

12th November, 2025

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 half year ended 30th September, 2025

In furtherance to our intimation dated 30th October, 2025, please find enclosed the Transcript of the quarterly earnings call for the quarter and half year ended 30th September, 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

Q2 & H1 FY26 Earnings Conference Call

November 06, 2025

Management Representatives:

Parag Satpute – Managing Director & Group CEO, GCL

Akhila Balachandar – CFO, GCL

Vikas Singh – Managing Director, GEML

Moderator: Ladies and gentlemen, good day, and welcome to Greaves Cotton Limited Q2 and H1 FY26 Earnings Conference Call.

We have with us today Mr. Parag Satpute as Managing Director and Group CEO; Ms. Akhila Balachandar, CFO, GCL; and Mr. Vikas Singh, Managing Director, GEML.

We would like to begin the call with brief opening remarks from the management, following which we will have the forum open for an interactive question-and-answer session.

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. Please note that this conference is being recorded.

Before we start, I would like to point out that some statements made in today's call may be forward-looking in nature, and a disclaimer to this effect has been included in the results presentation shared with you earlier.

Further, as you are aware, Greaves Electric Mobility Limited has filed a Draft Red Herring Prospectus with the capital markets regulator, SEBI, to raise funds to an IPO. All discussions in this call with regards to this entity may be read in conjunction with and be limited to the said DRHP.

I now hand the conference over to Mr. Parag Satpute. Thank you, and over to you, Mr. Satpute.

Parag Satpute: Thank you. Good morning, ladies and gentlemen. Thanks for joining us today. Let me tell you how we are going to conduct this session. I will start off giving you an update on our business for the last quarter for the Greaves Cotton Limited's core businesses. I will then hand over to Mr. Vikas Singh, who will take you through the performance of Greaves Electric. Akhila will follow that with a financial roundup of the business and then I am going to come on again to talk about our new strategy, something which we had promised to tell you during our last investor calls.

Let me start with this quarter. The quarter marked another phase of steady progress for us. We executed well, strengthened our portfolio and continue to invest in future-ready technologies. Even in a dynamic environment, our businesses sustained momentum backed by operational excellence and disciplined capital management.

Now as we move into the second half, the outlook stays positive across most of our lines of business. For the automotive and genset, demand remains healthy, helped by infrastructure spending, rising urban activity and industrial recovery. Also, agriculture and construction are improving with a good monsoon, while mining and urban infrastructure stayed strong. Of course, in the management, we are keeping an eye on the pace of projects on rural sentiment and the interest rate trends. But our diversified portfolio gives us resilience to manage this shift confidently.

Let me talk about the segments one by one now. In the Automotive Engine segment, the demand for the 3-wheelers and small commercial vehicles continued to revive, which is supported by stable fuel prices and better fleet utilization. The move towards cleaner fuels, which is CNG, LPG and electric, is gradual, and it is fully aligned with our strategy of building a fuel-agnostic powertrain portfolio, which serves not just today's mobility but also tomorrow's.

Our genset business is also strengthening, and our market share is now around 4%, thanks to very reliable products and a widening customer reach. Our industrial engines, both the single and multi-cylinder platforms continue to power diverse applications such as construction, agriculture, firefighting, marine and industrial.

Moving to Excel. We had a stable quarter there. Within that portfolio, the domestic business built on strong partnerships with OEMs grew quite well. New orders came in from automotive, construction equipment and marine OEMs. Also, the key capex projects, which we have started were completed on schedule and are now ready to generate new business. Excel is also increasing efforts to expand globally, especially to balance the dependence we have had on a concentrated geography. What is heartening is margins remain healthy at roughly 27%.

Overall, for GCL, exports continues the strong run. It is led by the Euro V+ plus automotive engines. Our collaboration with a company called Ligier, which is a leading European microcar OEM has developed very well, and it showcases Greaves' engineering ability and quality of our products. I'm happy to say that exports now forms a double-digit share of our revenues across GCL and Excel and the new discussions we have ongoing with global OEMs are expected to translate into more long-term high-margin programs.

Coming to technology. We are also investing in advanced technologies such as multi-fuel gensets and rare-earth-free motors. Our partnership with Chara Technologies to enhance sustainability and cost efficiency is developing quite well.

Within the retail and aftermarket, while the diesel 3-wheeler spares saw some short-term softness, our focus stayed on expanding the network and strengthening our channels to deepen our customer engagement. Within retail, the institutional sales, particularly to railways, grew strongly year-on-year.

Financially, Greaves Cotton remains net cash positive. We continue to invest in capacity expansion, in modernization and new product development, which ensures readiness for the next cycle of growth. Our R&D engine is also running strong. It is focused on fuel-agnostic products, EV powertrain components and hybrid systems.

Demand for our Euro V+ single cylinder engine for micro cars remains robust. Our CPCB IV+ genset range is fully rolled out and is seeing a very encouraging response. And finally, the integration of Excel's precision engineering is helping us to speed up validation and improve time to market and this is an advantage for us as we scale.

I'm now going to hand over to Vikas to talk about the Greaves Electric business. Over to you, Vikas.

Vikas Singh:

Thank you, Parag. Good morning, 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'm pleased to share an update on our performance for the second quarter and H1 FY26.

