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Initial public offer of equity shares on the main board of the Stock Exchange in compliance with Chapter II of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2016, as amended ("SEBI ICDR Regulations").

CARRARO India

CARRARO INDIA LIMITED



(Please scan the QR code to view the RHP)

Our Company was incorporated as "Carraro India Private Limited" on April 11, 1997, as a private limited company under the Companies Act, 1956, at New Delhi, India, pursuant to a certificate of incorporation issued by the Registrar of Companies, NCT of Delhi and Haryana ("RoC Delhi"). Pursuant to an allotment of Equity Shares by our Company and in accordance with the provisions of Section 43A(1) of the Companies Act, 1956, our Board passed a resolution on September 30, 1997, wherein our Board noted that our Company had become a deemed public company, and the name of our Company was changed to "Carraro India Limited" with effect from September 3, 1997, pursuant to a certificate of incorporation endorsed by the RoC Delhi to that effect. Further, pursuant to a resolution passed by our Board dated September 29, 2007 which was confirmed by an order of the Company Law Board, Northern Region Bench, New Delhi dated July 25, 2008, the registered office of our Company was shifted from the state of Delhi to the state of Maharashtra with effect from July 25, 2008 and a certificate of registration of the order of the Company Law Board for change of state of our registered office was issued by the Registrar of Companies, Maharashtra at Pune ("RoC") on August 14, 2008. Subsequently, pursuant to a resolution passed by our Board dated August 28, 2008 and a special resolution passed by our Shareholders dated September 22, 2008, our Company was re-converted into a private limited company and the name of our Company was changed to "Carraro India Private Limited", and a fresh certificate of incorporation dated March 16, 2009 was issued by the RoC. Subsequently, on the conversion of our Company to a public limited company, pursuant to a resolution passed by our Board on July 3, 2024 and a special resolution passed by our Shareholders on July 4, 2024, the name of our Company was changed to "Carraro India Limited" and a fresh certificate of incorporation dated August 12, 2024 was issued by the RoC. For further details of the changes in the name and the registered office of our Company, see "History and Certain Corporate Matters - Changes in the registered office" on page 245 of the Red Herring Prospectus dated December 16, 2024 ("RHP") filed with the RoC.

Corporate Identity Number: U52609PN1997PLC132629; Registered Office: B2/2 MIDC, Ranjangaon, Pune 412 220, Maharashtra, India; Contact Person: Nakul Shivaji Patil, Company Secretary and Compliance Officer; Tel: +91 2138 862666; E-mail: company_secretary@carraraindia.com; Website: www.carraraindia.com

OUR PROMOTERS: TOMASO CARRARO, ENRICO CARRARO, CARRARO S.p.A. AND CARRARO INTERNATIONAL S.E.

INITIAL PUBLIC OFFERING OF [●] EQUITY SHARES BEARING FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF CARRARO INDIA LIMITED (THE "COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE BEARING FACE VALUE OF ₹ 10 EACH (THE "OFFER PRICE") AGGREGATING UP TO ₹ 12,500.00 MILLION (THE "OFFER") COMPRISING AN OFFER FOR SALE OF [●] EQUITY SHARES BEARING FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ 12,500.00 MILLION BY CARRARO INTERNATIONAL S.E. (THE "PROMOTER SELLING SHAREHOLDER"), AND SUCH OFFER FOR SALE, THE "OFFER FOR SALE", AND SUCH EQUITY SHARES BEARING FACE VALUE OF ₹ 10 EACH, THE "OFFERED SHARES"). THE OFFER WOULD CONSTITUTE [●] OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE OFFER FOR SALE			
NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)
Carraro International S.E.	Promoter Selling Shareholder	[●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 12,500.00 million	15.18

*As certified by J.C. Bhalla & Co., Chartered Accountants, by way of their certificate dated December 16, 2024.

We are an independent tier 1 solution provider of axles, transmission systems and gears for the agricultural tractor and construction vehicle industries in India.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.

