

SANSERA ENGINEERING LIMITED

Issue highlights

- ❑ **Sansera Engineering Limited ("Sansera")** was incorporated on December 15, 1981. Sansera is an engineering-led integrated manufacturer of complex and critical precision engineered components across automotive and non-automotive sectors.
- ❑ Within the automotive sector, they manufacture and supply a wide range of precision forged and machined components and assemblies, which are critical for engine, transmission, suspension, braking, chassis and other systems for the 2-wheeler, passenger vehicle and commercial vehicle verticals.
- ❑ Within the non-automotive sector, they manufacture and supply a wide range of precision components for the aerospace, off-road, agriculture and other segments, including engineering and capital goods.
- ❑ For Fiscal 2021, they derived 88.45%, and 11.55% of their revenue from sale of products from the automotive sector and non-automotive sectors, respectively.
- ❑ In the 2-wheeler vertical, they have relationships spanning over 20 years with **Honda Motorcycle and Scooter India Pvt Ltd** ("HMSI"), 25 fiscal years with **Bajaj** and over 20 years with **Yamaha**, the second, third and fifth largest 2-wheeler Indian OEMs in terms of domestic production volume for Fiscal 2021, respectively.
- ❑ Sansera is one of the top 10 global suppliers of connecting rods within the Light Vehicle segment ("**Light Vehicle**") and one of the top 10 global suppliers of connecting rods within the Commercial Vehicle ("**CV**") segment for CY 2020.
- ❑ In the passenger vehicle vertical, they have relationships spanning more than 30 years with **Maruti Suzuki**, over 10 years with **Stellantis N.V.** (formerly Fiat Chrysler Automobiles), a leading European passenger vehicle OEM and over 10 years with one of the leading North American passenger vehicle OEM.
- ❑ As of July 31, 2021, they had 16 manufacturing facilities, of which 15 are in India and 1 facility in Sweden.

Brief Financial Details*

(₹ In Cr)

	As at Mar' 31,		
	2021	2020	2019
Equity Share Capital	9.39	9.39	9.39
Instruments entirely equity in nature	10.50	10.50	10.50
Reserves #	857.54	747.47	664.68
Net worth as stated	877.43	767.36	684.57
Revenue from Operations	1,549.27	1,457.17	1,624.43
Revenue Growth (%)	6.74%	(10.22)%	-
EBITDA as stated	295.21	240.67	291.99
EBITDA (%) as stated	18.78%	16.34%	17.80%
Profit Before Tax	146.15	88.68	164.95
Net Profit for the year	109.86	79.91	98.06
Net Profit (%) as stated	6.99%	5.42%	5.98%
EPS - Basic (₹)	21.02	15.63	18.73
EPS - Diluted (₹)	20.55	15.28	18.31
RONW (%)	12.31%	10.47%	14.05%
NAV - Basic (₹)	170.78	149.36	133.24
NAV - Diluted (₹)	166.96	146.02	130.27

Source: RHP, *Restated Consolidated, # Reserve less Capital Reserve, EBITDA% and Net Profit % on Total Income, EPS and NAV calculated on increased share capital.

Issue Details

Offer for sale of upto 17,244,328 Equity Shares

Issue size: ₹ 1,265 – 1,283 Cr

No. of shares: 17,244,328 Equity Shares

Face value: ₹ 2

Employee Reservation: Equity shares aggregating upto ₹ 9 Cr

Price band: ₹ 734 – 744

Bid Lot: 20 Shares and in multiple thereof

Employee Discount: ₹ 36/- Per share

Post Issue Implied Market Cap:

₹ 3,771 – 3,823 Cr

BRLMs: ICICI Securities, IIFL Securities, Nomura Financial

Registrar: Link Intime India Pvt. Ltd.

Issue opens on: Tuesday, 14th Sept'2021

Issue closes on: Thursday, 16th Sept'2021

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	21-09-2021
Refunds/Unblocking ASBA Fund	22-09-2021
Credit of equity shares to DP A/c	23-09-2021
Trading commences	24-09-2021

Issue break-up

	No. of Shares (Approx)	₹ In Cr	% of Issue
QIB	8,557,693 – 8,558,604	628.13-636.76	50%
NIB	2,567,309 – 2,567,582	188.44-191.03	15%
Ret	5,990,387 – 5,991,024	439.69-445.73	35%
Emp	128,939 – 127,118	9.00 - 9.00	-
Total	17,244,328-17,244,328	1,265.27-1,282.52	100%

Listing : BSE & NSE

Shareholding (No. of Shares)

	Pre-Offer and Post-Offer Equity Shares
No of shares*	51,377,850

No. of Equity Shares outstanding prior to exercise of vested employee stock options

Shareholding (%)*

	Pre-Issue	Post-Issue
Promoters	42.51%	35.16%
Promoter Group	1.40%	1.40%
Public	56.09%	63.44%
Total	100.00%	100.00%

* Based on no. of Equity Shares outstanding prior to exercise of vested employee stock options

BACKGROUND

Company and Directors

The company was incorporated as 'Sansera Engineering Private Limited' on December 15, 1981 at Bengaluru, Karnataka. Subramonia Sekhar Vasan, Fatheraj Singhvi, Unni Rajagopal Kothanath and Devappa Devaraj are the Promoters of the company. Currently, the Promoters hold an aggregate of 21,839,200 Equity Shares, comprising 40.64%* of the pre-Offer issued, subscribed and paid-up Equity Share capital.

(*The percentage has been calculated assuming dilution exercise of vested employee stock options. The paid-up Equity Share capital of the Company post exercise of vested employee stock options shall comprise of 53,739,900 Equity Shares).

Brief Biographies of Directors

Subramonia Sekhar Vasan is the Chairman and Managing Director of the company. He has been a Director of the company since incorporation. He has over 39 years of professional experience.

Fatheraj Singhvi is the Joint Managing Director of the company. He is currently the chairman of Pillar 3 of ACMA overseeing the activities of ACT, ASDC, HR, YBLF. He has over 39 years of professional experience.

Raunak Gupta is the Non-Executive, Nominee Director of the company. He is currently employed with TRG Advisors India Pvt Ltd as a director.

Muthuswami Lakshminarayan is the Non-Executive, Independent Director of the company. He spent over 21 years at Bosch Ltd and over 7 years at Harman International (India) Pvt Ltd.

Revathy Ashok is the Non-Executive, Independent Director of the company. She has previously worked at Tishman Speyer India Pvt Ltd and was the chief financial officer of Syntel Inc.

Sylvain Bilaine is the Non-Executive, Independent Director of the company. He has previously worked at Renault for 26 years.

Key Managerial Personnel

B R Preetham is the Group Chief Executive Officer of the company and has been associated with the company since September 28, 1992. He has over 28 years of experience.

Vikas Goel is the Chief Financial Officer of the company. He has been associated with the company since July, 2019.

Praveen Chauhan is the Vice President (Group) of the company and has been associated with the company since August 1, 2004. He has over 35 years of experience in the field of engineering.

Satish Kumar is the Associate Vice President of the company and has been associated with the company since September 27, 2004. He has over 26 years of work experience in various fields.

