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The Secretary
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Dear Sir/Madam,

Sub: Disclosure under Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015

Pursuant to Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Investor's Call held on 5th May, 2017.

Please take the same on record.

Yours faithfully,

For Greaves Cotton Limited

Amit K. Vyas
Company Secretary,
Head- Legal & Internal Audit

Encl: a/a

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Greaves Cotton Limited
Q4FY 2017 Earnings Conference Call
May 05, 2017

Moderator: Ladies and gentlemen, good morning and welcome to Greaves Cotton Limited Q4 FY 2017 Earning Conference Call. As a reminder, all participants' 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 this conference call, please signal an operator by pressing '*' then '0' on your touchtone telephone.

I now hand the conference over to the Managing Director and CEO -- Nagesh Basavanhalli, Greaves Cotton Limited. Thank you and over to you, sir!

Nagesh Basavanhalli: Thank you, good morning. Good morning, everybody and thank you for joining us for the call today.

Let me start out with the overall business:

Greaves Cotton maintains the growth momentum and reports of a Q4 PAT which is up by 20.5%. Despite overall challenging market scenario and the overall macroeconomic changes that we have witnessed over the last quarter, the company was able to grow the PAT for the last quarter and maintain revenues for the entire fiscal.

The profit after tax for the quarter is reported at Rs. 47 crores as against Rs. 39 crores for the same period the previous year which means it is roughly 20% more versus last year. This has been possible due to the strategic initiatives like launching of the new range of solutions, working on the service quality, and the higher operational efficiencies across the businesses. It was also due to the robust growth in the area of Auxiliary Power business, Farm Equipment business aftermarket business, and international business which resulted in the slightly higher revenue.

The economic environment continues to be tough. However, the revenue for the 12 months which ended March of 2017 was Rs. 1,819 crores against Rs. 1,800 crores for the same period the previous year.

In the Automotive Engine business, the company has managed smooth transition from the BS-III to BS-IV with increasing volume demand from customers. We are working very closely with our customer to define the future product roadmap and identify optimal solutions to meet our customer requirements for today and tomorrow.

As communicated earlier, we are gearing up for the BS-VI Automotive Engines so the team is working on that aspect as well.

As we have talked before, one of the key strengths at Greaves in addition to our brand has been the strong distribution network across the country. This network has traditionally been used to supply spare parts and meet the servicing needs of our millions of customers. Customer-centricity has been a key driver and with this, greaves aims to tap the large service potential across the country and we are continuing with our pilots across the country. “Stay Connected and Serve Better” has been the moto behind setting this up and we will continue to monitor these pilots and go forward.

In addition, international operations also contributed to the higher revenue. We have been able to maintain our focus on new customer development, new product development as well as adding geographies which helped in the last quarter.

Coming to the Agri sector – With the hopes of revival of our Agri sector, we have lined up a range of products. We have talked about the Power Tiller in the past. We are very pleased to inform that the field trials have been going very well and there has been positive feedback both from the customers and dealers who have seen the product. Very shortly we will be coming to you with the exact launch timing and the go-to-market plan for this. So, that remains on track.

Coming to the Auxiliary Power business:

Our focus in marketing and service, as well as getting to additional geographies across the country has met with encouraging results.

With that, let me hand over the microphone to Mr. Narayan Barasia to take you through the financial results. Over to you, Narayan.

Narayan Barasia:

Thank you, Nagesh. A very good morning and thank you very much for joining this quarterly earnings call. Greaves Cotton Limited, is one of the India’s leading engineering companies, have reported revenue of Rs. 435 crores for the quarter ended March 31st, 2017 as against Rs. 452 crores for the corresponding quarter of previous year.

The revenue of 12 months’ ended March 2017 was Rs. 1,819 crores against Rs. 1,800 crores for the same period previous year. Profit after tax for the quarter is reported as Rs. 47 crores as against Rs. 39 crores for the corresponding period previous year. Profit after tax for 12 months’ ending March 2017 is reported at Rs. 181 crores as against Rs. 199 crores for the corresponding period previous year.

At this point of time, let me open-up for your questions. Thank you.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the Question-and-Answer Session. We have the first question from the line of Ashutosh Tiwari from Equirus Securities. Please go ahead.

Ashutosh Tiwari: Sir, if I look at the balance sheet there is a significant jump in the accounts receivable and inventories by roughly 35% - 20% over last year while sales have been kind of flattish only, is there any particular reason behind that?

Narayan Barasia: Yes, the business mix was one reason that the outstanding has gone up and also there was crunch of liquidity in the market which has extended the outstanding period. So, combination of these two the receivables has gone up.

Ashutosh Tiwari: So, will it come down going ahead I mean towards coming months?

Narayan Barasia: Absolutely, Ashutosh.

Ashutosh Tiwari: And sir, can you share the volumes for Three-Wheeler, Four-Wheeler, Genset and all?

Narayan Barasia: So, Three-Wheeler volume is 54,000 versus 70,000 last quarter. Four-Wheeler has been 8,000 versus 9,000 last quarter. Genset has been about 900 Genset over 600 Genset for the last quarter. Power Tiller has been 500 Tillers versus 700 Tillers. Pumps has been 22,000 versus 19,000 last quarter.

