

05th August, 2025

The Manager - Listing
BSE Limited
BSE Code: 501455

The Manager – Listing
National Stock Exchange of India Limited
NSE Code: GREAVESCOT

Dear Sir/Madam,

Subject: Transcript of the quarterly earnings call for the quarter ended 30th June, 2025

In furtherance to our letter dated 23rd July, 2025, please find enclosed herewith the Transcript of the quarterly earnings call for the quarter ended 30th June, 2025. The transcript is also available on the Company's website at www.greavescotton.com.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For Greaves Cotton Limited

Atindra Basu
Group General Counsel & Company Secretary
Membership No: A32389

Encl.: a/a

Greaves Cotton Limited

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ENGINEERING | E-MOBILITY | RETAIL | FINANCE | TECHNOLOGIES

Greaves Cotton Limited

Q1 FY26 Earnings Conference Call

July 31, 2025

Management Representatives:

Karan Thapar – Chairman of the Board, GCL

Parag Satpute – Managing Director & Group CEO, GCL

Akhila Balachandar – CFO, GCL

Vikas Singh – Managing Director, GEML

Moderator: Good evening, everyone and thank you for joining us on Greaves Cotton Q1 FY26 Earnings Conference Call.

We have with us today Mr. Karan Thapar – Chairman of the Board, Greaves Cotton Limited; Mr. Parag Satpute – Managing Director & Group CEO; Ms. Akhila Balachandar – CFO, GCL and Mr. Vikas Singh – Managing Director, GEML.

We would like to begin the call with brief opening remarks from the management, following which we will have the forum open for an interactive question-and-answer session.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * then 0 on your touchtone phone.

Before we start, I would like to point out that some statements made in today's call may be forward-looking in nature and a disclaimer to this effect has been included in the result presentation shared with you earlier.

Further, as you are aware, Greaves Electric Mobility Limited has filed a draft red herring prospectus with the capital markets regulator, SEBI, to raise funds through an IPO. All discussions in this call with regard to this entity may be read in conjunction with and be limited to the said DRHP.

I would now hand the conference over to Ms. Akhila Balachandar. Thank you and over to you, ma'am.

Akhila Balachandar: Good evening, everyone. It's a pleasure to have you all with us today. We will walk you through our financial performance, strategic priorities, and key developments for the quarter. Before we delve into the details of our performance, I would like to take a moment to welcome Mr. Karan Thapar, our Chairman to this conference call. I now invite our Chairman, Mr. Thapar to take over.

Karan Thapar: Thank you, Akhila. Before we commence discussion on our financial and operating performance, I would like to introduce and extend a very warm welcome to Mr. Vikas Singh, who joins us as the new Managing Director of Greaves Electric Mobility Limited. Vikas will lead the Company's next phase of growth with the current management team reporting to him.

With over three decades of leadership across diverse, consumer-driven sectors, Vikas brings a wealth of experience in driving large-scale transformation, digital innovation, and business growth in complex and regulated environments. He has held key leadership positions and roles in both Indian and international organizations and has consistently delivered results with resilience and agility.

His appointment reaffirms Greaves' commitment to doing the best for GEML as well as its strong belief in the electric mobility space. Under Vikas's leadership, I am confident that GEML and its subsidiaries will get back on the fast-growth track once again. Over to you, Vikas.

Vikas Singh: Thank you, Mr. Thapar, for the warm welcome. I am honored to take on this role at such an exciting time for Greaves Electric Mobility. I look forward to working with the team to build on the strong foundation you helped create and to drive our vision of accessible and sustainable mobility for all. Thank you again. Over to you, Parag.

Parag Satpute:

Thank you, Vikas. So, I am going to start off by giving you a business update on Greaves Cotton Limited. Good evening to all of you, ladies and gentlemen. I will cover the key developments and performance of our core businesses, which include Greaves Engineering, Greaves Retail, and Excel for the first quarter of FY26.

During this quarter, we saw solid momentum across our core businesses. Each of these businesses play a very important role in advancing our mission, which is to provide sustainable, efficient, and inclusive engineering and energy solutions across India. We are very happy with the performance of our largest business, Greaves Engineering, which has delivered another quarter of strong growth. This has been driven by very healthy domestic as well as strong international sales. In Q1 FY26, exports made up 14% of our revenue. This was on the back of very strong demand for our Euro-V+ auto engines and our CPCB IV+ gensets. We believe this underscores our reputation for reliability and for quality. The automotive segment saw a solid 46% year-on-year growth, largely driven by this international business. Also very encouraging is the growing traction for our engines in the non-auto applications, like firefighting, marine, construction, and agriculture. The non-auto segments grew by 19% year-on-year, and within that, the gensets saw a very strong 30% growth. Within the gensets area, we have held our market share at 4%. We remain sharply focused on delivering customer-first solutions.

