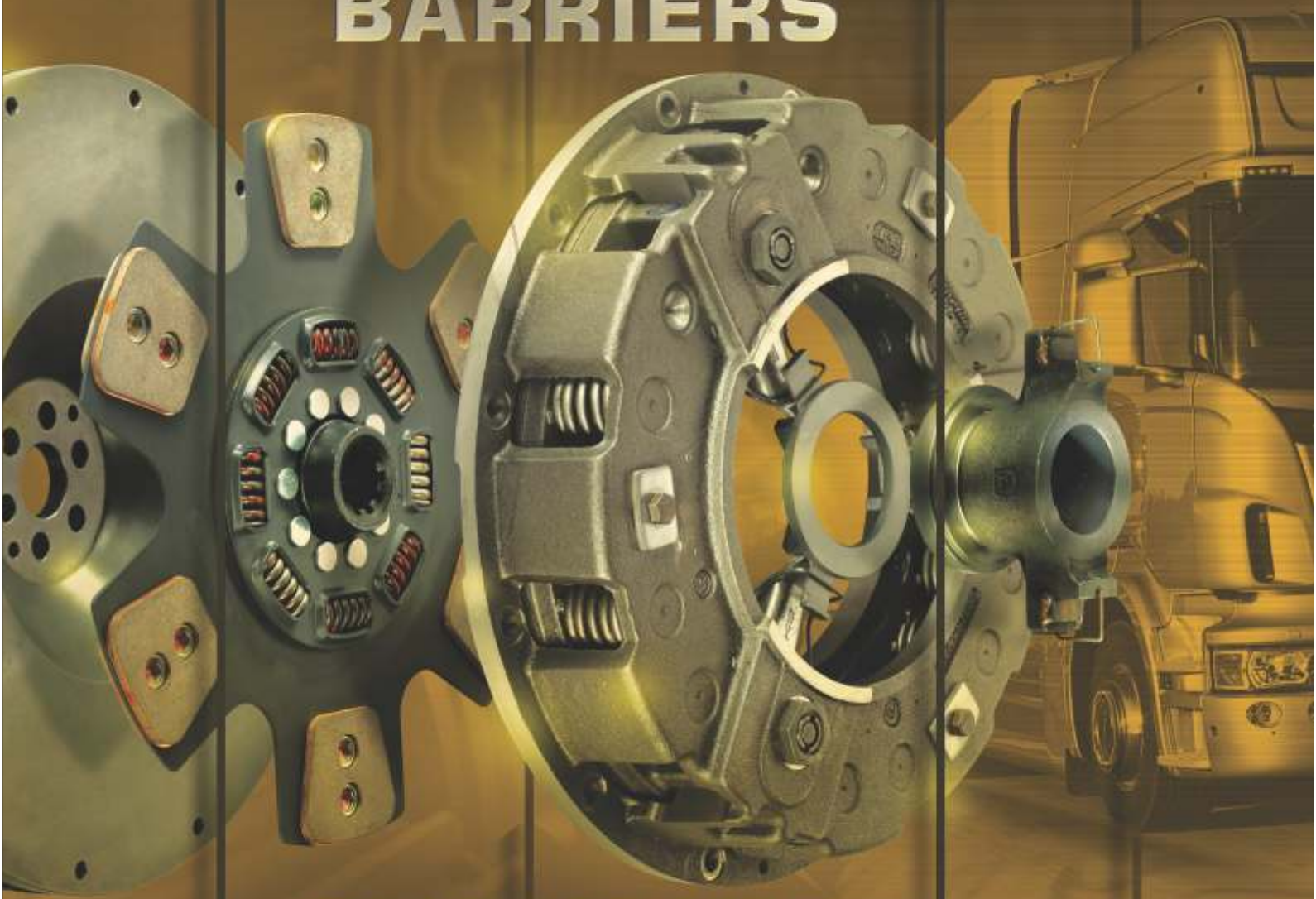
HI-TORQUE LP HEAVY DUTY

34TH ANNUAL REPORT 2016-17

SETCO™ AUTOMOTIVE LTD

BREAKING BARRIERS



CHANGING GEARS

SETCO LIPE™ CLUTCH





BREAKING BARRIERS CHANGING GEARS

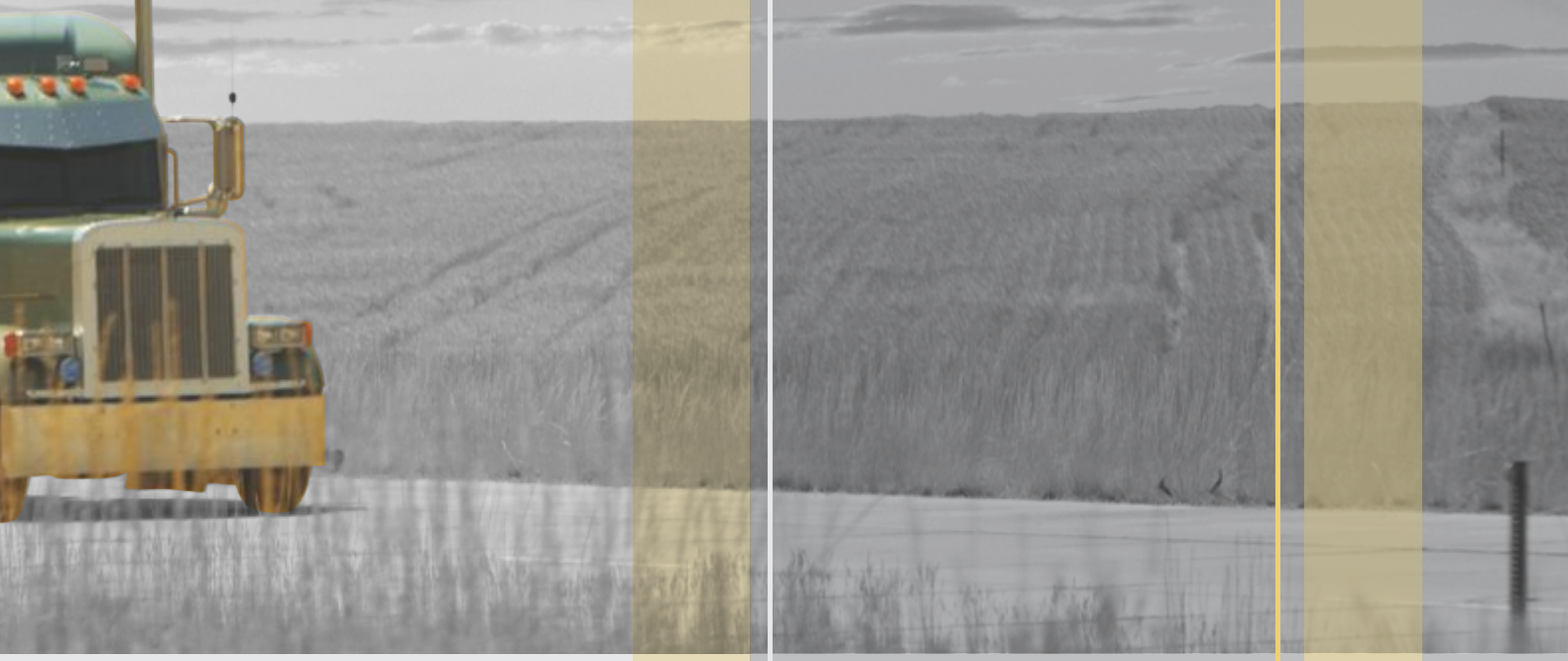
At Setco, 'BREAKING BARRIERS' is a guiding philosophy. It is the foundation of our culture and core values. It inspires and motivates us. To break free of all the restraining limitations to reach our full potential across all business functions in order to maximise value for the shareholders; because Setco strongly believes that it does not operate in a vacuum. After all, sustainable value growth directly reflects our own development as an organisation.

We are an integral part of the society; hence our Corporate Social Responsibility isn't an after thought too. Setco aims to make a meaningful difference to the society by being the change agent; going beyond supporting good causes and exert a positive influence. While most CSR programs still struggle to break the mould of 'charity'; our program gets the employees excited to break barriers and participate in empowering communities.

With this annual report we aim to bring focus on this issue; to sensitise readers as well as re-dedicate ourselves to the cause.

Forward-looking Statement

The Report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements, which are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements.



