

Varroc Engineering Limited

Regd. & Corp. Office

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

Tel + 91 240 6653700
Fax + 91 240 2564540

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



VARROC/SE/INT/2022-23/47

July 23, 2022

To,

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.

The Manager – Listing
The Corporate Relation
Department,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001.

NSE Symbol: VARROC

BSE Security Code: 541578

Sub: Presentation made in Analysts meeting

This is with reference to our communication dated July 19, 2022. Please find enclosed a copy of Presentation made in Analysts Meeting held on July 22, 2022.

Kindly take the same on record and note the compliance.

Pursuant to Regulation 46(2)(o) of the Listing Regulations, the aforesaid information is also being placed on the website of the Company at www.varroc.com.

Thanking you,

For Varroc Engineering Limited

Ajay Sharma
Group General Counsel and Company Secretary

Encl: A/a

Varroc Engineering Ltd.

Pune Plant III

**B-24 / 25 MIDC Industrial area,
Chakan, 410501**



Varroc Engineering Ltd. Plant – III, Pune

- Incorporation** - 2005
- Plot Area** - 34,873 Sq. Mt
- Total Employees** - 672 Nos
- Certifications** - IATF 16949 , ISO14001 & ISO45001



QMS & EHS Certifications



IATF 16949

Quality Management System



ISO 14001

Environmental Management System

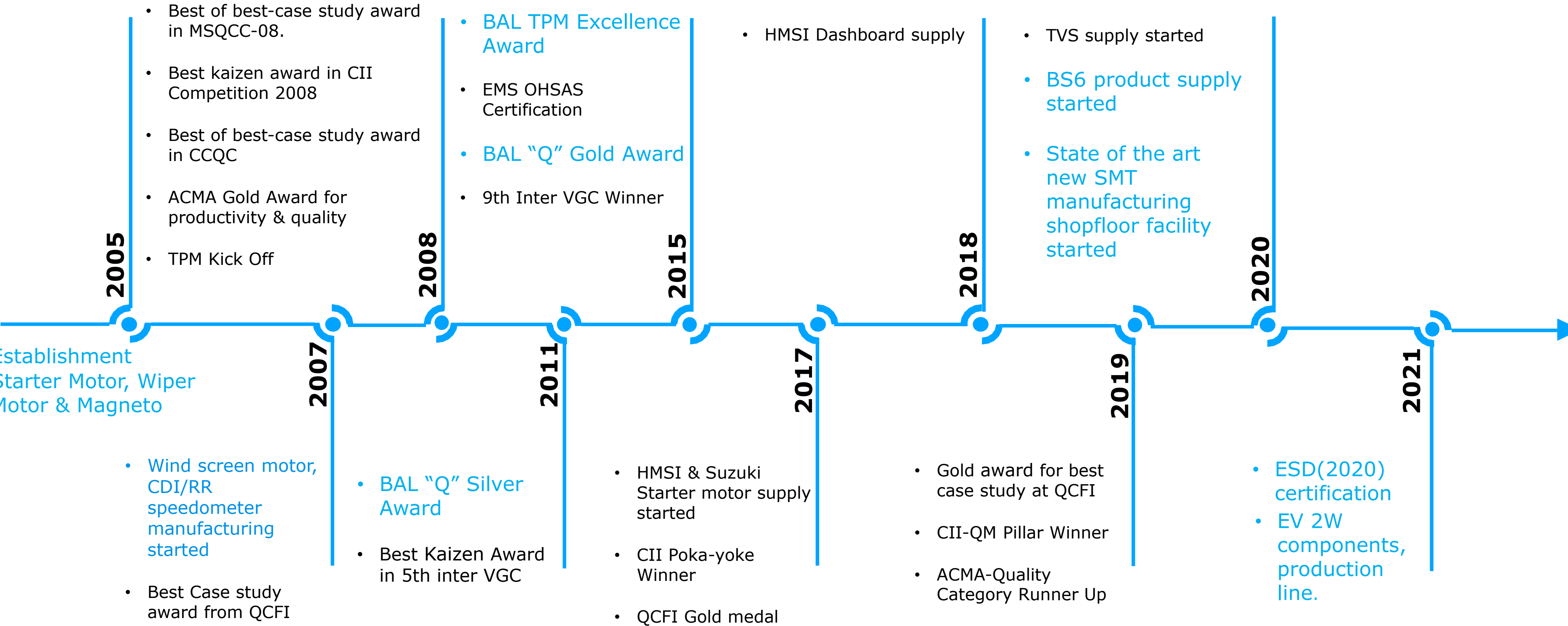


ISO 45001

Occupational health & Safety Management System



Milestones –VEL III





Establishment
Starter Motor, Wiper
Motor & Magneto



Our Prestigious Customers



Electrical Business Unit Product Portfolio

| | | | |
|-------------|--|---|--|
| Electrical |  <p>2W Motor</p> |  <p>3W Motor</p> |  <p>Magneto</p> |
| Electronics |  <p>Regulator Rectifier</p> |  <p>ECU</p> |  <p>Instrument Cluster</p> |
| EV Products |  <p>Traction Motor Controller</p> |  <p>On-Board Charger</p> |  <p>Telematics Unit</p> |
| |  <p>DC-DC Converter</p> |  <p>BMS</p> |  <p>Vehicle control unit.</p> |



Our SMT Manufacturing Facility

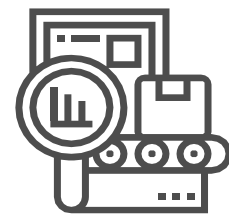
With capacity to increase from 7 Lines to 30 Lines



Capacity



Quality



IT & MES enabled factory



Shop Floor Capability



Smart Storage Solution



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Manufacturing Excellence Initiatives