Moving on to Greaves Retail, this business delivered a 5% year-on-year growth. Within this, the non-auto aftermarket segment saw a good growth of 40%, while the auto segment remained flat, mainly due to subdued demand in the markets. Within the non-auto segments, we see a healthy momentum. The railway business is of particular interest, and it is progressing well, gaining strong traction. We have also started to get deeper into the electric three-wheeler ecosystem in the L3 space, and we have now onboarded more than 10 e-rickshaw manufacturers for our products. And our efforts in connecting mechanics is also growing strong, with participation from over 21,000 mechanics, who have scanned more than 170 million reward points through our unique Mechanic Loyalty Program. To further strengthen this connect throughout the value chain, we have started to pilot also a Retailer Loyalty Program. That was on Greaves Retail.

Now moving on to Excel. Excel continues to focus on increasing business with OEMs, which is their core customer group. This has resulted in new wins for both the mechanical and electronic control systems in the automotive and construction industry. With the technological advancement in motion control systems, Excel has also launched a hydraulic marine steering system for outboard boats and has received global orders from Europe and the Middle East. Further, leveraging its in-house development capabilities, Excel has won orders in the rubber business with OEMs in the agriculture and the construction equipment industry.

Overall, aside from these operational initiatives across the businesses, we also continue our efforts to broad base our presence in more markets globally. We are also driving operational excellence across the businesses, through digitized inventory, through integrating our supply chains, and training our partners and dealers to become more customer focused.

On the ESG front, we made good progress on waste reduction and expanded our upskilling initiatives within the mechanic communities. That was on the Business Update.

I am also aware many of you are keen to understand our roadmap to our Financial Year 2030 vision. Let me tell you that we are in the midst of finalizing our strategy and recalibrating our approach where it is necessary. I would request your patience.

Our plan is to share with you more color on our growth plans over our next call post the H1 FY26 results.

To conclude, let me reconfirm, our core businesses remain solid and growing profitably and are very well aligned with Greaves' broader transformation journey. While we continue to invest in future-ready areas like electric mobility, our core is strong and building on the trust and scale of a wide distribution network. This gives us the stability and resources to drive sustainable growth across the group.

With this, I would like to hand over to Akhila to take us through the financial performance. Over to you.

Akhila Balachandar: Thank you, Parag, and once again, good evening to everyone.

I am happy to share that we have commenced Financial Year FY26 on a very positive note with strong operational and financial performance, delivering steady performance across all our key segments of business. This reflects the successful execution of our transformation strategy, diversification of our portfolio and a disciplined approach to financial management. It also validates our continued focus on sustainable growth, operational excellence, and capital efficiency.

For Q1 FY26, we reported a consolidated revenue of Rs. 745 crore with standalone revenues growing 22% year-on-year to Rs.541 crore. Standalone EBITDA came in at Rs. 76 crore, making a 51% increase year-on-year and EBITDA margins expanded by 270 basis points, driven by improved product mix, operating leverage, and disciplined cost management. Our engineering businesses recorded revenue of Rs. 385 crore in Q1 supported by a continued demand from infrastructure, institutional and industrial customers. Despite raw material cost fluctuations, we maintained margin stability through operational efficiencies and smart procurement. The business continues to focus on reliability, delivery, and technology-led process optimization.

Excel Controlinkage, our strategic acquisition, delivered another quarter of growth with revenues of Rs.60 crore. Both the core and acquired businesses contributed meaningfully to our consolidated topline. Greaves Retail business grew to Rs. 155 crore in Q1, backed by expansion into Tier-2 and Tier-3 markets and improved store-level economics. Customers experience initiatives, analytics-led merchandising and integration of the supply chain have driven stronger conversions and better customer lifetime value. We are seeing increased traction from both B2C and B2B customers, validating our efforts to build a resilient spares network. Greaves Electric Mobility continues to scale with Q1 revenues of Rs. 137 crore. We continue to invest in new platforms, digital-first experience, and ecosystem partnership to strengthen our leadership in EV space.

