



18th July 2022

The Manager - Listing
BSE Limited
BSE Code - 501455

The Manager - Listing
National Stock Exchange of India Limited
NSE Code - GREAVESCOT

Dear Sir/Madam,

Sub: Notice of 103rd Annual General Meeting, Annual Report for the FY 2021-22 and details of e-voting facility

We wish to inform you that pursuant to Regulation 30 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the Annual Report of Greaves Cotton Limited ("the Company") for the financial year 2021-22 along with the Notice of 103rd Annual General Meeting ("AGM") scheduled to be held on **Thursday, 11th August 2022 at 01:30 p.m. (IST) ONLY** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility.

In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), rules framed thereunder and the Listing Regulations read with MCA General Circular No. 02/2022 dated 5th May 2022, General Circular No. 21/2021 dated 14th December 2021, General Circular No. 19/2021 dated 8th December 2021, General Circular No. 02/2021 dated 13th January 2021 read with General Circular No. 14/2020 dated 8th April 2020, General Circular No. 17/2020 dated 13th April 2020 and General Circular No. 20/2020 dated 5th May 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, the Notice of AGM and the Annual Report of the Company for FY 2021-22 has been sent through electronic mode to the members of the Company at their registered email addresses.

In terms of Section 108 of the Act read with Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is providing the facility to its members (holding shares either in physical or dematerialized form) to exercise their right to vote by electronic means on the businesses specified in the Notice convening the AGM of the Company ("Remote e-voting").

The Company is also offering the facility to the members to cast their vote electronically during the AGM. Accordingly, the Company has fixed Thursday, 4th August 2022 as the cut-off date to determine the eligibility of the members to cast their vote by remote e-voting and e-voting during the AGM.

The voting rights of members shall be in the proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Thursday, 4th August 2022.

Further, the Company vide its communication dated 12th July 2022 has informed the members regarding information required for deduction of tax at source for payment of dividend. The members are requested to submit the requisite declarations and documents to einward.ris@kfintech.com within the specified timeline.

GREAVES COTTON LIMITED

Email ID: investorservices@greavescotton.com Website: www.greavescotton.com

Registered Office: Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai 400 070, India

Tel: +91 22 41711700 CIN: L99999MH1922PLC000987



The calendar of events are as under:

Sr. No.	Particulars	Event Dates
1	Record date for Dividend	Thursday, 4 th August 2022
2	Dividend payment date	On or before 9 th September 2022
3	Cut-off Date for Remote e-voting and e-voting at the AGM	Thursday, 4 th August 2022
4	Remote e-voting period will commence on	Monday, 8 th August 2022 at 9:00 am (IST)
5	Remote e-voting period will end on	Wednesday, 10 th August 2022 at 5:00 pm (IST)
6	Annual General Meeting	Thursday, 11 th August 2022 at 01:30 pm (IST) through Video Conferencing ("VC") / Other Audio Visual Means
7	Announcement of Results of Remote e-voting together with e-voting done at the AGM	within two working days from the conclusion of the AGM

The Annual Report and the Notice of AGM shall also be made available on the Company's website at www.greavescotton.com and on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com .

Please take the same on record.

Thanking you,
Yours faithfully,
For Greaves Cotton Limited

Atindra Basu
General Counsel & Company Secretary

Encl.: a/a

GREAVES COTTON LIMITED

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Registered office: Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400 070.Phone: 022-4171 1700. E-mail: investorservices@greavescotton.com; Website: www.greavescotton.comNOTICE OF 103RD ANNUAL GENERAL MEETING

Notice is hereby given that the 103rd Annual General Meeting of the Members of Greaves Cotton Limited will be held on Thursday, 11th August 2022 at 01:30 P.M. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Financial Statements and Reports thereon

To receive, consider and adopt:

- the audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022, together with the Reports of the Board of Directors and Auditors thereon, and
- the audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022, together with the Report of Auditors thereon.

2. Declaration of Dividend

To declare a dividend of ₹ 0.20 per equity share of face value of ₹ 2 each as recommended by the Board of Directors of the Company for the financial year ended 31st March 2022.

3. Appointment of a Director in place of the one retiring by rotation

To appoint a Director in place of Mr. Karan Thapar (DIN: 00004264), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Dr. Arup Basu (DIN: 02325890) as Deputy Managing Director and to approve his remuneration

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, ('the Act') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Dr. Arup Basu (DIN: 02325890), who was appointed as an Additional Director (Executive) of the Company by the Board of Directors (the 'Board') with effect from 12th May 2022 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Act and who is eligible for appointment and who has given a notice in writing signifying his candidature for the appointment of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and basis the recommendation of the Nomination and Remuneration Committee and approval of the Board, the consent of members of the Company, be and is hereby accorded to the appointment of Dr. Arup Basu (DIN: 02325890), as Deputy Managing Director (Executive Director) of the Company for a period of 5 (Five) years with effect from 12th May 2022 on the terms and conditions and remuneration as follows:

- Basic Salary: ₹ 9,25,000/- per month
- Ad Hoc allowance and other allowances: ₹ 11,69,507/- per month (including House Rent Allowance, Car allowance, Medical Allowance, leave travel concession and superannuation)
- Perquisites: In addition to the above, Dr. Basu shall also be entitled to below perquisites:
 - Insurance – Life insurance, Accident Insurance and Mediclaim
 - Car facility
 - Telecommunication facilities at residence
 - Leave encashment
- Performance Linked Incentive: Upto a sum of ₹ 1,00,00,000/- per annum based on his performance measured against the specific goals mutually set and approved by the Nomination and Remuneration Committee, from time to time.
- Retirals: The Company's contribution towards Provident Fund and Gratuity- payable as per rules of the Company.
- Employee Stock Options ('ESOPs'): Subject to any goals set and approved by the Nomination and Remuneration Committee, from time to time and as per applicable laws, he shall be entitled to receive ESOPs in accordance with the employee stock option plan of the Company.

RESOLVED FURTHER THAT the remuneration payable to Dr. Basu may exceed five percent of the net profits of the Company (computed in accordance with the Act), but shall not exceed ten percent of the net profits of the Company (computed in accordance with the Act) payable to all Executive Directors taken together, if applicable, and in the event of inadequacy or absence of profits in any financial year or years, the remuneration comprising salary, perquisites and other benefits and emoluments approved herein above be

continued to be paid as minimum remuneration to Dr. Basu for a period not exceeding three years;

RESOLVED FURTHER THAT the Board (including any Committee thereof), be and is hereby authorized to alter and vary the terms and conditions of appointment and/or remuneration of Dr. Basu as Deputy Managing Director of the Company, subject to the same not exceeding the overall limits under the Act and to take such steps as may be necessary for obtaining necessary approvals (statutory, contractual or otherwise), in relation to the above;

RESOLVED FURTHER THAT any other Executive Director and/or Company Secretary and/or Group Chief Financial Officer of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution.”

5. Appointment of Mr. Ravi Kirpalani (DIN: 02613688) as an Independent Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and basis the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Ravi Kirpalani (DIN: 02613688), who was appointed as an Additional Director (Non-Executive, Independent) with effect from 12th May 2022 and who is eligible for appointment and who has given a notice in writing signifying his candidature for the appointment as Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years with effect from 12th May 2022 to 11th May 2027;

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof), be and is hereby authorized to take such steps as may be necessary- statutory, contractual or otherwise, in relation to the above, to settle all the matters arising out of and incidental thereto, to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company, to delegate all or any of the above powers to any Committee of the Board of Directors or any Director(s) and/or Company Secretary and/or Group Chief Financial Officer of the Company and generally to do all acts, deeds, matters and things that may be deemed necessary, proper, expedient or incidental, in its absolute discretion for the purpose of giving effect to this resolution.”

6. Approval for shifting of Registered Office from Mumbai to Aurangabad

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 12 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and approval of the Board of Directors, the consent of the members, be and is hereby accorded for shifting of the Registered Office of the Company from “Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai-400070” to “J-2, MIDC Industrial Area, Chikalthana, Aurangabad-431210”, within the jurisdiction of Registrar of Companies, Mumbai, Maharashtra;

RESOLVED FURTHER THAT any Executive Director and/or Company Secretary and/or Group Chief Financial Officer of the Company, be and are hereby jointly and/or severally authorized to execute and/or caused to be executed all such acts, deeds and to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution.”

7. Ratification of the remuneration of Cost Auditors

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and basis the recommendation of the Audit Committee and approval by the Board of Directors of the Company, the members hereby ratify the remuneration of ₹ 8.50 lakhs (Rupees Eight Lakh and Fifty Thousand) plus out of pocket expenses and taxes payable to M/s. Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration Number: 000030), for conduct of audit of the cost records maintained by the Company for the financial year 2022-23;

RESOLVED FURTHER THAT any Executive Director and/or Company Secretary and/or Group Chief Financial Officer of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board of Directors
For **Greaves Cotton Limited**

Atindra Basu
General Counsel &
Company Secretary

Registered Office:
Unit No. 1A, 5th Floor, Tower 3,
Equinox Business Park, LBS Marg,
Kurla West, Mumbai- 400 070

Mumbai
14th June 2022

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 2/2022 dated 5th May 2022, General Circular No. 21/2021 dated 14th December 2021, General Circular No. 19/2021 dated 8th December 2021, General Circular No. 02/2021 dated 13th January 2021 read with General Circular No. 17/2020 dated 13th April 2020, General Circular No. 14/2020 dated 8th April 2020 and General Circular No. 20/2020 dated 5th May 2020 (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022, respectively issued by the Securities and Exchange Board of India ('SEBI') (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. A Statement pursuant to Section 102 (1) of the Act setting out material facts concerning the business with respect to Item Nos. 4 to 7 forms part of this Notice.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held ONLY through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The relevant details of the Directors, pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard 2 on General Meetings, seeking appointment/re-appointment at this AGM is enclosed as **Annexure A**.
5. Institutional shareholders / Corporate Members are requested to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend the AGM through VC/OAVM on its behalf and to vote pursuant to Section 113 of the Act, to the Scrutinizer at sunny.gogiya@legalixir.com and at gaurav.sainani@legalixir.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on 'Upload Board Resolution/Authority Letter' displayed under 'e-Voting' tab in their login.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 5th August 2022 to Thursday, 11th August 2022 (both days inclusive) for the purpose of determining the eligibility for the dividend, if declared by the Members at the 103rd AGM.
7. The dividend as recommended by the Board of Directors, if declared by the members at the 103rd AGM, will be paid, subject to deduction of income-tax at source, on or before Friday, 9th September 2022:
 - a. In respect of shares held in dematerialised form, to the beneficial owners of the shares as at the close of business hours on Thursday, 4th August 2022 as per the details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
 - b. In respect of shares held in physical form, to the Members whose names appear in the Company's Register of Members as at the close of business hours on Thursday, 4th August 2022.
8. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants/demand drafts will be sent out to their registered addresses through postal facility, if operational. To avoid delay in receiving the dividend, members who have not submitted their bank account details or in case of change in bank details, email address or residential address, are requested to furnish the same:
 - a. In respect of shares held in dematerialised form, to their respective Depository Participants ('DPs') with which demat account is maintained.
 - b. In respect of shares held in physical form, to the Company's Registrar and Share Transfer Agent – KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) ('KFinTech' and/or 'RTA') at einward.ris@kfintech.com by submitting:
 - i. Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <http://www.greavescottton.com/investors> and on the website of the RTA at www.kfintech.com.
 - ii. Self-attested copy of PAN Card of all holders;
 - iii. Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company; and
 - iv. Cancelled cheque bearing the name of the member/first holder. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.
9. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect

of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be.

The said forms can be downloaded from the Company's website at <http://www.greavescotton.com/investors>. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at inward.ris@kfintech.com in case the shares are held in physical form, quoting their folio no(s).

10. Compulsory transfer of Equity Shares to Investor Education and Protection Fund ('IEPF') Account:

In terms of the requirements of Section 124(6) of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ('the IEPF Rules'), the Company is required to transfer the shares in respect of which the dividend has remained unpaid or unclaimed for a period of seven consecutive years to the IEPF Account.

Members are requested to take note of the same and claim their unclaimed dividends immediately to avoid transfer of the underlying shares to the IEPF Account. The shares transferred to the IEPF Account can be claimed back by the concerned Members from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

Pursuant to the applicable provisions, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the IEPF Account.

During the Financial Year 2021-22, unpaid or unclaimed dividend in respect of Final Dividend for the financial year 2013-14 and Interim dividend for the financial year 2014-15 have been transferred to the IEPF Account. Members who have not en-cashed or claimed the dividends that are yet to be transferred to the IEPF, are requested to contact the Company's RTA at the earliest.

During the Financial Year 2021-22, the Company has transferred 33,502 shares to the IEPF Account.

11. SEBI has mandated the submission of Permanent Account Number ('PAN') by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their DPs and Members holding shares in physical form can submit their PAN details to the Company's RTA.

SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021, read together with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December 2021, mandates all the listed companies to record the PAN, Address with PIN code, Email ID, Mobile Number, Bank Account Details, Specimen

Signature and Nomination by holders of physical securities. Shareholders were requested to ensure the above details are updated with the RTA before 1st April 2023, since folios for which the above details are not available thereafter shall be marked frozen and the RTA shall not be able to process any service requests or complaints received from the holder(s)/claimant(s), till PAN, KYC Details and Nomination documents/details are updated. Accordingly, requisite communication has been sent to the Physical Shareholders to update the requisite KYC details.

12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <http://www.greavescotton.com/investors> and on the website of the Company's RTA at <http://www.kfintech.com>. It may be noted that any service request can be processed only after the folio is KYC compliant.

13. As per Regulation 40 of Listing Regulations, as amended, transfer, transmission or transposition of securities of listed companies can be processed only in dematerialised form with effect from 24th January 2022, SEBI mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialised form only. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's RTA for assistance in this regard.

14. Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, email address, etc. to the RTA at the following address:

KFin Technologies Limited
(Formerly known as KFin Technologies Private Limited)
Selenium Tower B, Plot No.31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad, Telangana 500 032.

If the shares are held in electronic form, then change of address and change in the Bank Accounts etc., should be furnished to their respective Depository Participants.

15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names

are requested to send the share certificates to the RTA – KFINtech for consolidation into a single folio.

16. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Annual Report 2021-22, the Notice of the 103rd AGM and the Instructions for e-voting are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company/respective Depository Participants. Members may also note that the Annual Report for 2021-22 and the Notice convening the AGM are also available on the Company's website at www.greaves cotton.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of National Securities Depository Limited ('NSDL') (agency appointed for providing the Remote e-Voting facility) at www.evoting.nsd.com
18. The Shareholders can join the AGM in the VC/OAVM mode 30 minutes before and 30 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship and Share Transfer Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.
19. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
21. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act are requested to write to the Company on or before Wednesday, 10th August 2022, through email on investorservices@greaves cotton.com. The same will be replied by/on behalf of the Company suitably.

22. Voting through electronic means





- a. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given herein below. The Company has engaged the services of NSDL, who will provide the e-voting facility of casting votes using remote e-voting system (e-voting from a place other than venue of the AGM) ('remote e-voting') as well as e-voting during the proceeding of the AGM ('e-voting at the AGM').
- b. The remote e-voting period commences on Monday, 8th August 2022 (9:00 A.M. IST) and ends on Wednesday, 10th August 2022 (5:00 P.M. IST). During this period, Members holding shares either in physical form or in dematerialised form, as on Thursday, 4th August 2022 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- c. The Board of Directors has appointed Mr. Sunny Gogiya having Membership No. A56804 and Certificate of Practice No. 21563, or failing him Mr. Gaurav Sainani having Membership No. A36600 and Certificate of Practice No. 24482, of SGG & Associates, Practising Company Secretaries, as Scrutinizers to scrutinize the voting process in a fair and transparent manner.
- d. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.
<p>NSDL Mobile App is available on</p>	
<p> App Store  Google Play</p>	
 	
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Up on logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - How to retrieve your ‘initial password’?
 - If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct

password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager, NSDL at evoting@nsdl.co.in

The Instructions for Members for e-voting on the day of the AGM are as under:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

Process for those Shareholders, whose Email IDs are not registered/updated with the Company/KFintech/Depository Participant(s) for procuring User ID and Password and registration of Email IDs for e-voting for the resolutions set out in this Notice is as follows:

- a. In case shares are held in physical mode, members who have not registered/updated their email address with the Company/RTA are requested to register/update the same by providing a scanned copy of : i) a signed request letter mentioning your name, folio number, mobile number and complete address (including email); ii) the share certificate (front and back) and iii) self-attested copy of PAN Card and Aadhaar Card in support of the address of the Member as registered with the Company; to the email address of the Company’s RTA at inward.ris@kfintech.com with a copy to the Company at investorservices@greaves cotton.com.
- b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to evoting@nsdl.co.in with a copy marked to the Company at investorservices@greaves cotton.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining**

virtual meeting for Individual shareholders holding securities in demat mode.

- c. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- d. In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instructions for Members for attending the AGM through VC/OAVM are as under:

- 1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under **“Join meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2. Members are encouraged to join the Meeting through Laptops for better experience.
- 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorservices@greavescotton.com from Friday, 5th August 2022 to Saturday, 6th August 2022. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Information:

1. Dividend:

- a) Pursuant to the amendments introduced in the provisions of Income-tax Act, 1961, by the Finance Act, 2020 the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Income-tax Act, 1961 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and RTA/Company (if shares held in physical form).
- b) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of the non-deduction of tax at source the shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during financial year does not exceed ₹ 5000/-

Resident shareholders whose Dividend is liable for deduction of TDS at a concessional or Nil rate as per Section 197 of the Income-tax Act, 1961 can submit the necessary documents as mentioned in the Communication to shareholders on Taxation of Dividend Distribution available on the Company's website at <http://www.greavescotton.com/investors/corporate-announcements> to avail the benefit of lower rate of deduction or non-deduction of tax at source.

- c) Non-resident shareholders including Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs) can avail beneficial rates under tax treaty between India and their country of residence, subject to providing the following documents:
 - i. Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities;
 - ii. Self-attested copy of Tax Residency Certificate (“TRC”) obtained from the tax authorities of the country of which the shareholder is resident;
 - iii. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
 - iv. Self-declaration by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement.
 - v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.

- vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24-Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by non-resident shareholders and meeting requirement of Income Tax Act, 1961 read with applicable tax treaty. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend amounts.

- d) As per provision of Section 206AB of the Income Tax Act, 1961 effective 1st July 2021, where shareholders have not filed their Income Tax returns for FY 2020-21 and the aggregate of TDS and tax collected at source is ₹ 50,000 or more in the said year ('Specified Persons') the tax shall be deducted at source @ 20% at higher rates. The Central Board of Direct Taxes ('CBDT') has prescribed the functionality for determining whether a person fulfills the conditions of being a 'Specified Person' or not. Accordingly, the Company will verify from the above functionality provided by CBDT whether any Shareholder of the Company is qualified as a "Specified Person" prior to applying the relevant TDS rates. The provisions shall not apply to non-resident shareholders provided they do not have a Permanent Establishment in India.
- e) Benefit under Rule 37BA: In case where shares are held by intermediaries/Custodian and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries and beneficial shareholders will have to provide a declaration.
- f) Kindly note that the aforementioned documents should be uploaded with the Company's RTA at <https://ris.kfintech.com/form15/> or emailed to inward.ris@kfintech.com. You can also email the same to the Company at investorservices@greavescotton.com. The aforementioned documents and declarations need to be submitted by the Shareholders by 30th July 2022.
- g) For further details and formats of declaration, please refer to Communication to shareholders on Taxation of Dividend Distribution available on the Company's website at <http://www.greavescotton.com/investors/corporate-announcements>.
2. Those persons, who have acquired shares and have become Shareholders of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Shareholders or Register of beneficial holders as on the cutoff date i.e. Thursday, 4th August 2022 shall view the Notice of the AGM on the Company's website or on the website of NSDL.

Such persons may follow steps mentioned in the Notice under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode." However, if he/she is already registered with NSDL for remote e-voting then he/she can cast his/her vote by using existing User ID and password.

3. Voting rights of the Shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 4th August 2022. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
4. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him in writing, who shall countersign the same. The result of e-voting will be declared within two working days from the conclusion of the AGM, and the same, along with the consolidated Scrutiniser's Report will be placed on the Company's website at www.greavescotton.com and on the website of NSDL at <https://www.evoting.nsdl.com>. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 ('the Act').

As required under Section 102(1) of the Act, the following statement sets out all the material facts relating to the special business mentioned under Item Nos. 4 to 7 of the accompanying Notice.

Item No. 4

Appointment of Dr. Arup Basu (DIN: 02325890) as a Deputy Managing Director of the Company and to approve his remuneration

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 12th May 2022 appointed Dr. Arup Basu as an Additional Director (Executive) and designated him as Deputy Managing Director of the Company, liable to retire by rotation, for a period of 5 (Five) years commencing from 12th May 2022 to 11th May 2027, in accordance with the provisions of Section 196 and 197 read with Schedule V of the Act, subject to the approval of the Members of the Company.

The Company has received from Dr. Basu (i) notice in writing under the provisions of Section 160 of the Act signifying his candidature for the office of Director; (ii) consent in writing to act as Director in Form DIR-2; (iii) intimation in Form DIR-8 to the effect that he is not disqualified under the Act; and (iv) notice of interest in other entities in Form MBP-1. He has also confirmed that he is not debarred from holding the office of Director by virtue of any order by SEBI or any other statutory authority.

Dr. Basu brings in nearly thirty years of experience and executive leadership in manufacturing intensive businesses starting with Tata

Motors followed by Indian Aluminium Company to Management Consulting (Anderson Consulting/Accenture) to Chemicals (Tata Chemicals) and to Packaging, wherein he was the Managing Director of Huhtamaki India. In his most recent role in Huhtamaki, he led their global flexible packaging business unit. He is an Engineer from Imperial College (University of London) followed by a PhD in Composite Materials from University of Manchester (UK).

Dr. Basu satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under Section 196(3) of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Having regard to his qualifications, experience and knowledge, the Board is of the view that the appointment of Dr. Basu as Deputy Managing Director will be beneficial to the functioning and future growth opportunities of the Company and the remuneration payable to him is commensurate with his abilities and experience. The abstract of his terms of appointment with the Company and remuneration as Deputy Managing Director is set out in the resolution in this Notice.

The severe second wave of the COVID-19 pandemic had a significant humanitarian and economic impact. One of the worst hit sectors was automobiles and engineering business. The outbreak of the second wave of COVID-19 pandemic and the measures adopted by the health authorities to mitigate its spread such as travel restrictions, lockdown, restrictions on mass transportation and quarantine measures have impacted our economy and the last mile mobility sectors. These measures impacted Company's operations in the first half of FY 2021-22 including the automotive, non-automotive and retail sectors. During the year, there was a shift to the newer technologies i.e. ICE vehicles were replaced with electric mobility and alternate fuels having a mid-term impact which in turn impacted the overall performance of the Company. Further, we also witnessed Geo political issues in several parts of the world, resulting in the disruption of global supply chains and unprecedented volatility in commodity costs. However, the recovery was seen in the latter half of the financial year. The Company expects to recover the carrying value of assets, based on its assessment of the business/economic conditions and will continue to evaluate the pandemic related uncertainty and update its assessment. The Company has been focused on investing in technology, building capability and capacity, building empowered teams and developing technology enabled processes across all our business value chains to deliver tangible value to both our customers and shareholders. The Company has also undertaken diversification to the newer businesses which have started yielding results. Considering the ongoing COVID-19 pandemic threat and early stage of newer businesses, the Company may have inadequate profits in the coming years as well. Hence, members' approval is sought for payment of minimum remuneration to Dr. Basu for a period not exceeding 3 (Three) years effective from 12th May 2022.

Pursuant to Section II of Part II of Schedule V to the Act, the remuneration payable to Dr. Basu in case of inadequacy or absence of profits, has been recommended by the Nomination and Remuneration Committee at its Meeting held on 10th May 2022 and subsequently approved by the Board at its Meeting held on 12th May 2022.

The Company has not defaulted in payment of dues, if any, to any bank or public financial institution or non-convertible debenture holders or other secured creditor.

Dr. Basu shall not be entitled to sitting fees for attending the Meetings of the Board or any committee thereof.

As required under Regulation 36 of the Listing Regulations and Secretarial Standard-2, brief resume of Dr. Basu, giving nature of expertise, disclosure of relationships between directors inter se and other directorships and committee memberships and shareholding in the Company, forms part of this Notice and enclosed in **Annexure A**.

As required under the provisions of the Act, approval of the Members is now sought to the appointment of Dr. Basu as Deputy Managing Director of the Company and the remuneration paid/payable to him as stated in the resolution.

The information as required to be disclosed under Section II of Part II of Schedule V to the Act is given in the **Annexure B**.

None of the Directors, Key Managerial Personnel or their relatives, except Dr. Basu, are in any way, concerned or interested in this resolution.

The Directors recommend the Special Resolution as set out in Item No. 4 of this Notice for the approval of the Members.

Item No. 5

Appointment of Mr. Ravi Kirpalani (DIN: 02613688) as an Independent Director

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 12th May 2022 appointed Mr. Ravi Kirpalani (DIN: 02613688) as an Additional Director and designated him as an Independent Director of the Company for a period of 5 (Five) years with effect from 12th May 2022, subject to approval of members of the Company.

Mr. Kirpalani has 4 decades of experience in sales, marketing, strategy development and as a CEO of a large listed company. He had worked with global and culturally diverse teams and led major transformational programmes. He had a deep passion for customer relationships, building brands and developing people. He provided strategic direction and oversight of all Thyssenkrupp group companies in India. He is a MBA from Indian Institute of Management – Calcutta and B.A (Hons), Economics from

St. Stephen's College, Delhi. He was previously associated with companies like Castrol India Limited, Thyssenkrupp Group of Companies India and Reckitt Benckiser.

In accordance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 25 (2A) of Listing Regulations, appointment of an Independent Director requires approval of members by way of special resolution. The Board proposed that Mr. Kirpalani be appointed as an Independent Director on the Board of the Company for a term of 5 (Five) consecutive years from 12th May 2022 to 11th May 2027. The appointment of Mr. Kirpalani shall be effective upon approval of members of the Company.

The Company has received a notice in writing from Mr. Kirpalani under the provisions of Section 160 of the Act signifying his candidature for the office of Director. He has informed the Company that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He has given a declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Act and under Regulation 16 of the Listing Regulations. In the opinion of the Board, Mr. Kirpalani fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations.

Pursuant to amended Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (As per MCA Notification dated 22nd October 2019) effective from 1st December 2019, Mr. Kirpalani has enrolled his name in the online data bank maintained for Independent Directors with the Indian Institute of Corporate Affairs.

As required under Regulation 36 of the Listing Regulations and Secretarial Standard-2, brief resume of Mr. Kirpalani, giving nature of expertise, disclosure of relationships between Directors inter se and other directorships and committee memberships and shareholding in the Company, are furnished and forms part of this Notice and enclosed as **Annexure A**.

As per Section 149 of the Act and the Rules thereunder and Listing Regulations, an Independent Director can be appointed on passing a Special Resolution in the General Meeting. Accordingly, the approval of the Members is sought for the appointment of Mr. Kirpalani as an Independent Director.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Kirpalani, are in any way, concerned or interested in this resolution.

The Directors recommend the Special Resolution as set out in Item No. 5 of this Notice for the approval of the Members.

Item No. 6

Approval for shifting of Registered Office from Mumbai to Aurangabad

Presently, the registered office of the Company is located at Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400070, under the jurisdiction of Registrar of Companies, Mumbai, Maharashtra.

With a view to improve operational efficiency of the Company and shifting to Company's owned premises, the Board at its meeting held on 12th May 2022 proposed for shifting of registered office to J-2, MIDC Industrial Area, Chikalthana, Aurangabad - 431210, within the jurisdiction of Registrar of Companies, Mumbai, Maharashtra, subject to approval of members of the Company.

Later the Board at its meeting held on 14th June 2022 approved the following:

- (i) temporarily shifting of the registered office of the Company from "Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400070" to "Unit No.1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400070", with effect from 14th June 2022,
- (ii) permanently shifting the registered office of the Company from "Unit No.1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400070" to "J-2, MIDC Industrial Area, Chikalthana, Aurangabad- 431210", with effect from the date of approval of the members of the Company.

In accordance with the provisions of Section 12 of the Act, except on the approval of Members through special resolution, the registered office of the Company cannot be changed outside the local limits of any town, city, village within same state where such office is situated. Accordingly, the approval of the Members is sought for the shifting of the registered office of the Company to J-2, MIDC Industrial Area, Chikalthana, Aurangabad- 431210.

With reference to Section 110 of the Act and rules made thereunder, as electronic voting facility is provided to the members at this AGM, the Company is exempted from obtaining approval of members through postal ballot only for shifting of the registered office of the Company outside the local limits of any city, town or village.

None of the Directors, Key Managerial Personnel or their relatives, are in any way concerned or interested in this resolution.

The Directors recommends the Special Resolution as set out in Item No. 6 of this Notice for the approval of the Members.

Item No. 7**Ratification of the remuneration of Cost Auditors**

M/s. Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration Number: 000030) (hereinafter called as 'Firm'), has been conducting the audit of the cost accounting records of the Company for the past many years. The Firm has, as required under Section 141 of the Act, confirmed its eligibility to conduct the audit of the cost accounting records of the Company for the financial year 2022-23 and has consented to act as the Cost Auditor of the Company.

Based on the recommendation of the Audit Committee, the Board at its Meeting held on 12th May 2022, approved the appointment of M/s. Dhananjay V. Joshi & Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2022-23 at a remuneration of ₹ 8.50 Lakhs (Rupees Eight Lakh and Fifty Thousand) plus out of pocket expenses and applicable taxes.

Section 148 (3) of the Act read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014, requires the remuneration payable to the Cost Auditors to be ratified by the Members of the

Company. Accordingly, ratification by the Members is sought for the remuneration proposed to be paid to the Cost Auditors for the financial year 2022-23.

None of the Directors, Key Managerial Personnel or their relatives, are in any way concerned or interested in this resolution.

The Directors recommend the Ordinary Resolution as set out in Item No. 7 of this Notice for the approval of the Members.

By Order of the Board of Directors
For **Greaves Cotton Limited**

Atindra Basu
General Counsel &
Company Secretary

Registered Office:

Unit No. 1A, 5th Floor, Tower 3,
Equinox Business Park, LBS Marg,
Kurla West, Mumbai- 400 070

Mumbai
14th June 2022

ANNEXURE A

PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THIS 103RD ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Name	Mr. Karan Thapar (DIN: 00004264)	Dr. Arup Basu (DIN: 02325890)	Mr. Ravi Kirpalani (DIN: 02613688)
Date of Birth/Age	20 th March 1957 65 years	2 nd October 1967 54 years	11 th November 1958 63 years
Qualification	Chartered Accountant	Engineer from Imperial College (University of London) followed by PhD in Technology (Composite Materials) from University of Manchester (UK)	MBA from Indian Institute of Management – Calcutta; and B.A. (Hons.), Economics from St. Stephen’s College
Date of first appointment	26 th September 1991	12 th May 2022	12 th May 2022
Expertise in Specific functional areas	Managing companies, both private and public, having interest in diversified areas	Brings in nearly thirty years of experience and executive leadership in manufacturing intensive businesses starting with Operations, Management Consulting, Chemicals and Packaging	Experienced in sales, marketing, strategy development and as a CEO of a large listed company
Terms and Conditions for appointment/re-appointment	Re-appointed as Non- Executive Director liable to retire by rotation	Refer Item No. 4 of the Notice and Explanatory Statement	Detailed terms and conditions of appointment of Independent Directors are displayed at Investors section on the website of the Company at www.greavesotton.com
Remuneration last drawn	Refer Corporate Governance Report	Not Applicable	
Remuneration sought to be paid	Refer Corporate Governance Report	Refer Item No. 4 of the Notice and Explanatory Statement	Refer Corporate Governance Report
Directorships held in other companies	<ul style="list-style-type: none"> • EICL Limited • Premium Transmission Private Limited • Karun Carpets Private Limited • Greaves Electric Mobility Private Limited • DBH Holdings (India) Private Limited • DBH Melior Ltd., Jersey • DBH Consulting Ltd. 	-	Foseco India Limited

Name	Mr. Karan Thapar (DIN: 00004264)	Dr. Arup Basu (DIN: 02325890)	Mr. Ravi Kirpalani (DIN: 02613688)
Memberships/ Chairmanships of committees across other companies	EICL Limited <ul style="list-style-type: none"> • Share Transfer/ Shareholders Grievance Committee (Member) Premium Transmission Private Limited <ul style="list-style-type: none"> • Nomination & Remuneration Committee (Member) Karun Carpets Private Limited <ul style="list-style-type: none"> • Audit Committee (Chairman) • Nomination & Remuneration Committee (Chairman) • Risk Management Committee (Chairman) • Asset Liability Management Committee (Chairman) 	-	Foseco India Limited <ul style="list-style-type: none"> • Audit Committee (Member) • Nomination & Remuneration Committee (Member) • Stakeholders Relationship Committee (Chairperson) • Corporate Social Responsibility Committee (Member) • Risk Management Committee (Member)
Listed entities from which person has resigned during past 3 years	NIL	Huhtamaki India Limited (resigned w.e.f. 12 th May 2021)	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NONE		
Number of Meetings of the Board of Directors attended during the year	Refer to Corporate Governance Report		
Shareholding in the Company	NIL		
Justification of Appointment	Not Applicable	Refer to Explanatory Statement to the Notice	
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	-	-	Skill matrix and capabilities are mentioned in Annual Report for FY 2021-22 under “Corporate Governance Report” section. The Board and NRC are of the view that Mr. Kirpalani possess all skills and expertise which meets the requirement of the Company at Board level

ANNEXURE B

STATEMENT PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NO. 4 OF THE NOTICE

I. GENERAL INFORMATION

1. **Nature of industry:** Greaves Cotton Limited is a diversified multi-product and multi-location engineering company with a rich legacy and brand trust of over 163 years and has established itself as a key player impacting a billion lives every day. The Company today manufactures world-class products and solutions under various business units and is backed by comprehensive support from Greaves Retail centres and smaller spare parts retail outlets across the country. For more information visit- www.greavescotton.com
2. **Date or expected date of commencement of commercial production:** 29th March 1922
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
4. **Financial performance based on given indicators:**
 - (a) **Standalone Financial performance based on given indicators**

	(₹ In Crore)	
Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Income from Operations and other Income	1209.18	1339.10
Profit/(Loss) before tax	39.27	18.47
Profit/(Loss) after tax	27.08	10.36

- (b) **Consolidated Financial performance based on given indicators:**

	(₹ In Crore)	
Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Income from Operations and other Income	1732.05	1508.73
Profit/(Loss) before tax	(16.83)	(13.79)
Profit/(Loss) after tax	(32.80)	(18.78)
Profit/(Loss) after tax & after share in loss of associate	(35.30)	(18.78)

5. **Foreign investments or collaborations, if any:** NIL

II. INFORMATION ABOUT THE APPOINTEE

Dr. Arup Basu – Deputy Managing Director

i. Background details:

Dr. Arup Basu is an engineer from Imperial College (University of London) followed by PhD in Composite Materials from University of Manchester (UK). He brings in nearly thirty years of experience and executive leadership in manufacturing intensive businesses starting with Tata Motors followed by Indian Aluminium Company to Management Consulting (Andersen Consulting/Accenture) to Chemicals (Tata Chemicals) and to Packaging, wherein he was the Managing Director of Huhtamaki India. His overall experience and executive leadership has given him multiple opportunities to think strategically and implement the

same for an overall transformation while driving the broader corporate objective of sustainable profitable growth.

ii. Past remuneration: Not Applicable

iii. Recognition or awards:

- Chairman (2016) and Vice Chairman (2015): CII – Maharashtra State
- Chairman (2013-15): Indian Chemical Council – Western Region
- Board Member: Global Innovation & Technology Alliance (A CII – Govt. of India JV)
- Member: Technology Committee and Start-Up Council respectively in CII

iv. Job profile and his suitability:

In this role, Dr. Basu would lead the development and execution of long-term strategies of the Company with the goal of increasing shareholder value and implement the overall Corporate purpose and vision of the Company for all our traditional business units i.e Auto Engines Business, Non-Automotive Business and Retail Business. He would focus on the Company’s business and also plan and execute for the future business opportunity for the Company by seizing new opportunities through innovation, agility, accountability, skill building and people development. Considering his qualifications and experience, he is well suited for the position of Deputy Managing Director of the Company.

v. Remuneration proposed

Details of proposed remuneration have been stated in the resolution and explanatory statement in item no. 4 of this Notice.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).

The proposed remuneration is comparable and commensurate with the trends of similar sized and nature of the business of the Company and is befitting Dr. Basu’s experience, competence and roles and the responsibilities at Greaves.

vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other Director, if any

Besides the remuneration paid/payable to Dr. Basu, there is no other pecuniary relationship with the Company or with the other Director or Key Managerial Personnel of the Company.

III. OTHER INFORMATION

a) Reasons of loss or inadequate profits

The severe second wave of the COVID-19 pandemic had a significant humanitarian and economic impact. One of the worst hit sectors was automobiles and engineering business. The outbreak of the second wave of COVID-19 pandemic and the measures adopted by the health authorities to mitigate its spread such as travel restrictions, lockdown, restrictions on mass transportation and quarantine measures have impacted our economy and the last mile mobility sectors. These measures impacted Company’s operations in the first half of FY 2021-22 including the automotive,

non-automotive and retail sectors. During the year, there was a shift to the newer technologies i.e. ICE vehicles were replaced with electric mobility and alternate fuels having a mid-term impact which in turn impacted the overall performance of the Company. Further, we also witnessed Geo political issues in several parts of the world, resulting in the disruption of global supply chains and unprecedented volatility in commodity costs.

b) Steps taken or proposed to be taken for improvement

The Company has been able to buck the market slowdown through investments in new businesses and it has helped us in facing vagaries in market demand more effectively. The Company has prepared a business plan to deal with this crisis situation and has put in place a comprehensive action plan across its various functions in order to face the challenges. The recovery was seen in the latter half of the financial year. The Company expects to recover the carrying value of assets, based on its assessment of the business/economic conditions and will continue to evaluate the pandemic related uncertainty and update its assessment.

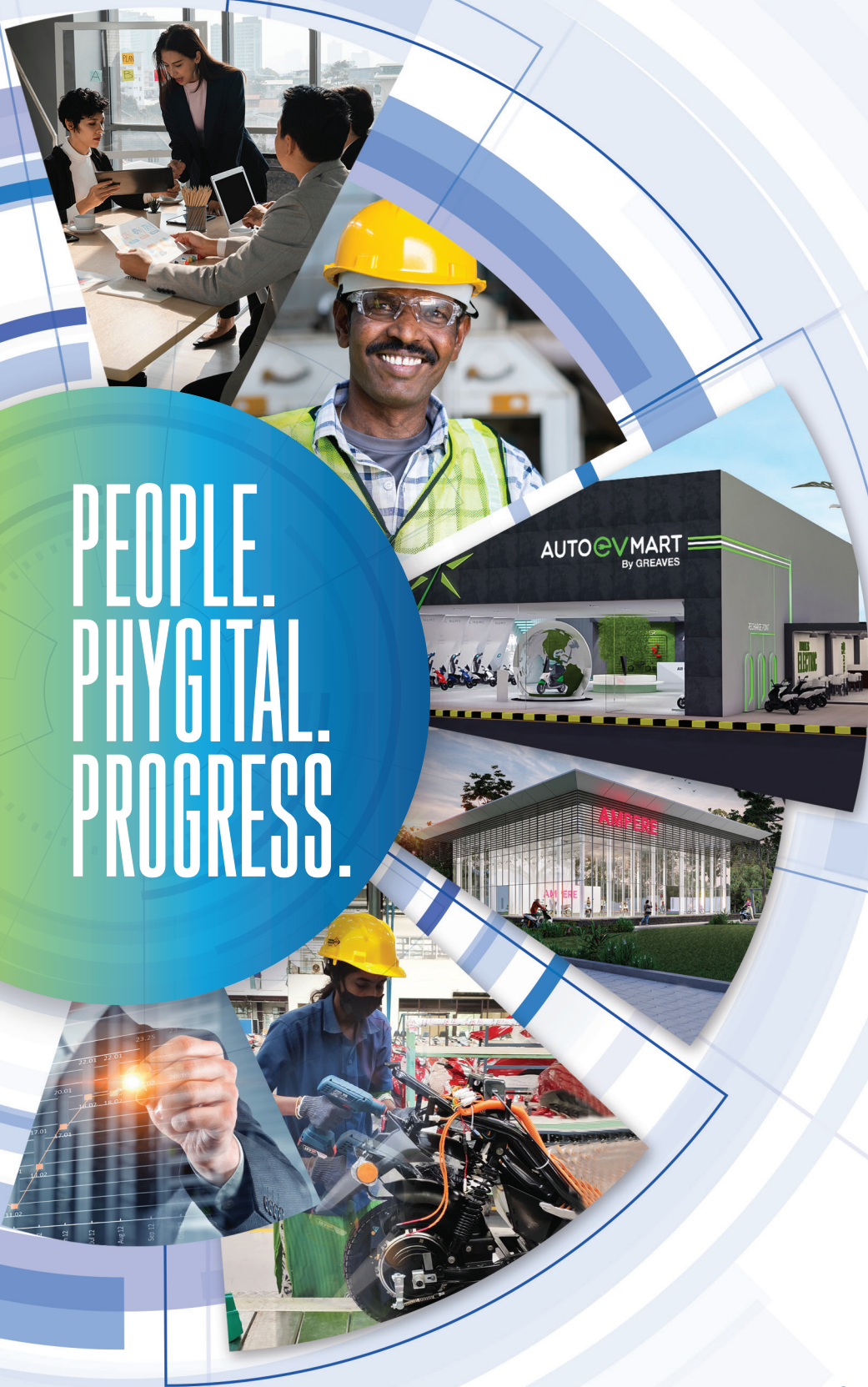
c) Expected increase in productivity and profits in measurable terms

The Company has taken various initiatives to improve its market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance. The Company has well diversified its products portfolio and has emerged as strong player in emerging segments of last mile mobility. The Company has been focused on investing in technology, building capability and capacity, building empowered teams and developing technology enabled processes across all our business value chains to deliver tangible value to both our customers and shareholders. Further, the Company will continue to focus on further localizing supply chain ecosystem, strong product innovation, powerful brands, enhanced physical and digital distribution network.

IV. DISCLOSURES

- 1. Remuneration package of the managerial person:** Fully described in the resolution and explanatory statement as stated in item no. 4 of this Notice.
- 2. Disclosures in the Board of Directors’ report under the heading ‘Corporate Governance’ included in Annual Report 2021-22:** The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report for FY 2021-22 of the Company.

PEOPLE.
PHYGITAL.
PROGRESS.



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FORWARD-LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This Report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the Management’s plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe, we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



To get this report online and for any other information, log on to www.greavesotton.com

While few periods in our 163-year history can match the turbulence unleashed by the pandemic, even in these exceptional times we never wavered in our dedication to the safety and wellbeing of our employees and our responsibility to our customers, thereby living up to our 'People First' policy.

Aligned with the gradual shift towards the experience economy, we have embraced the phygital model – a blend of physical retail and digital ecosystem. Unique stores launched during the year enabled us to bring alive the electric mobility experience. The adoption of innovative technologies further helped us to deliver a personalised and immersive shopping experience from the comfort and safety of our customers' homes.

Considerable progress has been made by our Company in recovering from the disruption caused by the pandemic. Led by our belief in inclusive value creation, we have strived to ensure that this progress is shared among all stakeholders. We remained committed to partnering India's progress, serving the core sectors of the economy with indigenous and environment-friendly product solutions with technology at its core.



**PEOPLE.
PHYGITAL.
PROGRESS.**

The three words that sum up the past year at Greaves Cotton and will continue to underpin all that we do in our ambition to deliver value to all our stakeholders.

Chairman's Letter



Dear Shareholders,

We faced a year of challenges and opportunities in FY2022. As the second wave of the pandemic hit the country, we continued to prioritise the health and safety of our employees, customers, channel partners and other stakeholders. I am proud of how adaptive and resilient our employees were in the face of a global pandemic and am grateful for their unwavering commitment to making our business more productive and sustainable.

Throughout the year, as restrictions were imposed and later relaxed in different parts of the country, we navigated the uncertainties on the back of our diversification strategy and continued investments in technology, talent and infrastructure. Our New Business segments of Non-Automotive Engines, E-Mobility Retail and Consumer Finance, have seen increased growth momentum and a better recovery due to positive demand. In the E-Mobility segment, our clean mobility products are witnessing strong growth year-on-year. Following a year of recovery across most of our businesses, we have now created a strong platform for our future growth.

We are proud to be one of the brands leading India's rapid transition to electric vehicles. Our mega electric vehicle factory at Ranipet, Tamil Nadu, part of the ₹ 700 crore investment roadmap for e-mobility, was inaugurated during the year. Another notable highlight was Greaves Electric Mobility acquiring 100% stake in the electric three-wheeler company, Bestways and a strategic stake in another three-wheeler company, MLR Auto. We also launched the

Ampere Experience Centre in Ranipet to provide our customers an unmatched EV experience.

Retailing will be a big opportunity in the EV space as the demand grows. We launched India's first national multi-brand EV experience retail outlet, AutoEVMart in Bengaluru, in line with our strategy to get a bigger share of the EV business. With the right enablers in place, we are establishing a fast growing footprint in ensuring efficient last-mile transportation solutions across the country.

Our environmental, social, and corporate governance (ESG) approach prioritises our impact on people, the environment and our communities. We encouraged and assisted our employees to get COVID-19 vaccination, and helped in arranging oxygen concentrators during the peak of the pandemic. Throughout the year, training and mentoring programmes were rolled out to develop our talent and leadership pipeline.

For the second successive year, we received the prestigious 'Great Place to Work®' certification, reaffirming our strong focus on building a workplace with best-in-class people practices. Under our flagship CSR programme Development Education Empowerment & Progress (DEEP), we have been supporting reskilling of youth from underprivileged families for sustainable livelihood opportunities and financial independence. The DEEP campaign was recognised in the CSR category at the Asian Customer Engagement Forum and Awards (ACEF) 2021.

Looking forward, as we emerge from the pandemic, I am excited about the significant growth opportunities for our Retail and E-Mobility businesses. Growing need for personal mobility vehicles is accelerating the demand for electric vehicles.

In closing, on behalf of the Board of Directors, I would like to extend our gratitude to our customers, business partners, vendors, employees, investors and shareholders for their steadfast support. Greaves Cotton has emerged as a leading conglomerate by consistently growing and evolving over the years. As we move ahead on our journey, our values continue to guide our commitment to doing business responsibly and sustainably for the benefit of society and our stakeholders.

Karan Thapar
Chairman

Corporate Information

BOARD OF DIRECTORS

Mr. Karan Thapar
Chairman

Mr. Nagesh Basavanhalli
Managing Director and Group CEO

Dr. Arup Basu
Deputy Managing Director
(w.e.f. 12th May 2022)

Mr. Arvind Kumar Singhal

Mr. Kewal Handa

Ms. Sree Patel

Mr. Vinay Sanghi

Mr. Firdose Vandrevala
(w.e.f. 15th October 2021)

Mr. Ravi Kirpalani
(w.e.f. 12th May 2022)

CHIEF FINANCIAL OFFICER

Mr. Dalpat Jain

COMPANY SECRETARY

Mr. Atindra Basu

AUDITORS

Deloitte Haskins & Sells LLP

COST AUDITORS

Dhananjay V. Joshi & Associates

INTERNAL AUDITORS

Ernst & Young LLP

BANKERS

State Bank of India

ICICI Bank

HDFC Bank

Kotak Bank

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Limited
(Formerly known as KFin Technologies Private Limited)
Selenium Tower B,
Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032
Phone: 040 - 6716 2222
Fax: 040 - 2342 0814
Email: einward.ris@kfintech.com

REGISTERED OFFICE

Unit No. 1A, 5th Floor, Tower 3,
Equinox Business Park, LBS Marg,
Kurla West, Mumbai - 400 070

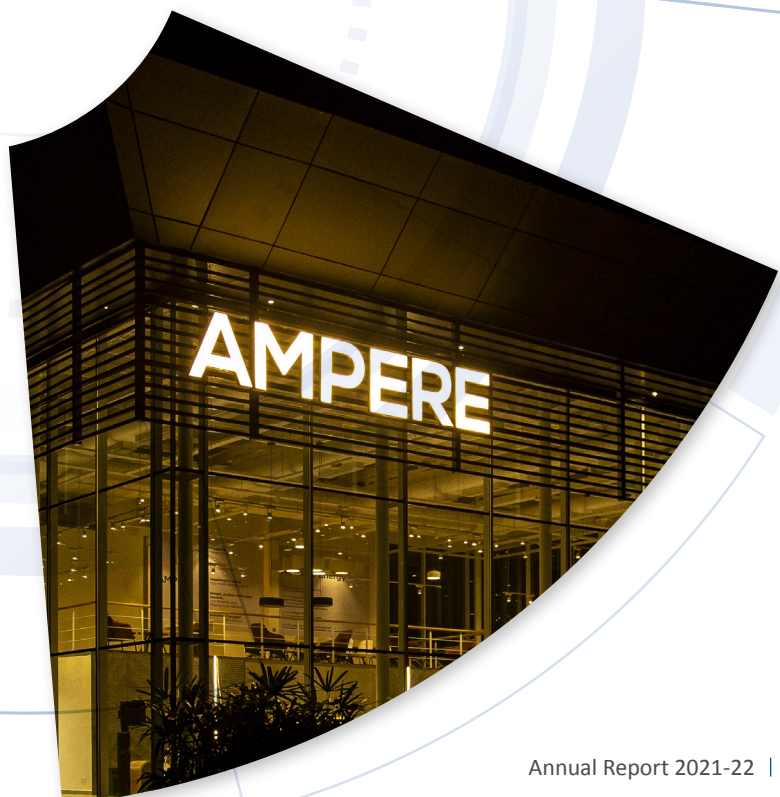
WORKS

For Greaves Cotton Limited:

Talegaon, Pune
Chikalthana, Aurangabad
Shendra, Aurangabad

For Subsidiaries:

Ranipet, Tamil Nadu
Greater Noida, Uttar Pradesh



At Greaves Cotton, the past year has been one of demonstrating empathy, driving experiences and delivering shared growth by focussing on three key aspects: People, Phygital and Progress.



Amid the widespread uncertainty, we demonstrated through our actions and words that people matter at Greaves Cotton and always will, no matter what challenges lie on our path.

Our rich legacy provides us with an in-depth understanding of the needs of our employees, customers, our wider stakeholder community and of our nation. Armed with this knowledge, several measures were taken for supporting our people – both internal and external, while consistently demonstrating empathy in these times of upheaval.

As the pandemic triggered new waves of infections across the country, our topmost priority remained to care for our employees and keep them safe. COVID-19 vaccination drives were held across our various sites for our employees and their families. Several initiatives were rolled out to ensure the physical, mental and emotional wellbeing of our employees and promote a healthy work-life balance.

We continued to invest in nurturing talent and developing future leaders to drive individual and organisational growth. Multiple people development programs were held through the year, ranging from behavioural training to technical training. The objective was to empower our talent to take on new opportunities and prepare them for future challenges. For the second time in a row, we received the 'Great Place to Work' certification, endorsing our commitment towards building a workplace where all our employees can belong, grow and fulfil their potential.

Our in-house financing business helped customers to avail easy and affordable finance options, especially relevant in these times of hardship. We maintained our focus on providing customers with the best of services despite the external challenges. Our suppliers continued to be included under the ambit of our training programs to build their capabilities for growth. We also extended extensive COVID-19 support to our suppliers and business partners to help them overcome the tough times.



Customers are increasingly preferring experiences as part of their purchase journey. We continued to advance the phygital approach, by combining physical presence with digital interactions, for delivering enhanced customer experiences.

The year was marked by seminal developments for creating best-in-class customer touchpoint experiences. Going beyond the normalcy of brick and mortar operations, Ampere, our two-wheeler electric brand, inaugurated its first one-of-a-kind Experience Centre at our mega electric facility in Ranipet, Tamil Nadu. Designed with inspiration from the world's leading customer experience centres, our experiential centre offers digital interfaces for simple and easy understanding of electric vehicle technology and a futuristic ambience for an engaging and immersive customer experience.

We also launched our first multi-brand electric vehicle retail store, AutoEVMart, in Bengaluru. The store offers a single-stop solution for everything related to electric vehicles and gives

customers the choice of multi-brand electric mobility solutions from Ampere Electric as well as other electric mobility brands. The store also provides extensive after-sales service including roadside assistance, easy finance options, comprehensive service packages and e-mobility spare parts for delivering the best experience. AutoEVMart is among India's largest multi-brand electric vehicle retail stores.

We are driving in-person experiences through our nationwide retail presence as well. Our retail footprint was further expanded during the year, is now spread across 400+ towns and cities, and includes around 7,000 touchpoints.

We also intensified the adoption of the latest technological interventions to maximise our customers' productivity. Virtual reality, augmented reality, proper e-commerce set-up, website optimisation, process digitisation, customer relationship management (CRM) support are some of the technological tools and solutions that have been leveraged as part of our phygital approach.



