



SINCE 1982

EFFICIENT ENGINEERING



37th ANNUAL REPORT | 2019-20

EFFICIENT ENGINEERING

**DRIVEN BY
INNOVATION DESIGN TECHNOLOGY**

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.

CONTENTS

CORPORATE

Corporate Information	02
Key Milestones	05
Board of Directors	06
Products at a Glance	08
Clients & Awards	10
Chairman's Message	12
5-Year Financial Snapshot	14
Corporate Social Responsibility	16

STATUTORY

Management Discussion & Analysis	22
Directors' Report	26
Corporate Governance Report	43
Standalone Financial Statements	62
Consolidated Financial Statements	111

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Harish Sheth	Chairman & Managing Director
Mr. Udit Sheth	Vice Chairman
Mr. Shvetal Vakil (Resigned w.e.f. March 31, 2020)	Executive Director
Mrs. Urja Shah	Executive Director
Dr. Arun Arora	Independent Director
Mr. Ashok Jha	Independent Director
Ms. Suhasini Sathe	Independent Director
Mr. Arun Tiwari (Resigned w.e.f. January 11, 2020)	Independent Director

KEY MANAGERIAL PERSONNEL:

Mr. Jatinder Bir Singh Gujral	Chief Executive Officer
Mr. Vinay Shahane	Vice President – Finance & CFO
Mr. Chandra Kant Sharma	Company Secretary

AUDIT COMMITTEE:

Dr. Arun Arora	Chairman
Mr. Ashok Jha	Member
Ms. Suhasini Sathe	Member

NOMINATION & REMUNERATION COMMITTEE:

Dr. Arun Arora	Chairman
Mr. Ashok Jha	Member
Ms. Suhasini Sathe	Member

STAKEHOLDERS GRIEVANCES & RELATIONSHIP COMMITTEE:

Dr. Arun Arora	Chairman
Mr. Harish Sheth	Member
Mrs. Urja Shah	Member

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Mrs. Urja Shah	Chairperson
Mr. Udit Sheth	Member
Dr. Arun Arora	Member
Ms. Suhasini Sathe	Member

BANKERS / FINANCIAL INSTITUTIONS:

Bank of Baroda
HDFC Bank Limited
Yes Bank
IDBI Bank Limited
Tata Motors Finance Solutions Limited

SOLICITORS:

Wadia Ghandy & Co., Mumbai, Maharashtra, India.

STATUTORY AUDITORS:

V. Parekh & Associates
Chartered Accounts,
Mumbai, Maharashtra - India

SECRETARIAL AUDITORS:

P. P. Shah & Co.
Practicing Company Secretary,
Mumbai, Maharashtra - India

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247 Park, L. B. S. Marg, Vikhroli (West),
Mumbai – 400 083, Maharashtra, India.

COMPANY COMMUNICATION:

Registered Office:
Vadodara – Godhra Highway,
Kalol, Dist. Panchmahal – 389 330,
Gujarat – India.

CORPORATE OFFICE:

54A, Tardeo Road,
Near Film Center Building,
Mumbai - 400034,
Maharashtra – India.

SUBSIDIARIES & MANUFACTURING INFORMATION:

Setco India

1. Vadodara - Godhra Highway, Kalol,
Dist. Panchmahal - 389 330, Gujarat - India.
2. Sitarganj, Dist. Udham Singh Nagar - 262 405,
Uttarakhand - India.

