

Varroc Engineering Ltd.

Regd. & Corp. Office

L-4, MIDC, Industrial Area
Waluj, Aurangabad 431 136
Maharashtra, India

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Fax + 91 240 2564540

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www.varroc.com
CIN : L28920MH1988PLC047335



VARROC/SE/INT/2019-20/70

January 8, 2020

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.

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

NSE Symbol: VARROC

BSE Security Code: 541578
Security ID: VARROC

Dear Sir/ Madam,

Sub.: Intimation of Non-Deal Investors Roadshow in Aurangabad

Ref.: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Pursuant to Regulation 30 (6) of the Listing Regulations, this is to inform you that, the Company is organising Non-Deal Investor Roadshow with various investors at Registered Office of the Company located at L-4, MIDC Waluj, Aurangabad – 431 136 on 09th and 10th January, 2020*.

The presentation for the same is attached with this communication.

Kindly take note of the above.

Yours faithfully,

For Varroc Engineering Limited

Ajay Kumar Sharma
Sr. Vice President (Legal & Secretarial)

*Meeting Schedule is subject to change.



Investor Presentation

October 2019

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- **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. : global supplier of exterior lighting systems to passenger car OEMs
2. **Varroc India Business:** manufacturer and supplier of diverse range of Polymer, Electrical and Metallic auto components 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
- **41 Operating plus 2 Upcoming Manufacturing Facilities and 16 R&D Centres across 5 continents** ⁽⁴⁾

- **In-house R&D capabilities** in India, Czech Republic, China⁽³⁾, USA, Mexico, Germany, Italy, Romania and Poland
- **~1,400 R&D engineers**⁽⁴⁾; **185 patents granted globally**⁽⁴⁾

- **Experienced management team supported by reputed Board**
- **~13,800 employees** across the globe⁽⁴⁾

Leading

Tier-1 manufacturer and supplier to the Indian 2W and 3W OEMs⁽⁴⁾

6th

Largest⁽¹⁾, fastest growing among top six global exterior auto lighting suppliers

INR 125bn/ USD 1.8bn
FY19 revenue⁽²⁾

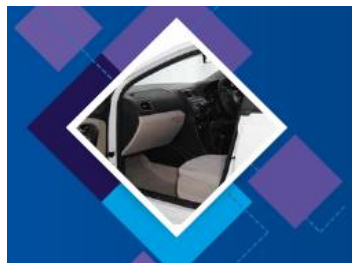




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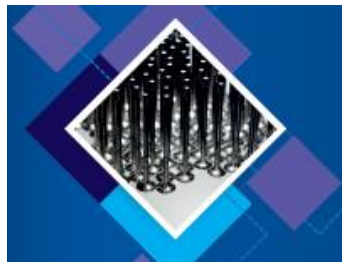


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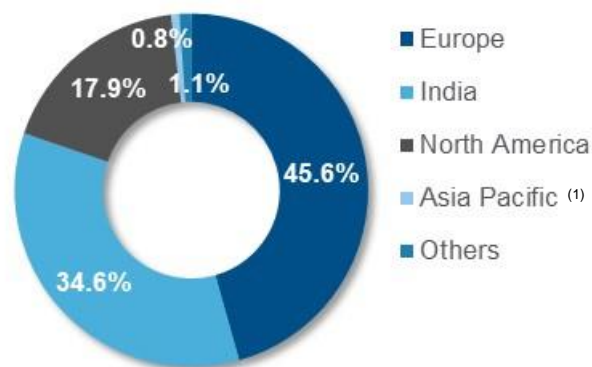
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FY19 Consolidated Revenue: INR 120 bn ⁽¹⁾

