

Greaves Cotton Limited

104th AGM
August 10, 2023

Management Participant:

MR. KARAN THAPAR – CHAIRMAN

MR. NAGESH BASAVANHALLI – NON - EXECUTIVE VICE CHAIRMAN

DR. ARUP BASU – MANAGING DIRECTOR

MRS. AKHILA BALACHANDAR –CHIEF FINANCIAL OFFICER

MR. ATINDRA BASU – GROUP GENERAL COUNSEL & COMPANY SECRETARY

Atindra Basu: Good afternoon, all the members. We welcome all of you to the 104th Annual General Meeting of the Company held through video conferencing. The facility for participation at the AGM through video conferencing or other audio-visual means is made available to the shareholders on first come first serve basis. The Company has also provided the webcast facility to view the live proceedings of this Annual General Meeting. The Company has provided the facility to shareholders to register themselves as speaker shareholder. Only those shareholders will be allowed to speak or express their views during the meeting who have got themselves registered. Once the question answer session starts, with the permission of the chair, we'll announce the name of the shareholder who have registered themselves as speaker shareholder one by one. Thereafter, the respective speaker shareholder will be unmuted by the host and the speaker shareholder is requested to put on the video option. While speaking, the shareholder is requested to minimize any noise in the background and should keep the questions short and to the point. Due to paucity of time each speaker should get maximum two minutes. During the meeting, if any shareholder faces any issue, he or she may contact the helpline number mentioned in the notice of the meeting. Now I will request the Chairman to start with the proceedings please.

Karan Thapar: Good Afternoon ladies and gentlemen, I extend to all of you a very warm welcome at this 104th Annual General Meeting of your company. I hope all of you are safe and in good health. This meeting is being held through a video conference in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued in this regard by the Ministry of corporate affairs (MCA) and SEBI. The live streaming of this meeting is also being webcast on the NSDL website. The Company has taken all efforts to enable shareholders to participate through video conference and vote at this AGM. The participation of the shareholders attending through video conferencing is being recognized for the purpose of quorum as per the circulars issued by MCA and section 103 of the Companies Act, 2013. I've informed that the necessary quorum is present. I now call the meeting to order.

At the outset, let me introduce you to the new members on the board of directors of the Company. First, we have Mr. Raja Venkataraman appointed as Independent Director with effect from 9th February, 2023. Mr. Venkataraman is a professional with over 37 years of experience in general management, strategy, finance, commodity buying, sourcing, human resources, legal, company secretarial and business development. We welcome Mr. Venkataraman on the board. The Board of Directors, including the chairpersons of the committees of the board, the key executives and senior management have joined from their respective locations. Representatives of the statutory auditors, secretarial auditors and cost auditors are also online. Authorization for attending the AGM has been received for 12,96,21,455 equity shares, representing 55.87% of the Company's share capital. Since the meeting is being held through video conferencing and other audio-visual means, physical attendance of the members is dispensed with. Accordingly, there is no requirement for appointment of proxies. The Register of Directors and Key Managerial Personnel and their shareholding, the Register of contracts and arrangements in which directors are interested, and the documents referred in the notice of AGM are open for inspection by the members electronically if they so desire. I now proceed further with the agenda of the meeting.

The notice convening the meeting has already been circulated to shareholders. So, with your permission, I'm taking the same as read. Since the statutory auditor's report and the secretarial auditors report do not contain any qualifications, observations or comments on financial transactions or matters which have any adverse effect on the functioning of your Company. With your permission, I am taking it as read.

For now, let me say a few words on the events of the year under review.

Once again, the warm welcome to our 104th AGM being attended and organized, virtually. I'm pleased to share with you the progress our Company has made in its transformation journey towards providing clean

technology products and solutions. We are focused on positioning ourselves as a formidable player in India's last mile sustainable mobility ecosystem.

While global economic uncertainties persist. We have seen positive consumer sentiment and encouraging macroeconomic indicators that have supported the strong growth of our various business units. Our successful transition from a predominantly B2B Company to a B2B + B2C model has been fuelled by the exceptional performance of our three key verticals: Greaves Engineering, Greaves Retail and Greaves Electric Mobility.