Moderator: Thank you. The next question is from the line of Bhalchandra Shinde from Anand Rathi. Please go ahead.

Bhalchandra Shinde: Sir, regarding the customer additions actually I would like to know. We have been trying for last one year to two years for adding customers in higher hp. What else we are looking out for means like, in growth prospects if we do not click on this product where exactly we see growth additions in our different revenue streams?

Nagesh Basavanhalli: So, the question was not very clear. The question was about growth prospects, right?

Bhalchandra Shinde: Yeah.

Nagesh Basavanhalli: Okay. So, the growth prospects like we said, several of our businesses over the last quarter which includes the Farm, Auxiliary Power, aftermarket market, and international, are continuing on acquiring new customers and growing, right, on a year-over-year basis those are the businesses that have grown. Obviously, the Automotive Engine business because of the overall Three-Wheeler impact in the last two quarters because of the overall macroeconomic situation has been impacted due to the short-term hit. But these are the segments where the growth continues either due to incremental geographies like for example in the case of

Auxiliary Power we have gone to new additional states which we call the Phase-II states or in the case of additional areas or geographies worldwide.

Bhalchandra Shinde: Sir, but as we are aware that our majority of the revenue contribution comes from automotive engine and Diesel Three-Wheelers is somewhat matured all over India and we do not see that kind of growth profits in Diesel Three-Wheelers as such. So, in Automotive Engines I would like to know that is there any profits available or any customer additions which we see because if we do not add any customers in Automotive Engines I think, it will be quite difficult for us to achieve any growth even a moderate growth on the sales at Greaves Cotton level.

Nagesh Basavanhalli: Understand. As we can see the Three-Wheeler segment in the Diesel we retain market share even in these tough times, so that I think is point number one. Point number two is when you look at additional areas outside of Diesel whether it is in the area for example in CNG or whether it is in the area of new technology like Leap Cylinder, we are talking to a couple of customers which we have said before and as and when we acquire the customers and the business starts, we will be sure to inform everybody. But right now, those type of customer acquisition discussions are ongoing and we continue to be very aggressively discussing it with consumers both in several of the other fuel type areas as well.

Bhalchandra Shinde: Okay. And sir, regarding the margin front, do we have to pass through any input cost with the customers because last year we were really doing good margins but this year, overall our margins were lower than last year. So, I guess it was because of pass through of benefits and plus if now input cost is rising, raw material cost is rising, so will it affect our margins in one or two quarters means like it may have a lag effect but still for one quarter or two quarters there might be an impact. Is it a fair understanding?

Narayan Barasia: Yes, Bhalchandra. We actually severely got impacted by the inflation and always between the cost and the price there is a lag effect, so it will get normalize and also in quarter four there was BS-IV transition we went through. So, which has some high cost because it is just a transition which will normalize as we go along in future.

Moderator: Thank you. We have the next question from the line of Nirav Vasa from B&K Securities. Please go ahead.

Nirav Vasa: Sir, in the third quarter conference call you had informed that the price increase would be in the range of around 8% to 10% with the switch over or the change in BS norms. So, just wanted to check what has been the situation with regards to price hike?

Narayan Barasia: Yes, Nirav. So, the price hike has been in that band Nirav.

Nirav Vasa: 8% to 10%?

Narayan Barasia: Yeah.

Nirav Vasa: And sir, based on your current assessment would it be possible for you to give some kind of volume guidance for FY 2018 across each business segment.

Narayan Barasia: It is very hard to give a volume guidance because it also depends on a lot of macroeconomic picture. So, we generally do not give any guidance for future.

Moderator: Thank you. The next question is from the line of Vinod Malviya from Florintree Advisors. Please go ahead.

Vinod Malviya: Can you provide like how big the Multi Brand Outlet Market would be in terms of the market size? And second question has the Multi Brand Outlet started contributing for you and how much is the revenue which you are getting right now from the Multi Brand Outlets?

Nagesh Basavanhalli: So, clearly, this is a significant market with roughly about I would say Rs. 1,400 crores - Rs. 1,500 crores kind of range. And clearly, we are getting significant traction through our dealer network which pan India and clearly, we are seeing quarter-over-quarter improvements in our Multi Brand sales. As we add more and more products into our basket. So, we are making progress. We expect this to continue. The potential is significant in this field and we will continue to make sure that we have the right value offering and the right product, at the right quality that our customers trust us to deliver.

Vinod Malviya: And this Rs. 1,400 crores which you have said is entirely unorganized or it includes players as well?

Nagesh Basavanhalli: This is the overall.

Vinod Malviya: Okay. The second question is on the Genset business, we have seen a very good volume growth in FY 2017. First like what is driving this and what is your outlook for going forward in this Genset business, will we continue to see such similar growth?

Nagesh Basavanhalli: Okay. So, I will take the first part and I will ask Narayan to fill in the second. So, in general yes, Gensets based on the focused geography approach we went through the Phase-I and the Phase-II and basis of our concerted marketing and service efforts is yielding results. So, we did see the growth that is happening in Phase-I area, we expect the Phase-II also to show the same level of progress then I will hand it over to Narayan for additional commentary.

Narayan Barasia: Yes. So, Vinod, this predominately the distribution, the marketing on ground activities and the service, so all put together has helped us to get a good growth.