100% China JV FY18 Revenue: INR 10 bn

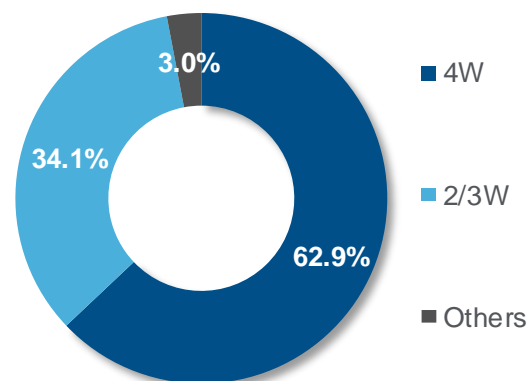
Revenue Split by Geography ⁽¹⁾

FY19, %



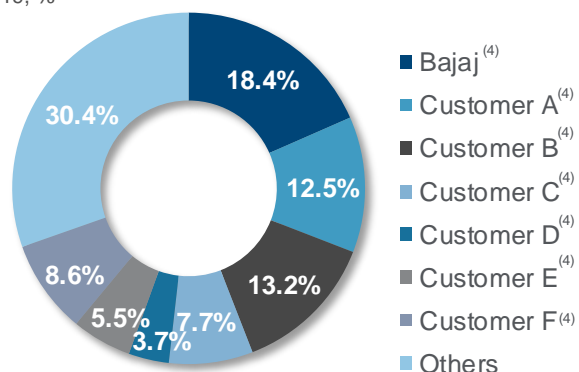
Revenue Split by Vehicle Type ⁽²⁾

%



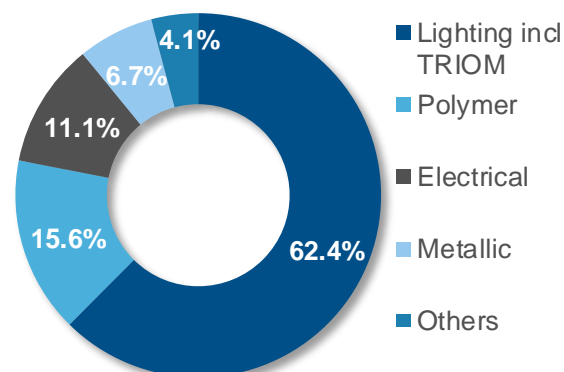
Consolidated Revenue Amount Split by Customer ⁽³⁾