In pursuit of creating shared value, our focus remained on ensuring that our progress benefits our larger stakeholder community and aligns with our nation's goal of promoting self-reliance and environmentally sustainable economic development.

Considerable progress was made across most facets of our business. Greaves Electric Mobility strengthened its position as a market leader in both the electric two-wheeler and three-wheeler segments, while Non-Auto and Retail businesses bounced back to pre-COVID levels. Ampere Vehicles, our e-mobility brand, has over 1-lac customers comprising individual buyers and micro-entrepreneurs and is contributing to their socio-economic growth by providing reliable, affordable and clean last-mile mobility solutions. Several exciting launches were made in the e-mobility segment to meet growing needs, including a comfortable large family e-scooter, Magnus EX, which has gained increased preference amongst customers.

As a responsible corporate, we ensured that our progress cascaded down to create value for all our stakeholders and our planet, enabling a more sustainable future for Greaves Cotton. Shared value creation is also enabling us to build a sound ecosystem of customers, employers, suppliers, business partners, strategic partners, investors, and communities, among others.

Education and skill development form the foundation of an inclusive, progressive nation. As part of our flagship Corporate Social Responsibility (CSR) programme DEEP (Development Education Empowerment Progress), we engaged with socio-economically deprived students and equipped them with the right skills and training to ensure livelihood generation and a brighter future.

By contributing to the core sectors of the economy, we strived to ensure our nation's progress. We are also supporting India's march towards self-reliance as we inaugurated our largest electric vehicle manufacturing plant at Ranipet, Tamil Nadu during the year. At this facility, women constitute 70% of the workforce, reaffirming our strong focus on women empowerment.

Financial Highlights (Standalone)

Particulars	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22
	Apr-Mar	Apr-Mar	Apr-Mar	Apr-Mar	Apr-Mar	Apr-Mar	Apr-Mar	Apr-Mar	Apr-Mar	Apr-Mar
	12 mths	12 mths	12 mths	12 mths	12 mths	12 mths	12 mths	12 mths	12 mths	12 mths
Revenue from Operations (Gross)	2096	1915	1856	1800	1819	1840	1988	1821	1329	1178
Less: Excise Duty	223	196	167	187	185	48	-	-	-	-
Revenue from Operations (Net)	1873	1719	1689	1613	1634	1792	1988	1821	1329	1178
EBIDTA (before exceptional item)	242	194	200	267	243	255	275	228	97	45
EBIDTA (%)	13%	11%	12%	17%	15%	14%	14%	13%	7%	4%
EBIT (before exceptional item)	219	177	177	269	247	248	268	196	59	54
Profit before Tax	200	164	109	295	252	296	246	197	18	39
Profit after Tax	138	113	82	199	181	203	169	148	10	27
Total Comprehensive Income	-	-	-	200	181	201	171	149	11	29
ROCE (%)	30%	22%	21%	31%	27%	26%	27%	21%	7%	6%
Equity	48.84	48.84	48.84	48.84	48.84	48.84	48.84	46.24	46.24	46.30
Earnings Per Share (₹)	5.65	4.63	3.34	8.17	7.40	8.30	6.93	6.16	0.45	1.17
Net Worth	738	814	816	887	921	960	969	888	901	930
Debt	2	-	-	-	-	-	-	-	-	-
Capital Employed	779	851	832	906	938	981	976	881	882	909
Debt : Equity	0.00	-	-	-	-	-	-	-	-	-
Dividend (%)	80	65	125	280 [#]	250 [#]	275 [#]	275 [#]	-	-	10 [#]

Represents dividends actually paid, excludes proposed dividends.

EBIDTA does not include Other Income and EBIT includes Other Income.

EBIDTA - Earnings Before Interest, Depreciation, Taxes and Amortisation

EBIT - Earnings Before Interest and Tax

ROCE - Return On Capital Employed

PBT - Profit Before Tax

PAT - Profit After Tax

EPS - Earnings Per Share (₹)

Board of Directors



MR. KARAN THAPAR

Position - Chairman of the Board

Educational Qualification - Chartered Accountant

Expertise - Managing Companies, both Private and Public, having interest in diversified areas



MR. NAGESH BASAVANHALLI

Position - Managing Director and Group CEO

Educational Qualification - B.E. (Mechanical) - M.S., University of Texas, MBA - University of Chicago Booth School of Business

Expertise - Building New Business and Brands, Strategic Tie-ups & Partnerships, Multicultural Global Exposure



DR. ARUP BASU

Position - Deputy Managing Director

Educational Qualification - Engineer from Imperial College - University of London followed by a PhD in Technology (Composite Materials) from University of Manchester (UK)

Expertise - Experience of executive leadership in manufacturing intensive businesses starting with Automotive, Operations, Management Consulting, Chemicals and Packaging



MR. ARVIND KUMAR SINGHAL

Position - Independent Director

Educational Qualification - B. E. (Electronics & Communication), IIT - Roorkee, MBA - UCLA

Expertise - Retail Marketing Strategy and Strategic Business Planning



MR. KEWAL HANDA

Position - Independent Director

Educational Qualification - M.Com, ACMA, ACS, Pfizer Leadership - Harvard USA, Marketing Programme - Colombia, USA, Sr. Management Residential - IIM, Ahmedabad

Expertise - Business Strategy and Planning, Finance, People Management and Managing Enterprises



MS. SREE PATEL

Position - Independent Director

Educational Qualification - Bachelor of Commerce, H. R. College of Economics, Bombay University, Bachelor of Law, Government Law College, Bombay University

Expertise - Business Strategy & Advisory, Corporate Law, M&A, Divestment & Acquisition of Business, Corporate Governance, Indirect Tax, Government Affairs and FCPA Compliance



MR. VINAY SANGHI

Position - Independent Director

Educational Qualification - Bachelor's degree from Sydenham College of Commerce and Economics, Mumbai

Expertise - Auto industry expert, conceptualised & executed numerous successful business ventures, Entrepreneur, instrumental in taking a company to market leadership



MR. FIRDOSE VANDREVALA

Position - Independent Director

Educational Qualification - Bachelor of Technology Degree in Electrical Engineering from IIT, Kharagpur and a Post Graduate Diploma in Business Management from XLRI Jamshedpur. He is also a proud alumnus of Harvard Business School (Strategic Marketing Management) and CEDEP INSEAD (General Management Program)

Expertise - Experience in Steel, Power, Telecommunications and Real Estate industries covering all functions of business value chain such as procurement, planning, production, sales, marketing and project management



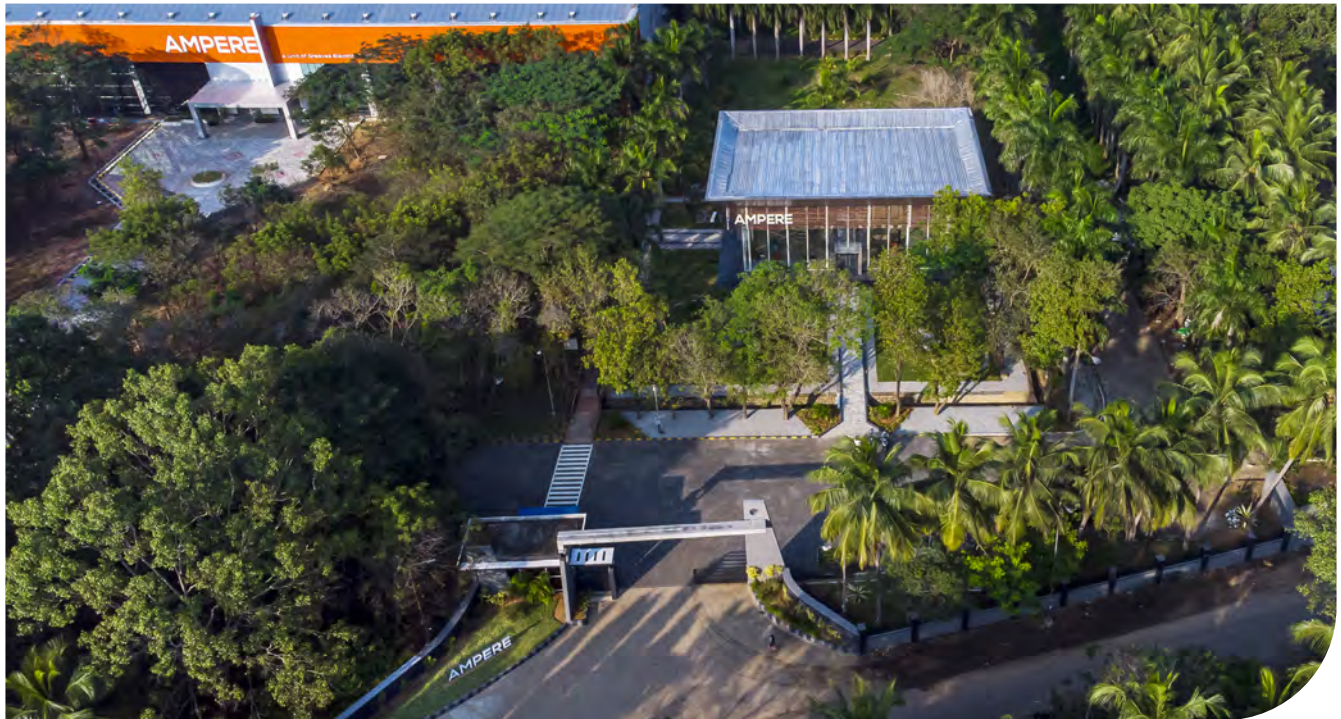
MR. RAVI KIRPALANI

Position - Independent Director

Educational Qualification - MBA from Indian Institute of Management - Calcutta and B.A (Hons), Economics from St. Stephen's College, Delhi

Expertise - Experience in sales, marketing, strategy development including working with global and culturally diverse teams

Management Discussion and Analysis



ECONOMIC REVIEW

Global economy

The year 2021 continued to be impacted by disruptions caused by the second wave of coronavirus across the globe, though at different peak periods, causing lockdowns, restrictions to mobility and severely impacting global supply chain. Despite rapid and effective rollouts of vaccination programs in most advanced economies, vaccination programs in many emerging market and developing economies were sluggish. In advanced economies, goods consumption saw a multifold increase, leading to overloading of global supply chain networks. The problem was further aggravated due to pandemic-related impediments to transportation and staffing, just-in-time logistics and lean inventories. The resulting disruption to global trade led to shortages and higher prices for imported consumer goods.

The global economy entered 2022 in a weak position due to new Omicron COVID-19 variant related mobility restrictions, geopolitical tensions, rising energy prices and supply disruptions resulting in high broad-based inflation, notably in the United States and many emerging market and developing economies. Global growth which was 5.9% in 2021 is expected at 4.4% in 2022. Led by the escalation of the Russia-Ukraine conflict in early 2022, global inflation is expected to surge due to high dependence of EU on Russia for trade and energy. Although output and investment in advanced economies are projected to return to pre-pandemic trends in 2022, in emerging market and developing economies (EMDEs), particularly in small states and fragile and conflict-afflicted

countries, output and investment will remain markedly low, owing to lower vaccination rates, tighter fiscal and monetary policies, and more persistent scarring from the pandemic.

(Source: IMF January 2022 – World Economic Outlook, World Bank January 2022 – Global Economic Prospects)

Indian economy

The size of the Indian economy is expected to surpass the pre-pandemic level by growing at 8.2% for FY 2021-22 and 7.2% for FY 2022-23, after recovering from a historic contraction of 7.3% in the preceding year because of the COVID-19 pandemic that led to a nationwide lockdown, which hit both private consumption and output. Agriculture is expected to lead the growth on the back of a good monsoon. Manufacturing and construction are estimated to grow in double digits, aided by a favourable base. However, growth in the services sector is expected to remain muted. Private consumption is expected to grow, signalling the lingering impact of the pandemic on consumer sentiment. Government spending has been a major driver in keeping the economic activity ticking. With the government likely to push for higher capital expenditure investment demand is expected to see robust pickup.

According to first advanced estimates by National Statistics Office (NSO), in FY2022 GDP growth rate is projected at 9.2% on the back of strong projected performance of major sectors including services, agriculture, manufacturing, mining, construction and energy. The last quarter of FY 2021-22 was impacted due to the

third wave caused by the Omicron variant and geopolitical conflicts between Russia and Ukraine. Rising international commodity prices is the biggest risk emanating from the conflict, as Russia and Ukraine are global suppliers of key commodities. The conflict, if it continues for a longer period, will further hit supplies of major raw materials, including crude oil, natural gas, food, fertilisers, and metals, it added.

India's GDP is estimated to grow at 7.2% in FY 2022-23 with rising prices triggered by the Russia-Ukraine conflict posing as the biggest challenge to the global economic recovery. The growth is mainly driven by strong investment growth, with public investment helping crowd-in private investment.

COMPANY OVERVIEW

About the Company

Greaves Cotton Limited (hereinafter referred to as 'the Company') is a diversified engineering conglomerate focussed on being pivotal to India's resurgence as a competitive economy. The Company is a leading name in the domain of Fuel Agnostic Powertrain Solutions, E-Mobility, Aftermarket & Retail Solutions and Auxiliary Power. The Company has a unique positioning in the last-mile mobility ecosystem. This multi-product and multi-location company with over 16 decades of legacy, is transforming yet again, towards a future-ready portfolio of businesses.

Segments like Greaves Non-Automotive, Electric Mobility and Retail, have seen increased growth momentum and a better recovery due to positive demand. Greaves Electric Mobility Business comprising Ampere (2W), ELE e-rickshaw continues to add significant value.

The Company has a widespread retail network and 6 manufacturing locations with subsidiaries. The Company boasts of the widest auto aftermarket network with 6500+ retail outlets, 15000+ mechanics and 350+ dealer touch points.

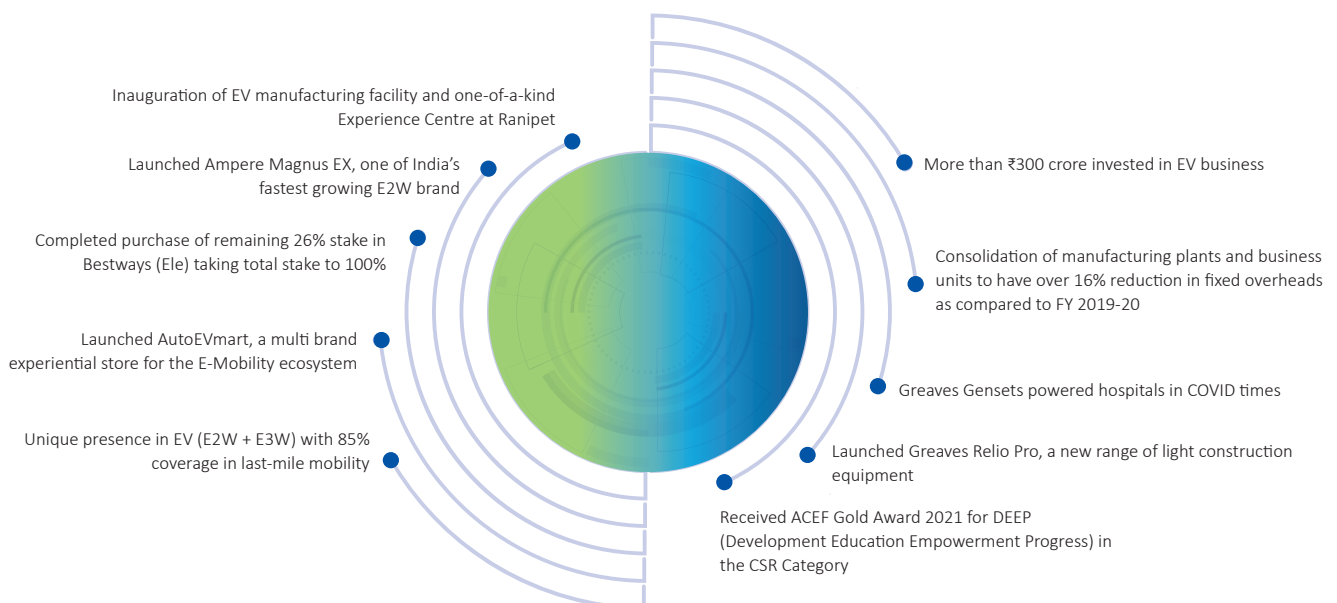
Driven by trust, legacy and assurance, the Company has emerged as an adaptive, agile, dynamic and collaborative company, open for partnerships for rapid growth.

Company performance

The Company witnessed progress across key businesses especially Retail and E-Mobility segments. Greaves electric mobility (GEM) is one of the top players in the last-mile electric mobility domain, covering ~85% of the mobility segment in terms of volume with a presence in the E2W and E3W. The Company's diversification strategy helped in maintaining good financial health despite COVID-19 related and technological disruptions.

The Company continued to be ranked one among the top players in E-mobility industry by recording the best-ever sales. Retail and Non-Auto businesses exhibited strong resilience even under challenging market conditions. The Company inaugurated its largest EV manufacturing facility and an Experience Centre at Ranipet, Tamil Nadu. This will herald a new fast-paced growth for GEM. With strong fundamentals and growth-oriented focus, the Company is poised for strong future growth across core businesses.

Key highlights of FY 2021-22:



**GREAVES
ENGINES**

Auto Business

Non-Auto Business

GREAVES

**GREAVES
RETAIL**

**GREAVES
ELECTRIC
MOBILITY**

**AUTOEV
MART**
By GREAVES
Multi-Brand EV
retail format

**GREAVES
CARE**
Multi-Brand
service format

Greaves retail

E-Scooters
AMPERE
By GREAVES

E-Rickshaw
ELE
By AMPERE

E-Auto
TEJA

Enabling Businesses



Financing Arm

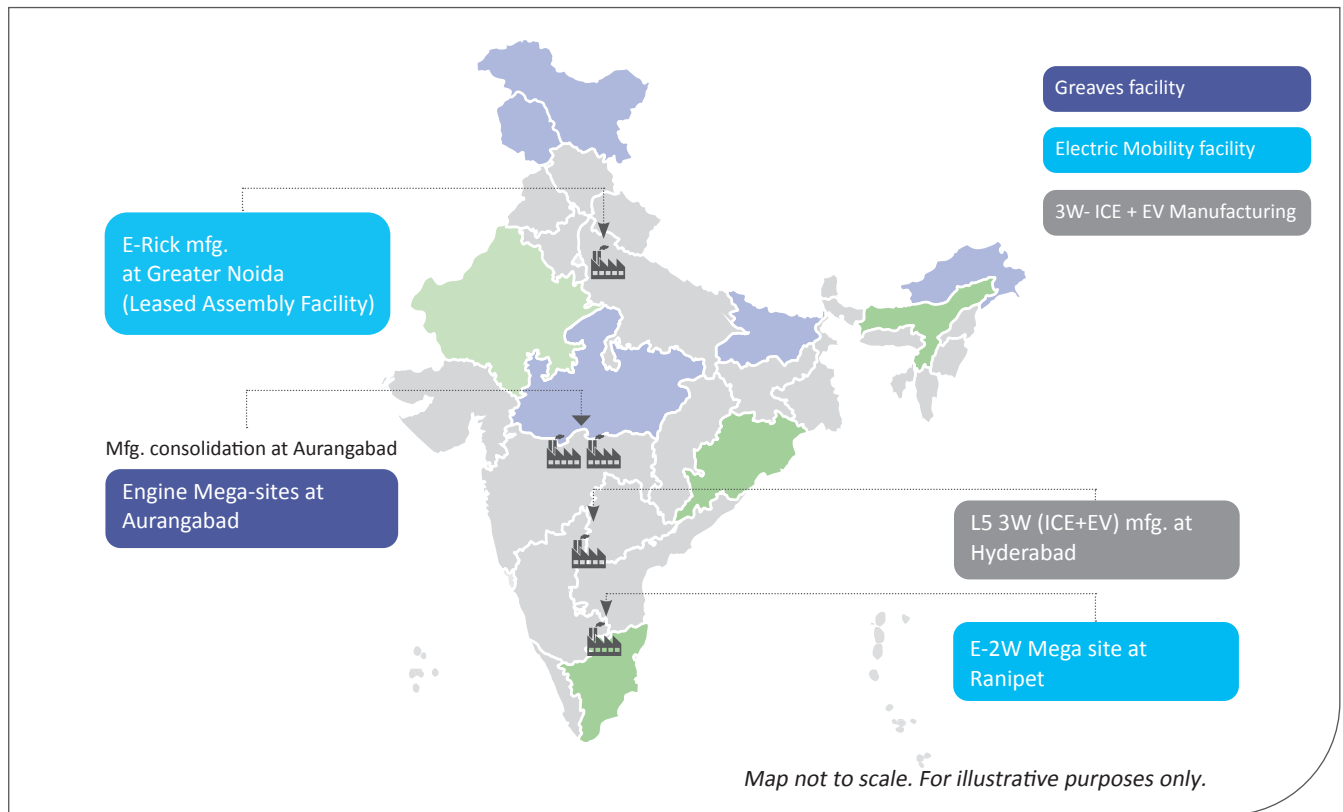
**GREAVES
FINANCE**

Technology Arm

**GREAVES
TECHNOLOGIES**



Greaves manufacturing footprint transition



CONSOLIDATED FINANCIAL PERFORMANCE

Though COVID-19 related restrictions were significantly reduced towards the end of the year, the first three quarters of FY 2021-22 remained challenging.

In FY 2021-22, the Company reported consolidated revenue from operations of ₹ 1,709.70 crore as compared to ₹ 1,500.40 crore

in FY 2020-21. Consolidated Profit after taxes reported a loss of ₹ 35.30 crore as compared to loss of ₹ 18.78 crore in FY 2020-21.

There was net exceptional expense of ₹ 2.31 crore as compared to ₹ 34.46 crore exceptional expenses in FY 2020-21. As part of Greaves' diversification strategy, new business initiatives contributed 49% of the total consolidated revenue for FY 2021-22.



SEGMENTWISE BUSINESS OVERVIEW

Engines Business

Automotive Engine

Industry Overview

The COVID-19 pandemic continued to impact the 3W automotive sector in India even in FY 2021-22 resulting in considerable drop in sales and insufficiency of raw material due to chip shortage. Shutdown of majority of academic institutions, schools and offices since March 2020, severely impacted the 3W passenger market. Led by various restrictions in mobility due to COVID-19 related challenges, the overall industry shrunk in size. Additionally, rising fuel costs increased the disparity between diesel and Compressed Natural Gas (CNG)/ Liquefied Petroleum Gas (LPG) vehicles. This increase in total cost of ownership affected the sales of 3W diesel vehicles.

Heightened geopolitical tensions and spike in fuel cost, is expected to restrain the 3W market growth in near future. The Company has re-positioned itself in the last-mile mobility landscape with clean technology range of fuel-agnostic powertrain solutions.

As the pandemic situation came under control post January 2022 and majority of the academic institutions and offices switched to offline mode, OEM's offtake saw positive traction. The improved CNG connectivity across many states resulted in increased buyer preference for CNG Vehicles. The Company launched the Greaves BS-VI CNG mono Fuel Engine in FY 2021-22 and witnessed robust volume growth in the alternate fuel segment.

Business Overview

The Company manufactures automotive engines across fuel range-Diesel, CNG. With Indian mobility moving to BS-VI from April 2020, the Company started supplying BS-VI engines in both diesel and alternate fuel variants to its OEM customers. The BS-VI diesel engines have shown superior performance and have been well-accepted in the 3W segment. In FY 2021-22, automotive engine sales market witnessed a sharp decline because of COVID-related situation.

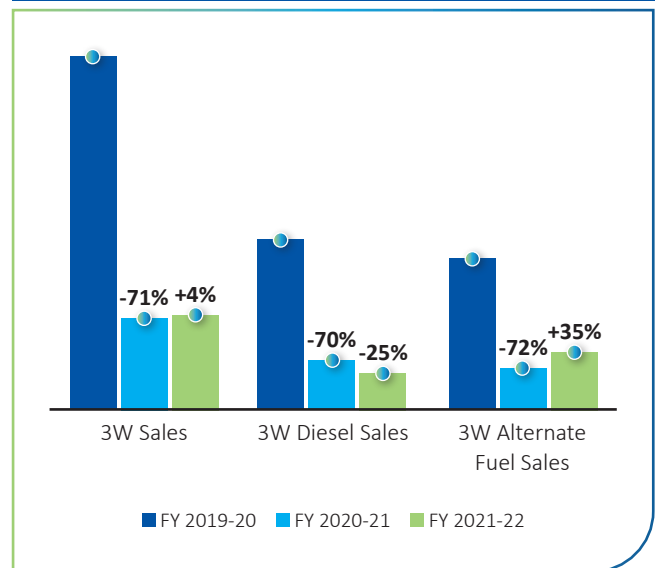
The BS-VI CNG engine is built for affordable 3W application, providing better performance and higher fuel efficiency with lower total cost of ownership (TCO). Post third wave of COVID-19, the automotive engine market is recovering with OEM confidence signalling growth. The new CNG engine is expected to drive volume growth in the alternate fuel segment in the coming years.

The Company continues to invest in the automotive business R&D for providing affordable fuel-agnostic solution to its customers on continuous basis. In FY 2022-23, the Company aims to provide more affordable and lower TCO BS-VI diesel engine solution to drive volume growth in the diesel segment.

Market Overview

Shared mobility segment especially the 3W passenger segment continued to be impacted by subsequent COVID-19 waves and related lockdown with restricted movements in force until Q3 FY 2021-22, however, as compared to pre-COVID level, the market is still 70% down overall for 3W business. With the launch of new BS-VI CNG engine and improved CNG availability across India, growth is expected to improve in the coming year.

3W Industry Sale Impacted



Source: Internal estimate



Greaves BS-VI compliant Diesel engine

WIDE PORTFOLIO OF ENGINE SOLUTIONS TO MEET YOUR BUSINESS DEMANDS



GREAVES

ENGINES POWERING AIR COMPRESSORS TO SUPPORT THE FORCES!



| ENGINE 1510

ENGINES | RETAIL | E-MOBILITY | FINANCE | TECH SERVICES

Non-Automotive Engine

Auxiliary Power Business

Industry Overview

Economic activity was dampened in Q1 and Q3 of FY 2021-22 due to the second and third waves of COVID-19. This severely impacted sectors such as industrial manufacturing, tourism, hospitality and educational institutions, leading to subdued demand for DG sets from these sectors. On the contrary, health sector mainly COVID care hospitals, oxygen plants and quarantine centres, witnessed high demand for gensets in Rajasthan, Punjab, Uttar Pradesh, Maharashtra, Gujarat, Kerala and Karnataka. Greaves gensets powered several critical applications during COVID-19 period. In the second and fourth quarters of FY 2021-22, the overall demand for gensets picked across segments. The Company received several bulk orders by key customers resulting in further pick-up in sales.



Business Overview

With its IOT-enabled Genius series of DG Sets up to 500kVA and enhanced range of DG sets up to 2500 kVA, the Company was able to penetrate untapped segments with a greater focus on both private and government sectors. This led to significant pick up in the auxiliary power business in states such as Rajasthan, Uttarakhand, Delhi NCR, Telangana, and Tamil Nadu. Increasing prevalence of gas/hybrid fuel gensets and renewable sources of energy in future pose risk to future growth.

Outlook

The Company is working on upgrading its existing portfolio to CPCB IV and new product launch to comply with new emission standards. It is focussing on earlier untapped markets to increase market penetration through its Genius series which is backed by unmatched 5 years/5000 hours warranty, and also on DG Projects

business to promote its Mega series (1010 kVA and above) by offering turnkey solutions to various segments such as industry, data centres, realty, etc.



Farm Equipment

Industry Overview

Retail businesses continued to reel under COVID-19 pressure in FY 2021-22 with partial lockdowns affecting people movement and leading to shop closures in parts of the year. Agriculture subsidy funds were diverted by the State Governments for COVID-19 control related expenses. Marginal farmers, major buyers of small farm equipment, delayed purchase decisions due to lack of institutional finance support. Poor availability of subsidy fund and excess rain in prime agricultural states resulted in poor demand of tractors and tillers.

Agriculture and the allied sectors proved to be the most resilient to the COVID-19 shock growing 3.6% in FY 2020-21 and 3.9% in FY 2021-22, making agriculture one of the most prominent sectors in the country. Good monsoon in 2021, enabled good moisture level for rabi and zaid crops. Government's strong emphasis on Make in India is driving the future of farm mechanisation and providing good opportunity for Indian engine and farm equipment manufacturers.

Source: AS per internal estimate

Some significant Government developments during the year include:

- End of farmer's protest led by the Government withdrawing New Farm Laws which allowed farmers to sell their product across city, not bound to their Agricultural Produce Market Committee (APMC)
- Released Pradhan Mantri Kisan Samman Nidhi of ₹6000 per annum in 3 instalments, aimed at helping farmers for agri input amidst COVID-19 challenges

- Several states provided farm equipment on subsidy to Women Self Help Groups. This is likely to be adapted by more states for women empowerment. This is expected to boost demand for small agri and household equipments such as mini dal mill, rice mill (engine/electric) etc.
- Launched Urjadata Yojna allowing farmers to sell additional electricity generated from their solar pumps to the grid
- Launched Kisan Udan Yojna enabling farmers to transport agri perishable commodity through railway wagons
- Increased focus on controlled usage of fertiliser and chemicals, to improve usage of mechanisation for increase in crop yield

GREAVES AGRI
BOOSTING MECHANISATION
HARVESTING HAPPINESS

INTRODUCING
OHV
Petrol Pumpset

DUMDAR PERFORMANCE. 1. DUMDAR BACHAT

AVAILABLE IN 2 HP & 5 HP

We have got your back,
move forward uninterrupted

Business Overview

The Company provides farm mechanisation solutions to small and marginal farmers, which constitute over 80% of the agriculture segment in the country. With a product portfolio for every stage of crop cycle, from tillage to harvesting, the Company has evolved as a farmer-friendly farm equipment brand. During FY 2021-22, the Company focussed on R&D and new projects, considering shift in usage condition and the futuristic challenges. Greaves OHV Petrol Weeder was launched in H2 of FY 2021-22 to benefit the farmer in terms of money and time, as the fuel-efficient technology enabled farmers to shift to mechanised weeding from manual weeding. Dedicated cross-functional team is working to launch a series of small farm equipment for new applications and new territory, in FY 2022-23. This series is expected to make farming easy, lead to time and cost savings thereby bring happiness to farming community.

The Company is working with small equipment manufacturers to promote the sale of engine and end products.

Risk & Concerns

- Several steps have been initiated to increase revenue from non-subsidy products, which is better in all aspects of price, quality, reliability, productivity and aftersales support. However, it is a gradual process taking time to reap benefits

Outlook

- Led by Government's Make in India movement, Indian manufacturers are presented with big opportunity to introduce quality products for Indian farmers. This is expected to increase employment across the entire supply chain
- PM Kisan Samman Nidhi will continue to help farmers to purchase farm inputs by providing them financial support
- Growing Central and State governments thrust to improve farmer income through various budgetary allocation and schemes at ground level is expected to improve livelihood and purchasing power of small and marginal farmers

**FUELING GROWTH
IN NON-AUTO SEGMENT**

Industrial Engines

Industry Overview

Industrial Engines industry witnessed robust growth led by resurgence of old projects related to oil & gas, construction and building segments. There has been a surge in demand in the fire-fighting engines segment. With no change in interest rate for the housing segment, building segment has witnessed

substantial demand recovery almost reaching pre-COVID levels. Market has also seen shift of consolidation of demand on specific nodes with respect to Government regulations and demand change. Market is also seeing good traction for FMUL engines for both domestic and global OEMs. With special Government focus on the inland waterways & fishing segment, marine segment has seen growth.



There has been a shift in the market from conventional engines to electrical products like motors and battery-driven equipment. However, India is still at the bottom of pyramid on mechanisation for farm, construction and marine segments. There is huge scope for the industry to grow and expand. The Government's Make in India initiative is helping local players to enter Chinese dominated segments of agri and construction.

Agri segment, mainly driven by tractor, saw de-growth due to base effect and continuous rains in most parts of the country. With expectations of normal monsoon, the segment is expected to bounce back in FY 2022-23.

Business Overview

With new products added and range extended up to 20 HP, OEMs will have multiple options of fuel, cooling type, RPM range and various regulatory and emission certifications applicable. All the engines are certified for various emission requirements related to tractor, construction machinery and marine segment. With recent addition of E-V certification, the Company is qualified to supply engines to matured western markets of Europe and USA. The Company is also planning to invest for adding new range of engines for global and domestic markets with improved features like better aesthetics, improved safety features & lower NVH engines for comfortable working.

Led by the addition of more than 15 OEMs in the previous year and new products added, Non-automotive Small Engines business is expected to continue its growth momentum in FY 2022-23. The industrial engines business registered more than 50% growth for firefighting pumpsets (FFP) and marine segments. The Company



is continuously working to add new product and new customers for both domestic and global markets. There has been significant addition of strong OEMs and large customers in FY 2021-22. To diversify business from B2B to B2B and B2C, the Company launched light construction equipments and short tail marine OBMs in FY 2021-22, which have seen good traction. The Company has invested on development of new engines for FFP business to cater to global markets. It is also planning to enter new applications and new markets in FY 2022-23 as COVID-19 related restrictions come to an end and customers are willing to spend on new projects.

Risk & Concerns

- With continuous increase in RMC due to exceptional commodity inflation, there is severe pressure to manage profitability. This also poses a risk of end equipment becoming too costly for the segment
- Global supply chain challenges and volatile situation across the globe, pose a risk of supply disruption.
- With market slowly shifting towards electric machineries, some of conventional business are at risk
- Increased competitive environment especially in agri and marine segment
- Non-availability of large range of engines of >700 HP

Outlook

With strong demand continuing from both FFP & marine segments, the Company expects sustained growth for the industrial engines business. With expectations of increased Government spending on new projects in Infra & Defence segment due to lesser COVID-19 disruption, the Company expects good traction in the market. In FY 2022-23, launch of new products will enable the Company to foray in virgin markets. Led by new product and new OEMs, the Company expects strong demand pattern continuing.

NASE business is expected to grow led by new product and new customer additions. In addition, E-V certification, new engine additions, end equipment play and entry with electric equipment are expected to be the key levers of further growth. The Company is working closely with regulatory and government department to innovate new value for money products for marginalised famers, construction workers, fishermen etc. to improve their lifestyle. At overall level, with certain risk of some markets remaining flat and some market moving towards electric technology, NASE business is expected to continue its robust growth trajectory.

GREAVES RETAIL

AutoEVMart

AUTOEVMART
By GREAVES

Greaves Retail is a one-stop shop for all customer needs in the mobility ecosystem. As one of the few organised one-stop shops offering end-to-end sales, service and spares (3S) solution, Greaves Retail is one of the most sought-after sales solution provider uniquely positioned between expensive authorised OEM centres and unorganised local service providers. Greaves Retail offers genuine parts, is equipped with company-trained technicians, has established processes in place, ensures end-to-end dealer onboarding and has a dealers information portal. It provides hands-on training to its technicians on new-age technology of EV and BS-VI norms to ensure the channel partners are future-ready, enabling the Company to create a complete ecosystem.

Greaves Retail is a growing business since its inception and registered a significant growth over last year despite nationwide lockdown for more than three months. Customer retention of over 50% has been a major contributing factor for the growth. The Company stores customer feedback and is committed to improve service quality, cost and delivery by constantly taking customer-centric initiatives through a dedicated call centre.

The Company launched AutoEVMart, India's largest multi-brand EV outlet. This is a multi-brand experiential store for the e-mobility ecosystem. This will further strengthen the Greaves retail business with widened play in the multi-brand EV segment.



AutoEVMart provides complete 3S solution covering a wide spectrum of customer segments in both B2B and B2C applications. It addresses the various needs of working executives, students, homemakers, fleet owners, last-mile delivery partners in food commerce, E-commerce and more.

Greaves Retail has widespread trained field managers to support customers and channel partner's business needs. Increase in the number of offerings led to increase in per outlet revenue growth over last year. With 42 new touchpoints added in FY 2021-22, Greaves Retail network is growing with 3S including EV portfolio. Greaves Retail is also a promising business model for its channel partners.

Risk & Concerns

AutoEVMart :

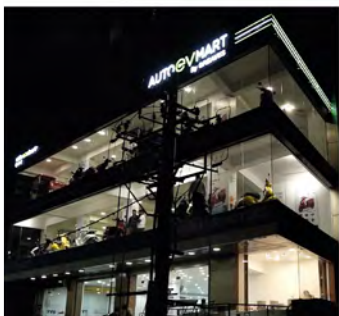
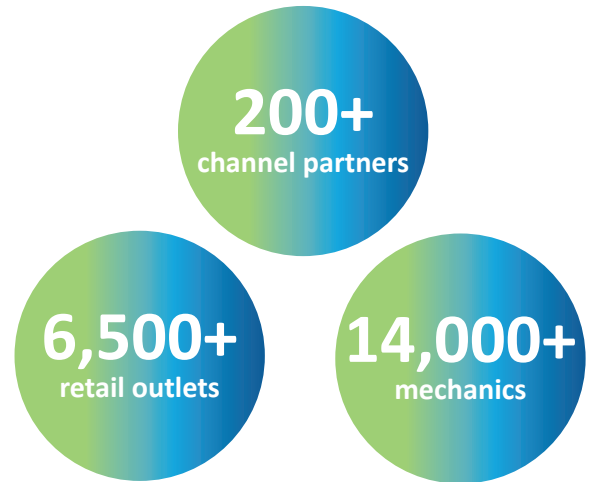
- EV charging infrastructure solutions required for long duration multi-frequency electric operations
- Some of the collaborating multi-brand partners are start-ups and lack process adherence and industry best practices

Greaves Care:

- Increasing fuel price making commercial vehicles non-viable
- Increasing demand for low cost parts alternates in the market due to pandemic and increasing fuel price

Outlook

Auto Industry is expected to witness a major shift with multi-brand EV outlets playing a major role in EV retail business. As the world is shifting towards a better buying experience and convenience, multi-brand outlets will be the preferred choice. Since most of the OEMs are new and are lacking significant brand equity, organised multi-brand EV retail, providing assurance of quality and service are expected to see strong traction. Launch of AutoEVMart paves way for a whole new journey in the EV Retail space.



Aftermarket

The Company has remained the supplier of choice over decades in the aftermarket due to its unflinching commitment to world-class quality and service. The Company has been successfully providing uninterrupted and high-quality mobility solutions for the customers.

The Company, backed by years of close interaction with primary and secondary market stakeholders, has created a diverse range of products suiting diverse requirements of the customers for the 3W & 2W vehicle segments. Continuing its commitment to quality parts for customer experience, the Company has been introducing multi-brand parts and diagnostic/service tools for high quality maintenance.

The Company's strength has been in its extensive network across the country. Its mission is to strengthen customer relations and expand their retail network with 'range, reach and reassurance'. The channel expansion has helped to reach company's products to more consumption centres enabling access for genuine parts to the customers. The distribution network of the company includes:

Ensuring uninterrupted journey with our fast growing retail network



Source: Company data

Through its extensive network, the Company provides numerous business engagement opportunities and localised support with well-trained sales and service staff. The Company continuously engages in training and skill building of mechanics and channel partners with a purpose to provide them with a reliable skillset towards improving their livelihood and help achieve their dreams. The Company is proud of supporting many drivers and micro-entrepreneurs in smaller towns and cities as part of this endeavor. The activities from the Company focus to educate/train customers on its products & technologies and to differentiate genuine from spurious parts.

Market overview:

COVID-19 pandemic impacted the consumption pattern for spares especially for the last-mile mobility vehicle segments. The repair cycles became longer due to lower average vehicle running and due to significant increase in spares costs based on commodity impact. Retail consumption is expected to have been reduced by 20-25% as per feedback from trade participants during the year.

Post the second wave of COVID-19, the retail markets faced tough liquidity conditions. This was further impacted due to the third wave and adversely affected the anticipated retail market growth for FY 2021-22. The Company has been continuously engaged with identified channel partners to accelerate recovery and realigning the distribution network for business growth.

Key developments in FY 2021-22

- Network expansion to increase reach and availability of parts to support business growth
- Good new product acceptance of 3W multi-brand parts and increased market share

Risk & Concerns

- Diesel parts growth to decelerate significantly and faster. New business initiatives are expected to off-set the risk
- Lower consumption trends with passenger movement restrictions due to repeating pandemic waves.
- Challenge to retain customers with high price recoveries against commodity increase which may result in likely preference to cheaper parts during tough business conditions
- Risk of competitiveness in multi-brand parts

Outlook:

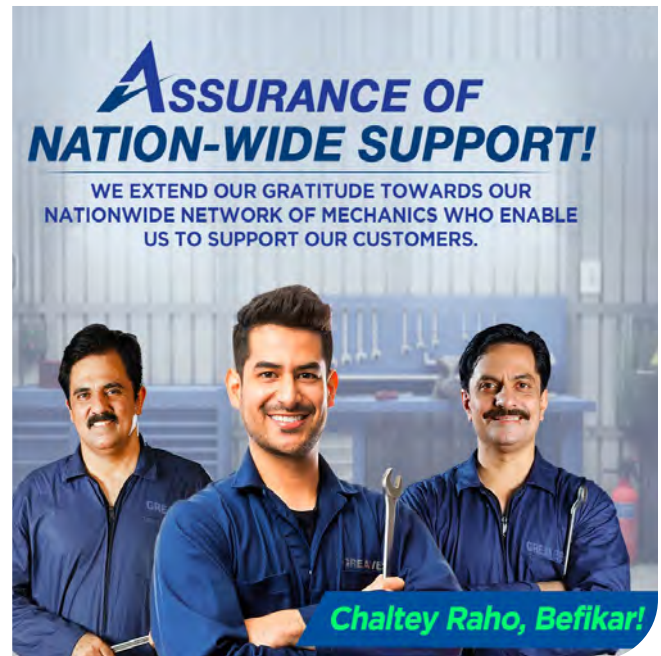
Market consumption is likely to return to normalcy during FY 2022-23 with more efficient retailing engagement with the primary & secondary markets through:

- More efficient retailing engagement with channel partners
- New Product Development
- New Distribution Channel Acquisition
- Digital initiatives enabling faster & easier customer interface

The Company is planning to increase its engagement in the retailer domain with planned marketing interventions which will strengthen product pull. The loyalty programs are being tweaked to bring more participants from the secondary market domain, creating long term and sustained demand for its products.

The growth momentum in multi-brand spares is expected to gather pace with additional business promotional efforts planned.

The Company is in the process of establishing a robust supply chain to augment its presence in EV spare parts. For this purpose, it has been forging relationship with exclusive channel partners.



ELECTRIC MOBILITY

Two-wheeler

Industry Overview

Despite COVID-19 related challenges, in FY 2021-22 EV segment witnessed robust volume growth. This is attributable to significant promotion of EV segment emissions, increase in fuel prices, growing acceptance around comfort of EV usage, and focus on Make in India. Increase in FAME II subsidy led to spur in EV sales and investments in the sector. Several new players forayed into the segment.

Business Overview

Ampere Electric Scooters has emerged as one of the fastest growing E2W brand in India. Ampere is spread over length & breadth of the country & continues to play a vital role in driving India's switch to cleaner & greener mobility. It is also supported by a robust service network that includes a multilingual call-centre for uninterrupted service. Its state-of-the-art manufacturing facilities have created several employment opportunities.

The Company inaugurated an EV production facility in Ranipet, Tamil Nadu in FY 2021-22 with ~70% women workforce. Ampere continues to show strong support for the flagship initiatives of the Government of India, such as 'Make in India' and 'Atmanirbhar Bharat'.

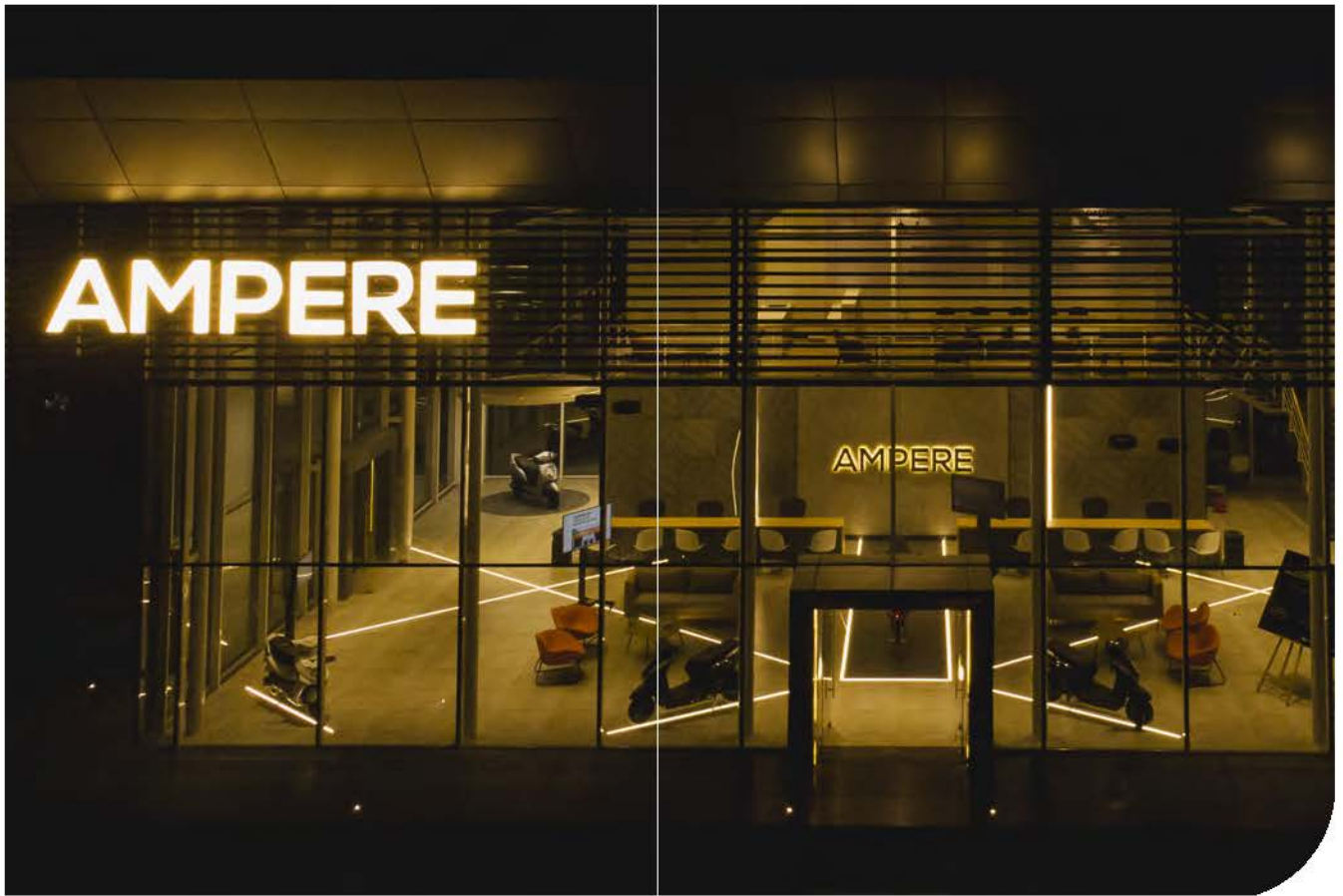
Risk & Concerns

- COVID-19 related disruptions especially like that witnessed during the second wave
- Disruption in global supply chain may lead to shortage of critical parts
- Commodity price increase puts pressure on margins
- Increased competitive intensity due to entry of multiple players
- Withdrawal of fame subsidy may have volume / growth impact



Outlook:

The industry is expected to see robust growth in FY 2022-23 led by Government policies. Further increase in fuel prices is also expected to boost growth. Government policies regarding battery tech could redefine the industry.



3W- ELE

Industry Overview

In FY 2021-22, the demand for EV 3W witnessed an increase over FY 2020-21 with E-rickshaw industry posting 91%* growth in FY 2021-22. Similarly, the passenger market grew 98.4% in FY 2021-22. E-rickshaw cargo also saw 36% increase in demand in FY 2021-22. The increased demand is mainly attributable to relaxation in COVID-19 norms, and increasing fuel prices (diesel, petrol, CNG) which shifted the demand from conventional 3W to e-rick ownership and improved retail financing activity.

Source: *As per Internal estimate

Business Overview

ELE is playing a crucial role in transforming last-mile mobility uplifting several cycle rickshaw drivers with superior motorised solutions. ELE continues to be a partner in progress for several businesses which are dependent on passenger and cargo vehicles for their uninterrupted delivery operations. The brand caters to B2B players, retail businesses and individual buyers with a wide range of products in E-rickshaw and cargo to suit the customisable needs. The brand has strong equity in several parts of the country as it resonates the spirit of clean and affordable mobility.

ELE witnessed positive growth in FY 2021-22 over FY 2020-21 and outperformed the industry growth. The business footprint expanded from 165 touchpoints to 345 touchpoints. For retail customers, GLFL-Vedika Finance tie up was introduced to ensure ease of finance and better service to the customers.

Risk & Concerns

- FY 2021-22 was an abnormal year in terms of raw material availability and rising material costs
- Prices of all key components were under stress due to logistics impact in China and escalation on account of commodity prices
- In FY 2022-23, abnormality is expected in terms of raw material price impact

Outlook:

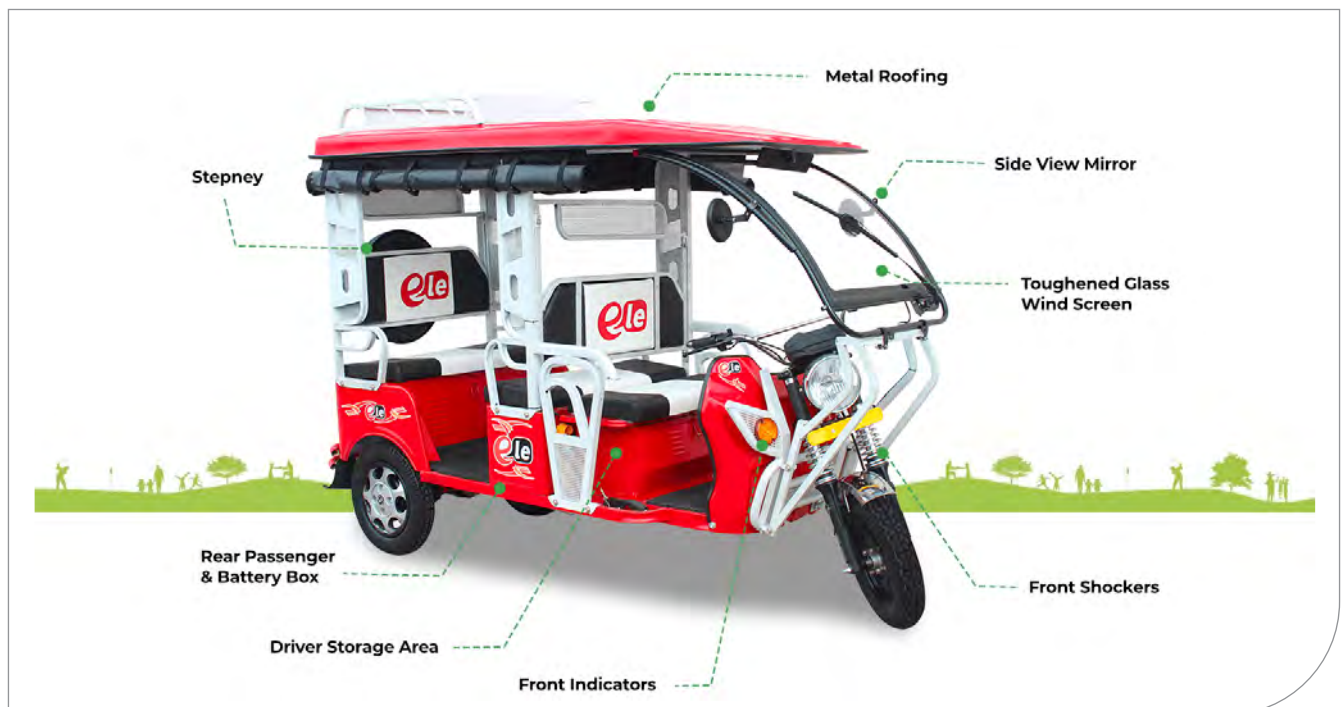
With growing popularity of smart, clean, affordable and dependable solutions, demand for EV is growing steadily. Government’s scrappage policy and rebates on EV purchases is boosting EV growth. The 3W EV industry is expected to witness robust growth in FY 2022-23 both in terms of revenue and volume. State and central government schemes and push for lithium ion will also add to the growth in industry volumes.

ENABLING BUSINESS

Finance Business

Business Overview

Greaves Cotton Group forayed into the retail financing business in H2 FY 2019-20, through its wholly-owned subsidiary Greaves Finance Ltd (Greaves Finance). The key imperative was to propel the retail sales of EV apart from adding value to the group through generating reruns on the deployed capital. In the absence of full-fledged independent retail financing infrastructure and distribution network, Greaves Finance leveraged its partnership with other NBFCs that focus and specialise in the 2W and 3W financing businesses respectively. Further, signing up of another Fintech NBFC having a niche presence in the 2W financing segment in the South, as a strategic co-lender, is expected to drive the growth of the retail financing portfolio.



