Investor Presentation

November 2017

Stock Codes: BSE: 540762 NSE: TIINDIA Bloomberg: TIINDIA:IN **Reuters:** TBEI.NS
CIN: L35100TN2008PLC069496

murugappa

Tube Investments of India Limited

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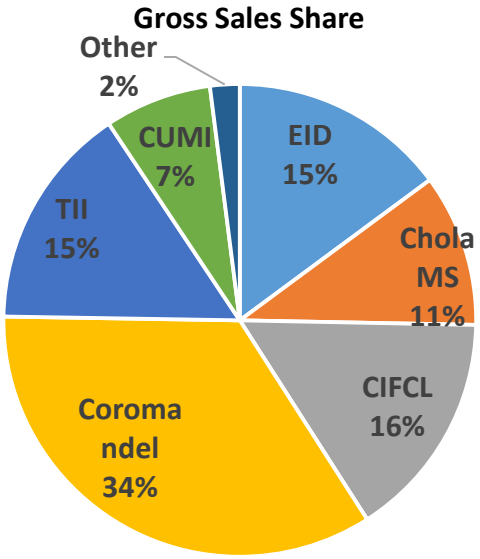
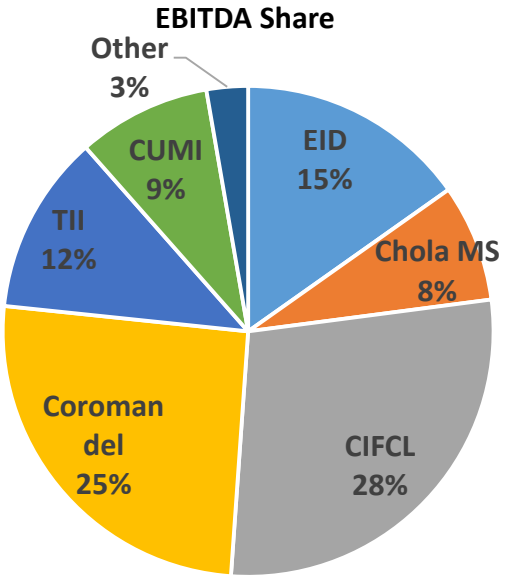
Murugappa Group and Philosophy



FY 2016-17



FY 2016-17

Company Name	Market Capitalisation	Description
Chola	INR 193,750 Mn. (USD 3,000 mn)	Cholamandalam Investment and Finance Company Limited is a Non Banking Finance Company and one of the leading financial provider for vehicle finance, business finance, home equity loans, stock broking & distribution of financial products
TI INDIA	INR 47,416 Mn. (USD 734 mn)	Tube Investments of India Limited offers wide range of engineering products such as Precision Steel Tubes, Strips, Chains, Metal formed Automotive components and consumer products including Cycles and Fitness equipment
TIFHL	INR 111,754 Mn. (USD 1,731 mn)	TI Financial Holdings holds investments in financial services business
Coromandel	INR 149,825 Mn. (USD 2,320 mn)	Coromandel International Limited is the leading phosphatic fertilizer company in India, with a production capacity 3.2 mn tonnes of phosphatic fertilizer
PARRYS	INR 65,671 Mn. (USD 1,017 mn)	EID Parry (India) Limited offers wide range of agro products such as sugar, microalgal health supplements and bio products, with a capacity to crush 34,750 tones of cane per day (TCD)
CUMI	INR 68,937 Mn. (USD 1,068 mn)	Carborandum Universal Limited is a pioneer in coated and bonded abrasives, super refractories, electro mineral and industrial ceramics. The Company currently has presence in Australia, South Africa, Russia, Canada and Middle East
Chola MS GENERAL INSURANCE	Unlisted	Cholamandalam MS General Insurance Company Limited is a JV of Murugappa Group with Mitsui Sumitomo Insurance Group of Japan, (5th largest insurance group across the globe)

Note: Market data as on 3rd Nov 2017. Source: BSE Sensex and Conversion Rate of 1USD = Rs.64.5764 as on 3rd Nov 2017 Source: RBI

PARRY AGRO · Parryinfra · PARRY ENTERPRISES · Morgan ThermalCeramics INDIA · KADAMANE · CORMANDEL ENGINEERING · Ambadi · sedis · Shanthi Gears

The fundamental principle of economic activity is that no man you transact with will lose; then you shall not.

- Arthashastra

Corporate Overview

Manufacturing Businesses

- Engineering Segment (Tubes, Value Added Cold Rolled Strips, & Tubular Components)
- Cycles and Accessories (Bicycles & Fitness Products)
- Metal Formed Products (Chains for Automobile sector & Industrial applications, Doorframe & Channels for Passenger Cars)
- Gears and Gears Products (Investment in Shanthi Gears Limited – Industrial Gears)
- Others (Investment in TI Tsubamex Private Limited – Designing & Manufacturing of Dies)
- 25 Manufacturing Locations and Suppliers to all major automotive OEM's or Tier 2/3 Suppliers
- TI Absolute Concepts is formed as a 50:50 Joint Venture in the business line of Bicycle Theme based Restaurant and Retail

Key Financials (TII Consolidated)		
INR Mn.	**2016-17**	**2015-16***
Revenue from Operations	48,202	46,025
EBITDA	3,956	3,913
PBIT (Before Exceptional Items)	2,951	2,743
Exceptional Items	0	(358)
PBIT (After Exceptional Items)	2,951	2,385
PBT	2,211	999

Key Financials (TII Standalone)		
INR Mn.	**2016-17**	**2015-16***
Revenue from Operations	44,159	42,120
EBITDA	3,637	3,548
PBIT (Before Exceptional Items)	2,736	2,548
Exceptional Items	0	(358)
PBIT (After Exceptional Items)	2,736	2,190
PBT	2,015	836

*** Proforma numbers are given only for comparison**

TII (Standalone) Businesses

Engineering

ERW & CDW Tubes,
Value Added Cold Rolled Strips &
Tubular Components

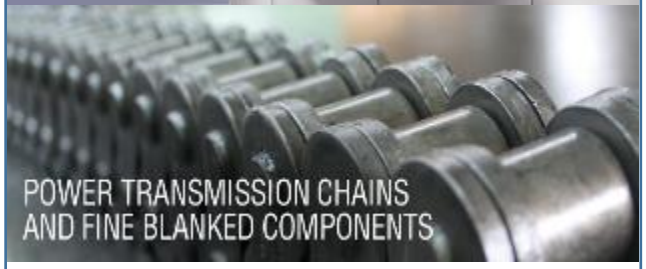
Largest Supplier of Precision Steel Tubes (CDW)

Cycles and Accessories

Bicycles,
fitness products and
accessories

Second largest bicycle producer in India

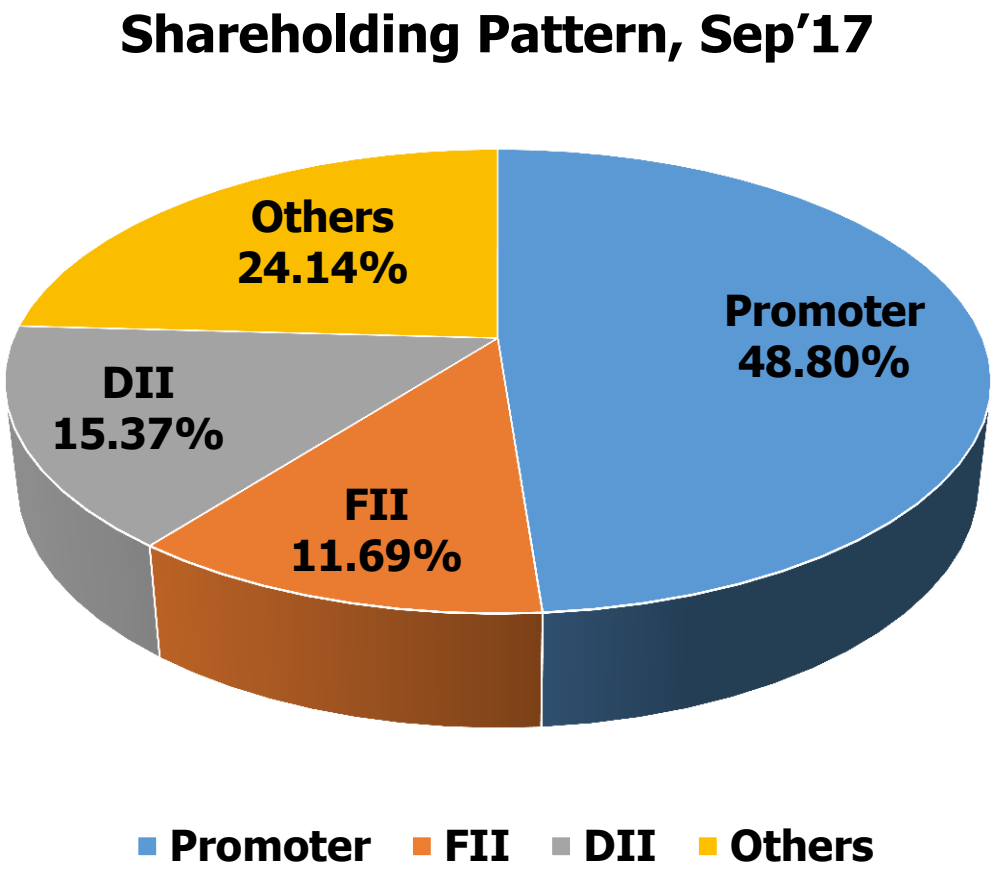
Metal Formed Products



Chains for Automobile sector &
Industrial applications,
Doorframe &
Channels for Passenger Cars

- Leader in Chains and Fine blanked components
- Preferred supplier for roll-formed door frames

Shareholding Pattern



Key Financials 2016-17

figures in INR Mn.

