

August 12, 2016

To,

**Bombay Stock Exchange Limited,
Dept. of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Company No. 505075**

**National Stock Exchange of India Ltd,
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Scrip Code: SETCO**

Dear Sir,

Sub: Corporate Presentation

Kindly find attached the Corporate Presentation of the Company for the information of the investor community at large.

The aforesaid information is also being uploaded on the website of the Company www.setcoauto.com

We request you to take note of the above on your record and oblige.

Thanking you,

Yours faithfully,

For Setco Automotive Limited


**Bhautesh Shah
Company Secretary**





- Meeting approx 90% of MHCV Original Equipment clutch demand in India
- Largest producer of Medium & Heavy Commercial Vehicle (MHCV) Clutches in India
- Among the top 3 manufacturers in the world (by volume)



www.setcoauto.com



Vision

“To be the preferred clutch of choice in 1 out of 3 commercial vehicles and 1 out of 5 farm tractors globally”.

Mr. Harish Sheth – Chairman & Managing Director

Setco Automotive has carved out a niche in the clutch market with an extensive global network of 64 countries spread across Europe, North Americas, South Americas, Latin Americas, Africas, Middle East and Asia Pacific

LIPE
CLUTCH

DRIVEN

BY MARKETS

PEOPLE – Our strength
QUALITY – Our priority
SERVICE – Our cornerstone
INNOVATION – Our identity
COMMUNITY – Our pride
PARTNERS – Our family



DRIVEN

BY VALUES

INCORPORATED IN

1982

Listed on

BSE (STOCK CODE: 505075)

NSE (STOCK CODE: SETCO)

4

**MANUFACTURING
FACILITIES**

- Kalol (Panchmahal), Gujarat, India
- Sitarganj, Uttarakhand, India
- Haslingden, Lancashire, UK
- Paris, Tennessee, USA

CLUTCH

PRODUCTS AND SYSTEMS
HYDRAULICS
(PRESSURE CONVERTERS)

Rs 590 cr

MARKET CAP on 12th August 2016

DRIVEN

BY EXCELLENCE

LIPE
CLUTCH

1200

EMPLOYEES
WORLDWIDE

64

EXPORTS TO
COUNTRIES

2

RESEARCH & DEVELOPMENT
CENTERS

CERTIFIED

ISO

SALES

505

Rs Crs

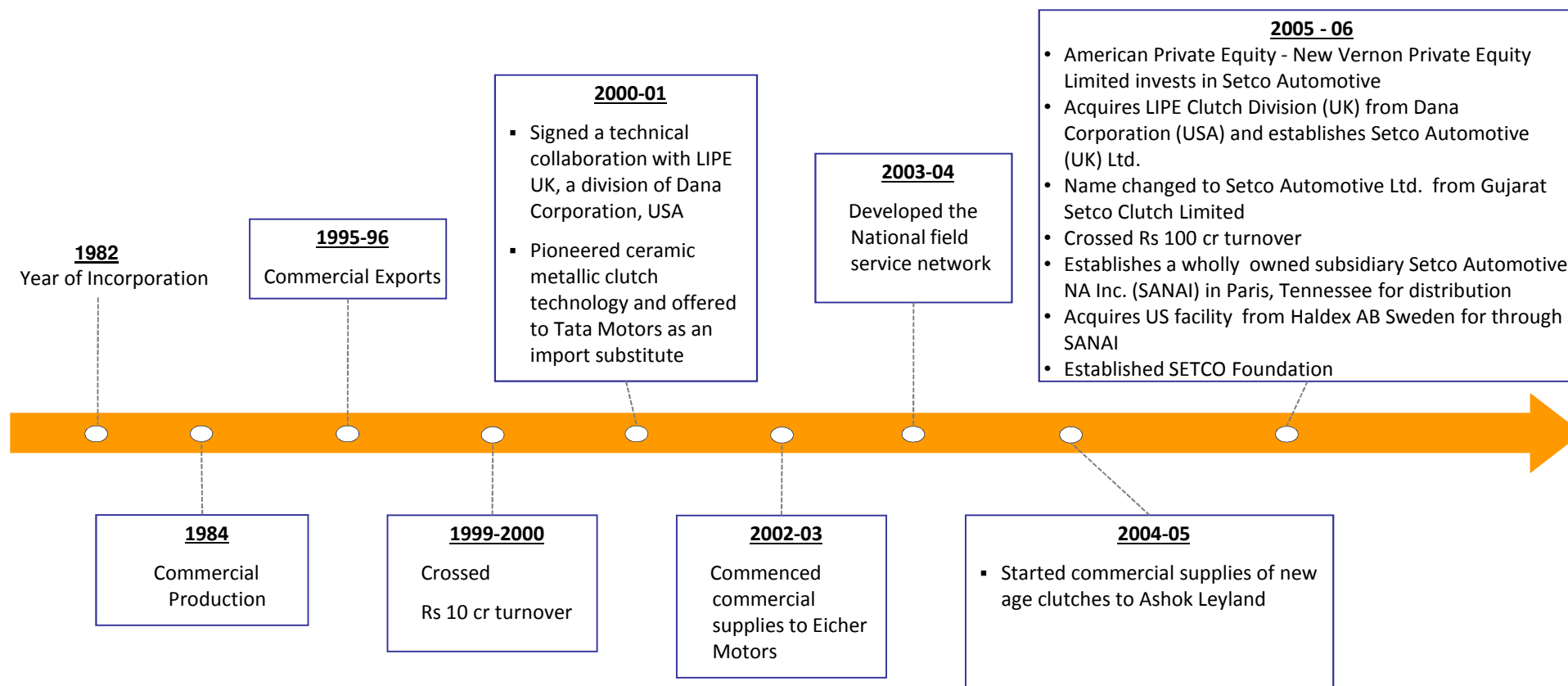
ISO/TS 16949 | ISO 14001 | OHSAS 18001 | VDA - 6.3