FY19, %



Revenue Split by Segment

FY19 %



- 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

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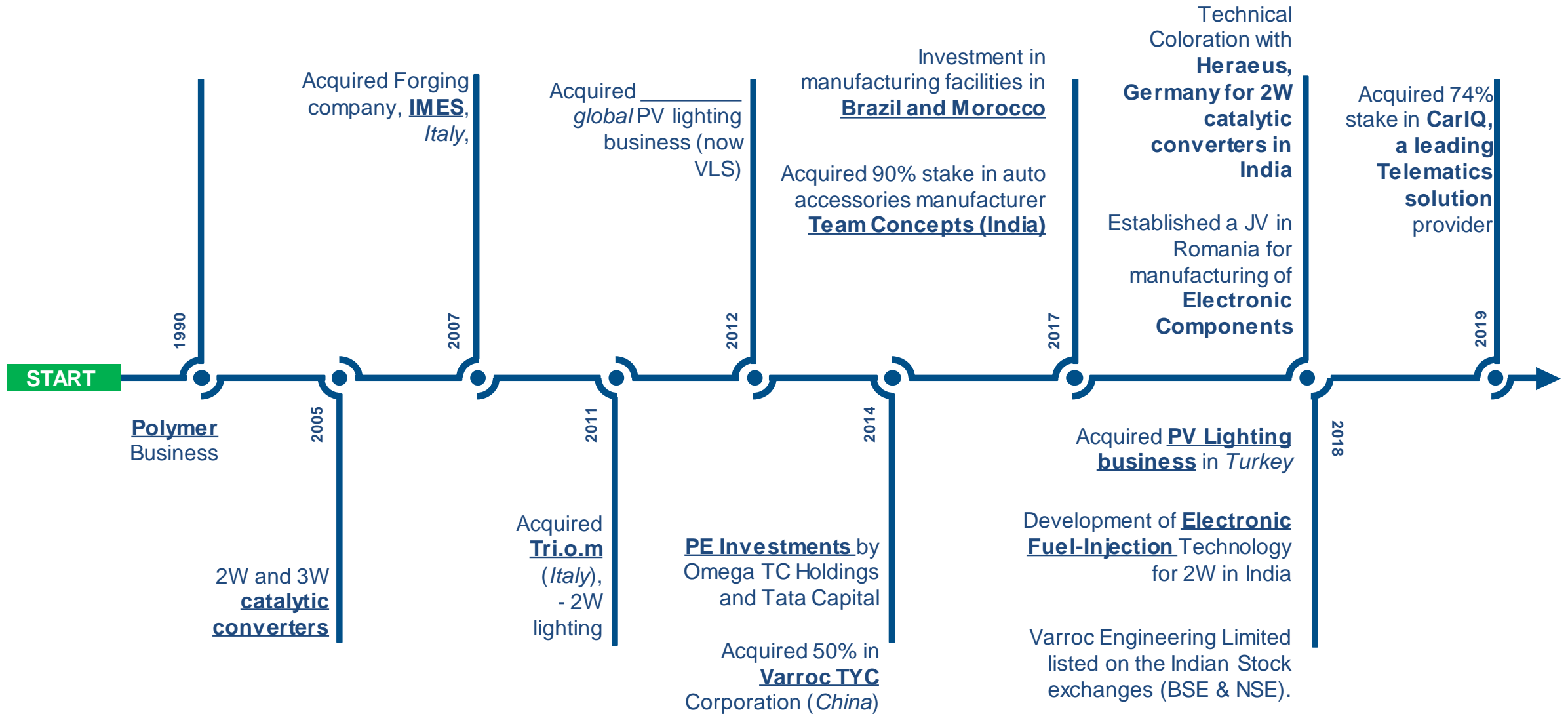
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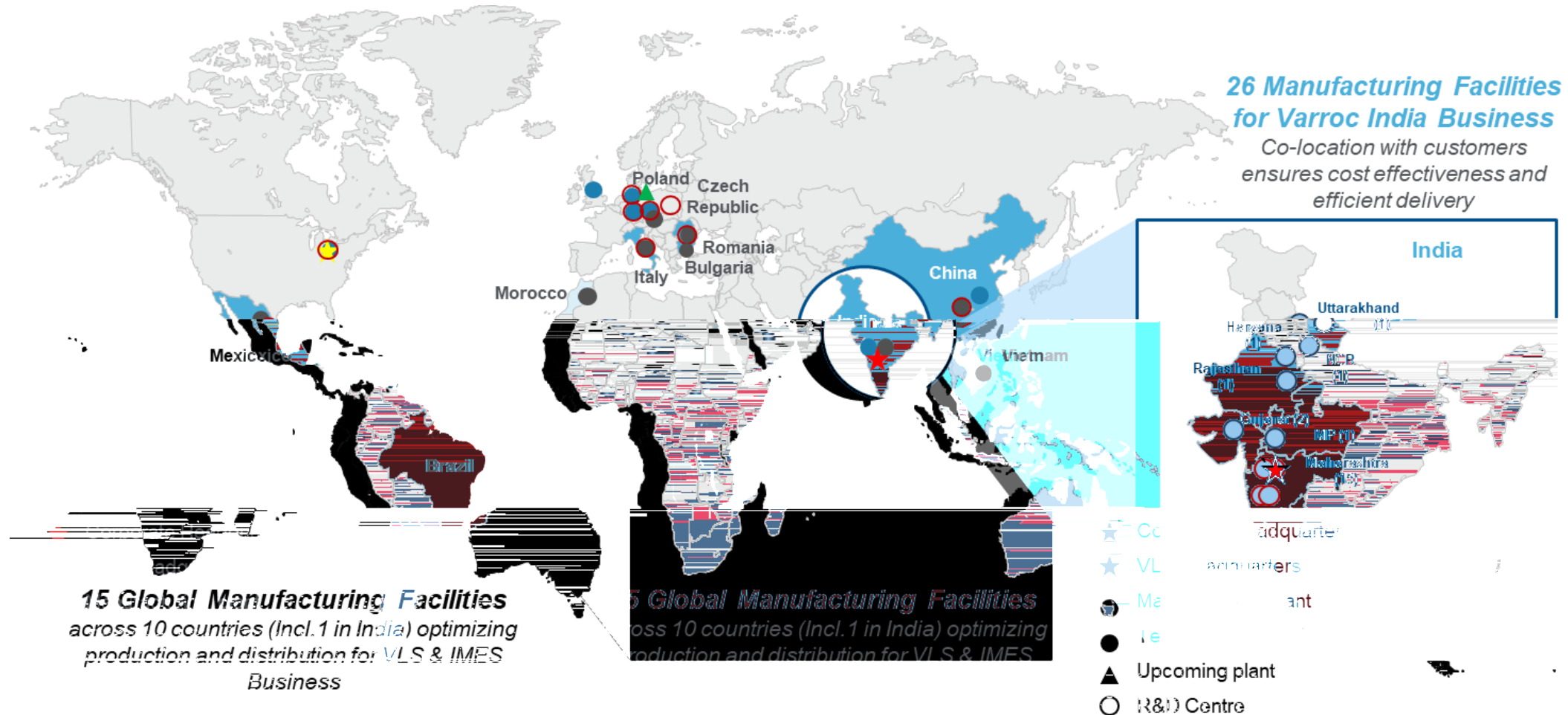
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41 Operating plus 2 Upcoming Manufacturing Facilities and 16 R&D Centers Across Asia, Europe, Africa, North and South America

