



INVESTOR PRESENTATION  
November 2020



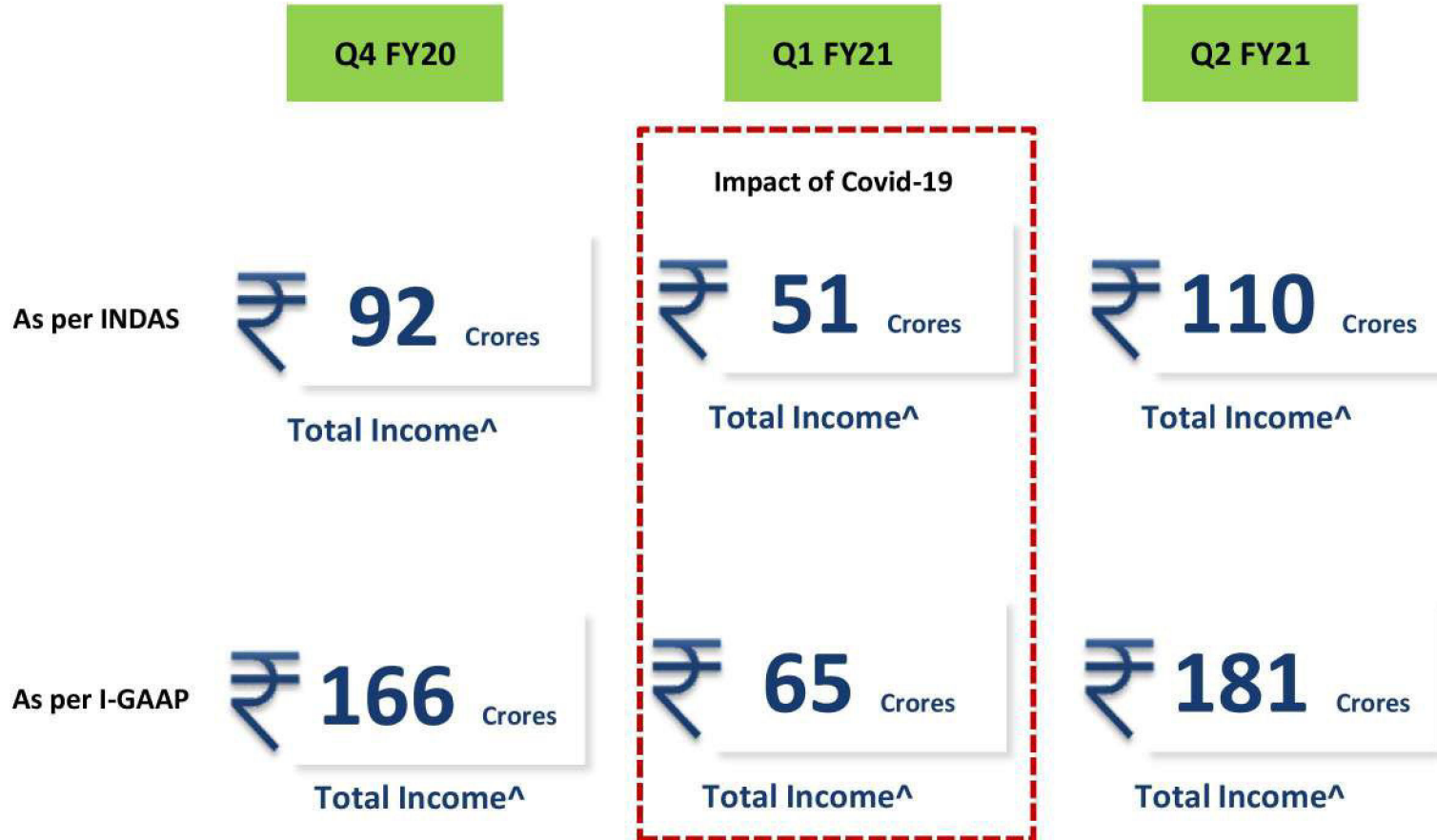
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# Strong Recovery... leading to better growth in H2FY21

## Increasing Momentum



□ Growth momentum to get stronger in H2 FY21

- Execution of healthy orderbook especially with the start of execution for the multi-year USD31mn order
- Execution of new business won for BS-VI compliant Heat Shield products
- Pick up in CV segment
- Development of New technologies and product
- Increased penetration in OEMs

₹ **110** Crores  
Total Income<sup>^</sup>

 **17** Crores  
EBITDA<sup>^</sup>

**15.4** %  
EBITDA Margin

 **10** Crores  
PAT

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

*“The effects of the COVID-19 crisis on the automotive industry are extensive. There has been fundamental change in demand which should not be overlooked by the industry and one has to adapt it so as to capture the market share.*

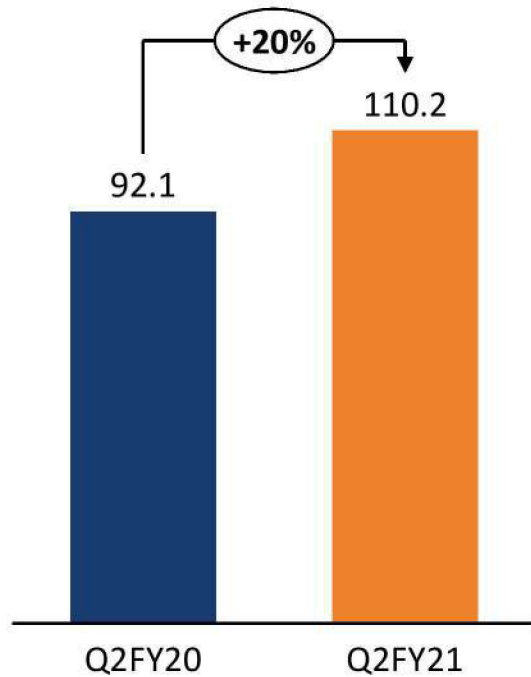
*As we move forward, the auto sector is going through the path of revival and we are not behind the league. **Talbros has reported double digit revenue growth on Y-o-Y basis during current quarter and has more than doubled its Revenue as compared to Q1FY21 with very healthy profitability.***

*The Company has achieved breakthrough by achieving maiden business for BSVI complaint Heat Shield product from two of the largest OEMs in Indian PV market. In the crucial months of lockdown, we have successfully shown our efficiency by reporting positive EBITDA in 1<sup>st</sup> quarter which was rare amongst peers.*