The last 6 months have been a period of steady progress for Greaves Electric Mobility, reflecting our continued focus on execution, efficiency and further strengthening and enhancing our customer trust. In the electric 2-wheeler segment, VAHAN volumes grew by 54% year-on-year in H1 FY26 led by product enhancement and network expansion.

Our market share continued to improve from 3.2% last year to 4.2% this year with the following regional positions, 12% share in Tamil Nadu, which is a very big market, 14% share in Bihar and 6% share in Orissa during Q2.

The Ampere Nexus and Magnus Grand have played a key role in driving this growth. The Magnus Grand launched this quarter at a price point of about Rs. 90,000 with our next-generation electric family scooter, featuring a durable LFP battery, 5-year/75,000 warranty included and advanced new brake technology, new digital cluster and premium dual tone colors with gold badging. This has been a clear success for us and has helped us build our share and our position in this very sensitive and large segment.

Meanwhile, the Ampere Nexus, which has been recognized by the India Book of Records for being the first electric scooter to reach 13,200 feet at the Shipki La Pass now comes with smart connectivity features such as map mirroring, music/call alerts and performance insights, thereby enhancing the overall rider experience.

On the 3-wheeler L5 front, the business has maintained steady momentum with L5 VAHAN volumes up 9% year-on-year. Our ELTRA City Xtra, the EV solution in L5 has been recognized by the India Book of Records for a 324-kilometer journey on a single charge range and offering IoT features. These achievements highlight our commitment to innovation, sustainability and inclusive electric mobility, driving India's shift towards a cleaner future.

Technologically speaking, Greaves Electric Mobility is now amongst the first OEMs in India to fully transition to the 100% LFP battery technology across its EV portfolio, thereby enhancing safety, thermal stability and life cycle value. We continue to invest in IoT-enabled scooters and battery swapping solutions with over 850-plus vehicles deployed in Delhi NCR under our fleet partnership programs.

A key highlight of the quarter was our All India Supplier Vision Summit 2025, which brought together key partners across the value chain to further align on quality, innovation and supply chain excellence, which is so critical to our future and thereby ensuring our ecosystem is future-ready for the next phase of EV adoption.

Looking ahead, our focus will remain on profitable and sustainable growth. We are expanding our retail presence in North and West India while continuing to strengthen our presence in South and East regions. Internationally, we have already established a footprint in Nepal and are evaluating opportunities for exporting our products to countries such as Sri Lanka for EV 2-wheelers and regions in Africa for 3-wheelers.

In summary, H1 FY26 reflects steady progress for Greaves Electric Mobility, combining execution, innovation and customer focus. With our brand portfolio globalized and technology-driven approach, we are confident of continuing to be one of the players in India's transition to clean, connected and affordable electric mobility.

That concludes my remarks. I would now hand over to Akhila for the next part of this call. Thank you.

Akhila Balachandar: Thank you, Vikas. Good morning, everyone, and a very warm welcome to all the participants on this call. I'm very pleased to share that Greaves Cotton has delivered a healthy and resilient performance during the second quarter and first half of FY26. This reflects the continued success of our transformation journey and the disciplined execution of our strategic initiatives.

During the quarter, our consolidated revenues stood at Rs. 815 crore, increased 16% year-on-year. For the first half of FY26, consolidated revenue reached Rs. 1,561 crore, reflecting a 16% year-on-year growth, driven by broad-based growth across businesses and consistent execution across markets. Our profitability metrics improved significantly during this period.

Q2 FY26 standalone revenue of Rs. 552 crore with EBITDA of Rs. 78 crore and PBT of Rs. 75 crore. The standalone revenue grew 18% year-on-year, while EBITDA increased 32% year-on-year, resulting in a 160 bps improvement in margins. For H1 FY26, our standalone revenue stood at Rs. 1,092 crore with an EBITDA of Rs. 152 crore and PBT of Rs. 151 crore, reflecting a 44% year-on-year growth in PBT and 210 bps expansion in EBITDA margins, supported by strong export demand, deeper market reach, robust aftersales network and ongoing cost optimization initiatives.

Our Engineering businesses continued its steady momentum, registering a year-on-year growth of 31% with revenue of Rs. 406 crore and H1 growth of 30%. This performance underscores the strength of our diversified portfolio, operational agility and strong market positioning.

The Automotive business recorded broad-based momentum, led by a 48% year-on-year increase. This was driven by increase in demand for our Euro V+ engines from our European automotive OEM partnerships. The genset business witnessed 24% growth, and there was a continued momentum in non-automotive application of our engines.

Greaves Retail reported a revenue of Rs. 146 crore, expanding across Tier 2 and 3 markets and strengthening its omnichannel model for better customer reach and profitability. Following the acquisition of an additional 10% stake in Excel Controlinkage, our shareholding in Excel has now increased to 80%. Excel reported revenues of Rs. 57 crore in Q2 and Rs. 117 crore in H1, while maintaining double-digit EBITDA margins. The combined GCL and Excel revenue stood at Rs. 608 crore and EBITDA for Q2 stood at Rs. 91 crore with a robust margin of 15% plus.

The Electric Mobility division delivered strong results, resulting in Rs. 199 crore of revenue in Q2 and Rs. 336 crore in H1, driven by new product launches, portfolio mix and cost efficiency. Greaves Finance grew its AUM, including co-lending to Rs. 380 crore. Together, these businesses continue to drive sustainable, profitable growth and strengthen our position in the evolving mobility ecosystem. Our ongoing focus on margin enhancement, cost discipline and working capital efficiency continues to yield results.