The Retail Financing business has been striving to support Greaves E-Mobility business in all its strategic plans. Greaves Finance has now expanded into towns beyond tier II cities in States like Tamil Nadu, Kerala, Delhi NCR, Uttar Pradesh, Bihar, Jharkhand and West Bengal. The Company is amongst the pioneers to finance both high speed and low speed E2Ws at the retail dealerships. As Greaves Electric Mobility Private Ltd (GEMPL) is making the accelerated shift to high-speed vehicles along with the entire E2W industry, Greaves Finance with its expanded network is more poised to propel the retail sales of E2W at the dealerships.

Serving the hinterland of India continues to be amongst the biggest strengths and hallmarks of Greaves Finance. This has been possible through robust back-end credit operations, quick credit processing and technology-led processes for assessment, competitive pricing and further followed by tight portfolio monitoring mechanisms and risk-mitigation initiatives. In addition to retail financing, the Company has also signed up a few strategic partners in the last-mile delivery/aggregation services in logistics, which it serves under multiple models such as operating lease, capital lease, etc.

Recently, Greaves Finance has put the technology and infrastructure in place and launched its own operations. The Company is looking to expand its retail distribution network to other geographies in FY 2022-23 in order to augment the growth in retail financing. Besides playing a role in accelerating the country's transition into clean mobility, this also significantly enables financial inclusion by catering to the customers who are at the bottom of the pyramid.

Risk & Concerns

- Large part of the demand for retail financing is still derived from the customers beyond tier II cities
- Both E2Ws and E3Ws are still in the early stages of industry evolution with not much adequate depth in the second-hand market. Hence, there is risk of lower realisation of value for the repossessed vehicles in case of delinquencies/NPAs
- 3W as an asset class is perceived as high-risk category and most other financial institutions stopped financing this asset class in the last two years

Outlook

With the increased thrust from Central government and multiple State governments and expected roll-out of subsidy programs for propelling the adoption of EVs, the Company expects an exponential rise in the demand for EVs in the coming years.

Currently, the overall financing penetration for E2Ws at the retail level dealerships is ~12% including the financing of both slow speed and high speed E2Ws. This is likely to increase significantly over the next two years. The growth in retail sales of 3W is also expected to fuel the growth in the financing portfolio.

The Company has largely leveraged only its partnerships to grow the portfolio. In order to make the credit assessment and disbursements more robust, the Company plans to augment the technology platform with decisioning analytics capabilities. This will help in keeping a tight control over the portfolio by having sound risk mitigants in place.

GREAVES TECHNOLOGIES LIMITED

Greaves Technologies Limited (GTL), part of Greaves Cotton group, is one of the leading diversified engineering companies with presence in automotive, non-automotive, aftermarket, retail, electric mobility solutions (EV) and finance. GTL is a lean, dynamic, innovation fuelled, technology driven global engineering services and solutions company. With proven expertise and credibility in the automotive product engineering life cycle, it is also leveraging the Company's core IC engine design, development and testing, and EV expertise, knowledge, and capabilities. Increasing technology importance in the global automotive industry is leading to higher requirement of engineering services. GTL continues to innovate, leverage technology at the forefront and find new avenues to provide reliable solutions. GTL aspires to be a technology convergence catalyser for the Company's products, looping back cutting-edge technology and solutions from around the world. With a strong off-shore (India) network and eco-system, GTL will pursue developing highly skilled talent, building customer centric long-term relationships, delivering cutting edge technology services and solutions, and employee enrichment focussed global organisation. GTL has adopted "Going Global" theme for FY 2022-23, with plans of establishing and expanding operations in US, and a focus on new age technologies as the main driving force.

INTERNAL CONTROL FRAMEWORK

Commensurate with the size of business and industry, the Company has devised a comprehensive internal control system. It has a strong internal finance control (IFC) framework, the internal controls are designed to safeguard the assets and ensure efficient productivity at all levels. The internal control systems and benchmarks comply with globally accepted framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control - Integrated Framework (2013). Keeping in view the dynamic changes in norms, the Company undertakes review of the internal control systems at regular intervals, and modifies and incorporates upgrades as applicable.

The internal controls are designed to ensure:

- Operational performance's efficiency and effectiveness
- Safeguarding of assets
- Close monitoring of systems to control frauds and errors
- Accounting function's completion and accuracy of accounting across all businesses
- Financial performance's dependability and promptness

The Company conducts its internal audit through a reputed audit firm that regularly monitors the operations. The observations and recommendations of the audit firm are discussed with the Management. The internal audit team independently reviews and strengthens the control measures. The Company also gives strong emphasis to environmental protection measures.

The Company also follows required SOPs, policies, and guidelines. It monitors all procedures and undertakes self-assessment exercises regularly. The Code of Conduct is expected to be adhered to by all employees at all times. Any misconduct, unethical behaviour, or any behaviour with possibility of conflict of interest is immediately brought to notice with a well-defined whistle blower policy in place. The Company encourages strict adherence to integrity and transparency by a self-monitoring mechanism.

All key controls were adequately tested during the year under review. In cases of deviation from normal, appropriate measures were initiated. The effectiveness of the internal control systems is monitored and controlled by the Internal Auditors and Corporate Assurance Department. Periodic follow-up on implementation of improvements and suggested corrective actions is ensured by the Corporate Assurance Department, which also ensures that all applicable laws and statutory requirements are met with.

INFORMATION TECHNOLOGY

Information Technology is tightly coupled and aligned with all the business entities within the Company. ERP remains at the core of business process and rules. The peripheral application ecosystem is built around this core. The Company ensures security, stability and scalability of the systems to provide seamless delivery to both internal users as well as customers and vendors. Multiple checks and balances are built into the systems to ensure 24*7 availability including that on mobile devices. Workflows and approvals in the systems are integrated with the authorisation matrix of the company to ensure higher productivity and turnaround time.

Digital transformation is aimed at increasing revenue or saving costs. Customer experience and interaction is of prime importance. The Company strives to provide the best interaction of product and service on offline as well as online platforms.

Though digital initiatives are focussed on all stakeholders, customer-specific solutions were also implemented in several areas, service excellence like in electronic field service report, etc. Data mining and analytics is also given special attention within the organisation to provide the right business insights to the leadership team.



SUSTAINABILITY DRIVES

Sustainability has become an integral part of individuals, organisations, and governments alike. Impact on the environment is a primary concern of the Company and it believes that a collective movement towards a sustainable future will enable huge changes. Sustainable innovation is a key priority in the business model. Meeting the needs of the present without compromising the ability of future generations to meet theirs is the basis of all sustainability measures undertaken. The three primary pillars associated with corporate sustainability are social, environmental, and governance. Combined, these core components help embrace sustainability in a way that is beneficial to efficiency, sustainable growth, and shareholder value. Key activities to reduce dependency on energy and to minimise use are.

Environment: The Company has adopted an environment-friendly approach in all its initiatives, manufacturing processes and technological innovations

- GHG reduction initiatives to reduce carbon footprint include Greaves Electric Mobility & Ele E-Rickshaws that serve almost 100,000+ customers, ELE electric rickshaw and cargo solutions that serve almost 10,000+ customers on the road
- Steps taken or impact on conservation of energy include energy efficient pumps in machining and engine testing, Condition Base Monitoring (CBM) tool for efficiency improvements at LEU-I & LEU-V, procuring HPDC crankcases instead of LPDC in BS-VI diesel model and installed solar rooftop panel at two plants in Aurangabad at Chikalthana and Shendra
- 100% treated water is recycled back into process
- The Company is ISO 14001:2015 and ISO/IEC 17025:2005 certified



Social: The Company strives to work towards inclusive growth and betterment of society and the environment. It has various certifications in place including ISO 9001 / TS 16949 / EMS 14000, ISO 45001 and OHSAS 18001. The Company procures 97% of its components from local suppliers. It has partnered with several NGO/Trusts to implement CSR initiatives. It was honoured with the title of 'Great place to work'.



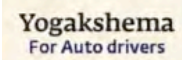
**DEEP - Development
Education Empowerment
Progress**



**PRIME - Program for Real
Independence & Mechanics
Empowerment**



**GSP - Greaves Scholarship
Program**



Yogakshema - For Auto Drivers

Governance: The Company follows Pancha Tatva meaning 5 values 1 way of life, encompassing transparency, integrity, responsibility, passion for excellence and respect. There have been no cases of unfair trade practices, irresponsible advertising and anti-competitive behaviour. All the members in audit committee and nomination and remuneration committee are non-executive.

- **Behaviour and Business Ethics:** The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. Code of Conduct is intended to help foster a culture of transparency, honesty and accountability, to provide guidance and help in recognising and dealing with ethical issues and provide mechanisms to report unethical conduct.
- **Governance Oversight Framework:** Board Members play a central role in the governance of the Company. The Board of Directors is the decision-making authority on all matters.
- **Board Skill Map Matrix:** The Board of Directors of the Company comprises of qualified members who possess relevant skills, expertise and competence for the effective functioning of the Company. The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company: Global Economics, Finance and Accounts, Sales, Marketing and Commercial, Merger and Acquisitions, Manufacturing, Quality and Supply Chain, Corporate Governance, Technology, & General Management, HR and Leadership.

CORPORATE SOCIAL RESPONSIBILITY

The Company is determined to serve the society with best intentions. The Company has always worked to be a responsible corporate citizen and to bring about a meaningful difference in the society. It has been working closely with civil society organisations and various Governments to achieve its Environmental, Social and Corporate Governance (ESG) goals. The socio-economic impact of its activities has been deeply ingrained in its ethics to conduct business. This gives hope and strength to its future endeavours by touching various goals as set by the United Nation's Sustainable Development Goals (SDGs).

EDUCATION FOR EVERYONE!

"The scholarship has enabled me to continue my studies."

Aman Chaubey
Beneficiary of
Greaves Scholarship
Program.

Siddharthnagar, UP



Keeping in mind the larger good of the society, the Company strives to work towards inclusive growth and betterment of society and the environment. Its various CSR initiatives create a positive impact on all stakeholders. During the lockdown period, the Company remained committed to stand with the nation and made significant contributions towards the society at large, such as:

- Undertook efforts to provide dry ration to the less privileged
- Provided health protection kits, hand sanitisers, and medical kits through its “You Care, We Care” program
- Installed Greaves Gensets in hospitals
- Planted trees as part of eco-green initiatives under environmental protection theme of CSR
- Helped hospitals in improving their capacity

Meanwhile, the Company also continued its routine CSR activities.

Reskilling

- Under the DEEP program, the Company undertakes reskilling and training of socio-economically deprived needy beneficiaries for their better employability and earnings
- The Stakeholder Reskilling program is aimed at training and reskilling key stakeholders including mechanics, E-rickshaw drivers, farmers, fishermen, auto drivers etc. to enhance their productivity and improve their earning opportunity

Education

- Greaves Scholarship Programme offers educational scholarship donation to underprivileged students coming from lower income group

Health

- Contribution of funds to hospital for capacity building
- Deployment of Oxygen concentrators for COVID-19 affected patients seeking medical care
- Ration kit distribution to low income groups and families whose income was affected by COVID-19 pandemic
- Health check-up for auto drivers and their families for their better and well-being

Environment

- Tree plantation drive on the coastal banks of river Cauvery, thereby enabling its restoration

COVID-19 Support

COVID-19 pandemic presents an unprecedented challenge to the entire world, calling for stronger and collaborative action from various organisations to join in the efforts and help the Government fight the pandemic. There is a compelling need for healthcare and material support along with community responsibility. The Company is extremely committed to its intention of helping the nation combat COVID-19 with all possible support.





In the face of this pandemic, the Company has undertaken the following on-ground initiatives to support some of the most pressing needs of the nation:

- Strong commitment to ensure the safety and well-being of all stakeholders, employees and the environment
- Deployment of oxygen concentrators for COVID-19 affected patients seeking medical care
- Partnered with Akshay Patra to provide ration kits to low income groups and families whose income is affected by COVID-19 pandemic
- Provided health protection kits, hand sanitisers and medical kits to several mechanics across key states through 'You Care, We Care' program
- With the help of key authorities, installed gensets in hospitals for quarantine facilities for 24x7 power supply and ease the work of COVID-19 warriors

At Greaves Cotton, caring is never an afterthought. It is a commitment made not just for challenging times but for always. It is second nature, and all initiatives are built on the commitment to organise resources, expertise, and a compassionate and resilient team to support those in need. Given the enormity and severity of the pandemic, no contribution is too big or small. The Company endeavours to help restore normalcy and combat this global health crisis through all possible means together.

HUMAN RESOURCES

Human capital is a pre-requisite for the Company to achieve its goal, to be future-ready. The Company constantly invests to motivate the employees to embrace new technologies and adopt to evolving consumer preferences. The Company devises scalable programmes and strives to align employee goals with Company

goals. Diversity, Inclusion, and Belonging continue to be a key focus area. Sustained efforts by the leadership ensure that all employees are valued, heard, respected and empowered giving them a true sense of belonging to the organisation.

The Company has been certified as a "Great Place to Work" for the second consecutive year. Treated as a 'Gold Standard' globally, in identifying and recognising great workplace cultures, this certification makes the Company an "Employer of choice".

Starting April 2021, the Company launched a pan-India COVID-19 vaccination drive for all its employees with an aim to keep the workforce healthy, improve productivity and increase morale. The Company also conducted various educational workshops and webinars, curating the most effective tools, and deploying other research-proven resources to help employees learn more about their well-being and resolve people's concerns in the best possible ways.

The Company launched an initiative to recognise and reward employees who display positive behaviour and walk an extra mile. Such behaviour is aligned with the PanchaTatva values and drives individuals and teams to go above and beyond the normal.

Assessment centres were run to identify a larger employee population, having a high potential to perform their best and build their competencies for future growth readiness of the organisation. Future Aligned Skills Training was also launched to train employees in future-focussed growth skill sets and competencies.

As on March 31, 2022, the payroll count of permanent employees was 931. The year gone by was satisfactory in terms of industrial relations of the Company with its employees and trade unions.

Awards and Recognition



Certified 2nd time in a row as 'Great Place to Work'



Social Impact Award 2021 by ACEF Asian Leaders



Automotive Hall of Fame Nov 2021 by ET Polymers



Manufacturing and Quality Excellence 2021 by Quantic



Promising Brands 2021 by ET

Board's Report

To, The Members,

The Directors have pleasure in presenting the 103rd Annual Report of Greaves Cotton Limited ("the Company" or "Greaves") on the business and operations and the Audited Financial Statements for the Financial Year ended 31st March 2022.

FINANCIAL HIGHLIGHTS

(₹ In crore)

Particulars	Consolidated		Standalone	
	Year Ended 31 st March 2022	Year Ended 31 st March 2021	Year Ended 31 st March 2022	Year Ended 31 st March 2021
Total Revenue	1732.05	1508.73	1209.18	1339.10
Profit Before Tax and Exceptional items	(14.52)	20.67	31.94	52.93
(Loss)/Gain on Exceptional Items	(2.31)	(34.46)	7.33	(34.46)
Profit/(Loss) Before Tax	(16.83)	(13.79)	39.27	18.47
Less: Provision for Tax	15.97	4.99	12.19	8.11
Profit/(Loss) for the year	(35.30)*	(18.78)	27.08	10.36
Total Comprehensive Income/(Loss) for the year	(33.23)	(17.80)	29.09	11.33
Dividend paid and Tax on Dividend	4.62	0	4.62	0
Balance of the Profit carried forward	307.18	345.03	492.69	468.22

*includes share in loss of associate amounting to ₹ 2.50 crore.

REVIEW OF OPERATIONS AND STATE OF AFFAIRS

- The Company registered total revenue of ₹ 1209.18 crore during the year under review as against ₹ 1339.10 crore in the previous financial year.
- The profit after tax was ₹ 27.08 crore for the year under review as against ₹ 10.36 crore in the previous financial year.
- The profit after tax for the year under review includes an exceptional profit of ₹ 7.33 crore as against exceptional loss of ₹ 34.46 crore in the previous financial year.
- The profit before tax and exceptional items as a percentage of total revenue for the year under review was at 2.64% as against 3.95% in the previous financial year.

During the year under review, the Company has not revised its financial statements or the report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of a judicial authority.

The Company's performance and outlook of each business has been discussed in detail in the 'Management Discussion and Analysis' which forms a part of this Annual Report.

NATURE OF BUSINESS

Greaves is one of the leading and diversified engineering companies in India with a rich legacy and brand trust of over 162 years impacting more than millions life every day. The Company operates in multiple segments namely Automotive, Non-Automotive, Aftermarket, Greaves Retail, Electric Mobility (Ampere Electric for electric scooters and other electric industrial products and e-rickshaw), Greaves Technologies and Greaves Finance. Greaves is a market leader in fuel-agnostic powertrain solutions and manufactures Cleantech powertrains for CNG, Petrol and Diesel segments. Over the years, the Company has actively participated in nation-building and continues to support the 'Make-In-India' initiative of the Government through its state-of-the-art manufacturing facilities in the country creating world-class products and solutions. The Company has a vast nationwide network with 400+ Greaves big retail centres & 6300+ smaller spare parts retail outlets across the country. During the year, there has been no change in the nature of business of the Company.

SHARE CAPITAL

The authorised share capital of the Company as on 31st March 2022 stood at ₹ 75,00,00,000 (Rupees Seventy Five Crores) divided in to 37,50,00,000 (Thirty Seven Crores Fifty Lakhs) equity shares of ₹ 2 each (Rupees Two only) and the paid-up share capital of the Company as on 31st March 2022 stood at ₹ 46,30,42,584 (Rupees Forty Six Crores Thirty Lakhs Forty Two Thousand Five Hundred and Eighty Four) divided in to 23,15,21,292 (Twenty Three Crores Fifteen Lakhs Twenty One Thousand Two hundred and Ninety Two) equity shares of ₹ 2 each (Rupees Two only).

During the year under review, there has been no change in the authorised share capital of the Company.

During the year under review, there has been a change in the paid-up share capital of the Company pursuant to allotment of 3,14,497 (Three Lakhs Fourteen Thousand Four Hundred and Ninety Seven) equity shares of ₹ 2 each (Rupees Two only) amounting to ₹ 6,28,994 (Rupees Six Lakhs Twenty Eight Thousand Nine Hundred and Ninety Four) on exercise of stock options under 'Greaves Cotton- Employee Stock Option Plan 2020' ("ESOP 2020").

TRANSFER TO RESERVES

During the year under review, ₹ 0.60 crores was transferred to reserves on account of lapse of stock options issued pursuant to ESOP 2020.

DIVIDEND

The Directors have recommended a dividend of ₹ 0.20 per share on face value of ₹ 2 per share for the financial year ended on 31st March 2022, resulting in an outflow of ₹ 4.63 crore and a dividend payout of 17.1% of the standalone profits of the Company. The Company is in compliance with the Dividend Distribution Policy as approved by the Board of Directors ("Board").

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), mandating the top 1000 listed entities, based on market capitalization calculated as on 31st March of every financial year, to formulate a Dividend Distribution Policy and disclose the same on their websites. Accordingly, the Board of the Company has adopted a Dividend Distribution Policy, which is available on the Company's website under the "Investors" section at https://www.greavescotton.com/php/media/brochure_files/dividend_distribution_policy.pdf

PUBLIC DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits from public falling under the ambit of Section 73 of the Companies Act, 2013 ("Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year under review, the Company acquired 100% equity shareholding in Greaves Technologies Limited (formerly known as Dee Greaves Limited) ("GTL") from Greaves Finance Limited (formerly known as Greaves Leasing Finance Limited) ("GFL"), wholly owned subsidiary of the Company, on 11th August 2021 and pursuant to which GTL became wholly owned subsidiary of the Company.

Greaves Electric Mobility Private Limited (formerly known as Ampere Vehicles Private Limited) ("GEMPL") acquired the balance 26% equity shareholding in Bestway Agencies Private Limited ("Bestway") on 22nd October 2021 and pursuant to which, Bestway became wholly owned subsidiary of GEMPL.

GEMPL has completed acquisition of 26% equity shareholding in MLR Auto Limited ("MLR") on 22nd October 2021 and pursuant to which MLR became an associate of GEMPL.

GTL incorporated a wholly owned subsidiary in Delaware, USA named Greaves Technologies Inc. on 23rd February 2022.

As at 31st March 2022, the Company has five subsidiaries and one associate company. During the year under review, the details of the performance of the subsidiary and associate companies are as follows:

Greaves Finance Limited (GFL)

GFL, a wholly owned subsidiary of the Company, is a non-banking finance company. It reported a total revenue of ₹ 1.02 crore and loss of ₹ 1.32 crore.

Greaves Technologies Limited (GTL)

GTL, a wholly owned subsidiary of the Company, reported a total revenue of ₹ 9.74 crore and profit of ₹ 0.12 crore.

Greaves Electric Mobility Private Limited (GEMPL)

GEMPL, a wholly owned subsidiary of the Company, involved in designing and manufacturing of electric vehicles, has reported a total revenue of ₹ 424.95 crore and loss of ₹ 31.26 crore.

Bestway Agencies Private Limited (Bestway)

Bestway, a wholly owned subsidiary of GEMPL, involved in manufacturing and supply of ELE brand E-Rickshaw and E-3Wheeler parts, has reported a total revenue of ₹ 98.12 crore and loss of ₹ 10.12 crore.

MLR Auto Limited (MLR)

MLR, an associate of GEMPL, is involved in the business of design, development, manufacture, marketing and sale of L5 three-wheelers basis the standards prescribed by Automotive Research Association of India. MLR has reported a total revenue of ₹ 8.96 crore and loss of ₹ 16.08 crore.

A statement containing salient features of the financial statements in Form AOC-1, as required under Section 129 (3) of the Act forms a part of this Annual Report.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries are available on the Company's website at <https://www.greavescotton.com/investors/financials>.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for FY 2021-22 are prepared in compliance with the applicable provisions of the Act, including Indian Accounting Standards specified under Section 133 of the Act. The Audited Consolidated Financial Statements together with the Auditors' Report thereon forms part of this Annual Report. The same is with unmodified opinion (unqualified).

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 read with Schedule V of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Company follows the principles of Corporate Governance in letter and spirit. Requirements relating to Board of Directors, its Committees, related party transactions, disclosures etc. as prescribed under Schedule V of the Listing Regulations have been duly complied with. The quarterly Corporate Governance Report confirming that the Company has complied with statutory provisions has been filed with the Stock Exchanges, where the shares of the Company are listed and also placed before the Board. A detailed report on Corporate Governance for the financial year ended 31st March 2022 along with the Statutory Auditor's certificate on compliance with the provisions of Corporate Governance under Listing Regulations, is forming part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

A separate section on Business Responsibility Report, as required pursuant to Regulation 34(2)(f) of Listing Regulations forms part of this Annual Report.

COMPLIANCE WITH THE CODE OF CONDUCT

A declaration signed by the Managing Director & Group CEO affirming compliance with the Company's Code of Conduct by the Directors and Senior Management, for the financial year 2021-22, as required under Schedule V of the Listing Regulations, forms a part of this Annual Report.

ENVIRONMENT, HEALTH AND SAFETY

The Company's manufacturing units are governed by "Environment, Health and Safety Policy" and are certified as per ISO 14001 and ISO 45001 assessment standards. The Company has various safety guidelines in place, which help identify unsafe actions or conditions at the Company premises. These guidelines form the corner stone on which the Company can operate smoothly devoid of any mishap or accidents at the work place. The Company has taken various steps to promote environment, health and safety measures across the Company which, inter alia, includes:

1. Systems implementation to ensure all safety and health precautionary measures followed across the plant like sanitization and disinfection at set frequency, distribution of arsenic album medicines to employees, thermal screening of all employees, ensuring social distancing at workplace & creating awareness among employees. Rapid antigen testing camps for all employees. COVID-19 vaccination camp for employees.
2. Complimentary health check-up and consultations facility at reputed hospital for employees and their family members.
3. Annual medical health check-up camps for all the employees followed up with data analysis, gap identification and counselling.
4. Systems implementation to ensure zero compromise on safety through 'Work permit system' and ownership of adherence to the safety norms.
5. Regular safety drives coupled with effective trainings are conducted to help spread awareness among employees on how to maintain a safe work environment.
6. The Company places equal emphasis on safety processes, behavioural safety and strives to create safety positive culture towards achieving the ultimate goal of zero accidents.
7. Increased focus on training & awareness, safety observations and various audits like Internal Audit, SMAT audit, theme based safety inspection, safety patrolling, fire equipment audit and emergency equipment audit.
8. Identification of safety hazards, near misses and accident prone areas through safety management audit.
9. Employees are also required to take a safety oath and are encouraged to actively participate in various competitions like poster, slogan, poem, essay competition during the national safety week celebration.
10. Various health programs like blood donation camps, neuropathy, eye check-up, tetanus toxoid vaccination camp and sessions on stress management, brain stroke, etc.
11. World Environment Day and Earth Day are observed on annual basis.
12. Environmental measures like planting saplings is conducted across all the facilities.
13. Development of green belts in the areas around the factory premises.
14. Various green initiatives taken at our Aurangabad plant like afforestation initiative by implementing the Japanese method of Miyawaki plantation, around 1200 saplings planted in and around plant premises under the each one plant one initiative.
15. Water conservation initiative undertaken by construction of artificial farm lakes at our Aurangabad plant.
16. Our factories are equipped with both Effluent Treatment Plant (ETP) & Sewage Treatment Plant (STP). Water is re-used for gardening purposes after treatment through these units.
17. All our plants at Aurangabad are 'Zero Liquid Discharge' plants i.e. we do not dispose any waste water to the environment or surroundings.

HUMAN RESOURCES

Fit for purpose capability is pivotal to an organisation's growth and success. At Greaves, we continued our focus on attracting, retaining and developing the right talent to meet current and future

business needs of the Company. The Company seeks to create an environment of fairness, transparency and mutual respect, wherein the aspirations of employees and goals of the enterprise are aligned to achieve mutual benefit on a continuous long-term basis.

The Company got certified as **Great Place to Work** for the second time in a row in February 2022.

We strengthened our efforts behind DEEP (Development, Education, Empowerment, Progress), a Community Partnership intervention to empower socio-economically underprivileged youth for independent livelihood by engaging them to acquire and apply fit for purpose vocational skills, thereby improving their employability for a better future. Our efforts in this area saw the Company receiving the prestigious Asian CSR Award.

In FY 2021-22, the Company hired 78 DEEP Trainees under this programme and currently we have 106 DEEP Trainees available with us. Till date we have inducted 416 DEEP Trainees.

In FY 2021-22, the relations of the Company with all its employees and trade unions remained harmonious. The payroll count of Company's permanent employees was 931 as on 31st March 2022.

Disclosures pertaining to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the requirements under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has enacted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work Place and has an Internal Complaints Committee. There were no cases filed during the year under review.

GREAVES COTTON - EMPLOYEES STOCK OPTION PLAN 2020

In order to ring fence and incentivize key talent, for driving long term objectives of the Company and ensuring that employee pay-offs match the long gestation period of certain key initiatives whilst simultaneously fostering ownership behaviour and collaboration amongst employees, the members of the Company through Postal Ballot notice dated 11th June 2020 had approved the Greaves Cotton - Employees Stock Option Plan 2020 ("the ESOP Scheme") for grant up to a maximum of 2% of the paid-up share capital of the Company having face value of ₹ 2 each ("the Options") to the eligible employees of the Company, its holding company and subsidiary(ies).

There was no change in the ESOP Scheme during the financial year under review. The ESOP Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBESE Regulations") Details of the ESOP Scheme have also been provided in notes to the standalone financial statements.

The ESOP Scheme is being administered and monitored by the Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company in accordance with the SBESE Regulations. During FY 2021-22, no employee was issued options equal to or exceeding 1% of the issued share capital of the Company at the time of grant.

In compliance with the requirements of the SBESE Regulations, a certificate from Secretarial Auditor confirming implementation of ESOP Scheme in accordance with the said regulations and shareholder's resolution, will be available electronically for inspection by the members during the Annual General Meeting ("AGM") of the Company.

During the year under review, 3,14,497 (Three Lakhs Fourteen Thousand Four Hundred and Ninety Seven) equity shares of ₹ 2 each were issued and allotted under the ESOP Scheme.

Details of the shares issued under ESOP scheme and the disclosures in compliance with SBESE Regulations, are uploaded on the Company's website at <https://www.greaves cotton.com/investors/financials>.

DIRECTORS

Executive Directors

During the year under review, the members of the Company in their 102nd AGM held on 11th August 2021 has appointed Mr. Nagesh Basavanhalli as Managing Director & Group CEO of the Company with effect from 5th November 2020 for a period of 5 (five) years and appointed Mr. Ajit Venkataraman as Executive Director of the Company with effect from 14th August 2020 for the period of 3 (three) years or his employment with the Company, whichever is earlier.

The Board, basis recommendation of the NRC, appointed Mr. Sunil Shahi as an Additional Director (Executive) with effect from 15th September 2021 for the period of 3 (three) years or his employment with the Company, whichever is earlier. Thereafter, Mr. Shahi has tendered his resignation as Executive Director of the Company with effect from the close of business hours of 26th October 2021 due to his personal reasons. The Members through Postal Ballot notice dated 27th October 2021 have approved his appointment and remuneration for a period from 15th September 2021 to 26th October 2021.

After the end of the FY 2021-22, the Board at its meeting held on 12th May 2022, basis the recommendation of the NRC, has appointed Dr. Arup Basu as an Additional Director on the Board of the Company to hold the office effective from 12th May 2022 up to the date of ensuing AGM. In the said meeting, the Board, basis the recommendation of NRC, appointed Dr. Arup Basu as an Executive Director and designated him as Deputy Managing Director for the period of 5 (five) years with effect from 12th May 2022.

Further, the NRC and Board have recommended the appointment of Dr. Arup Basu as Deputy Managing Director of the Company, to the members at the ensuing AGM.

Further, Mr. Ajit Venkataraman has tendered his resignation as Executive Director of the Company with effect from the close of business hours of 31st May 2022 due to his personal reasons.

Re-appointment of Director liable to retire by rotation

Mr. Karan Thapar retires by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment.

Profiles of Directors to be appointed/re-appointed at the ensuing AGM, as required by Regulation 36 (3) of the Listing Regulations and Secretarial Standard- 2 on General Meetings, are given in the notice of the ensuing AGM.

Independent Directors

During the year under review, the members of the Company in their 102nd AGM has appointed Mr. Kewal Handa as an Independent Director of the Company to hold the office for a second term for a period of 5 (five) years with effect from 6th May 2021.

The Board through circular resolution approved on 11th October 2021 has appointed Mr. Firdose Vandrevala as an Additional Director (Independent) of the Company with effect from 15th October 2021 to hold office for a period of 5 (five) consecutive years, subject to the approval of the shareholders. Further, the members of the Company through postal ballot notice dated 27th October 2021 has appointed Mr. Vandrevala as an Independent Director of the Company with effect from 15th October 2021 to hold office for a period of 5 (five) consecutive years.

During the year under review, Mr. Subbu Venkata Rama Behara has tendered his resignation as an Independent Director of the Company with effect from the close of business hours of 1st October 2021 due to his personal reasons. He has confirmed that there were no material reasons for his resignation. The Board places on record its appreciation for the valuable contribution made by Mr. Subbu Venkata Rama Behara during his tenure as Director of the Company.

After the end of the FY 2021-22, the Board at its meeting held on 12th May 2022, basis the recommendation of the NRC has appointed Mr. Ravi Kirpalani as an Additional Director of the Company with effect from 12th May 2022. In the said meeting, the Board basis the recommendation of NRC appointed Mr. Ravi Kirpalani as an Independent Director of the Company for a period of 5 (five) years with effect from 12th May 2022. Further, the NRC and the Board have recommended the appointment of Mr. Ravi Kirpalani as an Independent Director of the Company, to the members at the ensuing AGM.

KEY MANAGERIAL PERSONNEL

As on the date of this report, the Company has the following Key Managerial Personnel (“KMP”) as per section 2(51) of the Act:

Sr. No.	Name of the KMP	Designation
1.	Mr. Nagesh Basavanhalli	Managing Director & Group CEO
2.	Dr. Arup Basu*	Deputy Managing Director (Executive Director)
3.	Mr. Ajit Venkataraman**	Executive Director
4.	Mr. Atindra Basu	General Counsel and Company Secretary
5.	Mr. Dalpat Jain	Group Chief Financial Officer

*appointed with effect from 12th May 2022

**has tendered his resignation with effect from 31st May 2022

STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS

The Company’s Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company’s Code of Conduct.

Further, in terms of Section 150 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company are registered with Indian Institute of Corporate Affairs. In the opinion of the Board, the Independent Directors hold highest standard of integrity and possess the requisite qualifications, experience and expertise.

DIRECTORS’ RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Act, the Directors state that to the best of their knowledge and belief and according to the information and explanations obtained by them:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2022 and of the profit of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. The Directors had prepared the annual accounts on a going concern basis;
5. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Company has constituted the NRC and formulated the criteria for determining the qualifications, positive attributes and independence of a Director ("the Criteria"). The criteria include, inter alia, a person to be appointed on the Board of the Company should possess in addition to the fundamental attributes of character and integrity, appropriate qualifications, skills, experience and knowledge in one or more fields of engineering, banking, management, finance, marketing and legal, a proven track record etc. The NRC has also recommended to the Board a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees, as required under Section 178(3) of the Act. The Board at its meeting held on 4th May 2021 has amended the remuneration policy to bring it in line with the amendments in the Act and Listing Regulations. The Remuneration Policy is given in **Annexure 1** to this Board's Report and also available on the Company's website at https://www.greavescotton.com/php/media/brochure_files/GCL-Remuneration%20Policy_04.05.2021.pdf. The criteria for making payments to Non-Executive Directors is disclosed in the Corporate Governance Report which forms a part of this Annual Report.

During the year under review, the Managing Director and other Executive Directors of the Company confirms that they did not receive any remuneration or commission from any subsidiary of the Company as required under Section 197 (14) of the Act.

RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES

The information as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given as **Annexure 2** to this Board's Report. In terms of Section 136 (1) read with relevant proviso to Rule 5 of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company and others entitled thereto.

The said information shall be kept open for inspection at the Registered Office of the Company on every working day of the Company between 10 a.m. to 12 noon up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write an e-mail to investorservices@greavescotton.com.

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Company follows a structured orientation programme including presentations by key personnel, information about the various codes, policies, etc. to familiarize the Directors with the Company's operations. Presentations made at the Board/Committee Meetings, inter alia, cover the business strategies, human resource matters, budgets, initiatives, risks, operations of subsidiaries, etc. where the Directors get an opportunity to interact with the Senior Management.

The Directors' Familiarisation Programme is displayed on the Company's website at [https://www.greavescotton.com/php/media/brochure_files/Familiarisation%20Programmes%20for%20Directors%202021-22%20\(1\).pdf](https://www.greavescotton.com/php/media/brochure_files/Familiarisation%20Programmes%20for%20Directors%202021-22%20(1).pdf)

EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has established a comprehensive and participative annual process to evaluate its own performance, its Committees and the individual Directors. The performance evaluation matrix defining the criteria of evaluation was prepared by the NRC. The criteria for performance evaluation includes, inter alia, relevant experience and skills, ability and willingness to speak up, ability to carry others, ability to disagree, stand his/her ground, integrity, focus on shareholder value creation and high governance standards. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated).

During the FY 2021-22, the Independent Directors met once without the presence of the management and Non-Executive Directors. The Independent Directors inter alia discussed matters arising out of Board and Board Committee agendas, performance of the Company and other board-related matters, and to review the performance of Non-Independent Directors, the Chairman and the Board as a whole and to assess the effectiveness and promptness of the information flow inter se the Board and the management. The Lead Independent Director briefed the Board on the proceedings of the Meeting.

LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments as per Section 186 of the Act, as on the 31st March 2022 are given in the Notes to the Financial Statements.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company did not enter into any Material transaction (as defined in the Company's policy on related party transactions) with the related parties. All related party transactions are placed before the Audit Committee for review. Prior omnibus approval is obtained for related party transactions on a yearly basis for transactions which are repetitive in nature.

All other transactions of the Company with related parties were in the ordinary course of business and at an arm's length price. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable.

Details of transactions with related parties are disclosed in the Notes to the Standalone Financial Statements, forming a part of this Annual Report.

The policy on dealing with related party transactions is available on the Company's website at https://www.greavescotton.com/php/media/brochure_files/Related-Party-Transaction-Policy.pdf

NUMBER OF MEETINGS OF THE BOARD

The details of the number of Meetings of the Board and other Committees are given in the Corporate Governance Report which forms a part of this Annual Report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March 2022 is available on the Company's website at <https://www.greavescotton.com/investors/financials>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed in Rule 8 (3) of the Companies (Accounts) Rules, 2014 are given in **Annexure 3** to this Board's Report.

AUDIT COMMITTEE

The details pertaining to composition of the Audit Committee are included in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

RISK MANAGEMENT

The Company has a Risk Management Committee of Directors to oversee the risk management efforts. The Company has put in place a robust Enterprise Risk Management (ERM) Policy which covers strategic risks, operational risks, regulatory risks and catastrophic risks and provides a clear identification of "Risks That Matter (RTM)". These RTMs are periodically monitored by the Management and the Risk Management Committee. Implementation of this ERM Policy effectively supports the Board and the Management in ensuring that risks, if any, which may significantly impact the Company are adequately highlighted and mitigation actions are implemented in

a time-bound manner to reduce the risk impact. There are no risks, which in the opinion of the Board threaten the existence of the Company. However, the risks that may pose a concern are set out in the Management Discussion and Analysis Report which forms a part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has adopted a Corporate Social Responsibility ("CSR") Policy, as recommended by the CSR Committee covering the objectives, initiatives, outlay, implementation, monitoring, etc. The CSR Policy is displayed on the Company's website at https://www.greavescotton.com/php/media/brochure_files/GCL-CSR%20Policy_04.05.2021.pdf

A report on the CSR activities in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, duly signed by the Managing Director & Group CEO and the Chairperson of the CSR Committee, is given in **Annexure 4** to this Board's Report.

The Company is committed to helping people live better, making communities stronger and protecting the environment. Multiple CSR projects that can create an impact locally, while also ushering in meaningful change, are undertaken by the Company in India. These projects span diverse themes and support the building of a more inclusive society.

Under Reskilling theme

The Company's flagship programme DEEP (Development, Education, Empowerment and Progress) is focused on reskilling and training the youth from socio-economically deprived families for better employability and earning opportunities. The Company also undertook training and reskilling sessions for key stakeholders such as mechanics, e-rickshaw drivers, farmers, fisherman, auto drivers etc., in order to increase their productivity, earn ability and better customer care.

Under Education theme

The Company recognises that education has the power to change lives. Under the Greaves Scholarship Programme, financial support is extended to students from lower-income families. The objective is to make education available and accessible so that these needy students can continue their education uninterruptedly.

Under Health theme

Promoting community health and wellbeing is another focus area for the Company. This became even more important with the outbreak of the COVID-19 pandemic. The Company contributed funds for enhancing hospital capacity and deployed oxygen concentrators for COVID-19 affected patients seeking medical care. Distribution of ration kits to low-income families and conducting yoga and meditation training sessions for auto drivers

to support their physical and mental wellbeing were among other initiatives undertaken in the area of health. These community groups were among those who struggled the most due to the pandemic-induced disruption.

VIGIL MECHANISM

The Company has established a vigil mechanism, through a Whistle Blower Policy, where under, the Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct. It provides direct access to the employees of the Company to approach the Compliance Officer or the Chairperson of the Audit Committee, where necessary. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimisation. The Whistle Blower Policy is available on the Company's website at https://www.greavescotton.com/php/media/brochure_files/Whistle%20Blower%20Policy.pdf

INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

To safeguard its assets and ensure efficient productivity at all levels, the Company has robust internal control systems in place, commensurate with the size and industry in which it operates. The internal control systems and benchmarks conform to the globally accepted framework as issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control - Integrated Framework (2013). The Company ensures that the systems are periodically upgraded to keep pace with changing norms and ensures their effectiveness.

The internal controls are designed to ensure that the following conditions are met with:

- Operations are effective and performed efficiently
- Assets are adequately safeguarded
- Frauds and errors are prevented and detected in time
- Accounting records are accurate and complete across all businesses
- Financial information is prepared on time and are reliable

In addition, standardised operating procedures, policies and guidelines, regular monitoring procedures and self-assessment exercises are also followed. All employees are required to adhere to the Code of Conduct in their regular work.

Employees are benefited by a well-defined whistle blower policy that ensures and encourages reporting of any misconduct, unethical behaviour or any behaviour with possibility of conflict of interest. Highest standards of integrity and transparency are adhered to, and further encouraged by a self-monitoring mechanism.

During the fiscal year, key controls were adequately tested and appropriate measures were initiated where deviation from standard practices was identified. The Internal Auditors and Corporate Assurance Department monitors and controls the effectiveness of the internal control systems. The implementation of the corrective actions and improvements in business processes are regularly followed up by the Corporate Assurance Dept. It is also committed in ensuring that the operations are carried out within the purview of applicable laws and statutory requirements.

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (FRN.: 117366W/W-100018) were re-appointed as Statutory Auditor of the Company at the 101st AGM to hold the office till the conclusion of the 106th AGM of the Company.

The Statutory Auditor has confirmed that they continue to remain eligible to act as the Statutory Auditor of the Company.

STATUTORY AUDITORS' REPORTS

Reports issued by the Statutory Auditors on the Standalone and Consolidated Financial Statements for the financial year ended 31st March 2022 are with unmodified opinion (unqualified).

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

The Statutory Auditor of the Company has not reported any instances of fraud as specified under the second proviso to Section 143(12) of the Act.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The severe second wave of the COVID-19 pandemic had a significant humanitarian and economic impact. One of the worst hit sectors was automobiles and engineering business. The outbreak of the second wave of COVID-19 pandemic and the measures adopted by the health authorities to mitigate its spread such as travel restrictions, lockdown, restrictions on mass transportation and quarantine measures have impacted our economy and the last mile mobility sectors. These measures impacted Company's operations in the first half of FY 2021-22 including the automotive, non-automotive and retail sectors. During the year, there was a shift to the newer technologies i.e. ICE vehicles were replaced with electric mobility and alternate fuels having a mid-term impact which in turn impacted the overall performance of the Company. Further, we also witnessed Geo political issues in several parts of the world, resulting in the disruption of global supply chains and unprecedented volatility in commodity costs. However, the recovery was seen in the latter half of the financial year. The Company expects to recover the carrying value of assets, based on its assessment of the business/economic conditions and will continue to evaluate the pandemic related

uncertainty and update its assessment. The Company has been focused on investing in technology, building capability and capacity, building empowered teams and developing technology enabled processes across all our business value chains to deliver tangible value to both our customers and shareholders. The Company has also undertaken diversification to the newer businesses which have started yielding results.

Our business practices and strong enterprise risk management framework (ERM) has helped in dealing with such an unprecedented crisis. The Company has taken various initiatives to improve its market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance. The Company has well diversified its products portfolio and has emerged as strong player in emerging segments of last mile mobility. Further, the Company will continue to focus on further localizing supply chain ecosystem, strong product innovation, powerful brands, enhanced physical and digital distribution network.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company engaged the services of M/s. Pradeep Purwar & Associates, Company Secretary in Practice, to conduct the Secretarial Audit of the Company for the financial year ended 31st March 2022.

The Secretarial Audit Report (Form MR- 3) is attached as **Annexure 5** to this Board's Report. The said report is unqualified.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the FY 2021-22 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by the Company Secretary in Practice is available on the Company's website at <http://www.greavescotton.com/investors/corporate-announcements>.

MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 (1) of the Act read with clause (ix) of Rule 8(5) of the Companies (Accounts) Rules, 2014, adequate Cost accounts and records are made and maintained by

the Company as specified by the Central Government and the Cost Audit Report, for the year ended 31st March 2021, was filed with the Central Government within the prescribed time.

COST AUDITORS

Pursuant to the provisions of Section 148 (3) of the Act, the Board has appointed M/s. Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration Number: 000030), as the Cost Auditor of the Company to conduct an audit of the cost records maintained by the Company for the financial year ending 31st March 2023.

As required under the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors must be placed before the members at a general meeting for ratification. Hence, a resolution for the same forms part of the notice of the ensuing AGM.

OTHER DISCLOSURES

The Directors confirm that during the financial year under review-

- there were no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations;
- there was no issue of equity shares with differential rights as to dividend, voting or otherwise;
- there was no issue of shares (including sweat equity shares) to the employees of the Company under any scheme, other than ESOP Scheme and there are no shares held in trust for the benefit of the employees of the Company.

ACKNOWLEDGEMENT

The Board wishes to place on record its appreciation for all the employees for their hard work, solidarity, cooperation and dedication during the year.

The Board sincerely conveys its appreciation to other stakeholders for their continued support.

For and on behalf of the Board

Mumbai
12th May 2022

Karan Thapar
Chairman
DIN: 00004264

Annexure 1

REMUNERATION POLICY

PREAMBLE AND TITLE

This Policy shall be called the Remuneration Policy (the "Policy").

The Board of Directors (the "Board") at their meeting held on 4th May 2021 has approved and adopted this revised Policy, on the recommendation of the Nomination and Remuneration Committee ("NRC"), in compliance with the requirements under the provisions of the Companies Act, 2013 and rules made thereunder ("the Act"), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as amended from time to time.

OBJECTIVE

This Policy is intended to achieve the following objectives:

- a) To provide framework for remuneration of the Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel and align with the Company's business strategies, values, key priorities and goals.
- b) To provide for rewards linked directly to the effort, performance, dedication and achievement of Company's targets by the employees.

SCOPE

This Policy does not cover temporary or contractual employees, trainees, apprentices, consultants engaged on a retainer basis or otherwise and casual labour.

DEFINITIONS

- a) "**Applicable Law**" includes any statute, law, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, notification and clarification or other governmental instruction and/or mandatory standards as may be applicable to the Company from time to time.
- b) "**Company**" means Greaves Cotton Limited.
- c) "**Employee**" means any person who is in the permanent employment of the Company.
- d) "**Senior Management Personnel**" means officers/personnel of the Company who are members of management one level below the chief executive officer/managing director/whole time director/manager and shall specifically include chief financial officer and company secretary (except administrative support staff/executive assistants), including the Functional Heads.

Words and expressions not defined in this policy shall have the same meaning as contained in the Act and the Listing Regulations.

FOR BOARD MEMBERS

- a) The overall limits of remuneration of the board members including executive board members (i.e.) managing director, whole-time director, executive directors etc.) are governed by the provisions of section 197 of the Act read with the Rules and Schedules made thereunder and shall be approved by the shareholders of the Company.
- b) Within the overall limit approved by the shareholders, on the recommendation of the NRC, the Board shall determine the remuneration. The Board can determine different remuneration for different directors on the basis of their role, responsibilities, duties, time involvement, etc.
- c) While determining the remuneration to Directors, KMP, Senior Management Personnel and other employees, the following shall be ensured:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, KMP, senior management and other employees of the quality required to run the Company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate benchmarks; and
 - Remuneration to directors, KMP, senior management and other employees involves a balance of fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

REMUNERATION TO MANAGING DIRECTOR/WHOLE-TIME DIRECTOR

The shareholders shall approve maximum permissible amount which can be paid to the Managing Director/Whole-time Director. Within the overall limits approved by the shareholders, on the recommendation of the Nomination and Remuneration Committee, the Board shall have the authority to revise the remuneration from time to time.

The Managing Director/Whole-time Director (other than promoters) shall also be eligible for the grant of stock options, under the applicable Employee Stock Option Scheme of the Company, as may be decided by the Nomination and Remuneration Committee from time to time.

REMUNERATION TO NON-EXECUTIVE DIRECTORS

Pursuant to the provisions of section 197 of the Act and the shareholders' approval, the Board has approved the following remuneration for Non-Executive Directors (including Independent Directors):

Non-Executive Directors shall be entitled to sitting fees for attending meetings of Board and Committee thereof. The amount of sitting fees shall be within the limits as prescribed under the Act and as approved/revised by the Board of Directors from time to time.

The eligibility and the amount of commission to be paid to Non-Executive Directors shall be recommended by the NRC on the basis of the Directors' contribution in terms of time devoted, technical expertise provided by them as measured by:

1. Number of Meetings attended
2. Role and contribution as Chairman/Member of the Board
3. Role and contribution as Chairman/Member of the Committee
4. Additional responsibility/contribution outside the Meetings

The Non-Executive Directors shall be entitled to such commission as approved by the Board within the overall limits approved by the shareholders as prescribed under the applicable provisions of the Act.

The sitting fee shall be payable immediately after the board/board committee meeting to those directors who attend the meeting. The Commission shall be payable at the end of the financial year after approval of the annual financial statements by the Board/Shareholders.

The Independent Directors will not be entitled for grant of Stock Options.

All the Directors shall be entitled to reimbursement of reasonable expenditure incurred by him/her for attending Board/Committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training programmes and in obtaining professional advice from independent advisors in furtherance of his/her duties as a director.

REMUNERATION TO KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES (NOT BEING A DIRECTOR)

The Managing Director & Group CEO shall propose the remuneration for the KMPs to the NRC. The Board shall have the final authority to approve the remuneration based on recommendation of NRC.

The remuneration including revision in remuneration of Senior Management Personnel and other employees shall be decided

by the Human Resources Department in consultation with the matrix manager within the overall framework of compensation and appraisal practices of the Company and under the overall authority of the Managing Director & Group CEO.

The remuneration may include basic salary, allowances, perquisites, performance linked incentive, retirement benefits, joining/retention bonus, long-term or retention incentives, leave travel concessions, ex-gratia/one-time payments, medical benefits, housing/other loans at concessional rates, severance package or any other component/benefits.

The Key Managerial Personnel, Senior Management Personnel and other employees of the Company (not being a Director) shall also be eligible for grant of stock options, wherever deemed fit, under the applicable Employee Stock Option Scheme of the Company, as may be decided by the NRC from time to time.

DIRECTORS AND OFFICERS LIABILITY INSURANCE POLICY

All directors and officers (including Key Managerial Personnel and Senior Management Personnel) of the Company would be covered by the requisite Directors and Officers Liability Insurance Policy.

ADMINISTRATION, REVIEW AND AMENDMENT OF THE POLICY

The NRC shall monitor and periodically review the Policy and recommend the necessary changes to the Board for its approval.

The Compliance Officer of the Company is authorised to amend the policy to give effect to any changes/amendments notified by Ministry of Corporate Affairs or the Securities and Exchange Board of India or any other regulatory authority. The amended policy shall be placed before the Board for noting and ratification.

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

For and on behalf of the Board

Karan Thapar

Chairman

DIN: 00004264

Mumbai
12th May 2022

Annexure 2

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22:

Name	Designation	Ratio to Median Remuneration	% Increase in Remuneration in FY 21-22
Mr. Karan Thapar	Chairman	6.90:1	17.78
Mr. Nagesh Basavanhalli*	Managing Director and Group CEO	244.88:1	172.72
Mr. Ajit Venkataraman**	Executive Director	47.04:1	76.78
Mr. Sunil Shahi***	Executive Director	13.97:1	-
Mr. Arvind Kumar Singhal	Independent Director	2.90:1	16.77
Mr. Kewal Handa	Independent Director	3.05:1	9.43
Ms. Sree Patel	Independent Director	2.98:1	17.18
Mr. Vinay Sanghi	Independent Director	2.15:1	10.32
Mr. Subbu Venkata Rama Behara#	Independent Director	1.56:1	-
Mr. Firdose Vandrevala##	Independent Director	1.34:1	-
Mr. Atindra Basu	General Counsel & Company Secretary	32.63:1	42.37
Mr. Dalpat Jain###	Group Chief Financial Officer	27.75:1	-

Notes:

The % increase of remuneration is provided only for those Directors and KMP who have drawn remuneration from the Company for full financial year 2022 and full financial year 2021.

* Remuneration of Mr. Nagesh Basavanhalli includes perquisite value of 2,76,807 stock options exercised during the financial year 2021-22 under Greaves Cotton - Employees Stock Option Plan 2020.

** Tendered his resignation with effect from 31st May 2022.

*** Remuneration of Mr. Sunil Shahi includes perquisite value of 37,690 stock options exercised during the financial year 2021-22 under the Greaves Cotton - Employees Stock Option Plan 2020, further Mr. Shahi resigned with effect from 26th October 2021.

Resigned with effect from 1st October 2021.

Appointed with effect from 15th October 2021.

Mr. Dalpat Jain was appointed as Chief Financial Officer of the Company with effect from 10th February 2021. The remuneration received in Financial Year 2022 is not comparable with the remuneration received in Financial Year 2021 and hence the % increase in remuneration in Financial Year 2022 is not stated.

- II. The percentage increase/(decrease) in the median remuneration of employees in the financial year: (18.61%)
- III. The number of permanent employees on the rolls of the Company as on 31st March 2022: 931
- IV. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average increase in remuneration for Employees other than managerial personnel is 7.7% and Average increase in for managerial personnel is 7.31%
- V. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes it is confirmed.

