

The Talbroos logo features the word "talbroos" in a blue, lowercase, sans-serif font. The letter "o" is replaced by a white circle with a grey border, which contains an orange stylized "O" shape.

talbroos

Driving Future Leadership

Q1FY24 INVESTOR PRESENTATION

August 2023



Talbro's Automotive Components Ltd (TACL) - Group



Product Portfolio

Entities

TACL Group Turnover*(Rs. Crs.)

Product Portfolio	Entities	TACL Group Turnover*(Rs. Crs.)	
		Q1FY23	Q1FY24
Gaskets & Heat Shields	TACL Standalone	106	122
	Nippon Leakless Talbro's Pvt Ltd	22	23
Forgings	TACL Standalone	48	64
Chassis Components	Marelli Talbro's Chassis Systems Pvt Ltd	45	57
Anti Vibration Products & Hoses	Talbro's Marugo Rubber Pvt Ltd	17	30
		Q1FY23 238	Q1FY24 296

* Includes Other Income

Including Total Share of JV



New Multi year orders worth over Rs. 1000 crores received

TACL has received new multi years orders over **Rs. 1,000 crores** from both, domestic and overseas customers across its business divisions, product segments and JVs. These orders are to be executed over a period of next 5 years covering the company's product lines – gaskets, heat shields, forgings and chassis. These orders will help us increase our share with existing customers and new customers across geographies thereby gaining market share in coming years.

~Rs. 400 Crs.

The order spans across newly invested technologies such as heat shields for which we have secured new customers in the Domestic PV space.

The Company has received orders from a new overseas customer through which we have entered in the Agri, Construction & off-road segment.

18% account for Electric Vehicles segment for leading domestic OEM for PV Segment.

~Rs. 420 Crs.

Orders received from a leading established domestic OEM for the Electric Vehicles (EV) for over Rs. 160 crores over 5 years.

Received orders from new customers for multiple auto parts for multiple applications.

Received orders from new OEM customers in the non-automotive segment for export markets.

~Rs. 150 Crs.

Orders received through its JV: Talbros Marugo Rubber for Rubber Hoses which will be directly used to facilitate the E20 fuel mechanism from multiple passenger vehicle OEMs in India.

The Government of India has laid down a target of achieving 20% ethanol blending in petrol by 2025 which will be known as E20. With the use of Biofuel, it will help reduce pollution levels and imports of crude oil in our country.

~Rs. 60 Crs.

Orders received in the heat shield business from a leading passenger vehicle (PV) OEM in India.

This order will help us increase our domestic market share which will help us grow in the coming years.



New Multi year orders worth over Rs. 400 crores received in July-23

TACL has received new multi year orders worth ~400 crores from Domestic and Overseas Customers across its business divisions, product segments and JVs. These orders are to be executed over a period of next 5-7 years. These orders will help the Company increase its share with existing customers and new customers across geographies which will help the Company grow and gain market share in the coming years.

The order covers the following product lines

Gaskets

Heat Shields

Forgings

Chassis

Orders received from a leading established export OEM for the Electric Vehicles (EV) for Body in White - Stamped Metal Part for over Rs. 165 crores over 5 years (Expected SOP for these products is FY25). This order is through the JV- Marelli Talbros Chassis Systems.

Received orders for Forgings products like Ring Gear, Gear Planet, Spacer, Brake Pistone, Cover King Pin, Planetary Gear and many more from export customers for over ~50 crores over 5 years.

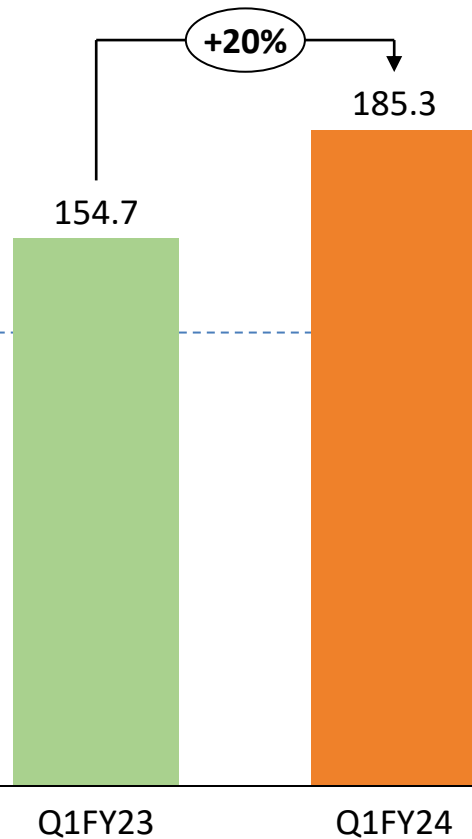
Received orders worth ~Rs. 65 crores for over 5 years for the heat shield products from multiple domestic OEMs. These order span across new technologies in the heat shield space.

Received orders worth ~Rs. 120 crores for over 5 years for the gasket products from both domestic and export OEM customers. This includes an order worth ~Rs. 40 crores for EVs from a leading overseas OEM.