Particulars	Standalone		Consolidated	
	2016-17	2015-16 *	2016-17	2015-16 *
Gross Sales	**42,078**	**40,414**	**46,087**	**44,321**
Growth %	*4%*		*4%*	
Net Sales	**39,251**	**37,739**	**43,066**	**41,476**
Growth %	*4%*		*4%*	
EBITDA	**3,637**	**3,548**	**3,956**	**3,913**
% to Net Sales	*9%*	*9%*	*9%*	*9%*
PBIT Before Exceptional Item	**2,736**	**2,548**	**2,951**	**2,743**
% to Net Sales	*7%*	*7%*	*7%*	*7%*
Exceptional Items	**-**	**(358)**	**-**	**(358)**
PBIT After Exceptional Item	**2,736**	**2,190**	**2,951**	**2,385**
% to Net Sales	*7%*	*6%*	*7%*	*6%*
Profit Before Tax	**2,015**	**836**	**2,211**	**999**
% to Net Sales	*5%*	*2%*	*5%*	*2%*

* Proforma numbers are given only for comparison

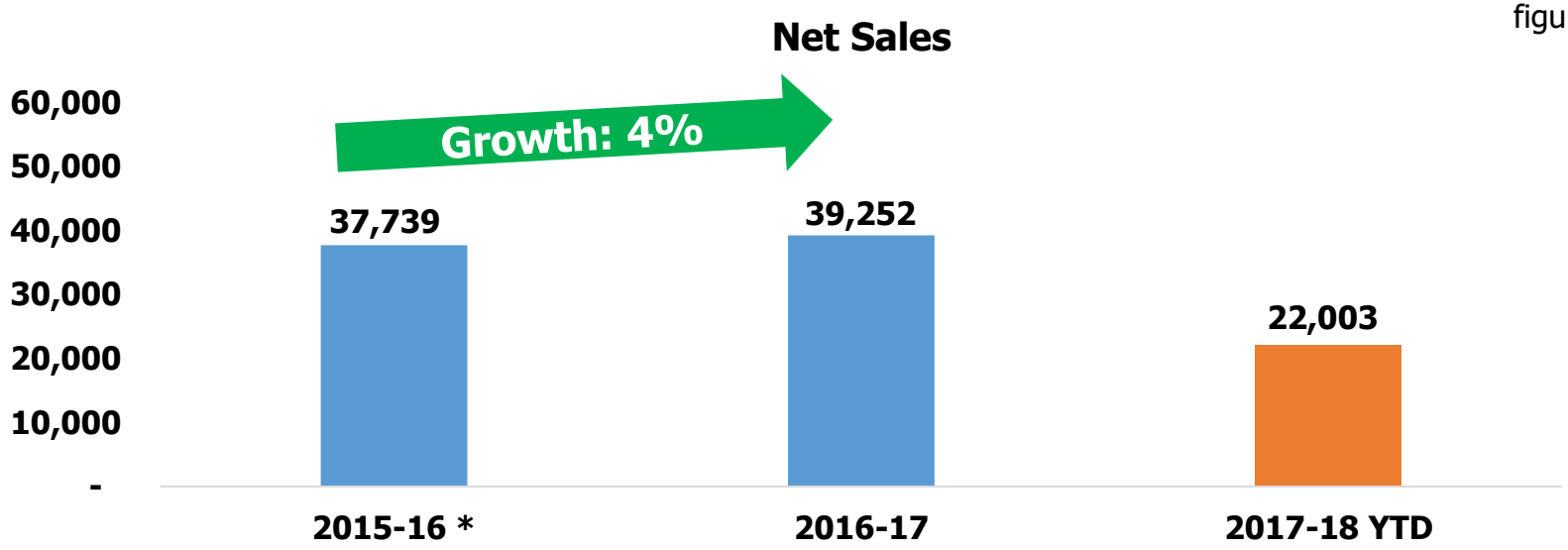
Key Standalone Financials – H1 2017-18

figures in INR Mn.

Particulars	H1	
	2017-18	2016-17
Gross Sales	**22,746**	**21,007**
Growth %	*8%*	
Net Sales	**22,003**	**19,609**
Growth %	*12%*	
EBITDA	**1,985**	**2,052**
% to Net Sales	*9%*	*10%*
PBIT	**1,463**	**1,631**
% to Net Sales	*7%*	*8%*
Profit Before Tax	**1,186**	**1,219**
% to Net Sales	*5%*	*6%*
Profit After Tax	**809**	**831**
% to Net Sales	*4%*	*4%*

Performance Trends

figures in INR Mn.



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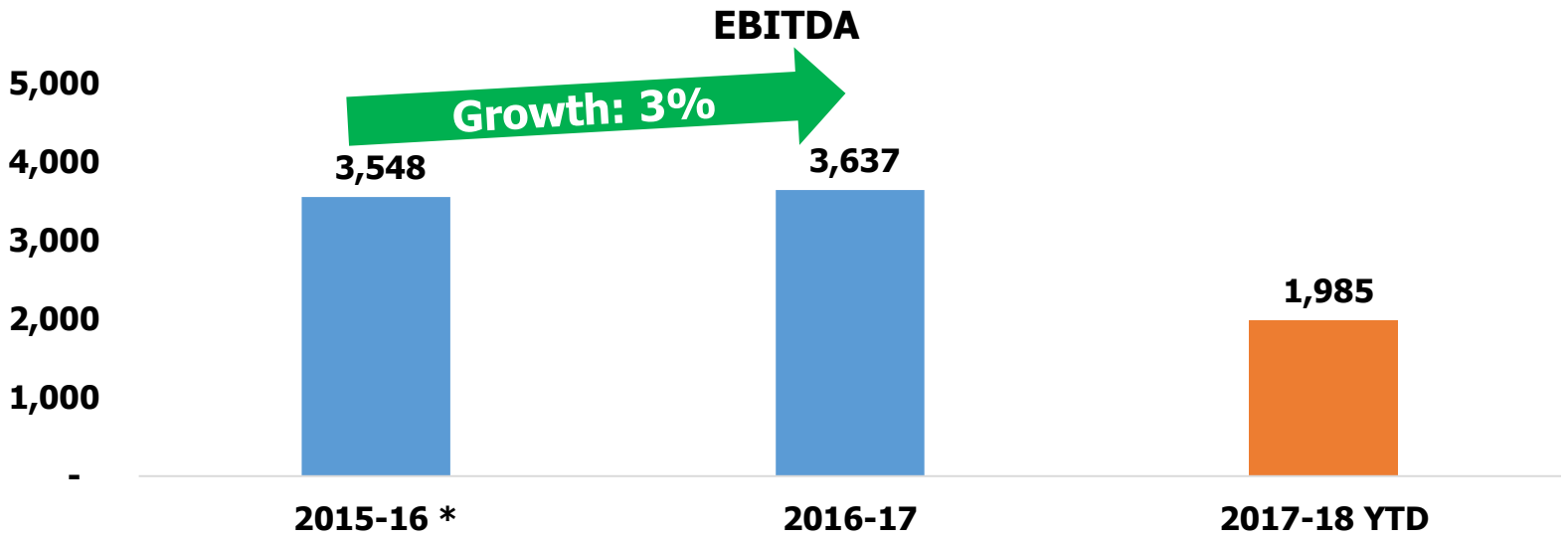

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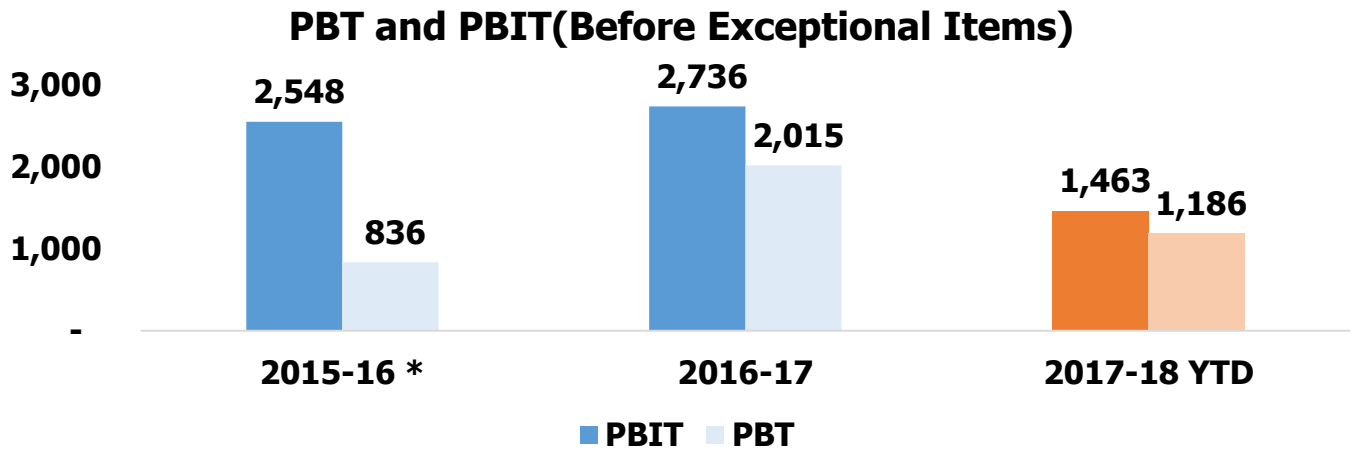
Performance Trends

figures in INR Mn.



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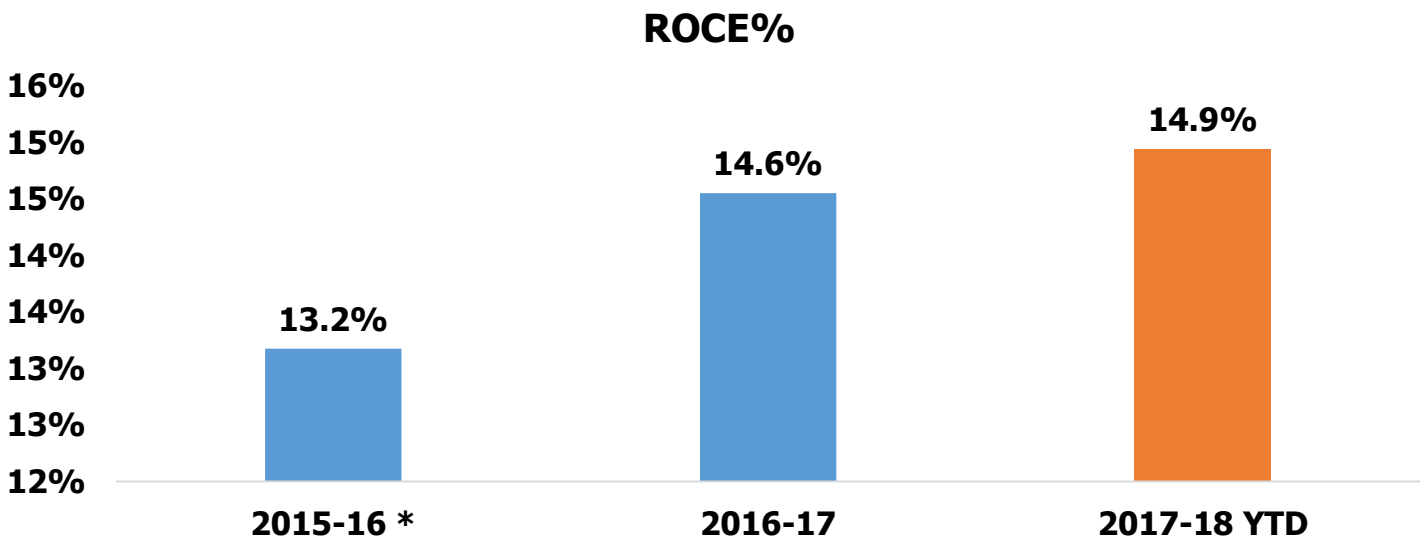