- QIB Portion: Not more than 50% of the Offer
- Non-Institutional Portion: Not less than 15% of the Offer
- Retail Portion: Not less than 35% of the Offer

PRICE BAND: ₹668 TO ₹704 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH
THE FLOOR PRICE AND THE CAP PRICE ARE 66.80 TIMES AND 70.40 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY.
BIDS CAN BE MADE FOR A MINIMUM OF 21 EQUITY SHARES AND IN MULTIPLES OF 21 EQUITY SHARES THEREAFTER
THE PRICE TO EARNINGS RATIO BASED ON DILUTED EPS FOR FISCAL 2024 AT THE UPPER END OF THE PRICE BAND IS 64.00 TIMES
AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP PE RATIO OF 55.80 TIMES.
WEIGHTED AVERAGE RETURN ON NET WORTH FOR LAST THREE FULL FINANCIAL YEARS IS 14.52%

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated December 16, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price" section on page 108 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the "Basis for Offer Price" section on page 108 of the RHP and provided below in this advertisement.

In making an investment decision and purchase in the Offer, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner.

RISKS TO INVESTORS:

For details, refer to "Risk Factors" on page 25 of the RHP.

- 1) Dependence on Customers:** We are dependent on certain key customers for a significant portion of our revenue. The following table sets forth details of revenue generated and contribution to total revenue from our top five customers and top 10 customers on consolidated customer group basis, which consolidate revenue contribution by customer entities in the same group, for the periods and years indicated:

₹ in millions, except percentages

Particulars	For six months ended September 30,				For Fiscals ended March 31,					
	2024		2023		2024		2023		2022	
Revenue from top five customers on consolidated customer groups basis	6,361.51	69.55%	6,684.71	69.56%	12,409.77	69.37%	12,406.91	72.42%	10,959.99	73.19%
Revenue from top 10 customers on consolidated customer groups basis	8,037.27	87.88%	8,223.41	85.57%	15,276.60	85.39%	14,887.95	86.90%	13,209.33	88.21%

- 2) Dependence on Carraro Group:** We depend partially on other entities in the Carraro Group for our operations, such as the license of the Carraro brand, customer sourcing, procurement, R&D and general support of our operations. The Carraro Group was our largest customer in the six months ended September 30, 2024 and 2023 and Fiscals 2024, 2023 and 2022. For the six months ended September 30, 2024 and Fiscal 2024, we derived 33.27% and 33.91% of our total revenue from the Carraro Group and have purchased 3.81% and 4.91% of our raw materials from the Carraro Group, respectively. Any disruption in this relationship could have a material adverse impact on our operations.
- 3) Related party transactions with Carraro Group:** We have entered into and may continue to enter into related party transactions with the Carraro Group, Directors and Key Managerial Personnel. We incurred 33.89% and 34.67% of our total income and 6.70% and 8.63% of our total expenses in transactions with related parties in the six months ended September 30, 2024 and Fiscal 2024, respectively. Such transactions may require significant capital outlay and there can be no assurance that we will be able to make a return on these transactions or investments.
- 4) Industry Risk -** We are dependent on the performance of the tractor and construction vehicle markets, as our agricultural tractors sector and construction vehicles sector constituted 45.05% and 41.29% of our revenue from product sector only for Fiscal 2024, 49.37% and 38.43% of our revenue for Fiscal 2023 and 50.59% and 36.12% of our revenue for Fiscal 2022, respectively. Any adverse changes in the conditions affecting

the tractor or construction vehicles markets can adversely impact our business, financial condition, results of operations, cash flows and prospects.

- 5) Financial Performance Risk -** Our EBITDA margins and PAT margins were lower than the EBITDA margins and PAT margins of our industry peers in the six months ended September 30, 2024 and September 30, 2023 and Fiscals 2024, 2023 and 2022, as disclosed in this Red Herring Prospectus, and we cannot assure you that we will be able to continue to improve our EBITDA margins and PAT margins in comparison to our competitors or at all.
- 6) Seasonality Risk:** The sales of our agricultural tractor products are influenced by the cyclicity and seasonality of demand in the countries in which we operate. According to the Markets and Markets Report, in the Indian agricultural market, tractor demand typically peaks between June and November, which is driven by the arrival of the monsoon, the Kharif crop season, preparations for the upcoming rabi planting season, increased harvesting activities, and improved rural cash flow during this period. The demand for our exported products also depends on the cyclicity and seasonality of agricultural tractors in each country.
- 7) Manufacturing Risk:** We currently manufacture our axles, transmissions and gears at our manufacturing plants in Pune, India. Any disruptions or stoppages at our manufacturing plants could adversely impact our operations, financial condition and results of operations.