We have achieved several significant developments in our E-mobility business in line with our vision. We secured a substantial investment of Rs. 1,171 crores (\$150 million) from the Abdul Latif Jameel (ALJ group), based out of Dubai, It's actually a Saudi Arabian group, in our subsidiary, Greaves Electric Mobility. This investment has strengthened our business and enhanced our brand value, especially as the EV industry is poised for significant growth. We have also collaborated with UK based design company ETA Green Power to introduce 'Made in India' Electric Powertrain solutions supported by world class technology. Expanding our business into ePowertrain Solutions is a strategic diversification that complements our growth in the core business segments. By venturing into developing and producing Electric Powertrain solutions, we are capitalizing on the rapidly evolving market trends and customer preferences for clean and sustainable mobility options.

One of the years' notable achievements was the significant expansion of our Retail network, which now encompasses more than 700 stores. This expansion has played a pivotal role in our success, allowing us to reach a broader customer base and provide convenient access to our products and services. Our electric vehicle scooters also achieved a retail sales milestone, surpassing the number of 1 lakh units. The Auto Expo 2023, held in January this year, marked a significant milestone, as our talented in-house design engineering teams showcased their prowess by unveiling six new electric two wheelers and three wheelers. These vehicles were designed and wholly manufactured in India, showcasing our commitment to the 'Make in India' initiative.

We've also taken strategic steps to grow our legacy business in automotive and non-automotive engines. One notable achievement has been the acquisition of a majority stake in Excel Control linkage Private Limited, a leading Indian manufacturer of mechanical and electronic motion control systems. Excel's products are exported to over 80 countries strengthening our global presence. By integrating Excel into our operations, Greaves Cotton aims to leverage synergies, enhance its capabilities, and explore new avenues for growth. Furthermore, Greaves Finance limited, another subsidiary introduced evfin, an innovative financial platform aimed at transforming electric vehicle financing and beyond.

At Greaves Cotton, we are committed to continuous improvement in environmental, social and governance aspects. Our efforts include various programs aimed at enhancing the skills and employability of individuals from underprivileged communities. Additionally, we focus on tree plantation drives, water conservation initiatives, and e-waste reduction, all of which contribute to minimizing our environmental impact.

Looking ahead, we believe that the mega trends of urbanization and sustainability will drive the demand for clean vehicles. As an early mover in E-mobility, we are well positioned to capitalize on these opportunities, and partner with India in shaping a sustainable future.

On behalf of the Board of Directors, I would like to express our gratitude to our customers, business partners, vendors, employees and shareholders for their unwavering support and patience throughout our transformation journey. The momentum we have built reinforces the confidence in our strategy, and we remain dedicated to delivering sustained value. Thank you.

Now Atindra can you please inform the shareholders about the voting facility?

Atindra Basu: Sure. Thank you, Mr. Chairman. The Company had provided the facility for remote e-voting which began at 9:00 AM on 7th August, 2023 and ended at 5:00 PM on 9th August, 2023. Shareholders have already voted through the electronic mode are not allowed to vote again. Therefore, only those shareholders are present in the AGM through VC or OAVM facility and have not cast their vote on resolutions through remote e-voting and are otherwise not barred from doing so shall be eligible to vote through voting system at AGM. The voting on all the resolutions mentioned in the notice of this meeting will be conducted through e-voting system during the AGM following the principle of one share one vote. Shareholders who have voted through remote e-voting are eligible to attend the AGM, however, not eligible to vote at the AGM.

The reference of e- voting at the AGM is already made to the shareholders in the notice of Annual General Meeting and in the public notice through newspaper advertisement. The necessary arrangement in this regard is made on the NSDL portal. The facility of e-voting at the AGM is live now and will be available till 15 minutes after the conclusion of business to be transacted at this meeting. The shareholders who did not cast their vote through remote e-voting mode can now complete it through voting during AGM. Mr. Sunny Gogiya or failing him Mr. Gaurav Sainani, Practicing Company Secretaries who are scrutinizers for remote e-voting will also act as scrutinizer for voting during AGM. Request the Chairman to take the proceedings from here please.

Karan Thapar: We have received requests from shareholders who want to speak at the AGM. We will invite them one by one. We will respond to all the queries at the end of the questions, Company Secretary will call the names of the shareholders as per the requests received for the questions and clarifications. Thank you.

Atindra Basu: Thank you, sir. In the interest of time, I request you all the speaking shareholders to keep your questions and comments brief and not to repeat those already raised by your fellow members. I also request not to take more than two minutes. After completion of the shareholders questions and comments, if any, we will respond to the questions and comments. Now I call upon our first speaker shareholder, Mr. Prabhjot Singh Sahni.