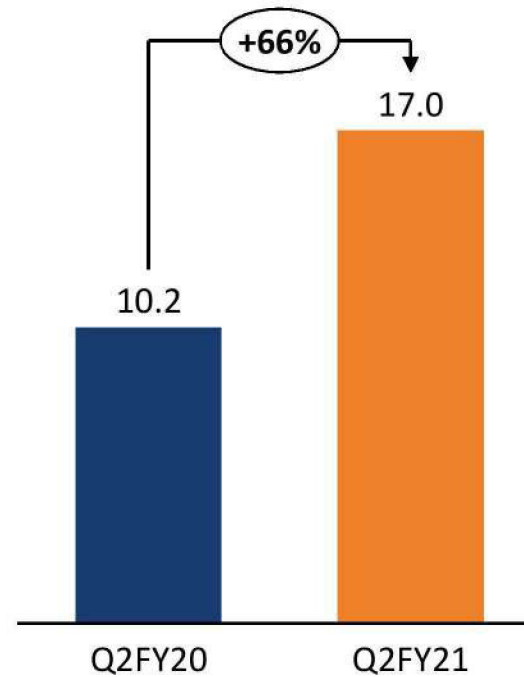
*While we remain confident on the growth momentum for the next few quarters, we expect a partial rollback in cost savings, **however the margins will continue to be healthy as we aim to sweat our asset base.**”*

# Consolidated Q2FY21 Performance Highlights

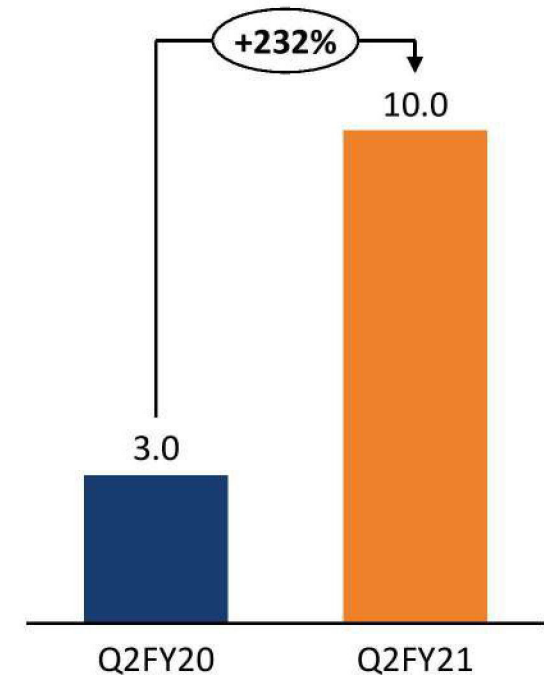
## Total Income from Operations<sup>^</sup>



## EBIDTA<sup>^</sup>



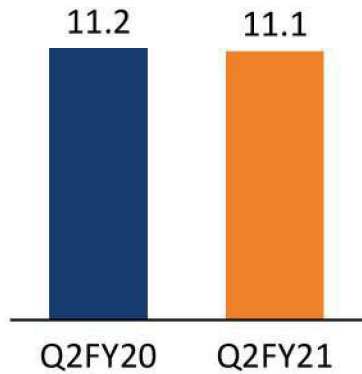
## PAT



# Q2 FY21 JV's Performance Highlights

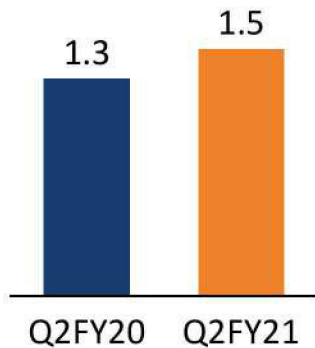
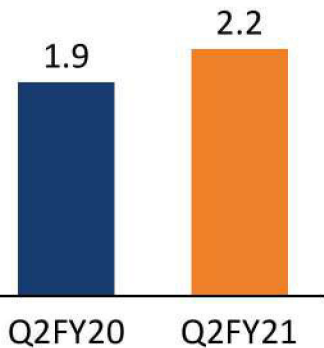
## Nippon Leakless Talbros Pvt Ltd\*

### Total Income from Operations



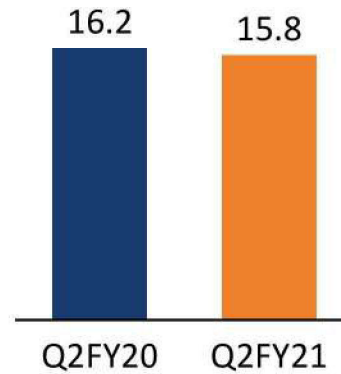
### EBIDTA

### PAT



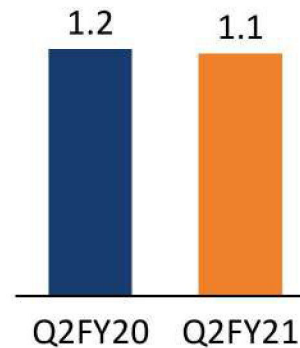
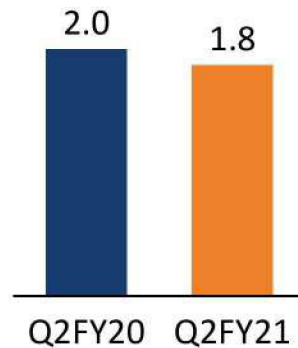
## Magneti Marelli Talbros Chassis Systems Pvt Ltd\*

### Total Income from Operations



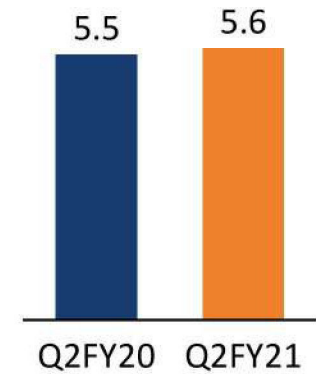
### EBIDTA

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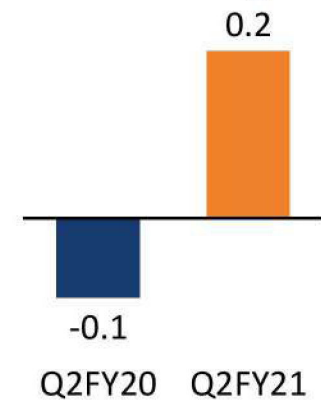
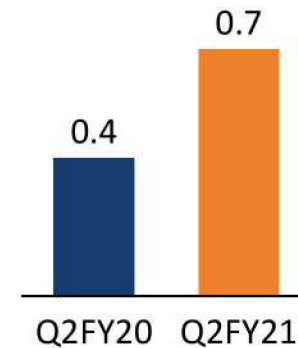
## Talbros Marugo Rubber Pvt Ltd\*

