



Greaves Cotton records stable turnover in second quarter

Posts Quarterly sales of Rs 448 Crore for Q2 FY13-14, Profit before exceptional items and Tax stands at Rs 45 Crore

Mumbai, November 01, 2013: Greaves Cotton Limited, one of India's leading engineering companies reported revenue at Rs. 448 Crore for the quarter ended 30th September 2013 as against Rs. 451 Crore for the corresponding quarter last year. EBITDA was Rs. 50 Crore as against Rs. 58 Crore, for the same period last year. The Company have divested out of the step down subsidiary in Germany and have provided for diminution in the value of this investments to the extent of Rs. 39 cr. which resulted in negative PAT. Profit / (Loss) After Tax (PAT) amounted to Rs. (8) Crore as against Rs. 34 Crore, for the same period last year.

Commenting on the results, Mr. Sunil Pahilajani, MD & CEO, said, "the 3 Wheeler Automobile market, the construction equipment market and the pump market is currently going through a challenging business scenario. We have successfully been able to consolidate our market presence, maintained market shares and in some segments even increased market share. Greaves has been able to maintain top line by focusing on product development and superior customer satisfaction. The focused efforts and several initiatives have resulted in reducing costs and in maintaining profitability of the businesses. International business has grown significantly and it is heartening to note that our strategy of widening global foot print across strategic markets of Middle East, East Africa and South East Asia have yielded positive response.

The profits for this quarter have been affected with our divestment in Greaves Farymann Diesel GmbH. With global business sentiments at an all time low, and Greaves Farymann Diesel GmbH not performing to expectations, the strategic business decision to exit was taken in the long term interest of Greaves Cotton Limited.

Mr. Pahilajani added, "This quarter witnessed the addition of TVS Motors to our client roster for supplies to TVS King DS. The initial launch in Kerala, Southern India has been positive. As part of growing the Aftermarket and strengthening distribution, Greaves has consciously increased customer touch points across the country to deliver increased customer delight.

Auxiliary Power Business recently unveiled contemporary power solutions that address sub 20 KVA; 160-250 KVA and higher end 500 KVA CPCB 2 ready gensets and engines segments, respectively.

The Company has successfully developed both 3 Wheeler and 4 Wheeler Engines, which meet BS IV norms ahead of time. This technology is low cost and hence is commercially cost effective for OEMs. This latest technology coupled with its low cost has now opened up new frontiers of opportunities both for our OEMs as well for us for entering into new geographies. This technology is going to be relevant for a long time ahead and demonstrates our ability in meeting the technology requirements of the market.

About Greaves Cotton

Greaves Cotton Limited, a Rs. 1900 crore, multi-product, multi-locational company is one of the leading engineering companies in India with core competencies in diesel / petrol engines, gensets and construction equipment. The Company sustains its leadership through ten manufacturing units which produce world class products backed by comprehensive marketing and service / parts network throughout the country.

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