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CIN: L28920MH1988PLC047335

VARROC/SE/INT/2018-19/51
February 13, 2019

To,

1) The Manager- Listing
The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai-400051.

NSE Symbol: VARROC

2) The Manager – Listing
The Corporate Relation Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001.

BSE Security Code: 541578
Security ID: VARRROC

Dear Sir/Madam,

Sub.: Intimation of Schedule of Investor Meeting/s.
Ref.: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30(4)(i)(c) of the SEBI Listing Regulations, 2015, this is to inform you that, the Company is participating in the following Investor Conferences:

Sr.	Date*	Investor Conference Name & Organizer	Venue
1	February 14, 2019	IIFL's Enterprising India Investors Conference	Trident BKC, Mumbai
2	February 15, 2019	Edelweiss India Conference	Grand Hyatt, Mumbai
3	February 20, 2019	Kotak Securities, Chasing Growth Conference	Trident BKC, Mumbai

**Meeting schedule may change due to exigencies.*

The attached presentation will be presented at the said Conferences.

Kindly take note of the above.

Thanking you,

Yours faithfully,
For Varroc Engineering Limited

VARROC ENGINEERING LIMITED

Rakesh Darji
Company Secretary & Compliance Officer

varroc

Investor Presentation

Varroc is the 2nd Largest Indian Auto Component Group[1] with a Global Footprint

- **Founded in 1988** in Aurangabad, India by the Jain family
- Successful listing on the Indian Stock Exchanges in July 2018

Two primary business lines:

1. **Varroc Lighting Systems ("VLS")**: global supplier of exterior lighting systems to passenger car OEMs
2. **Varroc India Business**: manufacturer and supplier of diverse range of auto components primarily to 2W, 3W and 4W OEMs

- **Strong, long-lasting, growing customer relationships** with marquee auto OEMs globally and in India
- **Well-diversified global auto component business** across geographies, products and customers

- **Low cost, strategically located global** manufacturing footprint
- **40 Operating plus 3 Upcoming Manufacturing Facilities and 16 R&D Centres across 5 continents**

- **In-house R&D capabilities** in India, Czech Republic, China[5], USA, Mexico, Germany, Italy, Romania and Poland
- **~1,400 R&D engineers[6]; 185 patents granted globally[6]**

- **Experienced management team supported by reputed Board**
- **~13,900** employees across the globe[6]

Leading
tier-1 manufacturer and supplier to the Indian 2W and 3W OEMs[4]

6th
Largest[2], fastest growing among top six global exterior auto lighting suppliers

INR 110bn
FY18 revenue[3]

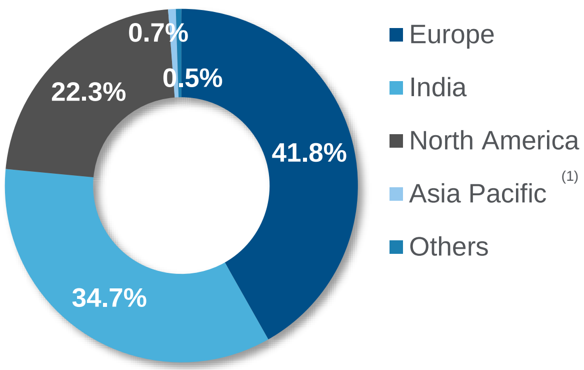
Note: (1) Based on CRISIL Report - By revenue for FY17. Excludes TVS Motors revenues for Sundaram Clayton and Bosch Ltd. part of Robert Bosch GmbH (Germany).
(2) Based on Yole Report – By revenue for CY16. For passenger and light commercial vehicles. (3) Including China (4) Based on CRISIL report; by revenue for CY16 – Sum of Varroc Engineering Pvt. Ltd, Varroc Polymers Pvt. Ltd and Durovalves Pvt Ltd. taken for Varroc. (5) Activities in China are through a 50% joint venture with Beste Motor Co. Ltd. (6) As of Dec 31, 2018. Excluding JVs.

Well Diversified Auto Component Business Across Geographies, Product Groups, Customers and Segments

FY18 Revenue: INR 103.8 bn
100% China JV FY18 Revenue: INR 12.3 bn(1)

