



INVESTOR PRESENTATION June 2020



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Talbro Automotive Components Ltd (TACL) - Group

Product Portfolio

Entities

TACL Group Turnover*(Rs. Crs)

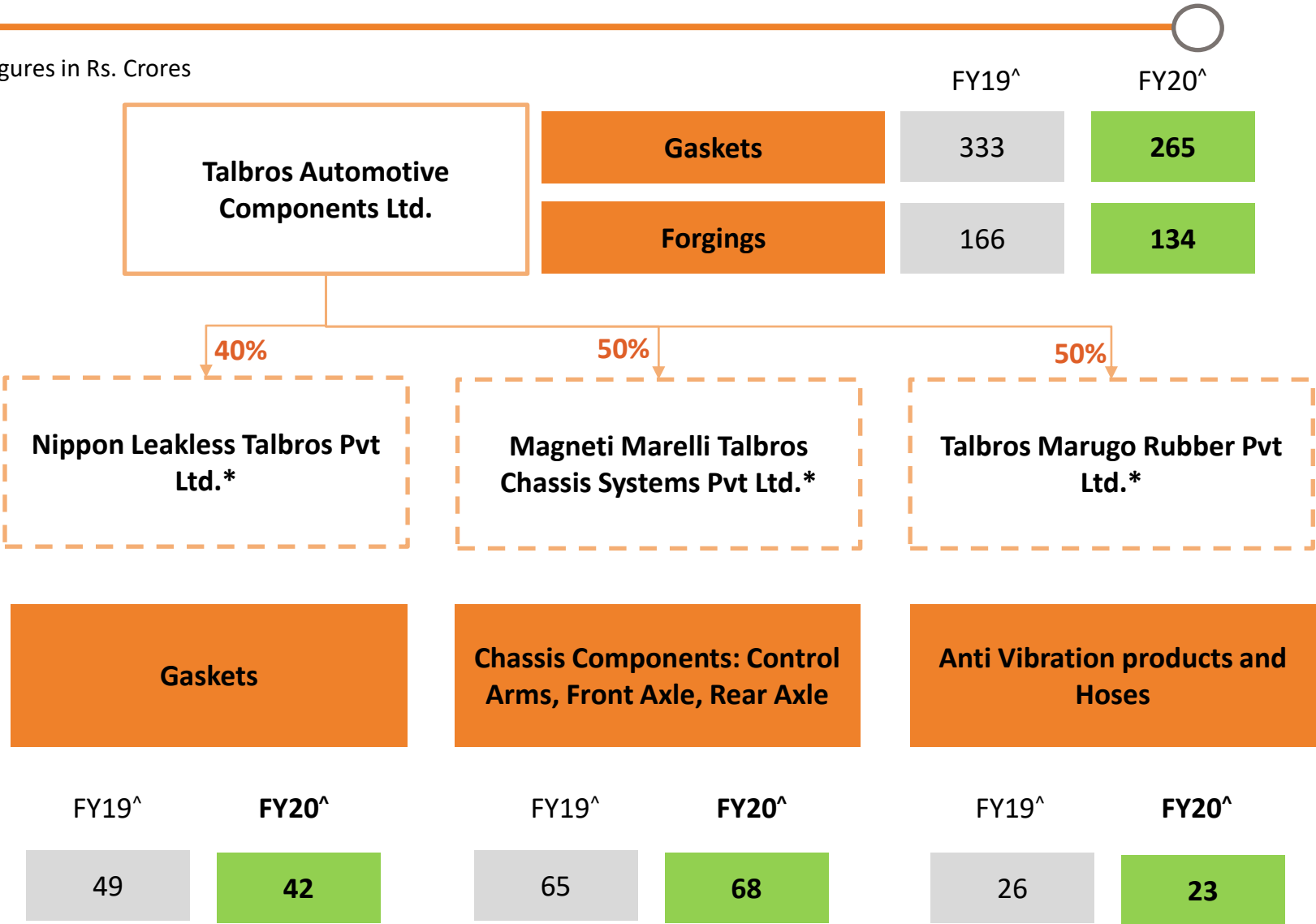
		FY19	FY20
Gaskets	TACL Standalone	333	265
	Nippon Leakless Talbros Pvt Ltd	122	106
Forgings	TACL Standalone	166	134
Chassis Components	Magneti Marelli Talbros Chassis Systems Pvt Ltd	130	137
Anti Vibration Products & Hoses	Talbros Marugo Rubber Pvt Ltd	52	46
		FY19 803	FY20 688

* Includes other income As per I-GAAP

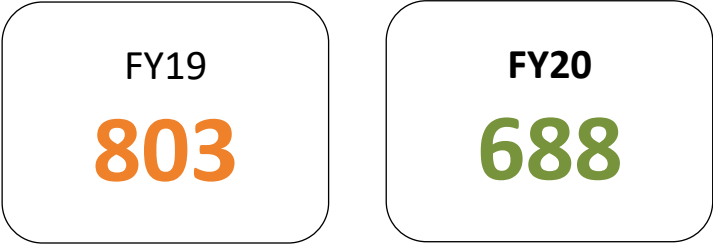
TACL Group – Corporate Structure



Figures in Rs. Crores

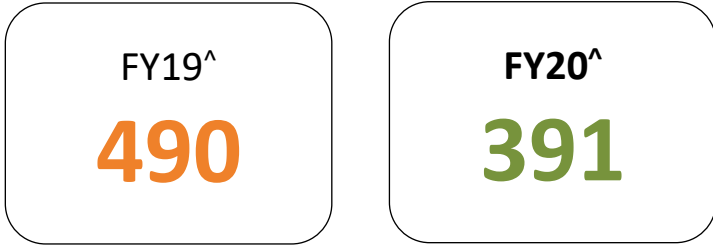


Talbros Auto Components Limited – Group Turnover



Talbros Auto Components Limited Consolidated Revenue

As per Ind-AS



*Proportionate share of the JV's

[^]Includes other income

JV's



Company has received aggregate orders worth USD 31 mn (Rs. 234 cr) including orders received in JV and subsidiary companies catering to Domestic and International markets

Orders to be executed over a period of 5 years starting from H2 FY21 and are expected to be completed by FY26

A major part of this order has been received is in the Chassis JV from an International OEM based in India and will include domestic as well as exports orders

Other orders are across the Forging, Gaskets and Rubber JV of the company and will cater to Domestic & International markets

This order will not entail major capex and therefore provide operating leverage and enhance the profitability of the company

Commenting on the order Mr. Anuj Talwar, Jt. Managing Director, Talbros Automotive Components Limited said:

"Over the last few years we have made lot of efforts towards product development and testing with Global Auto majors. We are extremely proud to report that we have made significant inroads and have bagged multi-year orders. Our exports now cater to USA, UK, Europe and Japan."