Lava Cast Private Limited
Alindra (Village) Vadodara – Godhra Highway,
Kalol (Panchmahals) – 389 330, Gujarat, India

Setco Automotive (UK) Limited
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, United Arab Emirates



OUR BRANDS:

Corporate Brand 

CSR Brand 

Product Brands  

FIVE MANUFACTURING UNITS ACROSS FOUR COUNTRIES

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

PRODUCTS:

Clutch Products & Systems
Hydraulics (pressure converters)

OTHER INFORMATION:

- Corporate Identification Number (CIN):
L35999GJ1982PLC005203
- Listing Information:
Listed with: BSE Limited (BSE) &
National Stock Exchange of India Limited (NSE)
BSE Scrip Code: 505075
NSE Scrip Symbol: SETCO
- Website: www.setcoauto.com
- 37th Annual General Meeting information:
Date: December 28, 2020
Day: Monday
Time: 3.00 PM
Place: The Company is conducting meeting through
VC / OAVM pursuant to the MCA Circular dated May
5, 2020 and as such there is no requirement to have
a venue for the AGM.
For details please refer to the Notice of this AGM.
- Investor Grievance:
email:- investor.relations@setcoauto.com

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 stakeholders.

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 | Safety & Hygiene



Last year, we were one of the first in MHCV space to receive BS VI approval and successfully developed a full range of next-gen clutches for farm equipment tractors.

KEY MILESTONES

1982

INCORPORATION

1999

2000

TECHNICAL COLLABORATION
WITH LIPE UK DIVISION OF
DANA CORP. (USA)
DURING INDIA'S
BS
MIGRATION

2005

2006

PE INVESTMENT BY NEW VERNON
SET UP SETCO UK – ACQUIRED LIPE (UK)
FROM DANA CORP. (USA)
SET UP SETCO NA –
ACQUIRED THE US FACILITY
FROM
HALDEX AB SWEDEN

2009

2011

FORAYED INTO NEW GLOBAL
MARKETS – CENTRAL ASIA,
MENA REGION, AFRICA,
LATIN AMERICA & SOUTH ASIA
STARTED VERTICAL
INTEGRATION SET UP
R&D SET UP
SOA PRESS SHOP

2013

2014

LAUNCH OF CLUTCHES
TO CATER
AFTERMARKET SEGMENT

2014

2015

SETTING UP OF DIAPHRAGM
SPRING MANUFACTURING
FACILITY LAUNCHED FOUNDRY
(LAVA CAST PVT. LTD.)
UNDER JV ARRANGEMENT

2016

2017

SUPPLY OF NEW CLUTCH
COVER ASSEMBLY TO OEMS
COMMENCEMENT OF
COMMERCIAL OPERATIONS
OF LAVA CAST

2017

2018

LAUNCH OF CLUTCHES
FOR FARM EQUIPMENT
(TRACTOR) SEGMENT
AND
AMERICAN MARKET

2018

2019

BS-VI APPROVALS
FROM ALL OEM PARTNERS
ON TARGET

2019

2020

FORAY INTO
FARM TRACTOR SEGMENT
AND BS VI CLUTCHES

BOARD OF DIRECTORS



Harish Sheth
Chairman & Managing Director

Mr. Harish Sheth is the founder of Setco Automotive Limited. A core visionary of the Company, Mr. Harish Sheth has been instrumental in transforming the Company from a single product/single location to a multiple product/multi-location Company, catering towards a remarkable presence for the Company in the international market as well. Mr. Harish Sheth has a Bachelor's degree in Mechanical Engineering from the University of Michigan, Ann Arbor and an MBA (Finance) from the Columbia University, New York.



Udit Sheth
Vice Chairman

Mr. Udit Sheth started his career at Setco in 2002. A strategist by temperament, he has been responsible for Strategy and Business Development for Group Information Technology and the Joint Ventures of the Company. A key member within the M&A team, he has contributed to the Company's U.K. and USA acquisitions. Mr. Udit Sheth has a Bachelor's Degree in Science with a specialization in Finance & MIS from Purdue University and has completed an Executive Education program from MIT, Cambridge-Boston, USA.



Urja Shah
Executive Director

Mrs. Urja Shah has completed Bachelors in Environmental Science and Masters in Environmental Policy from Duke University, USA. She also has a Certificate in International Development Studies from Duke University. She has pursued certificate courses in Financial Accounting and Marketing from Boston University, USA. Mrs. Urja Shah has been playing a very significant role in the Company's activities related to Corporate Social Responsibility.