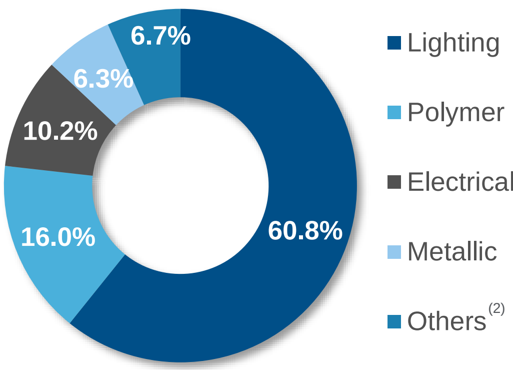
Revenue Split by Geography

FY18, %



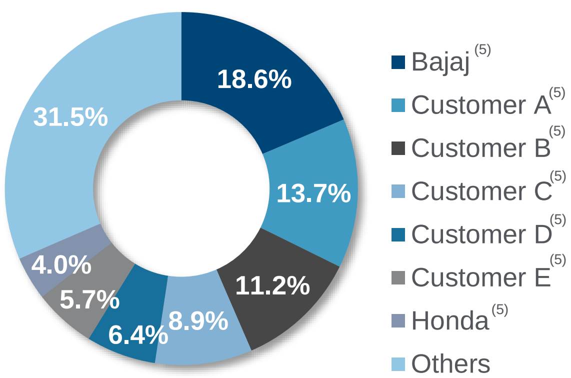
Revenue Split by Products

FY18, %



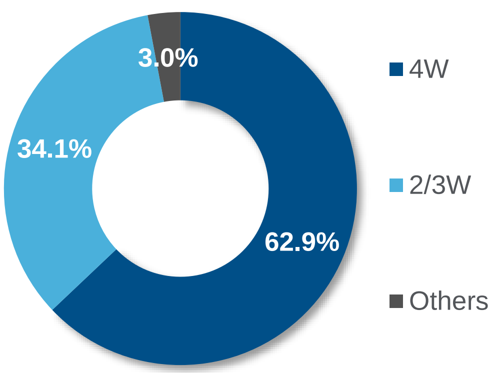
Consolidated Invoice Amount Split by Customer(3)

FY18, %



Revenue Split by Segment(4)

FY18, %



- **Diversified business in developed and emerging markets with strong India presence**
- **Comprehensive range of engine agnostic products**
- **Diversified customer relationships; no customer has >20% share**
- **Presence in fast growing India 2W and Global PV lighting segments**

Note: (1) 50% China revenues not included in FY18 (JV accounted under equity method). (2) Includes IMES and Triom and other parts of the India business. (3) By invoicing; Customer A is an American multinational car manufacturer, Customer B is a large British car manufacturer, Customer C is an American electric car manufacturer, Customer D is an international automotive manufacturer and customer E is a large European car manufacturer. (4) 4W – 4-wheeler (includes PV), 2/3W – 2/3-wheeler. (5) Bajaj and Honda are customers of the India Business; Customer A, B, C, D, E are mainly the customers of the global lighting business.

Varroc – The Transformation into a Global Auto Component Group

START

1990
Polymer Business

2005
2W and 3W **catalytic converters**

2007
Acquired Forging company, **IMES**, *Italy*,

2011
Acquired **Tri.o.m** (*Italy*), - 2W lighting

2012
Acquired **Visteon's** *global* PV lighting business (now VLS)

2014
PE Investments by Omega TC Holdings and Tata Capital

Acquired 50% in **Varroc TYC** Corporation (*China*)

2017
Investment in manufacturing facilities in **Brazil and Morocco**

Acquired 90% stake in auto accessories manufacturer **Team Concepts (India)**

2018
LOI with Heraeus, Germany for 2W catalytic converters in India

Established a JV in Romania for manufacturing of **Electronic Components**

Acquired **PV Lighting business** in *Turkey*

Development of **Electronic Fuel-Injection** Technology for 2W in India

Varroc Engineering Limited listed on the Indian Stock exchanges (BSE & NSE).

Vision, Mission and Values

Vision : To be a Rs 200 billion supplier of innovative solutions for transportation and allied industry in 2020

- Core business sectors will be exterior lighting and two-wheelers mobility
- Be a partner of choice for vision, mobility and emission technologies
- Be the fastest growing player in our core sectors
- Be among the Top 3 players in the global lighting business

Mission

Bring leading edge technologies to the mainstream markets with high quality, cost competitive solutions

By delivering customized solutions with superior service with speed, agility, creativity and,

Fostering an environment that empowers employees and encourages the pursuit of excellence

Values

We consider our core values of **Sincerity, Humility, Integrity, Passion** and **Self-discipline (SHIPS)** as essential to continue to grow our business

Varroc — Key Strengths

1 Global Footprint Servicing key Auto Markets

- India Business has Pan-India presence enabling proximity to customers. Plants located in all major auto hubs
- VLS business has Strategically-located manufacturing in low cost locations. Footprint covers major PV markets

2 Wide Range of Product Offerings

- Diversified product portfolio covering a wide range of technologies
- Cost effective, cutting edge technology products to premium and mass market PV OEMs

3 Robust in-house Technology, Innovation & R&D Capabilities

- Nimbleness, flexibility and cost consciousness enables developing products with shorter turn-around time.
- Developing proprietary products with continuous focus on innovative, cost competitive designs
- Well-positioned to benefit from key trends such as electrification, shared mobility and emission reduction

4 Long Standing, Growing Customer Relationships

- Strong long-standing relationships with marquee OEMs across high-end and mass market segments
- Expansion of business with key customers

5 Comprehensive Solution Provider to OEMs

- End-to-end services across design, development and delivery
- Wide range of products across polymer, metallic and electrical segments
- Ability to cross-sell to meet customer requirements

