Investor Presentation

June 2017

Stock Codes: BSE: 504973 NSE: TUBEINVEST Bloomberg: TI IN / TI IB Reuters: TUBE.NS / TUBE.BO
CIN: L35921TN1949PLC002905

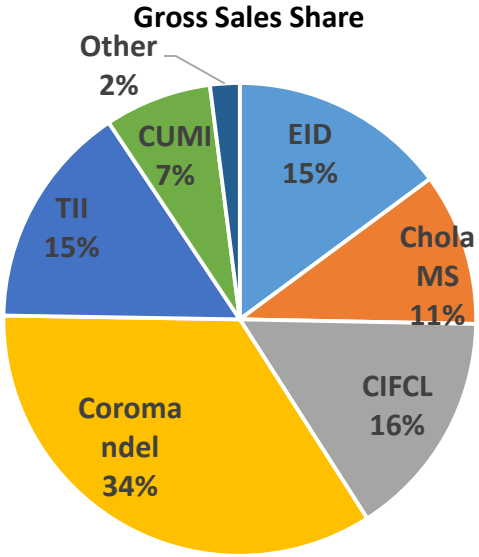
murugappa

Tube Investments of India Limited

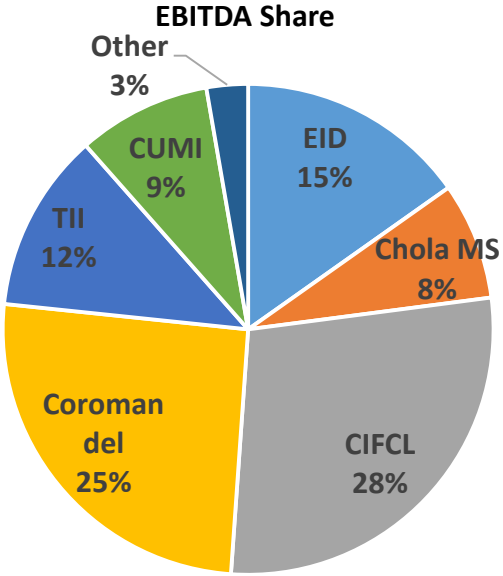
Index

Table of Contents	Page No
Corporate Profile	3
Manufacturing Businesses	
• Engineering	20
• Cycles and Accessories	31
• Metal formed products	44
• Gears and Gear Products – Shanthi Gears Limited	62
Financial Service Businesses	
• Cholamandalam Investment and Finance Company Limited	72
• Cholamandalam MS General Insurance Company Limited	73

Murugappa Group and Philosophy



FY 2016-17



FY 2016-17

Company Name	Market Capitalisation	Description
Chola	INR 1,50,722 Mn. (USD 2,325 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 1,17,652 Mn. (USD 1,815 mn)	Tube Investments of India Limited offers wide range of engineering products such as Steel Tubes, Chains, Car door frames, Fitness equipment and Cycles
Coromandel	INR 91,234 Mn. (USD 1,407 mn)	Coromandel International Limited is the second largest phosphatic fertilizer company in India
PARRYS	INR 49,839 Mn. (USD 769 mn)	EID Parry (India) Limited, one of the largest player in the market, offering wide range of agro products such as sugar, microalgal health supplements and bio products
CUMI	INR 54,900 Mn. (USD 847 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 31st March 2017. Source: BSE Sensex and Conversion Rate of 1USD = Rs.64.8386 as on 31st March 2017 Source: RBI

PARRY AGRO · Parryinfra · PARRY ENTERPRISES · Morgan ThermalCeramics INDIA · KADAMANE · COROMANDEL 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

TII Milestones

1949	• TI Cycles setup with BSA and Hercules Brands
1955	• Entered Precision tubes with incorporation of Tube Products of India
1960	• Entered Chains business with incorporation of **TI Diamond Chains Limited**
1965	• TI Metal Forming setup
1978	• Promoted **Cholamandalam Investment and Finance Company Ltd**
1985	• Indigenously manufactured 100 CC bike chain

Chola
Enter a better life

TII Milestones

2001

- Promoted **Cholamandalam MS General Insurance** along with JV Partner **Mitsui Sumitomo Insurance**, Japan

2010

- Acquired **SEDIS, France**

2012

- Acquired **Shanthi Gears Ltd,** a listed Company

2014

- Entered into Large Dia Tube manufacturing
- Promoted **TI Tsubamex Pvt Ltd** along with JV Partner **Tsubamex Company**, Japan

2016

- TI sold 14% stake in Cholamandalam MS General Insurance Company to JV Partner, Mitsui Sumitomo Insurance
- Investment in TI Absolute Concepts Pvt Ltd with Ciclo Café brand, a bicycle theme based restaurant and retail
- Board approves Demerger proposal to segregate manufacturing and financial services businesses

List of Subsidiaries and Joint Ventures

figures in INR Mn.

Company	Nature of Business	% Shareholding	FY 2016-17	
			Total Income	PAT
Financiere C10 SAS (FC 10)	Manufacturing of Chains	100%	2,323	12
Shanthi Gears Limited (SGL)	Manufacturing of Gears	70.1%	2,146	225
TI Tsubamex Private Limited (TTPL)	Design and Manufacturing of Dies	75%	52	(63)
TI Absolute Concepts Private Limited (TIACPL)	Bicycle Theme Based Restaurant & Retail	50%	27	(54)
Cholamandalam MS Risk Services Limited (CMSRSL)	Risk services	49.5%	366	17
Cholamandalam Investment and Finance Company Limited (CIFCL)	Financial Services	46.2%	46,922	7,980
Cholamandalam MS General Insurance Company Limited (CMSGICL)	General Insurance Business	60%	27,624	2,084
TI Financial Holdings Limited (TIFHL)	-	100%	-	-

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

Investments in Financial Services

- Cholamandalam Finance (46.2%)
- Cholamandalam MS Insurance (60%)
- Cholamandalam MS Risk Services (49.5%)

Key Financials (TII Consolidated) – IND AS			
INR Mn.	**2016-17**	**2015-16**	**% Gr**
Revenue from Operations	115,206	103,241	12%
EBITDA	19,606	17,767	11%
PBIT	17,838	16,203	10%
PBT (Before Exceptional Items)	17,033	14,809	15%
Exceptional Items	0	(358)	
PBT (After Exceptional Items)	17,033	14,451	18%
Net Profit	11,751	7,887	49%

TII Standalone – As per IND AS			
INR Mn.	**2016-17**	**2015-16**	**% Gr**
Revenue	42,078	40,414	4%
EBITDA	3,601	3,503	3%
PBIT (Before Exceptional Items)	3,099	2,757	12%
Exceptional Items	0	7,850	
PBIT (After Exceptional Items)	3,099	10,607	-71%
Net Profit	1,962	7309	-73%

TII (Standalone) Businesses

Engineering

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

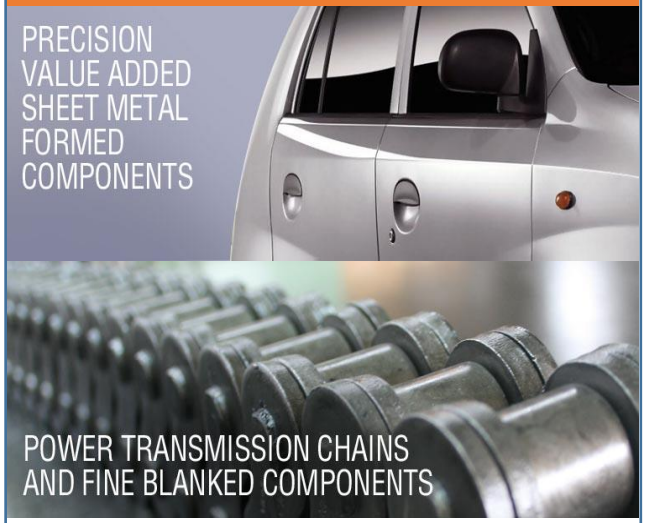
Largest Supplier of Precision Steel Tubes (CDW)

Cycles and Accessories

Bicycles,
fitness products and
accessories

Second largest bicycle producer in India

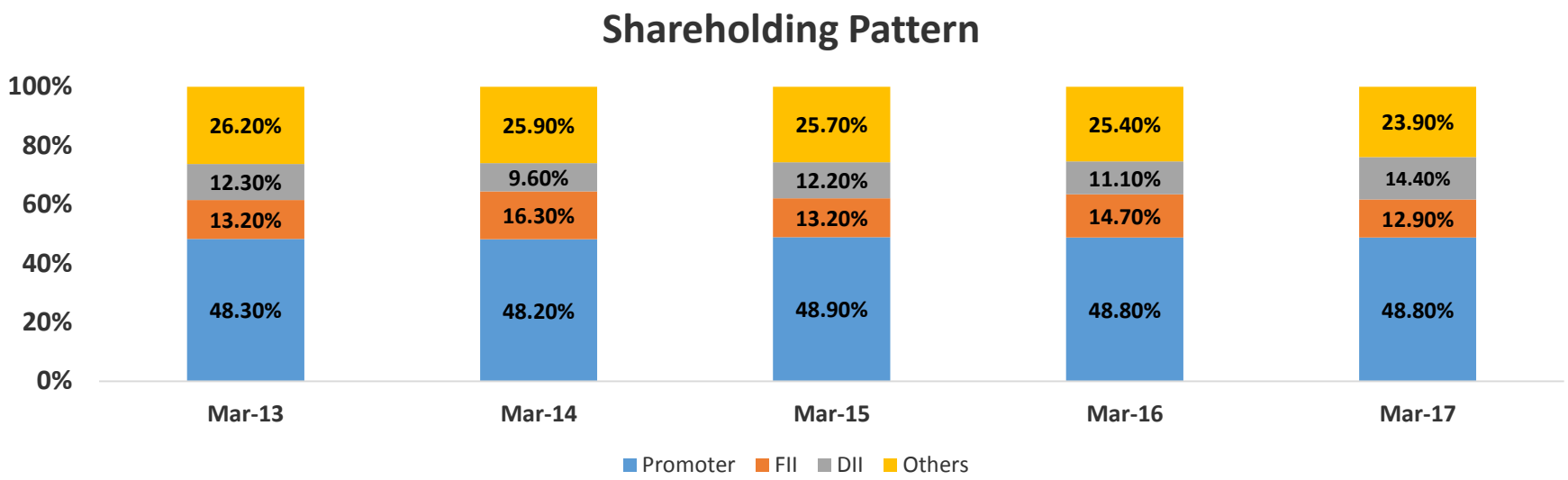
Metal Formed Products

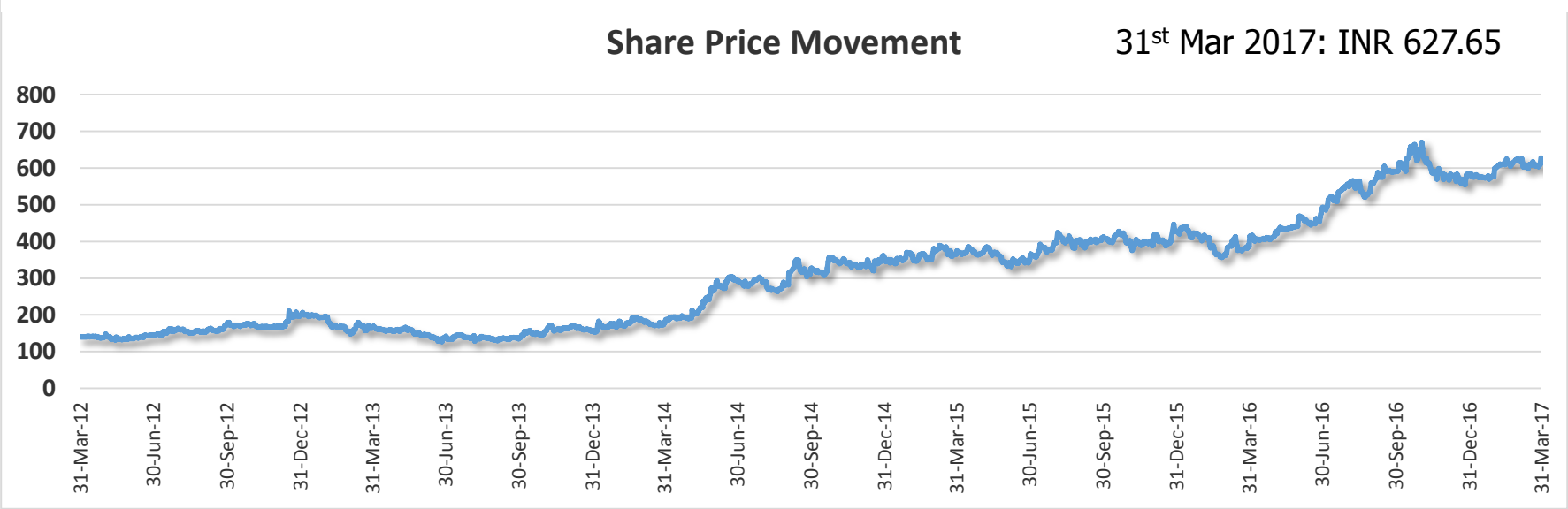


Chains for Automobile sector &
Industrial applications,
Doorframe &
Channels for Passenger Cars