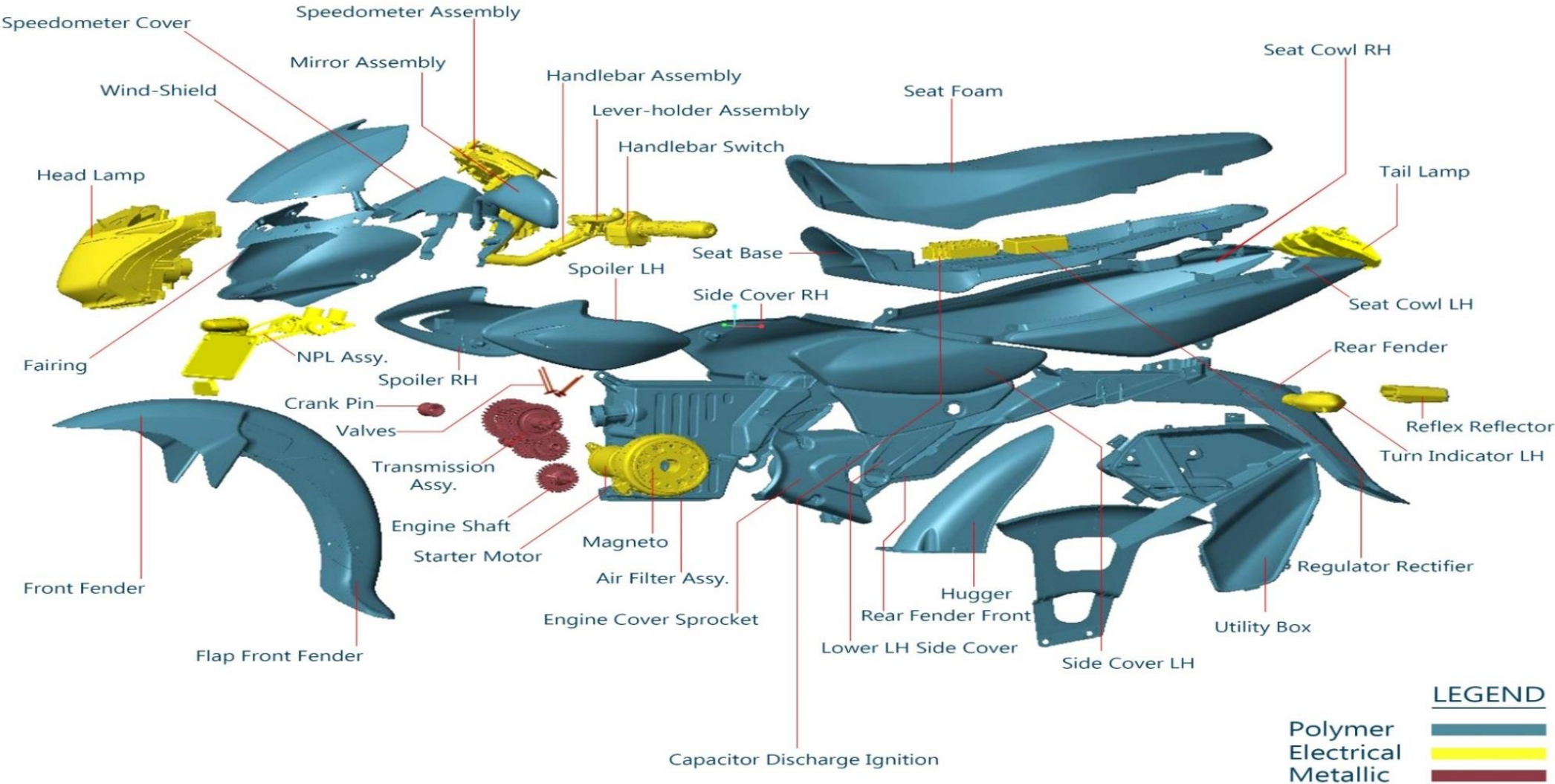


- Proximity to OEMs leading to cost effectiveness and quicker turn-around times

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

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

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

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

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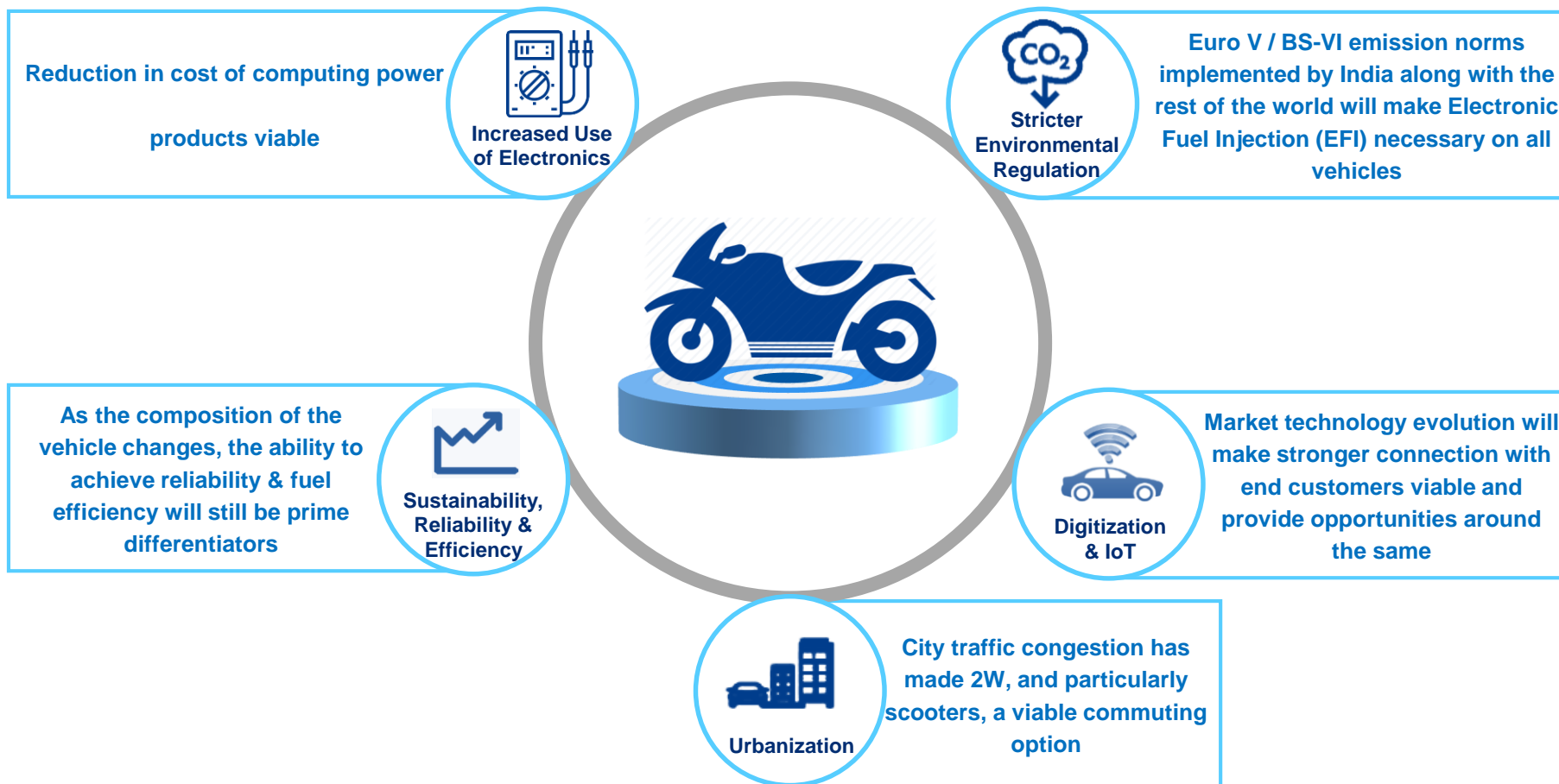
