

13th February, 2026

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 and nine months ended 31st December, 2025

In furtherance to our intimation 02nd February, 2026 please find enclosed the Transcript of the quarterly earnings call for the quarter and nine months ended 31st December, 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: F13799

Encl.: a/a

Greaves Cotton Limited

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ENGINEERING | E-MOBILITY | RETAIL | FINANCE | TECHNOLOGIES



“Greaves Cotton Limited Q3 & 9M FY-26 Earnings Conference Call”

February 06, 2026



**MANAGEMENT: MR. PARAG SATPUTE – MANAGING DIRECTOR &
GROUP CHIEF EXECUTIVE OFFICER, GREAVES
COTTON LIMITED
MR. VIKAS SINGH – MANAGING DIRECTOR, GREAVES
ELECTRIC MOBILITY LIMITED
MS. AKHILA BALACHANDAR – CHIEF FINANCIAL
OFFICER, GREAVES COTTON LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Q3 and 9-month FY26 Earnings conference call for Greaves Cotton Limited.

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 call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Parag Satpute – MD & Group CEO, Greaves Cotton Limited. Thank you and over to you sir.

Parag Satpute: Thank you very much. Good afternoon, everyone and thank you for joining us on our Q3 Earnings Call. I am going to start off by giving you an overview of our performance and execution on strategy for Greaves Cotton Limited. I will then handover to Vikas Singh; who will talk about the Greaves Electric business and will be followed by Akhila Balachandar, who is our CFO and then we will open up for questions.

So let me get started. I am really pleased to share that Greaves Cotton delivered a strong and steady performance in the third quarter. At a consolidated level, our revenues grew year-on-year and our margins expanded. This was driven by consistent demand and disciplined execution. This growth was broad based spanning both our core and investee businesses. Like I said a little while later, Akhila will walk you through the financial details.

Last quarter, we introduced 'GREAVES.NEXT'. This is our strategy to build a trusted, innovative and future ready engineering solutions company. Through this strategy, we will be focused on delivering reliable products, sustainable technologies and customer centric innovation. So, this quarter, our focus has been firmly on execution. That is, translating that strategy into action. We focused on strengthening our core businesses by building organizational capability which will lay the groundwork for sustainable and profitable growth.

For the core businesses, we have three priority areas.

First is the energy solutions:

Here we are strengthening our genset platforms and expanding our aftermarket and service network to deliver dependable and high efficiency energy solutions across the market.

In the second area:

Mobility solutions, we are building a diversified fuel agnostic portfolio through deep connections with OEMs, sharp execution and development of advanced powertrain capabilities. This also includes strengthening our aftermarket retail presence and scaling our components business under Excel Controlinkage.

Thirdly in industrial solutions:

We are scaling engineering applications by expanding into adjacent categories and leveraging our deep manufacturing and design strengths. So those are the three priority areas.

Let me come to the performance during this quarter and I will start with energy solutions:

So, the outlook for India's genset market remains robust and we expect a demand growth of 10% to 12% CAGR in the next 5 years. This is supported by long term structural drivers such as infrastructure and industrial expansion, urbanization and power reliability challenges, particularly in the rural and semi-urban areas. To drive our growth ambitions in energy solutions, we have moved to a more customer-centric organization structure under our new strategy. This is built around four zones and we bring together sales, service and spares under one organization. This is already improving our execution quality, our responsiveness to customers and the engagement we have with the customer. In line with this drive and to enhance the value we provide to customers over the lifetime of the genset, we also launched a retail annual maintenance or AMC offering across the country.

So, in terms of performance:

Energy solutions delivered a 21% year-on-year growth in the first 9 months of this year. And within that, the spares and service actually grew 40% year-on-year. This shows the success of this integrated approach we have implemented under the new strategy.

Turning now to mobility solutions, which includes automotive engines, aftermarket retail, engineered components and the related services:

Here, from a market perspective, the auto industry is expected to grow 6% to 8% in 2026 and it is supported strongly by GST 2.0 and the easing monetary conditions. We also continue to see a structural shift in the fuel mix. In the three-wheeler segment, the transition to CNG and electric vehicles, which we have tracking closely, has been more gradual than we expected. And we see that diesel will still hold an 18% to 20% market share and it has continued to do so in the first 9 months of this year. So, this remains a meaningful opportunity for us in the medium term. While the EV adoption is accelerating, we believe that the multiple fuel technologies will coexist for an extended period. Also, our export OEM partnership continues to be a key growth driver. Our exports to Europe, including the supplies to Ligier, contributed to a strong quarter and remain a good endorsement of our product quality and competitiveness.