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

Share Price and Shareholding Pattern





Uninterrupted dividend history since 1954
Dividend payout policy ~25-30% of profits

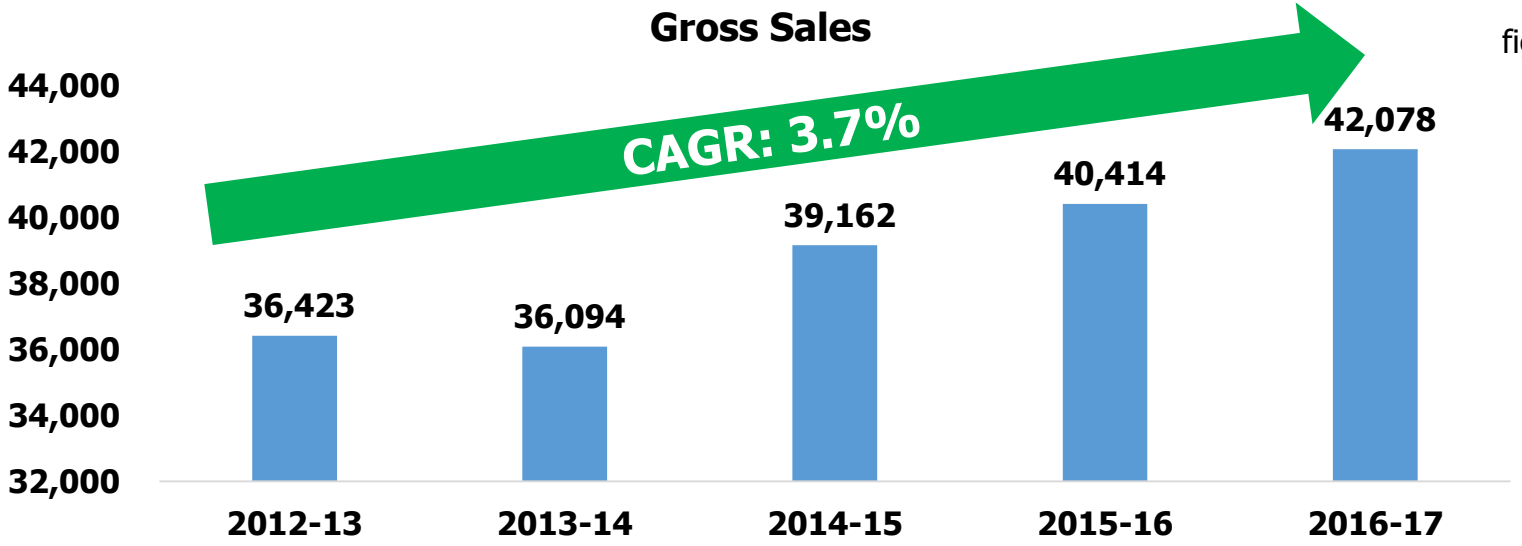
Key Standalone Financials 2016-17

figures in INR Mn.

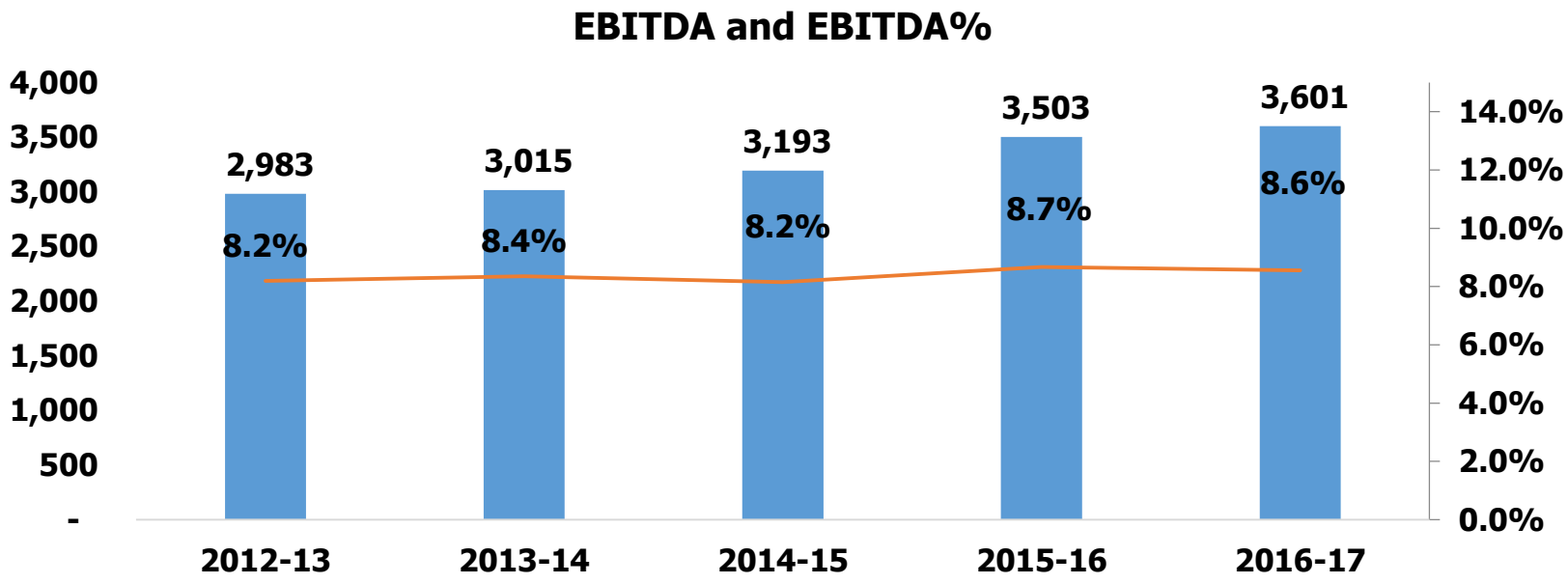
Particulars	FY 2016-17	FY 2015-16	% Growth
Gross Sales / Income from Operations	**42,078**	**40,414**	*4%*
Total Income from Operations	**44,159**	**42,120**	*5%*
EBITDA	**3,601**	**3,503**	*3%*
% to Gross Sales	*9%*	*9%*	
PBIT (before exceptional items)	**3,099**	**2,757**	*12%*
% to Gross Sales	*7%*	*7%*	
Exceptional Items	**0**	**7,850**	
PBIT (after exceptional items)	**3,099**	**10,607**	*-71%*
% to Gross Sales	*7%*	*26%*	
Profit Before Tax (before exceptional items)	**2,379**	**1,403**	*70%*
% to Gross Sales	*6%*	*3%*	
Profit Before Tax (after exceptional items)	**2,379**	**9,253**	*-74%*
% to Gross Sales	*6%*	*23%*	

Performance Trends

figures in INR Mn.

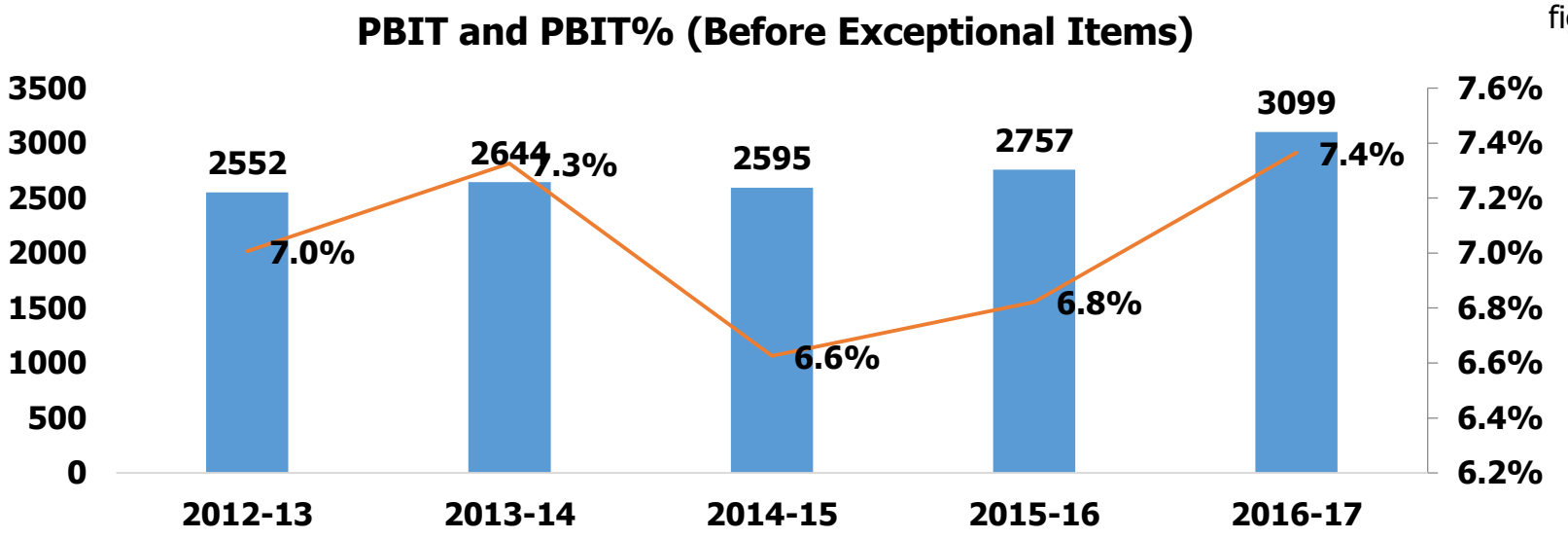


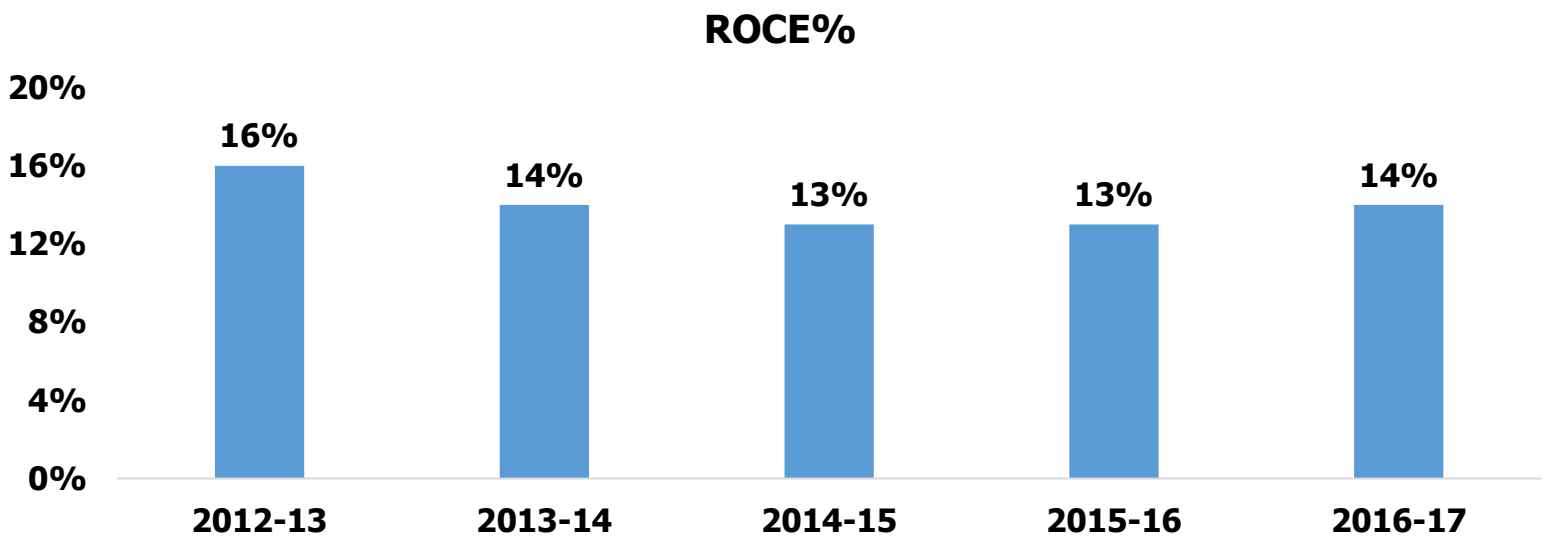
Note: Gross Sales include Excise Duty to comply with IND AS and figures has been suitably adjusted



Performance Trends

figures in INR Mn.