P R Suresh is the Associate Vice President of the company and has been associated with the company since March 1, 1992. He has over 28 years of experience in the fields of quality systems management.

Vidyadhar Janginamath is the Associate Vice President of the company and has been associated with the company since April 20, 2007. He has over 28 years of experience in the field of product engineering and development.

Rakesh S B is the Associate Vice President – Aerospace Division of the company and has been associated with the company since February 20, 2015. He has over 19 years of work experience in various fields including sales, marketing and aerospace engineering.

Rajesh Kumar Modi is the Company Secretary and Compliance Officer of the company and has been associated with the company since December 14, 2018. He has over 19 years of experience in the legal and secretarial field.

Awards, accreditations and recognitions received by the company:

Year	Award
2021	<ul style="list-style-type: none"> Awarded the Supplier Quality Excellence Award from General Motors for Outstanding 2020 performance to General Motors Awarded the Zero Defects Supplies Award from Toyota Industries Engine India Private Limited for 2020 Awarded the Best Quality Supplier Award (Auto) from Toyota Industries Engine India Private Limited for 2020

Year	Award
2020	<ul style="list-style-type: none"> Awarded the Silver Boeing Performance Excellence Award for 2019 from the Boeing Company Awarded the IGBC Green Factory Building Platinum Certification Award to Plant 11 From Confederation of Indian Industry (CII)

OFFER DETAILS

* Offer for sale by:	Upto 17,244,328 Equity Shares
Subramonia Sekhar Vasan - Promoter Selling Shareholder	Up to 2,058,069 Equity Shares
Unni Rajagopal K - Promoter Selling Shareholder	Up to 571,376 Equity Share
Fatheraj Singhvi - Promoter Selling Shareholder	Up to 571,376 Equity Share
Devappa Devaraj - Promoter Selling Shareholder	Up to 571,376 Equity Share
Client Ebene Ltd – Investor Selling Shareholder	Up to 8,635,408 Equity Shares
CVCIGP II Employee Ebene Ltd - Investor Selling Shareholder	Up to 4,836,723 Equity Shares

Shareholding Pattern:

Shareholder	Pre-offer		No. of Shares offered	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter & Promoter Group					
Promoters	21,839,200	42.51%	3,772,197	18,067,003	35.16%
Promoter Group	719,175	1.40%		719,175	1.40%
Total for Promoter and Promoter Group	22,558,375	43.91%	3,772,197	18,786,178	36.56%
Public – Selling Shareholders	28,378,675	55.24%	13,472,131	14,906,544	29.01%
Public – Others	440,800	0.86%		17,685,128	34.42%
Total - Public	28,819,475	56.09%	13,472,131	32,591,672	63.44%
Total Equity Share Capital	51,377,850	100.00%	17,244,328	51,377,850	100.00%

Note: The percentage has been calculated prior to dilution exercise of vested employee stock options. The paid-up Equity Share capital of the Company post exercise of vested employee stock options shall comprise of 53,739,900 Equity Shares.

BUSINESS OVERVIEW

Sansera Engineering Limited (“Sansera”) is an engineering-led integrated manufacturer of complex and critical precision engineered components across automotive and non-automotive sectors. Within the automotive sector, they manufacture and supply a wide range of precision forged and machined components and assemblies, such as connecting rod, rocker arm, crankshaft, gear shifter fork, stem comp, and aluminium forged parts, which are critical for engine, transmission, suspension, braking, chassis and other systems for the 2-wheeler, passenger vehicle and commercial vehicle verticals. Within the non-automotive sector, they manufacture and supply a wide range of precision components for the aerospace, off-road, agriculture and other segments, including engineering and capital goods. Sansera supply most of their products directly to OEMs in finished (forged and machined) condition, resulting in significant value addition by them. For Fiscal 2021, they derived 88.45%, and 11.55% of their revenue from sale of products from the automotive sector and non-automotive sectors, respectively. They are a global supplier and for Fiscal 2021 they derived 64.98% of their revenue from sale of products from India and 35.02% of their revenue from sale of products from Europe, USA and other foreign countries combined.

Sansera is one of the top 10 global suppliers of connecting rods within the Light Vehicle segment (passenger vehicles with gross vehicle weight of 3.5 tonnes or less, “**Light Vehicle**”) and one of the top 10 global suppliers of connecting rods within the Commercial Vehicle (“**CV**”) segment for CY 2020. They have been gaining market share in connecting rods in terms of production volume (units) for (i) Light Vehicles with a global market share of 2.3% in CY 2020 compared to a global market share of 0.9% in CY 2015 and (ii) CVs with a global market share of 3% in CY 2020 compared to a global market share of 0.9% in CY 2015.

Within India, Sansera is one of the leading manufacturers of:

- Connecting rods, crankshafts, rocker arms and gear shifter forks for 2-wheelers and
- Connecting rods and rocker arms for passenger vehicles.

Specifically, they are the largest supplier of connecting rods, rocker arms and gear shifter forks to 2-wheeler OEMs in India. They are the largest supplier of connecting rods and rocker arms to passenger vehicle OEMs in India.

Sansera is a technology-driven company with a strong focus on design, engineering, machine building and automation capabilities. These capabilities enable them to roll out new products in a timely manner and develop higher strength components required for high-end performance and graduate from manufacturing individual parts to the designing and manufacturing of sub-assemblies, thereby moving them up the value chain. They possess extensive machine building capabilities, with several complex special purpose machines being manufactured in-house. As of July 31, 2021, they had built over 900 computer numerical control special purpose machines, which are deployed across their manufacturing facilities. Most of the machines they build are modular by design and can be refurbished for other applications in case of a reduction in demand or a phasing out of the product for which the machine was originally built, thereby reducing the capital expenditure requirements and de-risking their business model. Their automation division, which works concurrently with their machine design, and machine building divisions, has implemented multiple automation projects intended to increase their productivity and control labour costs. As of July 31, 2021, a team of 201 personnel supported their design, engineering, machine building, automation and technical support functions.

Company's engineering capabilities, evolved over decades, have enabled them to consistently offer quality, complex, precision components and assemblies, allowing them to diversify their business beyond the automotive sector into various other sectors, including aerospace, off-road and agriculture. Sansera sold components across 69 product families during Fiscal 2021 as compared to 51 during Fiscal 2019.

Their recently developed products include:

- Suspension, rotor and aluminium forged components for internal combustion engines ("ICE") and electric 2-wheelers ("e-2W"),
- Steering system components and drive train parts for ICE and hybrid passenger vehicles,
- Cabin tilt system components and braking system parts for CVs,
- Suspension components for off-road vehicles,
- Common rail systems for agriculture, and
- Components for industrial engines within other non-automotive sectors.

In addition, since April 1, 2021, Sansera has developed:

- Suspension and drive train components for electric 2-wheelers,
- Braking system components for passenger vehicles,
- Machined engine casings for aerospace, and
- Components for power transmission within non-automotive applications.

They also have an active pipeline of products under development, including components for the defence sector and the bicycle segment.