Moderator: Thank you. Next question is from the line of Eshit Sheth from Anvil Share& Stock Broking. Please go ahead.

Eshit Sheth: Sir, on the dividend policy basically this year again we have paid out Rs. 5.5 as dividend and if you put the tax that the company pays on the dividend our payout has been close to 85% - 90%. So, do we have a fixed dividend policy or how do we see it?

Narayan Barasia: We certainly dividend policy as required by the regulatory authorities but we do not have any fixed percentage. The percentage of dividend has to be decided by the board based on future programs we have and based on the current cash flow situation. So, for the last year you are right, it was close to about 85% - 90%.

Eshit Sheth: Right, okay. So, we intent to maintain it as of now?

Narayan Barasia: It is very hard for me to comment. This is the call Board has to take on time-to-time basis.

Eshit Sheth: Okay, sure. Sir, also on the Leap Engines basically, what I wanted to understand was in terms of new client additions, you have spoken in the last call that we are also talking to some international players as well. Are we seeing any traction on the domestic or international front?

Nagesh Basavanhalli: The discussions continue and we are making progress but there is nothing more that I can announce today. As and when we are ready we will get back but definitely we are seeing progress.

Moderator: Thank you. Next question is from the line of Bharat Gianani from Sharekhan. Please go ahead.

Bharat Gianani: You mentioned that the aftermarket Multi Brand is getting good traction for it. So, currently what is the contribution of Multi Brand aftermarket in our revenue in quarter four, if you can throw some number?

Narayan Barasia: See, it is just a beginning, so the contribution today is not high but these are all initiatives for long-term growth and building good business out of in future. So, today, the numbers are small. But I think the way we are shaping up we are building the pipeline, we are creating the distribution in the front, I think it is going to help us get a good revenue going forward.

Bharat Gianani: So, like you also mentioned previously that the market size is about Rs. 1,500 crores, so any idea you have what would be the share of unorganized players in that roughly?

Narayan Barasia: So, unorganized players generally in auto component is 35% to 40% depending on component to component.

Bharat Gianani: Correct. Sir, you mentioned in the last call that you would be providing some color on like in FY 2018 or FY 2019 probably what is the target of the revenues that you will get from the Multi Brand space. So, have you finalized any target in FY 2018 or FY 2019 like what kind of revenues you are targeting from this segment?

Narayan Barasia: Bharat, we do not give guidance on future. But certainly, the kind of effort we are putting in, you would have also seen the Greaves Auto Care Service Center we are creating. So, there is a lot of work happening around the aftermarket business. We are very optimistic about it. We are putting all efforts around it. Let us see as we go along, what we are able to do in this business.

Bharat Gianani: But sir like 10% - 15% kind of market share, is it achievable in next one year or two years, just a ballpark number?

Narayan Barasia: Bharat, it is very hard to give any guidance.

Moderator: Thank you. The next question is from the line of Deepesh Agarwal from Ambit Capital. Please go ahead.

Deepesh Agarwal: Sir, my first question is when would the annual price negotiation with key customers like Piaggio will be happening to pass on the increase in commodity prices?

Narayan Barasia: Different customer has a different time horizon and that happens automatically and that has been happening automatically over last so many years of Greaves Cotton. So, different customers have a different timeframe.

Deepesh Agarwal: But you do it once in a year with every customer, so I was referring to key customer like Piaggio which is large chunk of your revenue.

Narayan Barasia: Yes, absolutely. So, some customers are once in a year, some customers are twice in a year, so it depends on customer-to-customer and the contracts we have. But it automatically happens and that is the way it has been happening over last so many years of Greaves.

Deepesh Agarwal: Okay. So, when was the last time it happened with Piaggio?

Nagesh Basavanhalli: No, I cannot give you the dates. But be rest assured that it happens once in a year and it will happen again.

Deepesh Agarwal: Okay. And sir, what is the probability of not meeting the BS-VI norm for Single Cylinder Engine. So, I guess there would be a lot of challenges when you go down in terms of cylinders for the engine for meeting BS-VI. So, can you highlight some of the risk there?

Nagesh Basavanhalli: Sure, our engineers are working towards the BS-VI and we are gearing up for that. Our engineers are quite confident along with our team that they will be able to get to BS-VI.

Narayan Barasia: And we had a very good BS-IV transition as well, right? So, our engineering capabilities have been prudent over last many years of Greaves and we are absolutely on to BS-VI.

Deepesh Agarwal: Sir, so globally any company using say Euro VI Single Cylinder Engines?

Narayan Barasia: I do not know about that. But you know from our capability perspective we have done a lot of work and we are very confident about it.

Nagesh Basavanhalli: And so, we have also looked at the norms that the Government of India has prescribed for Three-Wheelers and we have looked at where we need to be, we have looked at where we are and how we can get there. I think, the team is quite confident that they can get there.

Moderator: Thank you. Next question is from the line of Ashutosh Tiwari from Equirus Securities. Please go ahead.

Ashutosh Tiwari: Sir, our employee cost declined on a quarter-on-quarter basis, any particular reason behind that?

Narayan Barasia: Yes, there was huge demonetization and BS-IV transition we went from October to March and you would have seen the volumes have also declined, is not it? The business had declined in quarter four, so we did a lot of pull back on the overheads. That is what we did and that helped us to contain some of the impacts of the top-line.