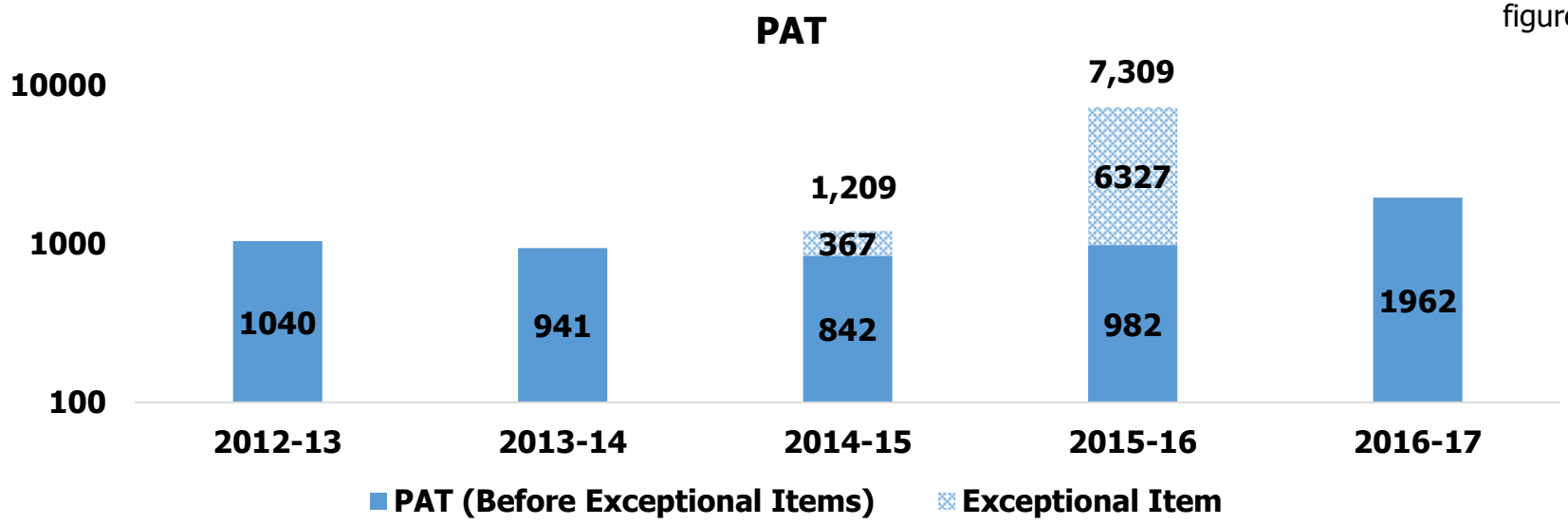


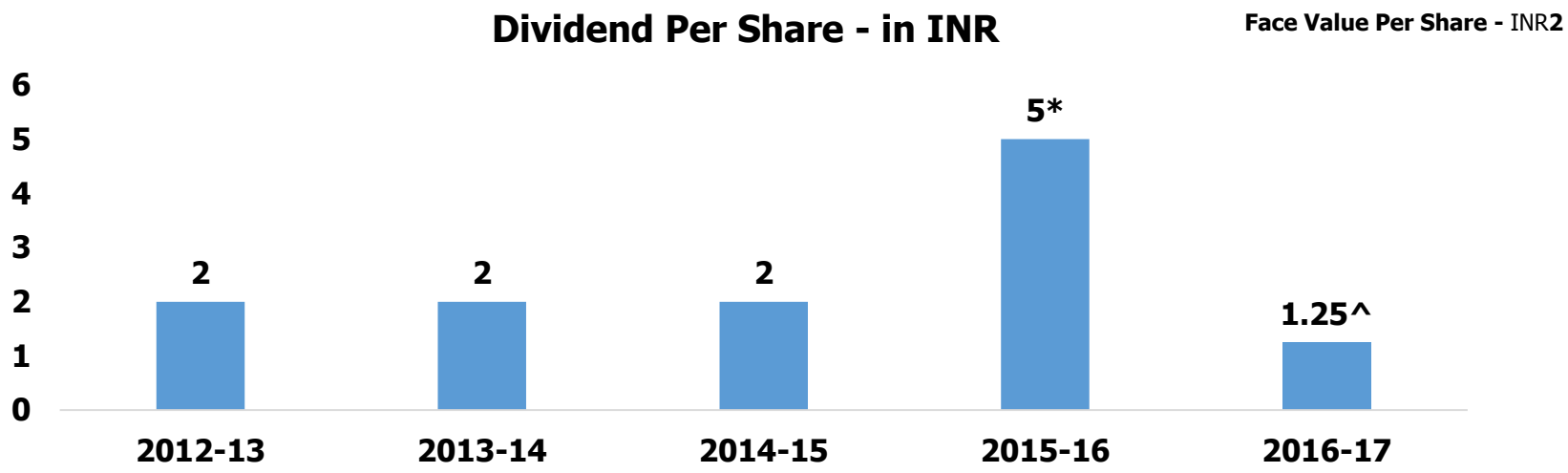


Based on Average Capital Employed excluding investments in Financial Services Businesses

Performance Trends

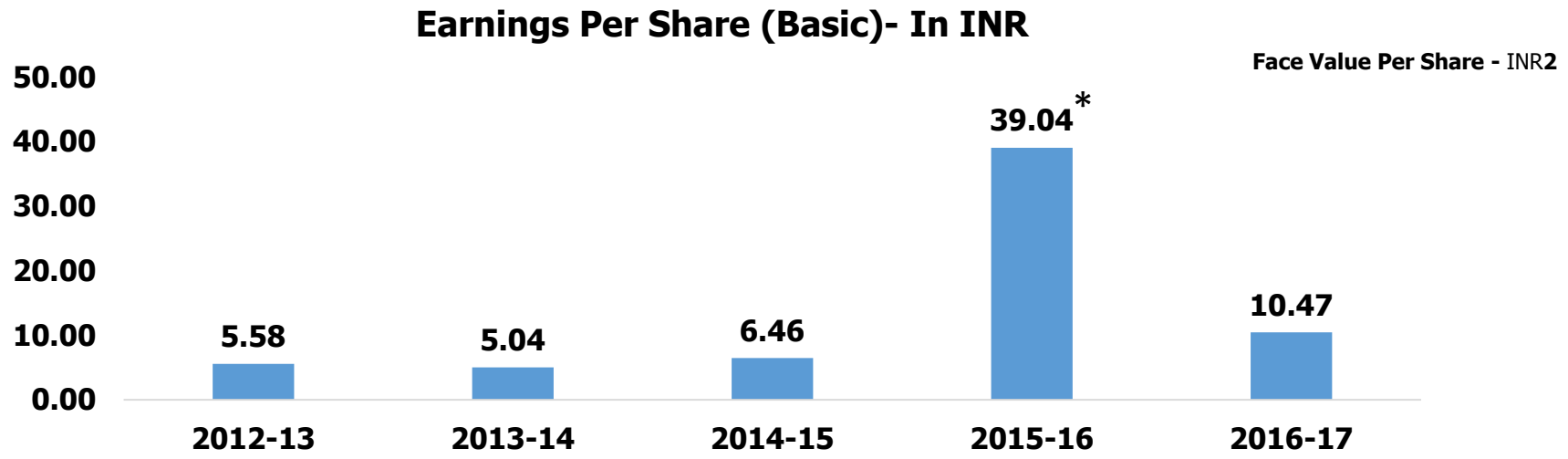
figures in INR Mn.



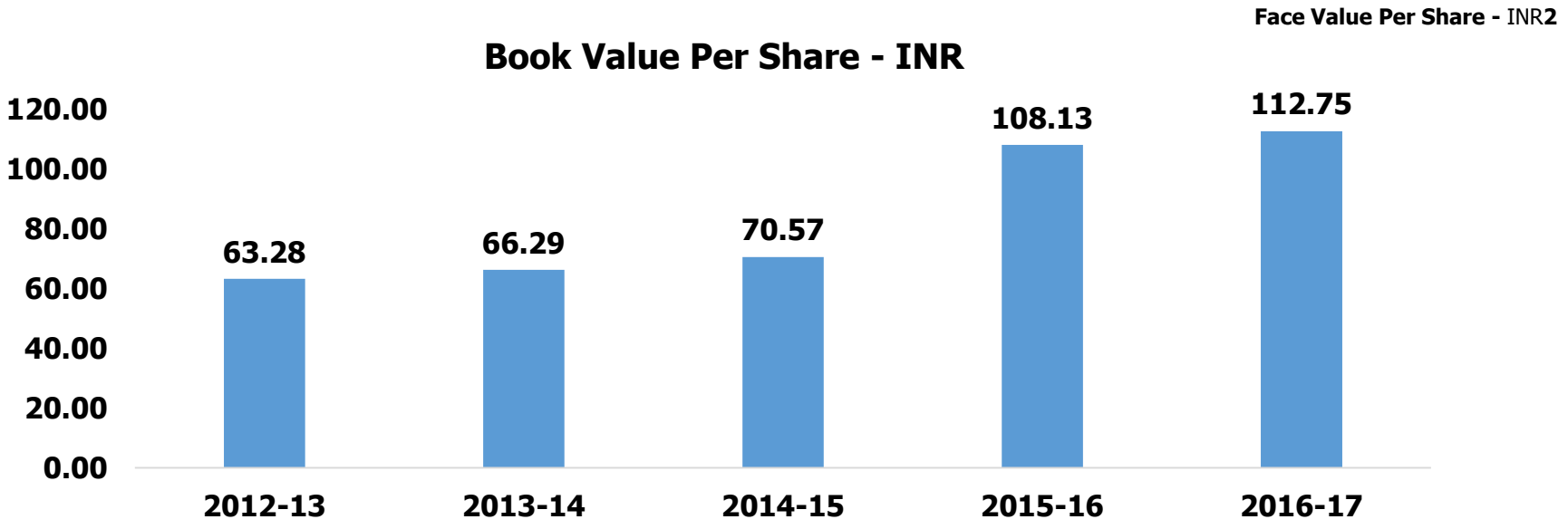


*Includes Special Dividend of INR3.50 per Share
^ Interim Dividend Dec'16 of INR 1.25 per Share