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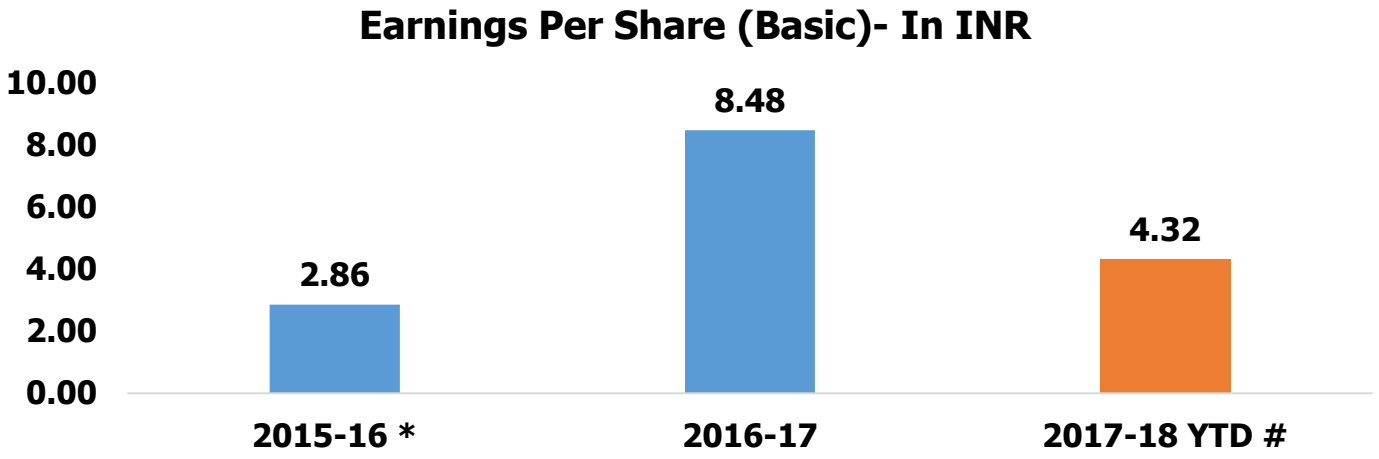
^Based on Average Capital Employed

Performance Trends

Face Value Per Share – INR **1**



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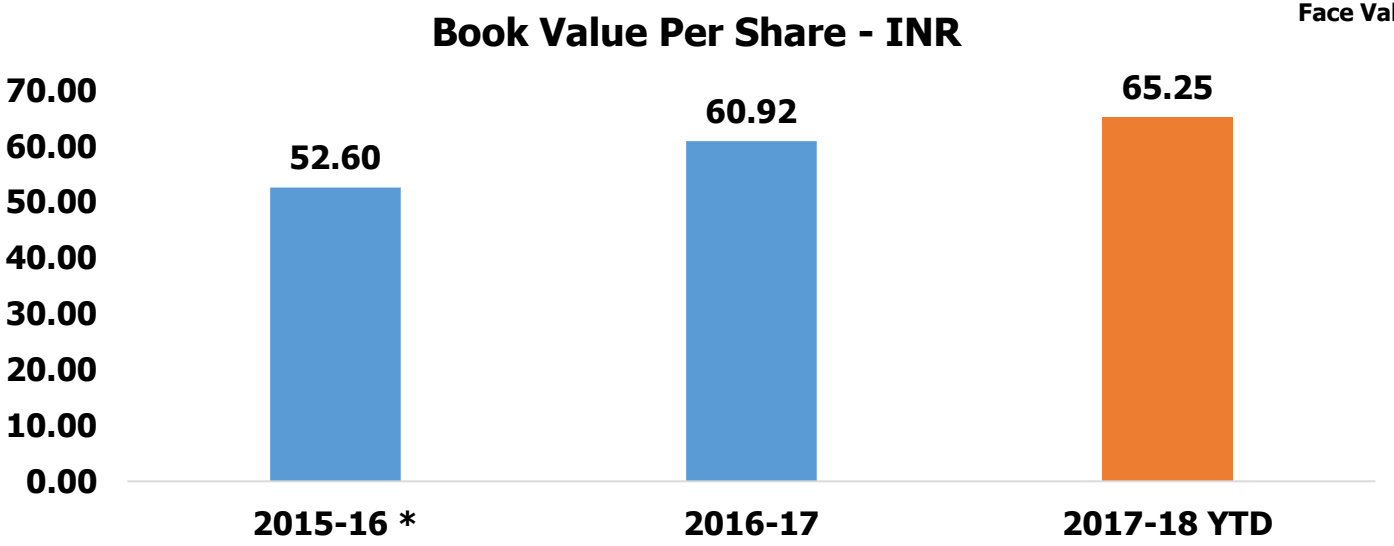
\# Not Annualized

Face Value Per Share – INR **1**



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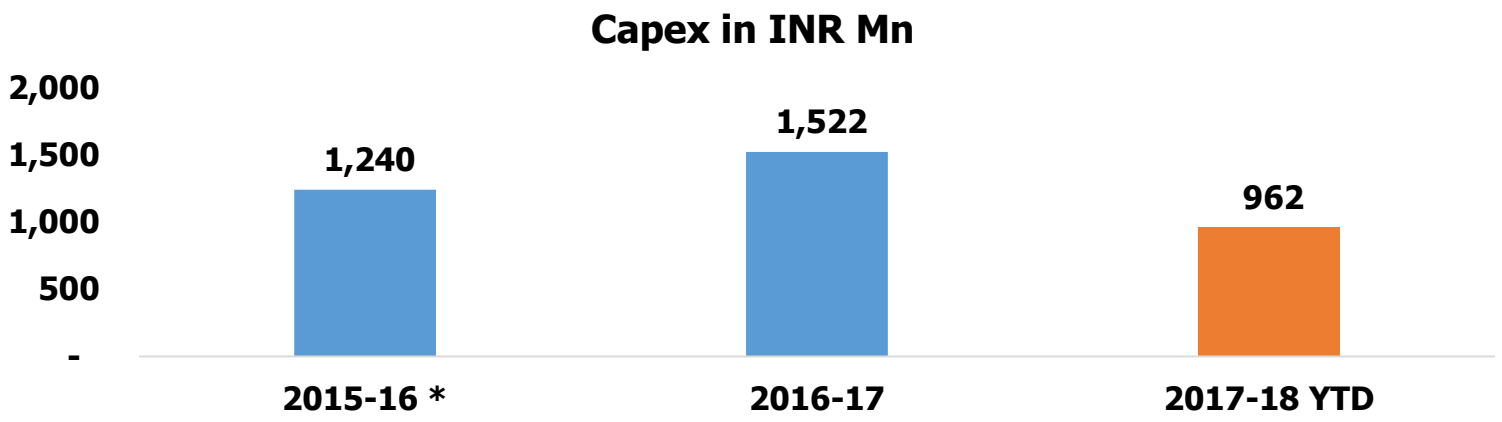
Performance Trends



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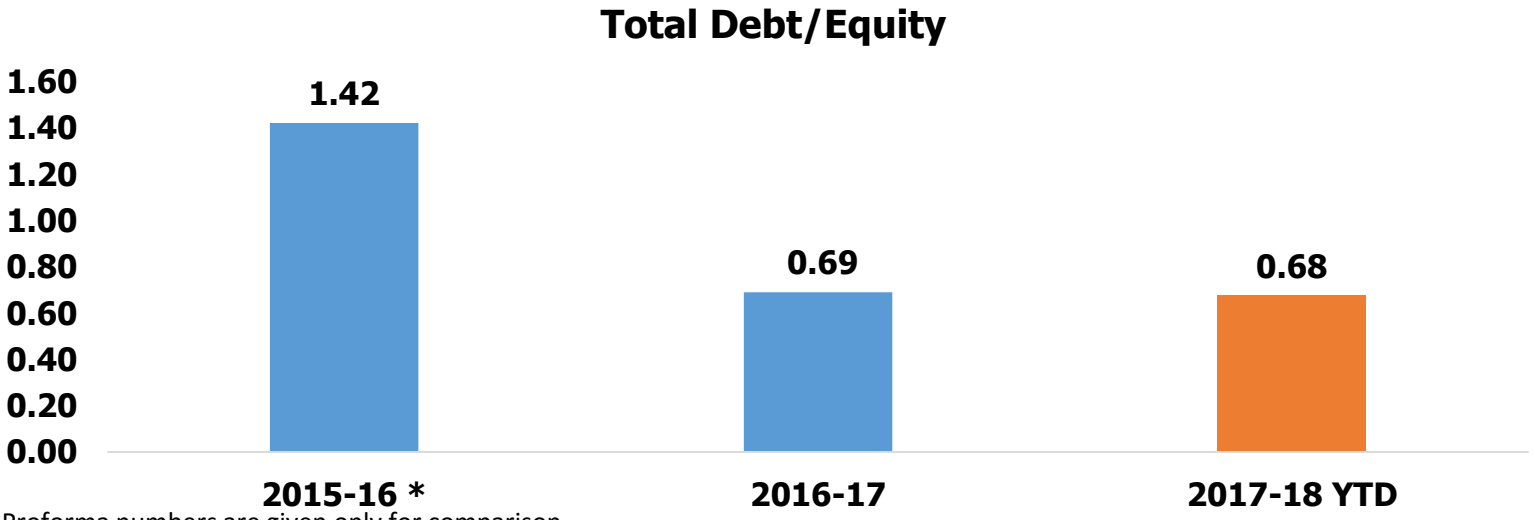

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Strong Credit Rating

CRISIL **AA** for long term and CRISIL **A1+** for short term

Businesses

Engineering

Cycles and Accessories

Metal Formed Products

Gears and Gear Products

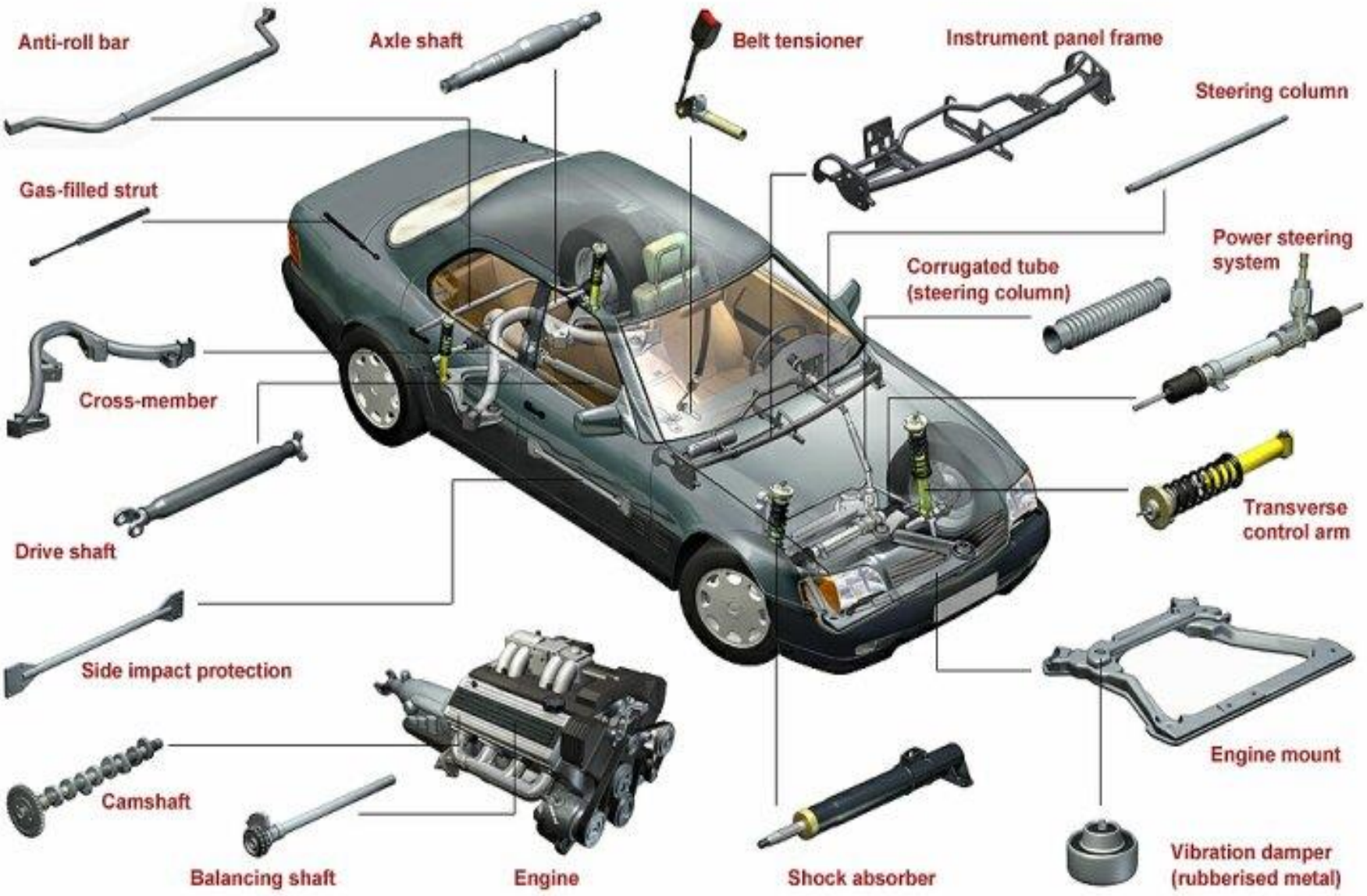
Engineering (Tubes and Strips)