Our finance arm, Greaves Finance, which focuses on EV financing, has grown its AUM to Rs. 300 crore, including co-lending, reflecting a year-on-year scale-up. We have achieved this underpinned by strong portfolio quality, prudent risk controls and tech-enabled origination and underwriting. We are focused on deepening our partnerships with OEM and dealers to broaden financial access, especially for EV customers in underserved markets.

We continue to operate with a strong balance sheet. Our consolidated cash reserves stand at Rs. 400 crore plus, net of debt and with tight control on working capital. Our return on capital employed continues to be healthy, reflecting our disciplined approach to capital deployment.

Looking ahead, we remain cautiously optimistic, while being mindful of external macro and regulatory headwinds. Our diversified portfolio and customer-centric approach position us well to navigate the environment and capture emerging opportunities.

With this, I invite Vikas to share his opening remarks. Over to you, Vikas.

Vikas Singh:

Thanks Akhila. Good evening, ladies and gentlemen, thank you for joining us today.

Let me begin with a quick look at the electric two-wheeler industry, we recorded approximately 300,000 units in Q1FY26, reflecting a 34% year-on-year growth. While slightly down in terms of 2% quarter-on-quarter, the industry is steady and maintaining high concentration in the top 5 states, Maharashtra, Karnataka, Tamil Nadu, Uttar Pradesh, and Madhya Pradesh, contributing to over 56% of the volumes. At Greaves Electric Mobility, our E2W business, electric two-wheeler business, continues to strengthen its position.

I am happy to state we have an 84% year-on-year retail sales growth. Our flagship product, Magnus Neo remains a preferred choice in the mid-speed segment, backed by comfort, practicality, and strong after-sales support. The refreshed Reo, which brings in the entry segment, saw a 30% quarter-on-quarter growth, reaffirming relevance in rural and emerging markets.

Our market share last year, same time, was 3.4%, and this year it stands at 4.2%, with leadership in Bihar at 15.3% and Tamil Nadu at 13.9%. I am happy to state we offer an inclusive portfolio, spanning products in the price range from Rs 50,000 to almost about Rs 1.5 lakhs, and this covers the slow speed, the mid-speed, and high-speed segments, thereby catering to a wide range of customers.

With this I move to the three-wheeler segment, the L5 category clocked approximately 167,000 units which is a 12% year-on-year growth. I am happy to state that the EV penetration in L5 has surged to 31%, up from 17% last year, driven by better availability and, to a certain extent, pricing. The L3 market also grew 11% year-on-year led by UP, Bihar, Assam, and Delhi. Overall, our three-wheeler business is steadily gaining ground. Our OBD2B compliant L5 diesel variant is gaining traction with a 4% market share. We have expanded into CNG options, thereby creating a fuel agnostic portfolio, which meets varied commercial uses. Notably, June saw much better retail sales, driven by a refreshed portfolio, better dealer alignment and focused market interventions.

We are also proud to share that our newly launched Eltra City Xtra, which is the EV three-wheeler in the L5 space, achieved a national record, traveling 300 plus kilometers on a single charge from Bangalore to Ranipet. This feat reinforces our engineering excellence and our endurance credentials. We are also investing in long-term customer satisfaction. We have expanded our service network to 400 plus touchpoints. We have ensured a 98% plus service part availability, and we are driving digital transformation via Salesforce, aiming to elevate customer service and engagement.

On the operations side, we made meaningful progress with margin improvement through cost optimization, improved channel efficiency and tighter execution discipline. While we continue to monitor industry headwinds, including the rare earth metal availability, our proactive supply chain planning and localized sourcing gives us confidence in ensuring product availability and very importantly, festive preparedness.

Finally, we are backed by two very strong and committed investors, Greaves Cotton, and the ALJ Group, who believe in our vision and our long-term potential. We are truly grateful for their continued support.

With that, we would like to open the floor for any questions you may have. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Raman KV from Sequent Investments.

Raman KV: My first question is with respect to the engine segment. There has been a good margin expansion year-on-year as well as quarter-on-quarter as well as 30% sales growth. So, I just want to understand what led for this margin expansion and is this margin sustainable?

