

INDEPENDENT AUDITOR'S REPORT

To The Members of Greaves Electric Mobility Private Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Greaves Electric Mobility Private Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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 Boards' report 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.



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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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls 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.



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- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer note 32 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 12 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 its knowledge and belief, as disclosed in the note 12 to the standalone financial statements, no funds have been received by the 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 that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

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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 & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Krishna Prakash E
Partner
Membership No.216015
UDIN: 23216015BGXSAU5256

Place: Coimbatore
Date: 9th May, 2023

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls 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 Electric Mobility Private Limited (the "Company") as of 31st March, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements.

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 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 Act.

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 Act, 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 system 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.

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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 system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2023, 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 & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Krishna Prakash E
Partner
Membership No.216015
UDIN: 23216015BGXSAU5256

Place: Coimbatore
Date: 9th May, 2023

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) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of plant, property and equipment and capital work in progress.

(2) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment and capital work-in-progress so to cover all the items once every three 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 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 favour of the Company disclosed in the standalone 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 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the 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 nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in-transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories inventories/alternate procedures performed as applicable when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs 5 crores, in aggregate, at points of time during the year, from a bank on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, advance received from dealers, Subsidy and GST receivable) filed by the Company with the bank till the date of this report are in agreement with unaudited books of account of the Company of the respective quarter ended 30th June, 2022, 30th September, 2022

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and 31st December, 2022. The Company is yet to submit the return/ statement for the quarter ended 31st March, 2023 with the bank.

- (iii) (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below.

(Rs. in Lakh)

| Particulars | Loans |
|--|-------|
| A. Aggregate amount granted / provided during the year: | |
| - Subsidiary | 750 |
| - Associate | 1,030 |
| B. Balance outstanding as at balance sheet date in respect of above cases: | |
| - Subsidiary | 750 |
| - Associate | 1,030 |

The Company has not provided any guarantee or security to any other entity during the year.

- (b) 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 provided by the Company to associate, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation.

In respect of loans provided by the Company to subsidiary, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest. (Refer reporting under clause (iii)(f) below)

- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of above-mentioned loans granted by the Company to associate, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has granted Loans during the year to subsidiary without specifying any terms or period of repayment details of which are given below:

| Particulars | Loans to related Parties. Rs. In lakh |
|--|---------------------------------------|
| Aggregate of loans | |
| - Agreement does not specify any terms or period of repayment | 750 |
| Total | 750 |
| Percentage of loans/advances in nature of loans to the total loans | 42% |

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- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Employees State Insurance during the year.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31st March, 2023 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 31st March, 2023, on account of disputes are given below:

| Name of Statute | Nature of Dues | Amount (INR in Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|-----------------------|----------------|-----------------------|------------------------------------|----------------------------------|
| The Customs Act, 1962 | Customs duty | 387 | FY 2019-20 | Commissioner of Customs, Chennai |

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (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.

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- (e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associate.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) The Company has made private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, *prima facie*, applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section 12 of section 143 of the Companies Act has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period from 1st April, 2022 to 31st March, 2023, for the period under audit.
- (xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, associate company or persons connected with such directors and, hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. The Group does not have any Core Investment Company (CIC) as part of the Group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.



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- (xvii) The Company has not incurred any cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs. 2,166 lakh in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Krishna Prakash E
Partner
Membership No.216015
UDIN: 23216015BGXSAU5256

Place: Coimbatore
Date: 9th May, 2023

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Standalone balance sheet as at 31st March 2023