Low Cost, Strategically Located Global Manufacturing Footprint

40 Operating plus 3 Upcoming Manufacturing Facilities and 16 R&D Centers Across Asia, Europe, Africa, North and South America

26 Manufacturing Facilities for Varroc India Business

Co-location with customers ensures cost effectiveness and efficient delivery

14 Global Manufacturing Facilities

across 10 countries (Incl.1 in India) optimizing production and distribution for VLS & Other Businesses

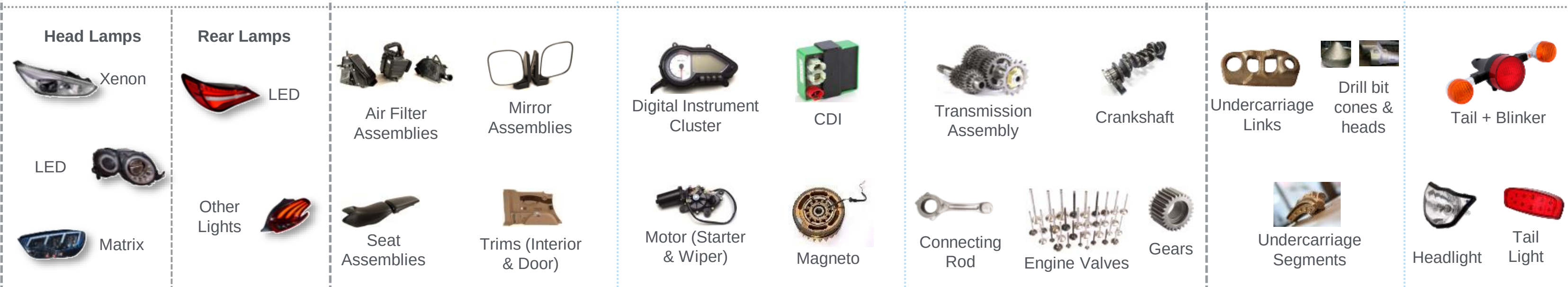
- **Manufacturing and R&D footprint spread across low cost countries**

- **Proximity to OEMs leading to cost effectiveness and quicker turn-around times**

- **Pan-India presence enabling proximity to customers across key automotive hubs**