Line
Balancing



CT Study
through
MOST



Loss
Reduction



Single Piece
flow



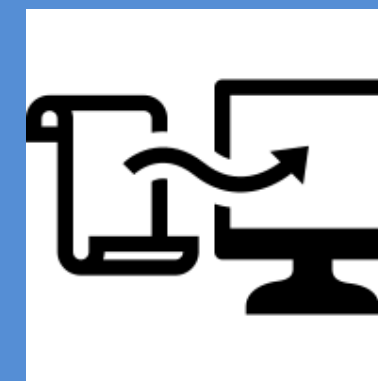
Inventory
Management



Kaizen



Digitalization



5S

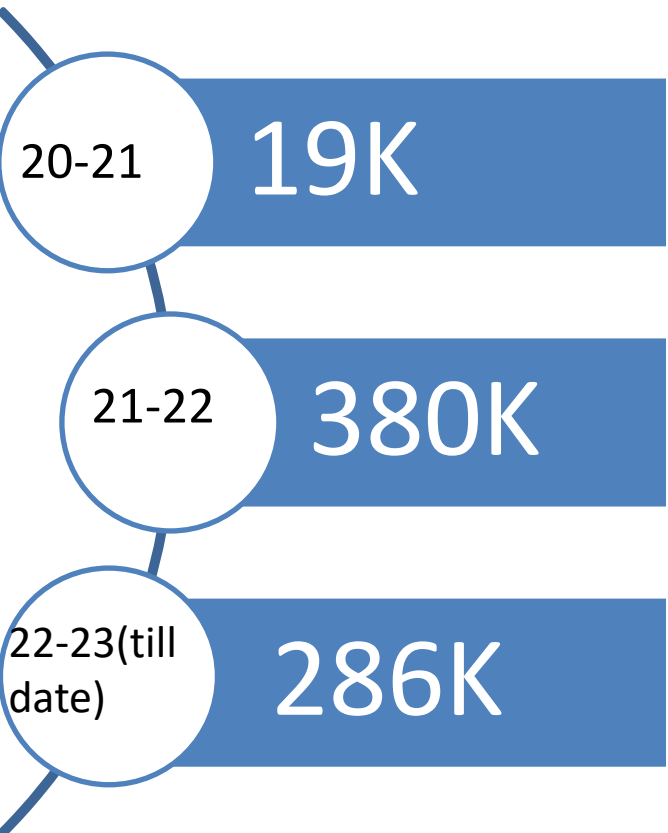


Green Initiatives

Installed KW



Generated KWH



| Energy & Carbon | |
|--|--------|
| Annual Energy Output (kWh) | 700362 |
| Annual CO ₂ Saved (Tonnes) | 693 |
| CO ₂ saved for life of the plant (Tonnes) | 18655 |



Awards: The Machinist Super shopfloor Award 2020 in Digital Category



Awards & Recognitions



Winner 1st Prize in 13th CII TPM Circle Competition in QM Pillar Category



Won runner up in ACMA Kaizen Competition



Won 2 Gold award in QCFI Kaizen Competition




Awards & Recognitions



Congratulations

Varroc Engineering Ltd -
Plant III Team -

Winner - POKA YOKE Category


Abdul Wadood
Principal Counsellor & Head - TPM
CII Institute of Quality


Vipin Sahni
Executive Director
CII Institute of Quality



Thank You

Our Core Values

Sincerity



To speak and act from the heart

Humility



To walk with everyone

Integrity



To do what is right

Passion



To go the distance against all odds

Self-Discipline



To make it all happen



Varroc Analyst Meet



July 2022



Agenda

1. Varroc Corporate Overview

2. Varroc Technology :- Trends & Our Offerings

3. Varroc Business Strategy

4. EV a Big Opportunity

5. Why Varroc



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About Us

Varroc is a Leading Indian Auto Technology 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
- Strong, long-lasting, growing customer relationships with marquee Global OEM's
- Well-diversified auto component business across products, segments, and customers
- Low cost, strategically located global manufacturing footprint
- 35 Operating Manufacturing facilities and 7 R&D Centers
- In-house R&D capabilities in India, Italy, Romania and China
- ~750 R&D engineers; 76 patents filled for Indian Operations
- Experienced management team supported by reputed Board

Four primary business lines:



**ELECTRICAL -
ELECTRONICS**



LIGHTING



POLYMER



**METALLIC
(Forging and Valves)**

PARTNERSHIPS

DELLORTO

CANDERA

Heraeus

CarIQ

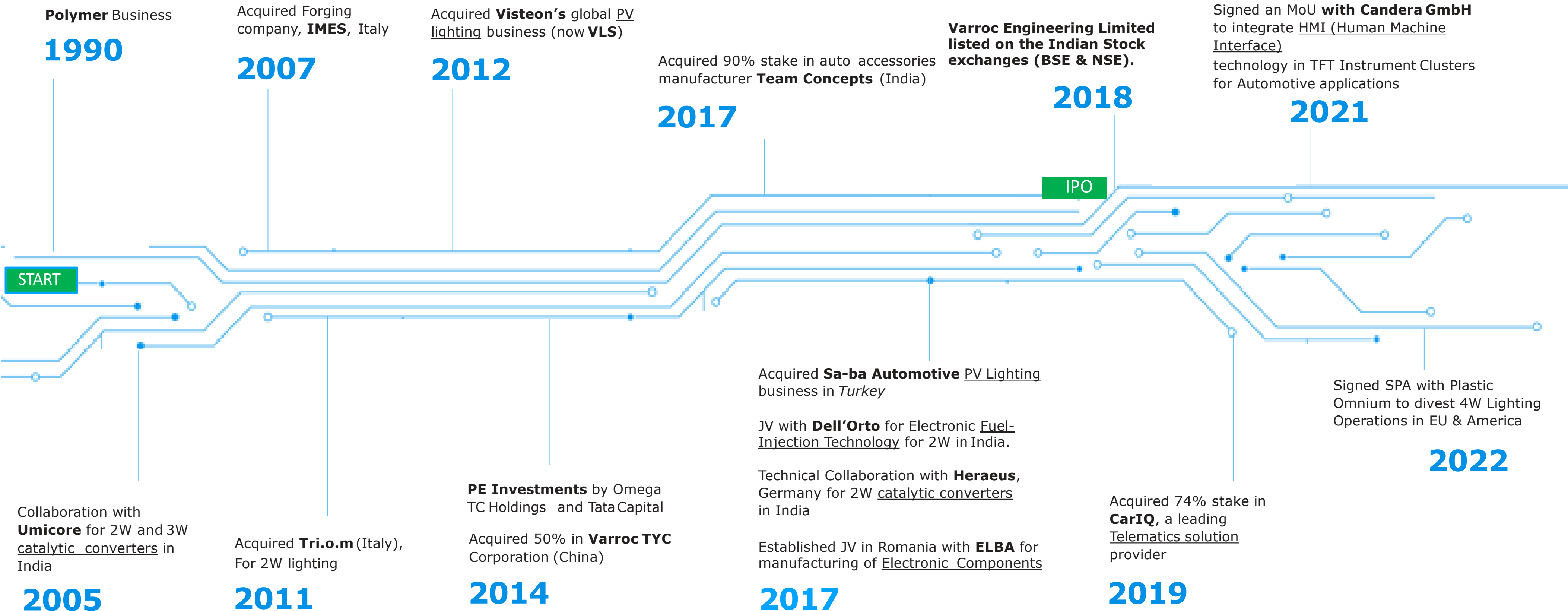
**MEKRA
LANG**

SCARPA & COLOMBO
VALVOLE PER MOTORI

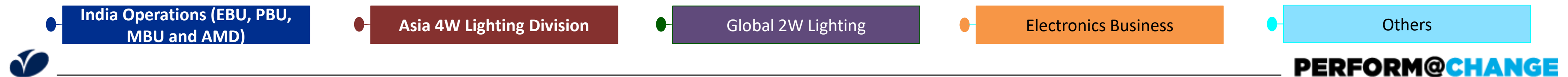
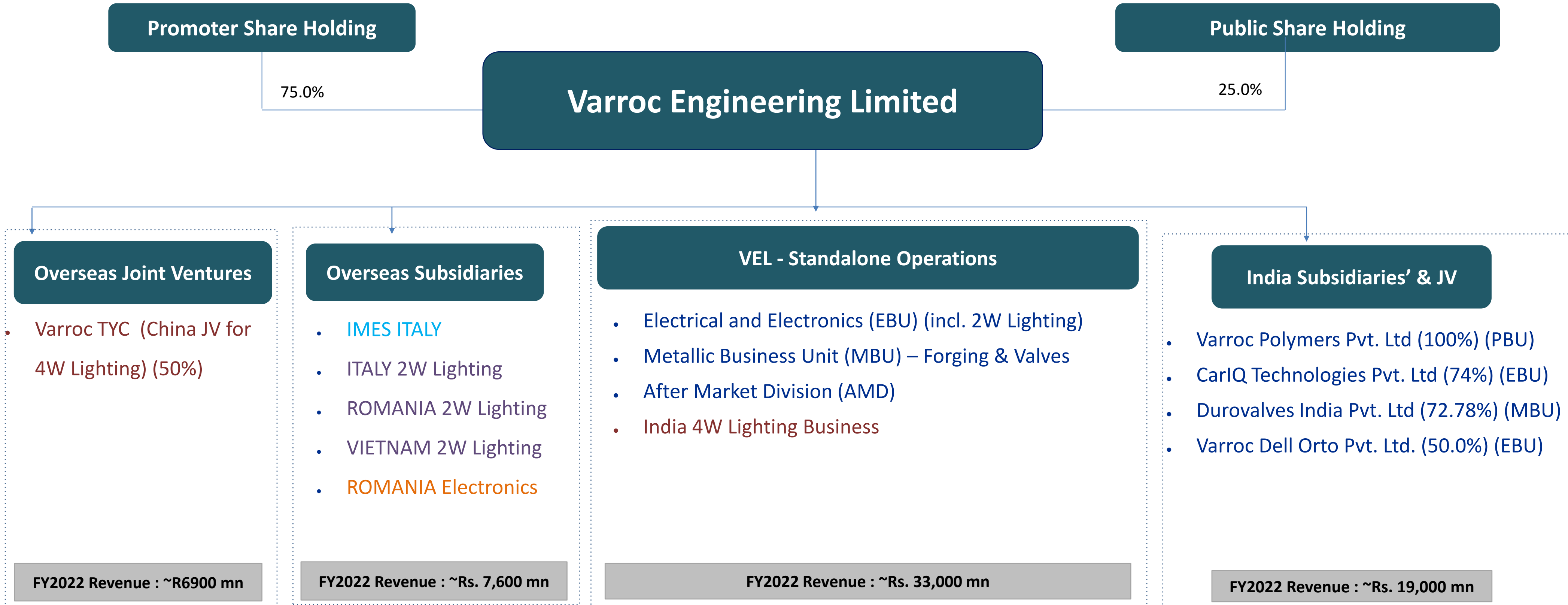
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Our Journey

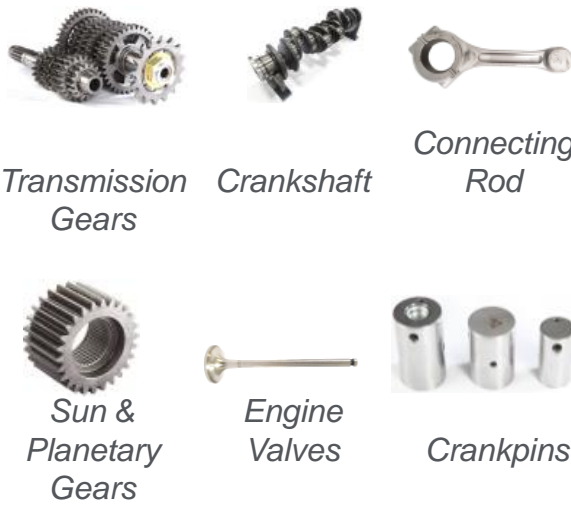
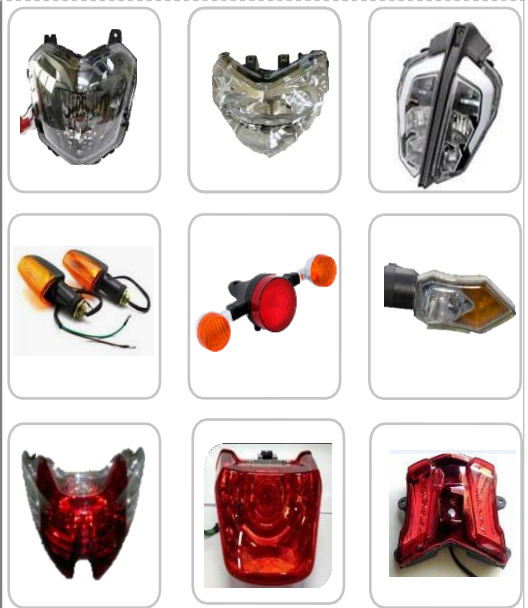
Varroc's Transformation into a Global Auto Technology Group



Symmetric Representation of Varroc (Post Divestment)