(Rs. in Lakhs)

| Particulars | Note No. | As at 31st March 2023 | As at 31st March 2022 |
|--|----------|--------------------------|--------------------------|
| ASSETS | | | |
| I Non-current assets | | | |
| (a) Property, plant and equipment | 3A | 6,396 | 3,850 |
| (b) Capital work-in-progress | 3B | 597 | 289 |
| (c) Intangible assets | 4A | 2,595 | 443 |
| (d) Right of use asset | 5 | 1,814 | 1,262 |
| (e) Intangible assets under development | 4B | 259 | - |
| (f) Financial assets | | | |
| (i) Investments | 6 | 2,557 | 2,557 |
| (ii) Loans | 12 | 5,580 | - |
| (iii) Other financial assets | 7A | 508 | 63 |
| (g) Other non-current assets | 8A | 1,943 | 953 |
| Total non-current assets (I) | | 22,250 | 9,417 |
| II Current assets | | | |
| (a) Inventories | 9 | 5,464 | 4,384 |
| (b) Financial assets | | | |
| (i) Investments | 6 | 8,410 | - |
| (ii) Trade receivables | 10 | - | 41 |
| (iii) Cash and cash equivalents | 11A | 5,111 | 2,011 |
| (iv) Bank balances other than (iii) above | 11B | 45,000 | 8 |
| (v) Loans | 12 | - | 3,800 |
| (vi) Other financial assets | 7B | 44,319 | 10,937 |
| (c) Other current assets | 8B | 8,388 | 7,784 |
| Total current assets (II) | | 1,16,692 | 28,965 |
| Total assets (I+II) | | 1,38,942 | 38,382 |
| EQUITY AND LIABILITIES | | | |
| I EQUITY | | | |
| (a) Equity share capital | 13 | 1,865 | 1,172 |
| (b) Other equity | 14 | 1,10,902 | (3,833) |
| Total equity (I) | | 1,12,767 | (2,661) |
| II LIABILITIES | | | |
| 1 Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 15A | - | 16,902 |
| (ii) Lease liabilities | 16A | 496 | 552 |
| (iii) Other financial liabilities | 16A | 18 | 1,132 |
| (b) Provisions | 17A | 153 | 172 |
| (c) Other non-current liabilities | 18 | - | 316 |
| Total non-current liabilities | | 667 | 19,074 |
| 2 Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 15B | - | 5,917 |
| (ii) Lease liabilities | 16B | 151 | 224 |
| (iii) Trade payables | 19 | - | - |
| - Total outstanding dues of micro enterprises and small enterprises | | 1,069 | 1,272 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 17,009 | 9,293 |
| (iv) Other financial liabilities | 16B | - | 478 |
| (b) Provisions | 17B | 3,711 | 1,658 |
| (c) Other current liabilities | 18 | 3,568 | 3,127 |
| Total current liabilities | | 25,508 | 21,969 |
| Total liabilities (II) | | 26,175 | 41,043 |
| Total equity and liabilities (I+II) | | 1,38,942 | 38,382 |

See accompanying notes to the standalone financial statements

1-39

As per our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



Krishna Prakash E
Partner
M No : 216015
Coimbatore

For and on behalf of the Board of Directors


Karan Thapar
Director
DIN : 00004264
New Delhi


Sanjay Kumar Behl
Director and CEO
DIN : 07003899
Bengaluru


Chandrasekar Thyagarajan
Chief Financial Officer
Bengaluru


Shivani Pardeep Chopra
Company Secretary
Bengaluru


Date: 9th May 2023

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Standalone statement of profit and loss for the year ended 31st March 2023

(Rs. in Lakhs)

