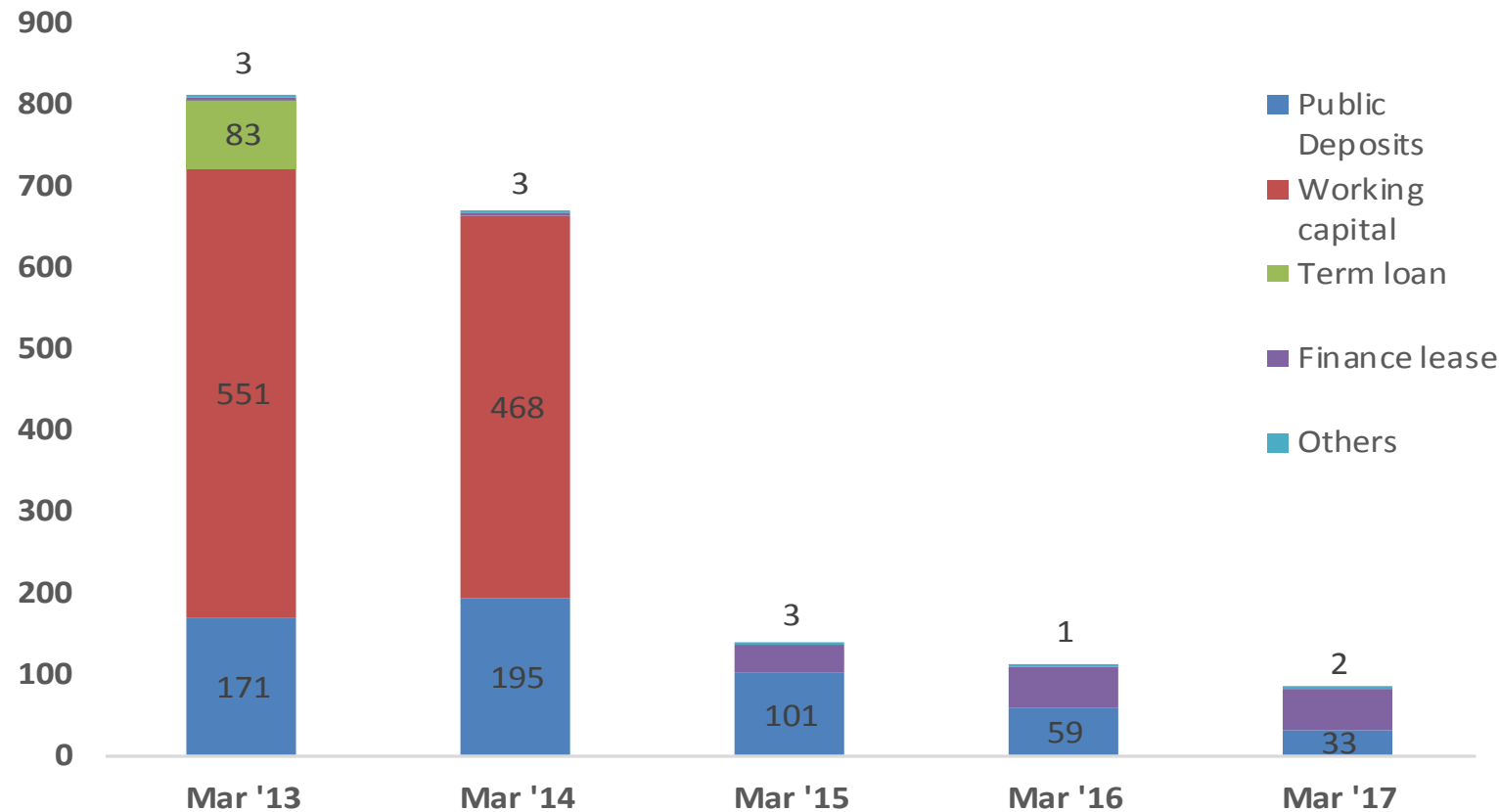
\* Invested capital excluding Cash & Bank balances,  
Mutual Fund investments and returns thereon

# Reduction in borrowings



**GABRIEL**

(Rs.Mn)



