

A landscape photograph showing a vast green field in the foreground, a single tree on the horizon, and a dramatic, cloudy sky with warm, golden light. The text is overlaid on the right side of the image.

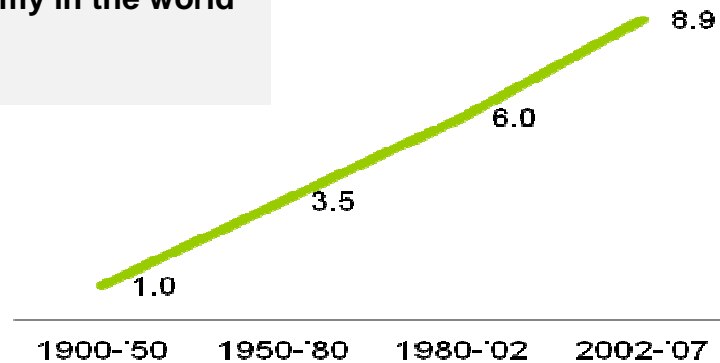
## CLAAS IN INDIA

Dr. Jens Oeding  
Regional Director Asia

# India : One of the growing economies: Slowing population growth Seeing some reduction in poverty and improvement in literacy

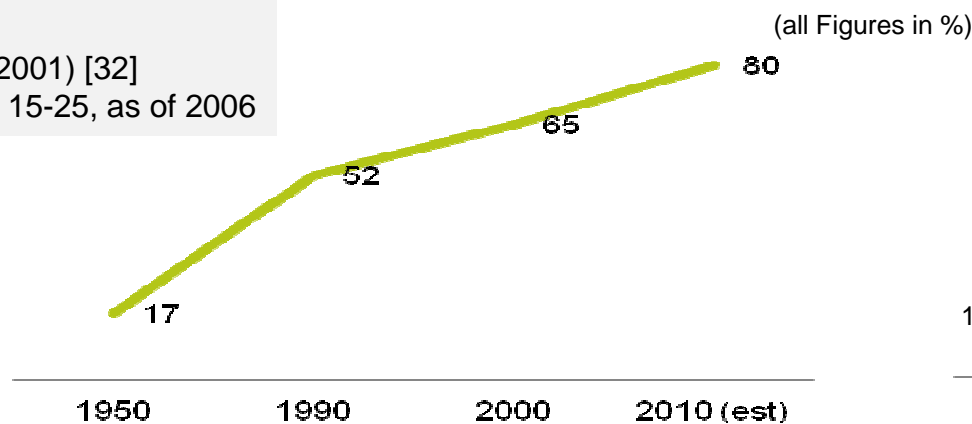
## High GDP Growth

likely to stay > 8% on average)  
in terms of PPP 3rd largest economy in the world  
10<sup>th</sup> largest in nominal GDP  
GDP USD 1.84 Trillion in '11



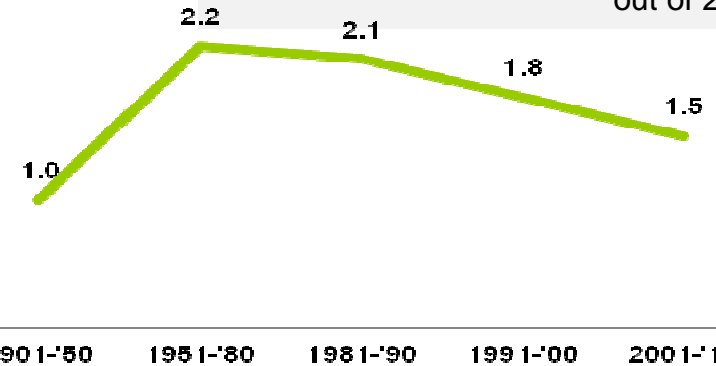
## Rising Literacy Levels

77.7% (Age 7 & above, as of 2001) [32]  
71.4% (Total population, Age 15-25, as of 2006)

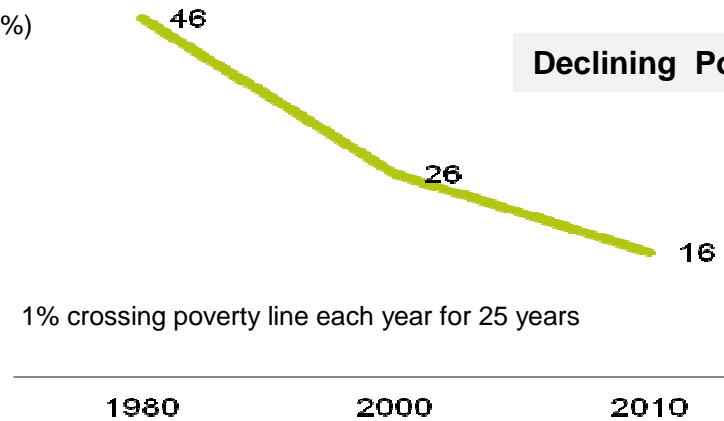


## Slowing Population Growth

India is ranked 102<sup>nd</sup> in population growth rate out of 212 countries



## Declining Poverty

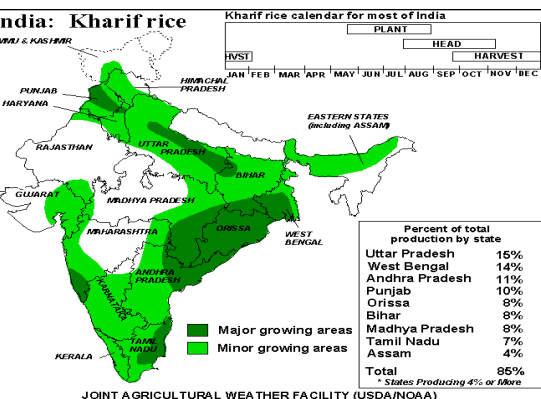


Goldman Sachs and Price Waterhouse Coopers predicts that  
**'India would emerge as 2nd largest economy by 2050 (after China)'**