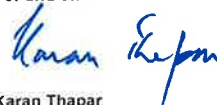
| Particulars | | Note | For the year ended | |
|---|--|------|--------------------|-----------------|
| | | | 31st March 2023 | 31st March 2022 |
| I | Revenue from operations | 21 | 1,05,437 | 42,285 |
| II | Other income | 22 | 3,798 | 40 |
| III | Total income (I + II) | | 1,09,235 | 42,325 |
| IV | Expenses | | | |
| | Cost of materials consumed | 23 | 83,048 | 32,907 |
| | Changes in inventories of finished goods | 24 | (2,166) | (7) |
| | Employee benefits expense | 25 | 6,563 | 2,453 |
| | Finance costs | 26 | 851 | 742 |
| | Depreciation and amortisation expense | 27 | 1,125 | 633 |
| | Other expenses | 28 | 19,145 | 8,318 |
| | Total expenses (IV) | | 1,08,566 | 45,046 |
| V | Profit / (Loss) before tax (III-IV) | | 669 | (2,721) |
| VI | Tax expense | 29 | | |
| | Current tax | | 14 | - |
| | Deferred tax | | - | 405 |
| | Total tax expense (VI) | | 14 | 405 |
| VII | Profit / (Loss) for the year (V - VI) | | 655 | (3,126) |
| VIII | Other comprehensive income | | | |
| | Items that will not be reclassified to profit or loss | | | |
| | Remeasurement of employee defined benefit plans | | 85 | 3 |
| | Less: Income tax on above | | - | - |
| | Total other comprehensive income (VIII) | | 85 | 3 |
| IX | Total comprehensive income/(loss) for the year (VII + VIII) | | 740 | (3,123) |
| X | Earnings per equity share of face value of Rs 10/- each | | | |
| | Basic | 31 | 3.85 | (26.67) |
| | Diluted | 31 | 3.72 | (26.67) |
| See accompanying notes to the standalone financial statements | | 1-39 | | |

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Date: 9th May 2023

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Standalone statement of cash flows for the year ended 31st March 2023

(Rs. in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| A. Cash flows from operating activities | | |
| Profit/(loss) after tax | 655 | (3,126) |
| Adjustments for: | | |
| Income tax expense | 14 | 405 |
| Finance costs | 851 | 742 |
| Interest income | (3,426) | (40) |
| Net unrealised exchange loss/(gain) | 0 | 58 |
| Allowance for doubtful assets | 88 | - |
| Fair value change in lease liability | 156 | - |
| Provision for doubtful financial assets | 759 | - |
| Fair value changes of financial liability recognised at FVTPL | - | 756 |
| Amortisation of Global Innovation and Technology Alliance (GITA) | (6) | (10) |
| Employee stock options expense | 577 | 33 |
| Depreciation and amortisation expense | 1,125 | 633 |
| Operating profit before working capital changes | 794 | (549) |
| <i>Adjustment for movements in working capital:</i> | | |
| (Increase)/decrease in trade receivables | 41 | 123 |
| (Increase)/decrease in inventories | (1,080) | (2,877) |
| (Increase)/decrease in non-current/current - financial assets | (33,434) | (17,651) |
| (Increase)/decrease in non-current/current - non-financial assets | (860) | - |
| Increase/(decrease) in trade payables | 7,513 | 8,606 |
| Increase/(decrease) in provisions | 2,034 | 1,233 |
| Increase/(decrease) in non-current/current - financial liabilities | (478) | 4,038 |
| Increase/(decrease) in non-current/current - non-financial liabilities | 42 | - |
| Cash generated from operations | (25,429) | (7,077) |
| Net income tax paid | - | - |
| Net cash flow from/(used in) operating activities (A) | (25,429) | (7,077) |
| B. Cash flow from investing activities | | |
| Capital expenditure on property, plant and equipment (including capital advances, payables towards property, plant and equipment) | (5,867) | (2,925) |
| Capital expenditure towards intangible assets and intangibles under development | (2,949) | (251) |
| Investment in associate | - | (1,881) |
| Investment in subsidiary | - | (1,550) |
| Inter corporate loans placed to subsidiary | (750) | (3,800) |
| Inter corporate loans placed to associate | (1,030) | - |
| Investment in mutual funds | (8,410) | - |
| Inter corporate loans repaid by subsidiary | - | 100 |
| Interest income received | 3,033 | 40 |
| Balances considered in other bank balances | (44,992) | (8) |
| Net cash used in investing activities (B) | (60,965) | (10,275) |
| C. Cash flow from financing activities | | |
| Proceeds from issue of equity shares (including share premium) | 1,14,111 | - |
| Long term borrowings received during the year | - | 20,548 |
| Long term borrowings repaid during the year | (16,902) | (3,735) |
| Short term borrowings (repaid)/borrowed during the year (net) | (5,917) | 3,537 |
| Payment of lease liabilities | (974) | (514) |
| Finance costs excluding interest on lease liability | (824) | (704) |
| Net cash flow from financing activities (C) | 89,494 | 19,132 |
| Net increase in cash and cash equivalents (A+B+C) | 3,100 | 1,780 |
| Cash and cash equivalents at the beginning of the year | 2,011 | 231 |
| Cash and cash equivalents at the end of the year | 5,111 | 2,011 |