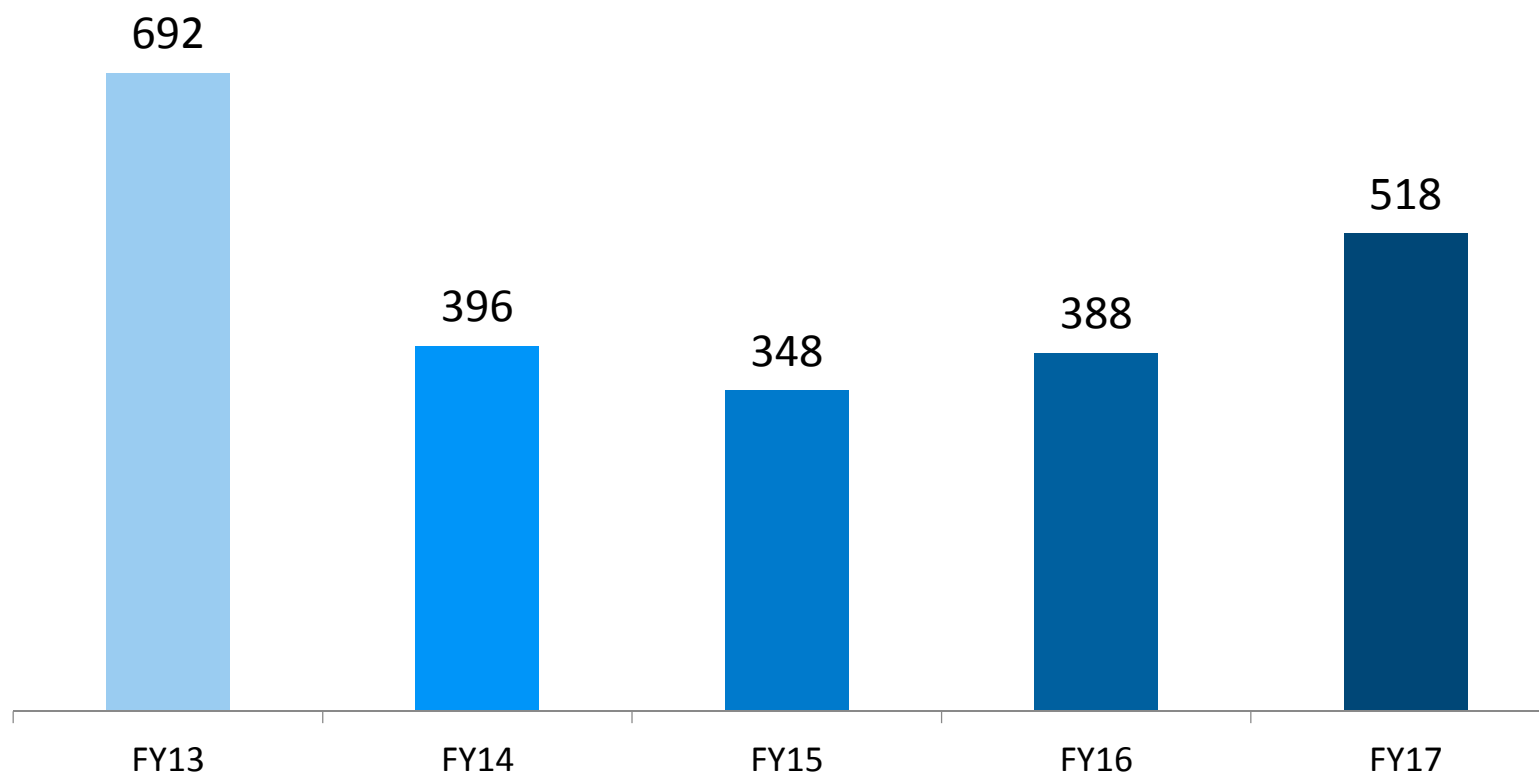
The company has stopped accepting public deposits effective November 2015 and the outstanding balance has been reduced from Rs. 59 millions to Rs. 33 millions.