ROCE remains healthy at 30% plus, reflecting prudent capital management and strong returns from operations. Our financial position remains robust with the company continuing to be net debt positive. Our capital allocation priorities remain consistent by investing in growth businesses, maintaining a strong balance sheet and delivering shareholder value. Looking ahead, we remain cautiously optimistic and focused on profitable growth, innovation and execution excellence.

With this, I invite Parag back to talk about the new business strategy for Greaves Cotton.

Parag Satpute:

Thank you very much, Akhila, and hello, everyone, again. As you know, I had joined this company 6 months ago and during the last investor call, many of you were curious about any refresh to our strategy, and we have promised to share more details with you this time. I've been very energized and excited working with the team over the past few months in putting together the next phase of transformation and growth for Greaves Cotton Limited.

See, over the past few years, we have been reshaping Greaves Cotton thoughtfully and deliberately and with a long-term view of where our industry and our customers are headed. This transformation has been both disciplined and purposeful, and it is built on strengthening our capabilities and deepening our customer orientation.

Today, I'm excited to introduce GREAVES.NEXT. This is the name of a new strategy that builds on our strengths, focuses our efforts and positions us to deliver long-term value to our customers, partners and shareholders.

We are on a path to become a trusted future-ready engineering company, which is built on sustainable technologies and on reliable products and customer-centric solutions. If we look back before FY16, Greaves was largely a single product-led company with much of the success coming from our 3-wheeler auto engines business. We recognize that to stay relevant, we needed to diversify.

Since then, we have broadened our portfolio, a transformation which has been achieved through a combination of organic growth and selective inorganic expansion. This today has given us a strong foundation with new capabilities, new markets and a far more resilient business portfolio. Now we stand ready to embark on the next phase of the transformation journey.

As we move forward, our focus is very clear. While our investee companies of Greaves Electric and Greaves Finance will continue to pursue their growth ambitions, the core of Greaves Cotton Limited will remain centered on building a trusted future-ready engineering company.

At the heart of this foundation lie 3 enduring cornerstones, you could say the DNA of Greaves Cotton, which is reliable products, sustainable technologies and customer-centric innovation. These principles guide where we will focus and what we will build and also how we will build it through GREAVES.NEXT.

For the GCL core businesses, we are focusing our efforts towards a few areas of interest, which will drive our growth for the coming years. First, Energy Solutions. This represents one of the most exciting opportunities for the group. For this segment, we will deliver dependable, high-efficiency power solutions and drive meaningful growth across our end markets.

Secondly, Mobility area. Building on decades of expertise in powering vehicles across segments, the businesses focused in this area now represent a diversified fuel-agnostic mobility portfolio that delivers reliable and efficient transportation choices.

Third, Industrial Solutions. For this area, we focus on specialized industrial applications that demand consistent performance, durability and precision engineering. This combines our domain expertise with innovation and allows us to deliver enduring value to our customers. We believe these focus segments will form the foundation of Greaves Cotton's next phase of growth, providing balance and resilience across our portfolio.

So how is the road map to FY30 build? We have 3 strategic dimensions, each reinforcing the other and defining how we will grow. The first dimension is accelerating our core. As you have seen over the last few quarters, we have a very solid core business. This dimension is about deepening and growing our existing businesses, where we already have a strong market presence, and we enjoy customer trust and have proven products.

For example, in energy, we are strengthening our aftermarket business, expanding our service network and building a stronger service capability, which will help improve uptime for customers. Similarly, in the mobility area, we are working very closely with OEMs to enhance quality, reliability and delivery performance. So that's what we call accelerating our core.

The second dimension is building new muscle onto this core. This is about developing the next layer of capabilities. These are new products, new technologies and opening new market opportunities, which will add differentiated strengths and unlock fresh revenue streams for Greaves Corp. Citing another example from the mobility area, we aim to develop a contract manufacturing business that leverages our manufacturing excellence and which helps us serve OEMs in a better way.

In the Industrial Solutions area, another example, we are expanding into adjacent categories where our design and production strengths can be applied to new customer needs. Together, these first 2 dimensions of accelerating the core and building new muscle will form the engine of the organic growth for Greaves Cotton. We expect these 2 dimensions to deliver a sustained revenue growth of around 16% to 20% CAGR over the next 4 to 5 years.

Let me now come to the third dimension, which is expanding into new horizons. This dimension complements the first 2 through selective and strategic M&A and partnerships. This will allow us to acquire completely new revenue streams, new skills and technologies or expand our geographic reach to enhance our core and to accelerate our overall transformation. These opportunities will be pursued selectively where our engineering DNA and manufacturing strength give us the right to win and where there is a clear long-term value potential.

By FY30, we expect this 3-dimensional strategy to make Greaves Cotton a company with: one, a larger, more balanced portfolio led by energy solutions as the key growth engine; create sharper focus on technology, quality and sustainability across every product line; and have a broader global footprint, which is driven by exports and also by partnerships.

This growth will be anchored in disciplined capital allocation as we have demonstrated. We will continue investments in innovation and a strong customer orientation. Across all of these dimensions, our manufacturing capability, supply chain and engineering depth will be our competitive advantage.