See accompanying notes to the standalone financial statements

1-39

As per our report attached
For Deloitte Haskins & Sells LLP
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Company Secretary
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Date: 9th May 2023

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Standalone statement of changes in equity for the year ended 31st March 2023

| a. Equity share capital | (Rs. in Lakhs) | |
|---|--------------------|----------------------|
| | Number of Shares | Equity share capital |
| Balance at 1st April 2021 | 1,17,19,163 | 1,172 |
| Changes in equity share capital during the year | - | - |
| Balance at 31st March 2022 | 1,17,19,163 | 1,172 |
| Changes in equity share capital during the year | 69,26,584 | 693 |
| Balance at 31st March 2023 | 1,86,45,747 | 1,865 |

| b. Other equity | Reserves and surplus | | | Items of other comprehensive income | TOTAL |
|---|----------------------|--------------------|-------------------|-------------------------------------|-----------------|
| | Particulars | Securities premium | Retained earnings | Share based payment reserves | |
| Balance as at 1st April 2021 | 6,625 | (7,361) | 13 | (20) | (743) |
| Loss for the year | - | (3,126) | - | - | (3,126) |
| Other comprehensive income/(loss) (net of tax) | - | - | - | 3 | 3 |
| Share based payments | - | - | 33 | - | 33 |
| Balance as at 31st March 2022 | 6,625 | (10,487) | 46 | (17) | (3,833) |
| Net securities premium on account of issue of fresh equity shares during the year | 1,17,949 | - | - | - | 1,17,949 |
| Share issue expenses | (4,531) | - | - | - | (4,531) |
| Profit for the year | - | 655 | - | - | 655 |
| Other comprehensive income/(loss) (net of tax) | - | - | - | 85 | 85 |
| Share based payments | - | - | 577 | - | 577 |
| Balance as at 31st March 2023 | 1,20,043 | (9,832) | 623 | 68 | 1,10,902 |

See accompanying notes to the standalone financial statements

1-39

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For Deloitte Haskins & Sells LLP
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Bengaluru



Shivani Pardeep Chopra
Company Secretary
Bengaluru

Date: 9th May 2023

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

1. General Information:

Greaves Electric Mobility Private Limited ("the Company") is involved in designing, developing, manufacturing & marketing electric vehicles. The company is private limited company incorporated and domiciled in India.

The company is subsidiary of Greaves Cotton Limited.

2. Summary of Significant Accounting Policies

2.1 Statement of compliance:

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.2. Basis of preparation and presentation:

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are 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 inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3. Revenue recognition:

Revenue is recognised when control of the goods, services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the amount of transaction price (net of variable consideration), taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue in respect of service is recognised in the accounting year in which the services are performed in accordance with the terms of contract with customers. 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.

Interest income:

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.

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

2.4. Foreign currencies:

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in INR, the national currency of India, which is the functional currency of the Company.

(ii) Transaction and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Also refer note 2.2.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

2.5. 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.

2.6. Government Grants and subsidies:

Government grants and subsidies are recognised where there is reasonable assurance that the grant or subsidy will be received, and all attached conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant or subsidy relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

2.7. Employee benefits:

Defined Contribution Plans:

The eligible employees of the Company are entitled to receive benefits under provident fund schemes defined contribution plans, in which both employees and the Company make monthly contributions at a specified percentage of the employees' salary. The contributions are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. There are no other obligations other than the contribution payable to the Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme.

Defined Benefit Plans:

For defined benefit retirement plans (i.e. gratuity and ex-gratia) the cost of providing benefits is determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.



GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

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 availing or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.8. Share-based payment arrangements:

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the General reserve within equity.