Moderator: Speaker has not joined the meeting sir.

Atindra Basu: Ok. Thank you. Now I request the next shareholder, Mr. Hariram Chaudhary to kindly unmute, put on your video and proceed with the questions.

Hariram

Chaudhary: Mr. Chairman, all the Directors and Chairman of CSR committee because I will be speaking on CSR committees and also our Company Secretary including from the secretary department, Mr. Harish and others who has given personal attention, I thank you and I thank them. Now, we are lucky that we are joining this Company in the 104th AGM, very few companies have completed a century. We are very lucky about it. Now first I suggest to keep all the meetings in Hybrid, physical as well as online which will not cost much and the advantage is that person from outside Bombay can also attend.

Karan Thapar: I'm sorry I cannot hear you very well.

Hariram

Chaudhary: OK, I will speak loudly.

Karan Thapar: Yes please, speak louder.

Atindra Basu: And actually slowly also Mr. Chaudhary.

Hariram

Chaudhary: Ok. I suggest we have a Diwali get together in the month of November for all those who are present today and if it is not possible atleast the speaker shareholders. Now about CSR, kindly let us know how much amount we have spent and whether the amount is more than 2% of the profit? Who are the CSR committee members and who is the committee chairman of the CSR committee? Now about the annual report, I compliment the secretary for having presented its annual report and Mr. Chairman, I suggest that we have dedicated mobile phones in our Company, so that if we don't get a landline number, at least we can leave a message and this you can consider, please let us know whether we are using solar energy. Please also let us know whether we are getting water harvesting and what latest technology have we adopted. Have we adopted artificial intelligence? Who are our competitors? How much capital expenditure we have done in the year 2022-23? and Mr. Chairman, I support all the resolutions and kindly let us know how many participants are there in today's meeting. One more suggestion, please send reminder in respect of dividend so that we are not sending repeated dividend request to the Company and, in conclusion, I convey my best wishes for all round progress and prospectus of the Company, Thank you.

Atindra Basu: Thank you Mr. Chaudhary. Now I request the next shareholder Mr. Bimal Kumar Agarwal to kindly unmute, put on your video and proceed with the questions please.

Bimal Kumar Agarwal: Hello, Can you hear me?

Atindra Basu: Yes, we can hear you. If you can put on your video also.

Bimal Kumar Agarwal: Good afternoon to everyone. First of all, I thank the Company Secretary,

Karan Thapar: Please speak louder.

Bimal Kumar Agarwal: First of all, I thank the Company Secretary, the team and the management and staff and the shareholders. As we are in the 104th AGM what is the land bank we have got? We might have purchased the land at a throw away price at that time. I want to know what's the land bank we have got? and I've already spoken in everything in the meeting I got nothing to say that's all from me. Thank you very much and always have the virtual meeting so that everyone can join from anywhere in the world. That's all for me. Thank you very much.

Atindra Basu: Request the next shareholder Mr. Satish Jayantilal Shah to kindly unmute and put on the video please.

Moderator: Sir, Mr. Satish Shah has not joined the meeting.

Atindra Basu: Ok. Now I request Mr. Yusuf Rangwala to kindly unmute and put on the video to ask the questions.
Mr. Rangwala, Can you hear us?
Yes, Mr. Rangwala, you are unmuted now.

Yusuf Rangwala: I'm Thankful to Company management for giving me this opportunity. Thapar Sir, you have a Dynamic personality. Sir, I would like to thank Harish and entire secretarial team for their support and the copy of Annual Report send by them. Sir, I want to know when was the last bonus given? This year the dividend given is good. We have a plant in Pune and Aurangabad for motor manufacturing. I request you to arrange for a factory visit there. I want to know how many staff we have in the factory and out of that how many are ladies and gents? How will you celebrate 15th August? In case there is any programme held in Prabhadevi, please invite me to the same. If possible, then please conduct a factory visit for us. I want to

know how your health is sir? I want to meet you personally Sir. What is the position of electric scooter manufacturing? What is the current order book of our electric scooters, are we manufacturing? Thank you very much sir. Jai Hind. Khuda Hafiz Sir. And special thanks to Harish Sir from secretarial team.

Atindra Basu: Thank You Mr. Rangwala. I request Mr. Jaydeep Bothra to kindly unmute and put on the video please and proceed with the questions. Yes Mr. Bothra. Can you be a little louder please.