Ashutosh Tiwari: Is it like contract workers were less that is why employee cost declined?

Nagesh Basavanhalli: Yeah, wherever we got opportunity, some deferment of positions whatever we were able to do, we did that. So, again, the things that were within our control as management, right, we have pulled all the right levers when it comes to operational excellence. The things that we do not control obviously is the Three-Wheeler market which was down 19% in Q3 roughly 26% in Q4 we did not control that. But things which were in our control, the team has gone and worked really hard at it.

Ashutosh Tiwari: Okay. And sir, currently how much cash we are holding, around Rs. 420 crores?

Narayan Barasia: Yes, it is in that range. You are right, Ashutosh.

Moderator: Thank you. The next question is from the line of Girish Raj from Quest Investment. Please go ahead.

Girish Raj: How many Tillers did we sell in fourth quarter FY 2017 and fourth quarter FY 2016?

Narayan Barasia: 500 Tillers in this quarter versus 700 Tillers in quarter four last year.

Girish Raj: I thought, you mentioned 5,000 Tillers in fourth quarter FY 2016.

Narayan Barasia: No, it is 700 Tillers in quarter four last year.

Girish Raj: Okay. And what was the mix of BS-IV in Three-Wheeler this particular quarter?

Narayan Barasia: BS-IV has been roughly one-third of the total volume.

Nagesh Basavanhalli: And with of course the ramp-up happening towards the end of the quarter and the good news was 1st April we have ramped-up for all the customers. We were ready ahead of time.

Moderator: Thank you. The next question is from the line of Pawan Parakh from HDFC Securities. Please go ahead.

Pawan Parakh: I just wanted the break-up of the volumes, sir, you have given it on quarterly basis, can you please help the same on an annual basis?

Narayan Barasia: Okay. So, your question is on volume for what Three-Wheeler?

Pawan Parakh: Yeah, Three-Wheeler, Four-Wheeler, Genset, Tiller, Pumps FY 2017 versus FY 2016.

Narayan Barasia: So, Three-Wheeler has been about 270,000 versus 300,000 last year. Genset has been about 3,200 volumes versus 2,000 volumes last year. Tillers has been about 3,800 versus 3,500 last year.

Pawan Parakh: Four-Wheelers and Pumps?

Narayan Barasia: Four-Wheeler has been about 30,000 versus 36,000 last year. And Pumps has been roughly 90,000 versus 80,000 last year.

Moderator: Thank you. The next question is from the line of Aruna Bharti from Pari Washington. Please go ahead.

Aruna Bharti: I just want to get a clear sense of what are we doing in this aftermarket Multi Brand Spare Parts actually?

Nagesh Basavanhalli: Basically, in terms of one-stop solution, not only we sell Greaves parts that we of course supply to our own engines, we also provide other Three-Wheeler parts which are branded Greaves, which are manufactured or sourced by Greaves and which has the trust that the customers expect from an engineering design validation and requirements. So, we do source a significant portion of the Three-Wheeler market parts across brands. And these are Greaves branded parts and of course it is Multi Branded parts.

Aruna Bharti: Got it. And does it also involve manufacturing actually Spare Parts?

Nagesh Basavanhalli: Just like for our own in-house operation some we manufacture, some we buy, so we use the same methodology here. We use both, yes.

Moderator: Thank you. Next question is from the line of Bharat Sheth from Quest Investments. Please go ahead.

Bharat Sheth: Can you share for the quarter and FY 2017 revenue mix I mean in every year how much is contributed by after sales and in terms of rupee?

Narayan Barasia: Yeah, so revenue mix is roughly Auto Engine business is 50% - 55%; Farm, Genset is roughly 15% each; and aftermarket is roughly 20%.

Bharat Sheth: Okay. Now, after transitioning from say BS-III to BS-IV, so how are you seeing the traction and are we getting say market sale earlier in Three-Wheeler, Bajaj was manufacturing their own, so are we seeing some kind of more traction than the Bajaj or?

Narayan Barasia: We virtually control the Diesel Three-Wheelers market where we have about 50 plus OEs to whom we supply engines. We virtually control this and we have a very good and strong relationship with our OEs, we invest a lot of time and energy in improving our products. So, we have been holding it, so we are not seeing any issues so far the Three-Wheeler Diesel is concerned.

Bharat Sheth: And how about Four-Wheeler I mean?

Narayan Barasia: Four-Wheeler as well, we do a very good business with Tata Motors and Piaggio and that market share is intact.

Bharat Sheth: But is that market is growing now, I mean, after transitions from BS-III to BS-IV either of Three-Wheeler or Four-Wheeler?

Narayan Barasia: BS-III to BS-IV transition happened only in 1st of April. It is too early to make comment from a market share standpoint.

Bharat Sheth: Not market share but market itself is taking because last year I mean Three-Wheeler and Four-Wheeler which de-grew. So, how are we seeing I mean in first one and half month?

Narayan Barasia: The transition is over and now the traction is good, we are seeing good volumes coming up.

Bharat Sheth: What about alternate fuel that we were working I mean, so how we are getting traction in Three-Wheeler and Four-Wheeler?