2.9. Taxation:

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.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

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.

2.10. Property, plant and equipment:

Property, plant and equipment are measured at cost or its deemed cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

Cost includes inward freight, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.

Depreciation on fixed assets is provided under the straight-line method over the useful life of the assets. 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:

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

| Asset | Useful lives |
|------------------------|---------------------|
| Leasehold improvements | 2 - 7 years |
| Plant & machinery | 10 - 15 years |
| Office equipment | 5 - 10 years |

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books and the resultant profit or loss (including capital profit), if any, is reflected in the statement of profit and loss.

The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.11. Lease:

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of a lease, the Company recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for short term leases and low value leases. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities. ROU assets are amortised on a straight-line basis over the asset's useful life or the lease period whichever is shorter.

Lease liability is measured by discounting the lease payments using the interest rate of the incremental borrowing. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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 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.

2.12. Intangible assets:

Intangible assets 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.

Intangible assets with finite useful lives that are acquired separately or own developed are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible asset:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Useful life of intangible assets:

Estimated useful lives of the intangible assets are as follows:

| | |
|----------|--------------|
| Licenses | 3 - 10 years |
| Software | 3 - 5 years |
| Brand | 4 years |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

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.

2.13. Inventories:

Inventories are valued, after providing for obsolescence, as under:

- Raw materials, stores, spares, packing materials, loose tools and traded goods at weighted average cost or net realisable value, whichever is lower.
- Work-in-progress at lower of weighted average cost including conversion cost or net realisable value, whichever is lower.
- Finished goods at lower of weighted average cost including conversion cost or net realisable value, whichever is lower.

2.14. 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.

2.15. Warranties:

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

2.16. 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 financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial asset:

- **Financial assets at amortised cost** - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as noncurrent assets.

Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

if any. Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances. The Company subsequently measures all equity investments other than investments forming part of subsidiary at fair value.

- **Financial assets at Fair Value through Profit and loss (FVTPL)** - Financial assets other than the equity investments and investment classified as FVTOCI are measured at FVTPL. These include surplus funds invested in mutual funds etc.
- **Impairment of financial assets** - The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Financial liabilities:

Financial liabilities are subsequently measured at amortised cost or 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 recognized 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. Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost.

De-Recognition of Financial Assets and Liabilities:

Financial assets are derecognized when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognized when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.17. Contingent liabilities and contingent assets

Contingent liability is disclosed in the case of:

- 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
- a present obligation when no reliable estimate is possible, and
- 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 and contingent assets are reviewed at each balance sheet date and updated / recognised as appropriate.

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chief operating officer of the Company has been identified as being the chief operating decision maker.

2.19 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of Transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cashflows. The cash flow from operating, investing and financing activities of the Company are segregated.

2.20 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the diluted earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.21 Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.22. Critical accounting judgements:

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:

- **Employee Benefits:**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

- **Useful lives of property, plant and equipment & intangible assets:**

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.

- **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 thirty-six months.

2.3 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards 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, as below:

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
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Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.



GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 3A - Property, plant and equipment

(Rs. in Lakhs)

| Particulars | Plant and equipment | Office equipment | Furniture and fixtures | Leasehold improvements | Building on leasehold land | Total |
|-------------------------------------|---------------------|------------------|------------------------|------------------------|----------------------------|---------|
| I. Cost | | | | | | |
| As at 31st March 2021 | 375 | 123 | 31 | 196 | - | 725 |
| Additions | 1,065 | 236 | 29 | 77 | 2,277 | 3,684 |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2022 | 1,440 | 359 | 60 | 273 | 2,277 | 4,409 |
| Additions | 1,537 | 1,044 | 33 | - | 409 | 3,023 |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2023 | 2,977 | 1,403 | 93 | 273 | 2,686 | 7,432 |
| II. Accumulated depreciation | | | | | | |
| As at 31st March 2021 | (57) | (29) | (7) | (84) | - | (177) |
| Charge for the year | (67) | (44) | (4) | (189) | (78) | (382) |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2022 | (124) | (73) | (11) | (273) | (78) | (559) |
| Charge for the year | (164) | (142) | (8) | - | (163) | (477) |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2023 | (288) | (215) | (19) | (273) | (241) | (1,036) |
| As at 31st March 2023 | 2,689 | 1,188 | 74 | - | 2,445 | 6,396 |
| As at 31st March 2022 | 1,316 | 286 | 49 | - | 2,199 | 3,850 |