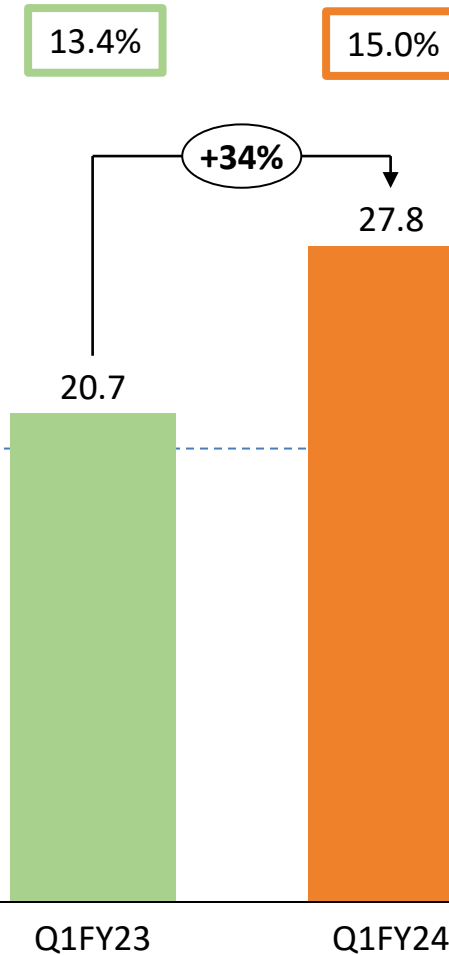


Q1FY24 Consolidated Performance Highlights

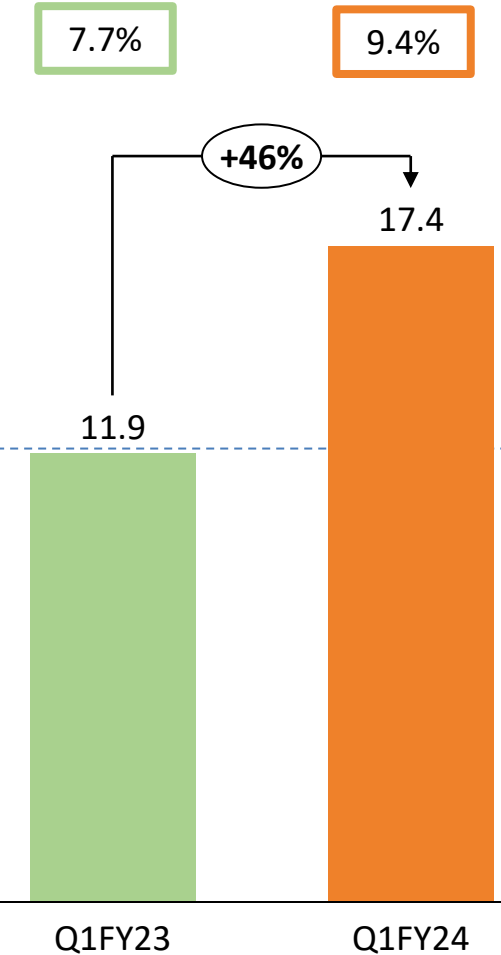
Total Income from Operations^



EBITDA^



Profit After Tax*





Q1FY24 Consolidated Performance Highlights

Gasket & Heat Shield

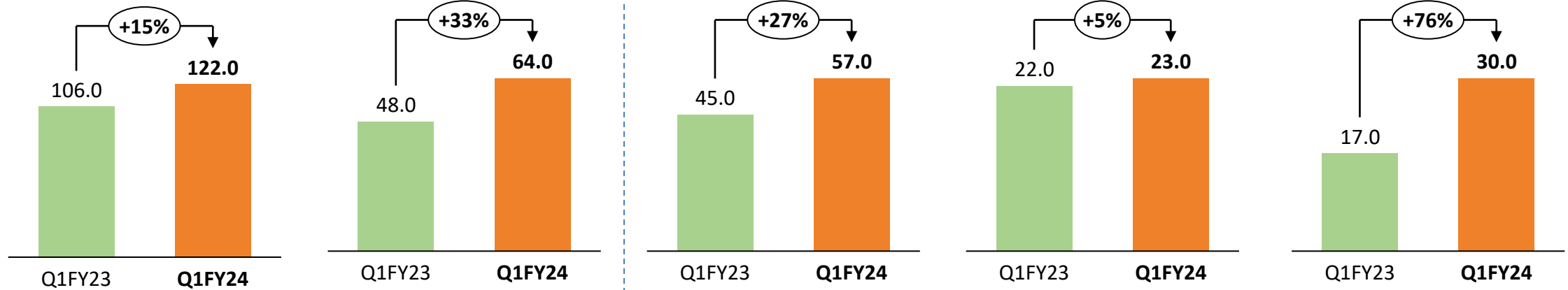
Forgings

MTCS

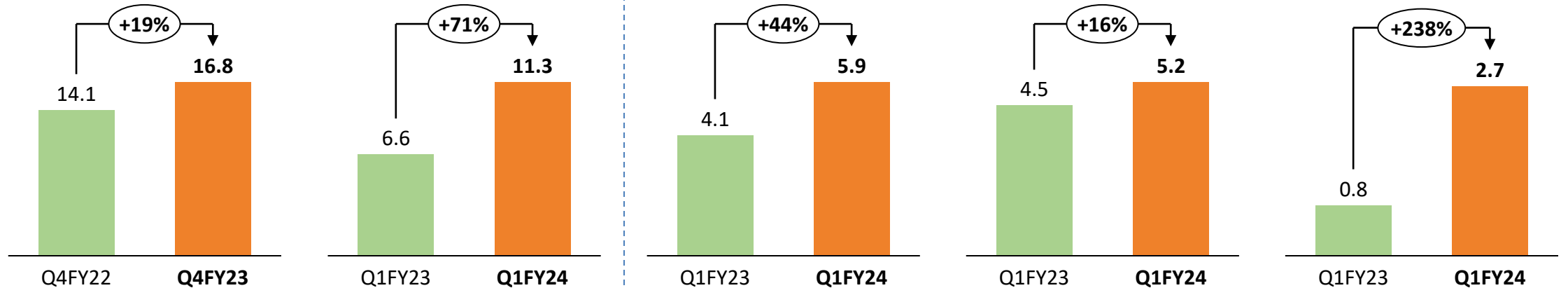
NLT

TMR

Revenues



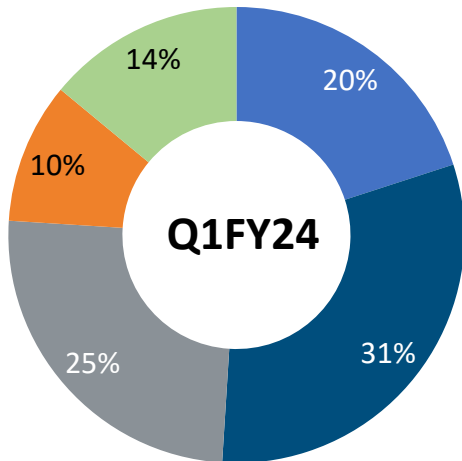
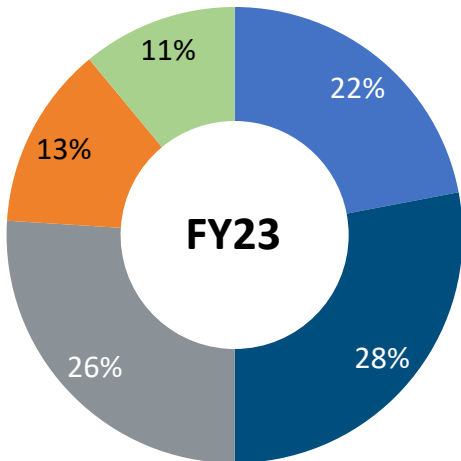
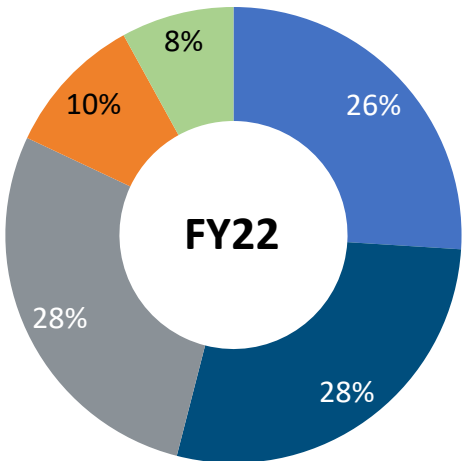
EBITDA





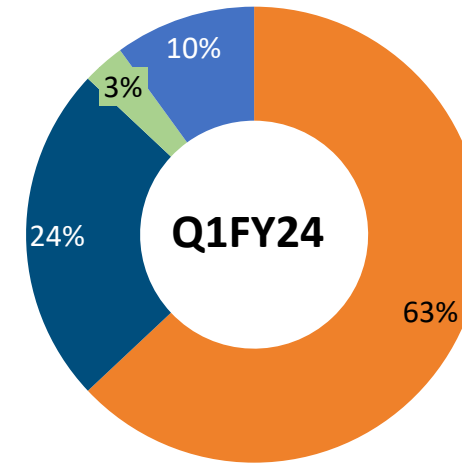
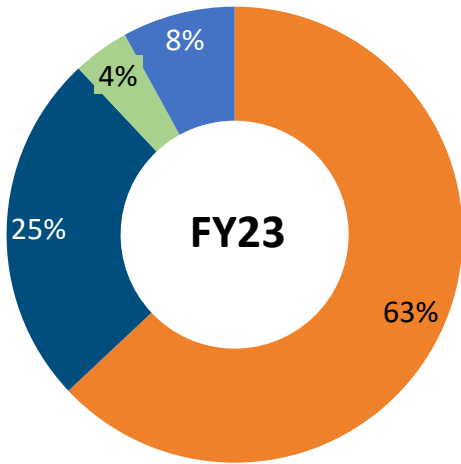
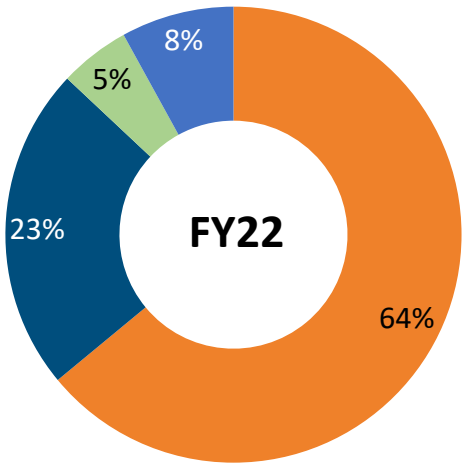
Across varied segments...

