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

email: varroc.info@varroc.com
www.varroc.com
CIN: L28920MH1988PLC047335

VARROC/SE/INT/2020-21/37 September 11, 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

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: VARROC

Sub.: Intimation regarding participation in Investor Conference

Ref.: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Dear Sir/Madam,

Pursuant to Regulation 30 of the Listing Regulations, this is to inform you that, the Company will be participating in an Investor Conference organized by Ambit Capital Pvt. Ltd., as per the following schedule:

Date*	Name of Investor Conference	Conference Organizer	Mode of Participation
September 25, 2020	Ambit Auto Day Conference	Ambit Capital Pvt. Ltd.	Through Video Conferencing

*Meeting Schedule tentative and is subject to change.

The attached presentation will be presented at the said Conference.

We request you to take this on record, and to treat the same as compliance with the applicable provisions of the Listing Regulations, as amended.

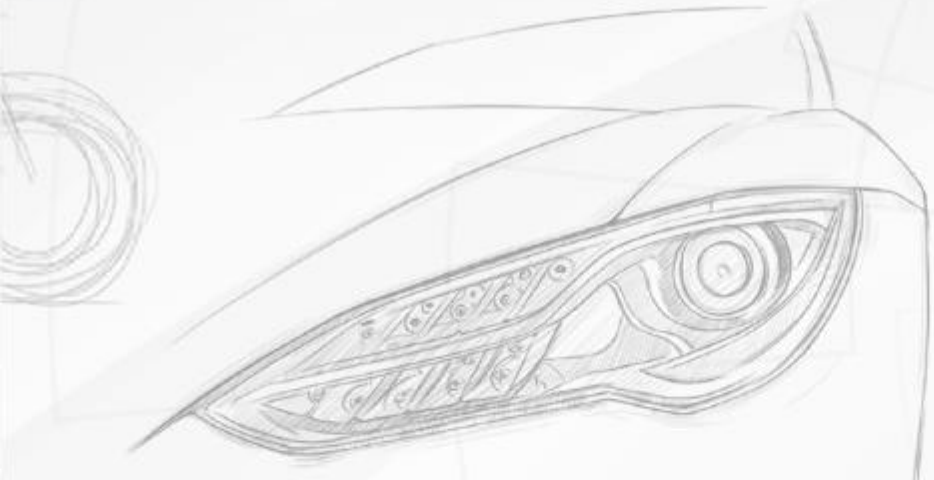
Yours faithfully,
For Varroc Engineering Limited

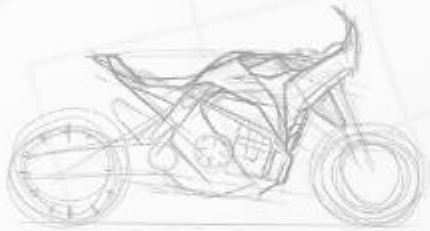
AJAY KUMAR SHARMA

Digitally signed by AJAY KUMAR SHARMA
DN: c=IN, o=Personal, 2.5.4.20=8e394f0b54df7a428a2c5037cce4c75628f0ab036b8fe3c204ae92155ac86258, postalCode=121004, st=HARYANA, serialNumber=6874ec243b772fe655e68c4a:7af69e44bded0b2f83f14b153f3058c5ed4b3aa, cn=AJAY KUMAR SHARMA
Date: 2020.09.11 15:00:24 +05'30'

Ajay Sharma
Group General Counsel and Company Secretary

Encl: a/a













Varroc Engineering Limited

Corporate Presentation

2020

Varroc is a leading Indian auto component group 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 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
- **43 Operating 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**
- **~14,300** 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 global exterior auto lighting suppliers

INR 115bn/ USD 1.54bn FY20 revenue(2)

Note: (1) Based on Yole Report – By revenue published in 2018. For passenger and light commercial vehicles. (2) Including China (3) Activities in China are through a 50% joint venture with Beste Motor Co. Ltd. (4) As of July 31, 2020. Excluding JVs.