### Total Income from Operations



### EBIDTA

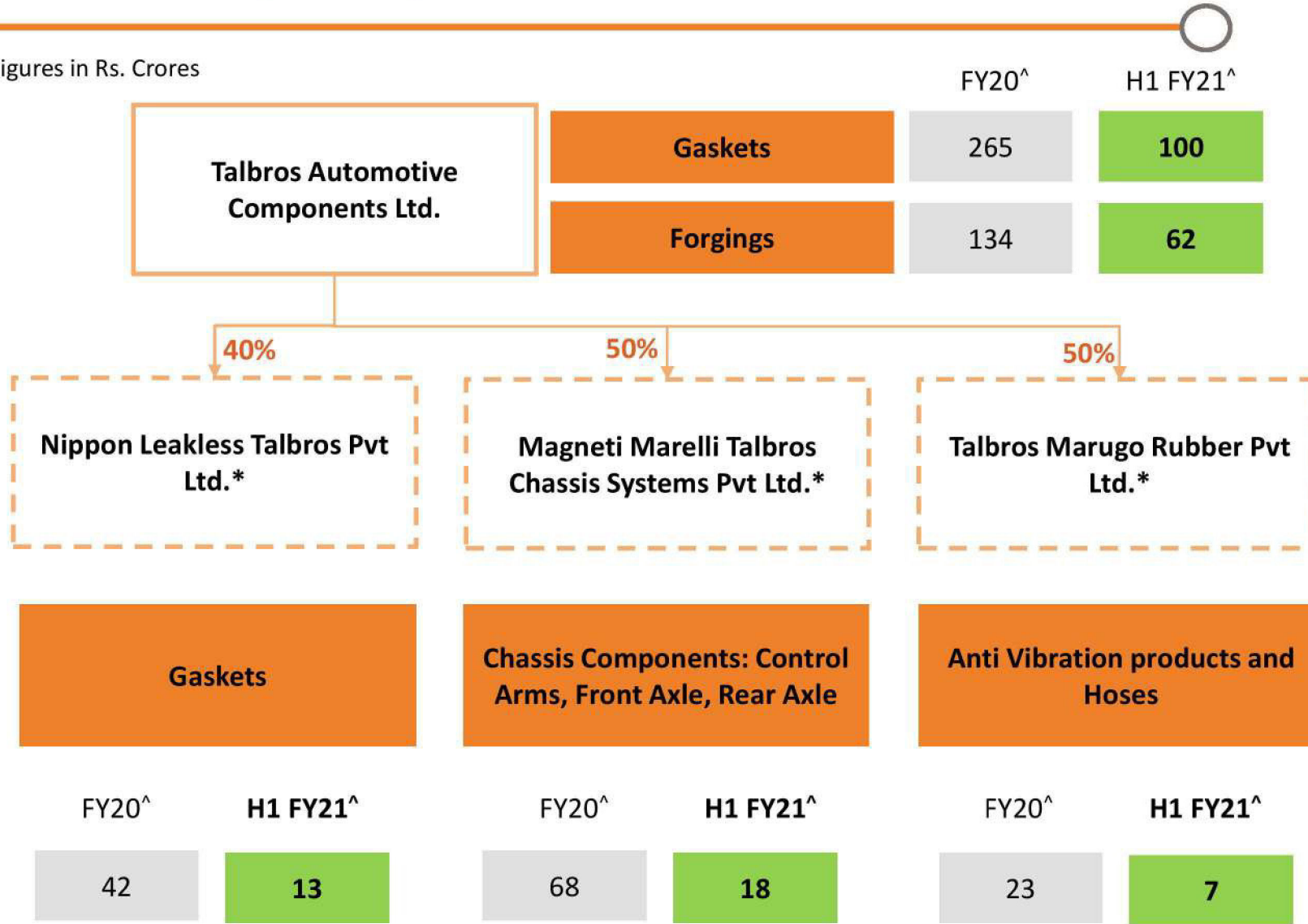
### PAT



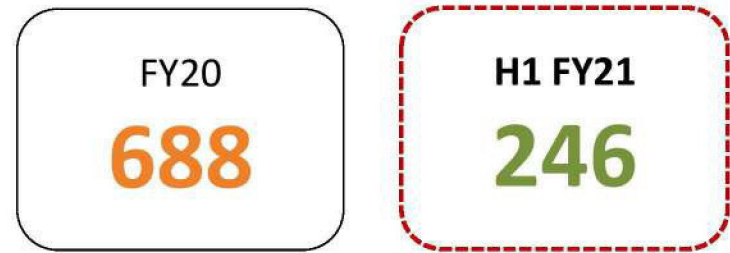
# TACL Group – Corporate Structure



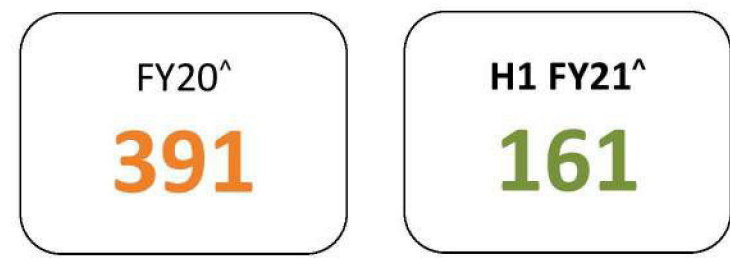
Figures in Rs. Crores



## Group Turnover As per I-GAAP



## Consolidated Revenue As per IND-AS



\*Proportionate share of the JV's

<sup>^</sup>Includes other income

JV's

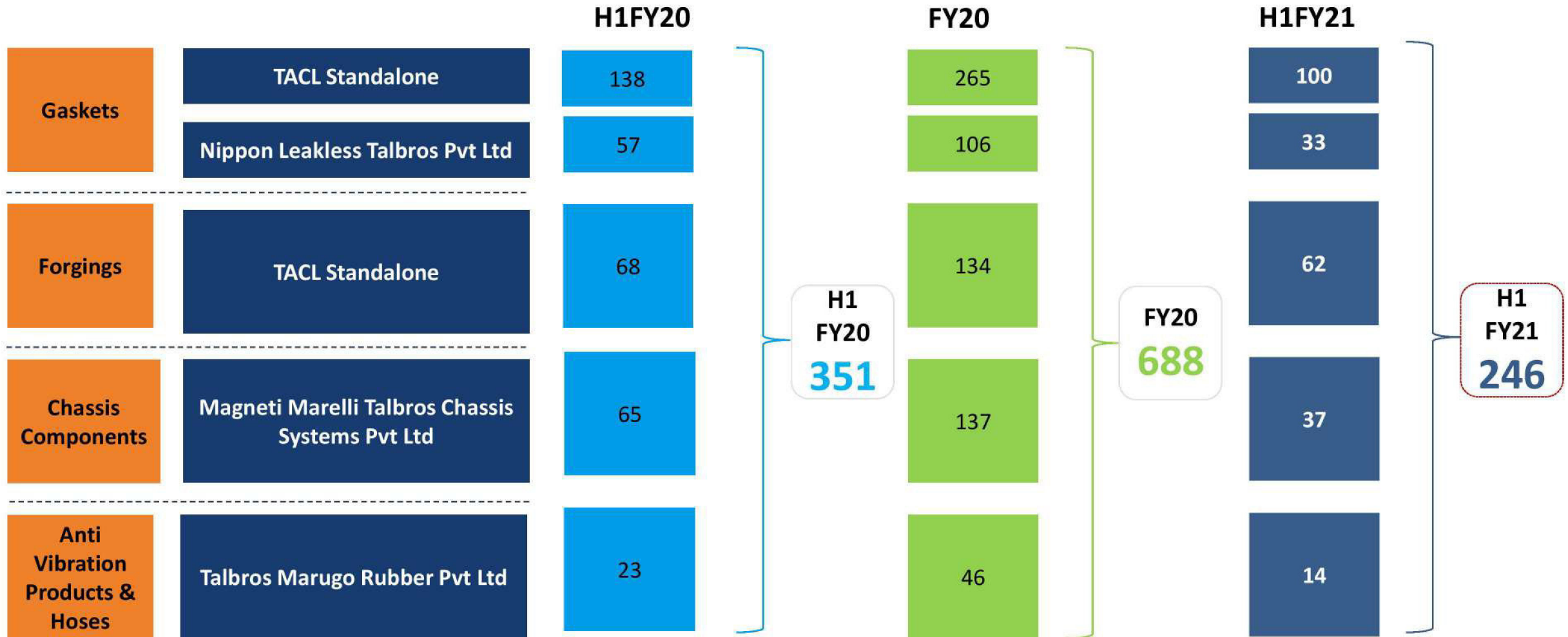