Note 3B - Capital work-in-progress (CWIP) ageing schedule

(Rs. in Lakhs)

| CWIP | Amount in CWIP for the period of | | | | Total |
|-----------------------|----------------------------------|-------------|-------------|-------------------|-------|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | |
| Projects-in-progress | | | | | |
| As at 31st March 2023 | 597 | - | - | - | 597 |
| As at 31st March 2022 | 289 | - | - | - | 289 |

There are no projects suspended as at 31st March 2023 and 31st March 2022. There are no projects which are overdue or have exceeded its initial planned cost in current and previous financial years. The Company has provided accelerated depreciation for certain CWIP amounting to Rs. Nil (Rs. 27 lakhs during previous year).

Note 4A - Intangible assets

(Rs. in Lakhs)

| Particulars | License / Approvals | Non compete fees | Product development | Computer software | Brand | Total |
|-------------------------|---------------------|------------------|---------------------|-------------------|-------|-------|
| I. Cost | | | | | | |
| As at 31st March 2021 | 95 | 200 | 91 | 99 | - | 485 |
| Additions | 28 | - | 16 | 207 | - | 251 |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2022 | 123 | 200 | 107 | 306 | - | 736 |
| Additions | - | - | 650 | 29 | 2,010 | 2,689 |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2023 | 123 | 200 | 757 | 335 | 2,010 | 3,425 |
| II. Amortization | | | | | | |
| As at 31st March 2021 | (19) | (18) | (91) | (54) | - | (182) |
| Charge for the year | (15) | (58) | (1) | (37) | - | (111) |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2022 | (34) | (76) | (92) | (91) | - | (293) |
| Charge for the year | (14) | (82) | (17) | (55) | (370) | (538) |
| Disposals | - | - | - | - | - | - |
| As at 31st March 2023 | (48) | (158) | (109) | (146) | (370) | (830) |
| Carrying amount (I-II) | | | | | | |
| As at 31st March 2023 | 75 | 42 | 648 | 189 | 1,640 | 2,595 |
| As at 31st March 2022 | 89 | 124 | 15 | 215 | - | 443 |

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GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 4B - Intangible assets under development ageing schedule

| Intangible assets under development | Amount in intangible assets underdevelopment for a period of | | | | Total |
|-------------------------------------|--|------------|-------------|-------------------|-------|
| | Less than 1 Year | 1 -2 Years | 2 - 3 Years | More than 3 Years | |
| Projects-in-progress | | | | | |
| As at 31st March 2023 | 259 | - | - | - | 259 |
| As at 31st March 2022 | - | - | - | - | - |

There are no projects suspended as at 31st March 2023 and 31st March 2022. There are no projects which are overdue or have exceeded its initial planned cost in current and previous financial years..

Note 5 - Right of use asset

| Particulars | (Rs. in Lakhs) | | |
|-------------------------------|-------------------------------|---------------------------|-------|
| | Right of use asset - Building | Right of use asset - Land | Total |
| I. Cost | | | |
| As at 31st March 2021 | 361 | - | 361 |
| Additions | 9 | 1,208 | 1,217 |
| Disposals | - | - | - |
| As at 31st March 2022 | 370 | 1,208 | 1,578 |
| Additions | 663 | - | 663 |
| Disposals | - | - | - |
| As at 31st March 2023 | 1,033 | 1,208 | 2,241 |
| II. Amortization | | | |
| As at 31st March 2021 | (204) | - | (204) |
| Charge for the year | (105) | (8) | (113) |
| As at 31st March 2022 | (309) | (8) | (317) |
| Charge for the year | (93) | (17) | (110) |
| As at 31st March 2023 | (402) | (25) | (427) |
| Carrying amount (I-II) | | | |
| As at 31st March 2023 | 631 | 1,183 | 1,814 |
| As at 31st March 2022 | 62 | 1,200 | 1,262 |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 6 - Investment

