GREAVES

TRANSFORMATION FOR SUSTAINABLE GROWTH.

EMPOWERING LIVES.

2023-24

Annual Report

GREAVES COTTON LIMITED

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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.greavescotton.com

TRANSFORMATION FOR SUSTAINABLE GROWTH. EMPOWERING LIVES.

At Greaves Cotton, our mission is crystal clear: To empower lives across diverse businesses and customer constituencies with engineering solutions aimed at promoting environmental stewardship and community well-being. Our core businesses — Engineering, Retail, Electric Mobility, EV Financing, and Technologies — are all integral to realising this vision. Each plays a pivotal role in helping us forge India's leading ecosystem for sustainable, industry-spanning solutions.

Aligned with our goal to power clean solutions and sustainable growth, we advanced on our transformation journey, diversifying into the newer and fast-growing area of carbon-neutral mobility products and technology. This strategic expansion leverages the synergies among our business units, strengthening our position in the market.

With a legacy spanning over 163 years, our extensive range of offerings, customer segments, and technological advancements instil confidence in our future direction. Our unwavering focus remains on our purpose-driven strategy, anchored in the belief that sustainable growth stems from innovation, uplifting lives, and fostering sustainable practices for a brighter tomorrow.

Chairman's Letter

> Our commitment to sustainability is at the heart of our operations, driving us to adopt responsible practices and offer products and services that promote carbon-neutral last-mile mobility. Notable achievements include the inauguration of our fourth solar plant at IEB, Aurangabad, and initiatives to recycle aluminium scrap briquettes, significantly reducing energy consumption.

Dear Shareholders,

I am pleased to share with you the Company's transformation journey in the fiscal year, staying true to our rich history of innovation and growth. We have undergone significant transformation in recent years, evolving from a single-business, single-fuel model to a multifaceted organisation with a fuel-agnostic approach. Despite facing various challenges, our performance in the Financial Year 2023-24 has been commendable, underscoring the resilience of our diversification.

Our varied portfolio and strategic approach, underpinned by our dedication to fuel-agnostic solutions, have been instrumental in propelling our progress. Collaborating synergistically with Excel Controlinkage has introduced fresh capabilities and unlocked new avenues of growth for our longstanding business, **Greaves Engineering**. Furthermore, the Company has diversified its product range by venturing into mechatronics and electronics. Progressing steadily, our initiative to develop a portfolio capable of utilising green fuels yields promising results. Additionally, Greaves Engineering has effectively broadened its export reach to include the USA and EU, signalling a strategic expansion into global markets.

Greaves Electric Mobility Private Limited (GEMPL) remains committed to innovation, exemplified by the launch of Greaves Eltra, the first fully IoT-connected electric cargo and passenger three-wheeler (E3W). GEMPL continues to hold its position among the top five players in the electric two-wheeler (E2W) segment, now catering to 75% of the market. Additionally, GEMPL has expanded its dealer network, inaugurating its first showroom in Nepal through a strategic partnership. Regarding the MHI FAME issue, in line with our dedication to consumer interests and to avoid prolonged legal disputes, GEMPL has offered to amicably resolve the matter by refunding the entire incentive claim of approx. ₹ 124 crores, along with accrued interest, without admitting to any allegations. We are awaiting confirmation from MHI to resume operations on the portal, demonstrating our commitment to resolve this matter fairly and in the best interest of our consumers.

Greaves Retail excels in the country's aftermarket segment, leveraging new technology and digital initiatives to enhance customer engagement and supply chain efficiencies. The introduction of our new vertical, EV Solutions, has fuelled rapid growth across electric vehicle components, batteries, and charging stations. Furthermore, our collaboration with Excel Controlinkage has allowed us to enter the construction equipment aftermarket while expanding into energy management services for telecom companies.

Our enabler businesses, Greaves Finance and Greaves Technologies, have also made significant strides. **Greaves Finance** has expanded its footprint by launching direct operations in 29 cities, facilitating EV financing. Recently, evfin joined hands with Muthoot Capital to finance E2W in the country. Meanwhile, **Greaves Technologies** has enhanced its suite of digital services to help customers transition to sustainable engineering solutions more effectively.

Our commitment to sustainability is at the heart of our operations, driving us to adopt responsible practices and offer products and services that promote carbon-neutral last-mile mobility. Notable achievements include the inauguration of our fourth solar plant at IEB, Aurangabad, and initiatives to recycle aluminium scrap briquettes, significantly reducing energy consumption. Our tree plantation drives, water conservation initiatives, and e-waste reduction efforts contribute to a sustainable future.

Greaves is committed to fortifying and broadening our pillars of excellence and innovation as we expand our reach and impact in communities. Our journey towards sustainable growth acknowledges the pivotal role of technology in shaping the future, with Greaves leading the charge in pioneering advancements, from electric vehicles to cutting-edge technologies. Through collaboration and partnership, we amplify our impact, empowering lives with engineering solutions that promote environmental stewardship and community well-being. Looking forward, we are well-positioned to capitalise on economic opportunities, supported by our global customer base, diverse product portfolio, ongoing innovation, and strong financial foundation.

On behalf of the Board of Directors, I want to extend our heartfelt gratitude to our valued shareholders. Your unwavering support and patience throughout our transformation journey has been instrumental in our success. The momentum we have built further strengthens our confidence in our strategy, affirming our commitment to consistently deliver sustainable value.

Warm regards,

Karan Thapar
Chairman

Corporate Information

BOARD OF DIRECTORS

Mr. Karan Thapar
Chairman

Mr. Nagesh Basavanhalli
Non-Executive Vice Chairman
(w.e.f. 12th May 2023)

Dr. Arup Basu
Managing Director

Mr. Arvind Kumar Singhal
(retired w.e.f. 31st March 2024)

Mr. Raja Venkataraman

Ms. Sree Patel

Mr. Firdose Vandrevala

Mr. Ravi Kirpalani

Mr. Mangalath Unnikrishnan
(w.e.f. 1st April 2024)

CHIEF FINANCIAL OFFICER

Mrs. Akhila Balachandar
(w.e.f. 13th June 2023)

COMPANY SECRETARY

Mr. Atindra Basu

STATUTORY 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 Mahindra Bank

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies 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

J-2, MIDC Industrial Area, Chikalthana,
Aurangabad – 431 210

CORPORATE 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 , Maharashtra
Chikalthana, Aurangabad, Maharashtra
Shendra, Aurangabad, Maharashtra

For Subsidiaries:
Ranipet, Tamil Nadu
Greater Noida, Uttar Pradesh
Hingna Road, Nagpur, Maharashtra
Medak, Telangana

Transformation for Sustainable Growth. Empowering Lives.

Purposeful strides were taken in our mission to empower millions through sustainable solutions driven by transformative efforts across our five key businesses.

Engineering

We have deepened our commitment to a fuel-agnostic approach and broadened our product range to cover more applications. Moreover, we extended our global reach, with exports now forming 12% of our Engineering revenue.

Considerable progress was made in developing a future-ready product portfolio, aiming to reduce our reliance on diesel engines. Our engine and genset lineup were enhanced with greener variants compatible with CNG, biodiesel, and ethanol-blended fuels. We also introduced fuel-agnostic engine components, capitalising on our manufacturing capabilities and expertise in precision machining.

Demonstrating our advanced competencies and steadfast commitment to reducing air pollution, our genset portfolio is fully compliant with CPCB-IV+ emission norms, and our automotive engines for three-wheelers meet the latest Indian standards.

The collaboration with Excel Controlinkage opened new doors for synergistic growth, expanding our reach, customer base, and offerings across the automotive value chain and beyond. Specifically, by integrating mechatronics and electronics into our mechanical engineering domain, we accelerated the growth of our electronic sensors segment, a natural adjacency to our product portfolio.

Retail

Underpinned by an asset-light approach, our Retail business remains committed to being a fuel-agnostic provider, offering comprehensive sales, service, and spares for three-wheelers (3W), two-wheelers (2W), Small Commercial Vehicles (SCVs), Electric Vehicles (EVs), and construction equipment. Our core proposition – ensuring high vehicle uptime and maximising asset productivity – positions us among the top three in the aftermarket segment.

We broadened our product range for the e-rickshaw segment, notably with the launch of our battery range under the brand name 'Greaves Power Raja' and a selection of aftermarket components, including motors, controllers, chargers, and DCDC converters. Additionally, we introduced 'EV Solutions', a new vertical offering EV parts, batteries, and charging stations. Our diversification efforts led us into the construction equipment aftermarket and into providing energy management services for telecom companies.

The adoption of a cloud-based unified server and database has enhanced our connectivity with partners and customers. Digital initiatives, such as the 'Greaves Care' app for 3W and 2W customers, streamline online service bookings and notifications for upcoming services. The launch of 'Greaves Upahar', our mechanic loyalty program app, now with over 20,000 registered mechanics, further underscores our commitment to digital engagement and supply chain efficiency.

In response to the growing EV market, we expanded our distribution and retailing footprint, with a particular focus on Tier 2 and Tier 3 cities and the northern and eastern regions. The Company's retailing network comprised approximately 10,000 retailers and over 130 distributors.

Electric Mobility

We remain dedicated to partnering with the country to become a global leader in EVs, encompassing design, development, indigenous sourcing, engineering, and manufacturing. The Group has invested nearly ₹1,500 crores in the area of electric mobility since its foray. All our vehicles meet the AIS 156 Phase 2 standards (new EV battery safety norms) and OBD-2 BS6 standards (updated emission norms), underscoring our pledge to sustainable mobility.

Our highly popular electric two-wheeler (E2W) under the Ampere brand achieved the landmark milestone of over 2,00,000 customers. Ampere ranked amongst the top five in retail sales. Expanding Ampere's retail footprint includes e-commerce platforms and business-to-government engagements alongside innovative retail introductions in electronic goods stores.

We're excited to announce the launch of Greaves Eltra, our latest line of electric three-wheelers. Currently available for purchase, Greaves Eltra includes both cargo (Eltra Cargo) and passenger (Eltra City) options. Setting new standards with cutting-edge electric powertrain technology, the Eltra three-wheelers boast IoT-connected features, digital clusters, extended range, industry-leading battery capacity, and more.

The NXG Scooter, a fully connected, high-performance family electric scooter, marks the latest addition to our portfolio. It is designed entirely in-house and is being manufactured at our EV Mega Site in Ranipet. The NXG Scooter's recent endurance drive from Kashmir to Kanyakumari across 10,000+ km, a first for any EV of any format in India, highlights its exceptional power and performance. The vehicle also set multiple records during the journey, becoming the first electric scooter to cross 115 towns and cities.

Our diverse portfolio uniquely combines E2W and E3W, catering to both B2C and B2B segments with vehicles designed for specific use cases and fleet mobility. Our dealer network has expanded to over 435, with our first international showroom opening in Nepal. We have also strengthened our financial partnerships to facilitate seamless financing options for customers.

EV Financing

Aligned with our focus on democratising sustainable mobility, we offer customer-friendly and seamless EV financing solutions. Our digital platform 'evfin' simplifies and tailors financing for EVs and beyond, complemented by lifecycle services that accelerate the adoption of sustainable mobility. A hallmark of our approach is a fully digital lending stack, enabling loan approvals in under three minutes.

Our collaborations with leading electric two-wheeler OEMs have established us as the preferred financial partner in the rapidly expanding E2W market. Further extending our reach, we have initiated direct operations in 29 cities and entered into a strategic partnership with ElectricPe, a leading electric mobility platform, and a Co-lending partnership for financing Electric two-wheelers with Muthoot Capital Services Ltd.

Technologies

Greaves Technologies is at the forefront of empowering organisations with full-service engineering R&D solutions to innovate & improve - quality, cost & speed. We provide a comprehensive suite of services - Mechatronics, ADAS to AI-powered digitalisation - designed to steer engineering solutions from concept to production. With a solid foundation in India, we extend our reach globally through strategic alliances and partnerships.

Our approach entails seamlessly integrating as an agile, innovative, high-performance team, ensuring meticulous quality, efficient process management, and adherence to optimal time and cost parameters. In recognition of our significant contributions, Greaves Technologies was honoured with the prestigious 'Supplier of the Year' award by Daimler in the 'Innovation' category.

Board of Directors

MR. KARAN THAPAR

Position
Chairman of the Board

Educational Qualification
Chartered Accountant

Expertise
More than 35 years of experience across different industries including industrial engineering, precision gears and e-mobility and also managing Companies (Private and Public) in diversified areas.

MR. NAGESH BASAVANHALLI

Position
Non-Executive Vice Chairman

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

Expertise
More than 25 years of experience of working with multiple OEMs (FIAT Chrysler, Daimler Chrysler, Chrysler) & PE-backed Companies like ATG heading businesses for emerging markets.

DR. ARUP BASU

Position
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
More than 30 years of experience of executive leadership in manufacturing intensive businesses starting with Automotive, Operations, Management Consulting, Chemicals and Packaging.

MR. RAJA VENKATARAMAN

Position
Independent Director

Educational Qualification
Chartered Accountant, Company Secretary and Graduation in Commerce from St Xavier's College – Kolkata

Expertise
Over 37 years of experience in General Management, Strategy, Finance, Sourcing, Commodity Buying, Human Resources, Legal, Company Secretarial and Business Development.

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
Over 35 years of experience in Business Strategy & Advisory, Corporate Law, M&A, Divestment & Acquisition of Business, Corporate Governance, Indirect Tax, Government Affairs and FCPA Compliance.

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. Also a proud alumnus of Harvard Business School (Strategic Marketing Management) and CEDEP INSEAD (General Management Program)

Expertise
More than 40 years of 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
4 decades of experience in sales, marketing, strategy development including working with global and culturally diverse teams.

MR. MANGALATH UNNIKRISHNAN

Position
Independent Director

Educational Qualification
Graduate in Mechanical Engineering, VNIT Nagpur
Advanced Management Program, Harvard Business School - Boston, USA

Expertise
With a wealth of experience, he previously served as the MD & CEO of Thermax Group for over 13 years. He chairs the Research Council of the Central Mechanical Engineering Research Institute in Durgapur and is a member of the Apex Council responsible for selecting and mentoring candidates for the Prime Minister's Research Fellowship for Doctoral Research.

Financial Highlights (Standalone)

(₹ in Crores)

Particulars	14-15 Apr-Mar	15-16 Apr-Mar	16-17 Apr-Mar	17-18 Apr-Mar	18-19 Apr-Mar	19-20 Apr-Mar	20-21 Apr-Mar	21-22 Apr-Mar	22-23 Apr-Mar	23-24 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)	1,856	1,800	1,819	1,840	1,988	1,821	1,329	1,178	1,550	1,779
Less: Excise Duty	167	187	185	48	-	-	-	-	-	-
Revenue from Operations (Net)	1,689	1,613	1,634	1,792	1,988	1,821	1,329	1,178	1,550	1,779
EBIDTA (before exceptional item)	200	267	243	255	275	228	97	45	151	232
EBIDTA (%)	12%	17%	15%	14%	14%	13%	7%	4%	10%	13%
EBIT (before exceptional item)	177	269	247	248	268	196	59	54	156	229
Profit before Tax	109	295	252	296	246	197	18	39	161	366
Profit after Tax	82	199	181	203	169	148	10	27	115	284
Total Comprehensive Income	-	200	181	201	171	149	11	29	116	284
ROCE (%)	21%	31%	27%	26%	27%	21%	7%	6%	16%	20%
Equity	48.84	48.84	48.84	48.84	48.84	46.24	46.24	46.30	46.33	46.40
Earnings Per Share (₹)	3.34	8.17	7.40	8.30	6.93	6.16	0.45	1.17	4.97	12.26
Net Worth	816	887	921	960	969	888	901	930	1,046	1,314
Debt	-	-	-	-	-	-	-	-	-	-
Capital Employed	832	906	938	981	976	881	882	909	1,026	1,294
Debt : Equity	-	-	-	-	-	-	-	-	-	-
Dividend (%)	125	280	250	275	275	-	-	10	45	100#

#Represents proposed dividend

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

Awards and Recognition

Best E-commerce Fleet Vehicle – Zeal EX

From: EMobility +|**Business:** Greaves Electric Mobility

Best Electric Vehicle Marketing Campaign – Ampere & Best Electric Vehicle Manufacturing - Ampere

From: Jagran|**Business:** Greaves Electric Mobility

Best In-House Communication Team 2023

From: exchang4media|**Business:** Greaves Cotton Limited

Best Technology Adoption - Cash Management Services

From: HDFC Bank|**Business:** Greaves Cotton Limited

Best Innovation

From: Daimler Truck|**Business:** Greaves Technologies

Best Exporter of the Region Management Services

From: VIA Nagpur | **Business:** Excel Controlinkage

Best Digital & Social Media Campaign, Runner-up for the Best Creative Film of The Year & Best Integrated Campaign

From: Acko Drive|**Business:** Greaves Electric Mobility

Persisting Affiliation Award

From: Piaggio Vehicles Pvt|**Business:** Greaves Engineering

Treasury Innovator of the Year

From: Synnex® Group|**Business:** Greaves Cotton Limited

Statutory Reports
&
Financial Statements

Management Discussion and Analysis

ECONOMIC REVIEW

Global Economy

The global economy demonstrated strong resilience in 2023, gradually navigating through an uncertain environment. The global economy recovered from the after-effects of the pandemic, the Russia-Ukraine war, and a global energy crisis. Inflation began to stabilise after a period of disruptions, moving closer to target levels across the world in 2023.

Central banks raised interest rates to curb inflation during the year, however, the positive supply trends kept the global economy on a growth path. The global headline inflation, which stood at 6.8% in 2023, is expected to decline to 5.9% in 2024, and then to 4.5% in 2025. According to the International Monetary Fund (IMF), the global economy grew at a growth rate of 3.2% in 2023, with similar figures projected for 2024 and 2025. Geopolitical issues like the Red Sea crisis and Israel-Palestine tensions disrupted supply chains across the globe in 2023. Despite challenges like reduced productivity, higher borrowing costs, and reduced fiscal support, the global economy has shown remarkable ability to withstand such challenges and is poised for steady growth in the upcoming years.

Advanced economies played a pivotal role in sustaining global resilience during the year. Despite considerable monetary tightening, they continued to benefit from steady employment growth and a revival in consumer confidence during 2023. Such trend provided crucial support to the global economy and increased the overall growth momentum. In the United States, growth exceeded pre-pandemic levels, indicating robust demand and robust economic fundamentals. The Euro Area is projected to grow steadily in 2024, even while dealing with ongoing tight monetary policies and high energy costs.

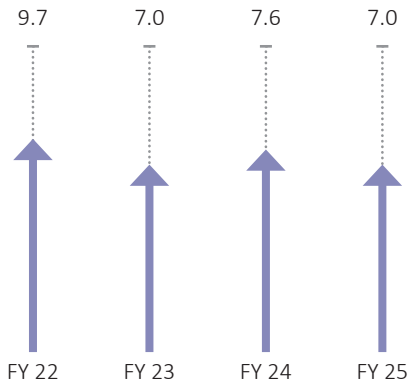
In 2023, despite geopolitical tensions, high public debt, and unstable inflation rates, emerging market and developing economies (EMDE) found new avenues for economic growth. The EMDEs capitalised on shifts in global supply chains and increased trade flows, which contributed to the future adaptability and growth. The EMDEs are expected to maintain steady growth in future, with an estimated rate of 4.3% for 2023 and 4.2% for both 2024 and 2025.

The outlook for the global economy has remained cautiously optimistic, with steady growth anticipated in the coming period as markets adapt and businesses embrace innovation and enhance flexibility. The countries around the world are expected to focus on medium-term fiscal consolidation and promote multilateral cooperation over the coming period. Such a strategy would aid in overcoming the current challenges and build a strong foundation for sustained economic growth and development.

Indian Economy

In recent years, the Indian economy has weathered global headwinds and emerged as a beacon of resilience. The country's enhanced physical infrastructure, digital and payment technologies advancements, improved ease of doing business, higher labour force participation, and better quality of fiscal spending have all contributed to India's impressive growth potential during FY 2023-24. The National Statistics Organisation's (NSO) second advanced estimates reveal a robust 7.6% growth for the Indian economy in FY 2023-24, surpassing the 7.0% growth recorded in the previous financial year, a testament to the economy's resilience.

India's GDP Growth (%)



(Source: NSO estimates dated February 29, 2024

RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated 8th February 2024)

This growth momentum has been bolstered by positive macroeconomic indicators, improved labour market conditions, heightened urban demand, and increased government focus on capital expenditure in FY 2023-24. Notably, the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) has been a rock of stability, maintaining a steady policy repo rate of 6.5% throughout FY 2023-24. This steadfast commitment to a stable economic environment from the RBI's MPC instils confidence in the economy. The RBI remains steadfast in keeping headline inflation at 4% and has estimated an inflation rate of 5.4% for FY 2023-24.

An increase in private capital expenditure has driven this positive sentiment for economic growth in the country. An increase in private capital expenditure, enhanced business sentiments, and the solid financial standing of banks and corporations have driven this positive sentiment for economic growth in the country. The RBI has also projected a GDP growth rate of 7% for FY 2024-25. The global trade landscape has shown signs of improvement, and the increased integration into global supply chains is also expected to boost net external demand in India. However, potential challenges loom ahead, including geopolitical tensions, fluctuations in international financial markets, and geoeconomic fragmentation, which could threaten the overall economic outlook. Despite encountering challenges such as high-interest rates, fluctuations in commodity prices, and trade-restrictive measures, global trade has avenues for growth and adaptability.

COMPANY OVERVIEW

About the Company

Greaves Cotton Limited (hereafter referred to as 'Greaves' or 'GCL' or 'the Company') is a leading diversified multi-product and multi-location engineering Company renowned for its rich legacy and resilient brand trust for over 163 years. Greaves is a leading name in providing Fuel-Agnostic Powertrain Solutions, E-Mobility, Aftermarket & Retail with a significant focus on customer-centricity and sustainability. Greaves operates across various sectors, including Automotive, Non-Automotive, Aftermarket, Retail, Electric Mobility, Technology, and Finance. Leveraging upon the Company's extensive history of engineering prowess, Greaves has embarked on purposeful endeavours to drive the advancement of clean technology solutions, emphasising electric mobility significantly. These efforts have positioned the Company as a comprehensive player within India's mobility ecosystem. The Company's capabilities include in-house design, engineering, product development, manufacturing, retail and finance to support sustainable last-mile mobility initiatives.

The Company's retailing network comprised approximately 10,000 retailers and over 130 distributors. Moreover, the Company has established partnerships with more than - 20,000 mechanics nationwide in FY 2023-24. The Company delivers world-class products and solutions through its thirteen state-of-the-art manufacturing facilities across India.

> The Company's retailing network comprised approximately 10,000 retailers and over 130 distributors

Within the non-automotive domain, GCL offers a comprehensive range of products that covers gensets, agricultural machinery, and applications across marine and other industrial sectors. The Company has also taken strategic steps to grow its legacy business in automotive and non-automotive engines. In FY 2023-24, GCL announced its acquisition of a majority stake in Excel Controlinkage Pvt Limited ('Excel Controlinkage'), a leading Indian manufacturer of mechanical and electronic motion control systems. Excel's products are exported to over 80 countries, strengthening the Company's global presence. By integrating Excel into the Company's operations, GCL aims to leverage synergies, enhance its capabilities, and explore new avenues for growth.

GCL has consistently supported the government's 'Make-In-India' initiative, contributing significantly to nation-building by prioritising local production and sourcing. The Company is dedicated to transforming the sustainable, cleantech, and green mobility landscape through innovative technologies, aiming to benefit a billion lives by 2030. Additionally, the Company actively implements initiatives to reduce its carbon footprint and promote environmental preservation, underscoring its commitment to sustainable practices and its ambition to create a positive impact locally and globally.

Company Performance

Greaves continued to advance steadily with its ongoing initiative to construct a forward-thinking fuel-agnostic portfolio. This strategic endeavour is designed to gradually reduce reliance on demand for diesel engines, ensuring readiness for the future. GCL has expanded its ICE (internal combustion engine) and Genset portfolio by introducing greener fuel-agnostic variants capable of utilising CNG (Compressed Natural Gas), biodiesel, and ethanol-blended fuels. Overall, the favourable economic conditions in India, the expanding global customer base, the diversity of platform technologies and application areas, and the esteemed Greaves brand instil optimism about the future of the Company.

> During FY 2023-24, the synergistic collaboration with Excel Controlinkage has brought new capabilities and opened fresh avenues of growth for the Company.

During FY 2023-24, the synergistic collaboration with Excel Controlinkage has brought new capabilities and opened fresh avenues of growth for the Company. The integration with Excel has progressed to the next stage, marked by the onset of cross-selling products and services during the year under review. Excel's new product line leverages GCL's expertise in precision machining, aiding in rapid business growth. It has even resulted in a significant rise in the Company's exports to the United States and the European Union during the year under review.

Greaves is strategically expanding its range of products by entering the fields of mechatronics and electronics. GCL's enduring success stems from its unwavering commitment to capability enhancement, its compelling value proposition, and its ability to meet the diverse needs of its customer base. Please refer to the notes in the standalone financial statements for details on significant changes in vital financial ratios and any change in return on net worth as of 31st March 2024.

CONSOLIDATED FINANCIAL PERFORMANCE

During FY 2023-24, the Company recorded consolidated revenue from operations totalling ₹ 2,633.19 crores, representing a decrease from ₹ 2,699.45 crores reported in FY 2022-23. Similarly, the Company reported consolidated loss after taxes amounting to ₹ 367.27 crores, compared to ₹ 69.75 crores gained in FY 2022-23. The net exceptional expense stood at ₹ 334.83 crores for FY 2023-24, compared to ₹ 12.50 crores in FY 2022-23. As part of Greaves' diversification strategy, new business initiatives contributed to 61% of the total consolidated revenue for FY 2023-24.

SEGMENTWISE BUSINESS OVERVIEW

GCL's core business segments include engineering and subdivisions into automotive, non-automotive, and international business segments.

ENGINEERING BUSINESS

Automotive Engines

Industry Overview

In FY 2023-24, the L5-3W industry witnessed the implementation of new regulatory standards, specifically the Onboard Diagnostic Device (OBD)-IIA, as an imperative for implementing the Bharat Stage 6 (BS6) emission regulations. It signalled a positive industry outlook with robust demand across all 3W (Three-Wheeler) segments. The growth in rural infrastructure drove the need for affordable mass mobility solutions. The ICE 3W industry experienced a year-on-year increase of ~41%. At the same time, e-commerce strengthened its demand in the cargo segment. By the end of FY 2023-24, overall volumes for the L-3 and L-5 segments reached an all-time high.

Business Overview

In FY 2023-24, GCL introduced a fuel-agnostic powertrain solution that complies with the OBD-IIA standards for the 3W industry. This solution was well-received in the market, which helped the Company achieve a 32% volume growth in the diesel segment. GCL maintained its leadership position with a 53% market share, volume growth of 27% and revenue growth of 22% in the same fiscal year.

During the year under review, GCL began exporting Euro-V-compliant diesel engines for micro-car applications. The Company is currently investing in developing a diesel 3-wheeler powertrain solution that meets OBD-IIB norms. These norms are expected to come into effect from 1st April 2025. The Company has also successfully developed a lightweight bi-fuel CNG-gasoline engine that is compliant with both OBD-IIA and OBD-IIB norms. This engine is ideal for cargo applications and aims to gain traction in new markets.

Market Overview and Outlook

In the fiscal year 2024, the automotive engine market saw a rise in the number of units sold, surpassing pre-COVID-19 volumes. This growth is expected to continue during the fiscal year 2024-25. In terms of fuel usage, compressed natural gas (CNG) has the largest market share at 63%, followed by diesel at 21%. Electric vehicles account for the remaining 16%. Overall, while there has been volume growth across all fuel types, expansion of the CNG network has led to an increase in the number of CNG-fuelled three-wheelers. In the future, the Total Cost of Ownership (TCO) and government policies will determine the relative market share of the three essential fuels that power L5-3Ws.

Risks & Concerns

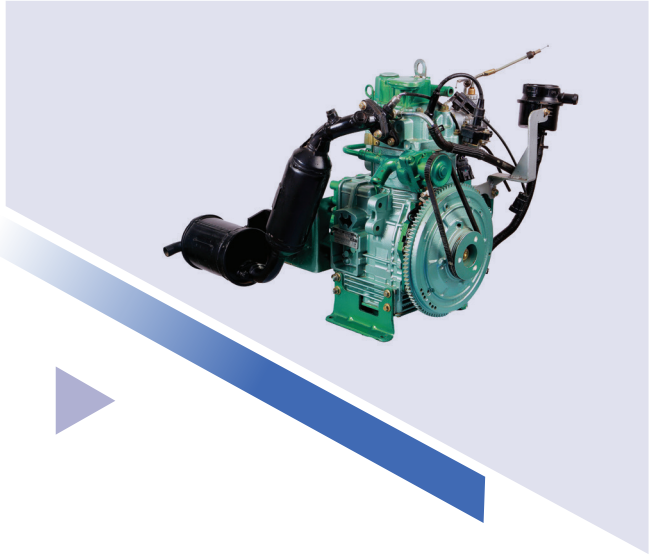
Government policies, particularly restrictions on diesel, may impact demand for diesel vehicles within the ICE 3W segment, especially vehicles for cargo carriage.

Non-Automotive Engines

During FY 2023-24, the non-automotive engines division maintained its growth trajectory by adding new customers and new OEMs. The Company's primary focus was engaging with domestic and global customers in its B2B OEM business while actively working towards growing export share of revenues. The Company has expanded its footprint to include both B2B and B2C domains. The overall growth in the non-automotive segment includes key applications such as power solutions, industrial engines, small engines, and farm equipment, as well as exports to the USA, Europe, the Middle East, Africa, and SAARC countries.

Industry Overview

The demand for industrial engines has returned to pre-pandemic levels through growth in several application areas, such as auxiliary standby power, infrastructure, and agriculture, further facilitated by increased government spending in many sectors.



The Auxiliary Power & Industrial Engines sectors grew 8% in FY 2023-24. During fiscal year 2023-24, mechanisation of farming and construction also contributed to industry growth. Federal government initiatives, such as Atmanirbhar Bharat, have helped create new domestic and export markets, with the industry adopting and adapting to fuel-agnostic solutions encompassing fossil and green fuels. As a result, the industry is expected to sustain robust growth rates going forward.

India has been experiencing a significant shift from traditional fossil fuel-powered engines to electric motors and battery-powered equipment, particularly in the low-tonnage auto segments and low-capacity infrastructure equipment. However, the adoption of mechanisation in the country's farm, construction, and marine sectors is still relatively low, with room for industry expansion. The "Make-in-India" initiative empowers local players in critical sectors like agriculture and construction, accelerating growth. The agricultural sector in India mainly comprises small-scale farmers who often struggle to adopt mechanisation due to fluctuating incomes. These farmers rely on government subsidies and schemes to acquire farm equipment.

Initiatives like Make-in-India have also spurred demand for engines used in fire-fighting pumps, inland waterways transportation, and marine applications and generally facilitated higher institutional sales. While demand has grown in the large-engine fishing segment within the marine applications category, small-boat fishing continues to face challenges due to environmental factors and subsidy-related issues.

Business Overview

The Company operates across multiple sectors, specialising in auxiliary power solutions, including Diesel Generator Sets with CPCB-II and CPCB4+ compliant offerings, low-voltage and high-voltage power solutions, and turnkey power project solutions. The Industrial Engines

portfolio, comprising 1.5 HP to 700 HP engines, also caters to the construction, marine, agriculture, fire-fighting, and defence sectors. Geographically, GCL caters to both domestic and international markets in the B2B and B2C space, providing customers with options such as different fuel types, cooling systems, revolutions-per-minute (RPM) ranges, and regulatory certifications.

In FY 2023-24, in the auxiliary power and industrial engine applications, GCL grew by 14%. This growth is mainly due to the addition of new applications and OEMs. The extension and implementation of the Central Pollution Control Board (CPCB) IV+ regulations have accelerated sales of CPCB II sets in the current year to support the completion of ongoing government projects before the new regulations become applicable.

GCL has expanded its reach in new domestic and international markets by implementing forward and backward integration strategies. As a result, the Company has generated promising revenues from newly acquired international accounts. The Company has also taken initiatives to obtain certifications, such as those for 3W/4W tractors. Moreover, with the completion of certifications for the new range of 3000 RPM engines, GCL is well-positioned for the global market. The Company plans to invest in expanding its engine range and modernise its product portfolio for both international and domestic markets. The emphasis will be on improving aesthetics, enhancing safety features, and producing quieter engines for enhanced comfort during operation.

Market Overview

According to market projections, specific sub-segments of the electric power generation market are expected to remain stagnant or decline. However, other sub-segments, such as high-horsepower (HHP) gensets, are expected to grow primarily because data centres require highly reliable backup power support.

Market demand and liquidity remained strong throughout FY 2023-24. This led to some segments undergoing price rationalisation and margin consolidation due to softening commodity prices during the year under review. Industry players increasingly prioritise key domestic segments, applications, and export opportunities, which have grown significantly in recent years. Additionally, with changes in emission norms, there is a shift towards electronic engines, resulting in greater acceptance of such engines in the industrial segment. The new emission regulations are expected to impact the market for end customers, resulting in a likely decrease in demand during the second and third quarters of FY 2024-25. However, demand is anticipated to gradually recover as customers adjust to new price levels, particularly with the smoother transition to CPCB IV+.

Risks and Concerns

The market is gradually moving away from diesel engines to alternate greener fuel options, including electrical power. In anticipation, GCL continues to focus its R&D efforts on modernising its current portfolio and building capabilities in fuel-agnostic engines and electric motor controller powertrains.

Outlook

The ongoing government expenditure on infrastructure projects promises exciting opportunities for market expansion and revenue generation for our Company. GCL's involvement in numerous government-driven and non-government development programmes, such as those in the power sector, inland waterways in the northeast, and shipbuilding OEM sectors, has placed us in an advantageous position to build on this trend. Sales of non-automotive small engines have shown steady growth over the past 3-4 years, and we remain committed to introducing new products and expanding our customer base. We believe our dedication to customer-led innovation and customer satisfaction will enable us to thrive in this dynamic market.

Excel Controlinkage

Business Overview

Excel Controlinkage is a prominent player in the field of customised solutions that control the motion of moving vehicles. Their products include push-pull cables, gear-shift levers, rubber accessories, mechanical conduits, and electronic sensors for the automotive, marine, agricultural, and infrastructure and construction industries. Established in 1994, the Company has steadily expanded its operations and portfolio of tailor-made solutions. They have achieved several certifications, including IATF, ISO, and CE, highlighting their commitment to quality and international standards. Excel Controlinkage has a diverse customer base. Moreover, exports constitute nearly a third of annual revenues. Additionally, Excel Controlinkage was awarded "Best Exporter in the Region" by the Vidarbha Industries Association (VIA).

Market Overview

The demand for efficient and reliable solutions across several industries drives the market for control linkages, cable assemblies, and electronic components. Excel Controlinkage has benefited from this demand by collaborating with its customers during the vehicle design stage. It consistently delivers high-quality products that meet stringent industry standards within the customer's targeted timelines. Excel Controlinkage has a strong presence in both domestic and international markets. The Company serves clients globally with products that comply with all relevant regional certification norms. For instance, products sold in the EU hold relevant EU certifications. With a customer base spread across over seventy-five countries, Excel Controlinkage is renowned for its consistency, high quality, and reliability. The Company is always seeking new opportunities to expand its global footprint.

Excel Controlinkage, being a market leader, understands the significance of keeping up with the latest trends and meeting customer demands. This inspires their commitment to discovering new markets and emerging opportunities. Excel Controlinkage has a substantial market share in its current product portfolio, which gives it an advantage to use its expertise and resources to explore new business opportunities and expand its reach in other areas such as electronic components, rod-type gear shift unit assembly, combined drive platforms for operator controls, and gear-shift unit assemblies for small commercial vehicles.

Risks & Concerns

Despite its success, Excel Controlinkage has several inherent risks. These include a highly competitive landscape wherein domestic and international players often offer similar products. Excel Controlinkage continues to innovate and differentiate its offerings to maintain pricing power. The Company has built robust contingency plans to mitigate supply chain disruptions due to geography-specific trade and non-tariff barriers, raw material shortages, and transportation delays, which can impact production schedules and delivery timelines. Adherence to international standards and certifications is crucial for export-oriented companies, and regulatory changes or failure to comply with standards could lead to penalties or loss of market access. Therefore, the Company complies with international standards and certifications. Fluctuations in currency exchange rates, trade policies, and economic conditions in target markets can affect export volumes and profitability. Therefore, the Company is always prepared to face economic volatility to sustain profitability. Technological advancements require continuous investment in research and development to keep pace with evolving customer demands. As a market leader, Excel Controlinkage constantly monitors industry trends and consumer preferences to address shifts that could impact market position proactively.

Outlook

Excel Controlinkage has a proven track record of market leadership in its chosen product segments. It boasts a deep understanding of the dynamics affecting the industry segments it caters to. As a result, the Company's business outlook is optimistic. This is further reinforced by its brand reputation, loyal customer base, culture of continuous innovation, diverse product portfolio, and unwavering commitment to quality and agility. The Company is confident in its ability to navigate challenges and leverage future growth opportunities successfully. The Company aims to strengthen its presence in existing markets while exploring opportunities in emerging sectors.

International Business

Industry Overview

The Company has a growing presence in the global market spanning several industry segments such as manufacturing, power plants, healthcare, infrastructure, agriculture, services, fire-fighting pump sets, and mobility with a range of products that includes engines, diesel generating sets, and spare parts.

Business Overview

The Company has experienced ongoing growth in the European and Middle Eastern markets. It has secured strategic accounts in its portfolio and expanded its distribution network in Africa.

Risks & Concerns

Many countries face currency-related challenges, adversely impacting companies' purchasing power in these regions. In addition, geopolitical tensions could continue to disrupt the supply chain.

Business Performance

The Company's presence in the European market has been strengthened by acquiring new critical accounts in Turkey and France, with growth anticipated in these regions. GCL's Euro-V

The Company is confident in its ability to navigate challenges and leverage future growth opportunities successfully. The Company aims to strengthen its presence in existing markets while exploring opportunities in emerging sectors.

The Company has increased its export revenue from Africa. With its DG sets, it has secured a leading position in Ethiopia's banking sector, resulting in a twofold increase in its auxiliary power business.

engine for microcars is already operational in European markets, and it is progressing in developing Euro V+ engines for the EU market. The Company's engine component business with US-based customers has also been growing, with further gains expected in this product category.

The Company has increased its export revenue from Africa. With its DG sets, it has secured a leading position in Ethiopia's banking sector, resulting in a twofold increase in its auxiliary power business. The Company has also expanded its operations in Uganda, Madagascar, Kenya, and Ethiopia. The Company is in the advanced stages of collaboration in West Africa, which presents new opportunities for its products in the region. Additionally, the Company has initiated auxiliary power solution sales to Qatar and Oman and is also exploring the genset and engine market in Saudi Arabia.

Outlook

The Company's export growth is built on strengthening current relationships, expanding the customer base, creating synergies with customers of Excel Controlinkage, modernising and expanding the product portfolio, and exploring inorganic options.

GREAVES RETAIL

Greaves Retail is amongst the top 3 aftermarket companies in India's small commercial vehicle segment (3w, e3w). Greaves Retail operates as an asset-light business and provides a wide array of services that cover sales, service, and spare parts. Its vehicle lineup includes 3W (across all fuel types), E3W (in L3 & L5 categories), and small commercial vehicles. L5 refers to a three-wheeled motor vehicle with a speed of over 25 kilometres per hour (km/h) and a motor power of over 0.25 Kilowatt (kW). At the same time, L3 or e-carts have a speed below 25 km/h and a motor power under 2 kW. AutoEVMart, India's premier EV dealership network, specialises in the retail and distribution of E2W and E3W. Greaves Care provides a complete suite of post-warranty services for commercial vehicles. Both AutoEVMart and Greaves Care outlets operate under a franchise model.

Greaves Retail has intensely focused on Tier 2 and 3 cities and towns, particularly in the North and East regions.

In FY 2023-24, Greaves Retail broadened its product range to include the Greaves Power Raja Battery and various EV components for the aftermarket, explicitly targeting the e-rickshaw segment. These components include motors, controllers, chargers, DC-DC converters, and more. The Company introduced several digital and technological initiatives, such as the Greaves Care app for 3W and 2W customers, facilitating digital management of service bookings and providing timely notifications for service schedules. With the increasing population of EVs, particularly e-rickshaws, the Company is actively expanding its distribution and retailing network to meet growing demand.

Greaves Retail is investing in digitalising the supply chain spanning mechanics and retailers (including multi-brand service workshops - Greaves Care); Digital is enabling superior-end customer experience and supply chain efficiencies. The introduction of the new Greaves Upahar app, designed as a mechanic loyalty program, along with various other digital initiatives, signifies Greaves Retail's commitment to enhancing end customer engagement and optimising supply chain operations. The Company's latest vertical, "EV Solutions", has also experienced rapid growth, with an expanding product portfolio covering E-rickshaw batteries and electric vehicle components.

By leveraging a dedicated customer care centre, the Company ensures quality and prompt delivery of its services. Greaves Retail maintains a team of trained field managers who cater to the needs of customers and channel partners. The expansion of offerings resulted in a surge in per-outlet revenue growth during FY 2023-24. Additionally, with the addition of 71 new touchpoints during the same period, the network continues to evolve and expand based on consumer insights, thereby extending access to customers across broader geographical regions.

GREAVES SPARES (previously called After Market Business)

Greaves Spares has been the preferred supplier of spares and services in vital automotive and non-automotive sectors. Their comprehensive offerings cover a broad spectrum of applications, including 2W, 3W, SCV, and EV solutions in the automotive realm, as well as auxiliary power equipment, farm equipment, railway, and institutional energy management services.

With a robust nationwide network, Greaves Spares ensures swift access and availability of high-quality spares, catering to diverse

needs nationwide. The Company has developed a wide range of products across segments with around 5,000+ SKUs (Stock Keeping Units) to ensure response to diverse parts requirements. GCL's extensive network of well-trained sales and service personnel provides localised support. It encourages meaningful engagement opportunities for channel partners. Greaves Spares empowers mechanics and channel partners, enhancing their capabilities and contributing to their livelihood improvement through regular training and skill development initiatives. This inclusive approach extends to drivers and micro-entrepreneurs in smaller towns and cities, facilitating education on products and technologies while distinguishing genuine parts from counterfeit alternatives.

With a diverse product range across various segments within the 2W and 3W vehicle categories, the Company has recently ventured into the EV space for 2W and 3W. Driven by its ongoing commitment to upholding high standards of maintenance and delivery, the Company is rapidly evolving into a provider of premium batteries and other EV components. As a part of this dedication, GCL has introduced multi-brand components and diagnostic/service equipment.

The Company offers numerous opportunities for business engagement. It provides localised support through its extensive network of well-trained sales and service personnel. Regular training and skill-building initiatives for mechanics and channel partners are undertaken to equip them with the necessary skills to enhance their livelihoods and contribute to achieving enterprise objectives. This initiative extends to include drivers and micro-entrepreneurs in smaller towns and cities. The activities are geared towards educating and training customers on products and technologies while also helping to distinguish genuine parts from counterfeit ones.

GREAVES CARE

Greaves Retail's service and spares (2S) division, known as Greaves Care, offers comprehensive servicing and spare parts solutions for 3-wheel ICE vehicles, E3W, and small commercial vehicles nationwide in India. This business segment caters to traditional ICE and E2W vehicles from various brands and is expanding to include commercial electric vehicles.

As of March 2024, Greaves Care had over 138 outlets nationwide. This extensive network has become a pivotal hub for spares consumption and sales, serving as a vital channel for Greaves Spares. This network not only enhances customers' accessibility to maintenance and repair services but also reinforces Greaves Care's position as a leading service provider in the automotive industry.

Greaves Care delivers a wide array of vehicle repair and maintenance services, covering aspects such as bodywork, engine, gearbox, electrical systems, rubber components, batteries, and lubricants. Greaves Care aims to streamline the vehicle servicing market. These service outlets affiliated with Greaves Care gain access to a diverse range of multi-brand spare parts, including those for electric vehicles, and specialised technical support to ensure quality service delivery and enhance customer retention and return on investment (ROI) for channel partners. This support is facilitated through continuous training on BS-VI standards, EVs, and below-the-line (BTL) campaigns.

Greaves Care, recognised as India's premier franchisee-owned and franchisee-operated (FOFO) network, continues to strengthen its foothold in the market. The Company has expanded its presence in North and East India, with a strategic focus on accommodating the burgeoning e-rickshaw market in these regions.

Over time, Greaves Care has established itself as the preferred destination for customers, consistently broadening its range of services and network. The retrofitting sector, catering to 2W and 3W, is experiencing increasing interest, and Greaves Care is actively facilitating this aspect of the ecosystem. New initiatives are in the pipeline to promote electric vehicle adoption among Greaves Care owners, including establishing charging stations, Battery as a Service (BaaS), Park & Sell facilities, and more.

AutoEVMart

The Company's AutoEVMart brand is one of the few organised one-stop shops that provide comprehensive end-to-end sales, service, and spares (3S) solutions across multiple brands.

Greaves Retail primarily serves customers in tier 2/3/4 cities, including local transporters, owners of e-autorickshaws, and last-mile delivery partners who operate independently or as part of fleet services. Additionally, the Company ensures its outlets are staffed with well-trained personnel, providing customers with a seamless in-store experience. Furthermore, Greaves Retail facilitates end-to-end dealer onboarding and offers a dealer information portal. Its extensive presence in the market has enabled the Company to negotiate customised financing solutions with non-banking financial companies (NBFCs) and dealers both nationally and in key micro markets.

Market Overview

The rising demand for efficient last-mile mobility solutions across various powertrain options drives an increased need for high-quality spares and services. The growing customer preference for organised service providers and genuine parts presents a positive outlook for Greaves. Moreover, the replacement demand for BS4/BS6 vehicle parts in the aftermarket, coupled with the sustained use of diesel powertrains in specific mobility applications, is expected to drive steady growth in the consumption of diesel powertrain/vehicle parts. Despite this growth being slightly below anticipated in multi-brand parts retail opportunities, the Company remains committed to achieving substantial growth in this sector. Competitive products will support the growth trajectory, increased by a high-quality supplier base and a heightened focus on secondary retail sales management. Additional efforts to stimulate demand and drive further growth include dedicated teams engaging with secondary market stakeholders to prioritise purchasing and patronising the Company's products.

The Company has initiated digital interventions to enhance the customer experience, improving communication and responsiveness to the distribution channel. The Company is already involved in Annual Maintenance Contract (AMC) businesses with institutional customers and railways, with efforts to enhance Product Quality, Cost, and Delivery (PQCD) aspects of service to ensure superior customer satisfaction and revenue growth. In addition, the Company is exploring new growth avenues in energy management services for these customers, leveraging its expertise in Energy Management Systems and extensive service infrastructure nationwide. In the non-auto segment, growth in spares and services is anticipated through optimisation of the supply chain to meet the demand for older parts. The Company has also introduced multi-brand parts to support the expansion of reliable and genuine parts usage in this critical segment.

Key Developments in FY 2023-24

- The Company expanded its network by appointing new channel partners to enhance reach and retail performance in both automotive and non-automotive segments. Most of these partners are composite auto parts distributors and providers of sales and services for non-auto equipment. This expansion increased revenue, contributing approximately 8% of overall sales, particularly in the automotive segment. With a focus on multi-fuel gensets, the Company ensures seamless operations and maintenance to meet the rigorous demands of these sectors
- The acceptance of multi-brand parts for three-wheelers (3Ws) saw significant growth during the year, driven by special promotional efforts and engagement with mechanics and workshops. These initiatives led to a high level of acceptance among customers
- The Mechanic Loyalty Program (MLP) significantly improved throughout the year, enhancing its attractiveness and accessibility. The migration of MLP to an in-house tech platform now involves 20,000 mechanics. This led to an increase in secondary sales and improved acquisition and retention of new customers
- In addition, the Company acquired additional customers in the railway business, expanding its presence into five new railway zones. Similarly, it secured three new customer accounts in institutional businesses
- During FY 2023-24, Greaves Spares expanded its business operations significantly, focussing on spares distribution across various vehicle segments. This distribution network has spread over both domestic and international markets, including regions such as the South Asian Association for Regional Cooperation (SAARC), Africa, and Latin America (LATAM)
- Greaves Spares has forayed into new business areas by introducing energy management services (EMS). These services are tailored for the telecom industry and leverage battery technology to offer innovative energy use and sustainability solutions

Risks & Concerns

- The gradual decline in diesel parts sales, replaced by multi-brand electric parts, poses a potential challenge as it may limit growth opportunities from a historically extensive and profitable portfolio
- Tight liquidity conditions and reduced credit availability to channel partners could hamper growth prospects in the automotive business
- High volatility in oil prices and adverse fluctuations in currency rates may impact pricing dynamics, affecting topline revenue and profitability
- Channel profitability in the distribution business remains a challenge due to intense competition and lower prices set by competitors, which could diminish the purchasing power of channels and lead to a shift towards cheaper parts
- Low supplier leverage increases the risk of heightened competition in the multi-brand parts segment
- A growing reliance on stockists and wholesalers may pose risks of lower channel profitability and territorial conflicts among channels
- Issues have arisen regarding the evolving regulatory norms for EV batteries. GCL's partner OEMs' compliance with subsidy claims related to E2W/E3W vehicles is also a concern for the sector's growth

- There is a need for solutions in EV charging infrastructure to support prolonged, frequent electric operations
- Addressing the risks associated with battery storage and handling

The Company is proactively addressing these risks through adjustments to its sales and marketing policies in collaboration with relevant stakeholders.

Outlook

The Company has faced challenges driven by high operating costs affecting repair cycles and parts retailing, exacerbated by price increases and a growing preference for quality spares. In anticipation of a decline in the share of diesel vehicles in vehicle parts, there's a focus on introducing multi-brand parts early to address potential adverse vehicle parts composition. There has been a strategic shift towards expanding spares and services to multi-brand offerings, especially in the non-auto segment, aiming to diversify revenue streams and reduce dependency on any single segment. Moreover, the Company is also exploring energy management products and services through strategic supplier partnerships to diversify its business portfolio. Despite potential margin contraction from higher sales of non-diesel portfolio items, the Company is actively driving cost reduction initiatives and strategic sourcing, involving cross-functional teams to ensure effective implementation and mitigate profitability impacts.

GREAVES ELECTRIC MOBILITY

Greaves Electric Mobility Private Limited (GEMPL) serves as the electric mobility arm of Greaves Cotton Limited. Over the past years, GEMPL has been dedicated to advancing EV technology and manufacturing electric vehicles. With a robust customer base exceeding 2,50,000, GEMPL is committed to establishing an affordable ecosystem, ensuring seamless, connected, clean last-mile mobility solutions nationwide.

Ampere, the flagship electric scooter brand under GEMPL, stands as one of the premier e-scooter brands in the country, having a substantial presence in both the B2C and B2B sectors. In FY 2023-24, GEMPL surpassed the 2,00,000 mark in secondary sales of its E2W brand, Ampere. Additionally, GEMPL offers a range of 3W tailored for passenger and cargo mobility segments through its subsidiaries.

Eltra Cargo 3W has made substantial strides, with a robust pipeline of over 30 operators across six major cities. GEMPL has strengthened its financial partnerships, enhancing accessibility to seamless financing options for its customers. The new Electric Cargo 3W, Greaves Eltra, was eligible for the FAME (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) subsidy and listed on the NAB portal during the year under review. The Company foresees strong retail demand for its E3W business, including Eltra cargo and passenger vehicles.