Domestic Breakup*



- 2 & 3 Wheelers
- Passenger Vehicle
- HCV & LCV
- Agri & Off Loaders
- Others

Breakup (Type of Market)*



- OEM
- Exports
- After Market
- Others

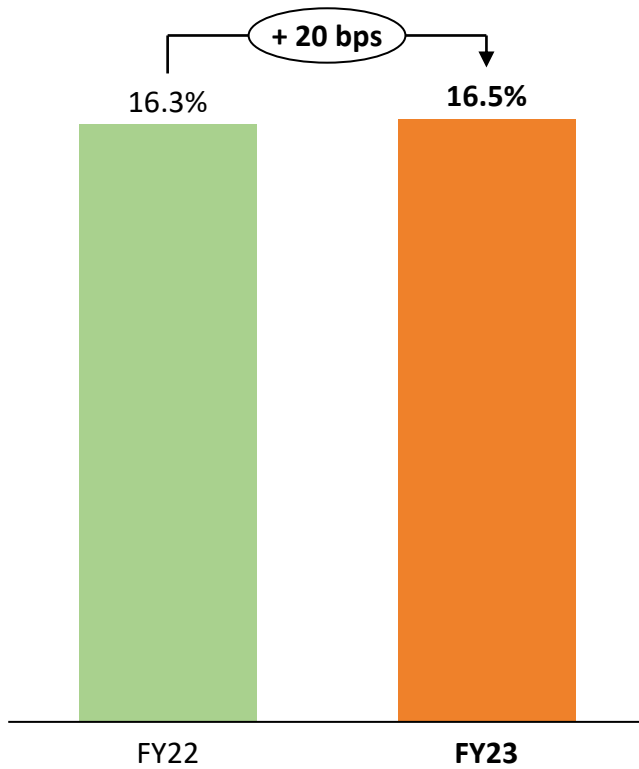


*Proportionate Share of JV

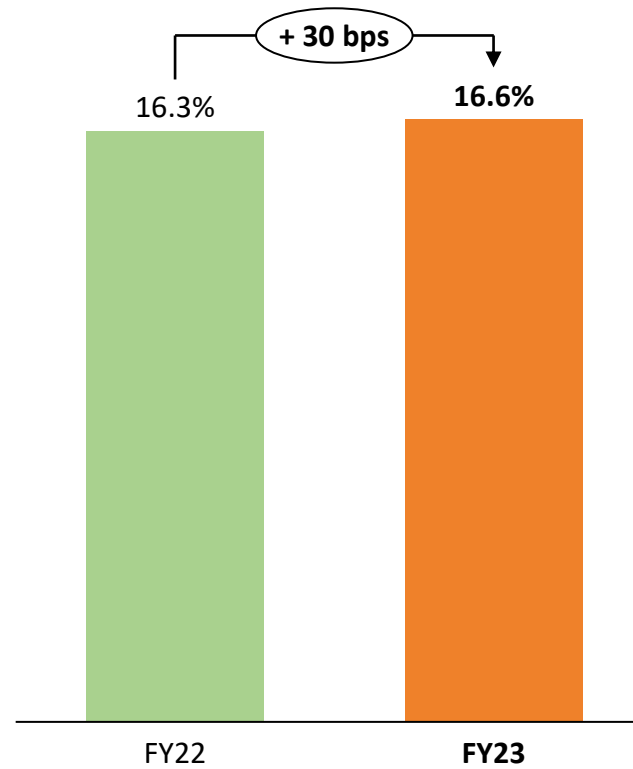


Strong Balance Sheet

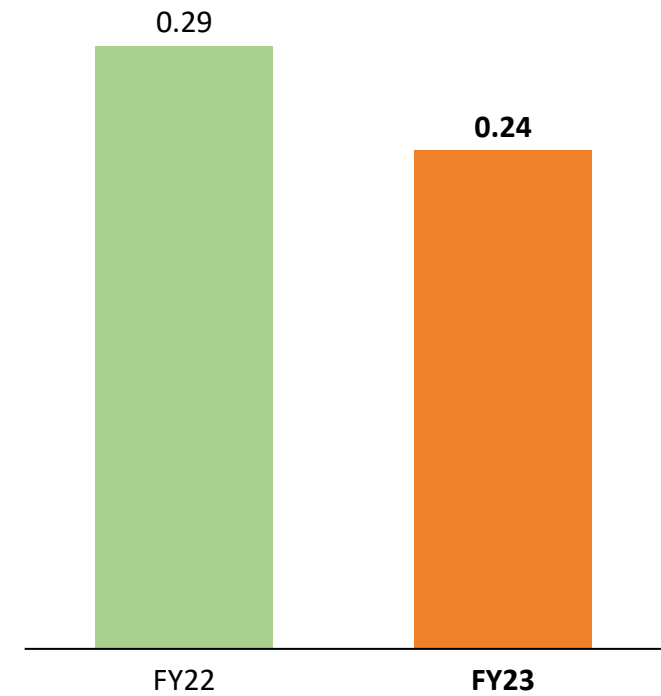
Return on Equity (RoE)



Return on Capital Employed (RoCE)



Debt / Equity





Q1FY24 Consolidated Profit & Loss Statement

Particulars (Rs. Crores)	Q1FY24	Q1FY23	Y-o-Y
Revenue from Operations	182.8	153.0	20%
Other Income	2.5	1.7	
Total Revenue from Operation	185.3	154.7	20%
Raw Material	100.7	81.3	
Employee Cost	20.1	17.9	
Other Expenses	36.6	34.7	
EBITDA	27.8	20.7	34%
EBITDA Margin	15.0%	13.4%	
Depreciation	6.0	5.5	
EBIT	21.8	15.2	44%
EBIT Margin	11.8%	9.8%	
Finance cost	3.2	2.3	
Share of Profit from JVs	3.4	2.2	
Profit before Tax	22.1	15.1	46%
Tax	4.7	3.2	
Profit After Tax	17.4	11.9	46%
PAT Margin %	9.4%	7.7%	



Consolidated Balance Sheet

ASSETS (Rs. Cr.)	Mar-23	Mar-22
Non-current assets		
Property, plant and equipment	168.0	153.3
Capital work in progress	4.8	3.3
Investment property	2.8	3.0
Intangible assets	0.7	0.9
Investments accounted for using the equity method	71.4	59.5
Financial assets		
Investments	55.3	38.4
Other financial assets	2.8	1.9
Current Tax Assets	2.2	2.1
Other non-current assets	3.6	4.5
Non-Current Assets	311.6	266.9
Current assets		
Inventories	132.5	114.3
Financial assets		
Trade receivables	168.5	151.5
Cash and cash equivalents	5.3	2.1
Bank balances other than Cash and Cash equivalents	2.8	3.3
Loans	3.9	4.3
Other financial assets	1.4	2.3
Other current assets	29.8	24.9
Current Assets	344.2	302.6
TOTAL - ASSETS	655.8	569.5

EQUITY AND LIABILITIES (Rs. Crs.)	Mar-23	Mar-22
Equity		
Equity Share capital	12.3	12.3
Other equity	355.2	289.5
Shareholders' Funds	367.5	301.9
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	6.1	7.6
Other financial liabilities	0.2	0.1
Provisions	2.0	2.0
Deferred tax liabilities (net)	14.5	11.1
Other non-current liabilities	0.8	0.2
Non-Current Liabilities	23.6	21.1
Current liabilities		
Financial liabilities		
Borrowings	80.8	81.4
Lease Liabilities	0.1	0.1
Trade payables	168.9	153.1
Other financial liabilities	8.4	7.1
Other current liabilities	5.3	3.8
Provisions	1.2	1.0
Current Liabilities	264.6	246.5
TOTAL - EQUITY AND LIABILITIES	655.8	569.5



Consolidated Cash Flow Statement

Particulars (Rs. Crores)	FY23	FY22
PBT	70.3	56.4
Adjustments	22.1	26.5
Operating profit before working capital changes	92.4	82.8
Changes in working capital	-20.5	-12.7
Cash generated from operations	71.9	70.1
Direct taxes paid (net of refund)	-15.4	-18.4
Net Cash from Operating Activities	56.6	51.7
Net Cash from Investing Activities	-37.0	-25.3
Net Cash from Financing Activities	-16.3	-27.0
Net Change in cash and cash equivalents	3.2	-0.7
Opening Cash Balance	2.1	2.7
Closing Cash Balance	5.3	2.1



Mr. Anuj Talwar

Joint Managing
Director

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

“Talbros Automotive Components Limited has begun FY24 with strong performance both in business growth and profitability standpoint. For Q1FY24, Revenue from operations stands at Rs 185 crores with a growth of 20% YoY. EBITDA grew by 34% YoY to Rs 28 crores. We achieved EBITDA Margin of 15%, which we believe shall be sustainable going forward. Net Profit grew by 46% YoY to Rs 17 crores with a margin of 9.4%. Overall business growth and operational efficiencies have resulted in healthy margins.