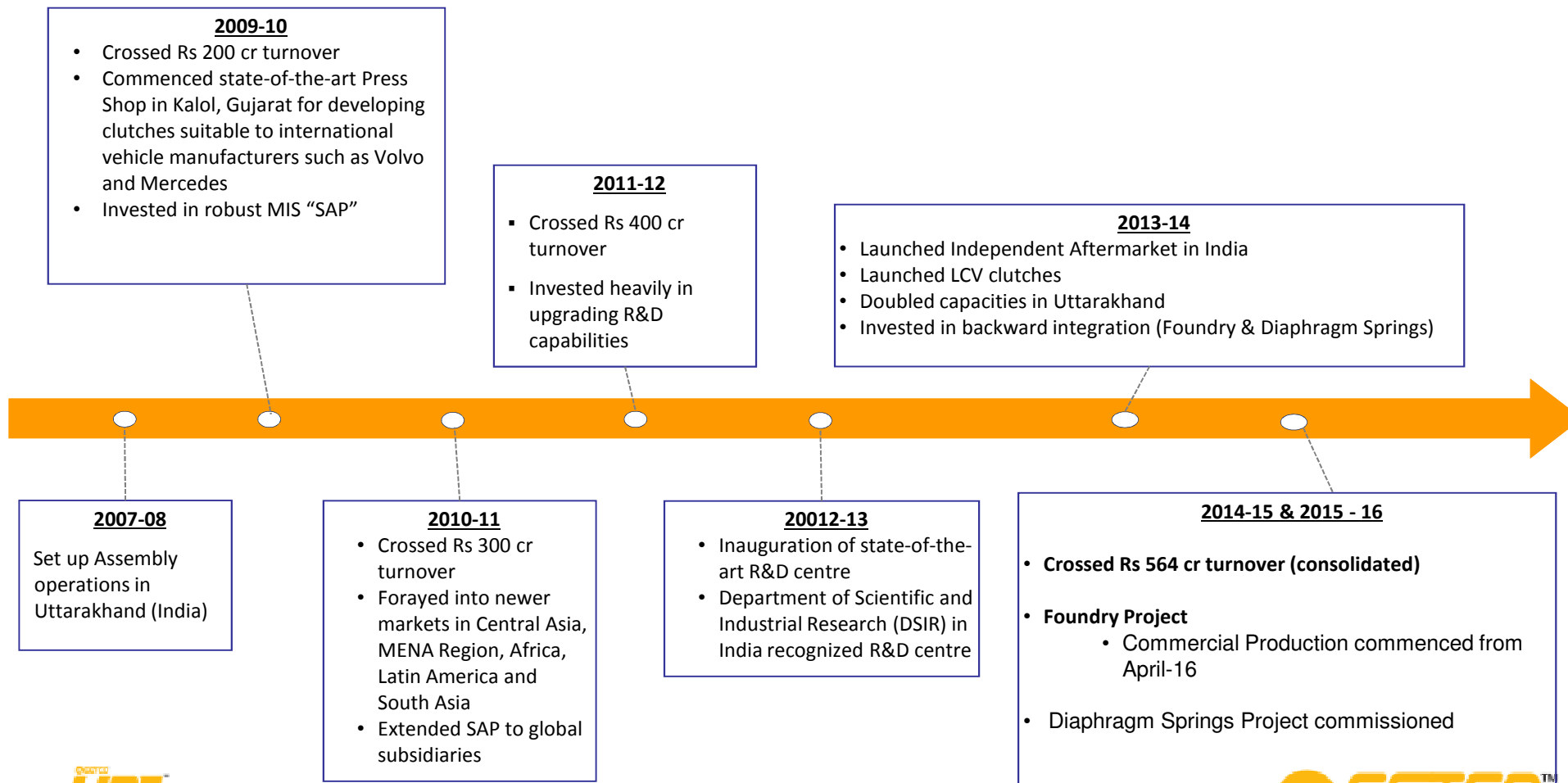
DRIVEN

BY EXCELLENCE

5

LIPE
CLUTCH





Global Leadership Team



- | | |
|---|---|
| 📍 Harish Sheth – Founder, Chairman & Managing Director | 📍 A. V. Srinivas – Vice President - Manufacturing |
| 📍 Udit Sheth – Joint Managing Director | 📍 Vinay Shahane – Vice President - Finance |
| 📍 Shveta Vakil – Executive Director | 📍 Hans Gramberger – Director, International Marketing |
| 📍 R.K Ghosh- Director Technical | 📍 Steve Haworth – Executive Director (Setco – UK) |
| 📍 J. S. Gujral – Chief Marketing Officer | 📍 Rajiv Iyer – Vice President (Setco - North America) |

G L O B A L F O O T P R I N T



DRIVEN

BY MARKETS



DRIVEN

BY MARKETS

CLIENTS:



POTENTIAL CLIENTS:

DRIVEN

BY ORIGINAL EQUIPMENTS



THE HUB



Upgradation and Modernization of plant to help capacity building. Investment of **Rs 70 cr over 2 years.**

1

State of Art Research & Development Centre (R & D Centre)

Advanced technology and offer world class products to customers in India and globally

2

Backward Integration

→ Setting up a Diaphragm Spring Plant at the cost of Rs 25 cr

- Currently being imported from Europe
- Will help bring technology in India and control Quality also reduce cost

→ Foundry project at the cost of Rs 180 cr.