Leader in CDW tubes for the Automotive industry

Engineering - Two Wheeler Application

Two-Wheeler production in India has grown at 11% in H1 FY 17-18

Engineering - Four Wheeler Application



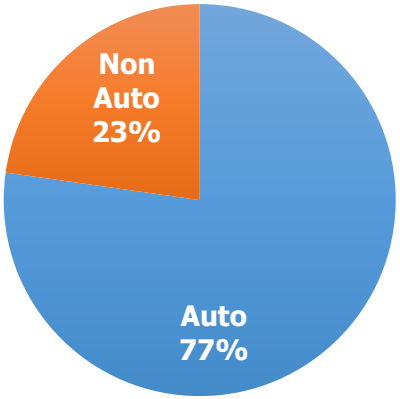
Passenger Vehicle production in India has grown at 5% in H1 FY 17-18

Engineering – Off Road Vehicle Application

Engineering - Business Drivers

- Precision Steel Tubes (CDW) largely used in Automobile applications of Two Wheelers/ Passenger Cars and Commercial Vehicles for applications like Front Forks, Side impact beams, steering columns etc
- CDW tubes also used in Hydraulic Cylinders and Off-Road Vehicles
- Range and adherence to tolerance are the key factors
- Variety of products due to new models introduced by all auto makers
- Customer preference to Value added products
- Cost competitiveness through internal efficiencies

Business Mix H1, FY 17-18



Engineering - Key Success Factors

CDW Tube

- Market leader in High Quality & Safety critical CDW Tubes for 2W and 4W applications

Multi Location

- Only manufacturer with plants at 4 different locations closer to customers

Gearing for Non-Auto

- Large-dia plant setup in October 2014 providing tubes for hydraulic cylinders, Off-Road applications, import substitution

CRSS

- Special grades contribute to 71 % of total sales of the CRSS division
- Import substitution program is continuously on

Value Added Products

- Tubular components including Steering column, side impact beam etc
- Value added products form 12% of tube sales

Engineering - Major OEM's Serviced

Engineering - Awards and Recognitions

Global Strategic Supplier Award from Showa, Japan, 29th Mar 2017

Star Performer Award for Exports from EEPC

Outstanding Kaizen Award from QCFI

Supplier Performance Award from Sona Koyo

QCC Award from Wipro

Engineering - Awards and Recognitions

Award from WIPRO for consistent improvement in Quality

"Global Strategic Co-operation Award" from Showa Corporation

Best supplier Award for Make in India (Localization) from M/s Spicer for Tiruttani Tubes Plant

- **OSHSAS 18001 Certification for TPI Mohali**
- **IMS: EMS + OHSAS certification received from M/s BVC for Avadi Complex**

Engineering - Awards and Recognitions

- Engineering Division won GOLD Category award with highest score of 96/100 at **International Quality Circle Competition (ICQCC)**
  - Maintenance(DPH) - 3G SGA – Gold
  - Module 1(ERW) - The Y Nots SGA - Gold.

- 150 Companies with 375 teams and 1720 participants from 14 Countries – 129 teams from India

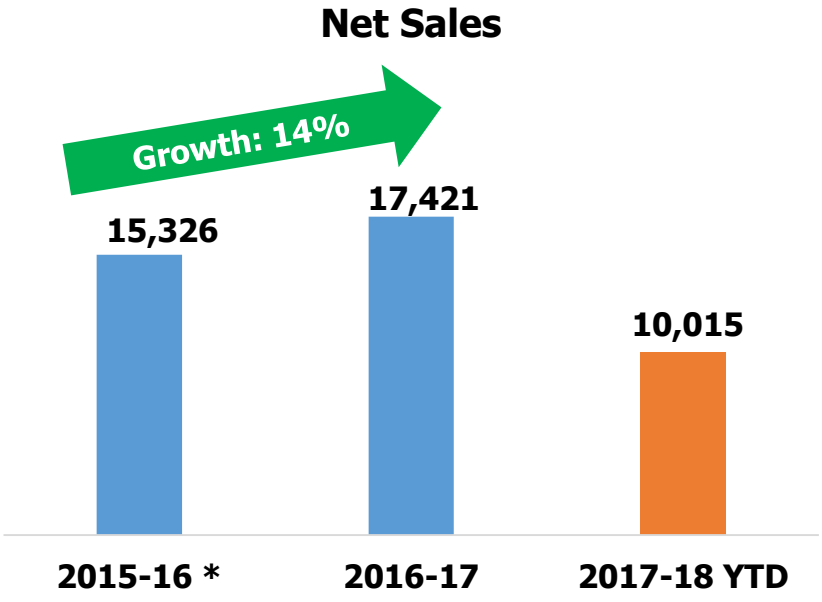
Engineering - Business Highlights H1 17-18

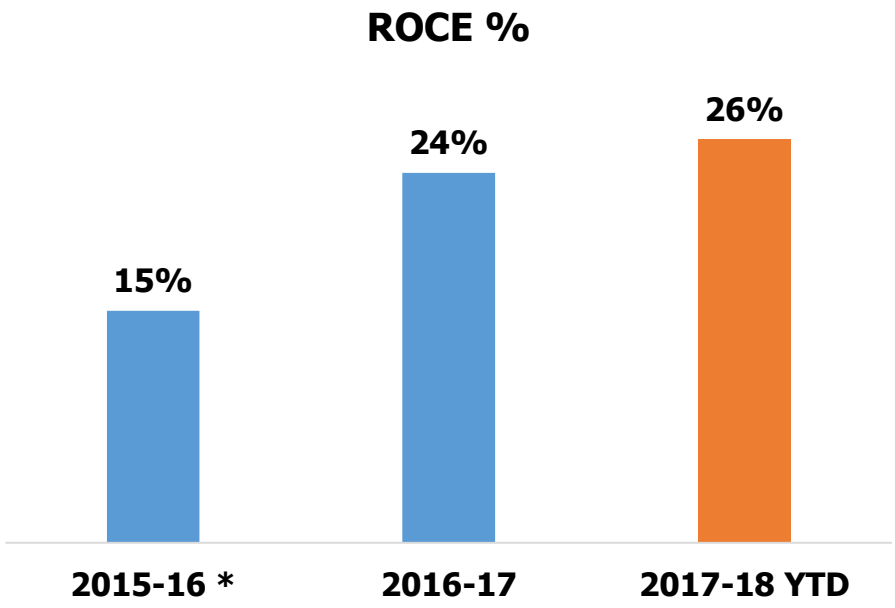
- Volume Growth across the segments over PY
  - Strips grew by 2%
  - Tubes sales grew by 7% with exports up by 10%
- Growth in net sales by 17%
- Large Diameter plant stabilized in Quality and Deliveries
- Market leadership in Tubular Front Forks (TFF) further strengthened in H1
- Samples approved with various new export customers

Bhoomi Puja for Greenfiled tubes plant at Rajpura, Punjab

Engineering - Key Financial Trends

figures in INR Mn.





* Proforma numbers are given only for comparison

^ Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2015-16*	2016-17	2017-18 YTD
NFA	4,383	4,412	4,789
NWC	1,522	1,880	1,614
Total	**5,905**	**6,293**	**6,403**
Capital Expenditure	440	486	643

* Proforma numbers are given only for comparison

Engineering - Key Financials

figures in INR Mn.

Particulars	2016-17	2015-16*	% Growth	2017-18 H1	2016-17 H1	% Growth
Strips: (Vol '000 Tonnes) (Incl. group)	**82**	**78**	**5%**	**44**	**42**	**5%**
Tubes: (Vol '000 Tonnes)	**190**	**170**	**12%**	**107**	**97**	**10%**
Domestic	164	156	5%	92	84	10%
Exports	26	14	86%	15	13	15%
Gross Sales	**19,324**	**17,097**	**13%**	**10,528**	**9,534**	**10%**
Net Sales	**17,421**	**15,326**	**14%**	**10,015**	**8,594**	**17%**
EBITDA	**2,050**	**1,548**	**32%**	**1,124**	**1,147**	**-2%**
	12%	10%		11%	13%	
PBIT (Before Exceptional Item)	**1,458**	**945**	**54%**	**816**	**857**	**-5%**
	8%	6%		8%	10%	
APPLICATION OF FUNDS						
Capital Employed	**6,293**	**5,905**		**6,403**	**6,198**	
ROCE% - Based on Avg Capital Employed	**24%**	**15%**		**26%**	**29%**	

* Proforma numbers are given only for comparison

Cycles and Accessories

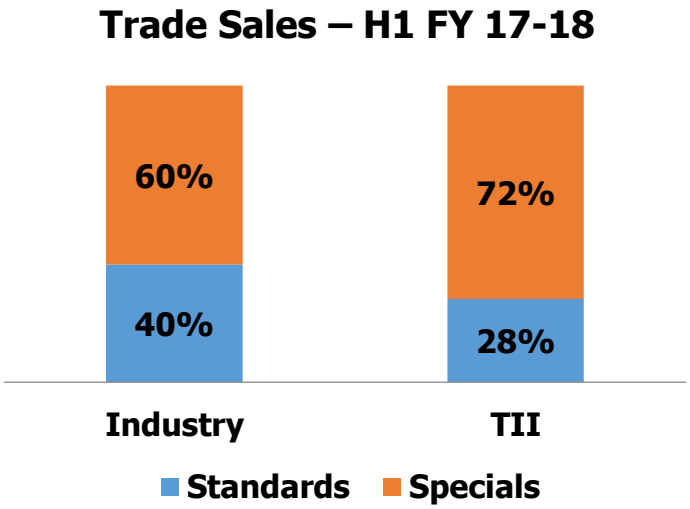
Pioneers in Promoting Cycling… not just cycles