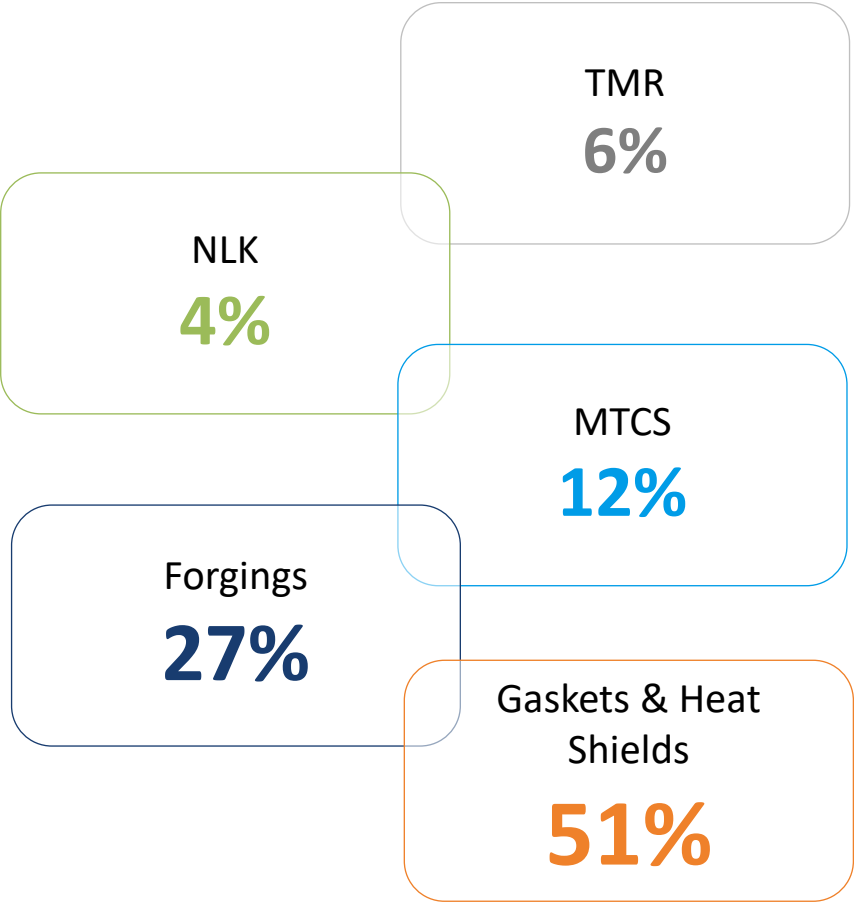
Over and above the orders received last year of Rs ~1000 cr, the momentum of winning orders continues with receipt of orders worth ~Rs. 400 crores from both, domestic and overseas customers across its business divisions, product segments and JVs. These orders are to be executed over a period of next 5-7 years covering the company's product lines – gaskets, heat shields, forgings and chassis. Of this, ~Rs 215 crores is received from a leading established export OEM for the Electric Vehicles (EV).

We are dedicated to achieving our long-term goal of establishing ourselves as a prominent global leader in the automotive components manufacturing industry. Throughout the course of our endeavours, we are determined to maintain our progress and development, while simultaneously looking towards the future by ensuring the continued pertinence of the services we provide.

*The company lays strong emphasis on R&D and innovation to consistently enhance and adopt newer technologies. By FY27, we intend to achieve our **Group sales turnover of Rs. 2,200 crore*** business overall with exports contribution of 35%. We have expanded and will continue to increase our emphasis on exports which shall assist in sustainable margins.”*