- Capacity of producing 30,000 tons / year
- 1/3 capacity for Captive Consumption
- Additional Capacity to cater to outside customers (Domestic & Overseas)
- State of Art Machine Shop

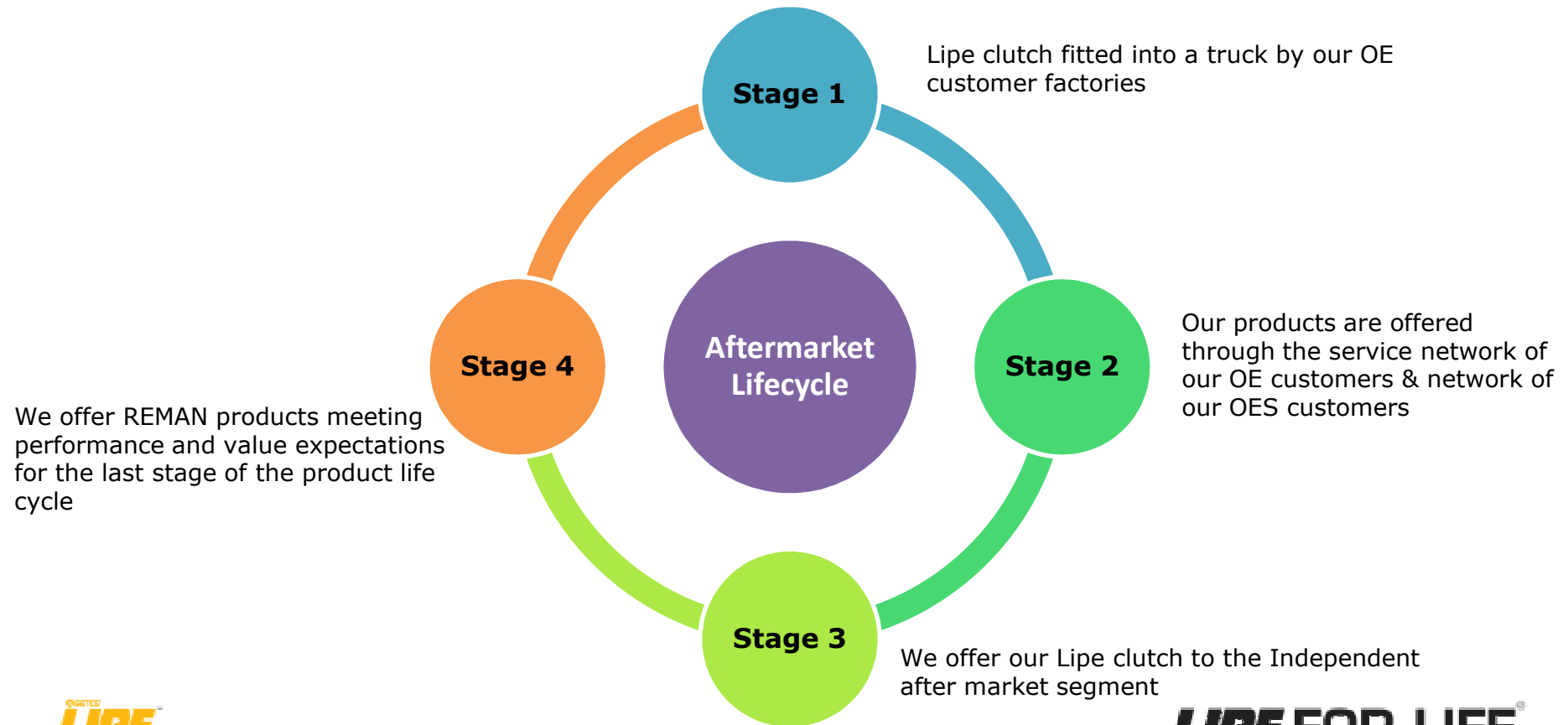
3

LIPE for Life – Aftermarket business

- Strength comprises of 23 distributors and 47 branches spread across the country

...LIPE for Life – Aftermarket business

Setco offers full life cycle solutions



...LIPE FOR LIFE®



- At Setco Automotive, our R&D efforts are at the heart of all that we do.
- Our R&D investment is part of a strategic framework with one simple motive – delivery of global standards.
- R&D facilities in India and UK help us cement our position as a top domestic player with a wider product range and a smaller time-to-market cycle
- Key capabilities at our R&D facilities include cutting-edge software and tools in drafting, 3D modeling, product lifecycle management, project management, clutch testing and analysis.

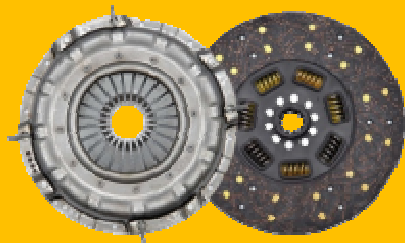


- Current R&D spend approx 1.5% of turnover – plans to increase to 2% of turnover.