Annexure 3

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of energy

(i) Steps taken or impact on conservation of energy

- Energy efficient pumps in Machining and Engine testing.
- Initiative taken to convert Shop floor lighting in to energy efficient lighting system including conversion to LED Lighting.
- Power saving through use of Condition Base Monitoring (CBM) tool for efficiency improvements at LEU-I & LEU-V.
- Installation of Variable Frequency Drive (VFD).
- Replacement of high energy consuming air dryer of air compressor with energy saver model.
- New air end to air compressor.
- Higher wattage blower motors replaced with lower wattage motors.
- Greaves has started procuring HPDC Crankcases instead of LPDC in BSVI Diesel model. This technology shift has benefitted in reducing machining stocks and cycle time.

(ii) Steps taken by the Company for utilizing alternate source of energy

Solar rooftop system- 950Kw installed at LEU-I & 900Kw at LEU-V manufacturing facility in Aurangabad.

(iii) Capital investment on energy conservation equipment

Nil

B. Technology absorption

(i) Efforts made towards technology absorption

1. The Company has launched single cylinder Mono fuel CNG engine meeting BSVI emission norms on 3 wheeler Passenger and Cargo vehicle. This is in-house design and development by our R&D team and developed electronically controlled state of art engine which is best in class and delivers superior performance over in this segment.
2. The CNG engines have been productionised in two variants namely monofuel & bi-fuel, both of which are receiving good response from the customers.
3. The Company has also developed 700 cc Diesel Engine for tractor applications.

4. The Company has successfully expanded, through its in house R&D offerings in the industrial engines space by achieving the FM® (Factory Mutual) & UL® (Underwriters Laboratory) certification for a wide range of its fire-fighting pump set engines (39 engine ratings).
5. The Company has put a greater R&D focus on the technology development for the upcoming CPCBIV+ norms to bring innovative and frugal solutions for the market.
6. The Company has started the commercial production of Smart Gensets which are IoT enabled with advanced features like remote monitoring and proactive diagnostics of a range of diesel generator systems. This has potential to vastly improve both the product as well as service offerings of the company.
7. The Company has successfully developed/ upgraded small off highway engines for domestic and export market meeting Euro stage 5 emission norms. In this segment, the Company has improved performance of existing engines to meet customer requirement and ensure competitiveness in the market.
8. The Company has given equal focus on product development in Farm business and demonstrated new concepts of light Power tiller with more than 20% weight reduction. Development of efficient OHV series gasoline engines for Farm business Applications like pump sets, seeders and reapers.
9. Development and Establishment of Centre of Excellence for CAE and Engine Management System which has supported speedy development of BSVI engines and other engine development for Farm and Industrial engine business products.

Manufacturing Technology Up gradation: Digitalization and Automation at Greaves: -

In continuation to Digitisation journey for development of processes for BS VI engines, Greaves has very well strengthened processes by establishing the controls through digitisation. In addition to data storage over cloud, digital controls are enforced to ensure defect free engines passing to customers.

Digital controls been added in engine assembly and engine testing areas by providing limit values for critical parameters like, Crankshafts axial play, Piston Protrusion, Frictional torque of the engine, critical joint tightening torques, etc, for assembly area. In engine

testing parameters like torque, smoke, SFC, etc. has been provided with limiting values. These digital controls do not allow any defective product to pass through the process thus improving the reliability of the products. In machine shop, End of Line facility for automatic measurement and recording of critical to Quality parameters is provided for BSVI Crankshafts. In addition to this, we have implemented the industry 4.0 concept named as the 'Machine Talk' project, which provides inputs on the various machine and production parameters. We are taking forward this journey of digitization to our stores management for parts traceability and stock level accuracy.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution

1. Launch of new BS VI diesel engine has helped the Company in business growth, build of brand image and build of customer trust on our capabilities. New engine is delivering best in class performance, robust emission and higher useful life. All lessons learnt in BSIV product and process, are incorporated in BS VI engine.
2. To enhance the competitiveness of the product in diesel generator segment, our product features are improved in terms of compact size, improved performance and best in class fuel economy.
3. Techniques of Value Analysis/Value Engineering (VA/VE) have been adopted to enhance the value proposition and drive costs down across the board through "Propel 2.0" initiative.
4. Cost reduction, weight reduction without compromising product performance implemented in all products of auto engines, industrial engines, generator and farm equipment products.

5. Product development time minimized by utilization of project management tools, simulation and analysis and systematic design reviews.

(iii) In case of imported technology

Details of Imported Technology: Not applicable

The year of import: Not applicable

Whether the Technology is fully absorbed: Not applicable

(iv) Expenditure on R&D

Particulars	Amount (₹ In crore)
Capital	1.56
Revenue	17.02
Total	18.58

The total R&D expenditure as a percentage of Revenue from Operations: 1.58% (2020-21: 1.77%)

C. Foreign Exchange earnings and outgo

Particulars	Amount (₹ In crore)
Inflow	41.53
Outflow	25.34

For and on behalf of the Board

Karan Thapar

Chairman

DIN: 00004264

Mumbai
12th May 2022

Annexure 4

Annual Report on the CSR activities pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended

1. A brief outline of the Company's CSR policy:

The Company believes that CSR is a process by which an organization thinks about its relationships with the stakeholders and integrates its economic, environmental and social objectives in such a manner that it will contribute for the social good.

The Company's CSR initiatives have an underlying rationale of 'benefitting the community at large'. The Company is focussed on identifying the communities/beneficiaries of the projects and understanding their needs. The Company has adopted the CSR Theme of working on Reskilling, Health, Education and Environment.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Sree Patel	Chairperson/Independent Director	4	4
2	Mr. Sunil Shahi*	Member/Executive Director	1	0
3	Mr. Arvind Kumar Singhal**	Member/Independent Director	3	3
4	Mr. Ajit Venkataraman***	Member/Executive Director	3	3
5	Mr. Firdose Vandrevala#	Member/Independent Director	1	1
6	Dr. Arup Basu##	Member/Deputy Managing Director	N.A.	N.A.

* inducted as member with effect from 15th September 2021 and resigned with effect from 26th October 2021.

** ceased to be a member with effect from 27th October 2021.

*** ceased to be member with effect from 15th September 2021 and again inducted as member with effect from 27th October 2021, further ceased to be a member with effect from 13th May 2022.

inducted as a member with effect from 27th October 2021.

inducted as a member with effect from 13th May 2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR Committee – The Composition of CSR committee can be accessed at [http://www.greavescotton.com/php/media/brochure_files/Composition%20of%20Committees_13.05.2022%20\(1\).pdf](http://www.greavescotton.com/php/media/brochure_files/Composition%20of%20Committees_13.05.2022%20(1).pdf)

CSR Projects: The Board, based on the recommendation of the CSR committee has approved the annual action plan/projects for FY 2022-23, the details of which are available on the website at <http://www.greavescotton.com/csr>

The Company has adopted a CSR Policy in compliance with the provisions of the Act and the same is available on the website at http://www.greavescotton.com/php/media/brochure_files/GCL-CSR%20Policy_04.05.2021.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – Not Applicable

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
-	-	-	-

6. Average net profit of the company as per section 135(5): ₹ 143.38 Crore

7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 2.87 Crore

(b) Surplus arising out of the CSR projects, programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 2.87 Crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) (in ₹)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2.87 Crore	0	0	N.A.	N.A.	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year:

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	
(₹ In lakhs)											
Sr. No. of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR Registration Number	
			State	District					Name		
1	Health Support	Yes	Maharashtra	Mumbai	3 years (2021-22 – 2023-2024)	29.70	29.70	-	Yes	N.A.	N.A.
2	Tree plantation	Yes	Karnataka/ Tamil Nadu	Cauvery Basin	3 years (2021-22 – 2023-2024)	4.00	4.00	-	No	Isha Foundation	CSR00009670
3	Educational Scholarship	Yes	Delhi (UT), Haryana, UP, Maharashtra	New Delhi, Gurgaon, Noida, Mumbai etc	3 years (2021-22 – 2023-2024)	1.14	1.14	-	No	Pratigya Education	CSR00000811
4	Stakeholder Reskilling*	Yes	Karnataka, Punjab, West Bengal, Bihar, Andhra Pradesh, Tamil Nadu	Bengaluru, Gangarampur, Ludhiana, Gaya etc	3 years (2021-22 – 2023-2024)	17.50	17.50	-	No	Hawwabai Education & Welfare Society	CSR00012777
5	DEEP-Reskilling Program	Yes	Maharashtra, Tamil Nadu	Aurangabad, Ranipet	3 years (2021-22 – 2023-2024)	206.50	206.50	-	No	Yuvasakti Foundation	MAH 1132/2007/ Pune 410019 (MAH)
6	Health Check-up for Auto Drivers & their Family	Yes	New Delhi	New Delhi	3 years (2021-22 – 2023-2024)	3.11	3.11	-	No	Spherule Foundation	CSR00000769

* The Reskilling CSR projects of Mechanics, E-Rickshaw and Autodrivers, Farmers and Fisherman have been categorised under the category of Stakeholder driver training. The activities have been grouped for better impact on the beneficiaries.

(C) Details of CSR amount spent against other than ongoing projects for the financial year: (₹ In Lakhs)

1.	2.	3.	4.	5.		6.	7.	8.	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Oxygen concentrator Deployment	Promoting Healthcare	Yes	Maharashtra, Karnataka, Tamil Nadu	Aurangabad, Mumbai, Ranipet, Bengaluru	8.73	Yes	N.A.	N.A.
2	Ration Kit Distribution	Promoting Healthcare	Yes	Maharashtra	Thane	2.00	No	Akshaya Patra Foundation	CSR00000286

(d) Amount spent in Administrative Overheads: ₹ 0.14 Crore**(e) Amount spent on Impact Assessment, if applicable:** Not Applicable**(f) Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 2.87 Crore**(g) Excess amount for set off, if any:** Nil

Sr. No	Particular	Amount (₹ in Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	2.87
(ii)	Total amount spent for the Financial Year	2.87
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: (₹ In Lakhs)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2020-21	71.00	71.00	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(₹ In Lakhs)

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed/ Ongoing
1.	-	CSR- Health Support	20-21	3 years	20.00	20.00	20.00	Completed
2.	-	CSR- Tree plantation	20-21	3 years	5.00	5.00	5.00	Completed
3.	-	CSR- Education Scholarship	20-21	3 years	14.00	14.00	14.00	Completed
4.	-	CSR- Mechanics Empowerment Program (PRIME)	20-21	3 years	8.00	8.00	8.00	Completed
5.	-	CSR- Trade enhancement program (START)	20-21	3 years	8.00	8.00	8.00	Completed
6.	-	CSR- Farmer Productivity Enhancement Program (Krisha/ Krishak/Krishify)	20-21	3 years	8.00	8.00	8.00	Completed
7.	-	CSR- Rozgar program (E rickshaw Drivers)	20-21	3 years	8.00	8.00	8.00	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) **Date of creation or acquisition of the capital asset(s):** Not Applicable
- (b) **Amount of CSR spent for creation or acquisition of capital asset:** Not Applicable
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable
- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable**Nagesh Basavanhalli**

Managing Director and Group CEO
DIN: 01886313

Sree Patel

Chairperson of CSR Committee
DIN: 03554790

Mumbai
12th May 2022

Annexure 5

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

UDIN: F005769D000306608

To,
The Members,
Greaves Cotton Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Greaves Cotton Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Ltd.

Provisions of the following Act, Regulations and Guidelines were not attracted to the Company for the financial year under review:-

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above to the extent applicable.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is generally given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there were no dissenting members' views which were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the Audit Period, the Company had allotted 3,14,497 Equity Shares on exercise of stock options under 'Greaves Cotton – Employee Stock Option Plan 2020' ('ESOP 2020').

For **Pradeep Purwar & Associates**

Company Secretaries

[Unique Identification No.: S2003MH071600]

[PR: 599/2019]

Pradeep Kumar Purwar

Proprietor

FCS No. 5769

CoP No. 5918

Place: Thane

Date: 12th May 2022

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth for sustainable development of all stakeholders.

Corporate Governance practices constitute the strong foundation on which successful organizations are built to last. The Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. The Company always aims towards building trust and enhancing its stakeholders' values on a sustainable basis. The Company strives to promote good governance practices through "Pancha Tatva – 5 values 1 way of life" encompassing Transparency, Integrity, Responsibility, Passion for Excellence and Respect, towards all its stakeholders. Effective Corporate Governance practices have been the Company's hallmark inherited from its culture and ethos.

2. BOARD OF DIRECTORS ('Board')

2.1 Composition of Board:

The composition of the Board of the Company is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Board consists of experienced and eminent professionals with expertise in varied fields. The composition of the Board, an optimum mix of Independent, Non-Executive and Executive Directors, including an Independent Woman Director is in line with the provisions of the Companies Act, 2013 ('the Act') and the Listing Regulations as amended from time to time. The profile of Directors is available at <https://www.greavescotton.com/about-us>. The day-to-day management of the Company, under the superintendence of the Board, is vested with the Managing Director and Group CEO, who is supported by a competent Management team. He is responsible for the business performance, driving growth and implementation of the strategic decisions taken at the Board level.

The Chairman of the Company is the Non-Executive Director and is not related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Act. Thus, an effective independent Board, the separation of supervisory role from executive management and the constitution of committees to oversee critical areas are a reflection of the Company's commitment to good corporate governance. There is no relationship between the Directors inter se.

The composition of the Board and Directorship/Committee positions of the Directors in other public companies are as follows:

Name	Date of Appointment	Position/Category	Directorships in other Indian Public Limited Companies ¹	No. of Board Committees in which Chairman/Member ²	
				Chairman	Member
Mr. Karan Thapar (DIN: 00004264)	29/09/1991	Promoter-Chairman/ Non-Executive Director	2	-	1
Mr. Nagesh Basavanhalli (DIN: 01886313)	14/08/2020	Managing Director and Group CEO	2	-	1
Dr. Arup Basu# (DIN: 02325890)	12/05/2022	Additional Director (Deputy Managing Director)	-	-	-
Mr. Ajit Venkataraman* (DIN: 07289950)	14/08/2020	Executive Director	-	-	-
Mr. Arvind Kumar Singhal (DIN: 00709084)	01/11/2013	Independent Director	3	1	3
Mr. Kewal Handa (DIN: 00056826)	06/05/2016	Independent Director	8	4	6
Ms. Sree Patel (DIN: 03554790)	14/02/2017	Independent Director	-	-	-
Mr. Vinay Sanghi (DIN: 00309085)	04/08/2017	Independent Director	2	-	2
Mr. Firdose Vandrevala** (DIN: 00956609)	15/10/2021	Independent Director	1	-	-
Mr. Ravi Kirpalani# (DIN: 02613688)	12/05/2022	Additional Director (Independent)	1	1	2

1. Excludes directorships in private companies, foreign companies and alternate directorships.
2. Includes only Audit Committee and Stakeholders' Relationship Committee of other Indian public limited companies as on 31st March 2022

**tendered his resignation with effect from 31st May 2022*

***appointed by the Shareholders as Independent Director through Postal Ballot with effect from 15th October 2021*

#appointed with effect from 12th May 2022

Mr. Subbu Venkata Rama Behara, Independent Director resigned from the Board of the Company with effect from 1st October 2021 due to his personal reasons. He has confirmed that there were no material reasons for his resignation other than the one stated above.

Mr. Sunil Shahi resigned as Executive Director from the Board of the Company with effect from 26th October 2021 due to his personal reasons.

Mr. Ajit Venkataraman has tendered his resignation as Executive Director of the Company with effect from the close of business hours of 31st May 2022 due to his personal reasons.

Based on the declarations received, the Board also confirms that the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the Management.

The Directorships of the Board members in other listed entities along with the category of directorships is attached as **Annexure A**.

2.2 Board Skill Matrix

The Board of Directors of the Company comprises of qualified members who possess relevant skills, expertise and competence for the effective functioning of the Company. In compliance with the Listing Regulations, the Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company:

Global Economics	Understanding of diverse business environments, regulatory framework, economic & political conditions and cultures globally
Finance and Accounts	Proficiency in financial management, financial reporting process, budgeting, treasury operations, audit and capital allocation
Sales, Marketing and Commercial	Experience in strategizing market share growth, building brand awareness and enhancing enterprise reputation
Merger and acquisitions	Examining M&A deals for inorganic growth in line with the Company's growth strategy
Manufacturing, Quality and Supply Chain	Operational expertise and technical know-how in the area of manufacturing, quality and supply chain
Corporate Governance	Protection of stakeholders' interest, observing best governance practices and identifying key governance risks
Technology	Research & development, Quality development and product management
General management, HR and Leadership	General know-how of business management, talent management and development, workplace health & safety

Basis the above-mentioned skill matrix, the skills which are currently available with the Board have been mapped below:

Name	Global Eco-nomics	Finance and Accounts	Sales, Marketing and Commercial	Merger and acquisitions	Manufacturing, Quality and Supply Chain	Corporate Governance	Technology	General management, HR and Leadership
Mr. Karan Thapar	✓	✓	✓	✓	✓	✓	-	✓
Mr. Nagesh Basavanhalli	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Arup Basu	✓	-	✓	✓	✓	✓	✓	✓
Mr. Ajit Venkataraman	✓	-	✓	✓	✓	✓	✓	✓
Mr. Arvind Kumar Singhal	✓	✓	✓	✓	✓	✓	-	✓
Mr. Kewal Handa	✓	✓	✓	✓	-	✓	✓	✓
Ms. Sree Patel	✓	✓	✓	✓	-	✓	✓	✓
Mr. Vinay Sanghi	✓	✓	✓	✓	-	✓	✓	✓
Mr. Firdose Vandrevala	✓	✓	✓	✓	✓	-	✓	✓
Mr. Ravi Kirpalani	✓	-	✓	✓	✓	✓	✓	✓

2.3 Attendance of each Director at the Board Meetings and at the Annual General Meeting ('AGM')

During the financial year 2021-22, the Board met six times i.e. on 4th May 2021, 4th August 2021, 11th August 2021, 26th October 2021, 15th December 2021 and 8th February 2022. The Board met at least once in every calendar quarter and the gap between any two Board Meetings did not exceed 120 days. The quorum for every Meeting of Board was met as per the Act and the Listing Regulations. The 102nd AGM of the members of the Company was held on 11th August 2021 at 4:00 p.m. IST through Video Conferencing/Other Audio Visual Means in compliance with the applicable provisions of the Act, rules framed thereunder and Listing Regulations read with related circulars issued by Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI').

The details of the attendance of the Directors at the meetings are as follows:

Name	Number of Board Meetings attended	Attendance at 102 nd AGM
Mr. Karan Thapar	6 of 6	Yes
Mr. Nagesh Basavanhalli	6 of 6	Yes
Dr. Arup Basu#	N.A.	N.A.
Mr. Ajit Venkataraman##	6 of 6	Yes
Mr. Arvind Kumar Singhal	5 of 6	Yes
Mr. Kewal Handa	6 of 6	Yes
Ms. Sree Patel	6 of 6	Yes
Mr. Vinay Sanghi	5 of 6	No
Mr. Subbu Venkata Rama Behara*	3 of 3	Yes
Mr. Firdose Vandrevala**	3 of 3	N.A.
Mr. Sunil Shahi***	0 of 1	N.A.
Mr. Ravi Kirpalani#	N.A.	N.A.

*resigned with effect from 1st October 2021

**appointed with effect from 15th October 2021

***appointed with effect from 15th September 2021 and resigned with effect from 26th October 2021

#appointed with effect from 12th May 2022

##tendered his resignation with effect from 31st May 2022

2.4 Conduct of Board Meetings

The Board meets at least once in a calendar quarter to, inter alia, approve the quarterly financial results and the strategic business plan. The annual calendar of Board Meetings is tentatively agreed upon at the beginning of each year. Additionally, Board Meetings are convened to transact special business, as and when necessary.

Agenda papers, containing all relevant information, including information as specified in Part A of Schedule II to the Listing Regulations are made available to the Board well in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Presentations are also made to the Board by Business and Function Heads on operations and various issues concerning the Company. The Directors also have independent access to the Senior Management at all times. The draft Minutes of the Meetings are circulated to the Directors for their comments and the final Minutes are thereafter entered into the Minutes Book.

The Directors are also provided with video conferencing facilities to enable them to participate in the meetings. During the year, due to the prevailing COVID-19 pandemic and travel restrictions, all the Board and the Committee meetings of the Company were conducted through Video Conferencing/Other Audio Visual means. The meetings and agenda items taken up during the meetings were in compliance with the Act and Listing Regulations read with various circulars issued by MCA and SEBI due to COVID-19 pandemic.

3. COMMITTEES

As mandated by the Act and Listing Regulations, the Company has constituted an Audit Committee, a Nomination and Remuneration Committee, a Stakeholders' Relationship & Share Transfer Committee, a Corporate Social Responsibility ('CSR') Committee and a Risk Management Committee. The functioning of each of these Committees is regulated by the specific terms of reference, roles and responsibilities and powers as detailed in their respective Charters.

The Company Secretary of the Company acts as the Secretary to these Committees.

The Minutes of the Meetings of all these Committees are placed before the Board for noting. Declarations regarding committee memberships/chairmanships, of the specified committees in other public limited companies as on 31st March 2022 have been received

from the Directors. None of the Directors is a member of more than ten committees or Chairperson of more than five committees across all companies in which he/she is a Director.

3.1 Audit Committee:

The Audit Committee ('Committee') monitors and provides effective supervision of the Management's financial reporting process with a view to ensure accurate, timely and proper disclosures in the financial statements/results and the transparency, integrity and quality of financial reporting.

3.1.1. Terms of reference in brief

The primary role of the Committee, inter alia, is that of:

- i. oversight of the financial reporting process and disclosure of financial information;
- ii. recommending the appointment, remuneration and terms of appointment of the auditors of the Company;
- iii. reviewing with Management, the quarterly and annual financial statements and the auditor's report thereon;
- iv. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- v. approving or any subsequent material modification of transactions with related parties;
- vi. evaluating internal financial controls, risk management systems, discussion on any significant findings and Management response and follow up thereon;
- vii. reviewing financial statements, in particular, investments made by the unlisted subsidiary companies;
- viii. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
- ix. reviewing valuation of undertaking or assets of the Company, wherever it is necessary;
- x. reviewing the findings of any internal investigations by the internal auditor;
- xi. reviewing the functioning of the Whistle Blower Mechanism and ensure adequate safeguards against victimization of employees and directors;
- xii. approving the appointment of Chief Financial Officer; and
- xiii. recommend to the Board, the appointment and remuneration of Cost Auditor and review Cost Audit Report/ Cost Statements.

The Committee reviews the following information:

- Management Discussion and Analysis of financial condition and results of operations,
- Statement of significant related party transactions,
- Management letters/letters of internal control weaknesses issued by the Statutory Auditor,
- Internal audit reports relating to internal control weaknesses,
- Appointment, removal and terms of remuneration of the Chief Internal Auditor, and
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, acquisition, etc., on the Company and its shareholders.

3.1.2. Composition

As on the date of this report, the Committee comprises of three Directors, all of whom are Independent Directors. The Board at its Meeting held on 12th May 2022 inducted Mr. Firdose Vandrevala as a member of Committee in place of Mr. Arvind Kumar Singhal with effect from 13th May 2022.

Name	Designation	Category
Mr. Kewal Handa	Chairperson	Independent Director
Ms. Sree Patel	Member	Independent Director
Mr. Firdose Vandrevala	Member	Independent Director

3.1.3. Meetings and attendance

During the financial year 2021-22, the Committee met four times i.e. on 3rd May 2021, 10th August 2021, 25th October 2021 and 7th February 2022. The gap between any two consecutive meetings did not exceed 120 days. The details of the attendance of the Members at these Meetings are as follows:

Name	Number of Meetings attended
Mr. Kewal Handa	4 of 4
Ms. Sree Patel	4 of 4
Mr. Arvind Kumar Singhal*	4 of 4
Mr. Firdose Vandrevala**	N.A.

*ceased to be a member with effect from 13th May 2022

**inducted as a member with effect from 13th May 2022

The Managing Director and Group CEO, Deputy Managing Director, Group Chief Financial Officer of the Company, representatives of the Statutory Auditor and the Internal Auditor are the invitees at the Audit Committee Meetings.

3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee ('NRC') ensures that the Company's nomination, remuneration and incentive policies, practices and key performance indicators of the Executive Directors, Key Management Personnel and the Senior Management are aligned with the Board's vision, values and overall business objectives and are appropriately designed to attract, motivate and retain them and to pursue the long term growth and success of the Company.

3.2.1 Terms of reference in brief

- i. To formulate the criteria for determining qualifications, positive attributes, expertise and independence of a director and recommend to the Board a policy relating to the remuneration for the directors and key managerial personnel;
- ii. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
- iii. To review and recommend to the Board, the remuneration of the Executive Directors' with a view to attract and retain suitable talent, as follows:
 - a) Elements of the remuneration package that is salary, perquisites, retirement benefits, pension, separation compensation and the structure of the remuneration package viz. the proportion of fixed and variable component;
 - b) Remuneration amount, annual/mid-term increments, merit rewards, special payments, etc.;
 - c) Changes in the remuneration package, terms of appointment, notice period, severance fees, recruitment, retention and termination policies and procedures;
 - d) Details of stock options and period over which the options are exercisable;
 - e) Key performance indicators, the actual performance vis-à-vis the key performance indicators and amount of the annual performance linked incentive;
- iv. To devise a policy on Board diversity;
- v. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- vi. To review annually performance of the Managing Director's direct reportees with a view to assess their potential succession and/or taking up larger responsibilities;
- vii. To develop and maintain Board succession plan;
- viii. To recommend to the Board, all remuneration, in whatever form, payable to senior management and ensure that the Company's remuneration and incentive policies, practices and performance indicators are aligned to the Board's vision, values and overall business objectives;

- ix. To review the Remuneration/Promotion/Increment/Performance Linked Incentive Policy, including remuneration structure, retention and termination policies;
- x. To review the process for setting the Key Performance Indicators (KPI)/Key Result Areas (KRA) and for measuring their performance against the set KPIs/KRAs to determine their annual Performance Linked Incentive; and
- xi. To investigate any senior level employee grievance or complaints that may have arisen.

3.2.2 Composition

As on the date of this report, the NRC comprises of three Directors of whom two are Independent Directors including the Chairperson and one is a Non-Executive Director. During the year under review, following changes took place in the composition of the Committee:

- Due to resignation of Mr. Subbu Venkata Rama Behara as an Independent Director, the Board through circular resolution dated 8th October 2021 inducted Mr. Arvind Kumar Singhal as a member and Chairperson of NRC with effect from 15th October 2021.
- The Board at its meeting held on 12th May 2022 inducted Mr. Ravi Kirpalani as a member of the Committee in place of Mr. Vinay Sanghi with effect from 13th May 2022.

Name	Designation	Category
Mr. Arvind Kumar Singhal	Chairperson	Independent Director
Mr. Karan Thapar	Member	Non-Executive Director
Mr. Ravi Kirpalani	Member	Independent Director

3.2.3 Meetings and attendance

During the financial year 2021-22, the NRC met four times i.e. on 4th May 2021, 10th August 2021, 21st October 2021 and 7th February 2022. The details of the attendance of the Members at these Meetings are as follows:

Name	Number of Meetings attended
Mr. Karan Thapar	4 of 4
Mr. Subbu Venkata Rama Behara*	2 of 2
Mr. Arvind Kumar Singhal**	2 of 2
Mr. Vinay Sanghi#	4 of 4
Mr. Ravi Kirpalani###	N.A.

*resigned with effect from 1st October 2021.

**inducted as a member and chairperson of the committee with effect from 15th October 2021.

#ceased to be a member with effect from 13th May 2022

###inducted as a member with effect from 13th May 2022

3.2.4 Remuneration policy

The Remuneration Policy of the Company is performance driven and is structured to attract and retain talent, motivate employees, recognize their merits and achievements and promote excellence in their performance.

1. For Executive Directors

The remuneration of the Executive Directors is recommended by the NRC to the Board. The NRC takes into account the qualification, experience and prevailing industry practices while recommending the remuneration.

The remuneration paid to the Executive Directors comprises salary and allowances, perquisites, retirement benefits, performance linked incentive and long term incentive. Details of remuneration paid to the Executive Directors during the financial year 2021-22 are as follows:

Name of the Director	Fixed component			Variable Component		Total
	Salary and Allowance	Perquisites ²	Retirement benefit	Performance Linked Incentives	Long Term Incentive	
Mr. Nagesh Basavanhalli ³	464.83	587.46	15.49	0	79.18	1,146.96
Mr. Ajit Venkataraman	208.91	2.15	9.26	0	0	220.32
Mr. Sunil Shahi* ³	15.53	49.20	0.71	0	0	65.45

*appointed w.e.f. 15th September 2021 and resigned with effect from 26th October 2021

Note:

- 1) After the end of the financial year 2021-22, Dr. Arup Basu was appointed as Additional Director and designated as Deputy Managing Director (Executive) with effect from 12th May 2022
- 2) Exclusive of provision for leave encashment and contribution to the approved Group Gratuity Fund, which are determined on an overall basis.
- 3) Includes perquisite value of stock options amounting to INR 6.28 Crore exercised during the year.

The Company has an Employee Stock Option Scheme named 'Greaves Cotton – Employee Stock Option Plan 2020', ('ESOP 2020') for retaining the talent for a longer duration within the Company. During the financial year 2021-22, the NRC granted 1,53,976 stock options and allotted 3,14,497 stock options to eligible employees. For other details related to stock options as required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are uploaded on the Company's website at <https://www.greavescotton.com/investors/financials>.

There is no separate provision for payment of severance fees.

Details regarding Service Contract and Notice Period:

	Mr. Nagesh Basavanhalli	Mr. Ajit Venkataraman	Dr. Arup Basu
Service Contract	5 th November 2020 to 4 th November 2025	Three (3) years or his employment with the Company, whichever is earlier	12 th May 2022 to 11 th May 2027
Notice Period	3 months	3 months	3 months

2. For Non-Executive Directors

The Non-Executive Directors are paid remuneration in the form of sitting fees and commission on the profits, if any, made by the Company.

a. Sitting Fees

The Non-Executive Directors are entitled to sitting fees of ₹ 35,000 for attending each meeting of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, CSR Committee, Risk Management Committee and Independent Directors, and ₹ 10,000 for attending each meeting of the Stakeholders' Relationship & Share Transfer Committee and Managing Committee.

The aforesaid sitting fees are within the limits prescribed under the Act.

b. Commission

In terms of the Members' approval given at the 98th AGM held on 3rd August 2017 for a period of five years, commission is payable at a rate not exceeding 1% per annum of the Net Profits of the Company. The actual amount of commission payable to each Non-Executive Director is decided by the Board, basis the recommendation of the NRC, on the following criteria:

- Number of meetings attended;
- Role and contribution as Chairman/Member of the Board;
- Role and contribution as Chairman/Member of the Committee; and
- Overall contribution and time devoted outside the Meetings.

Further, the Company has obtained members' approval through postal ballot on 22nd December 2021 for payment of remuneration by way of commission to Non-Executive Directors, of a sum up to 1% per annum of the net profits of the Company for a period of five years commencing from 1st April 2022.

Details of the remuneration paid/payable to the Non-Executive Directors for the financial year 2021-22 are as follows:

(₹ in lakhs)			
Name of the Directors	Sitting fees	Commission*	Total
Mr. Karan Thapar	4.55	27.78	32.33
Mr. Arvind Kumar Singhal	5.25	8.33	13.58
Mr. Kewal Handa	4.90	9.38	14.28
Ms. Sree Patel	5.65	8.33	13.98
Mr. Vinay Sanghi	3.80	6.25	10.05
Mr. Firdose Vandrevala**	2.10	4.17	6.27
Mr. Subbu Venkata Rama Behara***	2.10	5.21	7.31

* Subject to approval of the audited financial statements for the financial year 2021-22 by the Members at the forthcoming 103rd AGM

** appointed with effect from 15th October 2021

*** resigned with effect from 1st October 2021

After the end of the financial year 2021-22, Mr. Ravi Kirpalani was appointed as Additional Director (Independent) with effect from 12th May 2022.

Please refer to the disclosure on Related Party transactions in Notes to the Standalone Financial Statements for details of transactions in which Directors of the Company are concerned or interested. The remuneration drawn by the Directors during the year is set out above.

None of the Directors of the Company have any pecuniary relationship with the Company.

The remuneration paid to the Non-Executive Directors does not exceed the threshold specified in Regulation 17(6)(ca) of the Listing Regulations and therefore no approval of the shareholders by Special Resolution was called for.

3.2.5 Shareholding of Non-Executive Directors of the Company

The shareholding of Non-Executive Directors as on 31st March 2022 is as follows:

Sr. no	Name of Director	No. of shares held
1.	Mr. Arvind Kumar Singhal	70,000 equity shares

3.3 Corporate Social Responsibility Committee

The objective of the CSR Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for the corporate social responsibility activities of the Company. It will assist the Board in its oversight of the Company's responsibilities towards its shareholders, customers, communities and other key stakeholders.

3.3.1 Terms of reference in brief

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;
- Formulate and recommend to the Board, the Annual Action Plan for the financial year with respect to the CSR Activities proposed to be undertaken by the Company;
- Recommend the amount of expenditure to be incurred on the approved activities;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- The Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company or through any Implementation Agency; and
- Monitor the preparation of Company's annual Corporate Social Responsibility Report.

3.3.2 Composition

As on the date of this report, the CSR Committee comprises of three Directors of whom two are Independent Directors including Chairperson. During the year under review, following changes took place in the composition of the Committee:

- The Board through circular resolution dated 8th September 2021 inducted Mr. Sunil Shahi as a member of Committee in place of Mr. Ajit Venkataraman with effect from 15th September 2021.

- The Board at its meeting held on 26th October 2021 reconstituted the CSR Committee by inducting Mr. Ajit Venkataraman and Mr. Firdose Vandrevala as members of the Committee in place of Mr. Sunil Shahi and Mr. Arvind Kumar Singhal with effect from 27th October 2021.
- The Board at its meeting held on 12th May 2022 inducted Dr. Arup Basu as a member of the Committee in place of Mr. Ajit Venkataraman with effect from 13th May 2022.

Name	Designation	Category
Ms. Sree Patel	Chairperson	Independent Director
Dr. Arup Basu	Member	Executive Director
Mr. Firdose Vandrevala	Member	Independent Director

3.3.3 Meetings and attendance

During the financial year 2021-22, the CSR Committee met four times i.e. on 3rd May 2021, 10th August 2021, 25th October 2021 and 7th February 2022. The details of the attendance of the Members at these Meetings are as follows:

Name	Number of Meetings attended
Ms. Sree Patel	4 of 4
Mr. Sunil Shahi*	0 of 1
Mr. Arvind Kumar Singhal**	3 of 3
Mr. Ajit Venkataraman***	3 of 3
Mr. Firdose Vandrevala#	1 of 1
Dr. Arup Basu##	N.A.

* inducted as a member with effect from 15th September 2021 and resigned with effect from 26th October 2021

** ceased to be a member with effect from 27th October 2021

*** ceased to be a member with effect from 15th September 2021 and again inducted as a member with effect from 27th October 2021, further ceased to be a member with effect from 13th May 2022.

inducted as a member with effect from 27th October 2021

inducted as a member with effect from 13th May 2022

3.4 Risk Management Committee

The objective of the Risk Management Committee is to assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Risk Management Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

3.4.1 Terms of reference in brief

- Review and recommend changes to the Enterprise Risk Management Policy and/or associated frame work, processes and practices of the Company to ensure timely identification of elements of risk, if any, which in the opinion of the Board may threaten the performance or existence of the Company;
- Ensure appropriate review of identification of strategic, operational, regulatory & compliance and catastrophic risks, and appropriate review of the Mitigation Plans for the identified risks;
- Ensure appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Formulate a detailed Risk Management Policy, to monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management policy;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
- Monitor and review cyber security;
- Review the Political, Economic, Social, Technological, Legal/Regulatory and Environmental trends and make recommendations to the Board as to how best the Company can adjust to these trends;
- Review with Management the key issues, options and external/internal developments impacting Company's strategy;

- Review with Management, the process for the development, approval and modification of strategies, long-range business objectives and strategic plan;
- Review and recommend to the Board financial policies and standards as developed by Management pertaining to debt ratio, dividend policy and specific operating standards like revenue, returns and gestation period of new business opportunities.
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Committee; and
- The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

3.4.2 Composition

As on the date of this report, the Risk Management Committee comprises of four Directors of whom three are Non-Executive Directors including Chairperson. During the year under review, following changes took place in the composition of the Committee:

- The Board at its meeting held on 4th May 2021 inducted Mr. Subbu Venkata Rama Behara as a member of the Committee in place of Mr. Kewal Handa with effect from 5th May 2021.
- The Board through circular resolution dated 8th October 2021 reconstituted the Committee by inducting Mr. Firdose Vandrevale and Mr. Kewal Handa as members of the Committee in place of Mr. Subbu Venkata Rama Behara with effect from 15th October 2021.
- The Board at its meeting held on 12th May 2022 inducted Mr. Arvind Kumar Singhal as a member of the Committee in place of Mr. Firdose Vandrevale with effect from 13th May 2022.

Name	Designation	Category
Mr. Karan Thapar	Chairperson	Non-Executive Director
Mr. Nagesh Basavanhalli	Member	Managing Director and Group CEO
Mr. Kewal Handa	Member	Independent Director
Mr. Arvind Kumar Singhal	Member	Independent Director

3.4.3 Meetings and attendance

During the financial year 2021-22, the Risk Management Committee met three times i.e. on 3rd May 2021, 25th October 2021 and 8th February 2022. The details of the attendance of the Members at these Meetings are as follows:

Name	Number of Meetings attended
Mr. Karan Thapar	3 of 3
Mr. Nagesh Basavanhalli	3 of 3
Mr. Kewal Handa*	3 of 3
Mr. Firdose Vandrevale**	2 of 2
Mr. Arvind Kumar Singhal***	N.A.

* ceased to be a member with effect from 5th May 2021 and again inducted as a member with effect from 15th October 2021

** inducted as a member with effect from 15th October 2021 and ceased to be a member with effect from 13th May 2022

*** inducted as a member with effect from 13th May 2022

3.5 Stakeholders' Relationship & Share Transfer Committee

The Stakeholders' Relationship & Share Transfer Committee periodically reviews investors' grievance redressal process and evaluates the performance and service standards of the Registrar and Share Transfer Agent of the Company ('RTA') to ensure that the investors' grievances are timely and satisfactorily resolved.

3.5.1 Terms of reference in brief

- To receive and review the report of the RTA about investors' complaints and grievances and follow up for necessary action taken for redressal thereof;
- To review the existing "Investor Redressal System" and suggest measures for improvement in investor relations;

- To note the transfer/transmission/transposition/rematerialisation/dematerialization of shares and consolidation/splitting of folios as approved by the officials duly authorized by the Board in this regard and the issue of share certificates in exchange for sub-divided, consolidated, defaced, torn share certificates etc;
- To appoint and remove the RTA, decide the terms and conditions, remuneration, service charge/fees and review their performance;
- To decide the frequency of audit of the RTA and to consider the Auditor's Report thereon;
- To review the Shareholding Pattern of the Company and the significant changes therein;
- To monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in the securities of the Company in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
- To review the measures taken for effective exercise of voting rights by shareholders and adherence to the service standards adopted by the listed entity in respect of various services being rendered by the RTA; and
- To review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant/annual reports/statutory notices by the shareholders of the Company.

3.5.2 Composition

As on the date of this report, the Committee comprises of three Directors of whom two are Independent Directors including Chairperson. During the year under review, following changes took place in the composition of the Committee:

- The Board through circular resolution dated 8th September 2021 inducted Mr. Sunil Shahi as a member of Committee in place of Mr. Ajit Venkataraman with effect from 15th September 2021.
- The Board at its meeting held on 26th October 2021 reconstituted the Committee by inducting Mr. Ajit Venkataraman as a member of the Committee with effect from 27th October 2021, due to resignation of Mr. Sunil Shahi.
- The Board at its meeting held on 12th May 2022 inducted Dr. Arup Basu and Mr. Ravi Kirpalani as members of the Committee in place of Mr. Ajit Venkataraman and Mr. Vinay Sanghi with effect from 13th May 2022.

Name	Designation	Category
Ms. Sree Patel	Chairperson	Independent Director
Dr. Arup Basu	Member	Executive Director
Mr. Ravi Kirpalani	Member	Independent Director

3.5.3 Meetings and attendance

During the year 2021-22, the Committee met four times i.e. on 3rd May 2021, 10th August 2021, 25th October 2021 and 7th February 2022. The details of the attendance of the Members at these Meetings are as follows:

Name	Number of Meetings attended
Ms. Sree Patel	4 of 4
Mr. Ajit Venkataraman*	3 of 3
Mr. Sunil Shahi**	0 of 1
Mr. Vinay Sanghi***	3 of 4
Dr. Arup Basu#	N.A.
Mr. Ravi Kirpalani#	N.A.

* ceased to be a member with effect from 15th September 2021 and again inducted as a member with effect from 27th October 2021, further ceased to be a member with effect from 13th May 2022

** inducted as a member with effect from 15th September 2021 and resigned with effect from 26th October 2021

*** ceased to be a member with effect from 13th May 2022

inducted as members with effect from 13th May 2022

3.5.4 Name and designation of Compliance Officer

Mr. Atindra Basu, General Counsel and Company Secretary, is the Compliance Officer of the Company as required under Regulation 6 of the Listing Regulations.

3.5.5 Investor complaints

The Company received three complaints during the year under review which were satisfactorily addressed. There were no pending complaints as on 31st March 2022.

In keeping with the Company's focus on promptly resolving investors' complaints, the RTA strives to attend to all investor complaints within 48 hours of receipt.

Pursuant to SEBI circular regarding 'Common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination' dated 3rd November 2021 ('SEBI Circular'), the Company had sent letters to shareholders holding physical securities for furnishing/updating their PAN, KYC details and nomination information in the prescribed forms to the Company.

Further, pursuant to the aforesaid SEBI circular, the RTA has obtained Certificate of Compliance stating that the RTA has carried out necessary changes, put the systems in place and implemented new operating procedures in compliance with the aforesaid circular.

The Company has a dedicated email ID investorservices@greavescotton.com to which investors can send their grievances.

Mr. Atindra Basu, General Counsel and Company Secretary, is designated as the Investor Relations Officer who may be contacted at the Registered Office of the Company at 022 41711700.

Complete details of the past unpaid/unclaimed dividends lying with the Company have been uploaded on the Company's website at www.greavescotton.com under the head "Investor Information" under Investors Tab. Members are urged to visit the website and claim their unpaid/unclaimed dividend, if any, before the amount gets transferred to the Investor Education and Protection Fund of the Government.

3.5.6 Unclaimed Dividend and shares transferred to Investor Education and Protection Fund ('IEPF') Account:

In accordance with the provisions of sections 124 and 125 of the Act and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ('IEPF Rules'), dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the IEPF Account.

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the Rules.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisement(s).

The details of Dividend remitted to IEPF during the year:

Financial Year	Dividend declared on	Amount transferred to IEPF (in ₹)	Date of transfer to IEPF
Final Dividend for the Financial Year 2013-14	31.07.2014	8,46,858.00	07.09.2021
Interim Dividend for the Financial Year 2014-15	30.08.2014	20,24,144.00	08.10.2021

Shares transferred/credited to IEPF:

During the year 2021-22, the Company transferred 33,502 Equity Shares to IEPF Authority. The IEPF Authority holds 16,33,874 Equity Shares in the Company as on 31st March 2022.

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

The Company has appointed a Nodal Officer and Deputy Nodal Officer under the provisions of IEPF. The details of Nodal Officer are available on the website of the Company at www.greavescotton.com

The following table provides dates on which unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF:

Year	Date of declaration of Dividend	Due date for transfer to IEPF	Amount (In ₹) (As on 31 st March 2022)
Final Dividend for the Financial Year 2014-15	06.08.2015	12.09.2022	23,16,878.30
Interim Dividend for the Financial Year 2015-16	03.02.2016	07.03.2023	91,86,786.49
Final Dividend for the Financial Year 2015-16	26.09.2016	26.10.2023	21,86,150.00
Interim Dividend for the Financial Year 2016-17	14.02.2017	22.03.2024	83,60,292.00
Final Dividend for the Financial Year 2016-17	03.08.2017	08.09.2024	32,85,699.50
Interim Dividend for the Financial Year 2017-18	05.02.2018	13.03.2025	59,09,740.00
Final Dividend for the Financial Year 2017-18	13.08.2018	18.09.2025	22,76,007.50
Interim Dividend for the Financial Year 2018-19	04.02.2019	12.03.2026	53,62,432.00
Final Dividend for the Financial Year 2020-21	11.08.2021	16.09.2028	2,91,906.00

As a part of good corporate governance and to avoid undue hardship to the shareholders as a result of transfer of the dividend and/or shares to IEPF, the Company voluntarily informed the shareholders vide letter dated 29th November 2021, who have not claimed their dividend for all or one years' since financial year 2015-16, about a process to claim the unclaimed dividend and provided contact details of Registrar and Share Transfer Agent to resolve the unclaimed dividend related queries of the shareholders.

3.6 Meeting of Independent Directors

During the FY 2021-22, the Independent Directors met once without the presence of the management and Non-Executive Directors. The Independent Directors, inter alia, discussed matters arising out of Board and Board Committee agendas, performance of the Company and other board-related matters, and to review the performance of Non- Independent Directors, the Chairman and the Board as a whole and assess the effectiveness and promptness of the information flow inter se the Board and the management. The Chairman of the meeting briefed the Board on the proceedings of the Meeting.

3.6.1 Performance evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors is determined by the NRC. The criteria for performance evaluation includes, inter alia, relevant experience and skills of the Directors, ability and willingness to speak up, ability to carry others, ability to disagree, stand his/her ground, integrity, focus on shareholder value creation and high governance standards.

4. General Body Meetings

4.1 Location and time of the last three Annual General Meetings ('AGM') of the Company

Date of AGM	Time	Mode	Venue/Deemed Venue	Special Resolution passed, if any
11 th August 2021	4:00 p.m.	Video Conference/ Other Audio Visual Means	Unit No. 701, 7 th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400 070	<ol style="list-style-type: none"> Approval and ratification for payment of minimum remuneration to Mr. Nagesh Basavanhalli (DIN: 01886313) in capacity of Managing Director and CEO, till 13th August 2020. Appointment of Mr. Nagesh Basavanhalli (DIN: 01886313) as Managing Director and Group CEO and to approve his remuneration. Approval and ratification for payment of minimum remuneration to Mr. Mohanan Manikram (DIN: 08555030) in capacity of Executive Director till 5th November 2020 Appointment of Mr. Ajit Venkataraman (DIN: 07289950) as an Executive Director of the Company and to approve his remuneration. Re-appointment of Mr. Kewal Handa (DIN: 00056826) as an Independent Director

Date of AGM	Time	Mode	Venue/Deemed Venue	Special Resolution passed, if any
13 th August 2020	4:00 p.m.	Video Conference/ Other Audio Visual Means	Unit No. 701, 7 th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400 070	1. Re-appointment of Ms. Sree Patel (DIN: 03554790) as an Independent Director 2. Re-appointment of Mr. Vinay Sanghi (DIN: 00309085) as an Independent Director
8 th August 2019	3.30 p.m.	Physical	Rangsharda Natyamandir, Near Lilavati Hospital, KC Marg, Bandra Reclamation Flyover, ONGC Colony, Bandra West, Mumbai-400 050	1. Re-appointment of Mr. Vikram Tandon as an Independent Director 2. Re-appointment of Mr. Arvind Kumar Singhal as an Independent Director 3. Re-appointment of Mr. Navneet Singh as an Independent Director

4.2 Special Resolutions through Postal Ballot

During the year under review, the Company approached the shareholders through postal ballot, the details of which are as follows:

Date of Postal Ballot Notice: 27th October 2021

Voting period: Tuesday, 23rd November 2021 at 09:00 hours IST to Wednesday, 22nd December 2021 at 17:00 hours IST

Date of declaration of results: 23rd December 2021

Date of approval: 22nd December 2021 (i.e. last date specified for receipt of duly completed Postal Ballot Forms or remote e-voting)

Sr. No.	Name of the resolution	Type of resolution	No. of votes polled	Vote cast in favour		Vote cast against	
				No. of votes	%	No. of votes	%
1	Approval for appointment and payment of minimum remuneration to Mr. Sunil Shahi (DIN:01887403) in capacity of Whole-time Director till 26 th October 2021	Special resolution	14,28,95,847	14,27,68,183	99.91	1,27,664	0.09

Mr. Sunny Gogiya (Membership No. A56804), Practising Company Secretary, was appointed as the scrutinizer to conduct and scrutinize the postal ballot e-voting process in a fair and transparent manner.

Procedure for Postal Ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act read with the Rules framed thereunder, Regulation 44 of the Listing Regulations and in accordance with the related circulars issued by MCA.

4.3 Details of special resolution proposed to be conducted through postal ballot:

The Board at its meeting held on 12th May 2022 approved the proposal for shifting of registered office of the Company to "J-2, MIDC Industrial Area, Chikalthana, Aurangabad- 431 210", subject to approval of the shareholders.

Pursuant to Section 110 read with rules made thereunder, approval of shareholders through postal ballot is required to be obtained for change in place of registered office outside the local limits of any city, town or village. However, the approval is proposed to be obtained at the ensuing AGM, as the Company will be providing the facility to its members to vote by electronic means.

Therefore, none of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

5. DISCLOSURES

5.1 Related Party Transactions

5.1.1 Basis

During the year under review, the Company has not entered into any Material Related Party Transactions. All transactions entered into with related parties as defined under the Act and Regulation 23 of the Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business.

All related party transactions are placed before the Audit Committee for review. Prior omnibus approval is obtained for related party transactions on a yearly basis for transactions which are repetitive in nature. Details of transactions with related parties are disclosed in Notes to the Standalone Financial Statements, forming a part of this Annual Report.

The Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interest of the Company.

5.1.2 Policy on dealing with Related Party Transactions

During the year under review, the policy on related party transactions was reviewed by the Audit Committee and the Board on periodic basis and was amended in order to align it with the regulatory amendments. The amended related party transaction policy is disclosed on the website of the Company at www.greavescotton.com and can also be accessed at http://www.greavescotton.com/php/media/brochure_files/Related-Party-Transaction-Policy.pdf

5.2 Disclosure of Accounting treatment in preparation of Financial Statements

The Company has prepared its Standalone and Consolidated Financial Statements in accordance with applicable Indian Accounting Standards as notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

5.3 Management

The Management Discussion and Analysis Report, as required under Regulation 34 of the Listing Regulations forms a part of this Annual Report.

5.4 Compliance by the Company

There was no instance of non-compliance with any requirement of the Stock Exchanges, SEBI and other statutory authorities on any matter relating to capital market during the last three years.

5.5 CEO/CFO Certification

The Managing Director & Group CEO and the Group Chief Financial Officer of the Company have certified to the Board with regard to the financial statements and other matters as required by Regulation 17(8) of the Listing Regulations. The Certificate is attached as **Annexure B**.

5.6 Auditors' certificate on Corporate Governance

The Auditors' Certificate on compliance with the conditions of corporate governance, as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations, is attached as **Annexure E**.

5.7 Subsidiary Companies

As on 31st March 2022, the Company does not have a material unlisted Indian subsidiary as defined under Regulation 16 of the Listing Regulations. However, the Company has unlisted subsidiary companies in India. The Minutes of the Board Meetings of the subsidiary companies are placed at the Board Meetings of the Company. Details of significant transactions and arrangements entered into by the subsidiary companies are noted by the Board. The Audit Committee of the Company reviews the financial statements of the subsidiary companies, including investments made by the subsidiary companies. The Company has adopted a policy for determining material subsidiaries and the same has been placed on the website of the Company at www.greavescotton.com and can be accessed at https://www.greavescotton.com/php/media/brochure_files/Policy%20for%20determining%20material%20subsidiaries.pdf

5.8 Code of Conduct for Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Insider Trading Regulations'), the Company has formulated the 'Code of Conduct for Prevention of Insider Trading in the securities of the Company' and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' ('Greaves Code'), which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of the Company's shares by the Directors, designated employees and their immediate relatives, while in possession of Unpublished Price Sensitive Information ('UPSI') in relation to the Company and during the period(s) when the Trading Window to deal in the Company's shares is closed.

The codes have been revised in line with the amendments to the Insider Trading Regulations, as amended from time to time.

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Insider Trading Regulations. A structured digital database is being maintained by the Company, which contains the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the Insider Trading Regulations.

The Company has formulated the 'Policy on Procedure of Inquiry in case of leak/suspected leak of UPSI. The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

The Company has also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Practices and Procedures for Fair Disclosure of UPSI as per the requirements of the Insider Trading Regulations.

The Compliance Officer is responsible for monitoring adherence to the rules for the preservation of UPSI, pre-clearance of trades, monitoring of trades and implementation of the Code for trading in the Company's securities, under the overall supervision of the Board. Mr. Atindra Basu, General Counsel and Company Secretary, has been appointed as the Compliance Officer for the purpose of this Code.

