

Schaeffler India Limited · Pune · Maharashtra

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Company Code: 505790

National Stock Exchange of India Limited

Exchange Plaza, C – 1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Company Code: SCHAEFFLER

Sub: Investor Presentation

05/04/2023

Dear Sirs,

Phone: +912068198464

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Investor Presentation.

Kindly take the same on your record.

Thanking you.

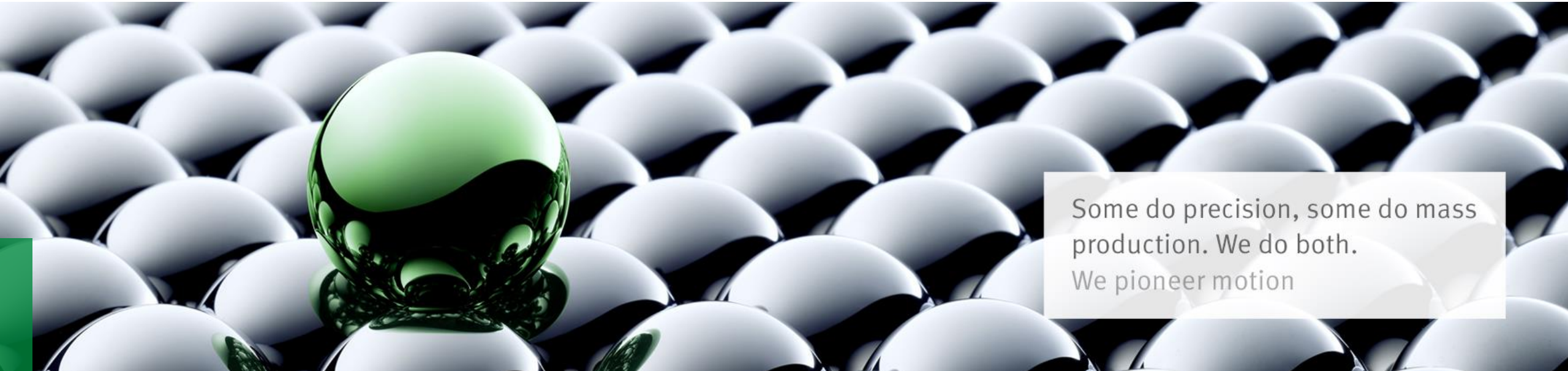
Yours faithfully,

For **Schaeffler India Limited**

Ashish Tiwari,

VP - Legal & Company Secretary

Encl.: As above



Some do precision, some do mass
production. We do both.
We pioneer motion

Schaeffler India Limited Investor Presentation

March 2023

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By their very nature, forward-looking statements involve risks and uncertainties. These statements are based on the management of the Company's current expectations and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking. Actual results may differ from those set forth in the forward-looking statements as a result of various factors (including, but not limited to, future global economic conditions, changed market conditions affecting the automotive industry, intense competition in the markets in which we operate and costs of compliance with applicable laws, regulations and standards, diverse political, legal, economic and other conditions affecting our markets, and other factors beyond our control).

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This presentation is not an offer of securities for sale in any jurisdiction.

Agenda

- 1 Schaeffler Group**
- 2 Schaeffler India
- 3 Business Overview
- 4 ESG at Schaeffler India
- 5 Strategic Overview
- 6 Financial Overview

A world-leading technology business



SCHAEFFLER

As a **leading global supplier to the automotive and industrial sectors**, the Schaeffler Group has been driving forward groundbreaking inventions and developments in the fields of motion and mobility for over 75 years. With **innovative technologies, products, and services** in the fields of electric mobility, CO₂-efficient drives, Industry 4.0, digitalization, and renewable energies, the company is a reliable partner for making **motion and mobility more efficient, intelligent, and sustainable**.

Facts and Figures



~ 83,000

employees
worldwide

~ 200

locations in
50+
countries

6.6%

EBIT margin in
2022¹

76 plants

and **20**
R&D centers

1,250+

patents
registered
in 2022

sales of

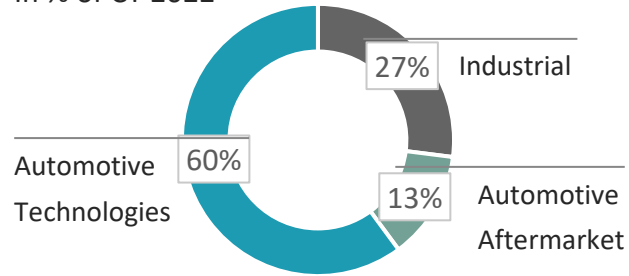
~ € 15.8
billion in
2022

¹Before special items

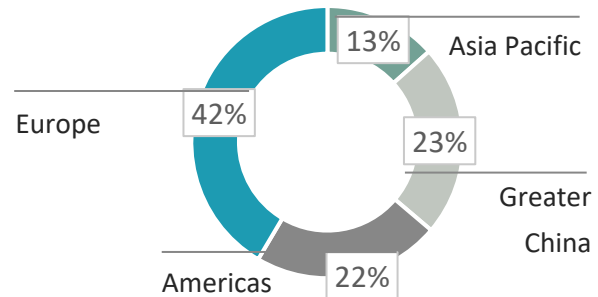
A leading global technology company

Sales by Divisions

In % of CY 2022



Sales by Regions



Schaeffler Group

Leading positions in technology and innovation

10 customer sectors

Market leading offering from components and systems to services

76 plants and 20 R&D centers

~83,000 employees in more than 50 countries



Well-diversified Automotive and Industrial supplier with global reach and synergistic businesses.

What sets us apart | The internal strengths of our Company

As a pioneer in motion, we develop and produce **innovative components**, systems, and services to address important customer needs.

01

Our **extremely high quality** ensures that we are able to meet our customers' demands in terms of reliability, long service life, and efficiency.

02

Close partnerships with our customers mean we have a **comprehensive understanding of their systems** which allows us to develop, produce, and constantly optimize complex, customized solutions.

03

04

Our **manufacturing expertise** allows us to quickly introduce extremely promising innovations to the market in high volumes.