# Capital expenditure trend

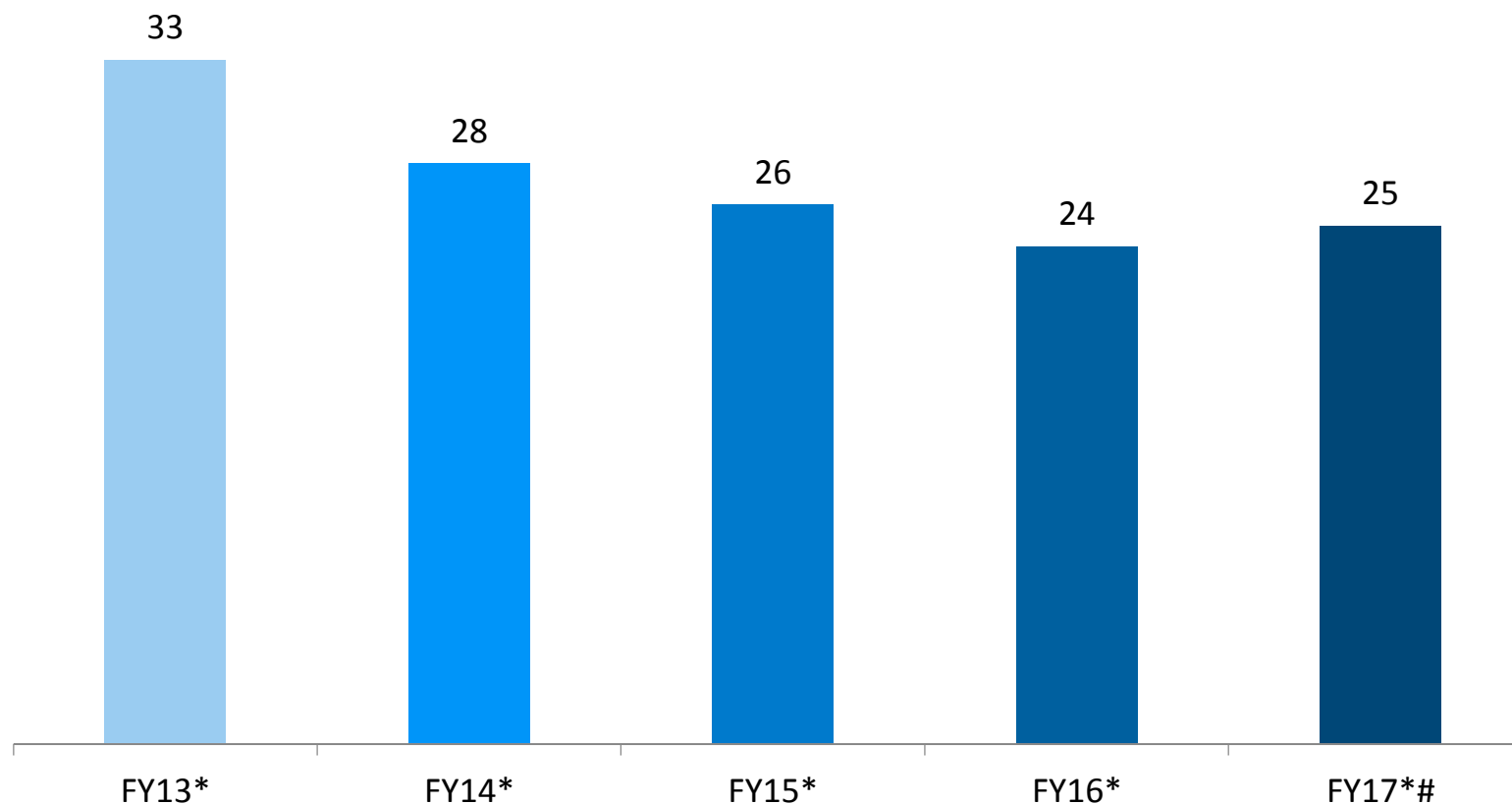


**GABRIEL**

Capital Expenditure (Rs. Mn)



## Net Working Capital Days



\*Debtors including Bills discounted with banks.