# Talbro Automotive Components Ltd (TACL) - Group



## Product Portfolio

## Entities

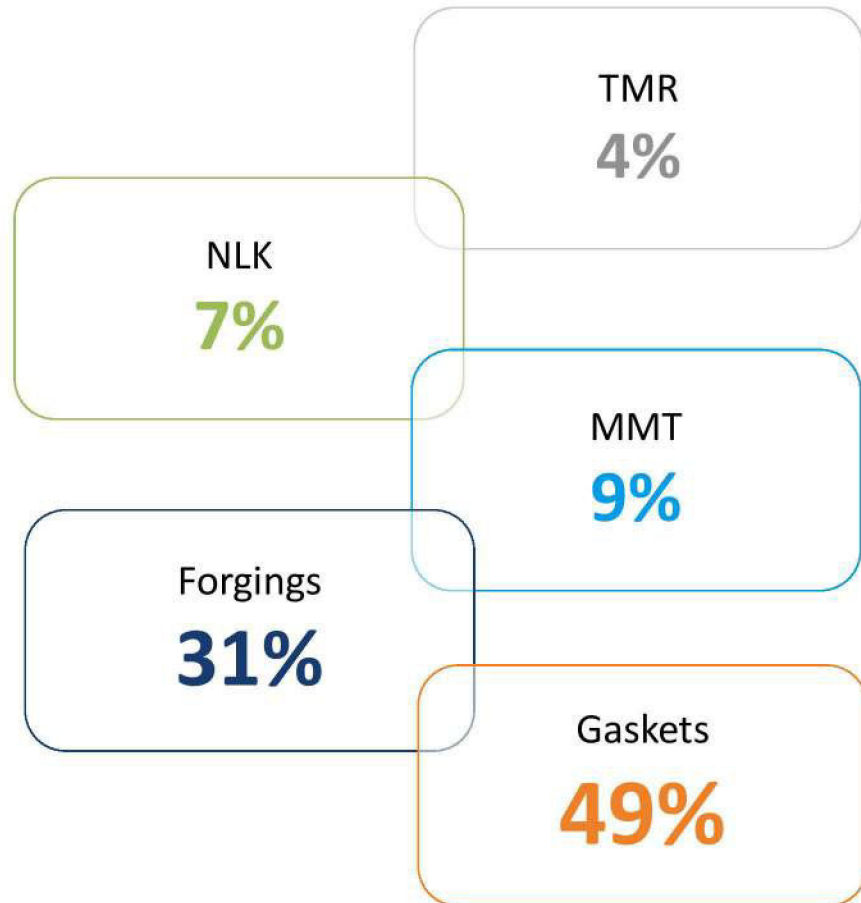
## TACL Group Turnover\*(Rs. Crs)



\* Includes other income As per I-GAAP



## H1 FY21 - Revenue Contribution



## Segments

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

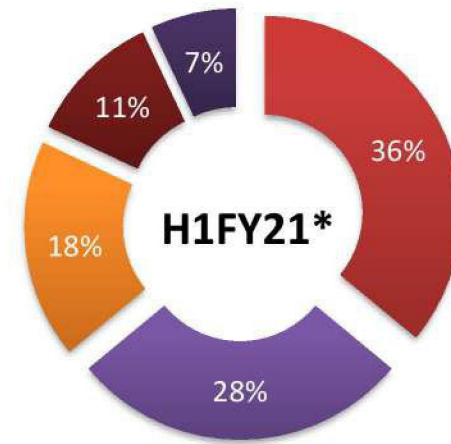
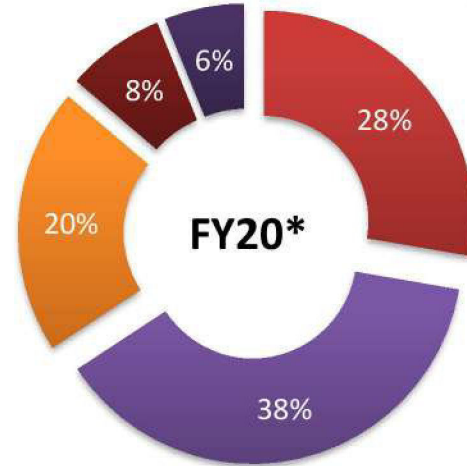
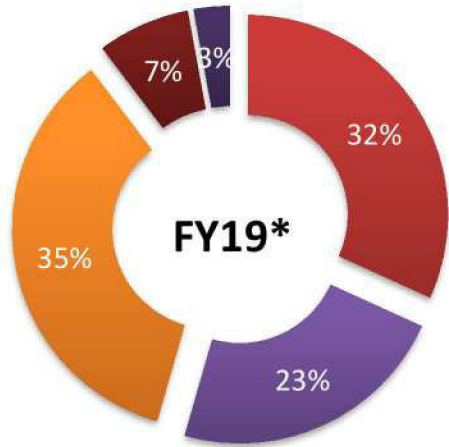
## Product Portfolio