Parag Satpute: So, let me take that. If I just make sure I understood your question. You said in the engine business; you were happy with the year-on-year and quarter-on-quarter margin expansion and what was the reason for it? So, within the engine business, like I mentioned in my opening remarks, the auto segment has done well for us this year. And especially if you look within the auto segment, we have started a good export business for our Euro-V+ engines. And that obviously has helped us improve our margins.

Raman KV: And sir, the second part of the question was whether this margin is sustainable?

Akhila Balachandar: So, let me take that. If you go back our results over the last 8-12 quarters, we have been consistently improving our margins, and we are working towards maintaining it in the range of 13%-14%. That has been our constant endeavor and that is what we aim for and will keep on working towards.

Raman KV: My last question is with respect to the volumes. Can you give me the volume figure for engines with respect to auto and non-auto segment as well as electric mobility?

Akhila Balachandar: So, we have not given a disclosure on the volumes in this quarter. But they are significantly higher than the Quarter 1 of last year. And on electric mobility, I will have Vikas to respond to the question.

Vikas Singh: I did cover this in my opening remarks. In Quarter 1, we maintained an 84% year-on-year retail sales growth, which is a very healthy delivery. And we are making all efforts to ensure that we maintain this rate of growth in the quarters ahead.

Raman KV: The 84% growth is with respect to the volumes, right?

Vikas Singh: Retail volumes, yes. This is not the invoiced volumes, the retail volumes.

Moderator: The next question is from the line of Krisha Kansara from Molecule Ventures.

Krisha Kansara: Congratulations on a very good set of results. I have two-three set of questions. First, being on the engineering side, as we are aware that the Greaves engines division has grown by 30% in this quarter, which is a very impressive growth. And you have mentioned in your presentation that this was led by predominantly by two things, one being the genset division and the other is the auto engine. So, could you help us understand that exactly which end-user industry contributed to let's say auto engine division, and then which sectors drove the genset division growth? The growth has been very good, but if you can just pinpoint on the end-users which drove the growth.

- Parag Satpute:** Indeed. I will be happy to answer that question. You have rightly picked out the two industries where we have seen our growth. In the auto engine, as you know, we are a very strong player in the three-wheeler market. So, obviously, we have seen good traction there. And along with that, we have also seen our export business grow. Within the genset business, we have seen our distribution expansion across the country. And to name specific sectors, then the residential and the infra construction sectors have given us good growth in this quarter.
- Krishna Kansara:** Right. But sir, will it not be possible for you to give a volume picture on the auto engine segment?
- Parag Satpute:** I think Akhila already mentioned the volume growth that we are ready to disclose. So, we don't have any more information on that.
- Krishna Kansara:** Okay. Sure. And so, my second question is on our EV-business. So, while I am aware that we have filed the DRHP, and you might not be able to disclose some very sensitive information. I would request the management to throw some light on the timeline of the IPO. I wanted to understand if there is a demand in the market for us to successfully launch this IPO because as investors of Greaves Cotton, it is also very crucial for us that the market starts seeing and valuing both our businesses separately. And more so now, because I feel that our engineering business seems to have begun a good growth trajectory given what numbers we have clocked in Q1, which are very much comparable to Q4. So, that has grown very well. So, if you can throw some light on the timeline of the IPO and some details?
- Vikas Singh:** Thank you for your question regarding the IPO of GEML. As you are aware, the Company has filed its DRHP with SEBI and SEBI has issued its final observations. This marks a key milestone in the regulatory process for us. While the IPO process is underway, we remain focused on delivering strong business performance. The actual IPO launch, however, will be subject to prevailing market conditions, internal preparedness, and other strategic considerations. We would like to reiterate that we remain committed to creating long-term value for everyone and will keep the markets informed in compliance with all regulatory requirements. I hope that addresses your question.
- Krishna Kansara:** Okay. Just one related question to this, sir. In yesterday's AGM, the chairman mentioned that Abdul Jameel wants to reduce the stake down to 20%, which is currently 36%. So, I wanted to understand our perspective as well on the IPO. So, how are we looking at our investment in the EV business? I am aware that we will still be the promoters of the EV Company, but what is your take on the ownership aspect post the fresh issue and the OFS?
- Karan Thapar:** Let me take that question. It is a common factor in both, but I don't understand the implications of the question, I am afraid. The DRHP was very clear on both Greaves Cotton's position regarding its shareholding as well as ALJ. And I think I said in my speech that ALJ did not want to be a promoter post a public listing. So, not being a promoter, they are forced to dilute to a certain level, which is what is represented in the DRHP. I don't know if that answers your question.
- Moderator:** The next question is from the line of Shubham Jain from NV Alpha Fund.
- Shubham Jain:** I have a couple of questions regarding the engine business. Following up on the previous participant's question, I think this is the first time where our exports contribution has gone up to 14% as a percentage of the engine business. Just wanted to understand what is working for us in the exports business. And is this now an inflection points for us to start growing? Because over the last few years, we have gone from a Rs. 50 crore-Rs. 70 crore run rate to almost Rs. 200 crore run rate in

exports in the last couple of years. Just wanted to understand a little more what sectors or what units are doing well for us?