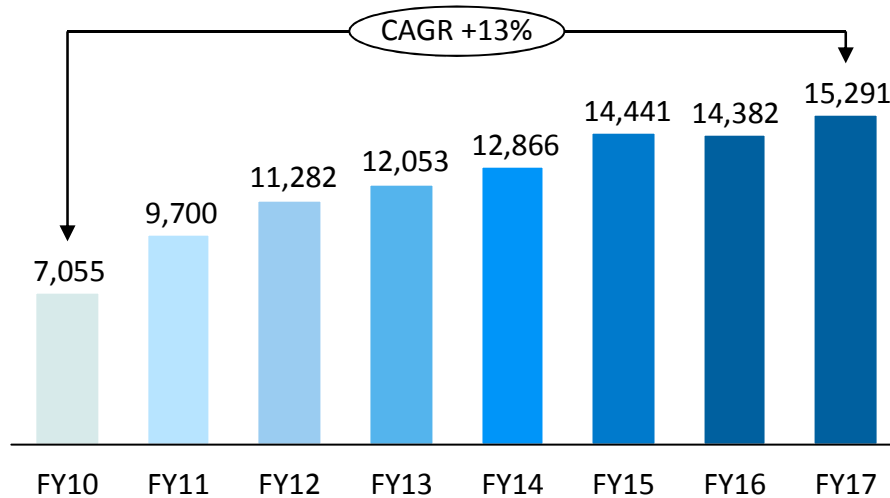
# FY17 nos. do not include proposed dividend as liability in terms of amendment in Accounting standard adjusted to which net days would be 22 days

# Annual Performance Trend



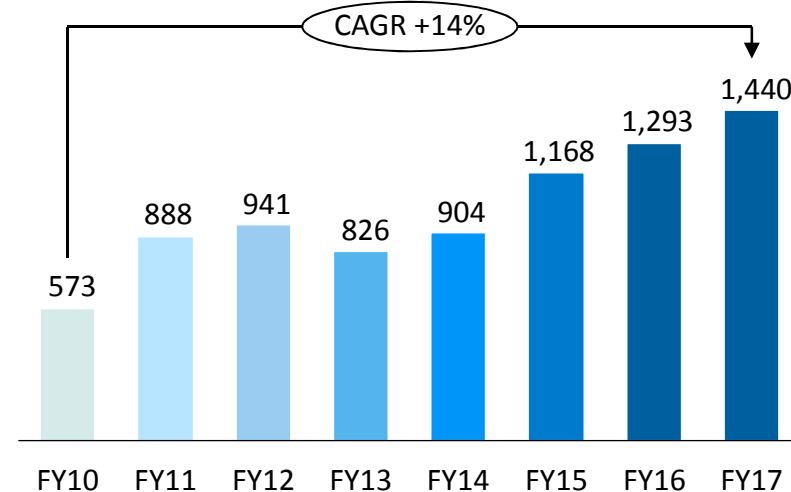
**GABRIEL**

**Revenue**

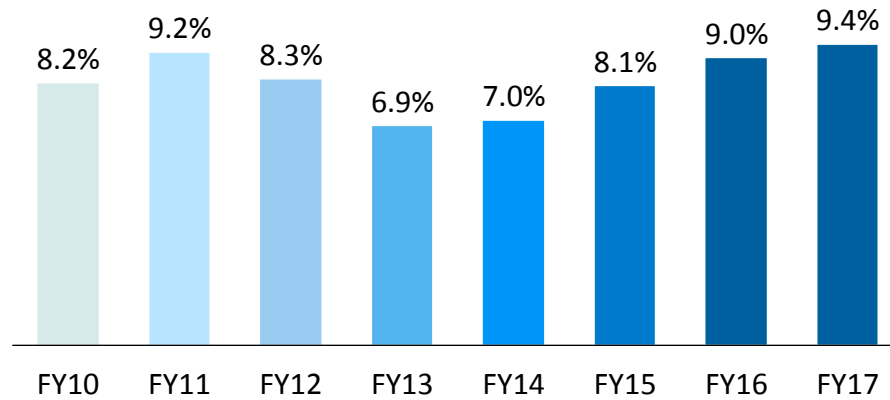


**EBITDA**

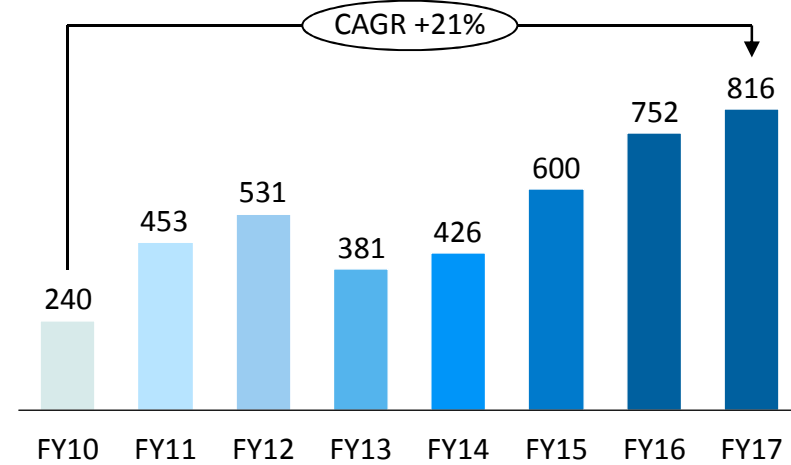
(Rs.Mn)



