



CARRARO INDIA LIMITED

IPO NOTE - Investor Education Series

December 2024

ISSUE HIGHLIGHTS

- ❑ **Carraro India** was incorporated on April 11, 1997. Carraro India is one of the **leading independent Tier 1 suppliers of axles, transmission systems and gears for the agricultural tractor and construction vehicle industries in India.** Carraro India, the **Indian subsidiary of the Carraro Group**, is a major global player in the driveline systems industry, particularly for off-highway vehicles like tractors and construction vehicle.
- ❑ Carraro India's foray into the Indian market began in 1997 when it established a manufacturing centre in Pune, India, through a joint venture with Escorts Ltd., In the following years, a second plant was also established for the production of gears and components. Carraro India has since acquired 100% ownership of its manufacturing facilities.
- ❑ The Company commenced production of transmission systems in 1999, followed by the manufacturing of axles in 2000, marking its entry into the Indian automotive components industry.
- ❑ The Company's comprehensive service offering sets it apart from other players in the Indian market. It's ability to provide a seamless, end-to-end experience for its customers - from initial design and customization to material procurement, in-house manufacturing, supply chain management, delivery, and after-sales service - is a key differentiator.
- ❑ Carraro India is one of the leading suppliers in the market supplying key OEMs such as Mahindra Farm division and Swaraj, Tata Hitachi, Escorts Kubota Ltd., Sonalika, Bull Machine, TAFE, ACE, John Deere India Pvt Ltd, Caterpillar, Doosan and CNH across the agricultural and construction vehicle manufacturing sector.
- ❑ As of March 31, 2024, the Company has established itself as the market leader in providing transmission systems for tractors transmission systems up to 150 horsepower and four-wheel-drive capabilities.
- ❑ In August 2022, Carraro India inaugurated a new portal axle assembly capable of producing over 42,000 pieces per year to take care of Carraro India's customer demand with market shift from 2WD to 4WD in 35HP to 50 HP tractor range.
- ❑ In November 2023, Carraro India developed the eT50/eT75 Transaxle. The eT50/eT75 Transaxle has a power rating of 75HP, making it suitable for various agricultural applications.

BRIEF FINANCIAL DETAILS*

(₹ IN CR)

	As at Sep'30,		As at Mar' 31,		
	2024(06)	2023(06)	2024(12)	2023(12)	2022(12)
Equity Share Capital	56.85	56.85	56.85	56.85	56.85
Reserves	362.59	306.11	312.97	280.52	235.64
Net Worth	419.44	362.96	369.82	337.38	292.49
Borrowings	195.78	196.79	212.55	188.33	178.14
Revenue from Operations	914.62	961.03	1,788.97	1,713.15	1,497.54
Revenue Margin (%)	(4.83)%	-	4.43%	14.40%	
EBITDA	101.10	66.15	150.00	124.81	82.86
EBITDA Margin (%)	10.96%	6.81%	8.30%	7.20%	5.45%
Net Profit for the period	49.73	24.94	62.56	48.46	22.43
Net Profit Margin (%)	5.44%	2.59%	3.50%	2.83%	1.50%
EPS – Basic & Diluted (₹)	8.75^	4.39^	11.00	8.52	3.94
RONW (%)	11.86%^	6.87%^	16.92%	14.36%	7.67%
NAV (₹)	73.78^	63.84^	65.05	59.34	51.54
ROE (%)	12.60%	7.12%	17.69%	15.39%	7.93%
ROCE (%)	13.13%	8.14%	19.35%	16.30%	10.00%

Source: RHP, *Restated Consolidated ^ not annualized

Issue Details

Offer for Sale of Equity Shares aggregating upto ₹ 1,250 Cr

Issue size: ₹ 1,250 Cr

No of Shares: 18,712,574 -17,755,681 Shares

Face value: ₹ 10/-

Price band: ₹ 668 - 704

Bid Lot: 21 Shares and in multiple thereof

Post Issue Implied Market Cap =

₹ 3,798 – 4,002 Cr

BRLMs: Axis Capital, BNP Paribas, Nuvama Wealth

Registrar: Link Intime India Pvt Ltd.

Issue opens on: Friday, 20th Dec'2024

Issue closes on: Tuesday, 24th Dec' 2024

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	26-12-2024
Refunds/Unblocking ASBA Fund	26-12-2024
Credit of equity shares to DP A/c	27-12-2024
Trading commences	30-12-2024

Issue Break-up

	No. of Shares		₹ In Cr	% of Issue
	@Upper	@Lower		
QIB	9,356,286	8,877,840	625.00	50%
NIB	2,806,887	2,663,353	187.50	15%
-NIB2	1,871,259	1,775,569	125.00	-
-NIB1	935,628	887,784	62.50	-
RET	6,549,401	6,214,489	437.50	35%
Total	18,712,574	17,755,682	1,250.00	100%

NIB-1= Bid between ₹ 2-10 Lakhs NIB-2 = Bid Abv ₹ 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII - Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	21 Shares	294 Shares	1,428 Shares
Minimum Bid Lot Amount (₹)	₹ 14,784^	₹ 2,06,976^	₹ 10,05,312^
Appl for 1x	3,66,951 Applications	3,744 Applications	7,489 Applications

Listing: BSE & NSE

Shareholding (No. of Shares)

	Pre-Offer and Post-Offer Equity Shares
No. of shares	5,68,51,538

Shareholding (%)

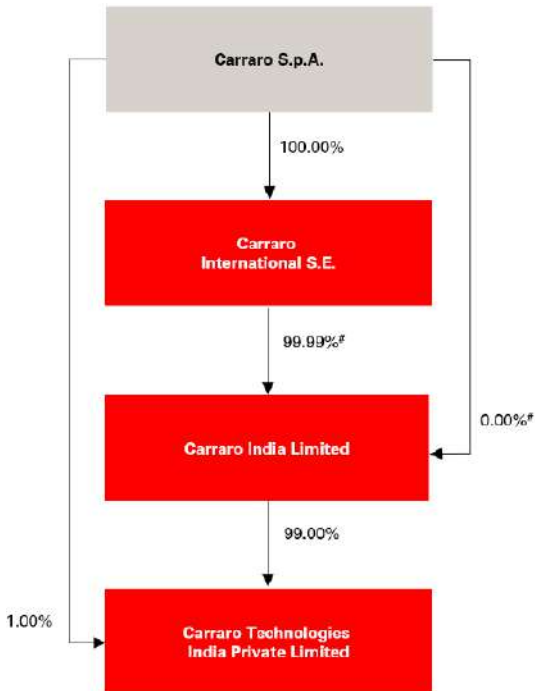
	Pre-Issue	Post-Issue
Promoter & Promoters Gr	100.00%	68.77%
Employee Trust	0.00%	31.23%
Total	100.00%	100.00%

BACKGROUND

Company and Directors

The Company was incorporated as “Carraro India Private Limited” on April 11, 1997, at New Delhi. Tomaso Carraro, Enrico Carraro, Carraro S.p.A. and Carraro International S.E., are the Promoters of the company. Currently, the Corporate Promoters hold an aggregate of 56,851,532 Equity Shares of face value of ₹ 10 each, comprising 99.99% of the pre-Offer issued, subscribed and paid-up Equity Share capital of the company.