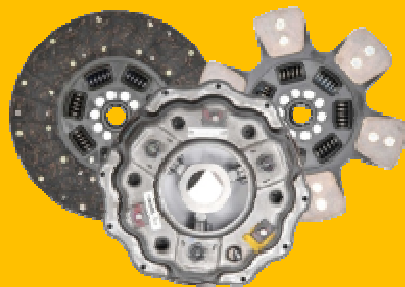


DRIVEN

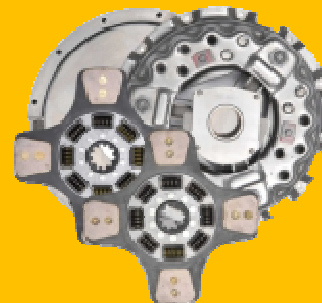
BY TECHNOLOGY



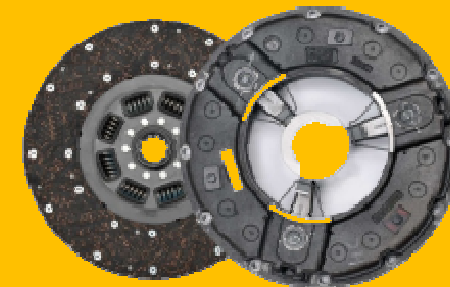
12"/310mm Single
Diaphragm Spring



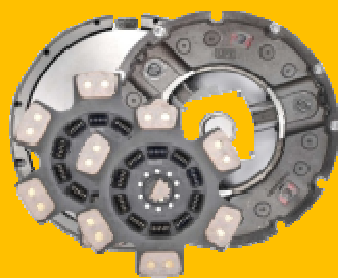
13"/330mm Single
Direct Pressure Coil Spring



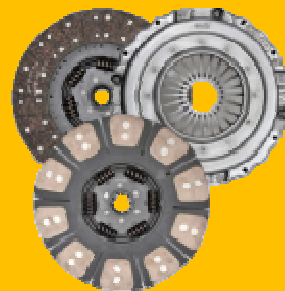
14"/352mm Single & Twin
Direct Pressure Coil Spring



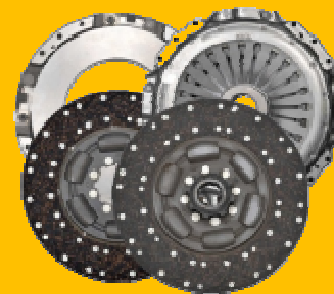
380mm Single Push
Coil Spring



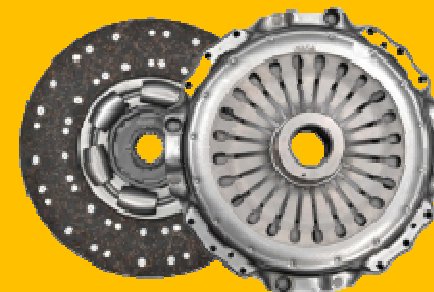
15"/380mm Single & Twin
Direct Pressure Coil Spring



395mm Single Push
Diaphragm Spring



16"/400mm Twin
Diaphragm Spring



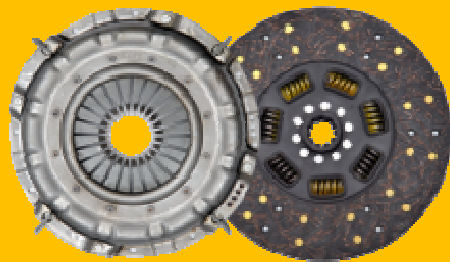
17"/430mm Single
Diaphragm Spring



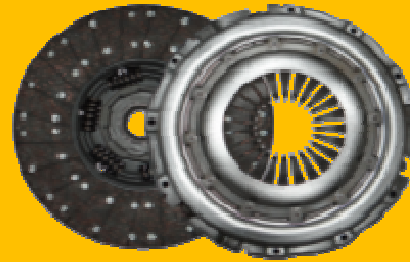
Off-Highway, Construction
▪ Hydraulics (Pressure Converters)