Let me talk about execution now because the success of any strategy depends on the execution. To deliver this strategy, we are implementing a very clear operating system for execution with each business having defined objectives, clear milestones and sharp accountability. We are ensuring a robust governance mechanism aided by digital tools and a review cadence to make sure that every initiative translates into measurable outcomes.

For this, we have identified key metrics to track our progress against the strategic plan. Once these are fully embedded in our internal systems, we intend to share updates on these metrics periodically also with this forum as we move forward.

In summary, Greaves Cotton today stands at an important point in its evolution. We have diversified our base. We have sharpened our focus and built strong platforms for future growth. GREAVES.NEXT represents this next leap in this transformation journey. For us, the direction is clear, the priorities are very well defined and the whole organization has been aligned to execute. Through GREAVES.NEXT, we will not just evolve our portfolio, we will reshape how we think, operate and create value for our customers.

We are very excited to embark on this next phase and look forward to delivering on the promise of GREAVES.NEXT. This concludes my narration of the new business strategy, and we have also completed the business update. So now I'd like to hand over to the moderator to begin the Q&A session.

- Moderator:** Thank you. We will now begin the question and answer session. The first question comes from the line of Krisha Kansara from Molecule Ventures.
- Krisha Kansara:** Congratulations on a very good set of numbers. My first question is on Excel Controlinkage. What we are observing from the last few quarters is that the growth has slowed down a bit and margins have also been impacted, especially in this quarter, if we see. And you just mentioned that we are also doing the capex in the segment. My question is, what is the reason behind the degrowth in the margin compression? Is it that the capacity was operating at full utilization and we were not able to cater to the orders? Or was there a genuine slowdown in the order book and demand from the M&HCV segment? This is my first question.
- Parag Satpute:** Okay. Thanks for your question, Krisha. Well spotted. And like I explained in my last call, the core business of Excel, which is with the heavy commercial vehicles OEMs in India is actually going quite well. It is strong and has grown year-on-year compared to last year. Where we have seen headwinds is with our export business. We had a very heavy dependence on one particular geography in the past years and when that geography slowed down, it has had an overall impact on the export. And that also explains the margin erosion slightly because the export business was at a higher margin. What I would say is the core business remains healthy, strong and continues to grow. And we have started now efforts to diversify the export business. But as you know, it takes a few quarters for new, especially global business to come on stream.
- Krisha Kansara:** Right. Let's say, what was the export contribution a year back v/s where does it stand as of now?
- Parag Satpute:** If you look 1.5 years back, our export contribution was anywhere between 35% to 40%. And now it has reduced down to just under 20%.
- Krisha Kansara:** Right. But we are focusing on increasing this contribution going forward, right?
- Parag Satpute:** Indeed, we are focusing on not just increasing but also diversifying it into different geographies, and we have already started those discussions, which some are at an advanced stage.
- Krisha Kansara:** Sure. Okay. That is helpful. Sir, my second question is on the Engineering division. Our Genset segment grew by close to 25% in this quarter and even if we look at the last quarter, it grew by 30%. H1 FY26 has been a very good period for our Engines division. 2 questions with respect to this. One, what is the breakup between volume and price growth with respect to Genset division? And two, what exactly is driving this growth? I understand that we supply majority to residential, commercial and industrial sectors. But even within those sectors, what is driving this kind of growth? Or is it the case that the entire growth is coming from exports?
- Parag Satpute:** No, it's not just exports. We have had some interesting export orders, but our main growth in the genset business has come from our domestic markets. And a good question about where it is coming from. So we have expanded our reach when it comes to our genset business. And we have done that to selectively and very in a robust way, increasing our distribution network.

It's also that we are focused very clearly on a few segments where we see a strong fit between our product and the needs of the customers. And finally, we are starting to improve our aftermarket activities and service. So that overall first drives revenue, but secondly, also builds customer confidence. And that is why we are also excited about how the genset business will continue to develop in the future.

Krishna Kansara: Right. But what was the volume growth if we look at H1 for genset?

Parag Satpute: Our volumes and revenues have been growing steadily, and we are selling across a number of sectors. So actually, it would not make sense to talk about them separately in this case.

Krishna Kansara: Okay. Sure. Sir, one question on the retail segment. The quarterly run rate has not grown very substantially in the last few quarters. What is the reason for that? And if you could give us a breakup of the aftermarket sales as to how much comes from auto engine spares, how much comes from the Genset and the EV auto spares?

Because my question is coming from the viewpoint that the original product segment is growing very well, but then it is not getting reflected in the subsequent aftermarket sales. Of course, you mentioned that the diesel 3-wheeler has seen some kind of slowdown, but if you can throw some more light on this retail segment slowdown.

Parag Satpute: Yes. I will answer that question and there are 2 dimensions to that answer, partly also related to our new strategy. But let me just give you an explanation of what has been happening in the business for the last few quarters. Our main business within the retail segment is to do with the auto aftermarket spares and service and that is a very solid, healthy business, high margin, which all of you have recognized. But that business overall volume has been in a steady decline because as we know, the parc of the 3-wheeler vehicles straight after COVID declined sharply. Good news is that it is now stabilized and actually, we are tracking that the parc is slowly increasing. The impact on the aftermarket business comes a couple of years after when we sell the engines. We expect to see that the strong engine sales we have had in the last few quarters will start to translate into aftermarket business in subsequent quarters. The core business of retail will remain steady and strong and will continue to grow.