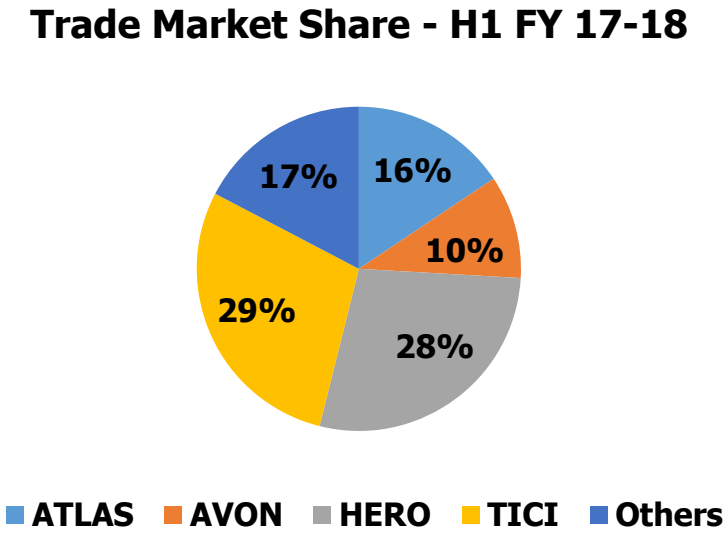
Cycles - Industry

- Standard
  - In trade sales, the share of standard bicycles is coming down over the years
  - Government orders for standard cycles continue to flow with more welfare schemes

- Specials
  - In the specials market, while growth is seen in MTB and premium cycles, the overall market has seen a decline

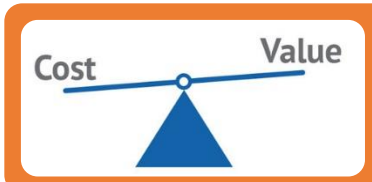
- While the trade segment has declined by 17% in the first half, overall market grew by 4% riding on the back of Government Orders





Based on volumes of AICMA members (Source: AICMA Data)

Cycles - Business Drivers



Cost competitiveness in Standard bicycles and mass specialty bicycles

Product differentiation, Branding and Service are key to success in premium bicycles

Rapid increase in internet penetration throwing up new channels and opportunities

Rising aspiration towards cycling in Urban India

Retail presence enhances customer connect and market share

Brand positioning key for pricing power

Cycles - Our Brands

BSA LADYBIRD HERCULES ROADEO

montra MACH CITY TRACK & TRAIL CYCLES AND MORE

Cycles - Key Success Factors

Brand equity

- A portfolio of strong brands – BSA, Ladybird, Hercules, Roadeo, Montra and Mach City – addresses all consumer segments

Premium Cycle Group (PCG)

- Roadeo and Montra are premium brands well received and seen exceptional growth
- Representing International brands like Cannondale, Bianchi, Schwinn, Ridley
- PCG registered a growth of 41% vis-à-vis same period last year

Pioneer in Retail Formats

- Large dealer network across India with 10,000+ touch points
- Retail leadership through its exclusive format of Track and Trail
  - Track & Trail Urban: 186,
  - Track & Trail Sport: 27
  - Omni-channel presence through Track & Trail online portal and in-store

BSA
LADYBIRD
HERCULES
ROADEO
montra
MACH CITY

TRACK&TRAIL
CYCLES AND MORE
CICLO CAFÉ

Bianchi
cannondale
DAHON
freedom unfolds
GT
mongoose
SCHWINN
RIDLEY

BSA HERCULES LADYBIRD ROADEO MACH CITY montra

Cycles - Key Success Factors

Promoting Cycling not Just Cycles

- Organised 200 Mega Rides across Track and Trail Stores with together ridership of 10,000+
- 36 Grand Fondos got 4,000 riders together
- Track and Trail Factory team participated in various cycling competitions

Multi Location Servicing

- TI Cycles has 3 manufacturing plants and 8 additional Warehouses spread across the country
- New Rajpura Plant with Capacity of 3 Mn Cycles p.a. at a Capital Expenditure of INR 958 Mn.

Pioneer in New Product Development

- 49 new Products and 42 product refreshes delivered in H1 of FY 17-18

BSA HERCULES LADYBIRD ROADEO MACH CITY montra

Renewed Retail Experience – Track and Trail

Continuously expanding Track and Trail retail experience into more towns

Promoting Cycling

Track & Trail Factory Racing Team

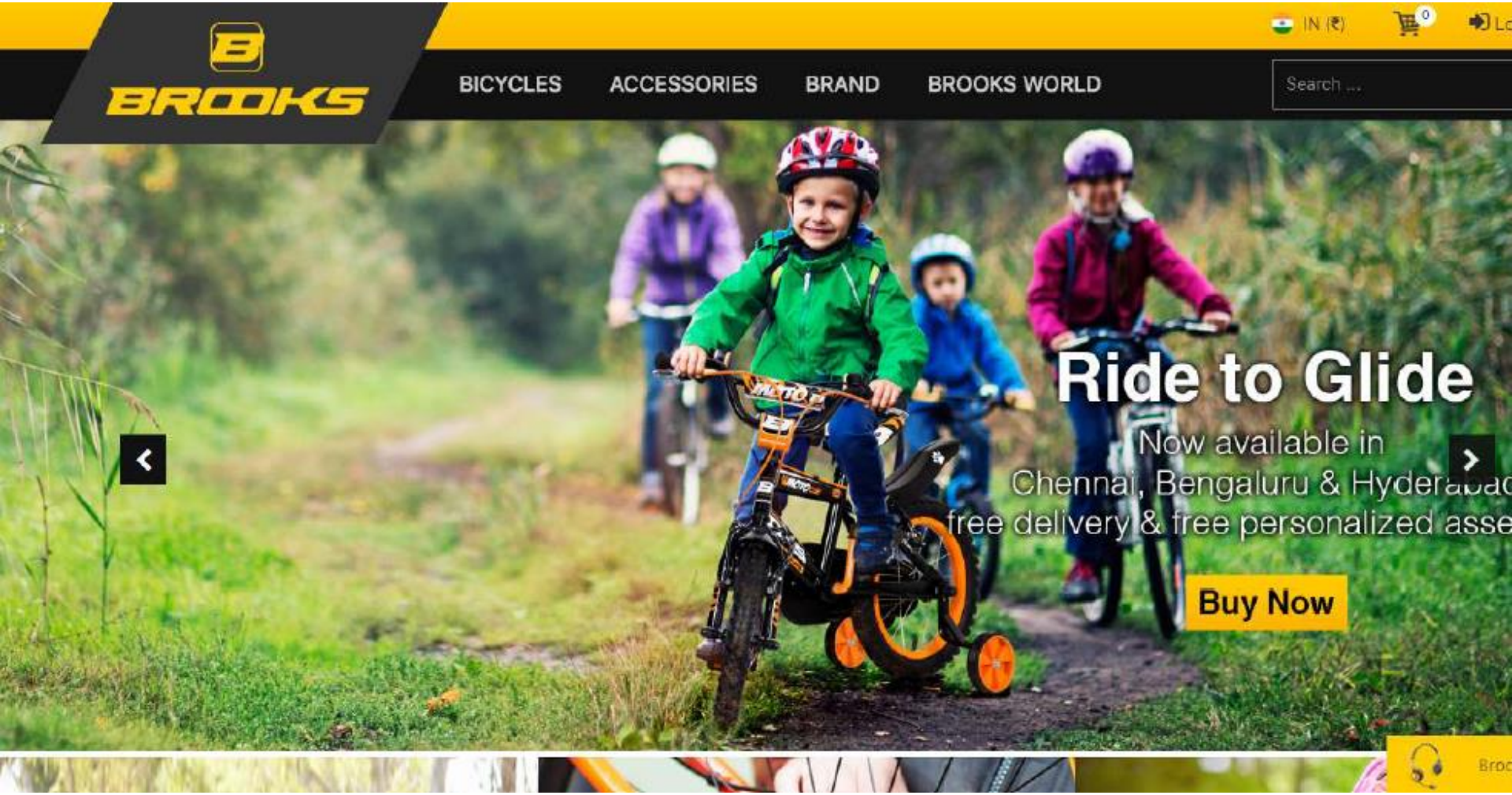
Ciclo Team Racing

Montra Tour of Aravallis

Gran Fondos

Track and Trail
FFF Rides

Online Bicycle Brand- *Brooks*



Now live at *brooksbicycle.com* and *Flipkart*

Offered with complete Assembly and After sale service

Cycles – Awards and Recognitions

BSA Lady Bird wins the Brand Revitalization Award from CMO Asia

BSA Lady Bird Vogue won the CII Design Excellence Award

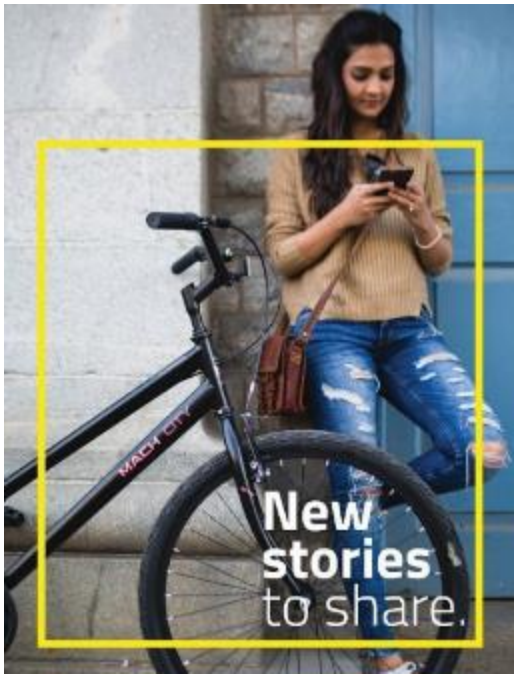
Hercules Trooper won the India Design Mark awarded by the India Design Council

Mach City awarded Best Social Media Brand in Retail - Offline

Mach City won the Best Emerging Brand Award @ the National Awards for Marketing Excellence by CMO Asia