If I come to retail aftermarket business, as a part of the 'GREAVES.NEXT' strategy, we made a very deliberate portfolio choice, trimming and exiting some of the non-core segments so that the team could sharpen the focus and improve the returns on the core business. Within Excel Controlinkage, the overall growth of the business was impacted by softer exports, especially due to geopolitical factors. However, we saw very good and encouraging growth in the domestic OEM business we have. Here we continue to work closely with our OEM partners with an effort

to move up the value chain, expanding from standalone products more to integrated solutions such as assemblies beyond control cables. So, taking all these developments together for the mobility solutions, our revenues grew 15% year-on-year in the first 9 months of this year.

I will now move on to the industrial solutions, which includes the special purpose engines for applications such as firefighting and marine:

While the global macroeconomic environment remains mixed here, demand for mission critical application continue to be resilient. Over the medium term, we expect a steady demand across the engine categories. This segment, therefore, delivered a more muted 3% year-on-year growth for the first 9 months of this year.

Some highlights:

We are pleased to secure a direct Defense supply order during this period and to enter into agreement with the European customer for the supply of FM/UL certified engines. Both of these developments strengthen our order book but also are an endorsement of our capability and credentials to supply to this high demand industry.

That was the performance of the three areas that we are focusing on under 'GREAVES.NEXT'. From a strategic standpoint, we continue to advance 'GREAVES.NEXT', which is a multi-year transformation framework, and it is aimed at positioning Greaves Cotton as a trusted, innovative, future ready engineering solutions company.

As I explained in my last call with you, international business will be a key strategic priority, and it will be a significant growth lever across the three areas I talked about. So, exports have contributed to 14% of the revenues in the first 9 months of this year, and this reflects a consistent traction across the global market. We have also strengthened our dedicated and international teams, and we are now actively engaging with some geographies which we have prioritized so that we can scale this further. Alongside these customer-facing initiatives, we are also investing internally, especially in capability building.

I am pleased to share that Greaves Cotton received two prestigious recognitions during this quarter since we last spoke:

- The first one, which we are really proud of, is we were recognized as the ***“Best Governed Company”*** in the ***“Listed Segment Emerging Category”***, and this recognition comes from the Institute of Company Secretaries in India. So, it is very prestigious, and we are very proud to receive it.
- Secondly, we also received ***“The Best Process Control Award”*** from Stanley Black & Decker, which recognizes ***“Excellence Among All Its Global Suppliers”***. So, Greaves was chosen from across thousands of suppliers for ***“The Best Process Control”***, again, something which the teams are very proud of and work very hard for.

We believe these awards validate our focus on strong governance, a quality culture, and disciplined excellence.

Looking ahead, we remain confident in achieving our targeted growth of 16% to 20% CAGR in organic growth, and this will be driven by accelerating our core strengths, building new capabilities, and selectively expanding into adjacency. A rigorous operating system and governance cadence underpin this approach, and it ensures clear targets and accountability. Our strategic priorities remain firmly on track, and we continue to make targeted investments in R&D and manufacturing, including fuel agnostic engines, advanced gensets, and rare earth-free motors.

Over the coming years, we have earmarked 500 to 700 crores towards new technologies, product development, and capacity expansion. I will now conclude by saying that Q3 was a quarter of steady and broad-based progress. We delivered healthy growth, we improved the portfolio resilience and continued the momentum across our strategic priorities.

I am now going to handover to Vikas to talk about Greaves Electric. Over to you, Vikas.

Vikas Singh:

Thank you, Parag. A very good evening, ladies and gentlemen. Thank you for joining us today on our Earnings Call. I will provide a brief overview of Greaves Electric Mobility performance and recent exciting developments before we open the floor for your questions.

I am pleased to share that Quarter 3 '26 was a period of progress for Greaves Electric Mobility, marked by sustained volume growth, market share gains, and continued geographic expansion across both our electric two-wheeler and three-wheeler portfolios. In the electric two-wheeler segment, VAHAN volumes grew 40% quarter-on-quarter to over 18,000 units, driven by new product launches and network expansion. This translated into a market share improvement from 4.1% in Quarter 2 to 5% in Quarter 3 '26 positioning us as top sixth player in India's e-two-wheeler market.

We have now crossed the 2.5 lakh cumulative sales mark, demonstrating market capture during this festive season. What is particularly encouraging is the depth of our regional market penetration. We achieved market leader position in Bihar with a 21.5% market share and across the following markets, Tamil Nadu, Bihar, Odisha, and West Bengal, which together represent approximately 21% of the national market, we hold around 13% market share. This validates our Build for Bharat strategy, products engineered specifically for Indian terrain, climate, and duty cycles.

The Magnus Grand launch early in the quarter drove strong retail traction with on-ground deliveries in Delhi reinforcing dealer confidence and early demand signals. Parallel efforts on dealer expansion and showroom refreshes across key markets have strengthened our retail presence and customer reach.