Nagesh Basavanhalli: So, obviously like I touched upon earlier, we are talking to customers, we do have opportunities and options available in the CNG as well, in the Petrol and the CNG space. So, we do offerings, yes.

Bharat Sheth: But are we getting some customers on that board?

Narayan Barasia: Yeah, obviously, we continue to work with a lot of customer and as and when the times comes when a relationship matures and the time comes to declare that we disclose it to the investors.

Moderator: Thank you. The next question is from the line of Sagar Parekh from Deep Finance. Please go ahead.

Sagar Parekh: Most of my questions are answered. Sir, in your Auto Engine business volume break-up that you have given sequentially we have seen decline of Three-Wheeler Engines from 67,000 last quarter to 54,000 as you mentioned. So, this sequential decline is largely due to the transition from BS-III to BS-IV or was it more macro demand related problem?

Narayan Barasia: Okay. So, I will answer your question in two parts. Always, from Q3 to Q4 there is a sequential decline because Q3 is a very big season and we do a very good business in Q3, right. But also in Q4 there was a BS-IV transition which impacted us. So, the industry declined quite significantly because of this transition.

Sagar Parekh: Okay. So, it is largely seasonal impact.

Nagesh Basavanhalli: Seasonal and the transition we went through.

Sagar Parekh: Sure. And sir, the break-up that you have given for aftermarket that if I take 20% of your total revenues that comes up to roughly about Rs. 300 crores of aftermarket sales, am I right?

Narayan Barasia: Yes.

Sagar Parekh: So, with this Multi Brand strategy that we are adopting, next three years what is our outlook for this? Can we like double or triple this number in the next three years to four years?

Narayan Barasia: See, our objective is to grow every part of the business whether it is Auto Engine, Farm, Genset, aftermarket, what will be the mix going forward will depend on the success we get from each of these initiatives, right. So, we want this Multi Brand to grow and that is all our initiative, we are putting a lot of efforts behind it and we would like to see it growing as we go along.

Sagar Parekh: Okay. Will it grow faster than other businesses because now with kind of distribution network that you have I mean, it can grow much faster than possibly 25% - 30% CAGR is possible or it is not possible?

Narayan Barasia: See, it is very hard to put growth and which is going to grow faster. Our job is to make all the four initiatives fire and once, everything works forward some initiative will be more successful than other and a relative growth is a function of which initiative does better. From our perspective I think, we would like this Multi Brand to do better and we are very optimistic about it.

Sagar Parekh: Last question. What is the CAPEX figure for FY 2018?

Narayan Barasia: CAPEX is generally in the range of Rs. 50 crores to Rs. 100 crores for the next year.

Moderator: Thank you. The next question is from the line of Shekhar Singh from Excelsior Capital. Please go ahead.

Shekhar Singh: Can you just give the CAPEX for FY 2017?

Narayan Barasia: FY 2017 was in the range of Rs. 40 crores to Rs. 50 crores.

Shekhar Singh: Okay. What is the capital expenditure that you are planning to do in the Spare Parts business where you are going in for this Multi Brand strategy?

Narayan Barasia: No, Spare Part business will not entail CAPEX investment so much. We are not planning to invest so much in CAPEX.

Shekhar Singh: Okay. So, this Multi Brand strategy of yours what does it entail because you have mentioned like a lot of effort has gone into it, so what exactly is the effort going into. So, it is much of CAPEX you are saying?

Narayan Barasia: So, it is all about creating the backend, the supply chain, making sure the distribution system is ready, making sure all the products are ready and available in every market, making sure that the front end technicians are trained, and etc., etc., it is also about branding, so it is about promotion, so it is a whole backend to the frontend. It is only that we are not investing in CAPEX.

Moderator: Thank you, sir. The next question is from the line of Bhargav Buddhadev from Ambit. Please go ahead.

Bhargav Buddhadev: Sir, I have just one question. Sir, what is the probability that the life of the Three-Wheeler may actually expire in 2030 because what we understand is that under BS-VI regime, cost of equipment upgrades could be fairly significant, so according to you what is your probability that the Three-Wheelers may survive BS-VI, sir?

Nagesh Basavanhalli: Good question. So, if you look at what Greaves good at? Greaves has been very good at finding the right value to our end customer in terms of the total cost of ownership. So, that is what we have always done a good job at. So, now we have been in close touch with our customers both the OEs and end consumers and we have looked at the criteria which defines the BS-VI. When you look at the criteria for our Three-Wheeler BS-VI versus a Four-Wheeler BS-VI it is quite different. The Three-Wheeler is lot lesser in terms of requirements versus a Four-Wheeler. And when we talk to the end users and this market the general forecast is that this market should stay stable and some people even hypothesize that this market could potentially grow because

some of the low-end Four-Wheeler which will have the higher cost because of the BS-VI cost can potentially move down the Three-Wheeler. So, we are in close touch with our consumers. We believe with the BS-VI requirements, with our capability of finding the right value to our end customer at the right total cost of ownership and at the right levels of emissions and fuel economy, the right value proposition is something that Greaves absolutely knows how to do and we will get there.

Bhargav Buddhadev: So, sir, did I hear properly that the guidelines for Three-Wheelers are much more simpler versus Four-Wheelers?