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

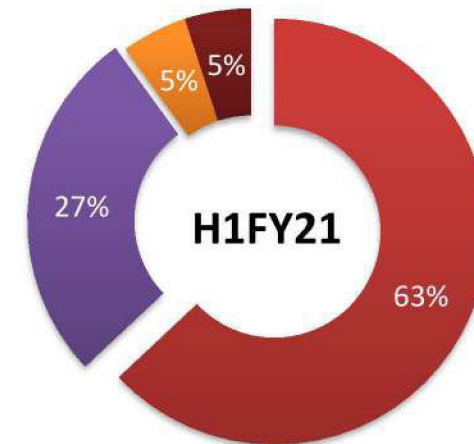
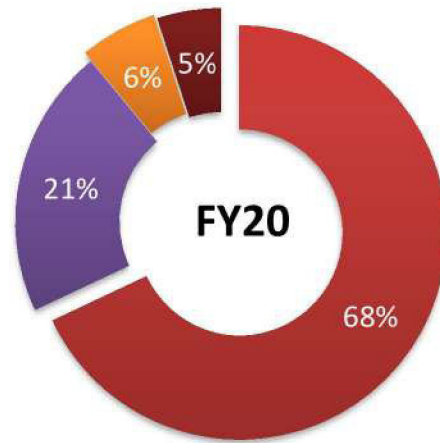
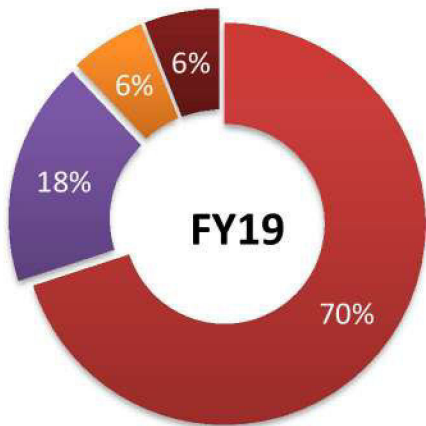
## Market Exposure