On the three-wheeler front, L5 VAHAN volumes grew 33% quarter-on-quarter, marking the strongest quarterly performance for our L5 three-wheeler business. Our diesel L5 three-wheeler sales also grew 18% year-on-year, demonstrating balanced growth across powertrains. Regional launches of ELTRA City Xtra, in Ghaziabad, Kerala, and Bihar expanded our geographic footprint, reinforcing presence across northeast and south India.

Technologically, our commitment to the LFP battery chemistry continues to be a key differentiator, positioning us as the safety and durability standard in a market increasingly crowded with price-led competition. We have also strengthened customer access through strategic financing partnerships with Alt Mobility for B2B fleet segments and Sriram Finance and Perpetuity Capital for retail financing, addressing the needs of fleet operators, delivery partners, and MSME customers across both e-two-wheeler and e-three-wheeler portfolios.

Looking ahead, our focus remains on disciplined and profitable growth. We are continuing to scale in markets where we have demonstrated product market fit, expanding our retail presence in north and west India, while continuing to strengthen our foothold in south and east regions.

On the international front, we continue to evaluate opportunities for exporting our products and building our presence in Nepal and Philippines. In summary, Quarter 3 FY '26 reflects continued momentum for Greaves Electric Mobility, combining execution, innovation, and customer focus. With our product portfolio, localized manufacturing base, and technology-driven approach, we remain confident in our ability to play a meaningful role in India's transition to clean, connected, and affordable electric mobility. That concludes my remarks.

I would now hand the floor over to Akhila. Thank you.

Akhila Balachandar:

Good evening, all. Thank you, Vikas. Q3 marks the first full quarter of execution following the strategic direction we outlined in Q2.

As expected, this is an initial phase of implementation where actions taken during the quarter are focused on sharpening priorities and setting the operating framework for the periods ahead. Against this backdrop, our core businesses delivered steady and healthy operating performance during the quarter, reflecting the strength of the underlying businesses even as we begin executing on the new strategy. While the benefits of the strategic initiatives will unfold progressively over the coming quarters, we are encouraged by the early signs and remain focused on consistent execution and disciplined delivery as we move ahead.

That said, I am pleased to report strong and resilient financial performance for Q3 and 9-month FY26, with margin improvement across consolidated and standalone financials. During the quarter, our consolidated revenues for the quarter stood at Rs. 875 crores, increasing 17% year-on-year. For the 9-month FY26, consolidated revenue reached Rs. 2,436 crores, reflecting a 16% year-on-year growth driven by broad-based growth across the businesses and consistent execution across markets. Our profitability metrics improved significantly during this period. Q3 FY26 standalone revenue of Rs. 575 crores with EBITDA of Rs. 78 crores and PBT before

exceptional items of Rs. 74 crores. The standalone revenue grew 14% year-on-year, while EBITDA increased 18% year-on-year, resulting in a 13-basis points improvement in margin. As a separate update, Q3 FY26 results reflect Labor Code-related provisions arising from regulatory implementation across the country. This impact has been appropriately recognized in the financials. For the 9-month FY26, our standalone revenues stood at Rs. 1,667 crores with EBITDA of Rs. 232 crores and PBT of Rs. 226 crores, reflecting a 33% year-on-year growth in PBT and 150 basis points expansion in margins, supported by strong demand and cost optimization initiatives.

As explained by Vikas, GML also saw a strong momentum in Q3 FY26 driven by strong volume growth. In Greaves Finance, the managed AUM of our financing business has crossed Rs. 441 crores as of December 2025. Our balance sheet continues to remain strong, with Greaves Cotton being net cash positive and a minimum level of debt at the overall consolidated level. As outlined earlier, our planned investments are fully aligned with our strategic priorities focusing on R&D and technology upgrades, capacity expansion and digital tools. In summary, Q3 marked revenue growth across all business segments, margin expansion and strong cash generation while maintaining financial strength.

We continue to remain focused on operational efficiency and working capital discipline, leading to a return-led prudent capital deployment. With this, I handover to Parag.

Parag Satpute:

Thank you, Akhila. Let me give you the concluding remarks before we open up for questions.

So, in closing, our forward path is very clear. We remain focused on execution, discipline, growth and cash generation. Our priorities remain unchanged. They are expanding market share, growing international business, building capabilities and ensuring every project delivers a strong return on investment. We are cautiously optimistic about the business environment and confident in sustaining the momentum.

Q3's strong performance reinforces confidence in our strategy and leadership. As we advance 'GREAVES.NEXT', we will remain aligned around the three metrics and maintain transparent communication. Greaves Cotton stands on a strong foundation with a diversified portfolio, a robust execution engine and a clear strategic direction.

We thank our investors for your trust and support and look forward to building on this success in the quarters ahead.

So, let's open up for questions now.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from Dhruv Zobia from Prospero Tree. Please go ahead.

Dhruv Zobia:

Thank you for the opportunity. I know that Greaves Electric has filed and SEBI has approved the DRHP, but I would like to know when will Greaves Electric achieve cash break-even and how much cash is available to continue this loss-making business?