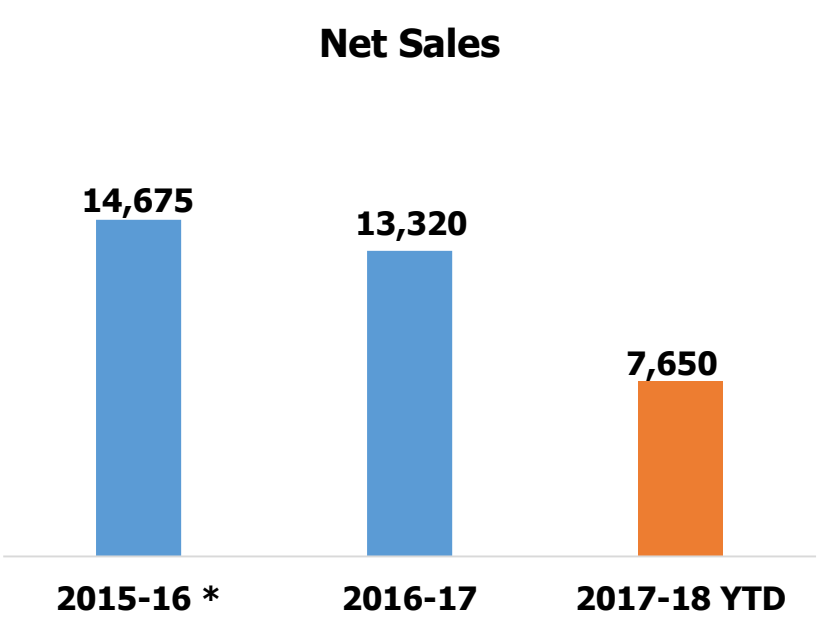
Cycles - Business Highlights H1 2017-18

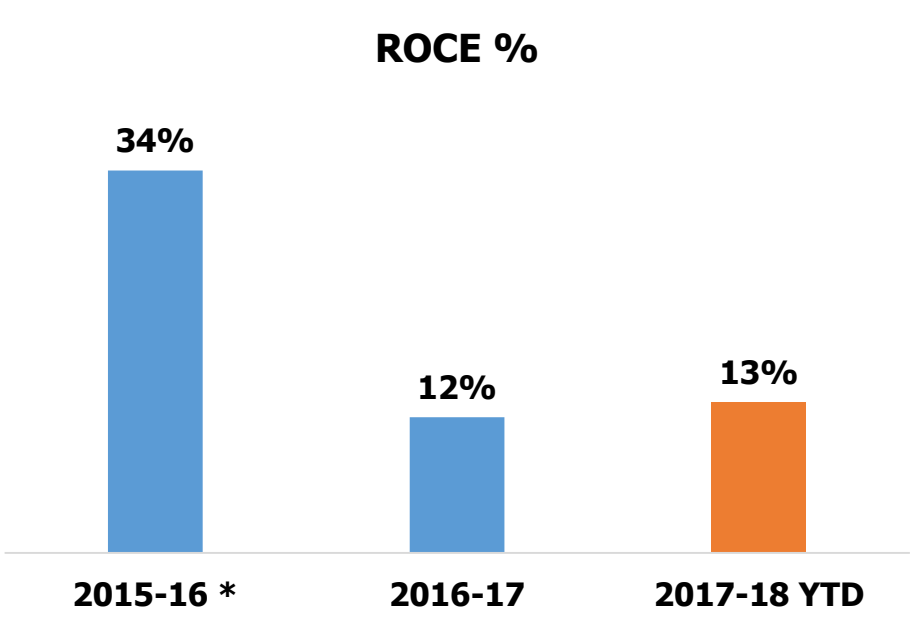
- Market leadership in H1 at 28.8% among AICMA member companies
- 41% growth in Premium Cycles Group (Montra, Roadeo and International Brands)
- Overall sales volume higher than same period last year by 8%
- New Rajpura plant is ramping up on volumes
- 18 more Track and Trail stores added in H1
- Marketing Events
  - Organized Sales Melas, Service Camps, Mechanic trainings, College Sales & displays all over India



Cycles - Key Financial Trends

figures in INR Mn.





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^Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2015-16*	2016-17	2017-18 YTD
NFA	1,099	1,518	1,479
NWC	1,547	1,381	2,442
Total	**2,646**	**2,899**	**3,921**
Capital Expenditure	511	540	38

* Proforma numbers are given only for comparison

Cycles - Key Financials

figures in INR Mn.

Particulars	2016-17	2015-16*	% Growth	2017-18 H1	2016-17 H1	% Growth
Volumes						
Cycles (Million nos)	**4.0**	**4.6**	**-13%**	**2.2**	**2.0**	**8%**
Gross Sales (incl. Inter Unit)	**13,475**	**14,826**	**-9%**	**7,696**	**6,867**	**12%**
Net Sales (incl. Inter Unit)	**13,320**	**14,675**	**-9%**	**7,650**	**6,788**	**13%**
EBITDA	**445**	**859**	**-48%**	**297**	**328**	**-9%**
	3%	6%		4%	5%	
PBIT (Before Exceptional Item)	**357**	**788**	**-55%**	**234**	**268**	**-13%**
	3%	5%		3%	4%	
APPLICATION OF FUNDS						
Capital Employed	**2,899**	**2,636**		**3,921**	**2,822**	
ROCE% - Based on Avg Capital Employed	**12%**	**34%**		**13%**	**21%**	

* Proforma numbers are given only for comparison

Metal Formed Products (Chains, Doorframes and Fine Blanking)

Precision Value added Components

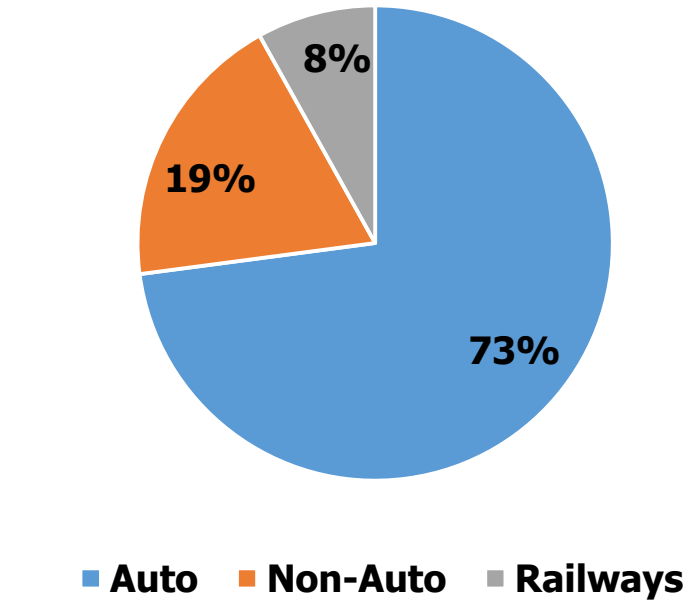
Metal formed Products - Product Profile

- **Metal formed products division cater to both automotive and non-automotive segments as below:**

- **Automotive:**
  - Two Wheeler drive chains, timing chains and Sprockets for Auto-OEMs and After Market
  - Fine Blanked parts and door frames for Passenger cars

- **Non-Automotive:**
  - Industrial Chains for the domestic market and exports
  - Railway sections for Passenger Coaches and Goods Carry Wagons

Business Mix 2017-18 H1



Metal formed Products – Industry

Automotive Sector:

- Two-Wheeler production for H1 has seen a growth of 11%
  - Scooters : 16%
  - Motor Cycles : 10%
- Passenger Vehicles production for H1 has seen a growth of 5% and Commercial Vehicles seen a decline of 5%

Non-Automotive Sector:

- Non-Automotive segment is driven by GDP growth and Industrial Production trend
- New Product development, Application Engineering and Import Substitution drive growth

Metal formed Products – Business Drivers

Auto OEM, Fine Blanked Products , Industrial Chains and Roll Formed Products

- Adequate Capacity
- Good push in the service
- Quality, Consistency and reliability
- Cost Competitiveness
- Factories located closer to customer locations
- New Product Development and Application Engineering and Import Substitution Capability

Auto Aftermarket

- Leveraging brand presence
- Reach and Availability

Exports

- Distributors for Standard Roller Chains
- Price Competitiveness
- Business Development with OEMs for specific programs
- Growth is flat due to global recession

Auto Chains– Industry and Customers

Industry Segments	Two Wheeler Manufacturers (OEMs)
	Spare Parts Market – Auto Chains and Sprockets for Motor Cycles

Key Customers:

Hero

BAJAJ
Distinctly Ahead

TVS
TVS MOTOR COMPANY

HONDA

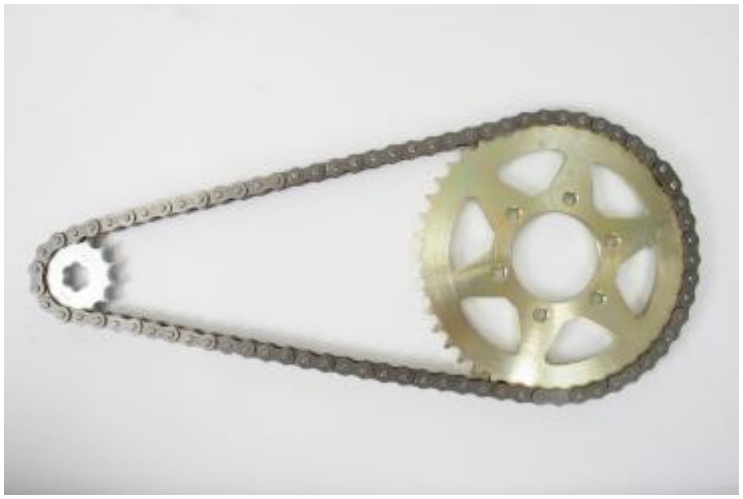
YAMAHA

SUZUKI

Auto Chain- Products

Drive Chain

KIT



CAM Chain

After market brand

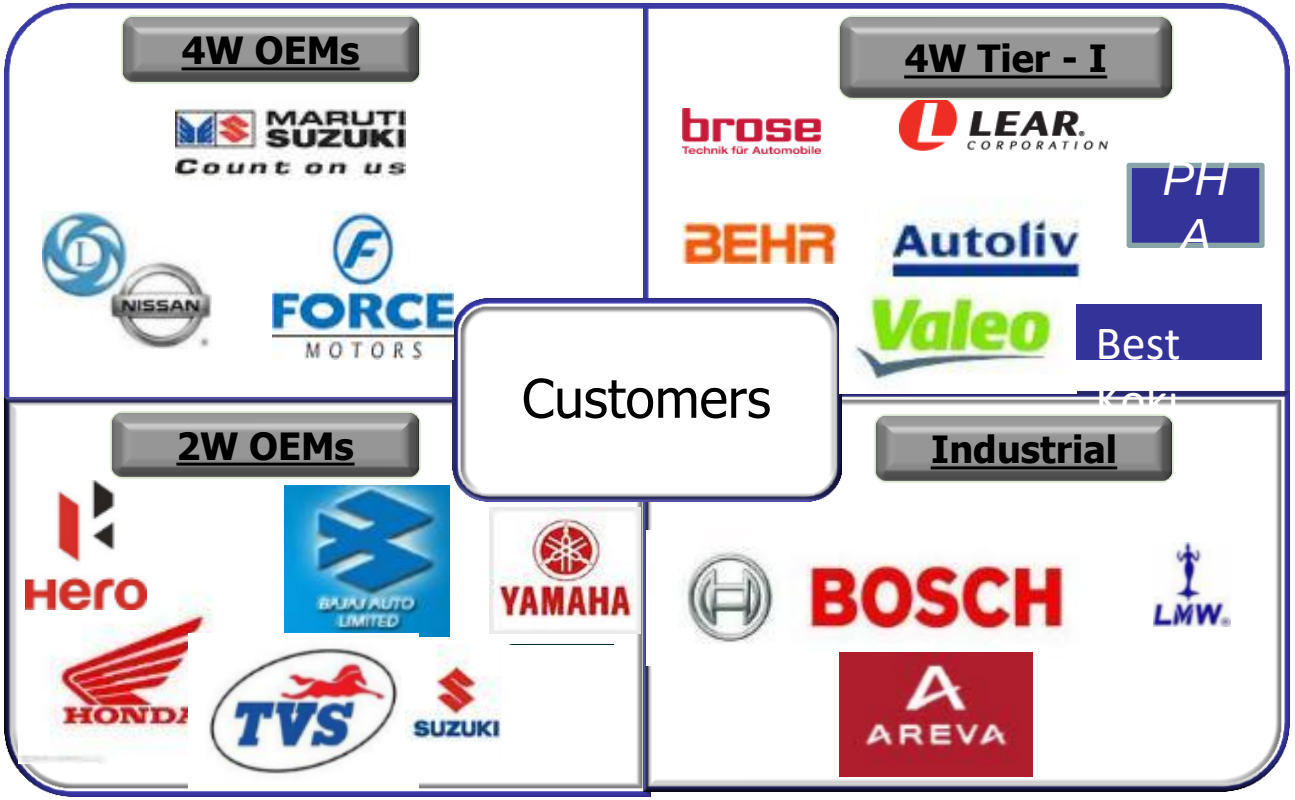
Fine Blanking - Industry and Customers

Industry Segments

Two Wheeler – Motor Cycles and Scooters OEMs

Four Wheeler – Passenger and Commercial Vehicle OEMs and Tier-I Companies

Industrial Applications



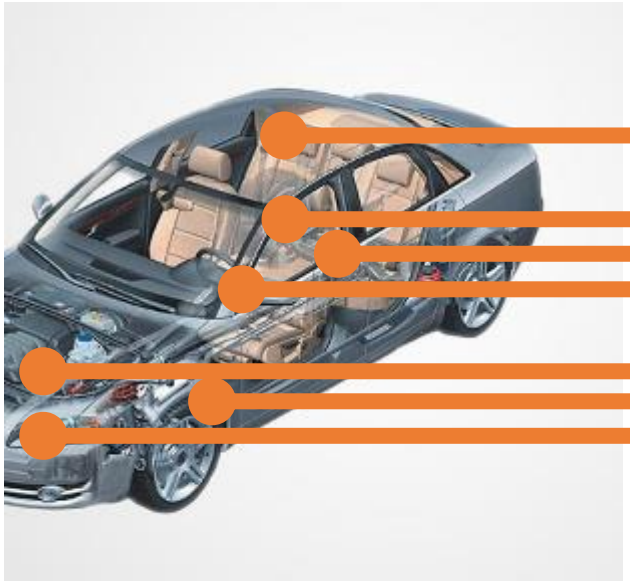
Fine Blanking - Products

Motor Cycle

- Engine Parts
- Transmission Parts

Scooter

- Engine and Transmission Parts



- Seat Parts
- Braking System Parts
- Seat Belt and Door Parts
- Steering Parts
- Transmission Parts
- Engine Parts
- Hood Parts

IC/ECC - Industry and Customers

Industry Segments

- Construction Equipment Manufacturers
- Material Handling (Fork Lifts)
- Agricultural Equipment Manufacturers
- Cement and Power
- Conveyer Manufacturers
- Textile and Packing
- Primary Metals (Steel)

Key Customers

KNORR BREMSE

BHEL

iwis wir bewegen die welt

IWIS Germany

bea TECHNOLOGIES

BEA Italy

MCF MITSUBISHI CATERPILLAR FORKLIFT AMERICA INC.

Mitsubish- Caterpillar

Atlas Copco

Godrej

sedis

Sedis France

Industrial Chains - Products

Power Transmission and Conveying Chains

Agricultural Chains

Engineering Class Chains

Roll Formed – Industry and Customers

Industry Segments	Four Wheelers- Passenger Car and Commercial Vehicle OEMs and Tier-I Companies
	Two Wheelers- OEMs and Tier-I Companies
	Indian Railways – Coach and Wagon Factories

Roll Formed - Products

Four Wheelers

Car Door Frames

Divisional Channels

Side Impact Beams

Cowl Cross Beam

Two Wheelers

2W - Mudguard

Motor Casings

Railways

Metal formed - Key Success Factors

Segment Leader

- Market leader in Drive and Cam chains in Auto OEM segment
- Leadership position in Domestic Industrial Chains
- Preferred supplier for Roll formed Door Frames
- Significant player in Fine Blanking Components

Multi Location

- Strategically located plants close by to leading OEMs for JIT supplies
- Total of 10 Manufacturing Plants (3 Chain Plants + 7 Metal Forming Plants) and 16 Warehouses to service Auto After Market and IC requirements

Brand Equity

- Strong brand equity - "Diamond and Rombo" brands

Metal formed - Key Success Factors

Quality

- PPM maintained lesser than customer target
- Quality Commitment (Zero Defect) Award from Autoliv
- TPM Excellence Award from Bajaj Auto for Hyderabad TIDC Plant
- Gold Award from Bajaj Auto for Fine Blanking Quality Performance

Customers

- Catering to major 2W OEMs and Tier 1 Auto customers
- Industrial Chain OEMs in Domestic & Exports
- Large dealership network in Auto and Industrial Chains

Technology

- World Class High Speed Presses and Tools for Fine blanking, Chains and Motor casings

Metal formed – Awards and Recognition

Awards received from Bajaj Auto Ltd for Fine Blanking Quality and TPM Excellence

Quality Commitment (Zero Defect) Award from Autoliv

Quality Award from Maruti Suzuki India Ltd for Fine Blanking

" Excellence in Part Development" award from Lear Corporation for seat recliner localization development

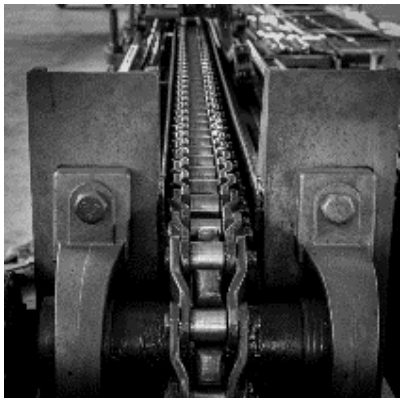
Metal formed – Awards and Recognition

Award from Caterpillar for Supplier Quality Excellence

TIDC Fine Blanking - Award from Autoliv

Metal formed - Business Highlights H1 2017-18

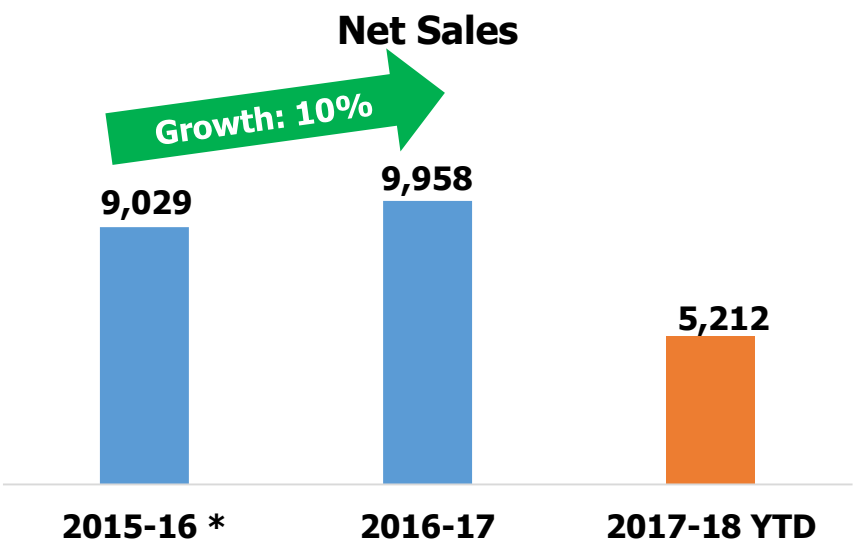
- Market Leadership in Chains and Doorframes
- Volume Growth across Segments in H1
  - Auto OEM Chain volumes grew by 13% and Auto After Market by 2%
  - Domestic Industrial Chain volumes grew by 2% and exports by 6%
  - Fine Blanking volumes grew by 40%
  - Doorframes volume grew by 2%

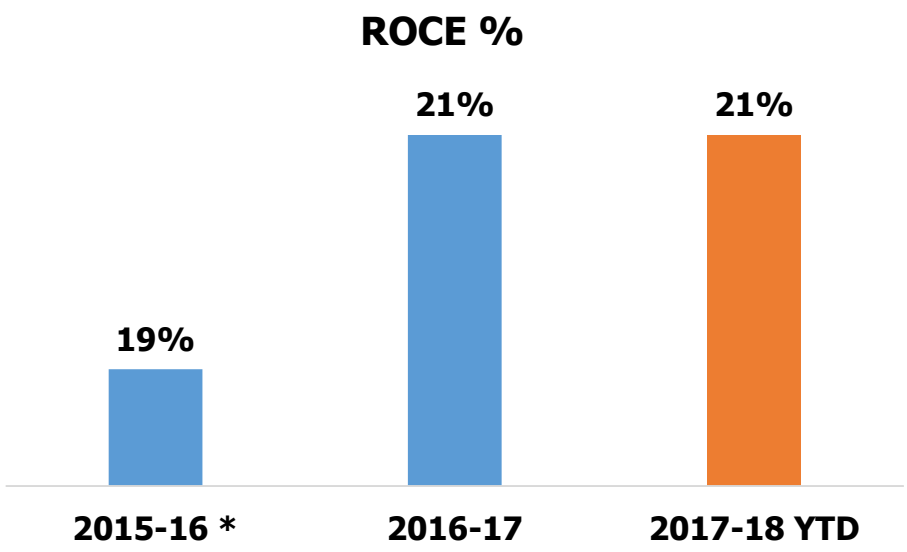


- Hyundai new line production has started in Aug'17
- Royal Enfield supplies ramped up to meet the demand of their 3rd assembly plant at Oragadam, Chennai
- Passenger coach sub-assemblies to ICF and MCF achieved growth of 20%

Metal formed - Key Financial Trends

figures in INR Mn.





* Proforma numbers are given only for comparison

^Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2015-16*	2016-17	2017-18 YTD
NFA	2,575	2,709	2,737
Investments	612	612	612
NWC	944	996	1,153
Total	**4,131**	**4,317**	**4,501**
Capital Expenditure	256	456	204

* Proforma numbers are given only for comparison

Metal formed - Key Financials

figures in INR Mn.

