

Gabriel India Ltd.

Investor Presentation – July 2018



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.

Introduction	04
Business Overview	05
Strategy Going Ahead	20
Financial Highlights	23
Corporate Overview	35

Incorporated

The company, Gabriel India, in 1961

Experienced
& Professional Management



Pioneers
of Shock Absorber
manufacturing in India

Innovation
Strong R&D with over
43 patents filed in
Products & Processes



**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

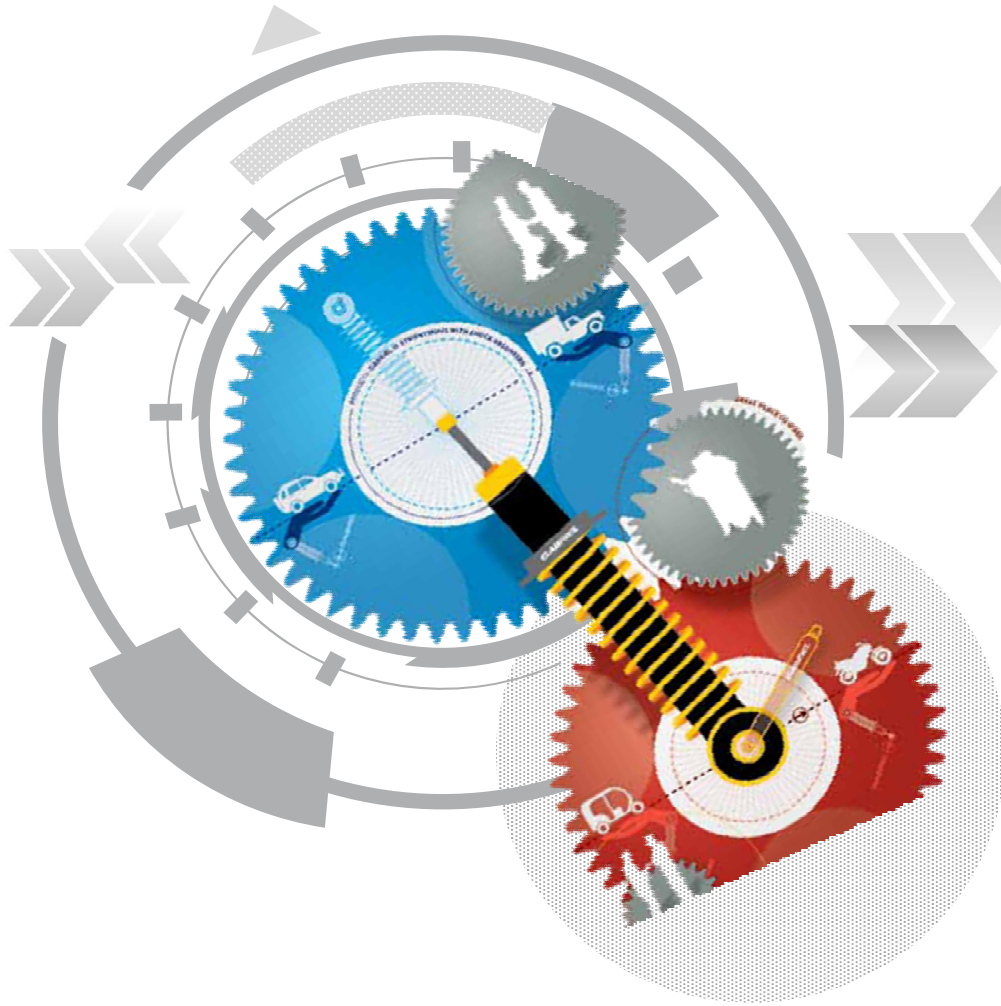


Received the "Golden Peacock
Eco Innovation Award" in the
year 2012

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

Ranked as a "Great Place to Work"
in Auto Component Industry for last
four years consistently





Business Overview

We are a "GREAT PLACE TO WORK"



GABRIEL

2018

Ranked among Top 100 Companies to work for in India (4th time in row) & best companies to work for in Auto Component Industry