- Akhila Balachandar:** Akhila here. Thanks, Dhruv, for the question. As you are aware, we have already filed the DRHP and we have already received final observations. We are currently in the process of working on the IPO and in the course of time, you will surely come to know all the relevant timelines. As regards cash available with the business, that is the purpose of the IPO. And if you have read through the documents, we will be raising approximately a primary of 1,000 crores, which will be utilized for funding the growth aspirations of Greaves Electric Mobility.
- Dhruv Zobia:** I would also like to know what are the ESOP costs to Greaves?
- Akhila Balachandar:** You are talking about Greaves Cotton?
- Dhruv Zobia:** Yes, Greaves Cotton. What is the ESOP cost that is incurred by the company?
- Akhila Balachandar:** So, we have an ESOP scheme, which is approved both by the board and the shareholders. And all the details of the scheme are in the public domain. As decided by the nomination and remunerations committee, the ESOPs get allotted, vested and granted to the key management personnel and the others who are approved by the NRC. The exact cost of this, maybe we can share it with you on a separate note.
- Dhruv Zobia:** And my last question is that I would like to know the revenue generated by the subsidiaries and EBITDA for each subsidiary.
- Akhila Balachandar:** Sure. See, these details will be available while we are sharing currently the consolidated revenues, and the investor deck clearly gives out most of the information you asked for. The audited financials for each individual subsidiary will happen on an annual basis. Is there anything specific that you would like to know? I request you to send us a separate email and we can answer it on a one-to-one basis.
- Dhruv Zobia:** Okay ma'am. Thank you. That's all from my side.
- Akhila Balachandar:** Thanks, Dhruv. Thanks very much.
- Moderator:** Thank you. The next question is from Zakir Nasser from Nasser Investments. Please go ahead.
- Zakir Nasser:** Sir, hearty congratulations on a very decent set of Q3 numbers and for explaining the future of core Greaves so well. My question to you is that our competitor and Cummins has given a very strong commentary on the data centre, AI centre kind of demand coming in from the Indian market. What are your thoughts on this area because of what they would be doing, Greaves also would be doing a part of it. So, your thoughts on this. And my next question would be to either Vikas or Akhilaji. We are doing 18,000 numbers on the two-wheelers. What would be a break-even number? Would it be 25,000-30,000 bikes a quarter kind of stuff? I think the IPO is coming closer because it's been a year because these two businesses would separately worth much more than EV and Greaves together. So, your thoughts on these three things. Thank you.

- Parag Satpute:** Thank you, Zakir. And thanks for your good wishes. On the execution of our strategy as you remember, when we met, we explained to you how we are going to go ahead with 'GREAVES.NEXT' and this is the first full quarter of execution. And I will reiterate what I said in my opening remarks. I am very happy with the way the team has rallied around this new strategy, and the numbers speak for themselves. Within the energy solutions, 21% growth over last year in the first 9 months. I think it's very healthy. To your specific question around the opportunity for data centres, yes, that's indeed a very attractive space. It was already for the last few quarters something we were actively looking and working on. But now with the recent announcements in the budget, it is going to be even more interesting to go after. So, I would like to confirm the industry view that that's a very interesting opportunity area for our energy solutions business. And with this new strategy and the way we have structured our team, we stand in a very good position to go after that segment of business.
- Akhila Balachandar:** So, let me take the second question on the 18,000 numbers and also the breakeven. So, yes, I think if you also refer to Vikas's commentary, we have been increasing market share consistently. And this quarter, as per VAHAN data, we have touched (+18,000) units. We have a very strong path to profitability. But given the stage where we are on the road to IPO, I would not be able to comment any further on that. Over a period of time, definitely all your questions will get answered.
- Zakir Nasser:** Thank you, ma'am. And best wishes for the upcoming IPO because I think Greaves and Greaves EV will be worth much more separately. Thank you. And if you can, ma'am, would Greaves EV be a subsidiary or associate of Greaves Cotton once the IPO happens?
- Akhila Balachandar:** The intention is it will definitely remain a large shareholder. But all those are outcomes which only post-IPO one can really give a definitive answer. So, I will hold myself to them.
- Zakir Nasser:** Thank you. Best wishes.
- Moderator:** Thank you. The next question is from Krisha Kansara from Molecule Ventures. Please go ahead.
- Krishna Kansara:** Sir, my first question is regarding our Genset segment. If you can tell us what was the volume growth in this quarter if we compare YOY?
- Parag Satpute:** So, we would like to share with you the revenue growth which we have given. I think it's competitive sensitive information. So, we would stick with the revenue growth, and we have tried to split it into the aftermarket as well. So, our aftermarket is growing faster at 40% and our overall revenue has grown by more than 20%.
- Krishna Kansara:** Understood. One question on Excel Control linkage. So, growth has been very slow since last few quarters and I think in our last conversation as well, you mentioned that there were issues with one of our key clients. So, what is the status on that? Have those issues been resolved and when can we expect this segment to start registering the growth that it used to register before?