5.9 Code of Conduct

The Board is responsible for ensuring that rules are in place to avoid conflict of interest by Members of the Board. The Company has adopted a Code of Conduct for Members of the Board and Senior Management Personnel as required under Regulation 17 of the Listing Regulations. The Code is displayed on the Company's website at www.greavescotton.com and can be accessed at https://www.greavescotton.com/php/media/brochure_files/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20Management.pdf

All the Members of the Board and Senior Management personnel have affirmed their compliance with the Code for the financial year ended 31st March 2022. A declaration to this effect, signed by the Managing Director and Group CEO, is attached as **Annexure C**. Disclosures have also been received from the Senior Management Personnel relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, no transactions have been reported that could have a potential conflict with the interests of the Company at large.

5.10 Whistle Blower Policy

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Accordingly, a Whistle Blower Policy has been formulated where employees can voice their genuine concerns about any unethical or unacceptable business practice or any event of misconduct. It provides a mechanism for the employees of the Company to approach the Compliance Officer or the Chairperson of the Audit Committee. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimisation.

The Company affirms that during FY 2021- 22, no personnel have been denied access to the Audit Committee.

The Whistle Blower Policy is posted on the website of the Company at https://www.greavescotton.com/php/media/brochure_files/Whistle%20Blower%20Policy.pdf

6. MEANS OF COMMUNICATION

- a) Newspapers: The Company publishes the statement of financial results (quarterly/half yearly/annual) in prominent national English and regional language (Marathi) newspapers like Business Standard and Navshakti.
- b) Press Release: The Company issues press release highlighting significant performance and operational milestones. The proceedings of the press release are disseminated to the Stock Exchanges, where the shares of the Company are listed and are displayed on the Company's website at www.greavescotton.com
- c) Analysts and Investors' Meet/Call: The Company regularly conducts meetings/calls with analysts and investors to brief them of the financial and operational performance. The transcripts of investors' calls and Investor's Presentation are also sent to the Stock Exchanges and displayed on the Company's website at www.greavescotton.com and can be accessed at <https://www.greavescotton.com/investors/investor-information>. With effect from 1st April 2022, the audio recordings of earnings call are also sent to the stock exchanges and displayed on the Company's website at www.greavescotton.com
- d) Website: The financial results are also simultaneously posted on the Company's website at <http://www.greavescotton.com/investors/financials>

7. GENERAL SHAREHOLDER INFORMATION

7.1 Annual General Meeting Information

Date: 11th August 2022 at 01:30 P.M. IST

Mode: Video Conferencing or Other Audio Visual Means

Deemed Venue: Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai – 400070 (Registered Office). For details, please refer to the Notice of this AGM.

Dividend and Payment Date: Dividend of ₹ 0.20 per equity share, payable on or before Friday, 9th September 2022, subject to the approval of the Shareholders.

7.2 Financial year of the Company: 1st April to 31st March each year

7.3 Financial Calendar (tentative)

The Company expects to announce the financial results for the year 2022-23, as per the following schedule:

1 st quarter ending 30 th June 2022	: on or before 15 th August 2022
2 nd quarter ending 30 th September 2022	: on or before 15 th November 2022
3 rd quarter ending 31 st December 2022	: on or before 15 th February 2023
4 th quarter and financial year ending 31 st March 2023	: on or before 30 th May 2023
104 th Annual General Meeting	: on or before 30 th September 2023

7.4 Stock Exchange Information

The Company's shares are listed on the following Stock Exchanges having nation-wide trading terminals:

Name and address of Stock Exchange	Stock Code/Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	501455
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	GREAVESCOT

The Company's shares form part of Group "A"/S&P BSE 500 Index of BSE Limited.

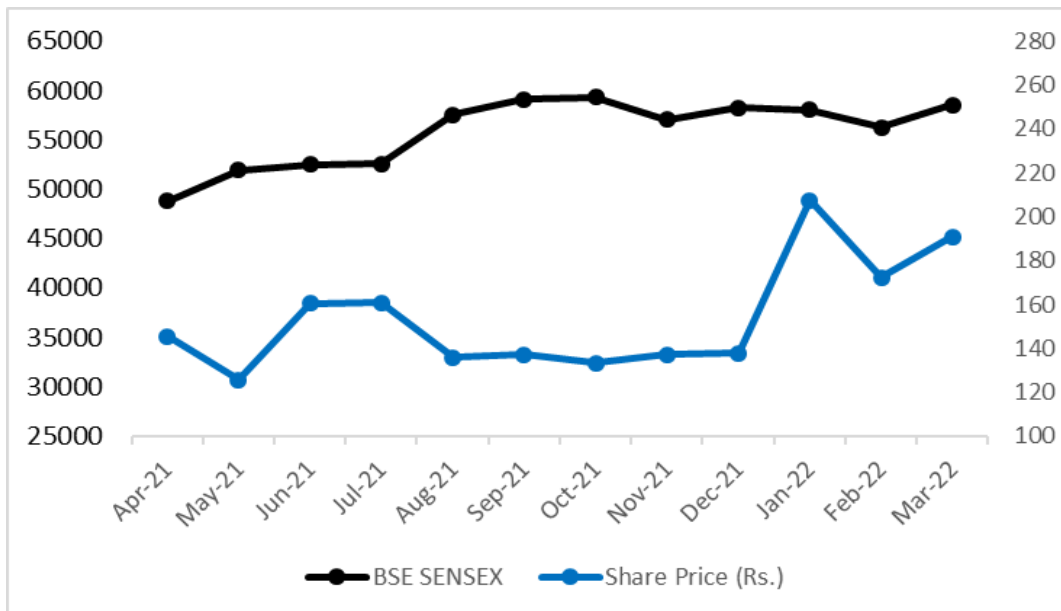
The Listing Fees for the financial year 2022-23 has been paid to both the above Stock Exchanges.

7.5 Market Price Data (high, low during each month in the financial year 2021-22):

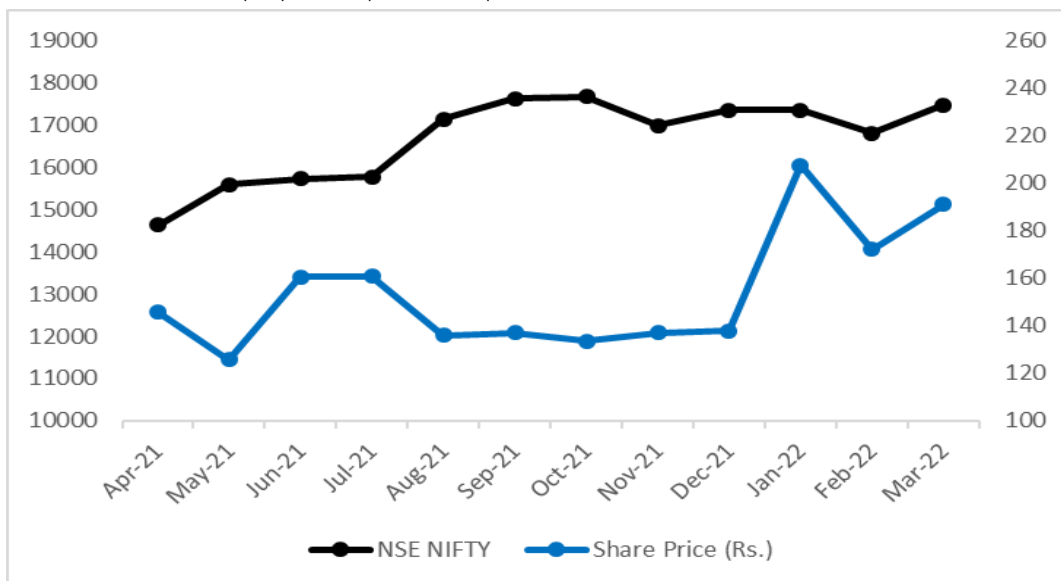
Month	BSE				NSE			
	Prices in ₹		S & P BSE Sensex		Prices in ₹		Nifty 50	
	High	Low	High	Low	High	Low	High	Low
April, 2021	148.90	119.85	50,375.77	47,204.50	149.00	120.15	15044.35	14151.40
May, 2021	153.95	125.50	52,013.22	48,028.07	154.00	125.40	15606.35	14416.25
June, 2021	184.25	125.85	53,126.73	51,450.58	184.40	125.80	15915.65	15450.90
July, 2021	181.95	156.80	53,290.81	51,802.73	182.00	156.75	15962.25	15513.45
August, 2021	166.80	126.15	57,625.26	52,804.08	166.90	126.20	17153.50	15834.65
September, 2021	152.75	132.15	60,412.32	57,263.90	152.80	132.10	17947.65	17055.05
October, 2021	147.30	129.30	62,245.43	58,551.14	147.35	129.20	18604.45	17452.90
November, 2021	163.55	132.05	61,036.56	56,382.93	163.60	132.05	18210.15	16782.40
December, 2021	160.60	129.15	59,203.37	55,132.68	160.20	129.05	17639.50	16410.20
January, 2022	258.85	141.00	61,475.15	56,409.63	258.90	142.00	18350.95	16836.80
February, 2022	226.00	157.00	59,618.51	54,383.20	226.15	156.90	17794.60	16203.25
March, 2022	200.95	156.60	58,890.92	52,260.82	200.95	156.50	17559.80	15671.45

7.6 Performance of share price in comparison with the BSE and NSE indices

- a. Performance of the Company's share price in comparison with the S & P BSE Sensex



- b. Performance of the Company's share price in comparison with the NIFTY 50



7.7 Share Transfer Agent Information:

Registrar and Share Transfer Agent:

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
UNIT: Greaves Cotton Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032

Telephone Number:
+91 40 6716 2222
Fax Number:
+91 40 2342 0814
Email Id: inward.ris@kfintech.com
Website: www.kfintech.com

7.8 Share Transfer System

We have appointed KFin Technologies Limited ('KFINtech') as the RTA to handle shareholders related matters. KFINtech has adequate infrastructure to process share transfer related matters. In compliance with Regulation 40(9) of the Listing Regulations, the Company obtains certificate from a Company Secretary in Practice confirming the timely issue of share certificates for transfer, sub-division, consolidation etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of Listing Regulations on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period. A copy of the certificate, so received, is submitted to both Stock Exchanges, where the shares of the Company are listed.

As mandated by SEBI, securities of the Company can be transferred/traded only in dematerialised form. Further, SEBI vide its circular dated 25th January 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company at <http://www.greavescotton.com/investors/investor-information>

The Stakeholders Relationship and Share Transfer Committee meets as and when required to examine and redress investors' complaints.

The Shareholders who hold shares in physical form are advised that SEBI has made it mandatory for all holders and claimants of physical securities to furnish/update their PAN, KYC details and nomination information vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021.

The Shareholders holding shares in physical form are requested to get their shares dematerialized at the earliest to avoid any inconvenience in future while transferring the shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact the nearest branch of KFINtech to seek guidance on the demat procedure.

7.9 Shareholding Pattern as on 31st March 2022

Category	Number of Shares held	Percentage of Shareholding
Promoters	12,86,14,955	55.55
Mutual Funds	1,03,97,239	4.49
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Government Institutions)	1,09,68,650	4.74
Corporate Bodies/Clearing Members	89,25,550	3.85
Foreign Portfolio Investors	72,51,165	3.13
NRIs/OCBs/FIIs	24,73,553	1.07
Resident Individuals/HUF/Trust	6,01,18,082	25.97
IEPF	16,33,874	0.71
Qualified Institutional Buyer	3,72,886	0.16
Alternative Investment Fund	4,18,531	0.18
Directors	346,807	0.15
Total	23,15,21,292	100.00

7.10 Distribution of Shareholding as on 31st March 2022

Number of shares	Number of shareholders	Percentage	Number of Shares	Percentage
Upto 2,500	213,478	98.46	3,36,63,704	14.54
2,501 to 5,000	1,977	0.91	72,15,020	3.12
5,001 to 10,000	773	0.36	55,88,090	2.41
10,001 to 15,000	207	0.10	25,70,359	1.11
15,001 to 20,000	116	0.05	20,95,608	0.90
20,001 to 25,000	70	0.03	15,66,165	0.68
25,001 to 50,000	91	0.04	33,97,964	1.47
50,001 & above	117	0.05	17,54,24,382	75.77
Total	2,16,829	100.00	23,15,21,292	100.00

7.11 Dematerialization of Shares and Liquidity

The Company's shares can be traded on the Stock Exchanges only in dematerialized form. 99.24% of the total equity share capital was held in dematerialized form as on 31st March 2022.

The ISIN number allotted to the Company's shares is INE224A01026.

The details of shares held in dematerialised and physical form as on 31st March 2022 are as follows:

Particulars	Equity Shares of ₹ 2 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	19,77,70,988	85.42	66,166	30.52
CDSL	3,19,95,041	13.82	1,44,352	66.57
Sub- total	22,97,66,029	99.24	2,10,518	97.09
Physical form	17,55,263	0.76	6311	2.91
Total	23,15,21,292	100.00	2,16,829	100.00

Promoter's entire holding is in dematerialized form.

The shares of the Company are regularly traded on both the Stock Exchanges ensuring liquidity.

7.12 Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity capital of the Company

The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments and hence as on 31st March 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

During the Financial year 2021-22, the Company had granted 1,53,976 stock options to its employees under the Greaves Cotton – Employee Stock Option Plan 2020 ('ESOP 2020') and allotted 3,14,497 fully paid equity shares to eligible employees resulting to increase in the paid-up equity share capital of the Company.

As on 31st March 2022, total 17,35,292 stock options were outstanding under the ESOP 2020.

7.13 Shares in the Suspense Account

No shares were lying under the Demat account opened with Axis Bank Limited for holding unclaimed shares in the name and style of "Greaves Cotton Limited- Unclaimed Shares Demat Suspense Account".

7.14 Plant Locations of the Company and its Subsidiaries

For Company			
Unit	Address	Unit	Address
Light Engines Unit – I	J-2, MIDC Industrial Area, Chikalhana, Aurangabad- 431 210	Light Engine Unit – V	A-1/3, Shendra Five Star Industrial Area, Shendra, Aurangabad- 431 001
Light Engines Unit – IV	J-2A, MIDC Industrial Area, Chikalhana, Aurangabad- 431 210	Mfg. Genset Assembly, Testing & Spare Parts Division	Gat No – 39 (P), 45 (P), 48 (P), Jadhavawadi, Talegaon, MIDC, Near Chasys Automotive Pvt Ltd, Navla Umbre, Mawal, Pune, Maharashtra, 410507
For Subsidiaries			
Greaves Electric Mobility Private Limited	Plot No. 72, Sipcot Industrial Complex, Ranipet- 632 403	Bestway Agencies Private Limited	Plot No-B, 28 & 29, Ecotech 1 Extension, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh- 201308

7.15 Address for Correspondence

Greaves Cotton Limited

Unit No. 1A, 5th Floor, Tower 3,
Equinox Business Park, LBS Marg,
Kurla West, Mumbai- 400070

Telephone number: 022-41711700

E-mail: investorservices@greavescotton.com

Website: www.greavescotton.com

7.16 Weblink of Familiarisation Programme

Pursuant to the requirements of Schedule IV of the Act and Regulation 25(7) of Listing Regulations, the Company has undertaken various actions for familiarising the Directors with the Company, its business model, the nature of the industry in which it operates, their roles, rights and responsibilities, etc.

The details of the same are displayed on the Company's website at www.greavescotton.com and can be accessed at [http://www.greavescotton.com/php/media/brochure_files/Familiarisation%20Programmes%20for%20Directors%202021-22%20\(1\).pdf](http://www.greavescotton.com/php/media/brochure_files/Familiarisation%20Programmes%20for%20Directors%202021-22%20(1).pdf)

7.17 Credit Rating

List of all credit ratings obtained by the Company along with any revisions thereto during the financial year, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad- The Company has obtained credit rating from India Ratings and Research (Fitch) for the following instruments:

Type of Instrument	Rating
Fund-based working capital limits	IND AA
Non-fund based working capital limits	IND A1+
Commercial Paper (CP)	IND A1+

8. COMMODITY PRICE/FOREIGN EXCHANGE RISK AND HEDGING

For details related to commodity price/foreign exchange risk and hedging, please refer to the Management Discussion and Analysis Report which forms part of this Annual Report. .

9. AFFIRMATIONS AND DISCLOSURES

- 9.1 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) -** Not applicable.
- 9.2 A certificate from a company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/MCA or any such statutory authority -** The Certificate of Company Secretary in Practice giving the position of Directors on the Board of the Company as on 31st March 2022 is attached as **Annexure D**.
- 9.3 Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof -** Not Applicable.
- 9.4 Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part -** The Company and Greaves Electric Mobility Private Limited, wholly owned subsidiary of the Company, have a common Statutory Auditor. The fees paid to the Statutory Auditors by the Company and its subsidiaries are disclosed in the Standalone and Consolidated Financial Statements of the Company.
- 9.5 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 -** There were no complaints filed during the year.
- 9.6 Disclosures by the Company and its subsidiaries of 'Loans and advances in nature of loans to firms/companies in which directors are interested by name and amount:** The details of loans and advances by the Company and its subsidiaries are disclosed in the notes to the standalone and consolidated financial statements.
- 9.7 During the year under review, there were no instances of Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Part C of Schedule V to the Listing Regulations.**

10. DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE

During the year under review, the Company is in compliance of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

11. COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS

All the mandatory requirements of Regulation 34(3) of the Listing Regulations have been complied with.

Following is the status of compliance with non-mandatory requirements:

11.1 The Board

The Non-Executive Director has been provided a Chairman's office. It complies with the requirement of having separate persons to the post of Chairman and Managing Director/CEO.

11.2 Shareholder Rights

The results are promptly displayed on the Company's website at www.greavescotton.com in addition to being disseminated to the Stock Exchanges and published in newspapers and, therefore, the half- yearly results are not sent to the Shareholders individually.

11.3 Audit qualifications

The audit report is with unmodified opinion (unqualified).

11.4 Reporting of Internal Auditor

The Chief Internal Auditor reports to the General Counsel and Company Secretary and has independent direct access to the Audit Committee. In addition to attending meetings of the Audit Committee for presenting the internal audit observations, the Internal Auditor has separate meetings with the Audit Committee Members, as and when required.

Annexure A

The Directorships of the Directors in other listed entities along with the category of directorships are as follows:

Sr. No.	Name of the Director	Name of Listed Entity	Category
01.	Mr. Arvind Kumar Singhal	Welspun India Limited	Independent Director
		Blue Star Limited	Independent Director
		Metro Brands Limited	Independent Director
02.	Mr. Kewal Handa	Clariant Chemicals (India) Limited	Independent Director
		R M Drip and Sprinklers Systems Limited	Independent Director
		Mukta Arts Limited	Independent Director
		Borosil Limited	Independent Director
03.	Mr. Vinay Sanghi	Cartrade Tech Limited	Managing Director
04.	Mr. Ravi Kirpalani	Foseco India Limited	Independent Director

Annexure B

Certification

[As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Nagesh Basavanhalli, Managing Director and Group CEO, and Dalpat Raj Jain, Group Chief Financial Officer of the Company, hereby certify to the Board of Directors that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2022 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or in violation of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting; and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee that:
 - a) there were no significant changes in internal control over financial reporting during the year;
 - b) there were no significant changes in accounting policies during the year; and
 - c) there were no instances of significant fraud of which we have become aware and there are no instances of involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Greaves Cotton Limited

Nagesh Basavanhalli

Managing Director and Group CEO
DIN: 01886313

Dalpat Raj Jain

Group Chief Financial Officer

Place: Mumbai

Date: 12th May 2022

Annexure C

Declaration

[As required under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

As required under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2022.

For Greaves Cotton Limited

Nagesh Basavanhalli

Managing Director and Group CEO
DIN: 01886313

Place: Mumbai

Date: 12th May 2022

Annexure D

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Greaves Cotton Limited
Unit No. 701, 7th Floor, Tower 3,
Equinox Business Park, LBS Marg,
Kurla West, Mumbai – 400070

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Greaves Cotton Limited having CIN L99999MH1922PLC000987 and having registered office at Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai – 400070 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ended on 31 March 2022, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority .

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. Karan Thapar	00004264	29 September 1991
2	Mr. Nagesh Basavanhalli	01886313	27 September 2016
3	Mr. Ajit Venkataraman	07289950	14 August 2020
4	Mr. Arvind Kumar Singhal	00709084	01 November 2013
5	Mr. Kewal Handa	00056826	06 May 2016
6	Ms. Sree Patel	03554790	14 February 2017
7	Mr. Vinay Sanghi	00309085	04 August 2017
8	Mr. Subbu Venkata Rama Behara*	00289721	28 May 2020
9	Mr. Sunil Shahi**	01887403	15 September 2021
10	Mr. Firdose Vandrevala#	00956609	15 October 2021

* resigned w.e.f. 01 October 2021

** resigned w.e.f. 26 October 2021

appointed w.e.f. 15 October 2021

Note – Date of appointment of all the Directors are original date of appointment as per MCA Records.

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SGGS & Associates,**
ICSI Unique Code: P2021MH086900

Sunny Gogiya

Partner

Membership No.: 56804

Certificate of Practice No.: 21563

UDIN: A056804D000249128

Place: Thane
Date: 30 April 2022

Annexure E

Independent Auditor's Certificate On Corporate Governance

TO**THE MEMBERS OF GREAVES COTTON LIMITED**

1. This certificate is issued in accordance with the terms of our engagement letter reference no. MJ/2021-2022/181A dated 29th September, 2021.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Greaves Cotton Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March 2022.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Mukesh Jain

(Partner)

(Membership No. 108262)

(UDIN: 22108262AIVNAZ3735)

Place: Mumbai

Date: 12th May, 2022

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:** L99999MH1922PLC000987
- Name of the Company:** Greaves Cotton Limited
- Registered address:** Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400070
- Website:** www.greavescotton.com
- E-mail id:** investorservices@greavescotton.com
- Financial Year reported:** 1st April 2021 to 31st March 2022
- Sector(s) that the Company including its subsidiaries is engaged in (Industrial Activity code-wise):**

Description	Industrial Activity Code		
	Group	Class	Sub-Class
Greaves Cotton Limited			
Automotive Engine	291	2910	29104
Industrial Engine	281	2811	28110
Farm Equipment	282	2821	28212
Auxiliary Power	271	2710	27101
Greaves Electric Mobility Private Limited and Bestway Agencies Private Limited			
Electric Mobility	291	2910	2910
Greaves Finance Limited			
Vehicle Financing	649	6491	64910
Greaves Technologies Limited			
Engineering Services	711	7110	71100

- List three key products/services that the Company Manufactures/provides (as in balance sheet):**
 - Automotive Business:**
 - Automotive Engines - Single Cylinder Automotive Diesel Engines, CNG Engines, Multi Cylinder Diesel Engines
 - Non-Automotive Business:**
 - Farm Equipment - Petrol, Kerosene Portable Engines, Portable Pump sets, Power Tiller, Reaper, Rotavator
 - Auxiliary Power - Portable Gensets 5 to 7.5 KVA, Industrial Gensets 10 KVA to 1250 KVA
 - Industrial Engines
 - Greaves Retail outlets – One stop shop for Sales, Service & Spares needs for last mile e-mobility.
 - Electric Mobility - Giving access of electric mobility solutions to millions of individuals with wide range

of last-mobility solutions across both E2W & E3W (e-loaders, L3, L5 & e-rickshaws).

- Greaves Finance - Aims at providing easy finance options to prospective electric vehicle buyers, hence enabling millions of people embrace eco-friendly vehicles through Greaves Finance Limited (formerly known as Greaves Leasing Finance Limited), wholly-owned subsidiary of the Company.

- Total number of locations where business activity is undertaken by the Company and its subsidiaries:**
 - Number of International Locations: Nil
 - Number of National Locations: Six Manufacturing Facilities
- Markets served by the Company – Local/State/National/International:** All

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up Capital (INR) :** ₹ 46.30 crore
- Total Turnover (INR) :** ₹ 1,209.18 crore
- Total profit after taxes (INR) :** ₹ 27.08 crore
- Total Spending on Corporate Social Responsibility (CSR) and as percentage of profit after taxes (%):** ₹ 2.87 crore (10.6%)
- List of activities in which expenditure in 4 above has been incurred:**
 - **Reskilling:**
 - DEEP program - Reskilling and training socio-economically deprived needy beneficiaries for their better employability and earnings.
 - Stakeholder Reskilling program – Training and reskilling key stakeholders (Mechanics, E-Rickshaw Drivers, Farmers, Fishermen, Auto Drivers, etc) towards their higher productivity and better earning opportunity.
 - **Education:**
 - Greaves Scholarship Programme – Educational scholarship donation to underprivileged students coming from lower income group.
 - **Health**
 - Contribution of funds to hospital for capacity building.
 - Deployment of Oxygen concentrators for COVID-19 affected patients seeking medical care.
 - Ration kit distribution to Low Income Group, families whose income is affected by COVID-19 Pandemic.
 - Yoga and meditation training for Auto drivers for their better health and mental well-being.

➤ **Environment:**

- Tree plantation drive on the coastal banks of river Cauvery, thereby enabling its restoration.

For more details, refer Annexure 4 to the Board's Report forming part of this Annual Report.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? Yes. The Company has 5 subsidiaries as on 31st March 2022.

- During the year under review, the Company acquired 100% equity shareholding in Greaves Technologies Limited (formerly known as Dee Greaves Limited) ("GTL") on 11th August 2021 and pursuant to which GTL became wholly owned subsidiary of the Company.
- Greaves Electric Mobility Private Limited (formerly known as Ampere Vehicles Private Limited) ("GEMPL") acquired the balance 26% equity shareholding in Bestway Agencies Private Limited ("Bestway") on 22nd October 2021 and pursuant to which Bestway became wholly owned subsidiary of GEMPL.
- Further, GEMPL has completed the acquisition 26% equity shareholding in MLR Auto Limited ("MLR") on 22nd October 2021 and pursuant to which MLR became an associate of GEMPL.
- GTL incorporated a wholly owned subsidiary in Delaware, USA named Greaves Technologies Inc. on 23rd February 2022.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s): The participation by subsidiaries in the BR initiatives of the Parent Company is not necessitated given their small size.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: The Company has a principle of working with few, selected suppliers following best practices of their respective industries. Quality and Delivery are the hallmarks of the Company's business responsibilities to customers. Subsequently, the Company is focused on choosing suppliers who can deliver great quality parts at the right time. The Company conducts Annual Vendor meets at a Company level and BU-specific Vendor meets at regular intervals. This provides a great platform where the Company sounds out its Business Responsibility practices.

Before the Company finalizes any Supplier, an extensive research about the Vendors Machine and Financial Capacity, Quality Management Systems (ISO9001/TS6949 Certification), Security Management Systems (OHSAS18001) and Environmental Management Systems (ISO14001 Certification) is carried out. Further, Advanced Product Quality Planning is followed in Automotive Engines Business to ensure

sustainable supply chain of material. This is adapted/being rapidly adapted across other businesses of the Company.

The Company has a dedicated IT Platform where expected delivery schedules, news flash, etc. are accessible to the supplier, which enables the vendors to fulfil their responsibilities.

The Company has a rating system and is in the process of enhancing and automating the same. The rating system rates suppliers based on their performance related to the Business Responsibilities, among other things.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

DIN Number: 01886313

Name: Mr. Nagesh Basavanhalli

Designation: Managing Director & Group CEO

b) Details of the BR Head

1. **DIN Number:** 07289950

Name: Mr. Ajit Venkataraman*

Designation: Executive Director

Tel No. : 022-41711700

Email ID: ajit.venkataraman@greavescotton.com

2. **DIN Number:** 02325890

Name: Dr. Arup Basu**

Designation: Deputy Managing Director

Tel No. : 022-41711700

Email ID: arup.basu@greavescotton.com

**has tendered his resignation w.e.f. 31st May 2022*

***appointed w.e.f. 12th May 2022*

2. Principle-wise (as per NVGs) BR Policy/policies

- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- Businesses should promote the wellbeing of all employees.
- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- Businesses should respect and promote human rights.
- Businesses should respect, protect, and make efforts to restore the environment.
- Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- Businesses should support inclusive growth and equitable development.
- Businesses should engage with and provide value to their customers and consumers in a responsible manner.

A. Details of compliance (Reply in Y/N)

Sr No	Questions	P1: Ethics and Transparency	P2: Product Responsibility	P3: Wellbeing of employees	P4: Respon- siveness to Stakeholders	P5: Respect Human Rights	P6: Environ- mental Responsibility	P7: Public policy advocacy	P8: Support inclusive growth	P9: Engagement with Customers
1.	Do you have policy/policies for....?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	N	Y	N	Y	Y	N	N	N
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	N	Y	N	Y	Y	N	N	N
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	N	Y	N	Y	Y	N	N	N
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Note 2	N	Note 2	N	Note 2	Note 2	N	N	N
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	N	Y	N	Y	Y	N	N	N
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	N	Y	N	Y	Y	N	N	N

Note 1: The policies conform to the principles laid down in the National Guidelines on Responsible Business Conduct.

Note 2: The policies are uploaded on intranet site for the information and implementation by the internal stakeholders. The Code of Conduct for Board Members & Senior Management and CSR Policy are available on the Company's website i.e. www.greavescotton.com under the "Investors" section.

B. If answer to the question at serial number 1 against any principle, is ‘No’, please explain why: (Tick up to 2 options) – Not Applicable

Sr No	Questions	P1: Ethics and Transpar- ency	P2: Product Respon- sibility	P3: Wellbeing of employees	P4: Responsiveness to Stakeholders	P5: Respect Human Rights	P6: Environ- mental Responsibility	P7: Public policy advocacy	P8: Support inclusive growth	P9: Engagement with Customers
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)?									

3. Governance Related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year: 3 – 6 months**
- b) **Does the Company publish a BR or Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**
 – The Company publishes Business Responsibility Report which forms part of Annual Report and the same can be accessed on the Company’s website at <https://www.greavescotton.com/investors>.

Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company has defined Code of Conduct for Board Members and Senior Management that covers issues, inter alia, ethics, bribery and corruption. It covers all dealings with customers, suppliers, dealers, contractors and other stakeholders.

- 2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has different mechanisms for receiving and dealing with complaints from various stakeholders like Customers, Employees, Suppliers, etc. During the financial year 2021-22, 3 (three) complaints were received from the shareholders, all of which were attended and satisfactorily resolved. The details of complaints received from other stakeholders is specified under principle 9.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

- 1. **Does the policy relating to ethics, bribery and corruption cover only the Company?**

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Business	Social and Environmental benefits
Automotive Business	<p>With an array of Fuel Agnostic Powertrain Solutions, the BS VI compliant engines deliver on high fuel efficiency, low TCO, superior performance and long-term assurance.</p> <p>Greaves engines come in different fuel types of diesel, petrol, CNG/LPG and they are suitable for variety of passenger and cargo last mile small commercial vehicle applications.</p> <p>Backed by strong aftermarket support through spares and service, Greaves Automotive Engines continue to be the popular choice amongst leading Automotive OEMs and auto-drivers.</p> <p>Meeting the stringent Industrial and regulatory compliance norms, Greaves Engines have been a pioneering name in the Indian Automotive segment from decades.</p> <p>Our Light Engines Unit- I and Light Engines Unit- V located at Aurangabad are ISO certified.</p>
Non-Automotive Business	<p>a. Auxiliary Power business: Greaves has a smart range of portable gensets that exhibit higher efficiencies, compactness, higher reliability and have a compact footprint with reliable after sales service. With applications in commercial and residential complexes, it is powering critical installations and multifarious, applications benefitting everyday life.</p> <p>Greaves gensets have a low footprint, low TCO, low noise level which are backed by 24X7 service and spares facility. To focus on alternate energy, the Company has set up a dedicated team to explore clean energy product options in power segment.</p> <p>b. Farm Equipment business: Greaves manufactures a wide range of pump sets, power tillers and light agri equipment that are powerful, reliable and fuel-efficient. These are Made-in-India and require low maintenance. Farmers have benefitted with mechanised farming made simpler using Greaves light agri equipment- including brush cutter, reaper, weeder sprayer and mini power tiller.</p> <p>Thus from land preparation to harvesting, Greaves plays an important role in enhancing productivity at every stage of the product cycle with mechanised equipment to help farmers.</p> <p>c. Industrial Engines: The Company's non-automotive small engines with high power-to-weight ratio are also used extensively for portable agricultural pump sets, gensets, small boats, construction equipment and host of other applications. Available in a range of 1.5HP-700HP models.</p>
Electric Mobility	<p>Greaves Electric Mobility Private Limited (formerly known as Ampere Vehicles Private Limited) has over thirteen years of experience in EV technology, designing and manufacturing electric vehicles with Ampere in e2W and Ele. With a strong base of 100000+ customers & growing backed by comprehensive EV ecosystem support from Greaves, Ampere is pushing boundaries to create an affordable & sustainable ecosystem for clean last-mile mobility in India. In the E-2W segment, Ampere is the fastest growing brand in India with a presence in both B2C and B2B segments.</p>

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

The performance for current and previous year on Specific Energy Consumption and Specific Water Consumption during production is appended below:

Resources Used	Divisions	UOM. (units of measure)	Previous Yr. 2020-21	Current Yr. 2021-22
Specific Energy Consumption	Automotive Engine Business(AEB)	Units/Engine	46	51
	Industrial Engine Business(IEB)	Units/Eq. Engine	187	160
	Farm Equipment Business (FEB)	Units/Engine	--	--
Specific water Consumption	Automotive Engine Business, Aurangabad	M ³ /Engine	0.33	0.47
	Industrial Engine Business	M ³ /Eq. Engine	1.17	0.90

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

There would be a reduction of energy use by consumers due to constant innovations and focus on fuel efficiency.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Suppliers are on-boarded keeping sustainability factors in mind. Regular MSA (Manufacturing Site Assessments) are planned and Supplier Capability enhancement are planned through Quality circles with focus on improving QCD and Direct on line supplies. The Company is working with suppliers on long term relationship. The Company has a number of suppliers who already provide products in returnable packing format and the Company is aggressively working to add even more suppliers in this format. With Annual vendor meets, the Company is interacting with key suppliers and working towards more efficient and green transportation, value engineering and value analysis so as to have optimum processes and better yield. Suppliers are awarded annually based on their performance during the year in terms of Quality and Delivery Performance.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

More than 97% of the components purchased by the Company for its Automotive Engines Business (“AEB”), Auxillary Power Business, Aftermarket Business and Industrial Engines Business are procured from local suppliers. In AEB, 100% tier-1 component suppliers are local suppliers. In other businesses about 2-3% of components are procured by way of imports. In the Farm Equipment – Light Agri Business, the Company is importing end-products and technology from abroad with the aim of rapidly indigenizing the same – process of indigenizing is already under way.

The Company continues their efforts to source components for its Engine Business (Automotive Engines Business, Auxiliary Power Business, Aftermarket Business, Industrial Engines Business). The Company has been importing end-products and technology from abroad for our Farm Equipment Business which has been reduced in FY21-22 by developing the products in India. In our new business of Light Construction Equipment, we source all end-products locally. We strongly encourage Make in India.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, the Company is using recyclable pallets for Engine transportation to the customers and plastic bins are used for the transportation of components instead of corrugated

boxes at Automotive Engine Business (Less than 5%). Engine oil is reused for engine testing by filtration.

Yes, the Company continuous to focus on environment through its initiative to reduce wooden packaging. At AEB, the Company uses we returnable skids for our outbound engine despatches.

Principle 3: Businesses should promote the wellbeing of all employees

- 1. Please indicate the Total number of employees:** 931
- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis:** 1272
- 3. Please indicate the Number of permanent women Employees:** 31
- 4. Please indicate the Number of permanent employees with disabilities:** 1
- 5. Do you have an employee association that is recognized by management?** Yes
- 6. What percentage of your permanent employees is members of this recognized employee association?** 3.87%
- 7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during financial year	No. of complaints pending as on end of financial year
1	Child labour/ forced labour/ involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

- 8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
 - a. Permanent Employees:** 65%
 - b. Permanent Women Employees:** 75%
 - c. Casual/Temporary/Contractual Employees:** 83%
 - d. Employees with Disabilities:** Nil

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

- 1. Has the company mapped its internal and external Stakeholders? Yes/No**
Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Micro, Small & Medium Enterprise (MSME) suppliers have been identified and their timely payment as per MSME Ministry Guidelines are ensured.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

To enhance capability of small vendors, the Company works on supplier development clusters program under the aegis of MSME, Ministry and Automotive Component Manufacturers Association of India. 11 clusters are created within Pune, Aurangabad, Kolhapur and Chennai region involving 81 suppliers. In addition to above, the Company provides support in terms of Supply Chain Financing to support vulnerable suppliers. We are also encouraging MSME to make use of Trade Receivables Discounting System (TReDS) by RBI for managing finances.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company supports and respects the protection of internationally proclaimed human rights, labour standards and environmental protection measures. The Company does not hire child labour, forced labour or involuntary labour and the practice extends to the entire Group. The Suppliers/Contractors/NGOs dealing with the Company are always encouraged to maintain ethical standards in all their practices.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the financial year 2021-22, no complaints regarding violation of Human Rights, have been received.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company is committed to operate all its units in an environment friendly manner while protecting health and safety of its employees. The stakeholders are encouraged to adopt the practices of Company.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company is conscious of the importance of environmentally clean and safe operations. The Company

has initiated new projects across its various business units in the direction of clean energy and will be launching them soon. At Greaves we have reimagined the future of Mobility ecosystem with clear focus on transformative technology. While working on this direction relentlessly, we have today a range of energy efficient products & services as offering in affordable last mile transportation.

Greaves Electric Mobility, is accelerating the mission of affordable clean mobility solutions for emerging India. Today, with more than 100,000+ happy users have experienced freedom with low operation and running cost, hence improving their savings. All information can be accessed from <https://www.greavescotton.com/>

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company is ISO 14001:2015 certified and identifies and assesses potential environmental aspects and their risks and mitigate the risk by using determination controls.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company has adopted an environment friendly approach in all its initiatives, manufacturing processes and technological innovations. This 'Green Approach' has been an essential part of the Company's culture, from recycling to reusing water & maximize fuel efficiency.

The Company is committed to promote a green culture. Following are the initiatives carried out for clean development management:

1. Energy conservation: - In our initiative towards a cleaner and greener tomorrow we have taken various measures to conserve energy like the various power saving projects & initiatives being implemented at the plant, replacement of conventional lighting systems with power saving LED lamps, solar powered street lamps and the installation of solar roof top panels at both our plants at Aurangabad location. At Greaves, we are committed towards taking concrete steps in the direction of cleaner and greener tomorrow. This plan is aligned in the direction to build energy efficiency, secure resource optimization, optimise smart use of renewable resources which will eventually save the planet & contribute in fighting climate change.

2. Water Conservation: We have implemented various initiatives towards water conservation like rain water harvesting, rain water collection in farm lakes, reuse of ETP & STP treated water for gardening purpose & we are proud to share that our Aurangabad plant is a 'Zero Liquid Discharge' plant.

3. Effluent Treatment Plant: To prevent water pollution, we have also invested in an Effluent Treatment Plant, which is capable of treating waste water. The output parameter is maintained strictly with norms to ensure that 100% treated water is recycled back into the process while the sludge is safely disposed off through an authorized agency – Maharashtra Enviro Power Limited.
4. Sewage Treatment Plant: - We ensure that sewage is biologically treated to attain efficacy. This treatment plant is designed to accommodate up to 6 hours of holding and ensuring effluent, is 100% treated and recycled into soft water that is used in gardening.
5. Land pollution: We ensure there is no land contamination due to any manufacturing processes.
6. Tree plantation & Miyawaki afforestation: As a part of our Green initiative at Aurangabad Plant we have planted around 2000 saplings of various native species of trees. The forests grown using Miyawaki technique grows 10 times faster and 30 times denser. They boast of having 30 times better carbon dioxide absorption capacity, 30 times better noise and dust reduction ability and 30 times greener surface area, as compared to a monoculture plantation. These dense forests not only help retain groundwater, recharge groundwater tables and support local biodiversity but also increases green cover and curb air pollution. Apart from this, the Company has planted around 6000 trees & plants in & around the factory premises with 15000 square meter area covered by lawns. The Company has also developed green belts along the roads near the factory premises.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.

The Company has technologies which have set the new standard in fuel efficiency and minimizing harmful emissions. All our engines have consistently demonstrated lowered emissions of poisonous gases. We have BS-VI passed automotive engines, which are running successfully on road.

Following are few examples carried out at the Company to improve the energy efficiency:

- Installation of rooftop solar panels at both the manufacturing facilities in Aurangabad
- Replacement & conversion of all the lights into LED lamps which provides better illumination & are energy efficient
- Conversion of machine lamps into LED lamps for all the machines added for BS-VI engines
- Installation of variable frequency drives for compressor
- Modified the blower motors to reduce its power consumption

- Use of energy efficient pumps in machine shop and cooling towers
- Monitoring and controlling of Air Consumption
- Conversion of water cooled compressor to air cooled compressor
- Conventional water heating system of washing machine replaced by heat from compressor
- Installation of Air saving Unit to reduce loading hours of compressor

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions and waste generated are within the permissible limits given by CPCB.

Stack emission tests are carried out for Testing Blowers and DG sets. Ambient air monitoring is also being carried out.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of following trade and chamber or association:

- a. Confederation of Indian Industry
- b. Indo-German Chamber of Commerce
- c. Indo-Italian Chamber of Commerce and Industry

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company has given number of suggestions to the government through CCI, for ease of doing business, suggestions for civic amenities improvement, water conservation/management suggestions, industry participation in mid-day meal schemes, etc.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Please refer point number 4.

2. Are the programmes/projects undertaken through in house team/own foundation/external NGO/government structures/any other organization?

CSR initiatives are being implemented directly by the Company as well as through external agencies (NGO/Trusts).

3. Have you done any impact assessment of your initiative?

The progress of CSR activities under implementation are reported to the Committee, on a periodic basis. While the CSR projects are closely monitored, the Company does not carry an impact assessment of the projects. .

4. What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken?

➤ **Reskilling:**

- DEEP program - Reskilling and training socio-economically deprived needy beneficiaries for their better employability and earnings
- Stakeholder Reskilling program – Training and reskilling key stakeholders (Mechanics, E-Rickshaw Drivers, Farmers, Fishermen, Auto Drivers etc) towards their higher productivity and better earning opportunity

Total Investment – INR 2.18 crore

For more details refer Annexure 4 to the Board's Report forming part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the Community? Please explain in 50 words, or so.

Under the CSR DEEP Program, socio-economically deprived students are given necessary skillset and vocational training to increase their employability and earnability. This enables their growth – professionally and financially. Thereby enabling the progress of people dependent on them in their community.

The training and reskilling given to the key stakeholders enables them to have higher earning potential and better livelihood, thereby uplifting their communities.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible Manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Customer complaints are treated very seriously in the organization. Following is the business wise status of the customer complaints received for the financial year 2021-22:

Division	Total Customer Complaints (Phenomena) Registered in this period	Open	Close	Open %	Close %
Automotive Engine	959	-	959	-	100%
Industrial Engine & Auxiliary Power	17480	-	17480	-	100%
Farm Equipment	251	-	251	-	100%

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

Yes, in addition to mandatory requirements, the Company also provides service and safety labels as deemed appropriate e.g: Product fuel economy data displayed for each variant at selling points.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Nil

4. Did your company carry out any consumer survey/consumer satisfaction trends?

Yes, Customer satisfaction survey is carried out through internal resources. The Company regularly take customer's feedback during the design and development of product and service initiatives.



Financial Statements

Independent Auditor's Report

To the Members of Greaves Cotton Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Greaves Cotton Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Assessment of carrying value of unquoted equity instruments in subsidiary – Greaves Electric Mobility Private Limited Erstwhile Ampere Vehicles Private Limited ("GEMPL")</p> <p>The impairment review of unquoted equity instruments in GEMPL, with a carrying value of Rs 176.30 crores, is considered to be a risk area due to the size of the balance as well as the judgmental nature of key assumptions such as projections of Revenue, EBITDA, weighted average cost of capital and terminal growth rate considered for the purpose of valuation.</p> <p>The carrying value of such unquoted equity instruments in GEMPL is at risk of recoverability. Management reviews whether there are any impairment indicators and based on review, operating losses and negative cash flows were identified by the management in its investment in the subsidiary. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting of Revenue, EBITDA and weighted average cost of capital and terminal growth rate used for discounting future cash flows.</p> <p>(Refer note 3.1(e) and 6 to the standalone financial statements)</p>	<p>Principal Audit Procedures Performed:</p> <ul style="list-style-type: none"> Evaluated the design and tested the operating effectiveness of internal controls implemented by the Company relating to identification of impairment indicators and valuation of investment in subsidiary; Evaluated the objectivity and independence of the specialist engaged by the Company and reviewed the valuation report issued by such specialist; Engaged internal fair valuation expert to test the appropriateness of the management's underlying assumptions such as weighted average cost of capital, terminal growth rate considered and appropriateness of the valuation model used; Compared the Company's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates; Assessed the appropriateness of the forecasted projections of Revenue and EBITDA within the budgeted period based on understanding of the business and sector experience;

Sr. No.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> Performed a sensitivity analysis in relation to weighted average cost of capital; and Assessed the adequacy of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' report including Annexures to Directors' Report, Business Responsibility Report and Corporate Governance but does not include standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 7.2 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries");
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 40 (v) to the standalone financials statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities;
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;
 - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 15E to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-10018)

Mukesh Jain
(Partner)

(Membership No. 108262)
(UDIN 22108262AIVMQE4637)

Place: Mumbai
Date: 12th May, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Greaves Cotton Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
(Partner)

(Membership No. 108262)
(UDIN: 22108262AIVMQE4637)

Place: Mumbai
Date: 12th May, 2022

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of Property, plant and equipment so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in (Property, plant and equipment, and non-current assets classified as held for sale) are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, plant and equipment (including Right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022, for holding any benami Property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (excluding the inventories held with third parties and Goods in Transit), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in- transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters with insignificant discrepancies.
- (iii) The company has not provided security or granted any advances in the nature of loans. The Company has made investments in, provided guarantee and granted loans, secured or unsecured, to companies during the year in respect of which:

- (a) The Company has provided loans and stood guarantee during the year and details of which are given below:

	Amount in crores (Rs.)	
	Loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	102.71	275.00
- Others	3.00	10.00
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	16.60	275.00
- Others	-	10.00

- (b) The investments made, and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation except for the following:

Amount in crores (Rs.)

Name of the entity	Nature	Amount	Due date	Extent of delay	Remarks, if any
Greaves Finance Limited	Interest	0.01	30-April-21	110	Received subsequently as on 18 th August 2021
Bestway Agencies Private Limited	Interest	0.26	30-April-21	153	
	Interest	0.27	31-May-21	122	
	Interest	0.26	30-June-21	92	Received subsequently as on 30 th September 2021
Greaves Electric Mobility Private Limited	Interest	0.17	30-April-21	153	
	Interest	0.20	31-May-21	122	
	Interest	0.23	30-June-21	92	

- (d) In respect of loans granted provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.
- (e) During the year, the company has modified/ renewed the terms of the loans aggregating to Rs. 66.83 crores out of which Rs. 50.53 crores fell due. The details of such loans that fell due and those granted during the year are stated below:

Amount in crores (Rs.)

Particulars	Aggregate amount of loans or advances in the nature of loans that fell due during the year or were modified during the year	Date they fell due	Amount of loan renewed / modified	Date of renewal / modification	Details of the loan(s) renewed / modified during the year	% of the aggregate to the total loans or advances in the nature of loans granted during the year
Amount fell due and modified						
Bestway Agencies Private Limited	30.00	27-Nov-21	30.00#	27-Nov-21	Working Capital Requirement	28%
Greaves Finance Limited (GFL)	0.75	30-Mar-22	0.75#	30-Mar-22	Working Capital Requirement	1%
Greaves Electric Mobility Private Limited (GEMPL)	6.00	06-Jan-22				
	8.32	15-Feb-22				
	0.02	29-Mar-22				
	3.50	22-Jan-22				
Subtotal Amount fell due and modified (A)	50.53		34.14*	15-Sep-21	Working Capital Requirement and investment in fellow subsidiary/ associate	32%
Greaves Electric Mobility Private Limited (GEMPL)	2.80	03-Apr-22				
	3.00	28-Apr-22				
	5.50	07-Jun-22				
	5.00	18-Aug-22				
Subtotal Amount modified before due date (B)	16.30					
Total (A+B)	66.83		66.83			

* – Modified during the year

#- Renewed during the year.

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been generally regularly deposited by it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Income-tax, Sales Tax, Services Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

Details of statutory dues referred to in sub-clause (b) above which have not been deposited as on 31st March, 2022 on account of disputes are given below:

Amount in crores (Rs.)					
Sr. No.	Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs in crore)*
1	Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms interest and other matters	High Court	2001-02	0.30
2	Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms interest and other matters	Appellate Tribunal	1989-90, 1994-95, 1999-00 To 2004-05	0.32
3	Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms interest and other matters	Appeal Joint Commissioner / Deputy Commissioner	1998-00, 1992-93, 2003-04, 2006-07, 2008-09, 2012-13 To 2017-18	32.46
4	Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms interest and other matters	ADC/Assistant Commissioner/ Deputy Commissioner	2008-09 2016-17, 2017-18	7.75
5	Central Excise Act ,1944	Disallowance of input credit and penalty	Appellate Tribunal	2002-03 2005-06, 2006-07 2008-09, 2011-12 To 2016-17	21.31
6	Central Excise Act ,1944	Disallowance of input credit and penalty	Commissioner (Appeals)	1991-92, 2010-11 2011-12, 2016-17, 2017-18	0.54
7	Central Excise Act ,1944	Disallowance of input credit and penalty	Assistant Commissioner/ Deputy Commissioner/ Additional Deputy Commissioner/ Joint Commissioner/Commissioner	1997-98, 2008-09 2010-11, 2011-12 2015-16	3.20

* Net of amount paid under protest

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) We report that the Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31st March 2022.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have more than one CIC.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent amount for the year requiring a transfer to a Fund specified in schedule VII to the Companies Act or special account in compliance with the provisions of sub section (5) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(b) The company does not have any ongoing projects as on the balance sheet date. Hence, reporting under this clause is not applicable.