Two-Wheeler

Industry Overview

The electric two-wheeler industry has experienced a highly promising period in FY 2023-24. Despite encountering several challenges stemming from the reduction in FAME subsidy and uncertainties surrounding the disbursement of due subsidy amounts to OEMs, the industry has demonstrated remarkable resilience. It achieved a growth rate exceeding 25% and surpassed the milestone of 9,00,000 units during the year. The growth has been driven by customers increasing awareness and acceptance of electric vehicles, their clear cost advantages, and continued government support through subsidies and tax benefits.

Business Overview

GCL acquired Greaves Electric Mobility Private Limited (formerly Ampere Vehicles Private Limited) during FY 2018-19 to revolutionise everyday transportation and boost sustainable mobility in India. The acquisition combined innovation, technology, and sustainability to develop accessible EVs for all segments of society.

GEMPL, currently ranked among the top five players in the industry, operates a dealer network of over 400 dealer touchpoints across India. The Company continuously innovates and has introduced cutting-edge mobility solutions to its customers. GEMPL's offerings range from slow-speed (Reo) to city-speed (Magnus, Zeal) to high-speed (Primus) scooters. The newly launched Ampere Nexus, India's high-performance family scooter, embarked on a remarkable 10,200+ km journey from Kashmir to Kanyakumari, covering 115+ cities in 45+ days as part of pre-launch promotions, garnering vital positive feedback nationwide. This state-of-the-art, high-speed, fully connected scooter is developed in-house by the GEMPL design team and will be manufactured at their EV mega site in Ranipet.

Through its diverse array of E2W and E3W, GEMPL is dedicated to democratising intelligent and sustainable mobility solutions. During FY 2023-24, GEMPL strengthened its foothold in the E2W market with the recent introduction of Reo, a low-speed E2W model. In December 2023, GEMPL announced its foray into the global market of its first showroom in Nepal in collaboration with Kedia Organisation, extending its presence beyond India's borders to cater to the evolving needs of the Nepalese market.

Although GEMPL's volumes and market position in FY 2023-24 were impacted by the removal of FAME subsidy eligibility and the consequent product price increase, the Company remains committed to consumer interests. GEMPL refunded to the MHI the entire subsidy reimbursed, along with the accrued interest, without prejudice to its legal rights.

Risks & Concerns

- Decreased subsidy levels effective 1st April 2024, and uncertainty regarding subsidy availability beyond July 2024
- Reinstatement of FAME eligibility
- Escalating competitive environment due to multiple product launches and the entry of new competitors
- Ongoing prevalence of aggressive pricing strategies across the industry, leading to margin pressures for all players

Outlook

The EV industry in India is poised for significant expansion in the upcoming years, fuelled mainly by the surge in the adoption of electric two-wheelers. Government initiatives such as the Production-Linked Incentive (PLI) scheme and the Electric Mobility Promotion Scheme (EMPS) continue to support this growth momentum. As one of the leading players in the sector, holding a robust nationwide presence, GEMPL is strategically positioned to capitalise on this EV boom and sustain its upward trajectory in the foreseeable future.

3W – Bestway Agencies Private Limited (BAPL)/ ELE (Electric 3W Brand)

Industry Overview

E-rickshaws are experiencing a consistent surge in demand, emerging as an economical last-mile transportation option in various regions of India. The industry has witnessed a remarkable growth of over 40% in volumes in FY 2023-24. Passenger vehicles dominated this segment, accounting for over 90% of the total e-rickshaw volumes during the year. The sector is characterised by a high level of fragmentation, with a significant portion of the volumes attributed to small-scale operators and manufacturers.

Business Overview

ELE provides a wide array of e-rickshaws catering to passenger and cargo transportation needs. With a wide variety of products in e-rickshaws and cargo, the brand caters to the distinct requirements of B2B enterprises, retail establishments, and individual purchasers. ELE has witnessed considerable growth in sales volumes and market reach throughout FY 2023-24, owing to its commitment to offering top-notch products at competitive prices. With meagre operating costs, these vehicles offer significant earning potential for operators, making ELE a dependable choice for individual buyers and retail customers.

"E-rickshaws are experiencing a consistent surge in demand, emerging as an economical last-mile transportation option in various regions of India."

Risks & Concerns

- Increasing regulations and restrictions on e-rickshaw operations in key markets to reduce traffic congestion
- The e-rickshaw market is predominantly unorganised, with customers showing significant sensitivity to pricing
- Many traditional L3 markets are moving away from Lead-Acid battery-powered vehicles and towards lithium-ion battery-powered vehicles. Our sales predominantly use lead-acid batteries, and the new vehicles require market acceptance

Outlook

The increasing pace of urbanisation is fuelling the demand for cost-effective last-mile transportation options. Given their attractive operational economics and accessible pricing, e-rickshaws are poised to meet a substantial portion of this increasing demand.

3W – MLR

Industry Overview

In FY 2023-24, the three-wheeler industry witnessed a remarkable growth of over 50% on a YoY basis, surpassing 6,00,000 units in total. The passenger segment contributed to over 80% of the overall

volumes during the year. With government initiatives promoting fleet electrification and corporate commitments towards achieving net-zero emissions, there has been a substantial emphasis on electrifying the three-wheeler segment in recent times. The electric three-wheeler segment has witnessed a threefold increase in growth over FY 2022-23, fuelled by incentives under the FAME scheme and the total cost of ownership benefits rising from significantly lower operating costs.

Business Overview

MLR Auto Limited (MLR) is prominent in the L5 category of three-wheelers, catering to passenger and cargo segments. Their product lineup in ICE includes BS-VI compliant three-wheelers running on diesel and CNG, prominently featuring the 'Powered by Greaves' branding. MLR has enhanced its electric portfolio by introducing Greaves ELTRA, an advanced electric three-wheeler offering passenger and cargo models. The Greaves ELTRA is engineered to deliver superior performance, cutting-edge technology, cost savings, increased earnings potential, and enhanced reliability. With a diversified range of products, including various segments and fuel types, MLR is well-positioned to sustain its growth momentum.

Risks & Concerns

- Subsidy levels for electric three-wheelers will decrease beginning 1st April 2024, coupled with uncertainty regarding subsidy availability beyond July 2024
- Rising competitive pressure in the electric vehicle market due to the entrance of established players and new competitors

Outlook

Driven by accessible financing options and a surge in demand for CNG-powered and electric three-wheelers for shared mobility and last-mile delivery purposes, the industry is poised for robust growth in FY 2024-25. In addition, the electric segment is anticipated to expand its market share due to its advantageous operating cost economics.

GROWTH BUSINESS

GREAVES FINANCE LIMITED

Business Overview

The Company ventured into retail financing via its wholly-owned subsidiary, Greaves Finance Limited (GFL); GFL provides financing for E2W through its 100% EV-focussed lending platform ev.fin, launched in June 2023.

In FY 2023-24, GFL has taken significant strides in its business updates, fortifying its presence as a preferred financial partner in the rapidly expanding E2W market. The Company extends its reach by providing E2W financing for eight OEMs, thus contributing to accelerating electric vehicle adoption on a broader scale. GFL's market penetration has experienced a substantial boost due to its quick turnaround time and competitive pricing strategies.

GFL has implemented a lending stack, enabling loan approvals in 3 minutes, enhancing efficiency and customer convenience. In August 2023, GFL announced its partnership with Ather Energy, India's leading E2W manufacturer, to provide Ather Energy's customers with exclusive access to a wide range of customised financing solutions tailored to their individual needs and preferences. To further enhance its market presence, the Company has initiated a co-lending partnership with Muthoot Capital Services Limited for financing electric two-wheelers as of February 2024.

During the year, GFL has undergone a comprehensive transformation, redirecting its focus towards EV financing and reflecting its commitment to sustainable mobility. Embracing a digital-first approach, the Company has revamped the consumer journey to ensure seamless interactions and transactions. Introducing "evfin", an innovative platform tailored for electric vehicle financing, marks a significant milestone, offering customers easy access to customised financing solutions. Moreover, GFL has pioneered innovative lifecycle services to expedite the adoption of sustainable mobility solutions.

GFL has introduced an end-to-end platform for E2W financing, enabling consumers, dealers, and OEM/channel partners to undergo a seamless digital journey, resulting in quicker credit assessment, fulfilment, and disbursement. The Company takes pride in its robust backend credit operations, technology-driven assessment processes, competitive pricing, stringent portfolio monitoring mechanisms, and risk-mitigation initiatives.

Further, to leverage its market position in the lending business to increase insurance penetration in the country and provide much-needed financial security to its existing and new customers from the lending business, the Company registered and licensed itself as a corporate agent to undertake Composite Corporate Insurance Agency business.

GFL intends to expand its operations and retail distribution network to accelerate growth in the E2W portfolio across India. Additionally, the Company plans to initiate retail financing for multiple E2W brands through its expanded retail distribution network across various states. This initiative aligns with the long-term strategic goal of promoting the widespread adoption of electric mobility nationwide.

Risks & Concerns

- The EV industry is in its developmental stage, marked by uncertainties around resale value, battery life cycle, and realisable value, posing stakeholder challenges
- In retail financing, intense competition from large banks and NBFCs heightens the cost of customer acquisition, necessitating innovative strategies and excellent customer service for success

Outlook

The adoption of electric vehicles is on the rise, aided by government subsidies that support their usage. This surge in demand is expected to continue, driven by increasing awareness of environmental concerns and the benefits of EVs. Despite this growth, the penetration of finance in EVs remains lower compared to internal combustion engine (ICE) vehicles, but this gap is anticipated to narrow rapidly over time. Leveraging its competitive advantage in digitalisation and technology-driven processes, the Company intends to capitalise on this trend by expanding into new territories and partnering with additional OEMs. In addition, the Company aims to explore cross-selling opportunities to increase its growth trajectory further.

GREAVES TECHNOLOGIES LIMITED

Business Overview

Greaves Technologies Limited (GTL) has emerged as a trusted full-service engineering R&D solutions provider, collaborating with industry giants like Stellantis (FCA & PSA) and DICV to drive innovation and enhance quality, cost-efficiency, and speed. A significant milestone in this journey was the establishment of the Daimler (DICV) "Variant Factory" in June 2022, aimed at producing various commercial vehicle models while adhering to Daimler's CVDS 4.1 process. Since its inception, the team has successfully delivered over 43 variants, strengthening the partnership between GTL and DICV. The recognition of GTL's innovative initiatives led to winning the prestigious award in the "Innovation" category at the Daimler Truck annual supplier meet in 2023.

GTL helps enterprises accelerate their transition towards sustainable mobility solutions, enabling them to embrace change swiftly. It offers comprehensive services, including design, virtual engineering, and Artificial Intelligence (AI)-powered digitalisation, guiding sustainable mobility projects from inception to completion.

The Computer-Aided Engineering/Virtual Environment (CAE/VE) business unit of GTL has been instrumental in supporting esteemed customers in the automotive, heavy equipment, and agriculture sectors, offering a wide range of engineering solutions.

Centre of Excellence (COE) was established to provide IT services to a global provider of digital solutions for Oil and Gas companies.

With seamless integration as a dynamic, innovative, and high-performing team, GTL ensures a strong focus on quality, efficient process management, and timely, cost-effective delivery. Leveraging its established platform in India, GTL is expanding its global presence through strategic alliances and partnerships, amplifying its impact and influence in the sustainable mobility sector worldwide.

Market Overview

The estimated global market size for Engineering Services Outsourcing (ESO) was USD 1.8 trillion in 2022 and is projected to reach USD 6.6 trillion by 2030, growing at a compound annual growth rate (CAGR) of 33.2%. Various engineering systems, including CAE, electronic design, automation software, computer-aided manufacturing, and computer-aided design and software, drove the expansion of the engineering services outsourcing market. The Company's key customers in India include the automotive sector, EVs, GCCs, large B2B & B2C corporates, government entities, and the public sector.

The primary sectors driving global consumption of engineering services outsourcing include automotive, manufacturing, heavy machinery, healthcare, oil and gas, and Environmental, Social, and Governance (ESG). Key areas of focus for IT technology spending include Cloud, Big Data Analytics (BDA), AI/Machine Learning/ Natural Language Processing (ML/NLP), Internet of Things/Edge Computing (IoT/Edge Computing), and Cybersecurity.

Risks & Concerns

- High pace of technological change
- Cybersecurity risks
- Intense competition for talent
- Generative AI
- Rapidly changing business models

Outlook

The Company aims to empower organisations with comprehensive engineering R&D solutions to enhance quality, reduce costs, and accelerate market speed. To create intellectual property (IP) led differentiators, dynamic automation tools are required to reduce development time and enhance speed to market. At Greaves Technologies, innovation is essential for maintaining a competitive edge in the dynamic automotive industry.

The increasing demand for efficient solutions in the automotive and manufacturing sectors is propelling the growth of engineering R&D services. With automotive firms seeking to achieve more within shrinking R&D budgets, outsourcing becomes a strategic imperative. GTL is actively enhancing its capabilities to address the evolving needs of the industry, positioning itself to seize emerging opportunities and drive substantial growth in the future.

In today's globalised business landscape, GTL stands out for its ability to blend onshore and offshore operations seamlessly. Amid macroeconomic challenges, GCCs emerge as a solution, enabling companies to scale systems with agility and flexibility. By leveraging its expertise in the Indian GCC landscape, GTL offers a range of solutions and services for establishing GCCs. Through a flexible, subscription-based engagement model, GTL minimises traditional risks associated with global team formation and management, allowing organisations to focus on long-term success and growth while driving cost efficiencies. The Company aims to cultivate a strong brand identity, "GREAVES", recognised and admired by employees and clients worldwide.

INTERNAL CONTROL FRAMEWORK

The Company has developed a systematic internal control mechanism customised to suit the extent and magnitude of its operations and the unique characteristics of its industry. Its primary objective is safeguarding assets and ensuring optimal productivity and efficiency across all levels. The internal control systems and benchmarks adhere to the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control-Integrated Framework (2013) in alignment with globally accepted standards. This internal financial framework effectively manages the financial systems throughout the organisation. Regular reviews are conducted, and necessary modifications are made to keep the systems updated with evolving norms.

The internal controls are designed to achieve several objectives:

- Vigilantly monitor systems to prevent fraud and errors
- Maintaining accurate and complete accounting records across all business segments
- Timely preparation of reliable financial information
- Enhance efficiency and effectiveness of operations
- Safeguard assets against potential risks

An audit firm conducts internal audits, engaging in comprehensive discussions with management regarding observations and recommendations. The internal audit team also conducts independent reviews to reinforce control measures further and incorporate environmental protection measures. The Company follows all applicable standard operating procedures (SOPs), policies, and guidelines. Regular monitoring and self-assessment procedures are being implemented, mandating employees to consistently adhere to the Code of Conduct.

A comprehensive whistle-blower policy is in place to detect and address any misconduct, unethical behaviour, or conflicts of interest. A self-monitoring mechanism promotes adherence to integrity and transparency principles. The Internal Auditors and Corporate Assurance Department monitor internal control systems. At the same time, the Corporate Assurance Department implements corrective actions and business process improvements. Moreover, they ensure compliance with all governing laws and statutory requirements. During FY 2023-24, key controls underwent thorough testing, and appropriate measures were taken to address deviations from standard practices. According to the Statutory Auditors, the Company possesses, in all material respects, an adequate internal financial control system over financial reporting, which was operating effectively as of 31st March 2024.

INFORMATION TECHNOLOGY

The Company views Information Technology (IT) as a vital component of its growth strategy, deeply intertwined and harmonised with all business operations. The entire framework of business processes and regulations relies on the Enterprise Resource Planning (ERP) system, which has developed a peripheral application ecosystem. The Company prioritises its IT systems' security, stability, and scalability to ensure efficient delivery to internal users, customers, and vendors. As a part of the Company's ERP roadmap, Greaves transitioned to the SAP-owned HANA database to enhance data retrieval performance within the Company's applications. The migration of the Employee self-service software (ESS) portal to an Advanced Business Application Programming (ABAP)-based stack further enhances performance and user experience while leveraging advanced features.

Greaves has undertaken significant IT initiatives to enhance its infrastructure and security to guarantee the uninterrupted

> The Company aims to cultivate a strong brand identity, "GREAVES", recognised and admired by employees and clients worldwide.

availability of IT services, including those for mobile devices. The Firewall consolidation onto a single platform streamlines management and enhances security across locations. The upgrades to Product Lifecycle Management (PLM) infrastructure with the latest version, Creo 9, and design workstation refresh facilitate innovation in product design, workflow, and approval processes within the systems and are seamlessly integrated with the Company's authorisation matrix, resulting in enhanced productivity and faster turnaround times.

Below are some of the digital and security-related initiatives undertaken by the Company:

- Greaves has implemented Industry 4.0 initiatives for digital manufacturing, such as an IoT production tracker, auto data recording and automatic end-of-line inspection station for efficiency in manufacturing engines & components
- Greaves implemented the Project System Module to oversee the execution of Turnkey Project-based business scenarios, focussing on activity-wise profitability monitoring
- The OEM warranty settlement process was digitalised through a workflow approval system integrated with SAP, streamlining the process for enhanced efficiency
- The Company digitised the Indirect Tax compliance processes using the SAP-certified E&Y DigiGST Solution, ensuring adherence to regulations while optimising operational efficiency
- To strengthen its Internal Financial Controls (IFC), the Company established a workflow-based internal approval mechanism for various Statement of Accounts (SoA) policies
- As part of the Company's digital initiative within the Greaves Spares Business, GCL implemented auto-provisioning and disbursement of various promotional sales schemes through SAP. This initiative aims to benefit GCL's channel network (distributors/mechanics) by providing better visibility into turnover targets

SUSTAINABILITY DRIVES

Over time, sustainability has gained significance for all stakeholders, including individuals, businesses, and governments. The Company acknowledges its environmental impact and remains committed to continuous efforts for a sustainable future. GCL's business model prioritises sustainable innovation, demonstrating its steadfast dedication to sustainability.

The Company's commitment to sustainability includes ensuring that current needs are fulfilled without compromising the ability of future generations to meet their own. The Company has adopted sustainability measures across three primary pillars – social, environmental, and governance. These core components efficiently ensure future sustainability, balancing business growth and shareholder value.

- Solar power plants installed at the Company's plants have collectively generated around 50 lakh units of electricity, further advancing its efforts to use renewable energy and promote environmental sustainability
- In April 2023, a 700 KW solar power plant was installed at the Industrial Engines Unit in Chikalthana Aurangabad. It is projected to generate approx. 10 lakh units of electricity, contributing significantly to renewable energy usage
- Implementing digitalisation initiatives for SOPs, check sheets, and reports on the shop floor has led to the adoption of paperless operations, enhancing efficiency and reducing environmental impact
- The Company is actively reducing its carbon footprint and greenhouse gas emissions by recycling and reusing aluminium scrap briquettes, collaborating with suppliers to promote recycling practices and minimise energy consumption in the aluminium heating and extraction processes
- Cold testing of industrial engines has been adopted to save electricity and diesel consumption, which would otherwise be utilised during hot testing
- Various product and process re-engineering projects undertaken at the shop floor have reduced consumption of consumables, energy savings, and minimised waste generation, showcasing the Company's commitment to sustainable practices
- In addition, the Company led numerous tree plantation initiatives, strengthening green coverage and promoting carbon absorption. These endeavours also improved air quality and biodiversity and highlighted the Company's commitment to environmental stewardship

ENVIRONMENT

The Company's dedication to environmental stewardship is evident across all operational facets, including manufacturing processes and technological advancements. The Company has been certified under ISO 14001:2015 and upholds various environmental standards. The Company recycles and reuses all water for gardening purposes and has introduced a kitchen garden concept at its Aurangabad plant, emphasising water conservation. On World Environment Day, the Company initiated a tree-planting campaign themed 'Each One Plant One'.

Moreover, the Company implemented product and process re-engineering projects on the shop floor, reducing consumable usage, energy savings, and waste reduction. To mitigate carbon footprint and greenhouse gas emissions, the Company promotes the recycling and reuse of aluminium scrap briquettes, collaborating with suppliers to minimise energy consumption in the aluminium heating and extraction processes. Moreover, by adopting cold testing methods instead of hot testing for industrial engines, the Company conserves electricity and diesel usage, furthering its commitment to sustainable practices.

SOCIAL

The Company is dedicated to enhancing society and the environment while promoting inclusive community development. With certifications in ISO 9001, IATF 16949, EMS 14001:2015, and ISO 45001:2018, it underlines its commitment to upholding quality and safety standards. In addition, the Company has implemented numerous tree plantation programms, significantly contributing to expanding green cover, carbon sequestration efforts, and improving air quality and biodiversity.

GOVERNANCE

The Board assumes a central role in governance, serving as the ultimate decision-making authority. The Board comprises qualified individuals possessing diverse skills, expertise, and competencies deemed essential for the Company's effective functioning. Key areas of expertise identified include Global Economics, ESG Proficiency, Finance Expertise, Sales, Marketing and Commercial, Merger and Acquisitions, Manufacturing, Quality and Supply Chain, Corporate Governance, Technology, and People Management.

With a steadfast commitment to ethical conduct and compliance, the Company conducts its business as per applicable laws, regulations, and the highest standards of business ethics. Its Code of Conduct develops a culture of transparency, honesty, and accountability. It provides guidance for recognising and addressing ethical issues and provisions for reporting unethical conduct.

The Company upholds the principles of 'Pancha Tatva', comprising transparency, integrity, responsibility, passion for excellence, and respect as fundamental values guiding its operations. There have been no reported instances of unfair trade practices, irresponsible advertising, or anti-competitive behaviour. All members of the Audit Committee and the Nomination and Remuneration Committee hold non-executive positions.

Behaviour and Business Ethics: The Company upholds the highest standards of business ethics, adhering to applicable laws, rules, and regulations. Its Code of Conduct aims to promote a culture of transparency, honesty, and accountability in guiding, recognising, and addressing ethical issues. In addition, it includes provisions for reporting unethical conduct and ensuring integrity throughout operations.

Governance Oversight Framework: The Board is central to the Company's governance, serving as the decision-making authority. All Audit, Nomination, and Remuneration Committee members are non-executive, ensuring independent oversight. The Company's commitment to good corporate governance is demonstrated through the effective Independent Board, separation of supervisory roles from executive management, and establishment of committees to monitor critical areas.

Board Skill Map Matrix: The Board consists of qualified members possessing relevant skills, expertise, and competence necessary for effective functioning. Identified skills and competencies include Global Economics, Mergers and Acquisitions, Sales Marketing and Commercial, Business Exposure, Manufacturing, Quality and Supply Chain, Technology, Corporate Governance, Financial Expertise, ESG Proficiency, and People Management, ensuring comprehensive oversight and strategic decision-making.

> The Company has implemented numerous tree plantation programmes, significantly contributing to expanding green cover, carbon sequestration efforts, and improving air quality and biodiversity.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to improving lives and strengthening communities through its CSR project, centring on skill-building and employability enhancement. This initiative aims to generate a positive societal impact and instigate meaningful change. The primary objective is to empower youth from underprivileged backgrounds with technical skills, enabling them to secure employment and support their families, thereby promoting inclusive growth.

The Company's flagship program, DEEP (Development, Education, Empowerment, and Progress), focusses on upskilling and training youths from socio-economically deprived families for better employability and earning opportunities. Under this initiative, the Company has successfully trained over 150 youths, equipping them with the necessary skills to secure jobs in the rapidly expanding manufacturing sector.

During the year, the Company, under the aegis of the National Employability Enhancement Mission (NEEM), trained 48 youths from underprivileged families in and around Aurangabad District this year. The Company intends to provide various upskilling work and empower the local rural communities to get employment and support their families. Under the DEEP Upskilling project, through its local NGO partner, Yuvashakti Foundation, the Company ensures the development, education, empowerment, and progress of underprivileged families in various villages in Aurangabad District. This initiative has also promoted diversity, with over 45 girls trained and upskilled to become economically independent.

> The Company is committed to improving lives and strengthening communities through its CSR project, centring on skill-building and employability enhancement.

The DEEP trainees undergo a comprehensive training module focussing on various key areas:

- They learn to identify different parts of automotive engines and understand their functions and importance
- They are equipped with the skills to assemble and disassemble engines independently
- They develop the ability to plan and organise work requirements and deliverables within specified timeframes
- They are taught to use resources responsibly, ensuring efficient utilisation
- They also learn to interact and communicate effectively with cross-functional teams, promoting collaboration and productivity

HUMAN RESOURCES

The Company emphasises human capital as a critical pillar of organisational growth. According to the Company, it encourages its employees to embrace new technology and be future-ready to adapt to changing times. The HR function constantly takes action to align employee goals with Company goals through scalable programs, with a strong focus on Diversity, Inclusion, and Belonging. A total of 8,000-man hours of training have been conducted to motivate employees. Leaders in the organisation strive to make all employees feel valued, heard, respected, and empowered. The Company has been certified as a "Great Place to Work", making it an "Employer of Choice", for the third consecutive year.

Exemplary employees who surpass expectations are acknowledged and rewarded in accordance with the Pancha Tatva values. High-growth potential employees are identified and further encouraged to outperform. Future-aligned skills training continues to enable employees to build competencies for future growth.

As of 31st March 2024, the payroll count of permanent employees stood at 990. The past year was satisfactory regarding the Company's industrial relations with its employees and trade unions. The Company has outlined some unique initiatives undertaken during the year to motivate employees and give them a stronger sense of belonging.

Employee Wellness

Employee wellness stands as a crucial element within any organisation. For FY 2023-24, the Company arranged a series of webinars and activities dedicated to enhancing employee well-being. These included sessions on liver disorder prevention, workplace ergonomics, financial well-being, laughter yoga, summer care, in-house health checkups, CPR training, New Year resolutions, cancer awareness, and Zumba Garba. The Company introduced a doctor consultation initiative, providing round-the-clock access to medical advice through video and chat services. Health insurance

awareness programmes were conducted physically and through webinars and under the "know your policy" initiative to ensure employees remain informed about their health insurance benefits.

Family Day Celebrations

The Greaves Family Day celebration at the Aurangabad factory in February 2024 was a resounding success. The event, attended by employees and their families, showcased the spirit of the Greaves family. Dr. Arup Basu, Managing Director graced the occasion as the Guest of Honour. The festivities included cultural performances, games, and activities for families. Special recognitions were given and various awards were presented to Greaves Stars based on employee voting. The event highlighted the strong bonds within the Greaves family and served as a testament to the strength of the work family.

A similar celebration was held at the Pune location in June 2023. Over three hundred Greaves family members enjoyed various activities, including leadership addresses, music, singing, dancing, and performances by Greaves kids. The purpose of Greaves Family Day is to unite employees and their families and express gratitude for their support and contribution to Greaves' growth.

Shaabash Initiative

The Shaabash initiative applauded the academic achievements of employees' children who excelled in their 10th and 12th board examinations. This gesture uplifted employee morale and highlighted the importance of work-life balance. It strengthened the bond between employees and management, promoting a positive work atmosphere.

Festival Celebrations

Festival celebrations at Greaves promote inclusion and understanding among colleagues, allowing them to bond over shared experiences and create lasting memories. These celebrations strengthen connections and boost a sense of belonging within the team.

Skillverse and Greaves Learning Portal

Skillverse is a structured framework designed to organise and categorise skills, facilitating targeted skill development for employees. The Greaves Learning Portal centralises all learning resources, allowing employees to access relevant content for their professional growth.

Board's Report

To

The Members,

The Directors have pleasure in presenting the 105th Annual Report of Greaves Cotton Limited ("the Company" or "Greaves") on the business and operations along with the Audited Financial Statements for the Financial Year ended 31st March 2024.

FINANCIAL HIGHLIGHTS

(₹ in Crore)

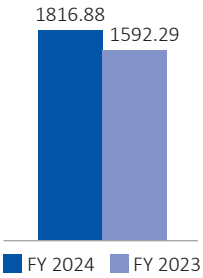
Particulars	Consolidated		Standalone	
	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2024	Year Ended 31st March 2023
Total Revenue	2697.95	2,766.59	1,816.88	1,592.29
Profit Before Tax and Exceptional items	62.63	132.15	227.02	153.73
(Expense) / Income on Exceptional Items	(334.83)	(12.50)	138.70	6.99
Profit / (Loss) Before Tax	(273.10)	112.81	365.72	160.72
Less: Tax expense	94.17	43.06	81.36	45.62
Profit / (Loss) for the year	(367.27)*	69.75*	284.36	115.10
Total Comprehensive Income / (Loss) for the year	(367.87)	71.49	284.19	115.95
Dividend paid and Tax on Dividend	20.88	4.63	20.88	4.63
Balance of the Profit carried forward	977.50	1,134.14	867.32	604.01

** includes share in loss of an associate amounting to Rs.0.90 Crore for year ended 31st March 2024 and Rs.6.84 Crore for year ended 31st March 2023.*

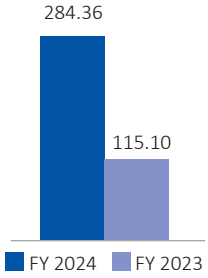
REVIEW OF OPERATIONS AND STATE OF AFFAIRS

Standalone Performance: (₹ in Crore)

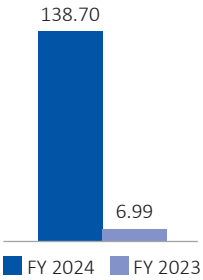
Total Revenue



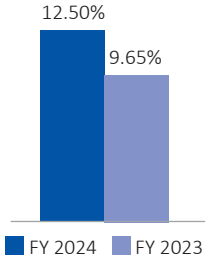
PAT



***Exceptional Profit**



PBT and exceptional items (%)



** Please refer Note 31 of Standalone Financial Statement for further details*

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

During the year under review, the Company has not revised its Financial Statement(s) or the Board's Report ("Report") in respect of any of the three preceding Financial Years either voluntarily or pursuant to the order of a judicial authority.

Acquisitions:

In line with the Company's strategy to diversify into new product categories with the intent to strengthen its presence in commercial vehicles and develop the complete mobility ecosystem, the Company acquired 60% shareholding (on a fully diluted basis) in Excel Controlinkage Private Limited ("Excel") on 08th May 2023.

Excel is one of the largest players in mechanical and electronic motion control systems with integrated capability to manufacture push pull cables, levers & sensors and is the margin leader in the industry. Excel's wide range of portfolio includes heavy duty push pull cables, mechanical levers & linkages and electronic throttle levers catering to customer segments like Commercial Vehicles, Construction Equipment, Agriculture, Material Handling, Marine and Special Purpose Vehicles, supplying directly to vast majority

of the Original Equipment Manufacturers (OEMs) as well as to the aftermarket. Excel has integrated manufacturing facility making it the leading heavy-duty push pull cable manufacturer in India that makes Inner, Outer Conduits and End Fittings.

Greaves Electric Mobility Private Limited ("GEMPL"), a material subsidiary of the Company acquired an additional 25% shareholding in MLR Auto Limited ("MLR") thereby increasing its holding to 51% of the shareholding in MLR. With this MLR has become a subsidiary of GEMPL w.e.f. 16th May 2023.

NATURE OF BUSINESS

Greaves Cotton Limited is an end-to-end energy solutions Company that has a diversified strategy to cater to the growing demand for customer-centric and sustainable mobility solutions. The Company operates in multiple segments, namely Automotive, Non-Automotive, Aftermarket, Retail, Electric Mobility (Ampere Electric for electric scooters and other electric industrial products and e-rickshaws), Finance and Technologies. With a rich legacy and brand trust of over 163 years, Greaves is dedicated to transforming the sustainable, cleantech, and green mobility landscape through innovative technologies, aiming to benefit a billion lives by 2030. 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 thirteen state-of-the-art manufacturing facilities in the country, which create world-class products and solutions. The Company's retailing network comprised approximately 10,000 retailers and over 130 distributors. Moreover, the Company has established partnerships with more than 20,000 mechanics nationwide in Financial Year 2023-24. During the year, our core business remains unchanged, reflecting our unwavering dedication to delivering unparalleled quality and service.

SHARE CAPITAL

Authorised:

The authorised share capital of the Company as on 31st March 2024 stood at ₹ 75,00,00,000 (Rupees Seventy-Five Crore) divided into 37,50,00,000 (Thirty-Seven Crore Fifty Lakh) 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.

Issued, subscribed and paid-up:

The issued, subscribed and paid-up share capital of the Company as on 31st March 2024 stood at ₹ 46,39,99,938 (Rupees Forty-Six Crore Thirty-Nine Lakh Ninety-Nine Thousand Nine Hundred and Thirty-Eight) divided into 23,19,99,969 (Twenty-Three Crore Nineteen Lakh Ninety-Nine Thousand Nine Hundred and Sixty-Nine) equity shares of ₹ 2 each (Rupees Two only).

During the year under review, the paid-up share capital of the Company increased pursuant to allotment of 3,51,382 (Three Lakh Fifty-One Thousand Three Hundred and Eighty-Two) equity shares of ₹ 2 each (Rupees Two only) amounting to ₹ 7,02,764 (Rupees Seven Lakh Two Thousand Seven Hundred and Sixty-Four) on exercise of stock options under 'Greaves Cotton- Employee Stock Option Plan 2020' ("the ESOP Scheme").

There was no instance wherein the Company failed to implement any corporate action within the statutory time limit.

TRANSFER TO RESERVES

During the year under review, ₹ 0.93 Crore was transferred to reserves on account of lapse of stock options issued under the ESOP Scheme.

DIVIDEND

The Board of Directors have recommended a dividend of ₹ 2 per share (100%) on face value of ₹ 2 per share for the Financial Year ended on 31st March 2024. The dividend if approved by the shareholders at the ensuing Annual General Meeting will result in an outflow of approximately ₹ 46.40 Crore and at a pay-out ratio of 16.32% of the standalone profits of the Company.

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.

The Board of the Company has adopted a Dividend Distribution Policy and dividend declared/recommended during the year is in accordance with the said Policy. The said Policy is available on the Company's website under the "Investors" section at https://greavescotton.com/wp-content/uploads/2023/04/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 and 76 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on 31st March 2024, the Company has seven subsidiaries. During the year under review, the details of the performance of the subsidiary companies are as follows:

Greaves Finance Limited ("GFL")

GFL, a wholly owned subsidiary of the Company, is a non-banking finance company engaged in the business of Retail Vehicle Financing and provides lending and related solutions to prospective purchasers of electric 2-wheeler and 3-wheeler vehicles and also offers lease financing options to the last-mile delivery and service aggregators. It has reported total revenue of ₹ 6.09 Crore and loss of ₹ 14.43 Crore as against revenue of ₹ 4.33 Crore and loss of ₹ 2.90 Crore in the previous Financial Year.

GFL has further obtained registration to act as corporate agent under IRDAI (Registration of Corporate Agents) Regulations, 2015 w.e.f. 22nd February 2024 for the purpose of undertaking Composite Corporate Insurance Agency business.

Greaves Technologies Limited ("GTL")

GTL, a wholly owned subsidiary of the Company engaged in the business of providing engineering services to the OEMs for development or maintenance of engines, plant and machinery and equipment of every description, reported total revenue of ₹ 34.79 Crore and loss of ₹ 1.59 Crore as against revenue of ₹ 25.21 Crore and loss of ₹ 0.23 Crore in the previous Financial Year.

Greaves Technologies Inc ("GTI")

GTI, a wholly owned subsidiary of Greaves Technologies Limited, incorporated on 23rd February 2022 in USA, engaged in providing engineering services, has started its operations in the Financial Year 2023-24 and reported total revenue of ₹ 0.29 Crore and loss of ₹ 0.06 Crore.

Excel Controlinkage Private Limited ("Excel")

Excel, a subsidiary of the Company, is involved in manufacturing of mechanical and electronic motion control systems with integrated capability to manufacture push pull cables, levers & sensors. Excel has reported total revenue of ₹ 264.66 Crore and profit of ₹ 59.95 Crore as against revenue of ₹189.12 Crore and profit of ₹ 18.16 Crore in the previous Financial Year.

Greaves Electric Mobility Private Limited ("GEMPL")

GEMPL, a material subsidiary of the Company, involved in designing and manufacturing of electric vehicles, has reported total revenue of ₹ 466.35 Crore and loss of ₹ 641.56 Crore as against revenue of ₹ 1092.35 Crore and profit of ₹ 6.55 Crore in the previous Financial Year.

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 total revenue of ₹ 95.09 Crore and loss of ₹ 19.36 Crore as against revenue of ₹ 70.69 Crore and loss of ₹ 18.15 Crore in the previous Financial Year.

MLR Auto Limited ("MLR")

MLR, a subsidiary 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 total revenue of ₹ 86.50 Crore and loss of ₹ 25.91 Crore as against revenue of ₹ 45.29 Crore and loss of ₹ 26.30 Crore in the previous Financial Year.

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 Audited Standalone and Consolidated Financial Statements of the Company and separate Audited Financial Statements in respect of subsidiaries, are available on the website of the Company at https://www.greavescotton.com/investors/financials.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for Financial Year 2023-24 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 as 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 the Listing Regulations, have been duly complied with. A detailed report on Corporate Governance for the Financial Year ended 31st March 2024 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.

The quarterly Corporate Governance Reports confirming that the Company has complied with the statutory provisions were filed with the Stock Exchanges, where the shares of the Company are listed and also placed before the Board.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

A separate section on Business Responsibility & Sustainability 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 affirming compliance with the Company's Code of Conduct by the Directors and Senior Management, for the Financial Year 2023-24, as required under Schedule V of the Listing Regulations, forms part of this Annual Report.

ENVIRONMENT, HEALTH AND SAFETY

The Company's manufacturing units are governed by 'Environment Policy' and '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 takes various steps to promote environment, health and safety measures across the Company, which, inter alia, includes:

1. Complimentary and Annual health check-up & consultation facility at reputed hospital for employees and their family members followed up with data analysis, gap identification & counselling.
2. Systems implementation to ensure zero compromise on safety through 'Work permit system' and ownership of adherence to the safety norms.
3. Regular safety drives coupled with effective trainings are conducted to help spread awareness among employees on how to maintain a safe work environment.
4. 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.
5. Increased focus on training & awareness, safety guidelines and various audits like Internal Audit, SMAT Audit, theme-based safety inspection, safety patrolling, fire equipment audit & emergency equipment audit.
6. Identification of safety hazards, near misses and accident-prone areas through safety management audit.
7. 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.
8. Various health programs were organized like blood donation camps, neuropathy, eye check-up, tetanus toxoid vaccination camp and sessions on stress management, brain stroke, etc.
9. World Environment Day and Earth Day are observed on an annual basis.
10. Environmental measures like planting saplings are conducted across all the facilities.
11. Various green initiatives taken at our Aurangabad plant like afforestation initiative by implementing the Japanese method of Miyawaki plantation, around 1000 saplings planted in & around plant premises under the each one plant one initiative. Further, green belts have been developed in the areas around other factory premises.
12. Water conservation initiative undertaken by having an artificial farm lake at our Aurangabad plant.
13. Reducing the carbon footprint & emission of greenhouse gases by recycling & reusing the aluminium scrap briquettes by working with the supplier to promote recycling.
14. Use of recyclable pallets for the transportation of finished goods.
15. Use of moulded pulp packaging for transportation of finished components, which is recyclable as well as biodegradable.
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. Digitalisation of SOP's, check-sheets and reports at shop floor imbibing culture of paperless operations.
18. Installation of 700 KW solar power plant at our Industrial Engines Unit located at Chikalthana Aurangabad in April 2023. This solar power plant will generate approx. 10 Lakh units of electricity annually.

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.

We have 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 of vocational skills, thereby improving their employability for a better future.

In Financial Year 2023-24, we had 48 DEEP Trainees available with us. Till date we have inducted 467 DEEP Trainees.

In Financial Year 2023-24, the relations of the Company with all its employees and trade unions remained harmonious. The payroll count of Company's permanent employees was 990 as on 31st March 2024.

Disclosures pertaining to the Sexual Harassment of Women at 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 Workplace and constituted an Internal Complaints Committee which is in compliance with the applicable statutory requirements. There were no cases with respect to sexual harassment pending at the start of the year, however, one case was filed and resolved during the year under review. There were no complaints pending as on 31st March 2024.

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 Shareholders of the Company through Postal Ballot notice dated 11th June 2020 had approved the Greaves Cotton – Employees Stock Option Plan 2020 ("the ESOP Scheme") on 11th July 2020 for grant upto 46,24,135 stock options ('the Options') to the eligible employees of the Company, its holding company and subsidiaries.

There was no change in the ESOP Scheme during the Financial Year under review. The ESOP Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. 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. During Financial Year 2023-24, no employee was granted options equal to or exceeding 1% of the issued share capital of the Company.

In compliance with the requirements of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, a certificate from Secretarial Auditors confirming implementation of ESOP Scheme in accordance with the said regulations will be available electronically for inspection by the Shareholders during the ensuing Annual General Meeting ("AGM") of the Company.

During the year under review, 3,51,382 (Three Lakh Fifty-One Thousand Three Hundred and Eighty-Two) equity shares of ₹ 2 each were allotted under the ESOP Scheme.

The details of the ESOP Scheme, including terms of reference and the requirement specified under the Act and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the Company's website at https://www.greavescotton.com/investors/financials

DIRECTORS

Executive Director

Change in Designation

Based on the recommendations of the NRC and the Board, the shareholders at the 104th AGM held on 10th August 2023 approved re-designation of Mr. Nagesh Basavanhalli from Executive Vice Chairman to Non – Executive Vice Chairman of the Company with effect from 12th May 2023 along with other terms and conditions.

Independent Director

Appointment

Based on the recommendation of the NRC, the Board appointed Mr. Mangalath Unnikrishnan as an Additional Director (Non-Executive, Independent) of the Company for a period of 5 (five) consecutive years with effect from 01st April 2024, subject to approval of the shareholders which shall be obtained within 3 months from the date of appointment.

Cessation/Resignation

Mr. Arvind Kumar Singhal completed his second consecutive term as an Independent Director and thus retired as an Independent Director of the Company with effect from the close of business hours on 31st March 2024.

Mr. Kewal Handa resigned as an Independent Director of the Company with effect from 05th April 2023 due to his professional commitments.

Retire by Rotation

Re-appointment of Director liable to retire by rotation

The shareholders at the 104th AGM held on 10th August 2023 approved the re-appointment of Mr. Karan Thapar as a Director liable to retire by rotation.

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

Profile of Director to be re-appointed at the ensuing AGM, as required by Regulation 36(3) of the Listing Regulations and Secretarial Standard- 2 on General Meetings, is given in the notice of 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.	Dr. Arup Basu	Managing Director
2.	Mr. Atindra Basu	Group General Counsel and Company Secretary
3.	Mrs. Akhila Balachandar	Chief Financial Officer

Based on the recommendation of the NRC & Audit Committee, the Board at its meeting held on 12th May 2023, appointed Mrs. Akhila Balachandar as the Chief Financial Officer of the Company with effect from 13th June 2023.

Mr. Dalpat Jain, Chief Financial Officer of the Company resigned with effect from 12th June 2023 and thus he ceased to be a KMP of the Company.

STATEMENT OF DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS

All the Independent Directors of the Company 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 for the Financial Year ended 31st March 2024, the applicable accounting standards have been followed;
2. 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 2024 and of the profit of the Company for that period;
3. 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. Prepared the annual accounts on a going concern basis;
5. 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. 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

Based on the recommendation of the NRC and approval of the Board, the Company has adopted the policy on appointment and remuneration of Directors, KMPs and Senior Management and formulated the criteria for determining the qualifications, positive attributes and independence of a director. The said criteria include, inter alia, that 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, legal, ESG and a proven track record.

The NRC makes recommendations to the Board regarding the appointment/re-appointment of Directors. The role of the NRC encompasses conducting a gap analysis, wherever applicable, and identifying suitable candidates for Directorship. Based on the recommendation of the NRC, the Board recommends the appointment of director to the shareholders of the Company.

The policy of the Company on Directors remuneration as required under sub-section (3) of Section 178 of the Act is given in **Annexure 1** to this Board's Report and also available on the Company's website at https://greavescotton.com/wp-content/uploads/2023/04/GCL-Remuneration-Policy_04.05.2021.pdf.

The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Company believes that diverse board will leverage differences in knowledge, perspective, skills, background, race and gender, which will help the Company to retain its competitive advantage. The Board has adopted the Policy on Board Diversity which sets out the approach to the diversity of the Board of Directors. The said Policy is available on the Company's website at https://greavescotton.com/wp-content/uploads/2023/04/Policy_Board_Diversity.pdf.

The NRC periodically reviews and oversees the succession planning for the Board and select senior management positions as part of its talent management process. Our focused approach on retaining the critical talent ensures that the business objectives are achieved in line with overall purpose of the Company.

The details of Board and Committee composition, tenure of Directors, areas of expertise, criteria for making payments to Non-Executive Directors and other details are disclosed in the Corporate Governance Report which forms a part of this Annual Report.

During the year under review, the Managing Director of the Company 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(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given as **Annexure 2** to this Board's Report.

The Annual Report except the statement of particulars of employees pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the Shareholders of the Company and others entitled thereto in terms of Section 136 of the Act. If any Shareholder is interested in obtaining a copy of the said statement, they may write to the Company Secretary at the Corporate Office of the Company or send an e-mail at investorservices@greavescotton.com stating their Folio No./ DPID & Client ID.

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Company follows a structured orientation programme including presentations by key personnel to familiarize the Directors with the Company's operations. Presentations made at the Board / Committee Meetings, inter alia, cover the business strategies and performance, brand architecture, budgets, factory visits, CSR activities, key risks in PESTLE format, operations of subsidiaries, update on regulatory requirements 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://greavescotton.com/wp-content/uploads/2023/07/Familiarisation-Programmes-for-Directors-2022-23-1.pdf

EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

The Board of Directors evaluated the effectiveness of their functioning including that of its Committees and of individual directors, pursuant to the provisions of the Act and the Listing Regulations.

The criteria for performance evaluation included, inter alia, relevant experience and skills, preparedness and constructive contributions, transparency, participation in strategic long-term planning, integrity, focus on shareholder value creation, monitoring corporate governance practices, relationship with the management and Board/Committee culture and dynamics.

The Board evaluation process has been completed for FY 2023-24 and the same was carried out by way of an internal assessments based on combination of a detailed questionnaire and through verbal discussions.

The Independent Directors also at their separate meeting held for the Financial Year 2023-24, met without the presence of the management and Non-Independent and Non-Executive Director wherein they evaluated the performance of the Non-Independent Directors and the Board as a whole. The performance of the Chairman of the Company was also evaluated after considering the views of Executive Director and Non-Executive Directors.

In the Board meeting held after the meeting of the Independent Directors, the performance of the Board, its Committees, and individual Directors were discussed after considering inputs from all the eligible Directors (excluding the Director being evaluated).

The Board of Directors were satisfied with the performance of the Board, its Committees and individual directors and noted that there is adequate flow of information from Company to the Board and the suggestions and recommendations given by the Board are considered for follow up action. The Board Committees are well-managed, functioning adequately and the meetings are held on a timely basis giving attention to each agenda item.

LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments as per Section 186 of the Act, as on the 31st March 2024 are given in the Notes to the Financial Statements.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements and transactions entered by the Company with related parties during Financial Year 2023- 24 were in the ordinary course of business and on an arm's length basis. All related party transactions that were approved by the Audit Committee were reviewed by the Audit Committee on a quarterly basis. Prior approval of the Audit Committee by way of omnibus approval was obtained periodically for the transactions which were planned and/or repetitive in nature.

Necessary disclosure with respect to the material related party transactions during the FY 2023-24, is given in the prescribed form AOC-2 which is annexed as **Annexure 3** to this report.

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

The policy on dealing with related party transactions is available on the Company's website at https://greavescotton.com/wp-content/uploads/2023/07/Draft-RPT-Policy-12.05.2023.pdf

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return for the year ended 31st March 2024 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 4** to this Board's Report.

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 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.

COMMITTEES OF THE BOARD

As on 31st March 2024, the Board had five committees: the Audit Committee, the Nomination and Remuneration Committee, the Environmental, Social and Governance & Corporate Social Responsibility Committee ("ESG & CSR Committee"), the Risk Management Committee and the Stakeholders Relationship and Share Transfer Committee.

The details pertaining to composition of the Committees and brief terms of reference of the Committees of the Board are disclosed in the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Committees 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 reviewed by 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 material 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 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 ESG & CSR Committee covering the objectives, initiatives, outlay, implementation, monitoring, etc. The CSR Policy is displayed on the Company's website at https://greavescotton.com/wp-content/uploads/2023/04/GCL-CSR-Policy_04.05.2021.pdf.

During the year under review, the nomenclature of CSR Committee was revised to ESG & CSR Committee to cover Environmental, Social and Governance ('ESG') roles and responsibilities while ensuring it complies with the requirement of the Act.

A report on the CSR activities in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is given in **Annexure 5** to this Board's Report.

The Company is committed to help people live better and to make communities stronger. The focus of our CSR project is skill building and employability enhancement that can create a positive impact in the society we operate in while also ushering in meaningful change. The objective is to empower youth from underprivileged communities by providing technical skills to get employed and support their families to have more inclusive society.

Under Upskilling Theme

The Company's flagship programme DEEP (Development, Education, Empowerment and Progress) is focused on upskilling and training the youth from socio-economically deprived families for better employability and earning opportunities.

Under this CSR initiative, the Company is helping to empower the youth from the local communities by imparting the required technical skills. Till date, the Company has helped 157 youths to successfully complete their training to upskill themselves and to enable them taking up jobs in the fast-growing manufacturing sector.

During the year under review, Greaves along with the National Employability Enhancement Mission (NEEM) has been imparting training to 48 youths from underprivileged families in and around Aurangabad District through various upskilling work and empowering the local rural communities to get employment and support their families. Under DEEP upskilling project through our local NGO partner Yuvashakti Foundation, Greaves ensured Development, Education, Empowerment and Progress of the youths residing in various villages of Aurangabad District. Through this initiative, we will continue to encourage diversity and till date, we have also trained more than 45 girls so that they become economically independent. This programme is a part of skill development initiative launched by the Central government under NEEM- a program through All India Council for Technical Education.

Outcome for DEEP Training

These DEEP trainees undergo the exhaustive and comprehensive training module which is mainly focuses on below areas:

- Identify parts of automotive engines and understand their function / importance.
- Assemble & dissemble engines independently.
- Plan and organise work requirements deliverables in the given time.
- Use resources in a responsible manner.
- Interact & communicate effectively with cross functional team.

VIGIL MECHANISM

The Company has established a vigil mechanism through a Whistle Blower Policy, where under, the Directors, Employees and Other Persons 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. The Company regularly provides Code of Conduct trainings to create awareness on the whistle-blower mechanism available across various locations. It provides direct access to the Directors, Employees and Other Persons to approach the Compliance Officer or the Chairperson of the Audit Committee, wherever necessary. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimisation. The Board at its meeting held on 12th May 2023 amended the Whistle Blower Policy to extend its scope to the subsidiary companies and to deal with matters involving leak or suspected leak of Unpublished Price Sensitive Information as per Insider Trading Regulations. The Whistle Blower Policy is available on the Company's website at https://greavescotton.com/wp-content/uploads/2023/06/Whistle-Blower-Policy-for-website-upload.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 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 performed effectively and efficiently;
- Assets are adequately safeguarded;
- Frauds and errors are prevented and detected within 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 Financial Year 2023-24, 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 Department. The Company is also committed in ensuring that the operations are carried out within the purview of applicable laws and statutory requirements.

In the opinion of Statutory Auditors, 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 2024.

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 until the conclusion of the 106th AGM of the Company.

The Audit Committee at its meeting held on 07th May 2024, evaluated the performance of the Statutory Auditors along with the Management and was satisfied with their performance. In the opinion of the Audit Committee, the Statutory Auditor is competent, qualified and is independent of the Board and the Management.

The Statutory Auditor 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 2024 does not contain any qualification, reservation or adverse remark.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

The Statutory Auditor, Secretarial Auditor and Cost Auditor of the Company has not reported any instances of fraud to the Audit Committee, under the Section 143(12) of the Act.

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

There are no material changes and commitments which affect the financial position of the Company that have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this report.