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



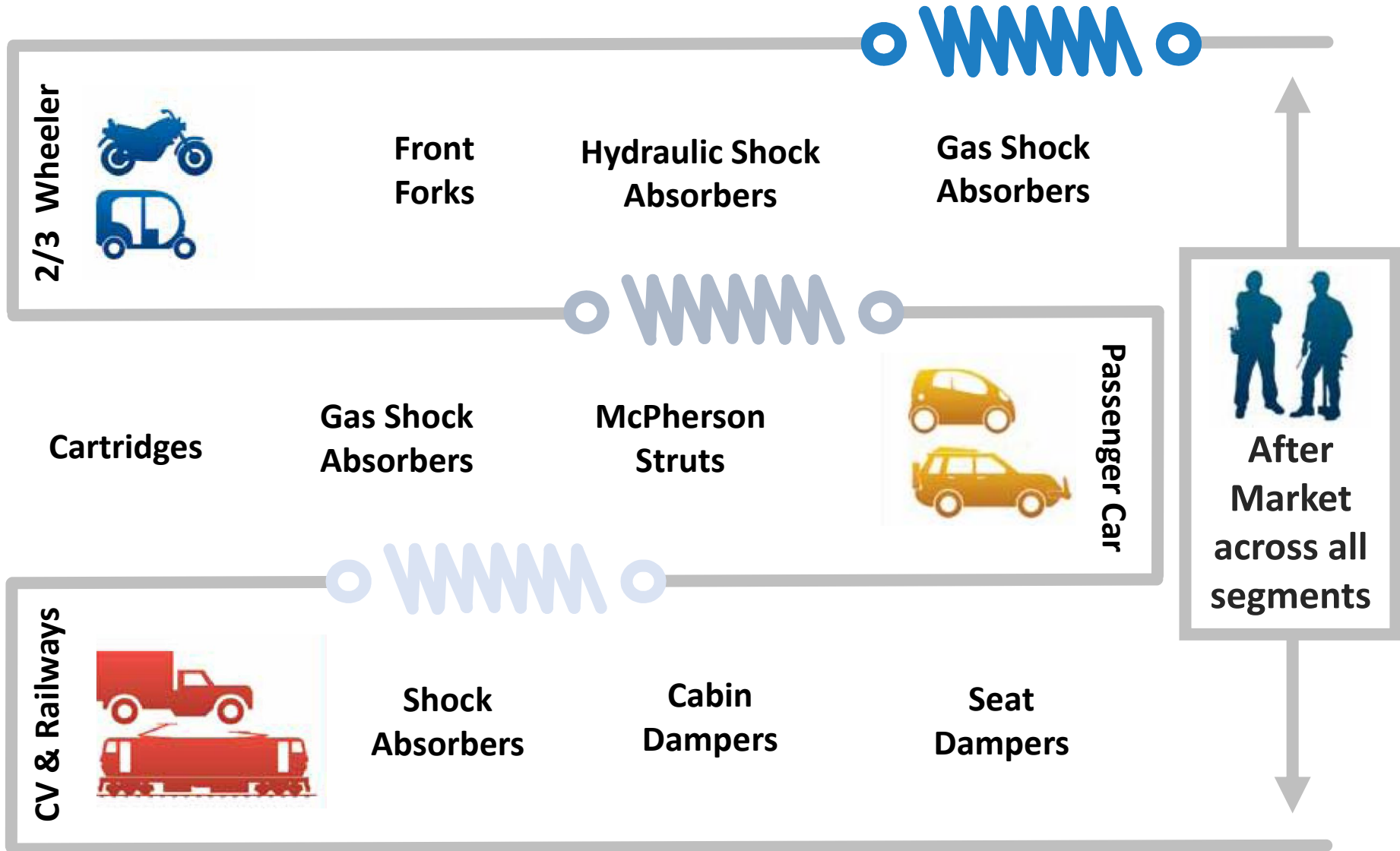
2015

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

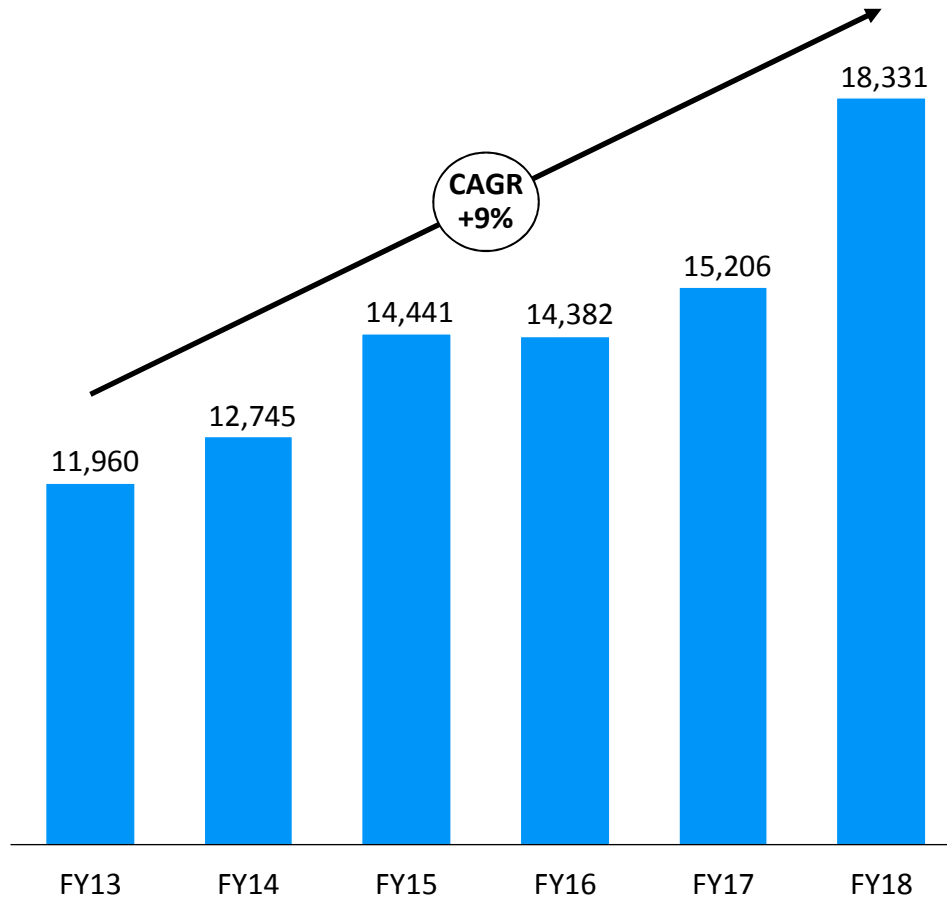


...with Diversified Revenue

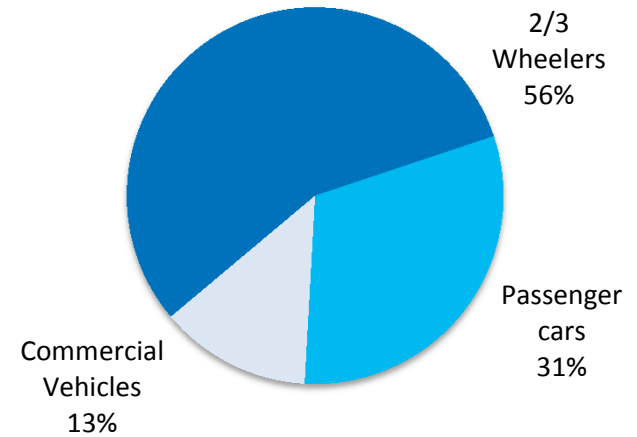


GABRIEL

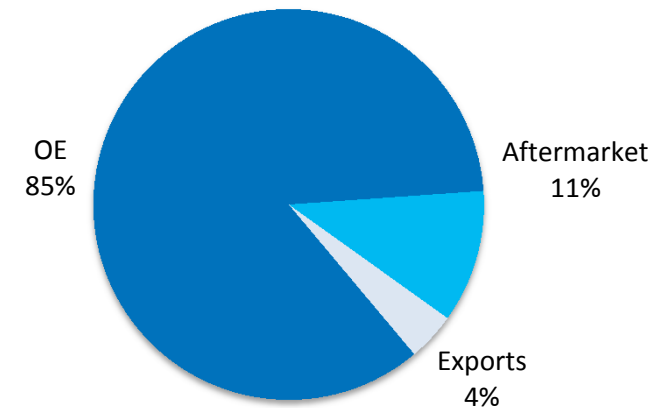
Revenue (Rs. Mn)



Segment Mix: FY18



Channel Mix: FY18



... & "No" OEM accounting for >20% of Sales

ANAND 

GABRIEL

2/3 Wheeler



Passenger Car



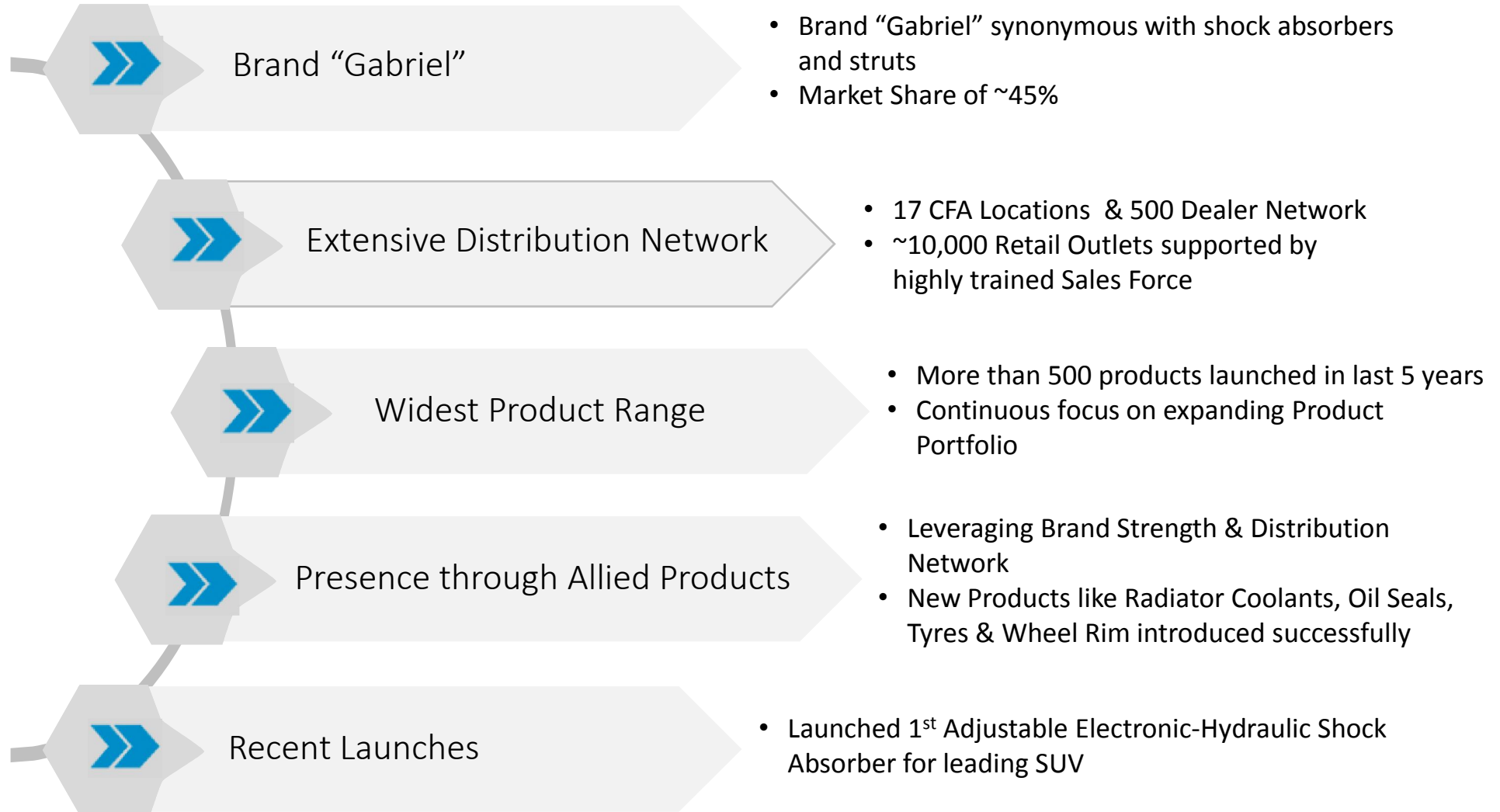
CV & Railways



... 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



Pro Kabbadi - Puneri Paltan team



Indian National Polo Team



Suzuki - Gixxer Cup



Pune International Supercross League



VW - Ameo Cup



Highway Hoardings & Uni-poles

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

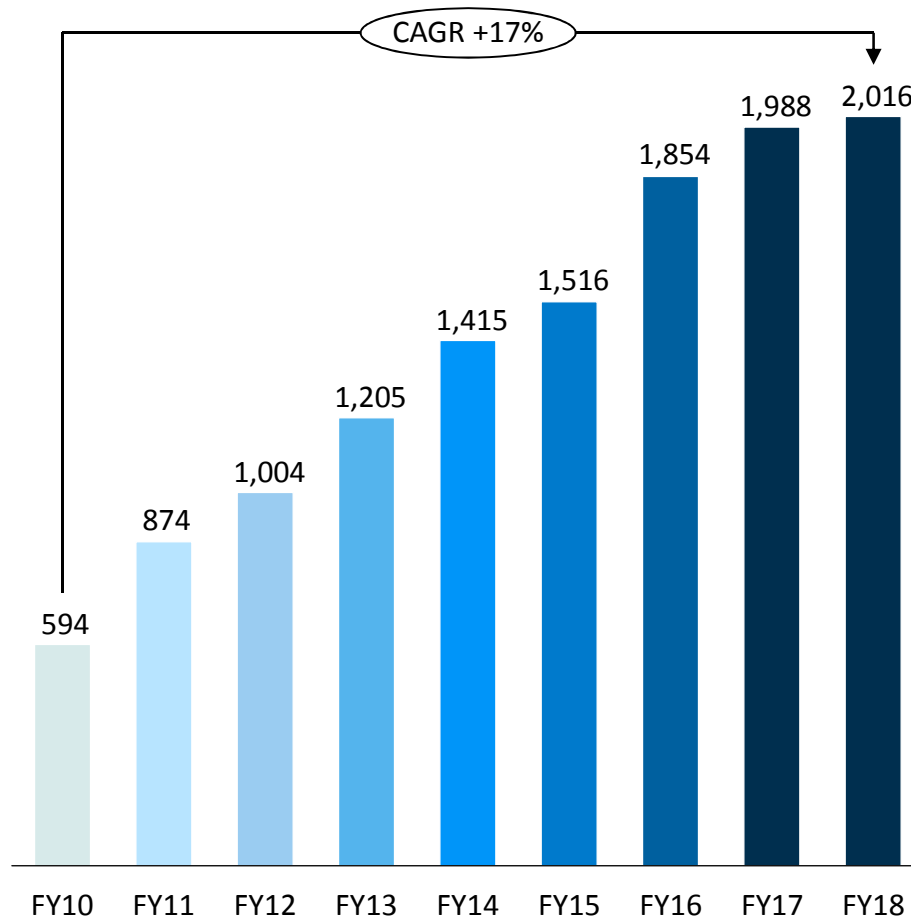
Focusing to increase presence in Aftermarket of South East Asian Countries

Export order from Mahindra GenZe USA for eScooter

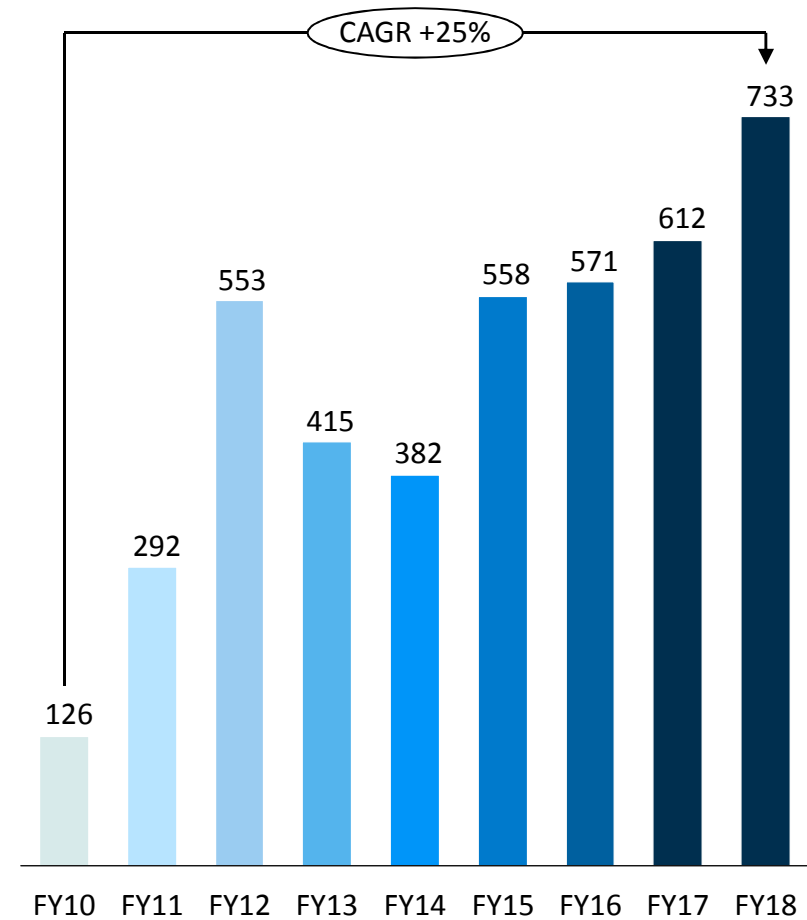
Won an order from ISUZU for Thailand and Indonesia in CV Segment