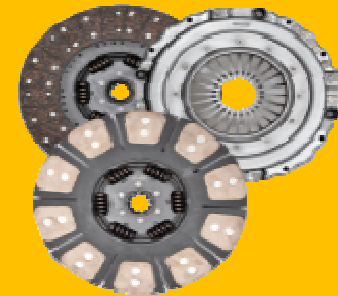
LIPE Euro Star series



310mm Single Diaphragm Spring



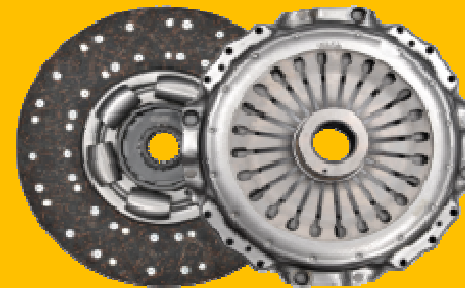
362mm Single Diaphragm Spring



395mm Single Push Diaphragm Spring

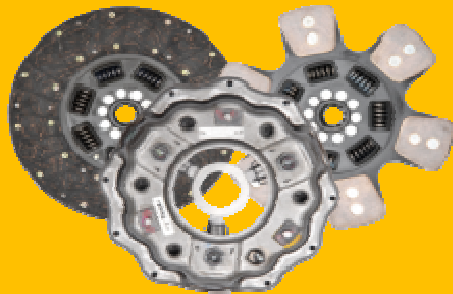


400mm Twin Diaphragm Spring

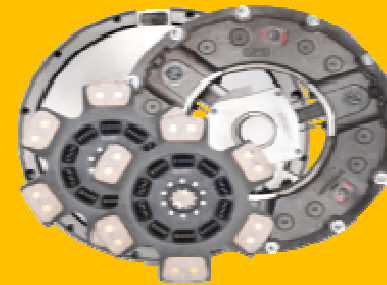


430mm Single Diaphragm Spring

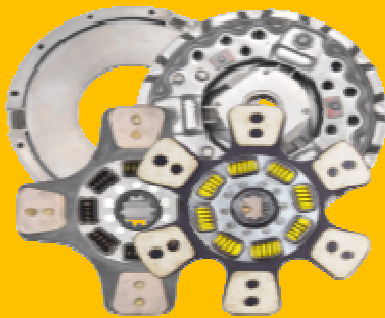
LIPE Torque Star Series



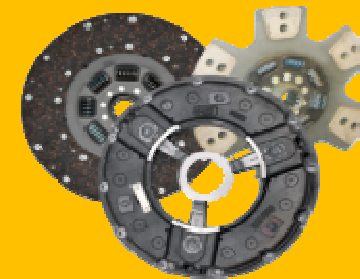
13" / 330mm Single Direct Pressure Coil Spring



15" / 380 mm Single & Twin Direct Pressure Coil Spring

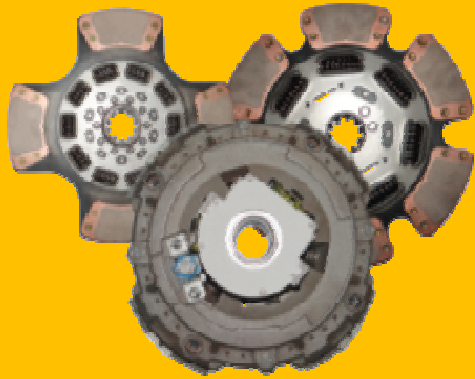


14" / 352mm Single & Twin Direct Pressure
Coil Spring



15" / 380mm Single Push Coil Spring

LIPE Eagle Star Series



15.5" Angular Spring Twin Clutch



14" Angular Spring Twin Clutch

Diaphragm Spring Facility

- Development of in-house capability for manufacturing of diaphragm springs which is currently sourced from Germany.
- Diaphragm sizes 170 mm, 200mm, 280mm, 310mm, 362mm, 395mm, 400mm & 430mm.
- Manufacturing set up is established. Development of diaphragm springs under progress. Start of production for diaphragms – April 16.
- Initial capacity of 2,00,000 per annum established with investment of Rs 25 cr.
- This state of the art manufacturing plant will meet the internal needs of Setco.
- Key Benefits
 - Rapid product development.
 - De-risk manufacturing due to procurement lead times
 - Cost reduction

Diaphragm Springs Plant



Diaphragm Springs Plant



Foundry Project - Lava Cast Pvt. Ltd.

Setco Automotive Ltd, India & Lingotes Especiales, Spain have entered into a Ferrous Foundry Joint Venture

- Lingotes Especiales, with impeccable credentials in the global foundry industry comes on board of Lava Cast as the Technology Partner
- Has four decades of rich manufacturing experience and its flagship Company is a state-of-the-art iron foundry with a capacity of 100,000 tons a year.
- Will generate employment opportunities for approximately 400 people
- With an initial capacity of 30,000 tons per annum, to be augmented to 60,000 tons in a phased manner, this world-class foundry will meet the internal needs of Setco and international customers.
- Invested Rs 180 cr in Phase I.
- Commenced Commercial Production from April 2016

***DRIVEN* BY BACKWARD INTEGRATION**

Master Plan – Phase 1



Master Plan - Phase 2



Foundry Project - Lava Cast Pvt. Ltd.

Key Benefits:

- Lingotes's long-standing experience in the industry will help reduce the lead-time for the Lava Cast project to take off.
- De-risked project implementation
- Faster ramp up and rapid product development
- Exports of Lava Cast components to Lingotes European customer base
- Their clientele consists of automobile manufacturers and tier 1 companies like Ford, Volkswagen, Renault, PSA (Peugeot/Citroën), Fiat, Valeo, TRW, among others.



DRIVEN BY BACKWARD INTEGRATION

Foundry with Machinery



DISA Machine & DISA sand Plant



DISA Moulding Machine 131 Z

DISA Sand Plant

Machine Shop Layout



Machine Shop Layout



Human Resources

We believe our People are vital to our success. Harnessing the passion of an employee is critical towards value addition

Our Strengths

Vibrant, progressive work culture which fosters team spirit and entrepreneurship.

