

GABRIEL

49TH ANNUAL REPORT
2010-2011



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GABRIEL INDIA LTD
Company Profile & Financials



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Deep C Anand
Chairman Emeritus

BOARD OF DIRECTORS

Deepak Chopra
Chairman

Arvind Walia
Managing Director

Manoj Kolhatkar
Joint Managing Director

HR Prasad
Russi Jal Taraporevala
Rajeev Vasudeva
Gurdeep Singh
Mahendra Goyal
John Crable

VICE PRESIDENT FINANCE

Alok Agarwal

COMPANY SECRETARY

Anshul Bhargava

CORE MANAGEMENT TEAM

Amitabh Shrivastava
Atul Jaggi
A V Ramanamurthy
CS Subramaniam
Diwakar Bhatt
Nalin Jaini
Rajeev B Joshi
Rajeev Gera
Rajendra Abhange
S Sengupta
Shridhar Nanal
Sudesh Deshpande

GABRIEL INDIA LIMITED

BANKERS

Axis Bank
Bank of India
ICICI Bank
IndusInd Bank
ING Vysya Bank
Kotak Mahindra Bank
Standard Chartered Bank
State Bank of India

AUDITORS

PRICE WATERHOUSE & CO.

Muttha Towers
5th floor, Suite No. 8
Off Airport Road
Yerwada Pune - 411006

CORPORATE OFFICES

1 Sri Aurobindo Marg
New Delhi - 110 016

Magnet House
N M Marg, Ballard Estate
Mumbai - 400 038

REGISTERED OFFICE

29th Milestone, Pune-Nashik Highway
Village Kuruli, Taluka Khed
Pune - 410 501 (Maharashtra)
Tel: 02135 - 610700 / 610757
Fax: 02135 - 261200
Email: secretarial@gabriel.co.in

COMPANY HIGHLIGHTS

- 2010-11 revenue grew by 38% over the previous year, ahead of Industry growth of 27%.
- EBITDA at Rs.973 Million grew by 39 %, PBT at Rs. 591 Million by 68% and PAT at Rs. 453 Million by 89% over the previous year.
- Exports at Rs. 292 Million grew by 132% over the previous year.
- The Hosur Plant (*for two wheeler products*) recorded a high growth rate of 41%, with sales touching INR 2800 Million. The facility was recognized with the 'Best Supplier' Award from TVS Motors Ltd.
- The Nashik Facility was awarded the prestigious 'BAL TPM Excellence Award' by Bajaj Auto Ltd.
- The DSIR (*Department of Scientific and Industrial Research*) Ministry of Science and Technology recognized the company's state-of-the-art R&D facility at Chakan, complimenting the company on its thrust on driving Research & Development.
- A special project initiated to modernize the Chakan Plant with improved material flow, incorporating latest process technologies including the 'Dynachrome Automatic Plating System' and 'Water Based Painting System' was completed during the year.
- The VSME (*Visionary Leaders for Small and Medium Enterprises*) program launched in collaboration with JICA (*Japan International Cooperation Agency*) and CII (*Confederation of India Industries*). The program is specifically aimed at improving Quality and Productivity of critical long term vendors and was successfully completed in Chakan, with a target to cover all critical suppliers in the next 3 years across all Gabriel locations.
- In House R&D efforts resulted in the successful development of new products for new models of Two Wheeler for TVS, Honda, Yamaha and Royal Enfield.
- The Company consolidated its position in all segments of the Automotive Industry - Commercial Vehicles, Passenger Cars and Two Wheelers (*Acquisition of new business ensures sustenance of Market share in forthcoming years*).



- VISION -

Gabriel India shall be a global manufacturing and marketing company of ride control products respected by customers and other stake holders for our benchmarked performance in product engineering, quality, cost, delivery and speed of response.

We shall earn and sustain the status of being the “preferred supplier” of ride control products from our customers.

- VALUES -

- Customer First
- Waste Elimination
- Respect for the Individual

COMPANY PROFILE

GABRIEL INDIA LIMITED, a leading name in the Indian auto component industry offers the widest range of Ride Control products in India with Shock Absorbers, Struts and Front Forks, catering to Passenger Cars, Utility Vehicles, Commercial Vehicles and Two Wheelers.