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

Aftermarket Sales (Rs Mn)



Export Sales (Rs. Mn)



Strategic Manufacturing Footprint



GABRIEL

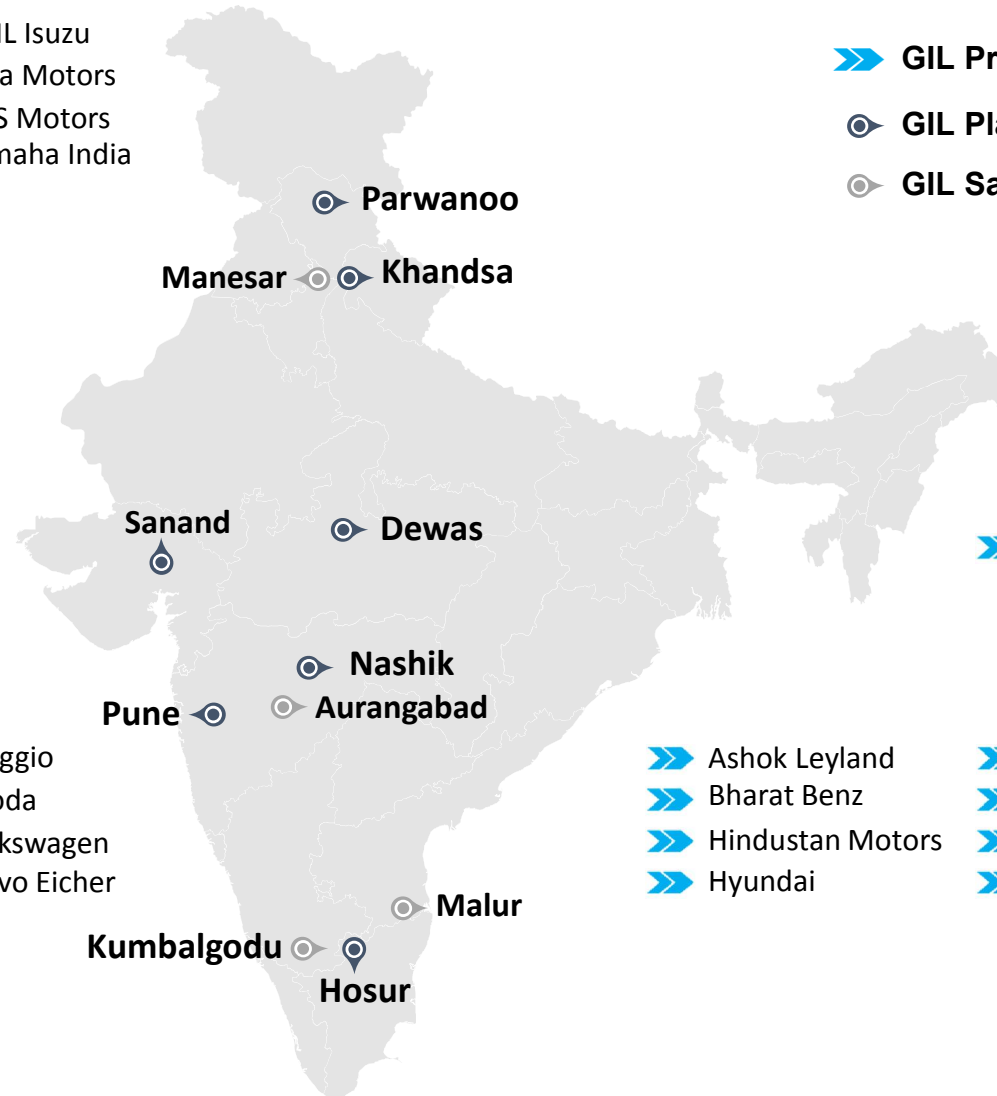
- » Ashok Leyland
- » Honda Cars
- » Honda Motorcycles
- » ICML
- » Maruti Suzuki
- » Suzuki Motorcycles

- » 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.

2/3 Wheelers

	Key Features	Clientele
<p>Nashik</p>	<ul style="list-style-type: none"> Commenced production in 1990 Products: Shock Absorbers & Front Forks TC with Yamaha Motors Hydraulic System 	
<p>Hosur</p>	<ul style="list-style-type: none"> Commenced production in 1997 Products: Shock Absorbers & Front Forks TC with KYB Japan & Yamaha Motors Hydraulic System 	
<p>Parwanoo</p>	<ul style="list-style-type: none"> Commenced production in 2007 Segment Served: 2Wheelers, Passenger Cars, Commercial Vehicles and Aftermarket Products: Shock Absorbers, Struts and Front Forks 	

GABRIEL

Passenger Cars



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



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



- 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

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*

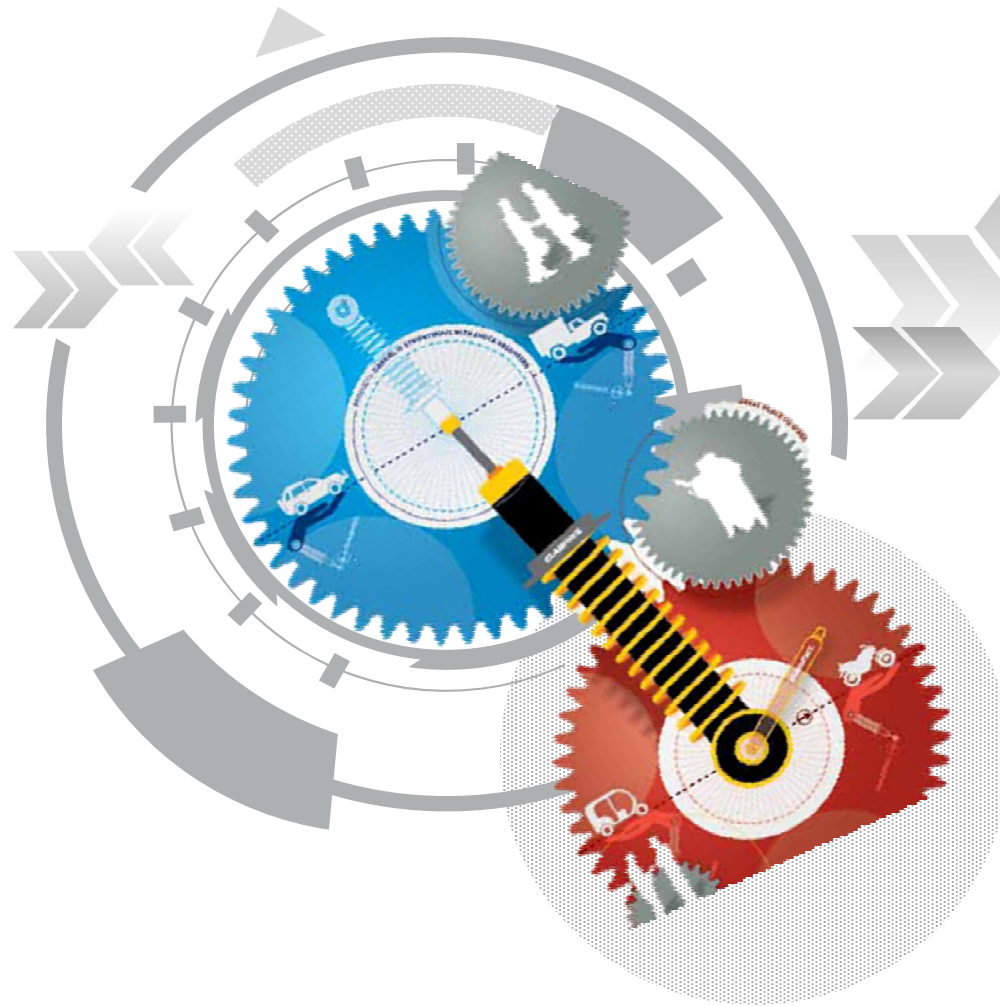
First Indian Company to
indigenously develop
Shock Absorbers for
High Speed Railway
Trains

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 for Hollow Piston Rod"



Strategy Going Ahead

2/3 Wheeler

- Quality & Process Technology
- Capacity Enhancement



CV & Railways

- Product Technology
- New Product Development



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**

Sales Growth

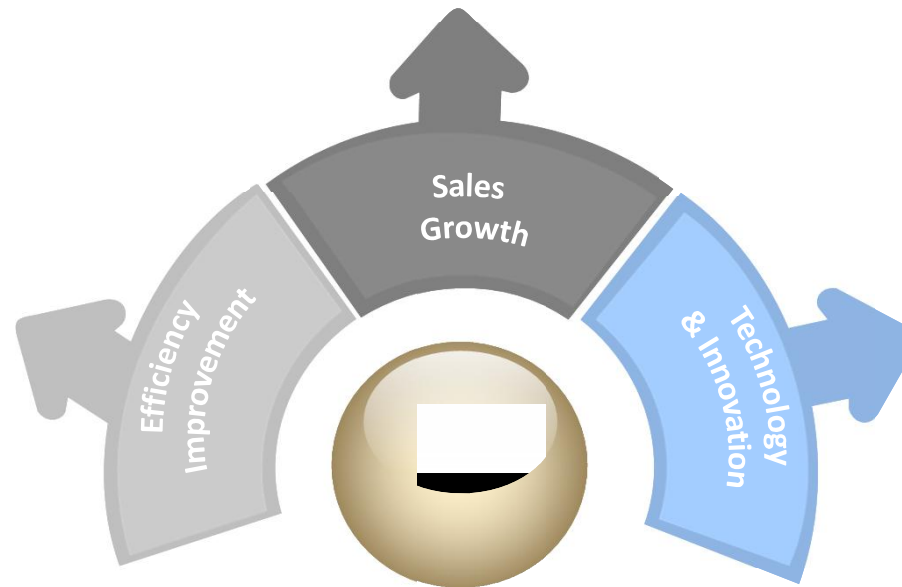
- Exports Focus
- In Organic Growth
- Global Manufacturing Footprint
- Customer Focus

Efficiency Improvement

- Debt Reduction
- Break Even Point (BEP) Reduction
- Simplification of Parts
- Automation