Within India, their customers include 9 out of the top 10; 2-wheeler OEMs and the leading passenger vehicle OEM based on production volume for Fiscal 2021. Globally, their customers include 6 out of top 10 global Light Vehicle OEMs and 3 of the top 10 global MHCV OEMs based on production volumes for CY 2020. Owing to the critical applications of their products and stringent quality requirements, it is difficult for new players to become qualified or replace them in supplying the precision components they provide. This is corroborated by their status as a single source supplier in certain product categories for some of their key customers and by their long-standing relationships with several well-known Indian and global OEMs. In the 2-wheeler vertical, they have relationships spanning over 20 years with Honda Motorcycle and Scooter India Pvt Ltd ("HMSI"), 25 fiscal years with Bajaj and over 20 years with Yamaha, the second, third and fifth largest 2-wheeler Indian OEMs in terms of domestic production volume for Fiscal 2021, respectively.

In the passenger vehicle vertical, they have relationships spanning more than 30 years with **Maruti Suzuki**, the leading Indian passenger vehicle OEM in terms of domestic production volume for Fiscal 2021, over 10 years with **Stellantis N.V.** (formerly Fiat Chrysler Automobiles), a leading European passenger vehicle OEM and over 10 years with one of the leading North American passenger vehicle OEM. They were suppliers to 71 customers during Fiscal 2021 as compared to 64 during Fiscal 2019, which helped to decrease their reliance on their top customer, Bajaj. For Fiscals 2021, 2020 and 2019, their top customer, Bajaj, contributed 20.75%, 22.08% and 22.71% of their revenues from sale of products, respectively.

The company was incorporated on December 15, 1981. They commenced commercial production of passenger vehicle components in 1986 for Maruti Suzuki (formerly known as Maruti Udyog Ltd). They then grew by commencing supplies to the 2-wheeler vertical in 1996, to the off-road vehicle vertical in 2009 and to the light commercial vehicle vertical in 2011. They set up a manufacturing facility dedicated to high precision aluminium and titanium machined aerospace components in 2013. **In 2017, Sansera acquired a 100% stake in Sansera Sweden, which established their presence in the heavy commercial vehicle vertical.** Further, they set up their aluminium forging lines in Fiscal 2020 in order to cater to the growing opportunities in the light weighting of vehicles. They are now in the process of setting up a dedicated facility for hybrid and electric components at one of their plants in Bangalore and they expect this facility to be commissioned during Fiscal 2022. They also plan to construct a green-field manufacturing facility in Bangalore dedicated to aerospace and defence and they expect this facility to be commissioned during Fiscal 2023.

Company's performance was driven by an increase in revenue from new customers and/or new products. From the beginning of Fiscal 2019 to the end of Fiscal 2021, they increased the number of their customers by 7 and added 18 new product families. Company's long-term bank facilities are domestically rated by ICRA as [ICRA] AA-/Stable and by India Ratings as Ind AA-/Stable, and their short-term bank facilities were domestically rated by ICRA as [ICRA] A1+ and by India Ratings as Ind A1+.

Disaggregated Revenue Information:

Particulars	Year Ended 31, March,					
	2021		2020		2019	
	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total
Sale of Product	1,456.89	94.04%	1,393.04	95.60%	1,526.98	94.00%
• Connecting rods	577.87		521.34		586.73	
• Crank shaft assembly	250.99		253.13		287.81	
• Gear shifter forks	95.91		100.39		127.76	
• Rocker arms	283.61		289.99		299.93	
• Stem comp	55.05		14.44		0.01	
• Aerospace products	54.79		81.37		67.53	
• Integral crankshaft	14.83		13.94		5.13	
• Others	123.85		118.45		152.09	
Sale of Services	0.23		1.30		12.50	
Other Operating Revenue	92.15	5.95%	62.83	4.31%	84.95	5.23%
• Scrap Sale	56.01		44.17		59.86	
• Tooling Income	25.79		5.49		10.47	
• Export Incentive Benefit	10.35		13.17		14.62	
Total for Revenue from Operations	1,549.27	100.00%	1,457.17	100.00%	1,624.43	100.00%

Geographical spread - Sale of Products and services:

Particulars	Year Ended 31, March,		
	2021	2020	2019
	Revenue (₹ in Cr)	Revenue (₹ in Cr)	Revenue (₹ in Cr)
Sale of Product	1,456.89	1,393.04	1,526.98
• India	946.68	966.48	1053.62
• Europe	364.05	326.62	368.29
• USA	101.26	70.99	90.20
• Other Foreign Countries	44.90	28.95	14.88
Sale of services	0.23	1.30	12.50
• India	0.23	1.30	12.50
Tooling Income	25.79	5.49	10.47
• India	4.73	0.21	2.44
• Europe	10.59	4.23	5.13
• USA	9.01	1.06	2.90
• Other Foreign Countries	1.46	-	-

COMPANY PRODUCTS

Sansera manufactures and supply a wide range of precision forged and machined components with close tolerances (as low as 3 to 10 microns) that are critical for engine, transmission suspension, braking, chassis and other systems for the 2-wheeler, passenger vehicle and commercial vehicle verticals in the automotive sector. They also manufacture and supply a wide range of precision components for non-automotive sectors, such as aerospace, off-road, agriculture and other segments, including engineering and capital goods.

Most of the components that they supply are fully finished. For some of their customers, they may start supplying semi-finished products and eventually progress towards supplying products in fully finished form. For example, they supply fully finished crankshafts to **Yamaha**, having graduated from supplying crankshafts in semi-finished condition. Similarly for **Toyota**, they started supplying multiple components in semi-finished form and now also supply many components in fully finished form. They also currently supply split and integral crankshafts to some of the leading 2W OEMs in semi-finished form.

In order to increase their share of business with customers, they typically enter into a new customer relationship with one or a few product families, seeking to demonstrate the quality and cost efficiency of their products. For example, they supplied three product families to **Royal Enfield** in Fiscal 2014, and in Fiscal 2021, they supplied them six product families. Similarly, they supplied two product families to **TVS Motor** in Fiscal 2019 and in Fiscal 2021, they supplied them seven product families.

The key products that Sansera manufactures for various verticals in the automotive and non-automotive sectors:

Sector/Segment/Vertical	Product families supplied
Automotive	
Two-wheelers	Connecting rod, rocker arm, gear shifter fork, crankshaft assembly, stem comp, integral crankshaft, aluminium forged components
Passenger vehicles	Connecting rod, rocker arm, sprocket, gear shifter forks, yoke universal joint, rocker shaft, hub front axle, end rear axle
Commercial vehicles	Connecting rod, cabin tilt systems, integral crankshaft, bracket, pump barrel
Non-Automotive	
Aerospace	Multiple products for various subsystems such as aerostructure, actuation, equipment housing, cargo, seating and lighting
Off-road	Crankshaft assembly, balancer shaft, connecting rod, gear shifter fork
Agriculture	Camshaft, connecting rod, pump barrel, lever, link
Others	Connecting rod, pump barrel, integral crankshaft

