INDIA

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(Formerly known as TI Financial Holdings Limited)
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3rd December, 2019

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051

BSE Ltd.
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street
Fort
Mumbai 400 001

Dear Sirs,

Sub: Meetings with Institutional Investors/Analysts on 4th to 6th Dec., 2019 – ISIN INE974X01010 – Investors Presentation

In continuation to our letter dated 2nd December, 2019, we send herewith the Investors presentation on H1 2019-20 financial performance of the Company prepared for use at the meetings with Institutional Investors/Analysts.

A copy of the same is also uploaded in the Company's website www.tiindia.com.

Please take the above information on record and acknowledge receipt.

Thanking you,

Yours faithfully,
For TUBE INVESTMENTS OF INDIA LIMITED

S SURESH
COMPANY SECRETARY

murugappa

Unleashing Potential

Investor Presentation – Q2 FY 20

DISCLAIMER

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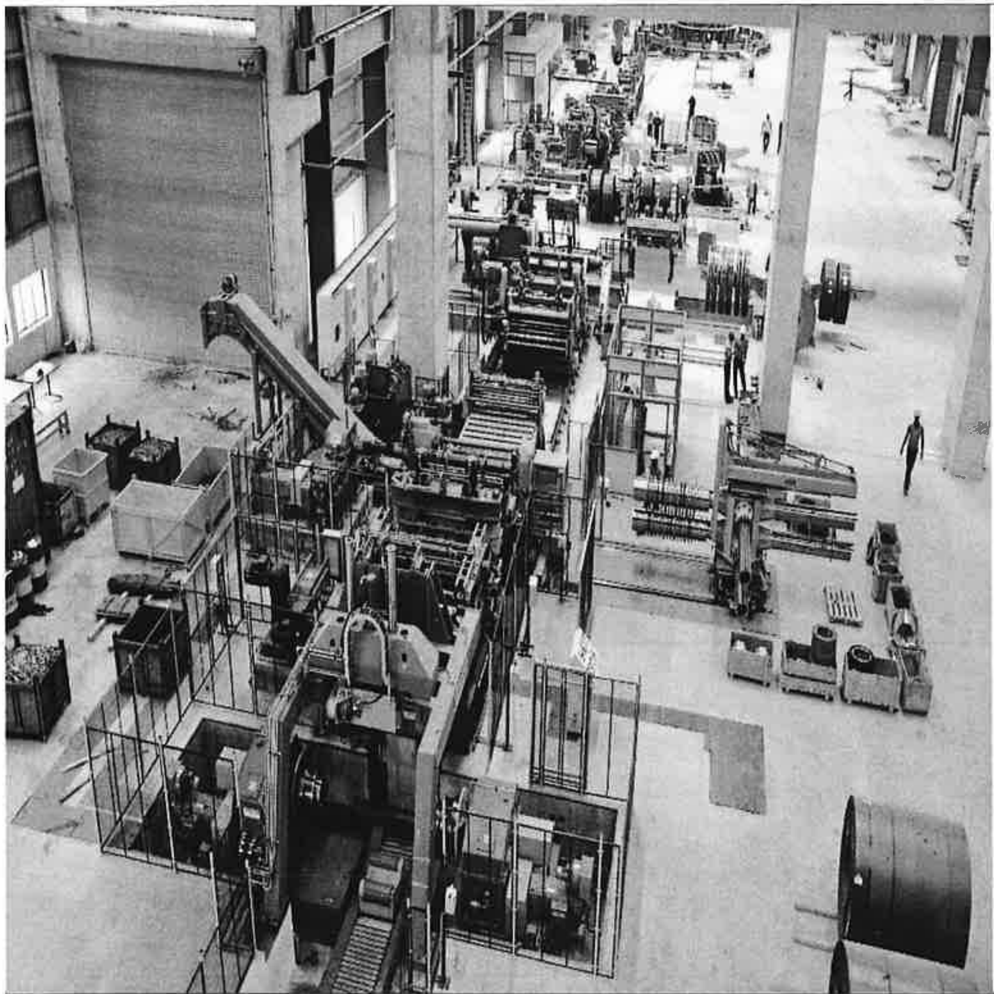
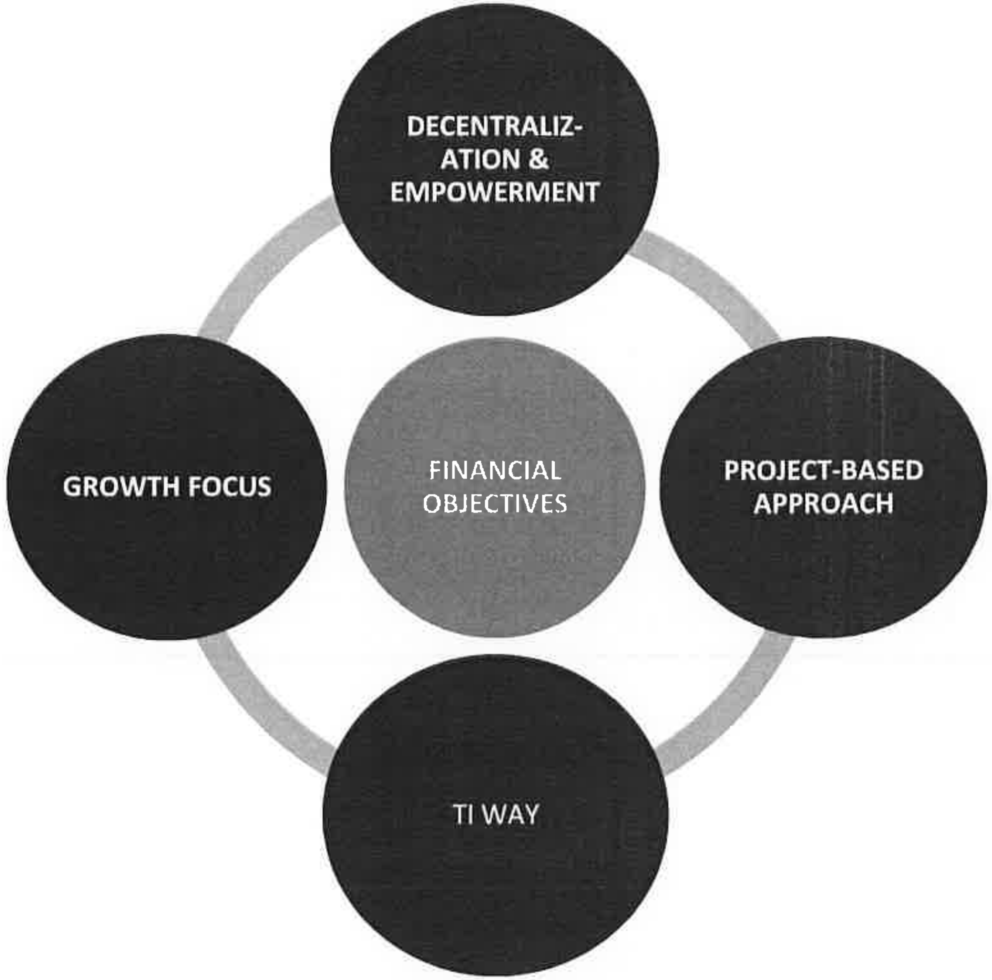
Agenda



- Unleashing the Potential
  - 4 Financial Priorities
  - Decentralization
  - Driving improvement through project teams
  - TI WAY
  - Growth Focus
- Strengthening the Balance Sheet
- Business Performance by SBU
- Back-up details on products