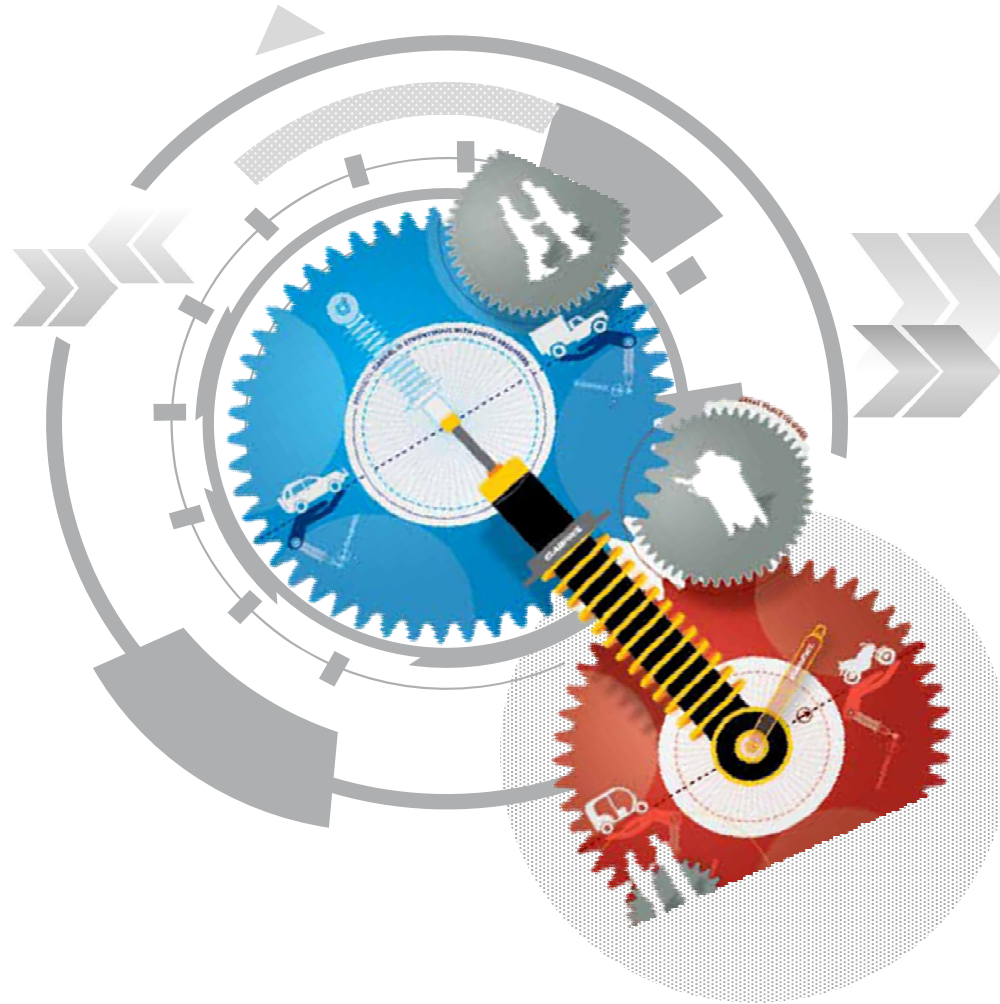
Technology & Innovation

- Improvement in quality
- R & D Focus
- Sustainable Manufacturing
- Innovation Culture



Capital Expenditure for FY 18-19 proposed Rs.1,560 Mn

- New 2-Wheeler Front Fork Plant at Sanand to cater to new HMSI Order, expected outlay Rs.460 Mn
- New 'Piston Rod' (Key Component for Shock Absorbers) manufacturing facility, expected outlay Rs. 400 Mn
- New R&D Technical Centre Building at Chakan premise Rs. 115 Mn to address new technology developments for Passenger Car & Commercial Vehicle Business
- Regular R&D/Quality/Line Balancing/Maintenance capex Rs. 585 Mn



Financial Highlights

Historical Profit & Loss Highlights



GABRIEL

Rs.Mn	FY18^	FY17^	FY16	FY15	FY14	FY13
Revenue	18,331	15,206	14,382	14,441	12,866	12,053
Raw Material	13,106	10,847	10,282	10,434	9,266	8,644
Employee Expenses	1,377	1,112	1,150	1,077	982	911
Other Expenses	2136	1785	1,674	1,762	1,714	1,672
EBITDA	1,713	1,461	1,276	1,168	904	826
%	9.3%	9.6%	9.0%	8.1%	7.0%	6.9%
Other Income	71	58	42	43	56	40
Interest & Finance Charges	29	39	25	55	90	123
Depreciation	383	353	332	311	271	273
PBT before Exceptional Item	1,372	1,128	961	841	600	471
%	7.5%	7.4%	6.7%	5.8%	4.7%	3.9%
Exceptional Item*	-	-	6	6	42	59
PBT	1,372	1,128	955	835	558	412
Tax	429	301	203	235	132	30
PAT	942	827	752	600	426	381
%	5.1%	5.4%	5.2%	4.2%	3.3%	3.2%
Cash PAT**	1,325	1,180	1,084	912	697	654

^ As per IND-AS

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

** Cash PAT = PAT + Depreciation

Profit & Loss Highlights



GABRIEL

Rs. Mn	Q4 FY18	% of Revenue	Q4 FY17	% of Revenue	YoY%	FY18	% of Revenue	FY17	% of Revenue	YoY%
Revenue (net of excise duty)	4,968	100.0%	3,882	100.0%	28.0%	18,331	100.0%	15,206	100.0%	20.6%
Raw Material	3,546	71.4%	2,762	71.1%		13,106	71.5%	10,847	71.3%	
Employee Expenses	361	7.3%	295	7.6%		1,377	7.5%	1,112	7.3%	
Other Expenses	596	12.0%	450	11.6%		2136	11.6%	1785	11.7%	
EBITDA	465	9.4%	375	9.7%	24.0%	1,713	9.3%	1,461	9.6%	17.2%
Adjusted EBITDA **	9.4%		9.7%			9.3%		9.6%		
Other Income	23	0.5%	20	0.5%		71	0.4%	58	0.4%	
Interest	7	0.1%	18	0.5%		29	0.2%	39	0.3%	
Depreciation	107	2.2%	90	2.3%		383	2.1%	353	2.3%	
PBT	374	7.5%	287	7.4%	30.3%	1,372	7.5%	1,128	7.4%	21.7%
Tax	117	2.4%	61	1.6%		429	2.3%	301	2.0%	
PAT	257	5.2%	226	5.8%	13.7%	942	5.1%	827	5.4%	13.9%
Other Comprehensive Income	13		7			38		-30		
Total Comprehensive Income	270	5.4%	233	6.0%	15.9%	981	5.4%	796	5.2%	23.3%
Cash PAT	364	7.3%	316	8.1%	15.2%	1,325	7.2%	1,180	7.8%	12.3%