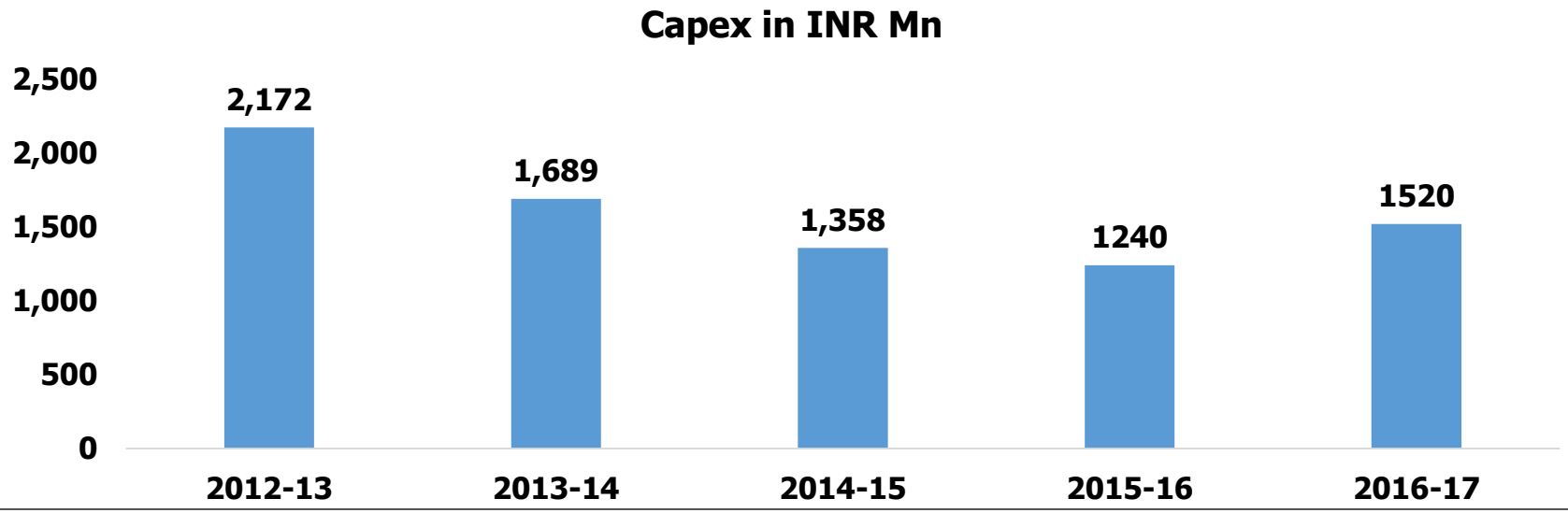
Performance Trends

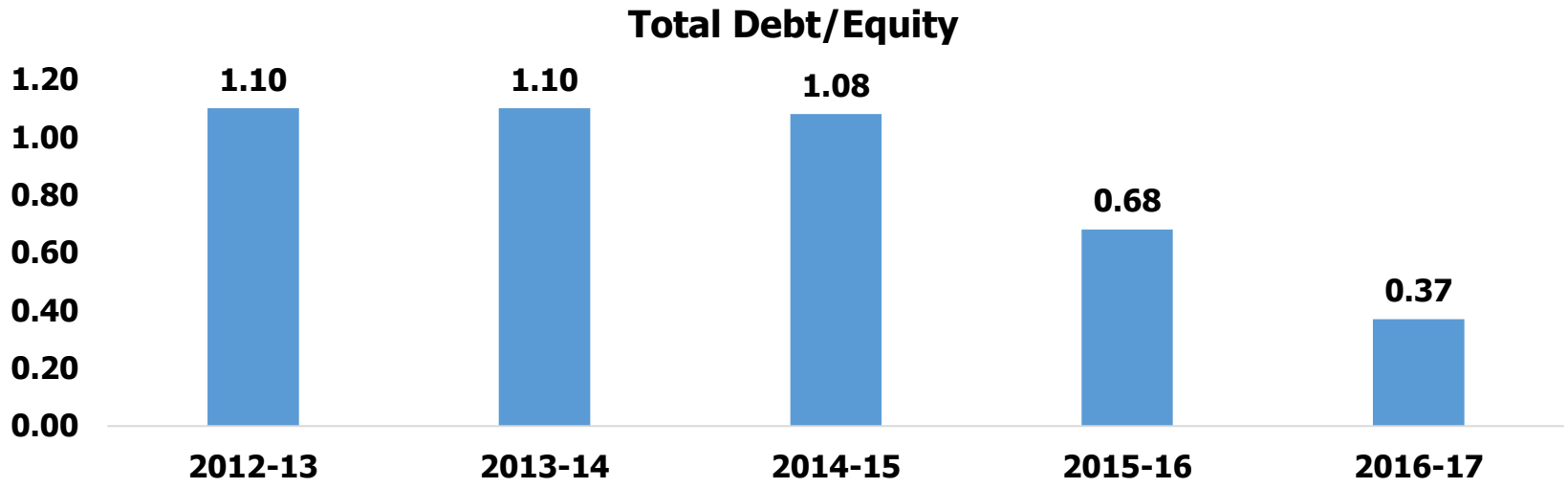


*Higher due to exceptional income (Net). Earnings per Share on Normal profits would be INR 5.24 (2014-15 : INR 4.50)



Performance Trends





Strong Credit Rating

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

Scheme of Arrangement – Demerger

Scheme of Arrangement

- Segregating the Manufacturing Businesses under the Scheme of Demerger to a separate Company
- Board Approved the Scheme on 3rd November 2016
- Appointed date is 1st April 2016
- The Scheme is subject to necessary regulatory approvals

Manufacturing Businesses

- Comprises of manufacturing of tubes, strips, tubular components, bicycles and fitness products, chains, roll-formed sections, other metal formed products and Investments in Shanthi Gears Limited (Industrial gears), TI Tsubamex Private Limited (designing and manufacturing of dies) and Sedis (Industrial Chains)

Financial Service Businesses (As Investments)

- Cholamandalam Investment and Finance Company Limited (46.2%)
- Cholamandalam MS General Insurance Company Limited (60%)
- Cholamandalam MS Risk Services Limited (49.5%)

Post Demerger

- Two Companies – Manufacturing Company and Financial Services Company
- Both Companies will have mirror image shareholding
- Resulting Company issues 1 fully paid up Equity Share of INR1 each for every 1 fully paid up equity share of INR2 each held in the Demerged Company
- Reduction of face value of Demerged Company from INR2 each fully paid to INR1 each fully paid

Rationale for Demerger

Both manufacturing and financial services can focus on their line of businesses

Operational rationalisation, organisation efficiency and optimum utilisation of various resources

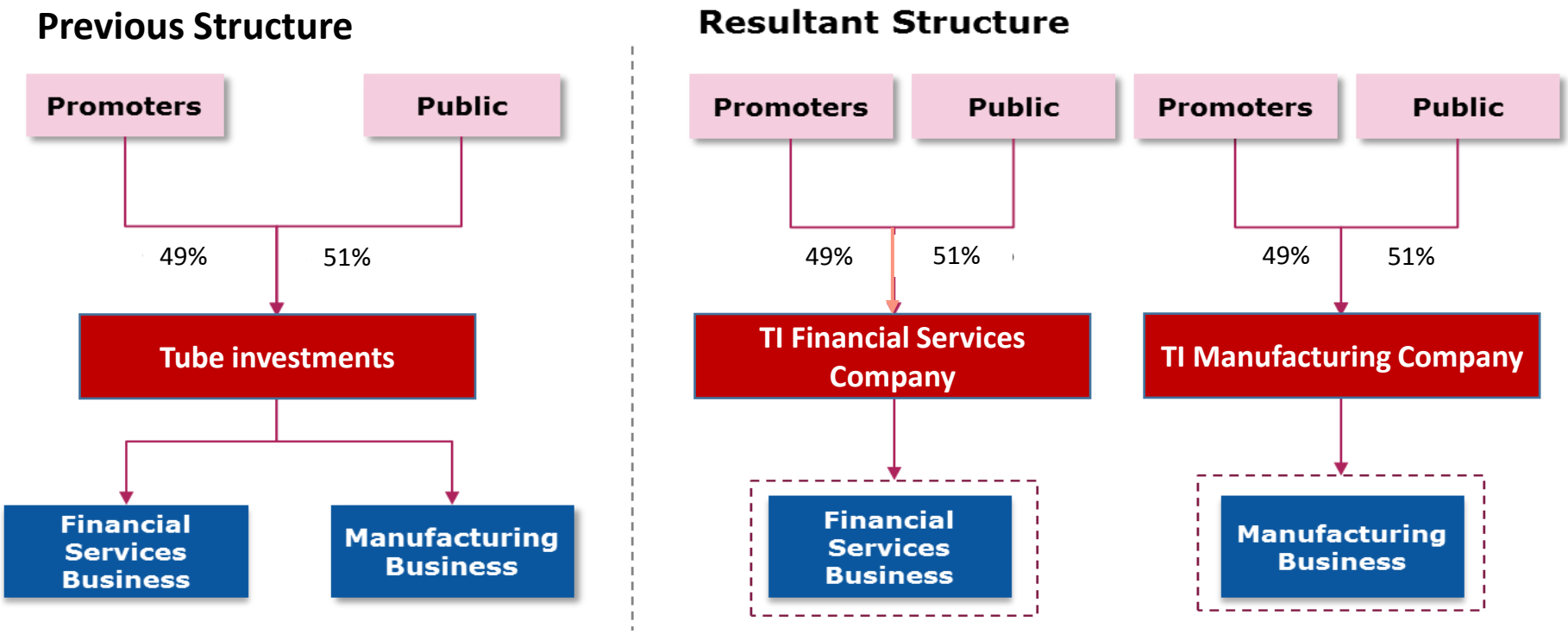
Ability to leverage financial and operational resources of each business

Each business would be able to address pursue efficient capital allocation and attract different sets of investors, strategic partners, lenders and other stakeholders

Likely to be value accretive for the shareholders – would enable them to select investments best suited to their investment strategies

Possible lower holding company discounts

Demerger – Resultant Structure



Financial Services Business

- Cholamandalam MS General Insurance Company Limited
- Cholamandalam MS Risk Services Limited
- Cholamandalam Investment and Finance Company Limited

Manufacturing Business

- Engineering (Tubes and Strips)
- Cycles and Accessories
- Metal Formed Products
- Investments in
  - Shanthi Gears Limited
  - TI Tsubamex Private Limited
  - Financiere C10
  - TI Absolute Concepts Private Ltd

Manufacturing Businesses

Engineering

Cycles and Accessories

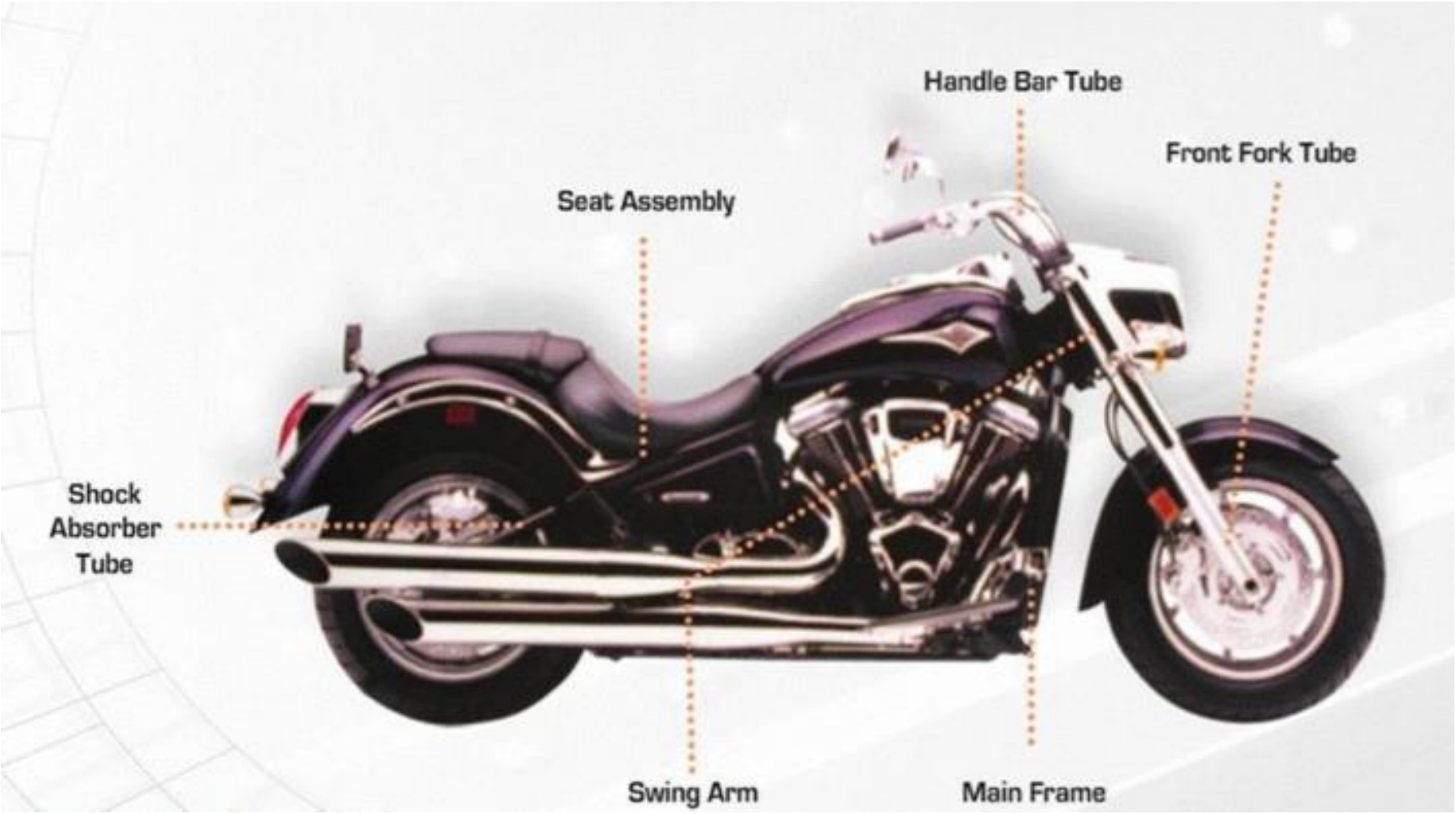
Metal Formed Products

Gears and Gear Products

Engineering (Tubes and Strips)