"It is a huge validation of our technical capabilities and opens the doors for many large customers for us. In these tough times, these orders will hugely benefit the brand equity of Talbros Group and further enhance our commitment to 'Make in India Initiative' of the Government of India. It clearly provides us long term visibility and business momentum"

Consolidated FY20 Highlights

₹ **391** Crores

Total Income[^]



43 Crores

EBITDA[^]

11.0 %

EBITDA Margin



12 Crores

PAT

3.1 %

PAT Margin

Commenting on the performance Mr. Anuj Talwar, Jt. Managing Director, Talbros Automotive Components Limited said:

“The financial year 2020 has been a challenging year for the auto industry and the breakout of the COVID-19 pandemic has added to the industry woes. The nationwide lockdown announced to prevent the spread of the pandemic has adversely impacted various sectors of the economy.

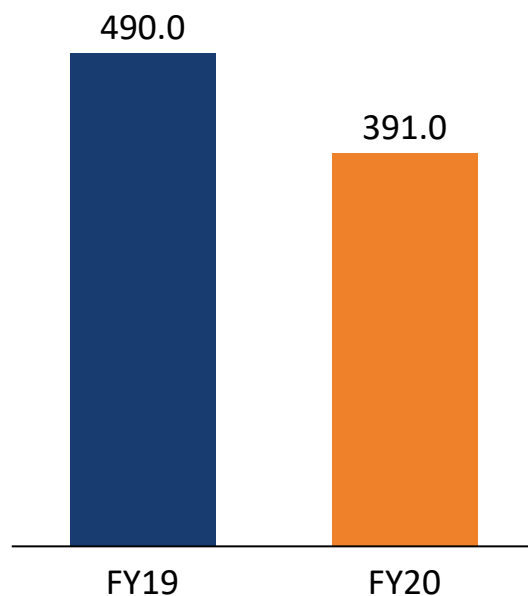
We have undertaken all the necessary precautions and implemented enhanced safety protocols at all our manufacturing sites and offices as the health and safety of our employees is of paramount importance to us.

Further, it gives me great pleasure to announce that during this challenging time we have been able to secure orders worth USD 31 mn for domestic as well as export markets. Thus our continued focus towards growing our exports business has borne fruits.

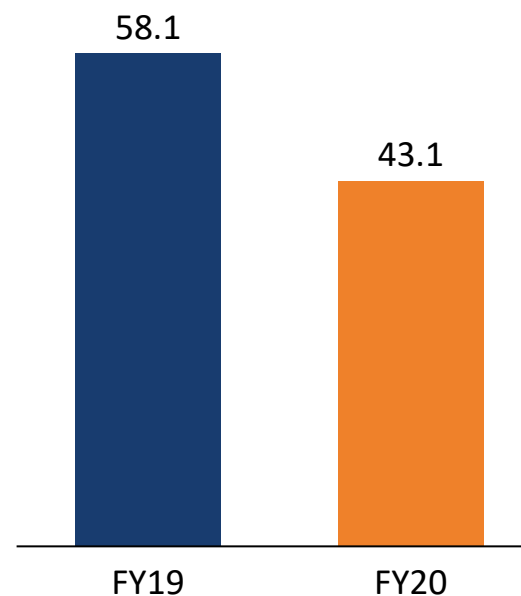
Further, at Talbros Automotive Components our focus is to provide products of the future. The various new regulations that are proposed to be imposed open a plethora of opportunities for us and we are well equipped to grab the same.”

Consolidated FY20 Performance Highlights

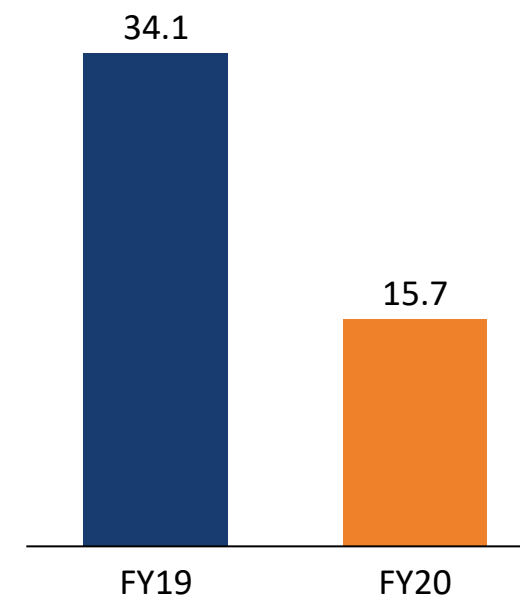
Total Income from Operations^



EBIDTA^



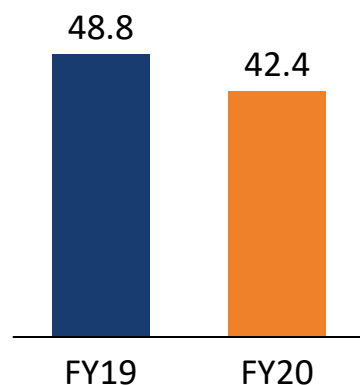
PBT before Exceptional Items*



FY20 JV's Performance Highlights

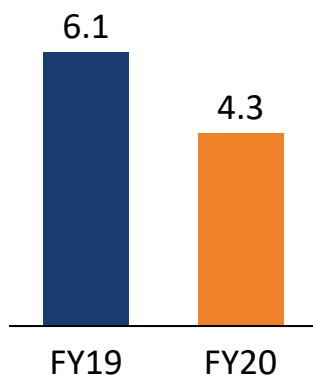
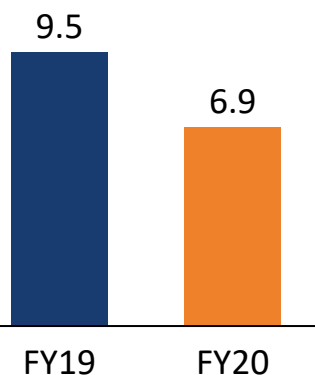
*Nippon Leakless Talbros Pvt Ltd**

Total Income from Operations



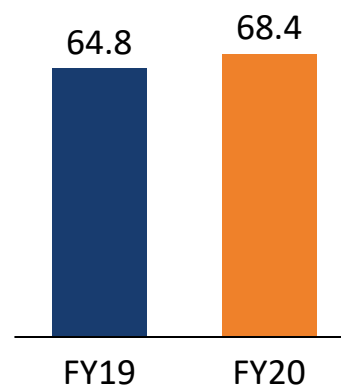
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PAT



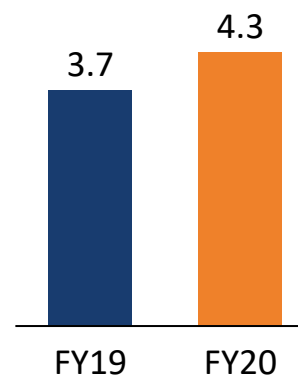
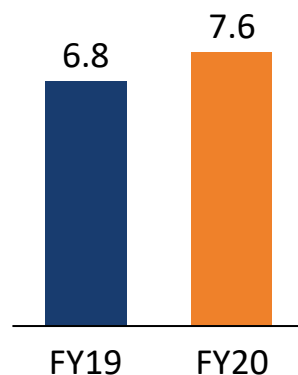
*Magneti Marelli Talbros Chassis Systems Pvt Ltd**