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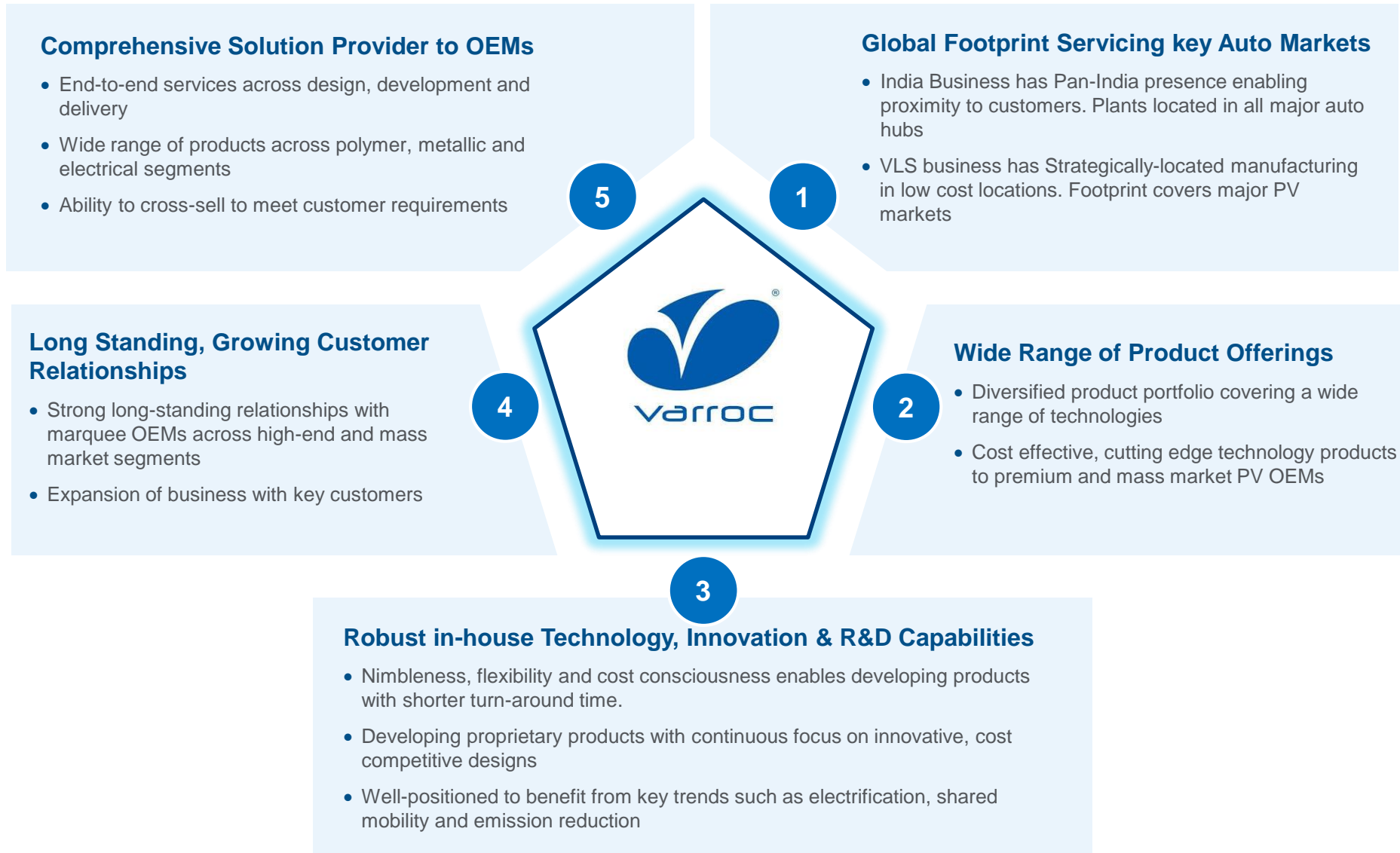
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Regulation change creates potential for suppliers with robust operational systems to cross sell product lines; core auto themes like light-weighting and affordability will continue to guide OEM decision making