Parag Satpute: Thank you for your question. So, within the exports, especially for this quarter, we have seen two areas which have done well for us. And I mentioned those already in my opening statement. One is the automotive sector, where our Euro-V+ engines which were under development with a partner, which has now been commercialized. So, that's why we saw some good invoicing numbers this quarter. And secondly, also our CPCB IV+ gensets, which we have been exporting, saw some good numbers in this quarter.

Shubham Jain: So, just a follow-up on this. Because of the change in emission norms, the transition from Euro-IV to Euro-V or VI, is that why we are seeing a surge? Or this is more structural in terms of us gaining market share in exports? How should one look at it from an export perspective?

Parag Satpute: Most of the auto businesses that we are in, as I am sure you are aware, are some partnerships that we have with our customers. We work together to develop the technology, to make sure our engines fit their vehicles. So, obviously these are strategic businesses that we start. My point was that you mentioned the upgrade of the emission norm and in this case, Greaves was proactive, and we were able to work with our customers to develop Euro-V+ engines, which is where we are seeing the success.

Shubham Jain: Got it. So, is it fair to assume that given this transition, we will be able to gain more market share in the next generation of norms? And this starts to become the base for us to grow from going forward?

Parag Satpute: What I can say on this is, we will continue to make the efforts to work closely with our customers as we have done in the recent past.

Shubham Jain: Understood. My second question was on the genset piece of the business. In the last couple of years, we've seen our market share go up from 2.7% to 4%. And we seem to be growing in this space even though the industry doesn't grow at the same pace. What's helping us gain this market share and grow at this base? And how big can this business become for us? Is it more distribution-led? Is our product more differentiated? What's helping us gain this market share? If you could help us understand that a little bit, it would be great.

Parag Satpute: Sure. I can comment on what has helped us achieve the market share that you have seen. So, it's not any one thing. We have been working on multiple fronts. First and foremost, we have been working to ensure our product quality is upgraded and continues to develop. Secondly, we have also worked hard to improve our customer service. As you know, this is a product which depends on after-sales service. So, we have been making concerted efforts to improve our response to our customers. And thirdly, we have also broadened our distribution network and coverage. So, all these three things have been very important to help us steadily improve our market share in this segment.

Shubham Jain: Got it. And if you could help us understand how big, given our current distribution, this business can be for us?

Parag Satpute: It remains a focus for us as it has been in the last few quarters. So, we will continue to put this emphasis that you have seen so far.

Moderator: The next question is from the line of Jyoti Singh from Arihant Capital Markets.