- Ability to attract best talent from the industry
- Setco is the first employer for 85% of our plant workforce
- 53% of our total workforce have been with the company for over 10 years
- Attrition rate around 6.2% is much below Industry Average of 12%.
- Empowerment across levels
- Challenging work environment
- Focus towards accelerated career progression
- Capability Development: We invest in skill enhancement for our employees through both Behavioral & Functional Training Initiatives



DRIVEN BY PEOPLE

Human Resources

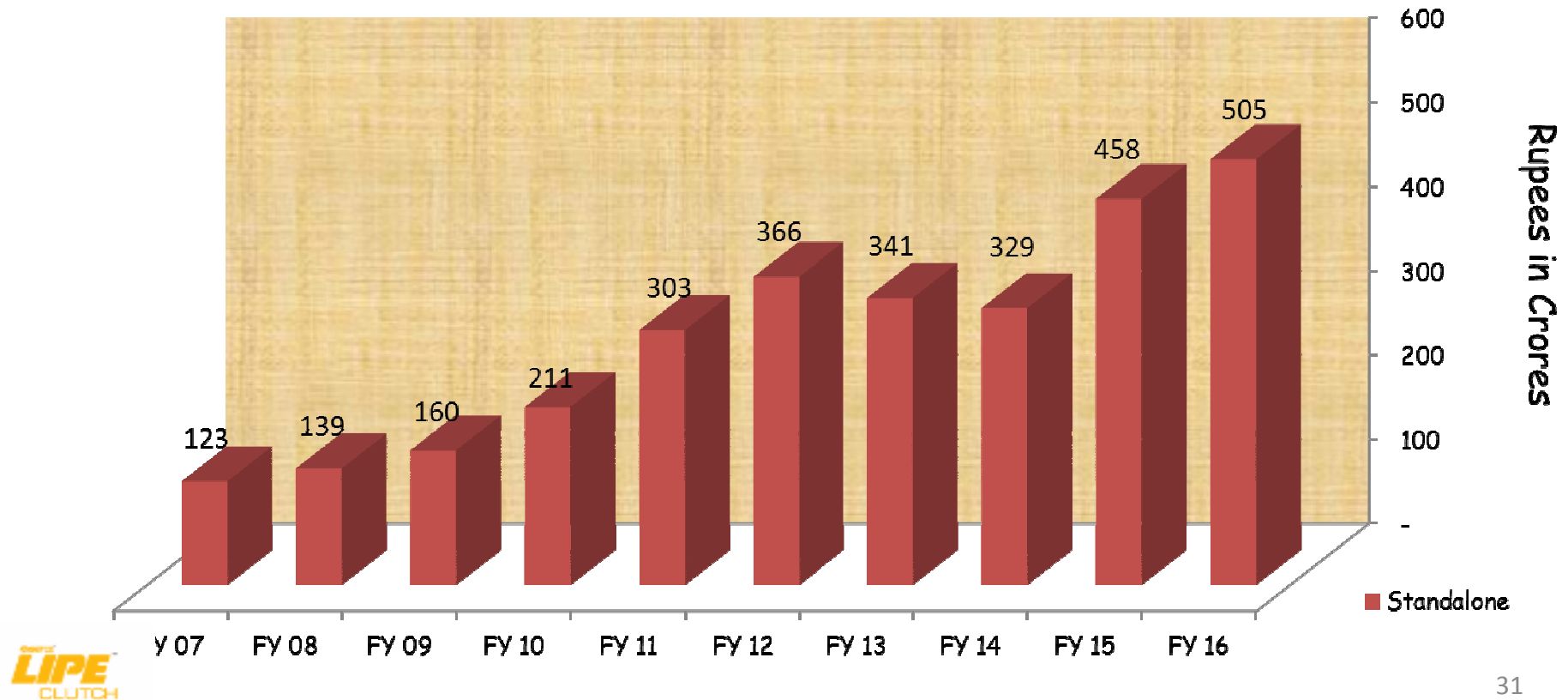
Initiatives

“Setco Young Leaders’ Programme – STYLE”: Structured Development & Career Planning for Hi-Performing Hi-Potential employees