Jaydeep Bothra: Am I audible Sir?

Atindra Basu: Much better.

Jaydeep Bothra: Thank you so much sir, for giving an opportunity and also thank you to company secretary team and all the shareholders. Sir, I have so many questions, sir but will ask limited five questions. First of all, I want to know about the last year in 2022 the Greaves Electric Mobility announced strategic investment by Mr. Abdul Latif Jameel, an independent diversified global investor. I would like to know about how our Company gets benefited from that investment and also the global experience in the automotive market of the Abdul Latif and how our Company is leveraging this strategic investment partnership with going forward and what will our strategy to expand our business in India and abroad?

My second question is, how competitive advantage we enjoy against our other domestic as well as international EV players and my third question is how our Company is planning to penetrate in EVs ecosystems such as charging infrastructure, battery technology, customer awareness, etc. We have seen in recent past that some of EV companies have faced the challenges of fire due to faulty batteries in that context, I would like to know how our Company ensure the quality and safety of products specially in terms of sourcing and developing local components parts of electric vehicles. My last question, recently the government of India had withdrawn the Fame-II subsidy on electric vehicles of some of the EV players. I would like to know how its effect on the demand and supply on our Company and further I would like to know how management views on the steps has been taken by our Company to overcome from this situation? Thank you so much, sir.

Karan Thapar: Thank you Mr. Bothra. Next speaker please.

Atindra Basu: I request Mr. Ashish Shankar Bansal to kindly unmute and put on the video.
Mr. Bansal?

Ashish Bansal: Can you hear my voice sir?

Atindra Basu: We can hear you sir but little louder please.

Ashish Bansal: Respected Chairman and Board of Directors. Good afternoon, everyone. I am thankful to you; I want to know when charging will get over? Is it the other way to start the scooter? Thank you so much sir.

Atindra Basu: Thank you Mr. Bansal. Mr. Hiranand Kotwani, please unmute and put on your video and ask the question.

Moderator: Sir, speaker has not joined the meeting.

Atindra Basu: Next is Mr. Ayush Gupta please unmute and put on the video and proceed with the questions.

Ayush Gupta: Hello, Can you listen to me Sir?

Atindra Basu: Yes Sir, we can hear you.

Ayush Gupta: I welcome the Chairman and all the Board Members. I have been a shareholder since long time and had connected with you last year and even before that. You have given an excellent chairman speech in which you have mentioned everything about the Company. I want to know something which a shareholder has also asked earlier. Our government has stopped the subsidy, will that effect our demand? How are we going to keep our margins intact with the increasing cost of raw materials? Is there any launch planned for the current and the next financial year? What type of demand are we witnessing in E-rickshaw? The issue of charging is a big challenge for electric vehicles, are we planning to establish a setup for charging stations too? Rest I would like to also thank the secretarial team for their continuous effort and guiding me in joining this portal. I further request you to keep the AGM in virtual mode in future also so that we can also get connected.

Atindra Basu: Thank you Mr. Gupta. Mr. Gagan Kumar, kindly unmute and put on the video. Mr. Kumar?

Gagan Kumar: Good afternoon, Mr. Chairman, Board of Directors, and fellow shareholders. I am joining this meeting from Delhi. I welcome you all to the 104th AGM. I have been associated with the Company since a long-time sir. You have already mentioned a lot in your chairman speech and other shareholders have also asked you questions. I have a small question; the face value of our Company is Rs. 2 and we have been seeing our shares getting traded in the same range for a very long time now between Rs. 130 – Rs. 150, we haven't seen any breakup in this recently. Can you please let us know why this is happening? Secondly, we are already launching our products in the EV sector, and the future is also all about electric vehicles. How are we planning to expand in this context and the whole world is moving to digitalization, how is our Company contributing to it? Please elaborate it a little and thanks to our CS and Mr. Harish for maintaining such a high level of corporate governance. Thank you so much.

Atindra Basu: Thank you Mr. Kumar. Request Mr. Jain to kindly unmute, put on the video and proceed with the question.

Pramod Jain: I am very thankful to Chairman sir, Board of Directors and the secretarial team for giving me an opportunity to speak in this AGM. I support all the resolution that has been put forth in the AGM. You have already mentioned quite a lot about the prospects of the Company in your starting speech. Previous shareholders have asked quite a lot of questions. I don't want to ask many questions. Before the meeting a presentation was showed to us, it was very nice where we saw many varieties of scooters, is this sold in Maharashtra only or are there any plans to launch it in North India as well? Please let us know this. I would like to thank Secretarial team, CS and Mr. Harish who had given us the Notice of this AGM on time and also guided us as to how to connect in the meeting. Namaskar. Thank You.