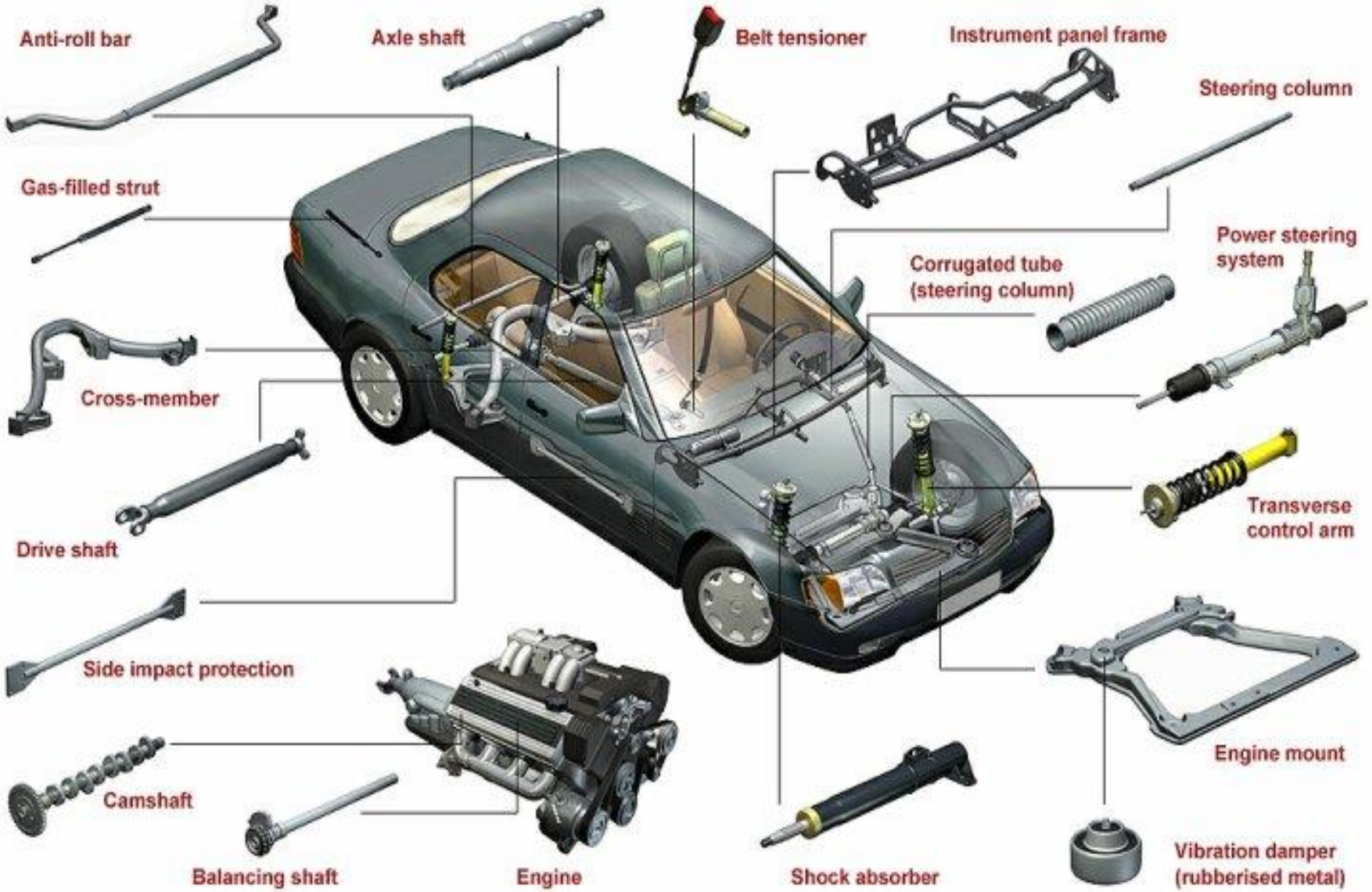
Leader in CDW tubes for the Automotive industry

Engineering - Two Wheeler Application



Two-Wheeler sales in India has grown at 7% in FY 16-17
(3 year CAGR of 6%)

Engineering - Four Wheeler Application

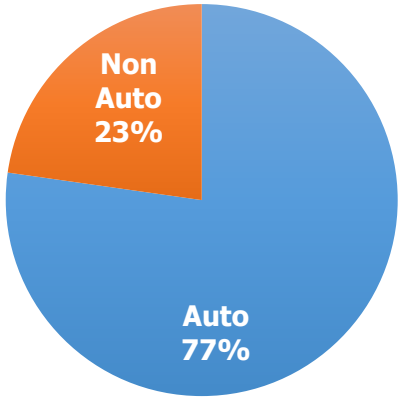


Passenger Car Sales in India has grown at 4% in FY 16-17
(3 year CAGR of 2%)

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 FY 2016-17



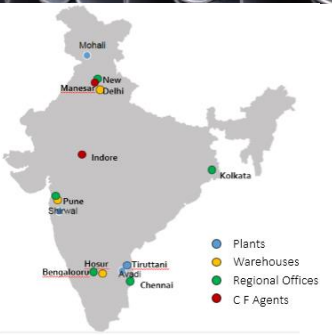
Engineering - Key Success Factors

CDW Tube

- Market leader in High Quality & Safety critical CDW Tubes for 2W and 4W applications
- Leadership position with 56% market share

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

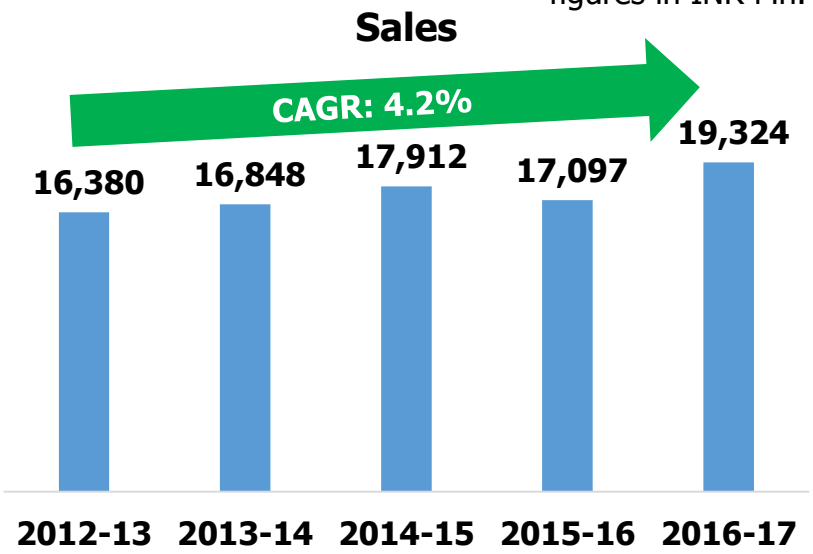
- **OSHSAS 18001 Certification for TPI Mohali**
- **IMS: EMS + OHSAS certification received from M/s BVC for Avadi Complex**

Engineering - Business Highlights 2016-17

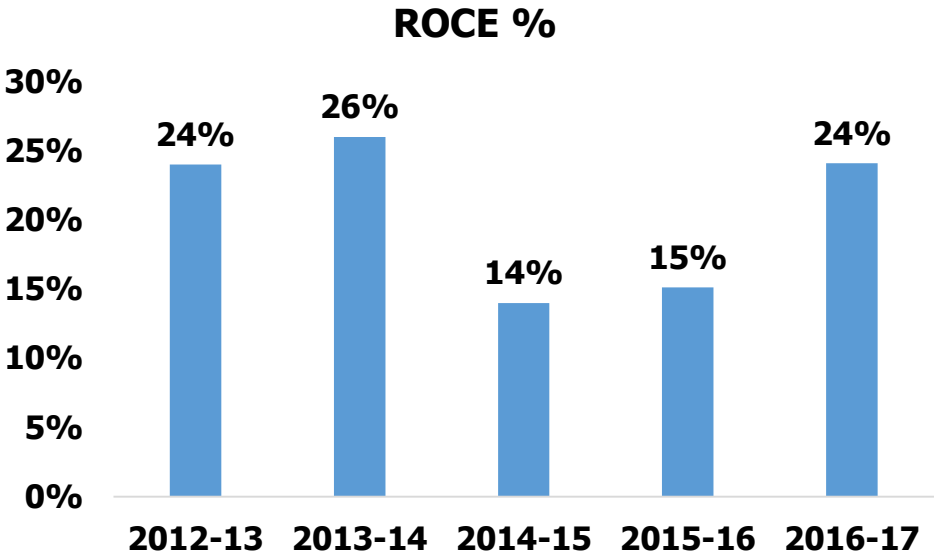
- Volume Growth across the segments over PY
  - Strips grew by 7%
  - Tubes Exports grew by 85%
- Growth in PBIT by 54%
- Large Diameter plant stabilized
- Sales mix from New Products higher than plan
- IS513 Certification obtained for CRSS
- 2 teams won awards in National Level Quality Circle Competition conducted by QCFI held at Raipur.
- 9 teams won awards in ABK – AOTS Dosokai – Regional Poka Yoke competition

Engineering - Key Financial Trends

figures in INR Mn.



Note: Gross Sales include Excise Duty to comply with IND AS and figures has been suitably adjusted



Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
NFA	3,331	4,161	4,654	4,383	4,412
NWC	1,670	1,931	1,541	1,522	1,880
Total	**5,001**	**6,092**	**6,195**	**5,905**	**6,293**
Capital Expenditure	822	1,246	870	440	486

Engineering - Key Financials 2016-17

figures in INR Mn.

Particulars	2016-17	2015-16	% Growth
Strips: (Volumes Tonnes) (Incl. Group)	**82,273**	**77,535**	**6%**
Tubes: (Volumes Tonnes)	**168,689**	**154,208**	**9%**
Domestic	149,110	143,605	4%
Exports	19,579	10,603	85%
Large Dia Tubes: (Volumes Tonnes)	**21,733**	**15,303**	**42%**
Gross Sales (incl. Inter Unit)	**19,324**	**17,097**	**13%**
EBITDA	**2,050**	**1,548**	**32%**
	11%	9%	
PBIT (Before Exceptional Item)	**1,458**	**945**	**54%**
	8%	6%	
APPLICATION OF FUNDS			
Net Fixed Assets (Incl. CWIP)	**4,412**	**4,383**	
Net Working Capital	**1,880**	**1,522**	
Total Capital Employed	**6,293**	**5,905**	
Sales/NWC - Avg	**11.1**	**10.0**	
ROCE% - Based on Avg Capital Employed	**24%**	**15%**	

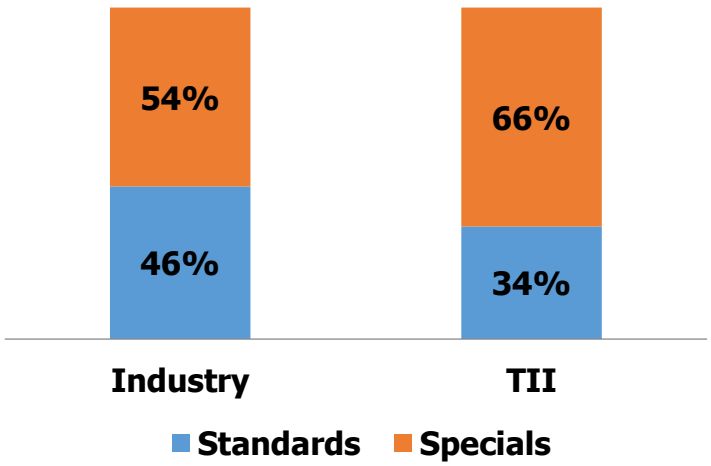
Cycles and Accessories

Pioneers in Promoting Cycling… not just cycles

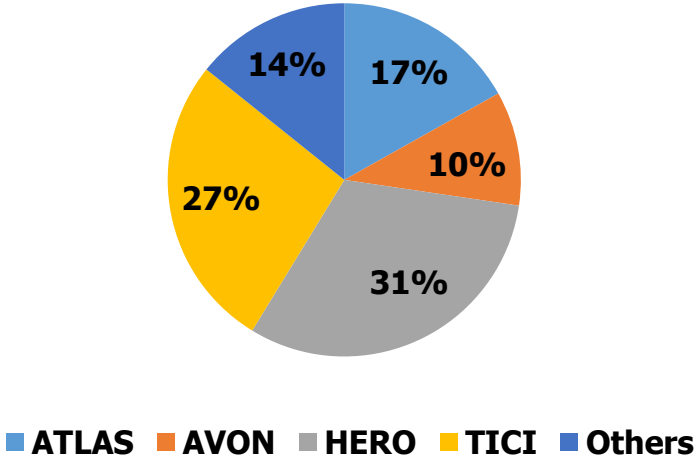
Cycles - Industry

- Standard Bicycles
  - In trade sales, the share of standard bicycles is coming down over the years
  - Government orders for standard cycles has increased with more and more rural welfare schemes
- Speciality Bicycles
  - In the speciality market, growth is seen in kids, premium and performance cycle segments
- Overall Indian bicycles market has seen a drop of 11% in FY 2016-17 over FY 2015-16

Trade Sales – FY 16-17



Trade Market Share – FY 16-17



Based on volumes of 8 players (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 end of 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

Cycles - Our Brands

montra

MACH CITY

TRACK & TRAIL
CYCLES AND MORE

cannondale Bianchi SCHWINN GT mongoose

Cycles - Key Success Factors

Brand equity

- BSA Hercules brands command a premium and is know for good finish and features

Premium Cycle Group (PCG)

- Roadeo and Montra are premium brands well received and seen exceptional growth
- Representing International brands like Cannondale, Bianchi, Ridley
- PCG registered a growth of 30% vis-à-vis Previous Year

Pioneer in Retail Formats

- Large dealer network across India with 10,000 touch points
- TI Cycles hold retail leadership through its exclusive formats of -
  - BSA Hercules Rural Exclusive: 455, Track & Trail Urban: 170, Track & Trail Sport: 20
  - Omni-channel presence through Track & Trail online portal and in-store

BSA HERCULES LADYBIRD ROADEO MACH CITY montra

Cycles - Key Success Factors

Promoting Cycling not Just Cycles

- Organised 2000+ events all over the country with participation of more than 10 Lakhs individuals in FY 16-17
- Some well known events are Gran Fondo, Cyclothon etc