- OEMs
- After Market
- Exports
- Others

# Across varied segments...



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

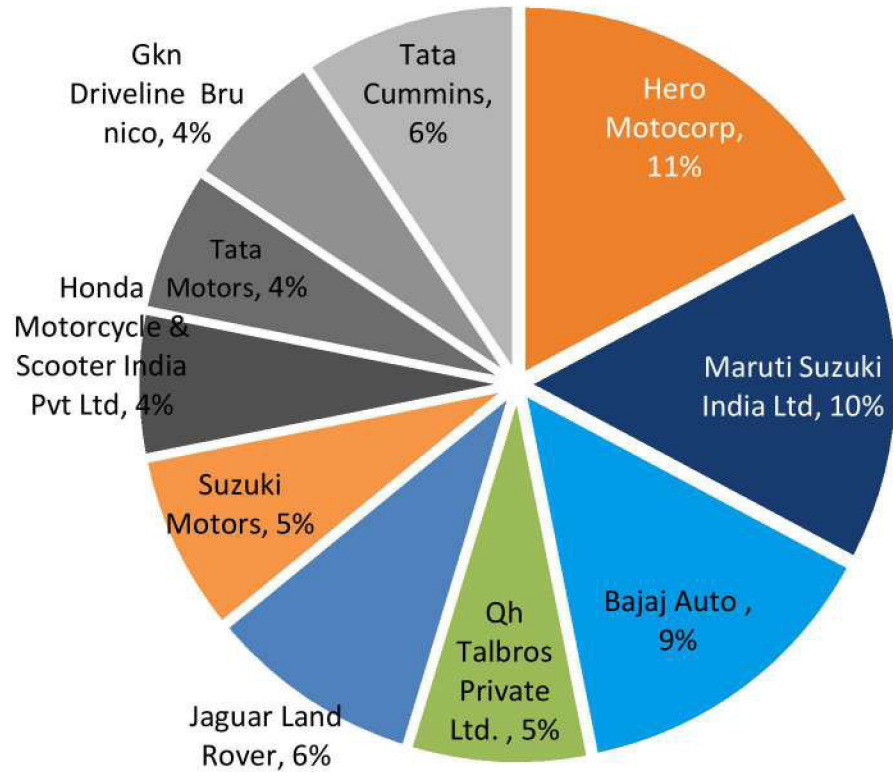


■ OEM    
 ■ Exports    
 ■ After Market    
 ■ Others

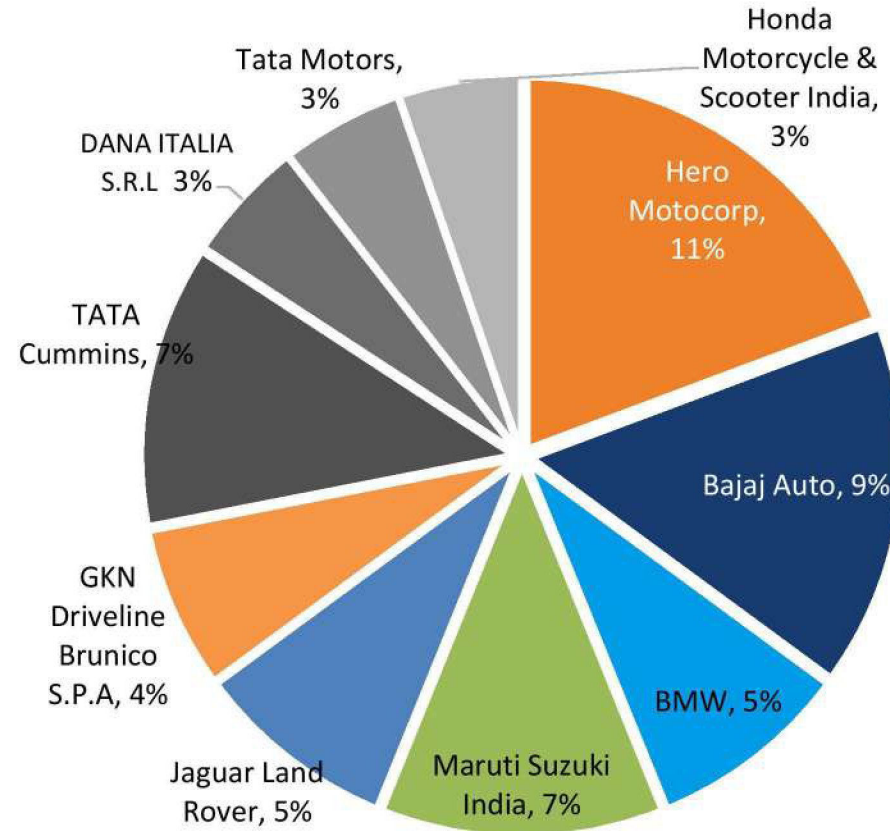
\*Domestic Breakup

# Having Diversified Customer base - Top 10 Customers

**FY20 – Rs. 688 Cr.^**



**H1FY21 – Rs. 246 Cr.^**



^ Includes Full JV numbers

# New Order Wins provide long term visibility

## Order Inflow



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”*

# Q2 & H1 FY21 Consolidated Profit & Loss Statement

Particulars (Rs. In crores)	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y
Revenue from Operations	108.3	90.7	19.3%	157.0	198.2	-20.8%
Other Income	2.0	1.3		3.7	2.9	
<b>Total revenue from Operation</b>	<b>110.2</b>	<b>92.1</b>	<b>19.7%</b>	<b>160.7</b>	<b>201.2</b>	<b>-20.1%</b>
Raw Material	57.4	49.0		85.8	107.7	
Employee Cost	12.6	14.1		22.1	28.8	
Other Expenses	23.1	18.7		34.0	42.1	
<b>EBITDA</b>	<b>17.0</b>	<b>10.2</b>	<b>66.7%</b>	<b>18.9</b>	<b>22.5</b>	<b>-16.3%</b>
<b>EBITDA Margin</b>	<b>15.5%</b>	<b>11.1%</b>		<b>11.7%</b>	<b>11.2%</b>	
Depreciation	6.0	4.8	0.0	10.5	9.4	0.0
<b>EBIT</b>	<b>11.1</b>	<b>5.4</b>	<b>104.9%</b>	<b>8.3</b>	<b>13.1</b>	<b>-36.4%</b>
<b>EBIT Margin</b>	<b>10.0%</b>	<b>5.9%</b>		<b>5.2%</b>	<b>6.5%</b>	
Finance cost	3.4	4.1	0.0	7.1	8.2	0.0
<b>Profit before Exceptional items &amp; share of profit/loss from JVs</b>	<b>7.7</b>	<b>1.3</b>	<b>510.4%</b>	<b>1.2</b>	<b>4.9</b>	<b>-75.2%</b>
Exceptional items	0.0			0.0		
Share of Profit from JVs	2.8	2.1	0.0	0.2	4.1	0.0
<b>Profit before Tax</b>	<b>10.5</b>	<b>3.4</b>	<b>210.1%</b>	<b>1.4</b>	<b>9.0</b>	<b>-84.7%</b>
Tax	0.5	0.4	0.0	0.2	1.4	0.0
<b>PAT</b>	<b>10.0</b>	<b>3.0</b>	<b>232.7%</b>	<b>1.1</b>	<b>7.6</b>	<b>-85.0%</b>
<b>PAT Margin %</b>	<b>9.1%</b>	<b>3.3%</b>		<b>0.7%</b>	<b>3.8%</b>	

# H1 FY21 Consolidated Balance Sheet

ASSETS	Sep-20	Mar-20
<b>Non-current assets</b>		
Property, plant and equipment	145.4	149.2
Capital work in progress	1.4	0.6
Investment property	2.8	2.9
Intangible assets	1.0	1.3
Intangible assets under development	0.2	0.2
Investments accounted for using the equity method	46.2	46.1
<b>Financial assets</b>		
Investments	12.3	6.7
Loans	1.5	1.5
Other financial assets	0.5	0.3
Non-Current tax assets (Net)	2.3	2.4
Other non-current assets	5.9	3.6
<b>Sub-total - Non-Current Assets</b>	<b>219.5</b>	<b>215.0</b>
<b>Current assets</b>		
Inventories	97.4	107.9
<b>Financial assets</b>		
Trade receivables	125.5	125.2
Cash and cash equivalents	4.9	3.7
Bank balances other than Cash and Cash equivalents	4.7	3.9
Loans	5.8	5.7
Other financial assets	1.8	1.4
Other current assets	17.3	17.0
<b>Sub-total - Current Assets</b>	<b>257.5</b>	<b>264.9</b>
<b>TOTAL - ASSETS</b>	<b>477.1</b>	<b>479.9</b>

EQUITY AND LIABILITIES	Sep-20	Mar-20
<b>Equity</b>		
Equity Share capital	12.3	12.3
Other equity	190.3	185.6
<b>Sub-total - Shareholders' funds</b>	<b>202.7</b>	<b>197.9</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	22.8	20.1
Other financial liabilities	0.5	0.3
Provisions	2.7	3.1
Deferred tax liabilities (net)	3.7	2.9
Other non-current liabilities	0.5	1.0
<b>Sub-total - Non-current liabilities</b>	<b>30.3</b>	<b>27.4</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	100.5	121.1
Trade payables	108.8	105.6
Other financial liabilities	28.2	20.4
Other current liabilities	5.7	6.5
Provisions	0.8	0.9
Current tax liabilities (net)	0.0	0.0
<b>Sub-total - Current liabilities</b>	<b>244.0</b>	<b>254.5</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>477.1</b>	<b>479.9</b>

# H1 FY21 Consolidated Cash Flow Statement

Particulars (Rs in Cr)	H1 FY21	H1 FY20
<b>PBT</b>	<b>1.4</b>	<b>9.0</b>
Adjustments	16.0	13.0
<b>Operating profit before working capital changes</b>	<b>17.4</b>	<b>22.1</b>
Changes in working capital	11.7	-9.8
<b>Cash generated from operations</b>	<b>29.1</b>	<b>12.3</b>
Direct taxes paid (net of refund)	-0.7	-1.5
<b>Net Cash from Operating Activities</b>	<b>28.5</b>	<b>10.8</b>
<b>Net Cash from Investing Activities</b>	<b>-8.8</b>	<b>-13.2</b>
<b>Net Cash from Financing Activities</b>	<b>-18.5</b>	<b>1.3</b>
<b>Net Change in cash and cash equivalents</b>	<b>1.2</b>	<b>-1.1</b>
Opening Cash Balance	3.7	2.3
<b>Closing Cash Balance</b>	<b>4.9</b>	<b>1.2</b>