Over the last years, and this is also related partly to our new strategy, we had tried to diversify into a number of new revenue streams. And those were, you could say, strategic initiatives that we had started and those have not performed as well and been as strong for us as expected. Within this new strategy and very much in line with the dimension of accelerating the core and building new muscle on to the core, we have looked very sharply at some of those new initiatives, the ones which connect very well with our customer segment and our dealer channel and related to our current strength, we have kept and we will continue to do, while some others where we did not have a very strong right to win, we have decided to discontinue. And in the short-term, of course, it will have some revenue headwinds, but we believe it is the right decision because it allows us to focus on the core business.

Krishna Kansara: Sure. With all these initiatives in place, can we assume that the aftermarket segment will grow at a CAGR of 10% - 15% in the next few years?

Parag Satpute: It will. The aftermarket segment depends largely on how the overall diesel engine part is growing. We expect it to be just under double digits. It will not be beyond 8% - 9%.

Krishna Kansara: Sure. Understood. Just one last question, and then I can join back the queue. So we are seeing a long-term debt of Rs. 140 crore in this quarter's balance sheet. And last quarter on the con call, you mentioned that for the EV business, we took Rs. 60 crore

of debt. So from Rs. 60 crore to Rs. 142 crore in this quarter, in which segment have we taken this debt one? And what is the rationale behind this debt?

Parag Satpute: Akhila will answer this.

Akhila Balachandar: Thanks, Krisha. I'll take this one. We have, as you see, done a good growth in our Greaves Finance business. As end of September, we manage approximately Rs. 380 crore of book. Of this, approximately Rs. 120 crore - Rs. 130 crore is our own book. So we have taken additional loans on our EV finance side, and this has come from fairly reputed institutions. We have also done the listing of one of our NCDs and therefore, some compliance related to that has also been disclosed in the public domain. And therefore, while we are a manufacturing entity, that is a financing arm. They take debt, but there is also a corresponding asset sitting on the balance sheet with a fairly well-managed asset liability mix going on that.

Moderator: The next question comes from the line of Jyoti Singh from Arihant Capital Markets Limited.

Jyoti Singh: Basically, I wanted to understand a few parameters. One is on the rare earth battery side, which we are doing with the Chara. Could you give us more clarity on that and when we will going to see the revenue and margin synergy? And on the EBITDA margin front, are we planning to maintain at the current level? Or is there a target to enhance it further, though you have guided on the strategy side. But if you can guide on the number side, it will give us a little bit better picture. And on the export front, what kind of diversification are we targeting? And is there a time line to reach the 30% contribution level again? Then I will ask more question.

Parag Satpute: Okay. Let me just recap the question. The first one was about Chara, the second was about some EBITDA projections in the new strategic plan. And the third one was around exports and I assume you mean Excel exports.

Jyoti Singh: Yes.

Parag Satpute: But let me start by answering the first one. Chara Technologies, we are very excited by that partnership. We have been working closely with them. And we have a technological tie-up with them, wherein for one of their products, which is the most important one, L5, we have an exclusive partnership with them. The product has been developing very positively. We have started advanced trials with some key customers, and we expect that in the coming days and months, we will start to commercialize that. So that is really positive news and helps us to diversify into this very new exciting space.

As regards the EBITDA projections in the new strategy, I already shared that while we will grow our top-line from organic activities between 16% and 20% CAGR, we are also seeing a very stable portfolio mix development, which allows us to maintain our EBITDA levels at where we are today, which is a quite healthy level. And then finally, on the export piece, Excel is not just the only place where we are focusing on exports. We have multiple opportunities for getting international business across our product segments. In fact, within our new organization, we have created a dedicated group, which is focused on developing international business. That has just started with this new strategy. We expect to see a steady growth slow at first, but then picking up very strongly in the subsequent quarters.

Jyoti Singh: Okay. And sir, only like we were also talking about on the auto parts business, India aftermarket segment. Like we used to do 30% and now it is below that level. When we are targeting to go again, expect to return to pre-COVID levels?