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Vision

To be a market leading brand in our chosen sphere of work with quality products and services, cost effective manufacturing, state-of-the-art technology and environment friendly practices, creating value for our stake-holders.

Mission

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

Values

- **Excellence**
- **Integrity**
- **Team Spirit**
- **Customer Focus**
- **Environmental Consciousness**

CORPORATE INFORMATION

Board of Directors

Harish Sheth
Chairman & Managing Director
Udit Sheth - Joint Managing Director
Shvetal Vakil - Executive Director
Urja Shah - Executive Director
Arun Arora - Independent Director
Ashok Jha - Independent Director
Bhalchandra Naik - Independent Director
Pratap Merchant - Independent Director
(resigned w.e.f. May 30, 2017)
Suhasini Sathe - Independent Director

Auditors

Manesh Mehta & Associates
Chartered Accountants. Vadodara, Gujarat, India

Bankers

Bank of Baroda | ICICI Bank |HDFC Bank

Solicitors

Wadia Ghandy & Co. Mumbai, Maharashtra, India

34th Annual General Meeting
Date : 27th September, 2017
Day : Wednesday
Place : Vadodara-Godhra Highway, Kalol, District: Panchmahal, Pin Code 389 330, Gujarat, India

Registered Office
Vadodara-Godhra Highway, Kalol, District: Panchmahal,
Pin Code – 389 330 Gujarat, India
Website: setcoauto.com
CIN:L35999GJ1982PLC005203

Corporate Office
2A, Film Centre Building, Ground Floor, 68,
Tardeo Road, Mumbai – 400 034 Maharashtra, India

Subsidiaries & Manufacturing Units

Setco India
(1) Vadodara Godhra Highway, Kalol, Dist. Panchmahal,
Pin Code 389 330, Gujarat
(2) Sitarganj, District Udham Singh Nagar,
Pin Code 262 405, Uttarakhand

Lava Cast Private Ltd
Alindra (Village) Vadodra-Godhra Highway, Kalol
(PMS) - 389 330, Gujarat, India

Setco Automotive (UK) Ltd
York Avenue, Haslingden, Lancashire,
United Kingdom BB4 4HU

Setco Automotive (NA) Inc
565 Hwy. 77, Paris, Tennessee 38242

Setco MEA DMCC
Unit No : 3558, DMCC Business Centre, Level No.1,
Jewellery & Gemplex 3, Dubai, United Arab Emirates

Registrar & Share Transfer Agents
Link Intime India Pvt. Ltd.
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.
Maharashtra, India.

Investor Grievance
e-mail investor.relations@setcoauto.com



SETCO FACTSHEET

- Largest producer of Medium & Heavy Commercial Vehicle (MHCV) Clutches in India
- Among the top 3 manufacturers in the world (by volume)
- Meeting approximately 90% of MHCV Clutch demand in India
- A critical supplier/partner to India's leading commercial vehicle manufacturers such as Ashok Leyland, AMW, Daimler India Commercial Vehicles, Man India, Tata Motors, and Volvo Eicher Commercial Vehicles

- **Incorporated**
  In 1982. Corporate Office at Mumbai, Maharashra, India
- **Products**
  Clutch Products & Systems, Hydraulics (pressure converters)

Our Brands

Corporate Brand

SETCO™ AUTOMOTIVE LTD

CSR Brand

SETCO™ FOUNDATION

Product Brands

SETCO LIPE™ CLUTCH

Lava cast

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

Sales Offices:
Austria | Mexico | Serbia

4 Manufacturing Units Across 3 Countries

Kalol (Panchmahal), Gujarat, India

Sitarganj, Uttarakhand, India

Haslingden, Lancashire, UK

Paris, Tennessee, USA

Listing Information

Listed on National Stock Exchange of India Ltd.