Unleashing the Potential



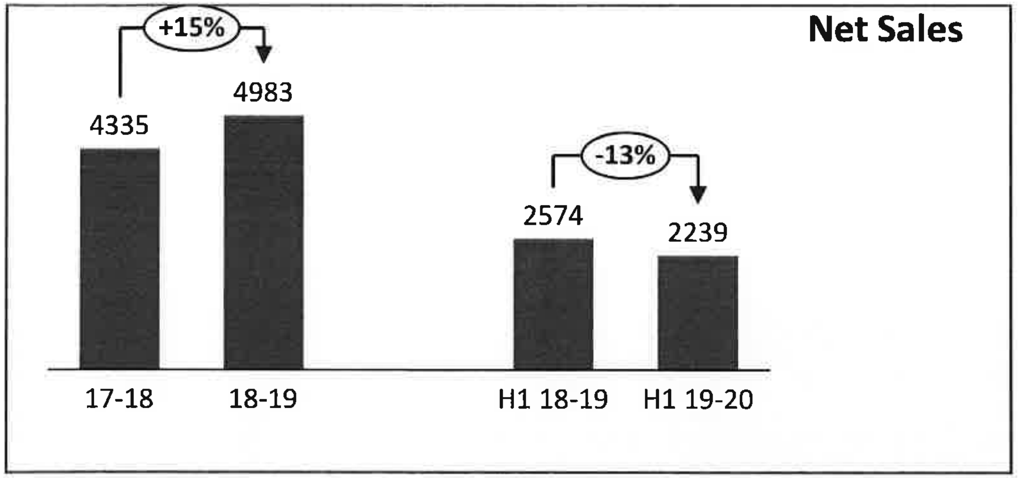
Four Financial Objectives

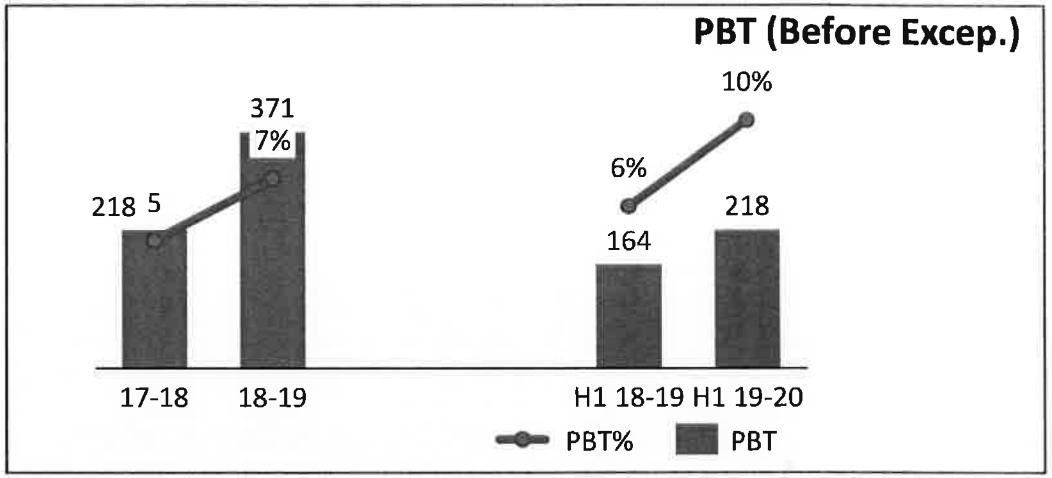
Bringing uniformity in how we measure progress

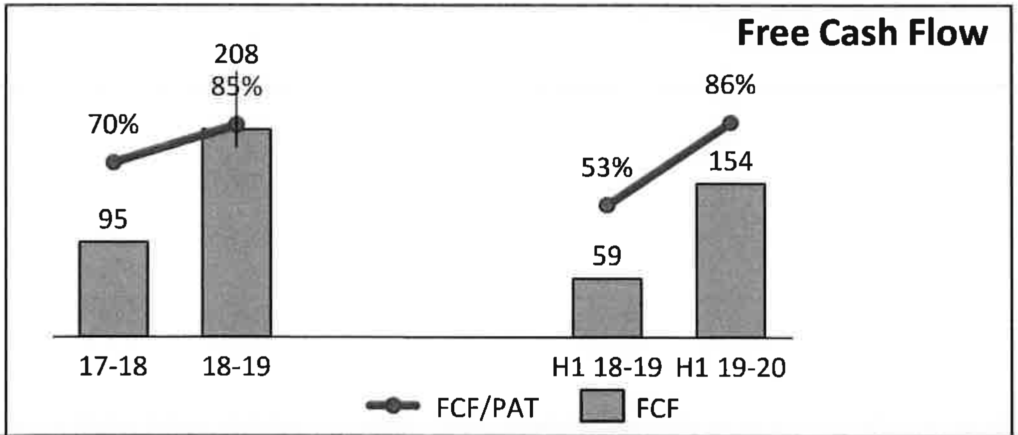
Sales growth	17%
PBT/Sales	10%
ROCE	30%
FCF/PAT	85%

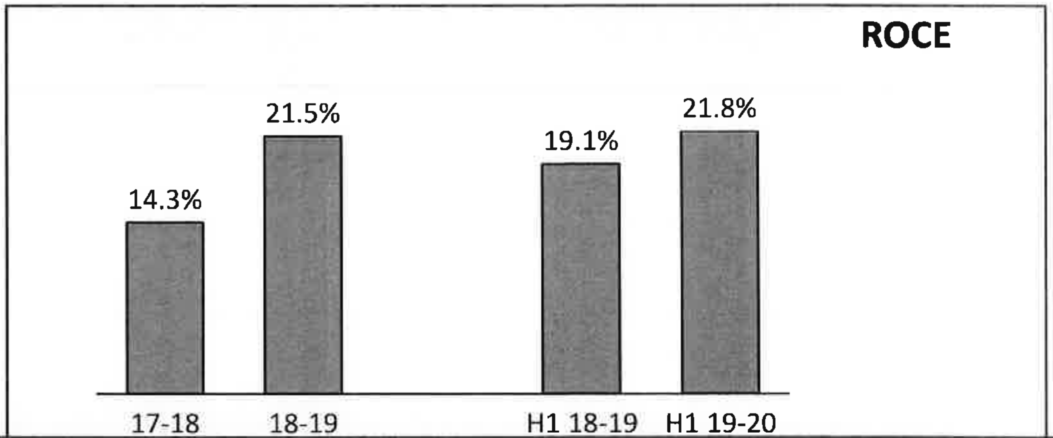
Four Financial Objectives

The journey so far..



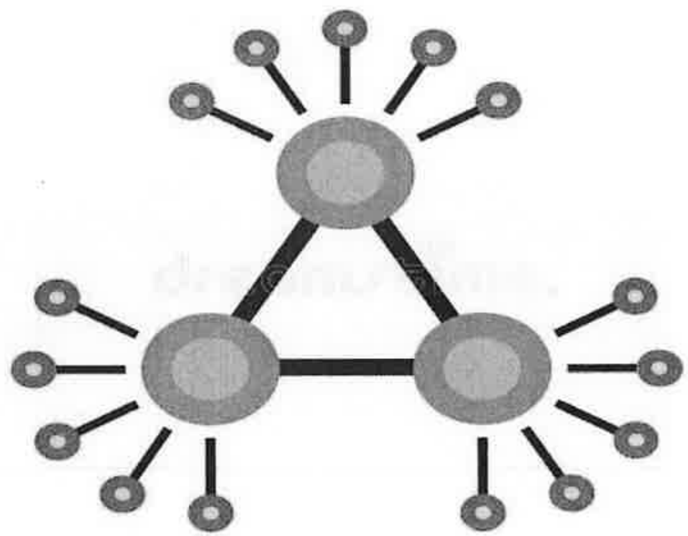






Decentralization

Empowerment at Unit levels



18 BUs created

Division head's role changed from control to supporting BUs in growth, lowering the centre of gravity

Project-based Approach to Improvements

Driving a Kaizen mind-set for improvements at all levels

- Revenue Enhancement
- Sourcing
- Energy
- Scrap Realization
- Logistics
- Fixed Cost Reduction
- Net Interest
- Quality & Productivity
- ....