Global Business with Diversified Product Lines

| | INDIAN Operations (76.4%) | | | EUROPEAN Operations (13.0%) | | | CHINA JV (10.6%) |
|--------------------------|--|--|--|--|--|---|--|
| | Polymer | Electrical & Electronics (Includes Lighting) | Metallic | Global Lighting | Electronics | Metallic (IMES) | Lighting |
| Description | <ul style="list-style-type: none"> Offers light weighting solution to OEMs with a Pan-India presence | <ul style="list-style-type: none"> Wide solutions in electrical-electronics components and lighting for 2W and 4W OEMs in India | <ul style="list-style-type: none"> Supplies precision forged & machined parts for engines & transmissions and also engines valves in domestic and international markets | <ul style="list-style-type: none"> Global supplier of exterior lighting systems for Two-Wheelers OEMs and Super Luxury PV | <ul style="list-style-type: none"> Focus on ADAS, Lighting Electronics (Light Engines & Light Control Units) and Electronics Manufacturing Services (EMS) | <ul style="list-style-type: none"> Manufactures hot steel forged parts for the construction and oil & gas industries | <ul style="list-style-type: none"> Supplier of exterior lighting systems for PV and Aftermarket |
| Select Product Portfolio |  <p>Seat Assemblies Front Bumper Air Filter Mirror Assemblies Centre Console Fan Cooling</p> |  <p>Motors Magneto Instrumental Cluster EFI Telematics Throttle Sensor Traction Motors & Controller Four Wheeler & Two Wheeler Lighting</p> |  <p>Transmission Gears Crankshaft Connecting Rod Sun & Planetary Gears Engine Valves Crankpins</p> |  |  <p>Lighting Electronics EMS</p> |  <p>Undercarriage Links Drill bit cones & heads Undercarriage Segments</p> |  <p>Matrix Xenon Laser Halogen</p> |
| Customers | Bajaj, HMSI, Suzuki, Piaggio, Yamaha, Royal Enfield M&M, Harley Davidson, Hero Electric, VW, Skoda, Renault, Nissan, Force Motors | Bajaj, Royal Enfield, KTM, Piaggio, Suzuki, Ducati, Harley Davidson, Kawasaki, Yamaha, Hero Moto, Honda, M&M, VW, Skoda, Renault, Nissan | Bajaj, Royal Enfield, KTM, Suzuki, Ducati, Harley Davidson, Honda, Yamaha, Hero Moto, Fiat, Tata, GM, Thyssenkrupp, Triumph | Aprilia, KTM, Piaggio, Vespa, Yamaha, Honda, Moto Guzzi, Ducati, Zero Motors, Kawasaki, Husqvana, McLaren | TIER-I | Caterpillar, Schlumberger, Brist, Baker Hughes, Berco, ITM, Smith Bits | CJLR, VW, Geely, Tesla, CAF, Avatr, JMC, |
| Plants | 13 Facilities – India | 10 Facilities – India | 5 Facilities – India | 3 Facilities – Italy, Romania and Vietnam | 1 Facilities – Romania | 2 Facilities – Italy | 2 Facilities – China |
| Customer Segment | 2W, 3W, PV & CV | 2W, 3W, PV & CV | 2W, 3W, PV, CV & OHV | 2W | 2W & PV | Earth-moving & Oil-drilling | PV |
| Revenue Mix | 29.6% | 28.8% | 10.8% | 7.1% | 1.4% | 4.5% | 10.6% |



A diversified product portfolio catering to 2W, 3W, PV, CV & OHV Segments. Long-lasting, growing customer relationships with marquee auto OEMs globally and in India

Please note: Aftermarket contributes nearly 7.3% of the Overall Group Revenue * Revenue Mix include the revenue from the JV in China

Board & Leadership Team

Independent Directors



Marc Szulewicz
Ex-General Manager, Foreign equipment division, Plastic Omnium



Vinish Kathuria
Co-Founder and President of Rank Software Inc.



Gautam Khandelwal
Executive Chairman, Nagpur Power and Industries Ltd



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



Tarang Jain

Chairman and Managing Director

- Founded Varroc in 1988
- Over 30 years experience in the automotive industry



Christian Päschel

President and CEO – VLS

- Total Experience: ~20 years
- Previously from HELLA as a member of the Executive Board and the Head of Sales in the Automotive Lighting Division



Arjun Jain

President – Electrical Business Unit and Whole-time Director

- Total Experience: ~9 years
- Previously associated with Bain & Co India Pvt. Ltd.



Rohit Prakash

President – Business Unit Head (Metallic) and Whole-time Director

- Total Experience: ~25 years
- Previously worked with Sogefi Engine Systems India



Sethumadavan D.

President – Polymer Business

- Total Experience: ~24 years
- Previously associated with Stanley Black & Decker, Schneider Electric, General Electric



T. R. Srinivasan

Group Chief Financial Officer

- Total Experience: ~32 years
- Previously associated with Hindustan Lever Ltd, and Phillips India



Sanjay Sharma

Chief Supply Chain Officer

- Total Experience: ~26 years
- Previously worked with Delphi Automotive Systems and Havells India



Kavita Kulkarni

Chief Human Resource Officer

- Total Experience: ~27 years
- Previously associated with Infosys Ltd, WNS and Mphasisz

R&D Heads

Dr. Prakash Kalathil

R&D Head, Polymer



Over 29 Years of R&D experience working with Automotive OEMs and Tier 1. Previously associated with JLR, Tata Motors, Faurecia, Behr

Vinayak Gapchup

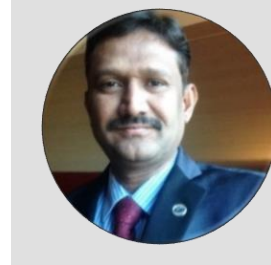
R&D Head, Polymer



Over 29 Years of R&D experience working with Automotive OEMs and Tier 1. Previously associated with JLR, Tata Motors, Faurecia, Behr

Gurunathan Ramnathan

R&D Head, Polymer



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2. Varroc Technology :- Trends & Our Offerings

3. Varroc Business Strategy

4. EV a Big Opportunity




5. Why Varroc



PERFORM@CHANGE

For us, innovation is the ability to see change as an opportunity, not a threat.

Global mobility trends we consistently work towards:

-  **Greener**
-  **Safer**
-  **Smarter**
-  **Connected**

GREENER



FOCUS ON EV

- Traction Motor and Controller
- DC DC Converter
- Onboard Charger
- Battery Management System

FOCUS ON SUSTAINABLE MATERIALS FOR AUTOCOMPONENTS

- Coffee Chaff Headlamp Housing Case
- Specialised BMC (Bulk Molded Compound) Reflectors

FOCUS ON IMPROVED EMISSIONS & ENERGY EFFICIENCY

- Catalytic Converters
- Sodium Valves
- Titanium Valves
- 3i Technology in Polymer Parts
- LED Technology-Headlamps & Tail Lamps
- Conversion of Sheet Metal to High Strength Plastic
- Net Shape Forging

Trends@Varroc

For us, innovation is the ability to see change as an opportunity, not a threat.