Total Income from Operations



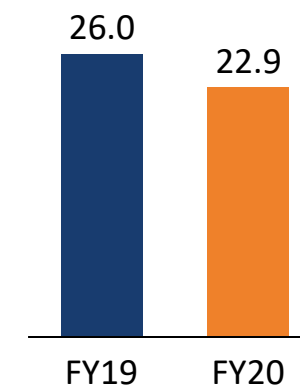
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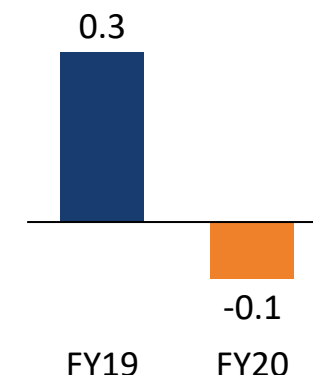
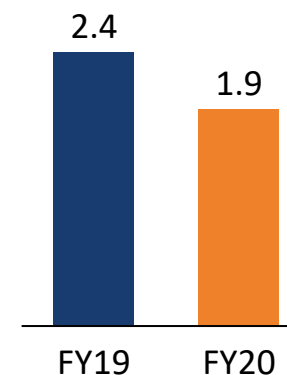
*Talbros Marugo Rubber Pvt Ltd**

Total Income from Operations



EBIDTA

PAT



Q4 & FY20 Consolidated Profit & Loss Statement

Particulars (Rs. In crores)	Q4 FY20	Q4 FY19	FY20	FY19
Revenue from Operations (Net of Excise)	91.6	106.2	385.3	482.8
Other Income	0.8	2.6	5.7	7.1
Total revenue from Operation	92.5	108.9	391.0	490.0
Raw Material	47.7	58.7	204.8	272.7
Employee Cost	13.4	13.9	56.0	59.2
Other Expenses	22.6	23.2	87.1	100.0
EBITDA	8.8	13.0	43.1	58.1
EBITDA Margin	9.6%	12.0%	11.0%	11.8%
Depreciation	5.1	4.6	19.2	17.9
EBIT	3.7	8.4	23.9	40.2
EBIT Margin	4.1%	7.7%	6.1%	8.2%
Finance cost	3.7	3.8	16.1	15.5
Profit before share of profit/loss from JVs	0.0	4.6	7.8	24.6
Exceptional items	-2.1	0.0	-2.1	0.0
Share of Profit from JVs	1.6	2.3	7.9	9.5
Profit before Tax	-0.5	6.9	13.5	34.1
Tax	-0.8	0.8	1.3	7.8
Profit After Tax	0.3	6.1	12.2	26.4
Profit After Tax Margin %	0.3%	5.6%	3.1%	5.4%

FY20 Consolidated Balance Sheet

ASSETS	Mar-20	Mar-19
Non-current assets		
Property, plant and equipment	149.2	139.7
Capital work in progress	0.6	6.4
Investment property	2.9	3.1
Intangible assets	1.3	1.1
Intangible assets under development	0.2	0.2
Investments accounted for using the equity method	46.1	40.7
Financial assets		
Investments	6.7	20.1
Loans	1.5	1.2
Other financial assets	0.3	0.3
Non-Current tax assets (Net)	2.4	0.0
Other non-current assets	3.6	4.5
Sub-total - Non-Current Assets	215.0	217.3
Current assets		
Inventories	107.9	110.5
Financial assets		
Trade receivables	125.2	135.3
Cash and cash equivalents	3.7	2.3
Bank balances other than Cash and Cash equivalents	3.9	6.9
Loans	5.7	5.7
Other financial assets	1.4	0.7
Other current assets	17.0	18.9
Sub-total - Current Assets	264.9	280.4
TOTAL - ASSETS	479.9	497.6

EQUITY AND LIABILITIES	Mar-20	Mar-19
Equity		
Equity Share capital	12.3	12.3
Other equity	185.6	186.4
Sub-total - Shareholders' funds	197.9	198.8
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	20.1	25.2
Other financial liabilities	0.3	0.1
Provisions	3.1	3.6
Deferred tax liabilities (net)	2.9	2.7
Other non-current liabilities	1.0	1.0
Sub-total - Non-current liabilities	27.4	32.6
Current liabilities		
Financial liabilities		
Borrowings	121.1	112.3
Trade payables	105.6	117.3
Other financial liabilities	20.4	26.8
Other current liabilities	6.5	5.7
Provisions	0.9	1.5
Current tax liabilities (net)	0.0	2.6
Sub-total - Current liabilities	254.5	266.2
TOTAL - EQUITY AND LIABILITIES	479.9	497.6

Q4 & FY20 Standalone Profit & Loss Statement

Particulars (Rs. In crores)	Q4 FY20	Q4 FY19	FY20	FY19
Revenue from Operations (Net of Excise)	91.6	106.2	385.3	482.8
Other Income	2.0	3.8	8.1	11.9
Total revenue from Operation	93.7	110.1	393.4	494.8
Raw Material	47.7	58.7	204.8	272.7
Employee Cost	13.4	13.9	56.0	59.2
Other Expenses	22.6	23.2	87.1	100.0
EBITDA	10.0	14.2	45.5	62.9
EBITDA Margin	10.7%	12.9%	11.6%	12.7%
Depreciation	5.1	4.6	19.2	17.9
EBIT	4.9	9.6	26.3	45.0
EBIT Margin	5.3%	8.7%	6.7%	9.1%
Finance cost	3.7	3.8	16.1	15.5
Profit before Exceptional items	1.2	5.8	10.2	29.4
Exceptional items	-2.1	0.0	-2.1	0.0
Profit before Tax	-0.9	5.8	8.0	29.4
Tax	-0.8	0.8	1.3	7.8
Profit After Tax	-0.2	5.0	6.7	21.7
Profit After Tax Margin %	-0.2%	4.5%	1.7%	4.4%

FY20 Standalone Balance Sheet

ASSETS	Mar-20	Mar-19
Non-current assets		
Property, plant and equipment	149.2	139.7
Capital work in progress	0.6	6.4
Investment property	2.9	3.1
Intangible assets	1.3	1.1
Intangible assets under development	0.2	0.2
Financial assets		
Investments	32.8	46.2
Loans	1.5	1.2
Other Financial Assets	0.3	0.3
Current tax assets (Net)	2.4	0.0
Other non-current assets	3.6	4.5
Sub-total - Non-Current Assets	194.9	202.7
Current assets		
Inventories	107.9	110.5
Financial assets		
Trade receivables	125.2	135.3
Cash and cash equivalents	3.7	2.3
Bank balances other than Cash and Cash equivalents	3.9	6.9
Loans	5.7	5.7
Other financial assets	1.4	0.7
Other current assets	17.0	18.9
Sub-total - Current Assets	264.9	280.4
TOTAL - ASSETS	459.8	483.1