Multi Location Servicing

- TI Cycles is the only company with 4 manufacturing plants and 5 Warehouses spread across the country
- New Rajpura Plant with Capacity of 3 Mn Cycles p.a. at a Capital Expenditure of **INR** 958 Mn.
- This puts us in better position to serve the markets

Pioneer in New Product Developme nt

- 68 new Products and 40 product refreshes delivered in FY 16-17
- City Bike launched as a new segment for Urban mobility

BSA HERCULES LADYBIRD ROADEO MACH CITY montra

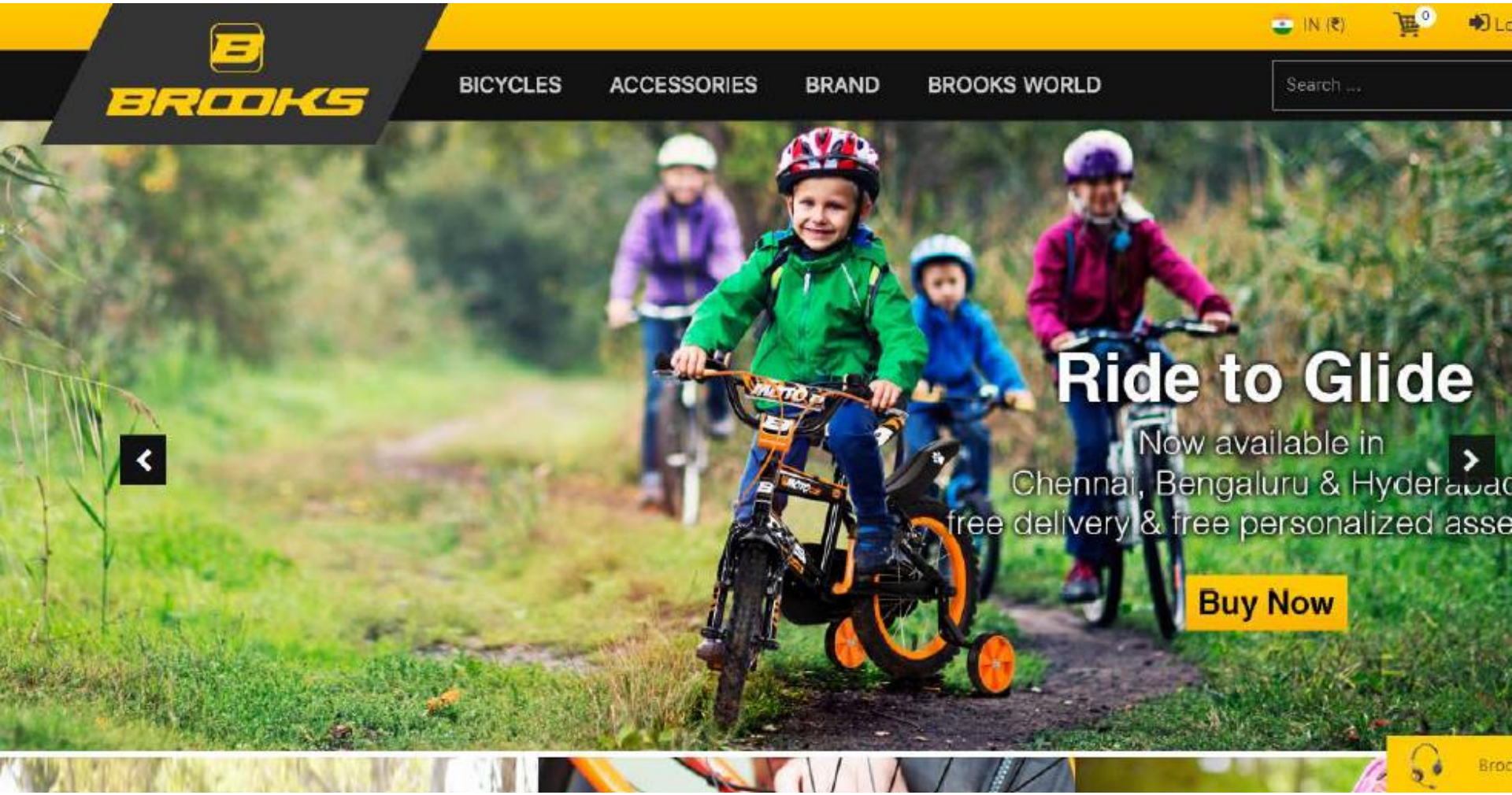
Renewed Retail Experience – Track and Trail

Continuously expanding Track and Trail retail experience with 85 new stores during the FY 16-17

India's first Cycling Theme Café - Ciclo Café

Ciclo Café spun off as a new Joint Venture and 2 more opened in Gurgaon and Hyderabad in prime locations during the year FY 16-17

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

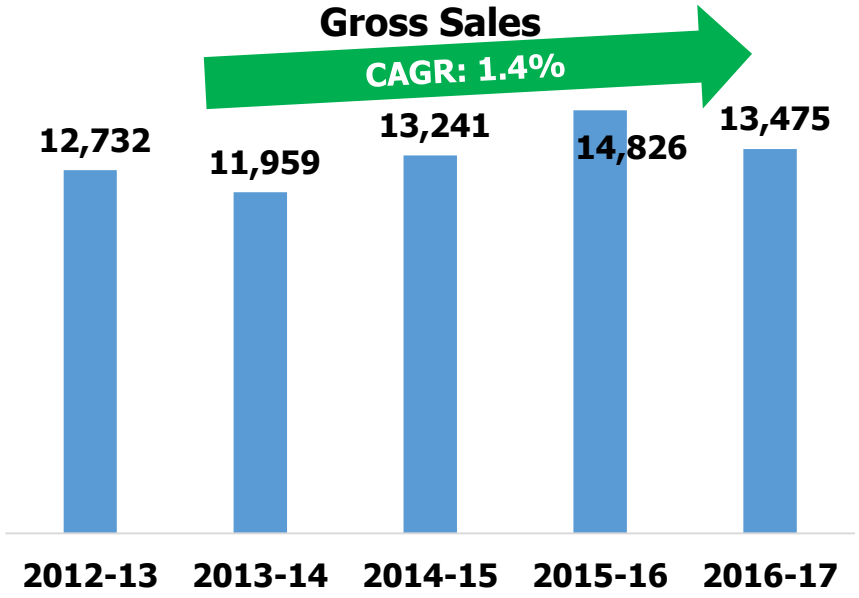
Mach City won the Best Emerging Brand Award @ the National Awards for Marketing Excellence by CMO Asia

Cycles - Business Highlights 2016-17

- 30% growth in Premium Cycles Group (Premium Geared, Super Premium and International brands)
- Exceptional Growth delivered by Mach City and Montra brands
- Robust Growth in Exports with healthy order book
- Institution orders received from Governments in Karnataka, Andhra Pradesh, MP, West Bengal and Tamil Nadu are under fulfilment
- Newly inaugurated Rajpura plant is ramping up on volumes
- E-Commerce site *www.trackandtrail.in* went live in Sep'16 and had good reception from visitors
- 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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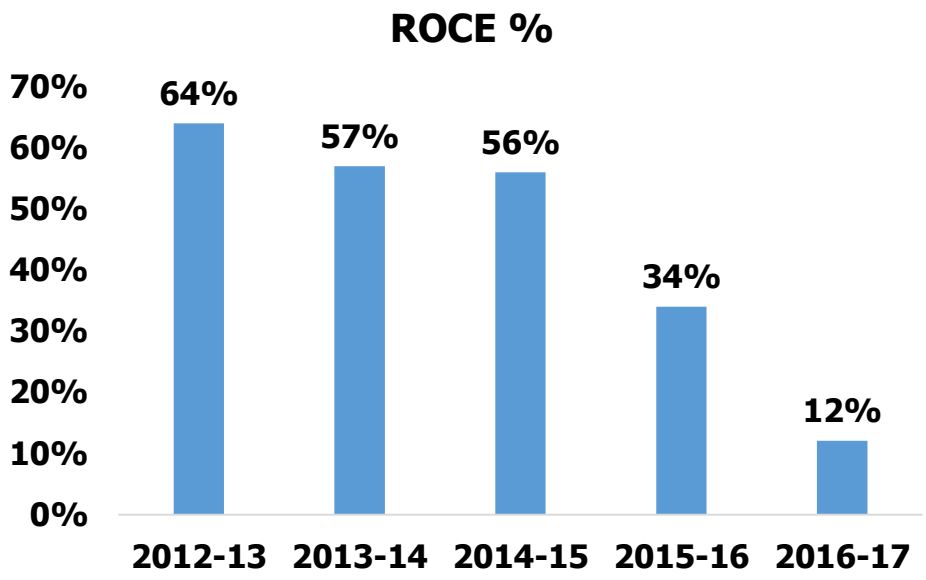


Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
NFA	470	461	587	1,099	1,518
NWC	382	158	1,113	1,537	1,381
Total	**852**	**619**	**1,700**	**2,636**	**2,899**
Capital Expenditure	105	75	204	511	540

Cycles - Key Financials 2016-17

figures in INR Mn.

Particulars	2016-17	2015-16	% Growth
Volumes			
Cycles (Million nos)	**4.0**	**4.6**	**-14%**
Gross Sales (incl. Inter Unit)	**13,475**	**14,826**	**-9%**
EBITDA	**445**	**859**	**-48%**
	3%	6%	
PBIT (Before Exceptional Item)	**357**	**788**	**-55%**
	3%	5%	
APPLICATION OF FUNDS			
Net Fixed Assets (Incl. CWIP)	**1,518**	**1,099**	
Net Working Capital	**1,381**	**1,537**	
Total Capital Employed	**2,899**	**2,636**	
Sales/NWC	**8.6**	**9.8**	
ROCE% - Based on Avg Capital Employed	**12%**	**34%**	

Metal Formed Products (Chains, Doorframes and Fine Blanking)

Precision Value added Components

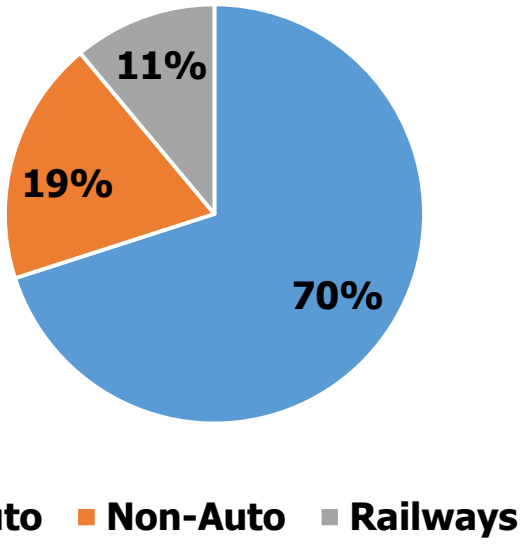
Metal formed - Product Profile

- **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

TI Metal formed Products Business Mix 2016-17



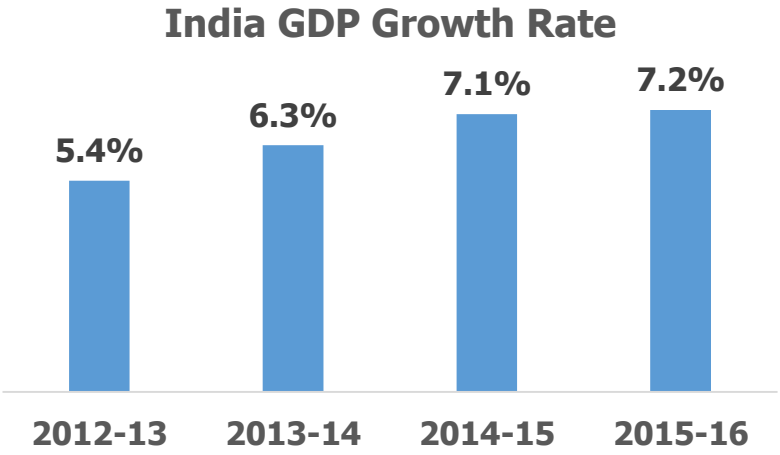
Metal formed Products – Industry

Automotive Sector:

- Two-Wheeler sales has seen a 3 Year CAGR of 6%
  - Scooters 3 Yr CAGR: 20%
  - Motor Cycles 3 Yr CAGR: 2%
- Passenger Vehicles has seen a 3 Year CAGR of 2% while Commercial Vehicles seen a decline of 2%

