

Integrate. Innovate. Create.



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## Integrate

2019 marks the first full year of operations as Schaeffler India Limited (Schaeffler India) — a strong entity that resulted from the merger completed in 2018. The merger has enabled us to realise our multiple synergies, while providing further growth impetus to Schaeffler India. The merger marks an important landmark in our global 'One Schaeffler' journey. Together as 'One Schaeffler', we are better positioned to leverage our brand equity and optimise production, distribution and innovation value chains for greater performance and growth.

☰ p.28

## Innovate

At Schaeffler India, our drive to cater to the industry demands in a more efficient and holistic manner gets a phenomenal boost from Schaeffler Group. It is globally renowned for its legacy of innovation and its best-in-class Research and Development (R&D) capabilities are finding a firm footing in India. Through continuous investments, we are strengthening our R&D capabilities and competencies in India to serve our local customers across business segments. Simultaneously, we are building on the expertise and customer-centric know-how of the merged entities, to further our innovation ecosystem. With this, we are ready to strengthen our capability to serve our customers with future-ready products, while providing the industry with new ideas and offerings.

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## Create

We are here to create value. Through our innovation-led engineering excellence, precision and high-quality products, we make it possible for others to create a world they envision. Supported by our key stakeholders, partners in the industry and customers, we enable industries to create and deliver sustainable solutions, while contributing positively towards our society. Through our business practices, we strive to create value for all stakeholders in our collective journey towards a better tomorrow.

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### Performance highlights: 2019

#### Revenue

₹ 43,606 million

#### EBITDA

₹ 6,461 million

#### Earnings after tax

₹ 3,676 million

#### CO<sub>2</sub> reduction

10%

#### CSR beneficiaries

12,094

### About this report

Furthering our commitment to transparent stakeholder communications, we, at Schaeffler India, have started on the journey of Integrated Reporting <IR> with our Annual Report 2019. The Report is guided by the <IR> framework issued by the International Integrated Reporting Council (IIRC). To inform our stakeholders on all aspects of our business, we have introduced certain key elements of the <IR> framework in the Report. As we continue our journey, we will add more such elements to our upcoming reports over the years.

Some data related to <IR> might be management estimates. The other statutory reports, including the Directors' Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report are as per the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and the prescribed Secretarial Standards.

### Reporting scope and boundary

The Annual Report for 2019 covers information on the Company's business segments in India, along with associated activities that enable short, medium and long-term value creation.

### Responsibility of those charged with governance

The Company's senior management, under the supervision of the CEO, have reviewed the Report's content. Board members of the Company have provided the required governance oversight.

Find out more online at  
[schaeffler.co.in](https://www.schaeffler.co.in)

 @SchaefflerGroup

 @SchaefflerIndia

 Schaeffler



## A globally renowned legacy

Established in 1946, Schaeffler Group is a global automotive and industrial supplier. It manufactures high-precision components and systems for engine, transmission and chassis applications in the automotive segment. The Group also produces rolling and plain bearing solutions for a variety of industrial applications.

With operations in 170 locations worldwide, 70 production facilities in 22 countries, 20 R&D centres and a workforce of 87,700 employees, Schaeffler Group is counted among the world's largest family companies. Over the past seven decades, the Group has received over 26,000 patent registrations and is one of the most innovation-led organisations in the world. Quality, technology and innovation are the three pillars supporting the Group's rich legacy.

The Group owns majority stake in Schaeffler India. With effect from 2018, INA Bearings India Private Limited and LuK India Private Limited merged with Schaeffler India Limited (erstwhile FAG Bearings India Limited). The objective of the merger was to consolidate the Group's India businesses and optimise the potential of the merged entity. Schaeffler AG, the Group's flagship company, is a publicly listed stock corporation incorporated under the German law, with its registered office in Herzogenaurach.