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

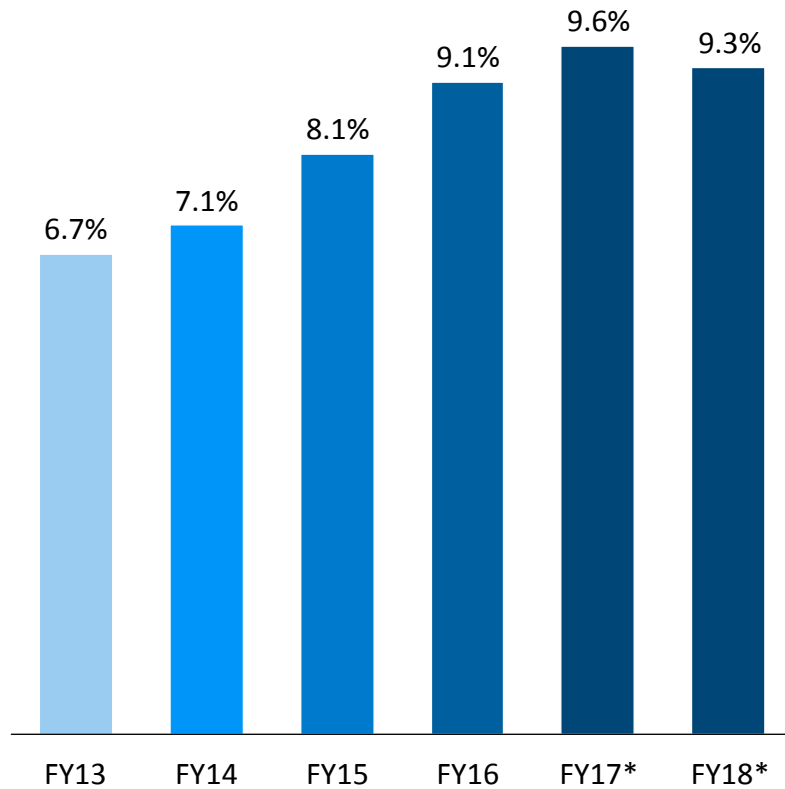
** Cash PAT = PAT + Depreciation

Margin Expansion Continues- Yearly

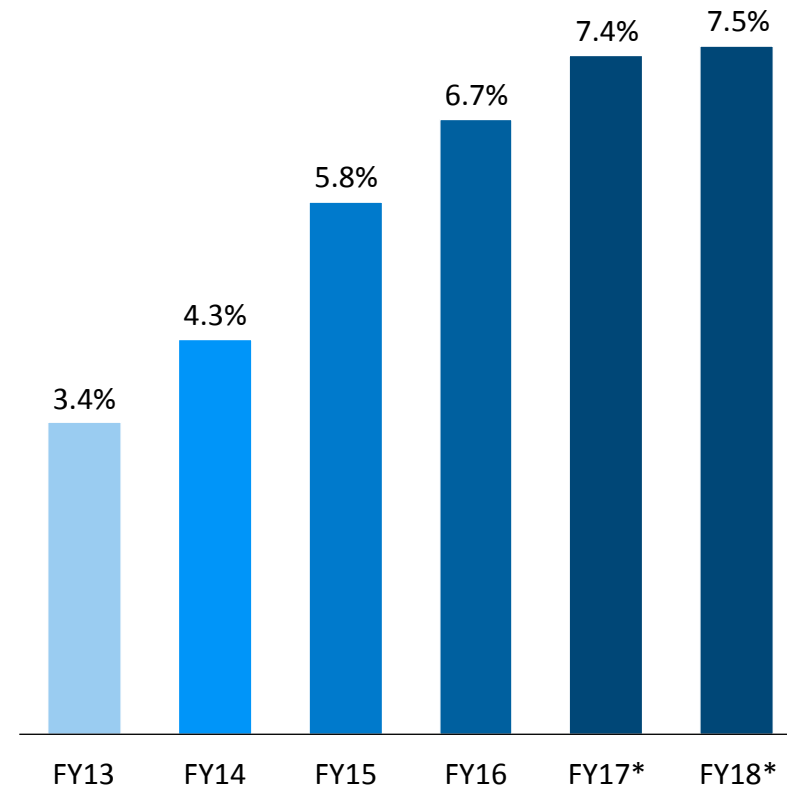


GABRIEL

EBITDA Margin %



PBT Before Exceptional Item Margin %



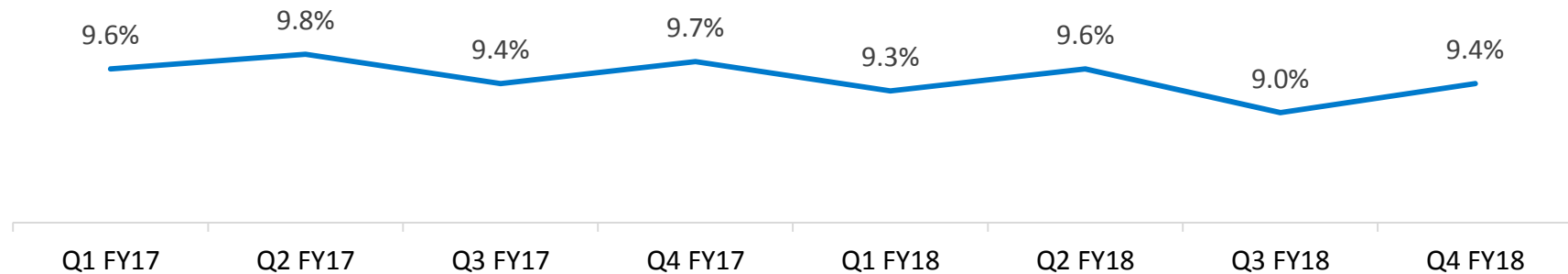
* - Financials for FY17 & FY18 as per IND-AS

Quarterly Performance Trend

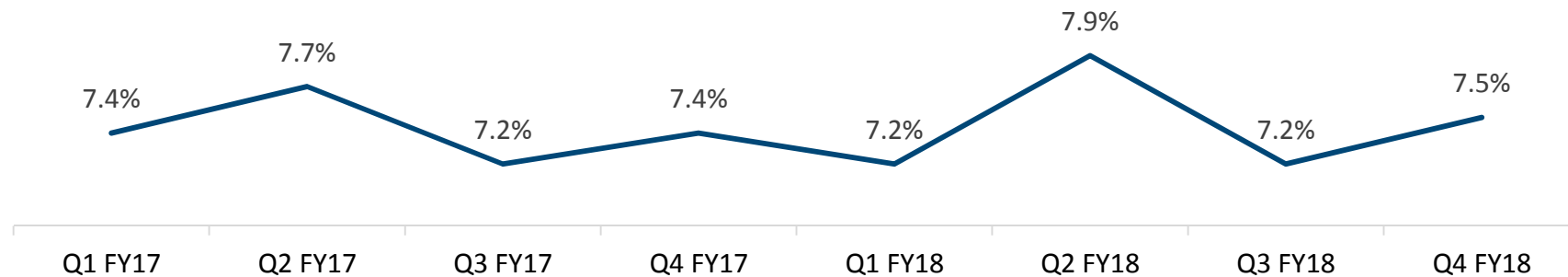


GABRIEL

EBITDA Margin %



PBT Margin (%)



Balance Sheet



GABRIEL

ASSETS (Rs. Crs.)	Mar-18	Mar-17
Non-current assets	3,417	3,601
Property, Plant and Equipment	2,926	2,829
Capital work-in-progress	78	18
Investment Property	23	4
Intangible Assets	38	53
Financial Assets		
Investments	0	0
Loans	15	15
Others	163	568
Non-Current Tax Assets (net)	120	71
Other non-current assets	53	44
Current assets	5,592	4,087
Inventories	1,491	1,312
Financial Assets		
Investments	623	283
Trade receivables	2,792	2,118
Cash and cash equivalents	180	40
Other bank balances	220	13
Loans	4	0
Others	83	46
Other Current Assets	199	275
TOTAL ASSETS	9,008	7,688

EQUITY AND LIABILITIES (Rs. Crs.)	Mar-18	Mar-17
EQUITY	5,249	4,502
Equity Share Capital	144	144
Other Equity	5,105	4,358
Non-Current Liabilities	388	316
Financial Liabilities		
Borrowings	72	77
Provisions	117	97
Deferred tax liabilities (net)	198	141
Current liabilities	3,372	2,871
Financial Liabilities		
Trade Payables	2,650	2,147
Other Financial Liabilities	460	409
Other current liabilities	100	145
Provisions	161	171
TOTAL EQUITY AND LIABILITIES	9,008	7,688

* - Financials for FY17 & FY18 as per INDAS

ACYM

ANSYSO



faurecia

FEDERAL-MOQUIL

GABRIEL

Haldex



POWER

JOYSON

MAHLE

Mando



SPICER

SUJÁN

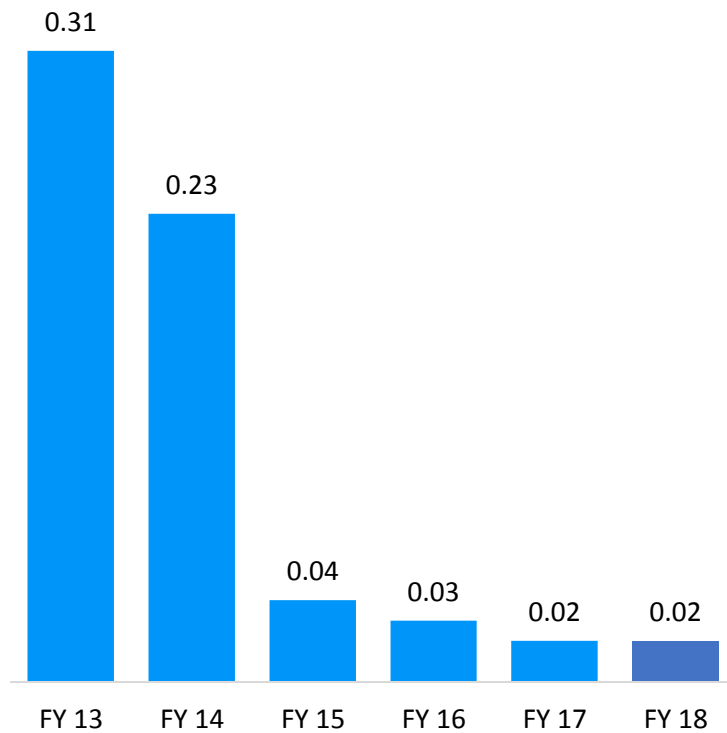
Valeo

Strong Balance Sheet

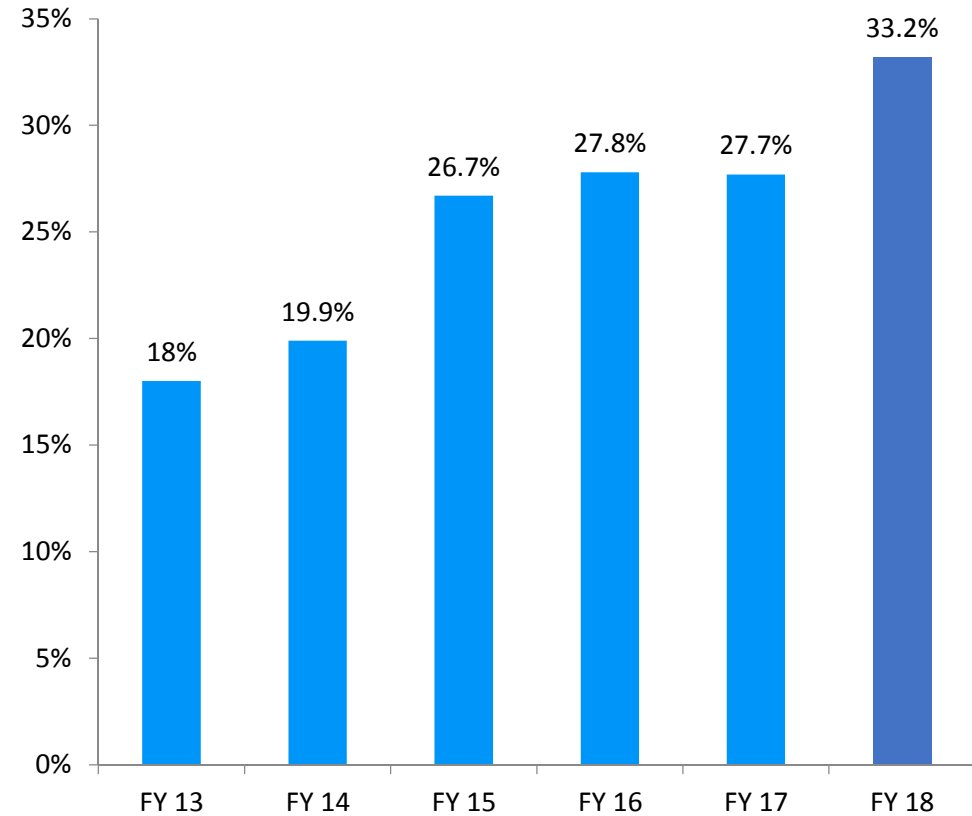


GABRIEL

D:E Ratio



ROIC* (%)