Note: MP: Madhya Pradesh; NCR: National Capital Region

Auto Component Business with Diversified Product Lines

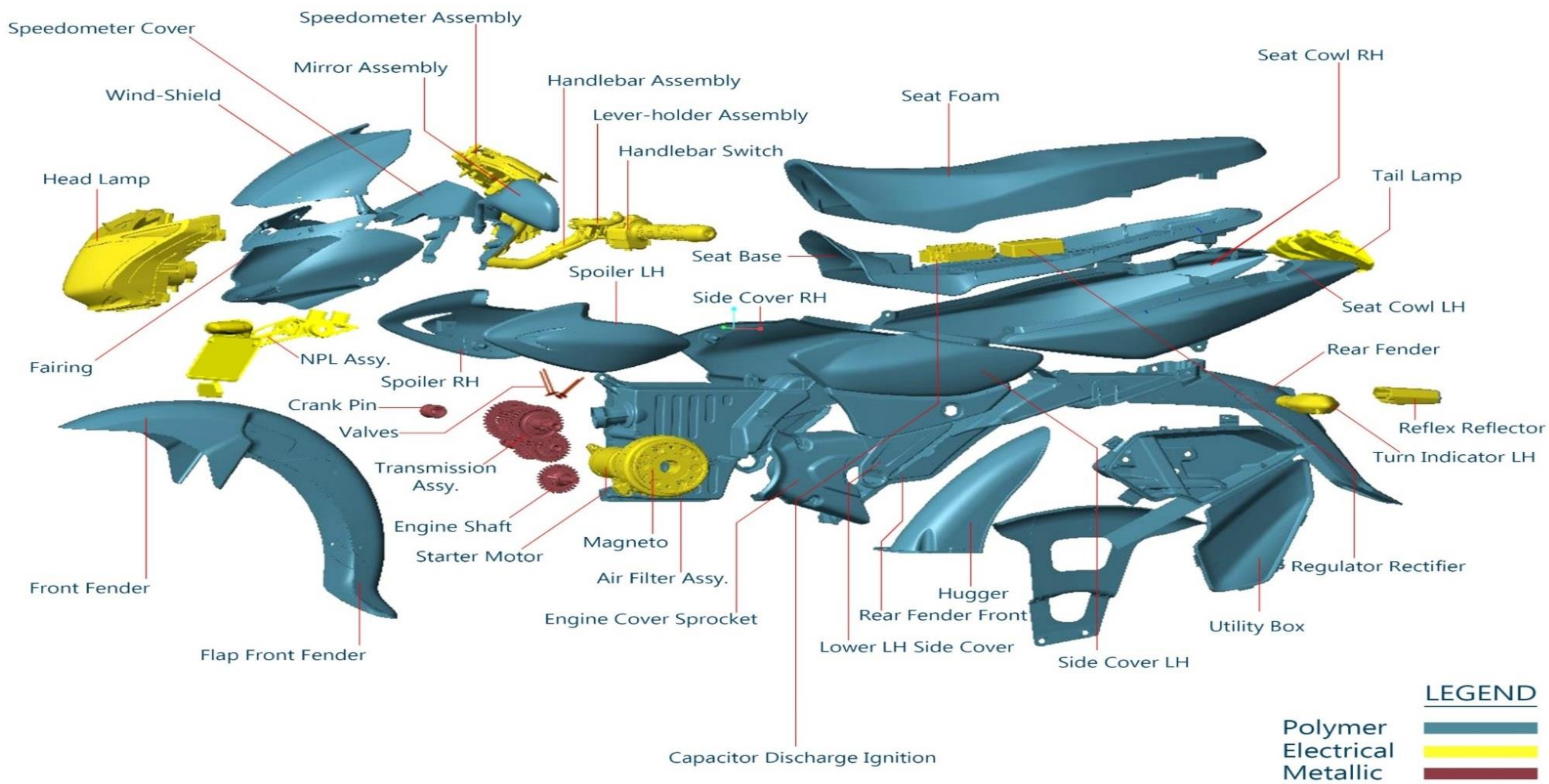
	VLS	Varroc's India Business			Other	
	PV Lighting	Polymer	Electrical	Metallic	IMES	Triom
Description	• Leading global supplier of exterior automotive lighting systems for PV	• One of the largest polymer solution providers to the 2W OEMs with a Pan-India presence	• Offers comprehensive solutions in electrical-electronics components, assemblies for automotive applications and lighting products	• Supplies precision forged & machined parts for engines and transmissions • Supplies engines valves in domestic and international markets	• Manufactures hot steel forged parts for the construction and oil & gas industries	• High end lighting systems for the global 2W industry
Select Product Portfolio 	**Head Lamps**: Xenon, LED, Matrix **Rear Lamps**: LED, Other Lights	Air Filter Assemblies, Mirror Assemblies, Seat Assemblies, Trims (Interior & Door)	Digital Instrument Cluster, CDI, Motor (Starter & Wiper), Magneto	Transmission Assembly, Crankshaft, Connecting Rod, Engine Valves, Gears	Undercarriage Links, Drill bit cones & heads, Undercarriage Segments	Tail + Blinker, Headlight, Tail Light
Manufacturing Facilities	8 Facilities – Czech Republic (2), China (2), Turkey (2) Mexico & India 2 upcoming Facilities – Brazil & Morocco	15 Facilities – India[1]	7 Facilities – India[1] 2 upcoming Facilities – India	5 Facilities – India[1]	2 Facilities – Italy	3 Facilities - Italy, Romania and Vietnam
Revenue Mix[2]	60.8%	16.0%	10.2%	6.3%	4.1%[3]	
Customer Segment	PV	2W, 3W, PV & CV	2W, 3W, PV & CV	2W, 3W, PV, CV & OHV	Earth-moving & Oil-drilling	2W

A diversified product portfolio catering to 2W, 3W, PV, CV & OHV Segments
Low-cost strategically located global manufacturing facilities; pan-India presence near major auto hubs

Note: (1) Varroc's India Business has 25 manufacturing facilities; Pantnagar facility caters to all 3 verticals of Indian business. (2) For FY18. (3) Represents revenue contribution of IMES and Triom only; total contribution of other businesses is 6.7% which includes revenue from IMES, Triom and other India businesses

India Business: Comprehensive Solution Provider to 2W OEMs in India

Diversified Portfolio Catering to 2W and 3W Segments



Wide range of products across Polymer, Electrical and Metallic segments; One-Stop Shop for customers enabling cross-selling