Particulars	2016-17	2015-16*	% Growth	2017-18 H1	2016-17 H1	% Growth
Doorframes ('000 Sets)	675	637	6%	340	333	2%
Chains (Million ESS feet)	92.1	91.5	1%	51.7	46.5	11%
Sections for railway wagons (Sets)	1764	1156	53%	312	788	-60%
Gross Sales (incl. Inter Unit)	**10,911**	**9,947**	**10%**	**5,452**	**5,390**	**1%**
Net Sales (incl. Inter Unit)	**9,958**	**9,029**	**10%**	**5,212**	**4,922**	**6%**
EBITDA	**1,274**	**1,232**	3%	**651**	**649**	0%
	13%	14%		12%	13%	
PBIT (Before Exceptional Item)	**923**	**863**	**7%**	**452**	**470**	**-4%**
	9%	10%		9%	10%	
APPLICATION OF FUNDS						
Capital Employed	**4,317**	**4,131**		**4,501**	**4,393**	
ROCE% - Based on Avg Capital Employed	**21%**	**19%**		**21%**	**22%**	

* Proforma numbers are given only for comparison

Gears & Gear Products

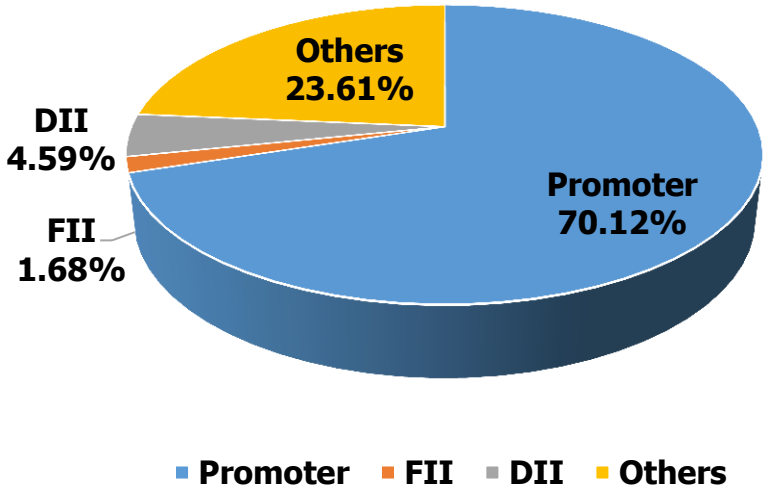
Shanthi Gears

Shanthi Gears (SGL) - Strong Brand in Industrial Gears

Shanthi Gears - Business Overview

- Began operations in 1969 at Coimbatore
- Acquired by TII in 2012
- High EBITDA Margin Business
- Leader in custom-made gears & loose gears
- ~70% of revenues come from customized products
- Fully integrated operations with in-house
  - R&D team
  - Design and engineering capabilities
  - Foundry, Fabrication and forging unit
  - Comprehensive Heat treatment facilities
  - Tool room for manufacturing hobs, cutters

Shareholding Pattern, Sep 2017

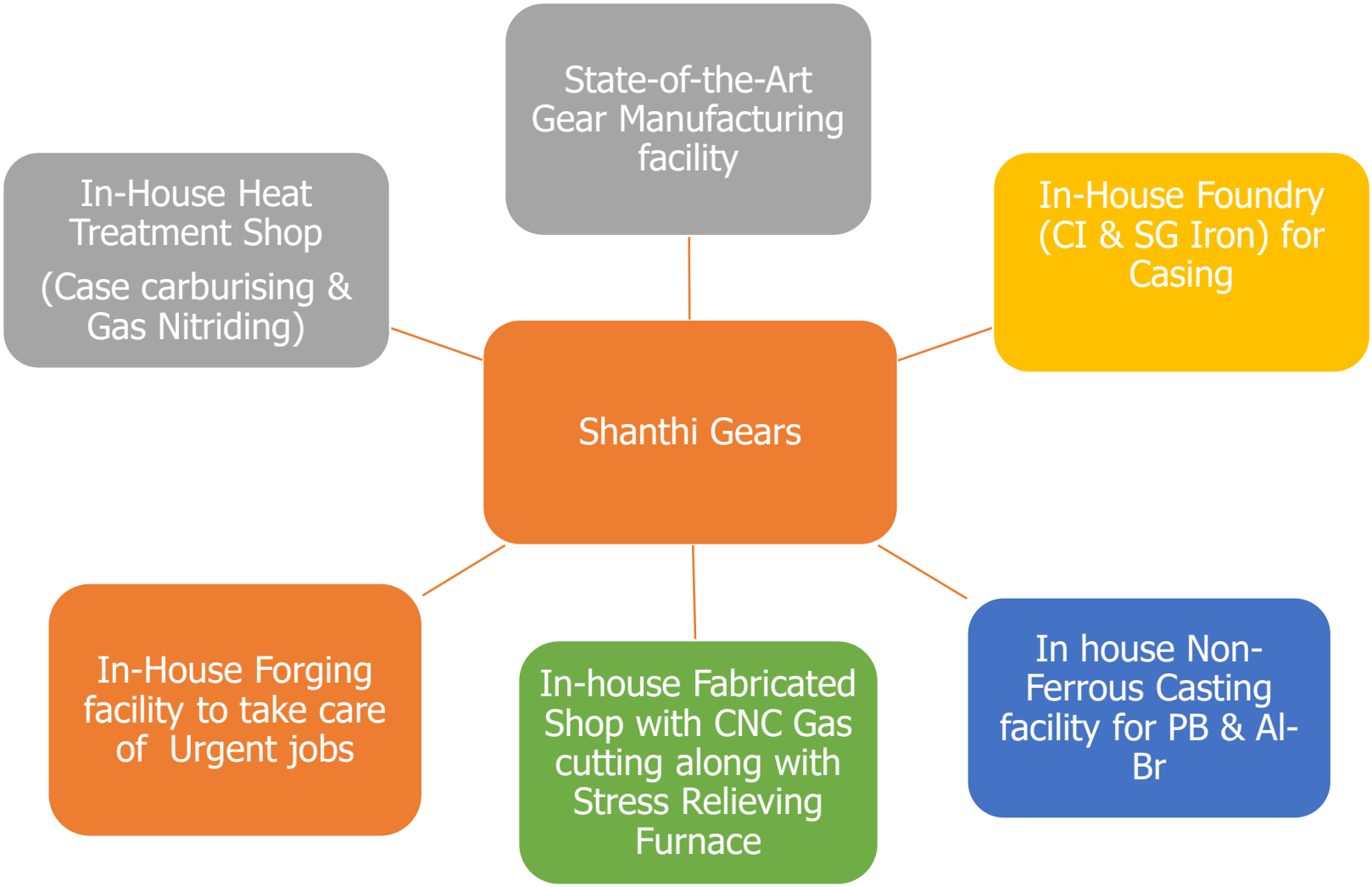


TII holds 70.12% stake in the company

Key Products

- **Gears & Pinions**
- **Gear boxes**
- **Geared motors**
- **Gear assemblies**
- **Worm Spares**
- **Service & Repair**

Integrated Gear Box Manufacturing Facility



Shanthi Gears - Gears and Gearboxes

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

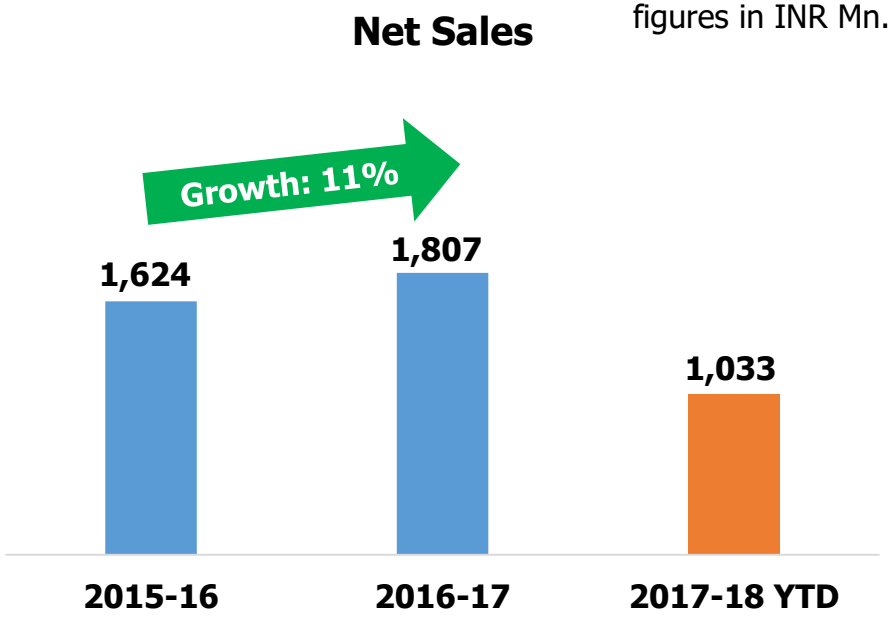
Shanthi Gears - Key Customers

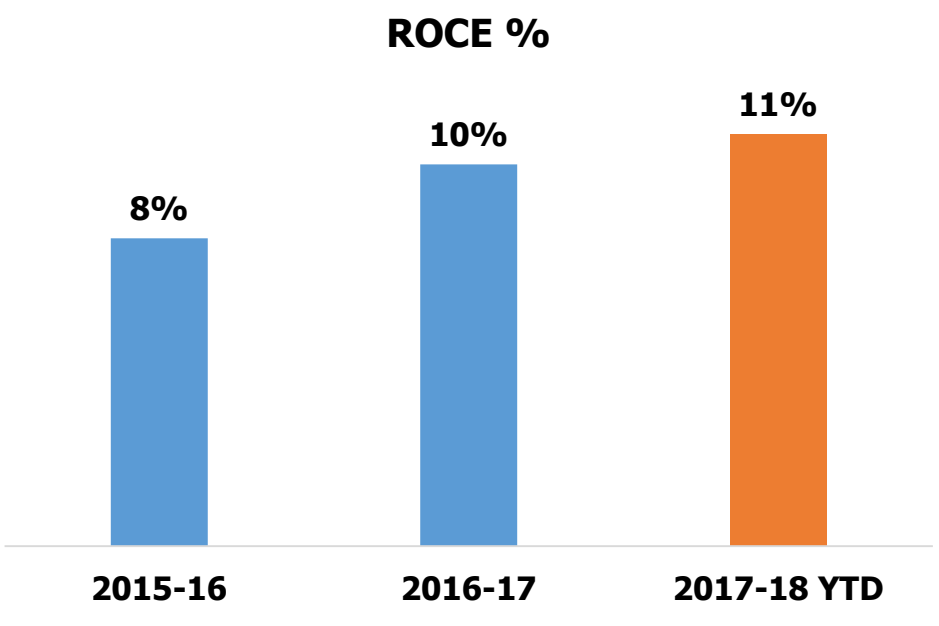
Shanthi Gears - Business Highlights H1 2017-18

- Growth of 14% in Sales and 5% in PAT over H1 of previous year
- Focus on Profitable growth through foray into new geographies and product segments
- Increased enquiry activities from repeat customers and railways
- Significant growth registered in Service Business with new leads
- Obtained DSIR certification for R&D facility
- Shanthi Gears audited by DGQA and qualified for all enquiries pertaining to Marine

Shanthi Gears - Key Financial Trends

figures in INR Mn.





^Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2015-16	2016-17	2017-18 YTD
NFA	736	661	592
Investments	1,119	1,314	1,372
NWC	984	1,051	1,100
Total	**2,839**	**3,027**	**3,064**
Capital Expenditure	83	103	105

Shanthi Gears - Key Financials

figures in INR Mn.

Particulars	2016-17	2015-16	% Growth	2017-18 H1	2016-17 H1	% Growth
Gross Sales	**1,999**	**1,793**	**11%**	**1,087**	**956**	**14%**
Net Sales	**1,807**	**1,624**	**11%**	**1,033**	**860**	**20%**
EBITDA	**356**	**306**	**16%**	**196**	**190**	**3%**
	20%	19%		19%	22%	
PBIT	**285**	**232**	**23%**	**165**	**158**	**4%**
	16%	14%		16%	18%	
PBT	**285**	**232**	**23%**	**165**	**158**	**4%**
	16%	14%		16%	18%	
PAT	**225**	**177**	**27%**	**122**	**116**	**5%**
	12%	11%		12%	13%	
APPLICATION OF FUNDS						
Capital Employed	**3,027**	**2,839**		**3,064**	**2,985**	
ROCE% - Based on Average Capital Employed	**9.7%**	**8.4%**		**10.8%**	**10.8%**	

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