SAFER



- ADB (Adaptive Driving Beam)
- Matrix Technology in Lighting
- Laser Boosted Headlamps

SMARTER & CONNECTED



- Connected Clusters
- EFI ECU
- TBT (Turn By Turn) Indicator
- Duel Injection Tailgate Carriers
- ISG
- Advanced Connected Vehicles Platform
 - CarIQ for car owners
 - BikeIQ for bike owners
 - FleetIQ for advanced fleet management
 - Predictive analytics
 - Usage Based Insurance Platform



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Electrification and Efficiency

48V-epowertrain platform for small vehicles

- Consists of basic units (on board charger, inverter and DC/DC converter) with PMSM Motor. Total power output is 2-8KW)
- BLDC motor for actuation (0.2-2KW)
- Battery Management System
- Integrated Starter Gen (ISG)



48V-epowertrain components integration (System & Compactness)

48V- Alternate motor technology (rare earth magnet free/less)

48V Fuel cell and hydrogen-based technology

96V-epowertrain platform for small vehicles

- Consists of basic units (on board charger, inverter and DC/DC converter) with PMSM Motor. Total power output is 10-25KW)
- BLDC motor (3 to 8KW)

Power Assist ISG



Connectivity and Digitization

LCD to TFT and Connected

- Android/Car-play OS
- WiFi/BTLE
- Smartphone usage
- Digital Key
- NFC for safety and unlock



TFT and Sensor Interface

- Heads up display
- Enhanced user experience
- Helmet connectivity
- Camera interface
- Radar interface



FOTA in Telematics

Prognostic based use cases, Bike sharing, Cyber Security

5G enabled telematics, Video sending capability

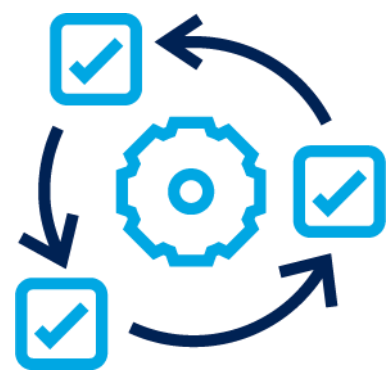


CarIQ



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Customer Centric Manufacturing Company



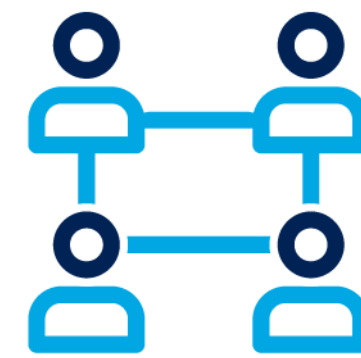
AGILITY



PROXIMITY



DIGITALIIZATION



**BD & KAM
STRUCTURE**



**WHAT NEXT
(INNOVATION)**



Cost Leadership in Manufacturing



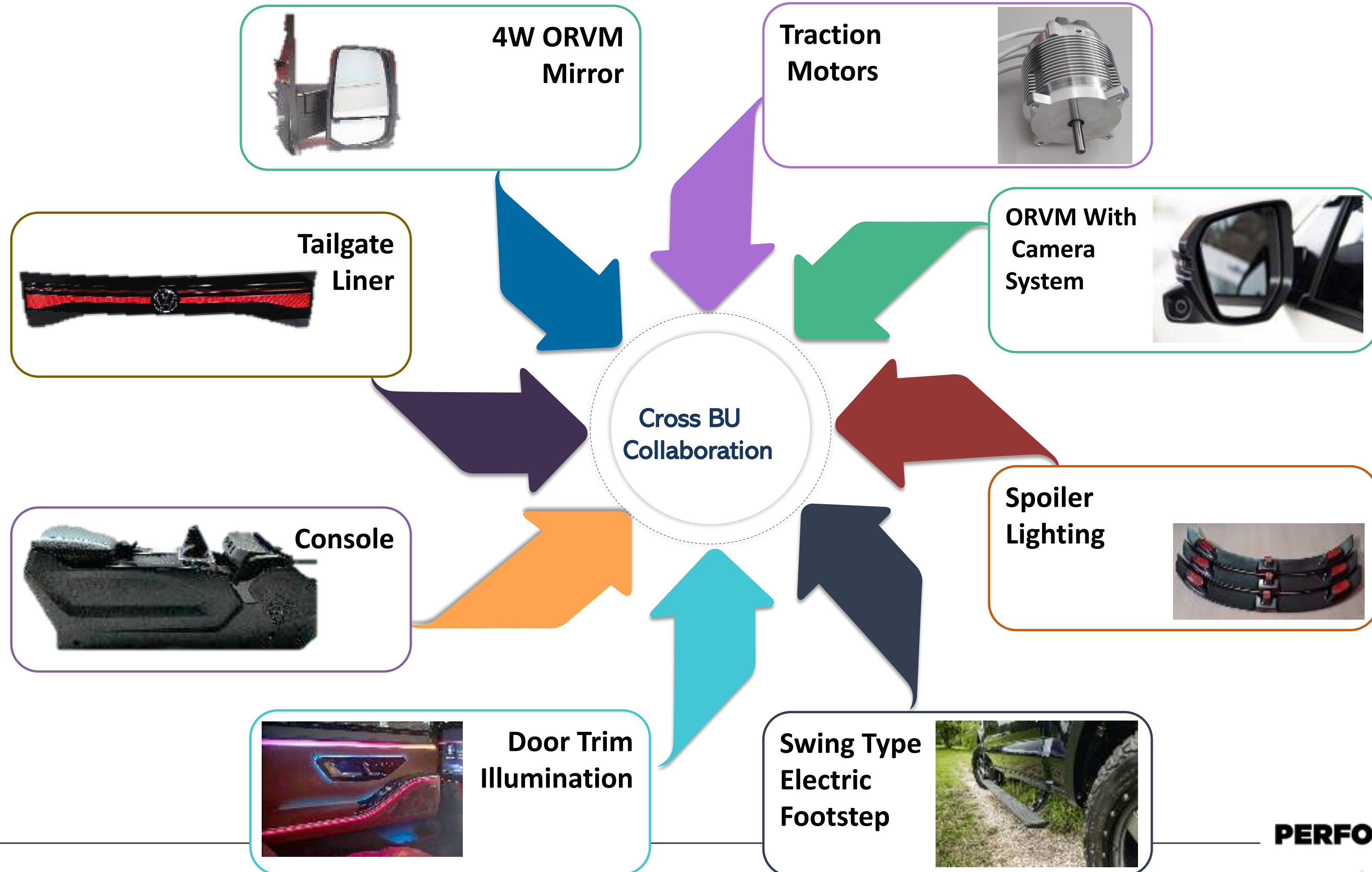
1 | SOURCING

2 | VALUE ADDITION & VALUE ENGINEERING

3 | INDUSTRY 4.0
(Smart Factories)