### Schaeffler Group *Highlights of 2019*

#### Revenue<sup>##</sup>

**€ 14.4 billion**

#### Invention disclosures<sup>##</sup>

**3,298**

#### Employees<sup>###</sup>

**87,700**

**It is Germany's second most innovative company<sup>#</sup>**

<sup>#</sup>According to the DPMA (German Patent and Trademark Office) in the year 2018

<sup>##</sup> For the full year 2019

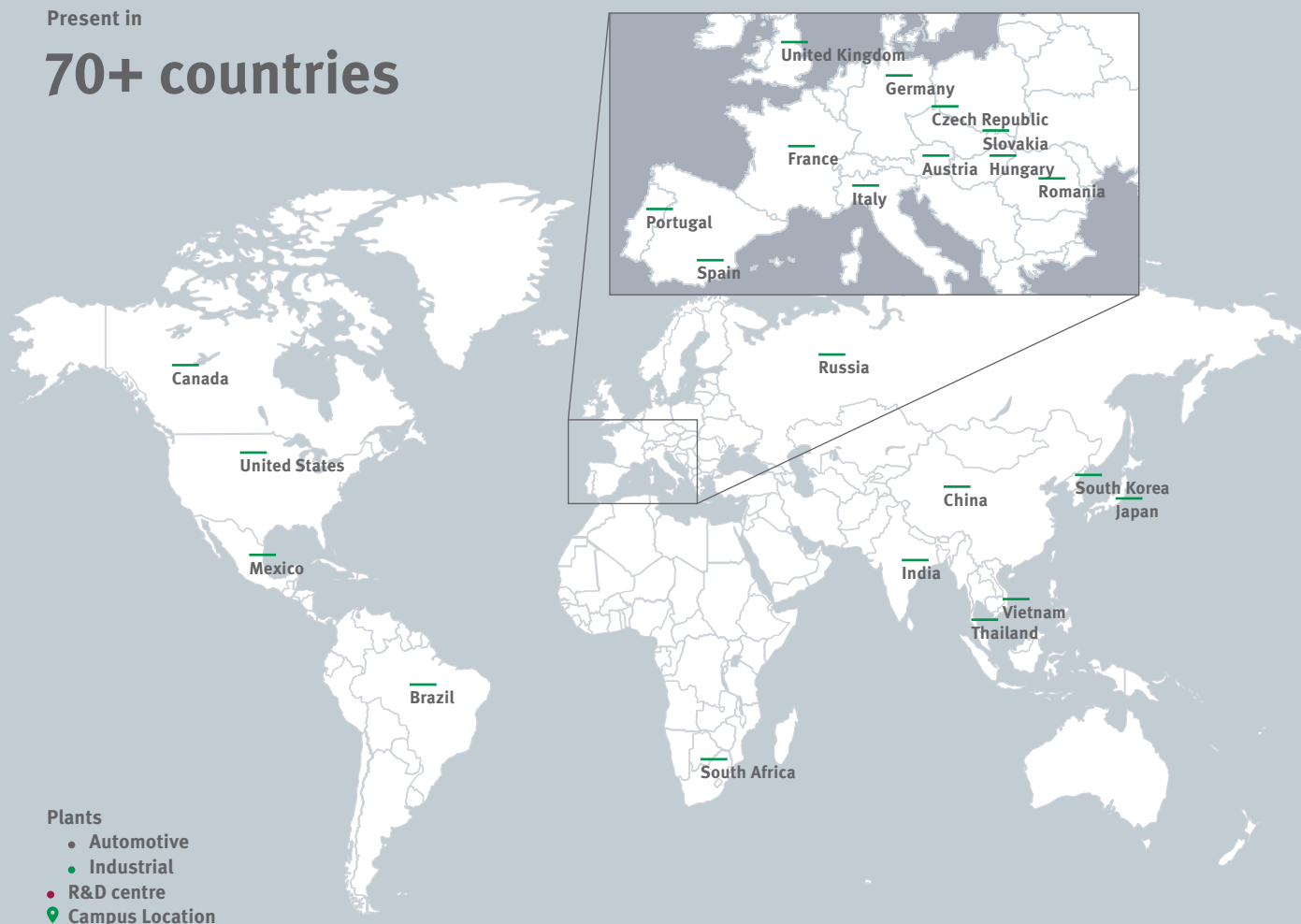
<sup>###</sup> As on December 31, 2019



## Schaeffler Group's plants and R&D centres

Present in

# 70+ countries



**Plants**

- Automotive
- Industrial
- R&D centre
- Campus Location

<b>Canada</b> Stratford ●●●	<b>Russia</b> Ulyanovsk ●	<b>Thailand</b> Chonburi ●	<b>Germany</b> Bühl (2) ●●● Erlangen ● Gunzenhausen ● Herzogenaurach ●● Hirschaid ● Höchstadt ●●● Homburg (3)* ●●● Ingolstadt ● Kaltennordheim (2) ● Lahr ●●● Luckenwalde ● Morbach ● Nuremberg ● Schweinfurt (2) ●● Eltmann ●● Steinhagen ● Suhl ● Unna (2) ● Wuppertal ●	<b>United Kingdom</b> Sheffield ●	<b>Slovakia</b> Kysucké Nové Mesto ●●●● Skalica ●●●
<b>United States</b> Cheraw (2) ●● Danbury ● Fort Mill ●● Joplin ● Spartanburg ● Troy ● Wooster ●●	<b>South Africa</b> Port Elizabeth ●	<b>Vietnam</b> Biên Hòa City ●		<b>France</b> Calais ● Chevilly ● Haguenau ●●●●	<b>Hungary</b> Debrecen ● Szombathely ●●