Atindra Basu: Thank you Mr. Jain. Request Mr. Jaydip Bakshi to kindly unmute, put on the video and ask the question.

Jaydip Bakshi: Good afternoon, Chairman and Board of Directors. I am joining this meeting from the city of Kolkata. Sir initial Speech explained of a company's positions and thanks to our Company Secretary for giving me an opportunity to express my views. I don't want to linger my speech because there are so many back-to-back-meetings today and I am proud of myself to be part of this Company. So, just want to know what are our plans and progress for the future and the carbon neutralization program and what are the steps we are taking for cutting down our cost on the fuel and power supply? Thank you, sir, for giving me this opportunity and Happy Independence Day. Thank you.

Atindra Basu: Thank you Mr. Bakshi. Mr Om Prakash Kejriwal to kindly unmute.
Mr. Kejriwal?

**Omprakash
Kejriwal:** Hello Sir, Am I Audible?

Atindra Basu: Yes Sir, if you can put your video also? Thank you.

Omprakash

Kejriwal:

Good afternoon, Sir, and good afternoon everyone attending this AGM. I am an equity shareholder from Kolkata. Thank you for providing me the platform to speak something before you. Thanks to secretarial department for helping me with speaker shareholder registration. Request you to follow the practice of conducting AGM virtually as it allows me to join the meeting from Kolkata and also more shareholders can join and express their views. What a result sir! Mind blowing performance, many congratulations and thanks to all the Board members and employees for such great results. On equity of Rs. 46 crores, our revenue is Rs. 1,550 crores, on standalone basis and our net profit is Rs. 115 crores, it means EPS is Rs. 4.97 on Face value of Rs. 2 and dividend is Rs. 0.90 paisa, it means 18% distribution of net profit. It is on lower side only. Please increase this distribution next year. Sir, I bought some shares when your face value was Rs 10 thinking it will be ahead of Cummins India. But now Cummins India has gone ahead now, our speed to move ahead is quite slow. That time Cummins was supplying engines to Maruti, and we were supplying engines to Piaggio for two wheelers and three wheelers. Now to whom we were supplying engines in addition to our electric vehicle business in two and three wheelers? Sir you gave results for June quarter, revenue is down, net profit is just maintained, what is the reason for this? Has our demand for vehicles decreased in the market because revenue shouldn't have gone down as interest is growing for electric vehicles. So, is withdrawal of subsidy one of the reasons? In fact, the previous subsidy is also asked to pay back, so, what is our liability on it and how are we effected by it? and what according to that is our prospects, will we move downwards.

In four wheelers, a Pune based company named Precision Camshafts is doing very well. So, if you want to diversify on it, you can. I also attended their AGM, they were very motivated. Sir, I am watching you since 2019 you are too optimistic since 2019 and so, you did not participated in buyback in 2019 and in present as you are purchasing share from market regularly, our promoter holding reached to 55.87% in June quarter, are you planning to further increase your holdings? Please say something but Sir market is not discounting your confidence and so market pricing not appreciating like other auto companies. So, what is the reason, where is our weakness. It's important to do further analysis because everything is fine but still our market price is not increasing as per the proportion of other auto companies. On 31st July 2023 we have received a notice announcing the name change of the promoter from Karun carpets Private Limited to DBH Investment Capital India Private Limited. Sir who is the actual owner of this DBH Investment. Please tell something. I have a suggestion, in 2019 when you brought buyback if you are so optimistic then please offer buyback once again this may help in increasing the value. I am not a very old shareholder, but my wife has been holding your shares for long time now. I have recently purchased your shares; it would be great if you can organise a factory visit. I had requested for physical copy of Annual Report so if possible please send me that. I am always with you along with my family as a long-term investor. Thank you.

Atindra Basu: Thank you Mr, Kejriwal, Mr. Narendra Vajechand Jhaveri.

Jhaveri: Hello, are you able to listen to me?

Atindra Basu: We can hear you Mr. Jhaveri. Keep your questions very short please.