Q1FY24 - 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

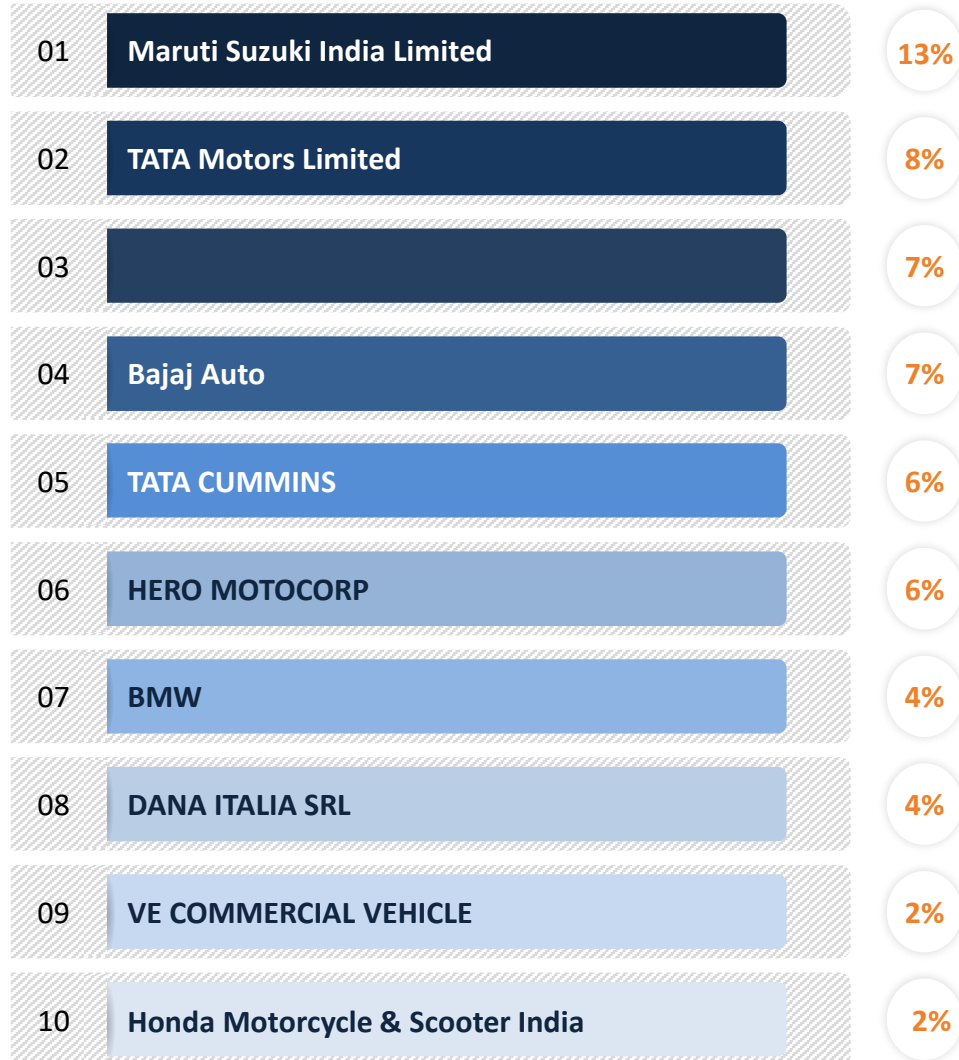
Market Exposure

- OEMs
- After Market
- Exports
- Others

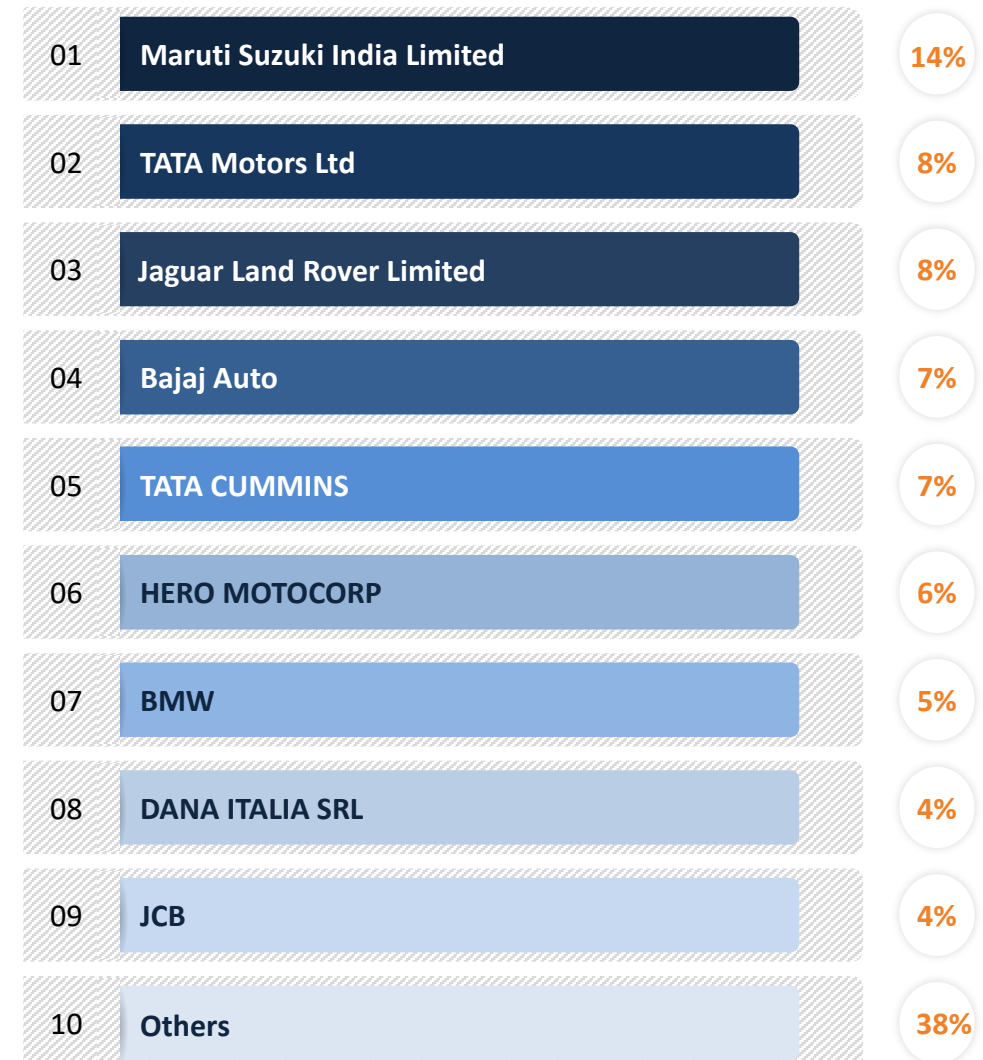


Having Diversified Customer base - Top 10 Customers

FY23



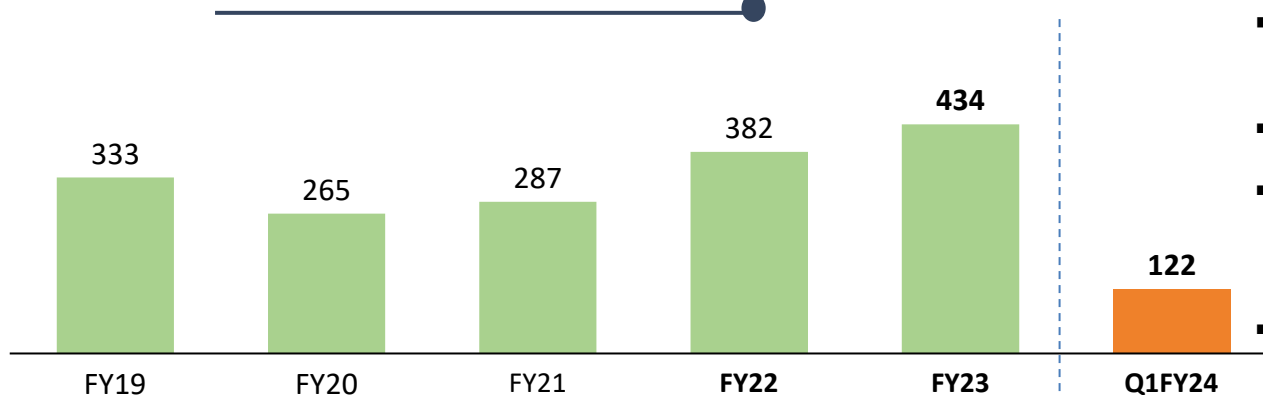
Q1FY24



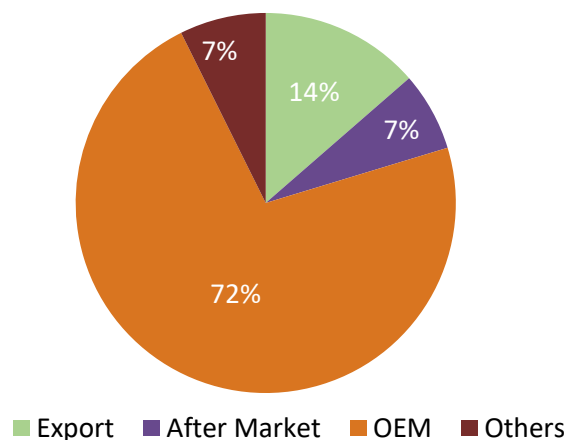


Gasket Business

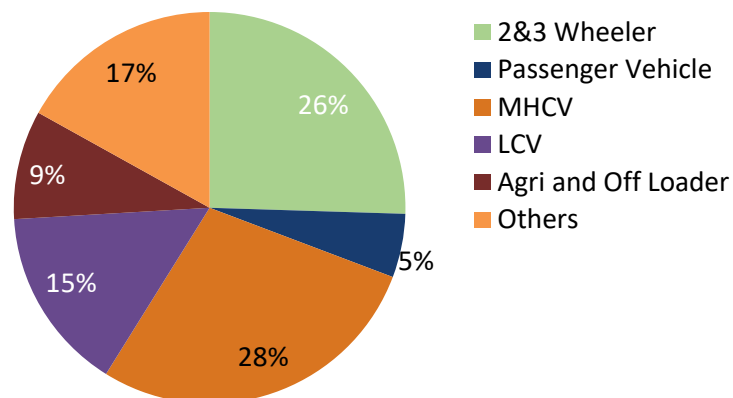
Total Income



Segment wise Break Up



Q1FY24 OEM Breakup

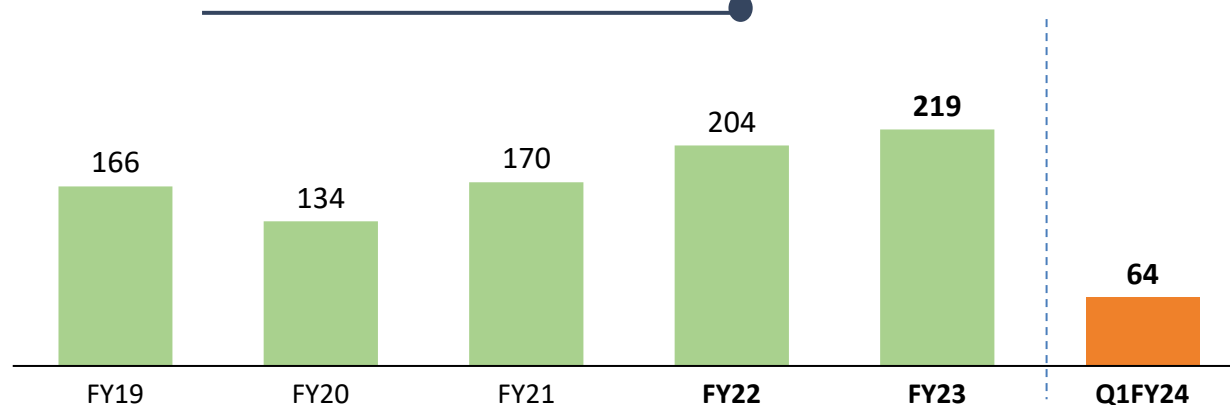


- ~50% Market share in Gaskets 3x the nearest competitor
- Market Leader in – Two-Wheeler, Agri & Off Loaders, HCV & LCV segment
- Single Source Supplier for 5 of our customers
- Signed up exclusive contract with SANWA for Light Weight Aluminium Heat Shields which is used for automotive applications specially in PV segment and is a futuristic product technology
- Value added features like Noise Reduction, Emission Control, Heat Insulation at challenging temperatures and is a widely used on new generation engines including Hybrid and EVs
- Large Order Book for New Products
 - MSIL – Heat Shields - Rs. 14 Crs. p.a.
 - Kia & Hyundai Heat Shields - Rs. 13.5 Crs. p.a.
 - Kamaz –Gasket with Electrical Controls - Rs. 12 Crs. p.a.
 - Cummins – Beagle CHG - Rs. 11 Crs. p.a.
 - Escort Kubota – CHG - Rs. 9 Crs. p.a.
- Plan to grow revenues by 13% CAGR till FY27 to Rs. 700 crores
 - Increased Revenues from Heat Shield Business (~Rs. 90 crores p.a. from the Heat Shield Business)
 - Increased Focus on Exports (From 10% in FY18 to ~22% in FY27e)
 - Diversified Segment Portfolio (PV's to increase from 2% in FY18 to ~11% in FY27e)