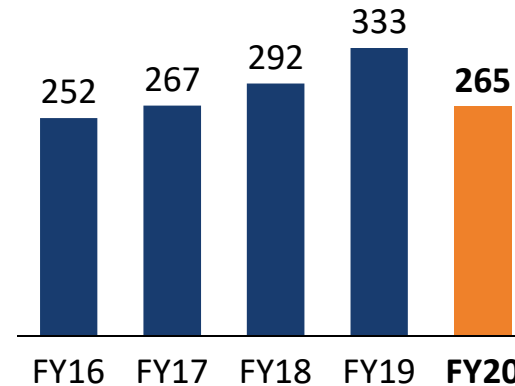
EQUITY AND LIABILITIES	Mar-20	Mar-19
Equity		
Equity Share capital	12.3	12.3
Other equity	165.6	171.9
Sub-total - Shareholders' funds	177.9	184.2
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	20.1	25.2
Other financial liabilities	0.3	0.1
Provisions	3.1	3.6
Deferred tax liabilities (net)	2.9	2.7
Other non-current liabilities	1.0	1.0
Sub-total - Non-current liabilities	27.4	32.6
Current liabilities		
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Sub-total - Current liabilities	254.5	266.2
TOTAL - EQUITY AND LIABILITIES	459.8	483.1

Business Confirmations & Strategy

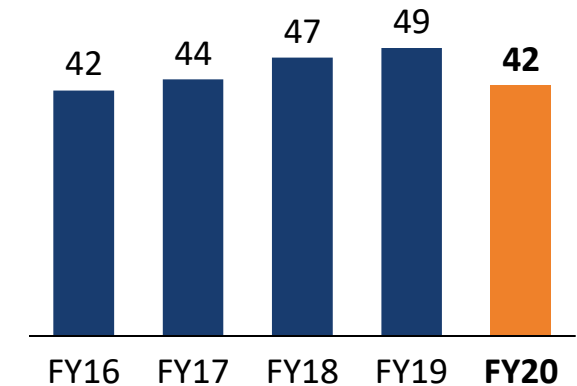
Gaskets

- Orders received in the past:
 - Order worth **Rs. 7 Cr** from **2 European car manufacturers** for **supplying Heat Shields**
 - Order worth **Rs. 5 Cr** from **US based car manufacturer** for **supplying Gaskets**
 - Started Supplies of **BS VI compliant Gaskets** to **Hero, Volvo, Tata motors & Tata Cummins**
 - To supply **Integrated Wire Harness Gasket** to an OEM worth **Rs. 15-20 Crs p.a.** **Samples approved, Supplies to commence from Q1FY21**
- Started supplying **BS VI compliant Gaskets** to **Hero, Honda** from our JV Nippon Leakless Talbros

Standalone

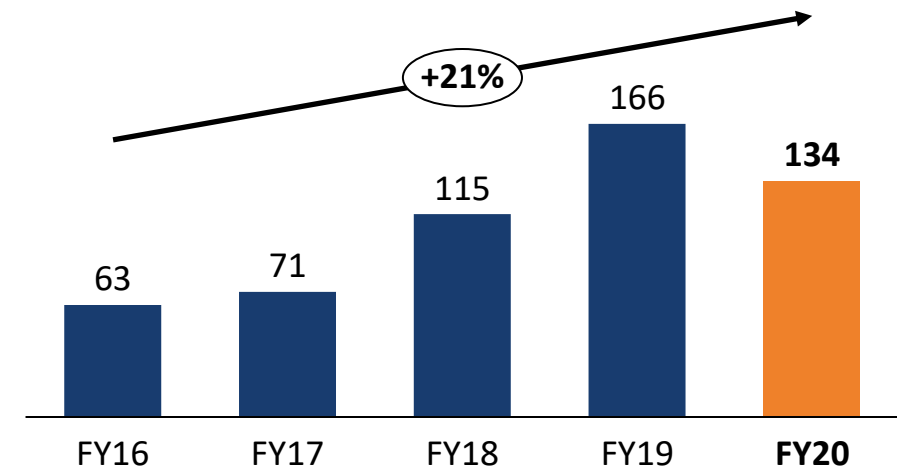


Nippon Leakless JV*



Forgings Segment

- Installation of 2500 Ton Press completed
- In discussion with various Indian & European Tier 1 Customers for heavier forging products
- Started supplies for the order received from a European OEM
- Moving towards heavier forged parts, with an estimated Revenues of Rs. 35 Crores p.a.
- Won order from an Auto Maker in the past, with Estimated Revenues of Rs. 12 Crores p.a.
- Order from a European OEM worth Rs. 8 Crores p.a.
- Currently, this segment is gaining momentum in both Domestic and overseas market

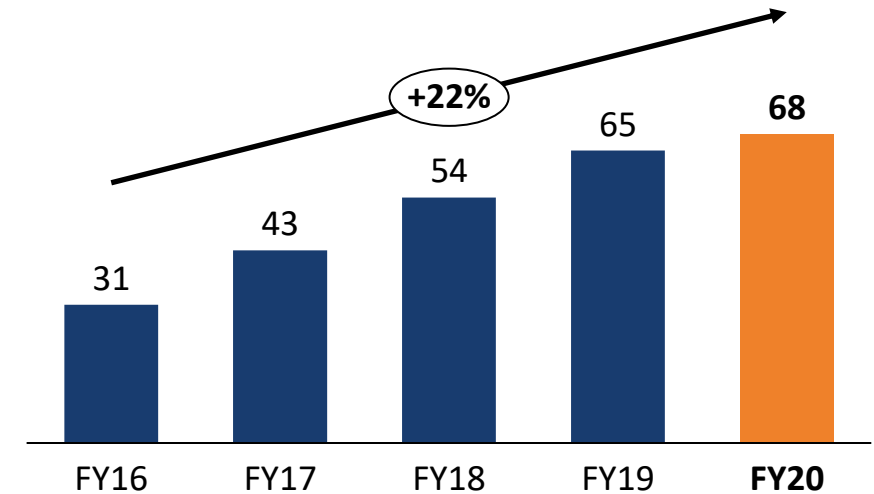


*Proportionate share of JV Revenue has been considered

Magneti Marelli Talbros Chassis Systems Pvt Ltd (MMT)*

Orders received in the past:

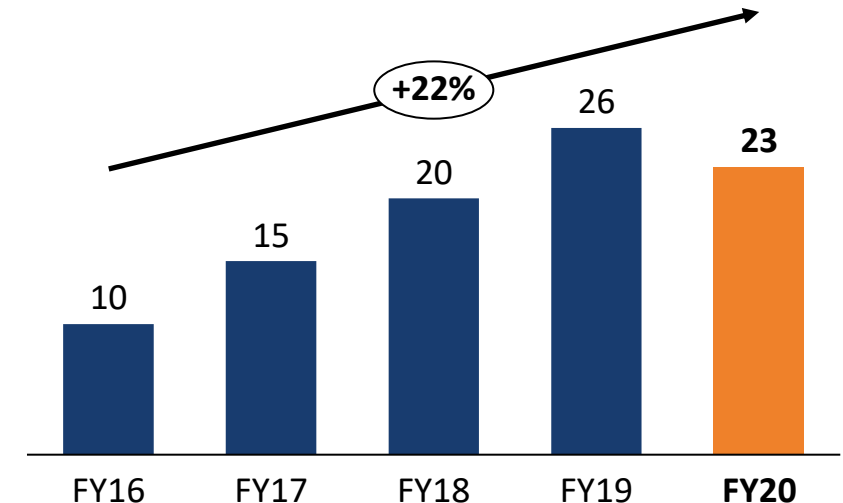
- Order worth **Rs. 5 Mn** from a **European car manufacturer** for supplying **EPP Support Bracket**
- From a Domestic OEM for Lower Control Arm worth Rs. 10 Crs p.a. From an OEM in UK worth ~Rs. 35+ Crores p.a.
- From Maruti Suzuki to supply Control Arm Assemblies for Front Suspension, with an Estimated Revenues of Rs. 24 crores p.a.