Jhaveri: I congratulate you for Rs. 4.97 Paisa EPS and the declared dividend till now is Rs. 0.90 paisa. Please increase it only by Rs. 0.10 paisa and make it Rs. 1 as Rs. 0.90 paisa is a very odd figure. I request you and another thing, 18% of the available profit you are distributing is too low. Are you aware of it that Gujarat government has requested all their associate company or the Companies in which they have invested that minimum dividend should be distributed 30% of the available profit. This is very nice suggestion, I hope you will keep in mind in the future also that 30% of available profit should be distributed by way of dividend. Next thing, dividend advice should be dispatched to us. At the moment we don't have any physical proof of the holding in that company. Dividend advice constitute a very important documents from all aspects from legal, family point of view, holding of the shares, knowing the name of the Secretary,

knowing the name, address of the company, so dividend advice should be given. If you are spending Rs. 100 for general information, what harm is there in providing dividend advice? You were providing dividend advice earlier also in the past. Dividend advice should be resume and should be sent to all of us.

Along with dividend advice, dispatch a physical copy of annual report. Physical copy of annual report is just come four days before how we have to work it. Mr Harish sir has to overwork it so if you can prepare annual report 21 days in advance for electronic shareholders so why not for physical shareholders. So I request you to send the physical copies of the Annual Report well in advance and as per the provision, 21 days in advance. Further the restriction of 2 minutes is not reasonable, the annual report is of 250 pages, so restriction that everyone has to talk for 2 minutes is not good. Everyone would like to know that Rs. 1,171 crores investments are coming from gulf country. So, is it only for the new scoters or for general purpose. Where is our plant situated, is it in Madras or where it is and how many model, we are going to produce. At the moment what is the production capacity. Is it working at full capacity or is it progressing? The market is getting crowded with EV players. Sir can you tell us how many people are there in this field? We have over six subsidiaries out of which four are making losses, one is not working and only one is making profit i.e., Greaves Mobility. Please see to it that our losses are reduced and we return to profit and we request you to declare a dividend of minimum of Rs. 3 in next year against Rs. 0.90 paisa. We would like to know the quarterly report especially EPS of June quarter. Thank you.

Atindra Basu: Thank you Mr. Jhaveri. Mr. Manjit Singh request you to unmute and put on the video and keep the questions very short. Thank you.

Manjit Singh: Sir, Am I Audible?

Atindra Basu: Yes Sir.

Manjit Singh: I welcome the management team of Greaves Cotton, secretarial team and my co- shareholder. It is a very old Auto company and changes have been made time to time as per the market demand. How much are we spending in R&D from our total income? Please explain us. According to our orderbook are our plants ready for Diwali orders as usually the demand is high during that period. Please elaborate if there is any plan of expansion. Do we need to advertise more for auto sector? Thank you to the secretarial team and management of Greaves Cotton due to whom we are able to connect to you. Thank you, sir.

Atindra Basu: Thank you, Mr. Singh. Mr. Chairman, we have completed all the questions now.

Karan Thapar: Thank you. Maybe we should take up the questions now, before we take up the resolutions.

Atindra Basu: Yes, Sir.

Karan Thapar: There are some questions that I can answer related to policy, etc. And then there are some specific questions on spend which I leave the CFO to answer.

There is a question on the chairperson, or the chairman of the CSR committee. The question was asked by Mr. Chaudhary. So, the Chairperson of that committee is Ms. Sree Patel and she is very much on the panel of the Board and there's one more person on the board of this Committee, and that's Mr. Vandrevalla and he's also on the panel. Then there was a question on AI adoption. I think that's become a fad now, because there are number of articles on how AI is going to take over the world and our lives. We have not yet adopted any AI policy but yes, many of the Company's products are going to go in the direction of being AI enabled, because we will be having sensors, and electronics added to the portfolio. But maybe at some point in time, that customers would like AI adoption to our products. There was a question of competitors. Yes, we have a very, very wide range of competitors. Because we have a very wide range of businesses. it's

a bit difficult to go into the competitors or each and every business that we have but yes, we do have strong competitors everywhere.

Then there was Mr. Agarwal who asked the question of land bank? I'm sorry, Mr. Agarwal. I don't understand the question because we're not a real estate Company. We don't invest in land for real estate as such, I don't believe we have any land bank. We definitely have a lot of land on which our factories are located around the country, both in the south and in the West but we don't have a land bank, in the traditional sense of that phrase.