For **Deloitte Haskins and Sells LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-10018)

Mukesh Jain

(Partner)

(Membership No. 108262)

(UDIN 22108262AIVMQE4637)

Place: Mumbai

Date: 12th May, 2022

Balance Sheet

as at 31st March 2022

	Note No.	As at 31 st March 2022	(₹ in Crore) As at 31 st March 2021
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	154.56	192.35
(b) Capital work-in-progress	4A	22.78	23.41
(c) Right-of-use assets	4 & 38	36.62	28.79
(d) Intangible assets	5	39.04	46.16
(e) Intangible assets under development	5A	55.58	50.39
(f) Financial assets			
(i) Investments			
Investments in subsidiaries	6	176.78	176.59
(ii) Loans	7	16.60	53.34
(iii) Other financial assets	8A	18.67	8.07
(g) Income tax assets (Net)		30.62	31.38
(h) Deferred tax assets (Net)	19A	20.53	18.49
(i) Other non-current assets	9A	19.53	21.28
Total non-current assets		591.31	650.25
2 Current assets			
(a) Inventories	10	139.70	154.83
(b) Financial assets			
(i) Trade receivables	11	177.72	202.99
(ii) Cash and cash equivalents	12	68.42	170.53
(iii) Bank balances other than (ii) above	13	351.15	105.28
(iv) Other financial assets	8B	21.63	13.14
(c) Other current assets	9B	18.97	31.89
Total current assets		777.59	678.66
3 Assets classified as held for sale	14	12.31	-
Total Assets		1,381.21	1,328.91
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	46.30	46.24
(b) Other equity	16	883.45	854.71
Total Equity		929.75	900.95
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
Lease liabilities	38	10.88	7.58
(b) Provisions	18A	0.29	0.23
(c) Other non-current liabilities	21A	20.82	20.42
Total non-current liabilities		31.99	28.23
2 Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	38	9.59	3.87
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	20	30.22	32.20
- Total outstanding dues of creditors other than micro enterprises and small enterprises	20	208.98	285.34
(iii) Other financial liabilities	17	28.59	25.84
(b) Provisions	18B	25.29	24.68
(c) Income tax liabilities (Net)		5.26	5.26
(d) Other current liabilities	21B	111.54	22.54
Total current liabilities		419.47	399.73
Total Equity and Liabilities		1,381.21	1,328.91
Notes forming part of the financial statements	1-41		

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Statement of Profit & Loss

for the year ended 31st March 2022

		(₹ in Crore)	
	Note No.	Year ended 31 st March 2022	Year ended 31 st March 2021
I Revenue from operations	22	1,177.59	1,329.06
II Other income	23	31.59	10.04
III Total income (I + II)		1,209.18	1,339.10
IV Expenses			
Cost of materials consumed	24	741.88	817.74
Purchases of stock-in-trade	25	92.63	95.44
Changes in inventories of finished goods, stock-in-trade and work-in progress	26	8.23	28.19
Employee benefits expense	27	130.83	127.09
Finance costs	28	1.96	5.63
Depreciation and amortisation expense	29	42.43	48.41
Other expenses	30	159.28	163.67
Total expenses		1,177.24	1,286.17
V Profit before exceptional items and tax		31.94	52.93
VI Exceptional items : Income/(Expense)	31	7.33	(34.46)
VII Profit before tax		39.27	18.47
VIII Tax expense			
Current tax		14.23	19.51
Deferred tax (credit)/charge		(2.04)	(11.40)
Total tax expenses	19C	12.19	8.11
IX Profit for the year (VII - VIII)		27.08	10.36
X Other comprehensive income			
(i) Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plans : Gain		2.73	1.29
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.72)	(0.32)
Other comprehensive income for the year		2.01	0.97
XI Total Comprehensive income for the year (IX + X)		29.09	11.33
XII Earnings per equity share of ₹ 2 each :			
Basic	34	1.17	0.45
Diluted	34	1.16	0.45
Notes forming part of the financial statements	1-41		

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Statement of Changes in Equity

for the year ended 31st March 2022

A Equity share capital

(₹ in Crore)

Balance as at 1st April 2020	46.24
Balance as at 31st March 2021	46.24
Add: Equity shares issued pursuant to exercise of options under ESOP-2020	0.06
Balance as at 31st March 2022	46.30

(₹ in Crore)

	Reserves and surplus						Total
	Capital reserve	Securities premium	General reserves	Capital redemption reserve	Employee share options	Retained earnings	
B Other equity							
Balance as at 1st April 2020	1.34	34.59	346.18	2.60	0.35	456.90	841.96
Profit for the year	-	-	-	-	-	10.36	10.36
Other comprehensive income (net of tax)	-	-	-	-	-	0.97	0.97
Total Comprehensive Income for the year	-	-	-	-	-	11.33	11.33
Employee Stock option Plan (Refer note 16A)	-	-	-	-	1.43	-	1.43
Balance as at 31st March 2021	1.34	34.59	346.18	2.60	1.78	468.22	854.71
Balance as at 1st April 2021	1.34	34.59	346.18	2.60	1.78	468.22	854.71
Profit for the year	-	-	-	-	-	27.08	27.08
Other comprehensive income (net of tax)	-	-	-	-	-	2.01	2.01
Total Comprehensive Income for the year	-	-	-	-	-	29.09	29.09
Dividends	-	-	-	-	-	(4.62)	(4.62)
Transfer from/(to) general reserve during the year	-	-	0.60	-	(0.60)	-	-
Issue of shares on ESOP exercised	-	0.79	-	-	(0.79)	-	-
Employee Stock option Plan (Refer note 16A)	-	-	-	-	4.27	-	4.27
Balance as at 31st March 2022	1.34	35.38	346.78	2.60	4.66	492.69	883.45
Notes forming part of the financial statements							1-41

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Statement of Cash Flows

for the year ended 31st March 2022

	Year ended 31 st March 2022	Year ended 31 st March 2021
		(₹ in Crore)
Cash flows from operating activities		
Profit after tax	27.08	10.36
Adjustments for:		
Income tax expense	12.19	8.11
Finance costs	1.96	5.63
Interest income	(18.73)	(8.07)
Loss on sale of property, plant & equipment (Net)	0.42	0.05
Asset under development written off	0.10	1.03
Profit on sale of property, plant & equipment (exceptional item)	(19.86)	(8.40)
Profit on sale of PPE (exceptional item)	(2.11)	-
ESOP expenses	4.27	1.43
Depreciation and amortisation expenses	42.43	48.41
Impairment of PPE and Intangible assets under development (exceptional item)	9.42	17.40
Insurance claim	(4.33)	-
Unrealised foreign exchange (gain)/loss	(0.08)	0.13
Operating profit before working capital changes	52.76	76.08
Adjustment for movements in working capital:		
Trade receivables	25.24	35.71
Inventories	15.13	16.35
Other assets	14.30	28.64
Trade payables	(78.23)	38.49
Provisions	0.67	5.16
Other liabilities	8.58	(6.57)
Cash generated from operations	38.45	193.86
Less: Income taxes paid	(14.19)	(21.58)
Net cash generated from operating activities (A)	24.26	172.28
Cash flows from investing activities		
Purchase of PPE and capital work-in-progress	(6.41)	(28.06)
Purchase of Intangible assets and Intangible assets under development	(21.57)	(11.49)
Proceeds from disposal of property, plant and equipment	20.27	8.42
Advance received towards sale of land	84.15	-
Bank deposits placed	(354.49)	(101.89)
Bank deposits matured	109.15	30.00
Interest received	17.67	7.11
Investment in subsidiary	(0.19)	-
Loans given to subsidiaries	(105.71)	(53.34)
Loan repaid by subsidiaries	142.45	3.00
Net cash generated (used in)/from investing activities (B)	(114.68)	(146.25)

Statement of Cash Flows (Contd.)

for the year ended 31st March 2022

(₹ in Crore)

	Year ended 31 st March 2022	Year ended 31 st March 2021
Cash flows from financing activities		
Dividend paid	(4.62)	-
Shares issued on exercise of ESOPs	0.06	-
Payment made towards lease liabilities (including interest)	(6.71)	(5.32)
Interest paid	(0.42)	(4.51)
Net cash used in financing activities (C)	(11.69)	(9.83)
Net increase in cash and cash equivalents (A+B+C)	(102.11)	16.20
Cash and cash equivalents at the beginning of the year	170.53	154.33
Cash and cash equivalents at the end of the year (Refer Note 12)	68.42	170.53
Notes forming part of the financial statements		1-41

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Notes to the Financial Statements

for the year ended 31st March 2022

1. General Information:

Greaves Cotton Limited (the 'Company') is engaged in manufacturing of engines, engine applications and trading of power tillers, spares related to engines, electric vehicles and infrastructure equipment etc. The Company has manufacturing facilities in the states of Maharashtra and Tamil Nadu. The products are mainly sold in India with some export to Middle East, Africa & South East Asia Region. The Company has two direct and two indirect subsidiaries.

The Company is public limited company incorporated and domiciled in India. The address of its corporate office is Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla (West), Mumbai – 400 070.

These Financial statements for the year ended 31st March 2022 were approved by the Board of Directors and authorised for issue on 12th May 2022.

2. Summary of Significant Accounting Policies:

2.1. Statement of compliance:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.2. Basis of preparation and presentation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3. Non-current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.4. Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable.

Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Ind-AS 115 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue.

2.4.1. Sale of goods:

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company is recognising revenue as and when it satisfies the performance obligation by transferring promised goods to a customer and customer obtains control of the same;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company;

Notes to the Financial Statements

for the year ended 31st March 2022

- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4.2. Rendering of services:

Revenue in respect of services is recognised in the accounting year in which the services are performed in accordance with the terms of contract with customers.

2.4.3. Dividend and interest income:

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Interest income from a financial assets is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.5. Foreign currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency. Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of transactions. At the end of each reporting period monetary item denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in the Statement of profit and loss in the year in which they arise except for exchange differences arising on marking forward contracts to market rates are recognised in the Statement of profit and loss in the year in which they arise and the premium paid/received is accounted as expenses/income over the period of contract.

2.6. Borrowing cost:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the year in which they are incurred.

2.7. Employee benefits:

2.7.1. Defined Contribution Plans:

The eligible employees of the Company are entitled to receive benefits under provident fund schemes defined contribution plans, in which both employees and the Company make monthly contributions at a specified percentage of the employees' salary. The contributions are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. There are no other obligations other than the contribution payable to the Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme.

Contribution to Superannuation Fund and National Pension Scheme, a defined contribution scheme, is made at pre-determined rates to the Superannuation Fund managed by Life Insurance Corporation and various asset management companies under National Pension Scheme and is charged to the Statement of profit and loss. There are no other obligations other than the contribution payable to the Superannuation Fund & National Pension Scheme.

2.7.2. Defined Benefit Plans:

For defined benefit retirement plans (i.e. gratuity and ex-gratia) the cost of providing benefits is determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

2.7.3. Compensated Absences:

Compensated absences which accrue to employees and which are expected to be availed within twelve months immediately following the year end are reported as expenses during

Notes to the Financial Statements

for the year ended 31st March 2022

the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit, and where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.8. Share-based payment arrangements:

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the General reserve within equity. The share based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

2.9. Goods and Service Tax (GST) paid on incurring expenses or on acquisition of assets:

Expenses and Assets are recognised net of the amount of GST, except

- a. When the tax incurred on purchase of expenses or assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- b. The net amount of tax receivable/payable is included as part of other assets or other liabilities, as the case may be.

2.10. Taxation:

2.10.1. Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted for the reporting period.

2.10.2. Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of

assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

2.10.3. Current and deferred tax for the year:

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

2.11. Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares, share-based payment arrangements), if any, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.12. Dividends:

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of approval by the Company's Board of Directors.

Notes to the Financial Statements

for the year ended 31st March 2022

2.13. Property, plant and equipment:

Cost includes inward freight, taxes (other than taxes recoverable from tax authorities) and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use. Own manufactured assets are capitalised at factory cost. Certain project related direct expenses, incurred at site for the period upto the date of commencement of commercial production are capitalised.

Depreciation on fixed assets is provided under the straight line method over the useful life of the assets. Extra shift depreciation is provided based on number of shifts for which the plant has worked. Leasehold land is amortised over the primary period of the lease. Leasehold building improvements are written off over the period of lease or their estimated useful life, whichever is lower, on a straight line basis. Residual value of the assets is estimated at 5% of cost. The useful lives of the assets of the Company are as follows:

Asset	Useful lives
Leasehold land	Over lease period
Leasehold improvements	Over lease period
Buildings	30 years
Plant & equipment	15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books and the resultant profit or loss (including capital profit), if any, is reflected in the Statement of profit and loss.

The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.14. Business Combinations:

Business combinations, if any are accounted by using the acquisition method as per Ind AS 103 'Business Combination'. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value on acquisition date and the amount of any non-controlling interests in the acquiree. Acquisition related costs are expensed as incurred. Goodwill is initially measured at cost, being the excess of the net acquisition cost and any previous interest held, over the net identifiable assets acquired and liabilities

assumed. If the fair value of the net assets acquired is in excess of the net cost of acquisition, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

2.15. Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss in the year in which the property is de-recognised.

Investment property owned by the Company is depreciated under the straight line method.

2.16. Leases:

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of a lease, the Company recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for short term leases and low value leases. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities. ROU assets are amortised on a straight-line basis over the asset's useful life or the lease period whichever is shorter

Lease liability is measured by discounting the lease payments using the interest rate of the incremental borrowing. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Notes to the Financial Statements

for the year ended 31st March 2022

Impairment of ROU assets is in accordance with the policy for impairment of non-financial assets.

Effective 1st April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

The Company has opted for exemption provided under Ind AS 116 for short-term leases and leases of low-value assets, hence the lease payments associated with those leases are treated as an expense on a straight-line basis over the lease term.

2.17. Intangible assets:

2.17.1. Intangible assets internally generated or acquired separately:

Own developed intangible assets are capitalised at actual cost. Cost includes all expenses incurred for development of the intangible asset, up to the point the asset is ready for its intended use. Research costs are charged to the Statement of profit and loss in the year in which they are incurred. Product development costs incurred on new engine platform, engines, transmission and new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits. The costs capitalized include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use.

Intangible assets with finite useful lives that are acquired separately or own developed are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.17.2. Derecognition of intangible asset:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset,

are recognised in the Statement of profit and loss when the asset is derecognised.

2.17.3. Useful life of intangible assets:

Estimated useful lives of the intangible assets are as follows:

- i) Technical know-how is amortised over a period of 5 years.
- ii) Product development is amortised over a period of 3 to 5 years.
- iii) Computer software is amortised over a period of 4 years.

2.18. Impairment of tangible and intangible assets other than goodwill:

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of profit and loss.

2.19. Inventories:

Inventories are valued, after providing for obsolescence, as under:

- a. Raw materials, stores, spares, packing materials, loose tools and traded goods at weighted average cost or net realisable value, whichever is lower.
- b. Work-in-progress at lower of weighted average cost including conversion cost or net realisable value, whichever is lower.
- c. Finished goods at lower of weighted average cost including conversion cost or net realisable value, whichever is lower.

2.20. Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be

Notes to the Financial Statements

for the year ended 31st March 2022

required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.21. Warranties:

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

2.22. Financial instrument:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

2.23. Financial asset:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.23.1. Financial assets at fair value through profit and loss (FVTPL):

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of profit and loss. The net gain or loss recognised in the Statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income/Other Expenses' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

2.23.2. Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

For trade receivables or any contractual rights to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures their allowances at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivable, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.23.3. Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.23.4. Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, exchange differences are recognised in the Statement of profit and loss, except for those which are designated as hedging instruments in a hedging relationship.

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for the year ended 31st March 2022

2.23.5. Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any are shown as borrowings under current financial liabilities.

2.24. Financial liabilities:

Financial liabilities are subsequently measured at amortised cost or at FVTPL.

2.24.1. Financial liabilities at FVTPL:

Financial liabilities such as derivative that is not designated and effective as a hedging instrument are classified as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of profit and loss. The net gain or loss recognised in the Statement of profit and loss is included in the 'other income/expense' line item.

2.24.2. Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost.

2.24.3. Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains or losses are determined based on the amortised cost of the instruments and are recognised in 'Other income/Other Expenses'.

The fair value of financial liabilities denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Statement of profit and loss.

2.24.4. Derecognition of financial liabilities:

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.25. Derivative financial instruments:

The Company enters into foreign exchange forward contracts to manage its exposure of foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of profit and loss immediately.

2.26. Contingent liabilities and contingent assets:

Contingent liability is disclosed in the case of:

- i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- ii) a present obligation when no reliable estimate is possible, and
- iii) a possible obligation, arising from past events where the probability of outflow of resources is not remote.

Contingent assets are neither recognised nor disclosed.

Contingent liabilities are reviewed at each balance sheet date and updated/recognised as appropriate.

3.

3.1. Critical accounting judgements and key sources of estimation uncertainty:

In the application of the Company's accounting policies, which are described in Note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the following areas the management of the Company has made critical judgements and estimates:

a. Employee Benefits:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

Notes to the Financial Statements

for the year ended 31st March 2022

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

b. Useful lives of property, plant and equipment & intangible assets (Including Intangible Asset under development):

The Company reviews the useful life of property, plant and equipment & intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

The Company's assessment of carrying value of intangible under development have inherent challenge with accurately predicting the future economic benefits which includes estimate of volume projection, margin, regulatory changes, expected capital expenditure for production phase and judgement around the probability of acceptance of technology/new product. Estimate and judgement around these inputs are critical to assess the carrying value of assets. The Company undertakes, significant levels of research and development activities for engine development and its various uses. A periodic review is undertaken during the life cycle of the engine. The Company applies judgement to determine the point at which the recognition criteria under accounting standard is satisfied.

c. Provision for warranty:

The Company gives warranties for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of nine to sixty six months.

d. Provisions and Contingent Liabilities:

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial

statements. A contingent asset is neither recognised nor disclosed in the financial statements.

e. Impairment of Investment in Subsidiary:

The investments in subsidiaries are carried at cost and was tested for impairment in accordance with provisions applicable to impairment of non-financial assets. The recoverable amount is determined based on value in use. The determination of recoverable amount involves significant judgements such as future projection of revenue, EBITDA, weighted average cost of capital and terminal growth.

The recoverable amount is significantly dependant on achievement of revenue growth and any change in revenue growth projection could have an impact on recoverable value. The management has considered 5 year revenue CAGR of 55%.

Based on the above, no impairment was identified as of 31st March 2022 as the recoverable amount is higher than carrying value.

f. Recoverability assessment of Assets:

In assessing the recoverability of assets such as intangible assets (including intangible assets under development), investments, inventories, trade receivables and other assets, based on current indicators of future economic conditions the Company expects to recover the carrying amounts of its assets. The impact of the global health pandemic, COVID 19, may be different from that presently estimated and would be recognised in the financial statements when material changes to economic conditions arise.

3.2. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April 2022, as below:

a. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the Financial Statements

for the year ended 31st March 2022

b. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling

contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

d. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The Company does not expect the amendment to have any significant impact in its financial statements.

e. Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the Financial Statements

for the year ended 31st March 2022

Particulars	Freehold					Right-of-use assets					Total	
	Land	Buildings	Plant & equip-ment	Office equipment	Furniture & fixtures	Vehicles	Leasehold improve-ments	Property, plant and equipment	Leasehold land	Leased properties		Right-of-use assets
	(₹ in Crore)					(₹ in Crore)						
Cost												
Balance as at 1st April 2020	3.44	89.91	269.59	3.92	6.88	0.46	7.20	381.40	20.19	18.76	38.95	
Additions	-	0.42	10.31	0.04	0.01	-	-	10.78	-	0.32	0.32	
Disposals	-	(0.21)	(0.05)	(0.02)	(0.08)	-	(0.81)	(1.17)	-	(0.04)	(0.04)	
Balance as at 31st March 2021	3.44	90.12	279.85	3.94	6.81	0.46	6.39	391.01	20.19	19.04	39.23	
Additions	-	0.01	9.72	0.06	0.06	-	0.21	10.06	-	14.19	14.19	
Classified as asset held for sale	(3.44)	(16.89)	-	-	-	-	-	(20.33)	-	-	-	
Disposals	-	(16.24)	(48.45)	(1.20)	(0.80)	(0.08)	(0.03)	(66.80)	(0.83)	-	(0.83)	
Balance as at 31st March 2022	-	57.00	241.12	2.80	6.07	0.38	6.57	313.94	19.36	33.23	52.59	
Depreciation												
Balance as at 1st April 2020	-	(20.76)	(129.96)	(2.88)	(2.08)	(0.17)	(2.41)	(158.26)	(1.13)	(4.63)	(5.76)	
Depreciation expense	-	(5.79)	(21.81)	(0.25)	(0.55)	(0.05)	(1.22)	(29.67)	(0.22)	(4.46)	(4.68)	
Impairment	-	(0.10)	(11.40)	(0.02)	(0.21)	-	-	(11.73)	-	-	-	
Disposals	-	0.20	0.05	0.02	0.06	-	0.67	1.00	-	-	-	
Balance as at 31st March 2021	-	(26.45)	(163.12)	(3.13)	(2.78)	(0.22)	(2.96)	(198.66)	(1.35)	(9.09)	(10.44)	
Depreciation expense	-	(3.42)	(17.37)	(0.20)	(0.49)	(0.04)	(1.07)	(22.59)	(0.22)	(5.64)	(5.86)	
Adjustment on asset held for sale	-	8.02	-	-	-	-	-	8.02	-	-	-	
Impairment	-	-	(0.85)	-	-	-	-	(0.85)	-	-	-	
Disposals	-	6.40	46.25	1.15	0.80	0.08	0.02	54.70	0.33	-	0.33	
Balance as at 31st March 2022	-	(15.45)	(135.09)	(2.18)	(2.47)	(0.18)	(4.01)	(159.38)	(1.24)	(14.73)	(15.97)	
Carrying amount												
Balance as at 31st March 2021	3.44	63.67	116.73	0.81	4.03	0.24	3.43	192.35	18.84	9.95	28.79	
Balance as at 31st March 2022	-	41.55	106.03	0.62	3.60	0.20	2.56	154.56	18.12	18.50	36.62	

Notes to the Financial Statements

for the year ended 31st March 2022

4A - Capital-Work-in Progress (CWIP)

(a) CWIP ageing schedule as on 31st March 2022

(₹ in Crore)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.19	8.89	6.67	2.03	22.78

Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CREST Project*	-	-	3.74	-	3.74

*CREST (Clean Responsible Technology) Engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

(b) CWIP ageing schedule as on 31st March 2021

(₹ in Crore)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	13.42	6.94	2.13	0.92	23.41

Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CREST Project*	-	-	3.81	-	3.81

*CREST (Clean Responsible Technology) Engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

5 - Intangible assets

(₹ in Crore)

Particulars	Technical knowhow & Product development	Computer software	Non-competee fees	Total Intangible assets
Cost				
Balance as at 1st April 2020	86.96	18.20	5.00	110.16
Additions	12.45	0.98	-	13.43
Disposals/Discarded	(37.85)	(4.26)	-	(42.11)
Balance as at 31st March 2021	61.56	14.92	5.00	81.48
Additions	6.29	0.57	-	6.86
Disposals/Discarded	-	(0.17)	-	(0.17)
Balance as at 31st March 2022	67.85	15.32	5.00	88.17

Notes to the Financial Statements

for the year ended 31st March 2022

5 - Intangible assets (Contd.)

(₹ in Crore)

Particulars	Technical knowhow & Product development	Computer software	Non-compete fees	Total Intangible assets
Amortisation				
Balance as at 1 st April 2020	(47.91)	(11.81)	(1.20)	(60.92)
Amortisation expense	(10.72)	(2.51)	(0.83)	(14.06)
Impairment	(2.44)	(0.01)	-	(2.45)
Disposals/Discarded	37.85	4.26	-	42.11
Balance as at 31st March 2021	(23.22)	(10.07)	(2.03)	(35.32)
Amortisation expense	(11.01)	(2.14)	(0.83)	(13.98)
Disposals/Discarded	-	0.17	-	0.17
Balance as at 31st March 2022	(34.23)	(12.04)	(2.86)	(49.13)
Carrying Amount				
Balance as at 31 st March 2021	38.34	4.85	2.97	46.16
Balance as at 31st March 2022	33.62	3.28	2.14	39.04

5A - Intangible assets under development

(a) Intangible assets under development ageing schedule as on 31st March 2022

(₹ in Crore)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17.12	3.08	2.87	32.51	55.58

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CREST Project*	-	-	28.10	-	28.10

*CREST (Clean Responsible Technology) Engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

(b) Intangible assets under development ageing schedule as on 31st March 2021

(₹ in Crore)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.18	7.96	29.98	8.27	50.39

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CREST Project*	-	-	33.24	-	33.24

*CREST (Clean Responsible Technology) Engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

Notes to the Financial Statements

for the year ended 31st March 2022

6 - Investments

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	Nos.	Amount	Nos.	Amount
(₹ in Crore)				
Non- current (Unquoted)				
6A Investment in subsidiaries (fully paid)				
Equity instruments (at amortised cost)				
Greaves Finance Limited (earlier known as Greaves Leasing Finance Limited) (Face Value of ₹ 10/- each)	2,50,000	0.29	2,50,000	0.29
Greaves Electric Mobility Private Limited (earlier known as Ampere Vehicles Private Limited) (Face Value of ₹ 10/- each) Refer Note 3.1.e of significant accounting policies and Note below	1,17,19,163	176.30	1,17,19,163	176.30
Greaves Technologies Limited (earlier known as Dee Greaves Limited) (Face Value of ₹ 10/- each)	1,33,851	0.19	-	-
Aggregate carrying value of unquoted investments - Non current		176.78		176.59

Note:

- The non- current investments in unquoted equity shares of subsidiaries are stated at amortised cost.
- During the year, the Company acquired 1,33,851 shares having face value of ₹ 10 each for ₹ 0.19 Crore in Greaves Technologies Limited (GTL) from Greaves Finance Limited, with this GTL became wholly owned subsidiary of the Company.
- Also refer note 32B.

6B Particulars of Investments made, loans given and guarantees given with purpose in terms of section 186 (4) of the Companies Act, 2013

Particulars	2021-22		2020-21	Purpose
	2021-22	2020-21		
Investment	Refer Note 6A above			
Loan Given	Refer Note 1 under Note 7-Loans			
Guarantee Given				
Greaves Electric Mobility Private Limited	175.00	-		Credit facilities granted by NBFC
	100.00	35.00		Capex & working capital requirement
Bestway Agencies Private Limited	10.00	-		Bank facilities for working capital requirement

7 - Loans

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	As at 31 st March 2022	As at 31 st March 2021	As at 31 st March 2021	As at 31 st March 2021
(₹ in Crore)				
Non-current				
Loan to subsidiaries (Refer note 35 and note 1 below)		16.60		53.34
Total		16.60		53.34

Note:

- a) During the year, the Company granted loan of ₹ 11.85 Crore (previous year ₹ 0.75 Crore) to its 100% subsidiary Greaves Finance Limited, at an interest rate of 10% p.a. This loan is repayable with interest within 12-24 months or such extended period as may be agreed mutually. The borrower to use the loan for its working capital requirements and lending to MLR Auto Limited.

Notes to the Financial Statements

for the year ended 31st March 2022

- b) During the year, the Company granted loan of ₹ 86.86 Crore (previous year ₹ 20.64 Crore) to its wholly owned subsidiary Greaves Electric Mobility Private Limited for its capex and working capital requirements, at an interest rate of 10% p.a. This Loan was repayable with interest within 12 months or such extended period as may be agreed mutually. The total outstanding loan of ₹ 107.50 Crore was repaid along with interest as on 21st March 2022.
- c) During the year, the Company granted loan of ₹ 4.00 Crore (previous year Nil) to its wholly owned subsidiary Greaves Technologies Limited for its working capital requirements, at an interest rate of 10% p.a. This Loan is repayable with interest within 12 months or such extended period as may be agreed mutually.
2. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), except for the following as listed below:

								(₹ in Crore)
Sr. No.	Funding party#	Intermediary party	Date of remittance	Amount involved (₹ in Crore)	Nature and purpose of loans/advance	Ultimate Beneficiary	Date of Remittances to Ultimate Beneficiary by Intermediary	Amount (₹ in Crore)
1	Greaves Cotton Limited	Greaves Finance Limited	22-03-22	6.00	For Granting Loan to MLR Auto Limited	MLR Auto Limited	22-03-22	6.00
2	Greaves Cotton Limited	Greaves Electric Mobility Private Limited	14-10-21	18.86	For Acquisition 26% Equity stake in MLR Auto Limited	MLR Auto Limited	19-10-21	18.86
3	Greaves Cotton Limited	Greaves Electric Mobility Private Limited	20-10-21	2.00	For the Payment of Non- Compete, Non Solicitation fees to Erstwhile Promoters of Bestway Agencies Private Limited	Erstwhile Promoters of Bestway Agencies Private Limited	20-10-21	2.00
4	Greaves Cotton Limited	Greaves Electric Mobility Private Limited	21-10-21	12.50	For Acquisition 26% Equity in Bestway Agencies Private Limited	Erstwhile Promoters of Bestway Agencies Private Limited	25-10-21	12.50

3. Also refer Note 32B

8 - Other financial assets

		(₹ in Crore)	
Particulars	As at 31 st March 2022	As at 31 st March 2021	
8A Non-current			
Security deposits	5.74	5.69	
Margin money deposits with Banks	2.21	2.30	
Other receivables from subsidiary (Refer note 35 & Note 1 below)	10.67	-	
Other assets- Employee advances, Accrued Interest etc.	0.05	0.08	
Non-current total	18.67	8.07	

Notes to the Financial Statements

for the year ended 31st March 2022

8 - Other financial assets (Contd.)

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
8B Current		
Export benefit receivables	1.14	1.60
Security deposits	7.40	6.99
Fixed deposits with financial institutions	20.50	20.50
Less: Provision for doubtful deposits	(20.50)	(20.50)
	-	-
Interest receivable	2.85	1.04
Interest receivable from subsidiaries (Refer note 35 & Note 1 below)	0.35	1.97
Other receivable from subsidiary (Refer note 35)	5.13	0.16
Insurance claim receivable	4.33	-
Other assets- Employee advances, etc.	0.43	1.38
Current total	21.63	13.14
Total	40.30	21.21

Note:

- During the year, the Company sold its land admeasuring 32.89 acres situated at Plot No. 72, SIPCOT Industrial Park, Phase II, district Walaja, Ranipet, Tamil Nadu, to its wholly owned subsidiary Greaves Electric Mobility Private Limited for a total consideration of ₹ 24.75 Crore. The said consideration is receivable in 5 equal installments starting 31st March 2022. The net present value of consideration is ₹15.69 Crore.
- Also refer Note 32B

9 - Other assets

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
9A Non-current		
Capital advances	3.65	7.78
Prepaid expenses	2.18	0.26
Balances with Customs, Port Trust, Central Excise etc.	13.70	13.24
Non-current total	19.53	21.28
9B Current		
Advances to suppliers	7.25	22.89
Prepaid expenses	2.86	1.79
Balances with Customs, Port Trust, Central Excise, GST etc.	6.24	7.21
Other advances (Gratuity)	2.62	-
Current total	18.97	31.89
Total	38.50	53.17

Notes to the Financial Statements

for the year ended 31st March 2022

10 - Inventories

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Inventories (lower of cost and net realisable value)		
Raw materials	77.51	85.33
Work-in-progress	5.60	5.70
Finished goods	31.78	35.46
Stock-in-trade	16.05	20.50
Stores and spares	5.53	4.72
Loose tools	3.23	3.12
Total	139.70	154.83

1. Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
In transit Raw materials (Included above)	0.77	2.86
In transit Stock-in-trade (Included above)	0.91	3.27

2. Short Term Finance facilities from Banks and Cash Credit facilities of ₹ Nil as at Balance Sheet date (previous year ₹ Nil) are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company. The charges on these assets also cover letters of credit and bank guarantees of ₹ 16.09 Crore (previous year ₹ 15.34 Crore) and ₹ 11.86 Crore (previous year ₹ 14.18 Crore) respectively.

11 - Trade receivables

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Trade receivables considered good- Secured*	82.64	91.95
Trade receivables considered good- Unsecured	95.08	111.04
Trade receivables- credit impaired	73.87	65.11
Allowance for doubtful debts (expected credit loss allowance)	(73.87)	(65.11)
Total	177.72	202.99

* Secured trade receivables are against letters of credit, factoring arrangements, bank guarantees and security deposits.

Note:

- Provision matrix:
The Company has policy of expected credit loss provisioning. The Overdue debtors are critically reviewed and necessary expected credit loss provisions are made.
- Short Term Finance facilities from Banks and Cash Credit facilities of ₹ Nil as at Balance Sheet date (previous year ₹ Nil) are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company. The charges on these assets also cover letters of credit and bank guarantees of ₹ 16.09 Crore (previous year ₹ 15.34 Crore) and ₹ 11.86 Crore (previous year ₹ 14.18 Crore) respectively.
- Also refer Note 32B

Notes to the Financial Statements

for the year ended 31st March 2022

Trade receivables ageing schedule as at 31st March 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good- Secured	77.21	4.74	0.65	0.02	0.02	-	82.64
(ii) Considered good- Unsecured	63.84	10.60	11.73	7.88	0.93	0.10	95.08
(iii) Credit impaired	-	0.23	0.40	7.37	10.40	11.60	30.00
Disputed Trade receivables							
(iv) Credit impaired	-	-	-	1.37	23.99	18.51	43.87
	141.05	15.57	12.78	16.64	35.34	30.21	251.59
Less : allowance for loss	-	-	-	-	-	-	(73.87)
Total	141.05	15.57	12.78	16.64	35.34	30.21	177.72

Trade receivables ageing schedule as at 31st March 2021

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good- Secured	85.32	6.08	0.18	0.26	0.09	0.02	91.95
(ii) Considered good- Unsecured	69.01	20.89	6.64	7.47	0.95	0.08	105.04
(iii) Credit impaired	-	0.02	1.47	9.85	4.14	9.20	24.68
Disputed Trade receivables							
(iv) Considered good- Unsecured	-	-	-	6.00	-	-	6.00
(v) Credit impaired	-	-	0.60	17.64	9.43	12.76	40.43
	154.33	26.99	8.89	41.22	14.61	22.06	268.10
Less : allowance for loss	-	-	-	-	-	-	(65.11)
Total	154.33	26.99	8.89	41.22	14.61	22.06	202.99

12 - Cash and cash equivalents

(₹ in Crore)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Cheques, drafts on hand	0.06	1.70
Balances with banks		
In fixed deposit with maturity less than 3 months	51.50	155.00
In current accounts	16.86	13.83
Total	68.42	170.53

Also refer Note 32B

Notes to the Financial Statements

for the year ended 31st March 2022

13 - Bank balances other than cash and cash equivalents

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Term deposits with maturity exceeding 3 months and less than 12 months	5.70	101.89
Term deposits with maturity exceeding 12 months	341.53	-
Unpaid dividend accounts	3.92	3.39
Total	351.15	105.28

Also refer Note 32B

14 - Assets classified as held for sale

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Leasehold land and buildings thereon	12.31	-

Note: The Company had entered into a binding MOU with Runal Developers LLP on 4th August 2021 for sale of Land and Building at Pune for a consideration of ₹ 284 crores with a definitive closure to the transaction as on 31st March 2022. Due to delay in regulatory approvals the transaction could not be closed on or before 31st March 2022. Runal Developers has confirmed its willingness to continue the transaction and the Company reasonably expects to conclude the definitive agreement by 30th September 2022.

15 - Equity share capital

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Authorised		
37,50,00,000 Equity shares of ₹ 2 each	75.00	75.00
Issued, subscribed and fully paid up		
23,15,21,292 Equity shares of ₹ 2 each (previous year 23,12,06,795 Equity shares of ₹ 2 each)	46.30	46.24

15A Issued share capital

Particulars	(₹ in Crore)	
	No. of shares	(₹ in Crore)
Equity shares of ₹ 2 each Issued, subscribed and fully paid up		
As at 1 st April 2021	23,12,06,795	46.24
Add: Equity shares issued pursuant to exercise of options under ESOP-2020 (Refer note 16A)	3,14,497	0.06
As at 31st March 2022	23,15,21,292	46.30

Note: During the year, the Company has allotted 3,14,497 fully paid up equity shares of ₹ 2 each on exercise of stock options by employees in accordance with the Greaves Cotton- Employees Stock Option Plan 2020 ("ESOP-2020").

Notes to the Financial Statements

for the year ended 31st March 2022

15 - Equity share capital (Contd.)

15B Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at 31 st March 2022		As at 31 st March 2021	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Karun Carpets Private Limited	12,86,14,955	55.55%	12,86,14,955	55.63%

15C Terms/Rights attached to equity shares

- The Company has only one class of equity shares having face value of ₹ 2 per share. The equity shares rank pari passu in all respects including voting rights and entitlement to dividend.
- In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

15D Shareholding of Promoters

Promoter Name	Shares held by promoters as at 31 st March 2022		% Change during the year*
	Number of shares held	% of shares held	
Karun Carpets Private Limited	12,86,14,955	55.55%	(0.08%)

* % change during the year has been computed on the basis of the number of shares at the beginning of the year.

15E Dividend

On 12th May 2022, the Board of Directors has proposed final dividend of ₹ 0.20 per share (previous year ₹ 0.20 per share) on face value of ₹ 2 each (total dividend payout ₹ 4.63 Crore, (previous year ₹ 4.62 Crore)). The proposed dividend is subject to approval of the shareholders in the ensuing Annual General Meeting.

16 - Other equity

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Reserves and surplus*		
Capital reserve (Refer note 1 below)	1.34	1.34
Securities premium (Refer note 2 below)	35.38	34.59
General reserve (Refer note 3 below)	346.78	346.18
Capital redemption reserve (Refer note 1 below)	2.60	2.60
Employee Stock option Plan (Refer note 16A)	4.66	1.78
Retained earnings	492.69	468.22
Total	883.45	854.71

- This is not available for distribution of dividend.
- Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
- The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Statement of profit and loss.

*Refer Statement of changes in equity

Notes to the Financial Statements

for the year ended 31st March 2022

16 - Other equity (Contd.)

16A Employee Stock option Plan

- I. A. During the previous year, the Company introduced and implemented 'Greaves Cotton- Employees Stock option Plan 2020' (ESOP 2020), with following terms:
- Create, grant, offer, issue and allot stock options at any time in one or more tranches to or for the benefit of such person(s) who are in the permanent employment of the Company, whether working in India or outside India, including Director of the Company, whether Whole-time Director or not, and such other persons as may from time to time be allowed to be eligible, but excluding Promoter, Promoter group and Independent Directors.
 - Such number of stock options convertible into Equity Shares of the Company, in one or more tranches, not exceeding 2.00% of the paid-up share capital of the Company of the face value of ₹ 2/- each (Rupees Two) to the eligible employees of the Company, at such price or prices, and on such terms and conditions as may be fixed or determined by the Board.
 - The options would vest after 1 year but not later than 8 years from the date of individual grant as decided by the Nomination and remuneration committee.
 - Exercise Price is the par value of the Share payable by the Eligible Employee for the Exercise of each Option Granted under the Scheme for the allotment of one Share.
 - The Company will follow fair value method for computing the compensation cost, if any, for the Options Granted, in accordance with the applicable Law.
- B. The scheme was approved by the Shareholders on 11th July 2020.

II. Sr. No.	Particulars	As at	As at
		31 st March 2022	31 st March 2021
		Greaves Cotton- Employees Stock Option Plan 2020 -ESOP-2020	
		₹2	₹2
i.	Grant price	Various dates	Various dates
ii.	Grant date	21,28,694	-
iii.	Options granted and outstanding at the beginning of the year	1,53,976	21,28,694
iv.	No. of options granted during the year	3,14,497	-
v.	No. of options exercised	2,32,881	-
vi.	No. of options lapsed	17,35,292	21,28,694
vii.	No. of options outstanding at the end of the year	-	-
viii.	No. of options exercisable	8 years from the grant date	8 years from the grant date
ix.	Maximum term of options granted	25% at each anniversary from grant date	25% at each anniversary from grant date
x.	Vesting Period/Schedule	7 years	8 years
xi.	Weighted average remaining contractual life of options	202.68	NA
xii.	Weighted average share price at the date of exercise of stock options exercised during the year		

- III. A. In respect of stock options granted pursuant to the Company's stock options scheme, the fair value of the options granted during the year which is ₹ 129.89 per option (PY ₹ 82.21 per option), is treated as discount and accounted as employee compensation over the vesting period.
- B. Expense on Employee Stock Option Schemes debited to the Statement of profit and loss during 2021-22 is ₹ 4.27 Crore (PY ₹ 1.43 Crore) (net).
- C. The perquisite amount on exercise of employee stock options will be considered as a part of the remuneration of the Executive Directors. Executive Directors may be granted stock options in subsidiary companies as per their Schemes after taking necessary approvals. Perquisites may be added to the remuneration of concerned directors and considered in the limits applicable to the Company.

Notes to the Financial Statements

for the year ended 31st March 2022

16 - Other equity (Contd.)

IV. The fair value has been calculated using the binomial option pricing model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Sr. No.	Particulars	2021-22	2020-21
i.	Weighted average risk-free interest rate	6.23%	5.94%
ii.	Weighted average expected life of options	5.6 years	6.5 years
iii.	Weighted average expected volatility	81.94%	71.68%
iv.	Weighted average expected dividends over the life of the option	₹4 per option	₹4 per option
v.	Weighted average exercise price	₹2 per share	₹2 per share

17 - Other financial liabilities

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Current		
Employee benefits payable	13.93	6.68
Other payable to subsidiary (Refer note 35)	-	0.32
Unpaid dividends*	3.92	3.39
Deposits from dealers	4.96	8.96
Capital creditors	3.71	4.82
Others	2.07	1.67
Total	28.59	25.84

*There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Also refer Note 32B

18 - Provisions

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
18A Non-current		
Provision for employee benefits		
Ex-gratia	0.29	0.23
Non-current total	0.29	0.23
18B Current		
Provision for employee benefits		
Compensated absences	7.83	10.73
Gratuity & Ex-gratia	0.14	1.16
Provision for warranty	17.32	12.79
Current total	25.29	24.68
Total	25.58	24.91

Notes to the Financial Statements

for the year ended 31st March 2022

18 - Provisions (Contd.)

Movement in provision for warranties

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Opening balance	12.79	11.14
Provision recognised during the year	10.55	8.66
Amount utilised during the year	(6.02)	(7.01)
Closing balance	17.32	12.79

The Company gives warranties for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made at the year end represents the amount of expected cost of meeting such obligations of rectification/replacement based on the historical data available. The timing of the outflows is expected to be within a period of nine to sixty six months.

19 - Deferred tax

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
19A Analysis of deferred tax assets presented in the balance sheet:		
Deferred tax assets	30.67	27.97
Deferred tax liabilities	(10.14)	(9.48)
Deferred tax assets (net)	20.53	18.49

19B Movement in deferred taxes:

Particulars	(₹ in Crore)		
	Opening balance	Recognised in profit or loss	Closing balance
During the year ended 31st March 2022			
Deferred tax asset/(liability) in relation to:			
Depreciation	(9.48)	(0.66)	(10.14)
Provision for post retirement benefits and other employee benefits	2.82	(0.74)	2.08
Allowance for doubtful debts and advances	16.38	2.20	18.58
Other temporary differences	8.77	1.24	10.01
Total	18.49	2.04	20.53

Particulars	(₹ in Crore)		
	Opening balance	Recognised in profit or loss	Closing balance
During the year ended 31st March 2021			
Deferred tax asset/(liability) in relation to:			
Depreciation	(14.04)	4.56	(9.48)
Provision for post retirement benefits and other employee benefits	2.49	0.33	2.82
Allowance for doubtful debts and advances	9.64	6.74	16.38
Other temporary differences	9.00	(0.23)	8.77
Total	7.09	11.40	18.49

Notes to the Financial Statements

for the year ended 31st March 2022

19 - Deferred tax (Contd.)

19C The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Profit before tax	39.27	18.47
Income tax expenses calculated at 25.168% (previous year 25.168%)	9.88	4.65
Differences due to:		
Others	2.31	3.46
Total tax expense	12.19	8.11

20 - Trade payables

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Trade payables		
Due to micro enterprises and small enterprises*	30.22	32.20
Other than micro enterprises and small enterprises	208.98	285.34
Total	239.20	317.54

Also refer Note 32B

* The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Principal amount and interest due:		
Principal amount	30.22	32.20
Interest due	1.80	1.68
Interest paid by buyer in terms of section 16 of MSMED Act, 2006	-	-
Amount paid beyond the appointed day	34.32	100.47
Interest due and payable to suppliers, for payments already made under MSMED Act	0.11	0.99
Amount of Interest accrued and remaining unpaid at the end of each accounting year	0.12	0.92
Amount of further interest remaining due and payable even in succeeding years	1.80	1.68

Notes to the Financial Statements

for the year ended 31st March 2022

20 - Trade payables (Contd.)

Trade payables ageing schedule as at 31st March 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	28.72	1.16	0.08	0.24	0.02	30.22
(ii) Others	85.24	119.85	1.29	1.30	1.30	208.98
Total	113.96	121.01	1.37	1.54	1.32	239.20

Trade payables ageing schedule as at 31st March 2021

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	31.48	0.23	0.25	-	0.24	32.20
(ii) Others	127.69	150.79	1.59	0.86	4.41	285.34
Total	159.17	151.02	1.84	0.86	4.65	317.54

21 - Other liabilities

(₹ in Crore)

Particulars	As at 31 st March 2022	As at 31 st March 2021
21A Non-current		
Advances from customers	20.82	20.42
Non-current total	20.82	20.42
21B Current		
Advances from customers	13.63	9.94
Advances against sale of property (Refer note 14)	84.15	-
Statutory dues	12.75	11.59
Other payables	1.01	1.01
Current total	111.54	22.54
Total	132.36	42.96

Notes to the Financial Statements

for the year ended 31st March 2022

22 - Revenue from operations

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Sale of products		
(i) Finished goods	1,035.81	1,195.59
(ii) Stock-in trade	125.26	120.76
Sub Total	1,161.07	1,316.35
Service income	14.23	5.53
Other operating revenue		
(i) Export incentive	0.28	1.79
(ii) Development cost recovered (Net)	2.01	5.39
Sub Total	2.29	7.18
Total	1,177.59	1,329.06

Company derives its revenue from sale of engines, power generating sets, farm equipment. It also earns revenue from servicing of power generating sets. The Company also trades in the spares of the engines and other products like construction equipment and electric vehicles.

In case of exports the revenue is recognized based on the Bills of Lading received from the shipping companies who assume control of goods on behalf of the customers.

The products which are sold to OEMs and direct end customers, the prices are pre-determined as per negotiations and long term supply contracts. The products which are sold through dealer network have the dealer prices as determined and circulated by the Company.

The Company also offers cash discounts and volume discounts and the same are netted off against the gross revenue. The volume discounts are accrued on a regular basis based on total sales of each dealer/customer.

The Company dis-aggregates revenue on the basis of its segments viz. engines, electric mobility and others as well as geographical operations viz. domestic and overseas. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

23 - Other income

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Interest income earned on financial assets not designated as at FVTPL		
Deposits	8.97	5.43
Other financial assets	0.03	0.20
Loan given to subsidiaries (Also refer Note 35)	9.73	2.44
Exchange fluctuation- gain (Net)	0.43	0.19
Scrap sales	2.32	1.14
Royalty	0.29	-
Insurance Claim	4.35	0.06
Credit balance written back	4.19	-
Miscellaneous income	1.28	0.58
Total	31.59	10.04

Notes to the Financial Statements

for the year ended 31st March 2022

24 - Cost of materials consumed

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Raw materials consumed		
Opening stock	85.33	73.80
Purchases	734.06	829.27
Less : Closing stock	77.51	85.33
	741.88	817.74

25 - Purchases of stock-in-trade

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Traded goods	92.63	95.44

26 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening inventories		
Finished goods	35.46	53.43
Work-in-progress	5.70	8.12
Stock-in-trade	20.50	28.30
	61.66	89.85
Closing inventories		
Finished goods	31.78	35.46
Work-in-progress	5.60	5.70
Stock-in-trade	16.05	20.50
	53.43	61.66
Net (increase) / decrease in inventories	8.23	28.19

27 - Employee benefits expense

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Salaries and wages	120.06	114.74
Contribution to provident and other funds	11.16	12.07
Staff welfare expenses	6.27	6.27
Sub Total	137.49	133.08
Less: Capitalised towards product development	6.66	5.99
Total	130.83	127.09

Notes to the Financial Statements

for the year ended 31st March 2022

27 - Employee benefits expense (Contd.)

Employee benefit plans

27A Defined contribution plans

The amount recognised as an expense during the year ended 31st March 2022 towards Provident Fund (including admin charges), ESIC contribution and Superannuation & National Pension Scheme is ₹ 4.87 crore (previous year ₹ 5.46 crore), ₹ 0.03 crore (previous year ₹ 0.06 crore) and ₹ 4.14 crore (previous year ₹ 4.34 crore) respectively.

27B Defined benefit plans

The Company has a defined benefit plan (the 'Gratuity Plan') which is managed by the trusts. The Gratuity Plan provides for a lump sum payment to vested employees at retirement or termination of employment, whichever is earlier, based on the respective employee's last drawn salary and years of employment with the Company. The benefit vests after five years of continued service.

Investment risk	The present value of the defined benefit plan obligation is based on the Indian government security yields prevailing as at 31 st March 2022 for estimated terms of obligation. The trustees of the fund have outsourced the investment management to the AMCs. The investments are in Unit Linked Insurance Plans, fixed income funds and debt funds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan obligation is calculated with reference to the published rates under the Indian Assured Lives Mortality (2006-08) Ult table. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries taking into account the inflation, seniority, promotion and other relevant factors.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation As at 31 st March 2022		Valuation As at 31 st March 2021	
	Age(Years)	Rates (p.a.)	Age(Years)	Rates (p.a.)
Discount rate(s)	6.85%		6.55%	
Expected rate(s) of salary increase	MGMT : 8%, NMGT : 6%		MGMT : 8%, NMGT : 6%	
Mortality rates	18	0.000874	18	0.000874
	23	0.000936	23	0.000936
	28	0.000942	28	0.000942
	33	0.001086	33	0.001086
	38	0.001453	38	0.001453
	43	0.002144	43	0.002144
	48	0.003536	48	0.003536
	53	0.006174	53	0.006174
	58	0.009651	58	0.009651

Notes to the Financial Statements

for the year ended 31st March 2022

27 - Employee benefits expense (Contd.)

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Service cost:		
Current service cost	1.86	2.40
Interest on net defined benefit asset	0.06	(0.19)
Components of defined benefit costs recognised in profit or loss during the year	1.92	2.21
Opening amount recognised in other comprehensive income :	(4.70)	(3.41)
Re-measurement during the year due to:		
Changes in financial assumptions	(0.27)	(0.32)
Changes in demographic assumptions	-	0.26
Experience adjustments	(2.47)	(1.20)
Actual return on plan assets less interest on plan assets	0.01	(0.03)
Closing amount recognised in other comprehensive income:	(7.43)	(4.70)
Components of defined benefit (income)/cost recognised in other comprehensive income during the year	(2.73)	(1.29)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of profit and loss.

The re-measurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Present value of funded defined benefit obligation	14.90	17.75
Fair value of plan assets	17.82	16.83
Funded status	(2.92)	0.92
Change in surplus/deficit	0.11	-
Net (asset)/liability arising from defined benefit obligation	(2.81)	0.92

Movements in the present value of the defined benefit obligation are as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening defined benefit obligation	17.75	31.50
Current service cost	1.86	2.40
Interest on defined benefit obligation	1.02	1.73
Re-measurement due to:		
changes in financial assumptions	(0.27)	(0.32)
changes in demographic assumptions	-	0.26
experience adjustments	(2.47)	(1.20)
Benefits paid	(2.99)	(16.62)
Closing defined benefit obligation	14.90	17.75

Notes to the Financial Statements

for the year ended 31st March 2022

27 - Employee benefits expense (Contd.)

Movements in the fair value of the plan assets are as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening fair value of plan assets	16.83	34.56
Interest income	0.96	1.92
Re-measurement gain/(loss):		
Return on plan assets (excluding amounts included in net interest expense)	0.10	0.03
Contributions from the employer	2.92	(3.06)
Benefits paid	(2.99)	(16.62)
Closing fair value of plan assets	17.82	16.83

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particulars	(₹ in Crore)	
	Fair Value of plan asset as at	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Cash and cash equivalents	0.04	0.15
Non quoted value :		
Insurance company managed fund	17.78	16.68
Total	17.82	16.83

Sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation (DBO) at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(0.44)	0.44	(0.50)	0.51
Impact of decrease in 50 bps on DBO	0.47	(0.42)	0.53	(0.49)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

The average duration of the benefit obligation at 31st March 2022 is 10.53 years (as at 31st March 2021: 9.36 years).

Projected plan cash flow :

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date :

Maturity profile	(₹ in Crore)	
	2021-2022	2020-2021
Expected benefits for year 1 to 3	6.49	8.75
Expected benefits for year 4 and 5	3.38	3.08
Expected benefits for year 6 and above	15.03	16.81

Notes to the Financial Statements

for the year ended 31st March 2022

28 - Finance costs

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Interest expenses	0.42	4.37
Interest on Lease liability	1.54	1.26
Total	1.96	5.63

29 - Depreciation and amortisation expense

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Depreciation of property, plant and equipment (refer note 4)	22.59	29.67
Depreciation of right-of-use assets (refer note 4)	5.86	4.68
Amortisation of intangible assets (refer note 5)	13.98	14.06
Total	42.43	48.41

30 - Other expenses

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Stores and spares consumed	5.32	5.40
Power, fuel and electricity	8.19	9.74
Contracting expenses	25.14	28.83
Repairs and maintenance:		
Buildings	0.93	0.72
Plant & equipment	4.28	3.30
Others	2.38	2.03
Brokerage and commission	4.80	3.10
Rent	1.84	3.00
Lease rentals	0.59	0.61
Insurance	2.26	2.85
Bad debts/advances written-off (i)	4.83	1.01
Less: Allowance for doubtful debts/advances (ii)	(4.33)	-
Bad debts/advances written-off (i)-(ii)	0.50	1.01
Allowance for doubtful debts/advances	13.09	26.79
Rates and taxes	0.67	0.75
Advertisement and sales promotion expenses	7.92	8.46
Travelling	5.01	2.93
Loss on sale of property, plant and equipment (Net)	0.42	0.05
Carriage and freight	21.18	20.78
Director sitting fees	0.28	0.25
Printing & stationery	0.24	0.14
Postage, telephone and fax	1.21	1.54

Notes to the Financial Statements

for the year ended 31st March 2022

30 - Other expenses (Contd.)

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Warranty expenses	10.55	8.66
Legal, professional and consultancy charges	8.81	7.48
After sales service expenses	13.84	5.79
Assets under development written off	0.10	1.03
Miscellaneous expenses	19.73	18.43
Total	159.28	163.67

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
30A Miscellaneous expenses include:		
Auditors' remuneration and expenses		
Statutory audit fees	0.61	0.54
Limited review	0.31	0.25
Fees for certification	0.02	0.08
Reimbursement of out-of-pocket expenses	0.03	0.02
Payments to tax auditors		
Tax audit fees	0.08	0.09
Payments to cost auditors		
Cost audit fees	0.09	0.08
Reimbursement of out-of-pocket expenses	@	@
@ Represents amount less than ₹ 1 lakh		
30B Expenditure incurred on corporate social responsibility activities :		
(1) Gross amount required to be spent by the Company during the year	2.87	3.96
(2) Amount spent during the year on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	# 2.87	3.25
(3) Shortfall at the end of the year	-	* 0.71
(4) Total of previous years shortfall	-	-
(5) Reason for shortfall	NA	Identified project got delayed due to global pandemic.
(6) Nature of CSR activities	Reskilling, Education, Health and Environment	

*Amount unspent as on 30th April 2021 which was transferred to "Unspent CSR account" of ₹ 0.71 crores was subsequently spent before 30th Sep 2021

Includes ₹ 0.03 crore spent subsequently before 30th April 2022 as per the provisions of the Act.