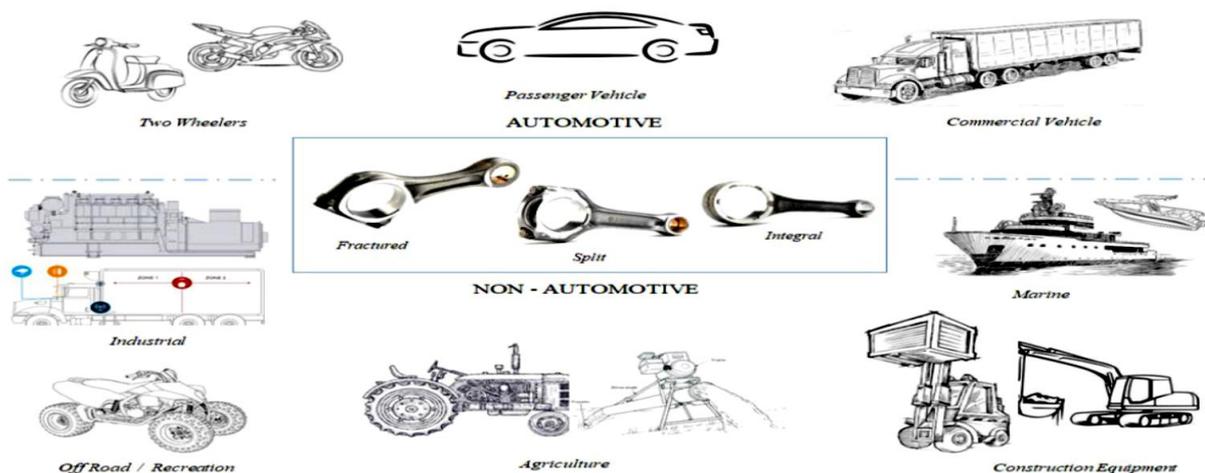
The product range has grown consistently:

	As of March 31, 2021	As of March 31, 2020	As of March 31, 2019
Number of Product Families	69	58	51

The key product families:

Products common for Automotive and Non-Automotive segments

Connecting Rod: A connecting rod is a critical component and converts the reciprocating motion of a piston into the rotary motion of a crankshaft and vice versa. Connecting rods may be integral, split or fractured-split and find usage in multiple automotive and non-automotive applications as depicted below.



Rocker Arm: Rocker arms come in various configurations, such as chrome plated, sintered tip, roller type and DLC-coated. DLC rocker arms find applications in premium 2Ws and high-performance passenger vehicles.

Crankshaft: Crankshafts are available in two configurations, namely integral (single piece) and built-up. Built-up crankshafts are primarily used in single cylinder engines of two-wheelers with less than 300 cc capacity and off-road vehicles.

Integral Crankshaft: Sansera set up an integral (single piece) crankshaft line in 2015, keeping in view the gradual shift towards the premium bikes in the domestic market and a substantial opportunity available in the export market. Further, integral crankshafts also find application in braking systems of CVs as well as in industrial engines.

Gear Shifter Fork: A gear shifter fork is used to slide gears into or out of engagement with other gears to change the gear ratio in a manual transmission. Sansera supply induction hardened, chrome-plated and DLC-coated gear shifter forks for automotive and non-automotive segments.

Automotive Products

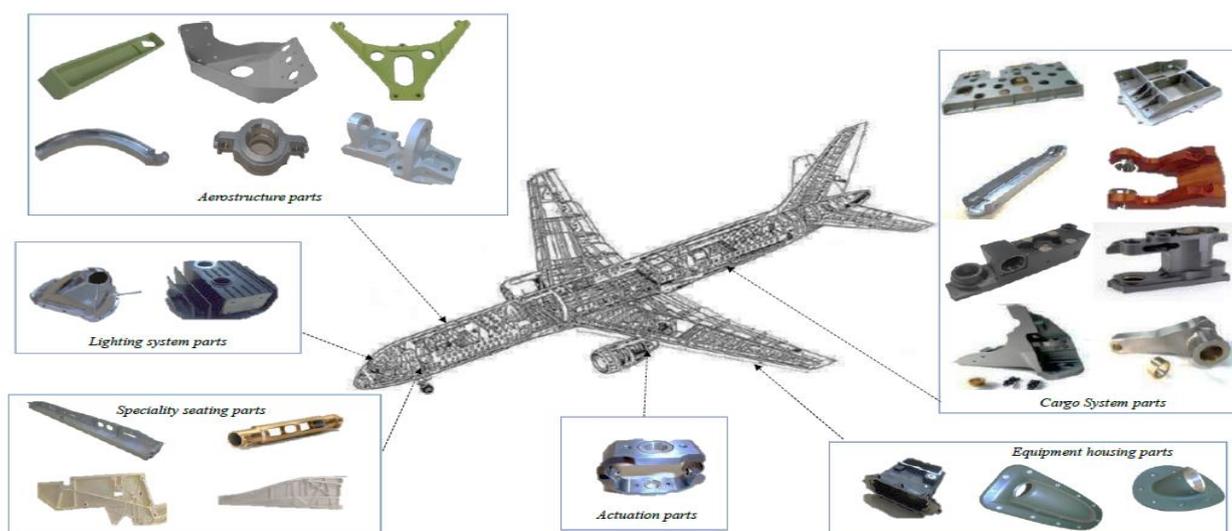
Stem Comp: Stem comp is the intermediate part of the front-fork assembly in a two-wheeler. Sansera received a letter of intent from a leading 2-wheeler OEM for supply of stem comp in Fiscal 2019 and commenced mass production in Fiscal 2020. For Fiscal 2021, their revenue from sales of stem comp was ₹ 55.05 crore, representing 3.78% of their revenue from sale of products.

Aluminium forged components: With the worldwide introduction of stringent emission norms, light weighting of vehicles has become one of the key focus areas, especially in premium vehicles. Company's recently demonstrated capabilities in aluminium forging complement their existing machining capabilities, which make them well-positioned to capitalise on the growing demand and increasing need for lighter, more environmentally friendly components.

They received a letter of intent from a leading 2-wheeler OEM for supply of multiple aluminium forged components for their premium motorcycles in Fiscal 2019. These components have intricate machining requirements given their aesthetic use in premium vehicles. They commenced mass production of these components in Fiscal 2020 after the commissioning of their first aluminium forging press. Their second press was commissioned recently in January 2021 to tap growing opportunities in this segment.

Non-Automotive Products

Components for Aerospace: Sansera supply multiple components within various sub systems of an aircraft such as aerostructure, actuation, equipment housing, cargo, seating and lighting.



Components for Off-road Segment

The key product families for the automotive segment, such as crankshaft assembly, balancer shaft, connecting rod and gear shifter fork, are also supplied for use in recreational vehicles, such as ATVs.

Components for Agriculture Segment

Sansera supply multiple types of cam shaft forgings to a leading Indian diesel fuel injection system supplier for applications in segments such as agriculture and marine. They also supply pump barrels, which are a common feature in all diesel fuel pumps and find application in agriculture and construction equipment segments.

MANUFACTURING UNITS

As of July 31, 2021, they had 16 manufacturing facilities, of which 15 are in India in the states of Karnataka (Bengaluru, Bidadi, Tumkur), Haryana (Manesar), Maharashtra (Chakan), Uttarakhand (Pantnagar) and Gujarat (Mehsana), and 1 facility is in Trollhättan, Sweden.