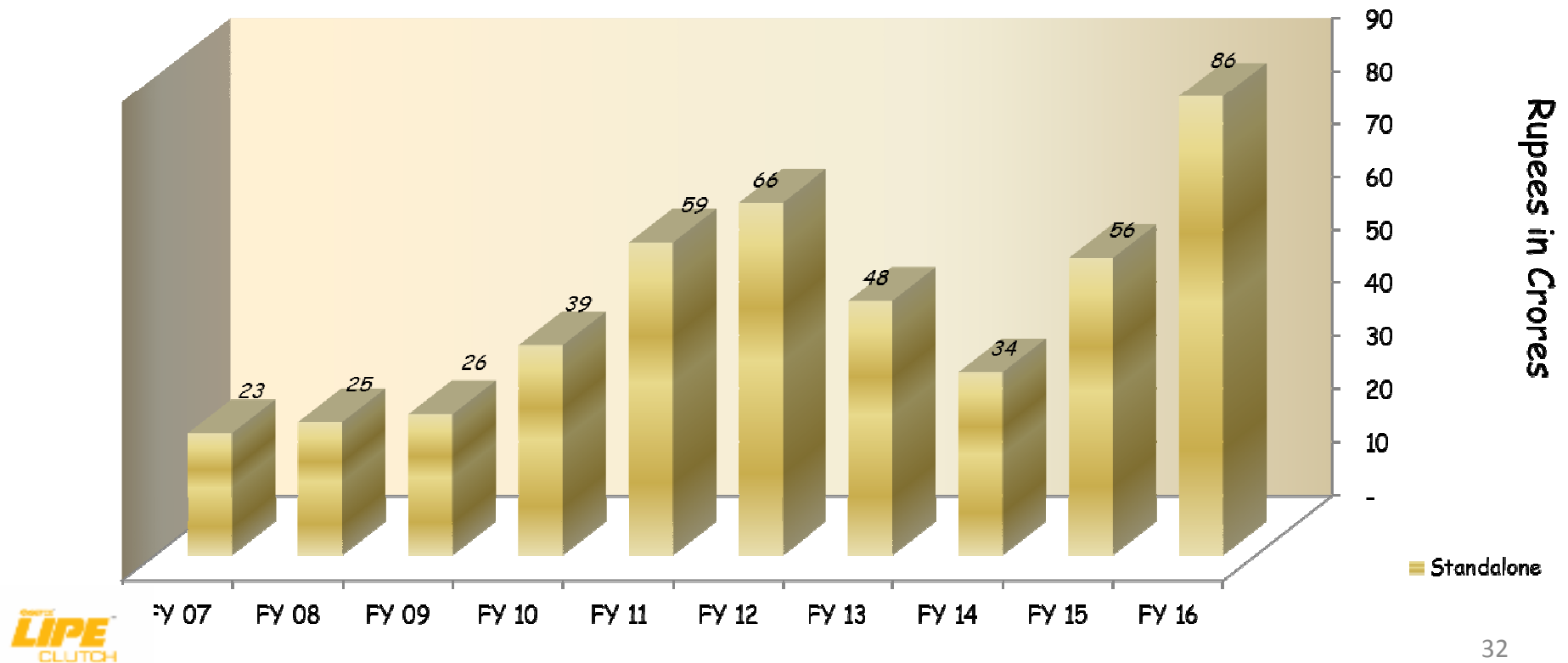
- “Pratibimb” Employee Engagement Survey
- Suggestion Scheme “Sujhaav - Ek naye kal ke liye.....”
- Kaizen Awards
- Automation of the HR Processes to create an employee-friendly experience (*Cloud based HR Automation (HRIS) System : EazeWork for Employee Information, Attendance, Leave, Performance Management System, Tours, Administering various internal surveys, etc.*)
- Detailed cross-functional induction including Industrial Visits, Soft Skill Training for new recruits to ensure smooth on-boarding into the Setco Family
- Safety is given high importance at Setco and several efforts for continuous upgradation of safety standards are taken viz. Formulation of safety policy, Mock Drill, On Job Training, etc.



