

PRESS RELEASE

Greaves Cotton: Revenue continues to Grow.

Mumbai, November 5, 2016:

Greaves Cotton Limited, one of India's leading engineering companies, has, despite tough market conditions, reported revenues of Rs. 489 crore for the quarter ended September 30, 2016 as against Rs. 473 crore for the quarter ended September 30, 2015. EBITDA for the quarter ended September 30, 2016 is Rs. 70 crore as against Rs. 76 crore for the same period last year, recording a EBIDTA margin of 14.3% during the current quarter. The Profit After Tax (PAT) for the quarter ended September 30, 2016 is Rs. 51 crore as against Rs. 55 crore for the corresponding period last year. During the quarter, the company had taken a few initiatives that would help it prepare for the future which resulted in higher Operating Expenses and a consequent reduction in profits. The financial results of the company have been prepared in accordance with IndAS that came into effect from April 1, 2016.

Commenting on the results, **Mr. Nagesh Basavanhalli, MD & CEO** said "Despite a challenging market environment, the company with its sustained focus on various lines of business has recorded QOQ revenue growth of 9.88% in the quarter ended September 30, 2016 over Q1 FY 2017 and a 3.3% growth over the corresponding period last year. This has been possible due to strategic initiatives on launching new range of solutions, enhancing service quality and entering new geographies. Contributing to the higher revenue is robust growth in the Farm Equipment Business and the Auxiliary Power business."

Commenting on the company's profitability, Mr. Basavanhalli said, "We continue our value engineering efforts that have delivered a healthy EBIDTA margin of 14.3% - a bump up from the 13.6% of Q1 FY2107. Our efforts on cost controls are sustainable & will continue to improve."

Elaborating on the new product development initiatives, Mr. Basavanhalli said, “One of our key strengths has been our strong distribution network across the country. This has been traditionally used to supply spare parts and to meet the servicing needs of over 4 million customers. With the recently announced foray into a wider range of spare parts and consumables under the GREAVES brand name, we are providing a reliable and quality alternative that delivers value to all stakeholders. GREAVES becomes a one-stop solution provider for most parts requirements in the 3-Wheeler passenger and commercial vehicle segment. In phase 2, this will be expanded to include 2-wheeler and 4-wheeler parts requirements too.”

About Greaves Cotton

Greaves Cotton Limited, a Rs 1700 crore, multi-product, multi-locational company is one of the leading engineering companies in India with core competencies in diesel/ petrol engines, farm equipment and gensets. The Company sustains its leadership through seven manufacturing units which produce world class products backed by comprehensive marketing and service/ parts network.

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