Tarang Jain*^
Managing Director

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

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



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



Gautam Khandelwal
Independent Director

- Executive Chairman, Nagpur Power and Industries Ltd



Vinish Kathuria
Independent Director

- Co-Founder and President of Rank software Inc.



Vijaya Sampath
Independent Director

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



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 Védie
President and CEO – VLS

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



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

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



Sethumadavan D.
Business Head - Polymer

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



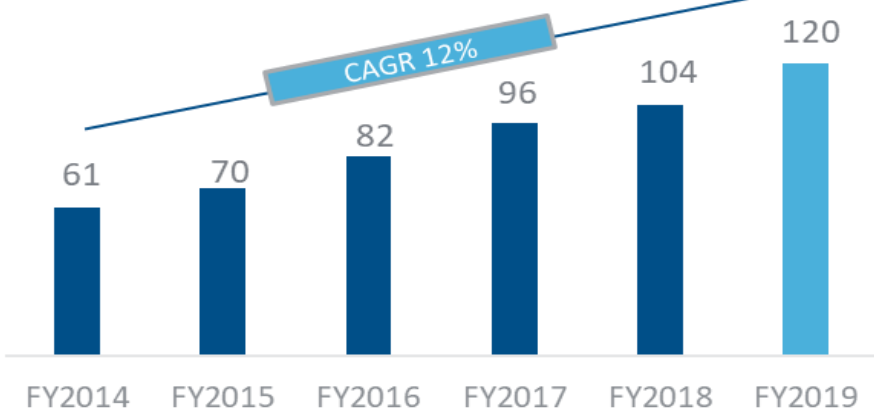
T. R. Srinivasan
Group Chief Financial Officer