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 and Regulation 24A of the Listing Regulations:

a. the Company had engaged the services of M/s. Purwar & Purwar Associates LLP, Company Secretary in Practice, to conduct the Secretarial Audit of the Company and provide annual secretarial compliance report for the Financial Year ended 31st March 2024.

b. Greaves Electric Mobility Private Limited, Material Subsidiary of the Company, had engaged the services of M/s. SGGS & Associates for conducting the Secretarial Audit for the Financial Year ended 31st March 2024.

The Secretarial Audit Report (Form MR- 3) of the Company and its material subsidiary are attached as **Annexure 6 and 7** respectively to this Board's Report. The Annual Secretarial Compliance Report to be issued by the Secretarial Auditor, was submitted to the stock exchanges within the statutory timelines and is available on the Company's website at http://www.greavescotton.com/investors/corporate-announcements

The Secretarial Audit Report of the Company does not contain any qualification, reservation or adverse remark.

MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 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. The Cost Audit Report for the year ended 31st March 2023, was filed with the Central Government within the prescribed time and for the year ended 31st March 2024, the audit report will be filed within prescribed timeline.

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 Auditors of the Company to conduct an audit of the cost records maintained by the Company for the financial year ending 31st March 2025.

As required under Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Shareholders. The Board of Directors recommends the same for ratification by Shareholders at 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, co-operation 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

Karan Thapar
Chairman
DIN: 00004264

Mumbai
08th May 2024

Annexure 1

PREAMBLE AND TITLE

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

The Board of Directors (the "Board") at their meeting held on 10th August 2023 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 permanent employment of the Company.

d) "Senior Management Personnel" means officers / personnel (excluding EA's / assistant) of the Company who are mapped under M1 Band and M2 Band (reporting to Managing Director of the Company / CEO of Business Segment.)

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

Within the overall limits approved by the shareholders, on the recommendation of the Nomination and Remuneration Committee, the Board shall have the authority to determine remuneration of Non-Executive Director in such manner as Board may deem fit and proper.

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 NRC shall propose the remuneration including revision in remuneration for the Chief Executive Officers (CEO), Key Managerial Personnel (KMP) and Chief Human Resource Officer (CHRO). The Board shall have the final authority to approve the remuneration including revision in remuneration based on recommendation of NRC.

The remuneration including revision in remuneration of functional heads reporting to Managing Director / CEO of business segment of the Company whether in M1 band or M2 band shall be approved under the overall authority of the Managing Committee. The overall remuneration including revision in remuneration for such category shall be placed before the NRC and Board for its noting on a periodic basis.

The remuneration including revision in remuneration of 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/ CEO of the Business Segment.

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.

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 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2023-24:

Name	Designation	Ratio to Median Remuneration	% Increase in Remuneration in Financial Year 2023-24
Mr. Karan Thapar	Non-executive Chairman	17.55:1	36.48
Mr. Nagesh Basavanhalli*	Executive Vice Chairman	108.94:1	-
	Non- Executive Vice Chairman	0.36:1	-
Dr. Arup Basu**	Managing Director	68.68:1	-
Mr. Arvind Kumar Singhal***	Independent Director	7.55:1	60.80
Mr. Kewal Handa #	Independent Director	-	-
Ms. Sree Patel	Independent Director	6.44:1	39.03
Mr. Firdose Vandrevala	Independent Director	6.33:1	29.67
Mr. Ravi Kirpalani	Independent Director	4.97:1	-
Mr. Raja Venkataraman	Independent Director	6.01:1	-
Mr. Mangalath Unnikrishnan ##	Independent Director	-	-
Mr. Atindra Basu	Group General Counsel & Company Secretary	43.94:1	39.81
Mr. Dalpat Jain ###	Chief Financial Officer	6.09:1	-
Mrs. Akhila Balachandar ^	Chief Financial Officer	15.58:1	-

Notes:

The % increase of remuneration is provided only for those Directors and KMPs who have drawn remuneration from the Company for the full Financial Year 2023-24 and full Financial Year 2022-23.

* Mr. Nagesh Basavanhalli was re-designated as Non-Executive Director and Vice Chairman from Executive Vice Chairman with effect from 12th May 2023. Further, the ratio to medium remuneration includes gross salary for his employment in Financial Year 2023-24 (including variable pay for Financial Year 2022-23) and perquisites pursuant to exercise of ESOP amongst others. Further, no sitting fees was paid to him.

** Dr. Arup Basu's remuneration includes gross salary for the entire Financial Year 2023-24 and variable pay for Financial Year 2022-23 which is paid in Financial Year 2023-24. Further, his % of annual increment in the remuneration is mentioned in point IV below.

*** Mr. Arvind Kumar Singhal completed his second consecutive term as an Independent Director and thus retired as an Independent Director of the Company with effect from the close of business hours on 31st March 2024.

\# Mr. Kewal Handa resigned with effect from 05th April 2023.

\## Mr. Mangalath Unnikrishnan was appointed with effect from 01st April 2024.

\### Mr. Dalpat Jain resigned with effect from 12th June 2023.

^ Mrs. Akhila Balachandar was appointed with effect from 13th June 2023.

II. The percentage increase / (decrease) in the median remuneration of employees in the Financial Year: 10.08%

III. The number of permanent employees on the rolls of the Company as on 31st March 2024: 990

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:

Employee Group	Average percentile increase/(decrease) in the salaries of employees for FY 2023-24
All permanent employees	9.45%
Executive Directors / Managerial Remuneration -Dr. Arup Basu	9.00%

Note: The remuneration paid to executive directors is within the limits as approved by the Shareholders.

V. It has been affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Karan Thapar
Chairman
DIN: 00004264

Mumbai
08th May 2024

Annexure 3

Form AOC – 2

Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contract / arrangements entered into by the Company with related parties referred to in sub-section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

There were no contracts or arrangements or transactions entered into by the Company with related parties during the year ended 31st March 2024, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis.

Sr. No	Particulars	Remarks
1	Name(s) of the related party and nature of relationship	M/s. Peak 15 Advisors LLP A Limited Liability Partnership, in which Mr. Nagesh Basavanhalli, Non– Executive Vice Chairman, is a designated partner.
2	Nature of contracts / arrangements / transactions	Consultancy Services Agreement ("Agreement").
3	Duration of the contracts / arrangements / transactions	The Agreement is effective from 10th August 2023 and will remain in force for a period of 2 (two) years unless terminated earlier in accordance with the provisions of the said Agreement.
4	Salient terms of the contracts or arrangements or transactions including the value, if any	Salient Terms of the agreement: The LLP provides professional advisory services to the Company and its subsidiaries as mentioned below: • Strategic guidance and oversight, aiding strategy formulation and business plan execution. • Evaluation of significant initiatives with recommendations for success. • Policy insights and stakeholder engagement for favourable outcomes. • Advisory on sales, marketing, supplier relationships and external landscape. • Building positive stakeholder relationships and representing the organization. • Mentorship for senior leaders, supporting them in achieving business goals. • Other services as may be required by the Company from time to time. Monetary Value: The Company has agreed to pay Rs. 4 Crore per financial year and in proportion thereof to the LLP as the consideration for availing the professional advisory services.
5	Date(s) of approval by the Board, if any	10th August 2023
6	Amount paid as advances, if any	Nil

For and on behalf of the Board

Karan Thapar
Chairman
DIN: 00004264

Mumbai
08th May 2024

Annexure 4

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

- Reducing the carbon footprint & emission of greenhouse gases by recycling & reusing the aluminium scrap briquettes by working with the supplier to promote recycling and thereby reducing the energy consumption involved in the process of aluminium heating & extraction.
- Cold testing of industrial engines saving the electricity & diesel that is consumed during hot testing.
- Product & Process re-engineering projects at shop floor resulting in reduced consumption of consumables, energy saving & reducing the waste resulting from the process.
- Around 50 lac units of electricity generated through the solar power plants installed at the plants.
- Digitalisation of SOP's, check-sheets and reports at shop floor imbibing culture of paperless operations.
- Installation of pumps with low energy consumption for engine testing.
- Conversion of shop floor lighting to an energy-efficient lighting system, by adopting LED lights.
- Setting up of a variable frequency drive (VFD).
- For the BS VI Diesel model, Greaves has started purchasing HPDC crankcases rather than LPDC.

For further details, please refer question no. 4 under leadership indicator of Principle 6 of Business Responsibility and Sustainability Report.

(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.

Installation of 700 KW solar power plant at Industrial Engines Unit in Chikalthana Aurangabad in April 2023. This solar power plant will generate approx. 10 Lakh units of electricity annually.

(iii) Capital investment on energy conservation equipment

Nil

B. Technology absorption

(i) Efforts made towards technology absorption

1. The Company has launched single cylinder 435 CC engine meeting BSVI emission norms on 3 wheeler Passenger and Cargo vehicle. This is the state of art engine with innovative technology of liquid pressure injection, designed and developed by our R&D team. It is equipped with customer friendly mechanical fuel injection system. The engine continues its legacy of being best in class and delivers superior performance over the segment.
2. The CNG engines have been productionised in two variants namely mono-fuel & 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 developed the engine with lower emissions, low fuel consumption & also upgraded its manufacturing facilities for the upcoming CPCBIV+ norms. This engine is reliable, economical power solution which can operate even on Biodiesel.
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, Company has improved performance of existing engines to meet customer requirement end 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 Upgradation: Digitisation and Automation at Greaves

In continuation to our 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 & production parameters.

All these performance & manufacturing parameters are stored against each engine number & component manufactured which provides complete data traceability.

In continuation with Digital journey and a step towards Industry 4.0, IoT Trackers has been installed on the bottleneck machines in the machine shop with Central Dashboard showing live production parameters like shift output, losses, defective quantity, and machine utilisation in the form of graphs, bar charts, pie charts. IoT data is collected, recorded, and analysed for the improvement in OEE & imbibing culture of paperless morning meetings across the shop.

In addition to this, we have implemented digital check-sheet at the final inspection station of engine application area which enables operator to digitally record the checkpoints and capture the photographs as per the engine BOM checklist. Similarly, our TPM- JH check sheet for individual machines has also been digitalised and data from the digital check sheet is recorded and analysed to take up theme-based projects to improve equipment efficiency.

The station wise Standard operating procedures (SOPs) at our Shendra plant have also been digitised completely.

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

1. Launch of new G 435 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, consistent emission margins and higher useful life. This engine is the upgraded version of Greaves' popular G 435 BS VI engine which is known for its power & robustness. It is one of its kind engine which is mechanically governed & uses the liquid injection pump technology to attain the BSVI norms.

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 for improved profitability and provide cost effective solution to customers.

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: N.A.

The year of import: N.A.

Whether the Technology is fully absorbed: N.A.

(iv) Expenditure on R&D

Particulars	Amount (₹ in Crore)
Capital	47.52
Revenue	14.57
Total	62.09

The total R&D expenditure as a percentage of Revenue from Operations: 3.5%

(2022-23: 20.91 crore)

C. Foreign Exchange earnings and outgo

Particulars	Amount (₹ in Crore)
Inflow	87.57
Outflow	40.59

For and on behalf of the Board

Karan Thapar
Chairman
DIN: 00004264

Mumbai
08th May 2024

Annexure 5

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.

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 'Upskilling'.

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. Firdose Vandrevala	Member / Independent Director	4	4
3	Dr. Arup Basu	Member / Managing Director	4	4

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.

The Composition of CSR Committee is disclosed on the website of the Company at https://greavescotton.com/wp-content/uploads/2023/07/Composition-of-committee-12.05.2023.pdf

The Board, based on the recommendation of the CSR Committee has approved the annual action plan / projects for Financial Year 2023-2024, the details are disclosed on the website of the Company 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 placed on the website of the Company at https://greavescotton.com/wp-content/uploads/2023/04/GCL-CSR-Policy_04.05.2021.pdf

4. Provide the executive summary along with weblinks 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:

N.A.

5. (a) Average net profit of the Company as per section 135(5): ₹ 91.95 Crore

(b) Two percent of average net profit of the Company as per section 135(5): ₹ 1.84 Crore

(c) Surplus arising out of the CSR projects, programmes or activities of the previous Financial Years: Nil

(d) Amount required to be set off for the Financial Year, if any: ₹ 0.22 Crore

(e) Total CSR obligation for the Financial Year (b+c-d): After factoring in the set-off amount, the CSR obligation stands at ₹ 1.62 Crore. However, the CSR Committee had sanctioned an expenditure of ₹ 1.65 Crore. Consequently, the CSR obligation for the Financial Year 2023-24 was ₹ 1.65 Crore.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Name of Project	Type of Project	Budgeted Amount for FY 2023-24 (in Crore)	Actual Amount Spent in the FY 2023-24 (in Crore)
DEEP – Upskilling Project	Ongoing	1.65	1.54

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year (a+b+c): ₹ 1.54 Crore

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		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
1.54	0.11	16-04-2024	NA	NA	NA

(f) Excess amount for set off, if any: Nil

Sr. no	Particular	Amount (₹ in Crore)
(i)	Two percent of average net profit of the Company as per section 135(5)	1.84
(ii)	Total amount spent for the Financial Year	1.54
(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)]	-

7. Details of Unspent CSR amount for the preceding three Financial Years: NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: During the Financial Year 2023-24, no capital assets have been created or acquired through Corporate Social Responsibility amount.

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135 (5): Yuvashakti Foundation, the implementing Agency for the DEEP – Upskilling Project, has observed higher attrition amongst NEEM trainees than initially projected for the Financial Year 2023-24. Consequently, the actual CSR expenditure for Financial Year 2023-24 fell short of the budgeted amount. The remaining funds will be allocated and utilized in the Financial Year 2024-25.

Dr. Arup Basu
Managing Director
DIN: 02325890

Sree Patel
Chairperson of CSR Committee
DIN: 03554790

Annexure 6

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2024

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

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) having its Registered Office at J-2, MIDC Industrial Area, Chikalthana, Aurangabad 431210. 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, 2024 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, 2024 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;

  (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 Non-Convertible Securities) Regulations, 2021;

(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 period under review, the Company has allotted 3,51,382 Equity Shares on exercise of stock options under 'Greaves Cotton – Employee Stock Option Plan 2020'.

For **Purwar & Purwar Associates LLP**
Company Secretaries
[Unique Identification Code: L2023MH013700]
[PR: 3174/2023]

Pradeep Kumar Purwar
Designated Partner
FCS No. 5769
CoP No. 5918
UDIN:- F005769F000334845

Place: Thane
Date: 08th May 2024

Annexure 7

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Greaves Electric Mobility Private Limited
(Formally known as Ampere Vehicles Private Limited)
Plot No. 72, Ranipet Industrial Park,
Ranipet, Vellore- 632403, Tamil Nadu

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Greaves Electric Mobility Private Limited (CIN: U51900TN2008PTC151470) (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 Company's 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 March 31, 2024 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 March 31, 2024 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; **(Not Applicable)**

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder; **(Not Applicable)**

(iv) 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;

(v) The regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); **(Not Applicable)**

We further report that, having regard to the representation made by the Company and its Officers, compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis the Company has complied with the laws i.e. as stated in **Annexure I** attached herewith, applicable to the Company.

We have also examined, on test check basis, the relevant documents and records maintained by the Company according to the guidelines issued for electric vehicles by Ministry of Power and Ministry of Heavy Industries, Government of India.

Remark: The Ministry of Heavy Industries ('MHI') vide its letter dated 25th May 2023 ('Notice'), had alleged that the Company failed to adhere to Phased Manufacturing Programme Guidelines and directed the Company to deposit all the incentive claimed (approx. INR 124 Crore along with interest) to MHI subject to submission of necessary representation.

The GEMPL on 27th October 2023, had offered to amicably resolve and put a quietus to the matter keeping in mind the interest of the consumers and without accepting any of the allegations, contentions or statements in the Notice and without prejudice, and refunded to MHI, by reserving GEMPL rights and contentions, an amount of ~ Rs. 125 Crore along with interest of ~ Rs.15 Crore.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India related to board and general meetings.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, with following remark:

We are given to understand that the evaluation of Independent Directors for Financial Year 2023-24 will be scheduled for FY 2024-25. Further, considering that the Company is closely held and governed by amended and restated Shareholders Agreement (Restated SHA) dated 2 June 2022 where the constitution and representation is governed by SHA, the evaluation of other directors was not carried out.

We further report that

As on 31st March 2024, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and a Woman Director. The processes relating to the following changes in the composition of the Board, during the Audit period and upto the date of this report, were carried out in compliance with the provisions of the Act:

a. Mr. Kewal Handa (DIN: 00056826) resigned from the position of Independent Director with effect from 05th April 2023.

b. Mr. Raja Venkataraman (DIN: 00669376) was appointed as an Independent Director on the Board of the Company to hold office with effect from 20th April 2023.

c. Ms. Jayanthi Yeshwant Kumar (DIN: 02647841) was appointed as an Independent Women Director on the Board of the Company to hold office with effect from 27th September 2023. With this, the requirement of appointing a women director on the Board of the Company was satisfied.

d. Mr. Atindra Nath Basu (DIN: 07048133) was appointed as the Nominee Director of Greaves Cotton Limited on the Board of the Company to hold office with effect from 15th October 2023.

e. Mr. Sanjay Kumar Behl (DIN: 07003899) ceased to be Whole-time Director with effect from 14th October 2023 (closure of business hours).

f. Mr. Atindra Nath Basu (DIN: 07048133) ceased to be the Nominee Director with effect from 03rd April 2024.

g. Mr. Kunnakavil Vijaya Kumar (DIN: 006630397) was appointed as an Executive Director and CEO of the Company with effect from 03rd April 2024.

Adequate notice is given to all directors/committee members to schedule the board meetings and committee meetings, agenda and detailed notes on agenda were sent within the prescribed time 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.

All the decisions were carried with requisite majority. The members of the board have not expressed dissenting views on any of the agenda items during the financial year under review.

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 following events also took place:

(a) the Company acquired an additional 25% shareholding in MLR Auto Limited ("MLR") thereby increasing its holding to 51% of the shareholding in MLR. With this, MLR has become a subsidiary of GEMPL w.e.f. 16 May 2023.

(b) Ms. Shivani Pradeep Chopra resigned as Company Secretary of the Company with effect from 04 August 2023 and Mr. Vijayamahantesh Khannur was appointed as Company Secretary of the Company with effect from 07 August 2023.

(c) Basis the recommendations of the Board, the shareholders at the 15th Annual General Meeting of the Company held on 27 September 2023 approved the alteration of articles of association of the Company to increase the composition of the Board size from Seven to Eight.

(d) With the re-constitution of the Audit Committee by the Board w.e.f., 03 August 2023, the composition of the Audit Committee was duly satisfied w.r.t. Section 177 of the Companies Act, 2023.

(e) Upon exercise of stock options, the Company allotted 117,191 equity shares under the AVPL (Director) Employee Stock Option Plan 2020.

(f) Mr. Sanjay Kumar Behl resigned as CEO of the Company with effect from 02 April 2024 and Mr. Kunnakavil Vijaya Kumar was appointed as CEO of the Company with effect from 03 April 2024.

There are no other events that requires reporting in this report.

This report shall be read with Annexure I and II enclosed along with this report.

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

Gaurav Sainani
Partner
Membership No.: A36600
Certificate of Practice No.: 24482
UDIN: A036600F000305066
Peer Review Certificate No.: 1112/2021

Place: New Delhi
Date: 03 May 2024

ANNEXURE I

List of Industrial and Labour laws applicable to the Company

Under the Major Group and Head

1. The Factories Act, 1948
2. The Industrial Disputes Act, 1947
3. Industries (Development & Regulation) Act, 1951
4. Labour laws and other incidental laws related to Labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, bonus, provident fund, Employees' State Insurance etc.
5. The Contract Labour (Regulation & Abolition) Act, 1970
6. The Shops and Establishment Act for the state where the Company have its office situated.
7. The Legal Metrology Act, 2009
8. The Maternity Benefit Act, 1961
9. Fire Prevention and Life Safety Measures
10. Environment Protection Act, 1986 and other environmental laws including E-Waste Management Rules, 2016

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

Gaurav Sainani
Partner
Membership No.: A36600
Certificate of Practice No.: 24482
UDIN: A036600F000305066
Peer Review Certificate No.: 1112/2021

Place: New Delhi
Date: 03 May 2024

Annexure II

To
The Members,
Greaves Electric Mobility Private Limited,

The Secretarial Audit Report of even date is to be read along with this letter.

Auditor's Responsibility

1. Our objective is to obtain reasonable assurance about the compliance under applicable laws, maintenance of records and issue a report that includes our opinion. While reasonable assurance in high level assurance, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the standards.
2. We have followed the audit practices and processes in accordance with CSAS-1 to CSAS-4 i.e. the Auditing Standards issued by ICSI, which were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct.

Management Responsibility

3. The compliance of provisions of all laws, rules, regulations, standards applicable to Greaves Electric Mobility Private Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures maintained by the Company and required for the purpose of issue of the Secretarial Audit Report.
4. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished by the Company, along with explanations where so required.

Others

5. The verification compliance and records was done on test check basis to ensure that correct facts are reflected in secretarial and other records produced. We believe that the processes and practices we follow, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company and relied on the report presented by the Statutory Auditors of the Company.
7. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Gaurav Sainani
Partner
Membership No.: A36600
Certificate of Practice No.: 24482
UDIN: A036600F000305066
Peer Review Certificate No.: 1112/2021

Place: New Delhi
Date: 03 May 2024

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

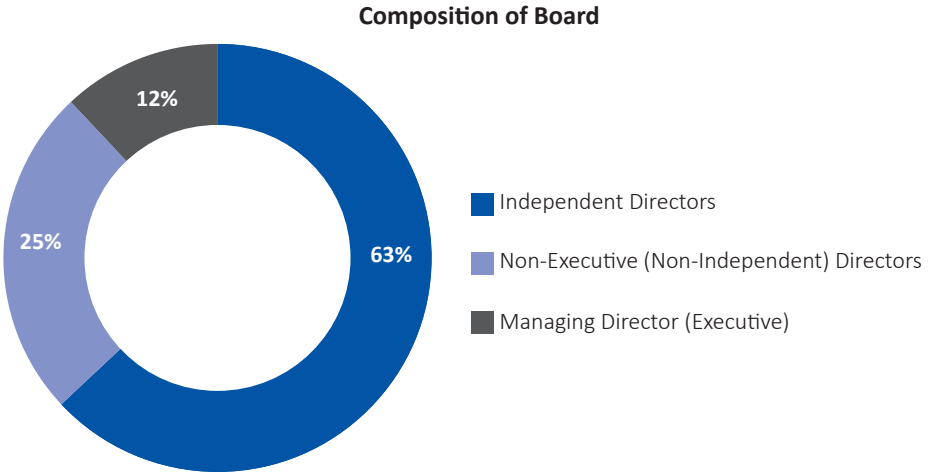
Corporate Governance practices constitute a strong foundation on which successful organizations are built to last. The Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. The Company always aims towards building trust and enhancing its stakeholders' 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.

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 the stakeholders.

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') and as amended from time to time. The Board consists of experienced and eminent professionals with expertise in varied fields. The composition of the Board, consist of an optimum mix of Independent, Non-Executive and Executive Directors, including an Independent Woman Director which 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 on the Company's website at https://greavescotton.com/about-us/board-of-directors/.



As on 31st March 2024, the Board consists of 8 (Eight) Directors comprising of 5 (Five) Independent Directors including 1 (One) Woman Independent Director, 1 (One) Managing Director (Executive) and 2 (Two) Non-Executive (Non-Independent) Directors. The Managing Director under the superintendence of the Board including Chairman and Vice Chairman and support of the competent Management Team is responsible for overseeing the entire business performance, driving growth, implementation of the strategic decisions and ensuring overall success while adhering to the directions set by the Board.

The Chairman of the Company is the Non-Executive Director and is not related to the Managing Director as per the definition of "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 of the Company and Directorship / Committee positions of the Directors as on 31st March 2024 in other public companies are as follows:

Name	Date of Appointment	Position / Category	Directorship in other Indian Public Limited Companies[1]	No. of Board Committees in which Chairperson / Member[2]	
				Chairperson	Member
Mr. Karan Thapar (DIN: 00004264)	29/09/1991	Non-Executive Chairman	2	-	1
Mr. Nagesh Basavanhalli (DIN: 01886313)	27/09/2016	Non-Executive Vice Chairman	2	-	-
Dr. Arup Basu (DIN: 02325890)	12/05/2022	Managing Director	1	-	1
Mr. Arvind Kumar Singhal (DIN: 00709084)	01/11/2013	Independent Director	3	1	3
Ms. Sree Patel (DIN: 03554790)	14/02/2017	Independent Director	-	-	-
Mr. Firdose Vandrevala (DIN: 00956609)	15/10/2021	Independent Director	2	1	3
Mr. Ravi Kirpalani (DIN: 02613688)	12/05/2022	Independent Director	3	2	3
Mr. Raja Venkataraman (DIN: 00669376)	09/02/2023	Independent Director	5	3	3

[1] *excludes directorships in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.*

[2] *includes only Audit Committee and Stakeholders' Relationship Committee of other Indian public limited companies as on 31st March 2024. Further, membership includes positions as Chairperson of Committee.*

During the period under review, the following changes took place in the composition of the Board of Directors:

Mr. Kewal Handa resigned as an Independent Director of the Company with effect from 5th April 2023 due to his professional commitments. He had confirmed that there were no material reasons for his resignation.

Mr. Nagesh Basavanhalli, Executive Vice Chairman was re-designated as Non-Executive Vice Chairman of the Company with effect from 12th May 2023.

Mr. Arvind Singhal completed his second term as an Independent Director of the Company with effect from close of the business hours of 31st March 2024.

After the end of the Financial Year 2023-24, Mr. Mangalath Unnikrishnan (DIN: 01460245) was appointed as an Additional Director (Non-Executive, Independent Director) of the Company for a period of 5 years with effect from 1st April 2024, subject to the approval of the shareholders of the Company.

As per declaration received from the Directors for the Financial Year 2023-24:

a) none of the Directors is a member of more than ten Committees or Chairperson of more than five Committees across all companies in which they are a Director as per the requirement of regulation 26 of the Listing Regulations.

b) none of the Directors hold directorship in more than twenty companies including ten public companies and in more than seven listed companies, across the directorships held including that in the Company.

c) Managing Director (Executive) of the Company do not serve as an Independent Director of any listed Company.

The Directorships of the Directors in other listed entities along with the category of directorships as on 31st March 2024, 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:

Core Skill Area	Skills/Expertise/ Competencies	Summary
Leadership	Global Economics	Experience as an Entrepreneur/ Business Leader/ CEO/ Industrialist, leading the operations of a large organization with an understanding of the consumer, operations, sales & marketing, business processes, strategic planning, risk management and governance.
Strategic	Merger and Acquisitions	Giving strategic guidance to the management regarding organic and inorganic growth opportunities to enhance the profitability and value for investors, competitively and in a sustainable manner.
Operational	Sales, Marketing and Commercial	Experience in strategizing market share growth, building brand awareness and enhancing enterprise reputation.
	Business Exposure	Understanding of diverse business environments, regulatory framework, economic & political conditions, cultures globally and a broad perspective on global market opportunities.
	Manufacturing, Quality and Supply Chain	Operational expertise and technical know-how in the area of manufacturing, quality and supply chain.
	Technology	Ability to evaluate the impact of Digital / Information Technology across the value chain and understanding of emerging technologies.
Expert Knowledge	Corporate Governance	Expert knowledge of high governance standards with an understanding of changing regulatory framework. Protection of stakeholders' interest, observing best governance practices and identifying key governance risks.
	Financial Expertise	Proficiency in financial management, financial reporting process, budgeting, treasury operations, audit and capital allocation.
	ESG Proficiency	Ability to guide in improving Environmental, Social and Governance ('ESG') practices of the Company and evaluation of the Company's efforts towards social and environmental factors and driving corporate sustainability initiatives, ethics and values.
Human Resource	People Management	Experience of developing talent, planning succession and driving changes towards long-term growth. General know-how of business management, talent management and development, workplace health & safety.

Basis the above-mentioned skill matrix and Board composition as on 31st March 2024, the skills which are currently available with the Board have been mapped below:

Name	Global Economics	ESG Proficiency	Financial Expertise	Sales, Marketing and Commercial	Merger and acquisitions	Manufacturing, Quality and Supply Chain	Corporate Governance	Technology	People Management
Mr. Karan Thapar	✓	✓	✓	✓	✓	✓	✓	-	✓
Mr. Nagesh Basavanhalli	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Arup Basu	✓	✓	-	✓	✓	✓	✓	✓	✓
Mr. Arvind Kumar Singhal	✓	✓	✓	✓	✓	✓	✓	-	✓
Ms. Sree Patel	✓	✓	✓	✓	✓	-	✓	✓	✓
Mr. Firdose Vandrevala	✓	✓	✓	✓	✓	✓	-	✓	✓
Mr. Ravi Kirpalani	✓	✓	-	✓	✓	✓	✓	✓	✓
Mr. Raja Venkataraman	✓	✓	✓	✓	✓	✓	✓	-	✓

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

During the Financial Year 2023-24, the Board met four times i.e. on 12th May 2023, 10th August 2023, 7th November 2023 and 8th February 2024. The Board met at least once in every calendar quarter and the gap between 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 104th AGM of the Members of the Company was held on 10th August 2023 at 03:00 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 held during the Financial Year 2023-24 are as follows:

Name	Number of Board Meetings attended	Attendance at 104th AGM
Mr. Karan Thapar	4 of 4	Yes
Mr. Nagesh Basavanhalli	4 of 4	Yes
Dr. Arup Basu	4 of 4	Yes
Mr. Arvind Kumar Singhal	4 of 4	Yes
Mr. Kewal Handa*	N.A.	N.A.
Ms. Sree Patel	4 of 4	Yes
Mr. Firdose Vandrevala	4 of 4	Yes
Mr. Ravi Kirpalani	4 of 4	Yes
Mr. Raja Venkataraman	4 of 4	Yes

**resigned with effect from 5th April 2023*

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 review the strategic business plan and operations of the Company. The annual calendar of Board and Committee Meetings is tentatively agreed upon at the beginning of each year to ensure meaningful participation in the meetings. In case of any special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed at the subsequent Board meeting.

The Board has complete access to all the information of the Company. Following processes are being adopted to ensure that the Board is well equipped with all necessary information to effectively discharge its responsibilities:

- The Board and Committee Meetings are governed by a structured agenda which is backed by comprehensive background information.
- 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.
- Agenda papers are uploaded in a web-based tool for information, perusal and comments, etc. of the Board/ Committee members.
- Presentations are made to the Board by Business and Functional Heads on operations and various matters concerning business of the Company, organisational talent, culture and succession planning for critical roles including the Senior Management.
- Independent access to the Senior Management of the Company.
- 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 Company has an effective post Board Meeting follow up procedure. A formal system for follow-up, review, and reporting on actions taken by management on Board decisions is in place.
- Action taken report on the actions taken on the actionable arising out of the previous meeting is placed at the immediately succeeding meeting for information of the Board.

The Board and Committee members are provided with video conferencing facility to facilitate them to participate in the meetings. 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.

3. COMMITTEES

The Board has constituted several statutory Committees in accordance with the Act and the Listing Regulations, which include:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship & Share Transfer Committee
- Environmental, Social and Governance & Corporate Social Responsibility Committee
- Risk Management Committee

The functioning of each of these Committees is regulated by the specific terms of reference, roles, responsibilities and powers as approved by the Board and as detailed in their respective Charters. During the year under review, Board of Directors in its meeting held on 8th February 2024, reviewed and approved amendment to all the above-mentioned Committee Charters to align it as per the current practices of the Company while ensuring compliance with the regulatory requirements.

The recommendations of the Committees are submitted to the Board for their approval. During the year, all recommendations of the Committees were approved by the Board. Generally, Committee Meetings are held prior to the Board Meeting and the Chairperson of the respective Committees update the Board about the deliberations, recommendations and decisions taken by the Committee.

The Company Secretary of the Company acts as the Secretary to these Committees. The draft Minutes of the Committee Meetings are circulated to the respective Committee members for their comments and the final Minutes are thereafter entered into the Minutes Book. Minutes of the proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting.

3.1 Audit Committee:

The Audit Committee ('Committee') prima-facie 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:

- oversight of the financial reporting process and disclosure of financial information;
- reviewing the Management Discussion and Analysis of financial condition and results of operations;
- reviewing with Management, the quarterly financial results and annual financial statements and the auditor's report thereon;
- recommending the appointment, remuneration and terms of appointment of the auditors of the Company;
- reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- reviewing the management letters / letters of internal control weaknesses, if any, issued by the Statutory Auditor;
- evaluating internal financial controls, risk management systems, discussion on any significant findings and Management response and follow up thereon;
- reviewing the findings of any internal investigations by the internal auditor;
- reviewing the internal audit reports relating to internal control weaknesses;

- approving or any subsequent modification of transactions with related parties;
- scrutiny of inter-corporate loans and investments;
- reviewing financial statements, in particular, investments made by the unlisted subsidiary companies;
- 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;
- reviewing valuation of undertaking or assets of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blower Mechanism and ensure adequate safeguards against victimization of employees, Directors and other persons;
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, acquisition, etc., on the Company and its shareholders;
- reviewing and monitoring compliance with the Code of Conduct for Prevention of Insider Trading in the Securities of the Company and provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015;
- approving the appointment of Chief Financial Officer; and
- review the appointment, removal and terms of remuneration of the Chief Internal Auditor.

3.1.2 Composition, attendance of members at the meeting and other details

The composition of the Committee meets the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. As on 31st March 2024, the Committee comprises of three Directors, all of whom are Independent Directors. The Chairperson of the Committee was present at the last AGM, held on 10th August 2023.

The Company Secretary is the Secretary to the Committee. Generally the Non-Executive Vice Chairman, Managing Director, Chief Financial Officer, Chief Internal Auditor of the Company, representatives of the Statutory Auditor and the Internal Auditor are the invitees at the Committee Meetings.

During the Financial Year 2023-24, the Committee met four times i.e. on 11th May 2023, 9th August 2023, 6th November 2023 and 7th February 2024. The gap between any two consecutive meetings did not exceed 120 days. The details of the composition as on 31st March 2024 and attendance of the Members at these Meetings held in Financial Year 2023-24 are as follows:

Name	Designation	Number of Meetings attended
Mr. Raja Venkataraman*	Chairperson	4 of 4
Mr. Kewal Handa**	Chairperson	N.A.
Ms. Sree Patel	Member	4 of 4
Mr. Firdose Vandrevala	Member	4 of 4

** inducted as a member with effect from 10th February 2023 and designated as a Chairperson of the Committee with effect from 14th April 2023*

***ceased to be a member with effect from 5th April 2023*

3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee ('NRC') prima-facie ensures that the Company's nomination, remuneration and incentive policies, practices and key performance indicators of the Executive Directors, Key Managerial 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

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

- 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, Key managerial personnel and other employees;

- 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.

- 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; and

  e) Key performance indicators, the actual performance vis-à-vis the key performance indicators and amount of the annual performance linked incentive;

- To devise a policy on Board diversity;

- 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;

- To develop and maintain Board succession plan;

- 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;

- To review the Remuneration / Promotion / Increment / Performance Linked Incentive Policy, including remuneration structure, retention and termination policies;

- 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

- To investigate any senior level employee grievance or complaints that may have arisen.

3.2.2 Composition, attendance of members at the meeting and other details

The composition of the NRC meets the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. As on 31st March 2024, the NRC comprises of three Directors out of which two are Independent Directors including the Chairperson and one Non-Executive Director. The Chairperson of the NRC was present at the last AGM, held on 10th August 2023.

The Company Secretary acts as the Secretary of the NRC. The Non-Executive Vice Chairman and the Group Chief Human Resource Officer of the Company are the invitees at the NRC Meetings.

During the Financial Year 2023-24, the NRC met four times i.e. on 8th May 2023, 9th August 2023, 7th November 2023 and 7th February 2024. The details of the composition as on 31st March 2024 and attendance of the Members at these Meetings held in Financial Year 2023-24 are as follows:

Name	Designation	Number of Meetings attended
Mr. Arvind Kumar Singhal	Chairperson	4 of 4
Mr. Ravi Kirpalani	Member	4 of 4
Mr. Karan Thapar	Member	4 of 4

After the end of the Financial Year 2023-24, due to completion of second term of Mr. Arvind Kumar Singhal on 31st March 2024, the Board designated Mr. Ravi Kirpalani as the Chairperson and Mr. Mangalath Unnikrishnan as a member of Committee with effect from 1st April 2024.

3.2.3 Remuneration policy

Based on the recommendation of NRC, the Board has formulated a comprehensive Remuneration Policy for its Directors, Key Managerial Personnel (KMPs), Senior Management and other employees. Remuneration Policy of the Company is performance driven and is structured to attract and retain talent, motivate employees, recognize their merits and achievements, and to promote excellence in their performance.

Based on the recommendation of NRC, the Board of Directors in its meeting held on 8th February 2024, reviewed and approved amendment to the Remuneration policy to incorporate the approval matrix for determining the remuneration of key employees as outlined in the policy.

This amended policy is available on the Company's website at https://greavescotton.com/wp-content/uploads/2023/04/GCL-Remuneration-Policy_04.05.2021.pdf

1. For Executive Directors

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

The remuneration paid to the Executive Directors comprises of salary and allowances, perquisites, retirement benefits and performance linked incentives. Details of remuneration paid to the Executive Directors during the Financial Year 2023-24 are as follows:

(₹ in lakh)

Name of the Director	Fixed component			Variable Component	Total
	Salary and Allowances	Perquisites	Retirement benefit	Performance Linked Incentives	
Mr. Nagesh Basavanhalli*	37.41	369.18	20.40	180.02	607.01
Dr. Arup Basu	251.34	5.82	13.32	112.19	382.67

**re-designated as Non-Executive Vice Chairman of the Company with effect from 12th May 2023*

Performance linked Incentive of the individual is linked to the financial and non-financial parameters of the organization.

There is no separate provision for payment of severance fees.

Details regarding Service Contract and Notice Period are as follows:

	Dr. Arup Basu
Service Contract	12th May 2022 to 11th May 2027
Notice Period	3 months

2. For Non - Executive Directors

The Non- Executive Directors are inter alia 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 as per table mentioned below:

Type of Meetings	Amount in ₹
Board of Directors	75,000
Audit Committee	75,000
Nomination and Remuneration Committee	75,000
ESG & CSR Committee	35,000
Risk Management Committee	35,000
Independent Directors	35,000
Stakeholders' Relationship and Share Transfer Committee	25,000
Management Boards	20,000

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

b. Commission

In terms of the Members' approval through postal ballot on 22nd December 2021 for payment of remuneration by way of commission to Non-Executive Directors for a period of five years commencing from 1st April 2022, 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:

a. Number of meetings attended;

b. Role and contribution as Chairman / Member of the Board;

c. Role and contribution as Chairman / Member of the Committee; and

d. Overall contribution and time devoted outside the meetings.

Details of the remuneration paid / payable to the Non-Executive Directors for the Financial Year 2023-24 are as follows:

(₹ in lakh)

Name of the Directors	Sitting fees	Commission#	Total
Mr. Karan Thapar	7.40	90.40	97.80
Mr. Nagesh Basavanhalli^	N.A.	N.A.	N.A.
Mr. Arvind Kumar Singhal	8.15	33.90	42.05
Mr. Kewal Handa*	N.A.	N.A.	N.A.
Ms. Sree Patel	8.75	27.12	35.87

(₹ in lakh)

Name of the Directors	Sitting fees	Commission#	Total
Mr. Firdose Vandrevala	8.15	27.12	35.27
Mr. Ravi Kirpalani	7.35	20.34	27.69
Mr. Raja Venkataraman	6.35	27.12	33.47

#after deducting value of perquisite of Rs. 2,02,693/- given to Mr. Nagesh Basavanhalli. Commission is subject to approval of the audited financial statements for the Financial Year 2023-24 by the Members at the forthcoming 105th AGM

^ re-designated as Non-Executive Vice Chairman of the Company with effect from 12th May 2023 and as per approvals sought by the Company, he is not entitled to profit based commission and sitting fees

**resigned with effect from 5th April 2023*

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.

Except for the remuneration, sitting fees paid / payable, reimbursement of expenses and related party transaction entered pursuant to Section 188 of the Act which is disclosed in Annexure-3 of the Board's Report, none of the Directors of the Company have any pecuniary relationship with the Company.

The remuneration paid to the Non-Executive Directors during Financial Year 2023-24 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.

3.2.4 Shareholding of Non-Executive Directors of the Company

Mr. Nagesh Basavanhalli, Non-Executive Vice Chairman of the Company holds 3,80,700 equity shares of the Company as on 31st March 2024.

3.2.5 Particulars of Senior Management Personnel including changes therein since the close of previous Financial Year

As of 31st March 2024, the following individuals served as Senior Management personnel of the Company.

Sr. No	Name	Designation
1.	Mrs. Akhila Balachandar	Chief Financial Officer
2.	Mr. Narasimha Jayakumar	Chief Executive Officer, Greaves Retail
3.	Mr. Atindra Nath Basu	Group General Counsel and Company Secretary
4.	Mr. Varghese Thomas	Group Chief Communication Officer
5.	Ms. Shefali Suri	Group Chief Human Resource Officer
6.	Mr. Prashant Narwade	Head- Manufacturing & ME
7.	Mr. Sandip Chaudhari	CTO
8.	Mr. Rajasekaran Alagarsamy	Head – AMB
9.	Mr. Sambhaji More	Head- SCM
10.	Mr. Abhijit Narendra Joshi	Head- Marketing and Sales
11.	Mr. Neeraj Sharan	Business Head- Electric Vehicle Solutions and New Business
12.	Mr. Alok Kapoor	Head- Auto EV Mart.
13.	Mr. Ashish Kumar Pathak	Sr. GM – International Business

During the Financial Year 2023-24, following were the changes in the Senior Management Personnel:

Sr. No	Name	Designation	Reason for change	Date of joining / Cessation/ Intimation to Company
1.	Mr. Dalpat Jain	Chief Financial Officer	Resignation	12/06/2023
2.	Mrs. Akhila Balachandar	Chief Financial Officer	Appointment	13/06/2023
3.	Mr. Nirmal Rao	Head- Greaves Retail	Resignation	03/07/2023
4.	Mr. Neeraj Sharan	Business Head- Electric Vehicle Solutions and New Business	Appointment	04/09/2023
5.	Mr. Abhijit Joshi	Head- Marketing and Sales	Appointment	05/10/2023
6.	Mr. Alok Kapoor	Head- Auto EV Mart	Appointment	02/01/2024
7.	Mr. Ashish Kumar Pathak	Sr. GM- International Business	Appointment	15/01/2024
8.	Mr. K Srinivasan	Vice President- Greaves Care	Resignation	29/03/2024

3.3 Environmental, Social and Governance & Corporate Social Responsibility Committee

During the year under review, basis the recommendation of the CSR Committee, the Board of Directors reviewed and approved amendment to the CSR Committee Charter to cover Environmental, Social and Governance ('ESG') roles and responsibilities while ensuring it complies with the requirement of the Act. The nomenclature of the CSR Committee was also revised to ESG & CSR Committee ('Committee').

The objective of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for the corporate social responsibility activities, developing ESG strategy, defining and monitoring ESG targets and respond to the challenges posted by climate change through sustainable business practices of the Company.

3.3.1 Terms of reference in brief

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

- 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;
- Review and recommend to the Board the annual Corporate Social Responsibility Report;
- To develop ESG strategy with a view of creating long term value creation for the stakeholders;
- To identify ESG initiatives, define goals / targets and monitor their implementation;
- To review, recommend, approve, as the case may be, all external sustainability disclosures and sustainability related policies;
- Set up process to identify and review the material topics of the Company on a periodic basis

3.3.2 Composition, attendance of members at the meeting and other details

The composition of the Committee meets the requirements of Section 135 of the Act. As on 31st March 2024, the Committee comprises of three Directors of whom two are Independent Directors including the Chairperson with one Executive Director. The Chairperson of the Committee was present at the last AGM, held on 10th August 2023.

During the Financial Year 2023-24, the Committee met four times i.e. on 10th May 2023, 8th August 2023, 6th November 2023 and 8th February 2024. The details of the composition as on 31st March 2024 and attendance of the Members at these Meetings held in Financial Year 2023-24 are as follows:

Name	Designation	Number of Meetings attended
Ms. Sree Patel	Chairperson	4 of 4
Dr. Arup Basu	Member	4 of 4
Mr. Firdose Vandrevala	Member	4 of 4

3.4 Risk Management Committee

The objective of the Risk Management Committee ('RMC') is to assist the Board in fulfilling its oversight responsibilities for the risk management activities of the Company.

3.4.1 Terms of reference in brief

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

- Review and recommend changes to the 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 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;
- 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;
- 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;

3.4.2 Composition, attendance of members at the meeting and other details

The composition of the Risk Management Committee meets the requirements of Regulation 21 of the Listing Regulations. As on 31st March 2024, the Risk Management Committee comprises of three Directors of whom all are Non-Executive Directors including the Chairperson. The Chairperson of the Committee was present at the last AGM, held on 10th August 2023.

During the Financial Year 2023-24, the Risk Management Committee met four times i.e. on 8th May 2023, 9th August 2023, 7th November 2023 and 7th February 2024. The details of the composition as on 31st March 2024 and attendance of the Members at these Meetings held in Financial Year 2023-24 are as follows:

Name	Designation	Number of Meetings attended
Mr. Karan Thapar	Chairperson	4 of 4
Mr. Nagesh Basavanhalli	Member	4 of 4
Mr. Kewal Handa*	Member	N.A.
Mr. Arvind Kumar Singhal	Member	4 of 4

**ceased to be a member with effect from 5th April 2023*

After the end of the Financial Year 2023-24, due to completion of second tenure of Mr. Arvind Kumar Singhal on 31st March 2024, the Board designated Mr. Raja Venkataraman as the Member of the Committee with effect from 1st April 2024.

3.5 Stakeholders' Relationship & Share Transfer Committee

The Stakeholders' Relationship & Share Transfer Committee ('SRC') 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

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

- To review the report of the RTA about security holders complaints and grievances and follow up for necessary action taken for redressal thereof;
- To review the existing "Security Holder Redressal System" and suggest measures for improvement in investor relations;
- To resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- 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 including the issuance of letter of confirmation / new / duplicate share certificates on split / sub-division, consolidation etc., or in exchange for share certificates which are, defaced, torn, lost, mutilated, teared 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 review the measures taken for effective exercise of voting rights by shareholders and adherence to the service standards adopted by the Company in respect of various services being rendered by the RTA; and
- To review various measures and initiatives taken by the Company 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, attendance of members at the meeting and other details

The composition of the Committee meets the requirements of Regulation 20 of the Listing Regulations. As on 31st March 2024, the Committee comprises of three Directors of whom two are Independent Directors including the Chairperson with one Executive Director. The Chairperson of the Committee was present at the last AGM, held on 10th August 2023.

During the Financial Year 2023-24, the Committee met four times i.e. on 10th May 2023, 8th August 2023, 6th November 2023 and 8th February 2024. The details of the composition as on 31st March 2024 and attendance of the Members at these Meetings held in Financial Year 2023-24 are as follows:

Name	Designation	Number of Meetings attended
Ms. Sree Patel	Chairperson	4 of 4
Dr. Arup Basu	Member	4 of 4
Mr. Ravi Kirpalani	Member	4 of 4

3.5.3 Name and designation of Compliance Officer

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

3.5.4 Investor complaints

The Company received five complaints during the year under review which were satisfactorily addressed. There were no pending complaints as on 31st March 2024.

In keeping with the Company's focus on resolving investors' complaints, the RTA strives to attend to all investor complaints promptly. Also, the Stakeholders Relationship and Share Transfer Committee meets as and when required to examine and redress investors' complaints.

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

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

SEBI vide its Master Circular 11th August 2023, has introduced Online Dispute Resolution ('ODR'), which is in addition to the existing SEBI Complaints Redress System ('SCORES') platform, which can be utilised by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform. The SMART ODR Portal can be accessed at https://smartodr.in/login. The detailed circulars and process are also available on the website of the Company at https://greavescotton. com/wp-content/uploads/2023/09/Microsoft-Word SEBICircular_ODR_Final_clean.pdf

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

In accordance with the provisions of section 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 and such shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more are also required to be transferred by the Company to the IEPF Account.

In accordance with the said IEPF Rules and to ensure maximum disbursement of unclaimed dividend, the Company had sent notices to all the Shareholders whose unclaimed dividend and shares were due for transfer to the IEPF and simultaneously published newspaper advertisement(s) requesting them to comply with the procedure and lodge their claims.

The 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.

The Members whose dividend/shares are transferred to the IEPF can claim their shares/dividend from the IEPF by following the procedure prescribed in the IEPF Rules.

The details of Dividend remitted to IEPF during the financial year 2023-24 and till the date of this report:

	Details of Dividend	Dividend declared on	Amount transferred to IEPF (in ₹)	Date of transfer to IEPF
During the Financial Year 2023-24	Final Dividend for the Financial Year 2015-16	26th September 2016	15,18,490	21st November 2023
			6,24,695	01st December 2023
After the Financial Year 2023-24 and till date of this report	Interim Dividend for the Financial Year 2016-17	14th February 2017	56,95,300	12th April 2024
			24,86,180	18th April 2024

Shares transferred / credited to IEPF:

During the Financial Year 2023-24, the Company transferred 35,706 Equity Shares to IEPF Authority. After the Financial Year 2023-24, the Company transferred 21,878 Equity Shares to IEPF Authority on 24th April 2024. The IEPF Authority holds 16,96,053 Equity Shares in the Company as on 31st March 2024.

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

The Company has appointed Mr. Atindra Basu, Group General Counsel and Company Secretary as a Nodal Officer and Deputy Nodal Officer under the provisions of IEPF Rules. 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 31st March 2024)
Final Dividend for the Financial Year 2016-17	03rd August 2017	08th September 2024	32,16,542.00
Interim Dividend for the Financial Year 2017-18	05th February 2018	13th March 2025	57,19,848.00
Final Dividend for the Financial Year 2017-18	13th August 2018	18th September 2025	21,49,115.00
Interim Dividend for the Financial Year 2018-19	04th February 2019	12th March 2026	51,64,016.00
Final Dividend for the Financial Year 2020-21	11th August 2021	16th September 2028	2,73,747.40
Final Dividend for the Financial Year 2021-22	11th August 2022	16th September 2029	2,14,811.00
Final Dividend for the Financial Year 2022-23	10th August 2023	15th September 2030	8,73,944.90

3.6 Meeting of Independent Directors

During the Financial Year 2023-24, the Independent Directors met once without the presence of the management and Non-Executive Non-Independent Directors, whereat, inter alia, the following prescribed items were discussed:

a) review of performance of Non- Independent Directors, the Chairman and the Board as a whole;

b) matters arising out of Board and Board Committee agendas, performance of the Company and other Board-related matters;

c) assessment of the effectiveness and promptness of the information flow inter se the Board and the management.

The Independent Directors of the Board nominated Ms. Sree Patel as the Lead Independent Director of the Company. The role of the Lead Independent Director is to provide leadership to the Independent Directors, liaise on their behalf and ensure effective functioning of the Board. The Lead Independent Director briefed the Chairperson on the proceedings of the Independent Director's Meeting.

3.6.1 Performance evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors are determined by the NRC. The criteria for performance evaluation includes, inter alia, relevant experience and skills, preparedness and constructive contributions, participation in strategic long-term planning, integrity, focus on shareholder value creation, monitoring corporate governance practices and Board/Committee culture and dynamics.

Brief synopsis of the performance evaluation carried out for the Financial Year is provided in the Boards' Report.

