

26th May, 2026

The Manager,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

The Manager,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051

BSE Scrip Code: 544320

NSE Symbol: CARRARO

Sub.: Press Release.

**Ref.: 1. Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”); and
2. Outcome of the Board Meeting dated 26th May, 2026 (“Outcome”).**

Dear Sir/Madam,

Further to the above-referred Listing Regulations and Outcome, we are enclosing a press release encompassing highlights of the audited financial results, both standalone and consolidated, for the quarter and financial year ended 31st March, 2026.

You are requested to take this intimation on record.

Thanking you,

Yours faithfully,
For Carraro India Limited

Mohith Kumar Khandelwal
Company Secretary and Compliance Officer
Membership No.: F11243

Encl.: As above.

Carraro India Limited

Q4 & FY26 Consolidated Results – Press Release

- ✓ FY26 Total Income stood at INR 22,840 Mn; **increase of 25% on Y-o-Y basis**
- ✓ FY26 EBITDA (incl. other income) stood at INR 2,475 Mn; **growth of 33% on Y-o-Y basis with margins at 10.8%** (vs 10.2% of FY25)
- ✓ FY26 PAT stood at INR 1,306* Mn; **growth of 48% on Y-o-Y basis with margins at 5.7%** (vs 4.8% of FY25)

Pune – 26th May 2026: Carraro India Limited, an independent Tier-I solution provider for axles, transmission systems, gears and other related components, has reported its audited financial results for the quarter and full year ended 31st March 2026.

Financial Highlights:

Particulars (INR Mn)	Q4 FY26	Q4 FY25	Y-o-Y Q4	FY26	FY25	Y-o-Y
Total Income	6,142	4,479	37%	22,840	18,234	25%
EBITDA (incl. Other Income)	710	489	45%	2,475	1,864	33%
<i>EBITDA Margin (%)</i>	<i>11.6%</i>	<i>10.9%</i>		<i>10.8%</i>	<i>10.2%</i>	
PAT	417	237	76%	1,306	881	48%
<i>PAT Margin (%)</i>	<i>6.8%</i>	<i>5.3%</i>		<i>5.7%</i>	<i>4.8%</i>	

*Includes impact of New Labor Code of INR 95 Million

Operational Highlights:

Particulars (INR Mn)	Q4 FY26	Q4 FY25	Y-o-Y	FY26	FY25	Y-o-Y
Agricultural Equipment	2,784	2,036	37%	10,192	8,565	19%
Construction Equipment	2,613	1,928	36%	9,837	7,491	31%
Others	670	479	40%	2,526	2,019	25%
Total	6,067	4,443	37%	22,555	18,076	25%

Particulars (INR Mn)	Q4 FY26	Q4 FY25	Y-o-Y	FY26	FY25	Y-o-Y
Domestic	3,968	3,196	24%	14,430	12,155	19%
Export	2,099	1,246	68%	8,125	5,921	37%
Total	6,067	4,443	37%	22,555	18,076	25%

Other Key Business Highlights (FY26)

- **Tele-boom Handler (TBH): Construction Equipment:**
 - Ramp-up of the new range of Tele Boom Handlers (TBH) axles for a major international OEM continued during the period under review, with healthy traction and strong visibility of sustained growth in the coming quarters.
 - New Projects with a domestic customer (Global and Indian) for the Tele Boom Handlers (TBH) family of axles is progressing well & remain on track.
- **Backhoe Loader (BHL) transmission & axles:**
 - Sales of drivelines to CE Indian customers increased by approx. 9% during the FY26, while CE market declined by 2% over the same period
 - Sales of drivelines to BHL customers in the domestic market recorded positive growth in FY26, against a drop by ~10% in broader.
 - Export growth supported overall performance despite the decline in the domestic market.
- **Engineering services business:**
 - Receiving several enquiries for higher HP and technology configurations.
 - Signed an engineering services agreement worth INR 17.5 crore with Montra Electric (TICMPL) for the industrialization and supply of e-transmissions. The project is progressing well, and a prototype order has been received for the supply of transmissions for field validation.
 - Discussions with another customer for engineering services are also progressing positively.
 - Efforts to acquire additional engineering services business are currently in progress. We expect revenue contribution from this segment to grow year on year.
- **Domestic AG 4WD Axle & Gears business update:**
 - The shift from 2WD to 4WD tractors has accelerated following the GST reduction, which has nearly equalized the pre-GST price of 2WD tractors with the post-GST price of 4WD models. As a result, the domestic 4WD axle market witnessed strong revenue growth in FY26, with the shift towards 4WD tractors outpacing overall market growth. In response, CIL is ramping up capacity to sustain the anticipated increase in demand in the coming years.
 - In the gears business, secured a business nomination from a major OEM for bull gears, valued at approximately ~INR 15 crore p.a. effective FY28. The company is also working with two new customers/projects.
 - During FY26, the gears business remained subdued. However, efforts are underway to strengthen the business, which is expected to support a gradual improvement over the coming quarters.