Cross Business Unit Collaboration



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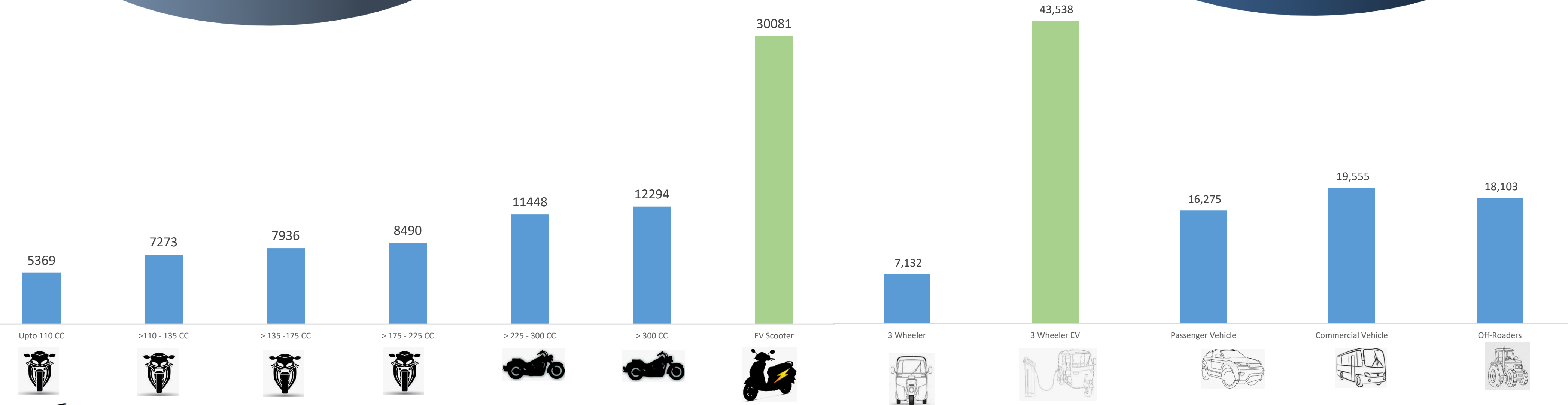
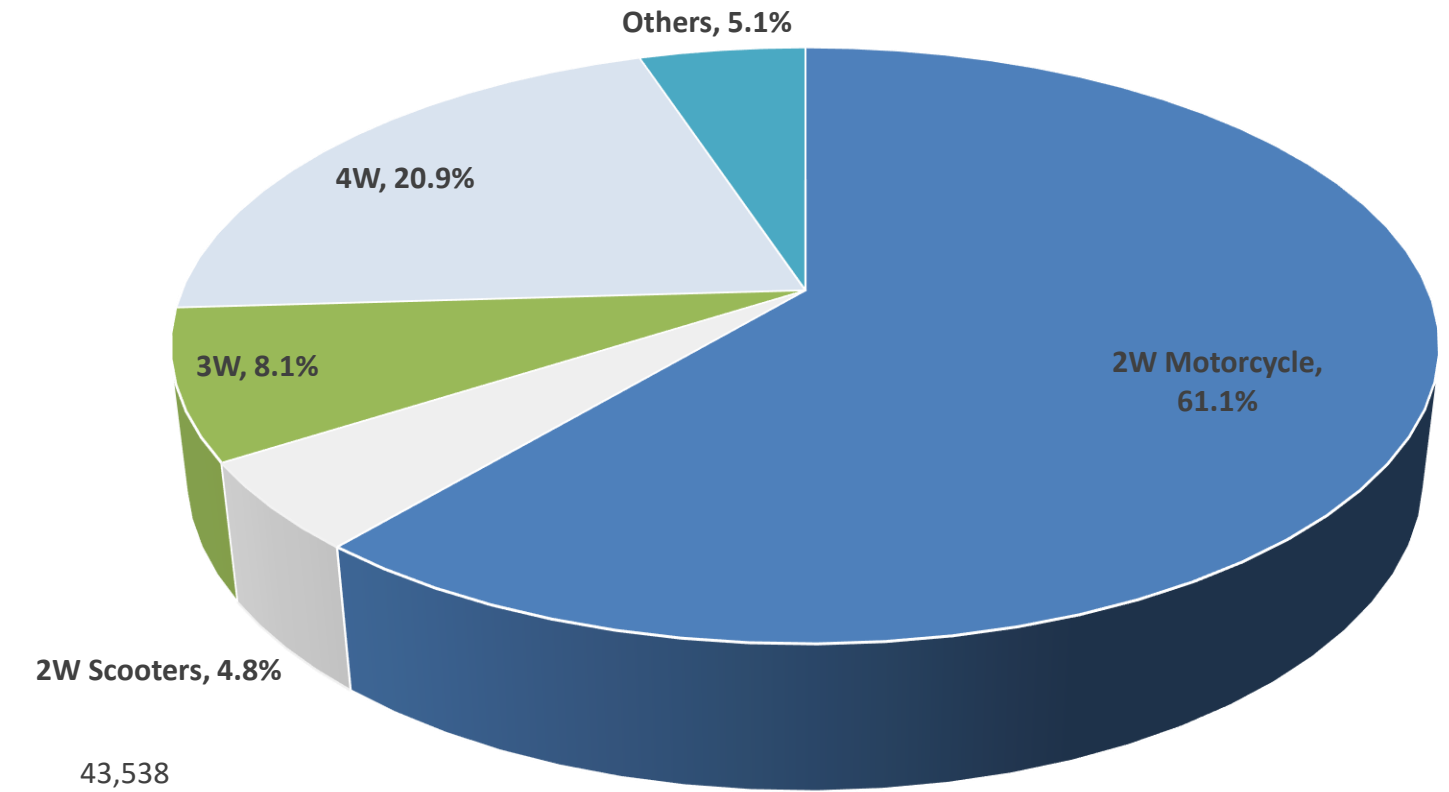
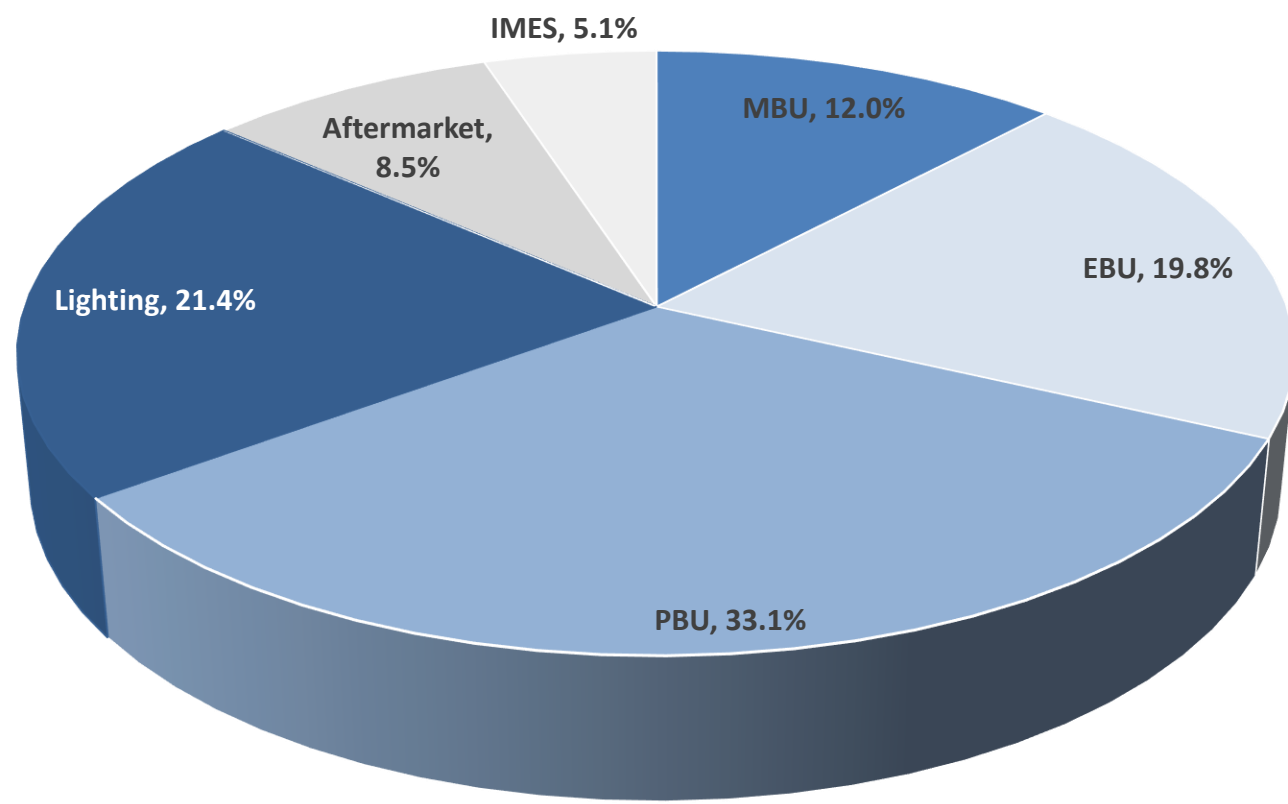
4. EV a Big Opportunity