Business Overview

ELECTRICAL - ELECTRONICS



- 2W lighting for Indian
- Digital clusters
- Motors, Magnetos
- Regulator & Rectifiers
- Body switches, CDI,
- Catalytic Converters

8 Facilities – India#

- Comprehensive solutions in electrical-electronics components, assemblies for automotive applications.
- 1350+ employees

2W, 3W, PV & CV

POLYMER



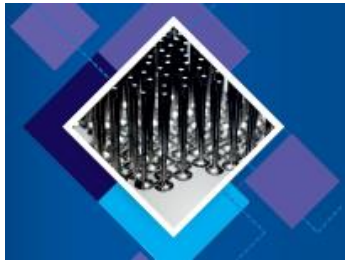
- Air Filter Assembly
- Seating Assembly
- Interiors (Instrument panel, Door panel etc.)
- Painted plastic exterior products
- Mirror assembly

13 Facilities – India#

- One of the largest polymer solution providers to all major auto OEMs with a pan-India presence
- 1940+ employees

2W, 3W, PV & CV

METALLIC (Forging and Valves)



- Engine valves
- Transmission gears
- Crank pins, Links
- Connecting Rods
- Crankshafts

5 Facilities – India#

- Offers precision forged & machined parts for engines and transmissions
- Supplies engines valves in domestic and international markets
- 1650+ employees

2W, 3W, PV, CV & OHV

GLOBAL LIGHTING



- Head Lamps
- Rear Lamps
- CHMSL
- Fog Lamps

Global PV lighting -15 Facilities
Czech(2), China (2), India (2) Mexico, Morocco, Turkey, Poland, Brazil, Bulgaria
Global 2W Lighting 3 -Facilities
Italy, Romania, Vietnam

- Leading global supplier of exterior automotive lighting systems for PV
- High end lighting systems for the global 2W industry
- 2 more upcoming facilities
- 7870+ employees

PV & 2W

IMES (International Forging)



- Undercarriage Links
- Drill bit cones & heads
- Undercarriage Segments

2 Facilities - Italy

- Manufactures hot steel forged parts for the construction and oil & gas industries
- 135+ employees

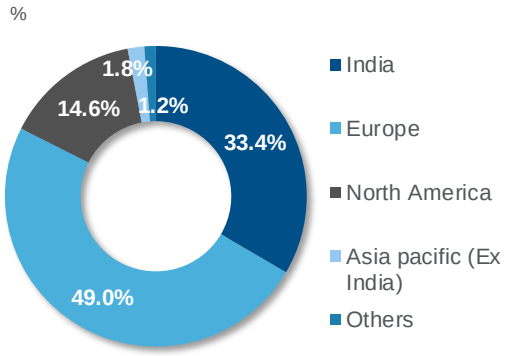
Earth-moving & Oil-drilling

 # Pantnagar facility is included in metallic but caters to all 3 verticals of India business. Global 2W lighting business is part of VLS and domestic 2W lighting business is part of Electrical and Electronics business
India business also has a small After Market Division, Solar and Windmill units whish are not shown separately; Employees for these division and Corporate are over and above the divisional break-up shown above

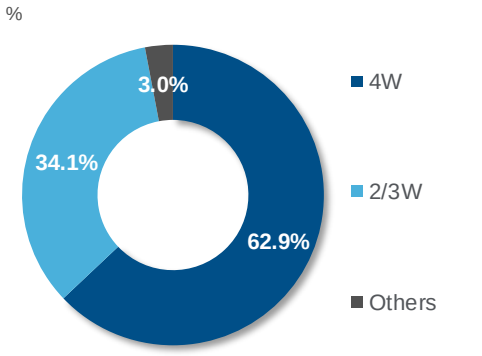
Well Diversified Business Across Geographies, Product Groups, Customers and Segments

FY20 Consolidated Revenue: INR 112 bn [(1)]
100% China JV Revenue: INR 8 bn

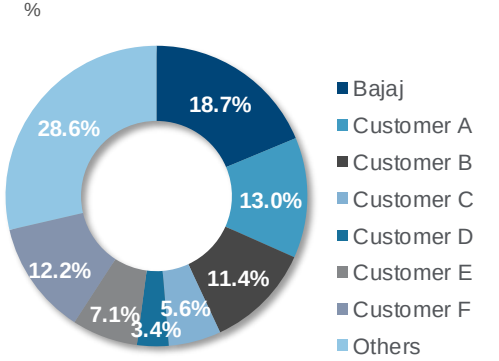
Revenue Split by Geography[(1)]



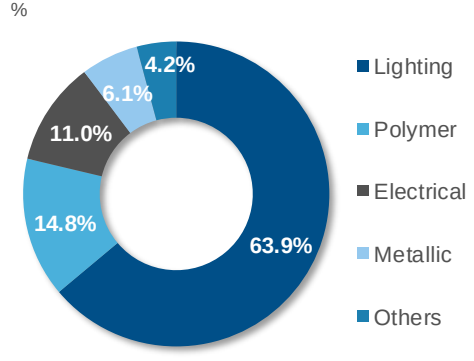
Revenue Split by Vehicle Type[(2)]