VLS: Wide Range of Lighting Product and Technology Offerings

Broad Portfolio of Lighting Technologies for PV OEMs Globally

Headlamps

Xenon

LED

Matrix

Rear Lamps

LED

Other Lights

Electronics

LED Module

Headlamp Control Modules

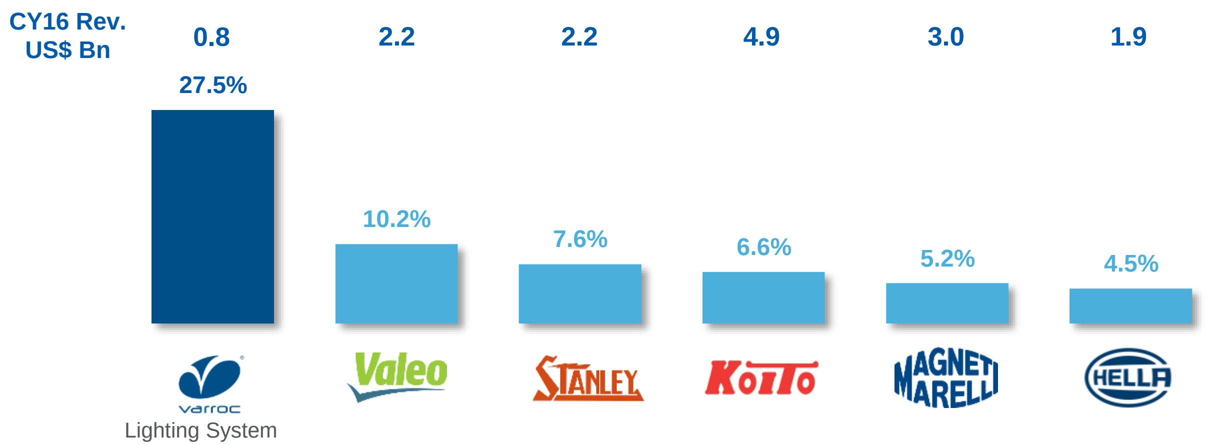
Projector

- Full portfolio of head lamp and rear lamp providing a wide range of products
- Established presence in key emerging technologies such as LED, OLED Laser, Matrix
- Quick adoption of new technology to grow product portfolio
- Customized products for OEMs with long standing relationships
- Providing cost effective, cutting edge technology products

Varroc is 6th Largest Global Auto Lighting & 2nd Largest Indian Auto Component Supplier

Fastest Growing Among the Top Six Global Exterior Auto Lighting Suppliers[1]

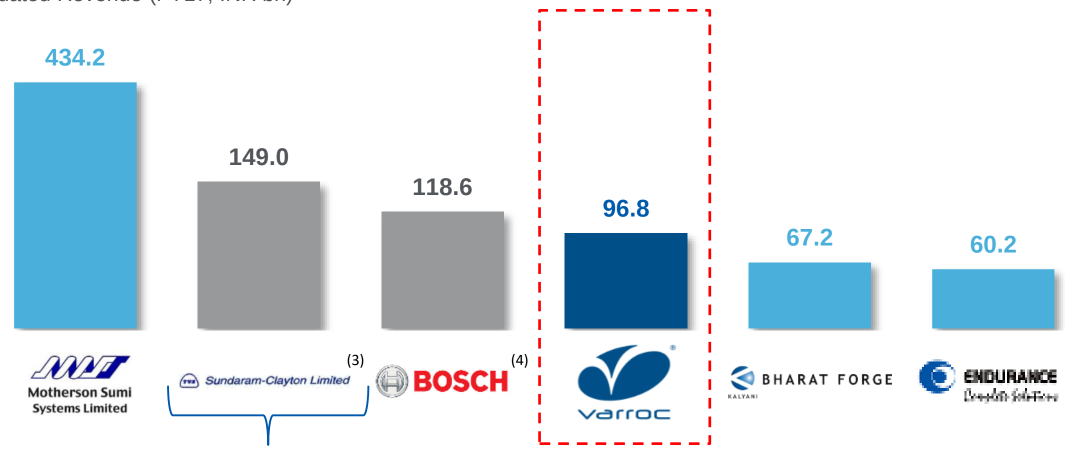
Exterior Lighting Revenue CAGR (CY14- CY16)



Automotive Exterior Lighting Market of US$17.8bn in 2016

2nd Largest Indian Auto Component Group[1]

Consolidated Revenue (FY17, INR bn)



- Concentrated market – top 8 players account for >90% of over-all market
- Long-standing, growing customer relationships with marquee OEMs
- Low cost, diversified global manufacturing and R&D footprint
- Providing cost effective, cutting edge technology products

- India is one of the largest 2W market globally[2]; expected to grow at 8-10% CAGR from FY17-20
- Supplier to 2W OEMs who cover ~85% of total domestic 2W sales
- One-stop shop for 2W OEMs allowing cross selling

Note: (1) Based on Yole Report for VLS and CRISIL Report. For India (2) In terms of domestic sales. (3) Sundaram Clayton is the holding company of TVS Motors Ltd. which is into sales of two and three wheelers having a revenue of INR 132 bn. Remaining revenue is largely from the auto component space. (4) Bosch Ltd is a subsidiary of Robert Bosch GmbH (Germany).

India Business : Continuous Focus on R&D Capabilities; Enhancing Product Portfolio

varroc EXCELLENCE

Additions to Product Portfolio Over the Years

- Polymer Products
- Electrical Products
- Metallic Products

1990-2000
- Plastic fan and shroud
- Molded body parts
- Engine Valves

2000-2010
- Seats
- Air Filters
- Painted Parts
- Interior Molded Parts
- Mirrors
- Lighting
- Magneto
- Starter Motor
- LED TL

2010-2015
- Catalytic converters
- Transmission Assembly
- Expanded Forging Business in Europe

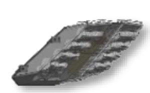
2016
- Paper filter elements
- 6-cylinder crankshaft

2017
- LED HL

2018
- Electronic Fuel Injection

Select Offerings


Engine Valves


LED TL


Digital clusters


Paper filter elements


LED HL

- Proprietary products with continuous focus on innovative, cost competitive designs
- Continuous focus on R&D and product development
- New technology tie ups for development of catalytic converter and electronic fuel injection systems
- GoI's DSIR approved R&D centers
- 450+ engineers located in 5 R&D centers

Note: GoI: Government of India; DSIR: Department of Scientific and Industrial Research.

