

September 13, 2016

To,

Bombay Stock Exchange Limited,
Dept. of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Company No. 505075

National Stock Exchange of India Ltd,
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Scrip Code: SETCO

Dear Sir,

Sub: Press Release

In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Press Release titled “**Ashok Leyland approves Setco Automotive’s Clutch for MHCV platforms**” for the dissemination to the investor community at large.

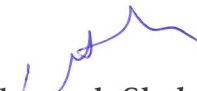
The aforesaid information is also being uploaded on the website of the Company www.setcoauto.com

We request you to take note of the above on your records and oblige.

Thanking you,

Yours faithfully,

For Setco Automotive Limited


Bhautesh Shah
Company Secretary



Encl: a/a



Ashok Leyland approves Setco Automotive's Clutch for MHCV platforms

Setco Automotive has won the business to supply their popular 380 dia coil spring clutch assy. The new clutch assembly covers both BS3 & BS4 models of Ashok Leyland.

The annualized business for OE production vehicles alone would add approximately INR 35 to 40 crores to the top line of Setco. The pull through of this on the aftermarket business would start immediately & grow to around INR 50 crores top line from the 3rd year onwards. In addition, Setco and Ashok Leyland are working to offer retro fitment kits to the current population of trucks and this would be another driver for top line growth of around INR 20 crores on an annualized basis, starting from current year itself.

This new business will be incremental for the foundry business of Setco's new JV Lavacast, a world-class fully automated facility to manufacture fully machined high precision grey and SG iron castings.

As per Mr. R Sivanesan – Sr. VP Quality, Sourcing & Supply chain, “Ashok Leyland being one of the largest Commercial vehicle manufacturer in the country, constantly upgrades the features of its products to offer leading edge technology to our customers. The new Clutch system supplied by Setco is one such step and will deliver better performance, longer service intervals resulting in lower maintenance costs/km.”

Speaking on this development **Harish Sheth, CMD of Setco Automotive** said **“This is a very prestigious win for Setco & strengthens our symbiotic relationship with Ashok Leyland. I thank their management for reposing their faith in us and we are committed to the success of the end customer. I also complement the CFT teams of the two companies who have worked seamlessly over the last 9 months following the complete NPD process & making this transition possible in such a short time. The supplies have already started to all the designated Ashok Leyland plants at Pantnagar, Ennore & Hosur and ramp up phase is on”.**

Setco Automotive Ltd a BSE & NSE listed company is a leader in the M&HCV Clutches & amongst the top 5 players globally. In the domestic market it is the preferred brand of clutch by all the M&HCV manufacturers & enjoys over 85% of OEM market share. In addition it has a close partnership on the service and aftermarket segment of the business with the OEM's. It also sells under its own brand LIPE Clutch in the aftermarket.