Parag Satpute: No, that's a fair point and I remember you asked me this question last time. So, and I alluded to it in my opening remarks. Yes, overall Excel numbers have not grown as we expected but actually there are two parts of the business, the domestic business and the export business. So, the domestic business has actually been quite good, and it has grown in high double digits. So, which should be good because that is a large part of the business. It is the export business which has witnessed headwinds and we see that it is due to geopolitics. We had a significantly large customer in Russia, the demand in that market is significantly impacted due to the ongoing political situation there and also, of course, other opportunities were a bit on hold with the overall tariff discussions ongoing. So, I would say this quarter was a continued kind of headwind in geopolitics for the Excel export business but from an internal point of view, the domestic business is very strong and is growing and our operations are very robust. So, as soon as the geopolitical winds become more favorable, we will be able to recapitalize on that business.

Krishna Kansara: So, can we expect this slowdown to continue for the next few quarters, or can you give just some sense on the Excel Controlinkage numbers because I think that is one of the key growth drivers.

Parag Satpute: It is one of our interesting parts of our portfolio. So, like I said, the domestic part of the Excel business, which is nearly two-thirds of the business or a bit more than two-thirds, grew by 17% year-on-year for the first 9 months of this year. That is heavily connected to the MHCV commercial vehicle industry in India. As we spoke, there is a lot of tailwinds there due to the whole industrial development and the GST 2.0. So, we expect that to grow in the next few quarters. The exports, while we have faced the headwinds in those specific geographies I talked about, we have now in place a dedicated international business team. We have increased our investments there and they are actively working to open up new markets, especially in Europe because the market for Excel products is quite attractive in Europe. With the recent announcements in improved trade conditions between Europe and India, that should also in the next few quarters become better.

Krishna Kansara: Understood. Thank you.

Moderator: Thank you. The next question is from Sana M, who is an individual investor. Please go ahead.

Sana M: Hi, good evening, sir and thank you for the opportunity. So, my first question is, are you evaluating any strategic merger or acquisition opportunities currently?

Parag Satpute: Thank you for your question, Sana. And I will refer back to the 'GREAVES.NEXT' strategy. We have been very explicit and clear that, yes, we have three dimensions of our growth. We are accelerating the core, we are building new muscle, which is the organic growth part. But we are also very actively looking at inorganic growth, which is M&A and JV. We have a dedicated team since we launched the strategy to actively scan the market for attractive opportunities, which will be synergistic to our businesses. And at the right time, we will make that call. And I can then talk about it also with our investors. As we speak, we are acting on multiple fronts and there are opportunities we are closely evaluating.

Sana M: And, sir, one more question I have, like, how do you ensure consistent product quality across businesses?

Parag Satpute: That's a very good question. And thank you for asking it. I believe that is one of the core strengths of Greaves. Actually, we are taking this call from our manufacturing plant in Aurangabad. We just completed 50 years. And this is where, like I said in my opening remarks, we have been awarded as a global supplier by a reputed company like Stanley Black & Decker. The manufacturing practices which have been perfected over the last decade have been well ingrained in this plant. And we are able to transfer that into some of the new plants we are acquiring. A good example of that would be Excel. Since we have acquired Excel, especially in the last two quarters, we have been transferring these practices and making sure that their process and quality standards remain very high. I would say when we look at M&A opportunities or JVs, this is one of the things we closely evaluate. How could we take our best practice and unlock synergies between the two companies. This is based on the very strong individual and process capabilities we have developed in Greaves over the last decade, I would say.

Sana M: Thank you so much for your answers, sir.

Parag Satpute: Thank you.

Moderator: Thank you. The next question is from Ankur Poddar from Svan Investments. Please go ahead.

Ankur Poddar: Hi, sir. My first question is regarding our growth target that we have given 16% to 20% CAGR organic growth. So, can we say which division are we seeing growth from, like segmented growth numbers? And also for our inorganic growth, are there any transactions which we are evaluating?

Parag Satpute: Thank you for your question. Like I said in my opening remarks, the three areas that we focus on, energy solutions, mobility solutions and industrial. Energy solutions has grown 21% year-on-year for the first 9 months of this year. Mobility solutions has grown 15% year-on-year. And industrial solutions, which has been slightly more muted, has grown 3% year-on-year. Together, we have actually achieved our target of being above 16% year-on-year growth. And we believe that the portfolio we have is well distributed. So, it is resilient. And that gives us confidence that we can consistently meet the target we have laid out of 16% to 18% CAGR over the next few years. That was organic growth. Inorganic growth, I just answered the previous question, saying that we have a dedicated M&A team, which is actively looking at acquisitions in segments which are synergistic and adjacent to these three areas we talked about. And that will be on top of this 16% to 18% organic growth. The size of those investments or acquisitions actually depend on which deals come to our table and which ones we decide to go ahead with.