Details of the Corporate Promoters



99.99% and 0.01% of Equity Shares of the company is held by Carraro International S.E. and Siap S.p.A., respectively. The Equity Shares held by Carraro International S.E. include 1 Equity Share each jointly held with Tomaso Carraro, Enrico Carraro, Enrico Gomiero and Davide Grossi, respectively, Carraro International S.E. being the first holder. 1 Equity Share of the company is held by Carraro S.p.A., which is a negligible percentage.

Carraro S.p.A. was incorporated on December 6, 1960 under the laws of Italy. Carraro S.p.A. is registered in the Companies Registry of Padua. Their Individual Promoters are Tomaso Carraro and Enrico Carraro jointly exercise control over Carraro S.p.A

Carraro S.p.A. is primarily engaged in the business of designing, manufacturing and marketing of drivetrain components and systems for original equipment manufacturers for use mainly in connection with agricultural, construction and industrial applications. Carraro S.p.A. became a publicly traded company on the Milan Stock Exchange on December 27, 1995, and was subsequently delisted on August 6, 2021.

Carraro International S.E. was originally incorporated in Luxembourg on February 10, 1999, as a “Société Anonyme”, for an unlimited period, under the laws of the Grand Duchy of Luxembourg and, on December 21, 2017, was transformed into a “Société Européenne”, governed by European Regulation no. 2157/2001.

Carraro International S.E. is primarily engaged in the business as a holding company for investment purposes. Except for the transfer of the business unit of Carraro International S.E. relating to its financial management and treasury activities to Carraro Finance S.A. with effect from February 1, 2021, there have been no changes to the primary business activities undertaken by Carraro International S.E.

Brief Biographies of Directors

Ettore Francesco Sequi is the Chairman and Independent Director of the company. He is also serves as the national representative of Italy within the Board of Government Representatives of the Einstein Telescope Infrastructure. He has over 37 years of experience in the field of foreign affairs. He was previously associated with the Ministry of Foreign Affairs and International Cooperation, Italy in various capacities from 1985 to 2023.

Tomaso Carraro is the Vice Chairman and Non-Executive Director of the company. He is also one of the Promoters of the company. He has been associated with the Company since April 21, 2015. He has over 26 years of experience in the manufacturing sector. He is currently associated with various entities in the Carraro Group, including Carraro China Drive Systems Co. Ltd, Carraro Drive Tech Italia S.p.A., Carraro International S.E., Carraro S.p.A., Carraro North America Inc. and Siap S.p.A. and was previously associated with Gear World S.p.A.

Balaji Gopalan is the Managing Director of the company. He has been associated with the company since September 1, 1998. He has over 25 years of experience in the manufacturing sector.

Davide Grossi is the Whole-time Director and Chief Financial Officer of the company. He has 13 years of experience in the field of finance. He was previously associated with Alten Sverige AB as the chief financial officer, Nordics, Isagro (Asia) Agrochemicals Pvt. Ltd. in various capacities, and Deloitte & Touche S.p.A.

Sudhendra Mannikar is the Whole-time Director and Chief Operating Officer of the company. He has been associated with the company since August 2, 1999. He has over 25 years of experience in the field of finance. He was previously associated with Essar Projects Ltd.

Enrico Gomiero is the Non-Executive Director of the company. He is currently associated with various entities in the Carraro Group, including Carraro S.p.A., Carraro Drive Tech Italia S.p.A., Carraro Finance S.p.A., Carraro International S.E., and Siap S.p.A. He has over 29 years of experience in the manufacturing sector. He was also previously associated with Carraro S.p.A. in his capacity as a manager.

Andrea Conchetto is the Non-Executive Director of the company. He is currently associated with the Carraro Group, including Carraro S.p.A., Carraro Drive Tech Italia S.p.A., Carraro China Drive Systems Co. Ltd, and Siap S.p.A. He has over 23 years of experience in the manufacturing sector. He was previously associated with AEG Electric Motors as a commercial-technical engineer and with Carraro S.p.A. as a manager.

Uma Mandavgane is an Independent Director of the company. She is currently associated with Azzure Advisory & Consulting Services LLP as its designated partner. She has over 14 years of experience in the field of advisory and consulting. She was previously associated with Deloitte Touche Tohmatsu India Pvt Ltd in the capacity of a manager in the enterprise risk services department.

Kishore Saletore is an Independent Director of the company. He is an associate at the Institute of Chartered Accountants of India. He has over 11 years of experience in the field of finance. He was previously associated with Bharat Forge as the group chief financial officer and TATA Realty and Infrastructure Limited as the chief financial officer.

Nakul Shivaji Patil is the Company Secretary, Compliance Officer and Assistant General Manager – CS, Legal & Compliance of the company. He has been associated with the company since November 11, 2024. He has over 10 years of experience in secretarial compliance functions.

OFFER DETAILS

Offer For Sale:	No. of Shares	Weighted Average cost of Acquisition per Equity Share (₹)
By Promoters Selling Shareholder:		
Carraro International S.E.	1,77,55,681 [^]	15.18

([^] at upper price band)

SHAREHOLDING PATTERN

Shareholders	Pre-offer		Offer for Sale Shares [^]	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter	5,68,51,532	100.00%	1,77,55,681	3,90,95,851	68.77%
Promoters Group	6	0.00%		6	0.00%
Total for Promoter	5,68,51,538	100.00%	1,77,55,681	3,90,95,857	68.77%
Public	0	0.00%		1,77,55,681	31.23%
Total for Public Shareholders	0	0.00%		1,77,55,681	31.23%
Total Equity Share Capital	5,68,51,538	100.00%		5,68,51,538	100.00%

Source: RHP; ([^] at upper price band)

BUSINESS OVERVIEW

Carraro India is a technology driven integrated supplier that develops complex engineering products and solutions for their original equipment manufacturer (“OEM”) customers. They are an independent tier-1 solution provider of axles, transmission systems and gears for the agricultural tractor and construction vehicle industries in India. They support the full value chain of services as a solution provider for axles, transmission systems, gears and other related components with in-house product design manufacturing capabilities.













The company promoter, Carraro S.p.A., is the parent company of the Carraro Group which designs, manufactures and sells transmission systems (axles, transmissions and drives) mainly for agricultural and construction equipment for off-highway vehicles, in addition to marketing a wide range of gears for diverse sectors, from automotive to trucks to agricultural and construction vehicles. **The Carraro brand is owned by Carraro S.p.A.** and licensed to them pursuant to a licensing agreement with Carraro S.p.A.

Carraro India is among the pioneers to enter the agricultural tractor and construction vehicle component market with its dedicated R&D team and centre as the Carraro Group entered India in 1997 and established its manufacturing facility in

