

Transcript of the analyst / Investors meeting / call held on 3rd & 4th September 2019 at Registered office of the Company. Most of the questions are part of the last con call transcripts. So, it is decided not to repeat the same in this transcript.

Market scenario:

We had a couple of challenges last year which we had informed earlier. Tillers being our primary business and is subsidy driven. Different state governments had issues with the DBT (direct benefit transfer) scheme. In addition, some of our stronger markets for tractors like Gujarat and Maharashtra went into severe drought last year and that also affected tractor sales. Now everything is in place and we hope growth will continue. We have tied up with many banks and NBFCs for retail financing of our products.

Power Tiller Market Share:

We have gained the power tiller market share in last four months which was slightly reduced due to various factors as mentioned earlier.

New Tractor Segment:

In Compact tractors, where we are pioneers, we are looking at the complete tractor range. we are getting into higher horsepower tractors. We are investing in manufacturing and development of new products. In the compact segment we are looking at products where we can add more value. The other aspect is marketing where we are looking at expanding our dealer network all over India and exploring export market.

Plant Capacity utilization:

About 50-60 % has been utilized. As informed earlier we are building capacity for higher HP Tractors.

The Precision Component Division (PCD), Mysore Role:

The Precision Component Division manufactures critical engine components like Crank Shafts and Connecting rods both for captive consumption and for export purposes.

Subsidy Situation:

Maharashtra, Tamil Nadu and Karnataka have announced the subsidy. Odisha announced for SC & ST category. AP & Assam have not yet announced the scheme. In Karnataka, Company supplies directly to customers and subsidy comes to the Company Directly.

New Product Launch:

16 HP power tiller will be launched in Q3 and 17 HP & 30 HP tractors in Q4.

State-wise tiller market :

It varies from state to state. The biggest power tiller market is Odisha.

Profitability in Higher HP Tractors:

Higher HP tractor profitability is lower than the compact tractor. The profitability can be managed by increasing sales Nos.

Reason for Good Tractor Nos:

Due to good rain fall particularly in Maharashtra and Gujarat.

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