Consolidated Revenue Amount Split by Customer [(3)]

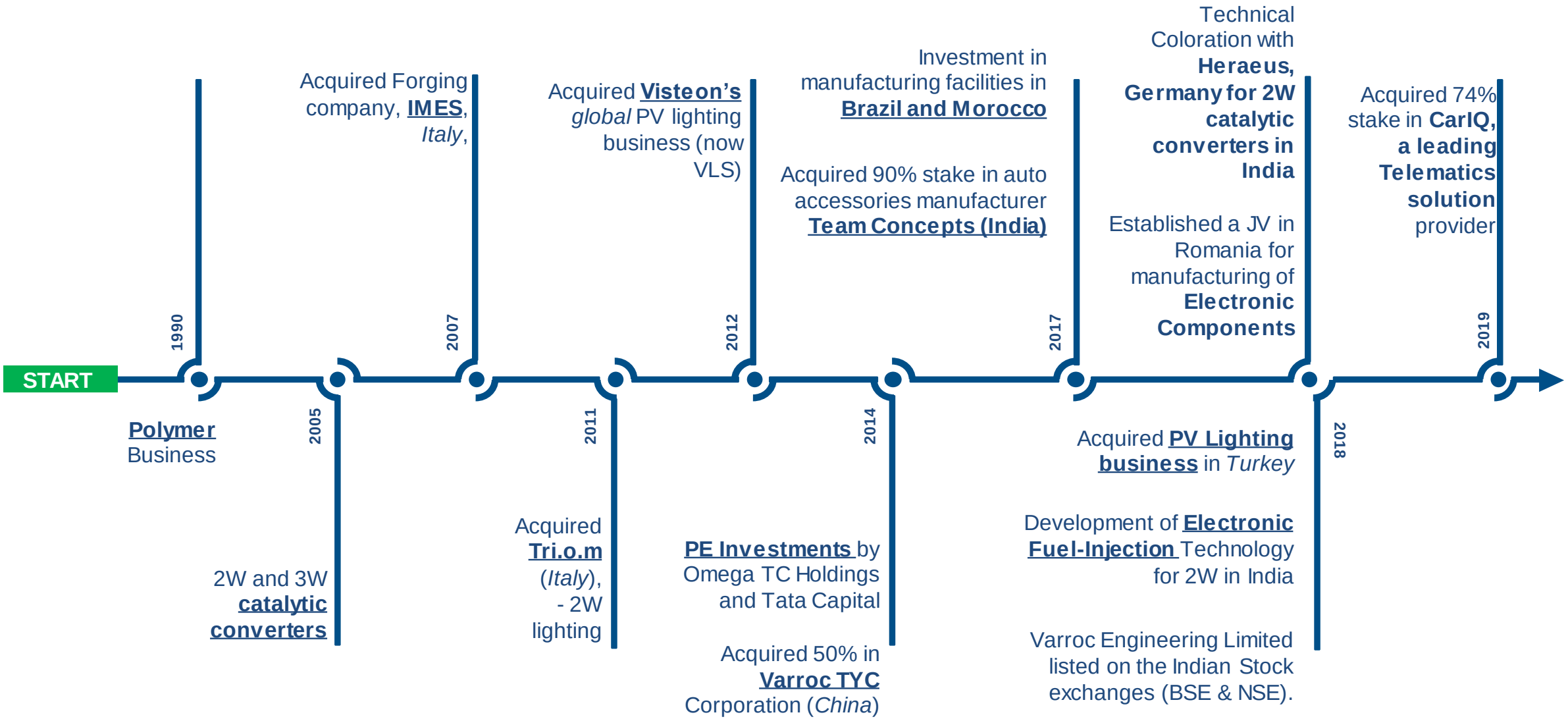


Revenue Split by Segment



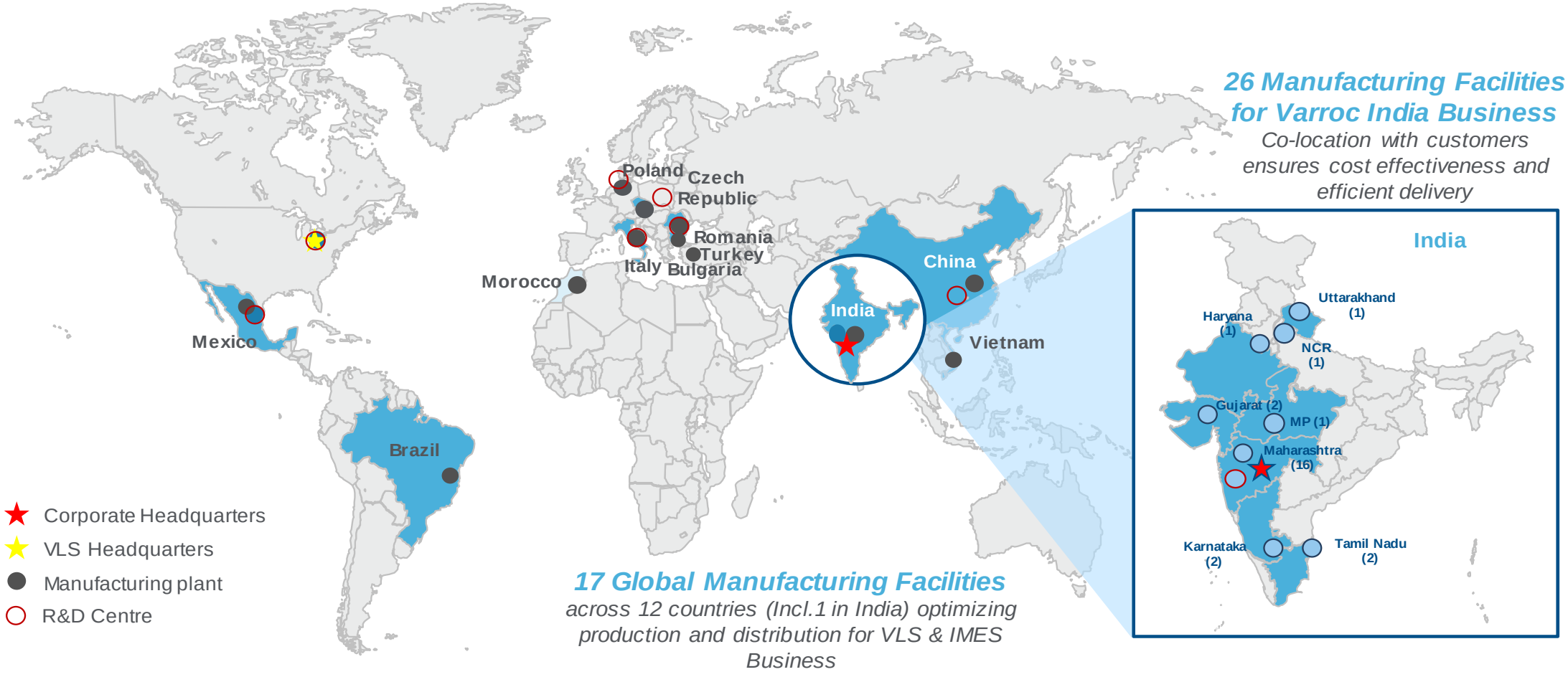
- **Diversified business in developed and emerging markets with strong India presence**
- **Comprehensive range of engine agnostic products**
- **Diversified customer relationships; no customer has >20% share**
- **Presence in fast growing India 2W and Global PV lighting segments**