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8) Revenue Concentration: We rely on our extensive global customer base of original equipment manufacturers (“OEM”) to whom we sell our products in India and across the world. The following table sets forth the geographical breakdown of our revenue (including revenue from ultimate customers which we sourced through Carraro Drive Tech Italia S.p.A.) for the six months ended September 30, 2024 and 2023 and the past three Fiscals:

	For six months ended September 30,				For Fiscals ended March 31,					
	2024		2023		2024		2023		2022	
	Revenue contribution	% of total revenue	Revenue contribution	% of total revenue	Revenue contribution	% of total revenue	Revenue contribution	% of total revenue	Revenue contribution	% of total revenue
(in ₹ million, except otherwise stated)										
India	5,955.68	65.40%	6,110.48	63.91%	11,412.99	64.13%	10,531.12	61.81%	9,419.47	63.20%
Exports ⁽¹⁾	3,150.68	34.60%	3,450.89	36.09%	6,384.05	35.87%	6,506.37	38.19%	5,483.61	36.80%
– European Union	3,027.09	33.24%	3,350.11	35.04%	6,164.34	34.64%	5,885.77	34.55%	4,907.91	32.93%
– Asia (excluding India)	90.85	1.00%	42.86	0.45%	142.53	0.80%	104.46	0.61%	119.98	0.81%
– Americas	24.48	0.27%	33.27	0.35%	77.00	0.43%	516.14	3.03%	455.72	3.06%
– Rest of the world	8.26	0.09%	24.65	0.26%	0.18	0.00%	0.00	0.00%	0.00	0.00%

Note:

(1) We export directly to some customers in Asia (excluding India) and indirectly to some customers in Asia (excluding India) and customers outside of Asia through Carraro Drive Tech Italia S.p.A.

9) Weighted average cost of acquisition of all shares transacted in the last one year, eighteen months and three years preceding the date of the Red Herring Prospectus:

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in ₹)*
Last one year	10	70.40	10-10
Last eighteen months	10	70.40	10-10
Last three years	10	70.40	10

* As certified by J.C. Bhalla & Co., Chartered Accountants, by way of their certificate dated December 16, 2024.

10) The book running lead managers (“BRLMs”) have handled 61 public offers in the past three Financial Years, out of which 16 offers have closed below the offer price on the listing date:

Name of BRLM	Total Public Issues	Issues Closed below Offer Price
Axis Capital Limited	40	11
BNP Paribas	2	NIL
Nuvama Wealth Management Limited	14	5
Common Issues by BRLM	5	0
Total	61	16

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE : THURSDAY, DECEMBER 19, 2024*

BID/OFFER OPENS ON FRIDAY, DECEMBER 20, 2024

BID/OFFER CLOSES ON[†] TUESDAY, DECEMBER 24, 2024

* Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI/ICDR Regulations.
[†] UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 68.80 times the face value at the lower end of the Price Band and 70.40 times the face value at the higher end of the Price Band. Investors should refer to “Risk Factors”, “Our Business”, “Restated Consolidated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 25, 195, 279 and 350 of the RHP, respectively, to have an informed view before making an investment decision.

I. Qualitative Factors

Some of the qualitative factors about our Company which form the basis for computing the Offer Price are set forth below:

- One of the leading tier 1 suppliers of transmissions 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.
- Customer-centric, one-stop shop offering customized solutions to a longstanding OEM customer base.
- Longstanding relationships with marquee local and international supplier base.
- Strong, in-house R&D capabilities with proprietary IP rights to facilitate innovation of future-ready products.
- Technologically advanced manufacturing plants with large production capacities.
- Stable and experienced senior management team with strong industry knowledge and proven track record of growing the business and achieving margin optimization.

For further details, see “Our Business–Strengths” on page 200 of the RHP.

II. Quantitative Factors

Certain information presented below relating to us is based on the on the Restated Consolidated Financial Information. For details, see “Restated Consolidated Financial Information” beginning on page 279 of the RHP.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

A. Basic and Diluted Earnings Per Equity Share (“EPS”):

Financial Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2024	11.00	11.00	3
March 31, 2023	8.52	8.52	2
March 31, 2022	3.94	3.94	1
Weighted Average	9.00	9.00	
* September 30, 2024*	8.75	8.75	-
* September 30, 2023*	4.39	4.39	-

* Not annualised

Notes:
 1. Basic EPS is calculated as restated profit after tax divided by the weighted average number of Equity Shares outstanding during the year.
 2. Diluted EPS is calculated as restated profit after tax divided by the weighted average number of Equity Shares outstanding during the year.

3. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/period of weights.

4. Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI/ICDR Regulations.

B. Price/Earning (“P/E”) ratio in relation to the Price Band of ₹68 to ₹704 per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2024	60.72	64.00
Based on diluted EPS for Fiscal 2024	60.72	64.00

C. Industry Peer Group P/E ratio

Particulars	P/E Ratio
Highest	76.93
Lowest	42.82
Average	59.80

Notes:

1. The industry high and low has been considered from the industry peer set. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

2. The industry P/E ratio mentioned above is for the financial year ended March 31, 2024 and closing market price of equity shares on BSE for peers as of July 31, 2024.

D. Return on Net Worth (“RoNW”)

Financial Year ended	RoNW (%)	Weight
March 31, 2024	16.92	3
March 31, 2023	14.36	2
March 31, 2022	7.67	1
Weighted Average	14.52	
* September 30, 2024*	11.96	-
* September 30, 2023*	6.87	-

* Not annualised

Notes:
 1. Return on Net Worth (in %) is calculated as profit after tax for the year/period divided by the Net Worth at the end of the respective year/period.

E. Net Asset Value (“NAV”) per Equity Share

Particulars	Amount (₹)
As on March 31, 2024	85.08
As on September 30, 2024*	73.78
After the completion of the Offer	
- At the Floor Price	73.78
- At the Cap Price	73.78
Other Price	•

* Not annualised

Notes:

1. Net Asset Value per Equity Share represents total equity attributable to the owners of the Company/Weighted average number of ordinary shares (number).

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor.

F. Comparison of accounting ratios with listed industry peers

The companies referred to in the below table are involved in (i) supplying critical system solutions; (ii) OEMs manufacturing agricultural tractors and/or construction vehicles; and (iii) forging and machining components. Their manufacturing operations (i) are capital intensive; (ii) involve high precision manufacturing; and (iii) involve high level of technological complexities to manufacture their respective end-products similar to those of our Company.

Name of the company	Face Value (₹)	Price to Earning	EPS (Basic) (₹)	EPS (Diluted) (₹)	Return on Net Worth (%)	NAV per share (₹)	Market Price* (₹)
Company	10	-	11.00	11.00	16.92%	65.05	NA
Listed peers							
Escorts Kubota Limited	10	43.21	96.80	96.64	11.43%	830.45	4,175.75
Schaeffler India Limited	2	74.22	57.5	57.5	18.71%	307.44	4,267.75
Sona BLW Precision Forgings Limited	10	76.93	8.83	8.83	18.49%	47.75	679.30
Ramkrishna Forgings Limited	2	42.82	20.27	20.09	12.72%	148.48	680.35
Happy Forgings Limited	2	47.08	26.76	26.76	15.07%	171.17	1,259.40
Action Construction Equipment Limited	10	50.56	27.56	27.56	26.69%	307.44	1,393.35

* As of July 31, 2024

Notes:

1. Financial information of our Company has been derived from the Restated Consolidated Financial Information as of or for the financial year ended March 31, 2024.

2. All the financial information for listed industry peers is on a consolidated basis and is sourced from the financial information of such listed industry peer available on the website of the stock exchanges, as of and for year ended March 31, 2024, except Schaeffler India Ltd as of and for year ended December 31, 2023.

3. P/E Ratio for the listed industry peer has been computed based on the closing market price of equity shares, on BSE for peers, as of July 31, 2024, divided by the diluted EPS for the respective year end.

4. Return on Net Worth (in %) is calculated as profit after tax for the year divided by the Net Worth at the end of the respective year.

5. Net Asset Value per Equity Share represents Net Worth as at the end of the year divided by number of Equity Shares outstanding at the end of the year.

Background of our listed industry peers

For a detailed profile of the industry peers, please see “Industry Overview – Key Competitors” on page 181 of the RHP.

G. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyze our business performance, which in result, help us in analyzing the growth of business in comparison to our peers. Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price. The Bidders can refer to the below-mentioned KPIs to make an assessment of our Company’s performance in various business verticals and make an informed decision. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated December 5, 2024. The members of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years prior to the date of filing of the Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by J.C. Bhalla & Co., Chartered Accountants, by their certificate dated December 16, 2024. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 1. For details of our other operating metrics disclosed elsewhere in the Red Herring Prospectus, see “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on pages 195 and 350, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of Directors of our Company), for a period of one year after the date of listing of the Equity Shares on the Stock Exchanges, or for such other duration as required under the SEBI/ICDR Regulations.