Then there was some requests for factory visits and how we celebrate the 15th August. I think the factory definitely on the 15th of August, raise the flag and have a ceremony. As far as factory visit is concerned. I will refer you to the Company Secretary and the Management. Hopefully they can organize something. I know that the last factory visit was a long time ago that much I'm aware.

There was Mr. Bothra and number of other shareholders who all ask questions on the Greaves Electric Mobility space. So, I'm quite amused because this is the AGM on Greaves Cotton and we haven't been asked a single question on the performance of Greaves usual businesses, everything about its subsidiary Greaves Electric, whose performance is definitely in the annual report. So, it's not a problem. I will ask Nagesh who's also on the board of Greaves Electric to take up most of the questions, but on the question of the large investor, Abdul Latif Jameel, a group from Saudi Arabia, yes, they are a very keen investor in the electric mobility space globally. Having said that, they have picked their investing companies with great care and after substantial amount of due diligence. They did the same process for all the companies operating in the EV space within India, that were looking for investment, whether it was two wheelers, three wheelers, four wheelers or indeed, components and, batteries and charging infrastructure. At least this is what we were informed, and we are very flattered that from that large, wide universe of opportunities, they selected Greaves Electric Mobility to invest in and they have very categorically stated that they were very impressed with the governance standards, that Greaves Cotton adopted, the way it ran its businesses, the way the boards function, and so on. It's not a small amount of money, they did invest a large amount of money and so far from what they say, they are quite satisfied with their investment.

As far as the business itself is concerned, yes, there has been a setback to the entire subsidy-based business, because in Greaves Electric, we have both sub products which sell with subsidy and a whole range of products which sell without subsidy. So, strategically, we are not going to be over dependent on subsidy in the future and the Company has very strong plans to fast track the non-subsidy products and we expect that the impact of the removal of subsidy will not have a long-term impact on the future of the Company. Having said that, what we and Greaves Electric Mobility has been accused of in terms of violating subsidy norms, that the GEMPL management has categorically denied, and I Chair that board as well and I am fully aware of the standards and practices we adopt. So, therefore, we are taking a very firm line that we are not non-compliant with the fame subsidies and we have ample proof to substantiate that so hopefully, we will get a favourable hearing from the government and this demands that they have made will go away. We are still in discussion with them. There is no resolution as on date. As far as the technology competitiveness, safety etc. Nagesh please answer those questions if you will. Please take it now.

Nagesh

Basavanhalli:

Good afternoon, everybody. Just to add on the electric mobility front, there were questions on the battery quality. As we were all aware AIS, the government of India introduced as AIS Phase-I and AIS Phase- II. AIS Phase- II came in April of this year as AIS Phase-I came in December of last year. The important thing is along with our suppliers and our supply chain, our batteries have followed and are firmly meeting all the regulatory guidelines and the needs to make ensure that the battery is safe.

There was a question on competitive landscape and also where we play. We are in the two-wheeler, electric scooters under the brand name Ampere. We also do the e-rickshaws which some of you in Delhi and Gurgaon and North and East of India would have seen under the brand name of ELE and we are also in the three-wheeler, rickshaws or auto rickshaws, what's really called L5 under the brand, both Teja and powered by Greaves. So, competitive situation, obviously the two-wheeler is very competitive like the Chairman was mentioning at the three-wheeler Electric is beginning to kind of have a lot of new players come in. The demand on e-rickshaw was the question, e-rickshaw both L3, as they're called or the L5, both have seen significant demand in recent times, post the COVID era disruption, post the share mobility. So, e-rickshaw is roughly 35,000 plus per month kind of thing. It's a robust growth scenario there. In terms of technology, and products, in the Auto Expo, we launched several new products in both in the two-wheeler and three-wheeler. These were all designed, developed in India, a lot of the design development, engineering styling happens in our offices, right here. Thank you.

Karan Thapar: Thank you Nagesh. There was a question on the CSR spend, from what I remember. I don't have the exact figure, but we do almost within the target spend of about 2%, Sree, if I am not mistaken.

Sree Patel: That is right, Chairman, we actually spent a little more last year Rs. 22 lakhs. But we have spent our entire budget of last year.

Karan Thapar: Thank you. And there was a question on R&D spent. Akhila or Arup, if anybody has any information on that.

Akhila

Balachandar: Sure. We have spent approximately Rs. 20 crores on the R&D spend, and a similar amount of spend is planned for the current year. A number of these initiatives are going towards the development of new technology which Dr. Arup can take up.