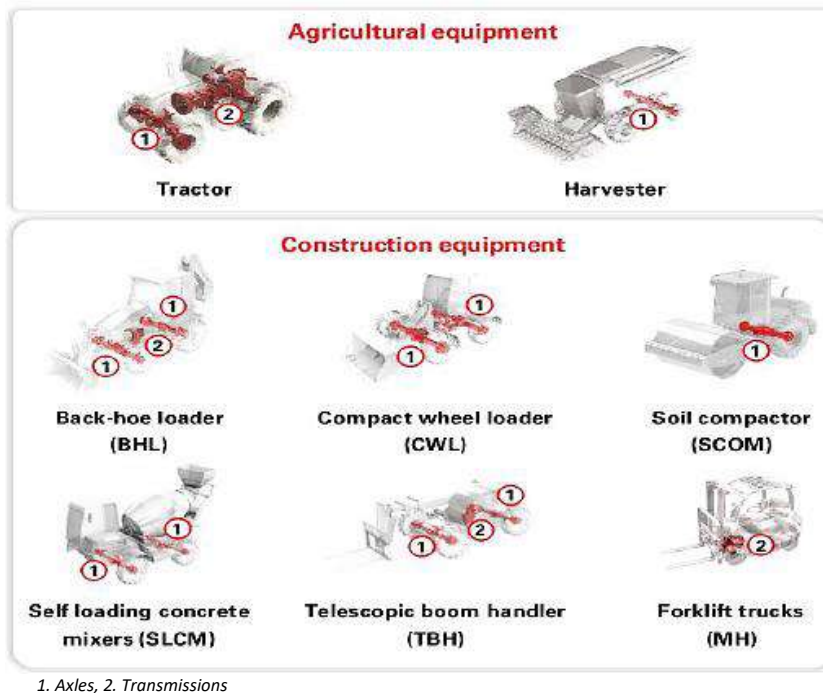
Pune and R&D centre in 2006. They have been present in India for 27 years and have developed an extensive network with local and international customers and suppliers based in India. As an early-mover, Carraro India has had more time than their competitors to understand the market, identify customer needs and develop lasting customer relationships. As a result of their customized products, their customers are subject to high switching costs in case of a change of manufacturer.

They primarily manufacture axles and transmission systems for agricultural tractors and construction vehicles such as backhoe loaders, soil compactors, cranes, self-loading concrete mixers and small motor graders. Their products are mission critical for their customers, as their products constitute important components of their customers final products. The company provides a diverse range of products including axles and transmission systems of different HP ranges for off-highway vehicles in the agricultural tractor and construction vehicle sectors, as well as gears, shafts and ring gears for industrial and automotive vehicles.

The graph sets out company’s offering of axles and transmission systems:

	Agricultural tractor			Construction vehicle		
Axles						
	30 – 50 HP	49 – 135 HP	50 – 75 HP	Steering Axle 1 - 9.5 TUVW	Rigid Axle 1- 9.5 TUVW	Rigid Hypoid Axle 5 - 17 TUVW
Transmission Systems						
	T40 & T50	50-90 HP	Upto 150 HP	TCB80	TCB80SPS	Hydrostatic Infinitely Variable

The application of transmission systems and axles:



The company also supply gears mainly used in industrial and automotive markets, spare parts which are primarily loose components of agricultural tractors and construction vehicles and other products which are non-core parts of agricultural tractors and construction vehicles.

Established in 1997, Carraro India started manufacturing transmission systems and axles in 1999 and 2000, respectively. They started to manufacture products for the Indian market by understanding customer needs, leveraging the Carraro Group’s research and development (“R&D”) capability and knowhow to design and produce their products based on market trends, procuring materials at optimal costs from their supplier base and manufacturing their products in their own plants.

Carraro Technologies India Pvt Ltd, (“CTIPL”) was established in 2006 and focused on R&D of axles, transmission systems and other components of agricultural tractors and construction vehicles as an engineering service provider to Carraro S.p.A.’s global R&D centre. Historically, CTIPL has participated in the design and development of products of the Carraro Group as a service provider and has focused on R&D of axles, transmission systems and other components of agricultural tractors and construction equipment. On October 1, 2023, Carraro S.p.A. transferred the worldwide exclusive rights, title and interest in the IP rights of certain products customized for the Indian market to Carraro India and entered into an engineering service agreement with Carraro India to provide engineering support services on the maintenance of products and child parts to support their development needs.

In June 2024, Carraro India completed their acquisition of CTIPL at a consideration of ₹ 23.98 crore, after which CTIPL has become their Subsidiary. As a result of the acquisition, the company acquired the R&D center in Pune, Maharashtra, India and the R&D team of CTIPL. The transfer of the foregoing IP rights and their acquisition of CTIPL, together with the engagement of Carraro S.p.A. to support their development needs, enabled them to further strengthen their R&D offering and to integrate the design, R&D and manufacturing capabilities of their products, which is pivotal in enhancing their competitive position in India.

Company’s ability to provide a seamless, end-to-end experience for their customers – from initial design and customization to material procurement, in-house manufacturing, supply chain management, delivery, and after-sales service – is a key differentiator

BUSINESS OPERATIONS

The company manufactures and sell axles and transmission systems for off-highway vehicles for agricultural tractors, construction vehicles and other high value markets such as industrial and automotive markets. They provide product design services through their subsidiary, CTIPL. They also provide after sale services and supply spare parts mainly to their Indian customers.

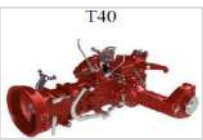


They provide a diverse range of products including axles and transmission systems of different HP ranges for off-highway vehicles in the agricultural tractor and construction vehicle sectors, as well as gears, shafts and ring gears for industrial and automotive vehicles.




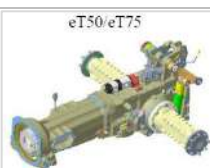
- **Transmission Systems**

The transmission systems in the agricultural tractor sector and the construction vehicle sector are in the range of 35 HP to 150 HP and up to 125 HP, respectively.

- **Transmission Systems in Agricultural Tractors**




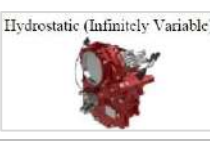

Company’s key transmission systems for the agricultural tractor sector are divided into 2 categories: transmission systems with less than 50 HP and transmission systems with more than 50 HP. They sell their transmission systems for agricultural tractors sector in India and international markets, include direct exports to the European Union and exports to the other international markets through transactions with the Carraro Group.

Product	Description
 <p>T40</p>	T40 transmission system is a lightweight and reliable unit developed for tractors up to 42 HP. This system is ideal for paddy field use, with a speed distribution that allows optimal use of implements. This system is equipped with independent power take-off (“PTO”) control, and is ideal for applications with mold board plough, rotavator, cultivator, trailer for haulage, planter balers, rotary cultivators and sprayers.
 <p>T50</p>	T50 transmission system is a lightweight unit for utility and standard type of tractors up to 50 HP. This system is ideal for paddy field use and is available in several versions from the basic collar shift to the fully synchronized version, with multiple speed configurations and an independent PTO control to ensure maximum productivity using a wide range of implementations such as plough, rotavator, cultivator, trailer for haulage, planter balers, rotary cultivators and sprayers.
 <p>T75/T100</p>	T75 transmission system is a compact and versatile unit, designed for specialty (vineyard, orchard), utility and standard type of tractors from 50-100 HP and is available in several versions, multiple speed configurations, from the basic synchronized version to the powershift version controlled by TEQ2 Carraro Electronic Control Unit (“ECU”).