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At a glance

1 | GLOBAL EXPERIENCE

75+ Years of Global Experience and Parent Lineage; 60+ Years of presence in India

2 | QUALITY SERVICE

Serving customers across automotive and industrial segments

3 | TOP MANUFACTURER

4 state-of-the-art manufacturing facilities in India

4 | DEDICATED R&D

Two dedicated DSIR approved R&D facilities in India driving innovation

5 | PRESENCE & REACH

8 Sales Offices, 330 distributors and over 33,000+ retail network

6 | RENOWNED BRANDS

Widely renowned and respected brands – FAG, INA and LuK

7 | TOP EMPLOYER

Employing 3,000+ people across India

8 | SECURE & STABLE

Debt-free

9 | CONSISTENT YIELD

5 Year Revenue CAGR of 8.5%

10 | CONSISTENT RETURN

11 Year Market Cap CAGR of 34%

Our company overview

Schaeffler India



Over six decades of presence in India, '**One Schaeffler India**' entity in 2018, leveraging synergies



Diverse high-precision products, strong network across divisions



Balanced business portfolio between Industrial and Automotive divisions

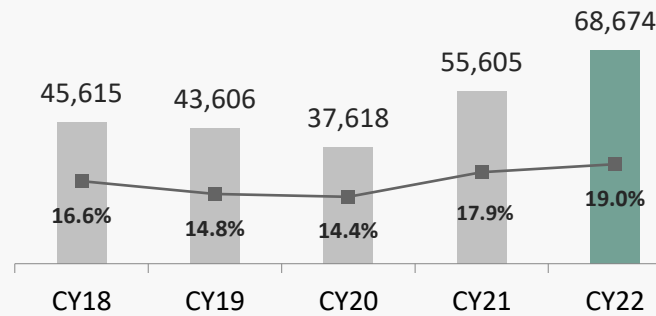


Automotive Aftermarket - replacement and repair solutions best-in-class training services

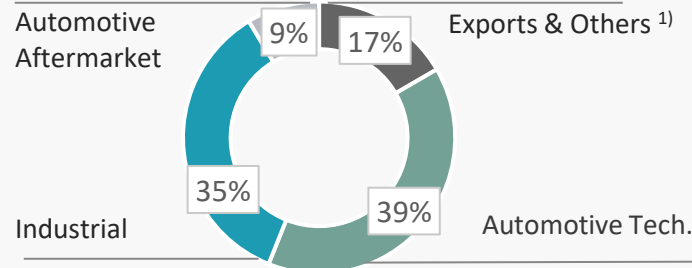


FAG, INA, LUK, REPEXPERT, TruPower - Renowned Brands with prominent positioning

Revenue (in INR Mn) & EBITDA Margin %



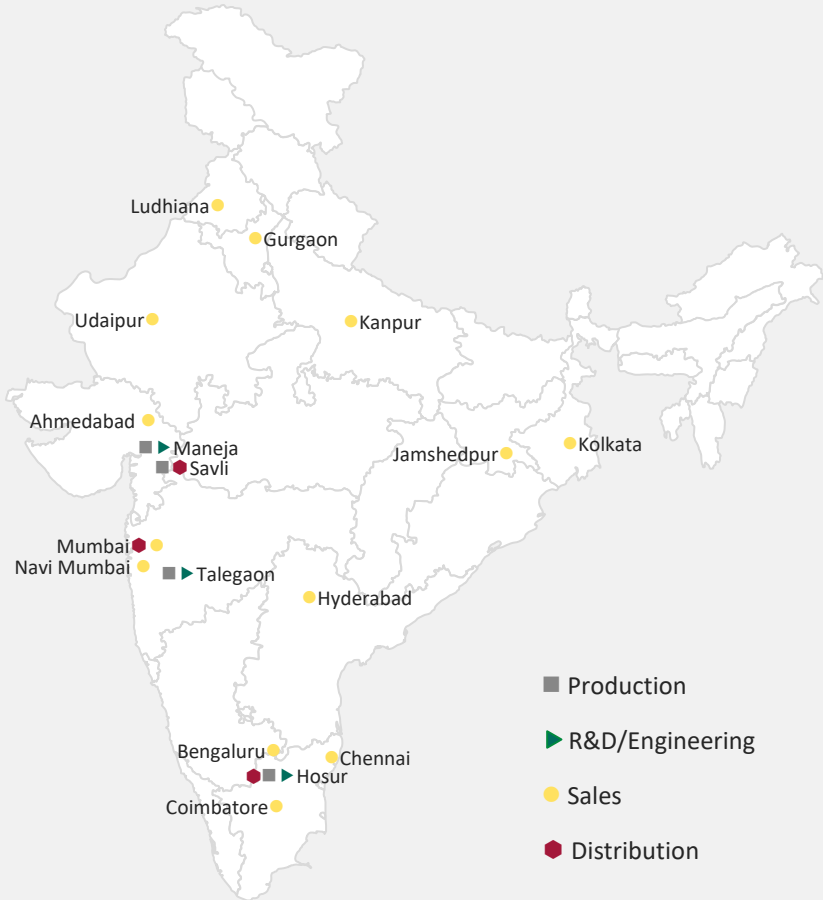
Revenue Mix (CY22)



¹⁾ Exports includes sales to group companies, scarp sales and others



Facts and figures



Map for representation purpose only

	A strong footprint	Localization ratio	R&D expenditure
2016	~72,000+ Total Manufacturing Floor Space (sq. mtr.)	71%	INR 3,927 million R&D expenditure in India over the past five years
2022	~90,000 Total Manufacturing Floor Space (sq. mtr.)	75%	

<p>3,190 Employees¹</p>	<p>4 Plants</p>	<p>3 R&D / Engineering centers</p>	<p>163 Employees in research and development</p>	<p>24% Contribution to Asia/Pacific turnover</p>
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¹ As of 31 December 2022

Our Journey | Significant milestones in our company history

Establishing the business

Incorporated the Company under the name Precision Bearings India Limited

1962

1969

FAG Germany acquired shares from Norma-Hoffman Bearing Corporation

LuK India established in Hosur Set up export-oriented unit for the FAG business in Maneja, Vadodara

1997

Expanding and growing

Inaugurated INA plant at Talegaon in Pune

2007

FAG becomes a part of Schaeffler

2015

Schaeffler Technology Center

Leading ahead creating 'One Schaeffler India' entity

India Corporate HQ based in Pune

2019

Completed merger to establish one Schaeffler India entity

2021

MoU with Tamil Nadu Government & Setting up of the LSB Refurbishment Center

Inclusion in PLI Scheme

2022

Board of Directors | Emphasis on best-in-class corporate governance



Eranti Sumithasri

*Chairperson
Independent Director*

AC RMC CSR



Renu Challu

Independent Director

AC NRC SRC



Arvind Balaji

Independent Director

AC CSR



Amit Kalyani

Independent Director

AC NRC CSR



Dharmesh Arora

*Non-Executive,
Non-Independent Director*

NRC RMC



Andreas Schick

*Non-Executive
Non-Independent Director*

AC RMC



Corinna Schittenhelm

*Non-Executive
Non-Independent Director*

NRC CSR



Harsha Kadam

*MD & CEO,
President (Industrial Business)*

SRC CSR RMC



Satish Patel

Director – Finance & CFO

AC SRC RMC

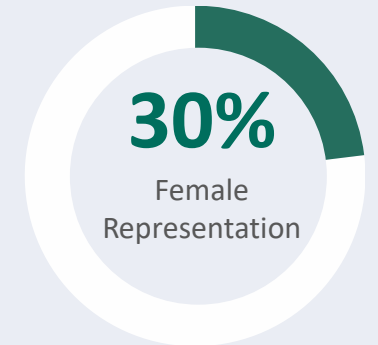
AC Audit Committee

RMC Risk Management Committee

NRC Nomination and Remuneration Committee

CSR Corporate Social Responsibility Committee

SRC Stakeholders' Relationship Committee



Executive Leadership Team | Leading with passion and principles



Harsha Kadam
Managing Director & CEO,
President (Industrial)