Company's manufacturing operations are (i) integrated across the product cycle with the entire manufacturing process (encompassing forging, heat treatment, precision machining, other specialized processing, assembly, testing and quality control) being carried out in-house and (ii) coordinated through concurrent design and engineering, machine building and automation divisions. Most of their manufacturing facilities in India have been certified for international standards of quality management systems such as International Automotive Task Force ("IATF") 16949:2016 and BS EN 9100:2016 (technically equivalent to AS9100D), environmental management system standard ISO 14001:2015 as well as occupational health and safety management system standards ISO 45001:2018.

Installed Capacity and Capacity Utilisation by Product Family

Unit	Installed Production Capacity and actual Utilisation:					
	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Installed Capacity in Units	Capacity Utilization (%)	Installed Capacity in Units	Capacity Utilization (%)	Installed Capacity in Units	Capacity Utilization (%)
Connecting rods	29,566,200	56%	28,557,000	58%	29,031,600	72%
Rocker arms	48,990,000	55%	47,040,000	61%	44,160,000	80%
Crankshafts	5,784,000	67%	5,427,000	72%	5,427,000	84%
Gear shifter forks	23,580,000	55%	23,932,800	55%	23,932,800	89%
Stem comp	1,920,000	48%	1,920,000	20%	-	-
Aerospace products	252,282	31%	260,981	86%	243,582	77%
Integral crankshaft	378,000	31%	330,000	24%	330,000	14%
Others	NA	NA	NA	NA	NA	NA

Products Recently Developed / Under Development:

Automotive Components –

Components for Electric 2-wheelers : Drive Train Components; Suspension Components;

Components for BEVs: Drive Train Components,

Components for Hybrid EVs / BEVs: Drive Train Components

Components for Passenger Vehicles: Steering System Components; Braking System Components;

Components for HCVs: Chassis (Cabin Tilt System) Components; Braking System Components

Non-Automotive Components –

Components for Aerospace: Machined Engine Casings

Components for Off-road: Suspension Parts

Components for Agriculture: Common Rail;

Planned New Manufacturing Facilities

The company intends to increase the number of engine and landing gear components and graduate to supply of subsystems and assemblies. In addition, they plan to expand the end use application of their components from civilian aerospace to defence aerospace. In order to facilitate this strategy, they plan to construct a new greenfield manufacturing facility in Bangalore dedicated to aerospace and defence. This facility is planned to have a built up area of 13,020 sq. mtr. compared to a built up area of 4,000 sq. mtr. for their current facility for aerospace, which is Plant 9. They expect the facility to be commissioned during Fiscal 2023.

MAJOR CLIENTELE

During Fiscal 2021, Sansera had a diverse customer base in India and 24 other countries across North America, Latin America, Europe and Asia, and a consistent track record of adding to their total numbers of customers.

	Total Number of Customers		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Automotive	47	43	41
Non-Automotive	28	28	26
Total	71	68	64

The key customers across the verticals as follows:

Vertical	Customers	
Automotive		
Two-wheelers	Indian	Bajaj; HMSI; TVS Motor; Royal Enfield; Yamaha Motor India; and Hero MotoCorp.
	Global	KTM; Triumph; a U.S. 2W OEM; a German 2W OEM; a European 2W OEM; and a Japanese 2W OEM.
Passenger vehicles	Indian	Maruti Suzuki; Honda Cars India; Toyota Kirloskar; and Volkswagen India.
	Global	Stellantis N.V. (formerly Fiat Chrysler Automobiles); a leading North American PV OEM; a global Tier 1 supplier; and a premium European OEM.
Commercial vehicles	Indian	A leading Indian OEM; Daimler India Commercial Vehicles Private Limited and Engineered Components and Systems India.
	Global	A leading Swedish OEM; CNH; leading European OEMs; a leading Japanese OEM; a leading U.S. OEM; and global suppliers of braking systems.
Non-Automotive		
Aerospace	Indian	A leading Indian Tier 1 supplier; and AAL.
	Global	Collins Aerospace; SAAB; a global North American aircraft OEM; and global Tier 1 suppliers.
Off-road	Global	Polaris.
Agriculture	Indian	Indian arms of a global supplier of fuel injection systems; and the Indian arm of a global engine-based fuel and air management systems manufacturer
Others	Indian	JCB, the Indian arm of a global manufacturer of engines; the Indian arm of a global manufacturing and supply chain management company; and a subsidiary of a leading global power tools manufacturer.
	Global	A Tier 1 supplier to a global marine engine manufacturer.

COMPETITIVE STRENGTHS

- **A leading supplier of complex and high-quality precision engineered components that is gaining market share across automotive and non-automotive sectors**

Precision components such as connecting rods, crankshafts and rocker arms are manufactured using complex engineering processes, and given their criticality to automotive systems, they require a high level of precision and adherence to high standards of quality. This requires close coordination between component manufacturers and OEMs throughout the product cycle from design to testing and validation to delivery.

Company's market position is the result of their established presence in the precision components manufacturing industry and their ability to manufacture and supply complex, high-quality precision components according to their customers' specifications. Further, they are the single source supplier for certain components to select OEM companies in India and globally.

As at July 31, 2021; they have been awarded business from 35 customers in the automotive sector and from 21 customers in the non-automotive sector across their product portfolio, where the start of production is either during or after Fiscal 2021.

- **Well diversified business model**

Company's business model is well diversified by customer base, end segment, geographical spread of revenues and product portfolio.

Customer base: The revenue from sale of products from the top 5 customers and as % of the revenue from sale of products:

	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total
Customer 1	302.25	20.75%	307.53	22.08%	346.76	22.71%
Customer 2	203.90	14.00%	191.69	13.76%	187.09	12.25%
Customer 3	148.58	10.20%	131.30	9.43%	140.81	9.22%
Customer 4	130.92	8.99%	131.89	9.47%	157.76	10.33%

	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total
Customer 5	76.97	5.28%	65.85	4.73%	83.98	5.50%
Total Top 5 Customers	862.62	59.21%	828.26	59.46%	916.40	60.01%
Total Revenue from sale of Products	1,456.89	100.00%	1,393.04	100.00%	1,526.98	100.00%

End segment: Sansera derives their revenue from multiple segments within the automotive sector, including the 2-wheeler, passenger vehicle and commercial vehicle verticals. Within the non-automotive sector, they manufacture and supply a wide range of precision components for the aerospace, off-road, agriculture and other segments, including engineering and capital goods.