3.6.2 Declaration of Independence

Based on the declarations received from all the Independent Directors and in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the Management. Independent Directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

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	Deemed Venue	Special Resolution passed, if any
10th August 2023	3:00 p.m.	Video Conference / Other Audio Visual Means	J-2, MIDC Industrial Area, Chikalthana, Aurangabad-431210	--
11th August 2022	1:30 p.m.	Video Conference / Other Audio Visual Means	Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400 070	• Appointment of Dr. Arup Basu (DIN: 02325890) as Deputy Managing Director and to approve his remuneration. • Appointment of Mr. Ravi Kirpalani (DIN: 02613688) as an Independent Director. • Approval for shifting of Registered Office from Mumbai to Aurangabad.
11th August 2021	04:00 p.m.	Video Conference / Other Audio Visual Means	Unit No. 701, 7th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400 070	• 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.

4.2 Special Resolutions through Postal Ballot

The Company had sought approval of the shareholders by way of Special Resolution through notice of Postal Ballot dated 27th March 2023 for appointment of Mr. Raja Venkataraman (DIN:00669376) as an Independent Director which was duly passed and result of which was announced on 29th April 2023. The Company had already disclosed procedure for the postal ballot along with details of voting pattern in the previous Annual report for the Financial year ended 31st March 2023.

Other than the matter stated above, there were no other businesses for which special resolution was passed through Postal Ballot

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

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 (RPT)

5.1.1 Basis

As a process, an omnibus approval is obtained for related party transactions on periodic basis for transactions which are repetitive in nature as per criteria for making the omnibus approval and unforeseen transactions, as long as they are in line with the Company's RPT Policy. All transactions entered into with the related parties as defined under the Act and the Listing Regulations, and as amended, during the year under review were at an arm's length basis and in the ordinary course of business.

All related party transactions are placed before the Audit Committee for their approval, and on a quarterly basis, the transactions entered into during the previous quarter are reviewed. Details of all the transactions with the related parties are disclosed in Notes to the Standalone Financial Statements, which form part of this Annual Report.

During the year under review, the Company has not entered into any material significant related party transaction that had potential conflict with the interests of the Company.

5.1.2 Policy on dealing with Related Party Transactions

The Board at its meeting held on 8th February 2024 and basis the recommendation of the Audit Committee, reviewed and amended the Policy on Related Party Transactions based on industry benchmarking and to align it with the internal practices followed by the Company. The amended Policy is disclosed on the website of the Company at https://greavescotton.com/wp-content/uploads/2023/07/Draft-RPT-Policy-12.05.2023.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 Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

5.3 Management Discussion and Analysis Report

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

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years and accordingly no penalties or strictures were imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

5.5 CEO/CFO Certification

The Managing Director and the 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 2024, the Company has seven unlisted subsidiary companies. Each subsidiary is managed by its respective Board.

The Board of the Company regularly reviews information w.r.t. subsidiaries that includes (i) review of significant transactions and arrangements entered by the subsidiary companies; and (ii) Noting of minutes of the Board Meetings. The Audit Committee of the Company regularly reviews information w.r.t. subsidiaries that includes: (i) review of the financial statements; (ii) review of utilisation of funds and details of investments and advances made by the subsidiary companies; and (iii) review of inter-subsidiary related party transaction.

The Company has adopted a policy for determining material subsidiaries and the same has been placed on the website of the Company which can be accessed at https://greavescotton.com/wp-content/uploads/2023/04/Policy-for-determining-material-subsidiaries.pdf

5.7.1 Material Subsidiary

As on 31st March 2024, the Company has Greaves Electric Mobility Private Limited as a material unlisted Indian subsidiary as defined under Regulation 16 of the Listing Regulations. Details of the material subsidiary are as follows-

Sr No	Particulars	Details
1.	Date of Incorporation	02/06/2008
2.	Place of Incorporation	Chennai, Tamil Nadu
3.	Name of statutory auditor	M/s. Deloitte Haskins & Sells LLP
4.	Date of appointment of statutory auditor	Appointed on 31/07/2019 for a first term of 5 years starting from 2019-2020 to 2023-2024.

In compliance with the Listing Regulation, the Company has appointed Mr. Raja Venkataraman, an Independent Director of the Company, to serve as an Independent Director on the Board of Greaves Electric Mobility Private Limited.

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' ('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 including contra-trade 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.

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 of the persons as required under the Insider Trading Regulations.

The Company has formulated the 'Policy on Procedure of Inquiry in case of leak / suspected leak of UPSI'. This policy is formulated to maintain a procedure for inquiry in case of leak or suspected leak of UPSI, initiate appropriate inquiries on becoming aware of leak or suspected leak of UPSI and inform the SEBI or the Stock Exchanges promptly. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

The Board at its meeting held on 07th November 2023 amended 'Code of Conduct for Prevention of Insider Trading in the securities of the Company' and 'Policy on Procedure of Inquiry in case of leak / suspected leak of UPSI' based on industry benchmarking and to align it with the internal practices followed by the Company.

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, Group 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 Board at its meeting held on 12th May 2023 amended the Code of Conduct for Board Members and Senior Management to extend its scope to the subsidiaries of the Company and to align it with the core elements of the National Guidelines for Responsible Business Conduct. The Code is displayed on the Company's website which can be accessed at https://greavescotton.com/wp-content/uploads/2023/06/Code-of-Conduct-_BoardSeniormanagement-website-upload.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 2024. A declaration to this effect, signed by the Managing Director, 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 directors, employees or other persons can voice their genuine concerns about any unethical or unacceptable business practice or any event of misconduct. It provides a mechanism for the Directors, employees or other persons 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 Financial Year 2023-24, no personnel have been denied access to the Compliance Officer or the Chairperson of the Audit Committee.

The Board at its meeting held on 12th May 2023 amended the Whistle Blower Policy to extend its scope to the subsidiaries of the Company and to deal with matters involving leak or suspected leak of UPSI as per Insider Trading Regulations. The Whistle Blower Policy is displayed on the website of the Company and can be accessed at https://greavescotton.com/wp-content/uploads/2023/06/Whistle-Blower-Policy-for-website-upload.pdf

6 MEANS OF COMMUNICATION

- **Newspapers:** The Company publishes the statement of financial results (quarterly / half yearly / annual) in English and regional language (Marathi) newspapers like Business Standard and Loksatta. The financial results (quarterly / half yearly / annual) were sent to the stock exchanges and displayed on the Company's website at www.greavescotton.com

- **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

- **Analysts and Investors' Meet / Call:** The Company regularly conducts meetings / calls with analysts and investors to brief them about 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 which can be accessed at https://www.greavescotton.com/investors/investor-information. The audio recordings of earnings call are also sent to the stock exchanges and displayed on the Company's website at www.greavescotton.com

- **Website:** The financial results, official news releases and other corporate announcements are also simultaneously uploaded on the Company's website at http://www.greavescotton.com/investors/financials

7 GENERAL SHAREHOLDER INFORMATION

7.1 Annual General Meeting Information

Day, Date & time: Thursday, 8th August 2024 at 11:00 A.M. IST

Mode: Video Conferencing or Other Audio-Visual Means

Deemed Venue: J-2, MIDC Industrial Area, Chikalthana, Aurangabad-431210.

Dividend and Payment Date: Dividend of ₹ 2 per share (100%) on the face value of ₹ 2 per equity share, payable on or before 6th September 2024, 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 2024-25, as per the following schedule:

1st quarter ending 30th June 2024	:	on or before 14th August 2024
2nd quarter ending 30th September 2024	:	on or before 14th November 2024
3rd quarter ending 31st December 2024	:	on or before 14th February 2025
4th quarter and financial year ending 31st March 2025	:	on or before 30th May 2025
106th Annual General Meeting	:	on or before 30th September 2025

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 Smallcap Index of BSE Limited.

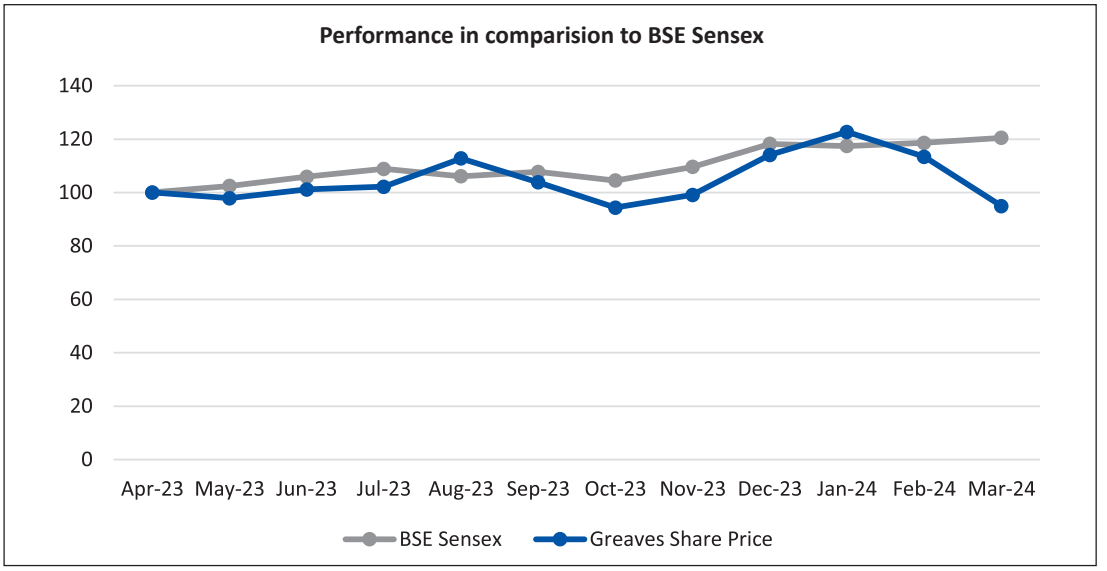
The Listing Fees for the Financial year 2024-25 has been paid to both the above Stock Exchanges.

7.5 Market Price Data (high, low during each month in the Financial Year 2023-24):

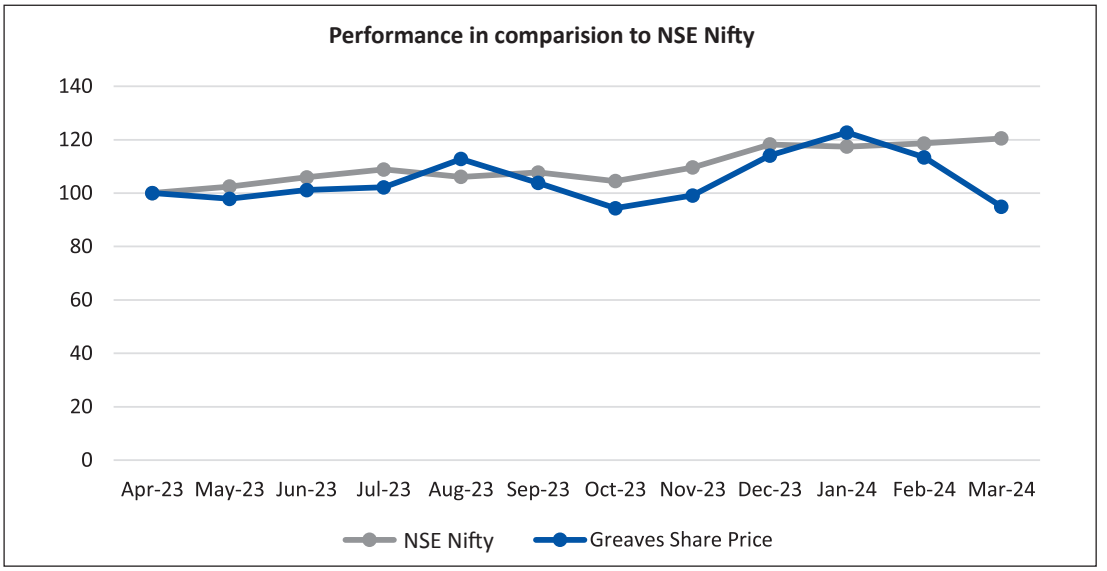
Month	BSE				NSE			
	Prices in ₹		S & P BSE Sensex		Prices in ₹		Nifty 50	
	High	Low	High	Low	High	Low	High	Low
April, 2023	139.00	126.25	61209.46	58793.08	139.15	126.70	18089.15	17312.75
May, 2023	164.80	128.40	63036.12	61002.17	165.00	128.50	18662.45	18042.40
June, 2023	142.70	129.05	64768.58	62359.14	142.90	129.00	19201.70	18464.55
July, 2023	142.25	133.35	67619.17	64836.16	142.25	133.25	19991.85	19234.40
August, 2023	151.05	129.10	66658.12	64723.63	151.00	129.00	19795.60	19223.65
September, 2023	154.90	137.00	67927.23	64818.37	154.95	137.30	20222.45	19255.70
October, 2023	139.60	121.00	66592.16	63092.98	139.30	121.05	19849.75	18837.85
November, 2023	136.95	123.50	67069.89	63550.46	137.00	122.50	20158.70	18973.70
December, 2023	154.00	131.80	72484.34	67149.07	154.00	131.65	21801.45	20183.70
January, 2024	175.50	145.30	73427.59	70001.60	175.70	145.30	22124.15	21137.20
February, 2024	174.00	145.95	73413.93	70809.84	174.00	146.00	22297.50	21530.20
March, 2024	157.20	123.35	74245.17	71674.42	157.95	123.50	22526.60	21710.20

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:	Telephone Number:
KFin Technologies Limited	+91 40 6716 2222
UNIT: Greaves Cotton Limited	Fax Number:
Selenium Tower B, Plot 31-32,	+91 40 2342 0814
Gachibowli, Financial District,	Email Id: einward.ris@kfintech.com
Nanakramguda, Hyderabad – 500 032	Website: www.kfintech.com

7.8 Share Transfer System

The Company has appointed KFin Technologies Limited ('KFINtech') as the RTA to handle shareholders related matters. KFINtech has adequate infrastructure to process investor service related matters. In compliance with Regulation 40(9) of the Listing Regulations, the Company submits a certificate from a Company Secretary in Practice and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of Listing Regulations on a yearly basis, confirming the timely issuance of certificates within 30 days of the date of lodgement for transmission, deletion/change of name, sub-division, consolidation, renewal, exchange etc.

In terms of amended Regulation 40 of the SEBI Listing Regulations w.e.f. 1st April 2019, transfer of securities in physical form are not processed unless the securities are dematerialised with a Depository Participant. Further, with effect from 24th January 2022, SEBI has made it mandatory for listed companies to issue securities in dematerialized mode only while processing any investor service request viz. issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition.

Further, SEBI vide its Circular dated 25th January 2022, clarified that the RTA/ listed company shall verify and process the service requests and thereafter issue a 'Letter of Confirmation' in lieu of physical securities certificate(s), to the securities holder/ claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/ claimant shall make a request to the Depository Participant for dematerializing the said securities. The necessary forms for the above request are available on the website of the Company at http://www.greavescotton.com/investors/investor-information

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 keep their KYC detail updated all the time for processing of service request by the Company and RTA.

The forms for updating the same are made available to the shareholders at www.greavescotton.com

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 2024

Category	Number of Shares held	% of Shareholding
Promoters	12,99,21,455	56.00
Mutual Funds	10,76,414	0.46
Alternative Investment Fund	7,31,970	0.32
Banks	32,550	0.01
Insurance Companies (Central / State Govt. Institutions / Non-Government Institutions)	68,68,247	2.96
NBFC's registered with RBI	26,400	0.01
Foreign Portfolio Investors	65,25,829	2.81
Foreign Institutions	300	0.00
Directors and KMP	3,80,855	0.16
IEPF	16,96,053	0.73
Resident Individuals	7,26,73,573	31.33
NRIs	33,14,042	1.43
Foreign National	60	0.00
Foreign Companies	2,65,000	0.12
Body Corporate	42,48,675	1.83
Trust	3,125	0.00
HUF	42,34,293	1.83
Clearing Members	1,128	0.00
Total	**23,19,99,969**	**100**

7.10 Distribution of Shareholding as on 31st March 2024

Number of shares	Number of shareholders	%	Number of Shares	%
Upto 2,500	2,04,426	97.67	4,01,95,577	17.33
2,501 to 5,000	2,796	1.33	1,02,24,627	4.40
5,001 to 10,000	1,234	0.59	90,24,925	3.89
10,001 to 15,000	319	0.15	39,79,894	1.72
15,001 to 20,000	174	0.08	31,35,938	1.35
20,001 to 25,000	102	0.05	23,65,579	1.02
25,001 to 50,000	137	0.07	49,32,188	2.13
50,001 & above	116	0.06	15,81,41,241	68.16
Total	**2,09,304**	**100**	**23,19,99,969**	**100**

7.11 Dematerialization of Shares and Liquidity

The Company's shares can be traded on the Stock Exchanges only in dematerialized form. As on 31st March 2024, 99.38% of the total equity share capital was held in dematerialized form.

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

The details of shares held in dematerialized and physical form as on 31st March 2024 are as follows:

Particulars	Equity Shares of ₹ 2 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	18,96,07,156	81.73	68,697	32.82
CDSL	4,09,54,305	17.65	1,35,697	64.83
Sub- total	**23,05,61,461**	**99.38**	**2,04,394**	**97.65**
Physical form	14,38,508	0.62	4,910	2.35
Total	**23,19,99,969**	**100**	**2,09,304**	**100**

Promoter's entire shareholding 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 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

As on 31st March 2024, total 15,98,950 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 as on 31st March 2024

Unit	Address
For the Company	
Light Engine Unit-V	A-1/3, Five Star, MIDC Industrial Area, Shendra, Aurangabad- 431 201
Auxiliary Power Business- Genset Assembly	Gat No – 39 (P), 45 (P), 48 (P), Jadhavawadi, Talegaon, MIDC, Near Chasys Automotive Private Limited, Navla Umbre, Mawal, Pune- 410507
Light Engine Unit- I	J-2, MIDC Industrial Area, Chikalthana, Aurangabad- 431 210
Industrial Engine Unit	J-2A, MIDC Industrial Area, Chikalthana, Aurangabad- 431 210
For Subsidiaries	
MLR Auto Limited	Sy. No. 354, Muppireddy Pally, Toopran Mandal, Medak, Telangana 502336
Greaves Electric Mobility Private Limited	Plot No. 72, Sipcot Industrial Park, Ranipet- 632 403
Bestway Agencies Private Limited	Plot No B-27, 28 & 29, Ecotech 1 Extension, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh- 201308
Excel Controlinkage Private Limited	A. Plot No W-67 to W-70, MIDC Industrial Area, Hingna Road, Nagpur-440016 B. i) Plot No N-13 and N-14, MIDC Industrial Area, Hingna Road, Nagpur-440016 ii) Plot No N-15 and W-86, MIDC Industrial Area, Hingna Road, Nagpur-440016 C. Plot No S-73 and S-74, MIDC Industrial Area, Hingna Road, Nagpur-440016 D. Plot No J-19 , MIDC Industrial Area, Hingna Road, Nagpur-440016 E. Plot No N-101/2, MIDC Industrial Area, Hingna Road, Nagpur-440016

7.15 Address for Correspondence

Greaves Cotton Limited
Registered office:
J-2, MIDC Industrial Area, Chikalthana, Aurangabad MH 431210

Corporate office:
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 follows a structured orientation programme including presentations by key personnel to familiarize the Directors with the Company's operations. Presentations made at the Board / Committee Meetings, inter alia, cover the business strategies and performance, brand architecture, budgets, factory visits, CSR activities, key risks in PESTLE format, operations of subsidiaries, update on regulatory requirements etc. where the Directors get an opportunity to interact with the Senior Management.

The details of the same are displayed on the Company's website at https://greavescotton.com/wp-content/uploads/2023/07/Familiarisation-Programmes-for-Directors-2022-23-1.pdf.

7.17 Credit Rating

The Company has obtained credit rating from India Ratings and Research Private Limited (A Fitch Group Company) for the following instruments:

Type of Instrument	Rating
Fund-based working capital limits	IND AA / Negative
Non-fund based working capital limits	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) – N.A.

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 SEBI/ MCA or any such statutory authority – The certificate from a Company Secretary in practice confirming that none of the Directors of the Company are disqualified or debarred by the SEBI or the Ministry of Corporate Affairs or any other authority from being appointed or continuing as Directors of the Company 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 - The Board accepted all the recommendations of its Committees during the year.

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, material 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 was one complaint filed during the year which was resolved and there are no complaints pending as on end of the financial 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': N.A.

9.7 During the year under review, there were no instances of non-compliance of any requirement of corporate governance report as mentioned in sub-paras (2) to (10) of Part C of Schedule V to the Listing Regulations.

9.8 During the year under review, there were no agreements subsisting as mentioned in 5A to para A of part A of schedule III to the Listing Regulations.

10 DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE

During the year under review, the Company is in compliance with corporate governance requirement specified in Regulation 17 to 27 and Regulation 46 of the Listing Regulations, to the extent applicable to the Company.

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

A Non-Executive Director has been provided the Chairman's office. The Company complies with the requirement of having separate persons to the post of Chairman and Managing Director / CEO. The Chairman is not related to the Managing Director as per the term "relative" defined under the Act.

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.

11.3 Audit qualifications

The Statutory Auditor's audit report is with unmodified opinion (unqualified).

11.4 Reporting of Internal Auditor

The Chief Internal Auditor reports to the Group 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 directorship of the Directors held in other listed entities along with the category of directorships as on 31st March 2024, is as follows:

Sr. No.	Name of the Director	Name of Listed Entity	Category
01.	Mr. Arvind Kumar Singhal	Welspun Living Limited	Independent Director
		Blue Star Limited	Independent Director
		Metro Brands Limited	Independent Director
02.	Mr. Ravi Kirpalani	Foseco India Limited	Independent Director
03.	Mr. Raja Venkataraman	Amrutanjan Health Care Limited	Independent Director

Except the directorships as mentioned above, none of the other Directors hold any directorship in other listed entities.

Annexure B

Certification

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

We, Dr. Arup Basu, Managing Director, and Mrs. Akhila Balachandar, Chief Financial Officer of the Company, hereby certify to the Board of Directors that:

- We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2024 and that to the best of our knowledge and belief:
    1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    2. 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.
- 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.
- 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.
- We have indicated to the auditors and the Audit Committee that:
    1. there were no significant changes in internal control over financial reporting during the year;
    2. there were no significant changes in accounting policies during the year; and
    3. 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

Dr. Arup Basu
Managing Director

Akhila Balachandar
Chief Financial Officer

Place: Mumbai
Date: 07th May 2024

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 2024.

For Greaves Cotton Limited

Dr. Arup Basu
Managing Director
DIN: 02325890

Place: Mumbai
Date: 07th May 2024

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
J-2, MIDC Industrial Area,
Chikalthana, Aurangabad- 431210

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 J-2, MIDC Industrial Area, Chikalthana, Aurangabad-431210 (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 2024 and upto the date of issuing this certificate, 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*
1.	Mr. Karan Thapar	00004264	29 September 1991
2.	Mr. Nagesh Basavanhalli	01886313	27 September 2016
3.	Dr Arup Basu	02325890	12 May 2022
4.	Ms. Sree Patel	03554790	14 February 2017
5.	Mr. Ravi Moti Kirpalani	02613688	12 May 2022
6.	Mr. Arvind Kumar Singhal**	00709084	01 November 2013
7.	Mr. Firdose Vandrevala	00956609	15 October 2021
8.	Mr. Raja Venkataraman	00669376	09 February 2023
9.	Mr. Mangalath Unnikrishnan	01460245	01 April 2024

**Date of appointment of all the Directors are the original date of appointment as per MCA records.*
***resigned w.e.f. 31 March 2024*

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.: A56804
Certificate of Practice No.: 21563
UDIN: A056804F000247500
Peer Review Certificate No.: 1112/2021

Place: Thane
Date: 26 April 2024

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 MP/EL/2023-24/61 dated September 22, 2023.

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 2024, 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, 2024.

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)

Mehul Parekh
(Partner)
(Membership No. 121513)
(UDIN: 24121513BKEPEC7983)

Place: Mumbai
Date: May 08, 2024

Business Responsibility & Sustainability Report

With 163+ years of rich legacy & foundation built on trust, Greaves Cotton Limited continues to focus on sustainable value creation for its stakeholders through innovation, leveraging technology at forefront & finding new avenues of providing affordable & reliable solutions for progressive world. We are at the forefront to conduct our business in ethical and transparent manner taking into consideration the impact of our operations on environment, community, employees, customers, investors and other stakeholders.

This being second year of publishing Business Responsibility and Sustainability Report (BRSR), we have reinforced our commitment towards transparency and improved disclosures. We've broadened our reporting boundaries by including two key subsidiaries - Greaves Electric Mobility Private Limited and Excel Controlinkage Private Limited, for consolidated disclosures. While not mandated by regulations, this year, we have also appointed an assurance partner for providing reasonable assurance on BRSR core indicators and limited assurance on other sustainability indicators of BRSR.

Sustainable Development Goals (SDGs) mapped against National Guidelines on Responsible Business Conduct (NGRBC) principles

SDGs	Goals description	Goals mapped with NGRBC principles
Goal 1	No poverty	P3, P4, P8
Goal 2	Zero hunger	P2, P6, P7, P8, P9
Goal 3	Good health and well-being	P3, P6, P8
Goal 4	Quality education	P3, P8, P9
Goal 5	Gender equality	P3, P4, P5, P8
Goal 6	Clean water and sanitation	P2, P6, P8
Goal 7	Affordable and clean energy	P2, P6, P7
Goal 8	Decent work and economic growth	P2, P3, P5, P8
Goal 9	Industry, innovation and infrastructure	P3, P4, P8
Goal 10	Reduced inequalities	P2, P6, P7
Goal 11	Sustainable cities and communities	P3, P4, P7, P8
Goal 12	Responsible consumption and production	P2, P6, P9
Goal 13	Climate action	P2, P6, P7, P8
Goal 14	Life below water	P2, P6, P7, P8, P9
Goal 15	Life on land	P2, P6, P7, P8, P9
Goal 16	Peace, justice and strong institutions	P1, P3, P4, P5, P8
Goal 17	Partnership for the goals	P1, P7, P8

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L99999MH1922PLC000987
2.	**Name of the Listed Entity**	Greaves Cotton Limited
3.	**Year of incorporation**	1922
4.	**Registered office address**	J-2, MIDC Industrial Area, Chikalthana, Aurangabad- 431210, Maharashtra, India.
5.	**Corporate address**	Unit No. 1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla West, Mumbai- 400070, Maharashtra, India.
6.	**E-mail**	investorservices@greavescotton.com
7.	**Telephone**	022-41711700
8.	**Website**	https://www.greavescotton.com
9.	**Financial year for which reporting is being done**	1st April 2023 to 31st March 2024
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited & National Stock Exchange of India Limited
11.	**Paid-up Capital**	Rs. 46.40 crore
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Atindra Basu Designation:- Group General Counsel and Company Secretary Telephone: 022-41711700 Email: investorservices@greavescotton.com
13.	**Reporting boundary**	This report covers the period from 1st April 2023 to 31st March 2024 and includes all the financial and non-financial information of Greaves Cotton Limited ('GCL'), Greaves Electric Mobility Private Limited ('GEMPL') and Excel Controlinkage Private Limited ('ECPL')- the subsidiaries of GCL (GCL, GEMPL and ECPL hereinafter together refer to as **'Greaves/the Company'**). Appropriate notes have been added wherever there are exceptions.
14.	**Name of assurance provider**	Agile ESG Advisors Private Limited
15.	**Type of assurance obtained**	Reasonable assurance on BRSR core indicators and limited assurance on other sustainability indicators in BRSR. The statement of assurance issued by Agile ESG Advisors Private Limited forms part of this report.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):[1]

S. no.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Manufacturing	Electrical equipment, General purpose and special purpose machinery & equipment and transport equipment.	92%

Note

[1] Includes data of GCL only.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):[2]

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Own and multi brand spare parts	2930	31%
2	Diesel, CNG & Petrol Engines	2910	28%
3	Gensets	2710	23%
4	Non-Auto Engines	2811	9%
5	Industrial Engines	2812	5%

Note

[2] Includes data of GCL only.

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	10	10	20
International	-	-	-

19. Markets served by the entity:

a. Number of locations[3]

Locations	Number
National (No. of States and Union Territories)	28 States and 8 Union Territories
International (No. of Countries)	34

Note

[3] Includes data of GCL only.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of the total turnover of GCL is 5.92%.

c. A brief on types of customers

Greaves has presence across Automotive, Non-Automotive, Aftermarket, Retail, Electric mobility solutions, and our customers include automotive manufacturing companies, farmers and retail customers who purchase engines, generators, electric scooters, electric three-wheelers, spare parts and accessories.

IV. Employees

20. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	1,233	1,144	93%	89	7%
2.	Other than Permanent (E)	203	184	91%	19	9%
3.	**Total employees (D + E)**	**1,436**	**1,328**	**92%**	**108**	**8%**
		WORKERS				
4.	Permanent (F)	479	468	98%	11	2%
5.	Other than Permanent (G)	1,776	1,654	93%	122	7%
6.	**Total workers (F + G)**	**2,255**	**2,122**	**94%**	**133**	**6%**

b. Differently abled Employees and workers

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		DIFFERENTLY ABLED EMPLOYEES				
1.	Permanent (D)	3	2	67%	1	33%
2.	Other than Permanent (E)	1	1	100%	0	0%
3.	**Total differently abled employees (D + E)**	**4**	**3**	**75%**	**1**	**25%**
		DIFFERENTLY ABLED WORKERS				
4.	Permanent (F)	1	1	100%	0	0%
5.	Other than permanent (G)	2	2	100%	0	0%
6.	**Total differently abled workers (F + G)**	**3**	**3**	**100%**	**0**	**0%**

21. Participation/Inclusion/Representation of women:[4]

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8[5]	1	13%
Key Management Personnel	3	1	33%

Note:

[4] Includes data of GCL only.

[5] Mr. Arvind Kumar Singhal, completed his second consecutive term as an Independent Director and thus retired as an Independent Director of the Company with effect from the close of business hours on 31st March 2024.

22. Turnover rate for permanent employees and workers:

Particulars	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23%	2%	25%	21%	2%	24%	25%	3%	28%
Permanent Workers	3%	0%	4%	20%	2%	22%	19%	0%	19%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity/ Holding Company	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	Holding	56%	No
2	Greaves Finance Limited	Subsidiary	100%	No
3	Greaves Technologies Limited	Subsidiary	100%	No
4	Greaves Electric Mobility Private Limited	Subsidiary	62.46%	Yes
5	Excel Controlinkage Private Limited	Subsidiary	60%	Yes
6	Bestway Agencies Private Limited	Subsidiary	100%	No
7	Greaves Technologies Inc.	Subsidiary	100%	No
8	MLR Auto Limited	Subsidiary	51%	No

VI. CSR Details:

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes, CSR is applicable to GCL as per Section 135 of Companies Act, 2013.

(ii) Turnover of GCL (in Rs.) - Rs. 1,549.76 crore (As on 31st March 2023)

(iii) Net worth of GCL (in Rs.) - Rs. 1,034.08 crore (As on 31st March 2023)

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)[6]	FY 2023-24			FY 2022-23[7]		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Shareholders	Yes	5	-	-	4	-	-
Employees and workers	Yes	44	-	-	35	-	-
Customers	Yes	40,024	217	-	26,755	26	-
Value Chain Partners	Yes	443	3	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

Note

[6] *We have in place different policies and mechanisms for different stakeholders which includes reaching out to Company through emails, phone calls, etc. However, the vigil mechanism provides a detailed process for raising concerns or complaints by all the stakeholders. Vigil mechanism is explained in detail in the Corporate Governance Report. The Stakeholders Relationship & Share Transfer Committee, Compliance Officer and Registrar and Transfer Agent of Company (i.e., KFin Technologies Limited) are responsible for resolving grievances of shareholders/investors. The Whistle Blower Policy and the contact details for resolving investor grievance are available on the website of the Company at* https://greavescotton.com/wp-content/uploads/2023/06/Whistle-Blower-Policy-for-website-upload.pdf *and* https://greavescotton.com/investor-relations/

[7] *For FY 2022-23, data of only GCL and GEMPL is included.*

26. Overview of the entity's material responsible business conduct issues:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product Safety and Quality	Risk	In order to optimize customer satisfaction, attract environmentally conscious consumers and ensure regulatory compliance, it is imperative to prioritize product quality, sustainability and safety. This approach not only safeguards consumer well-being but also enhances organizational reputation and fosters long-term success.	We have deployed stringent quality controls across our manufacturing facilities with comprehensive standard operating procedures meeting the international standards such as Quality management system ISO 9001: 2015 / IATF16949. This helps us build strong foundation for ensuring consistency in product quality and safety.	Negative
2	Sustainable Supply Chain	Risk	Key to organisational success is dependent on its strategy around supply chain. Any inability to manage the supply chain strategy can lead to disruption in business operations, create legal obligations and impact the reputation of an organisation.	Greaves has rolled out various initiatives, processes and systems to avoid any disruption in supply chain, which includes implementation of Supplier Code of Conduct, comprehensive due diligence of suppliers at the time of on-boarding, trainings and awareness programs. For more details, refer disclosures under Principles 2, 3 and 5 of this report.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Environment Sustainability	Opportunity	Investing in environmental sustainability enables us to minimize our environmental impact while enhancing operational efficiency. Prioritising environmental sustainability, helps us ensure long-term viability, strengthen brand reputation and to mitigate operational and environmental risks. This approach not only improves our competitiveness and brand image but also ensures compliance with future regulations and reduction of potential risks.	N.A.	Positive
4	Protection of Human Rights	Risk	Inability to protect Human Rights may lead to legal, operational and reputational risks. Therefore, it is imperative to protect Human Rights in line with fundamental ethical responsibilities, demonstrating a commitment to fairness, dignity and equality.	As a commitment towards protection of Human Rights, we have formulated a Human Rights Policy and also conducted assessment of our plant operations on Human Rights aspects including the value chain partners. For more details, please refer disclosure under Principle 5 of this report.	Negative
5	Customer Engagement and Satisfaction	Opportunity	Customer Engagement is crucial to understand expectations of the customers and manage risks. By aligning with customer's needs, organization can aim to achieve positive outcomes and long-term success.	N.A.	Positive
6	Occupational Health and Safety	Risk	Health and safety risks have significant implications for businesses including financial costs, productivity risk, reputational risk and operational integrity. Therefore, it is important to develop a robust process to ensure health and safety.	We have robust occupational health and safety management system which ensures safety of our employees & workers and effective monitoring of occupational risks. Additionally, we also conduct various training and awareness programmes to ensure health and safety of our employees & workers. For more details, please refer disclosures in Principle 3 and 5 of this report.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Human Resource Development	Opportunity	Human resource development is vital for us as it enables skill acquisition, boosts employee engagement and satisfaction, cultivates leadership potential, enhances organizational agility, flexibility and competitiveness and contributes to improved performance and long-term growth.	N.A.	Positive
8	Diversity and Inclusion	Opportunity	Diversity and inclusion are crucial for us as it drives innovation, improves decision making, boosts employee engagement, promotes inclusivity, enhance reputation, attracts top talent and foster a culture of equality and fairness.	N.A.	Positive
9	Community Welfare	Opportunity	By actively participating in the local community, we contribute to the betterment of the society in which our business operates, allowing us to give back and create a positive impact.	N.A.	Positive
10	Cyber Security and Data Privacy	Risk	Cybersecurity and Data Privacy are essential for safeguarding sensitive information, maintaining business continuity and protecting reputation. Breaches can result in financial losses, legal consequences and damage to brand credibility.	Greaves has developed strong systems, processes and polices which ensures data privacy and protects us from cyber security risks. Additionally, we have also prepared a business continuity plan in case of any cyber-security attacks.	Negative
11	Innovation and New Technology	Opportunity	To stay ahead of the curve, it is essential for us to embrace emerging technologies and foster innovation. With the automotive and non-automotive sectors undergoing rapid technological and regulatory changes, being proactive in our approach enables us to adapt to changes, capitalize on fresh opportunities and sustain our competitive advantage in the market.	N.A.	Positive
12	Corporate Governance and Regulatory Compliance	Risk	Corporate governance or regulatory issues can negatively impact the investor confidence, long-term business continuity and value creation.	We have taken various measures to enhance our governance practices and ensuring regulatory compliances. Please refer the disclosures under Principle 1 of this report along with Corporate Governance Report.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

We have developed robust policies which integrates NGRBC (National Guidelines on Responsible Business Conduct) principles and their underlying core elements.

These policies act as a founding pillar and helps us develop a framework for decision-making, governance, and operations within the Company. It ensures that responsible practices are embedded throughout the organization, promotes ethical behaviour, sustainable business practices and stakeholder engagement.

These policies promote transparency and encourage all stakeholders to ensure ethical business conduct. These policies are readily available on the Company's website at https://greavescotton.com/investors/policies

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1.	**a.**	**Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b.	**Has the policy been approved by the Board? (Yes/No)[1]**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	**Web Link of the Policies, if available.**	Please refer the table 1 below.								
2.		**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.		**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.		**Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.** • P2, P3 & P6: Occupational Health and Safety Management Systems (ISO 45001:2018) • P6: Environmental Management System (14001:2015) • P1, P2 & P9: Quality Management System (ISO 9001:2015) • P2 & P9, International Automotive Task Force (IATF) 16949: 2016 • P1 to P9: United Nations Sustainable Development Goals (SDGs) • P1 to P9: National Guidelines on Responsible Business Conduct									
5.		**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	Principle wise targets are provided in the table 2 below								
6.		**Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.**	The performance of Greaves on Environment, Social and Governance measures are provided in the respective principles of this report.								

Note

[1] Policies are approved by the Board, respective board committees, respective department heads, wherever applicable.

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements

With focus on integrating Environmental, Social and Governance ("ESG") practices across our business operations, we continue to take various initiatives to support greener energy options and manufacturing practices, adopting environment- friendly technologies, and increasing emphasis on diversity and inclusion, health and safety, well-being of employees and innovation.

We have embedded our five values, Transparency, Integrity, Responsibility, Passion for Excellence and Respect ("Pancha Tatva") in our engagement with all our stakeholders across our business operations. This value-based approach drives our business practices, ensuring adoption of industry best practices and high ethical standards and ultimately drives sustainable value creation for all our stakeholders.

Our people constitute a key pillar for our growth and we continue to work towards their functional capability and competency building and their managerial and leadership development through various work opportunities and training and development programmes and employee well-being initiatives. This year, through an independent firm, we also conducted a human rights due diligence across the manufacturing facilities of the Company.

We are committed to increase the effectiveness and efficiency of our supply chain and to achieve the same we are continuously working with our supply chain partners creating awareness about the benefits of embedding good ESG practices across the extended supply chain. This year, for our critical supplier base, we also conducted awareness programmes focusing on sustainability.

We are dedicated to achieve customer satisfaction and using customer feedback to refine our approach. Customer data privacy is of utmost importance to us, we have implemented policies and processes to safeguard against potential data theft or misuse.

Our commitment to our "Pancha Tatva" is deeply ingrained in our organizational culture and extends to the communities where we operate. We actively partner with local communities to improve their skills, education level and well-being, fostering inclusive progress and prosperity.

We believe that the above-mentioned interventions will help us formulate and execute a holistic organisational strategy that will create value for each stakeholder as we pursue our ambition of industry-leading sustainable, profitable growth. - **Dr. Arup Basu, Managing Director.**

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies

Dr. Arup Basu

Designation: Managing Director

(DIN: 02325890)

Telephone: 022- 41711700

Email ID: investorservices@greavescotton.com

9. Does the entity have a specified Committee of the Board / Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, The ESG & CSR Committee is responsible for making decisions on sustainability related issues. Following are the details of ESG & CSR Committee:

Name	DIN	Designation	Category
Ms. Sree Patel	03554790	Chairperson	Independent Director
Dr. Arup Basu	02325890	Member	Managing Director
Mr. Firdose Vandrevala	00956609	Member	Independent Director

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action and frequency of review for performance against above policies and follow up action	Policies have been approved by the Board, Board committees and respective department heads, wherever applicable, of Greaves to comply with the regulatory requirements. Department heads frequently evaluate our policies or, if necessary, undertake urgent evaluations. During this review, the efficacy of the policies is assessed and any necessary modifications to the policies and procedures are implemented by the Board, Board committees or the respective department heads. **Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)** The policies are reviewed internally on a periodic basis.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances and frequency of review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee** Greaves complies all applicable laws and regulations which is reviewed by the Board. **Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)** The Board of Directors reviews the status of compliance of all the applicable laws on a quarterly basis.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Y	N	Y	N	Y	Y	N	N	N
	Yes, the effectiveness of policies relating to Human Rights and few governance related polices were reviewed by SGGS & Associates, Company Secretaries and the effectiveness of other ESG related polices are reviewed on a periodic or need basis as a part of internal audit plan through external agencies if required.								

Table 1

Name of Policy/Code	Linkage to principle	Web-link
Code of Conduct for employees and Code of Conduct for Board Members and Senior Management	P1, P2, P3, P4, P5, P6, P7, P8, P9	https://greavescotton.com/wp-content/uploads/2023/06/Code-of-Conduct-_BoardSeniormanagement-website-upload.pdf https://greavescotton.com/wp-content/uploads/2023/06/Code-of-Conduct-for-employees-for-website-upload.pdf
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	P1	https://greavescotton.com/wp-content/uploads/2023/04/Code_Fair_Disclosure_UPSI.pdf
Health and Safety Policy	P2, P3, P6	https://greavescotton.com/wp-content/uploads/2023/06/Health-and-Safety-Policy-cleanandfinal-website-upload.pdf
Environment Policy	P2, P6	https://greavescotton.com/wp-content/uploads/2023/05/Environment-Policy-Final-for-website-upload.pdf
Quality Policy	P2, P9	https://greavescotton.com/wp-content/uploads/2023/04/QA-POLICY.pdf
Human Rights Policy	P3, P5, P8, P9	https://greavescotton.com/wp-content/uploads/2023/06/Greaves-Cotton-Limited-Human-Rights-Policy-website-upload.pdf
Supplier Code of Conduct	P1, P2, P3, P4, P5, P6, P7, P8, P9	https://greavescotton.com/wp-content/uploads/2023/06/GCL-Supplier-Code-of-Conduct-websiteupload.docx.pdf
CSR Policy	P8	https://greavescotton.com/wp-content/uploads/2023/04/GCL-CSR-Policy_04.05.2021.pdf
Equal Opportunity Policy	P3, P5	https://greavescotton.com/wp-content/uploads/2023/06/Equal-Opportunity-Policy-for-website-upload.pdf
Privacy Policy	P9	https://greavescotton.com/privacy-policy/

Table 2

Principle No	Description of principle	Goals
1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	1. To ensure interests of all our stakeholders through our empowered, diverse, and inclusive Board. 2. To ensure robust compliances and integrated practices through our Panchatatva core values.
2	Businesses should provide goods and services in a manner that is sustainable and safe	Focus on resource-efficiency in our processes and to build a sustainable and responsible supply chain.
3	Businesses should respect and promote the well-being of all employees, including those in their value chains	Ensure a humane workplace with adequate provisions for grievance redressal.
4	Businesses should respect the interests of and be responsive to all its stakeholders	To engage with our stakeholders through various channels through a transparent communication process.
5	Businesses should respect and promote human rights	Respect the human rights with adequate provisions for grievance redressal.
6	Businesses should respect and make efforts to protect and restore the environment	Minimize the impact of our operations on the environment.
7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Fair Public Advocacy for the benefit of the industry.
8	Businesses should promote inclusive growth and equitable development	Empowering lives through our Panchatatva core values.
9	Businesses should engage with and provide value to their consumers in a responsible manner	Developing robust framework around data privacy.

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	N.A. as all principles are covered by respective policies								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact[1]	% of persons in respective category covered by the awareness programs
Board of Directors (GCL)	5	• Update on regulatory requirements • Strategy update • Safety initiatives • Industry outlook and changes • Consumer outlook • Business update • Code of Conduct	100%
Key Managerial Personnel (GCL)	5		100%
Employees other than BoD and KMPs[2]	117	• Code of Conduct • Policy and compliance trainings • Leadership trainings • Skill development trainings • Safety Trainings	91%
Workers[2]	167		84%

Note

[1] The training programs helps the Board, KMPs, employees and workers of Greaves to stay agile and ahead of the curve.

[2] In addition to above, Greaves conducts various SOPs and shop-floor trainings for employees and workers.

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format:

(Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

Particulars	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty / Fine Settlement Compounding fee	Principle 1	Commissioner of Customs, Chennai II (Import)	The order inter-alia imposed a differential duty of Rs. 56.44 crore, applicable interest thereon, redemption fine of Rs. 16 crore and penalty equal to the differential duty.	Goods imported by Greaves Electric Mobility Private Limited ('GEMPL') between 2018 to 2021 were classified under an incorrect Customs Tariff Heading.	GEMPL is in the process of filing an appeal before the appropriate Appellate Authority as it believes the order to be arbitrary and excessive.

Monetary					
Particulars	**NGRBC Principle**	**Name of the regulatory/ Enforcement agencies/ judicial institutions**	**Amount (In Rs.)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty / Fine Settlement Compounding fee	Principle 1	Ministry of Heavy Industries ('MHI')	Rs. 124.91 crore along with interest of Rs. 15.06 crore (Refund Amount)	MHI vide its letter dated 25th May 2023 ('Notice'), has alleged that GEMPL, purportedly failed to adhere to Phased Manufacturing Programme Guidelines.	Keeping in mind the interest of the consumers and without accepting any of the allegations, contentions or statements in the Notice and without prejudice, GEMPL on 27th October 2023, had offered to amicably resolve and put a quietus to the matter and refunded the Refund Amount to MHI, by reserving GEMPL rights and contentions. Consequently, GEMPL awaits confirmation from MHI for taking the necessary steps to resolve the matter.

Non-Monetary				
Particulars	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment Punishment	There were no instances that required disclosure based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.			

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   N.A.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes, the elements of anti-corruption and anti-bribery fostering a culture of transparency, trust and accountability through ethical conduct and non-tolerance towards activities involving bribery and corruption forms part of our Code of Conduct. We ensure that all employees and senior management adhere to the principles and ethical standards of the Code of Conduct as a commitment towards good governance.

   Our Supplier Code of Conduct ensures that all suppliers and their employees adhere to all applicable laws pertaining to anti-corruption and money laundering and do not engage in any misconduct. The suppliers are also required to perform all business operations with transparency.

   The web link of the Code of Conduct and Supplier Code of Conduct are as follows:

   https://greavescotton.com/wp-content/uploads/2023/06/Code-of-Conduct-_BoardSeniormanagement-website-upload.pdf

   https://greavescotton.com/wp-content/uploads/2023/06/Code-of-Conduct-for-employees-for-website-upload.pdf

   https://greavescotton.com/wp-content/uploads/2023/06/GCL-Supplier-Code-of-Conduct-websiteupload.docx.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

NIL

6. Details of complaints about conflict of interest of the Directors & KMPs.

NIL

7 Provide details of any corrective action taken or underway on issues related to fines/penalties /action taken by regulators/law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

N.A.

8. Number of days of accounts payables ((Accounts payable*365) / Cost of goods/services procured) in the following format:

Particulars	FY 2023-24	FY 2022-23
Number of days of accounts payables	47	53

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2023-24	FY 2022-23
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	-	-
	b.	Number of trading houses where purchases are made from	-	-
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a.	Sales to dealers/distributors as % of total sales	55%	64%
	b.	Number of dealers/ distributors to whom sales are made	1,498	1,597
	c.	Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	20%	15%
Share of RPTs in	a.	Purchases (Purchases with related parties/ total purchases)	1%	1%
	b.	Sales (Sales to related parties/ total sales)	1%	~0%
	c.	Loans & advances (Loans & advances given to related parties/ Total loans & advances)	100%	100%
	d.	Investments (Investments in related parties/ Total Investments made)	81%	70%

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

Greaves provided the following training to our critical suppliers:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	ESG & Sustainability	34%

Apart from the above, we also conduct various awareness programs on an informal basis for our value chain partners which includes update on product trainings, compliance requirements and skill-based trainings wherever required.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the 'Code of Conduct for Board of Directors and Senior Management' ('Code') and Related Party Transaction Policy ('RPT Policy') provides clear guidelines to address potential conflicts of interest. The Code and RPT Policy ensures that the personal interests of Board members and senior management do not conflict with the interests of the Company. It emphasizes the importance of avoiding situations where personal interests could clash with the interests of the Company. The Board of Directors, Audit Committee or officer designated for this purpose are required to be informed about all relevant facts and circumstances of conflict of interest or potential conflict of interest to ensure transparency and allows the Board to make informed decisions regarding potential conflicts.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	46%	72%	Overall R&D and capex expenditure was focused on reducing energy, reducing waste including waste water and new technologies for better product performance.
Capex	53%	3%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

b. If yes, what percentage of inputs were sourced sustainably?

Yes, Greaves has established a comprehensive and robust Supplier Code of Conduct, which includes provisions for assessing both new and existing value chain partners based on Environmental, Social, and Governance (ESG) criteria. We take necessary measures to ensure compliance with the Supplier Code of Conduct. Our suppliers are encouraged to actively reduce carbon emissions, minimize water consumption and limit waste generation. Additionally, we are committed to upholding high standards of human rights and fair labour practices throughout our supply chain. This approach enables us to procure goods and services sustainably. While the percentage of inputs sourced sustainably may be high, we believe a total of 34% of the inputs were sourced sustainably basis the affirmations received from our critical suppliers in the Financial Year 2023-24.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Considering the criticality of the product and the procedure followed for manufacturing, Greaves does not have process for reclaiming the products at the end of their life. However, Greaves continues to reduce the waste by adopting the following process at various plant locations, wherever applicable:

- The Company is actively reducing its carbon footprint and green-house gas emissions by recycling and reusing aluminium scrap briquettes, collaborating with suppliers to promote recycling practices and minimise energy consumption in the aluminium heating and extraction processes.
- The Company is actively reducing corrugated box waste by implementing returnable Polypropylene box packaging with our customers.
- Cold testing of industrial engines has been adopted to save electricity and diesel consumption, which would otherwise be utilised during hot testing.
- Various product and process re-engineering projects undertaken at the shop floor have reduced consumption of consumables, increased energy savings, and minimised waste generation, showcasing the Company's commitment to sustainable practices.
- Polythene packing waste has been eliminated completely at Ranipet plant by introducing the dedicated trollies from the suppliers (OEMs) for acrylonitrile, butadiene and styrene body parts with soft dividers to avoid scratches.
- Polythene packing is being used with the thickness of minimum 50 micron and with 15 % recycled plastic only as per government norms.

- The e-wastes such as batteries, computers, and laptops are disposed of through authorised vendors.
- Hazardous and other non-hazardous wastes are disposed of as per environmental norms.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable to Greaves Electric Mobility Private Limited (for import parts only) and Excel Controlinkage Private Limited. The waste collection and disposal process has been developed in line with Consent to Operate and third party collection process is in progress.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)?

No. While we acknowledge the need for a comprehensive Life Cycle Assessment (LCA), we have actively implemented measures within our manufacturing operations to mitigate our environmental and social impact. Our commitment to sustainable practices is demonstrated through initiatives aimed at reducing energy consumption, water usage, and waste generation.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

N.A.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Customer safety is of utmost importance to Greaves. Considering the critical products manufactured by Greaves, we do not recycle or reuse the input material in production. However, we do reuse/recycle packaging material to the extent possible. For more details, please refer answer to question number 4 of leadership indicator in Principle 2.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.

Greaves does not reclaim products at the end of their lifecycle. However, we do reuse and recycle packaging materials wherever feasible. For instance,

1. We reuse steel pallets for engine transfers to OEMs (Original Equipment Manufacturers), thereby minimizing waste generation. This practice of utilizing reusable steel pallets instead of disposable ones not only conserves resources but also promotes sustainability.
2. We use reusable and recyclable Polypropylene packaging boxes multiple times which is used for supplying our products to OEM's. This helps us to minimize corrugated box waste generation and promote sustainability.
3. We have employed a chip wringer to extract oil from scrap coolant, enabling us to reuse the coolant. This process efficiently recovers valuable oil while separating it from the coolant, reducing waste and maximizing resource utilization. By reusing the coolant, we not only minimize waste but also enhance environmental efficiency.
4. We have employed oil extractor and tramp oil cleaning machine to extract the oil from machining scrap coolant, enabling us to reuse this oil as machine coolant. This process efficiently recovers valuable oil while separating it from the scrap, reducing waste by removing tramp from coolant and maximizing resource utilization. By reusing the coolant, we not only minimize waste but also enhance environmental efficiency.