60+ Project Teams to Drive Improvements

Target-oriented actions for continuous improvement in all functions

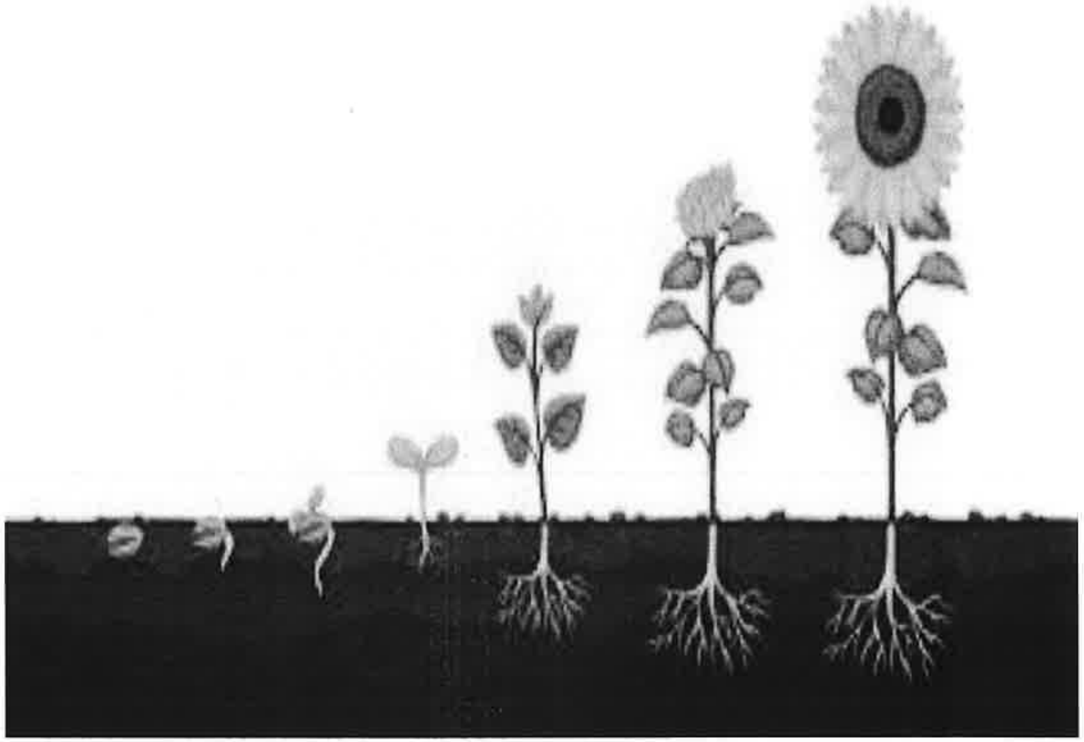
TI WAY

9 - SEGMENTS

40 - PROCESSES

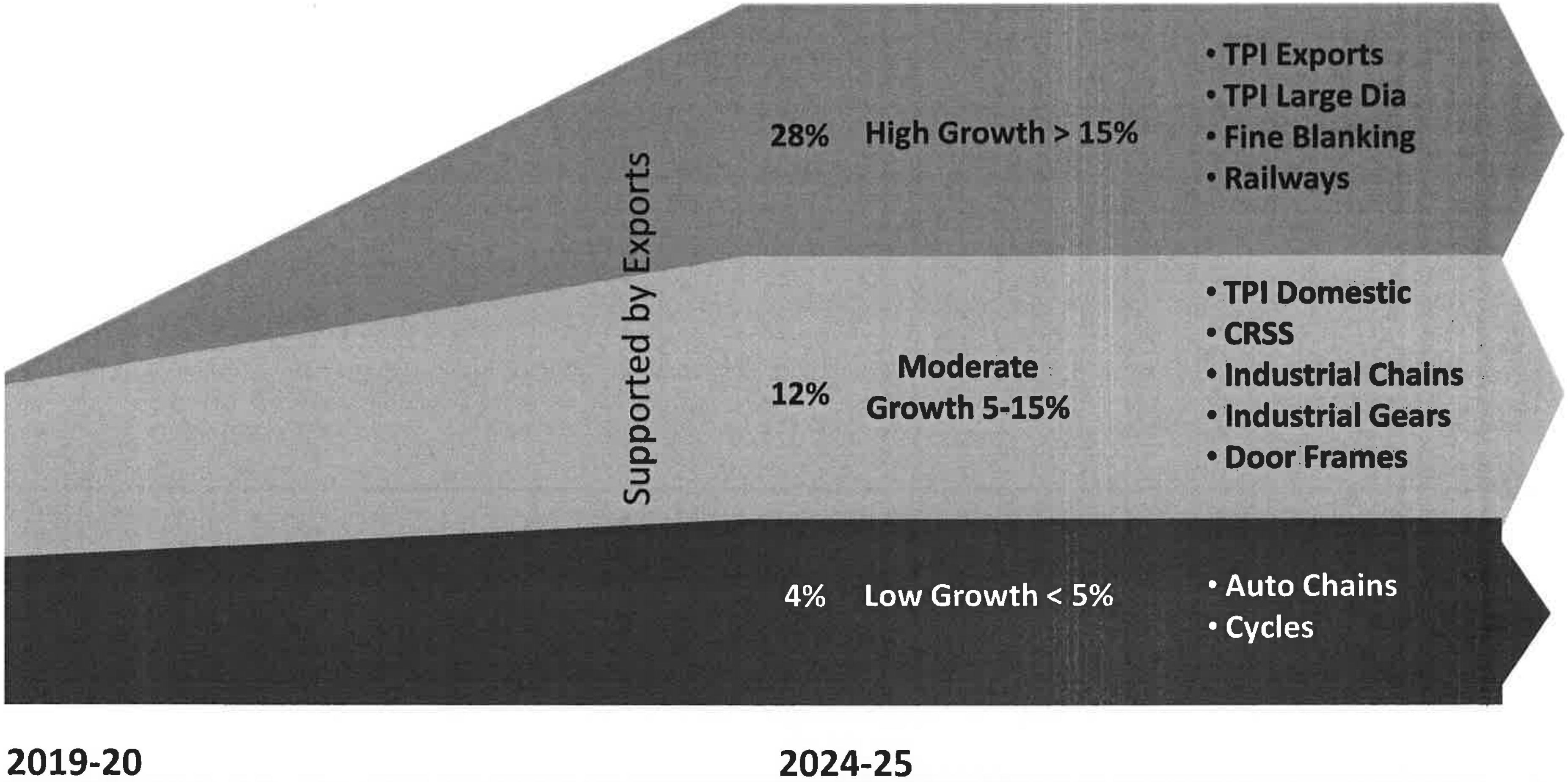
FOCUS ON GROWTH

- Different Approaches Based on Segment Potential
- Planning Across 3 Horizons
- New Businesses