Product	Description
 <p>T100 CVT</p>	The continuously variable transmission (“CVT”) family, which is currently under development, aims to increase productivity and it is interchangeable with other transmission systems produced by them with the same power rating, up to 118 HP. T100 CVT transmission system is a powersplit module integrated in a proper mechanical architecture. The CVT transmission systems allow continuously variable speed and torque variation with the lowest power losses.
 <p>T100 Evo HD</p>	T100 Evo transmission system is a compact and versatile unit, developed for specialty (vineyard – orchard), utility and standard tractors, up to 120 HP. It is available in several versions, from the synchronized version to the CVT controlled by TEQ2 Carraro ECU. The stepped versions have an improved number of speeds up to 30 forward and 30 reverse to ensure optimal productivity and reduced fuel efficiency.
 <p>T135</p>	T135 transmission system is produced since 2023 and is designed for open field tractors, utility tractors and specialty tractors up to 150 HP. It is available in two versions, synchronized and powershift controlled by TEQ2 Carraro ECU. It has 36 forward and 36 reverse speeds, which allows to achieve the best performances and efficiency, with more than twelve speeds in the main working range (4- 12km/h).
 <p>eT50/eT75</p>	The newly developed full electric solution has been designed for environment friendly and sustainable full electric tractors, with zero CO2 emissions. They are capable of providing a complete system from the driveline to vehicle skid, from the power electronics to tractor workplace. The electric motors are embedded on the Transaxle design offering compactness under bonnet. With proprietary hardware and software to maximize performances and productivity, it’s designed for specialty (vineyard

- **Construction Vehicles**

Company’s key transmission systems for construction vehicles sector include TCB80 2WD & 4WD, TCB80SPS (servo power shift) and Hydrostatic (infinitely variable).



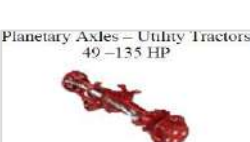
Product	Description
 <p>TCB80-2WD & 4WD</p>	Torque convertor-based transmission system is ideal for backhoe loader, tele boom handler, small wheel loader, motor grader rough terrane crane, and material handling cranes.
 <p>TCB80SPS 2wd & 4wd</p>	This transmission system has servo power synchro (SPS) with full electronic or electro-hydraulic control. This transmission system is smooth, precise, and reliable response even under severe working conditions granted and ideal for backhoe loader, tele boom handler, small wheel loader, rough terrane crane, motor grader and material handling cranes.
 <p>TCB90 PS</p>	This transmission system provides smooth, precise, and reliable response even under severe working conditions granted and ideal for backhoe loader, tele boom handler, small wheel loader, rough terrane crane, motor grader and material handling cranes
 <p>Hydrostatic (Infinitely Variable)</p>	Hydrostatic transmission system has a complete range from compact dropbox to fully electronically controlled solutions, and suitable for hydro motor up to 255cc/rev.
 <p>“THE” transmission</p>	THE Solution transmission system is a new range of interchangeable transmissions for hydrostatic and electric applications. THE Solution transmission systems is a proprietary synchronized and powershift architecture.

- **Axles**

The company manufactures a wide range of axles including steering axles, portal axles and rigid axles, mainly for agricultural tractors and construction vehicles sectors, as well as the others sector.




- **Axles for Agricultural Tractors**

Their key axles products for agricultural tractors sector are divided into two sub-sectors, namely axles with less than 50 HP and axles with more than 50 HP. They sell their axles for agricultural tractors sector in India and Europe.

Product	Description
 <p>Portal Axles – Dry & Wetland Paddy Application</p>	This portal axle type is designed for tractors from 30 to 50 HP for dry and paddy field applications.
 <p>Portal Axles – Dry & Wetland Paddy Application 50-75 HP</p>	This portal axle type is designed for tractors from 50 to 75 HP for dry and paddy field applications.
 <p>Planetary Axles – Utility Tractors 49–135 HP</p>	The planetary axles type is designed for utility tractors from 49 to 135 HP for dry and wetland field applications in vineyard, orchard, specialty tractors, open field tractors.



- **Axles for Construction Vehicles**

Company’s key axles products for the construction vehicles sector include Steering Axle 1-9.5 T UVW, Rigid Axle 1-9.5 T UVW and Rigid Hypoid Axle 5-17 T UVW. Each of their axle models is available with several reduction ratios, multiple widths and various vehicle mounting interfaces.

Product	Description
 <p>Steering Axle 1-9.5 T UVW</p>	Steering axles enable a tight steering radius, while ensuring precise handling, high manoeuvrability, and minimum tire wear. This product is used for construction vehicles such as backhoe loader, tele boom handler, compact and small wheel loader, rough terrane crane, motor grader and material handling cranes.
 <p>Rigid Axle 1-9.5 T UVW</p>	High load capacity and robust gear design of rigid axle ensure extended durability. This product is used for construction vehicles such as backhoe loader, tele boom handler, compact and small wheel loader, rough terrane crane, motor grader and material handling cranes.
 <p>Rigid Hypoid Axle 5-17 T UVW</p>	High load capacity and robust gear design of rigid hypoid axle ensure extended durability. This product is used for construction vehicles such as soil compactor equipment.

- **Gears**

The company manufactures ring gears, gears and shafts for industrial and automotive markets. They sell their gears in India and international markets, including Europe, mainly in Italy, as well as in United States.

Product	Description
 <p>Ring Gears</p>	The ring gears are produced through the broaching, shaping, case hardening, nitriding and quench hardening processes. The ring gears offered in different specifications including sizes, modules, types of hardening, tooth finishings, and outer or internal cuttings.
 <p>Gears & Shafts</p>	The gears and shafts are produced through hobbing, shaving and grinding processes, and are offered in different specifications, including sizes, modules, types of hardening, tooth finishings, and outer or internal cuttings.

KEY CUSTOMERS

Product Sector	Customers
Agricultural tractor sector	
Construction vehicle sector	
Others sector	

Agricultural Tractors	Construction Vehicles	Gears
<ul style="list-style-type: none"> • Mahindra and Mahindra, • TAFE, • International Tractors Ltd, • Escorts Kubota Ltd, • CNH, • Action Construction Ltd, • John Deere India Pvt Ltd, • Kartar Agro, • Preet Tractors 	<ul style="list-style-type: none"> • Bull Machines, • CNH, • Mahindra and Mahindra, • Escorts Kubota Ltd, • Action Construction Ltd, • Volvo, • Tata Hitachi, • Terex, • Liugong, • Doosan Bobcat, • KION, • Dynapac, • Manitou Equipment, • John Deere India Pvt Ltd 	<ul style="list-style-type: none"> • CNH Industrial, • Carraro Group

ROYALTY PAYMENT

On October 1, 2023, Carraro S.p.A. transferred the worldwide exclusive rights, title and interest in the IP rights of certain products customized for the Indian market to Carraro India and entered into an engineering service agreement with Carraro India to provide engineering support services on the maintenance of products and child parts to support company's development needs.

This has resulted in a decrease in royalties paid to the Carraro Group from ₹ 40.75 crore in Fiscal 2022 to ₹ 25.60 crore in Fiscal 2024 and from ₹ 22.25 crore in the 6 months ended September 30, 2023 to ₹ 4.45 crore in the 6 months ended September 30, 2024, representing a decrease from 2.72% of their revenue from operations in Fiscal 2022 to 1.43% of their revenue from operations in Fiscal 2024 and from 2.31% of the revenue from operations in the 6 months ended September 30, 2023 to 0.49% of the revenue from operations in the 6 months ended September 30, 2024.