Satish Patel
Director - Finance,
Chief Financial Officer



Sameer Mathur
Chief Operating Officer



Santanu Ghoshal
Vice President
(Human Resources)



Madhurisha Vipatoori
Vice President
(Research and Development)



Debasish Satpathy
President
(Automotive Aftermarket)

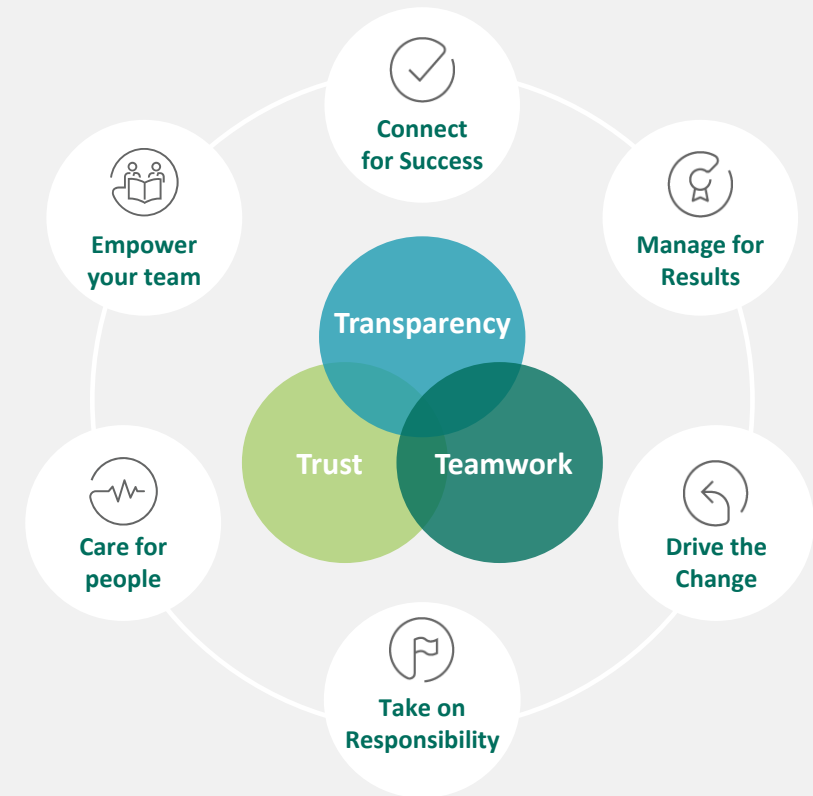


Alok Dave
Vice President
(Purchasing)



Vishwanathan S
Acting President
(Automotive Technologies)

Leadership Principles



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Customer recognitions for excellence