R&D Efforts Seek to Capitalize on Emerging Trends

Increased Use of Electronics

Reduction in cost of computing power and EFI requirement make "smarter" products viable

Stricter Environmental Regulation

Euro V / BS-VI emission norms implemented by India along with the rest of the world will make Electronic Fuel Injection (EFI) necessary on all vehicles

Sustainability, Reliability & Efficiency

As the composition of the vehicle changes, the ability to achieve reliability & fuel efficiency will still be prime differentiators

Digitization & IoT

Market technology evolution will make stronger connection with end customers viable and provide opportunities around the same

Urbanization

City traffic congestion has made 2W, and particularly scooters, a viable commuting option

Regulation change creates potential for suppliers with robust operational systems to cross sell product lines; core auto themes like light-weighting and affordability will continue to guide OEM decision making

Experienced Management Team Supported by Reputed Board

- **Experienced management team**
- **Independent directors with experience across industries & practices**
- **Strong governance: Big-4 statutory and internal auditors; independent board committees**

Founder & MD

Tarang Jain*^
Managing Director

- Co-founded Varroc in 1988
- Nearly 30 years experience in the automotive industry

Senior Management

Ashwani Maheshwari^
Chief Executive Officer and Whole-time Director

- Previously worked as President at Birla Tyres at Kesoram Industries Limited, Senior Vice President – India Business division in ITC Infotech India Ltd

Stephane Vedie
President and CEO – VLS

- Total Experience: 13 years in Automotive Lighting
- Previously associated with Magnetti Marelli

T. R. Srinivasan
Group Chief Financial Officer

- Total Experience: ~29 years
- Previously associated with Hindustan Lever Ltd, ATC Tires Private Ltd

Arjun Jain*
Business Head – Electrical –Electronics Division and Whole-time Director

- Previously associated with Bain & Co India Pvt. Ltd.

Sethumadhavan D.
Business Head - Polymer

- Total Experience: ~22 years
- Previously associated with Assa Abloy, Stanley Black & Decker, Schneider Electric, General Electric and Lucas TVS

Board of Directors

Naresh Chandra*
Chairman and Non-Executive Director

- Total Experience: 35+ years in the automobile industry
- Previously associated with Kaycee Industries

Marc Szulewicz
Independent Director

- Ex-General Manager, Foreign equipment division, Plastic Omnium Management

Vijaya Sampath
Independent Director

- Lawyer, ex-Group General Counsel for Bharti Airtel Ltd

Gautam Khandelwal
Independent Director

- Executive Chairman, Nagpur Power and Industries Ltd

Vinish Kathuria
Independent Director

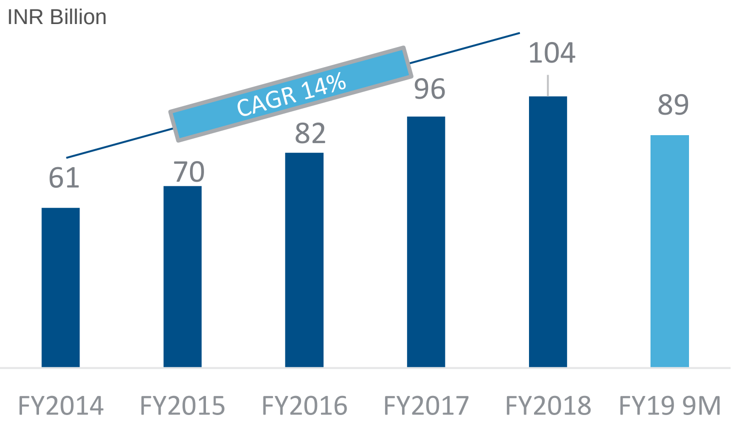
- Co-Founder and President of Rank software Inc.

*Note: * denotes member of Promoter Group. ^ denotes member of Board of Directors.*