Varroc – The Transformation into a Global Auto Component Group



Low Cost, Strategically Located Global Manufacturing Footprint

43 Operating 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

17 Global Manufacturing Facilities

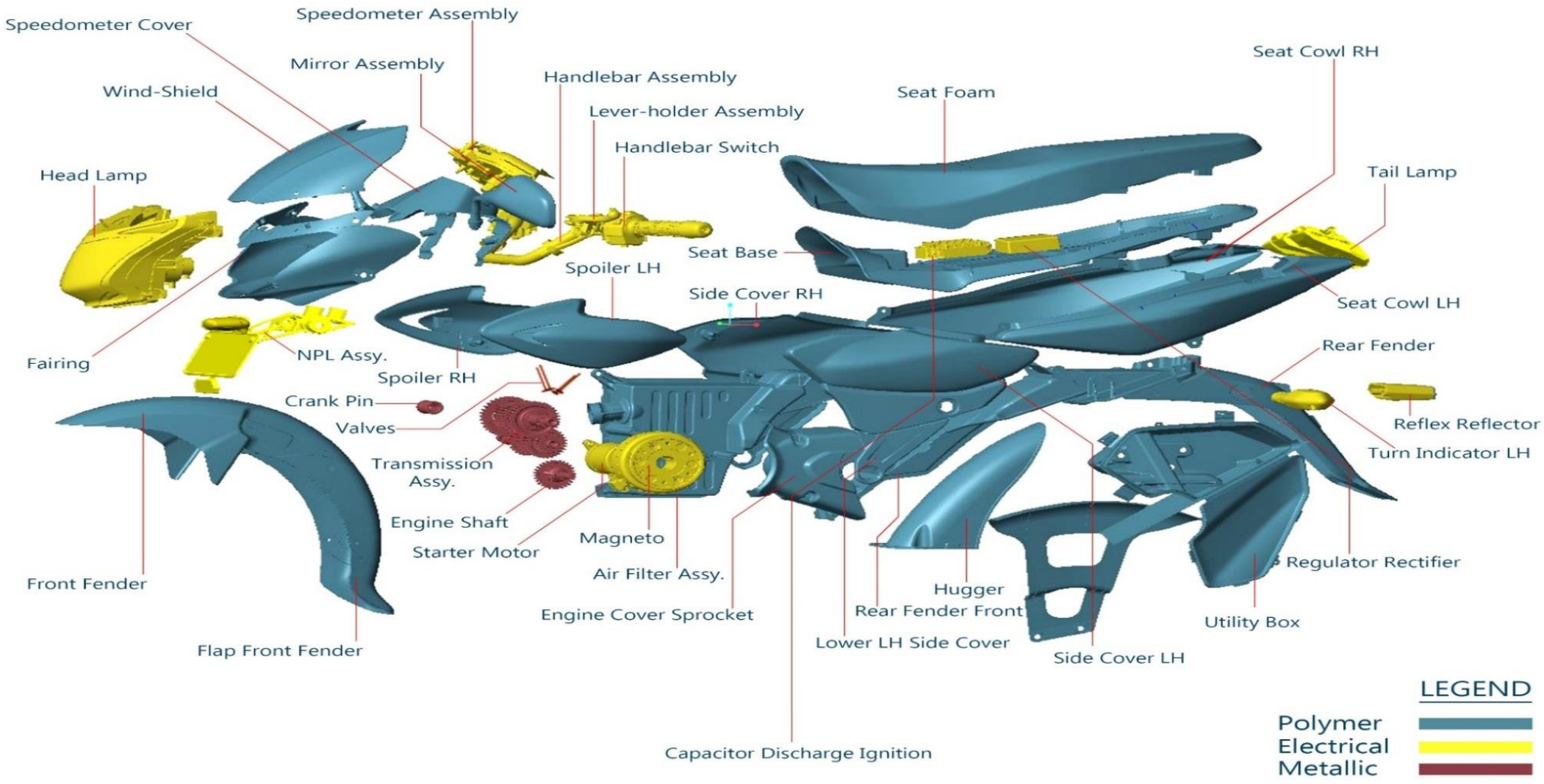
across 12 countries (Incl.1 in India) optimizing production and distribution for VLS & IMES Business

- **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

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**

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

Varroc — Key Strengths

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

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

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



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

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

Varroc Leadership

- **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

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



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

Senior Management



Arjun Jain*^
Business Head – Electrical & Electronics Division and Whole-time Director
- Previously associated with Bain & Co India Pvt. Ltd.



Stephane Vedie
President and CEO – VLS
- Total Experience: 15 years in Automotive Lighting
- Previously associated with Magnetti Marelli



Sethumadavan D.
Business Head - Polymer
- Total Experience: ~22 years
- Previously associated with Assa Abloy, Stanley Black & Decker, Schneider Electric, General Electric and Lucas TVS



Rohit Prakash^
President - Business Head -Metallic and Whole-time Director
- Total Experience: ~30 years
- Previously worked with Sogefi Engine systems India, NTTF Industries Ltd and at FIEM industries



T. R. Srinivasan
Group Chief Financial Officer
- Total Experience: ~30 years
- Previously associated with Hindustan Lever Ltd, ATC Tires Private Ltd