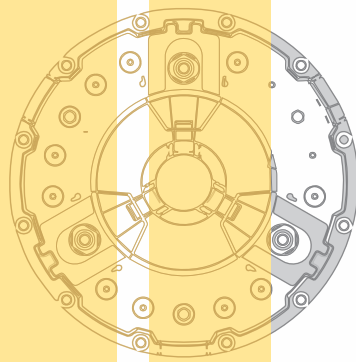
Symbol : SETCO

Bombay Stock Exchange
Stock code: 505075

www.setcoauto.com

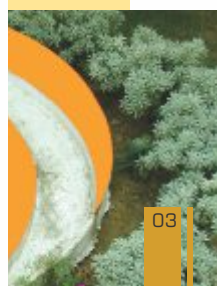
Our Strength

Globally 1200 People









KEY MILESTONES

1982

- Year of incorporation

1984

- Commercial production

1995-96

- Commenced exports

1999-2000

- Crossed Rs. 100 million turnover mark

2000-01

- Signed a technical collaboration with LIPE UK, a division of Dana Corporation, USA
- Pioneered ceramic metallic clutch technology and offered to Tata Motors as an import substitute

2002-03

- Commenced commercial supplies to Eicher Motors

2003-04

- Developed the National field service network

2004-05

- Crossed Rs. 500 million turnover mark
- Started commercial supply of new age clutches to Ashok Leyland

2005-06

- American FII PE - New Vernon Private Equity Limited invests in Setco Automotive
- Acquires LIPE Clutch Division (UK) from Dana Corporation (USA) and establishes Setco Automotive (UK) Ltd.
- Name changes to Setco Automotive Ltd. from Gujarat Setco Clutch Limited
- Crossed Rs. 1 billion turnover mark
- Establishes a wholly owned subsidiary Setco Automotive NA Inc. (SANAI) in Paris, Tennessee for distribution
- Acquires US facility from Haldex AB Sweden for $4.9 million through SANAI
- Establishment of SETCO Foundation

2007-08

- Setting up of Assembly operations in Uttarakhand (India)

2009-10

- Crossed Rs. 2 billion turnover mark
- Commenced state-of-the-art Press Shop in Kalol, Gujarat for developing clutches suitable to international vehicle manufacturers such as Volvo and Mercedes
- Invested in robust MIS "SAP"

2010-11

- Crossed Rs. 3 billion turnover mark
- Forayed into newer markets in Central Asia, MENA Region, Africa, Latin America and South Asia
- Extended SAP to global subsidiaries



2011-12

- Crossed Rs. 4 billion turnover mark
- Invested heavily in upgrading R&D capabilities

2012-13

- Inauguration of state-of-the-art R&D centre
- Department of Scientific and Industrial Research (DSIR) in India recognized R&D centre

2013-14

- Launched Independent Aftermarket in India
- Launched LCV clutches
- Started doubling capacities in Uttarakhand
- Invested in backward integration

2014-15

- Successfully commercially launched new Diaphragm Spring Manufacturing Facility
- Successfully set up foundry (Lava Cast Pvt. Ltd.) with world class machines.
- Successful completion of first full year of Independent Aftermarket.
- Started supplies to new OEMs like Man India and Mahindra Trucks & Buses

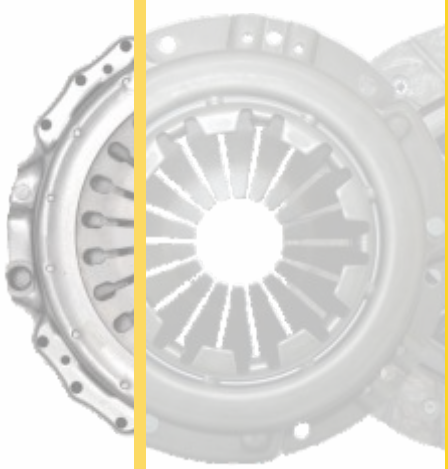
2015-16

- Crosses Rs.5 billion mark on a standalone basis
- Independent Aftermarket (IAM) Business crosses Rs.100 Crore mark
- Commences trial runs at the state-of-the-art Lava Cast foundry and commenced successful trial runs

2016-17

- **Commenced supplies of new Clutch Cover Assembly & LCV clutches to OEM customers**
- **Clutches for Farm Equipment (Tractor) segment and American market ready for launch after field testing**
- **Company's subsidiary, Lava Cast commences commercial production**