- Parag Satpute:** The industry itself has changed significantly, and COVID was a big shakeup, well, overall the world and industry, but specifically to the micro shared mobility area. And since then, we have seen the part of diesel vehicles decline significantly. I don't think we are going to be in exactly the same situation as before COVID as the industry. What we see is something as the aftermarket demand was slowly declining. That has stabilized now and it will start to increase and we have a very strong right to win. We have a very strong network and brand recognition there. So we will be able to capitalize on this resurgence of demand that we see.
- Jyoti Singh:** Okay. And also, sir, any update on the Greaves Electric IPO side?
- Parag Satpute:** Vikas, would you like to chip in for that?
- Vikas Singh:** Yes, sure, I could do that. As you are aware, we have filed our DRHP, and we are in active conversations. The DRHP does prohibit us in terms of making any forward-looking statements. However, we are in active conversations to try and get the IPO underway fairly soon. I'm afraid that's the best I can share at this point in time.
- Moderator:** The next question comes from the line of Sonal Minhas from Prescient Capital Investment Advisors LLP.
- Sonal Minhas:** I wanted to just understand the GREAVES.NEXT strategy that I think you indicated. As a part of this, so should we assume that the electric business and the finance business are not core business, and there will be more focus on profitability of these businesses and there will be more financial prudence in terms of whether this business actually is a viable business to hold retained in the entity?
- Parag Satpute:** No. I don't think that is the right conclusion. What we have, and I hope you have had a chance to download the strategy deck that we have uploaded before the meeting. It clearly shows we have a core business and we have investee businesses. And the difference is the core business is mainly a B2B business based on engineering. The investee business are important for us. They are more consumer-focused businesses, so they will be managed with a slightly different way. That I think I want to clarify.
- Sonal Minhas:** Okay. A follow-up question on this one, sir. What is the path to profitability of that particular business, if I may ask directionally because there are now listed peers and their numbers are fairly known to public. They have not hit profitability even at, let's say, 2x to 3x of the current scale that you are operating at. Are there some ballparks we have or you want to share about that particular business?
- Parag Satpute:** Well, I'm going to ask Vikas to jump in because it is his area of responsibility, but I think he already in his previous answer, give you some indication. But Vikas, over to you.
- Vikas Singh:** Sure, Parag. Thanks for that. Once again, I'm afraid I'm constrained by the DRHP to share any forward-looking forecast. However, what I would like to say is that this is an ultra-high-growth future-facing industry. And such industries call for a fairly heavy level of investment in the initial years, which pay back in the subsequent years. I think telecom is a case in point as it was 20 years ago. There are a lot of initiatives that are underway, which would ensure that there is a clear path to profitability. Once again, I'm not in a position to state how much and when. However, we are extremely confident and buoyant about this category and which is the reason why we continue to invest behind it. I hope that addresses your question.

- Sonal Minhas:** Regarding the IPO, I don't want to understand the time lines, but I think from broadly understanding the past IPO process from a time line and input perspective was kind of shell. Is my understanding correct that the new process for IPO has begun or restarted? Is that something which you can give us some broader guidance on?
- Vikas Singh:** Parag, I'll take that. All we can say is that the DRHP was approved on 8th of May. You have a 1-year window to affect the IPO, which is till 7th of May. I am not commenting at all in terms of what's been done in the past and what we've shared and what is underway. All I can say is that there are active conversations underway, and we should be on course for something in a reasonable amount of time. That's the best I can share at this point in time.
- Moderator:** The next question comes from the line of Shasank Agarwal from Cisco.
- Shasank Agarwal:** Hello sir, I had 2 questions. Sir, first, can you please elaborate on the new sensors facility that you are planning in Excel?
- Parag Satpute:** We have invested in a manufacturing location and facility, which allows us to make the components that we need within our own products. We are seeing that the whole space is about mechanical push pull cables, which is developing towards the mechatronics and electronic space. The first step we have taken is to develop in-house capability to supply the child parts for ourselves and that will open up new areas. One very exciting space within that is the marine segment where we see there will be opportunities for such mechatronics components.
- Shasank Agarwal:** Sir, you are not selling it to other customers. It is only for in-house use?
- Parag Satpute:** As we start, we first use it for captive consumption. We are not ruling out, but our first priority is to make sure our products for the marine industry have the high level of components that we need.
- Shasank Agarwal:** Okay. And the second question, sir, can you please highlight the Nexus and Magnus sales individually over the past 2-3 months?
- Parag Satpute:** Vikas, would you like to take that?
- Vikas Singh:** Once again, I'm not in a position to share details. However, I can tell you that both the products are performing extremely well. Magnus is the mainstay of the portfolio. However, Nexus is the flagship and is coming through extremely well. I did mention in my opening address that we won the product which is scaled Shipki La Pass, that's Nexus at 13,200 feet, which is the highest pass in the country, scaled as yet by an EV 2-wheeler and that itself shows you the capability and therefore possibilities with this particular product. We are extremely confident in terms of building a nice, diverse and impactful portfolio for our customers going forward on the strength of both these products.
- Shasank Agarwal:** The motor controller units that you are planning in the Greaves Engineering segment, sir, have you commercialized those products.
- Parag Satpute:** Okay. Right, right. So you were talking about the e-powertrain components, including the MCUs that we have been developing. The motor controller units are connected to the motors. So for different applications, we have for L2 applications where Greaves Electric is our main anchor customer going forward. For the L5 and L3, we have other technological partnerships. I already mentioned Chara, and we are commercializing the motor plus the controller jointly over the next few years with our

existing customers. But over the last few months, we have been actually selling L3 motors, which includes motors and controllers.

Moderator: The next question comes from the line of Sahil Jain from Seven Islands PMS.

Sahil Jain: Just wanted to ask one question. The electric mobility subsidiary that the company has, they have been making losses. Any update on that?

Vikas Singh: I'll take that, Parag. I think this question was asked by one of the previous participants a short while ago. I did mention that it's a high-growth segment. I did mention that in a high-growth segment, we need heavy investments in the initial part of the years, which pays back well in the future for later years. We have enough initiatives underway, which will ensure that there's a clear path to profitability, and we are extremely confident about the future of this portfolio. Unfortunately, the DRHP prohibits us from sharing any specific details. I hope that addresses your question. Thank you.

Moderator: The next question comes from the line of Deepanshu Aggarwal from AG Investments.

Deepanshu Aggarwal: I just had one question with management. In the last couple of investor presentation, management had outlined a plan of achieving around Rs. 15,000 crore to Rs. 16,000 crore revenue by 2030. Now if I look at H1 FY26, you are at around Rs. 1,500 crore. If annualized, it will be around Rs. 3,100 crore, Rs. 3,122 crore. That implies management will have to achieve a CAGR of around 50% year-on-year to achieve that goal of 2030. Can you give some colors on how do you plan to achieve this ambitious target given that your historical growth has not been that great?