# Q2 & H1 FY21 Standalone Profit & Loss Statement

Particulars (Rs. In crores)	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y
<b>Revenue from Operations (Net of Excise)</b>	<b>108.3</b>	<b>90.7</b>	<b>19.3%</b>	<b>157.0</b>	<b>198.2</b>	<b>-20.8%</b>
Other Income	2.0	2.5		3.7	4.1	
<b>Total revenue from Operation</b>	<b>110.2</b>	<b>93.3</b>	<b>18.1%</b>	<b>160.7</b>	<b>202.4</b>	<b>-20.6%</b>
Raw Material	57.4	49.0		85.8	107.7	
Employee Cost	12.6	14.1		22.1	28.8	
Other Expenses	23.1	18.7		34.0	42.1	
<b>EBITDA</b>	<b>17.0</b>	<b>11.4</b>	<b>49.2%</b>	<b>18.9</b>	<b>23.7</b>	<b>-20.5%</b>
<b>EBITDA Margin</b>	<b>15.5%</b>	<b>12.2%</b>		<b>11.7%</b>	<b>11.7%</b>	
Depreciation	6.0	4.8		10.5	9.4	
<b>EBIT</b>	<b>11.1</b>	<b>6.6</b>	<b>67.6%</b>	<b>8.3</b>	<b>14.3</b>	<b>-41.7%</b>
<b>EBIT Margin</b>	<b>10.0%</b>	<b>7.1%</b>		<b>5.2%</b>	<b>7.1%</b>	
Finance cost	3.4	4.1		7.1	8.2	
<b>Profit before Exceptional items</b>	<b>7.7</b>	<b>2.5</b>	<b>212.9%</b>	<b>1.2</b>	<b>6.1</b>	<b>-80.1%</b>
Exceptional items	0.0	0.0		0.0	0.0	
<b>PBT</b>	<b>7.7</b>	<b>2.5</b>	<b>212.9%</b>	<b>1.2</b>	<b>6.1</b>	<b>-80.1%</b>
Tax	0.5	0.4		0.2	1.4	
<b>PAT</b>	<b>7.2</b>	<b>2.1</b>	<b>246.3%</b>	<b>1.0</b>	<b>4.7</b>	<b>-79.1%</b>
<b>PAT Margin %</b>	<b>6.5%</b>	<b>2.2%</b>		<b>0.6%</b>	<b>2.3%</b>	



# H1 FY21 Standalone Balance Sheet

ASSETS (Rs in Cr)	Sep-20	Mar-20
<b>Non-current assets</b>		
Property, plant and equipment	145.4	149.2
Capital work in progress	1.4	0.6
Investment property	2.8	2.9
Intangible assets	1.0	1.3
Intangible assets under development	0.2	0.2
<b>Financial assets</b>		
Investments	38.3	32.8
Loans	1.5	1.5
Other Financial Assets	0.5	0.3
Current tax assets (Net)	2.3	2.4
Other non-current assets	5.9	3.6
<b>Sub-total - Non-Current Assets</b>	<b>199.4</b>	<b>194.9</b>
<b>Current assets</b>		
Inventories	97.4	107.9
<b>Financial assets</b>		
Trade receivables	125.5	125.2
Cash and cash equivalents	4.9	3.7
Bank balances other than Cash and Cash equivalents	4.7	3.9
Loans	5.8	5.7
Other financial assets	1.8	1.4
Other current assets	17.3	17.0
<b>Sub-total - Current Assets</b>	<b>257.5</b>	<b>264.9</b>
<b>TOTAL - ASSETS</b>	<b>456.9</b>	<b>459.8</b>

EQUITY AND LIABILITIES (Rs in Cr)	Sep-20	Mar-20
<b>Equity</b>		
Equity Share capital	12.3	12.3
Other equity	170.2	165.6
<b>Sub-total - Shareholders' funds</b>	<b>182.5</b>	<b>177.9</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	22.8	20.1
Other financial liabilities	0.5	0.3
Provisions	2.7	3.1
Deferred tax liabilities (net)	3.7	2.9
Other non-current liabilities	0.5	1.0
<b>Sub-total - Non-current liabilities</b>	<b>30.3</b>	<b>27.4</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	100.5	121.1
Trade payables	108.8	105.6
Other financial liabilities	28.2	20.4
Other current liabilities	5.7	6.5
Provisions	0.8	0.9
Current tax liabilities (net)	0.0	0.0
<b>Sub-total - Current liabilities</b>	<b>244.0</b>	<b>254.5</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>456.9</b>	<b>459.8</b>

As per Ind AS

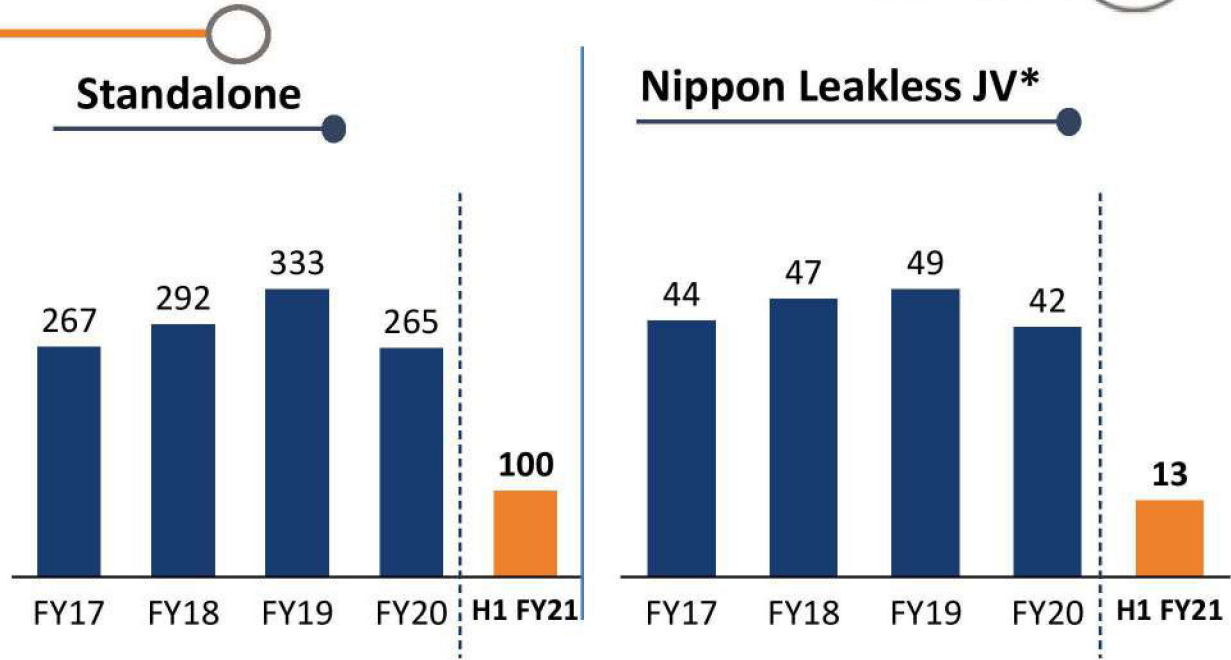
## Q2 & H1 FY21 Standalone Cash Flow Statement