For more details, please refer answer to question number 3 of essential indicators in Principle 2.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

N.A.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	1,144	1,144	100%	1,144	100%	N.A.	N.A.	1,144	100%	N.A.	N.A.
Female	89	89	100%	89	100%	89	100%	N.A.	N.A.	43	48%
Total	**1,233**	**1,233**	**100%**	**1,233**	**100%**	**89**	**100%**	**1,144**	**100%**	**43**	**3%**
Other than Permanent employees[1]											
Male	184	184	100%	184	100%	N.A.	N.A.	184	100%	N.A.	N.A.
Female	19	19	100%	19	100%	19	100%	N.A.	N.A.	11	58%
Total	**203**	**203**	**100%**	**203**	**100%**	**19**	**100%**	**184**	**100%**	**11**	**5%**

Note

[1] The third-party employees are governed by their respective employment terms.

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	468	468	100%	468	100%	N.A.	N.A.	468	100%	N.A.	N.A.
Female	11	11	100%	11	100%	11	100%	N.A.	N.A.	4	36%
Total	**479**	**479**	**100%**	**479**	**100%**	**11**	**100%**	**468**	**100%**	**4**	**1%**
Other than Permanent workers[2]											
Male	1,654	1,654	100%	1,654	100%	N.A.	N.A.	1,654	100%	N.A	N.A.
Female	122	122	100%	122	100%	122	100%	N.A.	N.A.	111	91%
Total	**1,776**	**1,776**	**100%**	**1,776**	**100%**	**122**	**100%**	**1,654**	**100%**	**111**	**6%**

Note

[2] The third-party workers are governed by their respective employment terms.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.09%	0.06%

2. Details of retirement benefits:

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	97%	95%	Y	100%	100%	Y
Gratuity	98%	95%	N.A.	100%	100%	N.A.
ESI[3]	10%	76%	Y	12%	81%	Y
Others:	Apart from above, leave encashment and super annuation benefits are also provided, wherever applicable.					

Note

[3] It includes only those employees and workers who are eligible for ESI.

3. Accessibility of workplaces: are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, in our commercial offices, accessibility for individuals with disabilities is ensured through the provision of elevators/lifts. At our manufacturing facility, ground floors are readily accessible to all individuals and efforts are made to allocate tasks for individuals with disabilities on the ground floor. For other facility floors and offices where elevators/lifts are not available, arrangements are tailored to the specific needs of each individual with a disability.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, we have an equal opportunity policy as per Rights of Persons with Disabilities Act, 2016. Greaves believes that diversity and inclusion is an important tool for societal advancement and economic success. We are dedicated to provide a stimulating work environment with equal employment opportunities, free from discrimination based on age, caste, gender, sex, religion, nationality, colour or sexual orientation. Equal Opportunity Policy can be accessed at https://greavescotton.com/wp-content/uploads/2023/06/Equal-Opportunity-Policy-for-website-upload.pdf.

5. Return to work and retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	85%	100%	94%	100%
Female	100%	0%	N.A.	N.A.
Total	**85%**	**89%**	**94%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief:

	Yes/ No (If yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	"Pancha Tatva" comprising of five values: Transparency, Integrity, Responsibility, Passion for Excellence and Respect, towards all our stakeholders is founding pillar to ensure that the business is carried within these boundaries ensuring positive workplace environment. We have rolled out multiple platforms for addressing grievances, accessible to all employees and workers, providing them with opportunities to voice and report any complaints or concerns that they may have. 'SAMVAAD' is one such platform where employees and workers collaborate and connect with each other for cooperation and better understanding. We also conduct periodic welfare meeting, safety committee meeting, 'Happy to Help' activity for effective grievance redressal and ensuring a healthy workplace environment. Unit meetings are periodically held for both contractual and non-contractual workers and employees to discuss any concerns or grievances. Additionally, 'Whistle Blower Policy' acts as a grievance mechanism for employees, workers and senior management where they can approach the Compliance Officer or the Chairman of the Audit Committee in situations of misconduct or breach of code of conduct and any other issues which hamper the functioning of the organization. This policy ensures responsible whistle blowing through efficient redressal and disciplinary action. This approach encourages candid feedback and open discussion of issues, without employees fearing of repercussions or reprimands. We strive to ensure transparency and effective redressal through open communication and access for all employees and workers to voice their concerns to the senior management. Besides the above we also have a Prevention of Sexual Harassment (POSH) Policy to ensure a safe and secure working environment which can be accessed at https://greavescotton.com/wp-content/uploads/2023/06/POSH-Policy.pdf.

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) of Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) of Union (D)	% (D/C)
Total Permanent Employees	**1,233**	**0**	**0**	**1,099**	**0**	**0**
- Male	1,144	0	0	1,026	0	0
- Female	89	0	0	73	0	0
Total Permanent Workers	**479**	**166**	**35%**	**527**	**174**	**33%**
- Male	468	166	35%	514	174	34%
- Female	11	0	0	13	0	0%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23[4]				
	Total (A)	On Health and safety measures		On Skill upgradation[5]		Total (D)	On Health and safety measures		On Skill upgradation [5]	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,328	1,177	89%	565	43%	948	203	21%	363	38%
Female	108	91	84%	27	25%	70	9	13%	22	31%
Total	**1,436**	**1,268**	**88%**	**592**	**41%**	**1,018**	**212**	**21%**	**385**	**38%**
Workers										
Male	2,122	1,593	75%	775	37%	1,695	258	15%	197	12%
Female	133	101	76%	84	63%	265	185	70%	179	68%
Total	**2,255**	**1,694**	**75%**	**859**	**38%**	**1,960**	**443**	**23%**	**376**	**19%**

Note

[4] *Does not include training data for Excel Controlinkage Private Limited for Financial Year 2022-23.*

[5] *Greaves conducts various SOPs and shop-floor trainings for employees and workers which are not tracked currently.*

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24[6]			FY 2022-23[6&7]		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,144	1,003	88%	889	813	91%
Female	89	67	75%	66	60	91%
Total	**1,233**	**1,070**	**87%**	**955**	**873**	**91%**
Workers						
Male	468	448	96%	337	313	93%
Female	11	11	100%	5	5	100%
Total	**479**	**459**	**96%**	**342**	**318**	**93%**

Note

[6] *We have considered permanent employees and workers who are eligible for Annual review.*

[7] *Does not include data for Excel Controlinkage Private Limited for Financial Year 2022-23.*

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, we've developed a robust occupational health and safety management system across all our locations covering 100% employees and workers, with few sites holding ISO 45001 certification. We also have in place a Health and Safety Policy which demonstrates our commitment of ensuring safety of our employees and workers by conducting training programs, allowing them to raise concern about health and safety, monitoring of health and safety risks and taking corrective actions.

Additionally, we have implemented safe procedure for all the activities from gate to gate and continuously creating awareness about it to each employee and worker.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We have developed an in-house system to identify work-related hazards. This system allows employees and workers to spot any hazards and dangers while they are working and once identified, a record of these hazards and risks is maintained and

further discussed with respective unit heads on a weekly/fortnightly basis to explore scope of improvement to eliminate/ mitigate the hazard.

The risk management process to identify work-related hazards comprises of 5 phases: Identification, Assessment, Mitigation, Monitoring, and Reporting, which ensures reduced risk of environmental health and safety in commercial operations. The risk management approach involves the participation of all pertinent stakeholders.

We also identify work related hazards through job safety analysis, internal and external audits viz safety audits, fire audits, safety patrolling and SMAT audits.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks?

Yes, we have implemented several measures to empower employees and workers in identifying and reporting work-related hazards, ensuring occupational health and safety. Regular training and awareness sessions are provided to equip them with the knowledge and skills to report any hazards or risks they encounter in the workplace. Management representatives conduct regular inspections of manufacturing facilities to identify hazards and implement necessary corrective actions.

In addition, we have also established a local safety committee dedicated for overseeing workplace hazards and safety. The list of safety committee members is provided at every conspicuous place in the facility and employees are encouraged to report any safety related concerns to Committee. The safety committee periodically meets and discusses on all the safety incidents along with Corrective Action and Preventive Action Plan and implement measures to ensure safety of all employees and workers.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, as per the requirement of Factories Act, 1948, our plants are equipped with Occupational Health Centres (OHC) or alternate arrangements are made with independent healthcare professionals which can be accessed by employees and workers for non-occupational or occupational health problems. We also provide medical and health insurances for our employees and workers which helps them to claim their medical bills as per the medical insurance policy.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

For us, the safety and well-being of our people are our top priorities. We are dedicated to develop our systems that adhere to the International Standard for Occupational Health and Safety, ISO 45001:2018 guidelines, which serves as the foundation for our health and safety management system. When designing or acquiring plants, facilities and industrial machinery, we meticulously consider regulatory requirements for a safe and healthy workplace.

We continuously invest in technology and procedures to uphold employee health and safety, ensuring the effective functioning of operations. Additionally, we integrate engineering controls aimed at reducing production risks. For further details, please refer question 10 of Essential Indicators of this principle.

13. Number of complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23[8]		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	21	0		5	0	
Health & Safety	0	0		30	0	

Note

[8] Does not include data for Excel Controlinkage Private Limited for Financial Year 2022-23.

All the above complaints were non-critical and routine in nature. Appropriate corrective actions were taken to resolve the complaints.

14. Assessments for the year:

Particulars	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties) [9]
Health and safety practices	100%
Working Conditions	100%

Note

[9] Covers only plant locations.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

There were no significant health and safety risk identified during Financial Year 2023-24. Therefore, this is N.A.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Yes, permanent employees and workers are covered under group life insurance of the Company.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We prioritize compliance with laws and regulations regarding statutory dues across our value chain. We take our legal responsibilities seriously and expect the same from our partners. Before processing payments to contract labour supply agencies, we ensure their compliance with statutory obligations, like timely payments for Provident Fund, ESI/Workman Compensation Insurance, Professional Tax, and Labour Welfare Fund, if applicable.

To facilitate compliance, we withhold payment on agency invoices until they've fulfilled their statutory obligations. This approach ensures that our partners meet their legal requirements before receiving payments, showcasing our commitment to meeting statutory payment requirements.

We also took affirmations on compliances with Greaves's Supplier Code of Conduct (which also covers compliance on labour laws and payment of statutory dues) from the critical vendors.

3. Provide the number of employees/ workers having suffered high consequence work related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	N.A. as there has been no rehabilitation		N.A. as there has been no rehabilitation	
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, it is ensured that all employees have access to workshops and self-paced programs, both focusing on enhancing job-specific and behavioural skills. These initiatives aim to improve performance, stay ahead of the curve and also maintain the value of employees even post-retirement.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practice	34%
Working Conditions	34%

For further detailed response, please refer to question no. 4 of leadership indicators of Principle 5 of this report.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

There were no significant risks/concerns found based on the assessments of value chain partners.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Greaves believes that stakeholders form an integral part of the business operations and considers their opinions and viewpoints for effective decision making through an effective engagement system.

We strive to create an inclusive environment for all and believe in upholding strong and meaningful connections with our stakeholders through the principles of transparency and trust.

We have identified and prioritized our internal and external stakeholder groups through internal discussions and by understanding how they impact and influence our operations or are affected by our operations and have been identified by us through discussion with Greaves leadership team. The key stakeholders identified include employees, shareholders/investors, suppliers, regulatory bodies, community and customers.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, others)	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	• Employee Engagement Survey • Town-halls • Awards and Recognition • Appraisals • Skip level meetings • Emails	Event Based	To understand their needs, communicate performance of the Company and recognize them for their performance.
Communities	Yes	• Non-Governmental Organizations/ implementation partner	Event based	To understand the needs of community around business eco system and support the marginalized and vulnerable groups as per Company's CSR Policy.
Suppliers/Service Providers	No	• E-mail • Telephone calls • SMS • Quality Audits • Supplier Meetings • Training programs • Satisfaction surveys	Daily and Event Based	Conduct audits / assessments / seeking declarations to ensure they are meeting standards set out by Greaves and to understand their concerns.
Government/ Regulatory Bodies	No	• One to One or group meetings	Event Based	To represent Greaves directly or through industry associations on various matters.
Shareholders and Investors	No	• Quarterly financial results through stock exchanges • Analyst meetings • General Meetings • Emails • Newspaper advertisements • Notices • Annual Report • Website • Satisfaction surveys	• Quarterly • Annual • Event Based	To communicate the business performance of Greaves and understand their expectations from the Company.
Customers	No	• Face to Face interactions • Social media platforms • Sales representatives • Demo's • Surveys	Daily and event based	To receive inputs, comprehend customer requirements, and prioritize customer satisfaction.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Greaves believes in order to improve its performance and strategy, it must communicate with its key stakeholders consistently. Stakeholder consultations are normally carried out by the executives and functional heads of Greaves who seek feedback frequently through various platforms. The feedback and suggestions of the stakeholders are periodically presented to the Board of Directors and its Committees, wherever applicable in summarized form and after deliberation, changes in the strategies or polices are carried out so as to meet expectations and achieve long-term value creation for all the stakeholders in line with objectives of Greaves.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, we believe effective engagement ensures that stakeholder needs are aligned with organizational goals, helps in strategic development and enhances stakeholder value. As provided in answer to question number 1 of leadership indicators in Principle 4, we actively involve stakeholders through various platforms to understand their unique needs and concerns, guiding the development of tailored strategies. Additionally, we conducted a comprehensive materiality assessment this year, involving extensive stakeholder engagement. Both internal and external stakeholders identified critical topics across ESG (Environmental, Social, and Governance) areas that may impact our business, including product quality and safety, human resource development, corporate governance, environmental sustainability and data privacy. These identified topics are integrated into our action areas and sustainability framework.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Greaves continues its effort towards engaging and addressing the concerns of vulnerable/marginalised stakeholder group. As a part of our CSR activity, Greaves engages with non-governmental organisations to understand the needs of the community and develops its CSR strategy basis the discussions with these non-governmental organisations.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)
Employees			
Permanent	1,233	1,123	91%
Other than permanent	203	111	55%
Total Employees	**1,436**	**1,234**	**86%**
Workers			
Permanent	479	267	56%
Other than permanent	1,776	495	28%
Total Workers	**2,255**	**762**	**34%**

Though human rights aspect is covered under Code of Conduct, a separate Human Rights Policy was rolled out during Financial Year 2022-23. Accordingly, the trainings were given in the Financial Year 2023-24. Therefore, only details for Financial Year 2023-24 are provided in the above table.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	1,144	0	0%	1,144	100%	1,026	0	0%	1,026	100%
Female	89	0	0%	89	100%	73	0	0%	73	100%
Other than Permanent Employees										
Male	184	22	12%	162	88%	102	52	51%	50	49%
Female	19	2	11%	17	89%	4	4	100%	0	0%
Permanent Workers										
Male	468	0	0%	468	100%	514	0	0%	514	100%
Female	11	0	0%	11	100%	13	0	0%	13	100%
Other than Permanent Workers										
Male	1,654	1,062	64%	592	36%	1,731	1,280	74%	451	26%
Female	122	117	96%	5	4%	262	259	99%	3	1%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

Since the remuneration/salary of Board /KMPs / employees /workers are incomparable between the entities, we have disclosed details of (including the persons who have resigned) median remuneration of each entity separately.

Greaves Cotton Limited

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In INR)	Number	Median remuneration/ salary/ wages of respective category (In INR)
Board of Directors (BoD)	6	38,66,000	1	35,87,000
Key Managerial Personnel	4	2,18,96,845	1	82,18,501
Employees other than BoD and KMP	757	8,24,217	52	6,94,708
Workers	304	4,08,508	4	3,42,986

Greaves Electric Mobility Private Limited

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in INR)	Number	Median remuneration/ salary/ wages of respective category (in INR)
Board of Directors (BoD)	5	1,80,000	0	0
Key Managerial Personnel	3	2,50,36,604	0	0
Employees other than BoD and KMP	456	14,21,048	51	7,50,084
Workers	3	3,19,002	1	3,11,202

Excel Controlinkage Private Limited

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in INR)	Number	Median remuneration/ salary/ wages of respective category (in INR)
Board of Directors (BoD)	5	45,69,220	0	0
Key Managerial Personnel	1	41,04,000	0	0
Employees other than BoD and KMP	188	3,48,718	11	87,501
Workers	177	2,48,776	8	2,21,948

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	7%	6%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Compliance Officer and the Chairman of the Audit Committee of Greaves are responsible for addressing Human Rights impact/ issue caused or contributed by the business. Any person who has any concerns relating to Human Rights can raise the concerns as per the detailed mechanism provided in the Whistle Blower Policy of the Company without fear of being retaliated or discriminated at the dedicated email id provided in the policy.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Any person who is aggrieved by or has any concerns relating to Human Rights can directly reach out to Compliance Officer or the Chairman of the Audit Committee on the dedicated email ids provided in the Whistle Blower Policy. The Compliance Officer/ Chairman of Audit Committee is required to investigate in the matter and provide its report to Managing Director within 30 days. If need be, they are also authorised to take help from third party to investigate on the matter. The Managing Director and Compliance Officer/ Chairman of the Audit Committee are then required to deliberate and finalise the action points based on the findings. Throughout the whole process the person raising concern is protected from any retaliation or discrimination.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	0
Complaints on POSH as a % of female employees / workers	0.83%	0
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Greaves is committed towards creating a workplace which is safe and free of discrimination and harassment including sexual harassment. It believes in zero tolerance towards sexual harassment and supports the reporting of any such instances. To ensure effective redressal of complaints regarding sexual harassment, Greaves has formulated a POSH Policy which comprises of Internal Complaints Committee which investigates the matter and takes appropriate measures to ensure prompt resolution of complaints.

The Whistle Blower Policy also encourages employees and workers to disclose any improper actions, unethical behaviour, discrimination or non-compliance of the Code of Conduct, or other policies of Greaves.

Both Code of Conduct and POSH Policy includes stringent action against the person found guilty which includes disciplinary action, suspension from official duties, severance from employment / services etc.

To ensure that employees, workers and management are informed and aware about the Code of Conduct and POSH Policy, Greaves ensure regular communication, through formal and informal channels, about its commitment to zero tolerance towards any unethical behaviour including discrimination or sexual harassment. For Financial Year 2023-24, Greaves also conducted Human Rights due diligence at its plant sites to ensure proactive steps can be taken to identify and prevent potential Human Rights related issue including discrimination and harassment.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Greaves commercial agreements include provisions related to compliance of labour laws which also focuses on Human Rights related compliance. Our commitment to human rights is detailed in the Supplier Code of Conduct and Human Rights policy, which is applicable to business partners across the value chain.

10. Assessments of the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties) [1]
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify Freedom of Association	100%
Others – please specify Working Condition	100%

Note

[1] Covers only plant locations.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

N.A., as there were no significant risks or concerns arising from assessments in question 10 above.

Leadership Indicators

1. Details of a business process being modified / introduced because of addressing human rights grievances/complaints.

N.A., as there were no Human Rights related complaints during Financial Year 2023-24.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The human rights due diligence was conducted for our four plant locations located at Aurangabad, Talegaon, Nagpur and Ranipet on areas such as child labour, discrimination, forced labour, sexual harassment, freedom of association, wages and working conditions.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Greaves is committed to ensure that its premises and offices are accessible to everyone including visitors as per the requirement of Rights of Person with Disabilities Act, 2016. Wherever required, temporary or permanent ergonomic changes are made to ensure differently abled visitors do not face any challenge while accessing the Company's premises.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	34%
Discrimination at workplace	34%
Child Labour	34%
Forced Labour/Involuntary Labour	34%
Wages	34%
Others – please specify	-

Greaves has a Supplier Code of Conduct in place, which sets expectations for ethical business conduct and emphasizes the importance of human rights and health and safety aspects to ensure their employee well-being. The Code mandates that value chain partners, who are contractual partners of Greaves, comply with applicable laws and regulations.

In the event of any breach of these obligations, the value chain partners are required to report back to Greaves. However, during the reporting period, none of the suppliers reported any non-compliance, indicating a positive adherence to the contractual obligations.

Additionally, Greaves is in the process of developing a procedure to assess the compliance of value chain partners thoroughly.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

N.A.

Principle 6: Businesses should respect and make efforts to protect and restore the environment[1]

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23[2]
From renewable sources in (GJ)		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	17,356.24	14,379.34
Total energy consumed from renewable sources (A+B+C)	**17,356.24**	**14,379.34**
From non-renewable sources in (GJ)		
Total electricity consumption (D)	41,143.21	30,291.17
Total fuel consumption (E)	16,579.47	770.04
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**57,722.68**	**31,061.21**
Total energy consumed (A+B+C+D+E+F)	**75,078.92**	**45,440.55**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)[3]	0.30	0.17
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)[3]	25.28	14.34
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes- Agile ESG Advisors Private Limited

Note:

[2] *Excludes data for ECPL*

[3] *Calculated basis per lakh turnover to ensure relativity*

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, (if any).

N.A., as we do not fall under the categories mandated in the PAT scheme.

Note:

[1] *Information provided in principle 6 excludes data w.r.t. offices of GCL & GEMPL, warehouses/depots of the Company and also R&D office of GEMPL*

3. Provide details of the following disclosures related to water in the following format:

Parameter		FY 2023-24	FY 2022-23[4]
Water withdrawal by source (in kilolitres)			
(i)	Surface water	-	-
(ii)	Groundwater	-	-
(iii)	Third party water (Municipal water supplies, bottled water and tanker water)	1,17,016.92	1,03,446.37
(iv)	Seawater / desalinated water	-	-
(v)	Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		**1,17,016.92**	**1,03,446.37**
Total volume of water consumption (in kilolitres)		**1,17,016.92**	**1,03,446.37**
Water intensity per rupee of turnover (Water consumed / revenue from operations) [5]		0.47	0.40
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)[5]		39.39	32.64
Water intensity in terms of physical output		-	-
Water intensity (optional) – the relevant metric may be selected by the entity		-	-

Indicate if any independent assessment / evaluation / assurance has been carried out by any external agency. Yes- Agile ESG Advisors Private Limited

Note

[4] Excludes data for ECPL

[5] Calculated basis per lakh turnover to ensure relativity

4. Provide the following details related to water discharged:

Parameter		FY 2023-24	FY 2022-23[6]
Water discharge by destination and level of treatment (in kilolitres)			
(i)	To Surface water		
	- No treatment	-	-
	-With treatment – please specify level of treatment	-	-
(ii)	To Groundwater		
	- No treatment	-	-
	-With treatment – please specify level of treatment- Tertiary Treatment	1,05,315.23	93,101.73
(iii)	To Seawater		
	- No treatment	-	-
	-With treatment – please specify level of treatment	-	-
(iv)	Sent to third-parties		
	- No treatment	-	-
	-With treatment – please specify level of treatment	-	-
(v)	Others		
	- No treatment	-	-
	-With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)		**1,05,315.23**	**93,101.73**

Note

[6] Excludes data for ECPL

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We recognize the importance of water stewardship and has implemented a range of initiatives to optimize our water management practices. Plants located at Aurangabad, Ranipet and 2 plants located in Nagpur, have adopted a Zero Liquid Discharge approach to ensure the efficient use of water resources. Similarly, at the Talegaon plant located within a shared facility, wastewater is directed to a centralized treatment plant onsite. Post the treatment, the reclaimed water is utilized for gardening purposes, thereby reducing water consumption and promoting environmental sustainability.

In a proactive effort to further enhance water resilience, we have established a rainwater harvesting pond at the onset of the monsoon season. This reservoir serves as a vital water source year-round, supporting various operational activities, including production processes. By reducing reliance on freshwater sources and alleviating pressure on local water supplies, we demonstrate our commitment to sustainable water management. These comprehensive initiatives underscore our dedication to environmental responsibility and resource efficiency.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23[7]
NOx	KG	965.85	1,090.81
SOx	KG	1,068.42	1,554.99
Particulate Matter (PM)	KG	1,664.35	-
Persistent Organic Pollutants (POP)			-
Volatile organic Compounds (VOC)			-
Hazardous air pollutants (HAP)			-
Others- please specify			-

Indicate if any independent assessment / evaluation / assurance has been carried out by any external agency. Yes- Agile ESG Advisors Private Limited

Note

[7] *Excludes data for ECPL. Also, PM is calculated for first time in Financial Year 2023-24.*

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23[8]
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Tco_2eq	1,356.97	126.30
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Tco_2eq	8,182.93	6,815.51
Total Scope 1 and Scope 2 emissions per rupee of turnover	Tco_2eq/Lakh	0.03	0.03
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Tco_2eq /Lakh USD	2.30	2.19
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Indicate if any independent assessment / evaluation / assurance has been carried out by any external agency. Yes- Agile ESG Advisors Private Limited

Note

[8] *Excludes data for ECPL.*

8. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details.

Yes, conscious of our carbon footprints, we have undertaken several initiatives to reduce Greenhouse Gas (GHG) emissions throughout our operations. Embracing the Miyawaki Method, a Japanese technique of tree plantation, Greaves aims to cultivate native forests and restore natural vegetation on degraded land in and around its sites. Through this approach, we have not only reduced our carbon footprint but also increased green coverage while fostering biodiversity.

Continuing our commitment to sustainability, we are transitioning towards renewable energy and implementing energy-efficient practices to curtail GHG emissions. This includes the installation of energy-efficient compressors, air dryers, cooling pumps, and variable frequency pumps.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23[9]
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	34.58	41.84
E-waste **(B)**	4.56	5.07
Bio-medical waste **(C)**	0.001	-
Construction and demolition waste **(D)**	-	-
Battery Waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)** These are general hazardous waste viz used oil, residual cotton, Chemical sludge, etc.	54.49	29.53
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) These are general non- hazardous waste vis cardboard box, barrels, grinding dust etc.	2,486.21	1,390.16
Total (A+B + C + D + E + F + G + H)	**2,579.84**	**1,466.60**

Parameter	FY 2023-24	FY 2022-23
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)[10]	0.01	0.01
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)[10]	0.87	0.46
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	140
(iii) Other recovery operations	-	-
Total	**-**	**140**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations Sent to authorised dealers	2,579.84	1,326.60
Total	**2,579.84**	**1,466.60**

Indicate if any independent assessment / evaluation / assurance has been carried out by any external agency. Yes, Agile ESG Advisors Private Limited

Note

[9] *Excludes data for ECPL*

[10] *Calculated basis per lakh turnover to ensure relativity*

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Greaves has rolled out various initiatives to ensure effective management of waste in compliance with various rules and regulations. A few of them are listed below:

- Reusing steel pallets for engine transfer to OEMs to minimize waste generation.
- Repurposing coolant from scrap by extracting oil through a chip winger.
- Reusing oil from testing engines through a filtration process, enhancing its end-of-life utility.
- Shortening engine testing cycle times, resulting in decreased diesel consumption.
- Combining Heat Treatment (HT) cells to shorten shifts and reduce energy usage.
- Treated wastewater generated from Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) is reused for gardening purposes, minimizing water wastage and promoting environmental health.
- Reusable material used as against plastic for packing crank shafts and head. Thereby reducing the use of 2 lakh plastic bags.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The entity does not have any offices or plants in ecologically sensitive areas			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

N.A.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
We are fully compliant with all relevant environmental legislations and there were no significant instances of non-compliance reported by the regulatory authorities.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

N.A. as none of the facilities are in water stress areas.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions[11](Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	-	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note

[11] The Company has not yet conducted a baseline assessment for Scope 3 emissions. However, the process is underway to identify the hotspots related to GHG emissions that contributes to the Company's overall carbon footprint.

Indicate if any independent assessment / evaluation / assurance has been carried out by any external agency – No.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

N.A., as our business operations are located in industrial zones earmarked by the respective state governments and are not adjacent to ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy Management	1. Recycling & reusing the aluminium scrap briquettes by working with the supplier to promote recycling and thereby reducing the energy consumption involved in the process of aluminium heating & extraction. 2. Cold testing of industrial engines saving the electricity & diesel that is consumed during hot testing. 3. Installation of pumps with low energy consumption for engine testing. 4. Conversion of shop floor lighting to an energy-efficient lighting system, by adopting LED lights. 5. Setting up of a variable frequency drive (VFD). 6. Lower wattage blower motors were used in place of higher power ones. 7. For the BSVI Diesel model, Greaves has started purchasing HPDC crankcases rather than LPDC. 8. Solar Rooftop System – 950Kw installed at LEU-I, 900Kw at LEU-V, 700KW Solar Power Plant installation at IEB plant in Aurangabad.	Energy efficiency and conservation. Reduced cycle time and machining of stocks. Reducing the carbon footprint & emission of greenhouse gases.

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
2	Water conservation	1. Rainwater harvesting through development of artificial ponds and farm lakes. 2. Reuse of ETP & STP treated water for gardening purpose. 3. Development of ETP plant for 100% recycling of treated water.	Responsible consumption and conservation of water.
3	Waste Management	1. Use of recyclable pallets for engine transportation to customers. 2. Use of plastic bins for transportation instead of corrugated boxes. 3. Reuse of engine oil for the purpose of engine testing.	Efficient management of waste through recycling.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

We have established an 'On-Site Emergency Plan' focused on leveraging internal resources to minimize reliance on external agencies. The plan aims to achieve the following objectives:

- Contain and mitigate the effects of emergencies on people, property, and the environment.
- Safeguard the lives of personnel not directly impacted by the emergency.
- Quickly contain the incident and bring it under control.
- Promptly assess the number of affected individuals and arrange necessary medical care.
- Ensure there are no further consequences from the incident before allowing personnel to re-enter the premises and restoring normal operations.
- Preserve all pertinent records and evidence for subsequent inquiries and investigations into the emergency's cause.
- Restore safety and security within the shortest possible timeframe.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant adverse impact has been observed from the value chain, pertaining to environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

34 % of value chain partners were assessed for environmental impacts.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations:** Seven

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to:**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	Society of Indian Automobile Manufacturers	National
3	Federation of Indian Export Organisation	National
4	EEPC India (Engineering Export Promotion Council)	National
5	Chemicals and Allied Products Export Promotion Council (CAPEXIL)	National
6	Automotive Component Manufacturers Association of India	National
7	National Marine Manufacturers Association	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   N.A.

Leadership Indicators

1. **Details of public policy positions advocated by the entity.**

   Greaves participates on different platforms (viz. Industry associations and regulatory bodies) to present its views on various public policies focusing on automotive and non-automotive industry.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   N.A.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

   N.A.

3. **Describe the mechanisms to receive and redress grievances of the community.**

   Greaves has implemented a robust mechanism to address grievances efficiently. Through our partnership with an NGO for CSR activities, we actively gather feedback and suggestions from the communities surrounding our operations. These valuable feedbacks and suggestions are evaluated to identify suitable CSR projects, which are then reviewed by the ESG & CSR Committee and recommended to the Board for approval. Additionally, our Code of Conduct includes a whistle-blower mechanism, empowering community members to raise concerns directly with the Compliance Officer or Chairman of the Audit Committee.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	22%	31%
Sourced directly from within the India.	97%	98%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24	FY 2022-23
Rural	-	-
Semi-urban	-	-
Urban	8%	12%
Metropolitan	92%	88%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).

N.A.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

In Financial Year 2023-24, we have undertaken our CSR projects in Aurangabad and Nagpur, Maharashtra and Kanha, Madhya Pradesh which doesn't fall under the list of aspirational districts identified by government bodies.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

(b) From which marginalized /vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

Greaves specializes in the production of automotive and non-automotive goods, essential for various industries. Given the critical nature of these products, our procurement process primarily involves licensed and verified suppliers, minimizing opportunities for sourcing from marginalized or vulnerable groups. However, we remain dedicated to supporting these communities wherever possible by actively seeking out procurement opportunities that benefit them.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

NIL

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

N.A.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	DEEP Upskilling Program	48	100%
2.	Contributing to various NGOs for purpose of education	1,436	100%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have established a robust system for receiving and addressing consumer feedback and complaints. Our approach encompasses both formal and informal channels through which consumers can share their input or lodge complaints. The formal avenues include a dedicated helpline number, email and customer feedback forms, while the informal routes involve interaction with sales representatives and engagement on social media platforms. Upon receiving feedback or complaints through any channel, we promptly route them through internal teams, categorizing them based on their nature and setting defined timelines for resolution. Depending on the severity, investigations are conducted and appropriate corrective and preventive actions are implemented. This comprehensive process is geared towards ensuring customer satisfaction.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover[1]
Environmental and social parameters relevant to the product	18%
Safe and responsible usage	66%
Recycling and/or safe disposal	0%

Note

[1] Many of the products are made for industrial use i.e. B2B sales. Therefore, those products being sold on B2B basis do not contain environmental and social parameters. Also, considering the longevity of use of products like engines, spares and two wheelers, the details of recycling and/or safe disposal is not included.

3. Number of consumer complaints in respect of the following:

Particulars	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others	34	25	Pending Litigation	15	14	Pending Litigation

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls	Nil	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Greaves has implemented a robust cybersecurity and data privacy policy to effectively mitigate its risks. This policy highlights our strong commitment to maintain the confidentiality, integrity, and availability of our information assets, while ensuring compliance with all relevant laws, regulations and industry standards. We have established an information security management system to oversee the identification, assessment, and management of cybersecurity risks comprehensively. Additionally, stringent measures have been put

in place to safeguard the confidentiality, integrity, and availability of data. Our procedures for the collection, storage, and utilization of personal data are meticulously designed to align with applicable data protection laws and regulations. Furthermore, we have established incident management protocols to promptly detect, respond to, and recover from cybersecurity incidents efficiently.

The Policy is available on our intranet which is accessible internally to our employees.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

N.A.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

b. Percentage of data breaches involving personally identifiable information of customers

c. Impact, if any, of the data breaches

No such instances of data breach were reported during the year.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

https://greavescotton.com/our-businesses/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Greaves has rolled out various platforms to educate consumers about the safe and responsible use of its products and services. Sales representatives play a pivotal role in this process by providing demonstrations to dealers and consumers/customers, covering product installation, usage instructions and other important guidelines. In addition to these efforts, we utilize various social media platforms and our website to disseminate information on the safe usage of our products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Greaves has a robust mechanism to ensure that consumers are informed of any potential risks of disruption or discontinuation of its essential services. There has been no instance of discontinuation or disruption in any of the services during this year. However, we will ensure that the consumers/customers/dealers are informed about potential discontinuation/disruption well in advance through various channels which shall include press release, stock exchange intimation and utilising all other channel of communication. To ensure that the consumers/customers/dealers are well aware of the discontinuation, we will ensure that the discontinuation of any of the products/services are done strategically to ensure there is least disruption or impact.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Greaves ensures that it complies with requirement of law, wherever applicable, and wherever required, it does make a few disclosures which it considers essential for consumers to know like a complete manual on how to use the e-scooters.

Assurance Statement

Greaves Cotton Limited
Corporate Office at Unit No. 1A,
5th Floor, Tower 3,
Equinox Business Park,
LBS Marg, Kurla (West), Mumbai – 400070

Date: May 8, 2024

Independent Reasonable Assurance Statement on Business Responsibility & Sustainability Reporting

Introduction

We ('Agile ESG Advisors Private Limited' or 'Agile Advisors' or 'the Firm') have been engaged by Greaves Cotton Limited or 'the Company' to provide an independent reasonable assurance on the non-financial sustainability disclosures presented in the Business Responsibility and Sustainability Report ('BRSR') 2023-24 ('BRSR 2023-24') of Greaves Cotton Limited, for the period covering 1st April 2023 to 31st March 2024 ('the Year' or 'the Reporting Period') as described in the scope, and limitations below. Our assurance process adhered to the requirements outlined in the ISAE 3000 (Revised) standard.

Management's Responsibilities

The management at the Company is responsible for preparing the designed BRSR 2023-24 that is free from any material misstatement in accordance with the reporting criteria (BRSR format) laid down by the Securities and Exchange Board of India ('SEBI') and for the information contained therein. The Company's responsibilities include developing, implementing, and maintaining internal controls relevant to preparing and presenting the BRSR 2023-24 that is free from material misstatement, whether due to fraud or error. It also includes conducting the materiality assessment process to identify material topics relevant to the Company based on the responses of the internal and external stakeholders. The Company ensures that it complies with the BRSR framework and local regulations. It designs, implements, and effectively operates controls to achieve the stated control objectives; selects and applies policies; makes judgments and estimates that are reasonable in the circumstances; and maintains adequate records in relation to its BRSR 2023-24. The Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities. The Company is responsible for ensuring that the Company's staff involved with the preparation of the BRSR 2023-24 are adequately trained, systems are appropriately updated, and that any changes in reporting encompass all significant operational sites.

Our Responsibilities

Our responsibility is to examine the BRSR 2023-24 prepared by the Company and to report thereon on the non-financial sustainability disclosures in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. The standard requires that we plan and perform our procedures to obtain a level of assurance about whether the non-financial sustainability disclosures in the BRSR 2023-24 comply with the BRSR framework in all material respects as the basis for our reasonable assurance conclusion.

The Firm applies the international standard on quality management, which requires the Firm to design, implement and operate a quality management system, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), which is founded on the fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behaviour. The assurance procedures selected depend on our understanding of the BRSR 2023-24 and other engagement circumstances and our consideration of the areas where material misstatements are likely to arise. In obtaining an understanding of the BRSR 2023-24 and other engagement circumstances, we have considered the process used to prepare the BRSR 2023-24 in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of the Company's process or internal controls over the preparation and presentation of the BRSR 2023-24.

Our engagement regarding the non-financial sustainability disclosures also included assessing the appropriateness of the BRSR 2023-24, the suitability of the criteria used by the Company in preparing the BRSR 2023-24 in the circumstances of the engagement, evaluating the appropriateness of the methods, policies, and procedures, and models used in the preparation of the BRSR 2023-24, and the reasonableness of estimates made by the Company in the context of the non-financial sustainability disclosures. As part of this engagement, we have not performed any procedures by way of audit, review, or verification of the financial disclosures nor of the underlying records or other sources from which the financial statements and information were extracted.

Assurance Procedures

Our assurance process involves performing procedures to obtain evidence about the reliability of the disclosures in the BRSR 2023-24. The nature, timing, and extent of the selected procedures depend on our judgment, including assessing the risks of material misstatement of the non-financial sustainability disclosures, whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to preparing the BRSR 2023-24 to design assurance procedures that are appropriate in the circumstances.

These procedures included; interactions with relevant officials to understand their sustainability vision; interaction with the Company's management team to understand the translation of the Board of Directors' vision into action; an assessment of the Company's existing systems used for data collection and reporting relevant for fair presentation of the Company's sustainability disclosures; review of the Company's approach for stakeholder engagement and materiality assessment process including existing materiality scoring criteria; testing of evidence supporting the data; evaluating the appropriateness of the quantification methods used to arrive at the non-financial sustainability disclosures presented in the BRSR 2023-24; understanding the appropriateness of various assumptions, estimations and materiality thresholds used by the Company for data analysis; assessment of the consistency between the data for the selected sustainability performance indicators and the related written comments in the narrative of the BRSR 2023-24; interactions with staff responsible for data collection, collation and reporting; preparation of observation letter, if any, based on review and classification of findings for potential risk to sustainability framework; and discussion of the observations and findings with the management team.

Scope of Assurance

Our assurance engagement covered the BRSR disclosures made by Greaves Cotton Limited for the reporting period 2023-2024. The scope included assessing the organization's adherence to the BRSR framework, which comprises key performance indicators ('KPIs').

Level of Assurance

Our work resulted in a reasonable assurance engagement of BRSR Core indicators and Limited assurance on other sustainability indicators in BRSR. We conducted our procedures in accordance with ISAE 3000 (Revised) and obtained evidence to support our conclusions.

Limitations

The assurance scope excludes the following:

- Data related to the Company's financial performance.
- Data and information outside the defined Reporting Period FY 2023-24.
- The Company's statements that describe the expression of opinion, claims, belief, aspirations, expectations, aims to future intentions provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the BRSR 2023-24 with reporting frameworks other than those mentioned in the reporting criteria above.
- Performance of any management function, the Company is responsible for making management decisions, including accepting responsibility for the results of our services.
- Review of legal compliances.

Our scope and associated responsibility exclude, for the avoidance of doubt, any form of review of the commercial merits, technical feasibility, accuracy, or compliance with applicable legislation, and accordingly, we express no opinion thereon. We have also not verified any of the judgments and commercial risks associated with BRSR 2023-24 nor commented upon the possibility of any financial projections being achieved. We have relied on the data furnished by the Company and have not verified the efficacy and reliability of the Company's information technology systems, technology tools/ platforms or data management systems.

Conclusion

Our conclusion has been formed based on and is subject to, the matters outlined in this report. We believe the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Based on the procedures performed and evidence obtained, in our opinion, the non-financial sustainability disclosures are properly prepared in all material respects, based on the reporting criteria of BRSR. The BRSR 2023-24 has been evaluated against the BRSR framework. These criteria have been developed only for sustainability-related disclosures. As a result, the BRSR 2023-24 may not be suitable for another purpose.

Independence

The assurance was conducted by a multidisciplinary team, including professionals with suitable skills and experience in auditing environmental, social, and governance information as per the requirements of ISAE 3000 (Revised). Our work was performed in compliance with the provisions of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client in relation to the scope of this assurance engagement, including not being involved in writing the BRSR 2023-24. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence, and due care, confidentiality, and professional behaviour.

Restriction on Use of Our Report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or context. Any party other than the Company who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. We accept or assume no responsibility and deny any liability to any party other than the Company for our work, this independent reasonable assurance report, or the conclusion we have reached. Our report is released to the Company on the basis that it shall not be copied, referred to, or disclosed in whole (save for the Company's internal purposes) or in part without our prior written consent.

Vishal Kumar
Director,
Agile ESG Advisors Private Limited,
May 8, 2024

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 2024, 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 ended on that date, and notes to the financial statements, including a summary of material 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 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, 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 (SAs) specified under section 143(10) of the Act. 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. We have determined that there are no key audit matters to communicate in our report.

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, Director's report including Annexures to Director's Report, Business Responsibility And Sustainability 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 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.

Responsibilities of Management and Those Charged with Governance 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 accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. 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 statements 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 and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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 controls 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 with reference to standalone financial statements 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 financial controls 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.

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 except for the matter as stated in (i)(vi) below.

   c) The Standalone Balance Sheet, the Standalone 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements.

   h) 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.

   i) 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 - Refer Note 36 to the 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 it's knowledge and belief, as disclosed in the note 7 to the Standalone financial statements, no funds 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 or in 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")or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 40(vi) to the financial statements, no funds have been received by the Standalone Company from any person(s) or entity(ies), including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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 performed that have 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 standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at the database level to log any direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

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-100018)

Mehul Parekh
Partner
Membership No. 121513
UDIN:24121513BKEPEF7990

Place: Mumbai
Date: May, 8 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the standalone financial statements of Greaves Cotton Limited for the year ended 31st March 2024)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Greaves Cotton Limited ("the Company") as of 31st March, 2024 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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 the 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 with reference to standalone financial statements 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 with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2024, based on the criteria for internal financial control with reference to standalone financial statements 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.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Mehul Parekh
Partner
Membership No. 121513
UDIN:24121513BKEPEF7990

Place: Mumbai
Date: May, 8 2024

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 the 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 and the Intangible assets under development.

(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 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 31 March 2024 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 inventories 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, 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 ₹ 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 and no material discrepancies have been observed.

(iii) The Company has made investments in and granted unsecured loans, to companies during the year, in respect of which:

a) The Company has provided unsecured loans during the year and details of which are given below:

		Loans (₹ in crore)
A.	Aggregate amount granted / provided during the year:	
-	Subsidiaries	31.00
B.	Balance outstanding as at balance sheet date in respect of above cases:	
-	Subsidiaries	33.00

b) The investments made and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c) In respect of loans granted 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.

d) According to information and explanation given to us and based on the audit procedures performed, in respect of loans granted 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 renewed the terms of the loans aggregating to ₹ 5.90 crores which fell due. The details of such loans that fell due and renewed during the year are stated below:

Particulars	Loans that fell due and renewed during the year (₹ in crore)	Date they fell due and renewed	Details of the loans renewed during the year	% to the total loans granted during the year
Greaves Finance Limited	0.40	April 07, 2023	Renewal for working capital requirement	13%
	1.00	May 13, 2023		
	0.50	April 25, 2023		
	1.00	April 25, 2023		
	1.00	April 25, 2023		
	3.90			
Greaves Technologies Limited	0.20	November 01, 2023	Renewal for working capital requirement	200%
	1.80	December 01, 2023		
	2.00			
Total	**5.90**			

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 Section 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable. Provisions of Section 185 is not applicable to the Company.

(v) 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 the 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.

(vi) According to the information and explanations given to us, In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, 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 March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	₹ in crore*
Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms, interest and other matters	High Court	2001-02	0.3
Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms, interest and other matters	Appellate Tribunal	1989-90	0.01
Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms, interest and other matters	Appeal Joint Commissioner / Deputy Commissioner	2009-10 to 2014-15, 2016-17, 2017-18	5.02
Central Sales Tax Act, 1956 & Local Tax Act	Non submission of forms, interest and other matters	ADC/Assistant Commissioner/ Deputy Commissioner	1992-93, 1998-99, 1999-00, 2006-07, 2008-09, 2011-12 to 2013-14, 2015-16 to 2017-18	2.72
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, 2017-18	21.97
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, 2012-13, 2017-17	1.43
Central Excise Act ,1944	Disallowance of input credit and penalty	Commissioner(Appeal)	1991-92, 2010-11, 2011-12, 2013-14 and 2015-16	0.42
Finance Act, 1994	Disallowance of input credit and /or Interest, penalty	Assistant Commissioner/ Deputy Commissioner/ Additional Deputy Commissioner/ Joint Commissioner/ Commissioner	2010-11 to 2012-13	0.29
Finance Act, 1994	Disallowance of input credit and /or Interest, penalty	Commissioner(Appeal)	2012-13, 2013-14, 2014-15 and 2015-16	1.12
Goods and Services Tax	Disallowance of input credit and /or Interest, penalty	Assistant Commissioner/ Deputy Commissioner/ Additional Deputy Commissioner/ Joint Commissioner/ Commissioner	2017-18 and 2018-19	18.98
Goods and Services Tax	Disallowance of input credit and /or Interest, penalty	Commissioner(Appeal)	2017-18 and 2018-19	0.71

** Net of amount paid under protest*

(vii) 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.

(viii) (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 a willful 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) On an overall examination of the financial statements of the Company, 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 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.

(ix) (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.

(x) (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 complaint received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.

(xi) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xii) 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.

(xiii) (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 December 31, 2023.

(xiv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary companies or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xv) (a) 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.

(d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvi) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xvii) There has been no resignation of the statutory auditors of the Company during the year.

(xviii) 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.

(xix) (a) The Company does not have any unspent amount for other than ongoing projects as on the balance sheet date. Hence, reporting under this clause is not applicable.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Mehul Parekh
Partner
Membership No. 121513
UDIN:24121513BKEPEF7990

Place: Mumbai
Date: May, 8 2024

Balance Sheet

as at March 31, 2024

(₹ in Crore)

			Note No.	As at March 31, 2024	As at March 31, 2023
	ASSETS				
1	**Non-current assets**				
	(a)	Property, plant and equipment	4	155.71	144.30
	(b)	Capital work- in- progress	4A	8.16	16.05
	(c)	Right-of-use assets	4 & 38	34.33	33.28
	(d)	Intangible assets	5	67.20	32.53
	(e)	Intangible assets under development	5A	15.31	57.95
	(f)	Financial assets			
		(i) Investments	6	457.78	180.78
		(ii) Loans	7	33.00	32.00
		(iii) Other financial assets	8A	18.39	51.03
	(g)	Income tax assets (Net of provisions)		39.03	32.22
	(h)	Deferred tax assets (Net)	19A	20.52	19.71
	(i)	Other non- current assets	9A	30.47	18.16
		Total non-current assets		**879.90**	**618.01**
2	**Current assets**				
	(a)	Inventories	10	138.03	153.98
	(b)	Financial assets			
		(i) Investments	6	30.49	29.67
		(ii) Trade receivables	11	201.08	159.92
		(iii) Cash and cash equivalents	12	100.01	34.38
		(iv) Bank balances other than (iii) above	13	116.33	4.98
		(v) Other financial assets	8B	275.17	472.44
	(c)	Other current assets	9B	18.59	19.40
		Total current assets		**879.70**	**874.77**
3	**Non-current assets classified as held for sale**		14	-	13.07
	Total Assets			**1,759.60**	**1,505.85**
	EQUITY AND LIABILITIES				
	EQUITY				
	(a)	Equity share capital	15	46.40	46.33
	(b)	Other equity	16	1,267.70	999.22
		Total Equity		**1,314.10**	**1,045.55**
	LIABILITIES				
1	**Non-current liabilities**				
	(a)	Financial liabilities			
		Lease liabilities	38	11.92	12.92
	(b)	Provisions	18A	0.41	0.26
	(c)	Other non- current liabilities	21A	31.53	16.92
		Total non-current liabilities		**43.86**	**30.10**

Balance Sheet

as at March 31, 2024 (Contd.)