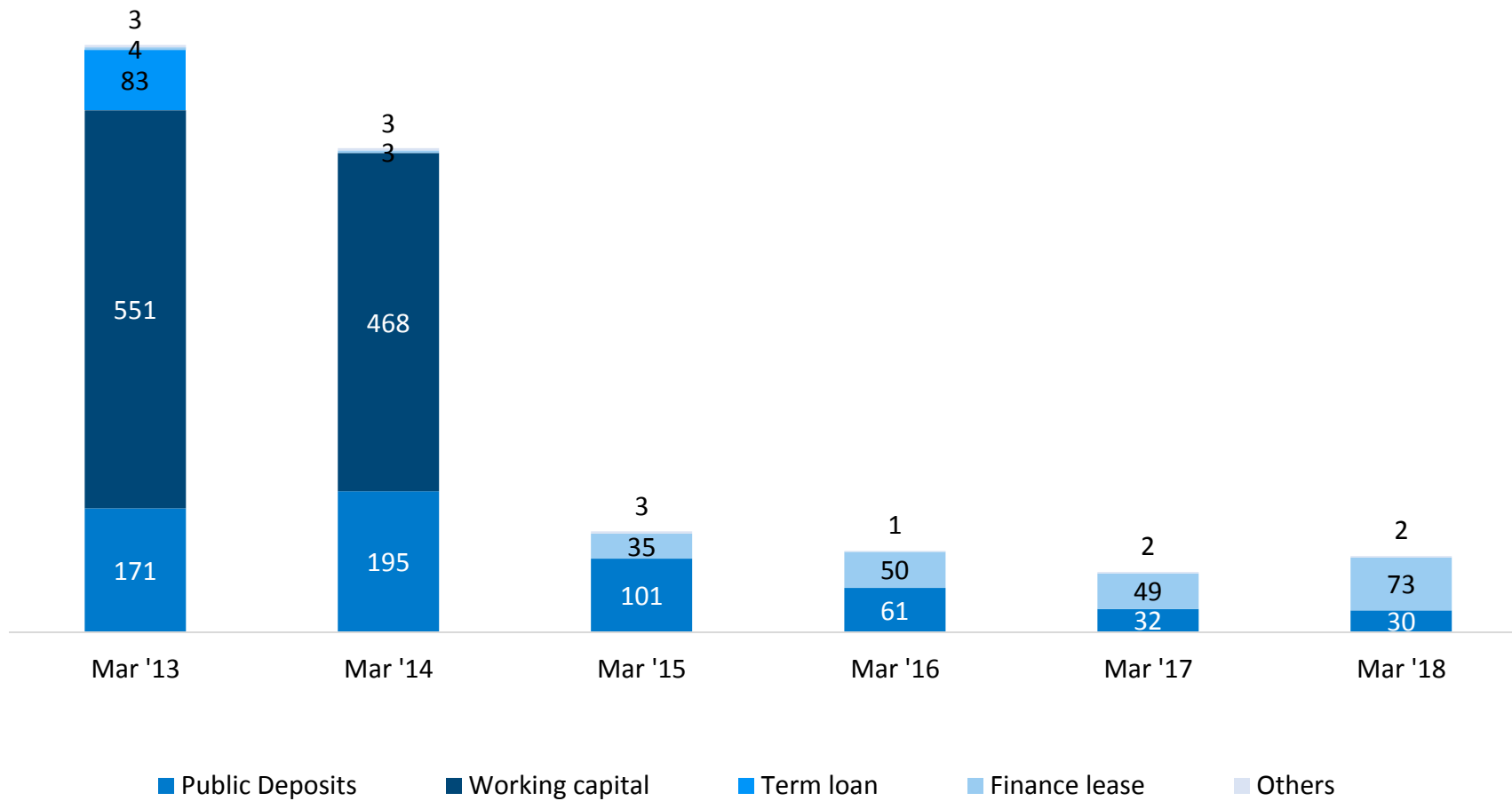
* Invested capital excluding Cash & Bank balances, Mutual Fund investments and returns thereon

* - Financials for FY17 & FY18 as per INDAS

Reduction in borrowings



(Rs.Mn)

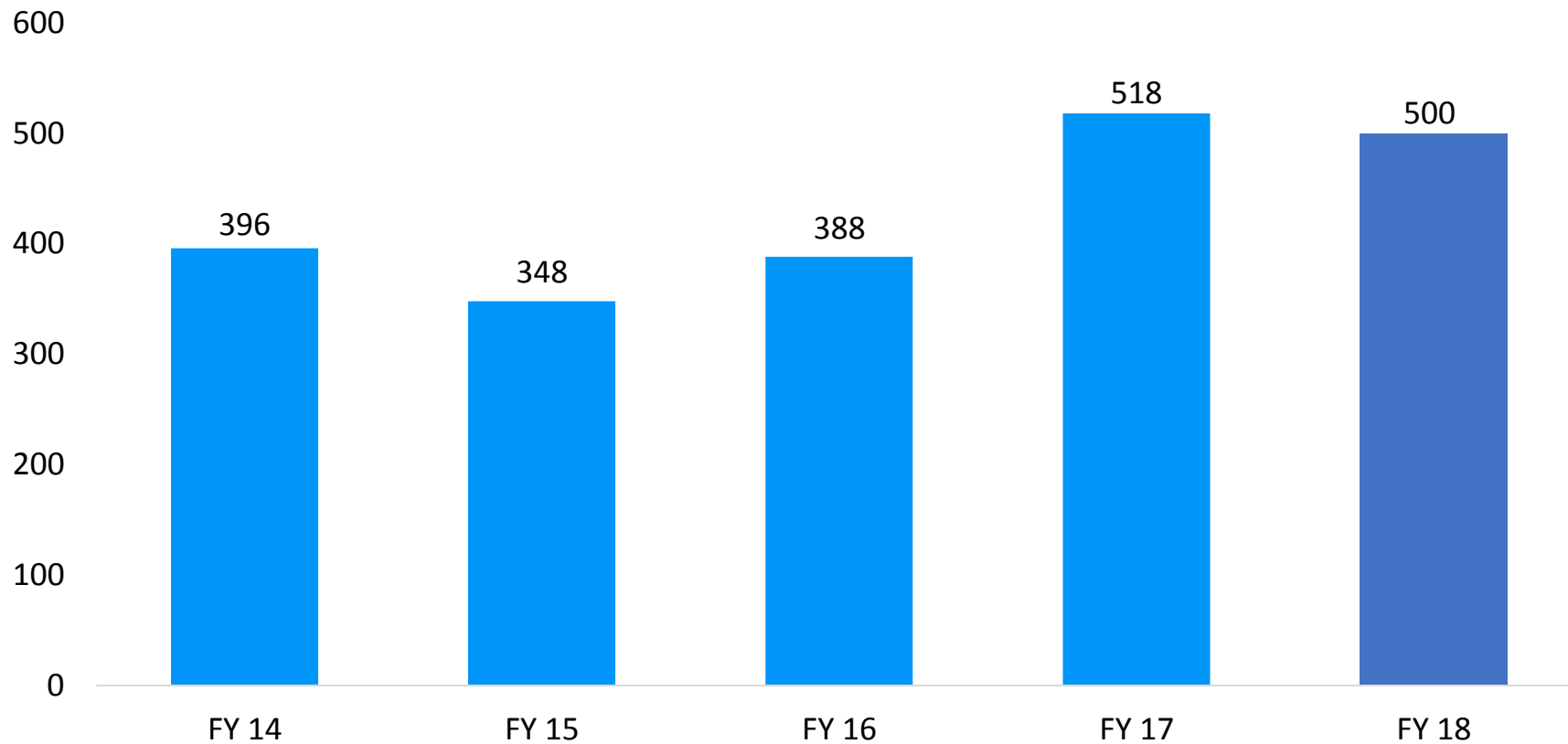


Capital expenditure trend

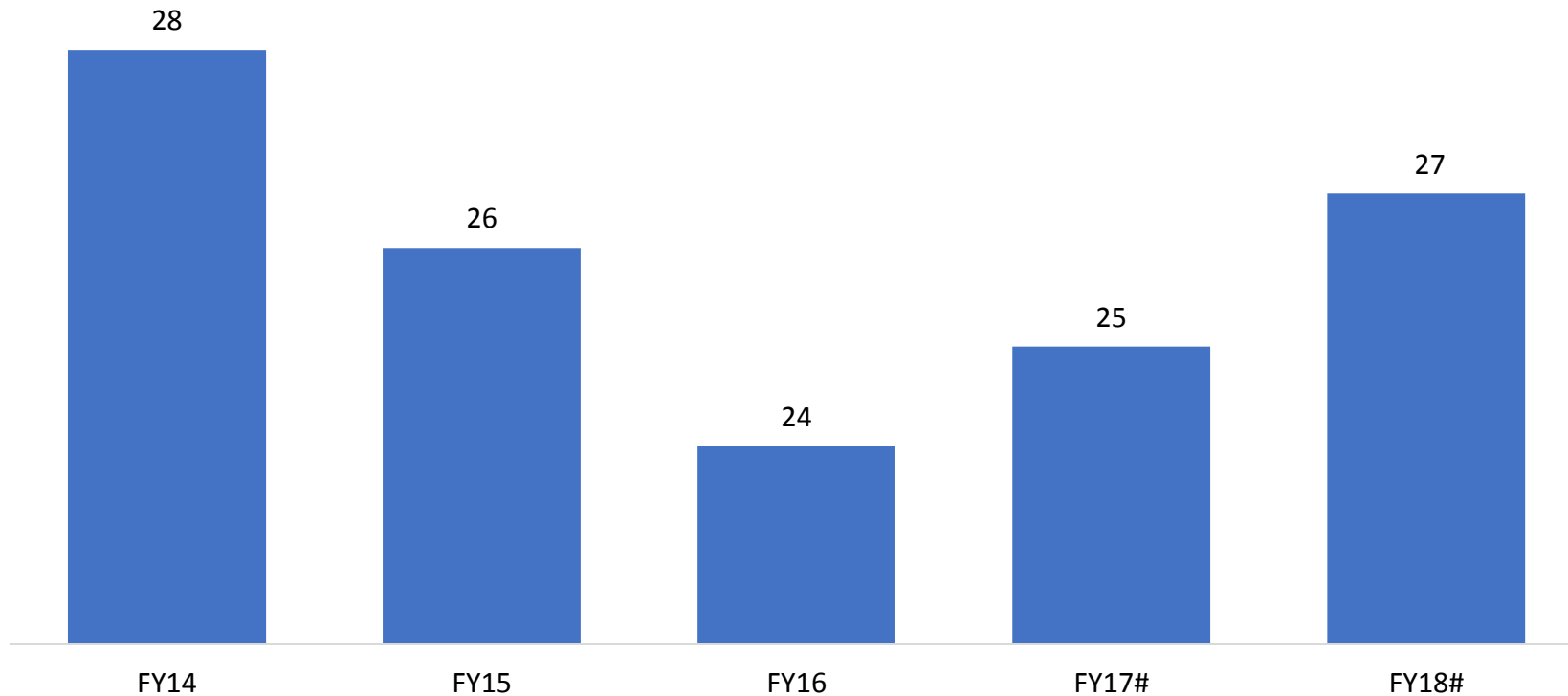


GABRIEL

(Rs. Mil)



Net working capital days



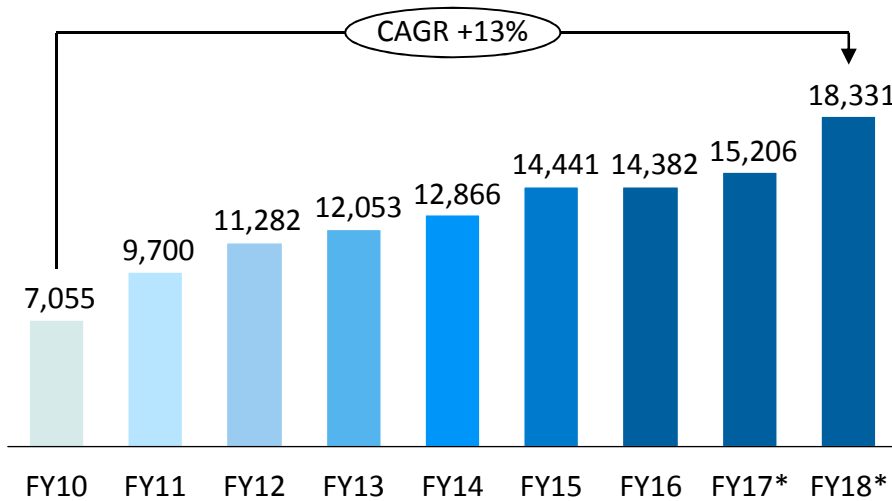
Adjusted for vendor bills discounted and non-inclusion of final dividend as proposed dividend in comparison to earlier years. The adjusted net working capital days for FY17 & FY18 will be 22 days & 23 days.