Nagesh Basavanhalli: Yes, between the two, yes. Between the Four-Wheeler and Three-Wheeler, yes the Three-Wheeler is lesser.

Bhargav Buddhadev: Sir, currently we are primarily a Auto company if you look at 55% of our revenues are sort of coming primarily from Three-Wheeler. In three years time do we see our self as a fairly diversified company something on the lines of Cummins which has multiple drivers which are firing. So, do we have a plan in mind to become a much more diversified company two years down the line?

Nagesh Basavanhalli: I think the answer is absolutely, yes because if you look at it we are very grateful to our customers, OEMs and our customers who give us the Auto business. We are very grateful and we will continue to service that and grow that business. While that is happening, if we look at the other businesses to answer your question whether it is the Farm, aftermarket or the Auxiliary Power, each one of those businesses has been growing double-digit or higher. And we continue to invest in these businesses. We will continue to add products and regions to continue to grow that, so that the diversification happens. So, I think you can do the math but you know we are headed.

Moderator: Thank you. Next question is from the line of Prayesh Jain from IIFL. Please go ahead.

Prayesh Jain: Sir, just wanted your views on a couple of points. One is where do you see the Three-Wheeler business growing in the next two years or three years, the last year has been very difficult both most of the OEs were impacted by a slow domestic demand as well as international business slowing down. And secondly, I would like your views on the stress laid by the government on Electric Vehicles and some states and some cities have been operating Electric Vehicles Three-Wheelers. So, are we in process or through R&D developing any sort of Engines which can support the Electric business, sir?

Nagesh Basavanhalli: I think, I will take the second quarter first. So, in terms of Electric obviously, Greaves as a energy source or a power train Solutions provider we watch all segments whether that is Diesel, Petrol, CNG, Electric. So, we are watching that market carefully and we are investing in our R&D to do what it takes to be ready for our customer. At the end of the day we believe that Greaves as a

company has power train solutions and services that can cater to the customer's today and tomorrow. In terms of the Three-Wheeler question, I do not want to comment because obviously the Three-Wheeler industry as such the second-half was tough last year because of the macroeconomic scenario but we are seeing a rebound in the volumes. But we believe, again, for all the right reasons that the volumes are coming back and we are beginning to see that trend.

Moderator: Thank you. The next question is from the line of Bhalchandra Shinde from Anand Rathi. Please go ahead.

Bhalchandra Shinde: Sir, regarding our Multi Brand in that are we doing anything manufacturing part of it is just a traded component like we buy it from someone and sell it?

Nagesh Basavanhalli: No, we do both like I said before and we do manufacture based on our capability, capacity, we obviously have the capability, the question is based on capacity variable and the most efficient way to do it. And then the other thing is after the Multi Brand we continue to keep adding addition parts, so the percentage of the parts that can address this addressable market we continue to keep increasing.

Bhalchandra Shinde: How much is the percentage of manufacturing at our end and trading into Multi Brand?

Nagesh Basavanhalli: It can varies but enough to say just like for our own engines we manufacture some, we source some based on the overall business proposition. So, we look at the same type of metrics and we say, should we make or should we buy? And we do that to kind of make the decision. So, as we continue to add like I said, we are roughly at about 60% of the parts today in the overall ecosystem and we will continue to keep adding. So, we continue to keep adding to the ecosystem of the parts obviously, we will make the decision based on the right business proposition for Greaves and our customer.

Bhalchandra Shinde: 60% is which we manufacture you are saying or it is...

Nagesh Basavanhalli: No, it is combination of both manufacture plus sourcing. 60% of the total Three-Wheeler Multi Brand parts, right that is what we provide today, we will continue to keep adding to that.

Bhalchandra Shinde: Okay. My basic question because I guess for manufacturing the component you will obviously generate a good margin in the range of around 15% to 16%. But for traded it might be in the range of around maximum around 5% to 8%. So, what kind of blended margins do you see in in this Multi Brand segment?

Narayan Barasia: Bhalchandra, so we manufacture it also comes with investments and capacity and overheads, right? So, margins are not too different between traded parts and manufactured parts. It is beyond margins. So, we will take a call on selective parts if the volume justifies manufacturing,

right. So, whatever we are doing today we are replicating for the Multi Brand that is what we are doing.

Bhalchandra Shinde: So, right now much is the percentage of our total sales in Multi Brand segment?

Narayan Barasia: No, Multi Brand today is just started, right. It just started, it is very hard to say a percentage today, it is all about future and let us see what we do in future.

Moderator: Thank you. Next question is from the line of Deepak Jain from Subhkam Ventures. Please go ahead.

Deepak Jain: Sir, in this new engine program your Leap Engines when you are discussing with the customers, so once if an approval happens then how much is the development time, it is like one year to two years, if let us say a customer comes on board?

Narayan Barasia: It takes time, this is high lead time journey and depending on circumstances it may take anywhere from 18 months - 24 months to 30 months. So, it takes so much of time.

Deepak Jain: That is excluding initial discussion, right which you are doing right now with them?

Narayan Barasia: Yes. The application itself takes so much of time.

Deepak Jain: Okay. And in Power Tiller space are you into the entire spectrum or what percentage of the addressable market these products are addressing?

Narayan Barasia: Yeah, Power Tiller we are completely in that part in the market, it is a whole addressable market absolutely.