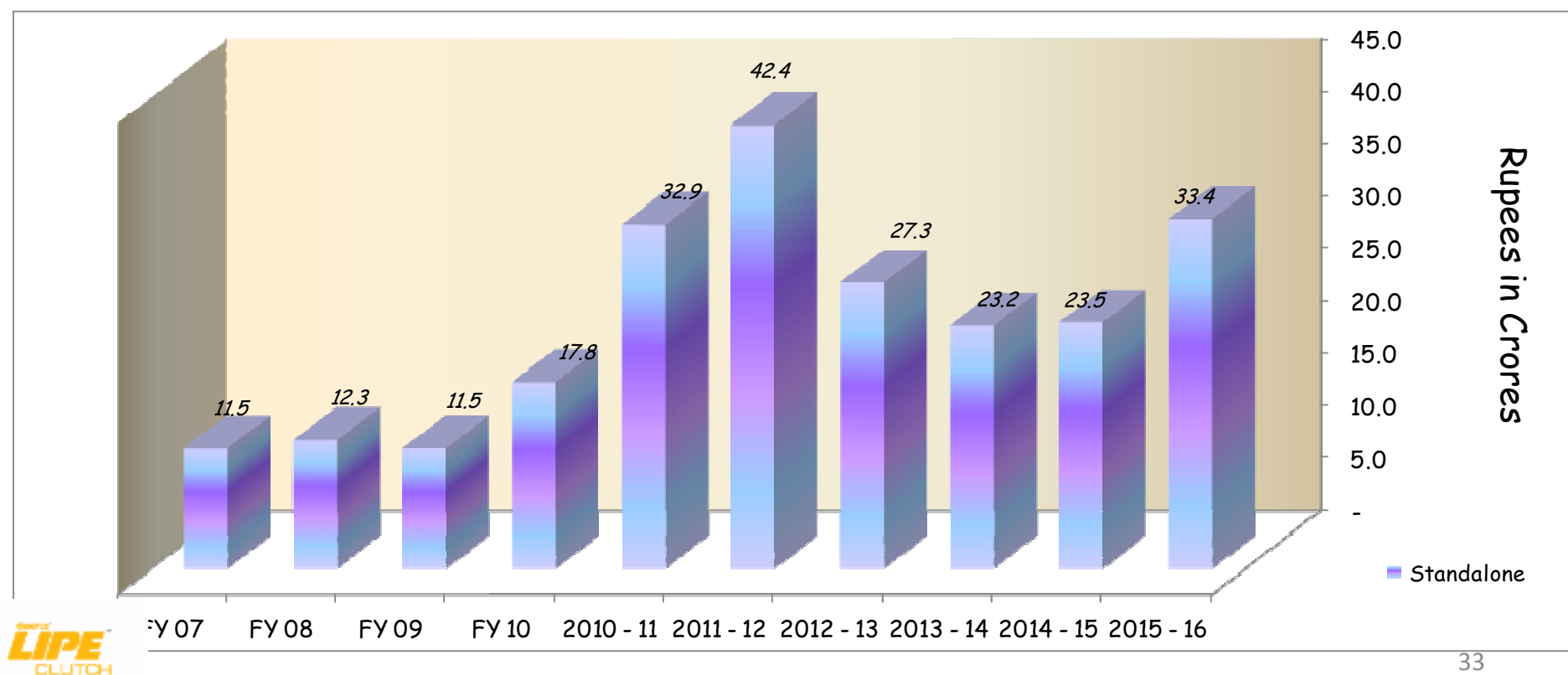
Net Sales...Last 10 Years



EBIDTA ...Last 10 Years



PAT.....Last 10 Years

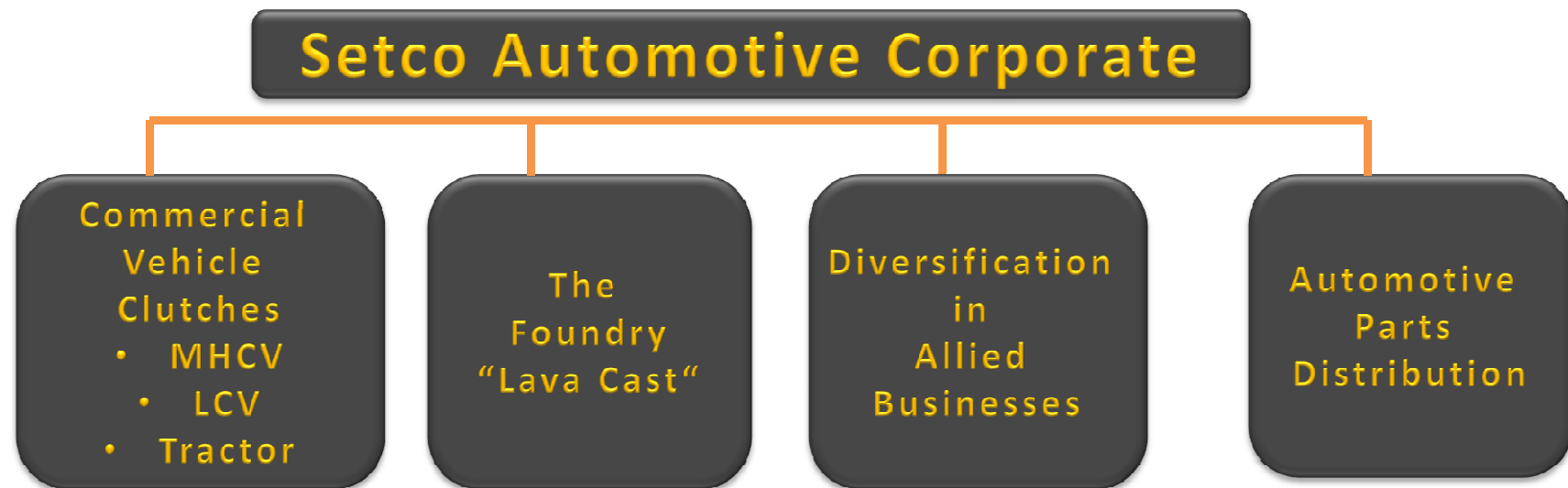




Caring about Stakeholders

- Strong leadership position achieved with all OEM customers in spite of global competition – achieved through quality, consistency, price and service.
- Committed supply chain of vendors – local as well as international.
- Believes in training and empowering its employees to make the organisation future ready.
- Excellent track record with banks / financial institutions.
- Rewarding shareholders with consistent dividend pay outs and capital appreciation – two bonus issues in last 6 years.
- Commitment towards Community.

Vision – USD \$ 1 Bn by FY 2024





"It is our mission to enable a community to actively ensure that every child and woman has full access to healthcare, nutrition, education and an opportunity for growth"

Setco – A Responsible Corporate

5% of Net Profit Dedicated to the Foundation

- 🕒 Sponsoring education of employees' children
- 🕒 Adoption of the I.T.I.s in Zalod, Gujarat
- 🕒 Tree plantation by employees (1 per employee per year)
- 🕒 Medical camps
- 🕒 Purified drinking water for neighboring schools in Kalol, Gujarat
- 🕒 Anganwadi Programme (Currently having 18 Anganwadis in Kalol)
 - 🕒 Health check-ups for children & pregnant and nursing women from the locality
 - 🕒 Encouraged suppliers Like Miba, Austria to sponsor another Anganwadi to expand CSR activities

DRIVEN BY COMMITMENT





"We aim to reach out to over 10,000 women and children over the next three years"

- 🕒 **Nutritional support for children** from 0-6 years
- 🕒 **Day-care, preschool, medical check-ups and monitoring for pregnant and nursing mothers,**
- 🕒 **Encourage financial autonomy for women** through adult education and **skill training for income-generation**
- 🕒 **Cash incentives every year to a girl child** who completes school successfully
- 🕒 **Develop easy-to-implement, integrated play-school programs** combining **Montessori** and Play-way methods and local ICDs prescribe activities to nurture and stimulate children for **school readiness.**

DRIVEN BY COMMITMENT



For additional information, please contact:

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Tel: 022-4075 5555

Bhautesh Shah

Company Secretary

bhautesh.shah@setcoauto.com

Tel: 022-4075 5555

DRIVEN
BY PARTNERS



THANK YOU