Talbros Marugo Rubber Pvt Ltd (TMR)*

Orders received in the past:

- Order worth **Rs. 7.5 Cr** from **Marugo Rubber Japan** for supply of **Intercooler Hose. Supplies to commence from Q2FY21**
- Order worth **Rs. 1 Cr** from **Maruti Suzuki** for supply of **Purge hose. Supplies to commence from Q2FY21**
- Order worth **Rs. 0.8 Cr p.a.** from **Rane Madras** for supply of **Steering Mounting Bush. Supplies to commence from Q2FY21**
- Orders worth Rs. 5-8 Crs p.a. from existing customers
- Order from SML Isuzu worth ~Rs. 3 Crores p.a.



*Proportionate share of JV Revenue has been considered

Leadership Team driving Growth & Profitability



Joint Managing Director

Anuj Talwar

Is a Bachelor in Business Administration from college of William & Mary, Virginia, USA and Master of Business Administration from Boston University Graduate School of Management. He has been associated with the Company since 2008. He has over 10 years of rich experience in the Corporate Finance, Credit analysis ,Auto Industry and M&A.



Director & Group CFO

Navin Juneja

Is a B.Sc. (Mathematics) and Chartered Accountant (FCA). He is working as Finance Head of Talbros Group as its Group CFO. He also advises various companies on financial management and corporate planning. He has more than 30 years of rich experience in Finance, Accounting and Strategic Planning.

One of the
Most Hedged
Auto
Component
Players



Over **6 Decades** of experience in Auto Component manufacturing



Diversified Auto Component player with presence *across Two Wheelers, Passenger, Commercial Vehicles and Farm Equipment's*



Wide client base, *~40% revenue from top 5 clients*



Businesses across *OEMs, Exports and After Market*



Four International Technology Tie-ups including 3 JVs for Best in Class Products

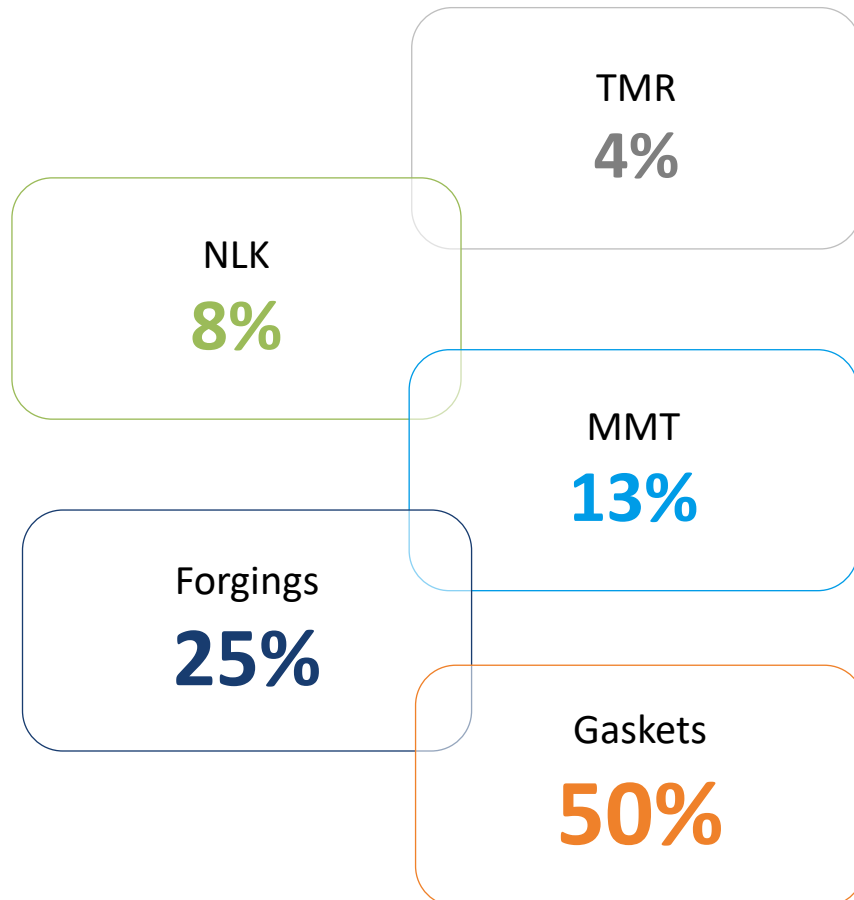


Diversified Portfolio - *Gaskets, Forgings, Suspension Systems, Anti-vibration Products & Hoses*



Consistent **Dividend Pay-out over 50 years**

FY20 - Revenue Contribution



Segments

- 2 Wheelers
- 3Wheelers
- Passenger Vehicles
- Commercial Vehicles
- Agri / Off-Loaders and Industrial

Product Portfolio

- Gaskets
- Heat Shields
- Forgings
- Chassis Systems
- Anti vibration
- Hoses

Market Exposure

- OEMs
- After Market
- Exports
- Others



Growth Strategy

Strong Global Partnerships - Joint Ventures

Joint Ventures

About the JV

Products

Customers



Nippon Leakless Talbro Pvt Ltd (NLK)

- **Nippon Leakless Corporation** (Japan) - One of the largest global manufacturers of gaskets and a major Supplier for **Honda**
- Established in 2005 with 40% Talbro Share
- 100% Sales to OEMs to Honda and Hero

Gaskets

- Hero Motor Corp
- HMSI
- India Yamaha
- Honda Car India
- Maruti Suzuki
- Honda Sael Power Products



Magneti Marelli Talbro Chassis Systems Pvt Ltd (MMT)

- **Magneti Marelli S.p.a** (Milano) - A Fiat group company with annual revenue of over € 6 Bn
- 50:50 partnership commenced production in April 2012
- 100% Sales to OEMs
- Significant share of Control Arms business from Maruti Suzuki and Tata

- Control Arms
- Front Axle
- Rear Axle

- Bajaj Auto
- Mahindra & Mahindra
- Maruti Suzuki India
- Tata Motors
- Significant share of Control Arms business from Maruti