Moderator: Thank you. Next question is from the line of Sandhya from Athena Investment. Please go ahead.

Sandhya: Firstly, I just want to know in terms of having mentioned that inflation etc., has made the cost for our inputs go up. So, just want to know how much of pricing power does the company has in terms of how much can we command from our major customers versus how much do we have to stick towards the other players in the market are charging?

Narayan Barasia: So, commodity has always gone ups and downs over last so many years of Greaves and our history will tell you that how we have been able to pass it on to our customers. So, our contracts also spell those things very clearly and we have been able to do that.

Sandhya: Right. And also in terms of just trying to understand where the majority of the EBITDA margin etc., are coming from? So, if you could give us a sense how much of the top line and margins are coming from Three-Wheelers, Four-Wheeler, Genset, Tiller Pump, etc.,?

Narayan Barasia: No, we do not maintain separate P&Ls for separate businesses, so these are all collective business and we are a very profit focused organization and EBITDA is good in every business.

Moderator: Thank you. Next question is from the line of Sanjay Doshi from Reliance Capital Asset Management. Please go ahead.

Sanjay Doshi: Sir, just wanted to check on the Three-Wheeler numbers that you shared earlier for full year. If I am right, you said, we did 2,70,000 this year versus 3,00,000 last year, right?

Narayan Barasia: Yes, correct.

Sanjay Doshi: Okay. And if I try to work this out in terms of market share leaving aside Bajaj we have increased by almost 6 percentage point. So, can you help me understand which customers have we added over here? So, if I look at the industry production in FY 2016 leaving aside Bajaj it was 4,07,000 vehicles Three-Wheeler and in FY 2017 it was 3,40,000 odd. So, the market share roughly moves up by 6%.

Narayan Barasia: No, the SIAM report which gives the market share data is showing a constant market share.

Sanjay Doshi: No, I am just trying to put your numbers with the industry leaving aside Bajaj. So, you were catering to 74% of industry in FY 2016 if I take the production number from SIAM for Three-Wheelers and your volume number which you have given now. And in FY 2017 it works out to 80%. So, is there any major customer addition that we have done in the last one year, can you help me with that?

Narayan Barasia: So, Sanjay, firstly to answer these two points, market share is concerned SIAM is a better way to look at the market share and market share is constant, right? Now, this volume may also have some amount of CNG, Gasoline Engines we sell, right? So, if you put everything together maybe you will get the right market share.

Sanjay Doshi: Okay. And the other question I just wanted to understand in Agri side apart from Power Tiller, is there any product that we are working on?

Narayan Barasia: Absolutely. So, we have Pumps for farmers, we also a lot of Light Agri Equipments, so we have quite and we have a handful of products there and we are continuously moving are increasing our product basket as well.

Sanjay Doshi: Okay. And last one thing sir, can you help me with the utilization level across factories or approximate number?

Narayan Barasia: So, utilization has been about 70% - 75% approx.

Moderator: Thank you. The next question is from the line of Sreekanth P.V.S from Spark Fund Advisors. Please go ahead.

Sreekanth P.V.S: Sir, just wanted to know what is the number for this full year for your Spare business and it includes Three-Wheeler and Four-Wheeler too?

Narayan Barasia: The Spare business is roughly 20% of the total turnover and Three-Wheeler we have given you the volume number which about 54,000 for the quarter FY 2017.

Sreekanth P.V.S: Sir, the Spares number does it include both Three-Wheeler and Four-Wheeler?

Narayan Barasia: Absolutely.

Sreekanth P.V.S: Okay. And sir, in that Multi Brand business, will it also include Spares for Three-Wheeler and Four-Wheeler?

Narayan Barasia: Obviously, yes. Absolutely. So, Multi Brand is for that.

Moderator: Thank you. The next question is from the line of Pavan Kumar from Unifi Capital. Please go ahead.

Pavan Kumar: My first question is regarding your Multi Brand business whatever we are envisaging. So, will it be only limited to say Three-Wheelers and small Four-Wheelers or would it be even higher than 3 tonnes kind of vehicles? What is the kind of products we will be selling?

Nagesh Basavanhalli: Yeah, so as we mentioned earlier, I think the market potential is enormous. So, we are starting with the Three-Wheeler and some of the Four-Wheelers that we service today and getting into to address the market potential that is there. The other aspect that we touched upon earlier was to increase the bouquet of parts that is available. So, we are roughly at about 60% the goal is to get to about 80%, keep adding the parts and we continue to keep adding parts. So, that will address the market potential. Then as we go forward, we will address other sectors that are not addressed today as and the when the opportunity is right. But we believe, right now we along with our retail network are month after month making the right traction on this endeavor.

Pavan Kumar: Okay. Any amount of BS-III inventory that is still left on the book sir, which we might have to liquidate or say write-off?

Nagesh Basavanhalli: I think we did very good transition from BS-III to BS-IV, it was a very smooth transition. So, there should not be any worries on that side.

Moderator: Thank you. The next question is from the line of Dhiral Shah from Asit C. Mehta Investment. Please go ahead.

Dhiral Shah: Sir, what is our outlook on this Four-Wheeler Commercial Vehicles?