Note : Revenue from heat shield in Q1 FY24 stands Rs 10.6 cr and from EV in Q1FY24 Stands at Rs 0.31 Cr

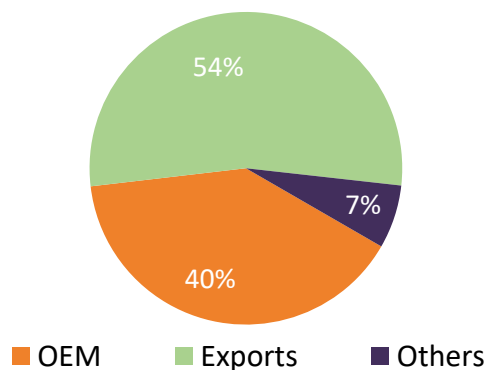


Total Income

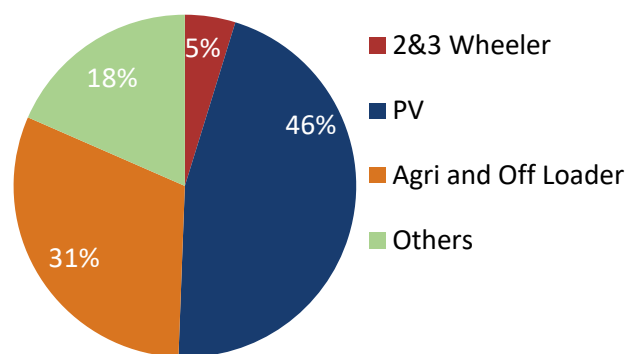


- One stop solution for **Hot Forging** (750 to 2,500 Ton Press)
- **Strong presence in Overseas Market & Supplier to Top Tier I companies**
- **One Stop Solution** for Die Design, Machine parts and Heat treatment (Normalizing and Carbohydriding)
- Moving towards heavier forged parts
- **Large Order Book for New Products**
 - JCB UK – Dump End/ Eye End - Rs. 75 Crs. p.a.
 - Dana Italy – Ring Gears - Rs. 17 Crs. p.a
- **Plan to grow revenues by 23% CAGR till FY27 to Rs. 500 crores**
 - Increased Focus On EV's (Revenue of Rs. ~70 Crs. in FY27e with CAGR of 60%)
 - Increased Focus on Exports and expanding geographies (From 47% in FY18 to ~63% in FY27e)
 - Increased Revenues from Agri & Off-Highway (Agri & Off-Highway to increase from 37% in FY18 to ~43% in FY27e)

Segment Wise Break Up*



Q1FY24 OEM Breakup*



Products - Various Types

- | | |
|-------------------------|--------------------|
| ▪ King Pins | ▪ Dump End |
| ▪ Gear Blanks | ▪ Retaining Plate |
| ▪ Housing & Yoke Shafts | ▪ Companion Flange |

Note: Revenue from supply to EV in Q1FY24 Stands at Rs. 4.73 Crores





Strong Global Partnerships - Joint Ventures



Nippon Leakless Corporation (NLK)

- ✓ **Nippon Leakless Corporation (Japan)** - One of the largest global manufacturers of gaskets and a major Supplier for **Honda**
- ✓ Established in 2005 with 40% Talbros Share
- ✓ 100% Sales to OEMs to Honda and Hero
- ✓ **Products : Gaskets**
- ✓ **Key Customers**
 - Hero Motor Corp
 - HMSI
 - India Yamaha
 - Honda Car India
 - Honda Siel Power Products



Marelli Talbros Chassis Systems Pvt Ltd (MTC)

- ✓ **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
- ✓ **Products : Control Arms, Front Axle, Rear Axle**
- ✓ **Key Customers**
 - Maruti Suzuki India
 - Jaguar Land Rover
 - Suzuki Motors Ltd
 - Bajaj Auto



Talbros Marugo Rubber Pvt. Ltd. (TMR)

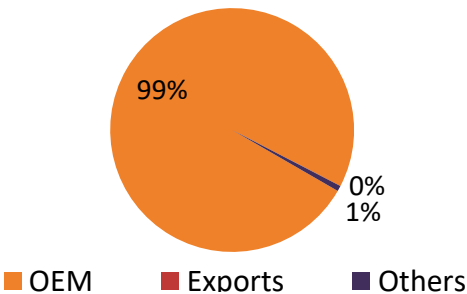
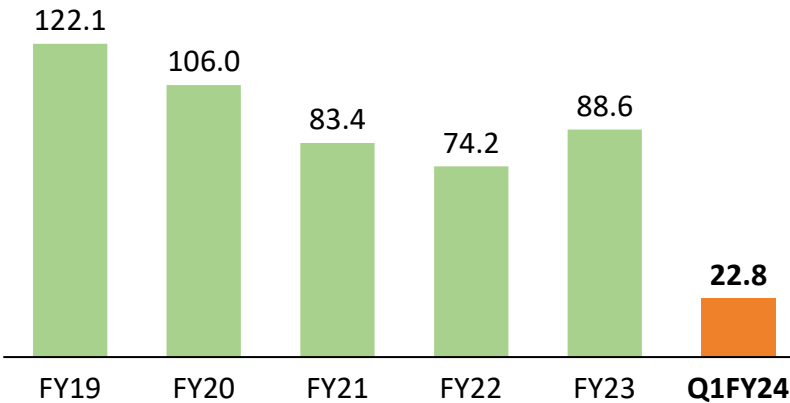
- ✓ **Marugo Rubber Industries Ltd (Japan)** - Global leader in supply of Anti-Vibration Product and Hoses
- ✓ 50:50 partnership commenced production in February 2013
- ✓ 100% Sales to OEMs predominantly Maruti Suzuki
- ✓ **Products : Engine Mounts, Strut Mounts, Mufflers & Hangers, Suspension Bushes, Rubber Bushes, Hoses**
- ✓ **Key Customers**
 - Maruti Suzuki
 - QH Talbros
 - Daimler India Commercial Vehicle Pvt. Ltd.
 - Suzuki Motors Gujarat Pvt Ltd



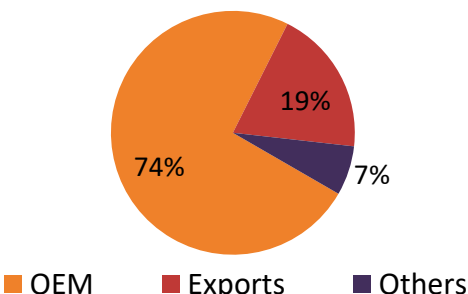
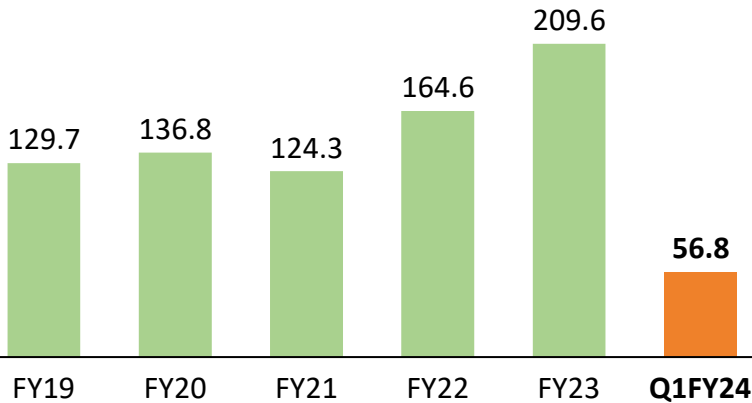
JV's Performance Highlights - Total Income from Operations



Nippon Leakless Talbros

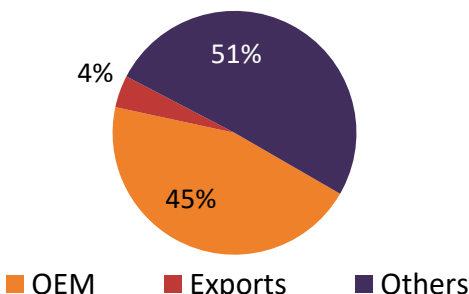
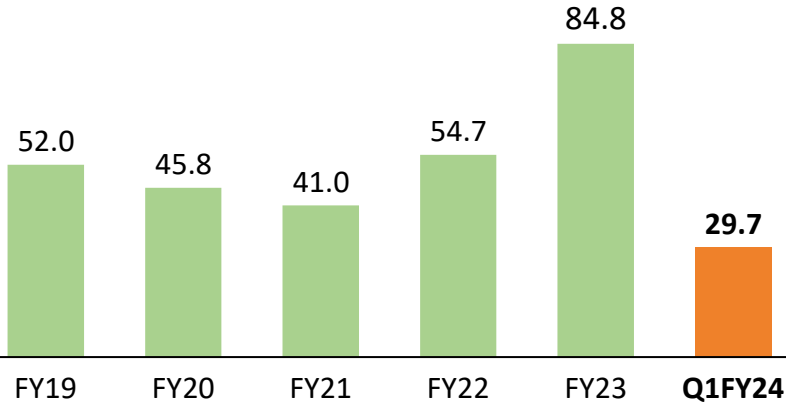