(₹ in Crore)

			Note No.	As at March 31, 2024	As at March 31, 2023
2	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Lease liabilities	38	7.04	4.38
		(ii) Trade payables			
		- Total outstanding dues of micro enterprises and small enterprises	20	35.00	31.67
		- Total outstanding dues of creditors other than micro enterprises and small enterprises	20	239.12	212.38
		(iii) Other financial liabilities	17	46.38	27.66
	(b)	Provisions	18B	38.82	30.85
	(c)	Income tax liabilities (Net of advance tax)		5.25	9.60
	(d)	Other current liabilities	21B	30.03	113.66
		Total current liabilities		**401.64**	**430.20**
	Total Equity and Liabilities			**1,759.60**	**1,505.85**
	Notes forming part of the financial statements		**1-42**		

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Statement of Profit & Loss

for the year ended March 31, 2024

(₹ in Crore)

		Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	Revenue from operations	22	1,778.59	1,549.76
II	Other income	23	38.29	42.53
III	**Total income (I + II)**		**1,816.88**	**1,592.29**
IV	**Expenses**			
	Cost of materials consumed	24	1,073.37	994.32
	Purchases of stock-in-trade	25	130.26	112.62
	Changes in inventories of finished goods, stock-in-trade and work-in progress	26	7.76	(7.40)
	Employee benefits expense	27	142.49	115.24
	Finance costs	28	1.77	2.11
	Depreciation and amortisation expense	29	41.01	38.10
	Other expenses	30	193.20	183.57
	Total expenses		**1,589.86**	**1,438.56**
V	**Profit before exceptional items and tax (III - IV)**		**227.02**	**153.73**
VI	**Exceptional items : Income /(Expense)**	31	138.70	6.99
VII	**Profit before tax (V - VI)**		**365.72**	**160.72**
VIII	**Tax expense**			
	Current tax		82.11	44.81
	Deferred tax (credit) / charge		(0.75)	0.81
	Total tax expenses		**81.36**	**45.62**
IX	**Profit for the year (VII - VIII)**		**284.36**	**115.10**
X	**Other comprehensive income**			
	(i) Items that will not be subsequently reclassified to profit or loss			
	Remeasurements of the defined benefit plans : (Loss) / Gain		(0.23)	1.16
	(ii) Income tax related to items above		0.06	(0.31)
	Other comprehensive income for the year		**(0.17)**	**0.85**
XI	**Total Comprehensive income for the year (IX + X)**		**284.19**	**115.95**
XII	**Earnings per equity share of ₹ 2 each :**			
	Basic	34	12.26	4.97
	Diluted	34	12.18	4.94
	Notes forming part of the financial statements	1-42		

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Statement of Changes in Equity

for the year ended March 31, 2024

A Equity share capital

(₹ in Crore)

Balance as at April 1, 2022	**46.30**
Add: Equity shares issued pursuant to exercise of options under ESOP-2020	0.03
Balance as at March 31, 2023	**46.33**
Add: Equity shares issued pursuant to exercise of options under ESOP-2020	0.07
Balance as at March 31, 2024	**46.40**

B Other equity

(₹ in Crore)

	Reserves and surplus						Total
	Capital reserve	Securities premium	General reserves	Capital redemption reserve	Employee share options	Retained earnings	
Balance as at April 1, 2022	**1.34**	**35.38**	**346.78**	**2.60**	**4.66**	**492.69**	**883.45**
Profit for the year	-	-	-	-	-	115.10	115.10
Other comprehensive income (net of tax)	-	-	-	-	-	0.85	0.85
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**115.95**	**115.95**
Dividends	-	-	-	-	-	(4.63)	(4.63)
Transfer from/(to) general reserve during the year	-	-	1.07	-	(1.07)	-	-
Issue of shares on ESOP exercised	-	0.51	-	-	(0.51)	-	-
Employee Stock option Plan (Refer Note 16A)	-	-	-	-	4.45	-	4.45
Balance as at March 31, 2023	**1.34**	**35.89**	**347.85**	**2.60**	**7.53**	**604.01**	**999.22**
Balance as at April 1, 2023	**1.34**	**35.89**	**347.85**	**2.60**	**7.53**	**604.01**	**999.22**
Profit for the year	-	-	-	-	-	284.36	284.36
Other comprehensive income (Net of tax)	-	-	-	-	-	(0.17)	(0.17)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**284.19**	**284.19**
Dividends	-	-	-	-	-	(20.88)	(20.88)
Transfer from/(to) general reserve during the year	-	-	0.93	-	(0.93)	-	-
Issue of shares on ESOP exercised	-	1.83	-	-	(1.83)	-	-
Employee Stock option Plan (Refer Note 16A)	-	-	-	-	5.17	-	5.17
Balance as at March 31, 2024	**1.34**	**37.72**	**348.78**	**2.60**	**9.94**	**867.32**	**1,267.70**

Notes forming part of the financial statements 1-42

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Statement of cash flows

for the year ended March 31, 2024

(₹ in Crore)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash Flows From Operating Activities		
Profit before tax for the year	**365.72**	**160.72**
Adjustments for:		
Finance costs	1.77	2.11
Interest income	(26.40)	(28.71)
Profit on sale of property, plant & equipment (Net)	(1.25)	(0.50)
Profit on sale of Immovable property (exceptional item)	(5.47)	(4.90)
Profit on sale of land (net) (exceptional item)	(150.15)	-
Profit on Sale of Brand to subsidiary (exceptional item)	-	(19.49)
Financial assets measured at fair value through profit or loss (unrealised)	(0.32)	(0.17)
Financial assets measured at fair value through profit or loss (realised)	(1.11)	(0.30)
Expense recognised in respect of equity-settled share based payments	5.17	4.45
Depreciation and amortisation expenses	41.01	38.10
Liabilities no longer required written back	(0.33)	-
Gain on lease termination	-	(1.19)
Impairment of PPE and Intangible assets under development (exceptional item)	16.00	15.84
Impairment of PPE and Intangible assets under development	-	1.26
(Reversal of) / Allowance for expected credit loss	(2.20)	9.63
Unrealised foreign exchange (gain) / loss	(0.06)	0.02
Operating profit before working capital changes	**242.38**	**176.87**
Adjustments for movements in working capital:		
Trade receivables	(38.90)	8.22
Inventories	15.95	(14.28)
Other assets	(2.20)	4.50
Trade payables & Other liabilities	52.05	2.57
Provisions	7.89	5.53
Cash generated from operations	**277.17**	**183.41**
Less: Income taxes paid	(93.28)	(42.37)
Net cash generated from operating activities (A)	**183.89**	**141.04**
Cash Flows From Investing Activities		
Payment towards acquisition of Excel Controlinakge Private Limited (Subsidiary)	(223.48)	-
Investment in subsidiary	(40.00)	(4.00)
Payments for purchase of property, plant and equipment and capital work-in-progress	(36.54)	(13.75)
Payments for purchase of intangible assets	(26.56)	(15.35)
Proceeds from disposal of property, plant and equipment	86.74	27.55
Proceeds from Sale of Brand to subsidiary (exceptional item)	-	19.49

Statement of cash flows

for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

		Year ended March 31, 2024	Year ended March 31, 2023
(Purchase) / (reinvestment) of financial assets		-	(72.00)
Proceeds from sale of Investments (Net)		0.61	42.80
Fixed deposits with financial institutions placed		-	(30.00)
Fixed deposits with financial institutions matured		30.00	-
Bank deposits placed		(376.66)	(313.97)
Bank deposits matured		465.02	196.18
Interest received		31.09	14.13
Loans given to subsidiaries		(31.00)	(18.40)
Loan repaid by subsidiaries		30.00	3.00
Net cash used in investing activities (B)		**(90.78)**	**(164.32)**
Cash Flows From Financing Activities			
Dividends paid (including tax)		(20.88)	(4.63)
Proceeds from issue of shares on exercise of ESOPs		0.07	0.03
Payment made towards lease liabilities		(6.46)	(5.73)
Interest paid		(0.21)	(0.43)
Net cash used in financing activities (C)		**(27.48)**	**(10.76)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**65.63**	**(34.04)**
Cash and cash equivalents at the beginning of the year		34.38	68.42
Cash and cash equivalents at the end of the year (Refer Note 12)		**100.01**	**34.38**
Notes forming part of the financial statements	1-42		

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Notes to the Financial Statements

for the year ended March 31, 2024

1. General Information:

Greaves Cotton Limited (the 'Company') is engaged in the Engineering and Mobility Retail Businesses. 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 four direct, three indirect subsidiaries.

On May 8, 2023, the Company completed acquisition of 60% shareholding in Nagpur based Excel Controlinkage Private Limited ("Excel"). Consequently, Excel has become a subsidiary of GCL w.e.f. May 8, 2023. Excel is engaged in business of manufacturing Push pull cables and Control levers.

The Company is public limited company incorporated and domiciled in India. The address of its corporate office is Unit No.1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla (West), Mumbai – 400 070.

The Financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 8, 2024.

2. Summary of Material 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. The standalone financial statements have been prepared on Accrual and Going Concern basis and these policies are applied consistently.

2.2 Basis of preparation and presentation:

The financial statements have been prepared on a historical cost basis except for the revaluations of certain properties and financial instruments that are measured at revalued amounts or 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 as 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 categorized 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 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.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle*
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to the Financial Statements

for the year ended March 31, 2024

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.*

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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 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;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company derives its revenue from sale of engines, power generating sets, farm equipment & Spares. It also earns revenue from servicing power generating sets. The Company also trades in the spares of 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

Notes to the Financial Statements

for the year ended March 31, 2024

as per negotiations and long term supply contracts. The products through dealer network are sold at dealer prices as determined and circulated by the Company periodically.

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 disaggregates 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.

Our customers have the contractual right to return goods only when authorized by the company. An estimate is made of goods that will be returned and liability is recognized for this amount using a best estimate based on management's judgment.

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 the contract with customers and there are no unfulfilled obligations. The nature of services that company offers to the customer includes After Market railway service for Escorting of gensets in power car, Maintenance & overhauling of engine at Railway site/ dealer place, Overhauling of engines at company's own premises and Comprehensive maintenance contract (CMC) / Annual maintenance contract (AMC).

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 a 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 items 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

Notes to the Financial Statements

for the year ended March 31, 2024

monthly contributions at a specified percentage of the employees' salary. Payment to defined contribution plans are recognized as an expense when employees have rendered services entitling them to the contributions. 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) – recognized in profit and loss when the plan amendment or curtailment occurs or when the Company recognizes related restructuring costs or termination benefits if earlier gain or losses on settlement of defined benefit plan are recognized when the settlement occurs.
- net Interest expense or income - net interest is calculated by applying a discount rate to the net defined benefit liability or assets 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 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.

There is mandatory clause to avail certain no. of privilege leaves during the financial year, failing which, unavailed minimum privilege leaves will lapse and can not be carried forward.

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.

Notes to the Financial Statements

for the year ended March 31, 2024

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 by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain but is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to be payable. The assessment is based on the judgment of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on independent tax specialist advice.

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 assets 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

Notes to the Financial Statements

for the year ended March 31, 2024

dividends are recorded as a liability on the date of approval by the Company's Board of Directors.

2.13 Property, plant and equipment:

As per para 7 of Ind AS 16 'Property, Plant and Equipment' The cost of an item of Property, Plant and Equipment shall be recognized as an asset if and only if, It is Probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. 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 the 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. The 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

As per Para 67 the carrying amount of an item of Property, Plant and Equipment shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal. Hence, 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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets. The cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

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 "Property Plant and Equipment", requirements for cost model..

Notes to the Financial Statements

for the year ended March 31, 2024

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 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.

Ind As 116 requires a lessee to recognise assets and liabilities for all leases for a term of more than 12 months unless the underlying assets is of low value. Therefore, 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.

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:

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 intangible assets 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.

Notes to the Financial Statements

for the year ended March 31, 2024

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 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 as per 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. Financial assets and liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

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 financial assets are recognized initially at fair value plus in the case of financial assets not recorded at fair

Notes to the Financial Statements

for the year ended March 31, 2024

value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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.

Disputed Dues are those receivables against which legal cases has been filed with the corresponding legal authorities. The company writes off a financial assets when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. financial assets written off may still be subject to enforcement activities under the company's recovery procedure, taking into account legal advice where appropriate. Any recoveries made are recognized in Profit or loss.

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 "Revenue from Contracts with Customers", 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 Instruments". 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.

Notes to the Financial Statements

for the year ended March 31, 2024

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 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 to 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. 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

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for the year ended March 31, 2024

on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments 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 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 Subsidiaries:

The investments in subsidiaries are carried at cost and 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 market value, 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.

Based on the above, no impairment was identified as of March 31, 2024 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

Notes to the Financial Statements

for the year ended March 31, 2024

would be recognised in the financial statements when material changes to economic conditions arise.

3A. 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 March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(i) Ind AS 8 – Definition of accounting estimates: The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(ii) Ind AS 12 – Income Taxes The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) right-of-use assets and lease liabilities.

b) decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.

Therefore, if a Company has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of-use assets and lease liabilities. The Company does not expect this amendment to have any significant impact in its financial statements.

(iii) Ind AS 103 – Common control Business Combination The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor. The Company does not expect this amendment to have any significant impact in its financial statements.

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for the year ended March 31, 2024

4. Property, plant and equipment

(₹ in Crore)

Particulars	Freehold Buildings	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Leasehold improvements	Total Property, plant and equipment	Right-of-use assets: Leasehold land	Right-of-use assets: Leased properties	Right-of-use assets: Total Right-of-use assets
Gross carrying amount										
Balance as at April 1, 2022	**57.00**	**241.12**	**2.80**	**6.07**	**0.38**	**6.57**	**313.94**	**19.36**	**33.23**	**52.59**
Additions	4.94	6.34	0.19	0.06	-	0.60	12.13	-	7.06	7.06
Classified as asset held for sale	(0.01)	(8.01)	(0.17)	-	-	-	(8.19)	-	-	-
Disposals	(0.20)	(26.74)	(0.35)	(0.21)	-	(1.86)	(29.36)	-	(4.99)	(4.99)
Balance as at March 31, 2023	**61.73**	**212.71**	**2.47**	**5.92**	**0.38**	**5.31**	**288.52**	**19.36**	**35.30**	**54.66**
Additions	1.77	27.19	0.12	0.27	-	-	29.35	-	6.56	6.56
Disposals	(0.33)	(12.74)	(0.52)	(1.78)	-	(1.04)	(16.41)	-	-	-
Balance as at March 31, 2024	**63.17**	**227.16**	**2.07**	**4.41**	**0.38**	**4.27**	**301.46**	**19.36**	**41.86**	**61.22**
Depreciation										
Balance as at April 1, 2022	**(15.45)**	**(135.09)**	**(2.18)**	**(2.47)**	**(0.18)**	**(4.01)**	**(159.38)**	**(1.24)**	**(14.73)**	**(15.97)**
Depreciation expense for the year	(2.18)	(14.48)	(0.17)	(0.27)	(0.04)	(0.89)	(18.03)	(0.21)	(5.20)	(5.41)
Adjustment on asset held for sale	0.01	7.26	0.16	-	-	-	7.43	-	-	-
Impairment	-	(1.26)	-	-	-	-	(1.26)	-	-	-
Disposals	0.20	25.13	0.33	0.20	-	1.16	27.02	-	-	-
Balance as at March 31, 2023	**(17.42)**	**(118.44)**	**(1.86)**	**(2.54)**	**(0.22)**	**(3.74)**	**(144.22)**	**(1.45)**	**(19.93)**	**(21.38)**
Depreciation expense for the year	(2.55)	(13.18)	(0.17)	(0.25)	(0.04)	(0.77)	(16.96)	(0.21)	(5.30)	(5.51)
Disposals	0.31	11.93	0.50	1.71	-	0.98	15.43	-	-	-
Balance as at March 31, 2024	**(19.66)**	**(119.69)**	**(1.53)**	**(1.08)**	**(0.26)**	**(3.53)**	**(145.75)**	**(1.66)**	**(25.23)**	**(26.89)**
Net carrying Amount										
Balance as at March 31, 2023	**44.31**	**94.27**	**0.61**	**3.38**	**0.16**	**1.57**	**144.30**	**17.91**	**15.37**	**33.28**
Balance as at March 31, 2024	**43.51**	**107.47**	**0.54**	**3.33**	**0.12**	**0.74**	**155.71**	**17.70**	**16.63**	**34.33**

All the title deed of immovable property (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) are in the name of the Company.

Notes to the Financial Statements

for the year ended March 31, 2024

4A. Capital-Work-in Progress (CWIP)

(a) CWIP aging schedule as on March 31, 2024

(₹ 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	6.60	0.05	0.07	1.44	8.16

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2024 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Various Projects	1.57	-	-	-	1.57

(b) CWIP aging schedule as on March 31, 2023

(₹ 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	4.77	2.03	7.05	2.20	16.05

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2023 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Variuos Projects	2.14	-	-	-	2.14

5. Intangible assets

(₹ in Crore)

Particulars	Technical knowhow & Product development	Computer software	Non-compete fees	Total Intangible assets
Gross Carrying Amount				
Balance as at April 1, 2022	**67.85**	**15.32**	**5.00**	**88.17**
Additions*	6.92	1.24	-	8.16
Disposals / Discarded	-	(1.13)	-	(1.13)
Balance as at March 31, 2023	**74.77**	**15.43**	**5.00**	**95.20**
Additions*	51.86	1.35	-	53.21
Disposals / Discarded	-	(0.46)	-	(0.46)
Balance as at March 31, 2024	**126.63**	**16.32**	**5.00**	**147.95**
Amortisation				
Balance as at April 1, 2022	**(34.23)**	**(12.04)**	**(2.86)**	**(49.13)**
Amortisation expense	(11.89)	(1.94)	(0.83)	(14.66)
Disposals / Discarded	-	1.12	-	1.12
Balance as at March 31, 2023	**(46.12)**	**(12.86)**	**(3.69)**	**(62.67)**

Notes to the Financial Statements

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Technical knowhow & Product development	Computer software	Non-compete fees	Total Intangible assets
Amortisation expense	(15.88)	(1.83)	(0.83)	(18.54)
Disposals / Discarded	-	0.46	-	0.46
Balance as at March 31, 2024	**(62.00)**	**(14.23)**	**(4.52)**	**(80.75)**
Net Carrying Amount				
Balance as at March 31, 2023	**28.65**	**2.57**	**1.31**	**32.53**
Balance as at March 31, 2024	**64.63**	**2.09**	**0.48**	**67.20**

**Includes Internally generated assets.*

5A. Intangible assets under development

(a) Intangible assets under development aging schedule as on March 31, 2024

(₹ 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*	7.38	0.35	0.57	7.01	15.31

** During the year, Company has recognized impairment loss in respect of CREST project, as there was no significant project with the customer, which demonstrated the reasonability of the cash flow and the timeline. In such scenario, the Company evaluated it's carrying and determined same to be not recoverable and hence entire carrying value for the project amounting to ₹ 16 Cr has been written off (Refer note 31).*

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2024 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Various Projects	8.47	-	-	-	8.47

(b) Intangible assets under development aging schedule as on March 31, 2023

(₹ 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	11.85	17.29	4.84	23.97	57.95

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2023 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Crest Project (Refer note 31)	16.00	-	-	-	16.00
Various Projects	8.20	-	-	-	8.20
Total	**24.20**	**-**	**-**	**-**	**24.20**

Notes to the Financial Statements

for the year ended March 31, 2024

6. Investments

I. Non-current Investments

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Unquoted Equity instruments (at cost)				
Investment in subsidiaries (fully paid)				
Equity instruments (at cost)				
Greaves Finance Limited (Face Value of ₹ 10/- each)	3,48,730	40.29	2,50,000	0.29
Greaves Electric Mobility Private Limited (Face Value of ₹ 10/- each) Refer Note 3.e of Material accounting policies and Note below	1,17,19,163	176.30	1,17,19,163	176.30
Greaves Technologies Limited (Face Value of ₹ 10/- each)	1,39,988	4.19	1,39,988	4.19
Excel Controlinkage Private Limited (Face Value of ₹ 100/- each) (Refer footnote iii below)	14,085	237.00	-	-
Sub-total		**457.78**		**180.78**

II. Current Investments

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Investments in Unquoted Mutual Funds measured at FVTPL				
ICICI Pru Overnight Fund- Reg- Growth	15,870	2.05	24,954	3.00
Kotak Overnight Fund- Regular Plan Growth	23,935	3.06	25,207	3.00
SBI Overnight Fund- Reg- Growth	-	-	5,636	2.03
SBI Overnight Fund- Reg- Growth	-	-	5,623	2.03
Nippon India Overnight Fund- Reg- Growth	319,854	4.11	208,732	2.51
ABSL Overnight Fund- Reg- Growth	23,238	3.01	24,897	3.00
DSP Overnight Fund- Reg- Growth	15,973	2.05	33,576	4.02
UTI Overnight Fund Regular Growth	-	-	9,976	3.03
UTI Overnight Fund Regular Growth	9,340	3.06	9,974	3.03
Axis Overnight Fund Growth	23,761	3.01	33,965	4.02
HDFC Overnight Fund Regular Growth	8,647	3.07	-	-
BARODA BNP PARIBAS OVERNIGHT FUND GROWTH	31,893	4.01	-	-
Mirae Asset Cash Management Fund	24,967	3.06	-	-
Sub-total		**30.49**		**29.67**
Aggregate amount of unquoted investments (Current + Non-current)		**488.27**		**210.45**

Footnotes to Investments:

i) The non- current investments in unquoted equity shares of subsidiaries are stated at cost.

ii) During the year, Company subscribed to rights issue of 98,730 shares of Greaves Finance Limited for approx ₹ 40 Crore

iii) During the year, Company completed acquisition of 60% shareholding (on a fully diluted basis) in Nagpur based, Excel Controlinkage Private Limited ("Excel"). Consequently, Excel has become a subsidiary of Greaves Cotton Limited w.e.f. May 8, 2023. Excel is engaged in business of manufacturing Push pull cables and Control levers. (Refer note 31)

iv) Also refer note 32B.

Notes to the Financial Statements

for the year ended March 31, 2024

7. Loans

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, Considered good		
Loan to subsidiaries (Refer Note 35 and footnote 1 below)	33.00	32.00
Total	**33.00**	**32.00**

Footnotes to Loans:

1. a) *During the year, Greaves Finance Limited (100% owned subsidiary) repaid an amount of ₹ 30 Crore. Further the Company granted loan of ₹ 30 Crore (previous year ₹ 17.40 Crore) to Greaves Finance Limited at an interest rate of 10% p.a. (Amount outstanding ₹30 Cr). 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 business requirements.*

   b) *During the year, the Company granted loan of ₹ 1 Crore (previous year ₹ 1 Crore) to its wholly owned subsidiary Greaves Technologies Limited for its working capital requirements at an interest rate of 10% p.a. (Amount outstanding ₹3 Cr). This Loan is repayable with interest within 12 months or such extended period as may be agreed mutually.*

   c) *Maximum amount outstanding at any point of time during the year*

   - ₹ 30 Crore by Greaves Finance Limited

   - ₹ 3 Crore by Greaves Technologies Limited

2. *The Company has not advanced or lent 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 to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries).*

3. *Also, Refer Note 32B*

8. Other financial assets

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
8A	**Non-current**		
	Unsecured, Considered good		
	Security deposits	6.03	6.95
	Fixed deposits with financial institutions	-	30.00
	Term deposits with banks maturity exceeding 12 Months	9.98	11.79
	Margin money deposits with Banks	2.38	2.29
	Non-current total	**18.39**	**51.03**
8B	**Current**		
	Unsecured, Considered good		
	Export benefit receivables	0.58	0.97
	Security deposits	7.46	3.85
	Term deposits with banks maturity not exceeding 12 Months	252.93	451.27
	Interest receivable	9.13	13.82
	Interest receivable from subsidiaries (Refer Note 35)	0.11	0.10
	Other receivable from subsidiaries (Refer Note 35)	4.89	0.21
	Other assets- Receivables towards sale of immovable property.	0.07	2.22

Notes to the Financial Statements

for the year ended March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered doubtful		
Fixed deposits with financial institutions	20.50	20.50
Less: Provision for doubtful deposits	(20.50)	(20.50)
	-	-
Current total	**275.17**	**472.44**
Total	**293.56**	**523.47**

Footnotes to Other Financial Assets:

1. *Also, Refer Note 32B*

9. Other assets

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
9A	**Non-current**		
	Capital advances	15.61	1.39
	Prepaid expenses	0.39	2.10
	Balances with Government Authorities	14.47	14.67
	Non-current total	**30.47**	**18.16**
9B	**Current**		
	Advances to suppliers	5.70	2.70
	Prepaid expenses	5.65	9.81
	Balances with Government Authorities	7.10	6.82
	Other advances (Gratuity)	0.14	0.07
	Current total	**18.59**	**19.40**
	Total	**49.06**	**37.56**

10. Inventories

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Inventories (lower of cost and net realisable value)		
Raw materials	78.36	85.36
Work-in-progress	7.31	5.72
Finished goods	32.38	42.14
Stock-in-trade	13.38	12.97
Stores and spares	3.43	4.57
Loose tools	3.17	3.22
Total	**138.03**	**153.98**

Notes to the Financial Statements

for the year ended March 31, 2024

Footnotes to Inventories:

(₹ in Crore)

i)

Particulars	As at March 31, 2024	As at March 31, 2023
In transit Raw materials (Included above)	3.49	4.34
In transit Stock-in-trade (Included above)	1.44	2.08

ii) *Short Term non fund based limits are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company, which includes Letters of credit and bank guarantees of ₹ 19.88 Crore (previous year ₹ 10.54 Crore) and ₹ 18.57 Crore (previous year ₹ 16.82 Crore) respectively.*

iii) *The above inventory values are net of provisions made of ₹15.29 Crore (March 31, 2023 : ₹18.36 Crore) for slow moving, obsolete and defective inventory.*

iv) *There is no write down on value of inventory during the current and previous year.*

11 - Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good- Secured*	125.51	108.85
Trade receivables considered good- Unsecured	75.57	51.07
Trade receivables- credit impaired	79.16	82.86
Allowance for credit impaired debts (expected credit loss allowance)	(79.16)	(82.86)
Total	**201.08**	**159.92**

** Secured trade receivables are against letters of credit, factoring arrangements, bank guarantees and security deposits.*

Footnotes:

a. *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.

b. *Short Term non fund based limits are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company, which includes Letters of credit and bank guarantees of ₹ 19.88 Crore (previous year ₹ 10.54 Crore) and ₹ 18.57 Crore (previous year ₹ 16.82 Crore) respectively.*

c. *The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings etc. None of the trade receivables that have been written off is subject to enforcement activities.*

d. *Also refer Note 32B*

Notes to the Financial Statements

for the year ended March 31, 2024

11A Trade Receivables ageing schedule as at March 31, 2024

(₹ 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	114.00	9.26	1.62	0.32	0.20	0.11	125.51
(ii)	Considered good- Unsecured	56.39	14.15	2.80	1.46	0.76	0.01	75.57
(iii)	Credit impaired	-	0.01	0.19	2.33	8.02	24.97	35.52
	Disputed Trade receivables							
(iv)	Credit impaired	-	-	-	-	-	43.64	43.64
		170.39	**23.42**	**4.61**	**4.11**	**8.98**	**68.73**	**280.24**
	Less : allowance for credit impaired debts	-	(0.01)	(0.19)	(2.33)	(8.02)	(68.61)	(79.16)
		170.39	**23.41**	**4.42**	**1.78**	**0.96**	**0.12**	**201.08**

11B Trade Receivables ageing schedule as at March 31, 2023

(₹ 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	98.98	8.08	0.92	0.66	0.10	0.11	108.85
(ii)	Considered good- Unsecured	40.93	1.43	4.08	3.28	1.19	0.16	51.07
(iii)	Credit impaired	0.30	0.10	0.54	3.50	5.45	20.78	30.67
	Disputed Trade receivables							
(iv)	Credit impaired	-	-	1.45	6.13	3.24	41.37	52.19
		140.21	**9.61**	**6.99**	**13.57**	**9.98**	**62.42**	**242.78**
	Less : allowance for credit impaired debts	(0.30)	(0.10)	(1.99)	(9.63)	(8.69)	(62.15)	(82.86)
		139.91	**9.51**	**5.00**	**3.94**	**1.29**	**0.27**	**159.92**

12. Cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In fixed deposits with original maturity of less than 3 months at inception	93.25	22.00
In current accounts	6.72	12.26
Cheques, drafts on hand	0.04	0.12
Total	**100.01**	**34.38**

Also refer Note 32B

Notes to the Financial Statements

for the year ended March 31, 2024

13. Bank balances other than cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with maturity exceeding 3 months and less than 12 months at inception	113.75	1.96
Unpaid dividend accounts	2.58	3.02
Total	**116.33**	**4.98**

Also refer Note 32B

14. Assets classified as held for sale

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Leasehold land and buildings thereon (Refer foot note below)	-	13.07

Foot Note:

The Company had entered into a binding MOU with Runal Developers LLP including its assigns ("Purchaser") on August 4, 2021 for sale of Land and Building at Pune for a consideration of ₹ 284 Crore. During the year, pursuant to the execution of definitive agreements, the Company has conveyed the Land in favour of the Purchaser and concluded the transactions on November 3, 2023 with gain of ₹150.15 Crore recognised under exceptional item (Refer note 31).

15. Equity share capital

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
37,50,00,000 Equity shares of ₹ 2 each	75.00	75.00
Issued, subscribed and fully paid up		
23,19,99,969 Equity shares of ₹ 2 each	46.40	46.33
(previous year 23,16,48,587 Equity shares of ₹ 2 each)		
	46.40	**46.33**

15A Issued share capital*

Particulars	No. of Shares	(₹ in Crore)
Equity shares of ₹2 each Issued, subscribed and fully paid up		
As at April 1, 2022	23,15,21,292	46.30
Add: Equity shares issued pursuant to exercise of options under ESOP-2020 (Refer note 16A)	1,27,295	0.03
As at March 31, 2023	23,16,48,587	46.33
Add: Equity shares issued pursuant to exercise of options under ESOP-2020 (Refer note 16A)	3,51,382	0.07
As at March 31, 2024	**23,19,99,969**	**46.40**

Note: During the year, the Company has allotted 3,51,382 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").

**Refer Statement of changes in equity for movement during the year.*

Notes to the Financial Statements

for the year ended March 31, 2024

15B Details of shareholders holding more than 5% shares in the company

(₹ in Crore)

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Fully paid equity shares				
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	12,99,21,455	56.00%	12,91,21,455	55.74%

15C 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 the dividend.

ii) In the event of liquidation of the Company, the holders 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 them.

15D Shareholding of Promoters & Holding Company

(₹ in Crore)

Promoter Name	As at March 31, 2024		As at March 31, 2023		% Change during the year*
	Number of shares held	% of shares held	Number of shares held	% of shares held	
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	12,99,21,455	56.00%	12,91,21,455	55.74%	0.26%

(₹ in Crore)

Promoter Name	As at March 31, 2023		As at March 31, 2022		% Change during the year*
	Number of shares held	% of shares held	Number of shares held	% of shares held	
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	12,91,21,455	55.74%	12,86,14,955	55.55%	0.19%

** % change during the year has been computed on the basis of the number of shares at the beginning of the year.*

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of equity shares.

There were no shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.

15E Dividend

The amount that can be distributed as dividend by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013.

On May 8, 2024, the Board of Directors has proposed final dividend of ₹ 2 per share (previous year ₹ 0.90 per share) on face value of ₹ 2 each (total dividend payout ₹ 46.4 Crore, (previous year ₹ 20.8 Crore)). The proposed dividend is subject to approval of the shareholders in the ensuing Annual General Meeting.

Notes to the Financial Statements

for the year ended March 31, 2024

16. Other equity

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and surplus*		
Capital reserve (Refer Note 1 below)	1.34	1.34
Securities premium (Refer Note 2 below)	37.72	35.90
General reserve (Refer Note 3 below)	348.78	347.84
Capital redemption reserve (Refer Note 1 below)	2.60	2.60
Employee Stock option Plan (Refer Note 16A)	9.94	7.53
Retained earnings	867.32	604.01
Total	**1,267.70**	**999.22**

1. This is not available for distribution of dividend.

2. Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

3. 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 for movement during the year.*

16A Employee Stock option Plan

I.

A. During the earlier years, the Company introduced and implemented 'Greaves Cotton- Employees Stock option Plan 2020' (ESOP 2020), with following terms:

i. 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.

ii. 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 only) 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.

iii. 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.

iv. 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.

v. The Company will follow fair value method for computing the compensation cost, if any, for the Options Granted, in accordance with the applicable Law.

Notes to the Financial Statements

for the year ended March 31, 2024

B. The scheme was approved by the Shareholders on July 11, 2020.

(₹ in Crore)

II

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
		Greaves Cotton- Employees Stock Option Plan 2020 -ESOP-2020	
i.	Grant price	₹2	₹2
ii.	Grant date	Various dates	Various dates
iii.	Options granted and outstanding at the beginning of the year	15,84,295	17,35,292
iv.	No. of options granted during the year	5,53,059	3,83,103
v.	No. of options exercised	3,51,382	1,27,295
vi.	No. of options lapsed	1,87,022	4,06,805
vii.	No. of options outstanding at the end of the year	15,98,950	15,84,295
viii.	No. of options exercisable	3,32,228	1,74,856
ix.	Maximum term of options granted	8 years from the grant date	8 years from the grant date
x.	Vesting Period / Schedule	25% at each anniversary from Grant date	25% at each anniversary from Grant date
xi.	Weighted average remaining contractual life of options (in years)	5 years	6 years
xii.	Weighted average share price at the date of exercise of stock options during the year	134.49	136.49

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 ₹ 144.65 per option (PY ₹ 195.77 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 2023-24 is ₹ 5.17 Crore (PY ₹ 4.45 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.

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:

(₹ in Crore)

Sr. No.	Particulars	2023-24	2022-23
i.	Weighted average risk-free interest rate	7.19%	6.55%
ii.	Weighted average expected life of options	5.5 years	4.3 years
iii.	Weighted average expected volatility	91.43%	87.86%
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

Notes to the Financial Statements

for the year ended March 31, 2024

17. Other financial liabilities

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Employee benefits payable	22.92	16.46
Unpaid dividends*	2.58	3.02
Deposits from dealers	3.93	3.89
Creditors- Capital expenditure	3.26	4.12
Contingent consideration payable**	13.51	-
Others	0.18	0.17
Total	**46.38**	**27.66**

** 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.*

*** The contingent consideration arrangement requires receipt of insurance premium for the claim filed by Excel Controlinkage Private Limited (Excel), as referred in share purchase agreement entered between the Company, Excel and Promoters of Excel. The potential undiscounted amount of all future payments that the Company could be required to make under the contingent consideration arrangement is ₹ 13.51 Crore (net of partial payment made during the year of ₹ 55.79 Crore. (Refer Note 6)*

Also, Refer Note 32B

18. Provisions

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
18A Non-current		
Provision for employee benefits		
Ex-gratia	0.41	0.26
Non-current total	**0.41**	**0.26**
18B Current		
Provision for employee benefits		
Compensated absences	7.27	6.83
Ex-gratia	0.13	0.10
Provision for warranty	31.42	23.92
Current total	**38.82**	**30.85**
Total	**39.23**	**31.11**

Movement in provision for warranty

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	23.92	17.32
Provision recognised during the year	13.94	13.56
Amount utilised during the year	(6.44)	(6.96)
Closing balance	**31.42**	**23.92**

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.

Notes to the Financial Statements

for the year ended March 31, 2024

19. Deferred tax

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
19A Analysis of deferred tax assets presented in the balance sheet:		
Deferred tax assets	28.28	28.63
Deferred tax liabilities	(7.76)	(8.92)
Deferred tax assets (net)	**20.52**	**19.71**

19B Movement in deferred taxes:

During the year ended March 31, 2024

(₹ in Crore)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset/(liability) in relation to:				
Property, plant and equipment	(9.34)	1.71	-	(7.63)
Provision for post retirement benefits and other employee benefits	1.81	0.16	-	1.97
Allowance for doubtful debts and advances	20.81	(0.79)	-	20.02
Remeasurements of the defined benefit plans	-	-	0.06	0.06
Other temporary differences	6.43	(0.33)	-	6.10
Total	**19.71**	**0.75**	**0.06**	**20.52**

During the year ended March 31, 2023

(₹ in Crore)

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset/(liability) in relation to:				
Property, plant and equipment	(10.14)	0.80	-	(9.34)
Provision for post retirement benefits and other employee benefits	2.08	(0.27)	-	1.81
Allowance for doubtful debts and advances	18.58	2.23	-	20.81
Other temporary differences	10.01	(3.58)	-	6.43
Total	**20.53**	**(0.81)**	**-**	**19.71**

Notes to the Financial Statements

for the year ended March 31, 2024

19C The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	**365.72**	**160.72**
Income tax expenses calculated at 25.168% (previous year 25.168%)	92.04	40.45
Differences due to:		
Tax on income at different rates	(15.98)	-
Tax effect of expenses that are not deductible in determining taxable profit	5.30	5.17
Total tax expense	**81.36**	**45.62**

19D The following amounts relating to tax have been recognised in other comprehensive income:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax		
Items that will not be reclassified subsequently to profit and loss:		
Remeasurements of the defined benefit plans	0.06	-

20. Trade payables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Due to micro enterprises and small enterprises*	35.00	31.67
Other than micro enterprises and small enterprises	239.12	212.38
Total	**274.12**	**244.05**

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.*

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount and interest due thereon remaining unpaid to any suppliers as at end of each financial year:		
Principal amount	35.00	31.67
Interest due	-	-
Amount paid beyond the appointed day	-	-
Interest due and payable to suppliers, for payments already made under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in succeeding years	-	-

Notes to the Financial Statements

for the year ended March 31, 2024

20A Trade Payables ageing schedule as at March 31, 2024

(₹ 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)	Undisputed dues-MSME	34.53	0.08	0.06	0.08	0.25	35.00
(ii)	Undisputed dues-Others	197.35	34.23	3.41	0.84	3.29	239.12
(iii)	Disputed dues–MSME	-	-	-	-	-	-
(iv)	Disputed dues–Others	-	-	-	-	-	-
	Total	**231.88**	**34.31**	**3.47**	**0.92**	**3.54**	**274.12**

20B Trade Payables ageing schedule as at March 31, 2023

(₹ 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)	Undisputed dues-MSME	31.15	0.11	0.10	0.09	0.22	31.67
(ii)	Undisputed dues-Others	172.00	36.93	0.56	0.16	2.73	212.38
(iii)	Disputed dues–MSME	-	-	-	-	-	-
(iv)	Disputed dues–Others	-	-	-	-	-	-
	Total	**203.15**	**37.04**	**0.66**	**0.25**	**2.95**	**244.05**

21. Other liabilities

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
21A	**Non-current**		
	Advances from customers	31.53	16.92
	Non-current total	**31.53**	**16.92**
21B	**Current**		
	Advances from customers	9.51	17.26
	Advances against sale of property (Refer note 14)	-	84.15
	Statutory dues	20.21	12.25
	Other payables (Govt. Subsidy to be pass on to customers)	0.31	-
	Current total	**30.03**	**113.66**
	Total	**61.56**	**130.58**

Notes to the Financial Statements

for the year ended March 31, 2024

22. Revenue from operations

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products		
(i) Finished goods	1,574.43	1,367.98
(ii) Stock-in trade	159.67	148.27
Sub Total	**1,734.10**	**1,516.25**
Service income	**37.43**	**29.64**
Other operating revenue		
(i) Export incentive	1.92	0.26
(ii) Development cost recovered (Net)	5.14	3.61
Sub Total	**7.06**	**3.87**
Total Revenue from operations (Refer note 40)	**1,778.59**	**1,549.76**

23. Other income

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Interest income from financial assets carried at amortised cost:		
Deposits with Banks	24.80	21.77
Loan given to subsidiaries (Refer Note 35)	1.60	6.94
b) Other non-operating income :		
Financial assets measured at fair value through profit or loss (unrealised)	0.32	0.17
Financial assets measured at fair value through profit or loss (realised)	1.11	0.30
Gain on Sale of Property, Plant and Equipment (Net)	1.25	0.50
Foreign Currency Transactions and Translation (Net)	0.35	0.34
Scrap sales	3.25	2.13
Royalty	2.94	3.39
Insurance Claim	0.21	0.14
Liabilities no longer required written back	0.33	4.82
Miscellaneous income	2.13	2.03
Total	**38.29**	**42.53**

24. Cost of materials consumed

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw materials consumed:		
Opening stock	85.36	77.51
Add: Purchases	1,066.37	1,002.17
Less : Closing stock	78.36	85.36
Total Cost of Raw Materials Consumed	**1,073.37**	**994.32**

Notes to the Financial Statements

for the year ended March 31, 2024

25. Purchases of stock-in-trade

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Traded goods	130.26	112.62

26. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening inventories		
Finished goods	42.14	31.78
Work-in-progress	5.72	5.60
Stock-in-trade	12.97	16.05
Total Opening Balance	**60.83**	**53.43**
Closing inventories		
Finished goods	32.38	42.14
Work-in-progress	7.31	5.72
Stock-in-trade	13.38	12.97
Total Closing Balance	**53.07**	**60.83**
Total Changes in inventories of finished goods, work-in progress and stock-in-trade	**7.76**	**(7.40)**

27. Employee benefits expense

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	124.72	101.58
Expenses on employees stock option scheme	5.17	4.45
Contribution to provident and other funds	10.45	9.23
Staff welfare expenses	7.66	6.16
	148.00	121.42
Less: Capitalised towards product development	5.51	6.18
	142.49	**115.24**

Notes to the Financial Statements

for the year ended March 31, 2024

Employee benefit plans

27A Defined contribution plans

The amount recognised as an expense during the year ended March 31, 2024 towards Provident Fund (including admin charges), ESIC contribution and Superannuation & National Pension Scheme is ₹ 4.73 Crore (previous year ₹ 4.13 Crore), ₹ 0.01 Crore (previous year ₹ 0.02 Crore) and ₹ 4.22 Crore (previous year ₹ 3.67 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 March 31, 2024 for estimated terms of obligation. The trustees of the fund have outsourced the investment management to the Insurance Company. 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 (2012-14) 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			
	March 31, 2024		March 31, 2023	
Discount rate(s) (p.a.)	7.25%		7.40%	
Expected rate(s) of salary increase (p.a.)	MGMT : 8% NMGT : 6%		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

Notes to the Financial Statements

for the year ended March 31, 2024

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Service cost:		
Current service cost	1.50	1.60
Net Interest Cost	(0.01)	(0.19)
Components of defined benefit costs recognised in profit or loss during the year	**1.49**	**1.41**
Opening amount recognised in other comprehensive income :	**(8.59)**	**(7.43)**
Actuarial (Gain)/ Loss on account of:		
Changes in financial assumptions	0.13	(0.46)
Experience adjustments	0.21	(0.90)
Actual return on plan assets less interest on plan assets	(0.11)	0.31
Adjustment to recognize the effect of asset ceiling	-	(0.11)
Closing amount recognised in other comprehensive income :	**(8.36)**	**(8.59)**
Components of defined benefit (income) / cost recognised in other comprehensive income during the year	**0.23**	**(1.16)**

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:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	14.46	13.51
Fair value of plan assets	14.60	13.58
Funded status	(0.14)	(0.07)
Change in surplus/deficit	-	-
Net (asset) arising from defined benefit obligation	**(0.14)**	**(0.07)**

Notes to the Financial Statements

for the year ended March 31, 2024

Reconciliation of Opening and Closing balances of Defined Benefit Obligation:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation	**13.51**	**14.90**
Current service cost	1.50	1.60
Interest on defined benefit obligation	0.90	0.91
Actuarial (Gain)/ loss on Obligations:		
Changes in financial assumptions	0.13	(0.46)
Experience adjustments	0.21	(0.90)
Benefits paid	(1.79)	(2.54)
Closing defined benefit obligation	**14.46**	**13.51**

Movements in the fair value of the plan assets are as follows:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening fair value of plan assets	**13.58**	**17.82**
Interest income	0.91	1.11
Re-measurement gain / (loss):		
Return on plan assets (excluding amounts included in net interest expense)	0.11	(0.32)
Contributions from the employer	(1.79)	(2.49)
Benefits paid	1.79	(2.54)
Closing fair value of plan assets	**14.60**	**13.58**

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

(₹ in Crore)

Particulars	Fair Value of plan asset as at	
	March 31, 2024	March 31, 2023
Cash and cash equivalents	0.04	0.04
Non quoted value :		
Insurance company managed fund	14.56	13.54
Total	**14.60**	**13.58**

Notes to the Financial Statements

for the year ended March 31, 2024

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 assumptions by 50 basis points.

(₹ in Crore)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(0.44)	0.44	(0.39)	0.39
Impact of decrease in 50 bps on DBO	0.47	(0.42)	0.42	(0.38)

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 March 31, 2024 is 9.28 years (as at March 31, 2023: 10.41 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 :

(₹ in Crore)

Maturity profile	2023-24	2022-23
Expected benefits for year 1 to 3	6.39	5.91
Expected benefits for year 4 and 5	3.03	3.24
Expected benefits for year 6 and above	15.77	14.30

28. Finance costs

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Bills Discounting Charges	0.11	0.37
Interest on Lease liabilities & Others	1.66	1.74
Total	**1.77**	**2.11**

29. Depreciation and amortisation expense

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (Refer Note 4)	16.96	18.03
Depreciation of right-of-use assets (Refer Note 4)	5.51	5.41
Amortisation of intangible assets (Refer Note 5)	18.54	14.66
Total	**41.01**	**38.10**

Notes to the Financial Statements

for the year ended March 31, 2024

30. Other expenses

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Stores and spares consumed	7.77	7.04
Power, fuel and electricity	9.69	8.61
Contracting expenses	30.75	28.98
Repairs and maintenance:		
Buildings	0.44	0.62
Plant & equipment	3.44	3.17
Others	2.64	2.03
Brokerage and commission	1.24	4.34
Rent (Refer note 38A)	0.87	0.70
Lease rentals	0.21	0.18
Insurance	2.06	1.93
Bad debts/ advances written-off (i)	1.50	0.19
Less: Allowance for doubtful debts/advances (ii)	(1.50)	(0.08)
Bad debts/ advances written-off (i)-(ii)	-	0.11
Allowance for expected credit loss	(2.20)	9.63
Rates and taxes	4.45	2.73
Advertisement and sales promotion expenses	5.06	3.43
Travelling	10.46	8.78
Carriage and freight	25.65	21.89
Director sitting fees	0.46	0.41
Printing & stationery	0.32	0.27
Postage, telephone and fax	1.20	1.31
Warranty expenses	13.94	13.56
Legal, professional and consultancy charges	13.76	11.52
After sales service expenses	34.44	25.44
Impairment of property, plant and equipment (Net)	-	1.26
Miscellaneous expenses	26.55	25.63
Total	**193.20**	**183.57**

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
30A Miscellaneous expenses include:		
Auditors' remuneration and expenses		
Statutory audit fees	0.70	0.67
Limited review	0.34	0.34
Fees for certification	0.02	0.02
Reimbursement of out-of-pocket expenses	@	@
Payments to tax auditors		
Tax audit fees	0.08	0.08
Payments to cost auditors		
Cost audit fees	0.09	0.09

Notes to the Financial Statements

for the year ended March 31, 2024

(₹ in Crore)

Particulars			Year ended March 31, 2024	Year ended March 31, 2023
	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 as per Section 135 of the Companies Act, 2013**	1.84	1.78
	(2)	**Amount approved by the Board**	1.65	2.00
	(3)	**Amount spent during the year on :**		
		(i) Construction/acquisition of any asset	-	-
		(ii) On purposes other than (i) above	1.54	2.00
	(4)	**Shortfall at the end of the year***	0.11	-
	(5)	**Total of previous years shortfall**	0.11	-
	(6)	**Reason for shortfall**	The attrition of NEEM trainees was more than the forecasted attrition during the year under review, this resulted in lesser CSR spent than forecast.	NA
	(7)	**nature of CSR activities**	Reskilling and Education	

**Shortfall at the end of the year is after setting of excees spend of Rs.0.22 Crore in previous year.*

31. Exceptional items

(₹ in Crore)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
(i)	Profit on sale of immovable properties	5.47	4.90
(ii)	Profit on sale of Land (Refer note 14)	150.15	-
(iii)	Impairment loss of PPE and Intangible assets under development (Refer note 5A)	(16.00)	(15.84)
(iv)	Factory relocation expenses	-	(1.56)
(v)	Sale of Brand	-	19.49
(vi)	Business acquisition-related cost (Refer note 6)	(0.92)	-
	Exceptional items (net)	**138.70**	**6.99**

32. Risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk, and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

32A Capital risk management :

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plan.

Notes to the Financial Statements

for the year ended March 31, 2024

32B Financial instruments :

The Material 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, 8, 11, 12, 13, 17, 20 & 38 to the financial statements. These Notes also mention the basis on which the income & expenses are recognised.

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Measured at amortised cost *		
Cash and bank balances	216.34	39.36
Term deposits with Banks maturity exceeding 12 Months	262.91	463.06
Fixed deposits with financial institutions	0.00	30.00
Trade receivables	201.08	159.92
Security deposits	13.49	10.80
Margin money with Banks	2.38	2.29
Loan to subsidiaries	33.00	32.00
Interest receivable from subsidiaries	0.11	0.10
Others	14.68	17.22
Measured at fair value through profit and loss		
Current Investments	30.49	29.67
Financial liabilities		
Measured at amortised cost *		
Trade payables	274.12	244.05
Unpaid dividends	2.58	3.02
Deposits from dealers	3.93	3.89
Creditors- Capital expenditure	3.26	4.12
Others	0.18	0.17
Employee benefits payable	22.92	16.46
Lease liability (Refer Note 38)	18.96	17.30
Measured at fair value through profit and loss		
Contingent consideration payable	13.51	-

** 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.*

32C Financial and liquidity risk management objectives :

i) Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors the rolling forecast of its liquidity position based on expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all points in time. The Company has sufficient short-term fund-based lines, which provide healthy liquidity and these carry the highest credit quality rating from a reputed credit rating agency.

ii) The Company has a policy of investing surplus funds in fixed deposits with banks and in overnight debt mutual funds.

iii) 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.

iv) 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 five parties have more than 5%

Notes to the Financial Statements

for the year ended March 31, 2024

of the total outstanding amount and one of them is fully secured against factoring arrangement & two of them are fully secured against letter of credit.

v) Of the total outstanding as at reporting date, 62.4% of the reported trade receivables 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.

(₹ in Crore)

Particulars	As at March 31, 2024		
	Less than 1 year	More than 1 year	Total
Trade payables	274.12	-	274.12
Lease liabilities	7.04	11.92	18.96
Other financial liabilities	46.38	-	46.38
Total	**327.54**	**11.92**	**339.46**

(₹ in Crore)

Particulars	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Trade payables	244.05	-	244.05
Lease liabilities	4.38	12.92	17.30
Other financial liabilities	27.66	-	27.66
Total	**276.09**	**12.92**	**289.01**

32D Foreign currency risk management :

Foreign currency risk is the risk that the fair value of future cash flows of exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

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 unhedge monetary assets and liabilities at the end of each reporting period are as follows.

(₹ in Crore)

Particulars	Assets		Liabilities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD	12.77	5.16	0.51	0.25
EUR	5.11	0.73	-	0.09
GBP	-	-	0.28	0.22
CNY	-	-	0.04	0.05

Notes to the Financial Statements

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Change in currency exchange rate	Effect on profit before tax		Effect on equity	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD	+5%	0.61	0.25	0.46	0.18
	-5%	(0.61)	(0.25)	(0.46)	(0.18)
EUR	+5%	0.26	0.03	0.19	0.02
	-5%	(0.26)	(0.03)	(0.19)	(0.02)
GBP	+5%	(0.01)	(0.01)	(0.01)	(0.01)
	-5%	0.01	0.01	0.01	0.01
CNY	+5%	(0.00)	(0.00)	(0.00)	(0.00)
	-5%	0.00	0.00	0.00	0.00

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.

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 five parties have more than 5% of the total outstanding amount and one of them is fully secured against factoring arrangement & two of them are fully secured against letter of credit.

There is no single customer dependency. As at March 31 2024, the Company has top five unsecured customers that owed to the company ₹36.7 Crore which accounted for 18% of the total trade receivables. (As at March 31 2023, the Company has top five unsecured customers that owed to the company ₹30.2 Crore which accounted for 19% of the total trade receivables).

32F Fair value measurements :

Quantitative disclosures fair value measurement hierarchy as at March 31, 2024:

(₹ in Crore)

Particulars	Date of Valuation	Significant observable inputs (Level 2)
Assets measured at fair value :		
Investment in mutual funds (refer note 6)	March 31, 2024	30.49

(₹ in Crore)

Particulars	Date of Valuation	Unobservable inputs (Level3)
Liability measured at fair value :		
Contingent Consideration Payable (refer note 17)*	March 31, 2024	13.51

** Contingent consideration relating to acquisition of Excel Controlinkage Private Limited is measured at its acquisition-date fair value. No gain or loss for the year relating to this contingent consideration has been recognized in profit or loss.*

Notes to the Financial Statements

for the year ended March 31, 2024

Quantitative disclosures fair value measurement hierarchy as at March 31, 2023:

(₹ in Crore)

Particulars	Date of Valuation	Significant observable inputs (Level 2)
Assets measured at fair value :		
Investment in mutual funds (refer note 6)	March 31, 2023	29.67

Level 2 inputs are significant observable inputs that are observable for the asset or liability, either directly or indirectly

Level 3 inputs are unobservable inputs for the asset or liability

32G Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: Currency risk and interest rate risk. Financial instruments affected by market risk include investments, trade payables, trade receivables and loans.

32H Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affect significantly to the company. Company does not have any exposure to the future cash flows resulting from change in interest rate as the Company's net obligations and assets carries fixed interest rate.

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.