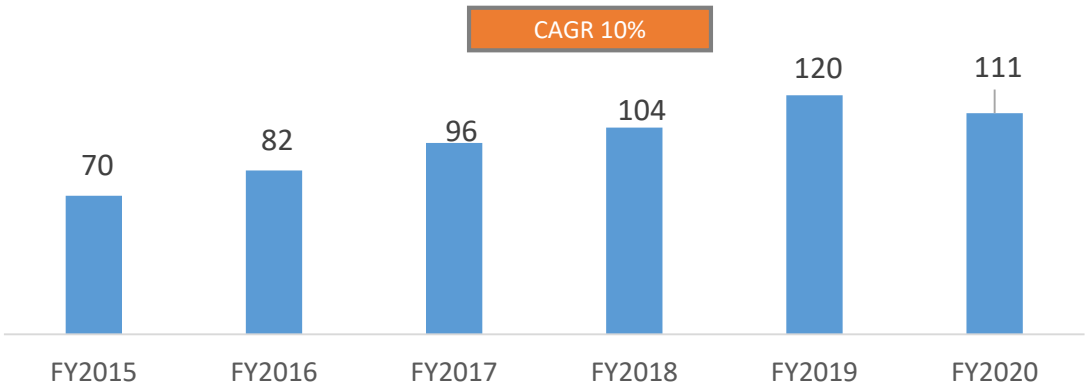
*Note: * denotes member of Promoter Group. ^ denotes member of Board of Directors.*

Financials & Share Details

Financial Summary : Key Performance Indicators

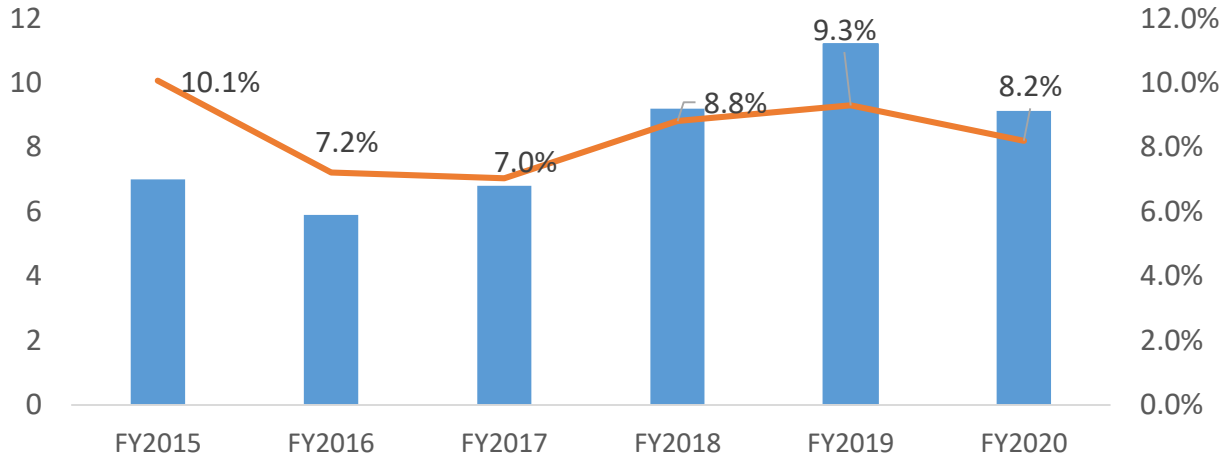
Revenue Trend last 6 years and current year YTD

INR Billion



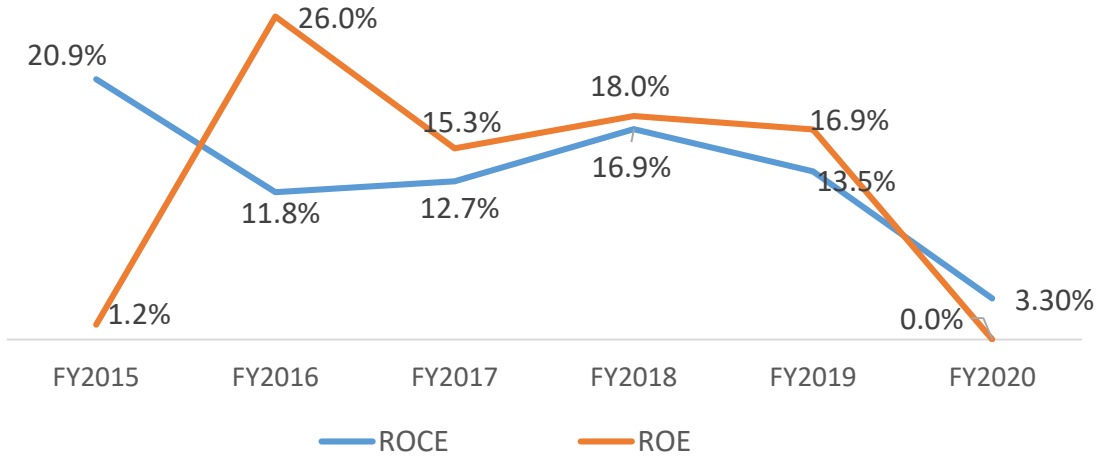
Reported EBITDA and Reported EBITDA margin