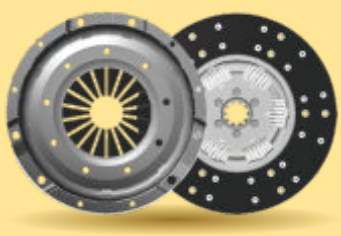
PRODUCTS AT A GLANCE



15.5 Inch
Angular Spring Twin Clutch



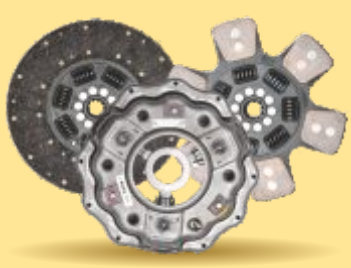
170mm
Single Diaphragm Spring



280mm
Single Diaphragm Spring



310mm
Single Diaphragm Spring



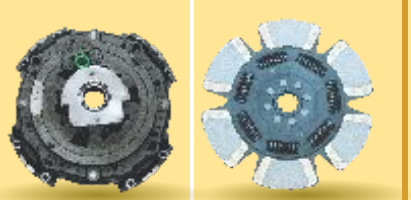
330mm
Single Direct Pressure
Coil Spring



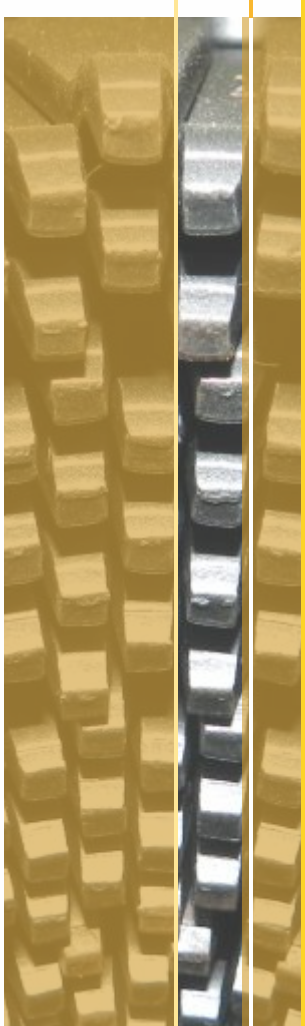
352mm
Single & Twin Direct
Pressure Coil Spring

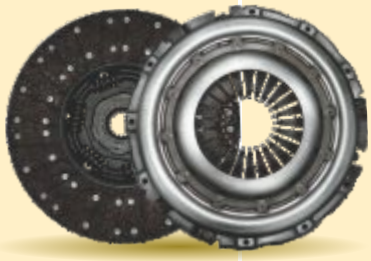


Hydraulics Pressure Converter



Angular Spring Design Clutches

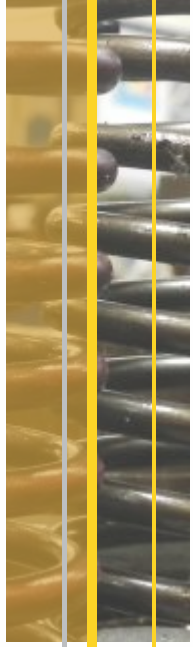




362mm
Single Diaphragm Spring

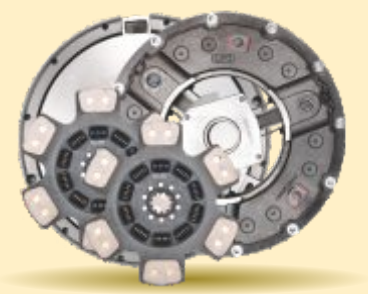


380mm
Single Push Coil Spring





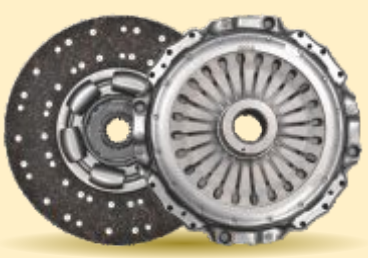
400mm
Twin Diaphragm Spring



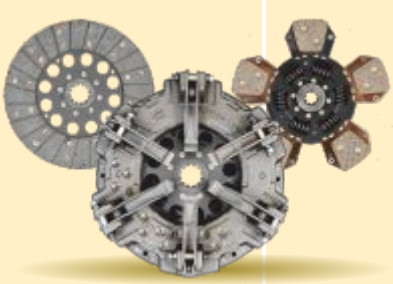
380 mm
Single & Twin Direct
Pressure Coil Spring