**Best Quality
Performance with
Zero Defect**



**Awarded for
Design and
Development of
Efficient Products**



**Best Vendor for
the year
2018-2019**



JOHN DEERE

**Partner Level
Award**



**Best Supplier
Award for Zero
Warranty and Zero
PPM**



**Best Supplier for
Outstanding
Performance in
Quality**



**Best Supplier
Award for
Consistent Zero
PPM Quality
Performance**



**Supplier
Excellence Award
for Best Product
Development
Performance**



ASHOK LEYLAND

**Gold award for
product reliability
from Ashok
Leyland**

TOYOTA

**First prize in cost
category for Best
Kaizen by Honda
cars India**



HYUNDAI

**Gold award for
best performance
in logistics
excellence from
Hyundai India**



HYUNDAI

**Gold award for
excellence in
supply chain 2020
from Hyundai**

Manufacturing Footprint | Our state of the art manufacturing plants



◀ **Maneja (Vadodara)
Industrial
est. 1962**



◀ **Savli (Vadodara)
Industrial
est. 2012**



◀ **Hosur
Automotive
est. 1977**



◀ **Talegaon (Pune)
Automotive
est. 2001**

Precision in manufacturing leveraging best-in-class technologies

Our manufacturing technologies



Large forging



Cold forming



Heat treatment



Machining



Grinding



Injection



Coating

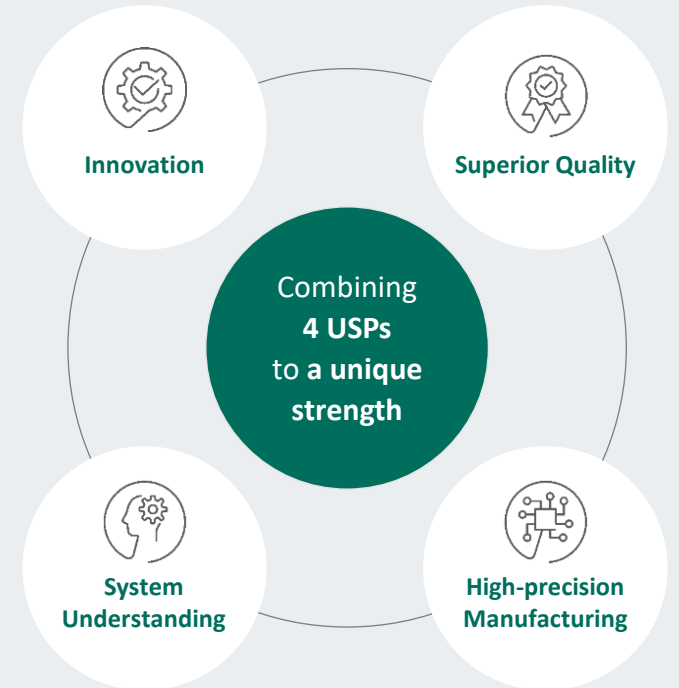


Winding








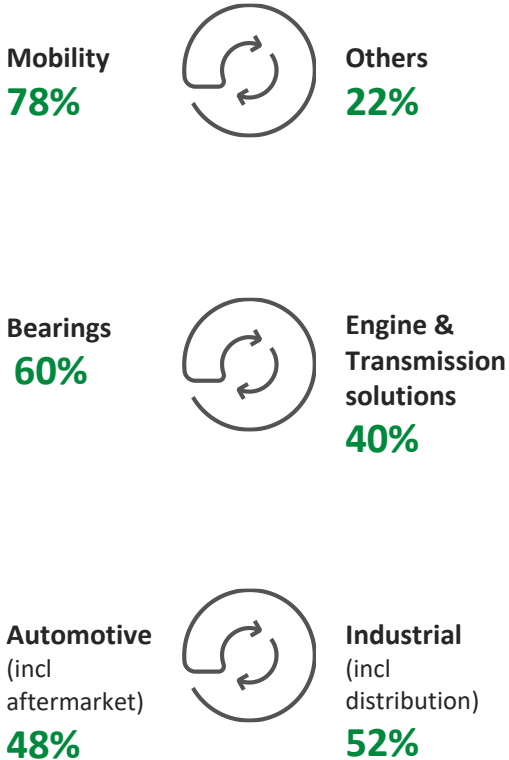
Assembly





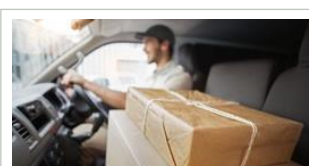
Our key strengths



Our sectors | Facilitating motion across

	Two Wheelers
	Cars and Light Commercial Vehicles
	Truck and Bus
	Offroad
	Rail



	Raw Materials
	Industrial
	Power Transmission
	Wind
	Aftermarket and Distribution

As of 31st December 2021

Automotive Technologies

The Automotive division accounts for 39% share of the total business in CY 2022.

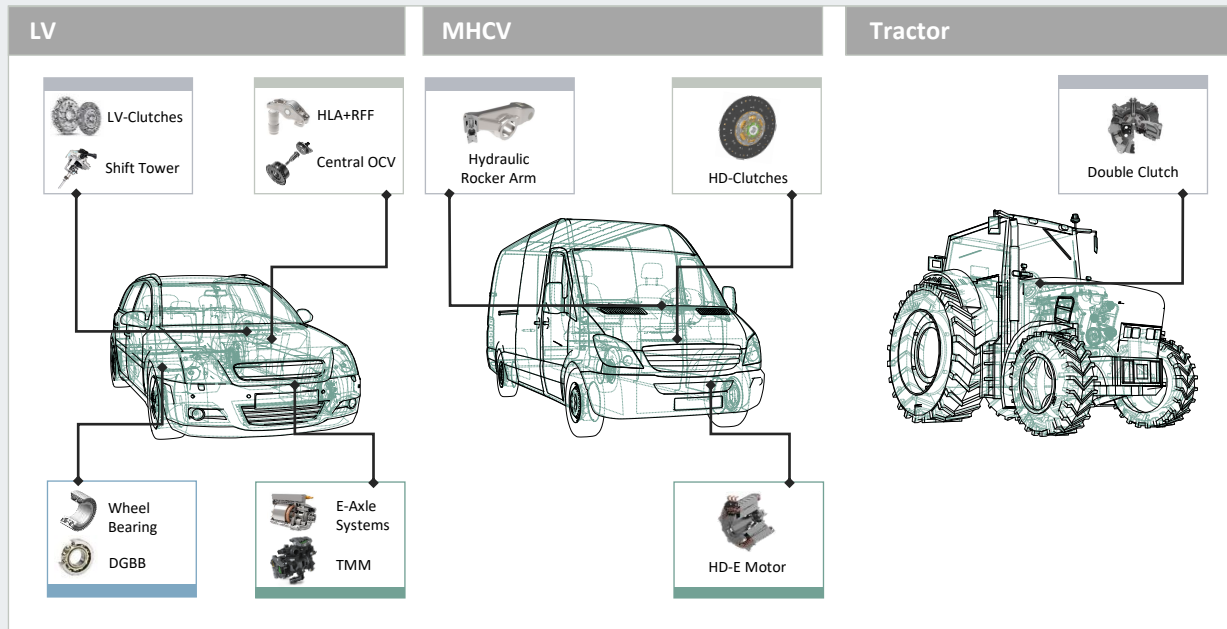
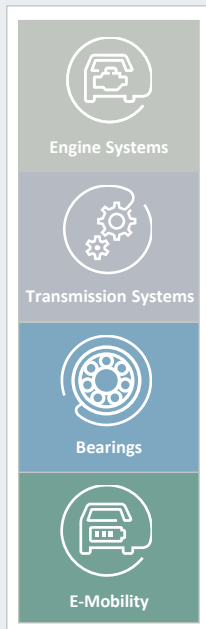
Schaeffler provides innovative solutions on a wide range of technologies for the automotive industry; increasing the content per vehicle.

Enhance Schaeffler's wallet share with existing relationships and help add new clients across the value chain


























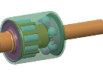










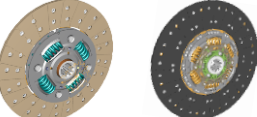

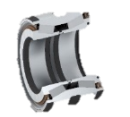






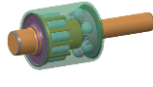

01

02

03



Automotive Technologies Product Portfolio

	 Engine Systems	 Transmission Systems	 Bearings	 E-Mobility
 LV	 HLA+RFF  Roller Tappets  OAP pulley  Mech tensioner  HCP  Central OCV	 LV-Clutches  DMF  Shift Tower  CRS +CMC  Input Shaft  Linear Bearing  CRB  Detent Pin  Synchro	 Wheel Bearing  Strut Bearing  DGBB  TRB  Needle Bearing  Water pump Bearing  Cylindrical Roller Bearing	 E-Axle Systems  E-motor & Components  TMM  DCU  PEU
 MHCV	 Hydraulic Rocker Arm  Mechanical Rocker Arm  RSEMZ	 HD- Clutches	 Needle Bearing  1T Unit	 HD- EMotor  TMM
 Tractor	 Hydraulic Rocker Arm	 Double Clutch  CRB	 Water pump Bearing	 HD- EMotor

Industrial Division

35% of total business in CY2022 with 40000+ applications

01

Product spectrum with bearings support and components, contributing to the quality of industrial applications

02

Enhance Schaeffler's wallet share with existing relationships and help add new clients across the value chain