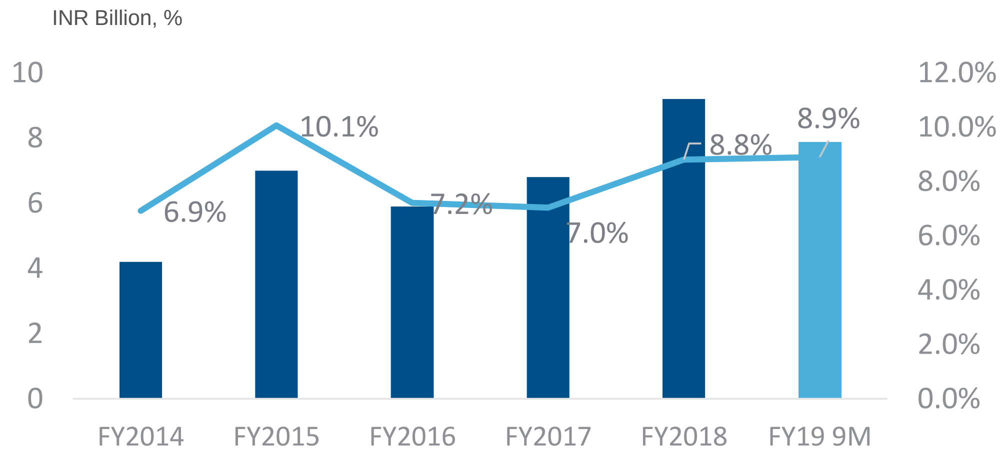
Financials & Share Details

Financial Summary : Key Performance Indicators

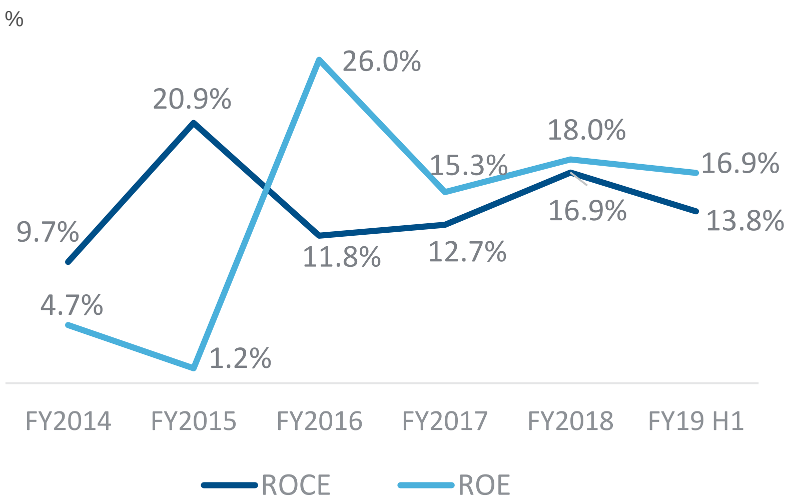
Revenue Trend last 6 years and current year YTD



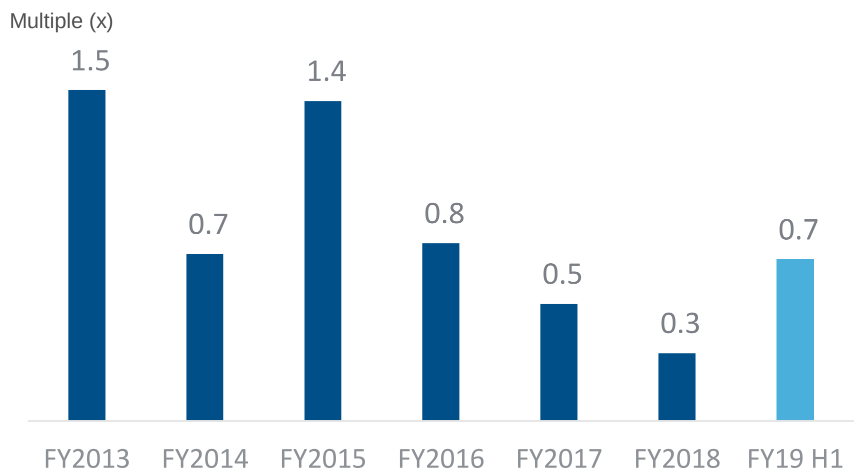
EBITDA and EBITDA margin



ROCE & ROE trend*



Debt to Equity



*Calculated using reported numbers on a trailing twelve month basis; ROCE & ROE calculations for H1 & FY only; Return on Equity calculated after considering imputed interest cost & liability portion of CCPS; FY15 and FY16 the ROE fluctuation is due to significant change in imputed finance cost on CCPS

Historical EBITDA margin is as reported / 9MFY19 EBITDA margin is like-for-like.

Financial Summary: Income Statement Q3 & 9M FY19

(INR million)

	Q3 FY 19	Q3 FY18	% Change	9M FY 19	9M FY18	% Change
Revenue from Operations - Reported	**29550**	**25405**	16.3%	88,831	73,939	20.1%
Revenue from Operations : like-for-like	29276	24,745	18.3%	88,029	70,898	24.2%
Other Income - Operating	106	76		434	207	
Other Income - non-Operating	72	1		187	8	
EBITDA : Reported	2779	2090	33.0%	8,392	6,540	28.3%
EBITDA : like-for-like	2737	1,955	40.0%	7,875	6,089	29.3%
EBITDA %	*9.3%*	*7.9%*		*8.9%*	*8.6%*	
Depreciation	1373	934	47.1%	4,080	2,793	46.1%
Interest	273	177	54.3%	710	615	15.5%
Share of net profits of JVs under equity method	62	278	-77.7%	264	532	-50.4%
PBT - Reported	**1,266**	**1,259**	**0.6%**	**4,054**	**3,672**	**10.4%**
Tax	245	89	174.9%	1,019	593	71.9%
Tax rate	*20%*	*9%*		*27%*	*19%*	
PAT - Reported	**1,022**	**1,170**	**-12.7%**	**3,035**	**3,080**	**-1.5%**