Parag Satpute: Yes. Thank you for that question. We had shared that our vision for FY30 was to have the number that you said, Rs. 15,000 crore. Today, what I did during the GREAVES.NEXT strategy, I clearly outlined for our core businesses, which is a large part of our portfolio that we have activities and initiatives in place to grow the top-line by 16% - 20% CAGR year-on-year for the next few years. Also, you must have noticed that we have a healthy balance sheet, in fact, a strong balance sheet. And over the last few years, we have done selective strategic M&As. We will remain open now in this next phase of our strategy to do the strategic M&As within the dimension of expanding new horizons of our new strategy.

Of course, it is difficult to put an exact number on this M&A and what revenue it will bring because it all depends upon the sector and the opportunity that will arise. But we believe that the balance sheet that we have, the ability that we have demonstrated of integrating acquisitions in the last few years will stand us in a good stead. The CAGR of the core businesses added to the M&A strategically that we will do, plus the growth of the investee companies should take us towards our stated ambition.

Deepanshu Aggarwal: Okay. We are saying we'll be on the same target, and we are not changing the target. We'll achieve that 48% CAGR.

Parag Satpute: We have stated a CAGR of 16% - 20% for our organic growth of the core businesses. And that, like I also said during my narration, we are very, very specific about the initiatives and the metrics that we will help us to keep track. And periodically, we will share it with this group, so you can see how we are developing towards that.

Moderator: The next question comes from the line of Saket Kapoor from Kapoor & Company.

- Saket Kapoor:** Sir, when we look at the employee cost as a percentage of sales, along with the strategy which you have outlined, how should this number behave going ahead? And also the buoyancy in the core business, which we have observed for H1, the factors that have attributed to the same, is there a likelihood that the same buoyancy in terms of the increase in revenue and profitability is expected for H2 going ahead?
- Parag Satpute:** Like I said during my first talk that the macro conditions for the core businesses remain quite healthy and we remain excited about not just the coming quarters, but the coming year as well. And that has formed the basis of our strategy, and that's why we are aiming for this ambitious growth momentum. Now as regards to the employee cost. For me, employee cost is one of the investments that we have to do. Alongside, we have to make investments in new products, alongside we have to make investments in upgrading our systems, both in manufacturing and across the company. We are planning to invest because we believe that will help us to drive this growth and initially, we'll see the investments front-loaded, but they will start to deliver revenue pretty soon.
- Saket Kapoor:** Right, sir. And if I may just chip in a small part, sir, once we are through with the issuance and all the best to the team, post the process, if you could give some color whether this will remain a wholly owned subsidiary or the numbers would be reported below the line? Because currently the incremental whatever profitability we have generated is getting diluted when we are consolidating our business with Electric Mobility segment. Is this understanding correct that once we go through the process, the reporting also changes considerably or we will remain to report the numbers in a similar manner?
- Akhila Balachandar:** Yes. Thanks for that question. If you have gone through the DRHP filing, we are planning to do a primary raise of Rs. 1,000 crore and also a small portion of OFS. Depending on the final outcome of the IPO and how the process moves, we will have a far more definitive answer. But yes, that is the strategic thinking that post the IPO, we will be below 51% but we will continue to remain significant large shareholders in the company.
- Moderator:** The next question comes from the line of Dhruv Shah with Ambika Fincap Consultants Private Limited.
- Dhruv Shah:** Congratulations on a good set of numbers. I just have one question on your Vision 2030. Parag, you mentioned on the revenue, but can you give us some idea on the margins like and on ROCEs, like how is the direction going to be?
- Parag Satpute:** Thank you, and I'm glad that you are excited by our new GREAVES.NEXT strategy. I think I answered this question or mentioned this that we will grow the top-line 16% to 20% CAGR, but we have a mix of businesses in segments which are very buoyant and attractive, which allows us to believe that our margins will remain broadly in the same level. The healthy levels that we have seen in the last few quarters.
- Moderator:** The next question comes from the line of Arham Gandhi from Gandhi Family Office.
- Arham Gandhi:** My question is with respect to the IPO of our electric vehicle division. It has been 6 months since we received the SEBI approval for our IPO. What is the management's thought on this? Are we seeing any substantial demand for this fundraising? I'm asking this question because if we look at the segmental data, our Engineering business is doing extremely well in terms of growth as well as margins. Our consolidated EBIT margin at 17%. If we exclude the EV business, this is a very good margin profile for a capital goods company, especially when we are seeing growth in each and every subsegment, including auto engines, gensets and Excel. This quarter also, EV reported Rs. 50 crore loss, while the other segments reported more

than Rs. 100 crore of EBIT? I wanted to ask the management that what exactly are we thinking with respect to the EV division? As investors, we are nothing but hopeful of the revival of the EV business. But given our current market share of 4%, practically, it seems tough for us to compete with players like Ola, Bajaj, Ather. Are we planning to shut down this division anytime soon? I would like the management to comment on this, please.

Vikas Singh:

Sure. I'll take that, Parag. Look, you've got a lot of data points in there. I would just like to say we've kind of covered this out previously. The path to the IPO was under active conversation and we are hopeful of a decision being taken sometime reasonably soon. Unfortunately, I'm unable to share any more details on this at this point in time.