03

Products Spectrum



Angular Contact Ball Bearing



Insulated Coating DGBB2



Tarol2



CRB WO Outer Ring



SRB Rollers



TRB Full Component



DGBB OSD



Tapered Roller Bearing



Housing 2.2504



Insulated Coating DGBB1



Industrials Product Portfolio

Rolling bearings and Plain bearings



Ball Bearings



Roller Bearings



Other Rolling Bearings



Radial Insert Ball Bearing and Housing Units



Bearing Housing



Plain Bearings

Linear guidance systems



Monorail Guidance System



Track Roller Guidance System



Shaft Guidance System



Miniature Plain Guidance System



Miniature Cage Guidance System



Driven Linear Units



Flat Cage Guidance System



Linear Roller Bearings

Maintenance Products



Mounting and Dismounting



Lubrication



Alignment

Schaeffler Lifetime Solutions



Condition Monitoring



Analytical Systems for Conditional Monitoring



Optime

Automotive Aftermarket Division

9% share
of total business

01

Providing services playing an important role in growing reach and connect with mechanics and other influencer groups

02

Intelligent solutions for all light & heavy commercial vehicles, and tractor clutches

03



Light Commercial Vehicles



Intelligent solution for light commercial vehicles



Passenger Cars



Outstanding competence in systems and services



Tractors



Dependable solutions for tractors.



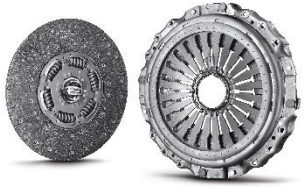
Heavy Commercial Vehicles



Repair solutions for extended service life



Automotive Aftermarket Portfolio



Clutch



FEAD Kit



Bearings



Shock Absorbers



UJ Cross



CJS



Lubricants



Wiper Blades



Oil Immersed Brakes



Powering Puneri Paltan

Continued to maintain our position as 'Power by' sponsor with Puneri Paltan (Pune's team in Pro-Kabaddi League) for the second consecutive year.

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Path to Climate Neutrality

Milestones

Reduce production emissions by three-quarters **by 2025**

Climate Neutral production **by 2030**

Climate Neutral **by 2040**

The base year for all calculations is 2019

Action Fields



Customers and products



Environment and energy



Suppliers and materials



Employees and society



Schaeffler Group ESG Targets | Clear commitment to sustainability



Schaeffler India ESG Targets | Clear commitment to sustainability



Moving towards environment friendly manufacturing

Environmental Impact

950 tons

of packaging material optimized or Converted to Returnable

0.24 MW

Renewable capacity added during 2021

14%

More RE¹ used over 2019

13%

More use of RE¹ from own production/ PPA² over 2019

3%

Water conserved over 2019

550 MW

Energy saved through EEP



1) RE = Renewable Energy. 2) PPA = Power Purchase Agreements

Note : Details for CY 2021

Enabling holistic social development

Social Impact

100% Vaccination of Employees	1.6% Women in Leadership	~48% Reduction in injury rate	91,354 Lives benefitted from CSR
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₹ 107.3 Million
CSR Spend

91,354
Lives impacted

1,074
Volunteered by 96 employees across 21 CSR initiatives



H Healthcare	₹ 19.3 Million Spend	80,000 Lives impacted
O Occupational Skill for better employability	₹ 17.7 Million Spend	854 Youth impacted
P Preservation of national heritage, art and culture	₹ 1.3 Million Spend	
E Empowerment of Society	₹ 44.7 Million CSR Spend	10,500 Lives impacted

Governance framework driven by integrity and accountability

Governance Framework

Our Foundation

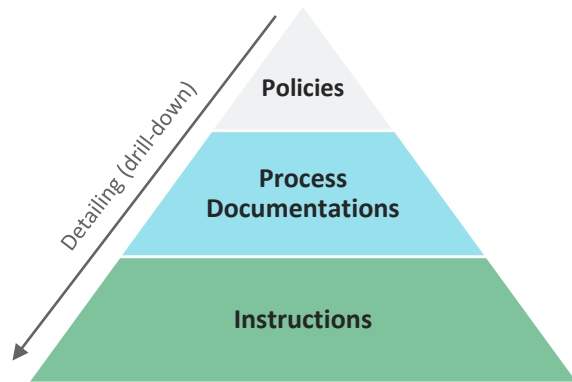
Code of Conduct

Terms of Reference

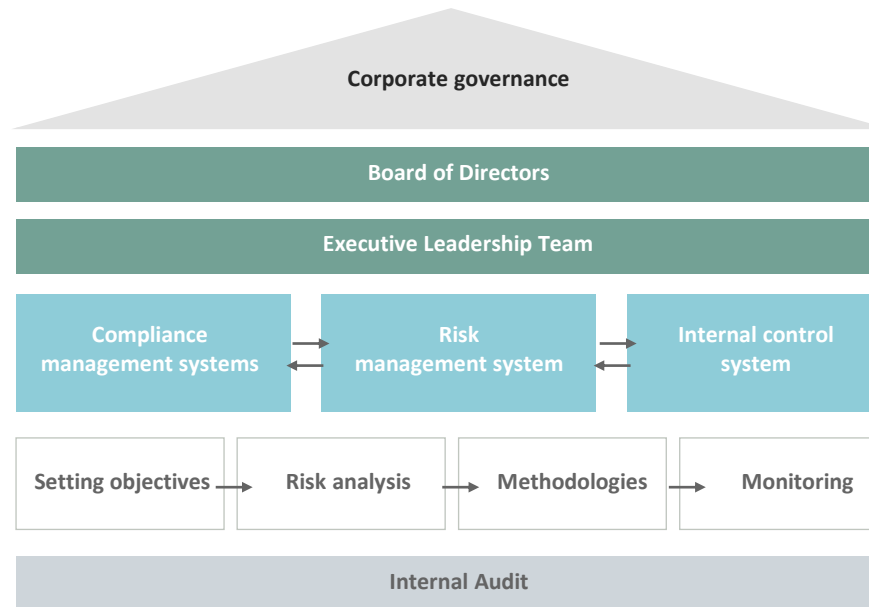
Articles of Association

Strategy and Organization

Management Handbook



Governance Structure



Governance Policies

<https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/>

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Intact long-term growth story



Plan for alignment to Roadmap 2025



We will continue to stay ahead by demonstrating **agility, innovation and efficiency** in all that we do.