Portfolio of Business & Expected Growth Patterns

Capital allocation based on future potential



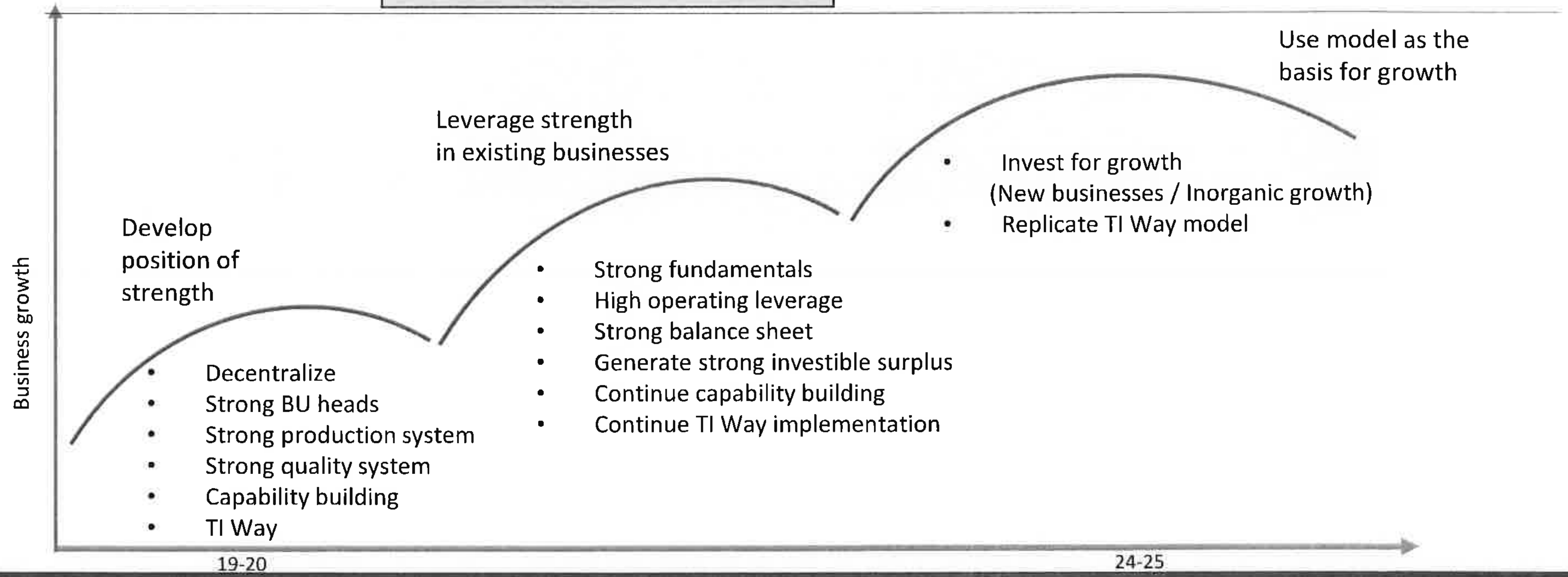
Focus on Growth Across Three Horizons

Gradual progression towards higher levels of growth

Near adjacencies (e.g., TBW, TMT)

- **Acquire stressed assets in existing businesses (incl. overseas)**
- **Acquire stressed assets under insolvency process (NCLT)**
- **Start new lines of business**

- **Step-out asset acquisition**
- **Scaling up in new lines of business**



Criteria for New Business Lines

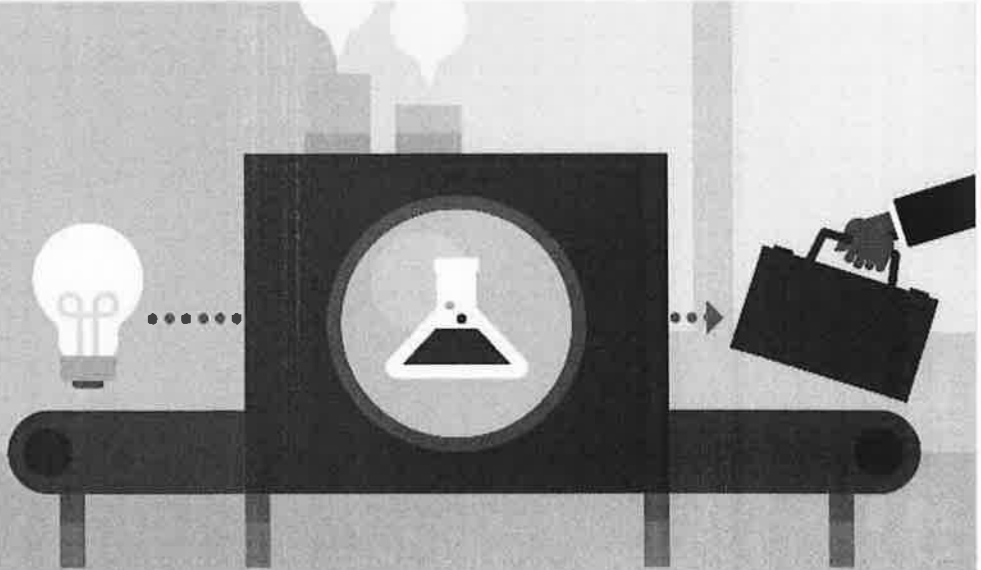
Choosing the path carefully..

Filters for new businesses

1. **MARKET SIZE**
   Rs.6,000 Cr. or more
2. **POTENTIAL**
   Rs.1,000 Cr. in three years
3. **LOW CAPITAL INTENSITY**

FOCUSED ON FOUR TRENDS

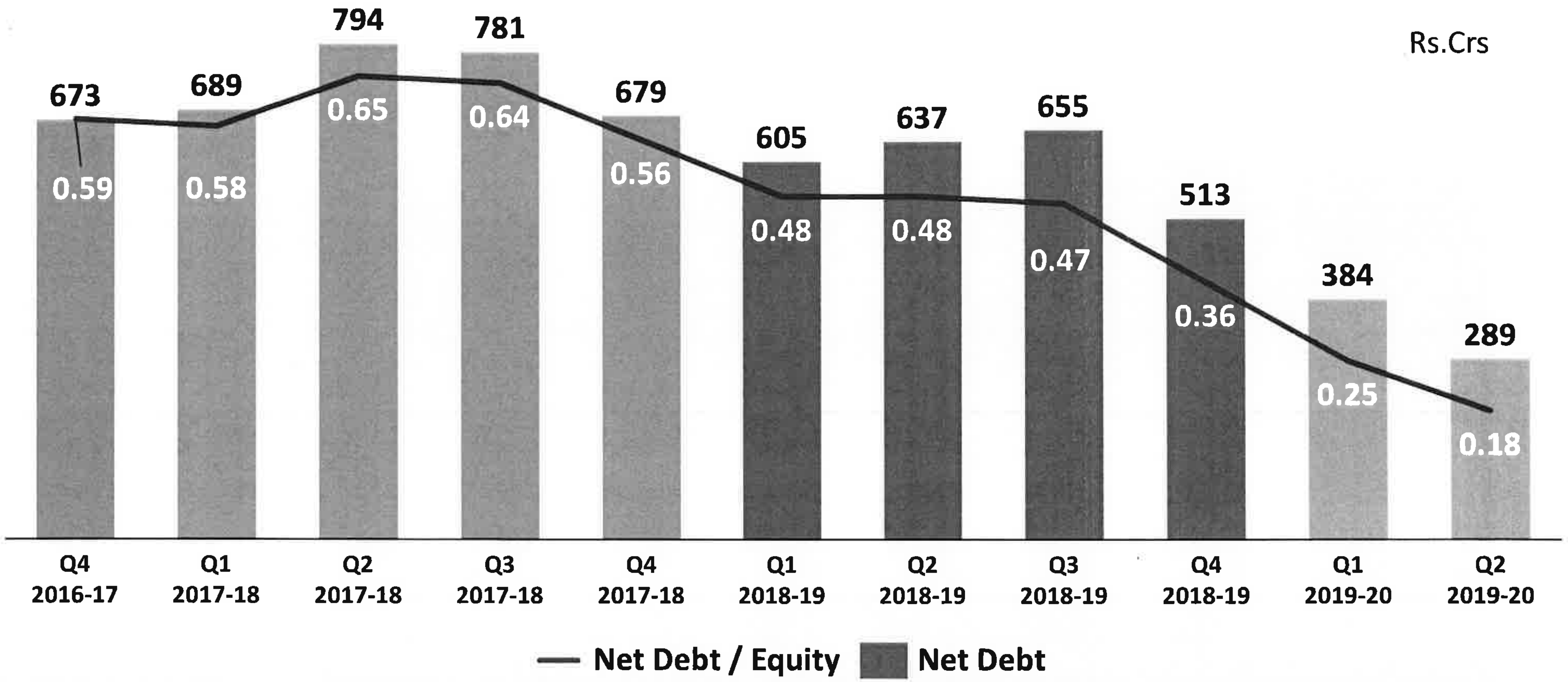
- Import substitution and Exports
- Auto Electrification
- Unorganized to organized
- B2B to B2C



4 out of 10 may succeed..