5. Why Varroc



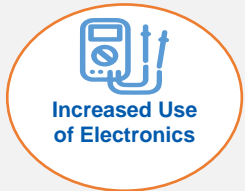
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EV a Big-Opportunity (Content Per Vehicle)



EV a Big-Opportunity (New Products in Various BU)

R&D efforts are directed towards ongoing trends



WE OFFER WIDE RANGE OF PRODUCTS FOR ELECTRIC VEHICLE WITH LOCALISED MANUFACTURING (2W/3W)



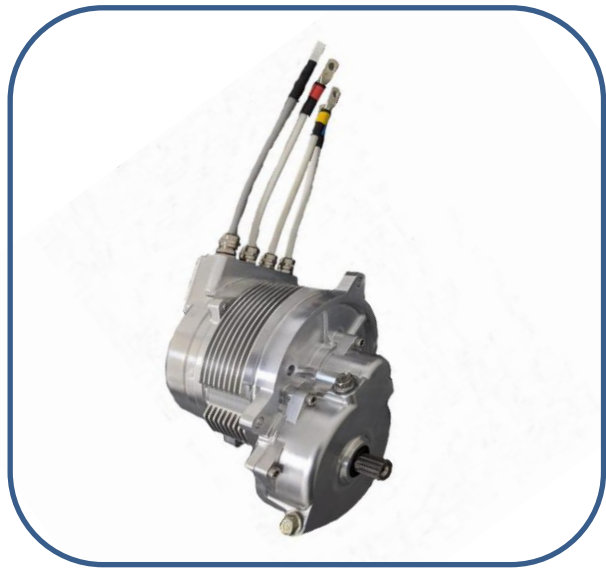
(Localized manufacturing for OBC & BMS)



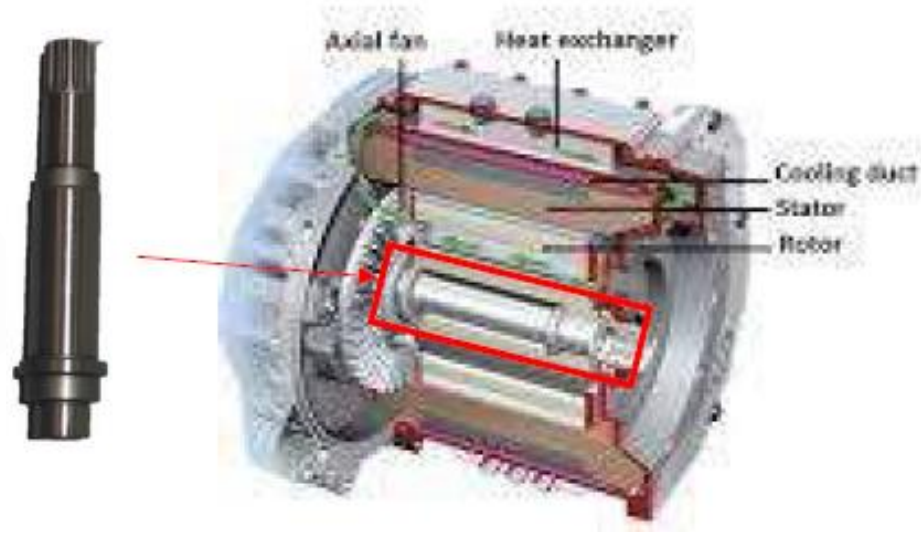
EV Fan

EV Fan Housing

PCB Cover Assy



Single Speed Gear



Traction Motor Shaft

Adoption of EV is going to result in increase in content of certain products due to premiumization like clusters, switches and painted parts