<b>Mexico</b> Puebla ●● Irapuato ●	<b>India</b> Hosur ●● Pune ●● Vadodara ● Savli ●	<b>Japan</b> Yokohama ●	<b>South Korea</b> Ansan ● Changwon ●● Jeonju ●	<b>Portugal</b> Caldas da Rainha ●	<b>Romania</b> Braşov (3)* ●●●●
<b>Brazil</b> Sorocaba (2) ●●●	<b>China</b> Anting ● Nanjing ●●● Suzhou ● Taicang (4) ●● Xiangtan ● Yinchuan ●●●			<b>Czech Republic</b> Lanškroun ● Svitavy ●	<b>Austria</b> Berndorf-St. Veit ●
				<b>Spain</b> Elgoibar ●	<b>Italy</b> Momo ●

Number of plants in brackets

1) Regions reflect the regional structure of the Schaeffler Group.

2) The Kaltennordheim and Unna plants were sold on December 6, 2019, and the business was transferred on February 3, 2020.

Braşov \*) 2 plants Industrial, 1 plant Automotive

Homburg \*) 2 plants Automotive, 1 plant Industrial

## Integrated for a better future

Schaeffler India encompasses the Indian operations of Schaeffler Group. The post-merger combined entity offers a vast and diversified mix of products to its automotive and industrial customers.

Schaeffler India manufactures these products across its four state-of-the-art facilities in India. The Company also has two dedicated R&D facilities in India that roll out innovative products for the Indian market. Through its thriving after-market network, the Company serves its customers across both the automotive and industrial segments. Schaeffler India employs 2,846 people across its sites and offices.