The list of our KPIs along with brief explanation are the relevance of the KPI for our business operations are set forth below.

Details of our KPIs as of and for the six months ended September 30, 2024 and September 30, 2023 and Financial Years ended March 31, 2024, March 31, 2023, and

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March 31, 2022, is set out below:					
KPIs	Six months ended September 30, 2024	Six months ended September 30, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Financial metrics					
Revenue from Operations	9,146.19	9,610.27	17,689.65	17,131.45	14,915.43
Revenue growth (yoy)	14.83%	NA	4.42%	14.40%	18.00%
EBIT	788.11	450.96	1,068.57	853.75	469.58
EBIT Margin (%)	8.54%	4.64%	5.91%	4.93%	3.09%
EBITDA	1,670.48	961.45	1,468.35	1,248.31	1,036.31
EBITDA Margin (%)	10.96%	6.81%	8.30%	7.20%	5.45%
PAT	487.34	249.37	625.83	464.59	224.26
PAT Margin (%)	5.44%	2.59%	3.50%	2.69%	1.50%
ROCE (%)	12.60%	7.12%	17.89%	15.39%	7.93%
ROCE (%)	13.31%	13.31%	16.30%	16.30%	10.00%
Net Financial Position (Net Debt)	(1,656.88)	(1,670.18)	(1,359.94)	(1,105.08)	(1,122.35)
Net Debt/EBITDA	(1.05)	(1.73)	(0.91)	(0.89)	(1.05)
Net Working Capital	2,175.63	1,512.95	1,389.61	1,611.48	837.91
Operating Working Capital	1,900.74	2,111.53	1,636.70	1,305.98	650.21
Revenue by geographical split (%)					
Domestic	65.01%	65.91%	64.13%	61.81%	63.20%
Exports	34.99%	34.09%	35.87%	38.19%	36.80%
Revenues split by end market (%)					
Agricultural Equipment	47.08%	45.08%	46.05%	48.39%	50.99%
Construction Equipment	38.61%	41.93%	41.29%	38.43%	36.12%
Others	13.31%	13.00%	13.66%	12.20%	13.82%

- Notes:**
- EBIT is calculated as restated profit for the year plus tax expense, interest income and finance cost.
 - EBITDA represents the restated profit before tax for the year plus finance cost, depreciation and amortization expenses.
 - EBITDA Margin represents EBITDA as a percentage of total income.
 - PAT Margin is calculated as PAT as a percentage of revenue from operations.
 - Return on Equity (in %) is calculated as profit after tax for the year divided by average equity.
 - ROCE (in %) is calculated as EBIT divided by capital employed.
 - Net Financial Position (Net Debt) is calculated as (i) the sum of other financial assets and cash and cash equivalents, minus (ii) the sum of current and non-current borrowings, current and non-current lease liabilities and other financial liabilities.
 - Net Debt/EBITDA is calculated as Net Debt divided by EBITDA.
 - Net Working Capital is calculated as current assets minus current liabilities.
 - Operating Working Capital is calculated as trade receivables plus inventory minus trade payables.

Brief explanations of the relevance of the KPIs for our business operations are set forth below:

Key Metrics	Significance of the KPIs
Revenue from Operations	Revenue from Operations is used to track the revenue profile of our business and in turn helps to assess the financial performance of the Company and its subsidiaries.
Revenue growth (yoy)	Revenue from Operations growth provides information regarding the growth of our business for the respective period.
EBIT	EBIT provides insights into the Company's operational profitability before the Finance Cost and Taxation.
EBIT Margin (%)	EBIT Margin is an indicator of the operational efficiency of our business calculated as EBIT as a percentage of total income.
EBITDA	EBITDA provides insights into the Company's operational profitability before the Finance Cost, taxation, Depreciation and amortization expenses.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational efficiency of our business calculated as EBITDA as a percentage of total income.
PAT	Profit after tax takes into account the taxes paid by the company on its pre-tax earnings and is a crucial metric for assessing financial performance.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability of the Company.
ROCE (%)	Return on equity provides how efficiently our Company generates profits from shareholders' funds.
ROCE (%)	Return on capital employed provides how efficiently our Company generates earnings from the capital employed in the business.
Net Financial Position	This is the measure of net debt position of our company.
Net Debt/EBITDA	Net Debt to EBITDA is a measure of the extent to which our Company can cover our debt and represents our debt position in comparison to our profitability. It helps evaluate our financial leverage.
Net Working Capital	This is the measure of funds used to fund operations and meet short-term obligations.
Operating Working Capital	This is a more specific measure focusing on the working capital tied directly to our core business operations.
Revenue by geographical split (%)	This metric enables the company to track our geographic diversification.
Revenues split by end market (%)	This metric enables the company to track the diversification of revenues in its key focus end-use segments.