REVENUE FROM OPERATIONS

(₹ in crore unless otherwise specified)

Particulars	As at for the 6 months ended September 30		As at or For the Fiscal		
	2024	2023	2024	2023	2022
Sales of products	902.79	945.89	1,761.19	1,685.72	1,474.33
- Agricultural Tractor	425.03	426.39	793.39	832.31	745.90
- Construction Vehicle	357.60	396.57	727.18	647.74	532.57
- Others	120.15	122.93	240.63	205.67	195.85
Rendering of services	7.85	10.25	18.51	18.03	15.98
Sub Total	910.64	956.14	1,779.70	1,703.75	1,490.31
Other operating income – Scrap Sales	3.98	4.89	9.26	9.40	7.24
Total Revenue from operations	914.62	961.03	1,788.97	1,713.15	1,497.54

Revenue from contracts with customers disaggregated based on geography

(₹ in crore)

Particulars	For 6 months ended September 30,		As at/ for Fiscal ended March 31,		
	2024	2023	2024	2023	2022
Domestic	595.57	611.05	1,141.30	1,053.11	941.95
Exports	315.07	345.09	638.41	650.64	548.36
– European Union	302.71	335.01	616.43	588.58	490.79
– Asia (excluding India)	9.09	4.29	14.25	10.45	12.00
– Americas	2.45	3.33	7.70	51.61	45.57
– Rest of the world	0.83	2.47	0.02	-	-
Total Revenue	910.64	956.14	1,779.70	1,703.75	1,490.31

Total revenue from the Top-5 customers and Top-10 customers on consolidated customer group basis

(₹ in crore)

Particulars	For 6 months ended September 30,				For Fiscal ended March 31,					
	2024		2023		2024		2023		2022	
	Revenue	% to Total	Revenue	% to Total	Revenue	% to Total	Revenue	% to Total	Revenue	% to Total
Revenue from Top-5 customers on consolidated customer groups basis	636.15	69.55%	668.47	69.56%	1,240.98	69.37%	1,240.69	72.42%	1,096.00	73.19%
Revenue from Top-10 customers on consolidated customer groups basis	803.73	87.88%	822.34	85.57%	1,527.66	85.39%	1,488.80	86.90%	1,320.93	88.21%

Revenue from top 10 customers

Particulars	For 6 months ended September 30, 2024		For Fiscal ended March 31, 2024	
	Amount (₹ Cr)	% to Total	Amount (₹ Cr)	% to Total
The Carraro Group	304.34	33.27%	606.71	33.91%
Mahindra & Mahindra	118.65	12.97%	290.32	16.23%
CNH	116.29	12.71%	167.60	9.37%
Customer E [^]	51.51	5.63%	90.78	5.07%
International Tractors Ltd. / Sonalika	45.36	4.96%	85.56	4.78%
Bull Machines Pvt Ltd	42.01	4.59%	74.10	4.14%
Customer F [^]	37.08	4.05%	59.04	3.30%
Customer C [^]	34.07	3.72%	57.31	3.20%
Customer A [^]	31.87	3.48%	53.25	2.98%
Customer D [^]	22.56	2.47%	42.99	2.40%
Total	803.73	87.88%	1,527.66	85.39%

[^] The name of the customer is disclosed as a masked name due to confidentiality reasons.

Inter group Transactions: The details of amounts paid to and from other entities in the Carraro Group

Particulars	For 6 months ended September 30,		For Fiscal ended March 31,		
	2024	2023	2024	2023	2022
Revenue from operations from Carraro Drive Tech Italia S.p.A. (₹ Cr)	294.43	324.03	594.48	550.54	448.25
Revenue from Carraro Drive Tech Italia S.p.A. as a % of company's total revenue from operations	32.19%	33.72%	33.23%	32.14%	29.93%
Revenue from operations from the Carraro Group (₹ Cr)	304.34	328.78	606.71	562.94	464.12
Revenue from the Carraro Group as a % of company's total revenue from operations	33.27%	34.21%	33.91%	32.86%	30.99%
Cost of raw materials purchased from Carraro Group (₹ Cr)	32.61	43.48	84.52	67.14	57.49
Cost of raw materials purchased from Carraro Group as a % of company's total expenses	3.81%	4.64%	4.91%	4.03%	3.86%
Royalty paid to the Carraro Group (₹ Cr)	4.45	22.25	25.60	42.12	40.75
Royalty paid to the Carraro Group as a % of company's total expenses	0.52%	2.37%	1.49%	2.53%	2.74%
Corporate service charges paid to the Carraro Group (₹ Cr)	8.92	8.87	18.58	13.33	32.01
Corporate service charges paid to the Carraro Group as a % of company's total expenses	1.04%	0.95%	1.08%	0.80%	2.15%
Professional fees paid to the Carraro Group (₹ Cr)	2.18	2.27	10.76	3.27	2.00
Professional fees paid to the Carraro Group as a % of company's	0.25%	0.24%	0.63%	0.20%	0.13%

Particulars	For 6 months ended September 30,		For Fiscal ended March 31,		
	2024	2023	2024	2023	2022
total expenses					
Other income from other services company rendered to the Carraro Group (₹ Cr)	0.55	0.58	0.95	1.36	1.00
Other income from other services company rendered to the Carraro Group as a % of company's total other income	6.75%	5.68%	5.41%	6.73%	4.45%

MANUFACTURING UNITS

Carraro India own and operates 2 manufacturing plants in Pune, Maharashtra, India, which are the driveline manufacturing plant occupying a plot area of approximately 84,000 sq.mtr and the gears manufacturing plant occupying a plot area of approximately 78,000 sq. mtr. The manufacturing plants are equipped with technologies including the casting machining, assembly, prototyping, testing and painting in their driveline manufacturing plant and the gears machining, heat treatment (carburizing, induction, hardening and nitriding) technologies in their gears manufacturing plant. Their gears manufacturing plant also holds the IATF 16949:2016 quality management certification.

The production capabilities of the driveline manufacturing plant and the gear manufacturing plant:

Particulars	For 6 months ended Sep 30		For Fiscal ended March 31,		
	2024	2023	2024	2023	2022
Number of axles produced at the driveline manufacturing plant	42,144	36,223	68,961	74,342	72,654
Number of transmission systems produced at driveline manufacturing plant	19,635	27,091	46,579	47,055	47,129
Number of other components produced (loose trumpet and loose drop box) at driveline manufacturing plant	8,112	11,853	14,066	10,772	11,503
Capacity utilization of driveline manufacturing plant (%)	76.83%	88.84%	81.07%	80.20%	82.27%
Number of gears, shafts, ring gears and other related components produced at gear manufacturing plant	903,999	969,498	1,618,845	1,676,707	1,525,468
Capacity utilization of gear manufacturing plant (%)	71.42%	89.77%	89.94%	93.15%	84.75%

As of September 30, 2024, they supply to 38 manufacturers in India. Further, as of September 30, 2024, they also supplied to manufacturers internationally, to some of whom they export through Carraro Drive Tech Italia S.p.A., the Carraro Group's driveline business leader.

Manufacturing Capacity and Utilization

(Capacity in Nos.)

Manufacturing Plant	For 6 months ended Sept'30,				For Fiscal ended March 31,								
	2024		2023		2024			2023			2022		
	Installed capacity	Actual Production	Installed capacity	Actual Production	Installed capacity	Actual Production	Capacity Utilization (%)	Installed capacity	Actual Production	Capacity Utilization (%)	Installed capacity	Actual Production	Capacity Utilization (%)
Driveline plant	93,850	69,891	89,330	75,167	178,660	129,606	81.07%	173,600	132,169	80.20%	159,900	131,286	82.11%
Gears plant	1,265,686	903,999	1,080,000	969,498	1,800,000	1,618,845	89.94%	1,800,000	1,676,707	93.15%	1,800,000	1,525,468	84.75%

RESEARCH AND DEVELOPMENT

CTIPL was established in 2006 and focused on R&D of axles, transmission systems and other components of agricultural tractors and construction vehicles as an engineering service provider to Carraro S.p.A.'s global R&D center. In June 2024, they completed their acquisition of CTIPL, after which CTIPL has become their subsidiary.