- Jyoti Singh:** Congratulations on the good execution size. So, basically, I wanted to understand on the inventory side, how much we are maintaining currently and follow up on the earlier response on the increasing market share, the product quality and increasing distribution. So, just wanted you to highlight more deeper, like how many dealerships we have increased for the EV side? And another question on the EV side, is that how the market share is evolving in the key state like Tamil Nadu and Bihar area and also in the West & North India?
- Vikas Singh:** Yes. Thank you for the question. I would just like to state that the team is completely focused on building fundamentals both in terms of network expansion and also in terms of product portfolio and our general efficiencies as a business. The results are coming in well. We will continue to build on them in line in a manner which is productive and impactful without spreading ourselves too thin. With regards to the market share, I did mention this in my opening comments. We have had an improvement in market share at the same time last year. This is across most of our markets and our attempts will remain to build up this success of ours in the quarters ahead. I hope this addresses your questions. Thank you.
- Jyoti Singh:** Yes. Also, can you quantify the contribution from export and the EBITDA differential versus domestic business? And last question on the restructuring and changes on the management side. Just wanted your comment.
- Parag Satpute:** On this export, I presume you are talking about our engineering business.
- Jyoti Singh:** Yes, sir.
- Parag Satpute:** So, obviously we have seen our export business grow and it has helped our margins. The actual difference in EBITDA is not an information that we would like to discuss in this forum.
- Moderator:** The next question is from the line of Sonal Minhas from Prescient Capital.
- Sonal Minhas:** So, my first question was with regard to what the previous participant was alluding to. There have been frequent changes in the leadership as an investor, shareholder who has been there for a while in the Company. Just wanted to understand, going forward are there more leadership changes that we can expect, or the team is set in. Just wanted kind of a selective guidance around this.
- Parag Satpute:** Let me take this question. So, I have joined this Company three months ago and this is my second call. What I can confirm to you, I find the business very exciting, and I have had a very good interaction with our customers and our teams who you can see have executed a very strong quarter. So, I think this is a good start and I would like to leave it at that for the moment.
- Vikas Singh:** I will just add-on to what Parag said. Every organization would like a stable leadership team and Greaves is no exception to that. However, there are times when for reasons beyond your control you do have an element of churn. I think what is important is for the organization to staff with profiles who are strong, bring in diverse experience and are able to build the team for the next phase of the journey and we would like to believe that the organization and the group per se is well positioned in that direction and there should be no concerns for our investors going forward.
- Sonal Minhas:** I understand that. So, my second question was more of a clarification question. In your deck on slide 12, I see the e-mobility business has grown by 7% year-on-year in sales and when I move to slide number, the first slide on the electric mobility where

it says that retail sales increased by 84% year-on-year. So, should we assume that the volume sales for electric mobility combined is also around 7%-8%?

Vikas Singh: So, let me clarify that again and I did mention that to one of the previous questions which came in the past that the number that we mentioned on 84% growth is retail sales. However, the invoiced volume, which is the Vahan number is what you are referring to and that number is correct, which basically means that the extent of pipelining which was there in the market has been reduced significantly. This is part of the strategy to try and build a more efficient business not only for our investors and ourselves but very importantly for our dealer and network partners and our vendors. We would be further optimizing our business as we go along and move into a more demand driven model which will ensure much better margins also as we move forward.

Sonal Minhas: Sir, I am just inquiring whether retail sales precede the Vahan sales numbers by 2 or 3 months. Is that correct?

Vikas Singh: It's not a question of preceding Vahan sales number. There is a registration number and there is a retail placement, there is a lag between the two and it is not always in sync. It's difficult to give you an exact number on that account but by and large it catches up at a point in time.

Moderator: The next question is from the line of Kush Shah from B&K Securities.

Kush Shah: Congratulations on a good set of numbers. I just had a couple of questions. On the financial side, on a consolidated level, I am seeing that the margins have increased to 7.6% and that's also driven by the RM basket dropping by around 250 bps year-on-year. So, what has driven this drop in the RM basket? So, if you could just clarify that.

Akhila Balachandar: So, this is on the consol or on the standalone?

Kush Shah: On the consol and on the standalone also, I see some around 230 bps drop.

Akhila Balachandar: So, if you see we have and I go back again, in the last 7-8 quarters, we have been consistently improving our RM cost, and it has been consistently coming down and that has been flowing into our EBITDA margins. At the standalone it has been very visible, and we are currently EBITDA in the range of 13%-15%. This has been a consistent effort going on in the electric mobility division to improve. If go through our results this quarter, at a PAT level we are actually profitable even at a consolidated level with a PAT of approximately Rs. 20 crore. So, this has been an overall drive as Vikas mentioned improving their own performance, improving their supply chain, improving their cost mix and same thing being done in GCL standalone side. I think all this has translated into a consolidated very strong performance.

Kush Shah: Thanks for the clarification. With regards to this you all have done some partnership with Chara Technologies Has that also contributed to the significant improvement in cost?

Parag Satpute: The Chara Technologies announcement which we announced a few weeks ago is a very important technological partnership for us, but the technology and the work we are doing with them is still at a development and incubation stage. So, for this quarter we have not seen the commercial impact of that partnership.

Kush Shah: Understood. Alright. And just one last question on the export front, the one which contributed around 14% for this quarter – To which geographies are we mainly

exposed to? I believe in the presentation it's US, Africa, and Middle East. So, what would be the number if you could give something on that?

Parag Satpute: Our exports and that's one of the strong points are good spread across multiple geographies our focus area continues to be Middle East, Europe and also North America. So, we have no over dependence on any one area.

