

MIRA INFORM REPORT

Report No. :	541808
Report Date :	29.11.2018

IDENTIFICATION DETAILS

Name :	SETCO AUTOMOTIVE (NA), INC.
Registered Office :	505 Brookfield Dr, Dover, Kent, DE, 199016534
Country :	United States
Financials (as on) :	2017 (Summarized)
Date of Incorporation :	09.03.2006
Legal Form :	Corporation
Line of Business :	Subject is dedicated to the manufacturing of heavy-duty truck clutches, engine components and pressure converters.
No. of Employees :	40

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	C
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Credit Rating	Explanation	Rating Comments
C	Medium High Risk	Business dealings permissible preferably on secured basis

Status :	Moderate
Payment Behaviour :	Slow
Litigation :	Exist

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
United States	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

UNITED STATES - ECONOMIC OVERVIEW

The US has the most technologically powerful economy in the world, with a per capita GDP of \$59,500. US firms are at or near the forefront in technological advances, especially in computers, pharmaceuticals, and medical, aerospace, and military equipment; however, their advantage has narrowed since the end of World War II. Based on a comparison of GDP measured at purchasing power parity conversion rates, the US economy in 2014, having stood as the largest in the world for more than a century, slipped into second place behind China, which has more than tripled the US growth rate for each year of the past four decades.

In the US, private individuals and business firms make most of the decisions, and the federal and state governments buy needed goods and services predominantly in the private marketplace. US business firms enjoy greater flexibility than their counterparts in Western Europe and Japan in decisions to expand capital plant, to lay off surplus workers, and to develop new products. At the same time, businesses face higher barriers to enter their rivals' home markets than foreign firms face entering US markets.

Long-term problems for the US include stagnation of wages for lower-income families, inadequate investment in deteriorating infrastructure, rapidly rising medical and pension costs of an aging population, energy shortages, and sizable current account and budget deficits.

The onrush of technology has been a driving factor in the gradual development of a "two-tier" labor market in which those at the bottom lack the education and the professional/technical skills of those at the top and, more and more, fail to get comparable pay raises, health insurance coverage, and other benefits. But the globalization of trade, and especially the rise of low-wage producers such as China, has put additional downward pressure on wages and upward pressure on the return to capital. Since 1975, practically all the gains in household income have gone to the top 20% of households. Since 1996, dividends and capital gains have grown faster than wages or any other category of after-tax income.

Imported oil accounts for more than 50% of US consumption and oil has a major impact on the overall health of the economy. Crude oil prices doubled between 2001 and 2006, the year home prices peaked; higher gasoline prices ate into consumers' budgets and many individuals fell behind in their mortgage payments. Oil prices climbed another 50% between 2006 and 2008, and bank foreclosures more than doubled in the same period. Besides dampening the housing market, soaring oil prices caused a drop in the value of the dollar and a deterioration in the US merchandise trade deficit, which peaked at \$840 billion in 2008. Because the US economy is energy-intensive, falling oil prices since 2013 have alleviated many of the problems the earlier increases had created.

The sub-prime mortgage crisis, falling home prices, investment bank failures, tight credit, and the global economic downturn pushed the US into a recession by mid-2008. GDP contracted until the third quarter of 2009, the deepest and longest downturn since the Great Depression. To help stabilize financial markets, the US Congress established a \$700 billion Troubled Asset Relief Program in October 2008. The government used some of these funds to purchase equity in US banks and industrial corporations, much of which had been returned to the government by early 2011. In January 2009, Congress passed and former President Barack OBAMA signed a bill providing an additional \$787 billion fiscal stimulus to be used over 10 years - two-thirds on additional spending and one-third on tax cuts - to create jobs and to help the economy recover. In 2010 and 2011, the federal budget deficit reached nearly 9% of GDP. In 2012, the Federal Government reduced the growth of spending and the deficit shrank to 7.6% of GDP. US revenues from taxes and other sources are lower, as a percentage of GDP, than those of most other countries.

Wars in Iraq and Afghanistan required major shifts in national resources from civilian to military purposes and contributed to the growth of the budget deficit and public debt. Through FY 2018, the direct costs of the wars will have totaled more than \$1.9 trillion, according to US Government figures.

In March 2010, former President OBAMA signed into law the Patient Protection and Affordable Care Act (ACA), a health insurance reform that was designed to extend coverage to an additional 32 million Americans by 2016,

through private health insurance for the general population and Medicaid for the impoverished. Total spending on healthcare - public plus private - rose from 9.0% of GDP in 1980 to 17.9% in 2010.

In July 2010, the former president signed the DODD-FRANK Wall Street Reform and Consumer Protection Act, a law designed to promote financial stability by protecting consumers from financial abuses, ending taxpayer bailouts of financial firms, dealing with troubled banks that are "too big to fail," and improving accountability and transparency in the financial system - in particular, by requiring certain financial derivatives to be traded in markets that are subject to government regulation and oversight.