34A Earnings per share

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Face Value per Equity Share (₹)	**2.00**	**2.00**
Net Profit for the year attributable to the owners of the Company	284.36	115.10
Weighted average number of equity shares outstanding for the purpose of basic earnings per share	23,19,54,386	23,15,61,423
Basic earnings per share (₹)	**12.26**	**4.97**
Weighted average number of equity shares outstanding	23,19,54,386	23,15,61,423
Add: Weighted average number of potential equity shares on account of Employee stock options	16,01,949	16,56,114
Weighted average number of equity shares outstanding for the purpose of diluted earnings per share	23,35,56,335	23,32,17,536
Diluted earnings per share (₹)	**12.18**	**4.94**

34B Audit Trail

The Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level for accounting Software to log any direct data changes.

Notes to the Financial Statements

for the year ended March 31, 2024

35. Related party transactions

List of related parties :

35A Name of Related party where control exists:

DBH Investment Capital India Private Limited (Formerly known as 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)
Greaves Technologies Inc.
MLR Auto Limited (w.e.f. May 16, 2023)
Excel Controlinkage Private Limited (w.e.f. May 8, 2023)

35C Associate Company :

MLR Auto Limited (Upto May 15, 2023)

35D Fellow group company where company had transactions during the year :

Premium Transmission Private Limited

35E Enterprises owned or significantly influenced by Key Management Personnel

Peak 15 Advisors LLP

35F Key management personnel as per applicable accounting standards :

Mr Karan Thapar	: Chairman & Non Executive Director
Mr Nagesh A Basavanhalli	: Vice Chairman upto May 12, 2023 Non-Executive Director and Vice-Chairman from May 12, 2023
Dr Arup Basu	: Managing Director
Mr Dalpat Raj Jain	: Chief Financial Officer upto June 12, 2023
Mrs Akhila Balachandar	: Chief Financial Officer from June 13, 2023
Mr Atindra Basu	: Group General Counsel & Company Secretary
Mr Arvind Kumar Singhal	: Independent Director
Mr Kewal Handa	: Independent Director
Ms Sree Patel	: Independent Director
Mr Vinay V Sanghi	: Independent Director
Mr Firdose A Vandrevala	: Independent Director
Mr Ravi M Kirpalani	: Independent Director
Mr Raja Venkataraman	: Independent Director

Notes to the Financial Statements

for the year ended March 31, 2024

35G Transactions with related parties :

The following transactions occurred with the related parties:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sales and purchases of goods and services		
Sale of goods		
Subsidiaries		
MLR Auto Limited	22.05	-
Associate		
MLR Auto Limited	0.93	10.44
Fellow group company		
Premium Transmission Private Limited	0.05	@
Sale of Assets		
Subsidiaries		
Greaves Electric Mobility Private Limited	-	20.10
Associate		
MLR Auto Limited	-	0.01
Purchase of Goods		
Subsidiaries		
Bestway Agencies Private Limited	3.62	-
Greaves Electric Mobility Private Limited	12.50	-
Excel Controlinkage Private Limited	0.20	-
Associate		
MLR Auto Limited	-	0.89
Rendering of services/Reimbursement of expenses		
Subsidiaries		
Greaves Electric Mobility Private Limited	8.46	6.15
Bestway Agencies Private Limited	0.64	0.83
Greaves Technologies Limited	0.16	0.08
Greaves Finance Limited	0.14	0.20
Associate		
MLR Auto Limited	-	@
Royalty Income		
Subsidiaries		
Greaves Electric Mobility Private Limited	1.02	2.71
Bestway Agencies Private Limited	0.06	0.17
Greaves Technologies Limited	0.61	0.44
Greaves Finance Limited	0.10	0.07
MLR Auto Limited	1.16	-
Other transactions		

Notes to the Financial Statements

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Consultancy Charges		
Peak 15 Advisors LLP	3.61	-
Commission received		
MLR Auto Limited	-	0.04
Lease rent expenses paid to subsidiaries		
Greaves Finance Limited	0.31	0.31
Lease rent expenses paid to Fellow group company		
Premium Transmission Private Limited	-	0.02
Interest Income from subsidiaries		
Greaves Finance Limited	1.37	2.48
Greaves Technologies Limited	0.23	0.34
Subscribed to Right issue of Shares		
Greaves Finance Limited	40.00	
Greaves Technologies Limited	-	4.00
Loan given to Subsidiaries		
Greaves Finance Limited	30.00	17.40
Greaves Technologies Limited	1.00	1.00
Loan repaid by Subsidiaries		
Greaves Technologies Limited	-	3.00
Greaves Finance Limited	30.00	-
Dividend paid		
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	11.67	2.57
Deposit towards development cost		
Subsidiaries		
MLR Auto Limited	0.75	-
Associate		
MLR Auto Limited	-	0.50
Deposit paid		
Greaves Electric Mobility Private Limited	0.50	-

@ Represents amount less than ₹ 1 lakh

Notes to the Financial Statements

for the year ended March 31, 2024

The following balances were outstanding as at end of the reporting period :

(₹ in Crore)

Particulars	Amounts owed by related parties as at		Amounts owed to related parties as at	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Subsidiary companies				
Greaves Electric Mobility Private Limited	3.60	0.54	-	-
Bestway Agencies Private Limited	0.40	0.05	-	-
Greaves Finance Limited	30.09	30.08	-	-
Greaves Technologies Limited	3.29	2.07	-	-
MLR Auto Limited	9.19	-	-	-
Excel Controlinkage Private Limited	-	-	0.19	-
Associate company				
MLR Auto Limited	-	2.45	-	-
Fellow group company				
Premium Transmission Private Limited	@	0.01	-	-
Enterprises owned or significantly influenced by the Key Management Personnel				
Peak 15 Advisors LLP	-	-	1.37	-

@ Represents amount less than ₹ 1 lakh

All the transactions of the Company with related parties were in the ordinary course of business.

The amounts outstanding are unsecured and will be settled in cash. No amounts are written off / written back during the year (previous year Nil).

35H Compensation of key management personnel as per applicable accounting standards :

The remuneration of directors and other members of the key management personnel during the year were as follows:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	13.27	12.76
Post-employment benefits	0.28	0.42
Commission to Non executive and independent directors	1.64	0.69
Sitting Fees to Non executive and independent directors	0.46	0.41
Total	**15.65**	**14.28**

Notes :

1. *The remuneration of directors and key executives is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.*
2. *Short term employee benefits include incentive paid during the year.*
3. *Stock options granted to key management personnel during the year is 1,38,265 (Also, Refer Note 16A).*

Notes to the Financial Statements

for the year ended March 31, 2024

36. Contingent liabilities

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
a)	Sales tax matters in appeal	32.56	16.16
b)	Excise duty matters in appeal	25.23	25.76
c)	Claims made against the company, not acknowledged as debts	32.81	31.96
d)	Wage demand not acknowledged by the company in respect of matters in appeal	10.96	9.69

1. The Company presently does not expect any outflow in respect of the above contingent liabilities.
2. It is not practical to estimate the timing of cash outflows, if any, in respect of matters (a) to (d) above, pending resolution of the appellate proceedings.

37. Commitments

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	5.00	4.52

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% p.a.

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.

38A 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:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Right-of-use assets	34.33	33.28
Lease liabilities		
Non-current	11.92	12.92
Current	7.04	4.38

Notes to the Financial Statements

for the year ended March 31, 2024

Amounts recognised in the Statement of profit and loss

The Statement of profit or loss shows the following amounts relating to leases:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation charge on right-of-use assets (Refer note 4 & 29)	5.51	5.41
Interest expense (included in finance costs) (Refer note 28)	1.56	1.68
Expense relating to short term leases not included in lease liabilities (Refer note 30)	0.92	0.41

The total cash outflow towards leases for the year ended March 31, 2024 was ₹6.46 Crore (previous year ₹5.73 Crore)

38B Movement in lease liabilities during the year

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	**17.30**	**20.47**
Additions during the year	6.56	7.06
Deletions during the year	0.00	(6.18)
Finance costs incurred during the year	1.56	1.68
Payments of Lease Liabilities	(6.46)	(5.73)
Closing Balance	**18.96**	**17.30**

38C The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than 1 year	7.04	5.63
Later than 1 year and not later than 5 years	14.62	14.4
Total undiscounted lease liabilities	**21.66**	**20.03**

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 operations. 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.

Notes to the Financial Statements

for the year ended March 31, 2024

39. Ratios

Sr. no.	Particulars	Numerator	Denominator	FY 2024	FY 2023	% Variance	Reason for variance
a)	Current Ratio	Current Assets	Current liabilities	2.2	2.0	8%	
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	24%	12%	107%	Exceptional gain on pune land sale, Revenue growth of 15% leading to higher PAT.
e)	Inventory turnover ratio	Revenue from operations	Average Inventory	12.18	10.55	15%	
f)	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	9.85	9.18	7%	
g)	Trade payables turnover ratio	Net Purchases (Raw material + Traded goods+Other Expenses)	Average trade payables	5.37	5.33	1%	
h)	Net capital turnover ratio	Revenue from operations	Working capital	3.72	3.49	7%	
i)	Net profit ratio	Profit after taxes	Revenue from operations	16%	7%	115%	Exceptional gain on pune land sale, Revenue growth of 15% leading to higher PAT.
j)	Return on Capital employed	EBIT (Profit before exceptional items & taxes + Finance cost)	Average capital employed	19%	16%	23%	
k)	Return on investments (FD)	Interest Income	Average of investments in bank deposit	5%	5%	6%	
l)	Return on investments (Mutual Fund)	Finance Income	Average of investments in Mutual Fund	7%	6%	11%	

Notes to the Financial Statements

for the year ended March 31, 2024

40 Disaggregated revenue information as per Ind AS 115 - Revenue from contracts with customers

The table below presents disaggregated revenue from Contracts with customers for the year ended March 2024 and March 2023. 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.

(₹ in Crore)

Timing of transfer of goods and services	For the year ended March 31, 2024	For the year ended March 31, 2023
	At a point in time	At a point in time
Engines	1,636.70	1,424.78
Others	141.89	124.98
Total	**1,778.59**	**1,549.76**

Reconciliation of contracted price with the revenue recognised in statement of profit or loss:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products at transaction price, sale of service and Other operating revenue at contracted price	1,829.70	1,586.08
Reductions towards variable consideration components *	(51.11)	(36.32)
Revenue recognised in profit and loss	**1,778.59**	**1,549.76**

** Reduction towards variable consideration components include Special Incentive, cash discounts, turnover discounts etc.*

41. Additional Regulatory Information

i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii. The Company has Working Capital Limits sanctioned from banks 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 are in agreement with the Unaudited books of accounts.

iii. The Company does 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	Transactions during the year	As at March 31, 2024	As at March 31, 2023
Dream Land Amusement Parks Private Limited	Receivables*	-	0.02	0.02
Emingstar Power Builders Private Limited	Receivables*	-	0.63	0.63
DNP Powergen Private Limited	Receivables	0.15	0.15	-
Kriya Hrsolutions Private Limited	Payables	0.05	@	0.04

**Receivables from above struck off companies are fully provided in books.*

@ Represents amount less than ₹ 1 lakh

Notes to the Financial Statements

for the year ended March 31, 2024

iv. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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 does not have any such transaction which is not recorded in the books of account 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.)

42. The figures for the corresponding previous year have been regrouped, wherever necessary, to make them comparable with the figures of the current year.

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Mumbai, May 8, 2024

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 Oct 23, 2018	From Jul 14, 2020
		Financial Year ended March 31, 2024			
A)	Share Capital	0.35	0.14	18.76	0.02
B)	Reserves/ Surplus in profit & loss	24.83	2.37	475.14	(69.61)
C)	Total Assets	61.74	14.74	651.62	30.23
D)	Total Liabilities	36.57	12.22	157.73	99.83
E)	Investments (as per details attached)	0.17	-	164.63	-
F)	Turnover (including other income)	6.09	34.79	466.35	95.09
G)	Profit/ (Loss) before taxation	(14.43)	(1.58)	(641.71)	(19.36)
H)	Provision for taxation	-	0.01	(0.14)	0.00
I)	Profit/ (Loss) after taxation	(14.43)	(1.59)	(641.57)	(19.36)
J)	Proposed Dividend	-	-	-	-
K)	Extent of shareholding	100%	100%	62.46%	100%

Part "A" : Subsidiaries

(₹ in Crore)

	Date of Acquisition	Greaves Technologies Inc.	MLR Auto Limited	Excel Controlinkage Private limited
		Since inception	From May 16, 2023	From May 8, 2023
		Financial Year ended March 31, 2024		
A)	Share Capital	0.42	87.40	0.23
B)	Reserves/ Surplus in profit & loss	(0.06)	(164.48)	181.12
C)	Total Assets	0.48	47.59	213.54
D)	Total Liabilities	0.12	124.67	32.19
E)	Investments (as per details attached)	-	-	2.02
F)	Turnover (including other income)	0.29	86.50	247.12
G)	Profit/ (Loss) before taxation	(0.06)	(25.91)	75.59
H)	Provision for taxation	-	-	17.90
I)	Profit/ (Loss) after taxation	(0.06)	(25.91)	57.69
J)	Proposed Dividend	-	-	-
K)	Extent of shareholding	100%	51%	60%

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Mumbai, May 8, 2024

Information on Subsidiary Companies

Details of investments made by Subsidiary Companies as at March 31, 2024

(₹ in Crore)

	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Current Investments				
Greaves Electric Mobility Private Limited				
Investments in subsidiaries (Unquoted)				
Bestway Agencies Private Limited	1,110	6.76	1,110	6.76
Investments in associate (Unquoted)				
MLR Auto Limited	5,57,27,294	33.86	1,88,10,000	18.81
Sub Total		**40.62**		**25.57**
Greaves Finance Limited				
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	0.02	20	0.01
Bajaj Finance Services Limited	100	0.02	10	0.01
Bajaj Holdings and Investment Limited	10	0.01	10	0.01
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	0.01	150	0.01
Force Motors Limited	10	0.01	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	0.01	75	0.00
Larsen & Toubro Limited	45	0.02	45	0.01
Mahindra & Mahindra Limited	132	0.03	132	0.02
Maruti Suzuki India Limited	1	0.00	1	0.00
Shanthi Gears Limited	200	0.01	200	0.01
Siemens Limited	1	0.00	1	0.00
Steel Authority of India Limited	1	0.00	1	0.00
Swaraj Engines Limited	30	0.01	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

Information on Subsidiary Companies

(₹ in Crore)

	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
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		**0.17**		**0.09**
Provision on non current investment		@		@
Total		**40.79**		**25.66**
Aggregate amount of unquoted investments		@		@
Aggregate amount of quoted investments and market value thereof		0.17		0.09

Information on Subsidiary Companies

Details of investments made by Subsidiary Companies as at March 31, 2024

(₹ in Crore)

	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Current Investments				
Greaves Electric Mobility Private Limited				
Investments in Mutual Funds				
Fair value through profit or loss				
Kotak Overnight fund	-	-	92,120	11.02
Kotak Overnight fund	-	-	1,10,076	50.07
Kotak Liquid fund	-	-	43,998	20.01
Kotak Liquid fund	-	-	25,092	3.00
Aditya Birla Sun Life Liquid Fund- Growth	5,23,023	20.17	-	-
DSP Liquidity Fund- Institutional Plan- Growth	88,555	30.26	-	-
ICICI Prudential Liquid Fund- Growth	8,53,831	30.26	-	-
Nippon India Liquid Fund- Growth	50,056	29.25	-	-
Tata Liquid Fund- Growth	37,327	14.07	-	-
Sub Total		**124.01**		**84.10**
Excel Controlinkage Private limited				
Investments in Mutual Funds (Quoted)				
Fair value through profit or loss				
UTI Ultra Short Duration Fund	25	0.01	-	-
UTI Liquid Fund	5,083	2.01	-	-
Sub Total		**2.02**		**-**

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 2024, 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 ended on that date, and notes to the financial statements, including a summary of material 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 the other auditors on separate financial statements of the subsidiaries and an 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 ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2024, and their consolidated profit, their consolidated total comprehensive income, 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 (SAs) specified under section 143 (10) of the Act. 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 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 sub paragraph (a) of 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	**Acquisition of Excel Controlinkage Private Limited ("ECPL")** The parent On May 8, 2023 completed acquisition of 60% shareholding (on a fully diluted basis) in Nagpur based Excel Controlinkage Private Limited ("Excel"). Consequently, Excel has become a subsidiary of parent w.e.f. May 8, 2023. Excel is engaged in business of manufacturing Push pull cables and Control levers. The purchase consideration was allocated to the fair value of identifiable assets acquired and liabilities assumed, resulting in the recognition of goodwill of ₹ 86.17 crores as on the date of acquisition.	Principal Audit Procedures performed included the following : • We obtained understanding of the process followed by the Company in respect of the assessment of the accounting for the acquisition during the year. • We understood from the management, assessed and tested the design and operating effectiveness of the Company's key controls relating to identification of assets acquired and liabilities assumed, assessment of whether it constitutes business, date of acquisition and valuation methodology/ allocation of consideration to assets and liabilities basis their relative fair values and the disclosures related to the same.

Sr. No.	Key Audit Matter	Auditor's Response
	Considering the involvement of significant judgements and assumptions in fair value measurements and purchase price allocations including the magnitude of the acquisition made, this is considered as a key audit matter. [Refer to Note 40 to the Consolidated Financial Statements]	• We have read the share purchase agreement and other related documents to obtain an understanding of the transactions and the key terms and conditions. • We tested the completeness of the identified assets and liabilities acquired by comparison to the scheme of arrangement, through discussions with the Company. • We assessed the Company's determinations of fair values for assets and liabilities acquired and the methods used to value the underlying assets by: - Reading the valuation report prepared by the appointed external valuation specialists. - Evaluating the competence, objectivity and integrity of the appointed external valuation specialists. - Involving our internal valuation specialists in assessing the appropriateness of the methods used to determine the fair values of the assets and liabilities including on the key valuation assumptions such as the discount rates applied. • We have verified the allocation of purchase consideration to the identified assets acquired and liabilities assumed basis their relative fair values. • We have reviewed disclosures in financial statements in respect to acquisition in accordance with the accounting standards.

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 report, Director's Report including Annexures to Director's Report, Business Responsibility And Sustainability 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 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, 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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent'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 in accordance with the

accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group 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 intend 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 are also responsible for overseeing the financial reporting process of the Group.

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 skepticism 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 controls 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 has adequate internal financial controls with reference to consolidated financial statements 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 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 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 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 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 financial 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 Matter

We did not audit the financial statements of four subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 290.08 crores as at 31st March, 2024, total revenues of ₹ 286.63 crores and net cash inflows amounting to ₹ 19.23 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 ₹ 0.90 crore for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These standalone/consolidated 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 an 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 an 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 matter with respect to our reliance on the work done and the reports of the other auditors.

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 of the subsidiaries and an 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 maintained by the Group including relevant records 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 except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India by the one of its subsidiary and (b) in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below and .

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 as on 31st March, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/ are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements 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 and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

h) 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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent Company, such subsidiaries companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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 - Refer Note 37 to the consolidated financial statements.

ii) The Group 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 and its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries 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 respectively that, to the best of their knowledge and belief, as disclosed in the note 36G to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in 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 Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries 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 respectively that, to the best of their knowledge and belief, as disclosed in the note 36G to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any

person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries 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.

v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 15E to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination, which included test checks and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act except for the instances mentioned below, two subsidiary companies incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

The parent company and two subsidiaries have used accounting software for maintaining its books of account for the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at the database level to log any direct data changes. Further, during the course of our audit, we and respective auditors did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

Two subsidiaries have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024 which are operated by a third-party software service provider. In the absence of an independent auditor's service organisation report covering the requirement of audit trail, the other auditors are unable to comment whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions, recorded in the software or whether there were any instances of the audit trail feature been tampered with. (refer Note 35B of the consolidated financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

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, we report that there are no qualifications or adverse remarks made 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	(iii) (b) (c) & (iii)(e)
Bestway Agencies Private Limited	U51909DL2004PTC124090	Subsidiary	(ix) (a)
MLR Auto Limited	U34103TG2009PLC062790	Subsidiary	(i)(vii)

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Mehul Parekh
Partner
Membership No. 121513
UDIN:24121513BKEPED8915

Place: Mumbai
Date: May, 8 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements 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 at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Greaves Cotton Limited (hereinafter referred to as "Parent") and its subsidiary companies, 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 and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on, the internal control with reference to consolidated financial statements 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 with reference to consolidated financial statements of the Parent and its subsidiary companies, 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 with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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, 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 with reference to consolidated financial statements of the Parent and its four subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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, Parent and its four subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements insofar as it relates to four subsidiary companies, 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 matter.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Mehul Parekh
Partner
Membership No. 121513
UDIN:24121513BKEPED8915

Place: Mumbai
Date: May, 8 2024

Consolidated Balance Sheet

as at March 31, 2024

(₹ in Crore)

			Note No.	As at March 31, 2024	As at March 31, 2023
	ASSETS				
1	**Non-current assets**				
	(a)	Property, plant and equipment	4	322.99	206.92
	(b)	Capital work- in- progress	4A	31.55	22.02
	(c)	Right-of-use assets	4 & 39	54.27	43.81
	(d)	Goodwill		211.82	49.04
	(e)	Intangible assets	5	235.81	68.91
	(f)	Intangible assets under development	5A	31.12	60.54
	(g)	Financial assets			
		(i) Investments	6	-	9.56
		(ii) Loans	7	-	20.30
		(iii) Other financial assets	8A	265.42	52.83
	(h)	Income tax assets (Net of provisions)		45.52	37.03
	(i)	Deferred tax assets (Net)	20A	20.57	19.76
	(j)	Other non- current assets	9A	58.85	44.02
		Total non-current assets		**1,277.92**	**634.74**
2	**Current assets**				
	(a)	Inventories	10	276.12	214.95
	(b)	Financial assets			
		(i) Investments	6	156.69	113.77
		(ii) Trade receivables	11	236.40	166.15
		(iii) Cash and cash equivalents	12	147.82	86.43
		(iv) Bank balances other than (iii) above	13	166.33	454.98
		(v) Other financial assets	8B	109.85	934.36
	(c)	Other current assets	9B	93.26	105.98
		Total current assets		**1,186.47**	**2,076.62**
3	**Non-current assets classified as held for sale**		14	-	13.07
	Total Assets			**2,464.39**	**2,724.43**
	EQUITY AND LIABILITIES				
	EQUITY				
	(a)	Equity share capital	15	46.40	46.33
	(b)	Other equity	16	1,393.83	1,540.21
		Equity attributable to the owners of the Company		**1,440.23**	**1,586.54**
	Non controlling interest			**233.93**	**381.02**
		Total Equity		**1,674.16**	**1,967.56**

Consolidated Balance Sheet

as at March 31, 2024 (Contd.)

(₹ in Crore)

			Note No.	As at March 31, 2024	As at March 31, 2023
	LIABILITIES				
1	**Non-current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	17A	0.27	-
		(ii) Lease liabilities	39	19.48	17.81
		(iii) Other financial liabilities	18A	0.46	0.18
	(b)	Provisions	19A	5.73	2.13
	(c)	Deferred tax liabilities (Net)	20A	42.77	6.84
	(d)	Other non- current liabilities	22A	31.53	16.92
		Total non-current liabilities		**100.24**	**43.88**
2	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	17B	49.07	3.39
		(ii) Lease liabilities	39	11.93	7.06
		(iii) Trade payables			
		- Total outstanding dues of micro enterprises and small enterprises	21	50.70	45.60
		- Total outstanding dues of creditors other than micro enterprises and small enterprises	21	335.34	395.76
		(iv) Other financial liabilities	18B	78.04	27.53
	(b)	Provisions	19B	81.80	68.82
	(c)	Income tax liabilities (Net of advance tax)		5.34	9.60
	(d)	Other current liabilities	22B	77.77	155.23
		Total current liabilities		**689.99**	**712.99**
	Total Equity and Liabilities			**2,464.39**	**2,724.43**
	Notes forming part of the financial statements		**1- 44**		

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

		Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	Revenue from operations	23	2,633.19	2,699.45
II	Other income	24	64.76	67.14
III	**Total Income (I + II)**		**2,697.95**	**2,766.59**
IV	**Expenses**			
	Cost of materials consumed	25	1,687.89	1,885.50
	Purchases of stock-in-trade	26	130.57	112.62
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(19.05)	(28.08)
	Employee benefits expense	28	311.18	211.91
	Finance costs	29	9.23	11.69
	Depreciation and amortisation expense	30	84.39	56.68
	Other expenses	31	431.11	384.12
	Total expenses		**2,635.32**	**2,634.44**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**62.63**	**132.15**
VI	**Share in loss of associate**		**(0.90)**	**(6.84)**
VII	**Profit / (Loss) before exceptional items and tax (V + VI)**		**61.73**	**125.31**
VIII	**Exceptional items : Income/(Expense)**	32	(334.83)	(12.50)
IX	**Profit / (Loss) before tax (VII + VIII)**		**(273.10)**	**112.81**
X	**Tax expense**	20E		
	Current tax		100.23	44.90
	Deferred tax (credit)/charge		(6.06)	(1.84)
	Total tax expenses		**94.17**	**43.06**
XI	**Profit / (Loss) for the year (IX - X)**		**(367.27)**	**69.75**
XII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans : (Loss) / Gain		(0.80)	2.05
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.20	(0.31)
	Other comprehensive income for the year		**(0.60)**	**1.74**
XIII	**Total Comprehensive Income / (Loss) for the year (XI + XII)**		**(367.87)**	**71.49**
XIV	**Profit / (Loss) for the year attributable to:**			
	- Owners of the Company		(135.27)	78.03
	- Non Controlling Interest		(232.00)	(8.28)
XV	**Other Comprehensive income for the year:**			
	- Owners of the Company		(0.49)	1.43
	- Non Controlling Interest		(0.11)	0.31
XVI	**Total Comprehensive Income / (Loss) attributable to:**			
	- Owners of the Company		(135.76)	79.46
	- Non Controlling Interest		(232.11)	(7.97)
XVII	**Earnings per equity share of ₹ 2 each :**			
	Basic	35	(5.83)	3.37
	Diluted	35	(5.83)	3.35
	Notes forming part of the financial statements	1- 44		

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Consolidated Statement of Changes in equity

for the year ended March 31, 2024

A Equity share capital

(₹ in Crore)

Balance as at April 1, 2022	**46.30**
Add: Equity shares issued pursuant to exercise of options under ESOP-2020	0.03
Balance as at March 31, 2023	**46.33**
Add: Equity shares issued pursuant to exercise of options under ESOP-2020	0.07
Balance as at March 31, 2024	**46.40**

B Other equity

(₹ in Crore)

	Reserves and surplus									Attributable to the owners	Non controlling interest	Total
	Capital reserve	Capital reserve on consolidation	Securities premium	General reserve	Statutory reserve	Capital redemption reserve	Employee share options	Foreign Currency Monetary Item Translation reserve	Retained earnings			
Balance as at April 1, 2022	**1.34**	**0.14**	**35.38**	**345.77**	**5.49**	**2.60**	**5.10**	**-**	**307.18**	**703.00**	**-**	**703.00**
Acquisitions through business combinations	-	-	-	-	-	-	-	-	752.13	752.13	388.99	1,141.12
Profit for the year	-	-	-	-	-	-	-	-	78.03	78.03	(8.28)	69.75
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	1.43	1.43	0.31	1.74
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**831.59**	**831.59**	**381.02**	**1,212.61**
Dividends	-	-	-	-	-	-	-	-	(4.63)	(4.63)	-	(4.63)
Transfer from/(to) general reserve during the year	-	-	-	1.07	-	-	(1.07)	-	-	-	-	-
Issue of shares on ESOP exercised	-	-	0.51	-	-	-	(0.51)	-	-	-	-	-
Employee Stock Option Plan (Refer note 16A)	-	-	-	-	-	-	10.25	-	-	10.25	-	10.25
Balance as at March 31, 2023	**1.34**	**0.14**	**35.89**	**346.84**	**5.49**	**2.60**	**13.77**	**-**	**1,134.14**	**1,540.21**	**381.02**	**1,921.23**
Balance as at April 1, 2023	**1.34**	**0.14**	**35.89**	**346.84**	**5.49**	**2.60**	**13.77**	**-**	**1,134.14**	**1,540.21**	**381.02**	**1,921.23**
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-	85.02	85.02
Profit for the year	-	-	-	-	-	-	-	-	(135.27)	(135.27)	(232.00)	(367.27)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(0.49)	(0.49)	(0.11)	(0.60)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(135.76)**	**(135.76)**	**(147.09)**	**(282.85)**
Dividends	-	-	-	-	-	-	-	-	(20.88)	(20.88)	-	(20.88)
Transfer from/(to) general reserve during the year	-	-	-	0.93	-	-	(0.93)	-	-	-	-	-
Issue of shares on ESOP exercised	-	-	1.83	-	-	-	(1.83)	-	-	-	-	-
Employee Stock Option Plan (Refer note 16A)	-	-	-	-	-	-	10.25	-	-	10.25	-	10.25
Foreign Currency Monetary Item Translation reserve	-	-	-	-	-	-	-	0.01	-	0.01	-	0.01
Balance as at March 31, 2024	**1.34**	**0.14**	**37.72**	**347.77**	**5.49**	**2.60**	**21.26**	**0.01**	**977.50**	**1,393.83**	**233.93**	**1,627.76**

Notes forming part of the financial statements 1- 44

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Consolidated Statement of cash flows

for the year ended March 31, 2024

(₹ in Crore)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities		
Profit/(Loss) for the year	**(273.10)**	**112.81**
Adjustments for:		
Share of loss of associate	0.90	6.84
Finance costs	9.23	11.69
Interest income	(44.58)	(52.35)
Profit on sale of property, plant & equipment (Net)	(1.12)	(0.50)
Profit on sale of land (net) (exceptional item)	(150.15)	-
Profit on sale of Immovable property (exceptional item)	(5.47)	(4.90)
Financial assets measured at fair value through profit or loss (unrealised)	(0.40)	(0.19)
Financial assets measured at fair value through profit or loss (realised)	(6.96)	(0.30)
Provision for FAME Subsidy (exceptional item)	477.32	-
Expense recognised in respect of equity-settled share based payments	10.25	9.88
Depreciation and amortisation expenses	84.39	56.68
Gain on lease termination	-	(1.19)
Liabilities no longer required written back	(0.33)	-
Trade advance written back	(3.75)	-
Impairment of PPE and Intangible assets under development (exceptional item)	16.00	15.84
Impairment of PPE and Intangible assets under development	-	1.26
Allowance for expected credit loss	8.38	18.10
Foreign currency translation difference	0.01	-
Unrealised foreign exchange (gain)/loss	0.08	0.02
Operating profit before working capital changes	**120.70**	**173.69**
Adjustments for movements in working capital:		
Trade receivables	(39.70)	2.17
Inventories	(2.88)	(21.61)
Other assets	71.11	(332.50)
Trade payables	(81.43)	62.74
Provisions	14.40	26.13
Other liabilities	(121.05)	0.46
Cash used in operations	**(38.85)**	**(88.92)**
Less: Income taxes paid	(114.19)	(46.24)
Net cash used in operating activities (A)	**(153.04)**	**(135.16)**
Cash flows from investing activities		
Acquisition of property, plant and equipment and Capital work-in-progress	(103.53)	(43.23)
Acquisition of Intangible Assets and Intangible assets under development	(55.32)	(35.75)
Proceeds from disposal of property, plant and equipment	86.64	7.76

Consolidated Statement of cash flows

for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

	Year ended March 31, 2024	Year ended March 31, 2023
(Purchase) / (reinvestment) of financial assets	(35.46)	(156.10)
Proceeds from sale of financial assets	-	42.80
Fixed deposits with financial institutions placed	-	(30.00)
Fixed deposits with financial institutions matured	30.00	-
Bank deposits placed	(366.68)	(763.87)
Bank deposits matured	865.02	196.16
Interest received	50.28	38.35
Payment towards acquisition of Excel Controlinakge Private Limited (Subsidiary)	(223.48)	-
Purchase consideration paid on acquisition of associate	(15.05)	-
Loan given to Associate	-	(13.80)
Net cash generated from / (used in) investing activities (B)	**232.42**	**(757.68)**
Cash flows from financing activities		
Proceeds / (Repayment) of Borrowings	5.29	(229.17)
Proceeds from issue of shares on exercise of ESOPs	0.07	0.03
Dividend paid	(20.88)	(4.63)
Issue of shares (Including Premium) (net of expenses)	2.82	1,141.49
Interest paid	(6.39)	(9.47)
Payment made towards lease liabilities (Including Interest)	(12.92)	(9.66)
Net cash (used in) / generated from financing activities (C)	**(32.01)**	**888.59**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**47.37**	**(4.25)**
On acquisition through business combination	14.02	-
Cash and cash equivalents at the beginning of the year	86.43	90.68
Cash and cash equivalents at the end of the year (Refer Note 12)	**147.82**	**86.43**
Notes forming part of the financial statements 1- 44		

In terms of our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Mehul Parekh
Partner

Mumbai, May 8, 2024

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

1. General Information:

Greaves Cotton Limited (the 'Company') and its subsidiaries (Group) is engaged in the manufacturing of engines, engine applications, power gensets and trading of power tillers, spares related to engines, electric vehicles and infrastructure equipment etc. The Group 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 four direct and three indirect subsidiaries. The company on May 8, 2023 completed acquisition of 60% shareholding in Nagpur based Excel Controlinkage Private Limited ("Excel"). Consequently, Excel has become a subsidiary of GCL w.e.f. May 8, 2023. Excel is engaged in business of manufacturing Push pull cables and Control levers.

The Company is public limited Company incorporated and domiciled in India. The address of its corporate office is Unit No.1A, 5th Floor, Tower 3, Equinox Business Park, LBS Marg, Kurla (West), Mumbai – 400070.

The Financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 08, 2024.

2. Summary of Material 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. The Consolidated financial statements have been prepared on Accrual and Going Concern basis and these policies are applied consistently.

2.2. Basis of preparation and presentation:

The financial statements have been prepared on the historical cost basis except for the revaluations of certain properties and 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 as 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 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.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle*
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

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A liability is current when:

- It is expected to be settled in normal operating cycle*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The group has identified twelve months as its operating cycle.*

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.The financial statements have been prepared on historical cost basis, except for the revaluations of certain properties and financial instruments that are measured at revalued amounts or fair values at the end of the reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value.

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 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

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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.

Company derives its revenue from sale of engines, power generating sets, farm equipment & Spares. 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 through dealer network are sold at dealer prices as determined and circulated by the Company periodically.

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 & other vehicles, cables & control levers 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.

Our customers have the contractual right to return goods only when authorized by the company. An estimate is made of goods that will be returned and liability is recognized for this amount using a best estimate based on management's judgment.

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 and there are no unfulfilled obligations.

2.5.3 Dividend and interest income:

Dividend income from investments is recognised when the Company's right to receive payment has been established.

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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. Payment to defined contribution plans are recognized as an expense when employees have rendered services entitling them to the contributions. 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.

2.8.2 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) - recognized in profit and loss when the plan amendment or curtailment occurs or when the group recognizes related restructuring costs or termination benefits

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if earlier gain or losses on settlement of defined benefit plan are recognized when the settlement occurs.

- net interest expense or income - net interest is calculated by applying a discount rate to the net defined benefit liability or assets 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 the 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.

A provision is recognized for those matters for which the tax determination is uncertain but is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to be payable. The assessment is based on the judgment of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on independent tax specialist advice.

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

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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.

2.11.3 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 potential dilutive 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:

As per para 7 of Ind AS 16 'Property, Plant and Equipment' The cost of an item of Property, Plant and Equipment shall be recognized as an asset if and only if, It is Probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. 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

As per Para 67 the carrying amount of an item of Property, Plant and Equipment shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal. Hence, 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.

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Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets. The cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset

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 derecognised.

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.

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.

Ind As 116 requires a lessee to recognise assets and liabilities for all leases for a term of more than 12 months unless the underlying assets is of low value. Therefore, 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.

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.

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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 intangible assets 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 intangibles 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.

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.

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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, as per 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. Financial assets and liabilities are offset and the net amount is reported in the consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

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. The company writes off a financial assets when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. financial assets written off may still be subject to enforcement activities under the company's recovery procedure, taking into account legal advice where appropriate. Any recoveries made are recognized in Profit or loss.

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 remeasurement 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 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 Contracts with Customers", 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

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109 "Financial Instruments". 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.

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.

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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 zprobability 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 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 off.

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

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is recognised as capital reserve on common control business combination.

3. 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 employments 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 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.

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e. Impairment of goodwill and intangible assets:

Goodwill of ₹ 211.82 crores and intangible assets of ₹ 151.80 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 for these assets as of March 31, 2024 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.

3A. 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 March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from

April 1, 2023, as below:

(i) Ind AS 8 – Definition of accounting estimates: The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(ii) Ind AS 12 – Income Taxes The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) right-of-use assets and lease liabilities.

b) decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.

Therefore, if a Group has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of-use assets and lease liabilities. The Company does not expect this amendment to have any significant impact in its financial statements.

(iii) Ind AS 103 – Common control Business Combination The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor. The Company does not expect this amendment to have any significant impact in its financial statements.

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4. Property, plant and equipment

(₹ in Crore)

Particulars	Freehold		Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Leasehold improvements	Total Property, plant and equipment	Right-of-use assets		
	Land	Buildings							Leasehold land	Leased properties	Total Right-of-use assets
Gross carrying amount											
Balance as at April 1, 2022	**-**	**83.54**	**263.38**	**6.41**	**6.77**	**1.49**	**9.09**	**370.68**	**20.19**	**43.73**	**63.92**
Additions	-	9.03	21.91	10.66	0.39	-	0.60	42.59	-	13.74	13.74
Classified as asset held for sale	-	(0.01)	(8.01)	(0.17)	-	-	-	(8.19)	-	-	-
Disposals	-	(0.20)	(26.74)	(0.35)	(0.21)	-	(1.86)	(29.36)	-	(5.04)	(5.04)
Balance as at March 31, 2023	**-**	**92.36**	**250.54**	**16.55**	**6.95**	**1.49**	**7.83**	**375.72**	**20.19**	**52.43**	**72.62**
Additions	-	14.53	55.39	5.95	1.63	-	4.48	81.98	-	14.92	14.92
Acquisition through business combinations (Refer Note 40 & 41)	2.87	18.57	53.91	0.66	0.16	0.93	-	77.10	4.29	1.85	6.14
Disposals	-	(0.33)	(12.89)	(1.21)	(2.13)	(0.23)	(3.73)	(20.52)	-	(0.08)	(0.08)
Balance as at March 31, 2024	**2.87**	**125.13**	**346.95**	**21.95**	**6.61**	**2.19**	**8.58**	**514.28**	**24.48**	**69.12**	**93.60**
Depreciation											
Balance as at April 1, 2022	**-**	**(22.58)**	**(142.71)**	**(2.84)**	**(2.59)**	**(0.51)**	**(6.53)**	**(177.76)**	**(1.57)**	**(19.64)**	**(21.21)**
Depreciation expense	-	(4.35)	(16.73)	(1.63)	(0.38)	(0.24)	(0.89)	(24.22)	(0.38)	(7.22)	(7.60)
Adjustment on asset held for sale	-	0.01	7.26	0.16	-	-	-	7.43	-	-	-
Impairment	-	-	(1.26)	-	-	-	-	(1.26)	-	-	-
Disposals	-	0.20	25.12	0.33	0.20	-	1.16	27.01	-	-	-
Balance as at March 31, 2023	**-**	**(26.72)**	**(128.32)**	**(3.98)**	**(2.77)**	**(0.75)**	**(6.26)**	**(168.80)**	**(1.95)**	**(26.86)**	**(28.81)**
Depreciation expense	-	(4.91)	(22.65)	(2.93)	(0.40)	(0.37)	(0.92)	(32.18)	(0.43)	(9.65)	(10.08)
Acquisition through business combination	-	(1.36)	(7.87)	(0.26)	(0.01)	(0.35)	--	(9.85)	(0.38)	(0.06)	(0.44)
Disposals	-	0.02	12.72	1.12	1.93	0.08	3.67	19.54	-	-	-
Balance as at March 31, 2024	**-**	**(32.97)**	**(146.12)**	**(6.05)**	**(1.25)**	**(1.39)**	**(3.51)**	**(191.29)**	**(2.76)**	**(36.57)**	**(39.33)**
Net carrying Amount											
Balance as at March 31, 2023	**-**	**65.64**	**122.22**	**12.57**	**4.18**	**0.74**	**1.57**	**206.92**	**18.24**	**25.57**	**43.81**
Balance as at March 31, 2024	**2.87**	**92.16**	**200.83**	**15.90**	**5.36**	**0.80**	**5.07**	**322.99**	**21.72**	**32.55**	**54.27**

a. Excel Controlinkage 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 of Excel Controlinkage Private Limited. (Refer Note 17)

b. All the title deed of immovable properties (other than properties on lease) are in the name of the Company.

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for the year ended March 31, 2024

4A. Capital-Work-in Progress (CWIP)

(a) CWIP ageing schedule as on March 31, 2024

(₹ 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	29.99	0.05	0.07	1.44	31.55

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2024 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Various Projects	1.57	-	-	-	1.57

(b) CWIP ageing schedule as on March 31, 2023

(₹ 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	10.74	2.03	7.05	2.20	22.02

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2023 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Various Projects	2.14	-	-	-	2.14

5. Intangible assets

(₹ in Crore)

Particulars	Technical knowhow & Product development	Computer software	Non-compete Fees	Process knowhow	Brand	Acquired Customer Contracts	Distribution network	Total
Gross Carrying Amount								
Balance as at April 1, 2022	**67.85**	**18.68**	**7.44**	**28.48**	**28.09**	**2.78**	**1.68**	**155.00**
Additions*	13.42	1.53	-	-	-	-	-	14.95
Disposals / Discarded	-	(1.13)	-	-	-	-	-	(1.13)
Balance as at March 31, 2023	**81.27**	**19.08**	**7.44**	**28.48**	**28.09**	**2.78**	**1.68**	**168.82**
Additions*	66.16	2.58	-	-	-	-	-	68.74
Acquisitions through business Combinations(Refer Note 40 and 41)	0.98	0.52	19.24	-	32.35	87.60	-	140.69
Disposals / Discarded	(0.05)	(0.46)	-	-	-	-	-	(0.51)
Balance as at March 31, 2024	**148.36**	**21.72**	**26.68**	**28.48**	**60.44**	**90.38**	**1.68**	**377.74**
Amortisation								
Balance as at April 1, 2022	**(34.25)**	**(13.05)**	**(3.62)**	**(13.70)**	**(10.20)**	**(0.35)**	**(1.00)**	**(76.17)**
Amortisation expense	(12.06)	(2.61)	(1.65)	(3.64)	(3.75)	(0.70)	(0.45)	(24.86)
Disposals / Discarded	-	1.12	-	-	-	-	-	1.12
Balance as at March 31, 2023	**(46.31)**	**(14.54)**	**(5.27)**	**(17.34)**	**(13.95)**	**(1.05)**	**(1.45)**	**(99.91)**
Amortisation expense	(18.29)	(2.56)	(3.61)	(5.29)	(7.44)	(4.72)	(0.22)	(42.13)

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(₹ in Crore)

Particulars	Technical knowhow & Product development	Computer software	Non-compete Fees	Process knowhow	Brand	Acquired Customer Contracts	Distribution network	Total
Acquisition through business combinations	(0.16)	(0.24)	-		-	-	-	(0.40)
Disposals / Discarded	0.05	0.46	-	-	-	-	-	0.51
Balance as at March 31, 2024	**(64.71)**	**(16.88)**	**(8.88)**	**(22.63)**	**(21.39)**	**(5.77)**	**(1.67)**	**(141.93)**
Net Carrying Amount								
Balance as at March 31, 2023	**34.96**	**4.54**	**2.17**	**11.14**	**14.14**	**1.73**	**0.23**	**68.91**
Balance as at March 31, 2024	**83.65**	**4.84**	**17.80**	**5.85**	**39.05**	**84.61**	**0.01**	**235.81**

Excel Controlinkage 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 of Excel Controlinkage Private Limited. (Refer Note 17)

**Includes Internally generated assets.*

5A Intangible assets under development

(a) intangible assets under development ageing schedule as on March 31, 2024

(₹ 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*	23.18	0.36	0.57	7.01	31.12

** During the year, Parent Company has recognized impairment loss in respect of CREST project, as there was no significant project with the customer, which demonstrated the reasonability of the cash flow and the timeline. In such scenario, the Parent Company evaluated it's carrying and determined same to be not recoverable and hence entire carrying value for the project amounting to ₹ 16 Cr has been written off (Refer note 32).*

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2024 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Various Projects	8.47	-	-	-	8.47

(b) intangible assets under development ageing schedule as on March 31, 2023

(₹ 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	14.44	17.29	4.84	23.97	60.54

Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, the project-wise details of when the project is expected to be completed as of March 31, 2023 are as follows:

(₹ in Crore)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Crest Project	16.00	-	-	-	16.00
Various Projects	8.20	-	-	-	8.20
Total	**24.20**	**-**	**-**	**-**	**24.20**

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for the year ended March 31, 2024

5B Goodwill

Particulars	Goodwill
Gross Carrying Amount	
Balance as at April 1, 2022	49.04
Recognised on acquisition of a subsidiary	-
Balance as at March 31, 2023	**49.04**
Recognised on acquisition of a subsidiary (Refer Note 40 and 41)	162.78
Balance as at March 31, 2024	**211.82**
Accumulated impairment loss	
Balance as at April 1, 2022	-
Impairment losses for the year	-
Balance as at March 31, 2023	**-**
Impairment losses for the year	-
Balance as at March 31, 2024	**-**
Net Carrying Amount	
Balance as at March 31, 2023	**49.04**
Balance as at March 31, 2024	**211.82**

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

6. Investments

I. Non-current Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Investment in Associates (accounted for using equity method)				
MLR Auto Limited (face value of ₹ 10 each) (Refer Note 40)	-	-	1,88,12,023	9.47
Other Investments (at fair value through profit or loss)				
Investment in equity shares (Quoted)	-	-	-	0.09
Investment in equity shares (Unquoted)		@		@
Total		**-**		**9.56**

@ Represents amount less than ₹ 1 lakh

II. Current Investments

Particulars	As at March 31, 2024	As at March 31, 2023
Other Investments		
Investments in Mutual Funds (at fair value through profit or loss)	156.69	113.77
Aggregate carrying value of unquoted investments - Current	**156.69**	**113.77**

Footnotes to Investments:

1. The fair value of current investments as at March 31, 2024 and March 31, 2023 have been arrived at on the basis of Net Asset Value (NAV) declared by the Mutual Funds (Level 2).

2. Also refer Note 33B.

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for the year ended March 31, 2024

7. Loans

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Unsecured, Considered good		
Loan to Associate	-	20.30
Total	**-**	**20.30**

Footnotes to Loans:

1. *Maximum amount outstanding at any point of time during the year*
   - *₹ 20.30 Cr by MLR Auto Limited (as an associate, till May 15, 2023)*
2. *Loan given to associate during the previous year were for the purpose of working capital purpose.*

8. Other financial assets

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
8A	**Non-current**		
	Unsecured, Considered good		
	Security deposits	9.62	8.35
	Fixed deposits with financial institutions	-	30.00
	Term deposits with banks with maturity exceeding 12 Months	252.93	11.79
	Margin money deposits with banks	2.38	2.29
	Other assets- Employee advances, etc.	0.49	0.40
	Non-current total	**265.42**	**52.83**
8B	**Current**		
	Unsecured, Considered good		
	Export benefit receivables	1.04	0.97
	Security deposits	7.54	4.36
	Term deposits with banks with maturity not exceeding 12 Months	9.98	451.27
	Interest receivable	11.15	16.85
	Balances with government authorities	18.36	82.81
	Other assets- Retail vehicle financing, Employee advances, etc.	60.87	26.36
	Unsecured, Considered doubtful		
	Fixed deposits with financial institutions	20.50	20.50
	Less: Provision for doubtful deposits	(20.50)	(20.50)
		-	-
	Subsidy receivable (measured at amortised cost)	363.73	371.52
	Less: Provision for doubtful recovery	(25.48)	(19.78)
	Less: Provision for FAME Subsidy	(337.34)	-
		0.91	351.74
	Current total	**109.85**	**934.36**
	Total	**375.27**	**987.19**

Footnotes to other financial assets:

1. *During the period ended March 31, 2024, Greaves Electric Mobility Private Limited, the Company's subsidiary received a notice from the MHI dated May 25, 2023 proposing to*
   a. *recover the amount of subsidy paid to GEMPL since inception of the Scheme amounting to ₹ 124.91 Crore along with interest thereon,*
   b. *cancel the claims pending with the MHI for payment and*
   c. *deregister GEMPL from the Scheme.*

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GEMPL submitted its response to the aforesaid notice within the prescribed timelines. The Management believes that GEMPL has complied with the Scheme duly considering and supported by the legal advice obtained. However, keeping in mind the interest of the consumers and without accepting any of the allegations, contentions, or statements in the notice and without prejudice, GEMPL, on October 27, 2023, offered to amicably resolve and put a quietus to the matter, and refunded an amount of ₹ 139.98 Crore, towards subsidy reimbursed by the MHI to date (₹ 124.91 Crore) and interest thereon (₹ 15.07 Crore). The amount refunded and the subsidy receivable of ₹ 337.34 Crore (net of provisions) have been fully provided for as an exceptional item in the Statement during the period ended March 31, 2024.

GEMPL awaits confirmation from the MHI for taking the necessary steps to restore the subsidy eligibility.

2 *Also refer Note 33B.*

9. Other Assets

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
9A	**Non-current**		
	Capital advances	35.84	18.25
	Prepaid expenses	0.48	2.12
	Balances with government authorities	22.26	23.65
	Other advances (Gratuity etc.)	0.27	-
	Non-current total	**58.85**	**44.02**
9B	**Current**		
	Advances to suppliers	16.04	8.48
	Less : Allowance for bad and doubtful advances	(1.58)	(1.17)
		14.46	7.31
	Prepaid expenses	13.51	11.57
	Balances with government authorities	64.67	85.78
	Other advances (Gratuity etc.)	0.62	1.32
	Current total	**93.26**	**105.98**
	Total	**152.11**	**150.00**

10. Inventories

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Inventories (lower of cost and net realisable value)		
Raw materials	163.95	122.16
Work-in-progress	33.62	6.76
Finished goods	56.82	65.27
Stock-in-trade	13.61	12.97
Stores and spares	4.94	4.57
Loose tools	3.18	3.22
Total	**276.12**	**214.95**

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for the year ended March 31, 2024

Footnotes to Inventories:

(₹ in Crore)

1.