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

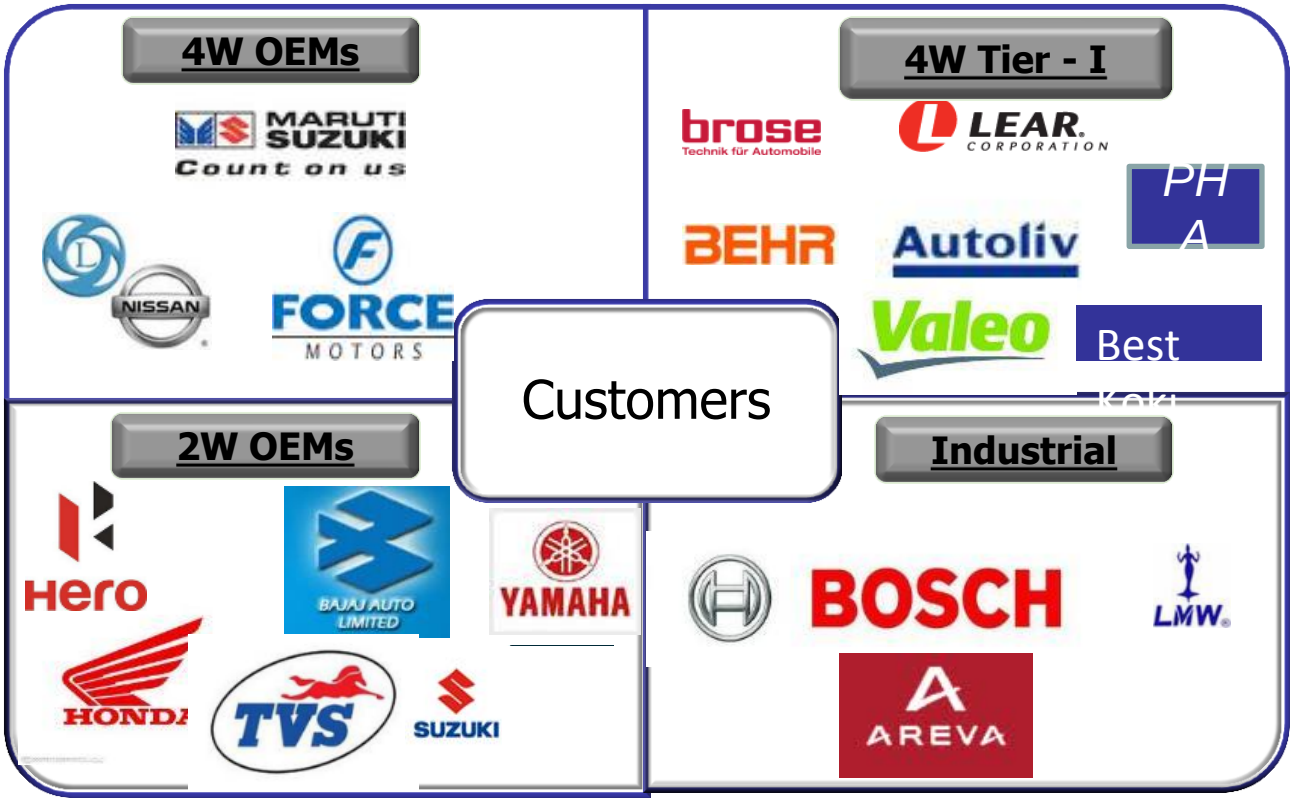
KIT

CAM Chain

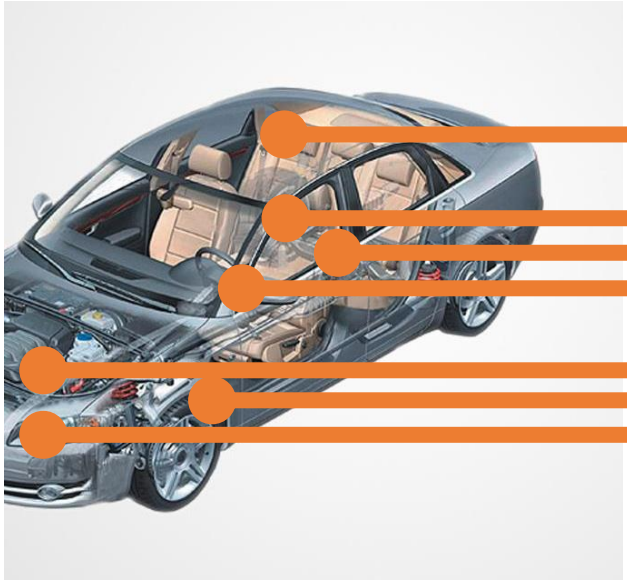
After market brand

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



- Engine Parts
- Transmission Parts
- 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

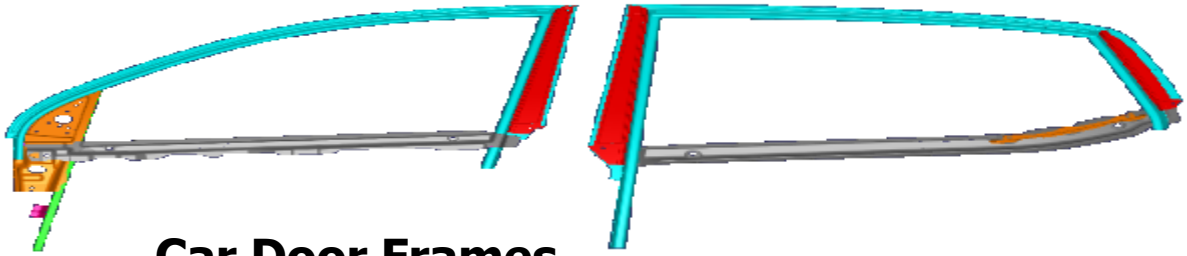
Engineering Class Chains

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 14 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

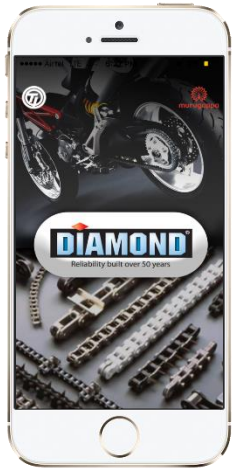
Quality Commitment (Zero Defect) Award from Autoliv

Quality Award from Maruti Suzuki India Ltd for Fine Blanking

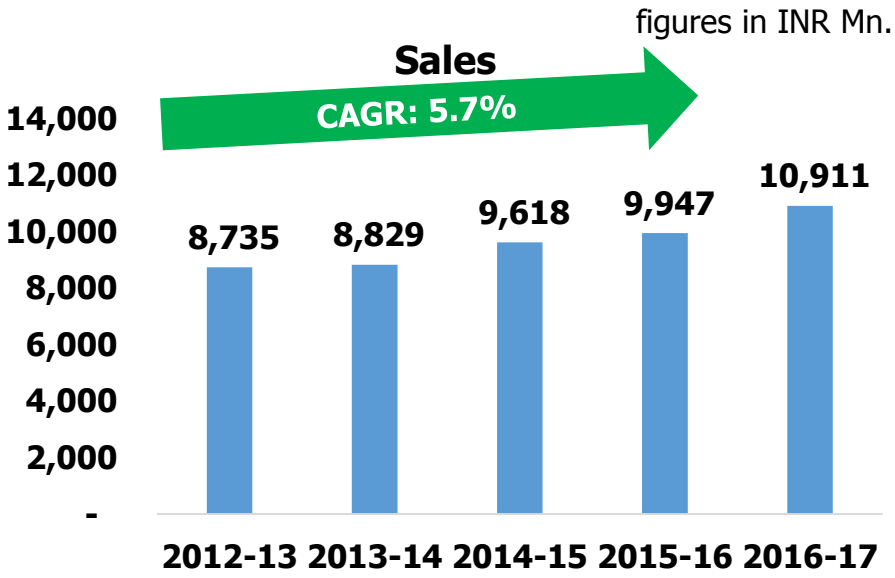
" Excellence in Part Development" award from Lear Corporation for seat recliner localization development

Metal formed - Business Highlights 2016-17

- Market Leadership in Chains and Doorframes
- Revenue Growth across Segments over PY
  - Auto After Market Kits grew by 9%
  - Domestic Industrial Chains grew by 9%
  - Fine Blanking grew by 12%
  - Doorframes grew by 6%
  - Significant Growth in Motor casings and Railway Business
- Digital catalogue App for Diamond Two Wheeler Chains and Industrial Chains– Now for download on Android and iOS
- Bagged New Project from Hyundai for 2018 and 2019
- Ramp up in Royal Enfield Mudguard supplies as business grows
- Sales up by 10% and PBIT by 7%



Metal formed - Key Financial Trends



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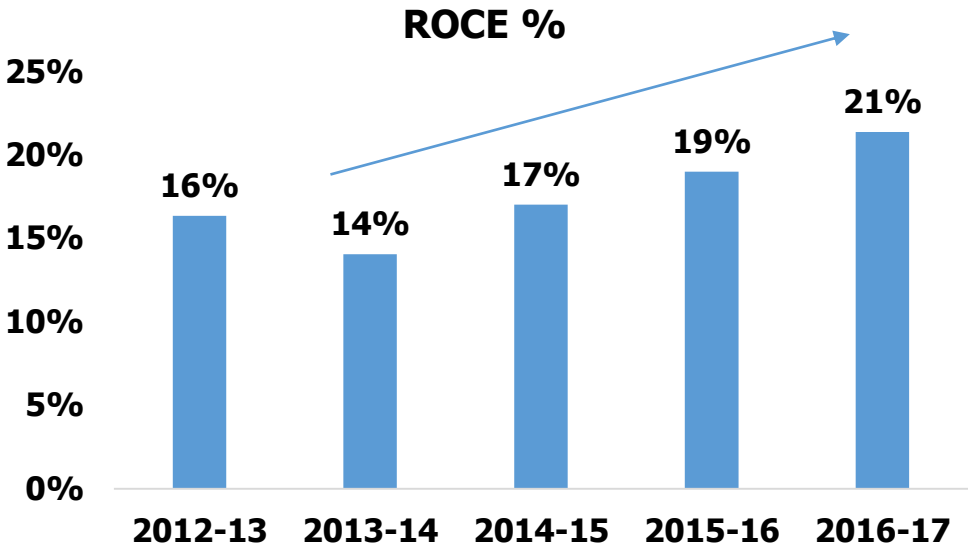


Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
NFA	3,338	3,252	3,154	2,575	2,709
Investments	601	612	612	612	612
NWC	940	916	1,005	944	996
Total	**4,879**	**4,780**	**4,771**	**4,131**	**4,317**
Capital Expenditure	488	326	263	256	456

Metal formed - Key Financials 2016-17

figures in INR Mn.

Particulars	2016-17	2015-16	% Growth
Doorframes ('000 Sets)	675	637	6%
Sections for railway wagons (Sets)	1764	1156	53%
Coach-side/End wall (Sets)	159	112	42%
Chains:			
Domestic (Million ESS feet)	84.7	84.3	0%
Exports (Million ESS feet)	7.4	7.2	4%
Gross Sales (incl. Inter Unit)	**10,911**	**9,947**	**10%**
EBITDA	**1,274**	**1,232**	3%
	12%	13%	
PBIT (Before Exceptional Item)	**923**	**863**	**7%**
	8%	9%	
APPLICATION OF FUNDS			
Net Fixed Assets (Incl. CWIP)	**2,709**	**2,575**	
Investments	**612**	**612**	
Net Working Capital	**996**	**944**	
Total Capital Employed	**4,317**	**4,131**	
Sales/NWC -Avg	**10.7**	**9.8**	
ROCE% - Based on Avg Capital Employed	**21%**	**19%**	