- **Agri higher HP Transmission:**
 - Export market gradually recovering, which could positively impact transmission offtake for high HP tractors.
 - A leading tractor OEM showcased a tractor equipped with Carraro's higher HP driveline at Agritechnica in Hanover, Germany in Nov 2025.
 - Higher HP tractor transmission projects with Carraro Tractors, a customer in Turkey, and customers in India are progressing well. SOP for the Turkey customer is expected in FY27, while SOP for the Indian customer is expected by FY28.
- **Export business Update: (Both direct & indirect):**
 - Exports delivered a strong growth of 37% year-on-year, led primarily by sustained momentum in construction equipment, particularly from TBH & BHL exports.
 - Construction equipment exports by Indian OEMs continued to witness healthy traction. This supported growth in CIL's export business.
 - While indirect exports of agricultural drivelines remained soft, resilient domestic demand helped maintain our overall volume trajectory.
- **Capex:**
 - In FY26, capex of INR 417 Mn deployed to support new telescopic handler's axle production, high-performance new transmission range for agricultural applications, and to grant incremental capacity for FY26 sales.
- **Dividend:**
 - The Board of Directors has recommended a final dividend of Rs. 6.75 per equity share for FY26, resulting in a payout of approximately 30%, subject to shareholders' approval at the ensuing Annual General Meeting.
 - The proposed dividend reflects the Company's strong financial performance, healthy cash flow generation and continued commitment towards delivering sustainable value to shareholders while supporting future growth initiatives.

Commenting on the results Dr. Balaji Gopalan, Managing Director, Carraro India Limited said,

FY26 Performance Overview

"FY26 was a strong and encouraging year for Carraro India, with the Company delivering healthy growth across both domestic and export markets, along with EBITDA profitability in line with the guidance shared during the year. Revenue from operations grew by 25% year-on-year, supported by sustained demand in the domestic market, particularly in the agricultural vehicle segment, and strong export traction led by the

construction equipment segment. Domestic revenues increased by 19% year-on-year, while exports grew by 37% year-on-year.

Profitability improved meaningfully during the year, with EBITDA increasing by 33% year-on-year and PAT growing by 48% year-on-year. EBITDA margin expanded to 10.8% in FY26 from 10.2% in FY25, driven by operating leverage, disciplined cost management and execution efficiencies, despite changes in product mix during the year.

The domestic agriculture business continued to witness strong momentum, supported by the accelerated transition from 2WD to 4WD tractors following the GST-led narrowing of the price gap between 2WD and 4WD tractors. This structural shift, combined with strong customer demand, resulted in robust growth in the domestic 4WD axle market, with 4WD tractor growth outpacing the overall market. In line with the anticipated demand increase, we are ramping up capacity to support growth over the coming years.

Exports remained a key growth driver, supported by sustained momentum in construction equipment, particularly TBH and BHL exports. Ramp-up of the new range of Tele Boom Handler (TBH) axles for a major international OEM continued during the year, with healthy traction and strong visibility for sustained growth. The export market for higher HP tractors is also gradually recovering, which is expected to positively impact transmission off-take going forward.

Our engineering services business continued to gain traction, reporting revenues of Rs. 100 million in FY26. Encouragingly, we are witnessing increasing customer enquiries for higher HP and advanced technology configurations, reflecting growing market confidence in our capabilities and the relevance of our solutions. During the year, we signed an engineering services agreement worth approximately Rs. 175 million with Montra Electric for the industrialisation and supply of e-transmissions. The project is progressing well, and we have received a prototype order for field validation. Discussions with another customer for engineering services are also progressing positively, and we expect this business to scale up meaningfully over time.

In the gears business, we secured a business nomination from a major OEM for bull gears, valued at approximately Rs. 150 million p.a. from FY28. While the gears business remained subdued during FY26, we are working with two new customers/projects, and the ongoing initiatives are expected to support gradual improvement in performance over the coming quarters.

On the manufacturing front, we continued to invest in capacity, technology and process improvements. During FY26, we deployed capex of Rs. 417 million to support new telescopic handler axle production, high-performance transmission programmes for agricultural applications and incremental capacity expansion. The Board-approved capex to expand axle capacity to 1,54,160 units is aligned with our strong demand outlook and will support future growth. We also continued to strengthen our aftermarket and customer support ecosystem through the expansion of authorised service centres.

Overall, Carraro India enters its next phase of growth with a stronger business foundation, deeper customer relationships, enhanced engineering capabilities, increasing localisation and a healthy demand outlook across key end markets.”

About Carraro India Limited:

Carraro India Limited established in 1997, is technology driven integrated supplier that develops complex engineering products and solutions for original equipment manufacturer (“OEM”) customers. The Company is an independent Tier-I solution provider for axles, transmission systems, gears and other related components with in-house product design manufacturing capabilities which support the full value chain of services.

Part of the Carraro Group which designs, manufactures, and sells transmission systems (axles, transmissions, and drives) mainly for agricultural and construction equipment and off-highway vehicles. The Company’s product is mission critical for their customers, as these products constitute important components of their customers’ final products.

Key Products & Applications are equipment like axles and transmission systems for agricultural tractors which include special requirements on technical specifications, use cases, and mechanical and structural design. It also manufactures construction equipment like gears and transmission systems for backhoe loaders, compact wheel loaders, telehandlers, cranes, forklifts, aerial working platforms, etc. The company also manufactures a diverse range of products beyond their core offerings of axles and transmissions for agricultural and construction equipment, which include additional products such as gears, shafts, and ring gears for industrial and automotive vehicles.

The company owns and operates two manufacturing plants in Pune with strong in-house R&D capabilities with proprietary IP rights to facilitate innovation of future-ready products. The driveline plant has technologies including casting, machining, assembly, prototyping, testing, and painting. The gears plant features machining and heat treatment technologies such as carburizing, induction, hardening, and nitriding. The company has well established network of 240+ suppliers domestically and internationally. It also enjoys longstanding relationships with marquee local and international supplier base.

Safe Harbor

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For any further information please contact:

Company:**Investor Relations Advisors:****Carraro India Limited****Strategic Growth Advisors Pvt. Ltd.**

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