Notes to the Financial Statements

for the year ended 31st March 2022

31 - Exceptional items

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
(i) Profit on sale of immovable properties	19.86	8.40
(ii) Profit on sale of PPE	2.11	-
(iii) Impairment loss of PPE and Intangible assets under development	(9.42)	(17.40)
(iv) Factory relocation expenses	(5.22)	-
(v) Employee separation cost	-	(25.46)
Exceptional items (net)	7.33	(34.46)

32 - Risk management

32A Capital risk management :

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the returns to stakeholders. The Company has no borrowings, except cash credit facilities.

32B Financial instruments :

The Significant Accounting Policies in respect of each class of financial asset, financial liability and equity instrument including criteria for their recognition, the basis of measurement are as disclosed in Note No.7, 8, 11, 12, 13, 17 & 20 to the financial statements. These Notes also mention the basis on which the income & expenses are recognised.

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Financial assets		
Measured at amortised cost *		
Cash and bank balances	419.57	275.81
Trade receivable	177.72	202.99
Security deposits	13.14	12.68
Margin money with Banks	2.21	2.30
Loan to subsidiaries	16.60	53.34
Interest receivable from subsidiaries	0.35	1.97
Others	24.61	4.26
Financial liabilities		
Measured at amortised cost *		
Trade payable	239.20	317.54
Unpaid dividends	3.92	3.39
Deposits from dealers	4.96	8.96
Capital creditors	3.71	4.82
Others	2.07	1.99
Employee benefits payable	13.93	6.68
Lease liability (Refer note 38)	17.07	12.81

* The Management considers carrying amount of financials assets and financial liabilities in the financial statements as approximate fair values of respective financial assets and liabilities.

Notes to the Financial Statements

for the year ended 31st March 2022

32C Financial and liquidity risk management objectives :

- i) The Company has a policy of investing surplus funds in fixed deposits with banks.
- ii) The average payment terms of creditors (trade payables) is in the range of 60-180 days. In case of MSMED creditors the payment terms are within 45 days. Other financial liabilities viz. employee payments, dealer deposits are payable within one year.
- iii) Trade receivables are secured against letters of credit, factoring arrangements, bank guarantees and security deposits. At the end of the year, there is no significant concentration of credit risk for trade receivables as only three parties have more than 5% of the total outstanding amount and one of them is fully secured against factoring arrangement & two of them are partially secured by letter of credit.
- iv) Of the total outstanding as at reporting date, 46.5% of the reported debtors are secured receivables. In case of unsecured receivables, the Company has a credit policy where the provision for debts outstanding is made based on provision matrix to compute the expected credit loss allowance taking into account historical experience of collection from customers and the credit limits as determined by the management.

32D Foreign currency risk management :

The use of foreign currency forward contracts is governed by the Company's Risk Management Policy. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions for amounts in excess of natural hedge available on export realisations against import payments. The Company does not use forward contracts for speculative purposes.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of each reporting period are as follows.

Particulars	(₹ in Crore)			
	Assets		Liabilities	
	As at 31 st March 2022	As at 31 st March 2021	As at 31 st March 2022	As at 31 st March 2021
USD	4.41	7.26	2.66	1.71
EUR	2.57	0.46	0.15	2.23
GBP	-	-	0.92	0.99
CNY	-	-	0.05	6.41

32E Credit risk management :

The Company has credit management policy for its trade receivables. To minimise the risk, the Company takes letters of credit, bank guarantees and security deposits from the customers based on the credit worthiness. Ongoing credit evaluation is performed on the financial condition of trade receivables.

33 - Segment information

In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Company and therefore, no separate disclosure on segment information is given in standalone financial statements.

34 - Earnings per share

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Profit for the year	27.08	10.36
Weighted average number of equity shares outstanding	23,12,62,959	23,12,06,795
Basic earnings per share	1.17	0.45
Weighted average number of equity shares outstanding	23,12,62,959	23,12,06,795
Add: Weighted average number of potential equity shares on account of Employee stock options	20,26,916	8,38,241
Weighted average number of equity shares outstanding for the purpose of diluted earnings per share	23,32,89,875	23,20,45,036
Diluted earnings per share	1.16	0.45

Notes to the Financial Statements

for the year ended 31st March 2022

35 - Related party transactions

I. List of related parties :

35A Holding Company :

Karun Carpets Private Limited

35B Subsidiary Companies :

Greaves Electric Mobility Private Limited (Formerly known as Ampere Vehicles Private Limited)

Bestway Agencies Private Limited

Greaves Technologies Limited (Formerly known as Dee Greaves Limited)

Greaves Finance Limited (Formerly known as Greaves Leasing Finance Limited)

35C Associate Company :

MLR Auto Limited

35D Promoter and the promoter group companies, where company has transactions during the year :

Mr Karan Thapar, Chairman

Premium Transmission Private Limited

35E Key management personnel :

Mr Nagesh A Basavanhalli : Managing Director & Group CEO

Mr Ajit Venkataraman : Executive Director

Mr Dalpat Raj Jain : Group Chief Financial Officer

II.

35F Transactions with related parties :

The following transactions occurred with the related parties:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Sales and purchases of goods and services		
Sale of goods		
Subsidiaries		
Bestway Agencies Private Limited	-	4.40
Associate		
MLR Auto Limited	2.06	-
Promoter group company		
Premium Transmission Private Limited	0.01	-
Sale of Assets		
Subsidiaries		
Greaves Electric Mobility Private Limited	25.59	-
Purchase of Goods		
Subsidiaries		
Bestway Agencies Private Limited	0.01	0.67

Notes to the Financial Statements

for the year ended 31st March 2022

35 - Related party transactions (Contd.)

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Associate		
MLR Auto Limited	1.27	-
Promoter group company		
Premium Transmission Private Limited	-	0.14
Rendering of services/Reimbursement of expenses		
Subsidiaries		
Greaves Electric Mobility Private Limited	4.40	0.73
Bestway Agencies Private Limited	0.06	0.46
Greaves Technologies Limited	@	@
Greaves Finance Limited	0.01	0.01
Promoter group company		
Premium Transmission Private Limited	-	0.01
Royalty Income		
Subsidiaries		
Greaves Electric Mobility Private Limited	0.19	-
Bestway Agencies Private Limited	0.03	-
Greaves Technologies Limited	0.08	-
Greaves Finance Limited	@	-
Other transactions		
Commission and sitting fees paid		
Mr Karan Thapar	0.28	0.62
Consultancy Charges		
Mr Nagesh Basavanhalli	0.04	0.25
Commission received		
MLR Auto Limited	0.05	-
Lease rent expenses paid to subsidiaries		
Greaves Finance Limited	0.31	0.28
Lease rent expenses paid to Promoter group company		
Premium Transmission Private Limited	0.04	0.06
Interest Income from subsidiaries		
Greaves Electric Mobility Private Limited	5.12	1.29
Bestway Agencies Private Limited	3.25	1.05
Greaves Finance Limited	0.24	0.10
Greaves Technologies Limited	0.16	-
Investment in subsidiary		
Greaves Finance Limited	0.19	-
Loan given to Subsidiaries		
Greaves Electric Mobility Private Limited	86.86	20.64
Bestway Agencies Private Limited	3.00	31.95
Greaves Finance Limited	11.85	0.75
Greaves Technologies Limited	4.00	-

Notes to the Financial Statements

for the year ended 31st March 2022

35 - Related party transactions (Contd.)

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Loan repaid by Subsidiaries		
Greaves Electric Mobility Private Limited	107.50	-
Bestway Agencies Private Limited	34.95	-
Greaves Finance Limited	-	3.00
Dividend paid		
Karun Carpets Private Limited	2.57	-
Guarantees given to Subsidiaries		
Greaves Electric Mobility Private Limited	275.00	-
Bestway Agencies Private Limited	10.00	-

@ Represents amount less than ₹ 1 lakh

The following balances were outstanding as at end of the reporting period :

Particulars	(₹ in Crore)			
	Amounts owed by related parties as at		Amounts owed to related parties as at	
	31 st March 2022	31 st March 2021	31 st March 2022	31 st March 2021
Subsidiary companies	36.87	58.26	-	-
Associate companies	0.88	-	-	-
Promoter group companies	0.02	-	-	0.03

During the year, the Company did not enter into any material transactions (as defined in the Company's Policy on Related Party Transaction) with related parties. All other transactions of the Company with related parties were in the ordinary course of business and at an arm's length.

The amounts outstanding are unsecured and will be settled in cash. No amounts are written off/written back during the year (previous year Nil).

35G Compensation of key management personnel :

The remuneration of directors and other members of the key management personnel during the year were as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Short-term employee benefits	14.67	7.24
Post-employment benefits	0.31	0.25
Total	14.98	7.49

Notes:

- The remuneration of directors and key executives is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.
- Short term employee benefits include incentive paid during the year.
- Stock options granted to key management personnel during the previous year is 17,02,955 (Also refer note 16A).

Notes to the Financial Statements

for the year ended 31st March 2022

36 - Contingent liabilities

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
a) Sales tax liability that may arise in respect of matters in appeal	44.67	35.07
b) Sales tax liability that may arise on account of uncollected 'C' Forms	-	0.55
c) Excise duty liability that may arise in respect of matters in appeal	25.91	25.89
d) Claims made against the company, not acknowledged as debts	33.34	33.97
e) Wage demand not acknowledged by the company in respect of matters in appeal	7.70	5.98

It is not practical to estimate the timing of cash outflows, if any, in respect of matters (a) to (e) above, pending resolution of the appellate proceedings.

37 - Commitments

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	15.71	23.78

38 - Leases

On adoption of Ind AS 116 : Leases, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate, presently determined at 8.50%.

On application of Ind AS 116, the nature of expenses has changed from lease rent to depreciation cost for the right-of-use assets, and finance cost for interest accrued on lease liability.

Disclosure as per the requirement of Ind AS 116

Amounts recognised in the Balance Sheet

The Balance Sheet shows the following amounts relating to leases:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Right-of-use assets	36.62	28.79
Lease liabilities		
Non-current	10.88	7.58
Current	9.59	3.87

Amounts recognised in the Statement of profit and loss

The Statement of profit or loss shows the following amounts relating to leases:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Depreciation charge on right-of-use assets	5.86	4.68
Interest expense (included in finance costs)	1.54	1.12
Expense relating to short term leases not included in lease liabilities	0.46	0.11

The total cash outflow towards leases for the year ended 31st March 2022 was ₹6.71 Crore (previous year ₹5.32 Crore)

Notes to the Financial Statements

for the year ended 31st March 2022

38 - Leases (Contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2022 on an undiscounted basis:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Not later than 1 year	4.59	4.66
Later than 1 year and not later than 5 years	12.48	8.15
Total undiscounted lease liabilities	17.07	12.81

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Extension and termination options

Extension and termination options are included in some of the leases entered by the Company. These are used to maximise operational flexibility in terms of managing the assets in the Company's operation. The majority of extension and termination options held are exercisable by both the Company and by the respective lessor. Further as on the reporting date the Company expects not to use those options.

39 - Ratios

Sr. no.	Particulars	Numerator	Denominator	FY 2022	FY 2021	% Variance	Reason for variance
a)	Current Ratio	Current Assets	Current liabilities	1.85	1.70	9%	
b)	Debt-Equity Ratio			NA	NA	NA	
c)	Debt Service Coverage Ratio			NA	NA	NA	
d)	Return on Equity Ratio	Profit after taxes	Average equity	3%	1%	155%	Higher net Profit
e)	Inventory turnover ratio	Revenue from operations	Average Inventory	8.00	8.15	-2%	
f)	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	6.19	6.02	3%	
g)	Trade payables turnover ratio	Net Purchases (Raw material + Traded goods)	Average trade payables	2.97	3.10	-4%	
h)	Net capital turnover ratio	Revenue from operations	Working capital	3.29	4.76	-31%	Lower contribution of Auto business
i)	Net profit ratio	Profit after taxes	Revenue from operations	2%	1%	195%	Exceptional items had positive impact on the net profit
j)	Return on Capital employed	EBIT (Profit before taxes + Finance cost)	Average capital employed	5%	3%	67%	Exceptional items had positive impact on the net profit
k)	Return on investment	Profit after taxes	Average equity	NA	NA	NA	Since Company is not an investment Company

Notes to the Financial Statements

for the year ended 31st March 2022

40 - Additional Regulatory Information

- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company has Working Capital Limit sanctioned from banks and financial institutions on the basis of security of Stock and Book Debts. The quarterly returns or statements of Stock and Book Debts filed by the Company with banks and financial institutions are in agreement with the Unaudited books of accounts.
- iii. The Company do not have any transactions with companies struck off u/s 248(5) of the Companies Act, 2013 except for the following entities:

Name of the struck off Company	Nature of transactions with struck off Company	(₹ in Crore)	
		As at 31 st March 2022	As at 31 st March 2021
Dream Land Amusement Parks Private Limited	Receivables*	0.02	0.02
Emingstar Power Builders Private Limited	Receivables*	0.63	0.63
Rajshi Media Private Limited	Payables	(0.01)	(0.01)
Raahat Hotels And Resorts Private Limited	Payables	@	@

*Receivables from above struck off companies are fully provided in books.

@ Represents amount less than ₹ 1 lakh

- iv. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- v. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- vi. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

41 - The figures for the corresponding previous period have been regrouped wherever necessary, to make them comparable with the figures of the current period.

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Information on Subsidiary Companies

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

(₹ in Crore)

Date of Acquisition	Greaves Finance Limited	Greaves Technologies Limited	Greaves Electric Mobility Private Limited	Bestway Agencies Private Limited
	Since inception	Since inception	From 23 rd Oct 2018	From 14 th Jul 2020
Financial Year ended 31st March 2022				
A) Share Capital	0.25	0.13	11.72	0.02
B) Reserves/Surplus in profit & loss	2.13	0.20	(38.33)	(32.18)
C) Total Assets	16.01	9.44	396.01	33.78
D) Total Liabilities	13.63	9.11	422.62	65.94
E) Investments (as per details attached)	0.07	-	25.57	-
F) Turnover (including other income)	1.02	9.74	424.95	98.12
G) Profit/(Loss) before taxation	(1.32)	0.21	(27.21)	(9.82)
H) Provision for taxation	-	0.08	4.05	0.30
I) Profit/(Loss) after taxation	(1.32)	0.12	(31.26)	(10.12)
J) Proposed Dividend	-	-	-	-
K) Extent of shareholding	100%	100%	100%	100%

Part "B" : Associates and Joint Ventures

(₹ in Crore)

Date of Acquisition	MLR Auto Limited
	From 22 nd Oct 2021
Financial Year ended 31st March 2022	
A) Share Capital	72.35
B) Reserves/Surplus in profit & loss	(112.03)
C) Total Assets	26.93
D) Total Liabilities	66.61
E) Investments (as per details attached)	@
F) Turnover (including other income)	8.96
G) Profit/(Loss) before taxation	(16.08)
H) Provision for taxation	-
I) Profit/(Loss) after taxation	(16.08)
J) Proposed Dividend	-
K) Extent of shareholding	26%

For and on behalf of the Board

Kewal Handa

Director
DIN : 00056826

Dalpat Raj Jain

Group CFO

Nagesh Basavanhalli

Managing Director & Group CEO
DIN : 01886313

Atindra Basu

General Counsel & Company Secretary

Mumbai, 12th May 2022

Information on Subsidiary Companies

Details of investment of subsidiaries as at 31st March 2022

(₹ in Crore)

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	Nos.	Amount	Nos.	Amount
Investments in subsidiaries (Unquoted)				
Greaves Technologies Limited of ₹ 10 each	-	-	1,33,851	0.01
Bestway Agencies Private Limited	1,110	6.76	1,110	6.76
Investments in associate (Unquoted)				
MLR Auto Limited	1,88,10,000	18.81	-	-
Sub Total		25.57		6.77
Investments in equity shares (Quoted)				
Fair value through profit or loss				
ABB Limited	1	0.00	1	0.00
Ashok Leyland Limited	20	0.00	20	0.00
Bajaj Auto Limited	20	0.01	20	0.01
Bajaj Finance Services Limited	10	0.01	10	0.01
Bajaj Holdings and Investment Limited	10	0.01	10	0.00
Bharat Heavy Electricals Limited	7	0.00	7	0.00
Bosch Limited	1	0.00	1	0.00
Cummins India Limited	14	0.00	14	0.00
Elecon Engineering Limited	150	0.00	150	0.00
Force Motors Limited	10	0.00	10	0.00
Hindustan Unilever Limited	1	0.00	1	0.00
Honda Siel Power Products Limited	10	0.00	10	0.00
Ingersoll Rand (India) Limited	10	0.00	10	0.00
Kennametal Widia Limited	10	0.00	10	0.00
Kirloskar Industries Limited	5	0.00	5	0.00
Kirloskar Oil Engines Limited	75	0.00	75	0.00
Larsen & Toubro Limited	45	0.01	45	0.01
Mahindra & Mahindra Limited	132	0.01	132	0.01
Maruti Suzuki India Limited	1	0.00	1	0.00
Shanthi Gears Limited	200	0.00	200	0.00
Siemens Limited	1	0.00	1	0.00
Steel Authority of India Limited	1	0.00	1	0.00
Swaraj Engines Limited	30	0.00	30	0.00
Tata Motors Limited	25	0.00	25	0.00
UltraTech Cement Limited	4	0.00	4	0.00
Vesuvias Limited	10	0.00	10	0.00
VST Tillers Tractors Limited	15	0.00	15	0.00
Investments in equity shares (Unquoted)				
Alfa Laval India Limited	1	0.00	1	0.00
Birla Power Solutions Limited	120	0.00	120	0.00
Wellwind Industry Limited	100	0.00	100	0.00
Wartsila India Limited	10	0.00	10	0.00
Sub Total		0.07		0.06
Provision on non current investment		@		-
		0.07		0.06
Total		25.64		6.82
Aggregate amount of unquoted investments		@		0.01
Aggregate amount of quoted investments and market value thereof		0.07		0.06

Information on Subsidiary Companies

Details of investment of subsidiaries as at 31st March 2022 (Contd.)

(₹ in Crore)

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	Nos.	Amount	Nos.	Amount
Current Investments				
Greaves Finance Limited				
Investments in Mutual Funds (Unquoted)				
Fair value through profit or loss				
Kotak Savings Fund Growth & Investment Mark UP	-	-	75,104	0.25
Sub Total		-		0.25
Greaves Technologies Limited				
Investments in Mutual Funds (Unquoted)				
Fair value through profit or loss				
ICICI Prudential Money Market Fund- Regular Plan- Daily Dividend	-	-	19,301	0.19
Sub Total		-		0.19

Independent Auditor's Report

To the Members of Greaves Cotton Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Greaves Cotton Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements subsidiaries and associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response						
1	<p>Assessment of Impairment of Goodwill and Other Intangible asset</p> <p>The Group has goodwill and other intangible assets aggregating to ₹ 86.26 crores acquired as part of business combination for E-mobility business, which includes Process know-how, Brand and Non-compete fees, etc. The values as on 31st March, 2022 are as follows:</p> <table border="1"> <thead> <tr> <th>Cash Generating Unit</th> <th>Goodwill</th> <th>Other Intangible assets</th> </tr> </thead> <tbody> <tr> <td>Electric mobility</td> <td>49.04</td> <td>37.22</td> </tr> </tbody> </table>	Cash Generating Unit	Goodwill	Other Intangible assets	Electric mobility	49.04	37.22	<p>Principal Audit Procedures Performed:</p> <ul style="list-style-type: none"> Evaluated the design and tested the operating effectiveness of internal controls over management's goodwill and intangible assets impairment evaluation; Evaluated the objectivity and independence of the specialist engaged by the Company and reviewed the valuation report issued by such specialist for enterprise value; Engaged internal fair valuation expert to test the appropriateness of the management's underlying assumptions such as weighted average cost of capital, terminal growth rate considered and appropriateness of the valuation model used;
Cash Generating Unit	Goodwill	Other Intangible assets						
Electric mobility	49.04	37.22						

Sr. No.	Key Audit Matter	Auditor's Response
	<p>The Group's evaluation of goodwill and intangible assets for impairment relating to the CGU, involves the comparison of its recoverable amount to its carrying amount using discounted cash flow method, which requires management to make key assumptions such as Projections of Revenue, EBITDA, weighted average cost of capital and terminal growth rate considered for the purpose of valuation.</p> <p>(Refer note 3.1 (e) and 6 to the consolidated financial statements)</p>	<ul style="list-style-type: none"> • Compared the Company's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates; • Assessed the appropriateness of the forecasted projections of Revenue and EBITDA within the budgeted period based on understanding of the business and sector experience; • Performed a sensitivity analysis in relation to weighted average cost of capital; • Evaluated the management's assessment of the useful lives for other intangible assets based on the current projections and business plan; and • Assessed the adequacy of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Business Responsibility Report and Corporate Governance but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associate, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such and other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 59.23 crores as at 31st March, 2022, total revenues of ₹ 108.31 crores and net cash outflows amounting to ₹ 0.07 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 2.50 crores for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of one associate whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate.
 - ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent, its subsidiary companies, associate company.
- (a) The respective Managements of the Parent Company, its subsidiaries and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, other than as disclosed in Note 35 G to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested by the Parent Company or any of such subsidiaries or associate to or in any other person or entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries or associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent Company, its subsidiaries and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, as disclosed in Note 40 (v) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such subsidiaries or associate from any person or entities, with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries or associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- iv) The final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 14E to the consolidated financial statements, the Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Greaves Electric Mobility Private Limited	U51900TN2008PTC151470	Subsidiary	Clause ii(a)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm’s Registration No.117366 W/W- 100018)

Mukesh Jain
(Partner)

(Membership No. 108262)
(UDIN 22108262AIVMUX2190)

Place: Mumbai
Date: 12th May, 2022

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Greaves Cotton Limited (hereinafter referred to as “Parent”), its subsidiary companies and associate company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies and one associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins and Sells LLP**

Chartered Accountants
(Firm's Registration No.117366W/W- 100018)

Mukesh Jain

(Partner)

(Membership No. 108262)
(UDIN: 22108262AIVMUX2190)

Place: Mumbai

Date: 12th May, 2022

Consolidated Balance Sheet

as at 31st March 2022

	Note No.	As at 31 st March 2022	(₹ in Crore) As at 31 st March 2021
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	192.92	199.86
(b) Capital work-in-progress	4A	26.04	24.14
(c) Right-of-use assets	4 & 38	42.71	33.51
(d) Goodwill		49.04	49.04
(e) Intangible assets	5	78.83	89.81
(f) Intangible assets under development	5A	55.58	50.81
(g) Financial assets			
(i) Investments			
Other investments	6	16.38	0.06
(ii) Other financial assets	7	9.17	9.04
(h) Income tax assets (Net)		31.66	31.76
(i) Deferred tax assets (Net)	19A	19.87	23.37
(j) Other non-current assets	8A	87.72	55.81
Total non-current assets		609.92	567.21
2 Current assets			
(a) Inventories	9	193.34	174.72
(b) Financial assets			
(i) Other investments	6B	-	0.45
(ii) Trade receivables	10	186.37	208.95
(iii) Cash and cash equivalents	11	90.68	175.06
(iv) Bank balances other than (iii) above	12	351.23	105.28
(v) Other financial assets	7B	154.24	13.78
(c) Other current assets	8B	45.88	44.99
Total current assets		1,021.74	723.23
3 Assets classified as held for sale	13	12.31	-
Total Assets		1,643.97	1,290.44
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	14	46.30	46.24
(b) Other equity	15	703.00	736.27
Total Equity		749.30	782.51
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16A	169.02	-
(ii) Lease liabilities	38	13.53	10.82
(iii) Other financial liabilities	17A	0.24	0.34
(b) Provisions	18A	2.41	1.55
(c) Deferred tax liabilities (Net)	19A	8.79	10.72
(d) Other non-current liabilities	21A	23.98	21.53
Total non-current liabilities		217.97	44.96
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16B	63.54	3.57
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	20	45.38	35.31
- Total outstanding dues of creditors other than micro enterprises and small enterprises	20	333.17	321.12
(iii) Lease liabilities	38	11.27	5.86
(iv) Other financial liabilities	17B	31.22	33.54
(b) Provisions	18B	42.41	31.69
(c) Income tax liabilities (Net)		5.26	5.26
(d) Other current liabilities	21B	144.45	26.62
Total current liabilities		676.70	462.97
Total Equity and Liabilities		1,643.97	1,290.44
Notes forming part of the financial statements	1- 41		

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Consolidated Statement of Profit & Loss

for the year ended 31st March 2022

	Note No.	Year ended 31 st March 2022	(₹ in Crore) Year ended 31 st March 2021
I Revenue from operations	22	1,709.70	1,500.40
II Other income	23	22.35	8.33
III Total income (I + II)		1,732.05	1,508.73
IV Expenses			
Cost of materials consumed	24	1,160.13	954.07
Purchases of stock-in-trade	25	92.63	94.80
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	6.24	31.02
Employee benefits expense	27	169.62	141.86
Finance costs	28	5.34	6.93
Depreciation and amortisation expense	29	58.73	60.43
Other expenses	30	253.88	198.95
Total expenses		1,746.57	1,488.06
V (Loss)/Profit before exceptional items and tax		(14.52)	20.67
VI Exceptional items : Income/(Expense)	31	(2.31)	(34.46)
VII (Loss)/Profit before tax		(16.83)	(13.79)
VIII Tax expense	19E		
Current tax		14.40	19.51
Deferred tax charge/(credit)		1.57	(14.52)
Total tax expenses		15.97	4.99
IX (Loss)/Profit for the year after tax (VII - VIII)		(32.80)	(18.78)
X Share in loss of associate		(2.50)	-
XI (Loss)/Profit for the year after share in loss of associate (IX+X)		(35.30)	(18.78)
XII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans : Gain		2.79	1.31
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.72)	(0.33)
Other comprehensive income for the year		2.07	0.98
XIII Total Comprehensive (Loss)/Income for the year (XI + XII)		(33.23)	(17.80)
XIV (Loss)/Profit for the year attributable to:			
- Owners of the Company		(35.30)	(18.78)
- Non Controlling Interest		-	-
XV Other Comprehensive income for the year			
- Owners of the Company		2.07	0.98
- Non Controlling Interest		-	-
XVI Total Comprehensive (Loss)/Income attributable to:			
- Owners of the Company		(33.23)	(17.80)
- Non Controlling Interest		-	-
XVII Earnings per equity share of ₹ 2 each :			
Basic	34	(1.53)	(0.81)
Diluted	34	(1.53)	(0.81)
Notes forming part of the financial statements	1-41		

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Consolidated Statement of Changes in Equity

for the year ended 31st March 2022

(₹ in Crore)	
A Equity share capital	
Balance as at 1 st April 2020	46.24
Balance as at 31 st March 2021	46.24
Add: Equity shares issued pursuant to exercise of options under ESOP-2020	0.06
Balance as at 31st March 2022	46.30

	Reserves and surplus										Non controlling interest	Total
	Capital reserve	Capital reserve on consolidation	Securities premium	General reserve	Statutory reserve	Capital redemption reserve	Employee share options	Retained earnings	Attributable to the owners			
B Other equity												
Balance as at 1 st April 2020	1.34	0.14	34.59	345.17	5.49	2.60	0.35	362.83	752.51	-	-	752.51
Profit for the year	-	-	-	-	-	-	-	(18.78)	(18.78)	-	-	(18.78)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	0.98	0.98	-	-	0.98
Total Comprehensive income for the year	-	-	-	-	-	-	-	(17.80)	(17.80)	-	-	(17.80)
Employee Stock Option Plan (Refer note 16A)	-	-	-	-	-	-	1.56	-	1.56	-	-	1.56
Balance as at 31 st March 2021	1.34	0.14	34.59	345.17	5.49	2.60	1.91	345.03	736.27	-	-	736.27
Balance as at 1 st April 2021	1.34	0.14	34.59	345.17	5.49	2.60	1.91	345.03	736.27	-	-	736.27
Profit for the year	-	-	-	-	-	-	-	(35.30)	(35.30)	-	-	(35.30)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	2.07	2.07	-	-	2.07
Total Comprehensive income for the year	-	-	-	-	-	-	-	(33.23)	(33.23)	-	-	(33.23)
Dividends	-	-	-	-	-	-	-	(4.62)	(4.62)	-	-	(4.62)
Transfer from/(to) general reserve during the year	-	-	-	0.60	-	-	(0.60)	-	-	-	-	-
Issue of shares on ESOP exercised	-	-	0.79	-	-	-	(0.79)	-	-	-	-	-
Employee Stock Option Plan (Refer note 16A)	-	-	-	-	-	-	4.58	-	4.58	-	-	4.58
Balance as at 31st March 2022	1.34	0.14	35.38	345.77	5.49	2.60	5.10	307.18	703.00	-	-	703.00
Notes forming part of the financial statements	1-41											

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

For and on behalf of the Board

Kewal Handa

Director

DIN : 00056826

Nagesh Basavanhalli

Managing Director & Group CEO

DIN : 01886313

Mukesh Jain

Partner

Daipat Raj Jain

Group CFO

Atindra Basu

General Counsel & Company Secretary

Mumbai, 12th May 2022

Consolidated Statement of Cash Flows

for the year ended 31st March 2022

	Year ended 31 st March 2022	Year ended 31 st March 2021
		(₹ in Crore)
Cash flows from operating activities		
Loss for the year (after tax)	(32.80)	(18.78)
Adjustments for:		
Income tax expense	15.97	4.99
Finance costs	5.34	6.93
Interest income	(9.04)	(6.01)
Dividend income	-	(0.01)
Loss on sale of property, plant & equipment (Net)	0.42	0.02
Asset under development written off	0.10	1.03
Profit on sale of immovable property (exceptional item)	(10.50)	(8.40)
Profit on sale of PPE (exceptional item)	(1.83)	-
Fair value gain on investments (Including realised gain)	(0.01)	(0.14)
ESOP Expenses	4.58	1.56
Depreciation and amortisation expenses	58.73	60.43
Impairment of PPE and Intangible assets under development (exceptional item)	9.42	17.40
Change in fair value of liability towards acquisition of balance stake in subsidiary	-	4.18
Insurance claim	(4.33)	-
Unrealised foreign exchange (gain)/loss	(0.09)	0.13
Operating profit before working capital changes	35.96	63.33
Adjustment for movements in working capital:		
Trade receivables	22.56	45.90
Inventories	(18.62)	28.19
Other assets	(163.70)	(26.09)
Trade payables	22.23	53.69
Provisions	11.58	7.56
Other liabilities	42.23	(4.07)
Cash (used in)/generated from operations	(47.76)	168.51
Less: Income taxes paid	(15.02)	(21.71)
Net cash (used in)/generated from operating activities (A)	(62.78)	146.80

Consolidated Statement of Cash Flows (Contd.)

for the year ended 31st March 2022

	Year ended 31 st March 2022	Year ended 31 st March 2021
		(₹ in Crore)
Cash flows from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(39.32)	(36.18)
Purchase of intangible assets and Intangible assets under development	(26.63)	(12.78)
Proceeds from disposal of property, plant and equipment	14.50	8.66
Advance received towards sale of land	84.15	-
Proceeds from sale of financial assets	0.45	2.46
Bank deposits placed	(354.57)	(101.89)
Bank deposits matured	109.15	30.00
Interest received	7.40	6.97
Purchase consideration towards investment in associate	(18.81)	-
Purchase consideration paid on acquisition of subsidiary/associate (net of non cash adjustment of ₹ Nil (previous year: ₹ 30.57 crore))	(7.94)	(5.00)
Dividend from current investments	-	0.01
Net cash used in from investing activities (B)	(231.62)	(107.75)
Cash flows from financing activities		
Proceeds/(Repayment) of Borrowings	228.99	(6.94)
Shares issued on exercise of ESOPs	0.06	-
Dividend paid	(4.62)	-
Interest paid	(2.99)	(5.23)
Payment made towards lease liabilities (Including Interest)	(11.42)	(7.82)
Net cash generated/(used in) from financing activities (C)	210.02	(19.99)
Net increase in cash and cash equivalents (A+B+C)	(84.38)	19.06
On acquisition through business combination	-	0.21
Cash and cash equivalents at the beginning of the year	175.06	155.79
Cash and cash equivalents at the end of the year (Refer Note 11)	90.68	175.06
Notes forming part of the financial statements		1-41

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mukesh Jain
Partner

Mumbai, 12th May 2022

For and on behalf of the Board

Kewal Handa
Director
DIN : 00056826

Dalpat Raj Jain
Group CFO

Nagesh Basavanhalli
Managing Director & Group CEO
DIN : 01886313

Atindra Basu
General Counsel & Company Secretary

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

1. General Information:

Greaves Cotton Limited (the 'Company') and its subsidiaries (Group) is engaged in manufacturing of engines, engine applications, power gensets and trading of power tillers, spares related to engines, electric vehicles and infrastructure equipment etc. The Company has manufacturing facilities in the states of Maharashtra and Tamil Nadu. The products are mainly sold in India with some export to Middle East, Africa & South East Asia Region. The Group has three direct and two indirect subsidiary and one associate.

The Company is public limited company incorporated and domiciled in India. The address of its corporate office is Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla (West), Mumbai – 400070.

The Financial statements for the year ended 31st March 2022 were approved by the Board of Directors and authorised for issue on 12th May 2022.

2. Summary of Significant Accounting Policies:

2.1. Statement of compliance:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.2. Basis of preparation and presentation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, incomes and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3.1 Changes in the Group's ownership interests in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets and liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

for subsequent accounting under Ind AS 109, 'Financial Instruments' or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.4 Non-current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.5 Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable.

Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Ind-AS 115 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue.

2.5.1 Sale of goods:

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the company is recognizing revenue as and when it satisfies the performance obligation by transferring promised goods to a customer and customer obtains control of the same;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5.2 Rendering of services:

Revenue in respect of service is recognised in the accounting year in which when services are performed in accordance with the terms of contract with customers.

2.5.3 Dividend and interest income:

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.6 Foreign currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency. Transactions in currencies other than the Company's functional currency ("foreign currencies") are recognised at the rate of exchange prevailing at the dates of transactions. At the end of each reporting period monetary item denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in the statement of profit and loss in the year in which they arise except for exchange differences arising on marking forward contracts to market rates are recognised in the statement of profit and loss in the year in which they arise and the premium paid/received is accounted as expenses/income over the period of contract.

2.7 Borrowing cost:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the year in which they are incurred.

2.8 Employee benefits:

2.8.1 Defined Contribution Plans:

The eligible employees of the Company are entitled to receive benefits under provident fund schemes defined contribution plans, in which both employees and the Company make monthly contributions at a specified percentage of the employees' salary. The contributions are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. There are no other obligations

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

other than the contribution payable to the Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme.

Contribution to Superannuation Fund and National Pension Scheme, a defined contribution scheme, is made at pre-determined rates to the Superannuation Fund managed by Life Insurance Corporation and various asset management companies under National Pension Scheme and is charged to the statement of profit and loss. There are no other obligations other than the contribution payable to the Superannuation Fund & National Pension Scheme.

2.8.2 Defined Benefit Plans:

For defined benefit retirement plans (i.e. gratuity and ex-gratia) the cost of providing benefits is determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

2.8.3 Compensated Absences:

Compensated absences which accrue to employees and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit, and where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.9 Share-based payment arrangements:

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period

on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the General reserve within equity. The share based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

2.10 Goods and Service Tax (GST) paid on incurring expenses or on acquisition of assets:

Expenses and Assets are recognised net of the amount of GST, except

- a. When the tax incurred on purchase of expenses or assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- b. The net amount of tax receivable/payable is included as part of other assets or other liabilities, as the case may be.

2.11 Taxation:

2.11.1 Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

2.11.2 Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

2.11.3 Current and deferred tax for the year:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

2.12 Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares), if any, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.13 Dividends:

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of approval by the Company's Board of Directors.

2.14 Property, plant and equipment:

Cost includes inward freight, taxes (other than taxes recoverable from tax authorities) and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use. Own manufactured assets are capitalised at factory cost. Certain project related direct expenses, incurred at site for the period upto the date of commencement of commercial production are capitalised.

Depreciation on fixed assets is provided under the straight line method over the useful life of the assets. Extra shift depreciation is provided based on number of shifts for which the plant has worked. Leasehold land is amortised over the primary period of the lease. Leasehold building improvements are written off over the period of lease or their estimated useful life, whichever is lower, on a straight line basis. Residual value

of the assets is estimated at 5% of cost. The useful lives of the assets of the Company are as follows:

Asset	Useful lives
Leasehold land	Over lease period
Leasehold improvements	Over lease period
Buildings	30 years
Plant & equipment	15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books and the resultant profit or loss (including capital profit), if any, is reflected in the statement of profit and loss.

The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.15 Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition investment properties are measured in accordance with Ind AS 16 "Property Plant and Equipment" requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in the year in which the property is de-recognised.

Investment property owned by the Company is depreciated under the straight line method over its estimated useful life of 30 years.

2.16 Leases:

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of a lease, the Company recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for short term leases and low value leases. Certain lease arrangements include the options to extend or terminate

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the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities. ROU assets are amortised on a straight-line basis over the asset's useful life or the lease period whichever is shorter

Lease liability is measured by discounting the lease payments using the interest rate of the incremental borrowing. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Impairment of ROU assets is in accordance with the policy for impairment of non-financial assets.

The company has opted for exemption provided under Ind AS 116 "Leases" for short-term leases and leases of low-value assets, hence the lease payments associated with those leases are treated as an expense on a straight-line basis over the lease term.

2.17 Intangible assets:

2.17.1 Intangible assets internally generated or acquired separately:

Goodwill is initially recognised as the excess of consideration paid and acquirer's interest in the net fair value of the identifiable net assets of acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to the cash-generating unit which is expected to benefit from the business combination.

Own developed intangible assets are capitalised at actual cost. Cost includes all expenses incurred for development of the intangible asset, up to the point the asset is ready for its intended use. Research costs are charged to the statement of Profit and Loss in the year in which they are incurred. Product development costs incurred on new engine platform, engines, transmission and new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits. The costs capitalized include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use.

Intangible assets with finite useful lives that are acquired separately or own developed are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.17.2 Derecognition of intangible asset:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss in the period when the asset is derecognised.

2.17.3 Useful life of intangible assets:

Estimated useful lives of the intangible assets are as follows:

- i) Technical know-how is amortised over a period of 5 years.
- ii) Product development is amortised over a period of 3 to 5 years.
- iii) Computer software is amortised over a period of 4 years.
- iv) Process knowhow is amortised over a period of 7.5 years.
- v) Brand is amortised over a period of 7.5 years.
- vi) Distribution network is amortised over a period of 3 to 5.5 years.
- vii) Customer acquired contracts is amortised over a period of 4 years.

2.18 Impairment of tangible and intangible assets other than goodwill:

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

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2.19 Inventories:

Inventories are valued, after providing for obsolescence, as under:

- a. Raw materials, stores, spares, packing materials, loose tools and traded goods at weighted average cost or net realisable value, whichever is lower.
- b. Work-in-progress at lower of weighted average cost including conversion cost or net realisable value, whichever is lower.
- c. Finished goods at lower of weighted average cost including conversion cost or net realisable value, whichever is lower.

2.20 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.21 Warranties:

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

2.22 Financial instrument:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

2.23 Financial asset:

Purchases or sales of financial assets in ordinary course of business are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.23.1 Financial assets at fair value through profit and loss (FVTPL):

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss. The net gain or loss recognised in the statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income/Other Expenses' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

2.23.2 Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

For trade receivables or any contractual rights to receive cash or another financial assets that results from transactions that are within the scope of Ind AS 115, "Revenue from contract with customer" the Company always measures their allowances at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivable, the Company has used a practical expedient as permitted under Ind AS 109 "Financial Instrument" This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.23.3 Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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2.23.4 Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, exchange differences are recognised in the statement of profit and loss, except for those which are designated as hedging instruments in a hedging relationship.

2.24 Financial liabilities:

Financial liabilities are subsequently measured at amortised cost or at FVTPL.

2.24.1 Financial liabilities at FVTPL:

Financial liabilities such as derivative that is not designated and effective as a hedging instrument are classified as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss. The net gain or loss recognised in the statement of profit and loss is included in the 'other income/expense' line item.

2.24.2 Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost.

2.24.3 Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains or losses are determined based on the amortised cost of the instruments and are recognised in 'Other income/Other expenses'.

The fair value of financial liabilities denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

2.24.4 Derecognition of financial liabilities:

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.25 Derivative financial instruments:

The Company enters into foreign exchange forward contracts to manage its exposure of foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately.

2.26 Contingent liabilities and contingent assets:

Contingent liability is disclosed in the case of:

- i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- ii) a present obligation when no reliable estimate is possible, and
- iii) a possible obligation, arising from past events where the probability of outflow of resources is not remote.

Contingent assets are neither recognised nor disclosed.

Contingent liabilities are reviewed at each balance sheet date and updated/recognised as appropriate.

2.27 Business Combinations:

The Group accounts for its business combinations under acquisition method of accounting. The acquiree's identifiable assets including goodwill, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed is recognised as goodwill. Any shortfall is treated as a bargain purchase and recognised as capital reserve. Before recognising gain in respect thereof, the Group determines whether there exists clear evidence of underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional asset or liabilities that are identified in that reassessment.

The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it directly in equity as capital reserve. The interest in

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non-controlling interest is initially measured at fair value or at the proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to initial acquisition, the carrying amount of non-controlling interest is the amount of those interest in initial recognition plus the non-controlling interest's share of subsequent changes in equity of subsidiaries.

When the consideration transferred by the Group in business combination includes assets or liabilities resulting in a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve as the case may be.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

In consolidated financial statements, acquisition of non-controlling interest is accounted as equity transaction. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Business Combination under common control are accounted as per Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

3.

3.1 Critical accounting judgements and key sources of estimation uncertainty:

In the application of the Company's accounting policies, which are described in Note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and

other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the following areas the management of the Company has made critical judgements and estimates:

a. Employee Benefits:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

b. Useful lives of property, plant and equipment & intangible assets (Including Intangible Asset under development):

The Company reviews the useful life of property, plant and equipment & intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

The Company's assessment of carrying value of intangible under development have inherent challenge with accurately predicting the future economic benefits which includes estimate of volume projection, margin, regulatory changes, expected capital expenditure for production phase and judgement around the probability of acceptance of technology/new product. Estimate and judgement around these inputs are critical to assess the carrying value of assets. The Company undertakes, significant levels of research and development activities for engine development and its various uses. A periodic review is undertaken during the life cycle of the engine. The Company applies judgement to determine the point at which the recognition criteria under accounting standard is satisfied.

c. Provision for warranty:

The Company gives warranties for its products, undertaking to repair or replace the items that fail

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to perform satisfactorily during the warranty period. Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of nine to sixty six months.

d. Provisions and Contingent Liabilities:

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

e. Impairment of goodwill and intangible assets:

Goodwill of ₹ 49.04 crores and intangible assets of ₹ 39.65 crores represent goodwill/intangible assets acquired through business combination and allocated to the relevant Cash Generating Units (CGUs). The recoverable amount is determined based on value in use. The determination of recoverable amount involves significant judgements such as future projection of revenue, EBITDA, weighted average cost of capital and terminal growth. The recoverable amount is significantly dependent on achievement of revenue growth and any change in revenue growth projection could have an impact on recoverable value.

Based on the above, no impairment was identified as of 31st March 2022 as the recoverable value of the CGU exceeded the carrying value.

f. Recoverability assessment of assets:

In assessing the recoverability of assets such as goodwill, intangible assets (including intangible assets under development), inventories, trade receivables and other assets, based on current indicators of future economic conditions the Company expects to recover the carrying amounts of its assets. The impact of the global health pandemic, COVID 19, may be different from that presently estimated and would be recognised in the financial statements when material changes to economic conditions arise.

3.2. Standards issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March 2022, MCA amended the Companies

(Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April 2022, as below:

a. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

b. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

d. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The Company does not expect the amendment to have any significant impact in its financial statements.

e. Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

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Particulars	Freehold		Plant & equip-ment	Office equipment	Furniture & fixtures	Vehicles	Leasehold improve-ments	Total Property, plant and equipment	Leasehold land properties	Leased properties	Total Right-of-use assets
	Land	Buildings									
Cost											
Balance as at 1 st April 2020	3.44	89.91	272.16	4.52	7.02	1.54	8.76	387.35	20.19	22.39	42.58
Additions	-	0.61	11.87	0.64	0.13	0.27	0.19	13.71	-	0.32	0.32
Acquisitions through business combinations	-	0.17	0.85	-	0.01	0.04	-	1.07	-	3.89	3.89
Disposals	-	(0.21)	(0.06)	(0.02)	(0.08)	(0.69)	(0.81)	(1.87)	-	(0.05)	(0.05)
Balance as at 31st March 2021	3.44	90.48	284.82	5.14	7.08	1.16	8.14	400.26	20.19	26.55	46.74
Additions	-	10.12	20.92	2.47	0.49	0.41	0.98	35.39	-	17.18	17.18
Classified as asset held for sale	(3.44)	(16.89)	-	-	-	-	-	(20.33)	-	-	-
Disposals	-	(0.17)	(42.36)	(1.20)	(0.80)	(0.08)	(0.03)	(44.64)	-	-	-
Balance as at 31st March 2022	-	83.54	263.38	6.41	6.77	1.49	9.09	370.68	20.19	43.73	63.92
Depreciation											
Balance as at 1 st April 2020	-	(20.76)	(130.19)	(2.95)	(2.12)	(0.79)	(2.77)	(159.58)	(1.13)	(5.38)	(6.51)
Depreciation expense	-	(5.88)	(22.23)	(0.38)	(0.57)	(0.17)	(1.49)	(30.72)	(0.22)	(6.50)	(6.72)
Impairment	-	(0.10)	(11.40)	(0.02)	(0.21)	-	-	(11.73)	-	-	-
Disposals	-	0.20	0.07	0.02	0.06	0.61	0.67	1.63	-	-	-
Balance as at 31st March 2021	-	(26.54)	(163.75)	(3.33)	(2.84)	(0.35)	(3.59)	(200.40)	(1.35)	(11.88)	(13.23)
Depreciation expense	-	(4.20)	(18.82)	(0.66)	(0.55)	(0.24)	(2.96)	(27.43)	(0.22)	(7.76)	(7.98)
Adjustment on asset held for sale	-	8.02	-	-	-	-	-	8.02	-	-	-
Impairment	-	-	(0.85)	-	-	-	-	(0.85)	-	-	-
Disposals	-	0.14	40.71	1.15	0.80	0.08	0.02	42.90	-	-	-
Balance as at 31st March 2022	-	(22.58)	(142.71)	(2.84)	(2.59)	(0.51)	(6.53)	(177.76)	(1.57)	(19.64)	(21.21)
Carrying amount											
Balance as at 31 st March 2021	3.44	63.94	121.07	1.81	4.24	0.81	4.55	199.86	18.84	14.67	33.51
Balance as at 31st March 2022	-	60.96	120.67	3.57	4.18	0.98	2.56	192.92	18.62	24.09	42.71

Greaves Electric Mobility Private Limited (earlier known as Ampere Vehicles Private Limited), the Company's subsidiary has working capital loans from Banks. The loan is secured against exclusive charge on all current assets, movable property plant and equipment and intangible assets.

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4- Property, plant and equipment (Contd.)

4A - Capital-Work-in Progress (CWIP)

(a) CWIP ageing schedule as on 31st March 2022

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Projects in progress	8.08	9.26	6.67	

(₹ in Crore)

Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	CREST Project*	-	-	3.74	

(₹ in Crore)

* CREST (Clean Responsible Technology) engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

(b) CWIP ageing schedule as on 31st March 2021

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Projects in progress	14.15	6.94	2.13	

(₹ in Crore)

Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	CREST Project*	-	-	3.81	

(₹ in Crore)

*CREST (Clean Responsible Technology) engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

5 - Intangible assets

Particulars	Technical knowhow & Product development	Computer software	Non-compete Fees	Process knowhow	Brand	Acquired Customer Contracts	Distribution network	Total
Cost								
Balance as at 1st April 2020	86.96	19.26	5.00	29.07	15.63	-	0.65	156.57
Additions	12.45	1.10	2.00	0.76	-	-	-	16.31
Acquisitions through business combinations	-	0.15	-	0.10	12.46	-	1.03	13.74
Disposals/Discarded	(37.85)	(4.49)	-	(1.45)	-	-	-	(43.79)
Balance as at 31st March 2021	61.56	16.02	7.00	28.48	28.09	-	1.68	142.83
Additions	6.29	2.83	0.44	-	-	2.78	-	12.34
Disposals/Discarded	-	(0.17)	-	-	-	-	-	(0.17)
Balance as at 31st March 2022	67.85	18.68	7.44	28.48	28.09	2.78	1.68	155.00

(₹ in Crore)

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

5 - Intangible assets (Contd.)

(₹ in Crore)

Particulars	Technical knowhow & Product development	Computer software	Non-compete Fees	Process knowhow	Brand	Acquired Customer Contracts	Distribution network	Total
Amortisation								
Balance as at 1st April 2020	(47.91)	(12.15)	(1.20)	(6.81)	(3.12)	-	(0.18)	(71.37)
Amortisation expense	(10.73)	(2.93)	(1.01)	(4.62)	(3.33)	-	(0.37)	(22.99)
Impairment	(2.44)	(0.01)	-	-	-	-	-	(2.45)
Disposals/Discarded	37.85	4.49	-	1.45	-	-	-	43.79
Balance as at 31st March 2021	(23.23)	(10.60)	(2.21)	(9.98)	(6.45)	-	(0.55)	(53.02)
Amortisation expense	(11.02)	(2.62)	(3.72)	(1.41)	(3.75)	(0.35)	(0.45)	(23.32)
Disposals/Discarded	-	0.17	-	-	-	-	-	0.17
Balance as at 31st March 2022	(34.25)	(13.05)	(5.93)	(11.39)	(10.20)	(0.35)	(1.00)	(76.17)
Carrying Amount								
Balance as at 31 st March 2021	38.33	5.42	4.79	18.50	21.64	-	1.13	89.81
Balance as at 31st March 2022	33.60	5.63	1.51	17.09	17.89	2.43	0.68	78.83

Greaves Electric Mobility Private Limited (earlier known as Ampere Vehicles Private Limited), the Company's subsidiary has working capital loans from Banks. The loan is secured against exclusive charge on all current assets, movable property plant and equipment and intangible assets.

5A - Intangible assets under development

(a) Intangible assets under development ageing schedule as on 31st March 2022

(₹ in Crore)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17.12	3.08	2.87	32.51	55.58

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CREST Project*	-	-	28.10	-	28.10

*CREST (Clean Responsible Technology) Engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

(b) Intangible assets under development ageing schedule as on 31st March 2021

(₹ in Crore)

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.60	7.96	29.98	8.27	50.81

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CREST Project*	-	-	33.24	-	33.24

*CREST (Clean Responsible Technology) engines are to be used for 4 Cylinder engine using Piston technology & Crest platform based Multi Cylinder development.

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

6 - Investments

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
6A Non-current		
Investment in Associates		
MLR Auto Ltd (face value of ₹ 10 each) (Refer Note 39)	16.31	-
Other Investments (at fair value)		
Investment in equity shares (Quoted)	0.07	0.06
Investment in equity shares (Unquoted)	@	@
Other Investments (at fair value)	16.38	0.06

@ Represents amount less than ₹ 1 lakh

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
6B Current (Unquoted)		
Other Investments		
Investments in Mutual Funds (at fair value)	-	0.45
Aggregate carrying value of unquoted investments - Current	-	0.45
Aggregate cost of unquoted investment - Mutual Funds	-	0.42

Note:

- The fair value of current investments as at 31st March 2022 and 31st March 2021 have been arrived at on the basis of Net Asset Value (NAV) declared by the Mutual Funds (Level 1).
- During the year ended 31st March 2022, the Greaves Electric Mobility Private Limited (earlier known as Ampere Vehicles Private Limited) subscribed to 26% shareholding in MLR Auto Limited, a Hyderabad based company manufacturing 3 Wheelers (Electric, CNG & Diesel) for a value of ₹ 18.81 Crore with an option to acquire additional 25% equity shares at ₹ 15.05 Crore. Loss for the year ended 31st March 2022 includes ₹ 2.50 crores pertaining to acquisition made during the year.
- Also refer Note 32B.

7 - Other financial assets

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
7A Non-current		
Security deposits	6.74	6.55
Margin money deposits with banks	2.21	2.29
Other assets- Employee advances, etc.	0.22	0.20
Non-current total	9.17	9.04

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

7 - Other financial assets (Contd.)