H. Comparison of our KPIs with listed industry peers for the six months ended September 30, 2024 and September 30, 2023 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 included in the Restated Consolidated Financial Information.

KPIs	Company	Escorts Kubota Limited	Schaeffler India Limited	Sona BLW Precision Forgings Limited	Ramakrishna Forgings Limited	Happy Forgings Limited	Action Construction Equipment Limited
Revenue from Operations	9,146.19	53,068.80	38,799.70	18,133.63	20,131.11	7,025.98	14,959.50
Revenue growth (yoy)	14.83%	10.01%	12.88%	13.33%	14.93%	14.41%	12.44%
EBIT	788.11	7,257.50	6,319.00	3,958.34	3,245.78	1,859.89	2,551.10
EBIT Margin (%)	8.54%	13.13%	16.86%	21.66%	16.03%	26.71%	16.43%
EBITDA	1,670.48	3,250.20	7,620.00	5,293.51	4,473.20	2,238.57	2,889.50
EBITDA Margin (%)	10.96%	15.40%	18.88%	28.33%	22.10%	30.90%	17.32%
PAT	487.34	6,259.00	NA	2,852.88	1,871.93	1,351.69	1,790.00
PAT Margin (%)	5.44%	11.82%	12.27%	15.57%	9.33%	19.10%	12.01%
ROCE (%)	12.60%	6.58%	NA	7.24%	6.65%	8.13%	13.68%
ROCE (%)	13.31%	7.34%	NA	8.26%	7.14%	8.98%	16.90%
Net Financial Position (Net Debt)	(1,656.88)	6,524.00	NA	15,191.42	(14,974.07)	1,346.99	(840.00)
Net Debt/EBITDA	(1.05)	1.77	NA	3.65	(3.34)	0.60	0.29
Net Working Capital	2,175.63	46,890.00	NA	31,519.67	7,203.07	5,502.26	3,032.00
Operating Working Capital	1,900.74	16,455.90	NA	6,606.83	12,475.13	2,804.54	1,261.50
Market Price	NA	3,260.00	743.35	743.35	1,007.95	1,007.95	688.90
Market Cap	NA	47,606.13	610,920.71	461,809.97	182,213.35	111,783.51	165,216.03
Revenue by geographical split (%)	65.01%	NA	NA	NA	NA	NA	NA
Domestic	65.01%	NA	NA	NA	NA	NA	NA
Exports	34.99%	NA	NA	NA	NA	NA	NA
Revenues split by end market (%)	47.08%	NA	NA	NA	NA	NA	NA
Agricultural Equipment	47.08%	NA	NA	NA	NA	NA	NA
Construction Equipment	38.61%	NA	NA	NA	NA	NA	NA
Others	13.31%	NA	NA	NA	NA	NA	NA

- Notes:**
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 - All the financial information for listed industry peers is on a consolidated basis and is sourced from the financial information of such listed industry peer available on the website of the stock exchanges, as of and for the six months ended September 30, 2024, except Schaeffler India Ltd as of and for the six months ended June 30, 2024.
 - EBIT is calculated as restated profit for the year plus tax expense, interest income and finance cost.
 - EBIT Margin is calculated as EBIT as a percentage of total income.
 - EBITDA represents the restated profit before tax for the year plus finance cost, depreciation and amortization expenses.
 - EBITDA Margin represents EBITDA as a percentage of total income.
 - PAT Margin is calculated as PAT as a percentage of revenue from operations.
 - Return on Equity (in %) is calculated as profit after tax for the year divided by average equity.
 - ROCE (in %) is calculated as EBIT divided by capital employed.
 - Net Financial Position (Net Debt) is calculated as (i) the sum of other financial assets and cash and cash equivalents, minus (ii) the sum of current and non-current borrowings, current and non-current lease liabilities and other financial liabilities.
 - Net Debt/EBITDA is calculated as Net Debt divided by EBITDA.
 - Net Working Capital is calculated as current assets minus current liabilities.
 - Operating Working Capital is calculated as trade receivables plus inventory minus trade payables.