A pioneer of Ride Control products in the country, 'Gabriel' is a renowned brand synonymous with shock absorbers. Its products have established a strong presence both in domestic OE as well as replacement markets. Gabriel India is a provider of innovative and proprietary products and solutions that are the company's hallmark.

The flagship company of the Anand group, Gabriel commenced operations in 1961, with a single plant in Mulund, Mumbai, and has grown manifold since then with six manufacturing facilities spread across the country today. (Pune, Nashik, Hosur, Dewas, Khandas, Parwanoo).

Gabriel's manufacturing facilities spread across various locations in the country ensure timely deliveries to customers while optimising the availability of material. With a combined capacity of over 21 million Shock Absorbers, Struts and 2.7 million Front Forks, these facilities cater to the requirements of all segments of the market, making Gabriel the leading OEM supplier in the country as also to the Defence, Railways & the Aftermarket segments in India.

Gabriel has three well equipped, high-tech R&D centres located at Chakan, Hosur and Nashik to develop new products and carry out comprehensive tests to optimize performance and enhance capability of its Ride Control products. These facilities provide valuable inputs to all plants of the company.

These extend to several areas including noise measurement, value engineering, improving product quality by root cause analysis of customer complaints, as well as cost reduction through localization efforts. These R&D centres also provide customers with a facility to conduct Ride Tuning exercises.

The ongoing support extended by its Collaborators helps the Company in offering 'requirement specific' technology solutions to different international OEMs of the Automotive Industry as well as to its Aftermarket and Export customers.

REDEFINING RIDE COMFORT



The Company has a Technical collaboration with KYB Corporation, Japan, and KYBSE, Spain. Established in 1919, the company is a renowned manufacturer of Ride Control products in Japan, supplying to well known vehicle manufacturers globally. Gabriel also has a technical collaboration with Yamaha Motor Hydraulic Systems, Japan, a 100% subsidiary of Yamaha Motors, Japan, specialising in the manufacture and sale of shock absorbing components for Two Wheeler applications.



MANUFACTURING FACILITIES

TWO WHEELERS

AMBAD

COMMENCED PRODUCTION:	1990
LOCATION:	Ambad, Nashik
PRODUCT:	Shock Absorbers & Front Forks
SEGMENTS SERVICED:	Two/Three Wheelers
TURNOVER:	Rs. 1630 Million
CAPACITY INSTALLED:	36 Lacs Shock Absorbers & Front Forks
TECHNICAL COLLABORATION:	Yamaha Motor Hydraulic Systems (A 100% subsidiary of Yamaha Motor Company)
MAJOR OEM CUSTOMERS:	Bajaj, Yamaha, Piaggio, Mahindra
QUALITY CERTIFICATIONS:	TSI 6949/ BAL TPM
PLANT HEAD:	M.K.Singh



HOSUR

COMMENCED PRODUCTION:	1997
LOCATION:	Hosur, Tamil Nadu
PRODUCT:	Shock Absorbers & Front Forks
SEGMENTS SERVICED:	Two/Three Wheelers
TURNOVER:	Rs. 2800 million
CAPACITY INSTALLED:	66 Lacs Shock Absorbers, Front Forks & Tubes
TECHNICAL COLLABORATION:	Yamaha Motor Hydraulic Systems & KYB of Japan
MAJOR OEM CUSTOMERS:	TVS, Suzuki, HMSI & Yamaha
QUALITY CERTIFICATIONS:	TS 16949, ISO 14001, OHSAI 18001
PLANT HEAD:	CRV Vijay Kumar

PARWANOO

COMMENCED PRODUCTION:	2007
LOCATION:	Parwanoo, Himachal Pradesh
PRODUCT:	Shock Absorbers, Struts & Front Forks
SEGMENTS SERVICED:	2 Wheelers, Commercial Vehicles, Passenger Cars
TURNOVER:	Rs. 900 Million
CAPACITY INSTALLED:	51 Lacs Shock Absorbers, Struts & Front Forks
MAJOR OEM CUSTOMERS:	TVSM, Tata Motors Ltd, Mahindra & Mahindra & the After Market
PLANT HEAD:	Ashish Rikhie