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
7B Current		
Export benefit receivables	1.14	1.60
Security deposits	8.01	7.37
Fixed deposits with financial institutions	20.50	20.50
Less: Provision for doubtful deposits	(20.50)	(20.50)
	-	-
Interest receivable	2.85	1.04
Insurance claim receivable	4.33	-
Subsidy Receivable (measured at amortised cost)	116.09	-
Derivative financial assets (measured at fair value)	4.40	-
Other assets- Employee advances, etc.	17.42	3.77
Current total	154.24	13.78
Total	163.41	22.82

Also refer Note 32B

8 - Other assets

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
8A Non-current		
Capital advances	13.18	12.26
Prepaid expenses	2.24	0.33
Balances with Customs, Port Trust, Central Excise, GST etc.	72.30	43.22
Non-current total	87.72	55.81
8B Current		
Advances to suppliers	33.24	28.09
Allowance for bad and doubtful advances	(1.17)	(1.17)
	32.07	26.92
Prepaid expenses	3.40	1.81
Balances with Customs, Port Trust, Central Excise, GST etc.	6.76	15.38
Other advances (Gratuity etc.)	3.65	0.88
Current total	45.88	44.99
Total	133.60	100.80

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

9 - Inventories

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Inventories (lower of cost and net realisable value)		
Raw materials	127.66	103.72
Work-in-progress	7.42	6.21
Finished goods	33.45	36.45
Stock-in-trade	16.05	20.50
Stores and spares	5.53	4.72
Loose tools	3.23	3.12
Total	193.34	174.72

1. Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
In transit Raw materials (Included above)	1.16	4.92
In transit Stock-in-trade (Included above)	0.91	3.27

2. i) Short Term Finance facilities from Banks and Cash Credit facilities of ₹ Nil as at Balance Sheet date (previous year ₹ Nil) are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company. The charges on these assets also cover letters of credit and bank guarantees of ₹ 16.09 Crore (previous year ₹ 15.34 Crore) and ₹ 11.86 Crore (previous year ₹ 14.18 Crore) respectively.
- ii) Greaves Electric Mobility Private Limited (GEMPL), the Company's subsidiary has working capital loans from Banks and financial institutions. The loan is secured against exclusive charge on all current assets, movable property, plant & equipment and intangibles of GEMPL.

10 - Trade receivables

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Trade receivables considered good- Secured*	82.64	91.95
Trade receivables considered good- Unsecured	103.73	117.00
Trade receivables- credit impaired	80.41	71.11
Allowance for doubtful debts (expected credit loss allowance)	(80.41)	(71.11)
Total	186.37	208.95

* Secured trade receivables are against letters of credit, factoring arrangements, bank guarantees and security deposits.

- a. Provision matrix:
The Company has policy of expected credit loss provisioning. The Overdue debtors above 1 year are critically reviewed and necessary provisions between 50% to 100% is done.
- b. i) Short Term Finance facilities from Banks and Cash Credit facilities of ₹ Nil as at Balance Sheet date (previous year ₹ Nil) are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company. The charges on these assets also cover letters of credit and bank guarantees of ₹ 16.09 Crore (previous year ₹ 15.34 Crore) and ₹ 11.86 Crore (previous year ₹ 14.18 Crore) respectively.
- ii) Greaves Electric Mobility Private Limited, the Company's subsidiary has working capital loans from Banks and financial institutions. The loan is secured against exclusive charge on all current assets, movable property, plant & equipment and intangibles of GEMPL.
- c. Also refer Note 32B

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

10 - Trade receivables (Contd.)

Trade receivables ageing schedule as at 31st March 2022

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good- Secured	77.21	4.74	0.65	0.02	0.02	-	82.64
(ii) Considered good- Unsecured	63.84	19.20	11.78	7.88	0.93	0.10	103.73
(iii) Credit impaired	-	0.57	0.82	8.94	11.75	14.35	36.43
Disputed Trade receivables							
(iv) Credit impaired	-	0.11	-	1.37	23.99	18.51	43.98
	141.05	24.62	13.25	18.21	36.69	32.96	266.78
Less : allowance for loss	-	-	-	-	-	-	(80.41)
Total	141.05	24.62	13.25	18.21	36.69	32.96	186.37

Trade receivables ageing schedule as at 31st March 2021

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good- Secured	85.32	6.08	0.18	0.26	0.09	0.02	91.95
(ii) Considered good- Unsecured	69.00	26.78	6.72	7.47	0.95	0.08	111.00
(iii) Credit impaired	-	1.56	1.68	11.35	6.89	9.20	30.68
Disputed Trade receivables							
(iv) Considered good- Unsecured	-	-	-	6.00	-	-	6.00
(v) Credit impaired	-	-	0.60	17.64	9.43	12.76	40.43
	154.32	34.42	9.18	42.72	17.36	22.06	280.06
Less : allowance for loss	-	-	-	-	-	-	(71.11)
Total	154.32	34.42	9.18	42.72	17.36	22.06	208.95

11 - Cash and cash equivalents

(₹ in Crore)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Cash on hand	@	@
Cheques, drafts on hand	0.06	3.70
Balances with banks		
In fixed deposits with maturity less than 3 months	71.50	155.00
In current accounts	19.12	16.36
Total	90.68	175.06

@ Represents amount less than ₹ 1 lakh

Also refer Note 32B

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

12 - Bank balances other than Cash and cash equivalents

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Term deposits with maturity exceeding 3 months and less than 12 months	5.78	101.89
Term deposits with maturity exceeding 12 months	341.53	-
Unpaid dividend accounts	3.92	3.39
Total	351.23	105.28

Also refer Note 32B

13 - Assets classified as held for sale

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Leasehold land and buildings thereon	12.31	-

Note: The Parent Company had entered into a binding MOU with Runal Developers LLP on 4th August 2021 for sale of Land and Building at Pune for a consideration of ₹ 284 crores with a definitive closure to the transaction as on 31st March 2022. Due to delay in regulatory approvals the transaction could not be closed on or before 31st March 2022. Runal Developers has confirmed its willingness to continue the transaction and the Parent Company reasonably expects to conclude the definitive agreement by 30th September 2022.

14 - Equity Share capital

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Authorised		
37,50,00,000 Equity shares of ₹ 2 each	75.00	75.00
Issued, subscribed and fully paid up		
23,15,21,292 Equity shares of ₹ 2 each (previous year 23,12,06,795 Equity shares of ₹ 2 each)	46.30	46.24

14A Issued share capital

Particulars	No. of shares	₹ in Crore
	Equity shares of ₹ 2 each Issued, subscribed and fully paid up	
As at 1 st April 2021	23,12,06,795	46.24
Add: Equity shares issued pursuant to exercise of options under ESOP-2020 (Refer note 15A below)	3,14,497	0.06
As at 31st March 2022	23,15,21,292	46.30

Note: During the year, the Company has allotted 3,14,497 fully paid-up equity shares of ₹ 2 each, on exercise of stock options by employees in accordance with the Greaves Cotton- Employees Stock Option Plan 2020 ("ESOP-2020").

14B Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 st March 2022		As at 31 st March 2021	
	Number of shares held in the Company	Percentage of shares held	Number of shares held in the Company	Percentage of shares held
Karun Carpets Private Limited	12,86,14,955	55.55%	12,86,14,955	55.63%

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

14 - Equity Share Capital (Contd.)

14C Terms/Rights attached to equity shares

- i) The Company has only one class of equity shares having face value of ₹ 2 per share. The equity shares rank pari passu in all respects including voting rights and entitlement to dividend.
- ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

14D Shareholding of promoters

Shares held by promoters as at 31 st March 2022			% Change during the year*
Sr. No.	Promoter Name	Number of shares held in the Company	Percentage of total shares
1	Karun Carpets Private Limited	12,86,14,955	55.55%
			(0.08%)

* % change during the year has been computed on the basis of the number of shares at the beginning of the year.

14E Dividend

On 12th May 2022, the Board of Directors has proposed final dividend of ₹0.20 per share (previous year ₹ 0.20 per share) on face value of ₹ 2 each (total dividend payout ₹ 4.63 Crore (previous year ₹ 4.62 Crore)). The proposed dividend is subject to approval of the shareholders in the ensuing Annual General Meeting.

15 - Other equity

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Reserves and surplus*		
Capital reserve (Refer note 1 below)	1.34	1.34
Capital reserve on consolidation (Refer note 2 below)	0.14	0.14
Securities premium (Refer note 3 below)	35.38	34.59
General reserve (Refer note 4 below)	345.77	345.17
Statutory reserve (Refer note 5 below)	5.49	5.49
Capital Redemption reserve (Refer note 1 below)	2.60	2.60
Employee Stock Option Plan (Refer note 15A below)	5.10	1.91
Retained Earnings	307.18	345.03
Total	703.00	736.27

Footnote:

1. This is not available for distribution of dividend but can be utilised for issuing bonus shares.
2. The capital reserve is generated on consolidation due to the difference between the assets received being higher than the consideration paid.
3. Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
4. The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Statement of profit and loss.
5. The reserve is created as per the requirements under section 45-IC of Reserve Bank of India Act, 1934.

*Refer Statement of changes in equity

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

15 - Other Equity (Contd.)

15A Employee Stock option Plan

- I. A. During the previous year, the Company introduced and implemented 'Greaves Cotton- Employees Stock option Plan 2020' (ESOP 2020), with following terms:
- Create, grant, offer, issue and allot stock options at any time in one or more tranches to or for the benefit of such person(s) who are in the permanent employment of the Company, whether working in India or outside India, including Director of the Company, whether Whole-time Director or not, and such other persons as may from time to time be allowed to be eligible, but excluding Promoter, Promoter group and Independent Directors.
 - Such number of stock options convertible into Equity Shares of the Company, in one or more tranches, not exceeding 2.00% of the paid-up share capital of the Company of the face value of ₹ 2/- each (Rupees Two) to the eligible employees of the Company, at such price or prices, and on such terms and conditions as may be fixed or determined by the Board.
 - The options would vest after 1 year but not later than 8 years from the date of individual grant as decided by the Nomination and remuneration committee.
 - Exercise Price is the par value of the Share payable by the Eligible Employee for the Exercise of each Option Granted under the Scheme for the allotment of one Share.
 - The Company will follow fair value method for computing the compensation cost, if any, for the Options Granted, in accordance with the applicable Law.
- B. The scheme was approved by the Shareholders on 11th July 2020.

II	Sr. No.	Particulars	As at	As at
			31 st March 2022	31 st March 2021
			Greaves Cotton- Employees Stock Option Plan 2020-ESOP-2020	
	i.	Grant price	₹2	₹2
	ii.	Grant date	Various dates	
	iii.	Options granted and outstanding at the beginning of the year	21,28,694	-
	iv.	No. of options granted during the year	1,53,976	21,28,694
	v.	No. of options exercised	3,14,497	-
	vi.	No. of options cancelled / forfeited / lapsed	2,32,881	-
	vii.	No. of options outstanding at the end of the year	17,35,292	21,28,694
	viii.	No. of options exercisable	-	-
	ix.	Maximum term of options granted	8 years from grant date	
	x.	Vesting Period/Schedule	25% at each anniversary from grant date	
	xi.	Weighted average remaining contractual life of options (in years)	7 years	8 years
	xii.	Weighted average share price at the date of exercise of stock options exercised during the year	202.68	NA

- III. A. In respect of stock options granted pursuant to the Company's stock options scheme, the fair value of the options granted during the year which is ₹ 129.89 per option (PY ₹ 82.21 per option), is treated as discount and accounted as employee compensation over the vesting period.
- B. Expense on Employee Stock Option Schemes debited to the Statement of profit and loss during the year is ₹ 4.27 Crore (PY ₹ 1.43 Crore) (net).
- C. The perquisite amount on exercise of employee stock options will be considered as a part of the remuneration of the Executive Directors. Executive Directors may be granted stock options in subsidiary companies as per their Schemes after taking necessary approvals. Perquisites may be added to the remuneration of concerned directors and considered in the limits applicable to the Company.

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

15 - Other Equity (Contd.)

IV. The fair value has been calculated using the binomial option pricing model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Sr. No.	Particulars	2021-22	2020-21
i.	Weighted average risk-free interest rate	6.23%	5.94%
ii.	Weighted average expected life of options	5.6 years	6.5 years
iii.	Weighted average expected volatility	81.94%	71.68%
iv.	Weighted average expected dividends over the life of the option	₹4 per option	₹4 per option
v.	Weighted average exercise price	₹2 per share	₹2 per share

V Employee stock option plan(ESOP) (Greaves Electric Mobility Private Limited)

Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under-

Sr. No.	Particulars	Employee (Director) Stock Option Plan 2020	Employee Stock Option Plan 2020
I.	Details of the ESOPs		
1	Date of shareholder's approval	31 st December 2020	31 st December 2020
2	Total number of options approved	1,75,787	2,92,979
3	Vesting requirements	Time based vesting requirements	Time and Performance based vesting requirements
4	Exercise price or pricing formula (₹)	At discount to FMV as per independent valuer's report	At FMV as per independent valuer's report
5	Maximum term of options granted	8 years	8 years
6	Source of shares	Primary issuance	Primary issuance
7	Date of grant	8 th January 2021	8 th January 2021
8	Method of settlement	Equity	Equity
9	Variation in terms of ESOP	Nil	Nil

Sr. No.	Particulars	Employee (Director) Stock Option Plan 2020	Employee Stock Option Plan 2020
II.	Option Movement during the year		
1	No. of options outstanding at the beginning of the year	1,75,787	1,05,471
2	Options granted during the year	-	70,314
3	Options forfeited/lapsed during the year	-	46,876
4	Options vested during the year	58,595	-
5	Options exercised during the year	-	-
6	Total number of shares arising as a result of exercise of options	-	-
7	Money realised by exercise of options (₹)	-	-
8	Number of options outstanding at the end of the year	1,75,787	1,28,909
9	Number of options exercisable at the end of the year	-	-
III.	Weighted average exercise price of options granted during the year	NA	1,381
	Weighted average fair value of options granted during the year (₹)	NA	1,381
	The weighted average market price of options exercised during the year (₹)	NA	NA

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

15 - Other Equity (Contd.)

Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Sr. No.	Particulars	Grant 1	Grant 2
1.	Risk Free Interest Rate	5.32%	5.33%
2.	Expected Life	5.27	5.51
3.	Expected Volatility	17.97%	17.91%
4.	Dividend Yield	0.00%	0.00%

Particulars	(₹ in Crore)	
	FY 2021-22	FY 2020-21
Expense on Employee Stock Option Scheme debited to Statement of profit & loss	0.31	0.13

16 - Borrowings

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
16A Non-current		
Secured - at amortized cost		
Term Loan from Banks (refer note (i))	28.58	-
WCDL Loan from bank (refer note (ii))	0.44	-
Unsecured - at amortized cost		
Others (refer note (iii))	140.00	-
Non-current total	169.02	-
16B Current		
Secured - at amortized cost		
Loans repayable on demand from banks (refer note (iv))	7.49	2.08
WCDL Loan from bank (refer note (iv))	14.79	0.89
Current maturities of long term debt (refer note (i))	1.90	-
Unsecured - at amortized cost		
Current maturities of long term debt (refer note (iii))	35.00	-
Loans repayable on demand from banks (refer note (v))	4.36	0.60
Current total	63.54	3.57
Total	232.56	3.57

- Greaves Electric Mobility Private Limited, the Company's subsidiary has taken term loan towards capital spends at 5.5%, repayable over 16 quarterly instalments after 1 year moratorium.
- Greaves Electric Mobility Private Limited, the Company's subsidiary has working capital term loan from a bank by way of Guaranteed Emergency Credit Line under ECLGS scheme.
- Greaves Electric Mobility Private Limited, the Company's subsidiary has unsecured term loan repayable in 5 equal quarterly instalments after the end of 12 months from disbursement of loan at 8% interest.
- Greaves Electric Mobility Private Limited, the Company's subsidiary has working capital loans/demand loan from Banks. The loan is secured against exclusive charge on all current assets, property plant and equipment and intangibles of GEMPL.
- Bestway Agencies Private Limited, the Company's subsidiary has unsecured term loan from Bank & NBFC of ₹ 0.36 Crore (PY ₹ 0.60 Crore) and Cash credit facility of ₹ 4 Crore.

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

17 - Other financial liabilities

(₹ in Crore)

Particulars	As at 31 st March 2022	As at 31 st March 2021
17A Non-current		
Others	0.24	0.34
Non-current total	0.24	0.34
17B Current		
Employee benefits payable	14.03	6.76
Unpaid dividends*	3.92	3.39
Deposits from dealers	4.96	8.94
Capital creditors	3.71	4.82
Other financial liabilities (non compete fee obligation)	-	2.00
Investment obligation for subsidiary acquisition (measured at fair value)	-	5.94
Contract liabilities (measured at fair value)	4.40	-
Others	0.20	1.69
Current total	31.22	33.54
Total	31.46	33.88

*There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end. Also refer Note 32B.

18 - Provisions

(₹ in Crore)

Particulars	As at 31 st March 2022	As at 31 st March 2021
18A Non-current		
Provision for employee benefits		
Compensated absences	0.62	-
Gratuity & Ex-gratia	1.79	1.55
Non-current total	2.41	1.55
18B Current		
Provision for employee benefits		
Compensated absences	8.09	10.85
Gratuity & Ex-gratia	0.15	1.16
Provisions for warranty	33.66	17.36
Other provisions	0.51	2.32
Current total	42.41	31.69
Total	44.82	33.24

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

18 - Provisions (Contd.)

Movement in provision for Warranties

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Opening balance	17.36	14.97
Provision recognised during the year	30.58	12.77
Amount utilised during the year	(14.28)	(10.38)
Closing balance	33.66	17.36

The Group gives warranties for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made at the year end represents the amount of expected cost of meeting such obligations of rectification/replacement based on the historical data available. The timing of the outflows is expected to be within a period of nine to sixty six months.

19 - Deferred tax

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
19A Analysis of deferred tax assets/(liabilities) presented in the balance sheet:		
Deferred tax assets (net)	19.87	23.37
Deferred tax liabilities (net)	(8.79)	(10.72)
Deferred tax assets (net)	11.08	12.65

19B Movement in deferred taxes:

Particulars	(₹ in Crore)		
	Opening balance	Recognised in profit or loss	Closing balance
During the year ended 31st March 2022			
Deferred tax asset/(liability) in relation to:			
Depreciation	(20.33)	1.44	(18.89)
Provision for post retirement benefits and other employee benefits	3.72	(1.52)	2.20
Allowance for doubtful debts and advances	17.82	0.97	18.79
Other temporary differences	11.44	(2.46)	8.98
Total	12.65	(1.57)	11.08

Particulars	(₹ in Crore)			
	Opening Balance	Acquisitions through business combinations	Recognised in profit or loss	Closing Balance
During the year ended 31st March 2021				
Deferred tax asset/(liability) in relation to:				
Depreciation	(23.55)	(3.39)	6.61	(20.33)
Provision for post retirement benefits and other employee benefits	3.43	0.01	0.28	3.72
Allowance for doubtful debts and advances	10.76	0.04	7.02	17.82
Other temporary differences	10.01	0.82	0.61	11.44
Total	0.65	(2.52)	14.52	12.65

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

19 - Deferred tax (Contd.)

19C Unrecognised deductible timing differences, unused tax losses and unused tax credits

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- tax losses (capital in nature)	78.62	48.51
Total	78.62	48.51

19D Gross deferred tax assets and liabilities are as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Deferred tax assets		
Depreciation	(10.10)	(9.61)
Provision for post retirement benefits and other employee benefits	2.20	3.72
Allowance for doubtful debts and advances	18.79	17.82
Other temporary differences	8.98	11.44
Gross Deferred tax assets	19.87	23.37
Deferred tax liability		
Depreciation	(8.79)	(10.72)
Gross Deferred tax liability	(8.79)	(10.72)

19E The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Profit before tax	(16.83)	(13.79)
Income tax expenses calculated at 25.168% (previous year 25.168%)	(4.24)	(3.47)
Differences due to:		
Others	20.21	8.46
Total tax expense	15.97	4.99

20 - Trade payables

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Trade payables		
Due to micro enterprises and small enterprises*	45.38	35.31
Other than micro enterprises and small enterprises	333.17	321.12
Total	378.55	356.43

Also refer Note 32B

* The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information available with the Group.

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

20 - Trade payables (Contd.)

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Principal amount and interest due:		
Principal amount	45.38	35.31
Interest due	1.80	1.68
Interest paid by buyer in terms of section 16 of MSMED Act	-	-
Amount paid beyond the appointed day	34.32	100.47
Interest due and payable to suppliers, for payments already made under MSMED Act	0.11	0.99
Amount of Interest accrued and remaining unpaid at the end of accounting year	0.12	0.92
Amount of further interest remaining due and payable even in succeeding years	1.80	1.68

Trade payables ageing schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total	(₹ in Crore)
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
	(i) MSME	35.33	9.71	0.08	0.24		0.02
(ii) Others	161.70	166.71	1.98	1.48	1.30	333.17	
Total	197.03	176.42	2.06	1.72	1.32	378.55	

Trade payables ageing schedule as at 31st March 2021

Particulars	Outstanding for following periods from due date of payment					Total	(₹ in Crore)
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
	(i) MSME	33.72	1.10	0.25	-		0.24
(ii) Others	147.24	164.07	4.54	0.86	4.41	321.12	
Total	180.96	165.17	4.79	0.86	4.65	356.43	

21 - Other liabilities

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
21A Non-current		
Advances from Customers	20.82	21.53
Other payables	3.16	-
Non-current total	23.98	21.53
21B Current		
Advances from Customers	29.00	12.94
Statutory dues	14.82	12.08
Advances against sale of property (Refer note 13)	84.15	-
Other payables	16.48	1.60
Current total	144.45	26.62
Total	168.43	48.15

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

22 - Revenue from operations

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Sale of products		
(i) Finished goods	1,557.28	1,366.67
(ii) Stock-in trade	125.26	120.76
Sub Total	1,682.54	1,487.43
Service income	14.23	5.53
Other operating revenue		
(i) Export incentive	0.28	1.79
(ii) Development cost recovered (Net)	2.01	3.04
(iii) Others	10.64	2.61
Total	1,709.70	1,500.40

The Group derives its revenue from sale of engines, power generating sets, farm equipment, electric vehicles. It also earns revenue from servicing of power generating sets. The Group also trades in the spares of the engines and other products like construction equipment and electric vehicles.

In case of exports the revenue is recognised based on the Bills of Lading received from the shipping companies who assume control of goods on behalf of the customers.

The products which are sold to OEMs and direct end customers, the prices are pre-determined as per negotiations and long term supply contracts. The products which are sold through dealer network have the dealer prices as determined and circulated by the Group.

The Group also offers cash discounts and volume discounts and the same are netted off against the gross revenue. The volume discounts are accrued on a regular basis based on total sales of each dealer/customer.

The Group dis-aggregates revenue on the basis of its segments viz. engines, electric mobility and others as well as geographical operations viz. domestic and overseas (Also refer Note No. 33). The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

23 - Other income

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Interest income earned on financial assets not designated as at FVTPL		
Deposits	8.99	5.79
Other financial assets	0.05	0.22
Dividend income		
From other investments	-	0.01
Fair value (loss)/gain		
Investments measured at FVTPL	0.01	(0.06)
Profit on sale of investments (Net)	-	0.20
Insurance Claim	4.35	0.06
Exchange fluctuation- gain (Net)	0.43	0.19
Scrap sales	2.32	1.14
Credit balance written back	4.51	0.17
Miscellaneous income	1.69	0.61
Total	22.35	8.33

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

24 - Cost of materials consumed

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Raw materials consumed		
Opening stock	103.72	92.72
Acquisitions through business combinations	-	6.46
Purchases	1,184.07	958.61
Less : Closing stock	127.66	103.72
	1,160.13	954.07

25 - Purchases of stock-in-trade

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Traded goods	92.63	94.80

26 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening inventories		
Finished goods	36.45	57.76
Work-in-progress	6.21	8.12
Stock-in-trade	20.50	28.30
	63.16	94.18
Closing inventories		
Finished goods	33.45	36.45
Work-in-progress	7.42	6.21
Stock-in-trade	16.05	20.50
	56.92	63.16
Net (increase) / decrease in inventories	6.24	31.02

27 - Employee benefits expense

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Salaries and wages	155.84	127.95
Contribution to provident and other funds	12.71	12.77
Staff welfare expenses	7.73	7.13
Sub Total	176.28	147.85
Less: Capitalised towards product development	6.66	5.99
Total	169.62	141.86

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

27 - Employee benefits expense (Contd.)

27A Defined contribution plans

The amount recognised as an expense during the year ended 31st March 2022 towards Provident Fund (including admin charges), ESIC contribution and Superannuation & National Pension Scheme is ₹ 6.34 crore (previous year ₹6.05 crore), ₹ 0.07 crore (previous year ₹ 0.10 crore) and ₹ 4.14 crore (previous year ₹ 4.34 crore) respectively.

27B Defined benefit plans

The Group has a defined benefit plan (the 'Gratuity Plan') which is managed by the trusts. The Gratuity Plan provides for a lump sum payment to vested employees at retirement or termination of employment, whichever is earlier, based on the respective employee's last drawn salary and years of employment with the Group. The benefit vests after five years of continued service.

Investment risk	The present value of the defined benefit plan obligation is based on the Indian government security yields prevailing as at 31 st March 2022 for estimated terms of obligation. The trustees of the fund have outsourced the investment management to the AMCs. The investments are in Unit Linked Insurance Plans, fixed income funds and debt funds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan obligation is calculated with reference to the published rates under the Indian Assured Lives Mortality (2006-08) Ult table. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries taking into account the inflation, seniority, promotion and other relevant factors.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

(₹ in Crore)

Particulars	Valuation as at			
	31 st March 2022		31 st March 2021	
Discount rate(s)	7.23%		6.55%	
Expected rate(s) of salary increase	MGMT : 8.75%, NMGT : 8%		MGMT : 8%, NMGT : 6%	
Mortality rates	Age(Years)	Rates (p.a.)	Age(Years)	Rates (p.a.)
	18	0.000874	18	0.000874
	23	0.000936	23	0.000936
	28	0.000942	28	0.000942
	33	0.001086	33	0.001086
	38	0.001453	38	0.001453
	43	0.002144	43	0.002144
	48	0.003536	48	0.003536
	53	0.006174	53	0.006174
	58	0.009651	58	0.009651

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

27 - Employee benefits expense (Contd.)

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows.

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Service cost:		
Current service cost	2.63	2.73
Interest on net defined benefit asset	0.12	(0.15)
Components of defined benefit costs recognised in profit or loss during the year	2.75	2.58
Opening amount recognised in other comprehensive income :	(4.42)	(3.11)
Re-measurement during the year due to:		
Changes in financial assumptions	(0.42)	(0.32)
Changes in demographic assumptions	-	0.26
Experience adjustments	(2.39)	(1.22)
Actual return on plan assets less interest on plan assets	0.02	(0.03)
Closing amount recognised in other comprehensive income :	(7.21)	(4.42)
Components of defined benefit (income)/cost recognised in other comprehensive income during the year	(2.79)	(1.31)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The re-measurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Present value of funded defined benefit obligation	16.44	18.67
Fair value of plan assets	17.82	16.83
Funded status	(1.38)	1.84
Change in surplus/deficit	0.11	-
Net (asset)/liability arising from defined benefit obligation	(1.27)	1.84

Movements in the present value of the defined benefit obligation are as follows.

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening defined benefit obligation	18.67	32.15
Current service cost	2.63	2.73
Interest on defined benefit obligation	1.08	1.77
Re-measurement due to:		
changes in financial assumptions	(0.42)	(0.32)
changes in demographic assumptions	-	0.26
experience changes	(2.39)	(1.22)
Benefits paid	(3.13)	(16.70)
Closing defined benefit obligation	16.44	18.67

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for the year ended 31st March 2022

27 - Employee benefits expense (Contd.)

Movements in the fair value of the plan assets are as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening fair value of plan assets	16.83	34.56
Interest income	0.96	1.92
Re-measurement gain/(loss):		
Return on plan assets (excluding amounts included in net interest expense)	0.10	0.03
Contributions from the employer	3.06	(2.98)
Benefits paid	(3.13)	(16.70)
Closing fair value of plan assets	17.82	16.83

The fair value of the plan assets at the end of the reporting period for each category, are as follows.

Particulars	(₹ in Crore)	
	Fair Value of plan asset as at	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Cash and cash equivalents	0.04	0.15
Non quoted value :		
Insurance company managed fund	17.78	16.68
Total	17.82	16.83

Sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to, are discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation (DBO) at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	(₹ in Crore)			
	Year ended 31 st March 2022		Year ended 31 st March 2021	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(0.59)	0.59	(0.60)	0.61
Impact of decrease in 50 bps on DBO	0.63	(0.56)	0.64	(0.58)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

The average duration of the benefit obligation at 31st March 2022 is 3.66 years (as at 31st March 2021: 5.60 years).

Projected Plan Cash Flow :

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date :

Maturity profile	(₹ in Crore)	
	2021-2022	2020-2021
Expected benefits for year 1 to 3	6.51	8.76
Expected benefits for year 4 and 5	3.42	3.10
Expected benefits for year 6 and above	23.37	22.11

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

28 - Finance costs

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Interest expenses	3.28	5.23
Interest on Lease liability	2.06	1.70
Total	5.34	6.93

29 - Depreciation and amortisation expense

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Depreciation of Property, Plant and Equipment (Note 4)	27.43	30.72
Depreciation of Right-of-use assets (Note 4)	7.98	6.72
Amortisation of Intangible assets (Note 5)	23.32	22.99
Total	58.73	60.43

30 - Other expenses

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Stores and spares consumed	5.32	5.48
Power, fuel and electricity	9.17	10.05
Contracting expenses	39.97	32.07
Repairs and maintenance:		
Buildings	2.24	0.94
Plant & equipment	4.58	3.44
Others	5.00	2.43
Brokerage and commission	4.80	3.10
Rent	3.28	3.31
Lease rentals	0.42	0.41
Insurance	2.65	3.09
Bad debts/advances written-off (i)	4.83	1.01
Less: Allowance for doubtful debts/advances (ii)	(4.33)	-
Bad debts/advances written-off (i)-(ii)	0.50	1.01
Allowance for doubtful debts/advances	13.74	28.15
Rates and taxes	0.86	0.85
Advertisement and sales promotion expenses	22.51	17.95
Travelling	8.91	3.84
Loss on sale property, plant and equipment	0.42	0.02
Carriage and freight	39.57	27.49
Director sitting fees	0.53	0.37
Printing & stationery	0.37	0.21

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for the year ended 31st March 2022

30 - Other expenses (Contd.)

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Postage, telephone and fax	1.44	1.65
Warranty expenses	30.58	12.77
Legal, professional and consultancy charges	13.06	9.32
After sales service expenses	13.84	5.79
Fair value changes of financial liability recognised at FVTPL	7.56	4.18
Asset under development written off	0.10	1.03
Miscellaneous expenses	22.46	20.00
Total	253.88	198.95

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
30A Miscellaneous expenses include:		
Auditors' remuneration and expenses		
Statutory audit fees	0.85	0.78
Limited review	0.31	0.25
Fees for certification	0.02	0.08
Reimbursement of out-of-pocket expenses	0.03	0.02
Payments to tax auditors		
Tax audit fees	0.10	0.09
Payments to cost auditors		
Cost audit fees	0.09	0.08
Reimbursement of out-of-pocket expenses	@	@
@ Represents amount less than ₹ 1 lakh		
30B Expenditure incurred on corporate social responsibility activities :		
(1) Gross amount required to be spent by the Company during the year	2.87	3.96
(2) Amount spent during the year on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	# 2.87	3.25
(3) Shortfall at the end of the year	-	*0.71
(4) Total of previous years shortfall	-	-
(5) Reason for shortfall	NA	Identified project got delayed due to global pandemic.
(6) Nature of CSR activities	Reskilling, Education, Health and Environment	

* Amount unspent as on 30th April 2021 which was transferred to "Unspent CSR account" of ₹ 0.71 crores was subsequently spent before 30th Sep 2021.

Includes ₹ 0.03 crores spent subsequently before 30th April 2022 as per the Provisions of the Act.

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for the year ended 31st March 2022

31 - Exceptional items

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
(i) Profit on sale of immovable properties	10.50	8.40
(ii) Profit on sale of PPE	1.83	-
(iii) Impairment loss of PPE and Intangible assets under development	(9.42)	(17.40)
(iv) Factory relocation expenses	(5.22)	-
(v) Employee separation cost	-	(25.46)
Exceptional items (net)	(2.31)	(34.46)

32 - Risk management

32A Capital risk management :

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the returns to stakeholders. The company has no borrowings, except cash credit facilities.

32B Financial instruments :

The Significant Accounting Policies in respect of each class of financial asset, financial liability and equity instrument including criteria for their recognition, the basis of measurement are as disclosed in Note No. 6, 7, 10, 11, 12, 16, 20 & 38 to the financial statements. These Notes also mention the basis on which the income & expenses are recognised.

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Mutual fund	-	0.45
Investment in equity shares	0.07	0.06
Measured at amortised cost *		
Cash and bank balances	441.91	280.34
Trade receivable	186.37	208.95
Security Deposits	14.75	13.92
Margin money with Banks	2.21	2.29
Others	146.45	6.61
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
Investment obligation for subsidiary acquisition	-	5.94
Measured at amortised cost *		
Trade payable	378.55	356.43
Unpaid dividends	3.92	3.39
Deposits from dealers	4.96	8.94
Capital creditors	3.71	4.82
Employee benefits payable	14.03	6.76
Borrowings & Interest accrued	232.56	3.57
Lease Liabilities (Refer Note 38)	31.24	18.82
Others	4.84	4.03

* The management considers carrying amount of financial assets and financial liabilities, recognised in the financial statement, approximate their fair values.

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for the year ended 31st March 2022

32 - Risk Management (Contd.)

32C Financial and liquidity risk management objectives :

- i) The Company has a conservative policy on investing surplus funds. Company's surplus funds are invested in fixed deposits with banks.
- ii) The average payment terms of creditors (trade payables) is in the range of 60-180 days. In case of MSMED creditors the payment terms are within 45 days. Other financial liabilities viz. employee payments, dealer deposits are payable within one year.
- iii) Trade receivables are secured against letters of credit, factoring arrangements, bank guarantees and security deposits. At the end of the year, there is no significant concentration of credit risk for trade receivables as only three parties have more than 5% of the total outstanding amount and one of them is fully secured by factoring arrangements and two of them partial secured against letter of credit.
- iv) Of the total outstanding as at reporting date, 44.3% of the reported debts are secured receivables. In case of unsecured receivables the Group has a credit policy where the provision for debts outstanding is made based on provision matrix to compute the expected credit loss allowance taking into account historical experience of collection from customers and the credit limit, as determined by the management.
- v) The products of the Group under engine segment include application of engines in farm equipment and gensets. The products under Electric mobility segment includes manufacturing, trading of electric vehicles and its spares. The products under other segment include products traded in the International Markets, Greaves Care and After Market spares business.

32D Foreign currency risk management :

The use of foreign currency forward contracts is governed by the Group's Risk Management Policy. The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions for amounts in excess of natural hedge available on export realisations against import payments. The Group does not use forward contracts for speculative purposes.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the each reporting period are as follows.

Particulars	(₹ in Crore)			
	Assets		Liabilities	
	As at 31 st March 2022	As at 31 st March 2021	As at 31 st March 2022	As at 31 st March 2021
USD	8.53	9.13	5.04	1.92
EUR	2.57	0.46	0.15	2.23
GBP	-	-	0.92	0.99
CNY	-	1.70	0.05	6.41

The Group generally hedges its net exposure in foreign currencies and as such the profit or loss of the Group is not subject to foreign exchange fluctuation.

32E Credit risk management :

The Group has credit management policy for its trade receivables. To minimise the risk, the Group takes letters of credit, bank guarantees and security deposits from the customers based on the credit worthiness. Ongoing credit evaluation is performed on the financial condition of trade receivable.

32F Fair value measurements:

Some of Company financial assets and financial liabilities are measured at fair value at end of each reporting period.

The following table gives information about how the fair value of these financial assets and liabilities are determined:

Financial asset / Financial liabilities	Fair values		Fair value hierarchy	Valuation technique and key input
	As at 31 st March 2022	As at 31 st March 2021		
Financial assets				
Mutual fund	-	0.45	Level 1	
Investment in equity shares (Quoted)	0.07	0.06	Level 1	
Investment in equity shares (Unquoted)	@	@	Level 3	

@ Represents amount less than ₹ 1 lakh

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

33 - Segment information

Segment Identification:

Business segments have been identified on the basis of the nature of products/services, their risk-return profile, the organisational structure and the internal reporting system of the Group.

Reportable Segments:

Reportable segments have been identified as per the aggregation criteria specified in Ind AS-108: 'Operating Segments'

Segment Composition:

- Engines include application of engines in farm equipment, gensets and spares produced by Greaves.
- Electric mobility includes manufacturing & trading of electric vehicles and its spares
- Others include products traded in International Markets, Greaves Care and After Market spares business.

Operating segments:

- The risk-return profile of the Group's business is determined predominantly by the nature of its products and services.
- In respect of geographical information, the Group has identified its geographical areas as (i) Domestic and (ii) Overseas.

The expenses and incomes which are not directly attributable to the business segments are shown as central administration costs. Unallocated assets mainly comprise of investments, cash & bank balances, advance tax etc. Unallocated liabilities mainly include tax provisions and provisions for employee retirement benefits.

33A Segment revenue and results:

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

(₹ in Crore)

Particulars	Segment revenue		Segment Result	
	Year ended 31 st March 2022	Year ended 31 st March 2021	Year ended 31 st March 2022	Year ended 31 st March 2021
Engines	1,068.51	1,243.16	70.46	68.11
Electric Mobility	522.29	178.34	(34.45)	(31.54)
Others	118.90	78.90	0.82	(0.57)
Total	1,709.70	1,500.40	36.83	36.00
Other Income (including exceptional items)			10.03	10.53
Central administration costs			(58.35)	(53.39)
Finance costs			(5.34)	(6.93)
Profit/(Loss) before tax			(16.83)	(13.79)

Segment revenue reported above represents revenue generated from external customers.

Segment profit represents the profit before tax earned by each segment without allocation of central administration costs, investment income, other gains and losses, as well as finance costs.

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

33 - Segment Information (Contd.)

33B Segment assets and liabilities:

		(₹ in Crore)	
Segment assets	Year ended 31 st March 2022	Year ended 31 st March 2021	
Engines	605.39	641.69	
Electric Mobility	448.67	197.15	
Others	45.21	48.30	
Total segment assets	1,099.27	887.14	
Unallocated	544.70	403.30	
Total Assets	1,643.97	1,290.44	

		(₹ in Crore)	
Segment liabilities	Year ended 31 st March 2022	Year ended 31 st March 2021	
Engines	364.74	339.55	
Electric Mobility	428.55	69.28	
Others	32.48	24.11	
Total segment liabilities	825.77	432.94	
Unallocated	68.90	74.99	
Total liabilities	894.67	507.93	

All assets as identified to the reportable segment are shown under respective segment. Assets such as investments and income tax receivables are not allocable to reportable segment.

All liabilities as identified to the reportable segment are shown under respective segment. Liabilities such as employee benefits arising on actuarial valuation and income tax liabilities are not allocable to reportable segment.

33C Other segment information:

		Depreciation and amortisation		Additions to non-current assets		(₹ in Crore)	
Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021	Year ended 31 st March 2022	Year ended 31 st March 2021	Year ended 31 st March 2022	Year ended 31 st March 2021	
Engines	31.00	34.63	16.31	23.68			
Electric Mobility	17.27	14.10	27.58	37.95			
Others	1.59	2.43	2.80	0.11			
Unallocable	8.87	9.27	1.04	0.69			
Total	58.73	60.43	47.73	62.43			

33D Geographical information:

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets* by location of assets are detailed below.

		Revenue from external customers		Non-current assets*		(₹ in Crore)	
Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021	Year ended 31 st March 2022	Year ended 31 st March 2021	Year ended 31 st March 2022	Year ended 31 st March 2021	
Domestic	1,662.72	1,449.76	532.84	502.98			
Overseas	46.98	50.64	-	-			
Total	1,709.70	1,500.40	532.84	502.98			

* Non-current assets excludes other investments, other financial assets, income tax assets (net) and deferred tax assets (net).

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

34 - Earnings per share

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Loss for the year attributable to the owners of the company	(35.30)	(18.78)
Weighted average number of equity shares outstanding for the purpose of basic earnings per share	23,12,62,959	23,12,06,795
Basic earnings per share (₹)	(1.53)	(0.81)
Weighted average number of equity shares outstanding	23,12,62,959	23,12,06,795
Add: Weighted average number of potential equity shares on account of Employee stock options	20,26,916	8,38,241
Weighted average number of equity shares outstanding for the purpose of diluted earnings per share	23,32,89,875	23,20,45,036
Diluted earnings per share (₹)	(1.53)	(0.81)

35 - Related party transactions

I. List of related parties :

35A Holding Company :

Karun Carpets Private Limited

35B Promoter and the promoter group companies, where Company has transactions during the year:

Mr Karan Thapar, Chairman

Premium Transmission Private Limited

35C Associate Company :

MLR Auto Limited

35D Key management personnel :

Mr Nagesh A Basavanhalli : Managing Director & Group CEO

Mr Ajit Venkataraman : Executive Director

Mr Dalpat Raj Jain : Group Chief Financial Officer

II.

35E Transactions with related parties :

The following transactions occurred with the related parties:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Sale of goods and services		
Associate		
MLR Auto Limited	2.06	-
Promoter group company		
Premium Transmission Private Limited	0.01	-

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

35 - Related party transactions (Contd.)

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Purchase of goods and services		
Promoter group company		
Premium Transmission Private Limited	-	0.14
Associate		
MLR Auto Limited	6.99	-
Rendering of services/Reimbursement of expenses		
Promoter group company		
Premium Transmission Private Limited	-	0.01
Receipt of services		
Associate		
MLR Auto Limited	0.19	-
Other transactions		
Commision and sitting fees paid		
Mr Karan Thapar	0.28	0.62
Consultancy Charges		
Mr Nagesh Basavanhalli	0.04	0.25
Interest Income		
MLR Auto Limited	0.02	-
Commission received		
MLR Auto Limited	0.05	-
Investment in Associate		
MLR Auto Limited	18.81	-
Loan given		
MLR Auto Limited	6.50	-
Lease rent expenses paid to Promoter group company		
Premium Transmission Private Limited	0.04	0.06
Dividend paid		
Karun Carpets Private Limited	2.57	-
Receipt of non-refundable deposit		
MLR Auto Limited	3.16	-

The following balances were outstanding as at end of the reporting period:

Particulars	(₹ in Crore)			
	Amounts owed by related parties as at		Amounts owed to related parties as at	
	31 st March 2022	31 st March 2021	31 st March 2022	31 st March 2021
Promoter group companies	0.02	-	-	0.03
Associate companies	8.84	-	3.16	-

During the year, the Company did not enter into any material transaction (as defined in the Company's Policy on Related Party Transaction) with related parties. All other transactions of the Company with related parties were in the ordinary course of business and at an arm's length.

The amounts outstanding are unsecured and will be settled in cash. No amounts are written off/written back during the year (previous year Nil).

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

35 - Related party transactions (Contd.)

35F Compensation of key management personnel :

The remuneration of directors and other members of the key management personnel during the year were as follows:

Particulars	(₹ in Crore)	
	Year ended 31 st March 2022	Year ended 31 st March 2021
Short-term employee benefits	14.67	7.24
Post-employment benefits	0.31	0.25
Total	14.98	7.49

Notes:

- The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.
- Short term employee benefits include incentive paid during the year.
- Stock option granted to key managerial personnel during the previous year is 17,02,955 (Also Refer note 16A).

35G The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), except for the following as listed below:

(₹ in Crore)								
Sr. No.	Funding party	Intermediary party	Date of remittance	Amount involved (₹ in Crore)	Nature and purpose of loans/advance	Ultimate Beneficiary	Date of Remittances to Ultimate Beneficiary by Intermediary	Amount (₹ in Crore)
1	Greaves Cotton Limited	Greaves Finance Limited	22/03/2022	6.00	For Granting Loan to MLR Auto Limited	MLR Auto Limited	22/03/2022	6.00
2	Greaves Cotton Limited	Greaves Electric Mobility Private Limited	14/10/2021	18.86	For Acquisition 26% Equity stake in MLR Auto Limited	MLR Auto Limited	19/10/2021	18.86
3	Greaves Cotton Limited	Greaves Electric Mobility Private Limited	20/10/2021	2.00	For the Payment of Non- Compete, Non Solicitation fees to Erstwhile Promoters of Bestway Agencies Private Limited	Erstwhile Promoters of Bestway Agencies Private Limited	20/10/2021	2.00
4	Greaves Cotton Limited	Greaves Electric Mobility Private Limited	21/10/2021	12.50	For Acquisition 26% Equity in Bestway Agencies Private Limited	Erstwhile Promoters of Bestway Agencies Private Limited	25/10/2021	12.50

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

36 - Contingent liabilities

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
a) Sales tax liability that may arise in respect of matters in appeal	44.81	35.07
b) Sales tax liability that may arise on account of uncollected 'C' Forms	0.51	0.55
c) Excise duty liability that may arise in respect of matters in appeal	25.91	25.89
d) Claims made against the Group, not acknowledged as debts	34.08	34.48
e) Wage demand not acknowledged by the Company in respect of matters in appeal	7.70	5.98

- The Group does not expect any reimbursement in respect of the above contingent liabilities.
- It is not practical to estimate the timing of cash outflows, if any, in respect of matters (a) to (e) above, pending resolution of the appellate proceedings.

37 - Commitments

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	17.75	23.78

38 - Leases

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate of 8.50%.

On application of Ind AS 116, the nature of expenses has changed from lease rent to depreciation cost for the right-of-use assets, and finance cost for interest accrued on lease liability.

Disclosure as per the requirement of Ind AS 116

Amounts recognised in the Balance Sheet

The Balance Sheet shows the following amounts relating to leases:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Right-of-use assets	42.71	33.51
Lease liabilities		
Non-current	13.53	10.82
Current	11.27	5.86

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

38 - Leases (Contd.)

Amounts recognised in the Statement of profit and loss

The Statement of profit or loss shows the following amounts relating to leases:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Depreciation charge on right-of-use assets	7.98	6.72
Interest expense (included in finance costs)	2.06	1.70
Expense relating to short term leases not included in lease liabilities	1.93	0.37

The total cash outflow towards leases for the year ended 31st March, 2022 was ₹ 11.42 Crores (previous year ₹ 7.82 Crores).

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2022 on an undiscounted basis:

Particulars	(₹ in Crore)	
	As at 31 st March 2022	As at 31 st March 2021
Not later than 1 year	9.10	7.01
Later than 1 year and not later than 5 years	22.14	11.81
Later than 5 years	-	-
Total undiscounted lease liabilities	31.24	18.82

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Extension and termination options

Extension and termination options are included in some of the leases across the Group. These are used to maximise operational flexibility in terms of managing the assets in the Group's operation. The majority of extension and termination options held are exercisable by both the Group and by the respective lessor. Further the Group expects not to use those options.

39 - Acquisition of Associate:

During the year, the Greaves Electric Mobility Private Limited (earlier known as Ampere Vehicles Private Limited) acquired 26% shareholding in MLR Auto Limited, a Hyderabad based Company manufacturing 3 Wheelers (Electric, CNG & Diesel) for a value of ₹ 18.81 Crs, with an option to purchase further 25% at an exercise price of ₹ 15.05 Crs. This acquisition will enable the Group to expand its market in India with respect to electric vehicles.

(a) The fair values of assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	(₹ in Crore)
Tangible assets	67.73
Inventories	3.09
Trade receivables	3.76
Other financial assets and current assets	4.87
Cash and cash equivalents	0.01
Other financial liabilities and current liabilities	(6.21)
Borrowings	(55.00)
Fair value of net asset/(liabilities) acquired	18.25

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

39 - Acquisition of Associate (Contd.)

(b) Impact of acquisitions on the results of the Group:

Loss for the year ended 31st March 2022 includes ₹ 2.50 crores pertaining to share of acquisition made during the year.

(c) Interest in associate

Set out below is the associate of the Group as at 31st March 2022. The entity listed below has share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in Crore)

Name of the Company	Place of incorporation and principal place of business	Proportion of the ownership interest	Relationship	Fair Value of plan asset as at		Fair Value of plan asset as at	
				As at 31 st March 2022	As at 31 st March 2021	As at 31 st March 2022	As at 31 st March 2021
MLR Auto Limited	Hyderabad, India	26.00%	Associate	*	-	16.31	-

(d) Principal activity

MLR Auto Limited is determinedly instrumental in the business of manufacturing a flawless spectrum of Cargo Loading Vehicle, CNG Rickshaw, Passenger Rickshaw, Diesel Cargo Auto and City Passenger Auto.

*Unlisted entity – no quoted price available.

(e) Summarised financial information for associate

The tables below provide summarised financial information for the associate as at the end of the reporting period. The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not Greaves Electric Mobility Private Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including modifications for differences in accounting policies.

(₹ in Crore)

Summarised balance sheet	MLR Auto Limited	
	As at 31 st March 2022	As at 31 st March 2021
Total Current assets	8.61	-
Total Non Current assets	18.32	-
Total Current liabilities	9.08	-
Total Non Current liabilities	57.52	-
Net assets	(39.67)	-

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

39 - Acquisition of Associate (Contd.)

(f) Reconciliation to carrying amounts

(₹ in Crore)

Particulars	MLR Auto Limited	
	As at 31 st March 2022	As at 31 st March 2021
Net assets acquired	18.25	-
Investment made	18.81	-
Add:		
Profit/(Loss) for the year	(9.62)	-
Other comprehensive income	-	-
Less:		
Dividends paid	-	-
Dividend distribution tax paid	-	-
Closing net assets	(9.62)	-
Group's share in %	26.00%	0.00%
Group's share in INR	(2.50)	-
Goodwill	-	-
Reconciliation :		
Unrealised Gain on stock	-	-
Impairment of investment in associate	-	-
Carrying Amount	16.31	-

Summarised statement of profit and loss

(₹ in Crore)

Particulars	MLR Auto Limited	
	As at 31 st March 2022	As at 31 st March 2021
Revenue from operations	7.24	-
Profit/(loss) from continuing operations (Post acquisition)	(9.62)	-
Profit/(loss) for the year	(9.62)	-
Other comprehensive income/(loss) for the year	-	-
Total comprehensive income/(loss) for the year	(9.62)	-

Consolidated Notes to the Financial Statements

for the year ended 31st March 2022

40 - Additional Regulatory Information

- i. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii. The Group do not have any transactions with companies struck off u/s 248(5) of the Companies Act, 2013 except for the following entities:

(₹ in Crore)

Name of the struck off Company	Nature of transactions with struck off Company	As at 31 st March 2022	As at 31 st March 2021
Dream Land Amusement Parks Private Limited	Receivables*	0.02	0.02
Emingstar Power Builders Private Limited	Receivables*	0.63	0.63
Rajshi Media Private Limited	Payables	(0.01)	(0.01)
Raahat Hotels And Resorts Private Limited	Payables	@	@

*Receivables from above struck off companies are fully provided in books.

@ Represents amount less than ₹ 1 lakh

- iii. The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vi. The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

41 - The figures for the corresponding previous period have been regrouped wherever necessary, to make them comparable with the figures of the current period.

For and on behalf of the Board

Kewal Handa

Director

DIN : 00056826

Dalpat Raj Jain

Group CFO

Nagesh Basavanhalli

Managing Director & Group CEO

DIN : 01886313

Atindra Basu

General Counsel & Company Secretary

Mumbai, 12th May 2022

Information on Subsidiary Companies

(₹ in Crore)

Name of the Entity	Financial year ended 31 st March 2022							
	Net Assets		Share of Profit or Loss		Share of Comprehensive Income		Share of Total Comprehensive Income	
	As % of Consolidated net assets	₹ in Crore	As % of Consolidated profit or loss	₹ in Crore	As % of Consolidated profit or loss	₹ in Crore	As % of Consolidated profit or loss	₹ in Crore
a) Indian								
Greaves Cotton Limited	107.48%	805.37	-27.71%	9.78	97.10%	2.01	-35.48%	11.79
Subsidiary Companies								
Greaves Finance Limited (Formerly known as Greaves Leasing Finance Limited)	0.32%	2.38	3.74%	(1.32)	0.00%	-	3.97%	(1.32)
Greaves Technologies Limited (Formerly known as Dee Greaves Limited)	0.05%	0.34	-0.34%	0.12	0.00%	-	-0.36%	0.12
Greaves Electric Mobility Private Limited (Formerly known as Ampere Vehicles Private Limited)	-3.55%	(26.61)	88.56%	(31.26)	1.45%	0.03	93.98%	(31.23)
Bestway Agencies Private Limited	-4.29%	(32.18)	28.67%	(10.12)	1.45%	0.03	30.36%	(10.09)
Associate								
MLR Auto Limited	0.00%	-	7.08%	(2.50)	0.00%	-	7.52%	(2.50)
Minority Interest in all Subsidiaries Associates (Investment as per the equity methods)	0.00%	-	0.00%	-	0.00%	-	0.00%	-

For and on behalf of the Board

Kewal Handa

Director

DIN : 00056826

Dalpat Raj Jain

Group CFO

Nagesh Basavanhalli

Managing Director & Group CEO

DIN : 01886313

Atindra Basu

General Counsel & Company Secretary

Mumbai, 12th May 2022



GREAVES

GREAVES COTTON LIMITED

www.greavescotton.com