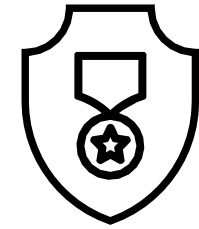
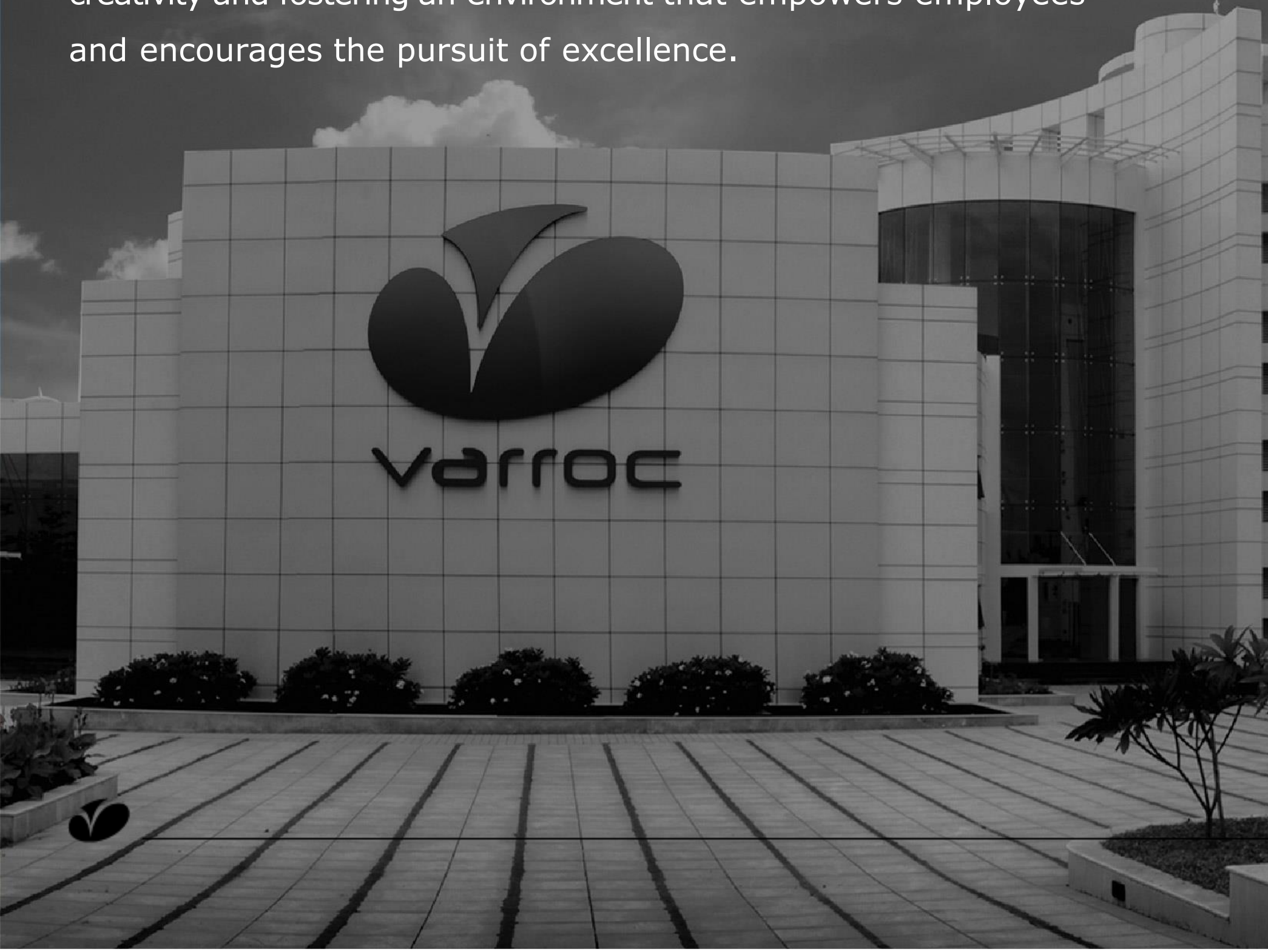
Have developed new products worth approx. Rs.30,000/- for 2 wheeler and Rs.38,000/- in 3 wheeler for EV



Why Varroc?

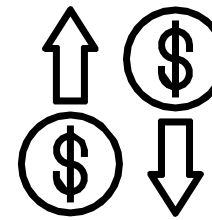
Varroc's Vision Statement

To bring leading-edge technologies to the mainstream markets with high quality and cost competitive solutions by delivering customized solutions with superior services with speed, agility and creativity and fostering an environment that empowers employees and encourages the pursuit of excellence.



Q - High Reliability

- Reuse of proven designs
- APQP methodology, layered process Audits, Sustenance Audits ensures high quality & reliability



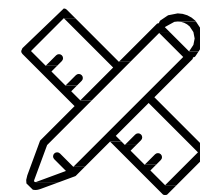
C - Competitive Pricing

- No dependence on JV partner, so no burden of Royalty costs
- Complete in-house Validation
- Lower sourcing cost due to Bulk purchase for Varroc Group



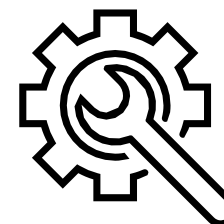
D - Strategic Locations

- Varroc Plant presence in close vicinity of customer plants ensuring timely delivery (JIT)
- Faster & Speedy delivery due to localization



Strong Design Capability

- Achieved higher part standardization as high as 80% Complete In- house development viz. Hardware, Software & Mechanical
- Use of simulation Tools to reduce Design iterations & time e.g. P-spice, Ansys, MS-Nastran, NX-Nastran, Flux, Maxwell etc.



Art of Manufacturing

- Hi tech SMD facility for electronics PCB manufacturing with a planned Capacity increase from 12 Mn to 33 Mn PCB assemblies/year
- High precision molding, Anti Fogging & Metallizing equipment's for lighting programs

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