Annual Performance Trend



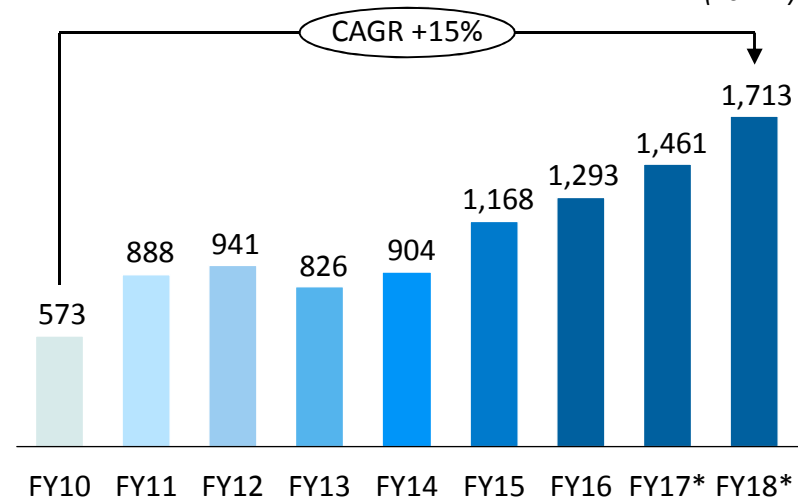
GABRIEL

Revenue

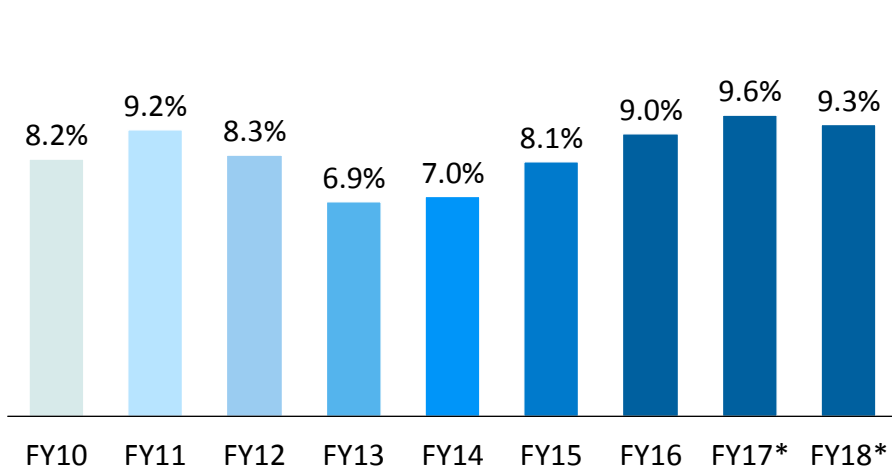


EBITDA

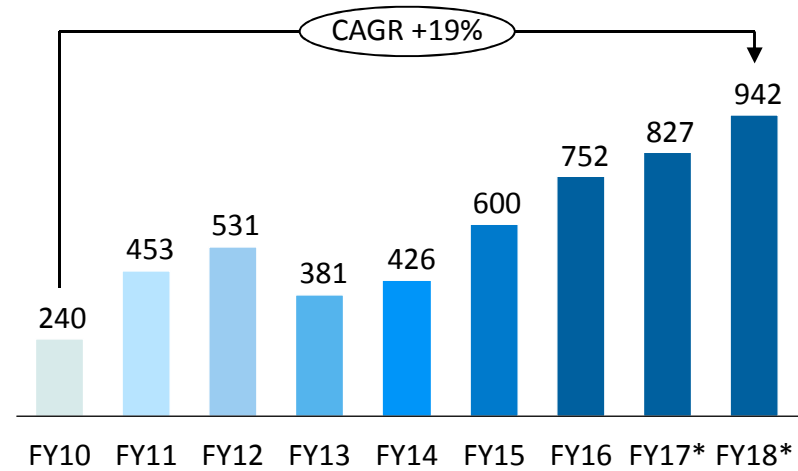
(Rs.Mn)



EBITDA Margin%



PAT



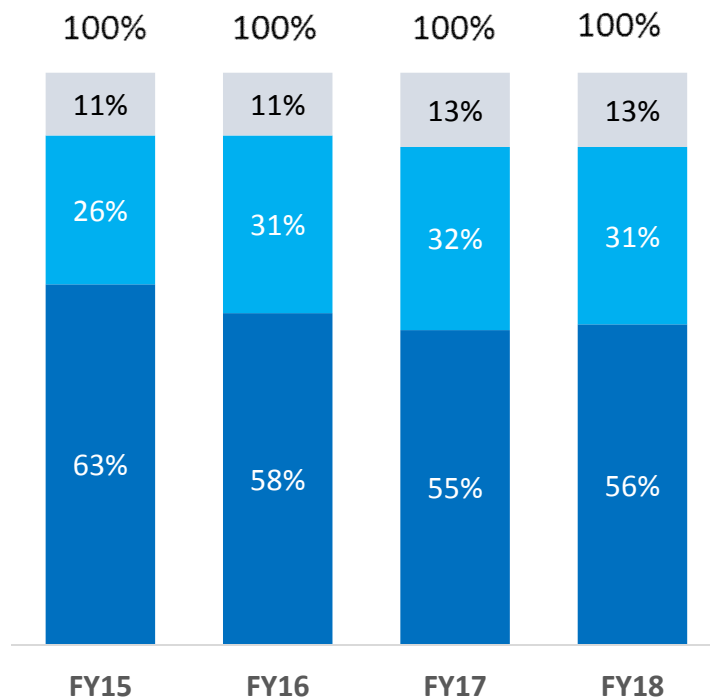
* - Financials for FY17 & FY18 as per INDAS

Revenue Mix

GABRIEL

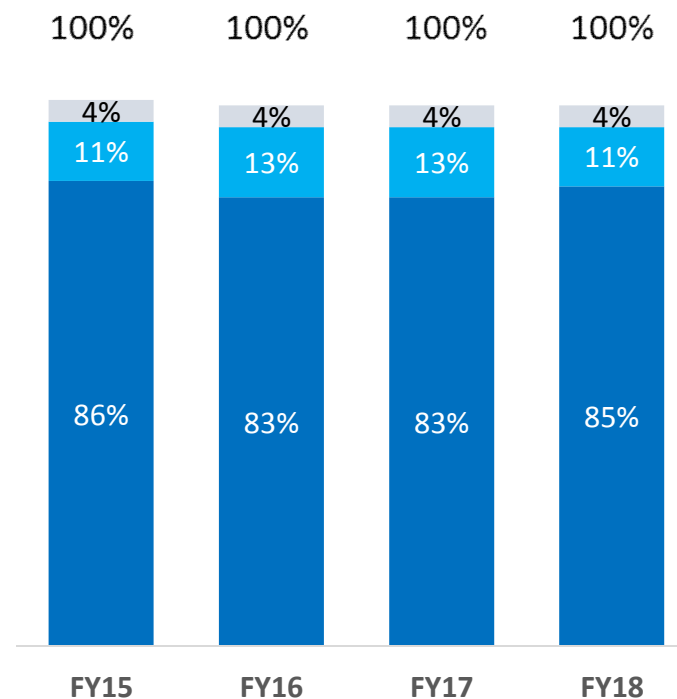


Segment – Mix



- 2W/3W
- Passenger Vehicles
- Commercial Vehicles

Channel – Mix

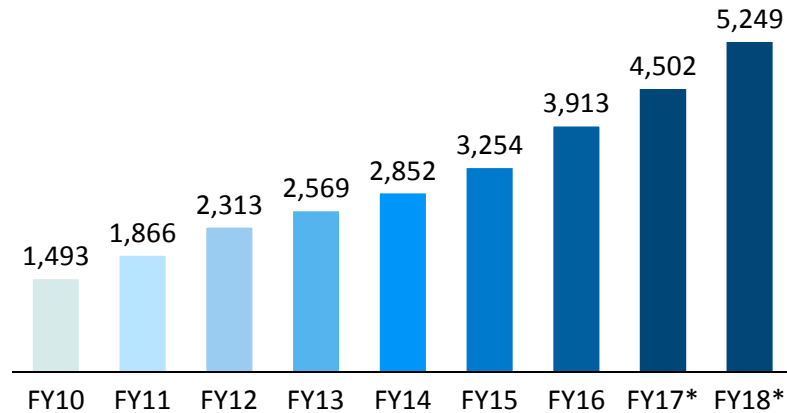


- OE
- Replacement
- Export

Annual Performance Trend

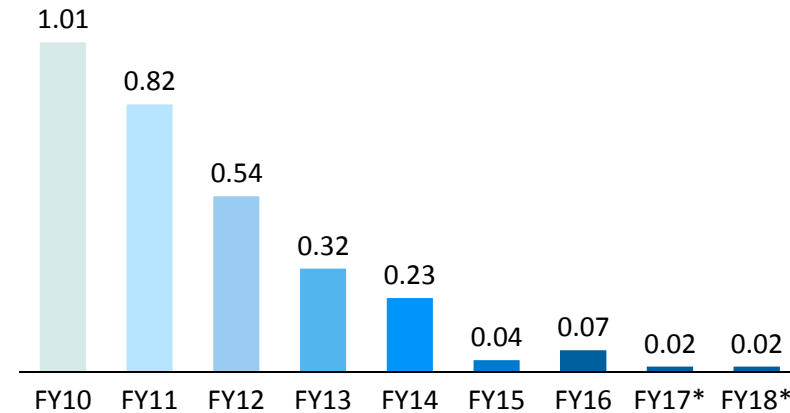


Networth

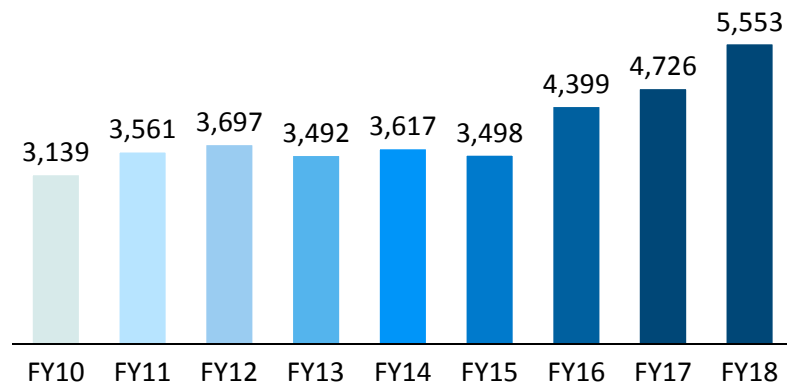


Debt:Equity

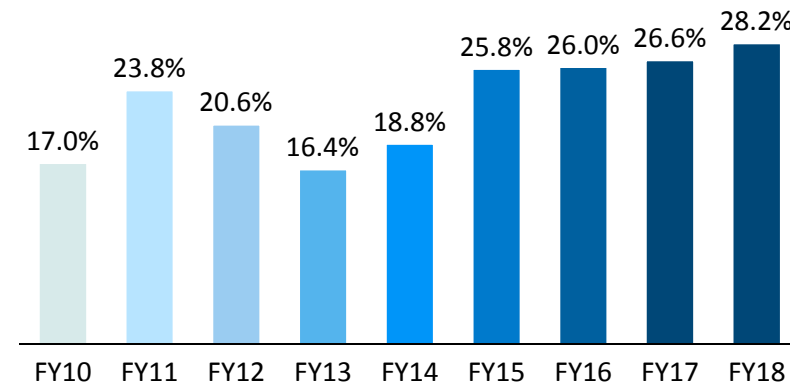
(Rs.Mn)