Arun Arora
Independent Director

Dr. Arun Arora has been the Executive Chairman with Edvance Learning Private Limited and Edvance Pre-Schools Private Limited. He was also the former CEO of The Economic Times and President, Bennett & Coleman. Dr. Arun Arora also holds an Advanced Management Programme Degree from the Harvard Business School. In recognition of his immense contribution in the field of education, Dr. Arun Arora was conferred with a degree of Doctor of Philosophy by EILM University, Sikkim for the academic session 2013-14.



Ashok Kumar Jha
Independent Director

Mr. Ashok Kumar Jha has retired as the Finance Secretary, Ministry of Finance, Government of India. He has also served extensively in the Ministry of Economic Affairs. Post retirement, he joined the industry as President of Hyundai Motors. Mr. Ashok Kumar Jha is a graduate from St. Stephen's College in Economics and holds a Masters Degree from the Delhi School of Economics. He also holds a Masters Degree in Development Economics from the Australian National University, Canberra.



Suhasini Sathe
Independent Director

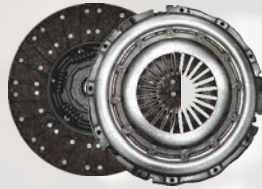
Ms. Suhasini Sathe is an entrepreneurial person by nature and holds the expertise to see the 'bigger picture'. She has more than 30 years hands-on experience gained from the manufacturing industry with specific skills in product, performance & marketing management, and business growth & development. She utilizes skills from an extensive background within general management, sales and marketing / business development and innovation management. She is also the co-founder and presently the managing director of the Sathe Group of Companies. Ms. Suhasini Sathe holds a Bachelors of Engineering (Mechanical) from V.J.T.I., Mumbai University and is proficient in the use of CAD-CAM software. Her interests include travelling and, knows German & Spanish languages.

LARGEST BS VI MHCV CLUTCH RANGE

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



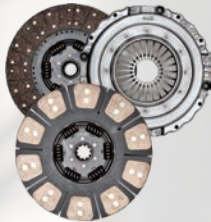
362mm Single
Diaphragm Spring



15"/380mm Single Push
Coil Spring



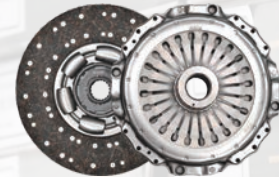
395mm Single Push
Diaphragm Spring



400mm Twin
Diaphragm Spring

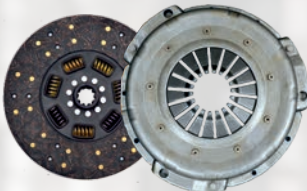


430mm Single
Diaphragm Spring

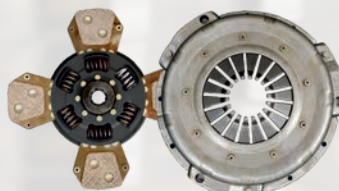


WIDE RANGE OF FARM TRACTOR CLUTCHES

280 Dia
Single Diaphragm Clutch



280 Dia Clutch
Set Ceramic Single



280 Dia Clutch Set Double 4P



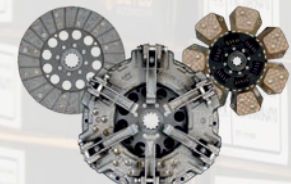
280 Dia Clutch Set Dual 4P



280 Dia Clutch Set Dual 5P



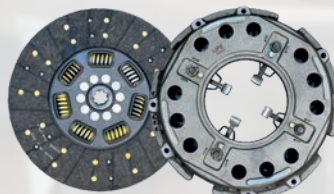
280 Dia Clutch Set Dual 7P



280 Dia Dual-Rigid 4P



310 Dia Clutch Set Organic Single



310mm Dia Double Clutch with 6P