395mm
Single Push Diaphragm Spring



430mm
Single Diaphragm Spring

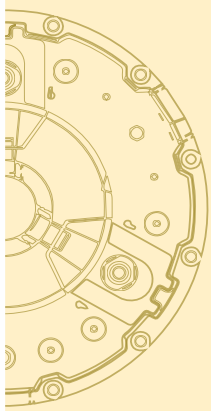


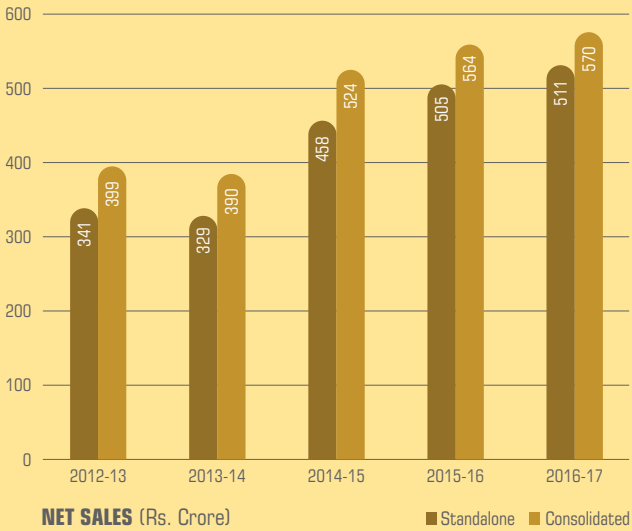
Tractor Clutches
Dual Clutch – 280 Dia – 7P



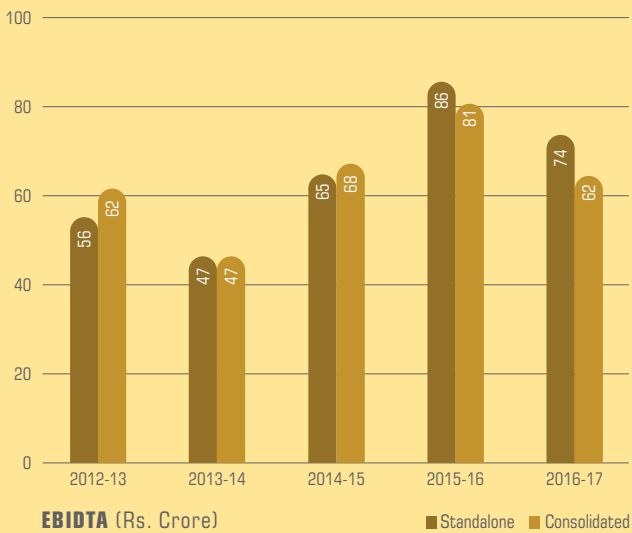
Tractor Clutches
Dual Clutch – 280 Dia – 4P

5 YEARS FINANCIAL SNAPSHOT

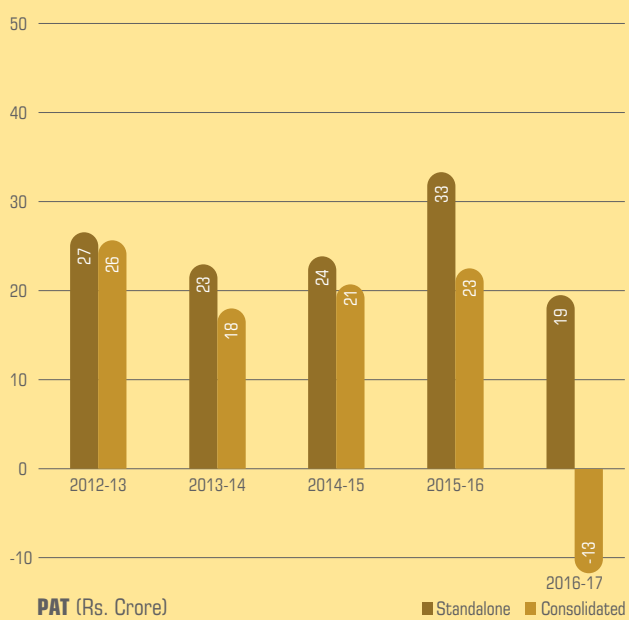




NET SALES (Rs. Crore)



EBIDTA (Rs. Crore)



PAT (Rs. Crore)