Marelli Talbros Chassis Systems



Note: Revenue from supply to EV in Q1FY24 Stands at Rs. 1.49 Crores

Talbros Marugo Rubber



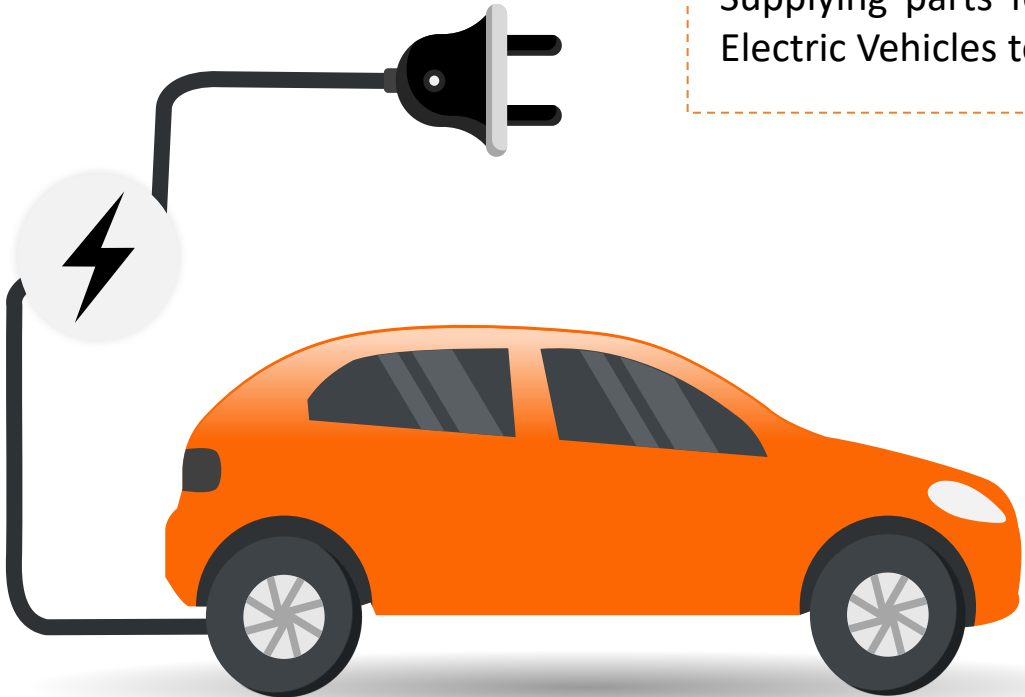


FORGINGS

Supplying parts for Plug-in hybrid Electric Vehicles to OEMs globally

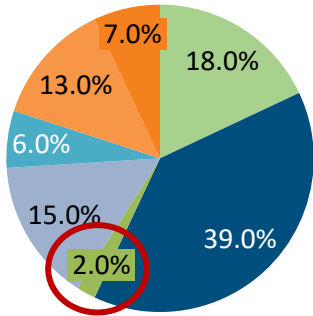


- Marelli Talbros is working on new RFQ's for several Indian and global OEM's for supporting development of future EV's
- Marelli Talbros Supplies Critical Suspension Components to EV's

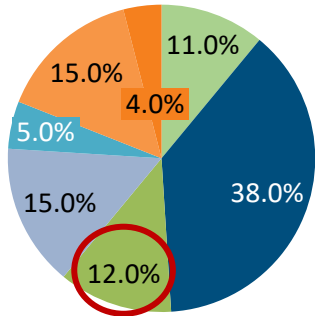


Increased Focus on EVs

Revenue Breakup (FY23)



Revenue Breakup (FY27e)



2 & 3 Wheeler Passenger Vehicle EVs MHCV LCV Agri & Off Highway Others



Capex Plans - TACL

	Utilization Levels (FY23e)	Addl. Capex to reach Revenues of FY27e	
Gasket & Heat Shield	85%	Rs. 50 Crores	To be funded by Internal Accruals Capex of Rs. 25-30 Crs. per annum
Forgings	77%	Rs. 60 Crores	
Marelli Talbro's Chassis Systems* (MTCS)	73%	Rs. 80 Crores	These amounts will be funded by respective Companies through internal accruals and some borrowings
Talbro's Marugo Rubber** (TMR)	AV – 85% Hose – 80%	Rs. 10 Crores	
Nippon Leakless Talbro's^ (NLT)	65%	Rs. 5 Crores	

* MTCS is a 50% Joint Venture with Marelli Suspension Systems SpA

** TMR is a 50% Joint Venture with Marugo Rubber

^ NLT is a 40% JV with Nippon Leakless Corporation (Japan)



Increased Export
Sales



Increased
Margins



Higher Returns



Comfortable Debt
Profile

25% in FY23e
to
35% + in
FY27e

EBITDA Margins
to increase from
~14% to
~15-16% by
FY27e

RoCE to increase
to **20% +** going
ahead

Total Debt to
remain **under**
Rs. 100
crores

DRIVING FUTURE LEADERSHIP



About Us

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

Diversified Auto Component Player

Across Two Wheelers, PVs, CVs Off-Highway and Farm Equipments

Electric Vehicles – Supply to EV's (Major OEM's globally)

Diversified Product Portfolio – Gasket & Heat Shields, Forgings, Suspension Systems, Anti-vibration Products & Hoses

Wide Client Base; Orders from over 30 OEMs across products and geographies

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

Consistent Dividend Pay-out over 50 years

*One of the
Most Hedged
Auto
Component
Players*





Anuj Talwar – Joint Managing Director

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 16 years of rich experience in the Corporate Finance, Credit analysis and Auto Industry, coupled with his extensive knowledge, expertise in Business Development, International Marketing, General Management and focus on new tech.

Mr. Anuj Talwar is looking after the performance and business growth of the Company and its Joint Ventures on regular basis.

He has been successfully able to streamline – products, people perception and positioning of the Company.

Navin Juneja – Director & Group CFO

Is a B.Sc. (Mathematics) and Chartered Accountant (FCA). He is working as Finance Head of Talbros Group as its Group CFO. He is also a Director on Board of the Company. He advises the Company, its Joint Ventures and other Group Companies on Financial Management and Corporate Planning.

He has more than 36 years of rich experience in Finance, Accounts, Treasury, Taxation and General Management.

He has extensive experience in the development and implementation of strategic business plans.





Strong 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 & Group CFO



Mr. Vidur Talwar

Non-Executive
Director



Mr. Deepak Jain

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. Akira Iijima

Managing Director – Nippon Leakless Talbros Pvt. Ltd.

He holds diploma in engineering and has experience of 15 years working in the Gasket Industry. He has been associated with Nippon Leakless for over a decade. He is appointed as MD of Nippon Leakless Talbros Pvt Ltd WEF 1st March, 2021

Mrs. Seema Narang

Company Secretary

She has over 29 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.