As a result of the acquisition, Carraro India acquired the R&D centre in Pune, Maharashtra, India and the R&D team of CTIPL. Their acquisition of CTIPL has enabled them to further strengthen their R&D offering. As of September 30, 2024, the R&D team of CTIPL had 56 employees comprising of mostly qualified engineers. The R&D centre of CTIPL focuses on conceptual and detailed product designs and the virtual validation, prototyping, lab and field testing, product maintenance and other R&D activities

The R&D team also focuses on R&D of new application of their existing products in order to adapt to changing Indian market needs and is in charge of designing and projecting new products needed in the Indian market. They endeavour to research and develop future-ready product innovations such as advanced product designs or new materials which are compatible with future agricultural tractors and construction vehicles and can be integrated in future technologies to enable them to keep pace with market development.

The R&D centre of CTIPL holds the ISO 9001:2015 quality management system accreditation.

Over the years, the CTIPL R&D team has supported the Carraro Group R&D team to launch the following products of the Carraro Group:

- Launch of 120 HP tractor transmission in 2013;
- Launch of the 20.09/20.14/20.16 series of planetary axle customized for local market applicable for tractor up to 90 HP in 2014 to 2015;
- Launch of steering axle applicable for 4-WD vehicle in 2016;
- Launch of SCOM axle with hypoid design, which replaced the old design of SCOM axle with improved product life cycle in 2019;
- Launch of the 40.16 series of planetary axle in 2022 with enlarged usage of axle in tractor market application such as loaders or harvesters, as compared to the 20.16 series; and
- Launch of AG Evo transmission in 2022, which caters to higher HP range at 100-150 HP and higher technology level with wet clutches in power take-offs (PTO).

The following table sets forth CTIPL's R&D capabilities and achievements as at and for in the 6 months ended September 30, 2024, and 2023 and Fiscals ended March 31, 2024, 2023 and 2022:

Particulars	As at and for six months ended Sep' 30,		As at and for Fiscal ended March 31,		
	2024	2023	2024	2023	2022
Number of R&D employees of CTIPL	56	57	57	50	58
Number of new prototypes developed by the company	1	12	20	4	5
Number of prototypes brought into production by the company	7	3	7	4	1

DISTRIBUTION NETWORK

Carraro India has developed expertise in the agricultural tractor and construction vehicle industry in India and have developed a network of 220 suppliers based in 8 states in India and 58 suppliers internationally. They have engaged their Top 10 suppliers as of September 30, 2024 based on percentage of cost of materials consumed for an average of 15 years.

COMPETITIVE STRENGTHS

- **One of the leading tier 1 suppliers of transmission systems and a key supplier of axles in the agricultural tractor and construction vehicle industries in India with competitive moat for mission critical and complex driveline components**

The company is one of the leading independent tier 1 suppliers of axles, transmission systems and gears for the agricultural tractor and construction vehicle industries in India, and as of March 31, 2024, the company has established itself as the market leader in providing transmission systems for tractors up to 150HP and 4-wheel drive capabilities. As of 2023, the company is the leading sole supplier in the non-captive segment of the agriculture tractors transmission market and the market leader with a 60-65% share of the non-captive construction vehicle transmission market. Their axles and transmission system products are mission critical for their customers, as their products constitute important components of their customers' final products.

- **Customer-centric offering of customized solutions to a longstanding OEM customer base**

Carraro India is a one-stop shop tier 1 OEM supplier that develops customized solutions to their India-based customers, including customers in India and international customers with Indian subsidiaries or operations, by covering the full value chain from R&D to manufacturing of axles and transmission systems.

As of September 30, 2024, they have a customer base of 38 customers in India. Further, as of September 30, 2024, they also supplied to customers internationally (to some of whom they export through Carraro Drive Tech Italia S.p.A.), which are primarily OEMs. The company usually enter into long-term contracts with their customers of at least 5 years, with additional schedules executed based on each new order received.

The details of the customers

Particulars	For 6 months ended September 30,		For the Fiscal ended March 31,		
	2024	2023	2024	2023	2022
Number of customers	44	41	44	41	42
- Agricultural tractor sector only	12	11	12	9	10
- Construction vehicle sector only	18	16	16	17	15
- Agricultural tractor and construction vehicle sectors	5	5	6	6	6

Particulars	For 6 months ended September 30,		For the Fiscal ended March 31,		
	2024	2023	2024	2023	2022
- Others sector	9	9	10	9	11
Revenue from operations contribution from customers (₹ Cr)	914.62	961.03	1,788.97	1,713.14	1,497.54
- Customers of less than 5 years	365.71	434.00	807.52	704.05	545.83
- Customers of more than 5 years but less than 10 years	125.57	99.16	200.41	201.24	135.91
- Customers of more than 10 years	423.34	427.87	781.04	807.85	815.80

- **Longstanding relationships with marquee local and international supplier base**

As a one-stop shop OEM supplier, Carraro India has an established presence in the agricultural tractor and construction vehicle markets. As of September 30, 2024, they have a supplier base of 220 suppliers spanning across 8 states in India and 58 suppliers internationally. Further, they focus on local sourcing for supply in order to lower the production cost, optimize supply chain logistics and minimize lead times. They enter into long term contracts with suppliers with maximum and minimum capacity rates and year on year discounts to ensure stability of the supplier base

- **Strong, in-house R&D capabilities with proprietary IP rights to facilitate innovation of future-ready products**

The company was among the first to enter the agricultural tractor and construction vehicle component market with its dedicated R&D team and center as the Carraro Group entered India in 1997 and established its manufacturing facility in Pune and R&D center in 2006. As part of the Carraro Group, they use the Carraro corporate name, logo and trademarks pursuant to an agreement with Carraro S.p.A.

On October 1, 2023, Carraro S.p.A. transferred the worldwide exclusive rights, title and interest in the IP rights of certain products customized for the Indian market to the company and entered into an engineering service agreement with the company to provide engineering support services on the maintenance of products and child parts to support their development needs. After company's acquisition of CTIPL in June 2024, they also acquired the R&D centre in Pune, Maharashtra, India and the R&D team of CTIPL. CTIPL will continue providing service support to the Carraro Group's R&D departments.

- **Technologically advanced manufacturing plants with large production capacities and in-house gear production capabilities**

Company's driveline manufacturing plant of approximately 84,000 square meters mainly manufactures agricultural and construction equipment, axles and transmission systems. The driveline manufacturing plant holds the ISO 9001:2015 quality management system accreditation and the ISO 14001:2015 environmental management system accreditation, and its quality has been recognized by their customers. Their gears manufacturing plant of 78,000 sq. mtr mainly manufactures various types of gears and gear shafts for captive consumption and third-party customers. The gears manufacturing plant holds the ISO 9001:2015 quality management system accreditation and the International Automotive Task Force 16949:2016 quality management system accreditation.

The manufacturing plants are equipped with technologies including the casting machining, assembly, prototyping, testing and painting in their driveline manufacturing plant and the gears machining, heat treatment (carburizing, induction, hardening and nitriding) technologies.