The revenues generated from various end-use segments and as a % of their revenue from sale of products:

	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total	Revenue (₹ in Cr)	% to Total
Automotive Segments	1,288.64	88.45%	1,223.97	87.86%	1,342.05	87.89%
• 2-wheelers	734.14	50.39%	700.73	50.30%	726.83	47.60%
• Scooters	146.03	10.02%	163.94	11.77%	162.44	10.64%
• Motorcycles	588.11	40.37%	536.79	38.53%	564.39	36.96%
• 3-Wheelers	11.57	0.79%	17.89	1.28%	22.62	1.48%
• Passenger Vehicles	351.46	24.12%	324.45	23.29%	367.15	24.04%
• Commercial Vehicles	191.47	13.14%	180.90	12.99%	225.46	14.77%
Non-Automotive Segments	168.25	11.55%	169.07	12.14%	184.93	12.11%
• Aerospace	54.79	3.76%	81.37	5.84%	67.53	4.42%
• Off-road	60.78	4.17%	41.48	2.98%	55.54	3.64%
• Agriculture	36.06	2.48%	29.98	2.15%	39.10	2.56%
• Others	16.63	1.14%	16.25	1.17%	22.77	1.49%
Revenue from sale of Products	1,456.89	100.00%	1,393.04	100.00%	1,526.98	100.00%

Geographical spread: Sansera focuses on increasing their export revenues with a view to reduce dependence on the Indian market. Their revenues from sale of products are geographically diversified with Europe, USA and other foreign countries accounting for 35.02%, 30.62% and 31% of their revenue from sale of products in Fiscals 2021, 2020 and 2019, respectively.

Product portfolio: Within most of their product families, Sansera manufactures a range of components for multiple end applications. Their key product families such as connecting rods, rocker arms and crankshafts have multiple end use applications across both automotive (2-wheelers, passenger vehicles, commercial vehicles) as well as non-automotive (off-road, agriculture, engineering and capital goods, marine and others) sectors.

- **Advanced capabilities in design and engineering, machine building and automation resulting in continuous new product development and improved productivity, with fungibility of equipment, machinery and production lines across product families and sectors**

Design and engineering capabilities: Their design and engineering capabilities comprises product, process, machine, fixture and cutting tool design as well as advanced engineering capabilities which includes (i) high performance diamond-like carbon (“DLC”) coated rocker arms for reputed 2-wheeler OEMs in the United States and Europe and for a leading European sports car OEM; (ii) precise and complex profile connecting rods for multiple global passenger vehicle OEMs; and (iii) braking system parts with critical profile resulting in import substitution for a leading Indian passenger vehicle OEM.

Their engineering capabilities enable them to design new products from statements of requirements, validate their designs through software using FEA (finite element analysis), develop prototypes and perform relevant testing to confirm design robustness, all of which increase opportunities for them to secure higher value-added business with their customers and enables them to deepen their customer relationships through cost optimisation and reductions in development and testing time.

Machine building capabilities: Sansera possess integrated machine building capabilities with special purpose machines being manufactured in-house. Their computer numerical control (“CNC”) special purpose machines (“SPM”) are built in a separate dedicated facility, which employed 56 personnel as of July 31, 2021 and

manufactured 65 machines during Fiscal 2021. They manufacture advanced CNC SPMs. The companies that have the ability to manufacture these machines in-house have an edge over their peers by deriving competitive benefits from such integrated machine building capabilities.

Automation capabilities: Company's automation division included a team of 27 personnel as of July 31, 2021 who work concurrently with machine and fixture design to implement automation projects intended to increase their productivity and control labour costs. Key automation projects already implemented in-house include fracture and bolt assembly cells, inspection cells, pick and place systems, material handling gantries, machine tending robots and assembly automation. As of July 31, 2021, they had numerous automation projects underway, with a number of these targeted for implementation during the current fiscal year.

Fungibility of production lines: Company's production line configurations are flexible, allowing them to interchange capacity and product mix between all their product categories within and across automotive and non-automotive sectors based on customer and operational requirements from time to time, enabling them to offer a diverse range of products and services to their customers.

- **Long-standing relationships with well-known Indian and global OEM customers**

The details of the relationships with the top 20 customers for Fiscal 2021:

Name or Description of the Customer	Minimum no. of fiscal years of customer relationship	Name or Description of the Customer	Minimum no. of fiscal years of customer relationship
• Maruti Suzuki India Ltd.	34	• Polaris Industries Inc.	11
• Bajaj Auto Limited	25	• Royal Enfield Motorcycles Limited	10
• India Yamaha Motor	24	• Subsidiary of one of the leading European suppliers of fuel injection systems	8
• Honda Motorcycle & Scooter India Pvt. Ltd	21	• Triumph Motorcycles	8
• CNHi	14	• Daimler India Commercial Vehicles Pvt. Ltd.	7
• European 2W OEM	13	• Toyota Kirloskar Motor Pvt. Ltd.	6
• Honda Cars India Ltd.	13	• Hero Motocorp Ltd.	5
• Stellantis N.V.	13	• RK Thailand	5
• Raytheon (Collins/Goodrich)	12	• One of the leading Swedish OEMs	4
• One of the leading North American PV OEMs	12	• Global Tier 1 supplier	4

- **Financial performance that has outperformed the industry trends, with industry leading metrics**

In Fiscal 2021 compared to Fiscal 2020, 2-wheeler production volume in India declined by approximately 12.6% and the passenger vehicle production volume declined by approximately 11%. In CY 2020 compared to CY 2019, the global Light Vehicle and CV segments registered a decline in production of approximately 17.8% and 4.4%, respectively. Despite these decreases in production volumes, their revenue from sale of products increased by 4.58% to ₹ 1,456.89 crore for Fiscal 2021 from ₹ 1,393.04 crore for Fiscal 2020.

- **Skilled and experienced board of directors and management team, with an employee culture that emphasises teamwork and collaboration across functions**

Sansera is an employee-driven, professionally managed organisation. The company takes pride in their employee culture that emphasises teamwork and collaboration across functions, which helps ensure that their employees are able to suggest and implement ideas, regardless of their roles. Their highly experienced and professional management team provides them with a key competitive advantage. Company's management team has led their organisation through multi-pronged diversification of the business, acquisitions and development of new systems and products over the last several years. They are further supported by an experienced board of directors with diversified expertise.

KEY BUSINESS STRATEGIES

- **Consolidate and strengthen global market share in the existing automotive product portfolio and diversify into new products to cater to the expected increase in electrification of vehicles**

As OEMs focus their resources on the final assembly of vehicles, they are increasingly looking to external suppliers for content that they have previously produced in-house. This trend is underpinned by OEMs' growth outside their

home markets, consumer expectations with regard to product complexity and feature integration and an increased focus on safety and the environment. Accordingly, Sansera intends to take advantage of this outsourcing trend that has led to an increase in OEM dependency on suppliers that are capable of managing complex component production while maintaining high quality standards across multiple geographies.

They intend to focus on consolidating their leading market share, both globally and in India across their existing product portfolio. Further, they intend to develop multiple technology driven systems and components to cater to growing opportunities in electrification of vehicles. They are in the process of setting up a dedicated facility for hybrid and electric components in Plant 2 and expect to commission during Fiscal 2022.

2-wheelers

Within the 2-wheeler segment in India, Sansera has a dominant position across all of their key product families. Specifically, they are the largest supplier of connecting rods, rocker arms and gear shifter forks, as well as a leading manufacturer of crankshafts, in the 2-wheeler segment in India. CRISIL Research expects 2-wheeler rocker arms, connecting rods, gear shifter forks and crankshafts in India to grow at a CAGR of 12%, 12.3%, 12.2% and 12.3%, respectively, over the next 5 years from Fiscal 2021 to Fiscal 2026. They have been able to consolidate their market share in their key product categories in the 2-wheeler segment over the years.