Moderator: The next question is from the line of Suvaan Mittal from Mercantile Freight Carriers.

Suvaan Mittal: I have mainly two questions lined up. The first being for our engine business. I was wanting to understand does the genset sales occupies a sizable portion of the non-automotive business? So, as per the last quarter we followed, it was 65 to 35 compared to the auto to the non-auto. With the non-auto business, does the genset business occupy upwards of 50% of the business or less than 50%, if you would give me some color?

Akhila Balachandar: So, the non-auto business primarily consists of gensets. It also includes other industrial engines, firefighting concepts, marine engines. But predominantly you're right it is comprising of the gensets.

Suvaan Mittal: Okay. And now my second question being for the Excel business of control levers like in the past 4 quarters the EBITDA margin has been dropping down from 35% to 26%. Is it because we are scaling up very rapidly in that hence upwards of 30% in Q4 FY25 EBITDA margin is not sustainable, or can we expect in the coming quarters of 1-2 years for the EBITDA margin to catch up in the control system business?

Akhila Balachandar: So, essentially, you're right if I go back to Q1 of 2024 we had a performance of 36.6% EBITDA margin and this quarter we are at 26%. What I would like to say there is that we are diversifying that business and strengthening a lot of our internal processes. We are investing some money into the business and therefore this is currently a catch-up phase I would say and going forward maybe in the next 3-4 quarters we should see traction of those that we are currently doing.

Suvaan Mittal: Just with this we should see an upward trajectory post 3-4 quarters.

Akhila Balachandar: Yes, both in terms of revenue and in terms of the margins.

Moderator: The next question is from the line of Dharwi Sharma from Mudita Growth Partners.

Dharwi Sharma: Congratulations on a good set of numbers. My first question is on the retail segment. So, sir, could you help us understand the factors that might be restraining our growth here? What has the market response been to our multi-brand sales? And additionally, any new initiatives that we are launching to achieve the previously communicated target of this segment being 5x?

Parag Satpute: So, I mentioned in my opening remarks that within the retail segment, the largest piece being our auto aftermarket continues to see some headwinds. As we all know, the main sector that we service with that, which is the diesel three-wheelers, the parts of diesel three-wheelers continues to remain flat or decline. So, as a consequence of that, there are some headwinds and that, of course, has played out in the numbers. I am glad to see that despite that, we have seen a 5% overall increase in the retail business. I would also like to point out that, a few quarters ago, we started putting efforts on diversifying that business and we are starting to see the early results of that. During this quarter, we have seen the non-auto spares, and the after-market business improve. And this is in the sector of, of course, the after-market of our genset, as well as I pointed out the railway sector where we have seen good

traction. And we will continue with these efforts to try and diversify the impact of reducing diesel costs.

Dharwi Sharma: My next question is that the management earlier mentioned about their plans to leverage existing machining capabilities. And we also understand that one of your Shendra plants had received certification to supply aerospace components. If you could throw some light on what specific aerospace components you are targeting and what has the progress been in that segment since the certification?

Parag Satpute: I believe you are referring to one of the comments we made in the past earnings calls. And yes, we have identified in the past aerospace and defense segments as focus areas. And we are building our internal capabilities. And the Shendra plant certification was an important step in that. Also, our Excel business unit is the tier 2 supplier into the aerospace segment. So, these are still early days. At this current moment, we are focusing on building the capabilities and quality levels and the technology that is needed to be successful in those segments. So, there is no significant commercial development to report at this point.

Dharwi Sharma: Okay, sir. So, lastly, could you throw some light on the status of the Rs. 100 crore capex that we were doing in Excel?

Parag Satpute: So, we continue to watch our growth across business sectors very closely and strategy and policy to scale up our capacity and our investment in capacity in a modular way. And we are well prepared. We keep a close watch also on the Excel situation. And, as and when we see the need for that, we have the plans ready, and we have the resources available. Like Akhila said, we have a strong balance sheet. So, the management remains committed to continuing to increase our capacity in a modular fashion.

Moderator: The next question is from the line of Harmanpreet Singh, an Individual Investor.

Harmanpreet Singh: Actually, I want to know the status of diesel engines like we are moving to electric and CNG. So, what is the current share of diesel engines and how we look at that?