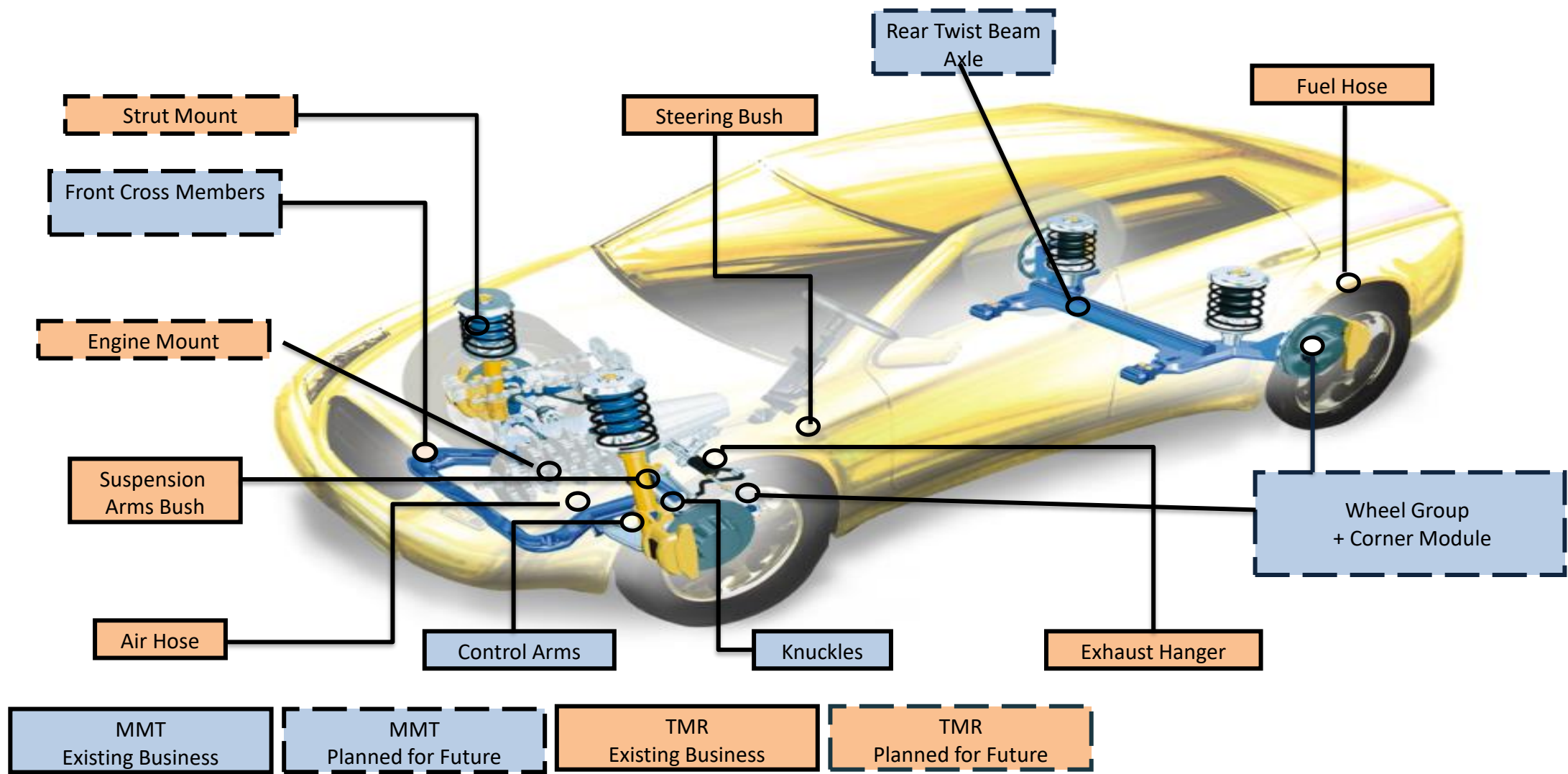
Mr. Ashish Gupta

CEO – Magneti Marelli Talbros Chasis System Pvt. Ltd.

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

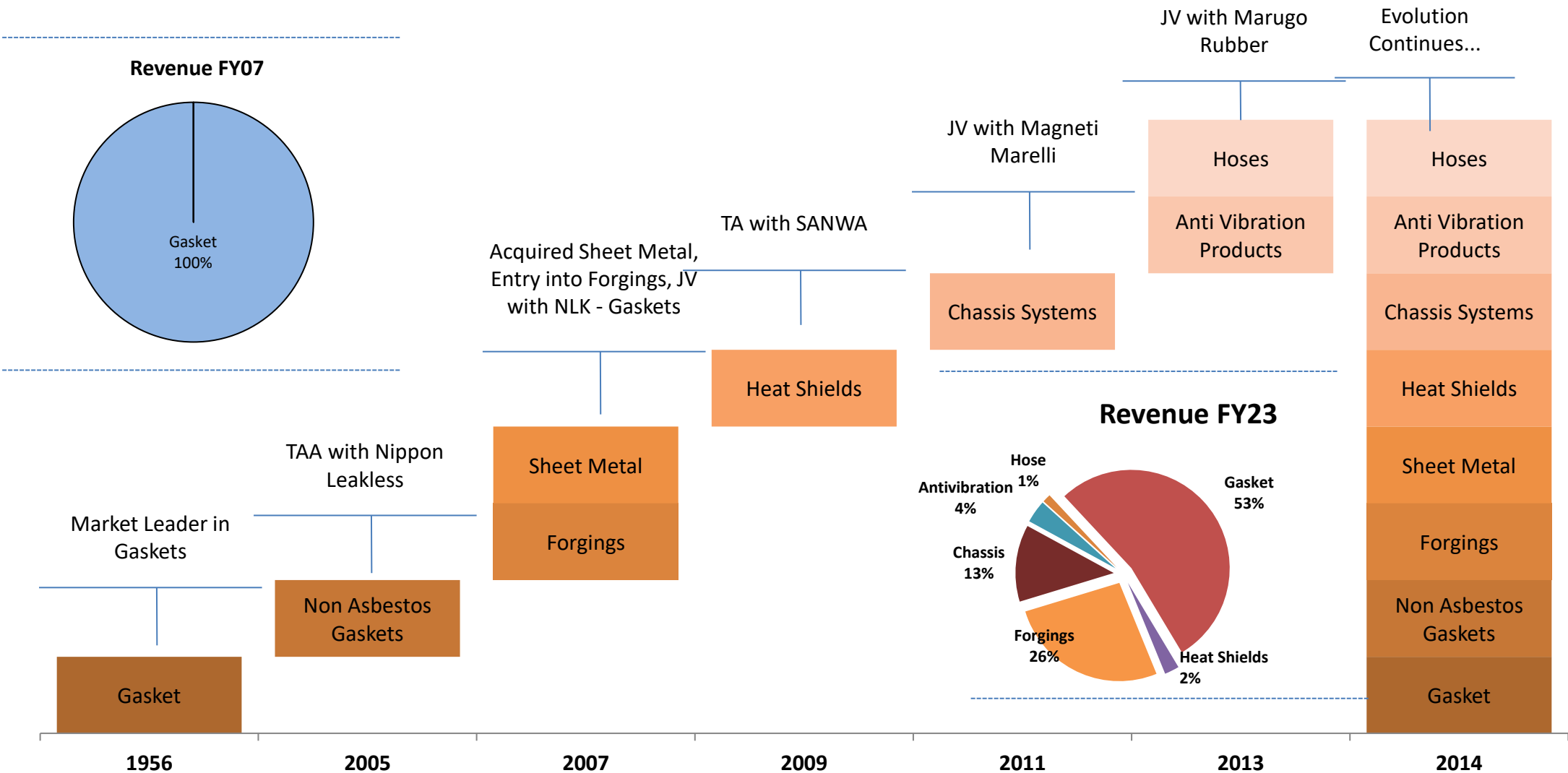


Scope of Joint Ventures





Evolving Product Portfolio





Diversified Customer - OEM

Hedged Customer Base

2 Wheeler



ROYAL
ENFIELD



Mahindra



SUZUKI



Passenger



SONALIKA
RHINO Rx



Mahindra



HCV/LCV



DAIMLER

swaraj
mazda

Mahindra
Rise.



ASHOK LEYLAND



FORCE

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Agri & Off Loader



Agri & Off Loader



VOLVO



MAXIFORCE





Customer Awards for Best Performances



**ACMA Atmanirbhar
Excellence Awards
2022**



**Award from Jaguar Land Rover
for Gasket Business 2022**



**Award from Jaguar Land Rover
for Forgings Business 2022**



**Quality improvement
contest award –
Kirloskar Oil Engines Ltd
2021**



JLKR-Q certificate-2021



**Quality improvement
contest award –Kirloskar
Oil Engines Ltd. 2020**



**Appreciation certificate for
NPD support –Cummins
2020**



**Appreciation award
for NPD support –
Cummins 2020**



**ACMA 16th Quality
Circle Competition
2019**



**HR Association India
Gold Award 2019**



THANK YOU !

For further information, please contact:

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