**EBITDA Margin%**



**PAT**



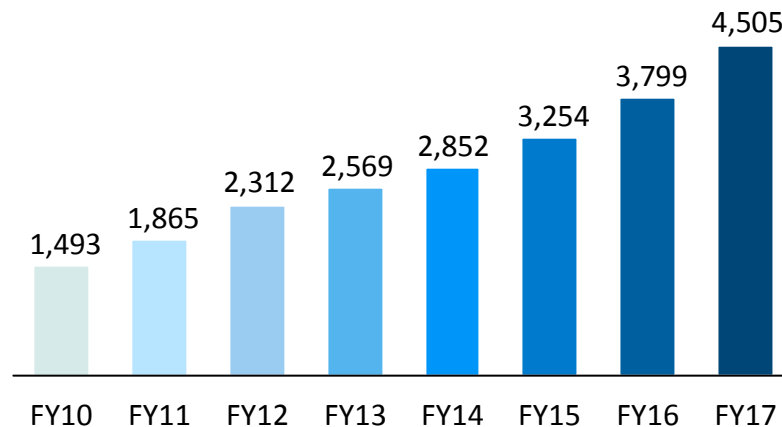


# Annual Performance Trend



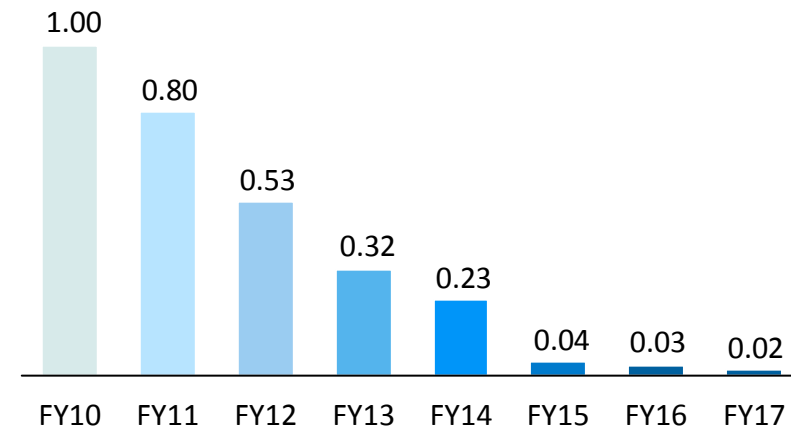
**GABRIEL**

**Networth**

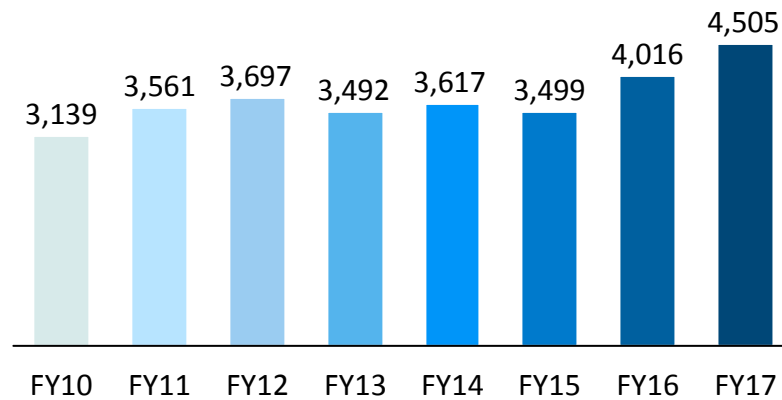


**Debt:Equity**

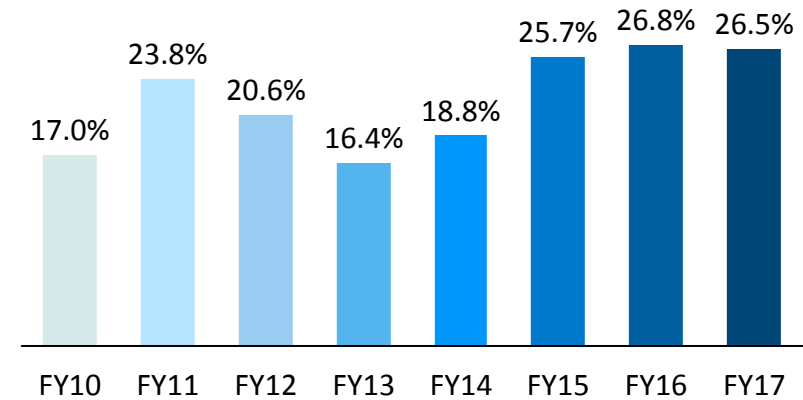
(Rs.Mn)