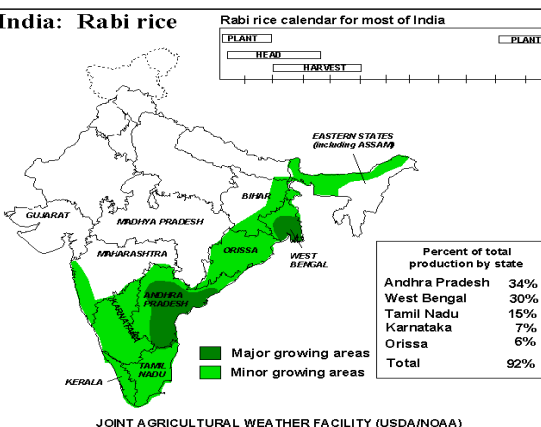
Sources: 1990-2000:Census of India (2001) , 1900-1990: Angus Maddison (1995), Monitoring the World Economy, World Bank.  
[http://en.wikipedia.org/wiki/Demographics\\_of\\_India](http://en.wikipedia.org/wiki/Demographics_of_India)



India - one of the most important agricultural regions in the world



**Winter Rice: Sept - Dec**



**Summer Rice: Feb - May**

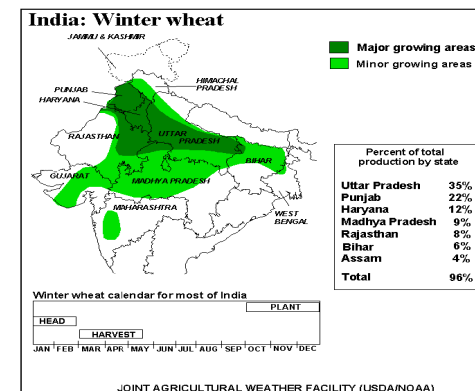
**Huge agricultural area :**  
180 Mio. Hectare

**Rice , Wheat and Sugarcane are main crops.**

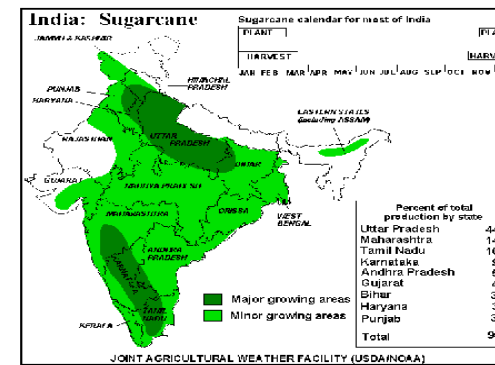
**Wheat:**  
Area: 29.4 Mi. Ha;  
Production: 82 Mi. tonnes

**Rice:**  
Total Area: 40 Mi. Ha ;  
Production: 94 Mi. tonnes

**Sugarcane:**  
Total Area: 5 Mi. Ha ;  
Production: 340 Mi. tonne



**Summer Wheat: Feb-May**



**Sugarcane**

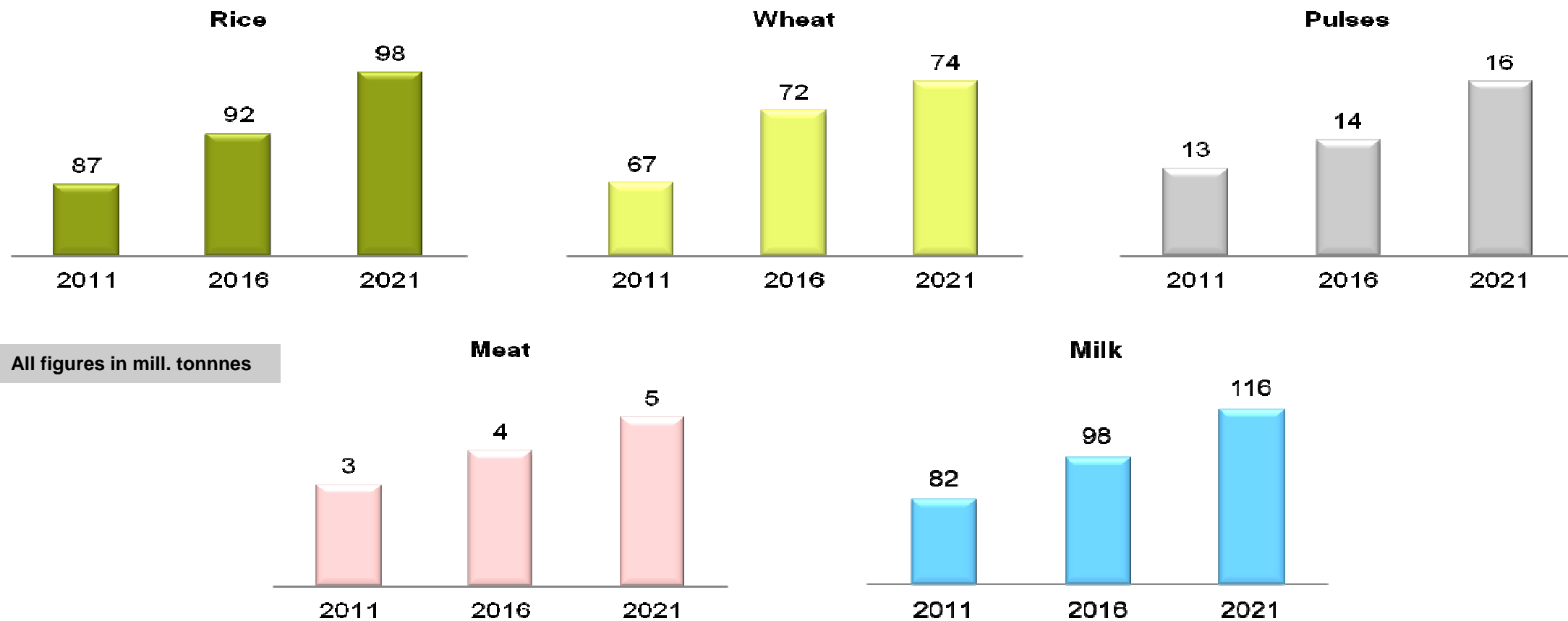
Source:

Joint Agricultural weather facility (USDA/NOAA); FAO database

Govt. of India, Department of Agriculture

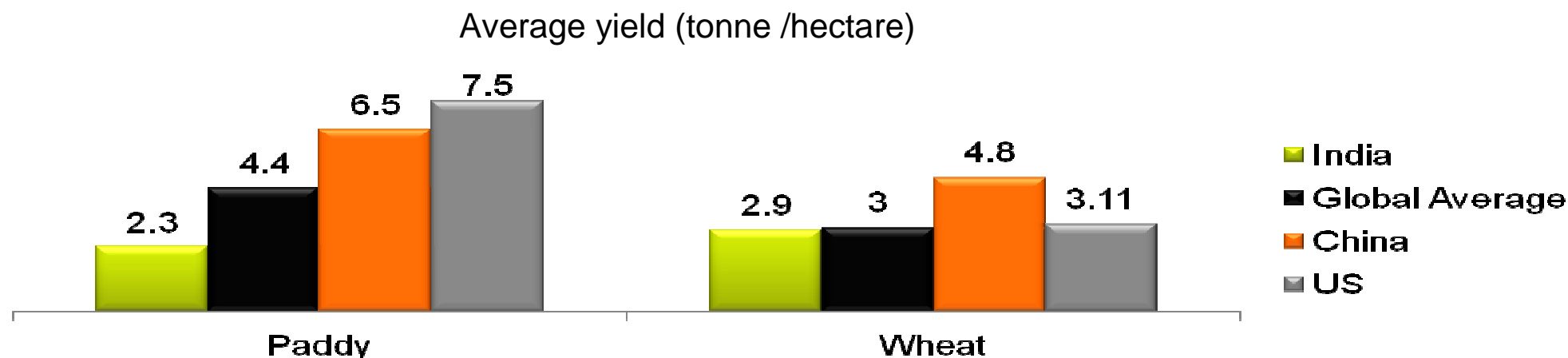


## Demand of Food grains, Milk & Meat rising with growth in population and middle class



Source: Agricultural Economics Research Review, Vol. 22 July-December 2009 p. 237-243

## Low average agricultural yield is a Challenges before Indian agriculture



*-Low yield per Hectare*

*-Dependence on monsoon*

*-Limited Research and use of technology - seeds, fertilizers*

*-Limited mechanization*

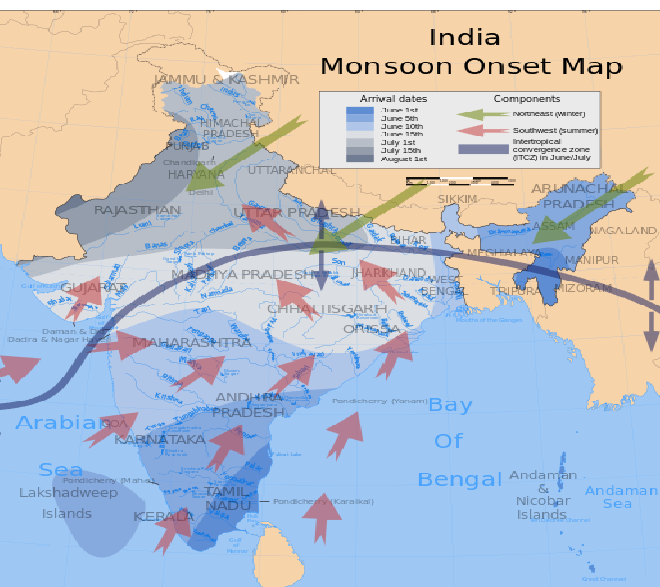
*-Small sizes of fields*

- 82% farmers hold <2 hectare and 39% of farm area
- Almost all holdings are private. No corporatisation of farming

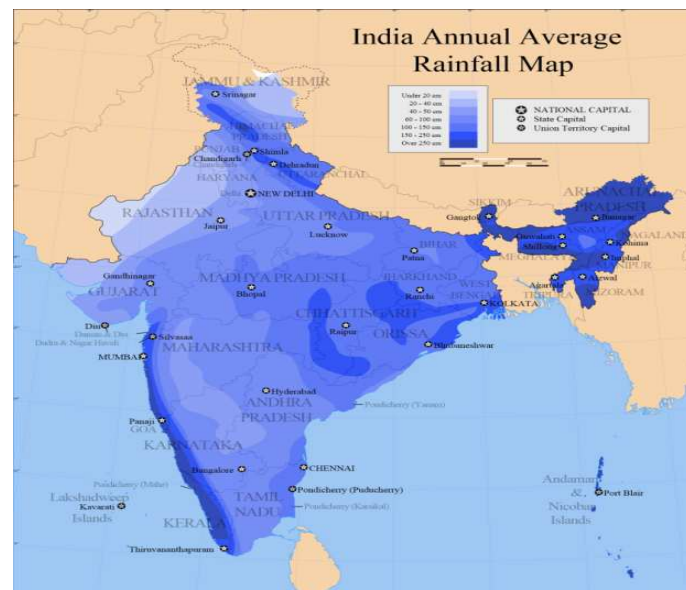
National Food Security Mission has been launched in the country to enhance the production of rice, wheat and pulses by 10, 8 and 2 million tones respectively by the end of the 11th Plan.



## Another Challenge: Indian Agriculture's Dependence on Monsoon



Indian Monsoons: SW & NE



Average rainfall



Groundwater status

Indian agriculture depends on healthy monsoons for Irrigation

**North:** Irrigation by rivers and ground water.

**South and Western:** Irrigation through rainfed canals fed by waters from dams.

Excess rainfall also results in floods in northern and eastern India destroying crops.

# Farm mechanization trend is yet slow and limited to tractors

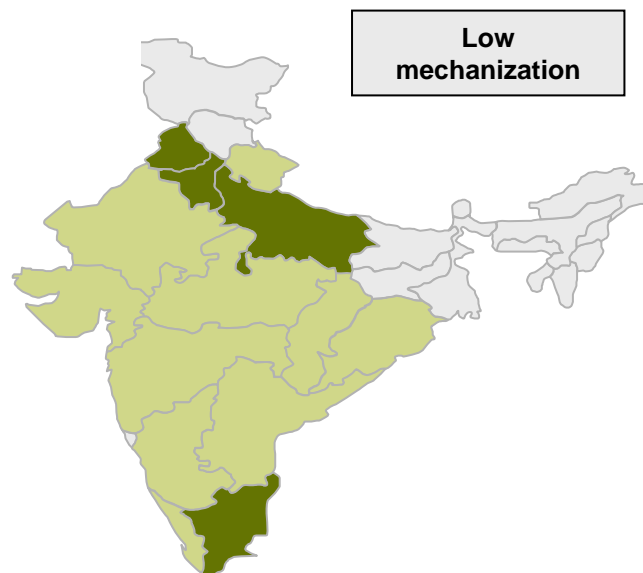
Mechanisation level	Farm Power KW/ Ha	No of tractors per 1000 ha	No of combine harvester per 1000 ha
Japan	8.75	456.24	234.42
Germany	2.35	87.26	11.43
UK	2.5	88.46	8.32
Italy	3.01	201.9	6.24
France	2.65	68.52	4.93
Argentina	na	8.89	1.48
China	na	7.75	1.39
Brazil	na	13.69	0.92
India	1.5	15	0.04