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

Financial Summary : Key Performance Indicators

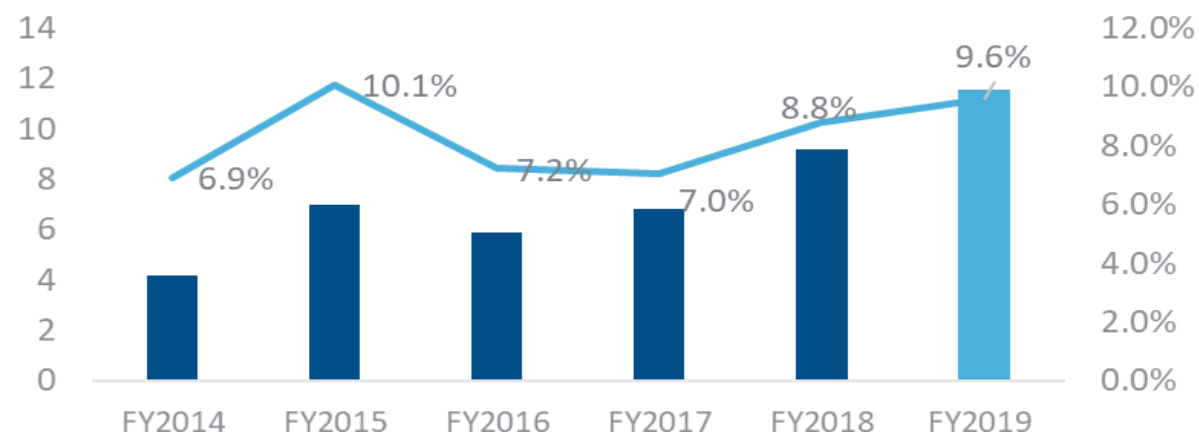
Revenue Trend last 6 years

INR Billion



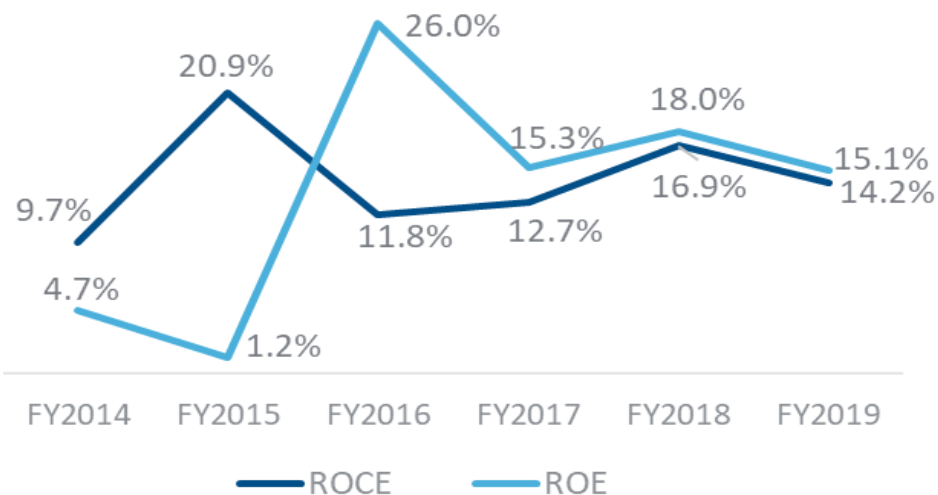
EBITDA and EBITDA margin

INR Billion, %



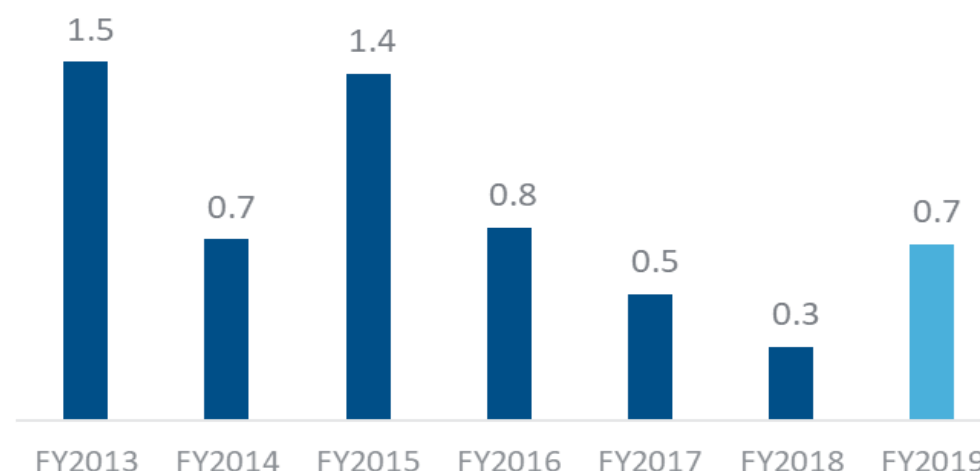
ROCE & ROE trend*

%



Debt to Equity

Multiple (x)