Karan Thapar: No, the question was about the amount of R&D spent and not where it is being spent. Thank you Akhila. Then there was the last bit of questions were not much of a question, but some observations which were made on the low rate of distribution of dividend, why the share price is so low? There was a specific question of why I personally as a promoter, I'm so optimistic and keep buying shares, etc. So, let me take some of these questions and observations.

As far as dividend is concerned, this is something that the Board discusses and we look at the cash flow, and future prospects. We have been quite conservative in our dividend declaration in the last couple of years. Last year, amount was quite low, this year, it's improved in line with the improvement in performance. As we expect, with performance continue to go in this improved direction, I'm sure that the dividend distribution will also increase, but as to what percentage that we will determine every year based on budget and business plans.

As far as why the share price is low, the share prices is low because Greaves has not had, unfortunately, any sustained period of growth either in top or bottom line. Just when things were looking up, that was a long time back in FY 2018-19, at the end of FY2019-20 COVID struck and since one of our main businesses over shall I say more than 50% or 60% of our business was engines for shared mobility and mobility of any shared kind was forbidden, restricted etc. that had a very, very strong impact on our Company's top and bottom line. Fortunately, we had already initiated diversification into various other products and services including electric mobility and some of that have kicked in. So, one has to look at consolidated revenue position and that is improving and will be even better in this year and hopefully that's a strong trend. Electric Mobility is new, it's going to be a challenge to make it a profitable business, but I dare say if anybody in this space has a good chance of making it profitable, it is us because we have always focused on cost leadership and appropriate technology for the market. So, we don't have the kind of cost profile that many of the competitors have in this space. I'm sure that between the good product mix that we have,

and this cost leadership, this will start showing results very soon, even though the removal of subsidy has impacted the business. So, we will improve the product mix towards non subsidy items and with that cost leadership, I expect that you know, our financial performance will be much better in the electric mobility business, which unfortunately today is impacting the consolidated performance. But when it comes to Greaves Cotton itself on a standalone basis, somebody said our performance is very poor this quarter, I beg to differ. Our profit has risen substantially over the last year, same period first quarter to first quarter is just a question of how you read the last year's first quarter results has a Rs. 20 Crore exceptional income in it, which is why, you know, the performance looks poor this year, first quarter compared to the last year first quarter, but that is a one off Rs. 20 crores on the operating basis, this year's performance is way better than last year and it's a 60% improvement in PBT with a 6% improvement in the revenue that tells you very strongly of the operating leverage we have. As this revenue continues to climb quarter by quarter of Greaves Cotton, I expect that bottom line will grow similarly because of this leverage, so, I think that was not a correct observation. I'm very pleased to say that I think the results for Greaves Cotton standalone are quite promising. I think that is the end of the questions.

I think I've covered all the questions. So, if there's nothing else, we can take up the resolutions as set forth in the notice. The first resolution for item number one is the adoption of the audited annual standalone and the consolidated financial statements, which was to be passed as ordinary resolution. Then the second resolution we will take up is the declaration of dividend of Rs. 0.90 per equity share also to be passed an ordinary resolution. As far as the third resolution is concerned, I am directly interested so I'm going to hand this out to Mr. Arvind Singhal to Chair. Arvind, if you can please propose that resolution?

Arvind

Kumar Singhal: Good Afternoon, I will now take up the resolution regarding item number three of the notice. It pertains to appointment of a director in place of the one retiring by rotation, this has to be pass through an ordinary resolution.

Karan Thapar: Thank you, we have resolution number four, which is pertaining to the re-designation of and remuneration payable to Mr. Nagesh Basavanhalli as Non -Executive Director and Vice Chairman. This is also to be passed as an ordinary resolution. Then move to number five, it pertains to the ratification of the remuneration of the cost auditors, again to be passed as an ordinary resolution. That brings us to the end of the resolutions required to be passed by shareholders. We now have the e-voting open for 15 minutes once the meeting is formally and officially over, the result of this remote e-voting as well as the voting at the AGM will be declared within the timelines prescribed, and will be submitted to the stock exchanges wherever we are listed, and therefore will be placed on the and thereafter they will be available on the website of the Company, should anybody be interested. I hereby authorize the Company Secretary to receive the scrutinizers report and declare the results of the voting. I now will close the proceedings of this meeting. Thank you very much. I thank all the members, my colleagues on the Board, auditors and the Management team for joining this video. Good luck, everybody and stay safe. Thank you.

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