Particulars	As at March 31, 2024	As at March 31, 2023
In transit Raw materials (Included above)	5.95	6.60
In transit Stock-in-trade (Included above)	3.26	2.08

2. i) *Short Term non fund based limits are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company, which includes Letters of credit and bank guarantees of ₹ 19.88 Crore (previous year ₹ 10.54 Crore) and ₹ 18.57 Crore (previous year ₹ 16.82 Crore) respectively.*

   ii) *Excel Controlinkage 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 Intangible assets.*

3. *The above inventory values are net of provisions made of ₹24.21 Crore (March 31, 2023 : ₹18.36 Crore) for slow moving, obsolete and defective inventory.*

4. *There is no write down on value of inventory during the current and previous year.*

11. Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good- Secured*	125.51	108.85
Trade receivables considered good- Unsecured	110.89	57.30
Trade receivables- credit impaired	91.70	88.71
Allowance for credit impaired debts (expected credit loss allowance)	(91.70)	(88.71)
Total	**236.40**	**166.15**

** Secured trade receivables are against letters of credit, factoring arrangements, bank guarantees and security deposits.*

Footnotes to Trade Receivables

a. *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.

b. i) *Short Term non fund based limits are secured by hypothecation of all inventory, spares, tools and book debts, present and future, of the Company, which includes Letters of credit and bank guarantees of ₹ 19.88 Crore (previous year ₹ 10.54 Crore) and ₹ 18.57 Crore (previous year ₹ 16.82 Crore) respectively.*

   ii) *Excel Controlinkage 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 Intangible assets.*

c. *The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings etc. None of the trade receivables that have been written off is subject to enforcement activities.*

d. *Also refer Note 33B*

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11A Trade Receivables ageing schedule as at March 31, 2024

(₹ 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	114.00	9.26	1.62	0.32	0.20	0.11	125.51
(ii)	Considered good- Unsecured	81.05	17.54	9.89	1.48	0.92	0.01	110.89
(iii)	Credit impaired	-	0.01	0.23	2.61	12.80	31.36	47.01
	Disputed Trade receivables							
(iv)	Disputed Trade Receivables – credit impaired	-	0.08	0.44	0.34	0.14	43.69	44.69
		195.05	**26.89**	**12.18**	**4.75**	**14.06**	**75.17**	**328.10**
	Less : allowance for credit impaired debts	-	(0.09)	(0.67)	(2.95)	(12.94)	(75.05)	(91.70)
	Total	**195.05**	**26.80**	**11.51**	**1.80**	**1.12**	**0.12**	**236.40**

11B Trade Receivables ageing schedule as at March 31, 2023

(₹ 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	98.98	8.08	0.92	0.66	0.10	0.11	108.85
(ii)	Considered good- Unsecured	40.94	6.77	4.81	3.43	1.19	0.16	57.30
(iii)	Credit impaired	0.30	0.10	0.54	5.25	6.80	23.53	36.52
	Disputed Trade receivables							
(iv)	Disputed Trade Receivables – credit impaired	-	-	1.45	6.13	3.24	41.37	52.19
		140.22	**14.95**	**7.72**	**15.47**	**11.33**	**65.17**	**254.86**
	Less : allowance for credit impaired debts	(0.30)	(0.10)	(1.99)	(11.38)	(10.04)	(64.90)	(88.71)
	Total	**139.92**	**14.85**	**5.73**	**4.09**	**1.29**	**0.27**	**166.15**

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for the year ended March 31, 2024

12. Cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In fixed deposits with original maturity of less than 3 months at inception	104.86	72.00
In current accounts	42.91	14.31
Cash on hand	0.01	@
Cheques, drafts on hand	0.04	0.12
Total	**147.82**	**86.43**

@ Represents amount less than ₹ 1 lakh

Also refer Note 33B

13. Bank balances other than Cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with banks original maturity exceeding 3 months and less than 12 months at inception	163.75	451.96
Unpaid dividend accounts	2.58	3.02
Total	**166.33**	**454.98**

Also refer Note 33B

14. Assets classified as held for sale

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Leasehold land and buildings thereon (Refer foot note below)	-	13.07

foot note

The Parent Company had entered into a binding MOU with Runal Developers LLP including its assigns ("Purchaser") on August 4, 2021 for sale of Land and Building at Pune for a consideration of ₹ 284 Crore. During the year, pursuant to the execution of definitive agreements, the Company has conveyed the Land in favour of the Purchaser and concluded the transactions on November 3, 2023 with gain of ₹.150.15 Crore recognised under exceptional item (Refer note 32).

15. Equity share capital

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
37,50,00,000 Equity Shares of ₹ 2 each	75.00	75.00
Issued, subscribed and fully paid up		
23,19,99,969 Equity Shares of ₹ 2 each	46.40	46.33
(PY 23,16,48,587 Equity Shares of ₹ 2 each)		

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15A Issued share capital

Particulars	No.of Shares	(₹ in Crore)
Equity shares of ₹2 each Issued, subscribed and fully paid up		
As at April 1, 2022	23,15,21,292	46.30
Add: Equity shares issued pursuant to exercise of options under ESOP-2020 (Refer note 16A)	1,27,295	0.03
As at March 31, 2023	**23,16,48,587**	**46.33**
Add: Equity shares issued pursuant to exercise of options under ESOP-2020 (Refer note 16A)	3,51,382	0.07
As at March 31, 2024	**23,19,99,969**	**46.40**

Note: During the year, the Company has allotted 351,382 (previous year 127,295) 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").

15B Details of shareholders holding more than 5% shares in the company

(₹ in Crore)

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of shares held	Number of shares held	% of shares held
Fully paid equity shares				
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	12,99,21,455	56.00%	12,91,21,455	55.74%

15C 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 the 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 them.

15D Shareholding of promoters & Holding Company

Promoter Name	As at March 31, 2024		As at March 31, 2023		% Change during the year*
	Number of shares held	% of shares held	Number of shares held	% of shares held	
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	12,99,21,455	56.00%	12,91,21,455	55.74%	0.26%

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for the year ended March 31, 2024

Promoter Name	As at March 31, 2023		As at March 31, 2022		% Change during the year*
	Number of shares held	% of shares held	Number of shares held	% of shares held	
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	12,91,21,455	55.74%	12,86,14,955	55.55%	0.19%

** % change during the year has been computed on the basis of the number of shares at the beginning of the year.*

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of equity shares.

There were no shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.

15E Dividend

The amount that can be distributed as dividend by the Company to its equity shareholders is determined considering the requirements of the Companies Act, 2013. On May 8, 2024, the Board of Directors has proposed final dividend of ₹ 2 per share (previous year ₹ 0.90 per share) on face value of ₹ 2 each (total dividend payout ₹ 46.40 Crore, (previous year ₹ 20.80 Crore)). The proposed dividend is subject to approval of the shareholders in the ensuing Annual General Meeting.

16. Other equity

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
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)	37.72	35.89
General reserve (Refer note 4 below)	347.77	346.84
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 16A below)	21.26	13.77
Foreign Currency Monetary Item Translation reserve	0.01	-
Retained Earnings	977.50	1,134.14
Total	**1,393.83**	**1,540.21**

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 Companies Act, 2013.
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 for movement during the year.*

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

16A Employee stock Option Plan

I.

A. During the earlier years, the Parent Company introduced and implemented 'Greaves Cotton- Employees Stock option Plan 2020' (ESOP 2020), with following terms:

i. 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 Parent 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.

ii. Such number of stock options convertible into Equity Shares of the Parent Company, in one or more tranches, not exceeding 2.00% of the paid-up share capital of the Parent Company of the face value of ₹ 2/- each (Rupees Two only) to the eligible employees of the Parent Company, at such price or prices, and on such terms and conditions as may be fixed or determined by the Board.

iii. 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.

iv. 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.

v. The Parent 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 July 11, 2020.

(₹ in Crore)

II	Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
			Greaves Cotton- Employees Stock Option Plan 2020 -ESOP-2020	
	i.	Grant price	₹2	₹2
	ii.	Grant date	Various dates	Various dates
	iii.	Options granted and outstanding at the beginning of the year	15,84,295	17,35,292
	iv.	No. of options granted during the year	5,53,059	3,83,103
	v.	No. of options exercised	3,51,382	1,27,295
	vi.	No. of options cancelled / forfeited / lapsed	1,87,022	4,06,805
	vii.	No. of options outstanding at the end of the year	15,98,950	15,84,295
	viii.	No. of options exercisable	3,32,228	1,74,856
	ix.	Maximum term of options granted	8 years from the grant date	8 years from the grant date
	x.	Vesting Period / Schedule	25% at each anniversary from Grant date	25% at each anniversary from Grant date
	xi.	Weighted average remaining contractual life of options (in years)	5 years	6 years
	xii.	Weighted average share price at the date of exercise of stock options during the year	134.49	136.49

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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 ₹ 144.65 per option (PY ₹ 195.77 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 ₹ 5.17 Crore (PY ₹ 4.45 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 Parent Company.

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:

(₹ in Crore)

Sr. No.	Particulars	2023-24	2022-23
i.	Weighted average risk-free interest rate	7.19%	6.55%
ii.	Weighted average expected life of options	5.5 years	4.3 years
iii.	Weighted average expected volatility	91.43%	87.86%
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-

I. Details of the ESOP

Sr. No.	Particulars	Employee (Director) Stock Option Plan 2020	Employee Stock Option Plan 2020	Employee Stock Option Plan 2022 (Executive director and CEO)
1	Date of shareholder's approval	Approved on December 31, 2020	Approved on December 31, 2020	Approved on June 1, 2022
2	Total number of options approved	175,787	342,777	234,383
3	Vesting requirements	Time based vesting Requirements	Time and Performance 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	At discount to FMV as per independent valuer's Report
5	Maximum term of options granted (years)	8 years	8 years	8 years
6	Source of shares	Primary issuance	Primary issuance	Primary issuance
7	Date of grant	January 8, 2021	January 8, 2021	June 1, 2022
8	Method of settlement	Equity	Equity	Equity
9	Variation in terms of ESOP	Nil	Nil	Nil

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II. Option Movement during the year

Sr. No.	Particulars	Employee (Director) Stock Option Plan 2020	Employee Stock Option Plan 2020	Employee Stock Option Plan 2022 (Executive director and CEO)
1	No. of options outstanding at the beginning of the year	1,75,787	2,02,149	2,34,383
2	Options granted during the year	-	-	-
3	Options forfeited / lapsed during the year	-	1,11,328	-
4	Options vested during the year	1,17,981	-	-
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	57,806	90,821	2,34,383
9	Number of options exercisable at the end of the year	-	-	-

III

Weighted average exercise price of options granted during the year	NA	NA	NA
Weighted average fair value of options granted during the year	NA	NA	NA
The weighted average market price of options exercised during the year	NA	NA	NA

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:

Particulars	Grant 1	Grant 2	Grant 3
1. Risk Free Interest Rate	5.32%	5.33%	7.14%
2. Expected Life	5.27	5.51	5.26
3. Expected Volatility	17.97%	17.91%	25.08%
4. Dividend Yield	0.00%	0.00%	0.00%

(₹ in Crore)

Particulars	FY 2023-24	FY 2022-23
Expense on Employee Stock Option Scheme debited to Statement of profit & loss	5.65	5.80

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17. Borrowings

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
17A	**Non-current**		
	Unsecured -at amortized cost		
	Loan from Non banking financial company (NBFC) (Refer Note (i))	0.27	-
	Non-current total	**0.27**	**-**
17B	**Current**		
	Secured -at amortized cost		
	WCDL Loan from bank (Refer Note (i))	3.82	3.11
	Unsecured -at amortized cost		
	From erstwhile Directors and Body Corporates (Refer Note (ii))	42.67	-
	Foreign Currency Demand Loan (Refer Note (iii))	2.58	-
	Loans repayable on demand from banks (Refer Note (i))	-	0.28
	Current total	**49.07**	**3.39**
	Total	**49.34**	**3.39**

i) Bestway Agencies Private Limited, the Company's subsidiary has unsecured term loan from Bank & NBFC of ₹ 0.27 Crore (PY ₹ 0.28 Crore) [bearing interest rate of 19.50% p.a. (March 31, 2023: 19.50% p.a.) The loan is repayable in 96 months from the date of receipt of loan] and Cash credit facility of ₹ 3.82 Crore (PY ₹ 3.11 Crore).

ii) MLR Auto Limited, the Company's subsidiary has obtained an unsecured loan from erstwhile Directors and Body corporates amounting to ₹ 42.67 Crores for purpose of working capital requirements

Interest rate charged is SBI PLR till April 30, 2023 and 12.25% w.e.f May 1, 2023

Terms of Repayment: Repayable at end of 3 years from date of agreement (i.e., repayable date is August 2024)."

iii) Excel Controlinkage Private Limited , the Company's subsidiary has unsecured foreign currency demand loan from Bank of ₹ 2.58 Crore.

iv) The Group has Working Capital Limits 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 Group with banks and financial institutions are in agreement with the Unaudited books of account.

18. Other financial liabilities

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
18A	**Non-current**		
	Others	0.46	0.18
	Non-current total	**0.46**	**0.18**
18B	**Current**		
	Employee benefits payable	31.71	16.46
	Unpaid dividends*	2.58	3.02
	Deposits from dealers	3.93	3.89
	Creditors- Capital expenditure	9.69	4.12
	Contingent consideration payable (Refer note 40)	13.51	-
	Others(Interest accrued but not due, deposit from customers, etc)	16.62	0.04
	Current total	**78.04**	**27.53**
	Total	**78.50**	**27.71**

**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 33B.*

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19. Provisions

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
19A	**Non-current**		
	Provision for employee benefits		
	Compensated absences	3.08	0.94
	Gratuity & Ex-gratia	2.65	1.19
	Non-current total	**5.73**	**2.13**
19B	**Current**		
	Provision for employee benefits		
	Compensated absences	8.33	7.33
	Gratuity & Ex-gratia	0.51	0.15
	Provisions for warranty	72.06	60.82
	Other provisions	0.90	0.52
	Current total	**81.80**	**68.82**
	Total	**87.53**	**70.95**

Movement in provision for warranty

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	60.82	33.66
Provision recognised during the year	42.71	62.55
Amount utilised during the year	(31.47)	(35.39)
Closing balance	**72.06**	**60.82**

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.

20. Deferred tax

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
20A	**Analysis of deferred tax assets / (liabilities) presented in the balance sheet:**		
	Deferred tax assets (net)	20.57	19.76
	Deferred tax liabilities (net)	(42.77)	(6.84)
	Deferred tax assets / (liabilities) (net)	**(22.20)**	**12.92**

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

20B Movement in deferred taxes:

During the year ended March 31, 2024

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Acquisitions through business combinations	Closing Balance
Deferred tax asset/(liability) in relation to:					
Depreciation	(16.18)	7.48	-	(42.28)	(50.98)
Provision for post retirement benefits and other employee benefits	1.85	(0.22)	-	0.72	2.35
Allowance for doubtful debts and advances	20.82	(0.92)	-	0.28	20.18
Remeasurements of the defined benefit plans	-	-	0.06	-	0.06
Other temporary differences	6.43	(0.28)	-	0.04	6.19
Total	**12.92**	**6.06**	**0.06**	**(41.24)**	**(22.20)**

During the year ended March 31, 2023

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Acquisitions through business combinations	Closing Balance
Deferred tax asset/(liability) in relation to:					
Depreciation	(18.89)	2.71	-	-	(16.18)
Provision for post retirement benefits and other employee benefits	2.20	(0.35)	-	-	1.85
Allowance for doubtful debts and advances	18.79	2.03	-	-	20.82
Other temporary differences	8.98	(2.55)	-	-	6.43
Total	**11.08**	**1.84**	**-**	**-**	**12.92**

20C Unrecognised deductible timing differences, unused tax losses and unused tax credits

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following, with expiry for utilisation based on the year of origination is as follows:		
Tax losses (capital in nature)		
March 31, 2025	-	-
March 31, 2026	-	-
March 31, 2027	-	-
Thereafter	210.67	108.29
	210.67	**108.29**

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for the year ended March 31, 2024

20D Gross deferred tax assets and liabilities are as follows:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax assets		
Depreciation	(7.57)	(9.34)
Provision for post retirement benefits and other employee benefits	2.02	1.85
Allowance for doubtful debts and advances	20.02	20.82
Other temporary differences	6.10	6.43
Gross Deferred tax assets	**20.57**	**19.76**
Deferred tax liability		
Depreciation	(43.35)	(6.84)
Provision for post retirement benefits and other employee benefits	0.33	-
Allowance for doubtful debts and advances	0.16	-
Other temporary differences	0.09	-
Gross Deferred tax liability	**(42.77)**	**(6.84)**

20E The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/(Loss) before tax	**(273.10)**	**112.81**
Income tax expenses calculated at 25.168% (previous year 25.168%)	(68.73)	28.39
Differences due to:		
Tax on income at different rates	(15.98)	-
Tax effect of expenses that are not deductible in determining taxable profit/(loss)	178.88	14.67
Total tax expense	**94.17**	**43.06**

20F The following amounts relating to tax have been recognised in other comprehensive income:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax		
Items that will not be reclassified subsequently to profit and loss:	0.06	-
Remeasurements of the defined benefit plans		
Current tax		-
Items that will not be reclassified subsequently to profit and loss:	0.14	-
Total	**0.20**	**-**

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for the year ended March 31, 2024

21. Trade payables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Due to micro enterprises and small enterprises*	50.70	45.60
Other than micro enterprises and small enterprises	335.34	395.76
Total	**386.04**	**441.36**

Also refer Note 33B

** 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.*

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount and interest due thereon remaining unpaid to any suppliers as at end of each financials year:		
Principal amount	50.70	45.60
Interest due	0.02	-
Amount paid beyond the appointed day	23.80	-
Interest due and payable to suppliers, for payments already made under MSMED Act	0.32	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year	0.50	-
Amount of further interest remaining due and payable even in succeeding years	0.50	-

21A Trade Payables ageing schedule as at March 31, 2024

(₹ 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) Undisputed dues-MSME	44.52	5.28	0.57	0.08	0.25	50.70
(ii) Undisputed dues-Others	231.50	87.97	10.03	1.19	4.65	335.34
(iii) Disputed dues–MSME	-	-	-	-	-	-
(iv) Disputed dues–Others	-	-	-	-	-	-
Total	**276.02**	**93.25**	**10.60**	**1.27**	**4.90**	**386.04**

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for the year ended March 31, 2024

21B Trade Payables ageing schedule as at March 31, 2023

(₹ 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)	Undisputed dues-MSME	40.15	5.04	0.10	0.09	0.22	45.60
(ii)	Undisputed dues-Others	265.39	124.12	2.96	0.40	2.89	395.76
(iii)	Disputed dues–MSME	-		-	-	-	-
(iv)	Disputed dues–Others	-		-	-	-	-
	Total	**305.54**	**129.16**	**3.06**	**0.49**	**3.11**	**441.36**

22. Other liabilities

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
22A	**Non-current**		
	Advances from Customers	31.53	16.92
	Non-current total	**31.53**	**16.92**
22B	**Current**		
	Advances from customers	24.20	50.43
	Statutory dues	26.77	16.29
	Advances against sale of property (Refer note 14)	-	84.15
	Other payables (Refundable deposit,etc.)	26.80	4.36
	Current total	**77.77**	**155.23**
	Total	**109.30**	**172.15**

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for the year ended March 31, 2024

23. Revenue from operations

(₹ in Crore)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
Sale of products			
(i)	Finished goods	2,388.53	2,490.41
(ii)	Stock-in trade	159.67	148.27
	Sub Total	**2,548.20**	**2,638.68**
Service income		**37.66**	**29.64**
Other operating revenue			
(i)	Export incentive	4.01	0.26
(ii)	Development cost recovered (Net)	5.14	3.61
(iii)	Others	38.18	27.26
	Sub Total	**47.33**	**31.13**
Total Revenue from operations (Refer note 42)		**2,633.19**	**2,699.45**

24. Other income

(₹ in Crore)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
a)	Interest income from financial assets carried at amortised cost:		
	Deposits with Banks	44.49	51.82
	Other financial assets	0.09	0.53
b)	Other non-operating income :		
	Financial assets measured at fair value through profit or loss (unrealised)	0.40	0.19
	Financial assets measured at fair value through profit or loss (realised)	6.96	0.30
	Gain on Sale of Property, Plant and Equipment (Net)	1.12	0.50
	Insurance Claim	0.21	0.14
	Foreign Currency Transactions and Translation (Net)	1.46	0.34
	Scrap sales	3.25	2.13
	Liabilities no longer required written back	0.33	5.53
	Trade advance written back	3.75	-
	Miscellaneous income	2.70	5.66
	Total	**64.76**	**67.14**

25. Cost of materials consumed

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw materials consumed		
Opening stock	122.16	127.66
Purchases	1,729.68	1,880.00
Less : Closing stock	163.95	122.16
Total Cost of Raw Materials Consumed	**1,687.89**	**1,885.50**

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for the year ended March 31, 2024

26. Purchases of stock-in-trade

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Traded goods	130.57	112.62

27. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening inventories		
Finished goods	65.27	33.45
Work-in-progress	6.76	7.42
Stock-in-trade	12.97	16.05
Total Opening Balance	**85.00**	**56.92**
Closing inventories		
Finished goods	56.82	65.27
Work-in-progress	33.62	6.76
Stock-in-trade	13.61	12.97
Total Closing Balance	104.05	85.00
Total Changes in inventories of finished goods, work-in progress and stock-in-trade	**(19.05)**	**(28.08)**

28. Employee benefits expense

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	275.16	187.1
Expenses on employees stock option scheme	10.25	10.25
Contribution to provident and other funds	18.25	11.58
Staff welfare expenses	13.03	9.16
	316.69	218.09
Less: Capitalised towards product development	5.51	6.18
	311.18	**211.91**

Employee benefit plans

28A Defined contribution plans

The amount recognised as an expense during the year ended March 31, 2024 towards Provident Fund (including admin charges), ESIC contribution and Superannuation & National Pension Scheme is ₹ 10.65 crore (previous year ₹ 7.65 crore), ₹ 0.08 crore (previous year ₹ 0.04 crore) and ₹ 4.22 crore (previous year ₹ 3.67 crore) respectively.

28B 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.

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

Investment risk	The present value of the defined benefit plan obligation is based on the Indian government security yields prevailing as at March 31, 2023 for estimated terms of obligation. The trustees of the fund have outsourced the investment management to the Insurance Company. 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 (2012-14) 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**			
	March 31, 2024		**March 31, 2023**	
Discount rate(s) (p.a.)	7.23%		7.39%	
Expected rate(s) of salary increase (p.a.)	MGMT : 8.42% NMGT : 7.5%		MGMT : 9.25% NMGT : 8%	
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

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows.

(₹ in Crore)

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Service cost:		
Current service cost	3.43	2.70
Net Interest Cost	0.06	(0.10)
Components of defined benefit costs recognised in profit or loss during the year	**3.49**	**2.60**
Opening amount recognised in other comprehensive income :	**(9.26)**	**(7.21)**
Actuarial (Gain)/ Loss on account of:		
Changes in financial assumptions	0.66	(0.40)
Changes in demographic assumptions	-	(0.68)
Experience adjustments	0.27	(1.27)
Actual return on plan assets less interest on plan assets	(0.13)	0.30
Closing amount recognised in other comprehensive income :	**(8.46)**	**(9.26)**
Components of defined benefit (income) / cost recognised in other comprehensive income during the year	**0.80**	**(2.05)**

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for the year ended March 31, 2024

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:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	23.06	14.89
Fair value of plan assets	21.15	13.58
Funded status	1.91	1.31
Change in surplus/deficit	-	-
Net (asset)/ liability arising from defined benefit obligation	**1.91**	**1.31**

Reconciliation of Opening and Closing balances of Defined Benefit Obligation:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation	14.90	16.44
Acquisitions through business combinations	5.55	
Current service cost	2.69	2.70
Interest on defined benefit obligation	1.36	1.02
Actuarial (Gain)/ loss on Obligations:		
Changes in financial assumptions	0.50	(0.42)
Changes in demographic assumptions	0.13	(0.68)
Experience changes	0.29	(1.45)
Benefits paid	(2.36)	(2.71)
Closing defined benefit obligation	**23.06**	**14.90**

Movements in the fair value of the plan assets are as follows.

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening fair value of plan assets	13.58	17.82
Acquisitions through business Combinations	5.55	-
Interest income	1.33	1.11
Re-measurement gain/(loss):		
Return on plan assets (excluding amounts included in net interest expense)	0.13	(0.32)
Contributions from the employer	(1.05)	(2.32)
Benefits paid	1.61	(2.71)
Closing fair value of plan assets	**21.15**	**13.58**

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The fair value of the plan assets at the end of the reporting period for each category, are as follows.

(₹ in Crore)

Particulars	Fair Value of plan asset as at	
	March 31, 2024	March 31, 2023
Cash and cash equivalents	0.04	0.04
Non quoted value :		
Insurance company managed fund	21.11	13.54
Total	**21.15**	**13.58**

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 assumptions by 50 basis points.

(₹ in Crore)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(0.44)	0.56	(0.42)	0.42
Impact of decrease in 50 bps on DBO	0.48	(0.54)	0.45	(0.41)

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 March 31, 2024 is 5.51 years (as at 31st March 2023: 3.30 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 :

(₹ in Crore)

Maturity profile	2023-24	2022-23
Expected benefits for year 1 to 3	7.71	6.06
Expected benefits for year 4 and 5	4.33	3.52
Expected benefits for year 6 and above	31.73	15.71

29. Finance costs

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expenses	6.39	9.47
Interest on Lease liability & Others	2.84	2.22
Total	**9.23**	**11.69**

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30. Depreciation and amortisation expense

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of Property, Plant and Equipment (Refer Note 4)	32.18	24.22
Depreciation of Right-of-use assets (Refer Note 4)	10.08	7.60
Amortisation of Intangible assets (Refer Note 5)	42.13	24.86
Total	**84.39**	**56.68**

31. Other expenses

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Stores and spares consumed	16.65	7.04
Power, fuel and electricity	17.16	11.51
Contracting expenses	72.69	45.88
Repairs and maintenance:		
Buildings	2.20	1.05
Plant & equipment	5.24	3.67
Others	10.18	6.77
Brokerage and commission	1.24	4.35
Rent (Refer Note 39A)	3.23	2.49
Lease rentals	0.21	-
Insurance	5.09	2.86
Bad debts/ Advances written-off (i)	1.50	0.19
Less: Allowance for doubtful Debts/advances (ii)	(1.50)	(0.08)
Bad debts/ Advances written-off (i)-(ii)	-	0.11
Allowance for expected credit loss	8.38	18.10
Rates and taxes	6.47	3.80
Advertisement and sales promotion expenses	41.29	40.73
Travelling	24.58	17.39
Carriage and freight	45.16	53.87
Director sitting fees	0.50	0.41
Printing & stationery	0.58	0.31
Postage, telephone and fax	1.51	1.45
Warranty expenses	42.71	62.55
Legal, professional and consultancy charges	41.35	39.66
After sales service expenses	34.44	25.44
Impairment of property, plant and equipment (Net)	-	1.26
Miscellaneous expenses	50.25	33.42
Total	**431.11**	**384.12**

32. Exceptional items

(₹ in Crore)

Particualrs	Year ended March 31, 2024	Year ended March 31, 2023
(i) Profit on sale of immovable properties	5.47	4.90
(ii) Profit on sale of Land (Refer note 14)	150.15	-
(iii) Business acquisition-related cost (Refer note 40)	(0.92)	-
(iv) Impairment loss of PPE and Intangible assets under development (Refer note 5A)	(16.00)	(15.84)
(v) Factory relocation expenses	-	(1.56)
(vi) Provision for FAME Subsidy (Refer note 8B)	(477.32)	-
(vii) Insurance Claim	3.79	-
Exceptional items (net)	**(334.83)**	**(12.50)**

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33. Risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk, and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

33A Capital risk management :

The Group's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plan. Capital Gearing ratio of Group is 0.029 times.

33B Financial instruments :

The Material 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, 8, 11, 12, 13, 17, 18, 21 & 39 to the financial statements. These Notes also mention the basis on which the income & expenses are recognised.

(₹ in Crore)

Particualrs	As at March 31, 2024	As at March 31, 2023
Financial assets		
Measured at amortised cost *		
Cash and bank balances	314.15	541.41
Term deposits with Banks	262.91	463.06
Fixed deposits with financial institutions	-	30.00
Loan to Associate	-	20.30
Trade receivables	236.40	166.15
Security Deposits	17.16	12.71
Margin money with Banks	2.38	2.29
Others	92.82	479.13
Measured at fair value through profit or loss (FVTPL)		
Mutual fund	156.69	113.77
Investment in equity shares	-	0.09
Financial liabilities		
Measured at amortised cost*		
Trade payables	386.04	441.36
Unpaid dividends	2.58	3.02
Deposits from dealers	3.93	3.89
Creditors- Capital expenditure	9.69	4.12
Employee benefits payable	31.71	16.46
Borrowings & Interest accrued	49.34	3.39
Lease Liabilities (Refer Note 39)	31.41	24.87
Others	17.08	0.22
Measured at fair value through profit and loss		
Contingent consideration payable	13.51	-

** 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.*

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33C Financial and liquidity risk management objectives:

i) Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group monitors the rolling forecast of its liquidity position based on expected cash flows. The Group approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all points in time. The Group has sufficient short-term fund-based lines, which provide healthy liquidity and these carry the highest credit quality rating from a reputed credit rating agency.

ii) The Group has a policy of investing surplus funds in fixed deposits with banks and in overnight debt mutual funds.

iii) 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.

iv) 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 five parties have more than 5% of the total outstanding amount and one of them is fully secured against factoring arrangement & two of them are fully secured against letter of credit.

v) Of the total outstanding as at reporting date, 53.1% 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.

vi) 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.

(₹ in Crore)

Particulars	As at March 31, 2024		
	Less than 1 year	More than 1 year	Total
Trade payables	369.27	16.77	386.04
Lease liabilities	11.93	19.48	31.41
Other financial liabilities	78.04	-	78.04
Total	**459.24**	**36.25**	**495.49**

(₹ in Crore)

Particulars	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	3.39	-	3.39
Trade payables	441.36	-	441.36
Lease liabilities	7.06	17.81	24.87
Other financial liabilities	27.53	0.18	27.71
Total	**479.34**	**17.99**	**497.33**

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33D Foreign currency risk management:

Foreign currency risk is the risk that the fair value of future cash flows of exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

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.

Carrying amounts of the Group's foreign currency denominated unhedged monetary assets and liabilities at the end of the each reporting period are as follows.

(₹ in Crore)

Particulars	Assets		Liabilities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD	12.91	10.84	0.57	0.25
EUR	5.11	0.84	0.01	0.09
GBP	-	-	0.28	0.22
CNY	-	-	0.04	0.05

(₹ in Crore)

Particulars	Change in currency exchange rate	Effect on profit before tax		Effect on equity	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD	+5%	0.62	0.53	0.46	0.40
	-5%	(0.62)	(0.53)	(0.46)	(0.40)
EUR	+5%	0.26	0.04	0.19	0.03
	-5%	(0.26)	(0.04)	(0.19)	(0.03)
GBP	+5%	(0.01)	(0.01)	(0.01)	(0.01)
	-5%	0.01	0.01	0.01	0.01
CNY	+5%	(0.00)	(0.00)	(0.00)	(0.00)
	-5%	0.00	0.00	0.00	0.00

33E Credit risk management:

The Group 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 receivable.

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 five parties have more than 5% of the total outstanding amount and one of them is fully secured against factoring arrangement & two of them are fully secured against letter of credit.

There is no single customer dependency. As at March 31 2024, the Group has top five unsecured customers that owed to the company ₹36.7 Crore which accounted for 16% of the total trade receivables. (As at March 31, 2023, the Company had top five unsecured customers that owed the Company approximately ₹ 30.20 Crore which accounted for 18% of the total trade receivables).

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33F Fair value measurements:

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis:

Some of Group's 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:

(₹ in Crore)

Financial asset / Financial liabilities	Fair values		Fair value hierarchy	Valuation technique and key input
	As at March 31, 2024	As at March 31, 2023		
Financial assets				
Mutual fund	156.69	113.77	Level 2	Significant observable inputs
Investment in equity shares (Quoted)	-	0.09	Level 2	Significant observable inputs
Investment in equity shares (Unquoted)	@	@	Level 3	Unobservable inpts
Contingent Consideration payable (Refer note 18)*	13.51	-	Level 3	Unobservable inpts

@ Represents amount less than ₹ 1 lakh

33G Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: Currency risk and interest rate risk. Financial instruments affected by market risk include investments, trade payables, trade receivables and loans.

33H Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affect significantly to the Group. Group does not have any exposure to the future cash flows resulting from change in interest rate as the Group's net obligations and assets carries fixed interest rate.

34. 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:

1. Engines include application of engines in farm equipment, gensets and spares produced by greaves.
2. Electric mobility & Other Vehicles includes manufacturing & trading of electric vehicles and its spares.
3. Cables & Control Levers includes manufacture of cables and control levers for commercial vehicles, industrial machines, construction equipment, boats and vehicles.
4. Others include products traded in International Markets, Greaves Care and After Market spares business.

Operating segments:

1. The risk-return profile of the Group's business is determined predominantly by the nature of its products and services.
2. 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.

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34A 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 March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Engines	1,614.67	1,424.78	275.11	165.29
Electric Mobility & Other Vehicles	595.69	1,124.31	(205.79)	0.78
Cables & Control Levers	245.71	-	67.28	-
Others	177.12	150.36	(25.72)	2.18
Total	**2,633.19**	**2,699.45**	**110.88**	**168.25**
Other Income (including exceptional items)			26.83	6.06
Central administration costs			(65.85)	(42.97)
Finance costs			(9.23)	(11.69)
Share of loss of associate			(0.90)	(6.84)
Exceptional Items (Unallocable Segment)			(334.83)	-
Profit /(Loss) before tax			**(273.10)**	**112.81**

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.

34B Segment assets and liabilities:

(₹ in Crore)

Segment assets	Year ended March 31, 2024	Year ended March 31, 2023
Engines	562.23	594.22
Electric Mobility & Other Vehicles	748.85	1,381.68
Cables & Control Levers	397.04	-
Others	122.93	32.22
Total segment assets	**1,831.05**	**2,008.12**
Unallocated	633.34	716.31
Total Assets	**2,464.39**	**2,724.43**

(₹ in Crore)

Segment liabilities	Year ended March 31, 2024	Year ended March 31, 2023
Engines	329.74	373.13
Electric Mobility & Other Vehicles	258.03	281.03
Cables & Control Levers	32.18	-
Others	37.90	25.49
Total segment liabilities	**657.85**	**679.65**
Unallocated	132.38	77.22
Total liabilities	**790.23**	**756.87**

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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.

34C Other segment information:

(₹ in Crore)

Particulars	Depreciation and amortisation		Additions to non-current assets	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Engines	33.07	30.32	79.59	18.11
Electric Mobility & Other Vehicles	32.24	18.71	34.62	37.12
Cables & Control Levers	11.12	-	32.73	-
Others	2.22	2.06	1.30	0.07
Unallocable	5.74	5.59	2.48	2.24
	84.39	**56.68**	**150.72**	**57.54**

34D 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.

(₹ in Crore)

Particulars	Revenue from external customers		Non-current assets*	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Domestic	2,450.76	2,646.37	946.41	495.26
Overseas	182.43	53.08	-	-
	2,633.19	**2,699.45**	**946.41**	**495.26**

** Non-current assets excludes investments, loans, other financials assets, income tax assets (net of provisions) and deferred tax assets (net).*

35A Earnings per share

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Face Value per Equity Share (₹)	**2.00**	**2.00**
Profit / (Loss) for the year attributable to the owners of the Company	(135.27)	78.03
Weighted average number of equity shares outstanding for the purpose of basic earnings per share	23,19,54,386	23,15,61,423
Basic earnings per share (₹)	**(5.83)**	**3.37**
Weighted average number of equity shares outstanding	23,19,54,386	23,15,61,423
Add: Weighted average number of potential equity shares on account of Employee stock options	16,01,949	16,56,114
Weighted average number of equity shares outstanding for the purpose of diluted earnings per share	23,35,56,335	23,32,17,537
Diluted earnings per share (₹)*	**(5.83)**	**3.35**

**Potential equity shares are anti-dilutive for the current year*

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

35B Audit Trail

i) The Companies (Accounts) Amendments Rules 2022, with effect from August 05, 2022, mandate that the back-up of the books of account and other books and papers of the Company maintained in electronic mode including at a place outside India, shall be kept in servers physically located in India on a daily basis. The Group has maintained daily back-ups of such books of accounts in servers physically located in India. However, in case of one subsidiary there were no evidence available to demonstrate that back-up of such books was maintained on daily basis in severs physically located in India.

ii) As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Group has been maintaining its books of accounts in the SAP which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021, except for the instances mentioned below:

a) In case of the parent Company and two subsidiaries, the audit trail feature is not enabled for direct changes to data in the underlying database

b) In case of one subsidiary it has used TCS iON as its accounting software which is operated by a third party software service provider for recording all the accounting transactions viz., sales, purchases, production/costing, fixed assets, payroll, other expenses, cash and bank transactions, journal entries and all other general ledger accounting transactions for the year ended March 31, 2024. The audit trail feature of such software was not fully enabled throughout the year.The Management has adequate manual controls and certain IT controls viz., access controls for critical master data which are operating, to prevent inappropriate/unauthorized changes to the books of account. The Management will work towards enabling edit logs in the aforesaid software in the near future.

c) Further in case of another subsidiary, it has used Tally as its accounting software which is operated by a third party software service provider for recording all the accounting transactions viz., sales, purchases, production/costing, fixed assets, payroll, other expenses, cash and bank transactions, journal entries and all other general ledger accounting transactions for the year ended March 31, 2024. The audit trail feature of such software was not fully enabled throughout the year.The Management has adequate manual controls and certain IT controls viz., access controls for critical master data which are operating, to prevent inappropriate/unauthorized changes to the books of account. The Management will work towards enabling edit logs in the aforesaid software in the near future."

36. Related party transactions

List of related parties :

36A Holding Company:

DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)

36B Fellow group company where company had transactions during the year :

Premium Transmission Private Limited

36C Associate company :

MLR Auto Limited (Upto May 15, 2023)

36D Enterprises owned or significantly influenced by Key Management Personnel

Peak 15 Advisors LLP

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

36E Key Management Personnel as per applicable accounting standards :

Mr Karan Thapar	: Chairman & Non Executive Director
Mr Nagesh A Basavanhalli	: Vice Chairman upto May 12, 2023
	: Non-Executive Director and Vice-Chairman from May 12, 2023
Dr Arup Basu	: Managing Director
Mr Dalpat Raj Jain	: Chief Financial Officer upto June 12, 2023
Mrs Akhila Balachandar	: Chief Financial Officer from June 13, 2023
Mr Atindra Basu	: Group General Counsel & Company Secretary
Mr Arvind Kumar Singhal	: Independent Director
Mr Kewal Handa	: Independent Director
Ms Sree Patel	: Independent Director
Mr Vinay V Sanghi	: Independent Director
Mr Firdose A Vandrevala	: Independent Director
Mr Ravi M Kirpalani	: Independent Director
Mr Raja Venkataraman	: Independent Director

36F Transactions with related parties :

The following transactions occurred with the related parties:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of goods and services		
Associate		
MLR Auto Limited	0.93	10.44
Fellow group company		
Premium Transmission Private Limited	0.05	@
Sale of assets		
Associate		
MLR Auto Limited	-	0.01
Purchase of goods and services		
Associate		
MLR Auto Limited	-	0.89
Rendering of services / Reimbursement of expenses		
Associate		
MLR Auto Limited	-	@
Receipt of services		
Associate		
MLR Auto Limited	-	0.18
Other transactions		
Consultancy Charges		
Peak 15 Advisors LLP	3.61	-
Commission received		
MLR Auto Limited	-	0.04

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Loan given to Associate		
MLR Auto Limited	-	13.80
Deposit towards development cost		
MLR Auto Limited	-	0.50
Lease rent expenses paid to Fellow group company		
Premium Transmission Private Limited	-	0.02
Dividend paid		
DBH Investment Capital India Private Limited (Formerly known as Karun Carpets Private Limited)	11.67	2.57

The following balances were outstanding as at end of the reporting period:

(₹ in Crore)

Particulars	Amounts owed by related parties as at		Amounts owed to related parties as at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Fellow group company				
Premium Transmission Private Limited	@	0.01	-	-
Associate companies				
MLR Auto Limited	-	24.12	-	-
Enterprises owned or significantly influenced by Key Management Personnel				
Peak 15 Advisors LLP	-	-	1.37	

All the transactions of the Parent Company with related parties were in the ordinary course of business.

The amounts outstanding are unsecured and will be settled in cash. No amounts are written off / written back during the year (previous year Nil).

36G Compensation of key management personnel as per applicable accounting standards :

The remuneration of directors and other members of the key management personnel during the year were as follows:

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	13.27	12.76
Post-employment benefits	0.28	0.42
Commission to Non executive and independent directors	1.64	0.69
Sitting Fees to Non executive and independent directors	0.46	0.41
Total	**15.65**	**14.28**

Notes :

1. *The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.*
2. *Short term employee benefits include incentives paid during the year.*
3. *Stock options granted to key management personnel during the year is 1,38,265 (Also, Refer Note 16A).*

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

36H The Group has not advanced or lent 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 to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries).

The Group has not received any funds 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

37. Contingent liabilities

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
a)	Sales Tax matters in appeal	32.56	16.16
b)	Sales Tax on account of uncollected 'C' Forms	-	0.51
c)	Excise Duty matters in appeal	25.23	25.76
d)	Claims made against the Company, not acknowledged as debts	57.98	32.70
e)	Custom duty matters in appeal	128.88	3.87
f)	Wage demand not acknowledged by the Group in respect of matter in appeal	10.96	9.69

1. The Group presently does not expect any outflow in respect of the above contingent liabilities.

2 It is not practical to estimate the timing of cash outflows, if any, in respect of matters (a) to (f) above, pending resolution of the appellate proceedings.

38. Commitments

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	34.55	6.34

39. Leases

On adoption of Ind AS 116 : Leases, 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, presently determined at 8.50% p.a.

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.

39A Disclosure as per the requirement of Ind AS 116

Amounts recognised in the Consolidated Balance Sheet

The Consolidated Balance Sheet shows the following amounts relating to leases:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Right-of-use assets	54.27	43.81
Lease Liabilities		
Non-current	19.48	17.81
Current	11.93	7.06

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

Amounts recognised in the Consolidated Statement of profit and loss

The Consolidated Statement of profit and loss shows the following amounts relating to leases:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation charge on right-of-use assets (Refer Note 4 & 30)	10.08	7.60
Interest expense (included in finance costs) (Refer Note 29)	2.84	2.22
Expense relating to short term leases not included in lease liabilities (Refer Note 31)	3.29	1.55

The total cash outflow towards leases for the year ended March 31, 2024 was ₹12.92 Crores (previous year ₹ 9.66 Crores).

39B Movement in lease liabilities during the year

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	**24.87**	**24.80**
Additions during the year	16.70	12.05
Deletions during the year	(0.08)	(6.05)
Finance costs incurred during the year	2.84	2.29
Payments of Lease Liabilities	(12.92)	(8.22)
Closing Balance	**31.41**	**24.87**

39C The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than 1 year	12.81	8.99
Later than 1 year and not later than 5 years	24.76	21.76
Total undiscounted lease liabilities	**37.57**	**30.75**

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 entered by the Group. These are used to maximise operational flexibility in terms of managing the assets in the Group operations. The majority of extension and termination options held are exercisable by both the Group and by the respective lessor. Further as on the reporting date the Group expects not to use those options.

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

40. Acquisition of subsidiary:

On May 8, 2023, the Parent Company completed acquisition of 60% shareholding (on a fully diluted basis) in Nagpur based, Excel Controlinkage Private Limited ("Excel"). Consequently, Excel has become a subsidiary of Greaves Cotton Limited w.e.f. May 8, 2023. Excel is engaged in business of manufacturing Push pull cables and Control levers. The financial statements include the operations of Excel for the period from May 8, 2023 to March 31, 2024. As per IND AS 103, purchase consideration has been allocated based on final determination of the fair value of acquired assets and liabilities. Accordingly, goodwill of ₹86.17 Crore has been recognized as set out below:

(a) The fair values of assets and liabilities of Excel as at the date of acquisition and purchase consideration is as below :

Assets	(₹ in Crore)
Property, plant and equipment	55.52
Right-of-use assets	5.70
Intangible assets	0.23
Identifiable Intangible assets- Acquired customer Contracts @	87.60
Identifiable Intangible assets- Non Compete fees	6.00
Inventories	50.80
Cash and cash equivalents	12.04
Trade receivables #	38.57
Other financial assets and current assets	20.79
Total (A)	**277.25**
Liabilities	
Trade payables	22.08
Other financial liabilities and current liabilities	12.60
Provisions	0.90
Borrowings	8.29
Lease liabilities	1.78
Current tax liabilities (Net)	1.35
Deferred Tax liabilities	29.78
Total (B)	**76.78**
Fair value of net asset acquired (A-B)	**200.47**

@ The determination of fair value of customer relationship is based upon discounted cash flow method. Key assumptions on which management has based fair valuation includes estimated long term growth rates, weighted average cost of capital and estimated operating margin. The cash flow projections takes into account past experience and represent management best estimate about future developments.

 # Contractual cash flows not expected to be collected as on the acquisition date is ₹ Nil

(b) Calculation of Goodwill:

Purchase Consideration in the form of Cash	237.00
Non-controlling Interest as on date of acquisition*	49.64
Less: Fair Value of net assets acquired	(200.47)
Goodwill on acquisition	**86.17**

Goodwill is attributable to future growth of business out of synergies from the acquisition. None of the goodwill is expected to be deductible for income tax purposes.

**On acquisition date, the non-controlling interest has been measured at its proportionate share of identifiable assets and liabilities acquired.*

(c) Impact of acquisitions on the results of the Group:

Revenue and Profit after tax for the year ended March 31, 2024 includes ₹ 245.71 Crore and profit of ₹ 57.69 Crore respectively pertaining to acquisition of Excel made during the year.

Acquisition-related costs (under the head exceptional item) amount to ₹ 0.92 Crore.

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

(d) Net cash outflow arising on acquisition of Excel is as follows:

Cash consideration	237.00
Less: cash and cash equivalent balances acquired	(12.04)
Less: Contingent consideration unpaid as on March 31, 2024	(13.51)
Net outflow of cash	**211.45**

(e) Contingent Consideration

The contingent consideration arrangement requires receipt of insurance premium for the claim filed by Excel, as referred in share purchase agreement entered between the Parent Company, Excel and Promoters of Excel. The potential undiscounted amount of all future payments that the Parent Company could be required to make under the contingent consideration arrangement is ₹ 13.51 Crore (net of partial payment made during the year of ₹ 55.79 Crore).

41. Acquisition of Associate:

During the current year, Greaves Electric Mobility Private Limited ("GEMPL") has acquired additional 25% stake in MLR Auto Limited ("MLR") for a consideration of ₹ 15.05 Crore, thereby MLR Auto Limited has become a subsidiary of the Company with effect from May 16, 2023. MLR is engaged in the business of manufacturing of three wheeler Vehicles & its spares. The financial statements include the operations of MLR for the period from May 16, 2023 to March 31, 2024. As per IND AS 103, purchase consideration has been allocated based on final determination of the fair value of acquired assets and liabilities. Accordingly, goodwill of ₹ 76.61 Crore has been recognised as set out below:

(a) The fair values of assets and liabilities recognised as a result of the acquisition are as follows:

Assets	(₹ in Crore)
Property, plant and equipment	11.73
Intangible assets	0.87
Identifiable Intangible assets- Brand	32.35
Identifiable Intangible assets- Non Compete fees	13.24
Inventories	7.49
Cash and cash equivalents	1.98
Trade receivables	0.44
Other financial assets and current assets	6.09
Total (A)	**74.19**
Liabilities	
Trade payables	4.36
Other financial liabilities and current liabilities	25.69
Provisions	0.48
Borrowings	52.67
Deferred Tax liabilities	11.46
Total (B)	**94.66**
Fair value of net asset acquired (A-B)	**(20.47)**

(b) Calculation of Goodwill:

Particulars	(₹ in Crore)
Purchase Consideration in the form of Cash	15.05
Add: acquisition-date fair value of the equity interest in the acquiree	8.56
Add: Non-controlling Interest as on date of acquisition*	32.53
Add: Fair Value of net assets / (liabilities) acquired	20.47
Goodwill on acquisition	**76.61**

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

Goodwill is attributable to future growth of business out of synergies from the acquisition. None of the goodwill is expected to be deductible for income tax purposes.

**On acquisition date, the non-controlling interest has been measured at its proportionate share of identifiable assets and liabilities acquired.*

(c) Impact of acquisitions on the results of the Group:

Revenue and Loss for the year ended 31st March, 2024 includes ₹ 82.90 Crore and loss of ₹ 22.43 Crore respectively pertaining to acquisition of MLR made during the year.

(d) Net cash outflow arising on acquisition of Excel is as follows:

(₹ in Crore)

Cash consideration	15.05
Less: acquisition-date fair value of the equity interest in the acquiree	(1.98)
Net outflow of cash	**13.07**

42. Disaggregated revenue information as per Ind AS 115 - Revenue from contracts with customers

The table below presents disaggregated revenue from contact with customers for the year ended March 2024 and March 2023. 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.

(₹ in Crore)

Timing of transfer of goods and services	For the year ended March 31, 2024	For the year ended March 31, 2023
	At a point in time	At a point in time
Engines	1,614.67	1,424.78
Electric Mobility & Other Vehicles	595.69	1,124.31
Cables & Control Levers	245.71	0.00
Others	177.12	150.36
Total	**2,633.19**	**2,699.45**

Reconciliation of contracted price with the revenue recognised in statement of profit or loss:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products at transaction price, sale of service and Other operating revenue at contracted price	2,711.43	2,761.67
Reductions towards variable consideration components *	(78.24)	(62.22)
Revenue recognised in profit and loss	**2,633.19**	**2,699.45**

**Reduction towards variable consideration components include Special Incentive, cash discounts, turnover discounts etc.*

Consolidated notes to the Financial Statements

for the year ended March 31, 2024

43. Additional Regulatory Information

i. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii. The Group does 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	Transactions during the year	As at March 31, 2024	As at March 31, 2023
Dream Land Amusement Parks Private Limited	Receivables*	-	0.02	0.02
Emingstar Power Builders Private Limited	Receivables*	-	0.63	0.63
DNP Powergen Private Limited	Receivables	0.15	0.15	-
Kriya Hrsolutions Private Limited	Payables	0.05	@	0.04

**Receivables from above struck off companies are fully provided in books.*

@ Represents amount less than ₹ 1 lakh

iii. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period, except as mentioned below :

Brief description of the charge	Location of the Registrar	The period by which such charge had to be registered	Reason for delay in registration
Charge on Land in relation to Loan taken by one of the subsidiary	Hyderabad	Aug 23, 2022	Delay in release of original land documents by TSIIC

iv. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

v. The Group has not received any funds 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 does not have any such transaction which is not recorded in the books of account 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)

44. The figures for the corresponding previous year have been regrouped, wherever necessary, to make them comparable with the figures of the current year.

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Mumbai, May 8, 2024

Information on Subsidiary Companies

Information on Subsidiary Companies

Name of the Entity	Financial year ended March 31, 2024							
	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 Comprehensive Income	₹ in Crore	As % of Consolidated Total Comprehensive Income	₹ in Crore
a) Indian								
Greaves Cotton Limited	52.80%	883.98	-138.15%	507.37	10.00%	(0.06)	-137.90%	507.31
Subsidiary Companies								
Greaves Finance Limited	1.50%	25.18	3.93%	(14.43)	0.00%	-	3.92%	(14.43)
Greaves Technologies Limited	0.15%	2.51	0.43%	(1.59)	0.00%	-	0.43%	(1.59)
Greaves Electric Mobility Private Limited	29.50%	493.89	174.68%	(641.56)	0.00%	-	174.40%	(641.56)
Bestway Agencies Private Limited	-4.15%	(69.56)	5.27%	(19.36)	-13.33%	0.08	5.24%	(19.28)
Excel Controlinkage Private Limited	10.83%	181.35	-15.71%	57.69	71.67%	(0.43)	-15.57%	57.26
Greaves Technologies Inc.	0.00%	(0.04)	0.02%	(0.06)	0.00%	-	0.02%	(0.06)
MLR Auto Limited	-4.60%	(77.08)	6.11%	(22.43)	16.33%	(0.08)	6.12%	(22.51)
Associate								
MLR Auto Limited	0.00%	-	0.25%	(0.90)	0.00%	-	0.24%	(0.90)
Minority Interest in all subsidiaries Associates (Investment as per the equity methods)	13.97%	233.93	63.17%	(232.00)	18.33%	(0.11)	63.10%	(232.11)

For and on behalf of the Board

Dr. Arup Basu
Managing Director
DIN : 02325890

Raja Venkataraman
Director
DIN : 00669376

Akhila Balachandar
Chief Financial Officer

Atindra Basu
Group General Counsel & Company Secretary

Mumbai, May 8, 2024

GREAVES

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