Reasons for slow mechanization in other areas

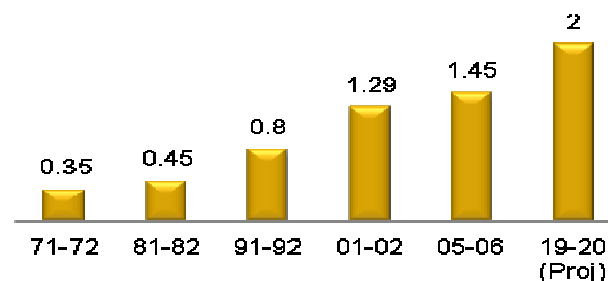
- Socio- economic conditions
- Slow growth in institutional financing

High mechanization

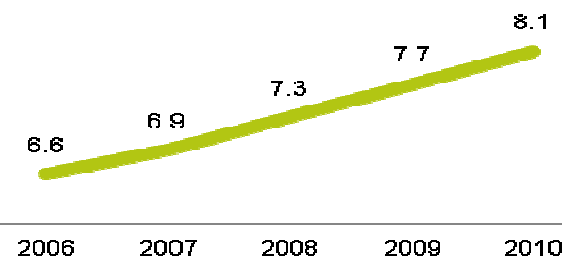
Moderate mechanization



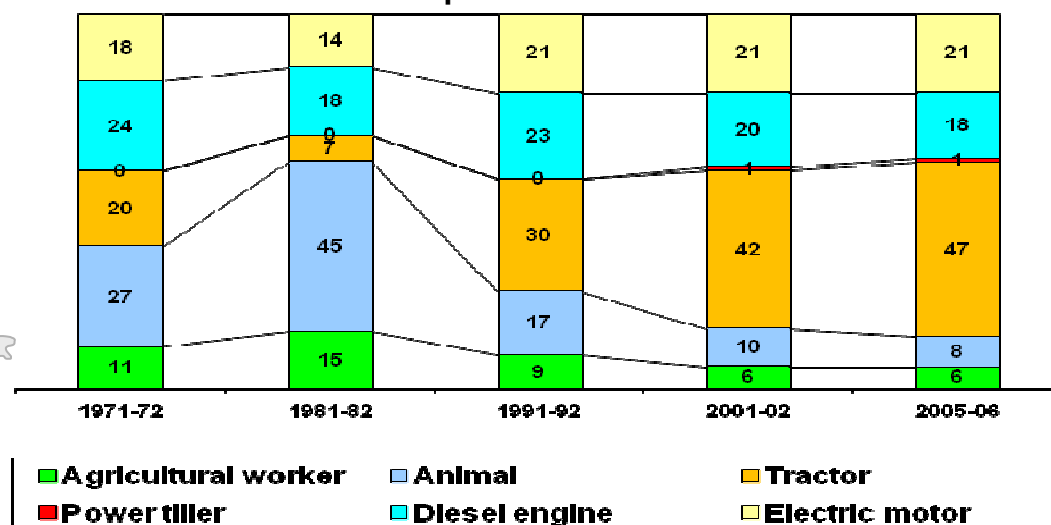
Usage of power for agriculture (kw/ha)



Ag-equipment market in India (Bill. USD)



% Share of power sources



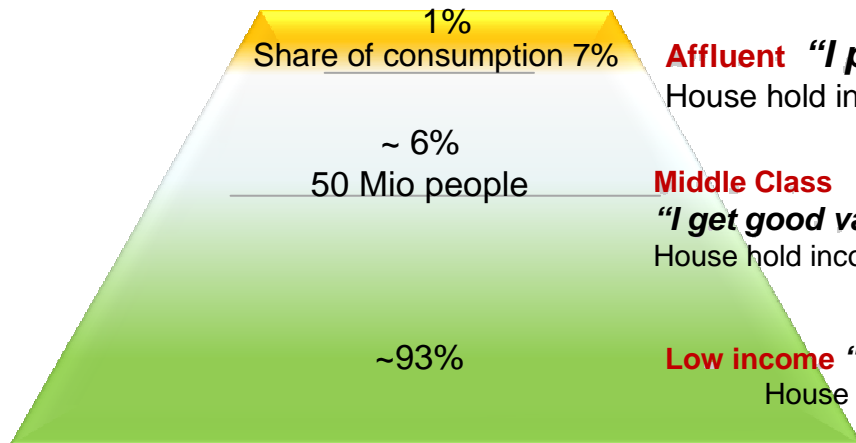
- Tractor power replacing human & animal power
- Mechanization only increasing through tractor.
- Growth in Harvesters, and other farm machines limited.

CLAAS

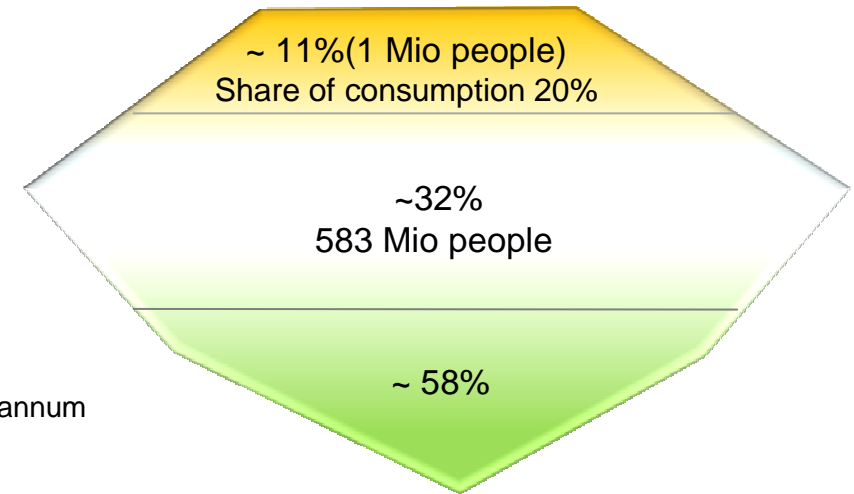
Source: Inputs from Ministry Of Agriculture & other sources