- **Stable and experienced senior management team with strong industry knowledge and proven track record of growing the business and achieving margin optimization**

Carraro India has a stable management team, consisting of Key Managerial Personnel and Senior Management, which has been with the company for an average of more than 11.3 years. The management team has diversified experience in business, manufacturing, supply chain and financial management. During their tenure in the Carraro Group, their management team has accumulated extensive industry knowledge and has demonstrated its ability to drive business growth and continuous margin expansion. The management team has led their ongoing cost optimization initiatives including Localization of supply chain, Volume-based negotiation, focus on higher-margin products, Investment in technology and infrastructure, Process optimization, Quality improvements, Intellectual property, Enhancing autonomy with targeted regional expansion and Inventory management.

KEY BUSINESS STRATEGIES

- **Maintain the strong positioning in axles and transmission systems with an aim to secure market position**

Company's growth strategy is rooted in innovation, operational excellence, and strategic expansion into new and existing markets. They are committed to securing and strengthening their market position by increasing the market share and driving the growth on a sustainable basis.

With an aim to drive growth on a sustainable basis, they have introduced the “Industrial Design Cost Optimization” function, which works in a cross-functional team approach across the R&D, sourcing, sales and manufacturing and engineering teams to enhance their capability to actively redefine the designs and costs. They dedicated to maintaining their leadership position in the non-captive segment of drivelines of backhoe loaders, soil compactors, agricultural transmission systems and 4WD axles for agriculture tractors.

They plan to increase purchases and procurement from their existing local suppliers and widen their base of local suppliers to lower their production cost, optimize supply chain logistics and minimize transportation lead times.

- **Drive the growth through introduction of new products and product application innovation**

Company’s planned introduction of new product and product innovation includes initiatives as Introduction of New Products offerings, Entry into New Product categories, Product Application Innovation, Develop future-ready solutions for emerging technologies and potential entry into new market segments.

- **Develop future-ready solutions for emerging technologies and potential entry into new market segments**

As an innovation-driven tier 1 solution provider of axles and transmission systems, they intend to introduce future ready technologies in their design and manufacturing concepts and their production line. The key applications of the future-ready technologies that they intend to leverage are Electric Off-Highway Vehicles and Higher HP Transmission Systems for Tractors.

- **Enhance and expand the production capabilities in India**

The company aims to continue to leverage the full-range production capabilities in their manufacturing plants, which range from mechanical gear shifts to semi-power shift and full-power shift capabilities. They have started to, and intend to continue to, digitalize their production flow and generate a visual shop flow for easier tracking and quality assurance. In addition, they intend to expand the driveline manufacturing plant by building a warehouse shed and a finished goods warehouse.

- **Increase share of localization and further improving efficiencies of the supply chain**

The company plans to increase purchases and procurements from their existing local suppliers, widen their local supplier base and develop strategic partnerships with their suppliers. These initiatives allow them to benefit from a broader supplier base and to optimize cost and efficiency.

COMPETITION

Carraro India is one of the leading independent Tier 1 suppliers of mission critical and complex driveline components (axles and transmissions) and gears for agricultural tractor and construction vehicle industries in India. Carraro India has established itself as the market leader in providing transmission systems for tractors up to 150HP and 4-wheel-drive capabilities. Carraro India is the leading supplier in the non-captive segment of the agriculture tractors and construction vehicle transmission market.

Carraro India’s comparable in the Indian market space are:

Product	Description
Companies involved in supplying critical system solutions	Schaeffler India, Dana India, ZF India and Comer Industries
OEMs manufacturing agricultural tractors and / or construction vehicles	Escorts Kubota and JCB
Companies involved in forging and machining components	Ramkrishna Forgings, Happy Forgings and Sona BLW Precision Forging

The ‘Peers’ considered for Carraro India for financial and operational benchmarking include its direct competitors, such as Comer Industries, ZF, and DANA, as well as forging and precision component manufacturers catering to the OHV market.

The Peers can be grouped under 2 categories:

- Foreign players with a presence in India: **ZF, Comer Industries, DANA, American Axles, and Linamar** and
- Indian listed players – **Automotive Axels Limited, Ramakrishna Forging, Happy Forgings Limited, Sona BLW Precision Forgings Limited and Schaeffler India.**

INDUSTRY OVERVIEW

Technology Benchmarking

Competitor	Axle	Transmissions & Gearboxes (Drivelines)	Gears / Shafts / Components
Carraro India Ltd	✓	✓	✓
ZF India Pvt Ltd	✓	✓	
Comer Industries India Pvt Ltd	✓	✓	✓
Dana India Pvt Ltd	✓	✓	✓
Linamar India Pvt Ltd	Na	Na	Na
AAM India Pvt Ltd	✓	✓	✓
JCB	✓	✓	-
Bull Machine	Na	Na	-
TAFE	✓	Na	✓
International Tractors Ltd. (Sonalika)	✓	✓	✓
Escorts Kubota	Na	Na	-
Action Construction Equipment	Na	Na	-
Ramakrishna Forgings	✓	✓	✓
Happy Forgings	✓	-	-
Sona BLW Precision Forgings Ltd.	-	-	✓
Schaeffler India	-	-	✓

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	Face Value	Market Price as of 31 Jul'2024 (₹)	P/E Ratio	EPS (₹)		RoNW	NAV (₹)
				Basic	Diluted		
Carraro India Ltd	10	NA	[●]	11.00	11.00	16.92%	65.05
Escorts Kubota Ltd	10	4,175.75	43.21	96.80	96.64	11.43%	830.45
Schaeffler India Ltd	2	4,267.75	74.22	57.50	57.50	18.71%	307.44
Sona BLW Precision Forgings Ltd	10	679.30	76.93	8.83	8.83	18.49%	47.75
Ramakrishna Forgings Ltd	2	860.35	42.82	20.27	20.09	12.72%	148.48
Happy Forgings Ltd	2	1,259.40	47.08	26.78	26.75	15.07%	171.17
Action Construction Equipment Ltd	10	1,393.35	50.56	27.56	27.56	26.69%	307.44

Source: RHP; P/E figures are based on closing market prices of equity shares on BSE on July 31, 2024

Comparison of company's KPIs with listed industry peers

KPIs	For the 6 months ended September 30, 2024						
	Carraro India	Escorts Kubota	Schaeffler India	Sona BLW Precision Forgings	Ramakrishna Forgings	Happy Forgings	Action Construction Equipment
Revenue from Operations	914.62	5,306.88	3,979.97	1,813.36	2,013.11	702.60	1,490.95
Revenue growth (yoy)	(4.83)%	(0.01)%	12.98%	19.39%	7.43%	4.41%	12.54%
EBIT	78.81	725.75	631.90	399.83	324.58	185.99	255.11
EBIT Margin (%)	8.54%	13.13%	15.66%	21.66%	16.03%	25.71	16.43%
EBITDA	101.10	851.12	762.00	523.05	447.32	223.66	268.95
EBITDA Margin (%)	10.96%	15.40%	18.88%	28.33%	22.10%	30.92%	17.32%
PAT	79.73	625.90	Na	285.29	187.19	135.17	179.00
PAT Margin (%)	5.44%	11.79%	12.27%	15.73%	9.30%	19.24%	12.01%
ROE (%)	12.60%	6.58%	Na	7.24%	6.65%	8.13%	13.68%
ROCE (%)	13.13%	7.34%	Na	8.26%	7.14%	9.88%	16.90%
Net Financial Position (Net Debt)	(105.69)	652.40	Na	1,519.14	(1,497.41)	134.70	(64.00)
Net Debt/EBITDA	(1.05)	0.77	Na	2.90	(3.35)	0.60	(0.24)
Net Working Capital	217.56	4,689.00	Na	3,151.97	720.31	520.23	303.20
Operational Working Capital	190.07	1,645.59	Na	660.68	1,247.51	580.45	126.15