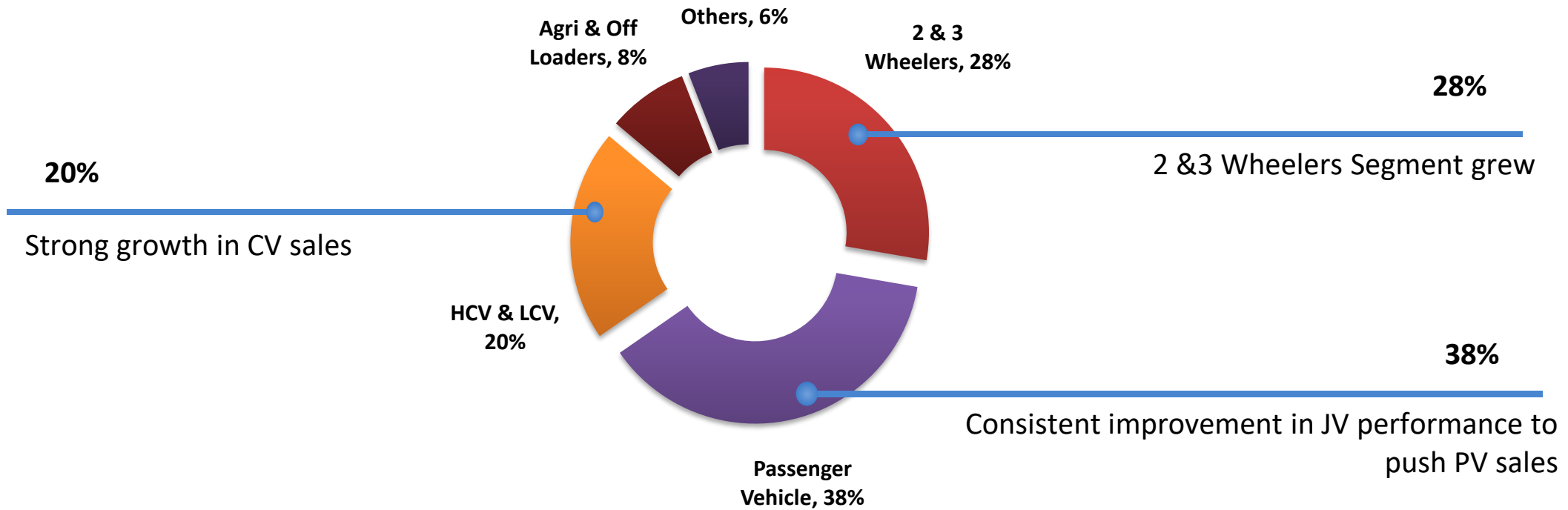
Talbro Marugo Rubber Pvt Ltd (TMR)

- **Marugo Rubber Industries Ltd** (Japan) - Global leader in supply of **Anti-Vibration Product and Hoses**
- **50:50** partnership commenced production in February 2013
- 100% Sales to OEMs predominantly Maruti Suzuki

- Engine Mounts
- Strut Mounts
- Mufflers & Hangers
- Suspension Bushes
- Rubber Bushes
- Hoses

- Maruti Suzuki
- QH Talbro
- Endurance Technologies
- Rane (Madras) Ltd
- Escort India
- TATA

TACL: Domestic Sales Break up FY20





Business Overview

Key Milestones

Payen Talbros
incorporated in
collaboration with
Coopers Payen UK

1956

1979-85

- 1979 - Renamed as **Talbros Automotive Components Ltd**
- 1980 – Maiden **IPO**
- 1985 – Transfer of technology from Payen International UK

Technical Agreement
with **Nippon Leakless**,
Japan to manufacture
Non-Asbestos Gaskets

1997

2005

- JV with **Nippon Leakless Corporation**, Japan for Automotive Gaskets
- Diversification into **Forging** business commenced

- 2008 - Technical Agreement with **SANWA**, Japan
- 2009 – Technical Agreement with **Interface**, Germany

2008-09

2011

JV with **Magneti Marelli**, Italy for Suspension components

2012

JV with **Marugo Rubber**, Japan for Anti-Vibration and Hoses

Board of Directors



Mr. Naresh Talwar

Chairman



Mr. Umesh Talwar

Vice Chairman & MD



Mr. Varun Talwar

Joint Managing Director



Mr. Anuj Talwar

Joint Managing Director



Mr. Navin Juneja

Director



Mr. Vidur Talwar

Non Executive Director



Mr. V Mohan

Independent Director



Mr. Anil Kumar Mehra

Independent Director



Mr. Amit Burman

Independent Director



Mr. Tarun Singhal

Independent Director



Mrs. Priyanka Gulati

Independent Director



Mr. Ajay Kumar Vij

Independent Director

Mr. Manish Khanna

Chief Financial Officer

A Qualified CA and MBA, he has over 17 years of experience with LeeBoy India Constructions, Doosan Infracore, Escorts Construction Equipment and Amforge Industries

Mr. Suresh Sharma

President Operations – Gaskets Division

He is an engineer and MBA (Operations). He has over 25 years of experience in the Auto Components sector and has worked with Munjal Showa, Endurance, JBM Auto and Omax Auto

Mr. Noriyuki Deguchi

Managing Director – Nippon Leakless Talbros Pvt. Ltd.

He holds BE degree and has experience of 25 years working in the Gasket Industry. He has been associated with Nippon Leakless for over a decade

Mr. Toshiya Morimoto

Managing Director – Talbros Marugo Rubber Pvt. Ltd

He is an Engineer and has an experience of over 37 years and has worked with Sanyo Electric Co. Limited

Mrs. Seema Narang

Company Secretary

She has over 22 years of experience in the secretarial department and has worked with Whirlpool of India and Aksh Optifibre Ltd

Mr. Vivek Singh

President – Forging Division

He holds a Mechanical Engineering degree and has a rich experience in manufacturing of more than two decades in varied sectors including Auto & Auto component, Railway signalling & Telecom, Geo Info Systems & IT technology and Powertrain.

Mr. Ashish Gupta

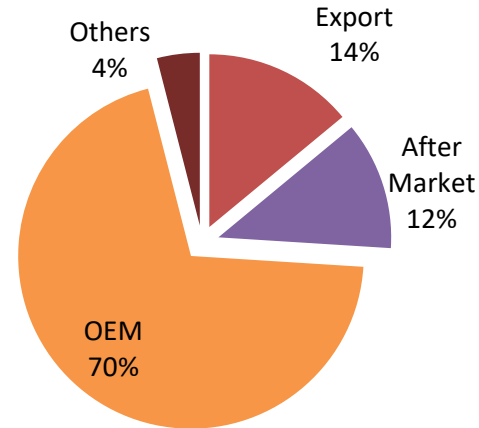
CEO – Magneti Marelli Talbros Chassis System Pvt. Ltd.

