

## PRESS RELEASE

### **5% YoY growth in Revenue during the quarter**

**Mumbai, August 1, 2016:**

Greaves Cotton Limited, one of India's leading engineering companies, has, despite tough market conditions, reported revenues of Rs. 445 crore for the quarter ended June 30, 2016 as against Rs. 424 crore for the quarter ended June 30, 2015. EBITDA for the quarter ended June 30, 2016 is Rs. 60.4 crore as against Rs. 61.5 crore for the same period last year, recording a EBITDA margin of 13.6% during the current quarter. The Profit After Tax (PAT) for the quarter ended June 30, 2016 is Rs. 39 crore as against Rs. 44 crore for the corresponding period last year. During the quarter, the company had taken a few initiatives that would help it prepare for the future which resulted in higher operating Expenses and a consequent reduction in profits. The financial results of the company have been prepared in accordance with Ind AS that came into effect from April 1, 2016.

Commenting on the results, **Mr. Sunil Pahilajani, MD & CEO** said "Despite a challenging market environment, the company with its sustained focus on various lines of business has recorded revenue growth of 5% in the quarter ended June 30, 2016 over the corresponding period last year. This has been possible due to strategic initiatives on launching new range of solutions, enhancing service quality and entering new geographies. This is to be seen in the context of the weak revenue growth in the immediate past quarters. Contributing to the higher revenue is robust growth in the Farm Equipment Business and the Auxiliary Power business."

Commenting on the company's profitability, Mr. Pahilajani said, "We continue our value engineering efforts that have delivered a healthy EBITDA margin of 13.6%. Our efforts on cost controls are sustainable & will continue to improve."

Elaborating on the new product development initiatives, Mr. Pahilajani said, "One of our key strengths has been our strong distribution network across the country. This has been traditionally

used to supply spare parts and service to meet the needs of over 4 million customers. With the recently announced foray into a wider range of spare parts and consumables under the GREAVES brand name, we are providing a reliable and quality alternative that delivers value to all stakeholders. GREAVES becomes a one-stop solution provider for most parts requirements in the 3-Wheeler passenger and commercial vehicle segment. GREAVES is also ready with a new range of multi-cylinder engines that offers a wide range of solutions for payloads up to 3.5 T. This opens up new vistas of growth for the organisation.”

Adding further, Mr. Pahilajani said “The initial forecast of a good monsoon seems to be coming true in most parts of the country. This augurs well for the Farm Equipment business even as we ready ourselves with a ‘Make in India’ range of products for launch during the year”

### **About Greaves Cotton**

Greaves Cotton Limited, a Rs 1700 crore, multi-product, multi-locational company is one of the leading engineering companies in India with core competencies in diesel/ petrol engines, farm equipment and gensets. The Company sustains its leadership through seven manufacturing units which produce world class products backed by comprehensive marketing and service/ parts network.

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