Parag Satpute: Thank you for your question, Harmanji. As we have said in the last few quarters, we have a fuel agnostic strategy, which means that we will continue to work with our customers for the diesel engines because it's still a large portion of our life day-to-day as well. But we have also, over the last few years, worked to develop different prime movers. So, we have a full program of CNG engines. We have also invested in electric powertrains. And as we have been speaking, we have a division which does electric scooters and electric three-wheelers. So, as a Company, we feel that we have taken the right steps in fuel agnostic and being able to support our customers through their transition period.

Harmanpreet Singh: Sir, could you tell me what will be the prime mover of our Company in the coming years if we have to choose one?

Parag Satpute: That's the point. I think we don't believe that we have to choose one. We believe it's advantageous to be fuel agnostic. And overall, we believe that there will be multiple pure and multiple prime movers going forward in this industry.

Moderator: The next question is a follow up from the line of Shubham Jain from NV Alpha Fund.

Shubham Jain: I had a question on Excel. While we looked at the numbers and it's a fantastic acquisition, it's been fairly steady till now. And you mentioned about certain order wins. How should one look at this part of the business? How are we looking at scaling

it? Are we looking to add more products? You mentioned a sort of steering column product that we've added. But just want to understand more about this business and how we are looking at growth over here.

Parag Satpute: Okay, thank you for your question and also for coming back. I appreciate your engagement with our business. Like I said in my opening statement, I know many of you are keen to understand the forward-looking strategies. And I would request for your patience just for a little while more. We are in the final stage of deciding our strategy and we will be able to come to you with these kind of details during our next call.

Shubham Jain: Understood. I had another question about Greaves Retail as well. How should one assess its growth? Is it primarily driven by product enhancements? I suppose we'll need to wait another quarter to understand this better.

Parag Satpute: Yes.

Moderator: The next question is a follow up from the line of Krisha Kansara from Molecule Ventures.

Krisha Kansara: So, my question is on Excel somewhat similar to what previous participant also asked. So, we have seen a slight slowdown in growth in Excel Controlinkage. So, is it because our capacity utilization has now already reached above 80% and we will need new capacities to grow further and if that is the case, when are we targeting to commission our new capacity in case of Excel, if you can just throw some light on the capex part of it.

Parag Satpute: So, I can make a comment and throw some more light on this quarter's performance which the growth has not been as strong as we would have liked and there's actually a reason for that is one of our large customers in one of the export markets is recalibrating their inventory levels. So, we have had a temporary hit of that in this quarter. As regards to the capacity, I think I already answered to one of the previous analysts that we watched the capacity utilization very closely. At this point, it is not acting as a hindrance to our growth at all in Excel or in any other part of the business. But we remain committed to growing and investing in the business in a modular fashion and in a financially prudent way.

Krisha Kansara: Right, sure. And sir just one last question. We are seeing a long-term debt of Rs. 60 crore in our consolidated balance sheet. So, in which subsidiary have we taken this debt and what has been the reason for that?

Akhila Balachandar: So, we have taken an external debt in Greaves Electric Mobility. This is to partly fund their expansion plan till the IPO.

Moderator: The next question is from the line of Amit Kumar from Determined Investments.

Amit Kumar: Just one question again on your e-mobility business. At this point of time from a macro perspective when you look at it just about 1.5 million two-wheelers sold across India out of a total of 20 million. So, just about 7%-8% penetration. I mean we were hoping that the kind of 50%-100% growth rates that we have seen in the past would sort of continue given the very low level of penetration. But growth has really sort of slowed down at an industry level just like teens basically. So, any reason you would sort of attribute to this?

Vikas Singh: We as an industry starts increasing in penetration you would see a corresponding impact in growth rates. However, the compounded growth rate that the industry is

bringing in is ranging from 20%-25% which is a very healthy growth number actually in today's context. We don't see any reason for concern over here.

Amit Kumar: So, 20%-25% growth at the industry level is okay for you?

Vikas Singh: I think that's what I said yes.

Moderator: Thank you. Ladies and gentlemen, as that was the last question for the day, I now hand the conference over to the management for closing comments. Over to you, sir.

Parag Satpute: Thank you very much. I appreciate all of you for joining us today. We appreciate your trust and your ongoing confidence in our journey. We remain committed to delivering a strong performance and are excited about the opportunities ahead. On behalf of the management team, I would like to thank everyone once again for the time and your continued engagement.

Moderator: Thank you. On behalf of Greaves Cotton Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.

Note: This transcript has been edited to improve readability.

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