Funds Employed



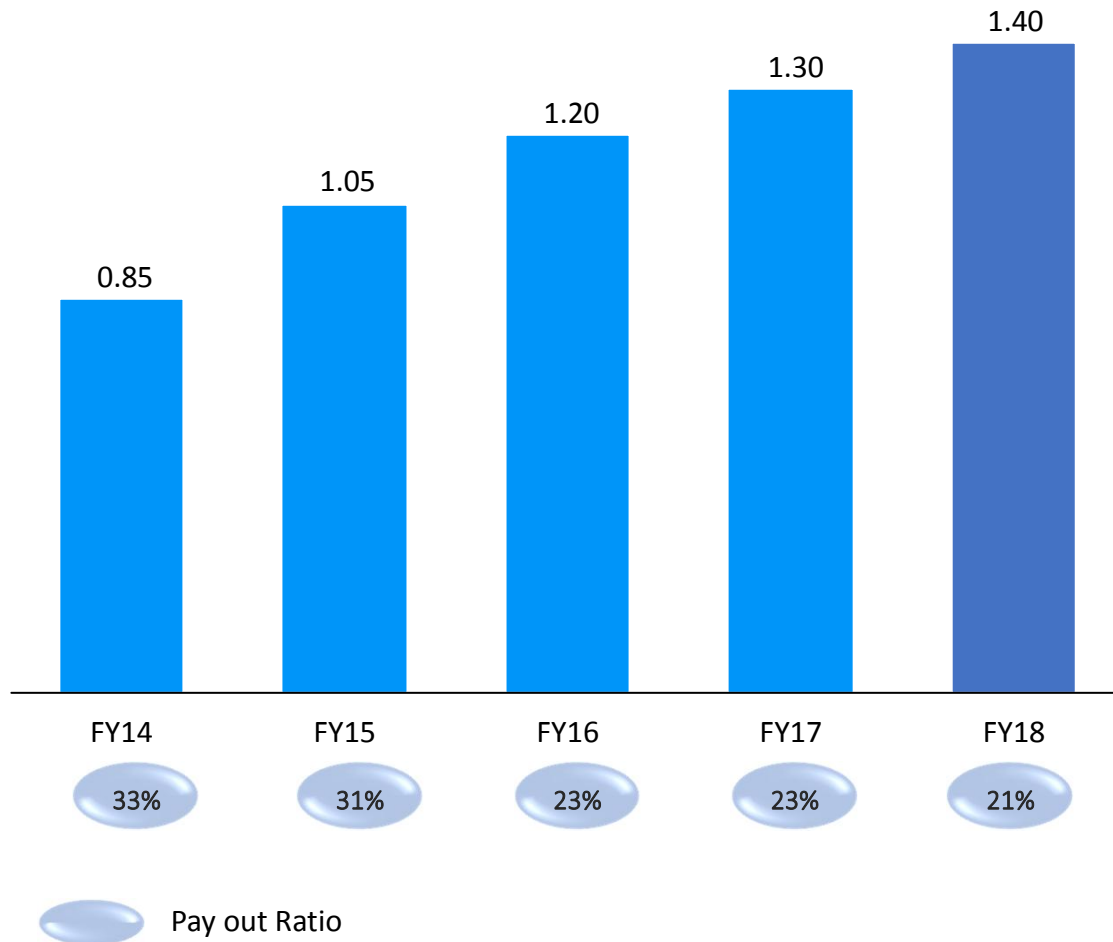
ROCE



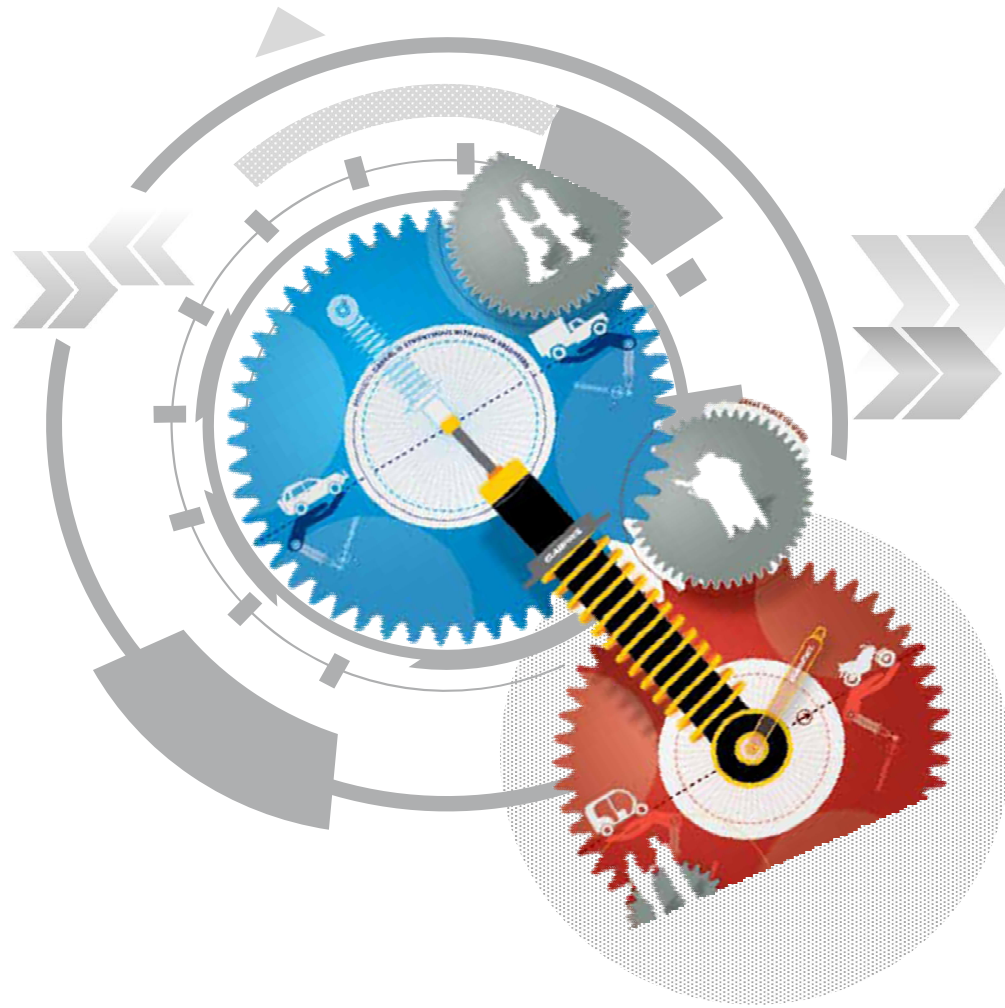
* - Financials for FY17 & FY18 as per INDAS

Improving Dividend Profile

Dividend Per Share (Rs.)



- Continuous Dividend since inception
- Stable Pay out Ratio
- Declared Final Dividend of Rs. 0.90 per share, amounting to 90% of Face Value
- Total Dividend of Rs. 1.40 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 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

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 - 2017

- 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 among Top 100 best places to work (4th time in row)

Mr. Deepak Chopra – Group CEO, Anand Group



- Chartered Accountant & Company Secretary, more than 40 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



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

- Till 2016, was the President for India, Middle East and Africa region of Emerson, a Fortune 500 conglomerate
- Prior to joining Emerson, spent 16 years with General Electric, USA in leadership roles

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. Pradeep Banerjee – Non Executive Independent Director

- Vice President, Supply Chain, South Asia at Hindustan Unilever Limited (HUL). Director on the Board of HUL. Associated with HUL since 1980 in various senior roles
- Chairman of Confederation of Indian Industry (CII) National Committee on intellectual Property and committee member on Environment, Convenor of CII National Working Group on Plastic Waste Management



Gabriel India awarded with “Sustainability Award – Automotive and Farm Division” from Mahindra for our outstanding efforts in FY18

Awards

GABRIEL

ANAND 



Price Competitiveness Award – Suzuki Motorcycles



Supplier Excellence Award – SML ISUZU



Certificate of appreciation – FICCI Quality Systems Excellence Awards 2018



ACMA Gold Award in Health & Safety

- Gold Award in the International Convention on Quality Control Circles held in the Philippines
- Khandsa plant was felicitated by the Hon'ble Chief Minister of Uttar Pradesh Shri Yogi Adityanath for Encouraging Women's Participation in the Workforce
- Dewas plant received 'Certificate of Appreciation' from Powerdown Inc., Australia for commitment and consistency in manufacturing and supplying shock absorbers
- Recognition of supply chain partnership from Royal Enfield
- Recognition of support and valuable contribution by Honda Motorcycle & Scooter
- Dewas plant won regional winner award in 'Supplier Samrat' competition organised by Ashok Leyland
- Gabriel Khandsa recognized by FICCI for Good Practices in Safety Systems
- Several Quality circle awards



For further information, please contact:**Company :****Investor Relations Advisors :**

Gabriel India Ltd.
CIN : L34101PN1961PLC015735
Mr. Rajendran Arunachalam
rajendran.arunachalam@gabriel.co.in

Strategic Growth Advisors Pvt. Ltd.
CIN : U74140MH2010PTC204285
Mr. Jigar Kavaiya / Ms. Neha Shroff
jigar.kavaiya@sgapl.net / neha.shroff@sgapl.net

+91-9920602034 / +91-7738073466

www.gabrielindia.com

www.sgapl.net