He holds a BE degree and has over 24 years of experience with manufacturing companies in India, Europe & CIS

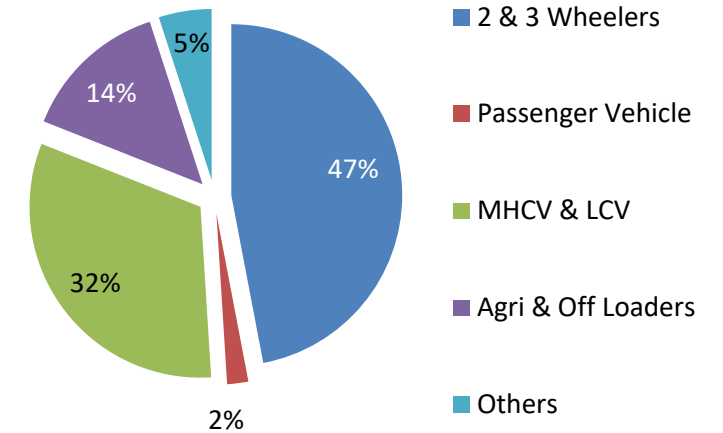
Standalone Business - Gaskets

- In – House tool design and manufacturing
- ~40% Market share in Gaskets 3x the nearest competitor
- **Market Leader** in – Two Wheeler, Agri & Off Loaders, HCV & LCV segment
- **Tier I OE supplier** for 12 of our customers
- **Single Source Supplier** for 5 of our customers
- **100% Asbestos Free player**
- Export orders from established international brands
- Introduced dedicated **Heat Shield line**: critical for heat, sound and vibration insulation
- Revenue for **FY20 stood at Rs 260**

FY20 Revenue Rs 260 Crores



FY20 OEM Breakup



Products - Various Types and Shapes

Multi Layer Steel



Exhaust Manifold



Heat Shield



Rubber Molded



Cylinder Head

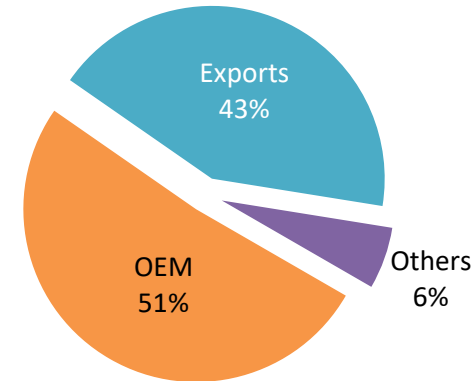


Edge Molded



- One stop solution for **Hot Forging**
(750 to 2,500 Ton Press)
- In-House tool design and manufacturing
- Strong presence in **Overseas Market &**
Supplier to **top Tier I** companies
- **One Stop Solution** for Die Design,
Machine parts and Heat treatment
(Normalizing and Carbohydriding)
- Revenue for **FY20 stood at Rs 131 Cr**