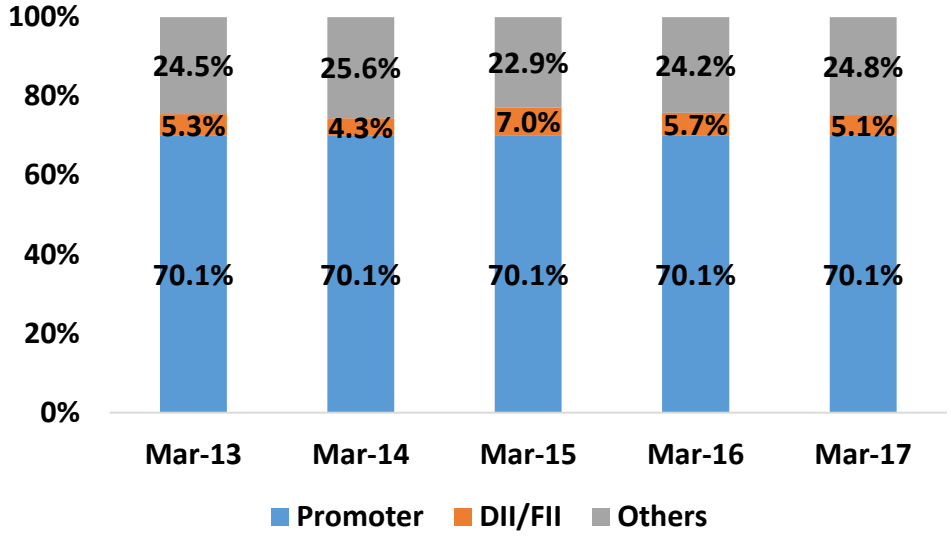
Gears & Gear Products

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

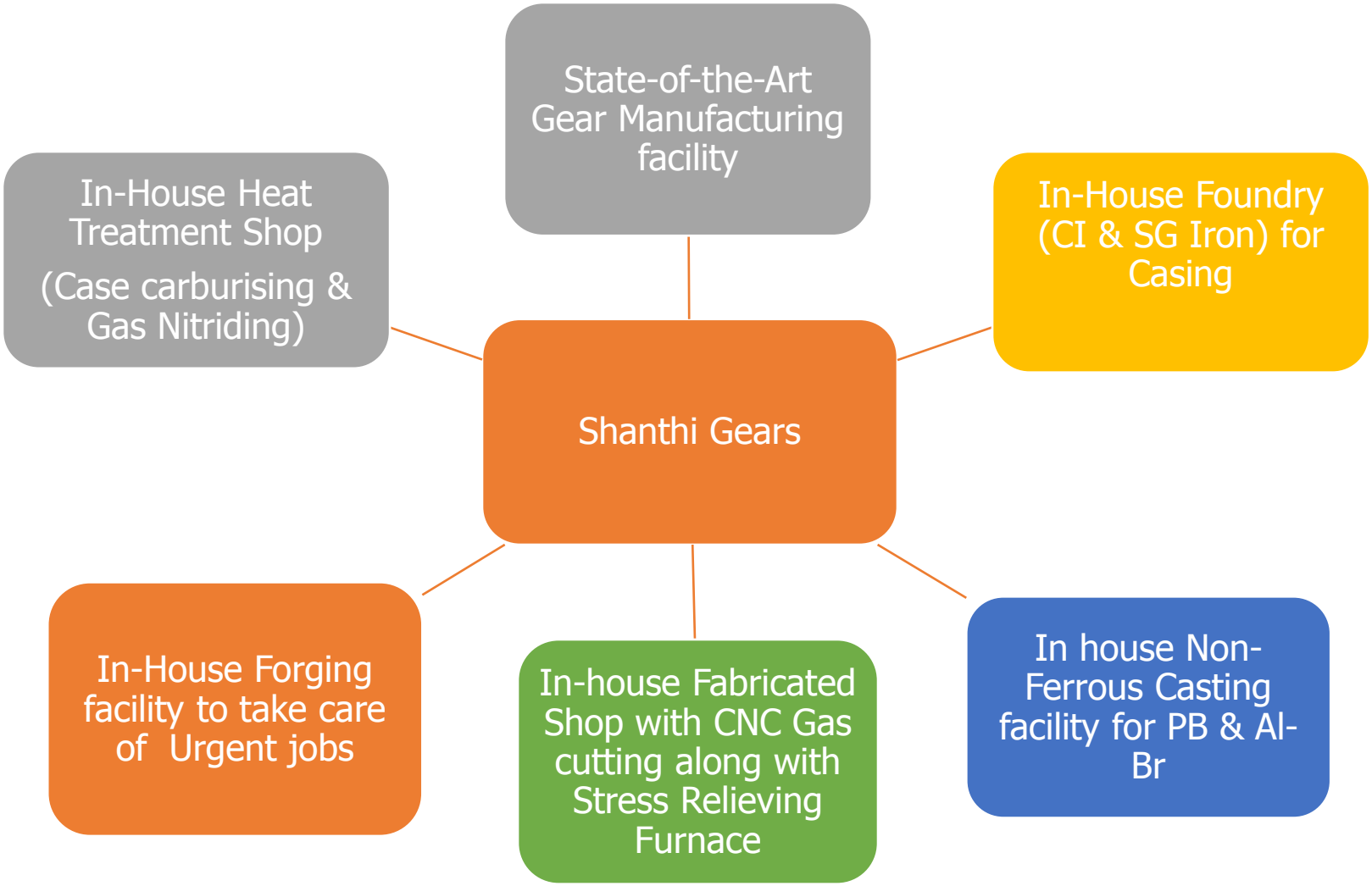


TII holds 70.12% stake in the company

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

DAVID BROWN
BHARAT FORGE
KALYANI

GE

बी एच ई एल
BHEL

Atlas Copco

BOMBARDIER

VOITH

KONECRANES
Lifting Businesses

SIEMENS

CATERPILLAR

TEREX
DEMAG

BALDOR
A MEMBER OF THE ABB GROUP

Clean Energy

ELGi

PSG
PackSys Global

RIETER

TATA
TATA STEEL

Holcim

Cummins

हिएलि
HAL
Propel your dreams

AREVA

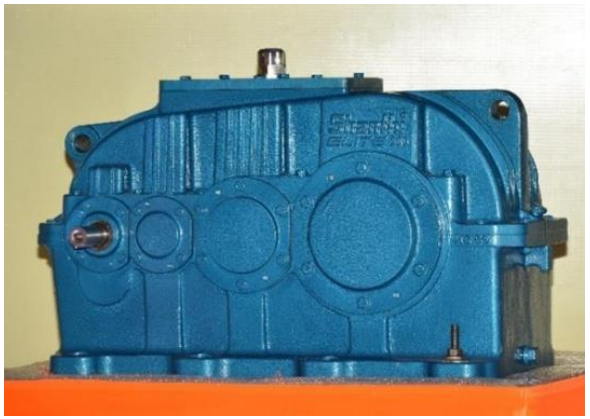
IR

INDIAN RAILWAYS

uniGear
une société du groupe DAVID BROWN
a DAVID BROWN Company

Shanthi Gears - Business Highlights 2016-17

- New Products launched at First All India Dealer Meet organized in Nov 2016: Elite (Std Helical), Worm Plus (Std Worm) and Power Plus (Gear Coupling)
- Achieved highest order booking and production
- Growth of 12% in Sales and 27% in PAT over PY
- Opex initiatives driving in efficiencies
- Significant growth registered in Service Business with new leads



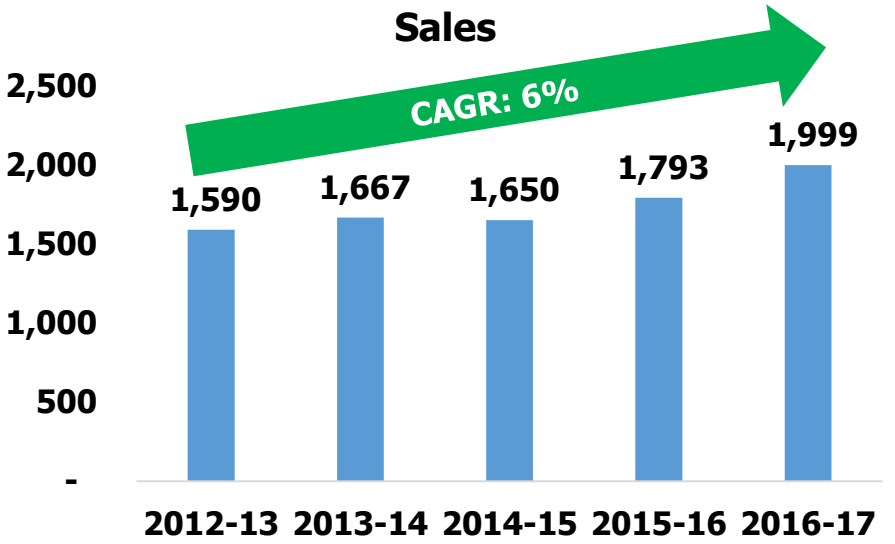
Shanthi Gears - Business Highlights 2016-17

- Shanthi eStore launched for Textile Product Customers to buy online
- Customer Connect Meets to discuss the latest trends in the industry
- Dedicated Gearbox Service Centre launched at Coimbatore
- Some of the prestigious deliveries done in the year to NALCO, SEMBCORP, Ramco Cements, SAIL etc
- Silver Award in QCC Competition at ABK AOTS

Shanthi eStore

Shanthi Gears - Key Financial Trends

figures in INR Mn.



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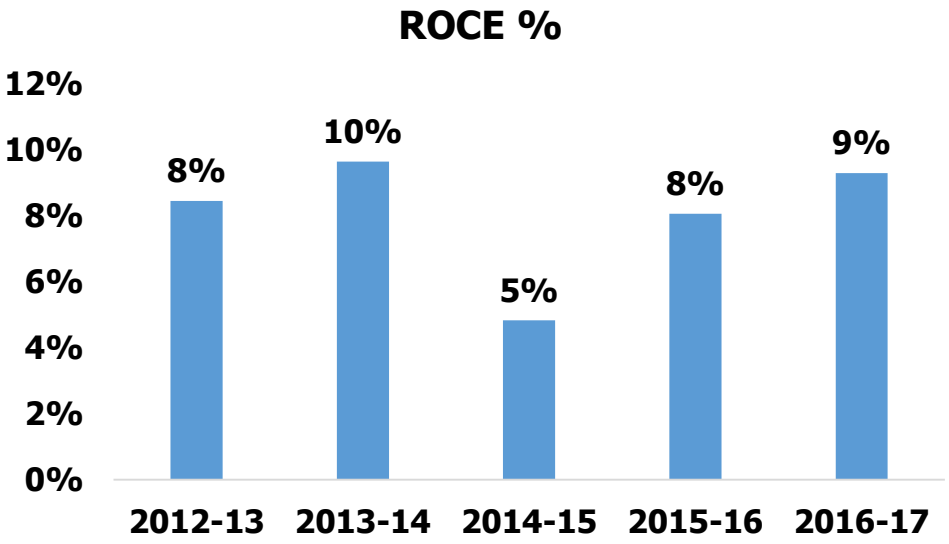

Based on Average Capital Employed

Capital Employed in INR Mn.

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
NFA	1,194	986	853	736	661
Investments	876	1,047	1,011	1,119	1,314
NWC	575	656	853	984	1,088
Total	**2,645**	**2,689**	**2,717**	**2,839**	**3,063**

Capital Expenditure	64	50	36	83	103

Shanthi Gears - Key Financials 2016-17

figures in INR Mn.

Particulars	2016-17	2015-16	% Growth
Gross Sales	**1,999**	**1,793**	**11%**
EBITDA	**356**	**306**	**16%**
	18%	17%	
PBIT	**285**	**232**	**23%**
	14%	13%	
PBT	**285**	**232**	**22%**
	14%	13%	
PAT	**225**	**177**	**27%**
	11%	10%	
APPLICATION OF FUNDS			
Net Fixed Assets (Incl. CWIP)	**661**	**736**	
Investments	**1,314**	**1,119**	
Net Working Capital	**1,088**	**984**	
Total Capital Employed	**3,063**	**2,839**	
Sales/NWC - Avg	**1.8**	**2.0**	
ROCE% - Based on Average Capital Employed	**9%**	**8%**	

Financial Service Businesses

Cholamandalam Investment and Finance Company Ltd. (CIFCL)

Cholamandalam MS General Insurance Company Ltd., (CMSGICL)

Cholamandalam Investment and Finance

figures in INR Mn.

Particulars	2016-17	2015-16	% Growth
Disbursements	**185,913**	**163,803**	**13%**
Total Income from Operations	**46,603**	**41,937**	**11%**
% of Disbursements	25%	26%	
PBT	**11,056**	**8,708**	**27%**
% of Total Income	24%	21%	
PAT	**7,187**	**5,685**	**26%**
% of Total Income	15%	14%	
ROTA% (PBT)	**3.9%**	**3.6%**	
Capital Adequacy Ratio (%)	**18.64%**	**19.68%**	

- Established in 1978, one of India's leading NBFC's, focused in the rural and semi-urban sector with a market capitalization of INR 151 bn^
- Total Assets under Management of INR 370 Bn as of Mar 2017 with Net NPA of *3.2% and a healthy RoA of 3.9%
- Presence across vehicle finance, business finance, home equity loans, stock broking and distribution of financial products
- Operates from 703 branches across 25 states and 90% presence across Tier III, IV, V and VI towns
- One of the leading NBFCs in rural / semi urban areas

^ Market Data as on 31st March 2017, BSE, * 90 days

Cholamandalam MS General Insurance

figures in INR Mn.

Particulars	2016-17	2015-16	%Growth
Gross Written Premium (Incl. RI Accept)	**31,425**	**24,658**	**27%**
Net Written Premium	**25,701**	**20,575**	**25%**
PBT	**3,007**	**2,163**	**39%**
PAT	**2,081**	**1,480**	**41%**
Total Investment	**49,048**	**38,607**	**27%**
Combined Ratio (CoR%) - Excl IMTPIP	**104.5%**	**104.9%**	
Investment Yield %	**10.08%**	**9.58%**	
Return on Equity	**19.36%**	**17.07%**	

- Among the fastest growing general insurance companies in India
- 105 branches and over 9000 agents across the country
- 7th largest private general insurance company in India
- Product basket comprises accident, engineering, health, liability, marine, motor, property, travel and rural insurance for individuals, SMEs and corporates
- Leading insurer for Japanese / Korean business interests in India
- Solvency Ratio on 31st March 2017 – 1.64

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Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. These companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.