Nagesh Basavanhalli: Again, from what we understand it is flat and we will have to watch as we go. I mean, again, as the beginning of the new fiscal year we are just watching some of these trends and where we are.

Dhiral Shah: Okay. And sir, what is the cost of increment from BS-III to BS-IV?

Narayan Barasia: Yes. The cost and the price both has moved up by around the same range of 8% to 10%.

Dhiral Shah: Okay. And so, what is the outlook on margins?

Narayan Barasia: So, we are very profit focused organization and a lot of work happen in the organization on the cost. So, our objective will be to keep on expanding EBITDA margin and keep on moving forward.

Dhiral Shah: So, may be between 16% - 17%?

Narayan Barasia: It is very hard to put a number, we do not give outlook but we continue to do all the right work which is required to improve our margins and that is what we can say.

Moderator: Thank you. Next question is from the line of Pranav Tendulkar. Please go ahead.

Pranav Tendulkar: I am sorry, I missed the volume for Four-Wheeler Engines and Three-Wheeler Engines, if you can provide this quarter and last year same quarter?

Narayan Barasia: So, Three-Wheeler volume is 54,000 for this quarter versus 70,000 for the last quarter. Four-Wheeler has been 8,000 versus 9,000.

Pranav Tendulkar: And Three-Wheeler last year same quarter was?

Narayan Barasia: 70,000, seven-zero.

Pranav Tendulkar: Okay. So, I just have a question, if you have that data because this data is very hard to get. My question is that, is the Three-Wheeler sale slow down because of demonetization and a cyclicity or is it also because of the Electrical Three-Wheeler sales. So, do you have any data about Electrical Three-Wheelers?

Nagesh Basavanhalli: Our feeling is it is this short-term macroeconomic demonetization based slow down because we are seeing some of the numbers come back up. In terms of the Electric a lot of the stuff we are seeing is still at the lower end in terms of the e-rickshaws

Pranav Tendulkar: Okay. But basically you are saying that they are replacing the cycle rickshaws?

Nagesh Basavanhalli: Correct.

Moderator: Thank you. Next question is from the line of Sagar Parekh from Deep Finance. Please go ahead.

Sagar Parekh: Sir, just a very basic question, this Leap Engine that we are developing is that BS-VI compliant as well?

Nagesh Basavanhalli: it is protected for BS-VI we are already at BS-V levels.

Sagar Parekh: it is sorry....

Nagesh Basavanhalli: it is protected for BS-VI, yes, it can be compliant for BS-VI, yes.

Sagar Parekh: It can be compliant, okay, sure.

Moderator: Thank you. Next question is from the line of Aruna Bharti from Pari Washington. Please go ahead.

Aruna Bharti: I just have a follow-up question on this. When you talk about this Four-Wheeler Spare Parts you are talking about the Spare Parts for smaller Light Commercial Vehicles, right? Is that correct?

Nagesh Basavanhalli: Yes.

Moderator: Thank you. Next question is from the line of Bharat Sheth from Quest Investment. Please go ahead.

Bharat Sheth: Sir, on Genset, can you say how much I mean currently pan India we are presence or still we need to expand the geography?

Narayan Barasia: We are pan India, in some geography we are very strong, in some geography we need to do still a lot of work.

Bharat Sheth: Okay. So, how do we see I mean going ahead I mean appointment of new dealer as well as network improving the network? How do we see from FY 2018?

Narayan Barasia: Absolutely, a lot of work is happening on increasing our depth in every market and we are doing that in phases and parts. So, that is happening and what you are saying is absolutely right. We continue to do that and that will help us to increase our reach to the customers.

Bharat Sheth: And currently we have full portfolio up to 550 kVA in the Genset?

Narayan Barasia: We are present from a 5 kVA to 500 kVA completely.

Bharat Sheth: Okay. And sir, how our Tiller which we are doing I mean will it be different then our Tiller currently we are selling? Will there be only or it will be only manufacture rather than the traded?

Nagesh Basavanhalli: No, so definitely what we have done Greaves being an Engine company we will have all new Engine, it is a 14 horsepower Engine and we have done a lot of extensive customer interactions understanding the customer needs and how to improve the farmer productivity and making sure that we help the farmer. So, this product will be definitely superior versus the traded product.

Moderator: Thank you. The next question is from the line of Ashutosh Tiwari from Equirus Securities. Please go ahead.

Ashutosh Tiwari: Sir, a lot of the OEMs have BS-III stocks of Three-Wheeler in dealers and system. So, can those Engines be converted into BS-IV, is that possible?

Nagesh Basavanhalli: Again, that is something that the OEMs are looking at. But obviously with a retrofit kit there are some studies that are going on. But we need to look at it.

Ashutosh Tiwari: That is will take some time; long time is that what you mean to say?

Nagesh Basavanhalli: We will have to review that, yes. But again, keep in mind, we do not have inventory, it is anything to do with the OEMs is something that they are managing so.

Moderator: Thank you. Ladies and gentlemen that was the last question. I would now like to hand the conference over to the management for their closing comments.

Narayan Barasia: So, thanks a lot for attending this session. We appreciate your interest in our company. Thank you very much.

Moderator: Thank you member of the management. Ladies and gentlemen on behalf of Greaves Cotton Limited, thank you for joining us. You may disconnect your lines now.