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### Schaeffler India

*Quick facts*

Production facilities

**4**

R&D centres

**2**

Sales offices

**8**

Retail network

**29,000+**

Distribution channel partners

**320+**



**Schaeffler India**  
*Our footprint*



## Our Board of Directors

# Led by a responsible Board



**Mr. Avinash Gandhi**  
Chairman  
Independent Director

AC NRC



**Mr. Klaus Rosenfeld**  
Non-executive  
Non-independent  
Director



**Mrs. Renu Challu**  
Independent Director

AC NRC SRC



**Mr. Arvind Balaji** <sup>1</sup>  
Independent Director

AC CSR



**Mr. Amit Kalyani** <sup>2</sup>  
Independent Director

AC NRC CSR



**Mr. Jürgen Ziegler**  
Non-executive  
Non-independent Director

AC



**Mr. Dharmesh Arora** <sup>3</sup>  
Non-executive  
Non-independent Director

NRC RMC



**Mr. Harsha Kadam** <sup>3</sup>  
Managing Director &  
CEO

SRC CSR RMC



**Mr. Satish Patel**  
Director – Finance & CFO

AC SRC RMC



**Mr. R. Sampath Kumar** <sup>4</sup>  
Non-executive  
Non-independent Director

AC

Audit Committee

SRC

Stakeholders' Relationship  
Committee

RMC

Risk Management  
Committee

NRC

Nomination and Remuneration  
Committee

CSR

Corporate Social Responsibility  
Committee

Chairman/Chairperson

Member

<sup>1</sup> Effective November 2019

<sup>2</sup> Effective February 2020

<sup>3</sup> Effective October 2019

<sup>4</sup> Ceased to be a Director effective May 30, 2020



## Our executive leadership team

## Driven by a strong leadership



**Mr. Sanjeev Saxena**  
President  
(Automotive)

**Mr. Alok Dave**  
Vice President  
(Purchasing)

**Mr. Sameer Mathur**  
Chief Operating Officer

**Mr. Santanu Ghoshal**  
Vice President  
(Human Resources)

RMC

RMC

**Mr. Debasish Satpathy**  
Vice President  
(Automotive Aftermarket)

**Mr. Harsha Kadam**  
Managing Director & CEO,  
President  
(Industrial Business)

**Mr. Satish Patel**  
Director – Finance & CFO

**Mr. Biswajyoti Mandal**  
Vice President  
(Technology)

# Creating all-round value

## Automotive OEM

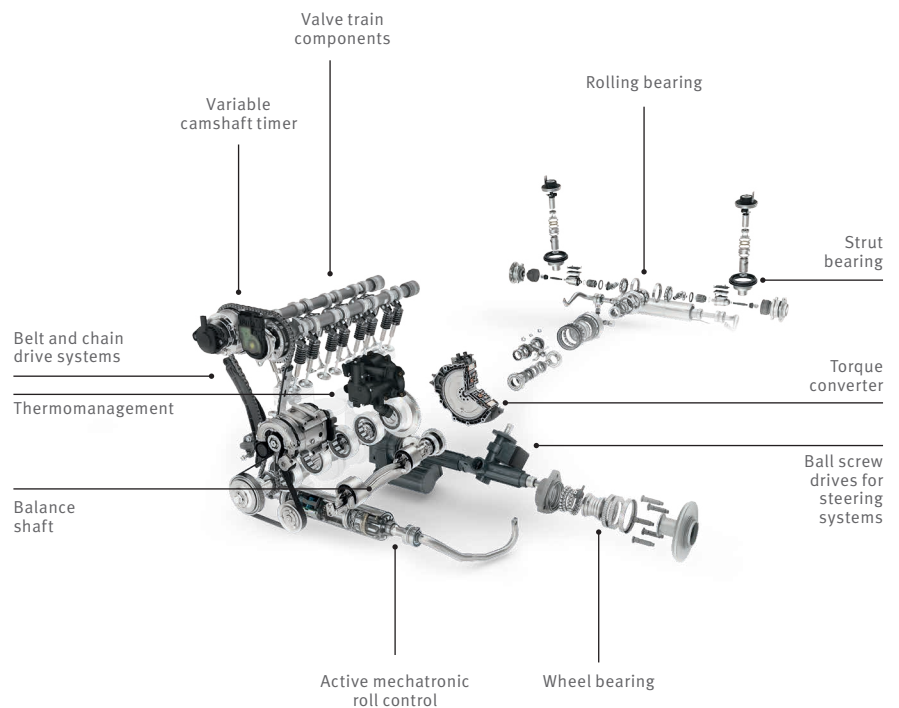
### Products

- Chassis components and systems
- Clutches and transmission systems
- Engine components and precision products
- Drives for hybrid and Electric Vehicles (EVs)

### Segments catered to

-  Commercial vehicles
-  Passenger vehicles
-  Tractors

### Applications



### Our expertise and experience

## Technologies designed to make vehicles cleaner and more fuel efficient

Our product offerings include chassis components and systems, technologies for clutches and transmissions, as well as engine components and drives for hybrid and EVs. Schaeffler precision products are key to reducing fuel consumption and emissions.