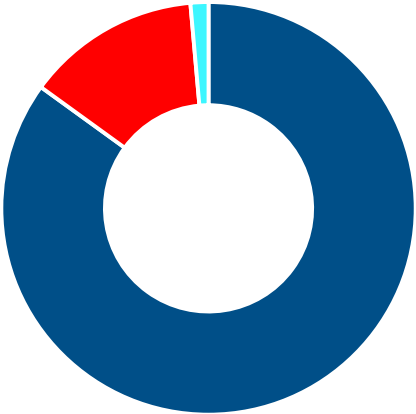
	Q4 FY 19	Q4 FY18	% Change	FY 19	FY18	% Change
Revenue from Operations - Reported	31534	29846	5.7%	1,20,365	1,03,785	16.0%
Revenue from Operations : like-for-like	31387	29,772	5.4%	1,19,533	1,00,637	18.8%
Other Income - Operating	226	164		650	371	
Other Income - non-Operating	60	7		258	15	
EBITDA : Reported	3157	2639	19.6%	11,539	9,179	25.7%
EBITDA : like-for-like	2625	2,633	-0.3%	10,260	8,715	17.7%
<i>EBITDA like-for -like%</i>	<i>8.4%</i>	<i>8.8%</i>		<i>8.6%</i>	<i>8.7%</i>	
Depreciation	1530	1072	42.7%	5,656	3,865	46.4%
Interest	259	247	4.8%	968	862	12.4%
Share of net profits of JVs under equity method	51	158	-67.9%	315	690	-54.4%
PBT - Reported	1,480	1,486	-0.4%	5,487	5,158	6.4%
Tax	-21	58		989	651	52.0%
<i>Tax rate</i>	<i>-1%</i>	<i>4%</i>		<i>19%</i>	<i>15%</i>	
PAT - Reported	1,500	1,428	5.1%	4,498	4,508	-0.2%

Fiscal year ending March 31,*

(INR million)	FY16		FY17		FY18		FY19 (like-for-like)	
Revenue		%		%		%		%
Global Lighting Business	48,198	58.6%	61,242	63.7%	63,211	60.9%	72,668	60.4%
India Business	30,807	37.5%	31,681	33.0%	36,508	35.2%	42,744	35.5%
Other Businesses	3,185	3.9%	3,163	3.3%	4,278	4.1%	5,485	4.6%
Eliminations					(212)		(533)	
Total	82,189		96,085		1,03,785		1,20,365	
China JV – 100%	12,235		15,339		12,287		9,470	
EBITDA Margin								
Global Lighting Business	6.5%		6.2%		7.3%		7.1%	
India Business	8.8%		8.8%		10.9%		10.8%	
Other Businesses	1.5%		5.5%		9.3%		11.0%	
Total	7.2%		7.0%		8.6%		8.6%	
China JV	13.4%		15.3%		15.6%		11.4%	

(INR mn)	Fiscal Year Ending March 31,			
	2016	2017	FY18	FY19
Assets				
Non-current Assets				
Fixed Assets	24,263	26,881	31,480	45,593
Others - Non-current Assets	4,508	4,538	6,439	8,266
Total Non-current Assets	28,771	31,419	37,920	53,859
Current Assets				
Current Investments	119	0	30	186
Cash and Bank Balances	1,772	3,541	3,289	1,608
Others - Current Assets	21,697	23,644	27,285	31,877
Total Current Assets	23,587	27,185	30,604	33,671
Total Assets	52,459	58,604	68,524	87,530
Equity and Liabilities				
Shareholder's Funds				
Share Capital	262	135	135	135
Reserves and Surplus	17,366	21,719	28,145	30,736
Minority Interest	203	202	208	241
Total Shareholder's Funds	17,832	22,055	28,488	31,112
Non-current Liabilities				
CCPS	2,060	-	-	-
Long-term Borrowings	5,573	7,553	6,361	5,806
Others - Non-current Liabilities	1,392	1,044	1,944	2,347
Total Non-current Liabilities	9,026	8,597	8,306	8,152
Current Liabilities				
Short-term Borrowings	6,419	7,578	5,629	12,015
Others - Current Liabilities	19,182	20,374	26,102	36,251
Total Current Liabilities	25,601	27,951	31,730	48,266
Total Equity and Liabilities	52,459	58,604	68,524	87,530

Shareholding Details



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THANK YOU