Understanding India market – **Rapidly growing middle class.**

*Will India meet its aspirations to turn from a Pyramid to a Diamond soon?*

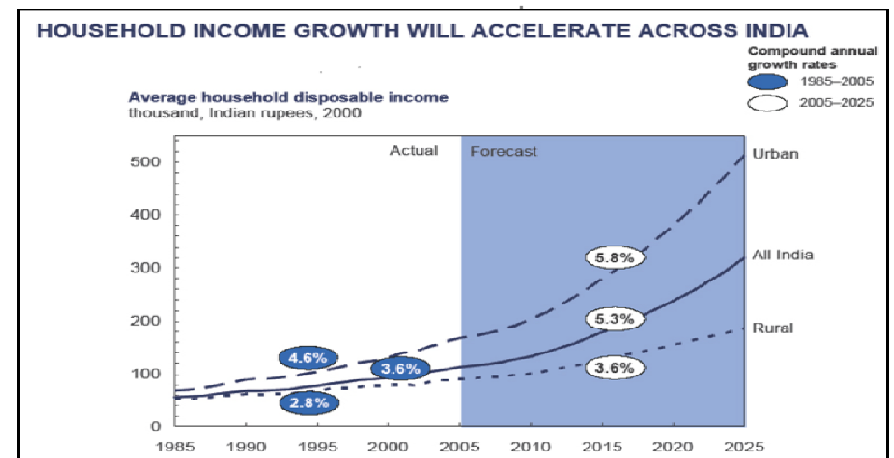
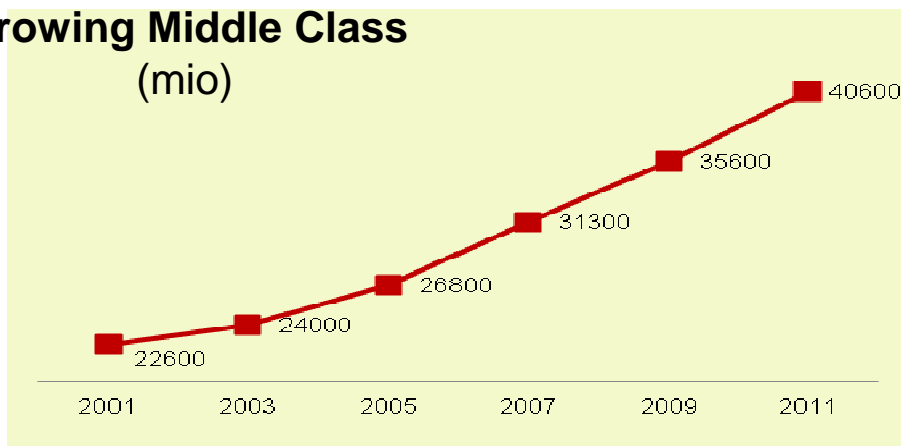


1985



2025 Forecasts

**Growing Middle Class**  
(mio)





## Challenges of Indian market

*Finding the right value, price points, technology match*

- **Cash starved economy**

- **High interest rates** (12-15% p.a.) and
- **High inflation** (10% on consumer price index)
- **High domestic saving (>30% of GDP)**
- **High deficit**
- **Large population at low income end**

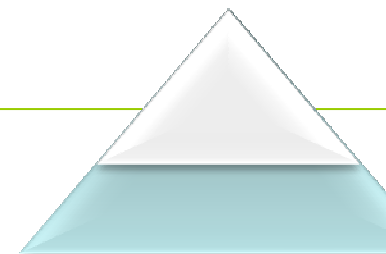


- **Price sensitive buying behavior**

- Indian buyer, no matter what class or product category, goes for a '**good bargain**' or '*Value for money*'.
- Clear preference for **performance over features**.
- **No compromise in reliability** (ergonomics & styling gaining as desirables)
- **Simpler technology but not lower quality**

*..... different from the low income segment in China.*

## Understanding India market – *Price sensitive market – Huge volumes for right products*



### *'Large bottom' Market*

- **HUGE market for *Low price– simpler technology (affordable) products\****
  - » World's largest market for small low technology tractors
  - » World's largest market for small **backhoes** (modest market for large machines)
  - » World's largest market for smaller low cc **motor-cycles** (v. small for large bikes)
  - » Second largest market for **small cars** (eg. NANO \$ 2000 car)



– Conversely, a smaller market for high price/ complex technology / large capacity / premium products  
( *...even this size of the market is only relatively small !* )

- **Every product (even multi-tasking) also must do *One bread-winning job.***

» Eg.. Skid-steer loaders, backhoes, tractors etc.

- **It is unwise to presume that India would go where developed markets did.**

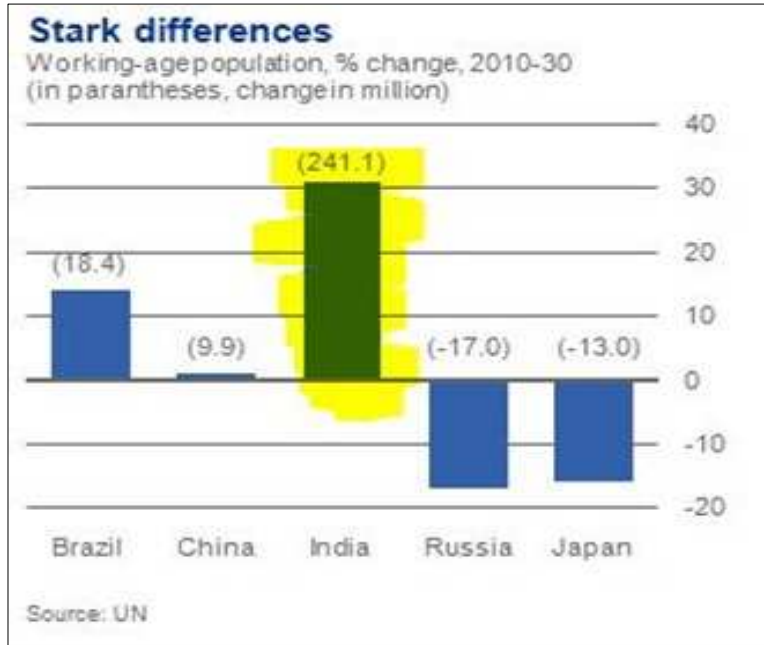
• Eg. 1 Top 4 players in Tractors 600,000 market are Indian manufacturers

• Eg. 2 Tata LCVs beat global players - Isuzu, Toyota, Mazda, Mitsubishi, Nissan & Canter etc.

–Emerging markets often skip stages that western world has been through.