KPIs	Company	Escorts Kubota Limited	Schaeffler India Limited	Sona BLW Precision Forgings Limited	Ramakrishna Forgings Limited	Happy Forgings Limited	Action Construction Equipment Limited
Revenue from Operations	9,610.27	53,074.00	35,229.00	19,168.49	19,738.27	6,545.00	13,440.00
Revenue growth (yoy)	NA	35.29%	3.23%	22.77%	27.97%	12.19%	33.89%
EBIT	450.96	7,021.00	6,138.00	3,249.84	2,883.53	1,663.94	1,934.00
EBIT Margin (%)	4.64%	12.78%	16.00%	21.18%	15.32%	24.62%	14.24%
EBITDA	961.45	15,141.00	7,202.00	4,244.54	4,063.32	1,980.47	2,640.49
EBITDA Margin (%)	6.81%	14.83%	19.10%	27.99%	21.59%	29.31%	15.02%
PAT	249.37	5,081.20	4,567.00	2,360.97	1,607.24	1,192.99	1,415.10
PAT Margin (%)	2.59%	9.57%	12.54%	15.48%	9.88%	17.00%	10.68%
ROCE (%)	7.12%	6.04%	10.56%	9.87%	11.21%	11.41%	14.39%
ROCE (%)	8.14%	8.00%	13.97%	13.69%	9.05%	12.00%	17.32%
Net Financial Position (Net Debt)	(1,670.18)	4,694.00	10,578.00	(3,044.92)	(15,784.00)	(2,405.49)	320.30
Net Debt/EBITDA	(1.73)	0.58	0.74	(0.58)	(3.88)	(1.21)	0.16
Net Working Capital	1,512.95	35,647.00	NA	6,359.11	2,763.46	2,444.62	2,919.10
Operating Working Capital	211.53	10,676.00	NA	7,029.94	9,533.13	4,886.61	1,376.50
Market Price	NA	3,164.00	334.00	943.20	643.40	688.90	688.90
Market Cap	NA	351,828.46	517,982.55	341,414.37	106,832.57	NA	82,036.41
Revenue by geographical split (%)	63.91%	NA	NA	NA	NA	NA	NA
Domestic	63.91%	NA	NA	NA	NA	NA	NA
Exports	36.09%	NA	NA	NA	NA	NA	NA
Revenues split by end market (%)	45.08%	NA	NA	NA	NA	NA	NA
Agricultural Equipment	45.08%	NA	NA	NA	NA	NA	NA
Construction Equipment	41.93%	NA	NA	NA	NA	NA	NA
Others	13.00%	NA	NA	NA	NA	NA	NA

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 - Net Debt/EBITDA is calculated as Net Debt divided by EBITDA.
 - Net Working Capital is calculated as current assets minus current liabilities.
 - Operating Working Capital is calculated as trade receivables plus inventory minus trade payables.