Particulars (Rs in Cr)	H1 FY21	H1 FY20
<b>PBT</b>	1.2	6.1
Adjustments	16.2	15.9
<b>Operating profit before working capital changes</b>	<b>17.4</b>	<b>22.1</b>
Changes in working capital	11.7	-9.8
<b>Cash generated from operations</b>	<b>29.1</b>	<b>12.3</b>
Direct taxes paid (net of refund)	-0.7	-1.5
<b>Net Cash from Operating Activities</b>	<b>28.5</b>	<b>10.8</b>
<b>Net Cash from Investing Activities</b>	<b>-8.8</b>	<b>-13.2</b>
<b>Net Cash from Financing Activities</b>	<b>-18.5</b>	<b>1.3</b>
<b>Net Change in cash and cash equivalents</b>	<b>1.2</b>	<b>-1.1</b>
Opening Cash Balance	3.7	2.3
<b>Closing Cash Balance</b>	<b>4.9</b>	<b>1.2</b>

# Business Confirmations & Strategy

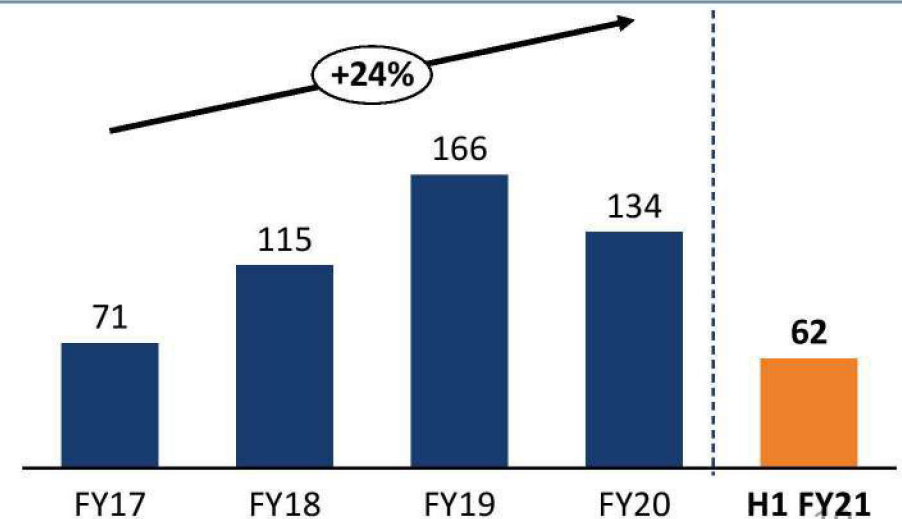
## Gaskets

- **New Orders:**
  - Order worth **Rs. 7 Cr p.a.** each for BS VI compliant Heat Shield product from two largest OEMs, supplies will start from FY22
- **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 commenced from Q1FY21**
- **Started supplying BS VI compliant Gaskets to Hero, Honda** from our JV Nippon Leakless Talbros



## 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
- Currently, this segment is gaining momentum in both Domestic and overseas market

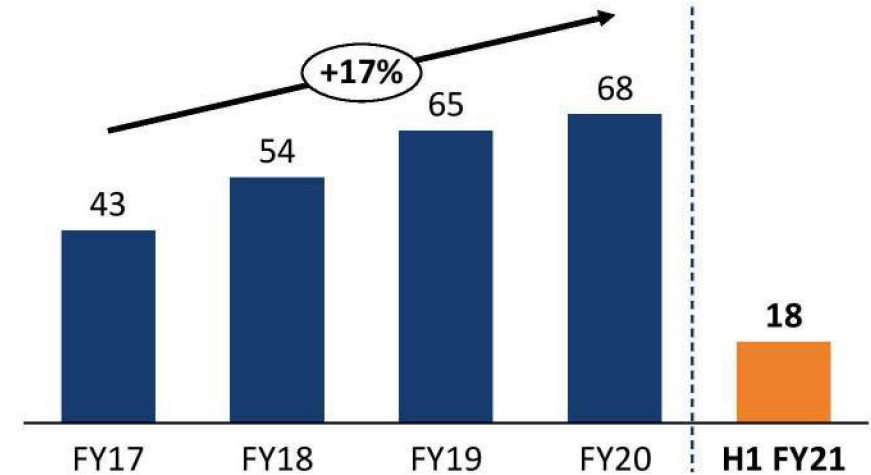


\*Proportionate share of JV Revenue has been considered

## Magneti Marelli Talbros Chassis Systems Pvt Ltd (MMT)\*

### Orders received in the past:

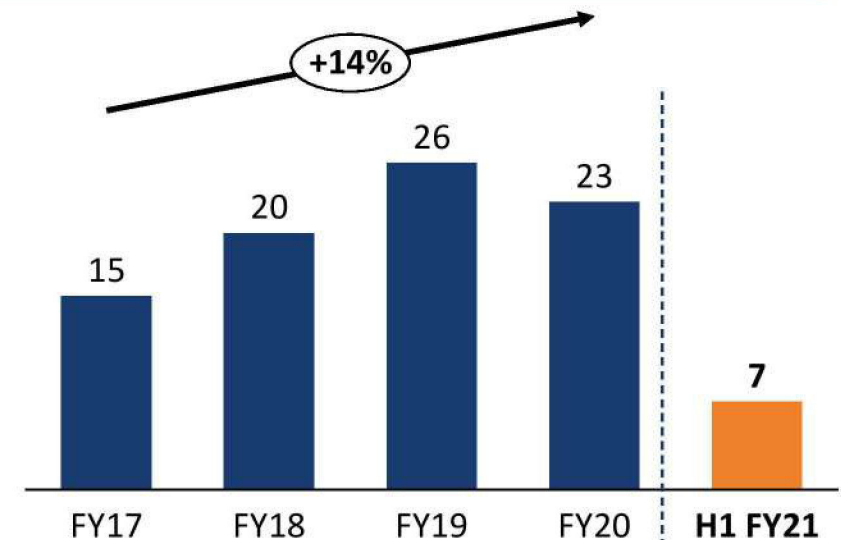
- Order worth **Rs. 5 Mn** from a **European car manufacturer** for supplying **EPP Support Bracket**
- From a Domestic OEM for Lower Control Arm worth Rs. 10 Crs p.a. From an OEM in UK worth ~Rs. 35+ Crores p.a.
- From Maruti Suzuki to supply Control Arm Assemblies for Front Suspension, with an Estimated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