

EXECUTIVE SUMMARY

Orion Racing India is in the business of designing, fabricating and selling of race cars. The company plans to sell its high performance vehicle, ORI-13 in the virgin Indian motorsport market. With the booming Indian economy and the arrival of motorsport in India, the mindset of people is changing towards automobile racing. It is now looked upon as both, a profession and a status symbol.

ORI-13 is a 600cc single seat, open cockpit race car. Weighing in at 240 kgs, the car can reach 100 km/h in just 4.2 seconds. It consists of high end technical features such as-

- Custom built driver interface and telemetry system along with ergonomic steering console.
- Superior adjustability in the suspension system with best in class dampers having more than 500 settings.

Orion Racing India is planning to enter into the Indian market with a three pronged approach –

Firstly, we plan to sell our race car to High Net-worth Individuals and top Indian corporate honchos who have a passion for motorsport.

Formula 1 in India is looked upon as a serious profession but it is not being followed because of lack of good facilities and high costs. We all know that becoming a race driver is an expensive affair, for this very reason Orion Racing India plans to set up a racing academy with state of the art facility and teaching. This will provide great opportunity for young enthusiasts who want to take up racing as a profession, at an affordable cost.

As we enter into the third year in our business, we plan to introduce the Orion Racing League. This racing league would comprise of 10 teams across the nation with 2 cars per team. The teams would be auctioned to the franchisee and they will be required to hire race drivers from Orion Racing Academy. This will not only provide great revenues to the company but a good platform for budding drivers to showcase their talent.

Orion Racing India plans to set up its production facility at Chakan, Pune, the heart of the Indian auto industry, located 165 km away from the Mumbai head office. Apart from this, the production facility would follow the principles of lean manufacturing, since labor in India is cheap but machinery and land is not. As a result, we intend to outsource all manufacturing work to SMEs that specialize in custom manufacturing. This results in lower fixed costs and reduced investment risk.

The company plans to initially introduce two versions of its race car that are,

- ORI-13, with a production cost of USD 14,245. It will comprise all the technical features that are present in the prototype.
- ORI-13 Sport, with a production cost of USD 17,800 and will have added features such as Launch control, Traction control, paddle shift etc.

In the first year of our business, we require a capital of USD 1,120,000 for which we are seeking an investment of USD 900,000 against an equity stake of 40%. With this investment we expect to break even in the 3rd quarter of the 2nd year.

Thus, Orion Racing India lends an opportunity for potential investors to become pioneers in the Indian motorsport market with a first mover advantage. We believe that the proposition made is low risk and high return opportunity; we look forward to doing business with you.