Strengthening the Balance sheet

Prudent Capital Management + Asset Monetization + NWC Efficiency



FINANCIAL PERFORMANCE BY BUSINESS

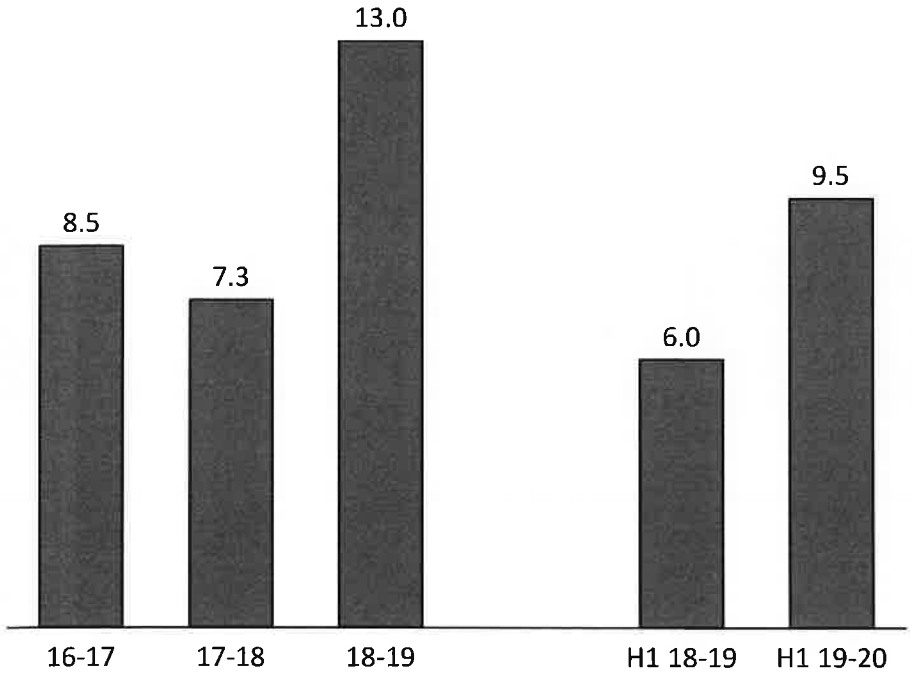
TI Performance – A Snapshot

Rs. Cr.

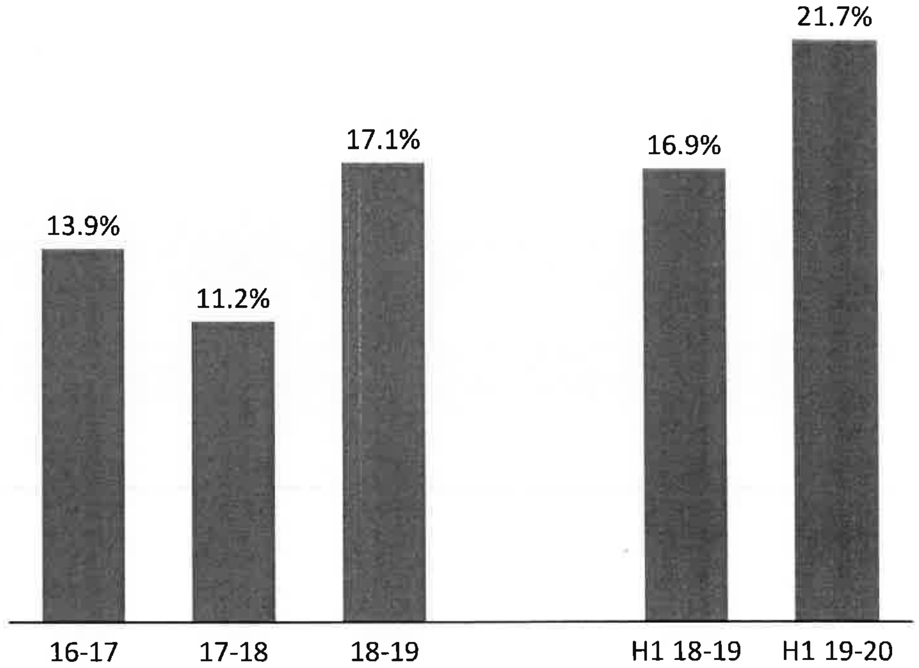
Particulars	Standalone			Consolidated		
	FY 18-19	H1 18-19	H1 19-20	FY 18-19	H1 18-19	H1 19-20
Net Sales	**4,983**	**2,574**	**2,239**	**5,463**	**2,822**	**2,506**
Growth %			*-13.0%*			*-11.2%*
PBT before exceptional items	**371**	**164**	**218**	**375**	**187**	**237**
% to Sales	*7.4%*	6.4%	9.7%	6.9%	6.6%	9.4%
Exceptional Items	(9)	3	19	3	3	0
PBT after exceptional items	**362**	**167**	**237**	**378**	**190**	**237**
Tax	119	55	58	127	61	65
PAT	**244**	**111**	**179**	**251**	**129**	**172**

TI – Other Key Ratios

EPS (Rs/share)



ROE



Engineering Business

Products

- ERW Tubes - Electric Resistance Welded Tubes
- CDW Tubes - Cold Drawn Welded Tubes
- TCD - Tubular Components
- CRSS – Cold Rolled Steel Strips
- LD - Large Diameter Tubes

Plants

- Tamil Nadu - Avadi and Tiruttani (Large Diameter Tube)
- Maharashtra – Shirwal
- Punjab – Mohali and Rajpura

Engineering Business – Financial Snapshot

₹ Crs

Particulars	18-19	H1 18-19	H1 19-20	Growth %
Net Sales	**2,676**	**1,382**	**1,127**	**-18.4%**
PBIT	**254**	**130**	**130**	**0.3%**
% to Net Sales	*9.5%*	*9.4%*	*11.5%*	

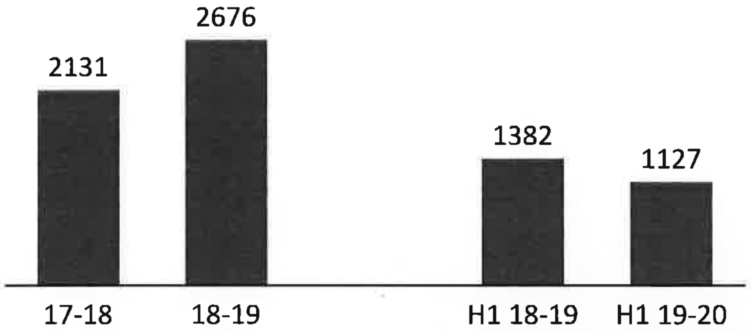
₹ Crs

Particulars	31-03-2019	30-09-2018	30-09-2019
Net Fixed Assets	530	533	570
Net Working Capital	157	168	146
Capital Employed	**687**	**702**	**717**
Capital Expenditure	**84**	**44**	**63**

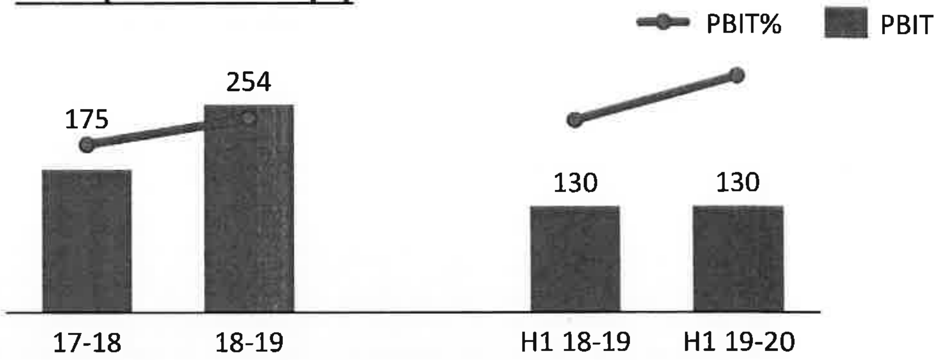
Engineering Business - Key Parameters

(₹.Crs)