FY20 Revenue Rs 131 Crores



Products - Various Types and Shapes

King Pins



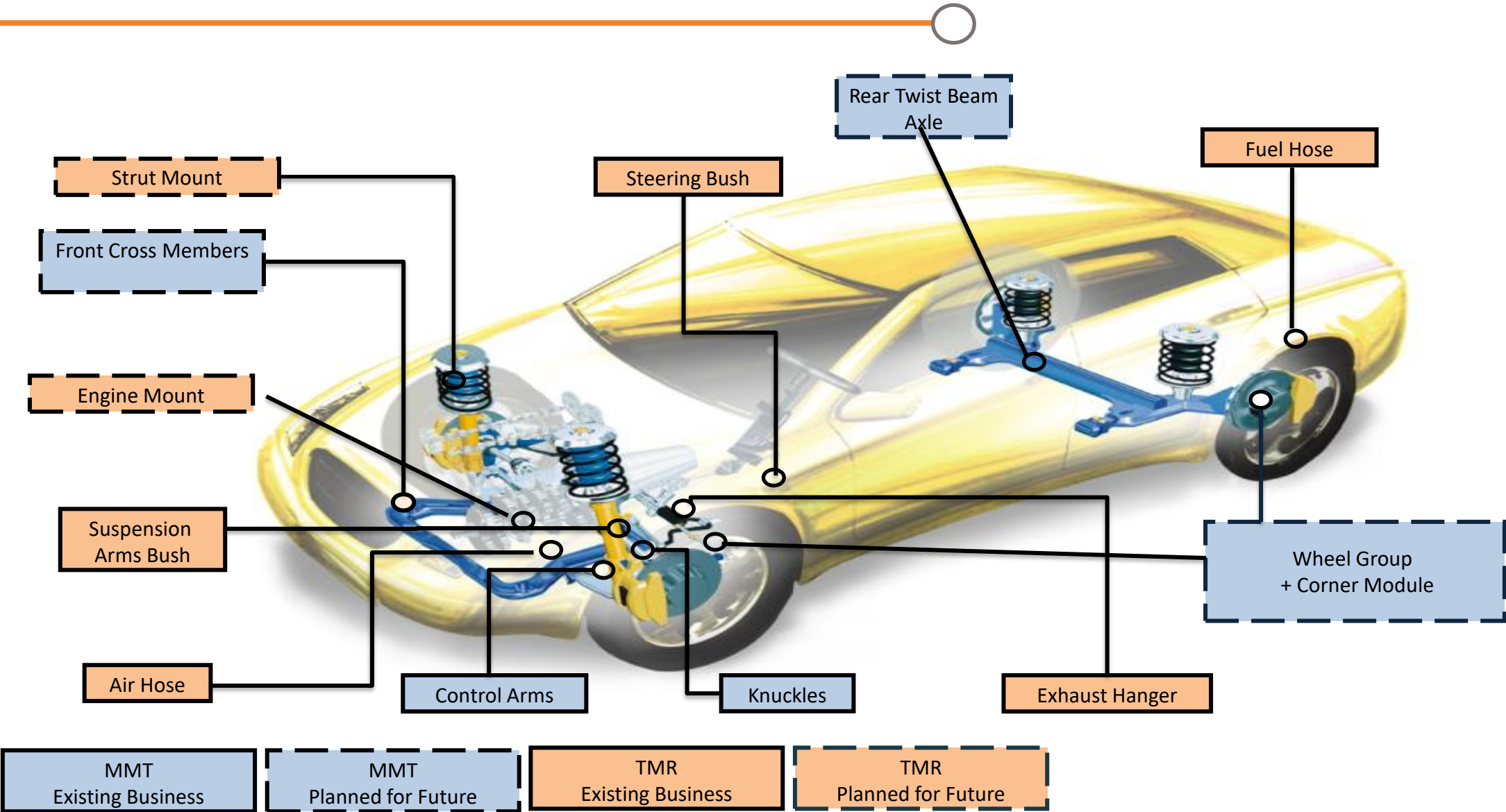
Gear Blanks



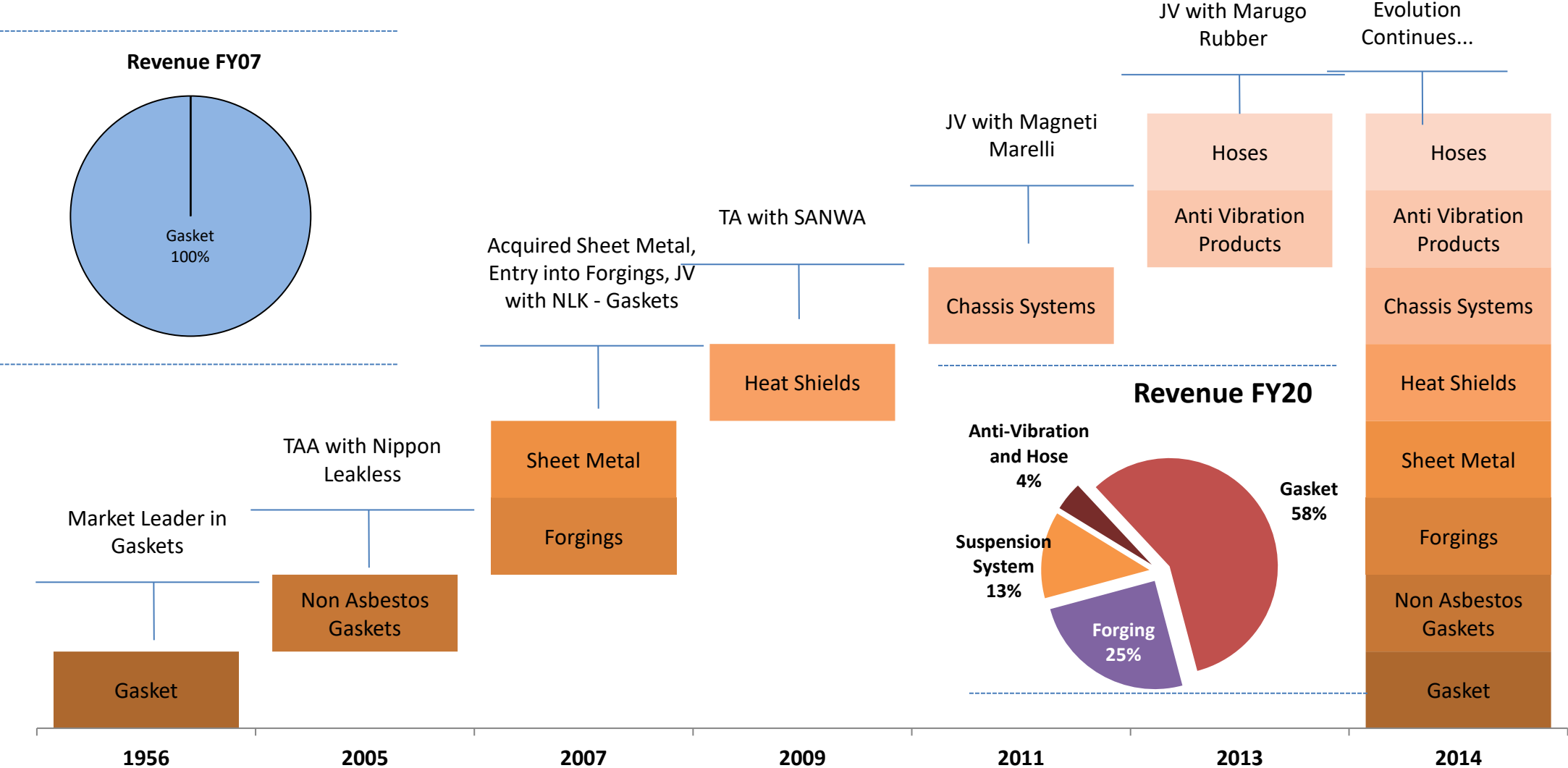
Housing and Yoke Shafts



Scope of Joint Ventures



Evolving Product Portfolio



Diversified Customer - OEM

Hedged Customer Base

2 Wheeler



Passenger



HCV/LCV



Agri & Off Loader



Agri & Off Loader



Manufacturing Facilities



Gasket

Faridabad, Haryana (2 plants & R&D Centre) Pune, Maharashtra & Sitarganj, Uttarakhand



Forging

Bawal – Haryana



Talbros Marugo Rubber

Manesar – Gurgaon



Nippon Leakless

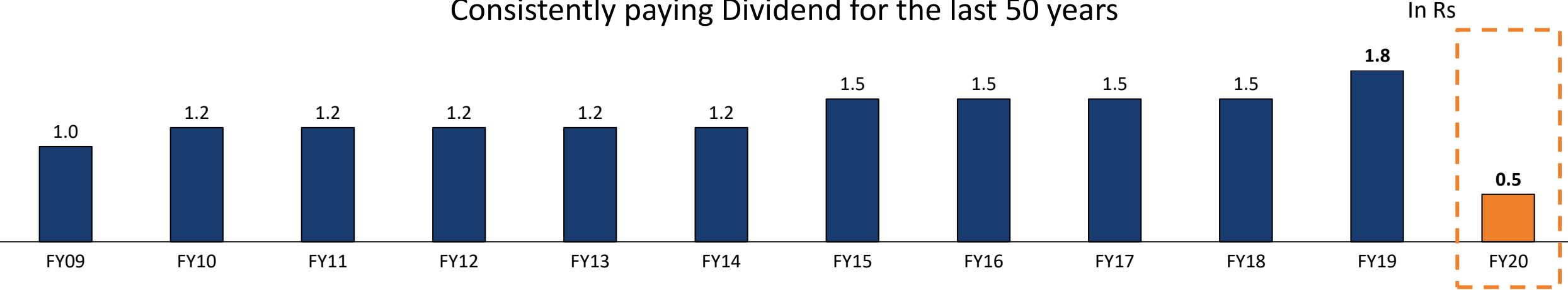
Bawal – Haryana
Haridwar – Uttarakhand



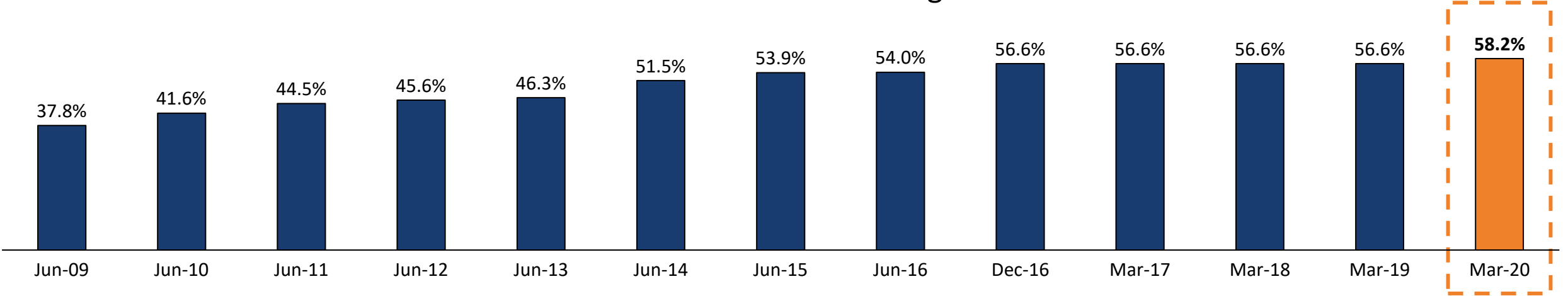
Magneti Marelli Talbros

Faridabad - Haryana

Consistently paying Dividend for the last 50 years



Promoter Shareholding



For further information, please contact:

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Talbros Automotive Components Ltd.
CIN: L29199HR1956PLC033107

Mr. Navin Juneja – Director & Group CFO
Email: navinjuneja@qhtalbros.com

www.talbros.com

Investor Relations Advisors :



Strategic Growth Advisors Pvt. Ltd.
CIN: U74140MH2010PTC204285

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