Creating an integrated ecosystem



Best-in-class infrastructure for manufacturing, storing and distributing our products

01

In addition to enhancing utilization and making the requisite capacity expansions from time to time, we also strive to achieve higher efficiencies and become a leaner organization

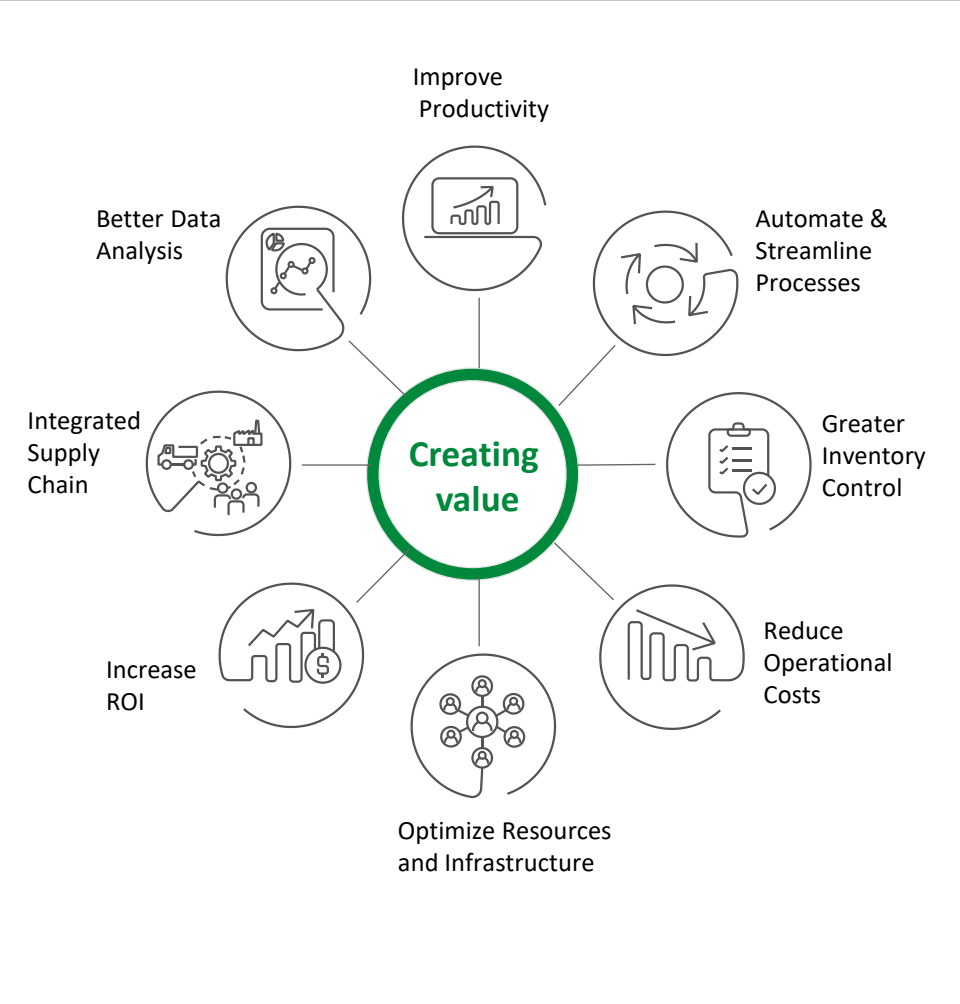
02

Streamlined operations across all our locations to remove duplication and redundancies that came to the fore post the merger

03

Integrated inbound and outbound network via our centralized warehouses

04



Divisional Strategies | Overarching global direction

OUR PURPOSE

We pioneer motion to advance how the world moves



Automotive Technologies

- Engine and Transmission Solutions
- Enhanced bearing technology focus
- E- mobility Solutions R&D focus



Automotive Aftermarket

- Product diversification
- Network expansion and effectiveness
- Core product focus and value add
- Enhanced digital presence



Industrial

- Sectoral Focus
- Network Expansion and Effectiveness
- Product Management & Strategy
- Services Focus & Industry 4.0 solutions

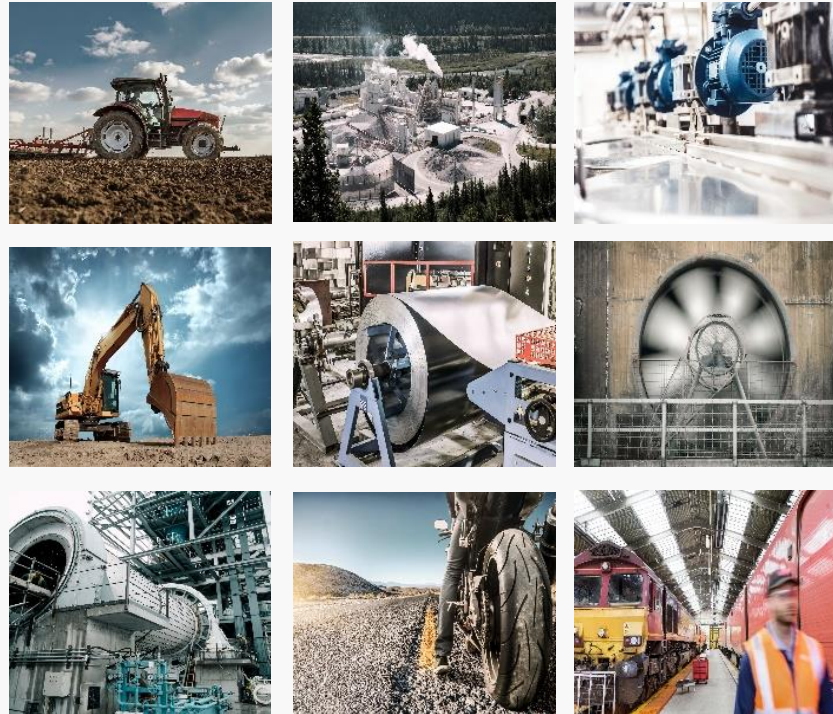
Investing in future

Innovation across all business fields



R&D footprint for conventional as well as new products aimed at **“Closer to customer”**

Exports – Strategic Focus



Capacity expansion and competence development across the value chain aimed at **‘Enhancing Opportunities’**

Leveraging Global E-Mobility solutions



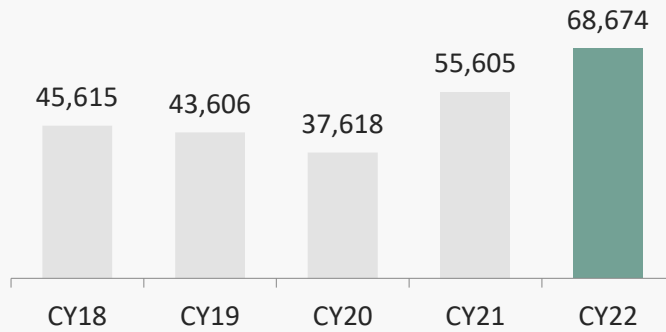
Schaeffler as a **“System Partner”** for sustainable drivetrain solutions