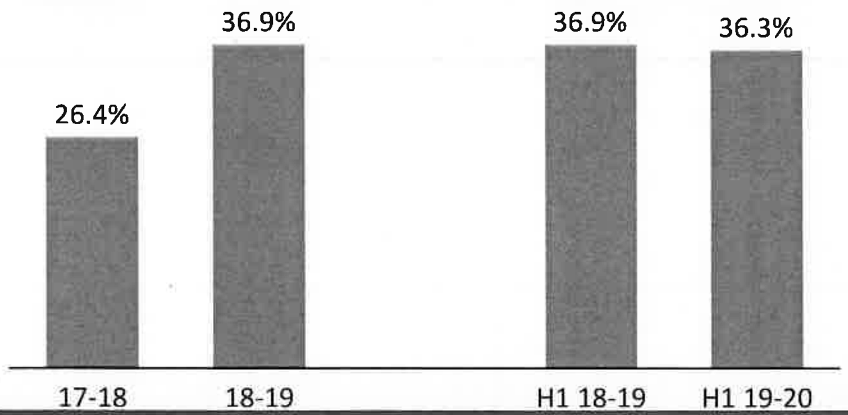
Net Sales



PBIT (Before Excep.)



ROCE



Metal Formed Business

Products

- Auto Chains
- Fine Blanking
- Doorframes
- Railway Coaches
- Industrial Chains

Plants

- Tamil Nadu – Ambattur, Nemilichery, Kakkalur, Athipet, Hosur
- Telengana - Medak
- Uttarakhand
- Haryana – Bawal
- Gujarat - Sanand

Metal Formed Products – Financial Snapshot

₹ Crs

Particulars	18-19	H1 18-19	H1 19-20	Growth %
Net Sales	**1,286**	**613**	**690**	**12.5%**
PBIT	**123**	**57**	**74**	**30.3%**
% to Net Sales	*9.6%*	*9.3%*	*10.7%*	

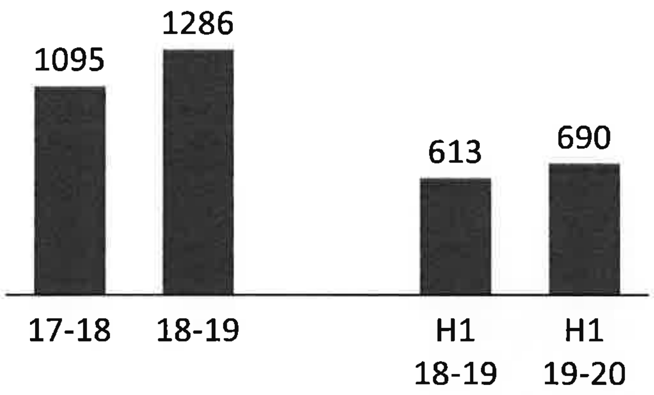
₹ Crs

Particulars	31-03-2019	30-09-2018	30-09-2019
Net Fixed Assets	336	296	339
Net Working Capital	114	122	123
Capital Employed	**450**	**418**	**462**
Capital Expenditure	**78**	**37**	**31**

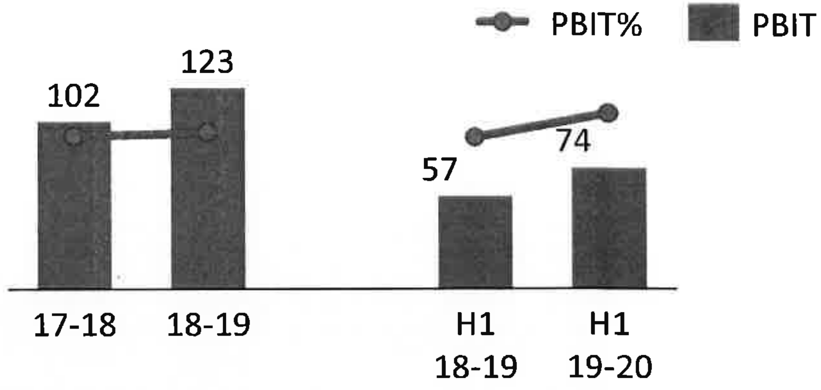
Metal Formed Products - Key Parameters

(₹.Crs)

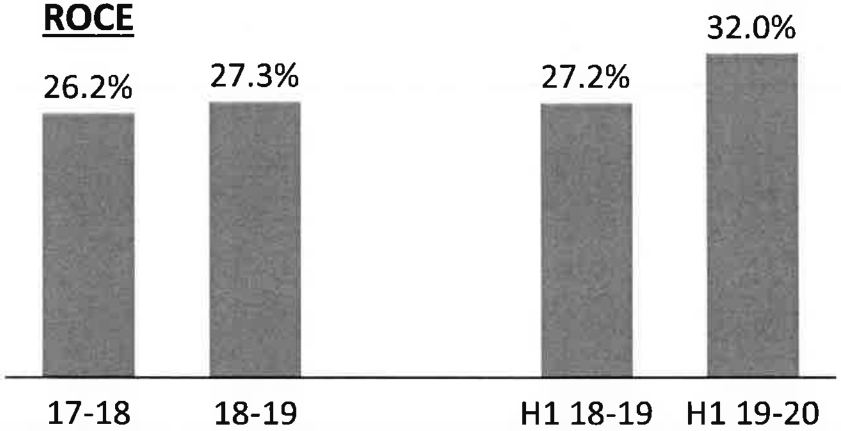
Net Sales



PBIT (Before Excep.)



ROCE

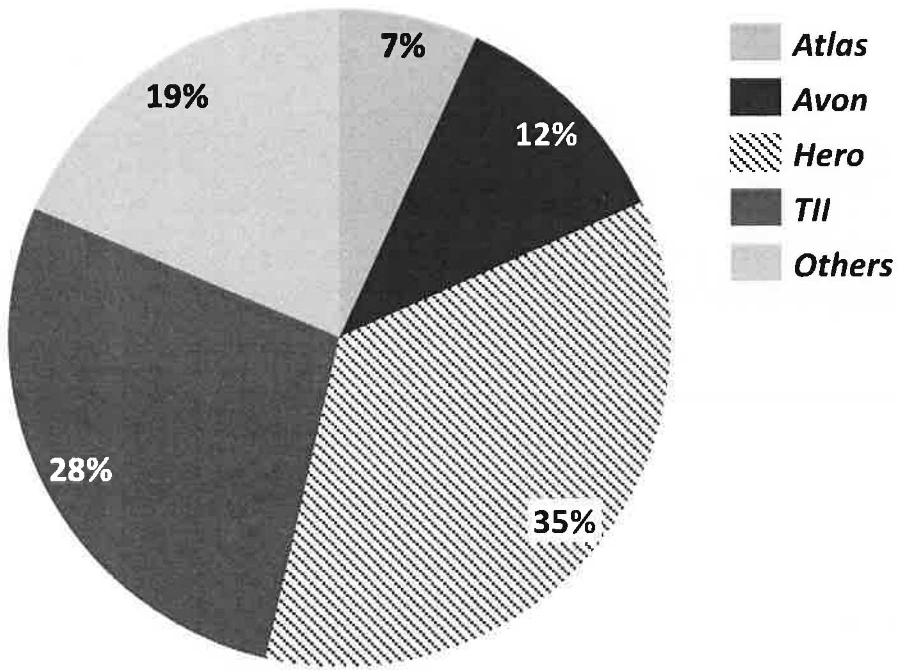


Cycles Business

Products	• Cycles and Accessories • 53 new models launched
Plants	• Tamil Nadu – Ambattur • Punjab – Rajpura • 8500 Dealers across India • 225 Track & Trail stores as on 30th September 2019
Brands	• BSA, Hercules, Lady bird, Roadeo, Mach City, Montra, Track & Trail