**Funds Employed**



**ROCE**

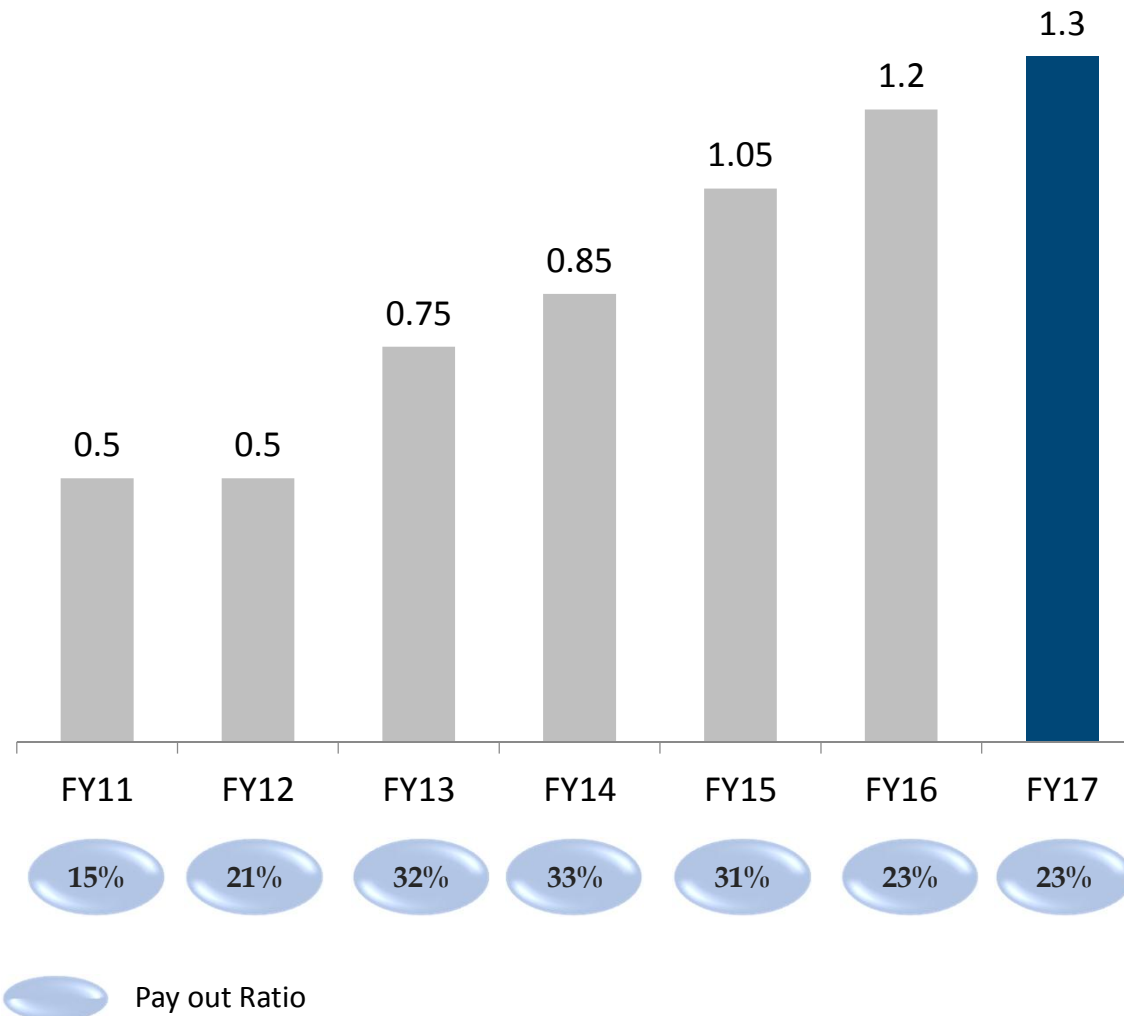


# Improving Dividend Profile

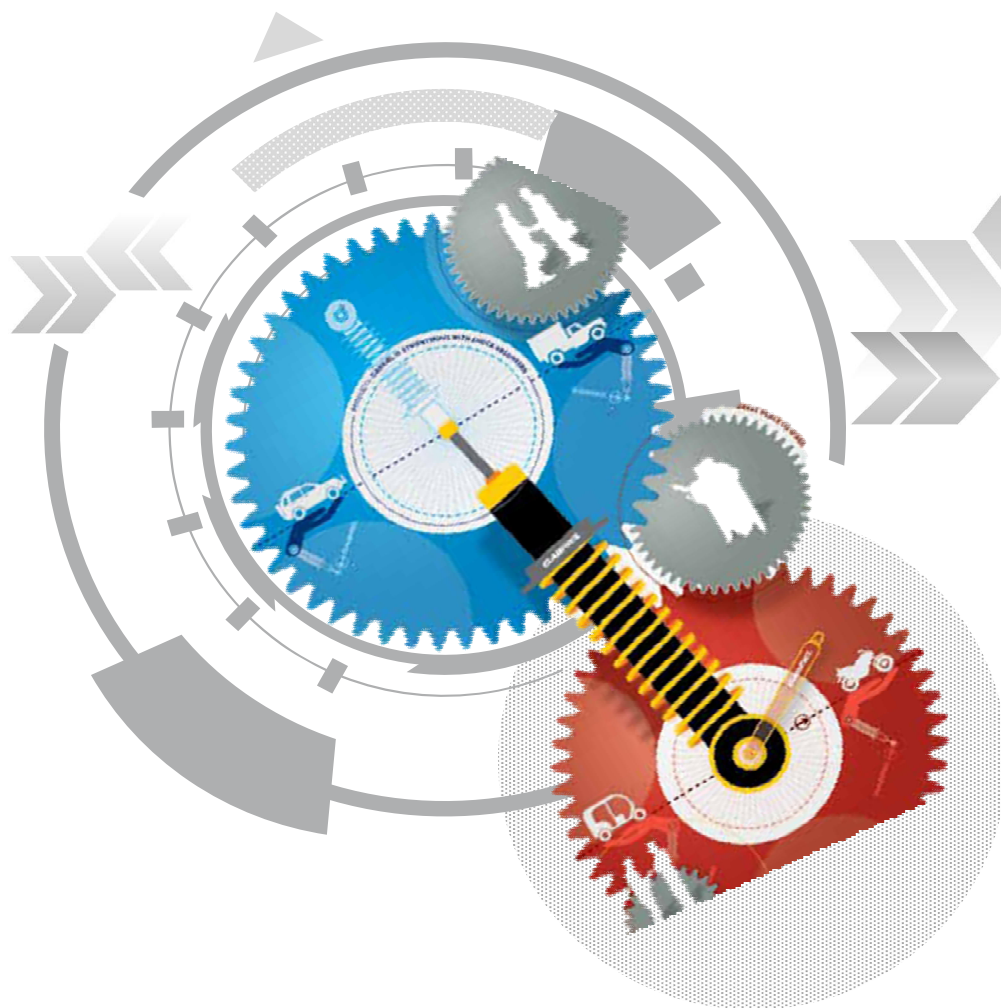
**GABRIEL**

**ANAND** >>

Dividend Per Share (Rs.)



- Continuous Dividend since 1998
- Stable Payout Ratio
- Declared Final Dividend of Rs. 0.85 per share, amounting to 85% of Face Value
- Total Dividend of Rs. 1.30 per share of Re. 1 each



## Corporate Overview

### 1961-1990

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

### 1991 - 2000

- Single Unit Manufacturing to Multi Location segment wise manufacturing : Passenger car s 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

### 2001 - 2010

- Exports to Yamaha (Japan) Commenced
- Sets up the Parwanoo facility, manufactures shock absorbers for Commercial Vehicles and 2-Wheelers, struts for Passenger Cars and front forks for motorcycles
- Entry into Suzuki Motorcycles
- Business awarded for Yamaha 'New Gen' motorcycles