They have **recently added TVS Motor as their customer and have started supplying all their existing key products from Fiscal 2021**. Further, one of the leading 2-wheeler OEM has outsourced the connecting rod and crankshaft business to them, which was previously being carried out in-house by the same OEM. Their integral crankshaft products are currently being supplied to **Royal Enfield** and a leading U.S. premium motorcycle brand and can be supplied to other customers. They intend to further continue to consolidate their market share by capitalising on the increasing outsourcing trend by the OEMs and by increasing content per vehicle for their existing customers.

Sansera is currently supplying their recently developed suspension component, stem comp, to one OEM. They have recently secured business with a leading electric-2-wheeler OEM for supplies of multiple precision forged and machined suspension and axle (drive train) components. The company commenced supplies of these components in August 2021 and they plan to supply similar components to other OEMs. Their aluminium forged products currently cater to high-end premium motorcycles. They commenced supplies of these components in Fiscal 2020. With the expected growth in the high-end premium motorcycles market and the expected growth in electrification of vehicles, they expect increasing usage of aluminium forged components going forward.

Passenger Vehicles / Light Vehicles

Within the passenger vehicles segment in India, Sansera is the largest supplier of connecting rods and rocker arms. They are one of the top 10 global suppliers of connecting rods within the Light Vehicles segment. They have been gaining market share in connecting rods for Light Vehicles with a global market share of 2.3% based on their production volume (units) in CY 2020 compared to a global market share of 0.9% in CY 2015. The connecting rod market for the global Light Vehicles segment is expected to increase at a CAGR of 2.7% from 289.3 million units in CY 2020 to 331.2 million units in CY 2025.

As part of company's strategy to diversify into technology agnostic products and to cater to growing opportunities in electrification of vehicles:

- Sansera has recently secured business for multiple drive train components, specifically for hybrid EVs, from a global Japanese OEM. They expect to commence supplies of these components in Fiscal 2022. They plan to increase the number of their customers they supply these components to and increase the number of components they supply for use in hybrid EVs.
- They have secured orders for braking system components from a leading Indian passenger vehicle OEM and for multiple steering components from an Indian Tier 1 supplier. They have also been supplying multiple drive train and chassis components for a global Japanese OEM.
- They supply aluminium forged products developed for high-end 2-wheelers. With growing light weighting and electrification trends, they expect increasing usage of aluminium forged components going forward in passenger vehicles and they plan to cater for these requirements.

Commercial Vehicles

Sansera is one of the top 10 global suppliers of connecting rods within the CV segment in CY 2020. They have been gaining market share in connecting rods for CVs with a global market share of 3% based on their production volume (units) to the CV segment in CY 2020 compared to 0.9% in CY 2015. Ricardo expects the connecting rod market for CVs to grow at a CAGR of 0.7% to 35.9 million units by CY 2025 from 34.8 million units in CY 2020.

They plans to further consolidate their global market share in connecting rods by increasing their share of business from existing customers and adding new customers. They have secured new programs for the supply of connecting rods across multiple geographies from their existing customers. In addition, They have secured business to supply one of their key product families, gear shifter forks, to CNHi and leading European CV OEMs, and added new customers, such as leading global suppliers of braking systems, across multiple new geographies in the CV segment.

As part of their diversification strategy, they have recently started supplying precision components for cabin tilt systems, which are part of the chassis of HCVs. They currently supply their components for the Indian arm of a global manufacturer of these systems and intend to increase their supplies and cater to global requirements of their customer. They have developed components that are part of the braking system of heavy commercial vehicles, such as guide bushes and integral crankshafts. They intend to increase the number of precision components that can be used in multiple subsystems of CVs.

- ***Continue to leverage the existing capabilities to diversify further into non-automotive businesses and expand addressable market***

With a track record of developing complex and critical precision engineered components for the automotive sector over multiple decades, company's manufacturing capabilities can be extended to manufacture precision components for several nonautomotive segments such as aerospace, off-road, agriculture and engineering and capital goods. Further, their existing key product families in the automotive sector have multiple applications across various non-automotive sectors. Within the non-automotive segment, Sansera primarily focus on manufacturing precision engineered components that require complex engineering capabilities, resulting in high value addition by them.

Aerospace Sector

Fleet renewal is likely to be the main driver of order books for Airbus and Boeing till CY 2025. China and India are expected to be the first and third most important markets by delivery value. Aircraft deliveries by Airbus and Boeing are expected to increase at a CAGR of 10-12% between CY 2020 and CY 2025.

Sansera started by supplying components for cargo, structural, lighting and seating systems, with an objective to eventually graduate to supply critical and complex precision components for actuation systems and engine and landing gear systems

- They have been supplying actuation components to **Collins Aerospace** for eventual supply to leading aircraft OEMs.
- They have secured business from a leading domestic aerospace supplier for manufacturing and supply of machined engine casings for aircraft engines.

Off-road Sector

Sansera has recently secured additional business for supplying multiple new components, including suspension parts, for an existing customer's new program. They have also added another customer in the off-road segment for eventual supplies in Canada and the European Union. They intend to increase their revenue from the off-road sector by adding new products and customers.

Agriculture Sector

Sansera has developed several new components for the agriculture sectors, such as a common rail for tractors and Euro VI fuel pump components. Further, they have secured new business from existing customers for supplying their existing and new components. They intend to increase their revenue from the agriculture segment by adding new products and customers.

Other Non-Automotive Sectors

Sansera has developed and started supplying multiple components including connecting rods for industrial engines and construction equipment. In addition, they have added multiple new products such as fan hub for various

industrial applications. Some of the other components they have developed for non-automotive sectors include precision components for the power transmission and railways segments.

- **Retain and strengthen the technological leadership through continued focus on the engineering capabilities**

Customers' demand for higher performance and top-quality products is growing. In response to this, Sansera has placed a strong emphasis on continually improving their design and engineering capabilities so that they can focus on providing high value added and technology-driven components, which will present them with opportunities to capture shifts in customer preferences as well as evolving regulatory requirements.

To enhance their capabilities, they have commissioned a new fatigue testing machine, with which they have tested their products to conform design assumptions or characteristics. They expect this to further enhance their ability to analyse and enhance product reliability, durability and performance. They have added 5-axis machining capabilities for machining large structural components for aerospace, both in aluminium and other precious metals. They have commissioned aluminium forging lines complementing their existing machining capabilities, which will make them well-positioned to capitalise on the growing demand and increasing need for components that are lighter in weight and environmentally friendly, as OEMs strive to reduce the ecological footprint of their vehicles.

- **Focus on operational efficiencies to improve returns**

Sansera has able to deliver a RoCE of 15.11%, 12.88% and 19.36% for Fiscals 2021, 2020 and 2019, respectively, in challenging market conditions. They continue to focus on improving operational efficiency, including by way of the following key initiatives: Their operations are integrated across the product cycle, and almost all of their manufacturing processes (encompassing forging, heat treatment and machining) are carried out in-house. Their ability to design and build computer numerical control special purpose machines allows them savings in operational and capital expenditure through savings in capital cost, footprint, power and maintenance costs, etc. which would otherwise have been higher. They have automated a number of their forging and machining operations and as at July 31, 2021, they had more than 130 robots installed across all their manufacturing facilities in India.