The Federal Reserve Board (Fed) announced plans in December 2012 to purchase \$85 billion per month of mortgage-backed and Treasury securities in an effort to hold down long-term interest rates, and to keep short-term rates near zero until unemployment dropped below 6.5% or inflation rose above 2.5%. The Fed ended its purchases during the summer of 2014, after the unemployment rate dropped to 6.2%, inflation stood at 1.7%, and public debt fell below 74% of GDP. In December 2015, the Fed raised its target for the benchmark federal funds rate by 0.25%, the first increase since the recession began. With continued low growth, the Fed opted to raise rates several times since then, and in December 2017, the target rate stood at 1.5%.

In December 2017, Congress passed and President Donald TRUMP signed the Tax Cuts and Jobs Act, which, among its various provisions, reduces the corporate tax rate from 35% to 21%; lowers the individual tax rate for those with the highest incomes from 39.6% to 37%, and by lesser percentages for those at lower income levels; changes many deductions and credits used to calculate taxable income; and eliminates in 2019 the penalty imposed on taxpayers who do not obtain the minimum amount of health insurance required under the ACA. The new taxes took effect on 1 January 2018; the tax cut for corporations are permanent, but those for individuals are scheduled to expire after 2025. The Joint Committee on Taxation (JCT) under the Congressional Budget Office estimates that the new law will reduce tax revenues and increase the federal deficit by about \$1.45 trillion over the 2018-2027 period. This amount would decline if economic growth were to exceed the JCT's estimate.

Source : CIA

STATUTORY INFORMATION

Legal Name	SETCO AUTOMOTIVE (NA), INC.
Trade Name	SETCO AUTOMOTIVE (NA), INC.
ID	ID
ID Details	4122875
Creation Date	2006
Incorporation Date	3/9/2006
Legal Address	505 BROOKFIELD DR, DOVER, KENT, DE, 199016534 USA
Operative Address	565 Highway 77 Paris, TN 38242 United States
Telephone	(731) 642-4215
Fax	(731) 642-7899
Legal Form	CORPORATION
E-Mail	salesna@setcoauto.com
Registered In	DELAWARE
Website	www.setcoauto.com
Contact	Denny Hobson - Controller
Staff	40
Activity	SIC Code: 5013, Motor Vehicle Supplies and New Parts

BANKS

Name of Bank	Reported Amount
BANK OF AMERICA	
BANK OF BARODA	

HISTORY

History	SETCO AUTOMOTIVE (NA), INC. was founded in 2006.
Key Developments	The company's status is active in Tennessee but it is <i>inactive</i> in Delaware, its main jurisdiction. Setco Automotive Limited Announces Resignation of B L Naik as Independent Director Nov 1 18 Setco Automotive Limited has informed the Exchange

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Parent Company	<p>regarding resignation of Mr. B L Naik as Independent Director of the company with effect from October 31, 2018. Due to personal reason Mr. B. L. Naik has resigned.</p> <p>Setco Automotive Limited, Q2 2019 Earnings Call, Oct 24, 2018 Oct 22 18 Setco Automotive Limited, Q2 2019 Earnings Call, Oct 24, 2018</p> <p>Setco Automotive Limited to Report Q2, 2019 Results on Oct 23, 2018 Oct 9 18 Setco Automotive Limited announced that they will report Q2, 2019 results on Oct 23, 2018 The company operates as a subsidiary of: SETCO ENGINEERING PRIVATE LIMITED 54A Tardeo Road Near Film Centre Tardeo Road Mumbai, 400034 India</p>
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PRINCIPAL ACTIVITY

General Description	The company is dedicated to the manufacturing of heavy-duty truck clutches, engine components and pressure converters.	
Service/Product Description	The company offers heavy duty truck clutches, engine components and pressure converters.	
Sales	Wholesale	
Operations Area	National and International	
Imports From	INDIA	
Export To	MEXICO	
Employees	40 EMPLOYEES	
Payments with Suppliers	Slow	
Brands		
Brand	Comments	
SETCO	-	
Clients		
Name of Client	Country	Comments
Skf Sealing Solutions S.A. De C.V.	MEXICO	-
Comments		-

Suppliers	Country	Comments
Supplier Name SETCO AUTOMOTIVE LIMITED	INDIA	-
Comments	-	-

LOCATION

Headquarters	565 Highway 77 Paris, TN 38242 United States
Branches	No branches found.

GROUP STRUCTURE AND SUBDIARY COMPANIES

Listed at the stock exchange	NO
Capital	NA
Shareholders (%)	The company does not disclose information on shareholders. The following information has been provided by private sources: The company operates as a subsidiary of: SETCO ENGINEERING PRIVATE LIMITED 54A Tardeo Road Near Film Centre Tardeo Road Mumbai, 400034 India
Management	Denny Hobson - Controller Rajiv Iyer - Vice President and General Manager Satyendra Kakde - Director of Sales and Marketing Velma McBride - Human Resources Manager Bob Anderson - North American Sales & Marketing Mgr.
Subsidiary Companies	No subsidiary companies were found.
Related Companies	Setco Automotive (UK) Limited York Avenue Haslingden Rossendale, BB4 4HU United Kingdom