Large Young population - growing fast

Backed by banks, this is a huge entrepreneurial opportunity – **Hiring Contractors**



- Today, 54% of Indians are under 24 and **65% are under 35 years old.**
- In 20 years **working population will rise by 30%** - among highest growth in the world.
- It is expected that, in **2020, the average age of an Indian will be 29 years,**  
(China: 37years and Japan: 48years ).

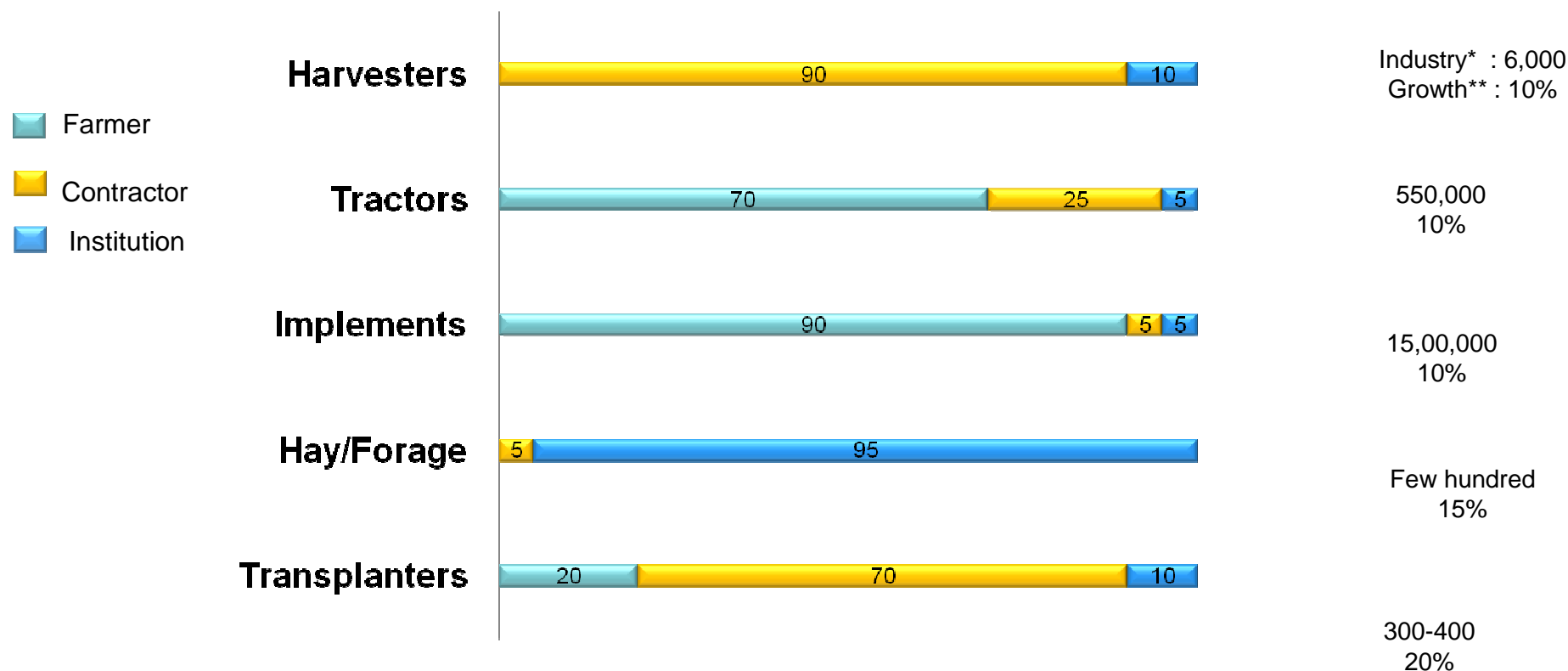
- CLAAS developed a business model involving young entrepreneurs .
- These young entrepreneurs would buy expensive machines that small farmers can not afford and then these are offered on hire to farmers on per acre or per hour use basis.

# Opportunity from young entrepreneurs:

## Hiring Contractors are the biggest segment of combine buyers

\* Estimated sales/year \*\* Average Growth for past10 years

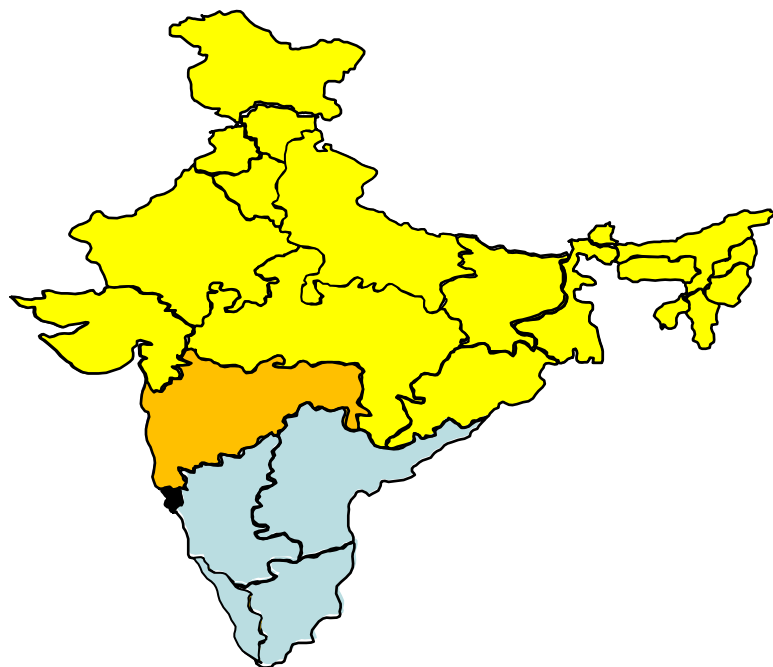
Source: CLAAS India market research and various sources



CLAAS is dominant in South – with track combines

**Vetter ground in South needs superior technology – light weight track combines**

## India



### Market 1: North & Rest of India

- Major wheat producing market with second crop of paddy.
- Eastern States (Orissa , West Bengal) have two paddy crops.
- Other major crops: sugarcane, soybean, mustard, maize.
- Average farm size larger in Punjab.
- Many marginal farmers in UP, Bihar, West Bengal.
- High level of mechanization in Punjab, Haryana,
- Low to moderate mechanization in West, Central & East.



### Market 2: South India

- Major paddy producing market with two crops of paddy.
- Other major crops: sugarcane, maize.
- Average farm size relatively higher in Karnataka.
- Many marginal farmers in Andhra Pradesh & Kerala.
- Moderate to High level of mechanization.



