



Analyst / Institutional Meet held on August 18, 2017 at Mumbai.

K.U. SUBBAIAH, CHIEF EXECUTIVE OFFICER

Brief of the Discussion:

1st Quarter Performance:

Tractor Performance: Growth of around 16% while the overall industry growth in the compact segment was adverse 3%. The overall industry growth in this period was 8.6% and VST growth was 17.6%. The revenue share from tractors increased to 40% from 35% of last year total revenue.

Power Tillers performance: the industry growth was negative 3% while the VST degrew by 2%; however, market share moved to 61% from last year share of 59%.

Overall Company Performance: The revenue for the company stood at Rs.181 Crores compared to Rs.173 Crores, which is a 4.62% growth while our operating profit reduced by 4.75%. The reason for reduction in operating profit is due to product mix variation in tractors and sales promotion expenses incurred for the launch of two new tractor models 27 HP Viraat Plus and 17 HP Samraat tractors. These numbers are stated as per IND AS. The IND AS requires tonet off the selling expenses i.e. commission and discounts against the top line and investments to be stated at fair value. Accordingly, the selling expenses have come down and the top line also has come down. Investment income has gone up by Rs.12.06 crores due to fair market value valuation as per IND AS requirement.

Current Year Performance: expected to sell around 11,000 Tractors and around 27000 Nos of power tillers. The Nos are subject to change due to market conditions.