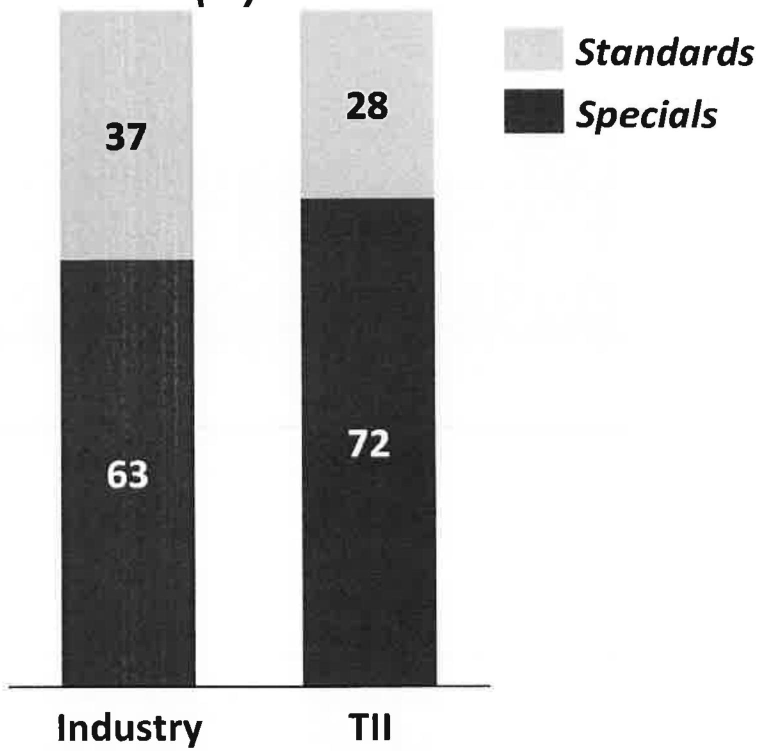
Cycles Business - Market Share and Product Mix

Market Share



Source : ACMA

Product Mix (%)



Cycles – Financial Snapshot

₹ Crs

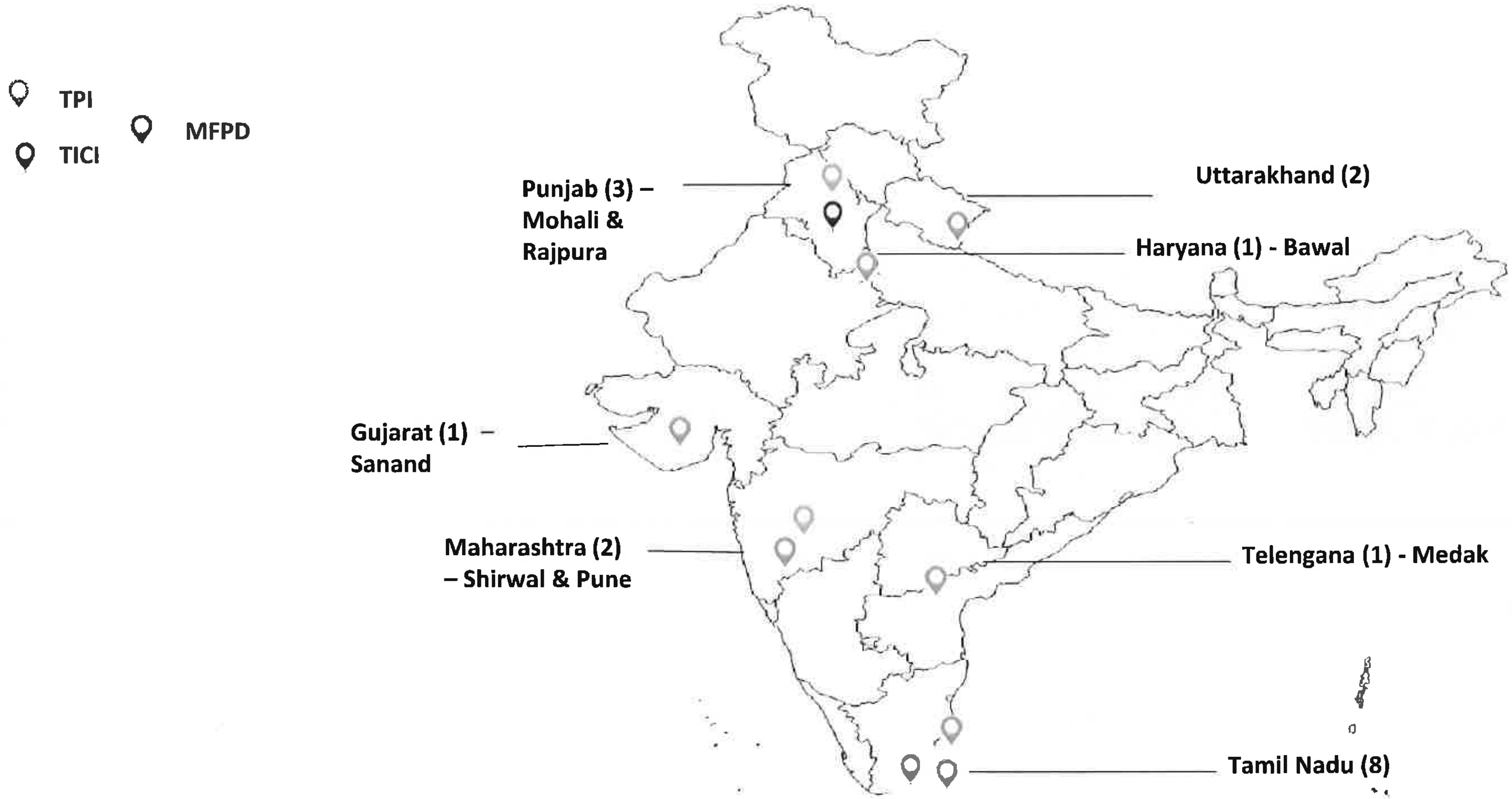
Particulars	18-19	H1 18-19	H1 19-20	Growth %
Net Sales	**1,232**	**687**	**504**	**-26.7%**
PBIT	**11**	**12**	**18**	**46.1%**
% to Net Sales	*0.9%*	*1.8%*	*3.6%*	

₹ Crs

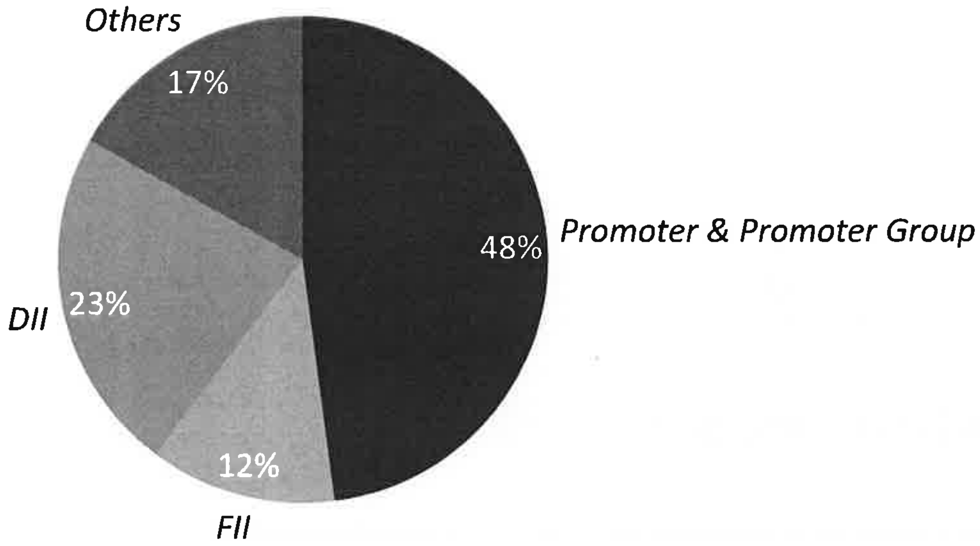
Particulars	31-03-2019	30-09-2018	30-09-2019
Net Fixed Assets	134	139	135
Net Working Capital	56	103	35
Capital Employed	**190**	**242**	**171**
Capital Expenditure	**6**	**4**	**1**