Ankur Poddar: All right, understood. And my next question is regarding our investment plan, which we have given of 500 to 700 crores under 'GREAVES.NEXT'. So, can you give us a breakdown of like annually what CAPEX are we expecting next year and in FY28?

Parag Satpute: So first of all, where will we spend this money, 500 to 700 crores? We have identified three specific areas that we need to spend the money. One is product development because as we go into international markets, as we move into some of the high technology areas, we need to continue to upgrade our products and develop new products. So, a good section of this will be spent on product development. Secondly, on capability development, manufacturing capability, also technological capability. And this is automation in manufacturing, this is digital. So that is the second area. And the third area is expansion into new geographies because international business is going to be a key area. So, I could say that the first two, which is product development and capability development, we have already started because we believe those are going to be at the core of our growth ambitions. To be able to split it out, I would say between 500 to 700 crores as we see it, it will be front loaded. So, we can see larger investments in the coming first 2 years of this plan. And then as we move forward, it will, of course, taper down because the investment will start to deliver. A more specific breakup at this moment, we would not like to give.

Moderator: Thank you. The next question is from Pratik Kothari from Unique Portfolio Management. Please go ahead.

Pratik Kothari: Good evening and thank you. So, one until last quarter, we used to break this down into different segments and we used to share EBITDA numbers for each of them. Do we intend same for the new divisions that we have, energy, mobility? Until last quarter, we used to share all of these numbers.

Parag Satpute: That's right. So last quarter, we revealed the new strategy 'GREAVES.NEXT'. There was a deliberate refocus of the company. We decided to prune our portfolio in especially in retail and some of the engine businesses as well because we wanted to be focused on high growth segments and we wanted to become more market oriented and customer centric as a company. So, we have organized ourselves to focus on these three areas that I talk about, which is energy, mobility and industrial. So, if you look at the investor deck, which we have uploaded this time, you will see the revenue split between these three areas already, which we have given you.

Pratik Kothari: And I am asking about the operating profits, the EBITDA margins that we used to share until last quarter, revenue, yes.

Parag Satpute: Yes. So, one of the reasons we were sharing EBITDA cell was an acquisition and we were progressively increasing our ownership in Excel. We will complete that acquisition in the next few quarters. And as the organization structure, we are now restructuring to be focused on these three segments. What we intend to do in the coming quarters is to also share some leading indicators which will help the investor community have an early view on how the progress to strategy is happening. But we intend to reveal the EBITDA at the GCL standalone and the consol.

Pratik Kothari: And this, if you can explain in more detail. So, one is the industrial that has been ballpark at this range, 80 crores, plus minus 2-3 for last few quarters. So, what is happening there? What are we

doing to solve this? Because again, this is one of our high growth focus. So one is that. And second, on the energy solutions, I mean, you did call out the faster growth in aftermarket or after sales and spares. What takes off that? What is going well? Are we getting to more geographies, more product? Is it domestic led? If for both of them, you can break down what is going right in energy solutions and what we need to improve in industry.

Parag Satpute:

Good. I will answer that. Let me start with energy solutions. So, if you follow, I mean, consistently over the last few quarters, we have registered 21% year-on-year growth. What is going well within that? Yes, you it's mainly domestic. Let me say at the moment, the export business has not kicked in. So, this growth is mainly driven by domestic sales. We have got a very strong position in certain segments, application segments, which is what we call infrastructure and residential, which is the medium range of gensets. We have got a very good product offering, and we are now expanding across the country through more dealers and through our own sales teams. So that has driven the growth so far.

In the coming quarters of course, we will continue with that. But we expect to see increase in our aftermarket and service business because we have invested in teams and we have invested in technology. A few quarters down the line as soon as the international business team comes up to speed, we expect that we will see an increase in our business from identified export geography there. So that is the plan in energy solutions.

If you come to industrial solutions, it is a mix of multiple applications. I would say some of the interesting applications there, one which I would like to quote is the fire pumps. The fire pumps, we have a dominant market share position there in India. We have faced low growth, I would say, than expected in the last two-three quarters, because overall the market has not grown as much. But this is a segment which we see that as only as a temporary slowdown. It will pick up as it is very closely linked to the infrastructure and especially expansion of the infrastructure into the Tier III and Tier IV cities. We also expect that this industrial solution and fire pump, especially there is a good opportunity to grow that business in the Middle East and Africa. And the new team we are building will be focused on that. I could say that it will improve in terms of growth. But our main growth engines will be energy solutions and the mobility solution. And just as a data point, and you will also see that in our investor relations, we have had the first success because we have signed an agreement with the European customer for the fire pump application.

