



**“If you have a technology that is significantly better and you can give the right value proposition, we believe everything is possible,” some excerpts from interview of our MD & CEO Nagesh Basavanhalli. Read more about how we’re preparing for a new mo**

When the reality sinks in that Greaves Cotton has been around since 1859, there is a tremendous sense of history that one can immediately associate with the brand. It came into being two years after the 1857 mutiny, was 88 years old at the time of Independence and is still going strong at 158. “The brand has been known for the trust that has been there and what we fundamentally stand for,” says Nagesh Basavanhalli, MD & CEO. The ₹1,800-crore Greaves Cotton is essentially a diversified engineering company, which supplies engines, generator sets, pump sets and construction equipment to a host of end-users. It has a network of over 3,500 dealers.

#### **Challenges ahead**

Yet, legacy is not enough to meet the challenges of the future as Basavanhalli is only too aware of. “Yesterday it was diesel, tomorrow it could be petrol or CNG, hybrid or electric,” he says. “The beauty is that we are working on all of them,” he says. This becomes especially critical with Bharat Stage VI emission norms scheduled to become a reality in April 2020. This also explains why Greaves has tied up with Pinnacle Engines of the US for a BS VI-compliant engine in three-wheelers. More recently, it signed a pact with MLR Auto and Continental for the same purpose while joining hands with Atul Auto to develop powertrain solutions. And even while meeting the BS VI deadline is a challenge, Basavanhalli is reasonably confident that things are on course. “We want to work with our OE partners and put enough vehicles out on the road and be ready ahead of the official deadline,” he says. “We are looking at how can we offer the right value proposition to consumers.” Hybrids and electric will also be the focus areas for the company. “Yesterday, we were very strong in the diesel engine and today as we go forward, we are reinventing ourselves in terms of having interesting clean energy alternatives,” he adds.

#### **Spreading the wings**

Within the Greaves ecosystem, its core R&D centre is in Pune while Aurangabad is home to engine test cells and testing capabilities. There is a plant in Chennai too. Yet, what is even more interesting is the move to use Bengaluru as an innovation and incubation centre. “What we are trying to do is work with start-ups and bring in a lot of thought process,” says Basavanhalli. The idea is to take a “legacy

company” into the picture while bringing in ideas that start-ups are thinking about today. “How do you match the two of them, and bring in the talent from outside who can absorb the two and bring it to market? That’s where we are headed because we are a firm believer of technology,” he says. The choice of Bengaluru is only logical considering that it is home to a whole lot of start-ups with enormous connect to Silicon Valley in the US. Eventually, the extended team in the other facilities will be involved with what is marketable or market-ready. In the process, new ideas can be integrated with the experience available in Pune and Aurangabad. It is in this context that the recently announced partnership with the US and Bengaluru-based start-up, Altigreen Propulsion Labs, becomes relevant. The alliance aims to provide a range of clean energy powertrain solutions for three- and micro four-wheeler commercial vehicles.

### **Diesel to stay**

Getting back to the subject of fuels, Basavanhalli does not believe that the internal combustion engine is going to disappear in a hurry. So even while diesel could be relegated to the sidelines in some major cities, it will still be relevant in semi-urban/rural areas. Petrol and CNG could become more prominent in cities while hybrids will come along. “Electric clearly will be the future. However, there are some challenges,” says Basavanhalli. Eventually, economics will drive e-mobility and from Greaves’ point of view, it is in a good space with a range of solutions whether it is petrol, diesel, CNG, hybrid or electric. By the end of the day, for the last mile transportation operator, it is the price and costing structure that matters. “Clearly, there will be opportunities with disruptions,” says Basavanhalli. “If you have a technology that is significantly better and you can give the right value proposition, we believe everything is possible,” Greaves’ service centres are also expected to play a bigger role in the future. There could, for instance, be opportunities to play in the electric infrastructure place, whether it is battery charging/swapping. “Are we in that today? No. But can our service centres be future ready? I believe the answer is yes and those are some of the things we will continue to evaluate as we go along,” says Basavanhalli.