Agenda

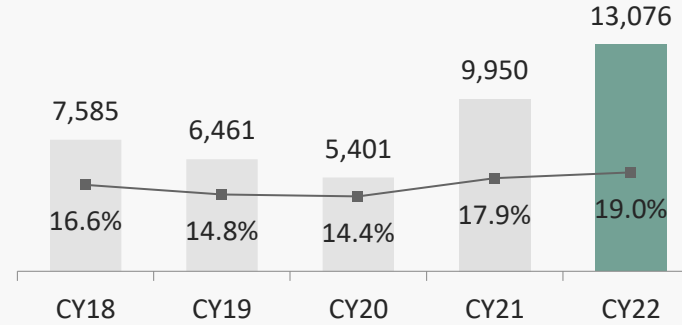
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Delivering consistent performance

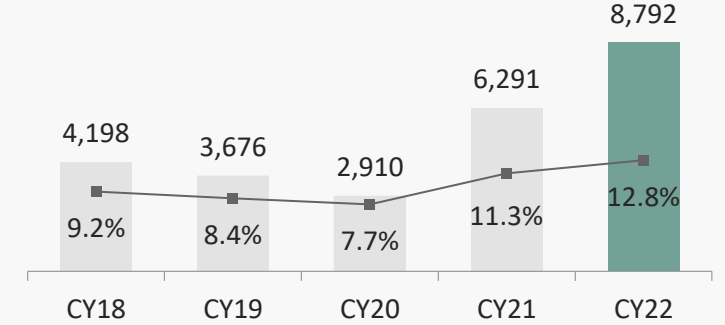
Revenues (INR Mn)



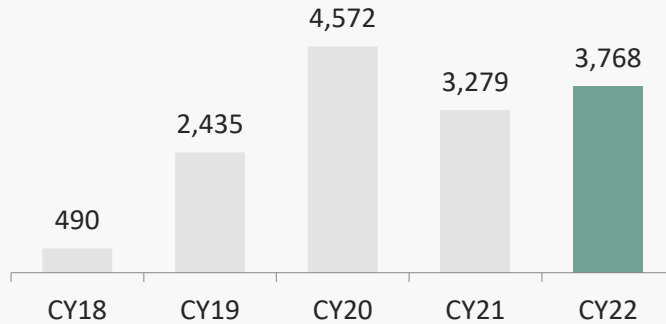
EBITDA & EBITDA Margin (%)



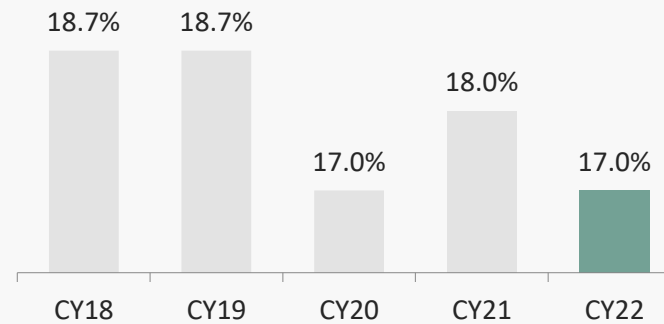
PAT & PAT Margin (%)



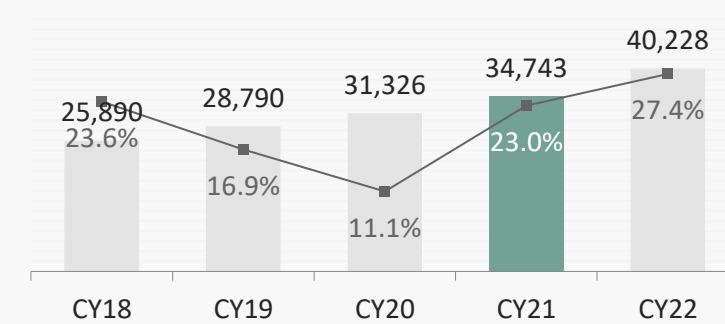
Free Cash Flows (INR Mn)



Working Capital (% to Sales)

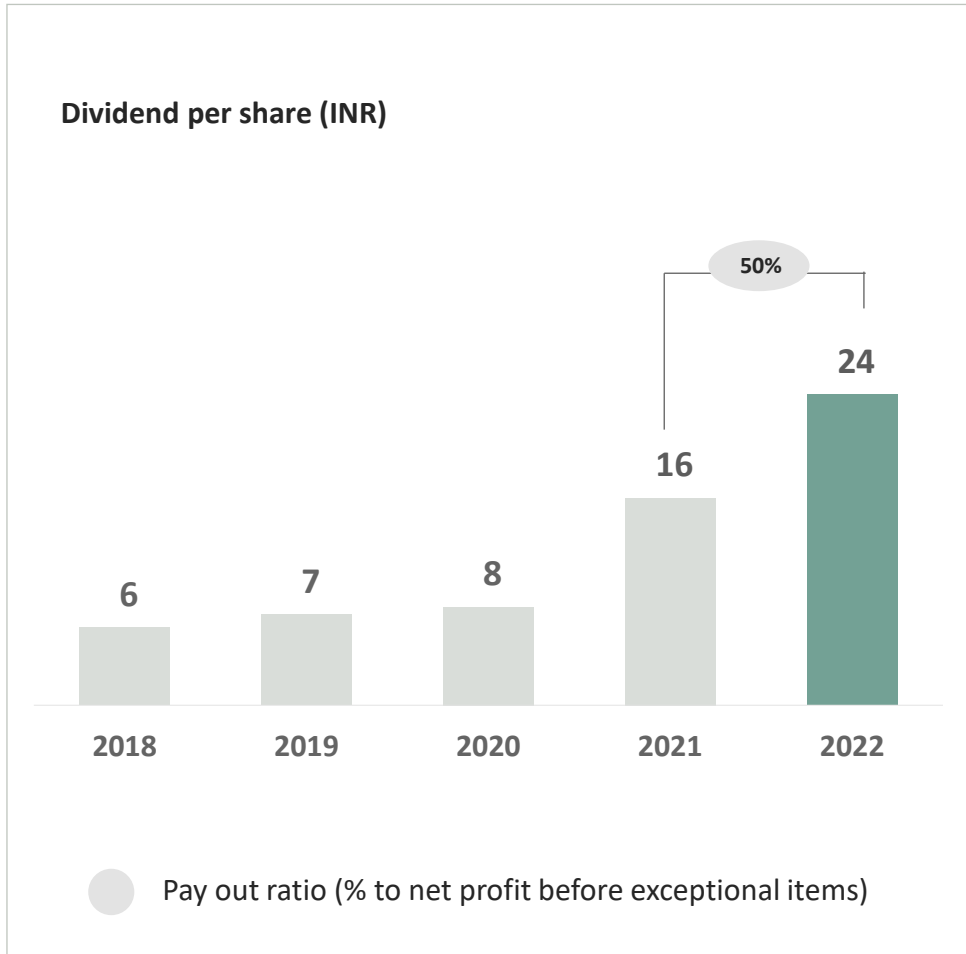


Average Capital Employed & ROCE (%)