Moderator:

Thank you. The next question is from Nilesh Doshi from Prospero Finvest Limited. Please go ahead.

Nilesh Doshi:

My question is related to Greaves Electric Mobility IPO because as per the DRHP, the large portion is the OFS. So how the balance amount comes to the subsidiary will help the subsidiary to achieve the breakeven?

Akhila Balachandar:

Sure. So, Nilesh, if you go through the DRHP, we have a primary issue of 1,000 crores. And there is a breakdown of the utilization of 1,000 crores. Apart from this, there will be an offer for

sale. So, it is not only an offer for sale, it's a primary plus a smaller portion pertaining to the offer for sale. So, the money raised from the primary will be directly infused into Greaves Electric Mobility. And this will help them in their vision going forward and grow forward. The details of the utilization, as I said, are very clearly spelled out in the DRHP.

Nilesh Doshi: So, madam, if I am not making a mistake, the Rs. 1,000 crores comes to the Greaves Electric Mobility and the other portion, the extra portion will go to the current promoter, the Greaves Cotton and other promoter. Is it right?

Akhila Balachandar: That is correct. Your understanding is absolutely correct.

Nilesh Doshi: So, in continuation to that question, our DRHP is being approved in May 2025 and still the IPO has not come. So, when the IPO is now planned or in any case, if the IPO could not come, what is another alternative for the company to raise the fund?

Akhila Balachandar: Sure. So, as you rightly said, we have received final observations in May, 2025 and we have time till one year, which is therefore valid till May 2026. We are currently, as I said, in the process of working on the IPO. And since this is a work in progress and already in the public domain, I am not sure that we are looking at any plan B. The plan A is to go for the IPO and we are working on that.

Nilesh Doshi: And in the current press release, it is informed that the Rs. 500 to 700 crores of the CAPEX is planned. So, is it restricted to Greaves Cotton or for the subsidiary also? It covers the Greaves Cotton only or the subsidiary, that Rs. 700 crores?

Parag Satpute: These 500 to 700 crores that we talk about is for the core business of Greaves Cotton, which in these three segments we talk about in energy solutions, mobility solutions and industrial solutions.

Nilesh Doshi: And fund mobilization from the internal accrual or we will go for any debt raising or like that or what is the plan for the fund?

Parag Satpute: This is from internal.

Akhila Balachandar: So, if you go through our financial results, we have approximately (+250) crores of cash on the books. And therefore, we are very confident. And if you also see my results, we are generating operating cash on a quarterly basis. We are comfortable that we will be able to fund this internally.

Moderator: Thank you. Next question is from Saket Kapoor from Kapoor Co. Please go ahead.

Saket Kapoor: Thank you. Namaskar, sir and thank you for this opportunity. In continuation to the earlier participant, firstly, ma'am, with respect to the IPO of the Greaves Mobility Solution company, when we will be able to raise, how will be then the equity structured in terms of promoter holding, provided we are able to raise something at enterprise value, drawn value for 1,000

crores? How will be then the numbers will be reflecting in the P&L of the current existing company Greaves Cotton? Whether we will be line by line or only an associate company? How will that shape up going ahead?

Akhila Balachandar: Thanks for the question. But some of these are best answered post IPO, because all these will depend on the exact capital structure of the company post IPO and how it reflects on our books. It is very premature for me to comment on it at this point in time.

Saket Kapoor: And depending upon the fund that will be raised, then the cash flows and the dependence on the currently on the promoter company will not be required. So that is the only fair understanding investors can keep in mind that by May, we should expect that this depleting of the profitability for the parent company because of consolidation and its financial support to the mobility franchise will cease and we will have fair understanding of the core operations of the company.

Parag Satpute: That's a fair understanding.

Saket Kapoor: Right, sir. And taking into account the core business, our bread and butter, where we are earning the cash flow, there are challenges in terms of these engines being the ICE engines or being run by the fuel diesel and that also being phased out in a manner going ahead. So, what's the current strategy or the thought process of the management in terms of our whole and sole focus on the most profitable segment? And if you could just give some color or appraisals on the same.

Parag Satpute: Yes, indeed. Definitely. When we were working with the strategy before we launched it, we, of course, did thorough analysis, not just of the current situation, but how the market landscape will look in the coming few years because of strategies for the next 5 years. So, on one hand, yes, diesel has seen a decline. But what I can tell you is that we believe going ahead and especially for the next 5 to 7 year period, the fuel, it will be a mixed fuel portfolio that most companies will go for. So, the sharp decline we have seen recently, especially for the automotive industry in the diesel will stabilize. Currently, it's at around 18% to 20% of market. We expect it to only have a gradual decline. But on the other hand, there are segments where we expect it will continue to be a dominant technology.