CLAAS at a glance  
CLAAS India Limited

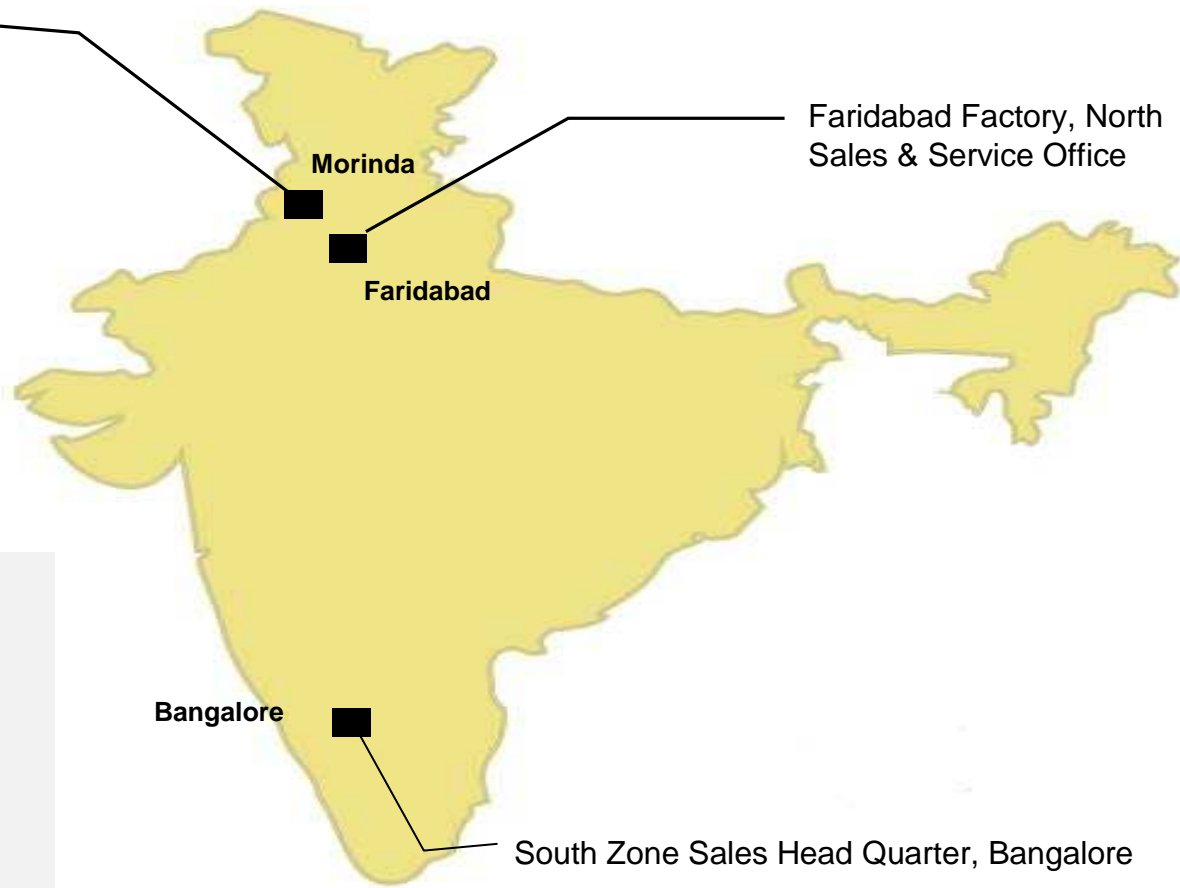


Over 5000 Satisfied Customers

# CLAAS India at a glance

## India manufacturing facility and offices

CLAAS Factory at  
Morinda, Punjab



Factory Opening: October 2008  
Investment: ~Euro 25 Mio  
Area: ~ approximately 10 hectares  
Production capacity: ~ 2000 Combines per annum  
Employees approx.: 500 (including t leased)  
Products:  
Track Combines: CT-TT 30 & CT-TT 40  
Wheel combines CT30 & CT40

## CLAAS in India



CLAAS starts production of combine harvesters in Faridabad under a Joint venture.



Launch of CROP TIGER 30 TERRA TRAC combine harvester.



Launch of 60 hp CROP TIGER 30 Wheel Combine harvester.

1 1993 1996 1999 2002 2006 2007 2008 2009 2010 2011 20



## CLAAS in India



Sold 1000th machine in domestic market.

# CLAAS

CLAAS acquires stakes of Joint Venture partner, incorporated as a 100% subsidiary of CLAAS, Germany. 2002



## CLAAS in India



Ground-breaking ceremony for new factory at Morinda, Chandigarh.



Launch of CROP TIGER 60 from factory. the biggest and most powerful combine harvester in India



Sold 2000<sup>th</sup> Track combine in domestic market.

1 1993 1995 1999 2002 2006 2007 2008 2009 2010 2011 20



## CLAAS in India



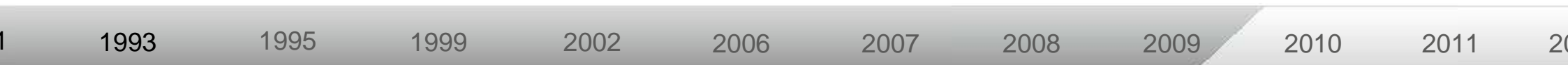
Pullover of 4000<sup>th</sup> CROP TIGER 30 TERRA TRAC combine harvester in domestic market



The 5000th Crop Tiger Terra Trac delivery, a special celebration to mark the occasion.



CLAAS launched a solution for Rice Transplanting the Paddy Panther 1000 in India.



# CLAAS in India



production of the new CROP TIGER 40 combine harvester with new high efficient 76hp BSIII engine.