COMPETITION

The key competitors in the domestic market and the product families that Sansera compete in:

Product family	Segment/Vertical	Key Competitors
Connecting rods	2-wheeler	Bajaj Motors, Musashi
	Passenger vehicle	Amtek Auto, Amul Industries, Magal Tech
Rocker arms	2-wheeler	Bajaj Motors, FIE Group
	Passenger vehicle	Micro Turner, Schaeffler India
Crankshafts	2-wheeler	Kay Jay Forge, Laxmi-Agni
Gear shifter forks	2-wheeler	Bajaj Motors, FIE Group
	Passenger vehicle	Kalyani Forge, Micro Turner, RICO Auto
Stem comp	2-wheeler	Bajaj Motors, Endurance Technologies, Modern Automotive
Aerospace	Aerospace	Aequus, CIM Tools, Dynamatic, Godrej & Boyce, PMI Engineering Exports

INDUSTRY OVERVIEW

Competition scenario- Player presence across industries

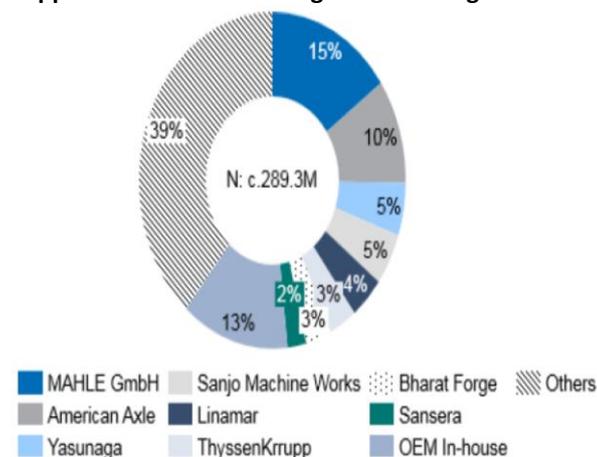
Company	Automotive	Defence	Engineering & Capital Goods	Aircraft	Power	Others
Aequus				✓		✓
Alpha Design Technologies		✓				
CIM Tools		✓		✓		
Dynamatic Technologies	✓	✓	✓	✓		✓
Godrej & Boyce		✓	✓	✓	✓	
L&T		✓			✓	✓

Company	Automotive	Defence	Engineering & Capital Goods	Aircraft	Power	Others
Mahindra Defence Systems		✓				
MTAR Technologies		✓			✓	
PMI Engineering Exports		✓		✓		
Sansera Engineering	✓		✓	✓		✓
Schaeffler India	✓					
Shanti Gears	✓				✓	✓
Sika Interplant Systems	✓	✓				
SKF India	✓		✓	✓	✓	✓
Timken India	✓	✓	✓	✓	✓	✓
Vem Technologies		✓				

MARKET SIZING AND OUTLOOK OF RELEVANT AUTO COMPONENT SEGMENTS

Connecting rods - Global Connecting Rod market forecast for Light Vehicle Segment

Supplier Market Share in Light Vehicle Segment



Supplier Market Share in Commercial Vehicle Segment



Comparison of Financial Information – Global Players

Company	Revenue (\$ million)		
	2020	2019	2018
Sansera	220.1	206.2	229.7
MAHLE GmbH	11,728.8	14,458.8	15,097.2
American Axle	4,710.8	6,530.0	7,270.4
Yasunaga	315.4	350.0	322.7
Linamar	4,728.1	6,029.8	6,195.6
ThyssenKrupp	34,678.8	40,843.2	41,732.4
Bharat Forge	1,154.1	1,448.8	1,170.1

Ratios	Sansera			Industry		
	2020	2019	2018	2020	2019	2018
EBITDA Margin	18.8%	16.3%	18.5%	12.4%	10.6%	12.5%
PAT Margin	7.0%	5.4%	6.1%	(3.1)%	1.1%	3.8%
ROE	12.4%	10.3%	14.2%	(35.7)%	(11.2)%	7.9%
ROCE	15.1%	12.9%	22.4%	2%	8.5%	12%
Net Debt to Equity	0.5	0.7	0.8	2	1.2	0.9
Net Debt to EBITDA	1.6	2.3	1.9	3.1	0.6	2.4

COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2021)

Name of the Company	Consolidated/ Standalone	Total Income (₹ Cr)	Face Value	EPS (Basic)	NAV	P/E	P/B	RoNW (%)
Sansera Engineering Ltd	Consolidated	1,572.4	2	21.02*	167.0#	[●]	[●]	12.31%
Peer Group								
Endurance Technologies Ltd	Consolidated	6,577.7	10	36.95	253.2	43.1	6.3	14.59%
Minda Industries Ltd	Consolidated	6,420.8	2	7.73	94.3	95.7	7.9	9.69%
Sundram Fasteners Ltd	Consolidated	3,671.7	1	17.10	112.2	45.9	7.0	15.38%
Suprajit Engineering Ltd	Consolidated	1,674.4	1	10.20	70.8	34.2	4.9	14.42%
Bharat Forge Ltd	Consolidated	6,505.2	2	(2.71)	116.9	NA	6.9	(2.33)%
Motherson Sumi Systems Ltd	Consolidated	57,599.2	1	3.29	52.5	65.1	4.1	9.46%
Mahindra CIE Automotive Ltd~	Consolidated	6,105.0	10	2.8	129.5	87.8	1.96	2.00%

* Basic EPS is calculated as Profit for the year attributable to owners of the company divided by the weighted average number of basic equity shares outstanding during the year. Basic equity shares is calculated as current shares outstanding and shares to be issued upon conversion of Series A CCPS and Series B CCPS.

Indicates Diluted Net Asset Value per share which is calculated as Net worth divided by the weighted average number of diluted equity shares outstanding during the year. Diluted equity shares is calculated as current shares outstanding and shares to be issued upon conversion of Series A CCPS and Series B CCPS and other potentially dilutive instruments.

~ Numbers for Mahindra CIE Automotive Limited are as of December 31, 2020

P/E and P/B Ratio has been computed based on the closing market price of equity shares on BSE on August 19, 2021.

AXIS CAPITAL LIMITED

Axis House, 1st Floor, Level-1, C-Wing, C-2, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai 400 025.

Tel: +91 22 4325 2525; Fax: +91 22 4325 3000

www.axiscapital.co.in

This document has been prepared by Axis Capital Limited. Affiliates of Axis Capital Limited may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating and target price of the Affiliates research report.

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent.

This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient.

Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors.

Axis Capital Limited has not independently verified all the information given in this document. Accordingly, no representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document.

The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval.

Axis Capital Limited, its affiliates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document.

This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of Axis Capital Limited. The views expressed are those of the analyst and the Company may or may not subscribe to all the views expressed therein.

This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. Neither this document nor any copy of it may be taken or transmitted into the United State (to U.S. Persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Axis Capital Limited to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

Copyright in this document vests exclusively with Axis Capital Limited.