Let me take the genset segment. So, due to the nature of the application there, we believe that in the near future in India, in many of the developing countries, gensets will continue to be a very-very important part of the supply. And multiple studies we have done and external reports we have received show that there is 8% to 10% growth happening in this space. So that's on what will happen to the current portfolio. But we believe as Greaves, we have already started working on the next level and started to see the benefits of that. To give you two or three examples. One, the Excel Controlinkage acquisition we did is an auto components or engineered components business, which helps to make our portfolio resilient. That is one. On the second hand, in our strong space of three wheelers, we have already invested in electric powertrain. We are already supplying electric motors to the L3 and now very soon to the L5 segment. We have strong technological partnerships with companies such as Chara, which are focused on future rare earth free motors. So that's the second way we are making our portfolio more resilient.

And thirdly, we have also opened up new application areas. A case in point is the recent success we have had with the European customer called Ligier, where we are supplying not just the engine, but the whole engine systems and systems around it for application of micro cars. This application, it's a niche application, we believe that it will remain in place for the coming future. So in that way, we see that we will be able to deliver on the 16% to 18% growth that we have committed to in the 'GREAVES.NEXT' strategy with the portfolio and the plans that we have. Hope that answers some of your questions there.

Moderator: Thank you. The next question is from Rohan Mehta, who is an individual investor. Please go ahead.

Rohan Mehta: Hello, good evening, sir. Thank you for the opportunity. So, you spoke about inorganic opportunities. So, the CAGR target that we have of somewhere around 15% to 20 odd% over the next few years. Do you see a breakup of how much is expected from organic growth vis-à-vis inorganic?

Parag Satpute: Thank you for your question, Rohan. The 16% to 18% target we have is for organic growth. Any inorganic growth we expect will be on top of that.

Rohan Mehta: Thank you.

Moderator: The next question is from Dhruv Zobalia from Prospero Tree. Please go ahead.

Dhruv Zobalia: Hello, sir. Thank you again for the opportunity. I would like to ask that since you mentioned earlier about the CAPEX planning, which will be for the core business, but I would also like to ask that since we have cash balance of about 250 crores and in future we will focus more on the CAPEX side for the core business or for covering the losses for our subsidiaries till the time the IPO is approved and launched.

Parag Satpute: I am not sure I fully understood the question. The CAPEX we have laid out, the 500 to 700 crores is something that we have planned for to help grow the core businesses and to achieve the growth of 16% to 18%. And we believe we will be able to do that based on the way we are generating the cash and our current cash balance.

Moderator: Thank you. The next question is from Saptarshi Bhattacharya.

Saptarshi Bhattacharya: My question is on Greaves Technologies. So initially it was a subsidiary company and now it is part of the core business. So now I see that there has been hiring done from competitor companies which are in ER&D space. So how do we plan to grow this particular business?

Parag Satpute: Thank you for your question, Saptarshi. I think we have well noticed that Greaves Technologies is an interesting asset we have. It was an acquisition we did a few years ago. What we see, it's a very interesting niche. We employ about 400 highly skilled engineers there and we are providing engineering and R&D services to some marquee customers in the automotive industry. We now are looking to see how we can leverage this asset that we have at. The first step is to use their

skills to help grow the Greaves core businesses. As you saw we have a lot of ambition on improving technology and becoming a future ready engineering solutions company. So as a first we will use them internally and then of course we want to grow their external business. So the 16% to 18% growth target I have given, it kind of includes some of the upside we will see from selling ER&D services as well. But we see that as a good and core component of the overall portfolio we have.

Moderator: Thank you very much. Due to time constraints, we will take that as the last question. I would now like to hand the conference over to Mr. Parag Satpute for closing comments.

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 that we see ahead. On behalf of the full management team, I would like to thank everyone once again, not just for the time but for the continued engagement. Thank you.

Moderator: Thank you very much. On behalf of Greaves Cotton Limited, that concludes the conference. Thank you for joining us ladies and gentlemen. You may now disconnect your lines.

Note: This transcript has been edited to improve readability.

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GREAVES ELECTRIC MOBILITY LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its equity shares and has filed a draft red herring prospectus dated December 23, 2024 ("DRHP") with SEBI and the Stock Exchanges. The DRHP is available on the website of SEBI at www.sebi.gov.in, on the websites of the Stock Exchanges, i.e., BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, on the website of the Company at www.greaveselectricmobility.com and on the websites of the BRLMs, i.e. Motilal Oswal Investment Advisors Limited at www.motilaloswalgroup.com, IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*) at www.iiflcap.com and JM Financial Limited at www.jmfl.com, respectively. Any potential investors should note that investment in equity shares involves a high degree of risk. For details, potential investors should refer to the red herring prospectus which may be filed with the Registrar of Companies, Tamil Nadu at Chennai in the future. Potential Bidders should not rely on the DRHP filed with SEBI and the Stock Exchanges in making any investment decision.

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