### 2011-2012

- 2011 R&D Facility at Hosur & Nashik recognized by DSIR
- Supply commenced to Volkswagen India
- Strengthens Aftermarket through highly successful loyalty programme

### 2013 - 2014

- With key focus on R&D, launches a full-fledged new 2-Wheeler R&D centre in Hosur
- Expanded presence in China with inauguration of China office
- To enhance product and customer focus, Strategic Business Units (SBUs) based on product sectors were formed each headed by a COO

### 2015 - 2016

- Received an approval to manufacture Linke- Hofmann-Busch (LHB) Dampers from Indian Railways for high-speed Trains
- Aftermarket business achieves a record sales of INR 200 Cr
- Great Place to Work® recognizes Gabriel as 43rd best place to work in India and 2nd in the Indian Auto Component industry for 2015

# Led by Experienced Professionals

**ANAND** 

**GABRIEL**

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

# Led by Experienced Professionals

**ANAND** 

**GABRIEL**

Mr. Rajendra Abhange, CTO



Mr. Atul Jaggi , COO, TWBU



Mr. Amitabh Srivastava, COO, AMBU



Mr. Sarabjit Singh, COO, PCBU



Mr. Umesh Shah , COO, CVRBU





## Mrs. Anjali Singh – Executive 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. Jagdish Kumar – Group President & Group CFO, Anand Group

- Joined Anand Group in September 2015
- Over 29 years of cross cultural experience of running business at Asia Pacific level as well leading Strategic Planning efforts for Asia-Pacific at Global Companies like Du Pont, BILT, TCS

## Mr. Pradipta Sen – Non Executive Independent Director

- President for India, Middle East and Africa region of Emerson, Fortune 500 conglomerate
- 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. Aditya Vij – Non Executive Independent Director

- Over 3 decades of experience 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. Atul Khosla – Non Executive Independent Director

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

## AWARDS

**GABRIEL**

**ANAND** 



**Price Competitiveness Award – Suzuki Motorcycles**



**Gold Quality Award – Lohia UM Motorcycles**



**Zero PPM Quality Award – Toyota Kirloskar**



**Global Supplier Conference at Yamaha Japan**



TAA (Technology Assistance Agreement) signed off with TORRE (Gabriel South Africa)



# Golden Peacock Award

**GABRIEL**

**ANAND** >>



**Gabriel Parwanoo awarded with prestigious Golden Peacock Award for HR Excellence**



Gabriel Dewas won Third price – FICCI Quality systems Excellence award in large scale category



# Awarded with "GREAT PLACE TO WORK"

**ANAND** »

**GABRIEL**

**2017**

Ranked among Top 100 Companies to work for in India

**2016**

Gabriel India Ranked **#3** in Auto Component Industry  
Rank **#70** among Top 100 Companies to work for in India

**2015**

Gabriel India Ranked **#2** in Auto Component Industry  
Rank **#43** among Top 50 Companies to work for in India

**2012**

Gabriel India Ranked **#3** in Auto Component Industry  
Recognized among the Best Companies in its Industry





# Industry Accolades

**GABRIEL**

**ANAND** 

- “Silver Quality Award” from Bajaj Auto
- “Overall Cost Reduction” Award from Suzuki Motorcycles for 2015-16
- Felicitated for Long standing partnership with Royal Enfield Motorcycles
- Gabriel Dewas won the First Prize in the “Safety Category” of the Manufacturing Today Excellence Summit 2016
- FICCI Quality System Excellence Award for Manufacturing 2015
- Gold Trophy in the Excellence in HR (Special) Category by ACMA
- “Strong Commitment to HR Excellence” by CII
- Bronze Award in International Convention on Quality Circle (ICQC) at South Korea
- 1st Rank in Honda Cars Quality Circle & Kaizen competition



**For further information, please contact:**

**Company :**

Gabriel India Ltd.  
CIN : 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.  
CIN : U74140MH2010PTC204285  
Mr. Jigar Kavaia / Ms. Neha Shroff  
[jigar.kavaia@sgapl.net](mailto:jigar.kavaia@sgapl.net) / [neha.shroff@sgapl.net](mailto:neha.shroff@sgapl.net)

+91-9920602034 / +91-7738073466

[www.sgapl.net](http://www.sgapl.net)