FINANCIAL INFORMATION

General Description	We attach the parent's last financial statements.
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Year/Currency	The company does not make its financial statements public. The following information has been provided by private sources: USD 2017
Sales	7.500.000
Money Flow	Normal
Import Fob Dollar Year	Amount
There are not Import Fob Dollar informed	
Export Fob Dollar Year	Amount
There are not Export Fob Dollar informed	

LEGAL FILINGS

Lawsuits	Setco Automotive (NA), Inc. v. Tokio Marine & Nichido Fire In Filed: January 4, 2011 as 11-5006 Plaintiff - Appellee: SETCO AUTOMOTIVE (NA), INC., aka Seteco Automotive (NA), Inc. Defendant - Appellant: TOKIO MARINE & NICHIDO FIRE INS. CO, LTD (U.S. BRANCH), aka Manager for Tokio Marine & Nichido Fire Insurance Co., LTD (U.S. Branch) Court: Sixth Circuit U.S. Court of Appeals, Sixth Circuit Type: Contract › Contract: Insurance
	Harris v. Setco Automotive (NA), Inc. Filed: January 16, 2009 as 1:2009cv01017 Plaintiff: Carrie Harris Defendant: Setco Automotive (NA), Inc. Cause Of Action: Fed. Question Court: Sixth Circuit › Tennessee › Tennessee Western District Court Type: Civil Rights › Plaintiff
Trademarks	LIPE Heavy duty clutches for commercial motor vehicles and parts therefor Owned by: Setco Automotive (NA), Inc. Serial Number: 77088003 LIPE CLUTCH

Heavy duty clutches for commercial motor vehicles and parts therefor

Owned by: Setco Automotive (NA), Inc.

Serial Number: 77088006

LIPE

Heavy duty clutches for commercial motor vehicles and parts therefor

Owned by: Setco Automotive (NA), Inc.

Serial Number: 86654882

No records found.

Patents Registered

Renewals

Following Filings correspond to TENNESSEE

Secretary of State:

Type	Date	Image #	Detail
2017 Annual Report Due	04/01/2018	02/28/2018	
		B0505-5367	
2016 Annual Report Due	04/01/2017	01/30/2017	
		B0338-3627	
2015 Annual Report Due	04/01/2016	06/13/2016	
		B0262-6351	Detail
Notice of Determination	06/01/2016	B0257-2312	
2014 Annual Report Due	04/01/2015	02/18/2015	
		B0055-3454	
2013 Annual Report Due	04/01/2014	03/25/2014	7310-1898
2012 Annual Report Due	04/01/2013	07/05/2013	7220-0788
Notice of Determination	06/04/2013	A0180-2076	
2011 Annual Report Due	04/01/2012	07/09/2012	7072-1226
			Detail
Notice of Determination	06/02/2012	A0124-2986	
Application for Reinstatement	11/04/2011	6955-0400	
			Detail
2010 Annual Report Due	04/01/2011	11/04/2011	6955-0399
			Detail
Dissolution/Revocation – Administrative	08/09/2011		
		A0088-2810	Detail
Notice of Determination	06/02/2011	A0076-1441	
2009 Annual Report Due	04/01/2010	02/25/2010	
		A0007-2125	
2008 Annual Report Due	04/01/2009	03/27/2009	6492-2809
2007 Annual Report Due	04/01/2008	06/06/2008	6328-0793
			Detail
2006 Annual Report Due	04/01/2007	03/20/2007	5992-0342
			Detail
Initial Filing	03/30/2006		5790-0581



MIRA INFORM PRIVATE LIMITED
605, Palmspring, Near D'Mart, Link Road,
Malad (West), Mumbai - 400 064. INDIA
Tel : 91-22-40448000 (44 lines)
Fax : 91-22-40448045 / 40448046
E-mail : mira@mirainform.com
info@mirainform.com
Website : http://www.mirainform.com
http://www.miraglobalcheck.com
http://www.miraglobalcollections.com

UCC (Uniform Commercial Code)

UCC Document Number: 207054946

Filing Date: 03/08/2007

Debtor: SETCO AUTOMOTIVE NA INC - PARIS, TN

Lapse Date: 03/08/2022

Secured Party: BANK OF BARODA

OFAC Sanctions List Search

The company is not listed in the OFAC Sanctions List.

SUMMARY

Summary

Founded in 2006, SETCO AUTOMOTIVE (NA), INC. is an organization in the Motor Vehicle Supplies and New Parts Industry headquartered in Paris, TN. The company has 40 regular employees and generates an estimated USD\$7.5 million in annual revenue. It operates nationally and internationally, mainly importing from India.

The company's status is active in Tennessee but it is *inactive* in Delaware, its main jurisdiction.

RISK INFORMATION

Debts

Controlled

Payments

Slow

Cash Flow

Normal

State

The company's status is active in Tennessee but it is *inactive* in Delaware, its main jurisdiction.

INTERVIEW

First Name

-

Position

-

Comments

The person contacted confirmed the name of the company and the address of the headquarters. He was reluctant to provide further information without knowing the name of the company that had required it.

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.69
UK Pound	1	INR 90.14
Euro	1	INR 79.88
US Dollar	1	INR 69.88

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	TRU

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)

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