*CY17 Numbers are on a proforma basis

Maximizing Shareholder Value



34%
11 yr. CAGR - MCap

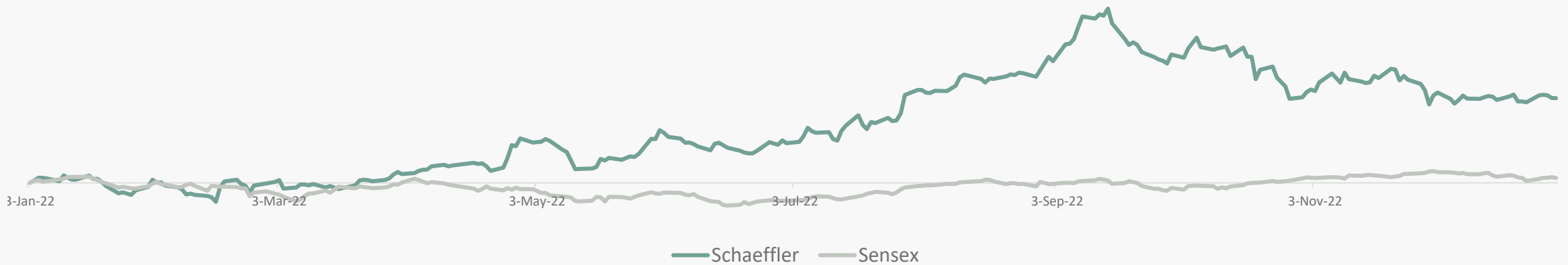
3,751 mn
Dividend Payout

43%
Dividend Payout Ratio

Note: Dividend per share for previous years restated considering face value of INR 2 per equity share for comparable presentation. CY2022 dividend is subject to approval of shareholders

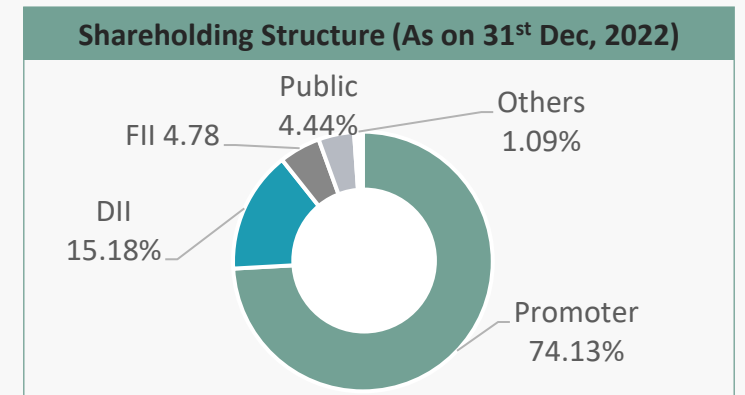
Capital Market Data

1 year stock return (as on 31st Dec, 2022)



Price Data (As on 31 st Dec 2022)	
Face value (INR)	02
Market Price (INR)	2,744.5
52 Week H/L (INR)	3,968.8/ 1,660
Market Cap (INR Mn)	4,28,965.4
Equity Shares Outstanding (Mn)	156.3
1 Year Avg. trading volume ('000)	17.23

Top 5 Shareholders	(% holding)
Kotak Mutual Funds	3.80
SBI Mutual Funds	2.15
UTI Mutual Funds	1.93
Sundaram Mutual Fund	1.01
Vanguard Fund	0.96



Income Statement

Particulars (INR Mn)	CY20	CY21	CY22
Revenue from Operations	37,618	55,605	68,674
Other Income	40	235	133
Expenses	32,257	45,890	55,731
EBITDA	5,401	9,950	13,076
EBITDA Margin (%)	14.4%	17.9%	19.0%
Interest Income	563	489	644
Finance cost	52	37	36
Depreciation and amortization expenses	1,940	1,971	2,065
Exceptional Items	-	-	150
Profit before tax	3,972	8,431	11,770
Tax expense	1,062	2,140	2,978
PAT	2,910	6,291	8,792
PAT Margin (%)	7.7%	11.3%	12.8%
Basic and Diluted EPS (INR)	18.6	40.3	56.3

Note : EPS prior to year 2022 is restated at [Nominal value of share Rs.2 each]

Balance Sheet

Assets (INR Mn)	CY20	CY21	CY22
Non-current Assets			
Property, plant & equipment	9,259	9,960	10,191
Right of use assets	798	725	1,031
Capital work-in-progress	1,604	892	2,493
Other tangible assets	2	12	6
Financial assets		1,252	1,168
Loans	96		
Other financial assets	764		
Deferred tax assets	363	400	384
Non-current tax assets	1,003	913	962
Other non-current assets	481	650	1,124
Total Non-current Assets	14,370	14,805	17,359
Current Assets			
Inventories	7,136	10,865	12,434
Financial assets			
Trade receivables	6,917	8,463	10,324
Cash and cash equivalents	2,108	2,070	1,660
Bank balances other than above	10,351	12,087	13,885
Other financial assets	174	162	309
Other current assets	408	512	948
Total Current Assets	27,144	34,158	39,560
Assets held for sale			349
Total Assets	41,514	48,963	57,267

Equity and Liabilities (INR Mn)	CY20	CY21	CY22
Equity			
Equity share capital	313	313	313
Other equity	31090	36,224	42,546
Total Equity	31,403	36,537	42,859
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Lease liabilities	566	519	474
Other financial liabilities	23	23	20
Provisions	403	12	12
Total Non-current liabilities	992	554	506
Current Liabilities			
Financial Liabilities			
Lease liabilities	85	88	100
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	50	1,342	1,599
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,636	8,303	9,518
Other financial liabilities	980	956	1,345
Other current liabilities	99	313	632
Provisions	256	666	627
Current tax liabilities	13	204	81
Total Current Liabilities	9,119	11,872	13,903
Total Liabilities	10,111	12,426	14,408
Total Equity and Liabilities	41,514	48,963	57,267

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¹ Incorporation date 27th April 1962

Thank you!

For more information Contact:

investorsupport@schaeffler.com