INR Billion, %



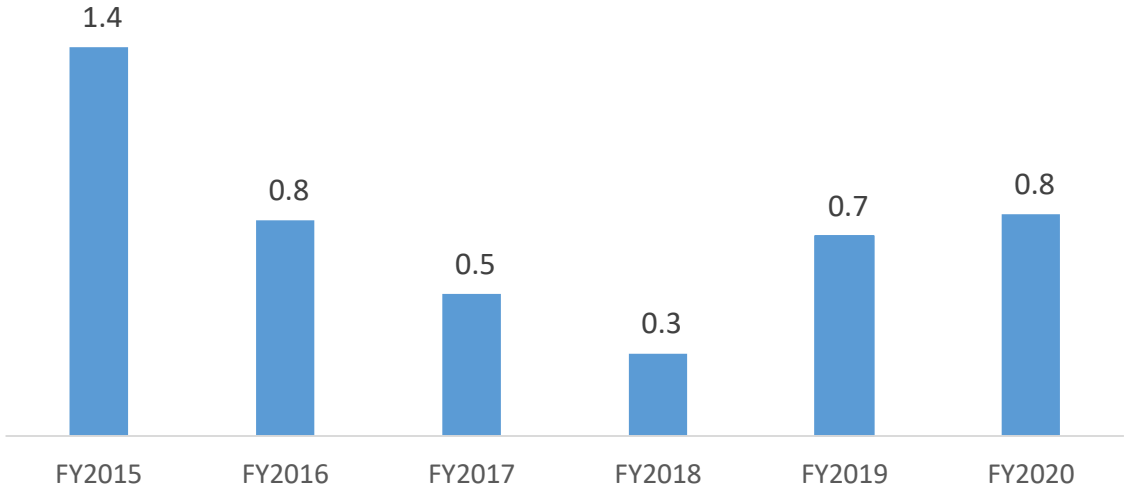
ROCE & ROE trend*

%



Debt to Equity

Multiple (x)



*Calculated using reported numbers on a trailing twelve month basis; 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 / FY19 EBITDA margin is excluding non-operating other income

Financial Summary: Income Statement Q4 & FY20

(INR million)

	Q4 FY20	Q4 FY19*	% Change	FY20	FY19*	% Change
Revenue from Operations - Reported	27447.5	31534.0	-13%	111218.7	120364.7	-8%
Revenue from Operations : like-for-like	**27447.5**	**31379.0**	**-13%**	**111218.7**	**120282.1**	**-8%**
Other Income - Operating	479.4	226.1		925.7	650.2	
Other Income - non-Operating	7.9	59.8		63.2	257.7	
EBITDA : Reported	1158.3	2855.9	-59%	9133.6	11237.8	-19%
EBITDA : like-for-like	**985.2**	**3030.2**	**-67%**	**8478.5**	**11798.9**	**-28%**
EBITDA %	*3.6%*	*9.7%*		*7.6%*	*9.8%*	
Depreciation & Amortisation	2066.1	1529.7	35%	7318.6	5656.4	29%
Finance Cost	361.9	258.6	40%	1391.7	968.5	44%
Share of net profits of JVs under equity method	-105.5	50.8		-91.7	314.5	
PBT - Reported	**-1367.2**	**1178.3**		**394.9**	**5185.2**	**-92%**
Tax	3.9	-111.0		369.8	898.4	-59%
Tax rate	*-0.3%*	*-9.8%*		*76.0%*	*18.4%*	
PAT - Reported	**-1371.0**	**1289.3**		**25.1**	**4286.8**	**-99%**

*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

SBU	FY20					FY19*					Revenue Change YoY
	Revenue	Revenue like-for-like	EBITDA	EBITDA # Like-for-like	% EBITDA	Revenue	Revenue like-for-like	EBITDA	EBITDA # Like-for-like	% EBITDA	
India Business	38,253	38,253	3,901	3,832	10.0%	42,720	42,720	4,623	4,623	10.8%	-10.5%
VLS (Incl TRIOM)	71,054	71,054	5,116	4,531	6.4%	75,101	75,018	6,385	6,946	9.3%	-5.3%
Others (IMES)	2,291	2,291	100	100	4.4%	3,076	3,076	303	303	9.9%	-25.5%
Elimination	(380)	(380)	15	15		(533)	(533)	(74)	(74)		
Total	**1,11,219**	**1,11,219**	**9,134**	**8,478**	**7.6%**	**1,20,365**	**1,20,282**	**11,238**	**11,799**	**9.8%**	**-7.5%**
China JV - 50%@	3,981	3,981	230	230	5.8%	4,731	4,731	578	578	12.2%	-15.9%

