



Deal Announcement

Spark Capital⁺

Craftsman
AUTOMATION

Spark Capital advises Craftsman Automation Limited to complete its acquisition of DR Axion India Private Limited

We are pleased to announce that our **Craftsman Automation Limited (Craftsman)**, a manufacturer of machined powertrain components from iron and aluminium castings for automotive & industrial engineering sectors headquartered in Coimbatore, India, has signed a definitive agreement for acquiring the residual 24% stake in **DR Axion India Private Limited ("DRA India")**, subject to the terms and conditions mentioned in the agreement to acquire such stake. Upon completion of the transaction, DRA India will be a Wholly Owned Subsidiary of Craftsman.

Craftsman had acquired 76% equity stake in DRA India in February 2023. The CAL and DRA India both operate, *inter-alia*, in the auto components space, across both cast-Iron and Aluminum machined products. This will strengthen Craftsman's presence in the passenger vehicle segment, widen its product range, provide process synergies, enable access DRA India's customer base, and facilitate entry into e-mobility solutions for passenger vehicles.

Mr. S. Ravi, Chairman and Managing Director of Craftsman said, *"The acquisition of DR Axion India is a critical milestone in the journey of Craftsman. It significantly enhances the scale of our Aluminium business and strengthens our presence in the passenger vehicle segment. Spark Capital, with whom we have a 12 year relationship, played a comprehensive and pivotal role from conceptualisation to consummation of the transaction, across both the stages of the acquisition."*

For more information about Craftsman, please visit: <https://www.craftsmanautomation.com/>

Spark Capital Advisors (India) Private Limited ("Spark Capital") was the exclusive financial advisor to Craftsman across both stages of the acquisition of DRA India. Spark Capital provided comprehensive transaction advisory services across two the stages, including submission of competitive bid, negotiation of key terms of the deal, coordination of customary due diligence, negotiation of definitive documentation, strategic positioning including deal structuring, support in completion of conditions precedent and successful closure of the transactions. Consummation of acquisition of the residual stake of 24% is expected to be completed by 30th June, 2024.

Prasanna Srinivasan, Executive Director & Practice Head – Industrial & Logistics, Spark Capital said, *"We are privileged to be part of Craftsman's journey and working on this marquee transaction is a great example of delivering strategic value to long-term relationship like Craftsman. We are delighted to have played a crucial role in facilitating definitive agreement to acquire DR Axion's residual stake by Craftsman and also in successful acquisition of majority stake earlier. We are grateful to Mr. Ravi and Craftsman for the confidence reposed in us."*

Spark Capital has more than 12 years relationship with Craftsman and has advised on private equity capital raise, IPO and M&A.

About Spark Capital:

Spark Capital Group www.sparkcapital.in is a two-decade old mid-market financial services franchise offering investment banking, asset management and private wealth management solutions. Spark Capital Group entities are registered with Securities and Exchange Board of India.

Our Investment Banking practice has a track record of having consummated transactions aggregating to ~USD 10 billion, across capital raising and M&A advisory, with industry-leading transaction closure rates. Focused on

industry verticals – Industrials & Logistics, BFSI, Consumer Products, Technology & Business Services, Healthcare & Pharma - it caters to the diverse needs of businesses through their lifecycle.

We manage and invest, through discretionary and non-discretionary PMS, ~INR 1,620 crores (or ~USD 193 million), in public equities and performing high yield credit in our Asset Management business. Spark Capital's Private Wealth Management business services over ~2,000 clients and has ~INR 17,000 crores (or ~USD 2.04 billion) of assets under advice, invested across a suite of financial products tailored to needs and requirements of diverse client base.

Independent, professionally owned & managed, we bring to bear entrepreneurial energy that blends the extensive experience of our founding leadership with contemporary outlook & dynamism of our young business leadership teams. Knowledge & research oriented in approach, we cherish & strive to practice our core values of objectivity, intellectual integrity, and client-centricity.

The goodwill and endorsement of long-standing & deep-rooted client relationships spanning entrepreneurs, corporates, business groups, family offices, and high net worth individuals serve as an eloquent testimony to our work. With over 300 employees, we have offices in key Indian cities Mumbai, Delhi, Chennai, Bengaluru, Hyderabad, and Pune.

**Best Regards,
Team Spark**

Spark Capital – Investment Banking

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