CLAAS opened a new Regional Sales headquarter for the South Market in Bangalore



1 1993 1995 1999 2002 2006 2007 2008 2009 2010 2011 20



## CROP TIGER 30 TERRA TRAC

- 7 ft cutter-bar
- 62 hp TATA 4SP RTV engine
- TAF Threshing System
- Hydrostatic drive
- Suitable for wetland paddy harvesting



## LAAS at a glance products in India



### CROP TIGER 40 TERRA TRAC

- 7 ft cutter-bar
- 76 hp TATA 497 TCIC BSIII engine
- TAF Threshing System
- With Covered grain tank
- Equipped with battery cut off, water separator , air compressor & high capacity air filter
- For wetland paddy harvesting

## CLAAS at a glance products in India



### **CROP TIGER 30**

- 8.85 ft cutter-bar
- 62 hp TATA 4SP TCIC BSIII engine
- TAF Threshing System
- Multicrop Harvesting - Basmati, Wheat, Soybean, Gram, Mustard, Moong, Tur, Sunflower



## LAAS at a glance Products in India



### CROP TIGER 40

- 10.5 ft cutter-bar
- 76 hp TATA 497 TCIC BSIII engine
- TAF Threshing System
- Covered Grain Tank, Water Separator and Compressor
- Multicrop Harvesting - Basmati, Wheat, Soybean, Gram, Mustard, Moong. Tur Sunflower

**MARKANT  
BALER**



**MARKANT BALER 55/65**

- Shaft driven legendary CLAAS Knotter
- Adjustable drawbar with 2-section PTO sh
- Require 45-60 hp at PTO shaft
- Gathering width of 1.65 to 1.85 m
- Bale size of 0.4\*1.1 m
- Baling capacity of 2.5 to 3 ton/hr
- Avg. bale weight of 20-30 kg



### **PADDY PANTHER 14**

- 4 row, Walk Behind Type
- 3 HP 4 cycle air cooled engine
- Highly sensitive automatic depth control system
- Travelling Speed: 0.5-1.4 m/sec
- Nursery : Mat type
- Row to row spacing: 30cm
- Integrated washing pump



# CLAAS at a glance

## India Product Range



Launched: 2007



Launched: 1995



Launched: 1993



Launched: 2011



Launched: 2011



Launched: 2011

# LAAS India Morinda Facility – Assembly Line





CLAAS India

Morinda Facility – Stores, Transmission & Roller Assembly





## CLAAS India at a glance

### Morinda Facility – Other Highlights

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**TRUMPF Laser Cutting**



**Bending Machine**



**Spot Welding**



**Balancing Machine**



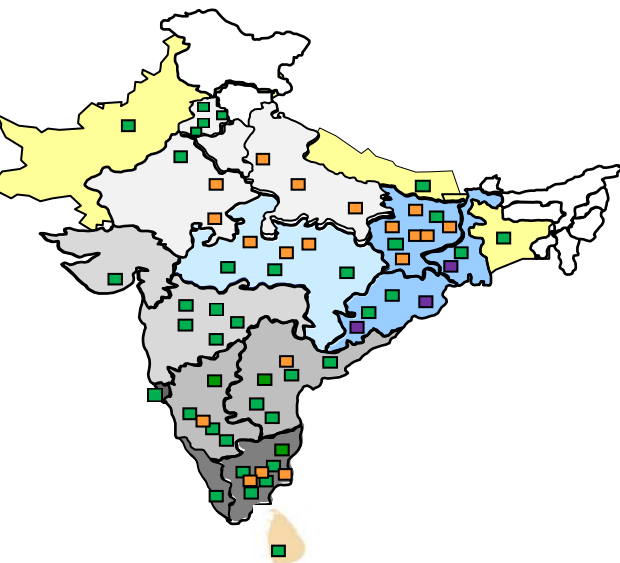
**State-of-the-art Paint Shop**



**Zeiss Coordinate Measuring**

# CLAAS at a glance

## Distribution in India & in SAARC Countries



- Existing Dealer Network - 39
- Dealer's appointed in FY'13 - 3
- Business Associate's appointed in '13-19

ZONES	Dealers	B.As
North	4	3
West	7	2
Central	3	3
East	8	6
South	16	5
SAARC	4	

**20th Anniversary**

## JOIN THE HARVESTING SPECIALIST FOR A GREAT BUSINESS OPPORTUNITY.

CLAAS India Private Limited, a wholly-owned subsidiary of CLAAS Germany, manufactures compact multi-crop combine harvesters for countries around the world. The company is now looking for ambitious, well-managed and financially sound dealers, capable of investing above ₹2 Crores with a commercial space of 20,000 sq. ft. preferably on the main road or near the highway to promote sales through a wide network across Villupuram, Kullukurichi, Pudukcherry, Cuddalore and Perambalur. We expect new dealers to work closely with CLAAS India towards achieving new goals and fully explore business potentials above ₹15 Crores per annum.

CLAAS India Private Limited  
No. 57, 53rd Street, 8th Avenue, Chennai-600065  
E-mail: [info@claias.com](mailto:info@claias.com), [claias@claias.com](mailto:claias@claias.com)

For Dealership Enquiry: +91-9800019227

**CLAAS**

Advertisement for a new dealer



New dealership opening - Burdhaman, West Bengal



CLAAS Dealerships generate confidence through its brand strength



Attur, Salem



Kallakruchi



Attur, Salem

At least 3 more facilities will come up shortly. (2 in TN, 1 AP and 1 in KTK).



exhibitions and events to develop and promote concept of mechanized harvesting through hiring



Nellore



9/10/2013





# Exhibitions and events to develop and promote concept of mechanized harvesting through hiring



Kisan Agri Exhibition, Pune 12-16 Dec 2012



Agro-tech Chandigarh 'December '12



Krishi Mohatsav - Bhubneshwar 19-22 March 2013



Agro Bihar 2013, Patna 8-11 Feb 2013



Inviting you to Krishi Mela

22<sup>nd</sup> - 25<sup>th</sup> September 2012 at  
Main Campus, University of Agricultural  
Sciences, Dharwad, Karnataka

Forerunner in technology and efficiency, the Germany based CLAAS is the world leader in agricultural and harvesting machinery manufacturing. Market leader in combine harvesters, Claas has made its landmark in the field of harvesting technology. Providing engineering technology to agriculture industry, CLAAS has a variety of products ranging from CHOP TIGER 30 WHEEL, CHOP TIGER 30 TERRA TRAC, MATHANT BALER & PADDY PANTHER 14, for best innovation and easy harvesting.

Dealer: Bellad & Company, Bellad Chambers,  
Vidyannagar, Hubli, Karnataka. Tel: 08362218304



Design of an Invite

## CLAAS India Exports



**Close to 1000 machines have been sold worldwide from CLAAS India.**



A photograph of a small, vibrant green seedling with several leaves growing out of dark, rich soil. The seedling is positioned on the right side of the frame. The background is heavily blurred, showing a line of trees and a bright, hazy sky, creating a sense of depth and focus on the young plant.

Thanks