*EBITDA = Profit before share of net profits of investments *plus* Depreciation *plus* Finance Cost less Non-operating Portion of Other Income
$ like-for-like excludes impact of Interior Plastics business closure in North America and adjusted for comparative launch costs

Financial Summary : Segmental Break-up

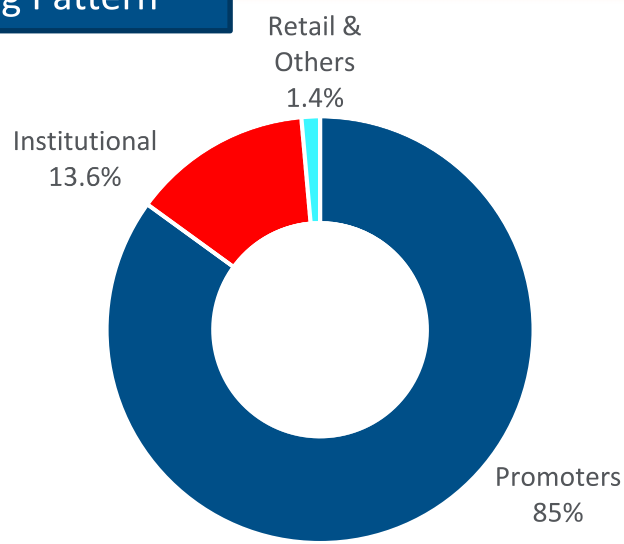
Fiscal year ending March 31,								
(INR million)	FY16		FY17		FY18		9M FY19 (like-for-like)	
Revenue		%		%		%		%
Global Lighting Business	48,198	58.6%	61,242	63.7%	63,118	60.8%	51,841	58.9%
India Business	30,807	37.5%	31,681	33.0%	36,406	35.1%	32,495	36.9%
Other Businesses	3,185	3.9%	3,163	3.3%	4,261	4.1%	3,987	4.5%
Eliminations							(294)	
Total	82,189		96,085		1,03,785		88,029	
China JV	12,235		15,339		12,287		3,756	
EBITDA Margin								
Global Lighting Business	6.5%		6.2%		7.8%		7.1%	
India Business	8.8%		8.8%		10.6%		11.5%	
Other Businesses	1.5%		5.5%		9.4%		12.2%	
Total	7.2%		7.0%		8.8%		8.9%	
China JV	13.4%		15.3%		15.7%		10.7%	

Financial Summary : Balance Sheet

(INR mn)	Fiscal Year Ending March 31, 2016	2017	FY18	H1 FY19
Assets				
Non-current Assets				
Fixed Assets	24,263	26,881	31,480	41,472
Others - Non-current Assets	4,508	4,538	6,439	7,765
Total Non-current Assets	28,771	31,419	37,920	49,237
Current Assets				
Current Investments	119	0	30	93
Cash and Bank Balances	1,772	3,541	3,289	2,225
Others - Current Assets	21,697	23,644	27,285	33,076
Total Current Assets	23,587	27,185	30,604	35,394
Total Assets	**52,459**	**58,604**	**68,524**	**84,630**
Equity and Liabilities				
Shareholder's Funds				
Share Capital	262	135	135	135
Reserves and Surplus	17,366	21,719	28,145	29,210
Minority Interest	203	202	208	226
Total Shareholder's Funds	17,832	22,055	28,488	29,571
Non-current Liabilities				
CCPS	2,060	-	-	-
Long-term Borrowings	5,573	7,553	6,361	9,787
Others - Non-current Liabilities	1,392	1,044	1,944	2,227
Total Non-current Liabilities	9,026	8,597	8,306	12,014
Current Liabilities				
Short-term Borrowings	6,419	7,578	5,629	13,446
Others - Current Liabilities	19,182	20,374	26,102	29,599
Total Current Liabilities	25,601	27,951	31,730	43,045
Total Equity and Liabilities	**52,459**	**58,604**	**68,524**	**84,630**

Shareholding Details

Shareholding Pattern



Equity Share Information

• Share Price (As on 08th February 2019)	INR 619.90
• Market Capitalization (As on 05th December 2018)	INR 83,571 Mn
• Financial Year	April to March
• Listing Details Indian Stock Exchange	NSE (VARROC.NS) BSE (541578)
• Bloomberg Code	VARROC:IN

Top Institutional Shareholders *

Axis MF	2.7%
Nomura	2.1%
Capital World	2.1%
T Rowe Price	1.4%
L&T MF	0.9%
IIFL	0.6%
First State	0.5%
DSP Blackrock	0.5%
SBI MF	0.4%
Motilal Oswal MF	0.3%
Schroders	0.3%
SBI Life	0.2%
ICICI Pru. MF	0.2%
Bajal Allianz	0.1%
Edelweiss	0.1%
GSA Capital	0.1%
Others	0.7%
Total Institutional holders	**13.3%**

* As on 31st December, 2018 for top 250 portfolios only. Shareholding under multiple portfolios/ plans clubbed together. Stake rounded off to nearest decimal

THANK YOU