KPIs	Company	Escorts Kubota Limited	Schaeffler India Limited	Sona BLW Precision Forgings Limited	Ramakrishna Forgings Limited	Happy Forgings Limited	Action Construction Equipment Limited
Revenue from Operations	17,889.65	88,496.20	72,509.10	31,847.75	36,545.63	13,982.36	25,138.00
Revenue growth (yoy)	4.43%	4.99%	5.58%	19.95%	23.87%	13.51%	34.92%
EBIT	1,068.57	14,147.40	12,180.40	6,971.04	6,108.99	3,367.64	4,571.10
EBIT Margin (%)	5.91%	15.93%	16.65%	21.88%	24.51%	24.10%	30.20%
EBITDA	1,499.95	15,816.40	14,470.50	9,173.29	8,682.69	4,008.92	4,803.50
EBITDA Margin (%)	8.30%	17.10%	19.54%	28.99%	21.79%	29.23%	16.06%
PAT	625.83	10,490.80	8,960.20	5,177.76	3,414.35	2,429.84	3,262.00
PAT Margin (%)	3.50%	11.82%	12.40%	16.26%	8.63%	17.89%	11.26%
ROCE (%)	17.69%	12.08%	19.78%	20.86%	17.05%	18.69%	30.51%
ROCE (%)	19.35%	15.36%	25.63%	28.20%	15.93%	18.87%	36.92%
Net Financial Position (Net Debt)	(1,359.94)	15,307.30	15,307.30	(2,798.57)	(10,860.71)	1,920.00	982.00
Net Debt/EBITDA	(0.91)	0.54	0.84	(0.31)	(1.24)	0.41	0.20
Net Working Capital	1,389.61	39,956.60	27,010.70	7,429.95	8,205.56	4,999.11	3,482.00
Operating Working Capital	1,636.70	15,186.00	13,166.00	6,976.49	8,334.77	5,255.46	2,937.60
Market Price	NA	2,778.00	2,912.00	705.55	887.05	888.15	1,426.05
Market Cap	NA	307,030.47	439,572.81	413,768.23	124,925.38	83,668.07	169,818.90
Revenue by geographical split (%)	64.13%	95.00%	86.79%	82.00%	NA	80.00%	94.50%
Domestic	64.13%	95.00%	86.79%	82.00%	NA	80.00%	94.50%
Exports	35.87%	5.00%	13.21%	18.00%	NA	20.00%	5.50%
Revenues split by end market (%)	45.08%	NA	NA	NA	NA	NA	NA
Agricultural Equipment	45.08%	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

- Notes:**
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 - EBIT is calculated as restated profit for the year plus tax expense, interest income and finance cost.
 - EBIT Margin is calculated as EBIT as a percentage of total income.
 - EBITDA represents the restated profit before tax for the year plus finance cost, depreciation and amortization expenses.
 - EBITDA Margin represents EBITDA as a percentage of total income.
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 - Return on Equity (in %) is calculated as profit after tax for the year divided by average equity.
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 - Net Working Capital is calculated as current assets minus current liabilities.
 - Operating Working Capital is calculated as trade receivables plus inventory minus trade payables.

Financial year ended March 31, 2023							
KPIs	Company	Escorts Kubota Limited	Schaeffler India Limited	Sona BLW Precision Forgings Limited	Ramakrishna Forgings Limited	Happy Forgings Limited	Action Construction Equipment Limited
Revenue from Operations	16,951.17	84,286.90	68,674.20	28,550.10	31,925.95	11,955.29	21,556.80
Revenue growth (yoy)	14.41%	15.74%	23.50%	24.61%	37.61%	39.12%	32.53%
EBIT	853.75	8,478.60	11,805.90	5,860.32	4,946.36	2,925.02	2,440.40
EBIT Margin (%)	4.93%	9.73%	17.00%	19.58%	15.47%	24.33%	11.09%
EBITDA	1,248.11	9,979.20	13,870.50	7,040.36	6,962.76	3,466.85	2,820.40
EBITDA Margin (%)	7.20%	11.46%	19.97%	26.20%	21.78%	28.84%	11.91%
PAT	484.59	6,366.50	6,792.10	3,952.97	2,481.08	2,086.99	1,729.90
PAT Margin (%)	2.83%	7.55%	12.80%	14.69%	7.77%	17.44%	8.01%
ROCE (%)	15.39%	8.07%	22.15%	18.43%	20.67%	23.50%	20.69%
ROCE (%)	16.30%	10.30%	27.43%	23.87%	17.86%	23.81%	26.98%
Net Financial Position (Net Debt)	(1,105.08)	2,989.20	15,005.90	(2,946.42)	(13,196.34)	(2,119.32)	749.83
Net Debt/EBITDA	(0.89)	0.30	1.08	(0.42)	(1.90)	(0.61)	0.29
Net Working Capital	1,611.48	31,685.40	25,753.90	7,514.51	3,801.88	2,326.92	2,486.12
Operational Working Capital	1,305.98	11,365.50	11,640.50	6,628.59	8,906.19	4,299.22	869.54
Market Price	NA	1,891.90	2,873.90	NA	NA	NA	407.05
Market Cap	NA	249,618.43	449,201.12	241,659.90	45,768.38	NA	48,472.81
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	36.43%	NA	NA	NA	NA	NA	NA
Others	14.20%	NA	NA	NA	NA	NA	NA