As regards to the future of the EV business and the viability of the EV business, like I mentioned before, clean mobility solutions is the future. This is very clearly a high-growth industry. And our presence over here, while it may seem small on a national basis and while there has been a reasonable growth in market share v/s last year, I would like to just repeat that we have a very high market share in states like Tamil Nadu, I did cover that out in the beginning with a 12% share, which is a very big EV market. We have 14% share in Bihar, and we have a 6% share in Orissa. So these are not small numbers. As we speak, there are also a lot of new technological interventions underway, which will continue to ensure that our products receive excellent reviews and experience from our customers and should be very well accepted in the path going forward. Therefore, there is absolutely no plan to shut down the EV business for any reason whatsoever. I'm afraid that's the best I can share at this point in time. I hope this addresses your questions.

Moderator:

The next question is a follow-up from the line of Krisha Kansara from Molecule Ventures.

Krisha Kansara:

I just have one follow-up question on Excel. You mentioned that the capex will now come online. So what is the commissioning time line for that capex? And when can we expect it to reach a good 70% - 80% utilization level?

Parag Satpute:

The capex I talked about was and I think answered it in one of the questions. One of the capex that we did was for that manufacturing facility and testing facility for electronic components, which helped to enhance our products going into the marine segment. So that is online, on stream and as we speak, we start to supply to our internal manufacturing unit, which then increases the business in the marine segment. So that is already happening. The other area we invested in was enhancing our capability in the rubber components. Again, these rubber components are needed for us within our core products of push-pull cables, and that has also gone on stream and there, the volumes are already up and running. We have modernized, I would say, the rubber facility to ensure we maintain the high quality of our products.

Krisha Kansara:

The 2 capex plans that you mentioned for Excel, how much have we spent there?

Akhila Balachandar:

Over the last 12 - 18 months, our capex would be in the region of around Rs. 50-plus crore across various projects, including automation, some of these improvement projects and stuff that Parag was talking about.

Moderator:

The next question comes from the line of Kapil Aggarwal from Daksh & Associates.

Kapil Aggarwal:

My question is regarding with what kind of market share this quarter we are having in our business? And in GREAVES.NEXT, what is our ultimate target, we can say by 2030, where we see this figure?

- Parag Satpute:** Can you please repeat the second part of your question? I got the first part about market share, and I'll answer that.
- Kapil Aggarwal:** Second part is like as per GREAVES.NEXT, what is our target by 2030, where we see this, we can say, market share from this business?
- Parag Satpute:** Our market share today, which has grown steadily over the last few quarters is around 4%, and we keep tracking it very closely. I already said that energy solutions will be a dominant part of our overall product portfolio in this GREAVES.NEXT strategy, and that's why we are focused and invested in that. But I don't want to state clear market share target because it's competition-sensitive information, you will appreciate.
- Kapil Aggarwal:** Okay. And second question is for electric 2-wheeler segment. Our quarter-on-quarter top-line growth is approximately 50%. And in result also, we can see our loss is also increased by 25%. What is the reason when we are growing with 50% top-line, so why these losses are being increased as well?
- Vikas Singh:** I think what you would need to see over here are the ratios and not the absolute amounts. From a ratio point of view, gross margin and also the loss, we have an improvement in performance. We did have a slight slowdown in the month of July, primarily because of some challenges in terms of sourcing the motors. You would remember there were issues on the rare-earth-free magnets. But that was quickly recovered, and we are back on track in terms of volume, top-line and margin growth. We don't see that as a cause of concern anymore.
- Kapil Aggarwal:** Okay. And another thing is that on a consolidated basis, quarter-on-quarter, our net worth is reduced by approximately Rs. 100 crore. Why it's like that?
- Parag Satpute:** Sorry, which legal entity are you referring to?
- Kapil Aggarwal:** On consolidated basis.
- Parag Satpute:** Consolidated. Okay. Thank you for your question. Akhila, would you like to take that?
- Akhila Balachandar:** Yes. This is primarily due to the absorption of losses from the Greaves Electric Mobility division on a stand-alone basis.
- Kapil Aggarwal:** On consol basis, ma'am, we can say in our quarter-on-quarter, we are positive only. Why on consol basis, net worth is being reduced by more than Rs. 100 crore? This is the question. I understand that on Greaves Electric, we are negative, but on a consol basis, we are positive. In quarter 1, our net worth was somewhere around Rs. 1,600 crore. And in this quarter, it is Rs. 1,500 crore. So approximately more than Rs. 100 crore is reduced.
- Akhila Balachandar:** Let me come back to you with the answer on that.
- Kapil Aggarwal:** Okay. Sure ma'am.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions, we have reached the end of question-and-answer session. I would now like to hand the conference over to the management for closing comments.
- Parag Satpute:** Thank you very much. Once again, thanks for joining this call and for all your questions that were very engaging and I'm also happy to say that I was really happy to see the response to our new strategy of GREAVES.NEXT. Like I said earlier, the

direction for us now is clear in this next phase. We have defined our priorities and the whole organization is aligned and excited to execute on these strategies. We look forward to delivering on the promise of GREAVES.NEXT and look forward to seeing all of you during our next investor call. Thank you very much.

Moderator:

Thank you. On behalf of Greaves Cotton Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

Note: This transcript has been edited to improve readability.

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