Euro Performance — Euro million

SBU	FY20					FY19*					Revenue Change YoY
	Revenue	Revenue like-for-like	EBITDA	EBITDA # Like-for-like	% EBITDA	Revenue	Revenue like-for-like	EBITDA	EBITDA # Like-for-like	% EBITDA	
VLS -Euro	901	901	65	58	6.4%	928	920	79	86	9.3%	-2.1%

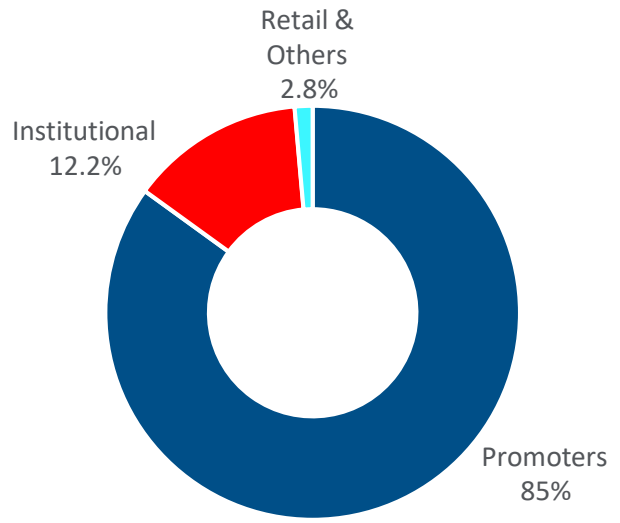
EBITDA = Profit before share of net profits of investments *plus* depreciation *plus* finance cost less non-operating portion of other income
$ like-for-like excludes impact of Interior Plastics business closure in North America, Ind AS 115, start-up costs and launch costs
@ not included in total revenue

Financial Summary : Balance Sheet

	Fiscal Year Ending March 31, 2018	2019	2020
Non-Current Assets			
Fixed Assets	31,480	45,593	52,448
Others - Non-Current Assets	6,439	8,355	7,881
Right of use of asset		-	8,282
Total Non - Current Assets	**37,920**	**53,948**	**68,612**
Current Assets			
Current Investments	30	186	40
Cash and Bank Balances	3,289	1,634	10,688
Inventories	8,641	8,904	10,758
Receivables	14,027	13,495	10,893
Other -Current Assets	4,616	9,156	9,031
Total Current Assets	**30,604**	**33,376**	**41,411**
Total Assets	**68,524**	**87,324**	**1,10,023**
Equity and Liabilities			
Shareholder's Funds			
Share Capital	135	135	135
Reserves and Surplus	28,145	30,529	29,910
Equity attributable to owners	**28,280**	**30,664**	**30,045**
Minority Interest	208	241	249
Total Shareholder's Funds	**28,488**	**30,906**	**30,295**
Lease liability		-	6,522
Long Term Borrowings	6,361	4,572	9,002
Other Non-Current Liabilities	1,944	4,137	4,232
Total Non-Current Liabilities	**8,306**	**8,709**	**19,756**
Current Liabilities			
Short Term Borrowings	3,439	12,015	17,004
Finance Lease obligations	59	-	604
Current Maturities of LT debt	2,130	7,806	9,418
Trade Payables	19,794	20,322	23,646
Others Current Liabilites & provisions	6,308	7,566	9,299
Total Current Liabilities	**31,730**	**47,709**	**59,972**
Total Equity and Liabilities	**68,524**	**87,324**	**1,10,023**

Shareholding Details

Shareholding Pattern



Equity Share Information

• Share Price (As on 24 Aug 2020)*	INR 339.90
• Market Capitalization	INR 45.7 Bn
• Financial Year	April to March
• Listing Details Indian Stock Exchange	NSE (VARROC.NS) BSE (541578)
• Bloomberg Code	VARROC:IN

Top Institutional Shareholders *

DSP Blackrock	2.4%
Nippon	1.4%
L&T MF	1.1%
IIFL	1.0%
Bajaj Allianz Life	0.7%
I Pru MF	0.5%
Kotak MF	0.4%
Others	2.5%
Total Institutional holders	**10.1%**

* As on 21 August, 2020 for top 250 portfolios only. Shareholding under multiple portfolios/ plans clubbed together. Stake rounded off to nearest decimal

THANK YOU



Our Core Values