MANUFACTURING FACILITIES

COMMERCIAL VEHICLES

DEWAS

COMMENCED PRODUCTION:	1992
LOCATION:	Dewas
PRODUCT:	Shock Absorbers
SEGMENTS SERVICED:	Commercial Vehicles
TURNOVER:	Rs.1030 Million
CAPACITY INSTALLED:	44 Lacs Shock Absorbers
MAJOR OEM CUSTOMERS:	Tata Motors, Eicher, M&M, Ashok Leyland, Force Motors, Tata – Nano.
QUALITY CERTIFICATIONS:	QS9000 , ISO 14001, OSAS 18001, TS16949
PLANT HEAD:	Umesh Shah



CASTING FACILITY

CHAKAN

COMMENCED PRODUCTION:	2009
LOCATION:	Chakan, Pune
SEGMENTS SERVICED:	Two Wheelers
PRODUCT:	Aluminum Casting Outer Tubes for Front Forks
CAPACITY:	6 Lacs Outer Tubes
MAJOR OEM CUSTOMERS:	Yamaha India
PLANT HEAD:	PLR Reddy





MANUFACTURING FACILITIES

PASSENGER CARS

KHANDSA - GURGAON

COMMENCED PRODUCTION:	2008
LOCATION:	Khandsa, Gurgaon
PRODUCT:	Shock Absorbers and Struts
SEGMENTS SERVICED:	Passenger Cars
TURNOVER:	Rs.1740 Million
CAPACITY INSTALLED:	24 Lac Struts and Shock Absorbers
TECHNICAL COLLABORATION:	KYB Japan
MAJOR OEM CUSTOMERS:	Maruti Suzuki
TECHNOLOGY HIGHLIGHT:	In-house facility for e-coating & chrome plating, based on 'Dyna Chrome' technology
QUALITY CERTIFICATIONS:	ISO TS -16949
PLANT HEAD:	Sumit Bhatnagar



CHAKAN - PASSENGER CARS FACILITY

COMMENCED PRODUCTION:	1997
LOCATION:	Chakan, Pune
PRODUCT:	Shock Absorbers and Struts
SEGMENTS SERVICED:	Passenger Cars
TURNOVER:	Rs.1520 Million
CAPACITY INSTALLED:	36 Lacs Struts & Shock Absorbers
TECHNICAL COLLABORATION:	KYB Corporation, Japan & KYBSE, Spain
MAJOR OEM CUSTOMERS:	Tata Motors, Hyundai, Renault, Ford, General Motors, Maruti Suzuki & International Customers like Renault & Volkswagen
QUALITY CERTIFICATIONS:	TS 16949, ISO 14001 & OHSAS 18001
PLANT HEAD:	PLR Reddy



FUNCTIONAL OVERVIEW

R&D ACTIVITIES 2010-11

TECHNOLOGY

GENERAL:

Gabriel's R&D facility at Chakan was recognised by the Government of India (Department of Scientific Industrial Research - DSIR) in December 2010. The other two R&D set-ups at Hosur and Nasik are in the process of receiving recognition.

INVESTMENTS:

In the next three years, beginning 2011, the Company will invest around 300m in various R&D activities to upgrade existing skills and capabilities; and also in the development of new products and processes.

PRODUCT INNOVATIONS

- New concept of Hydraulic Front Fork for Mopeds developed and under validation and implementation.
- New 'All-Disc' design for Passenger Cars developed for greater consistency in damping forces.
- Load Adoptive damping (LAD vacuum assisted) successfully implemented on proto vehicles. Patent has already been filed.
- New range of bores developed and under validation for Shock Absorbers for the Commercial Vehicles segment.
- Hollow Piston Rods for Struts that provide a weight reduction in products, developed without compromising strength of Strut.
- Mono-tube remote canister developed for Motor Cycles.

PROCESS INNOVATIONS

- New process developed for welding the outer body of Shock Absorbers using Lasor welding.
- Friction welding of Rods initiated.
- New environment friendly 'Auto Phoratic' Painting technology developed to ensure uniform thickness of paint and better salt spray life.
- In-line hardening ensuring no cracks due to delayed tempering.
- Dyna-chrome plating with no discharge introduced at the Chakan facility.

OTHER ACTIVITIES

- Developed design capabilities for peripheral parts for Struts. This has already been implemented in three projects.
- Successfully completed Ride Tuning for Indian and International OEMs to their satisfaction. This was conducted in India as well as in UK, Germany and other countries.
- Benchmarking performed for global competitors and new features understood and implemented in our designs.
- Extensive localisation program introduced and a number of imported parts substituted by way of localisation including seals, oil, pistons and other critical valving parts.