KPIs	For the 6 months ended September 30, 2024						
	Carraro India	Escorts Kubota	Schaeffler India	Sona BLW Precision Forgings	Ramakrishna Forgings	Happy Forgings	Action Construction Equipment
Market Price	Na	4,269.00	3,908.55	743.35	1,007.95	1,186.60	1,387.40
Market Cap	Na	47,760.61	61,092.07	46,180.98	18,221.34	11,178.35	16,521.60
Revenue by geographical split (%)							
Domestic	65.40%	Na	Na	Na	Na	Na	Na
Exports	34.60%	Na	Na	Na	Na	Na	Na
Revenues split by end market (%)							
Agricultural Equipment	47.08%	Na	Na	Na	Na	Na	Na
Construction Equipment	39.61%	Na	Na	Na	Na	Na	Na
Others	13.31%	Na	Na	Na	Na	Na	Na

KPIs	For Financial year ended March 31, 2024						
	Carraro India	Escorts Kubota	Schaeffler India	Sona BLW Precision Forgings	Ramakrishna Forgings	Happy Forgings	Action Construction Equipment
Revenue from Operations	1,788.97	8,849.62	7,250.91	3,184.77	3,954.88	1,358.24	2,913.80
Revenue growth (yoy)	4.43%	4.99%	5.58%	19.95%	23.87%	13.51%	34.92%
EBIT	106.86	1,414.74	1,218.04	697.10	610.70	336.16	457.11
EBIT Margin (%)	5.91%	15.30%	16.51%	21.73%	15.33%	24.51%	15.28%
EBITDA	150.00	1,581.64	1,441.05	917.33	868.27	400.89	480.35
EBITDA Margin (%)	8.30%	17.10%	19.54%	28.59%	21.79%	29.23%	16.06%
PAT	62.56	1,049.08	899.02	517.78	341.44	242.98	328.20
PAT Margin (%)	3.50%	11.85%	12.40%	16.26%	8.63%	17.89%	11.26%
ROE (%)	17.69%	12.08%	19.78%	20.96%	17.05%	18.69%	30.51%
ROCE (%)	19.35%	15.26%	25.63%	28.20%	15.19%	18.87%	36.92%
Net Financial Position (Net Debt)	(135.99)	858.23	1,352.13	(279.87)	(1,080.08)	162.91	98.20
Net Debt/EBITDA	(0.91)	0.54	0.94	(0.31)	(1.24)	0.41	0.20
Net Working Capital	138.96	3,999.56	2,701.01	743.00	820.56	499.91	348.20
Operational Working Capital	163.67	1,183.61	1,316.06	697.65	933.48	525.55	29.76
Market Price	Na	2,778.60	2,812.30	705.55	691.05	888.15	1,426.05
Market Cap	Na	30,703.05	43,957.28	41,376.82	12,492.54	8,366.81	16,981.86
Revenue by geographical split (%)							
Domestic	64.13%	95.00%	86.79%	62.00%	Na	80.00%	94.50%
Exports	35.87%	5.00%	13.21%	38.00%	Na	20.00%	5.50%
Revenues split by end market (%)							
Agricultural Equipment	45.05%	Na	Na	Na	Na	Na	Na
Construction Equipment	41.29%	Na	Na	Na	Na	Na	Na
Others	13.66%	Na	Na	Na	Na	Na	Na

KPIs	For Financial year ended March 31, 2023						
	Carraro India	Escorts Kubota	Schaeffler India	Sona BLW Precision Forgings	Ramakrishna Forgings	Happy Forgings	Action Construction Equipment
Revenue from Operations	1,695.12	8,428.69	6,867.42	2,655.01	3,192.90	1,196.53	2,159.68
Revenue growth (yoy)	14.41%	15.74%	23.50%	24.61%	37.61%	39.12%	32.53%
EBIT	85.38	847.86	1,180.59	526.03	494.64	292.50	244.04
EBIT Margin (%)	4.93%	9.73%	17.00%	19.58%	15.47%	24.33%	11.09%
EBITDA	124.81	997.92	1,387.05	704.04	696.28	346.69	262.04
EBITDA Margin (%)	7.20%	11.46%	19.97%	26.20%	21.78%	28.84%	11.91%
PAT	48.46	636.65	879.21	395.30	248.11	208.70	172.99
PAT Margin (%)	2.83%	7.55%	12.80%	14.89%	7.77%	17.44%	8.01%
ROE (%)	15.39%	8.07%	22.15%	18.43%	20.67%	23.50%	20.66%

KPIs	For Financial year ended March 31, 2023						
	Carraro India	Escorts Kubota	Schaeffler India	Sona BLW Precision Forgings	Ramakrishna Forgings	Happy Forgings	Action Construction Equipment
ROCE (%)	16.30%	10.29%	27.43%	23.87%	17.86%	23.81%	26.18%
Net Financial Position (Net Debt)	(110.51)	298.92	1,500.59	(294.64)	(1,319.63)	(211.99)	74.98
Net Debt/EBITDA	(0.89)	0.30	1.08	(0.42)	(1.90)	(0.61)	0.29
Net Working Capital	161.15	3,168.54	2,575.39	751.45	380.19	232.69	248.61
Operational Working Capital	130.60	1,136.55	1,164.05	682.86	890.62	429.92	86.95
Market Price	Na	189.19	287.39	41.32	28.63	Na	40.71
Market Cap	Na	24961.84	44920.11	24185.99	4576.84	Na	4847.28
Revenue by geographical split (%)							
Domestic	61.81%	93.00%	84.19%	42.00%	61.00%	87.00%	97.00%
Exports	38.19%	7.00%	15.81%	58.00%	39.00%	13.00%	3.00%
Revenues split by end market (%)							
Agricultural Equipment	49.37%	Na	Na	Na	Na	Na	Na
Construction Equipment	38.43%	Na	Na	Na	Na	Na	Na
Others	12.20%	Na	Na	Na	Na	Na	Na

Restated Statement of Cash Flows

	For 6 months period ended Sep'30,		For the year ended March 31,		
	2024	2023	2024	2023	2022
Profit before tax	66.92	33.96	84.37	65.59	30.73
Adjustments Related to Non-Cash & Non-Operating Items	40.12	30.95	59.99	60.91	53.18
Operating Profits before Working Capital Changes	107.04	64.91	144.36	126.50	83.91
Adjustments for Changes in Working Capital	(56.12)	(65.46)	(4.42)	(26.98)	21.30
Net cash generated from operations before tax	50.92	(0.55)	139.94	99.52	105.21
Income tax paid (net)	(7.19)	(10.38)	(27.75)	(19.30)	(9.38)
Net cash generated from operating activities	43.73	(10.93)	112.19	80.22	95.83
Net cash used in investing activities	(18.41)	(30.91)	(84.68)	(61.77)	(59.45)
Net cash used in financing activities	(28.58)	(3.16)	(30.18)	(15.47)	8.53
Net (decrease) / increase in cash and cash equivalents during the period	(3.26)	(45.00)	(2.67)	2.98	44.91
Add: Cash and cash equivalents as at the beginning of the period	103.60	104.99	104.99	103.96	59.49
Effect of Exchange rate changes on cash & Cash Equivalents	(3.34)	(0.77)	1.28	(1.95)	(0.44)
Cash and cash equivalents as at the end of the period	97.00	59.22	103.60	104.99	103.96

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