Other Details

TI's Presence



Shareholding Pattern



Top 10 Institutional Holders

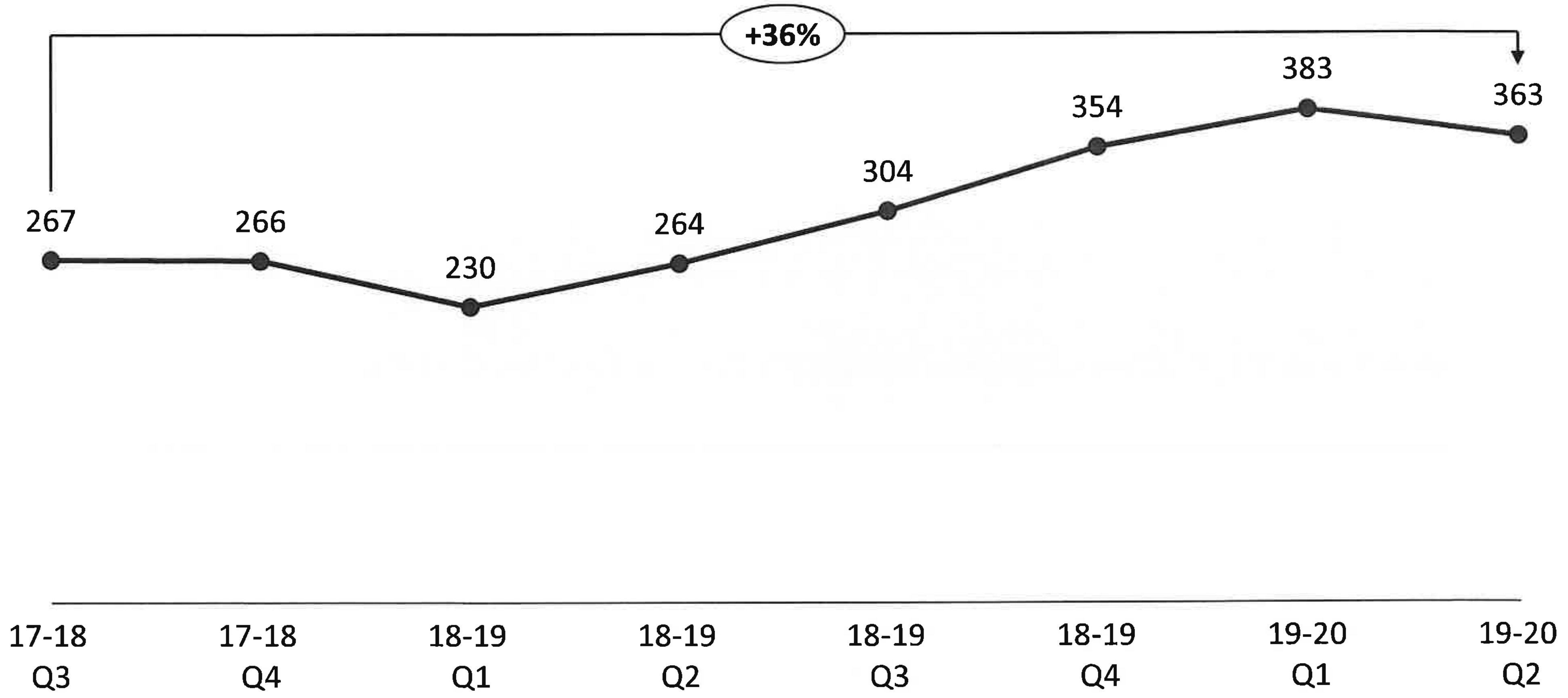
- HDFC Mutual Fund
- Nippon India Mutual Fund
- L&T Mutual Fund
- SBI Mutual Fund
- Toyota Tsusho Corporation
- The Wellington Trust Company National Association
- First State Investments ICVC- Stewart Investors
- DSP Mutual Fund
- Pacific Assets Trust PLC
- Life Insurance Corporation of India

	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
TII (₹/Share)	263.72	304.41	354.07	383.17	362.54
Growth %	15%	15%	16%	8%	(5%)

Promoter Shareholding of 48% includes

- Ambadi Investment Limited – 37%
- Others – 11%

Share Price Movement

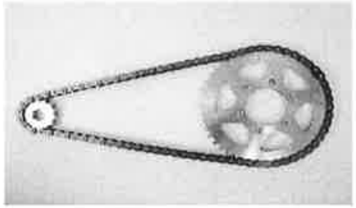


** Share price - ₹457 as on 22nd Nov'19*

Metal Formed Products

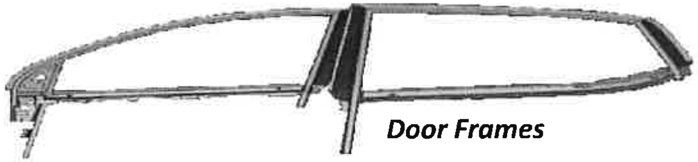
Drive Chains

Kit



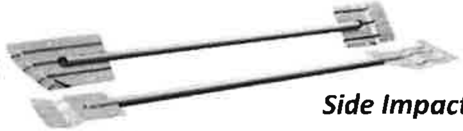
Cam Chains

After Market Brands



Door Frames

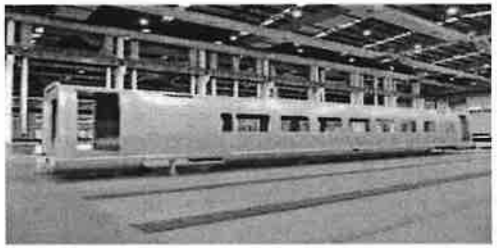
Divisional Channels



Side Impact Beams

Cowl Cross Beam

Railways



Power transmission and Conveying Chains

Engineering Class Chains

Fine Blanked Products

Track and Trail – Retail Experience

Shanthi Gears - Products

Spur/ Helical Gear

Pinion Shaft

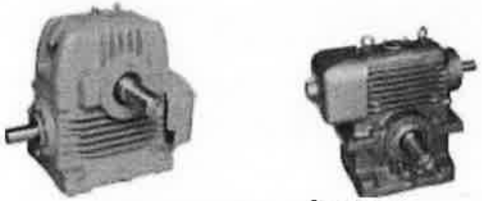
Internal Gear

Worm and Wheel

Straight Bevel

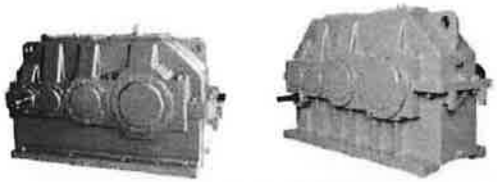
Spiral Bevel

Worm Gearboxes- Adaptable

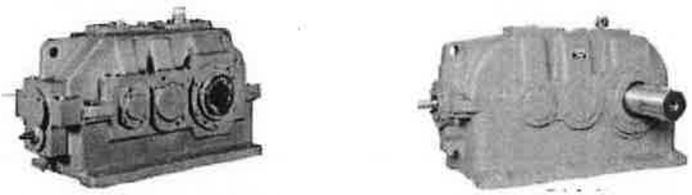


Worm Gearboxes- Standard

Worm Gearboxes- Special



Helical Gearboxes



Bevel Helical Gearboxes

Thank You

Investor Presentation – Q2 FY 20