(Unsecured and considered good)

(Rs. in Lakhs)

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|---|-----------------------|--------------|-----------------------|--------------|
| | Nos. | Amount | Nos. | Amount |
| Non-current (Unquoted) | | | | |
| Investment in wholly owned subsidiary (fully paid) | | | | |
| <i>Equity instruments (at amortised cost)</i> | | | | |
| Investment in Bestway Agencies Private Limited (face value of Rs 10 each) | 15,000 | 676 | 15,000 | 676 |
| Investment in associate (fully paid) | | | | |
| <i>Equity instruments (at amortised cost)</i> | | | | |
| Investment in MLR Auto Ltd (face value of Rs 10 each) - refer note below | 1,88,12,023 | 1,881 | 1,88,12,023 | 1,881 |
| Aggregate carrying value of unquoted investments - non current | | 2,557 | | 2,557 |
| Current (Unquoted) | | | | |
| Investment in Mutual funds | | | | |
| Investment in Mutual fund (at fair value through profit or loss) | | | | |
| Kotak Overnight fund | 2,02,196 | 6,109 | - | - |
| Kotak Liquid fund | 69,090 | 2,301 | - | - |
| Aggregate carrying value of unquoted investments - current | | 8,410 | | - |

Note - During the previous year ended 31st March 2022, the Company had subscribed 26% shareholding in MLR Auto Limited, a Hyderabad based company manufacturing 3 Wheelers (Electric, CNG & Diesel) - 188.1 lakh shares at Rs 10 per share for a consideration of Rs, 1,881 lakhs.

Note 7 - Other financial assets

(Unsecured and considered good)

(Rs. in Lakhs)

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| 7A Non-current (Measured at amortised cost) | | |
| Security deposits | 126 | 63 |
| Interest receivable on loans given to subsidiary | 382 | - |
| | 508 | 63 |
| 7B Current | | |
| Subsidy receivable (Measured at amortised cost)* | 35,174 | 10,390 |
| Balances with government authorities | | |
| - GST refund receivable | 8,281 | - |
| Receivable from related parties | 561 | - |
| Interest receivable on loans given to associate | 11 | - |
| Derivative asset | - | 440 |
| Interest accrued on fixed deposit | 292 | - |
| Others (measured at amortised cost) | - | 107 |
| | 44,319 | 10,937 |

* As at 31st March 2023, the Company has an outstanding receivable amount of Rs. 35,174 lakhs (As at 31st March 2022 Rs. 10,390 lakhs) (net of provision) towards subsidy receivable from the Government under the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) Scheme. The amount includes Rs. 11,447 lakh towards claims pending to be filed with Ministry of Heavy Industries (MHI) as at the year-end for which sufficient time is available as per the FAME Scheme. Subsequent to the year end, the Company has received a letter from IFCI Limited (Project Management Agency (PMA) for FAME Scheme of MHI) seeking information relating to the compliance with the FAME Scheme and the disbursement of the subsidies have been put on hold pending completion of the review.

The Company has responded to the letter providing the required information and confirming that the Company is in compliance with all applicable conditions under the FAME Scheme. The Management has evaluated the aforesaid receivable as good for recovery duly considering the certifications received for the Company's vehicle models in compliance with both Phase I and Phase II requirements, the ability of the Company to submit the claims for the FAME subsidy and is confident of realizing the dues in due course of time.

Note 8 - Other assets

(Unsecured and considered good - unless otherwise stated)

(Rs. in Lakhs)

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| 8A Non-current | | |
| Income tax receivable | 257 | - |
| Capital advances | 1,686 | 953 |
| | 1,943 | 953 |
| 8B Current | | |
| Advances to suppliers | 487 | 2,553 |
| Less: Allowance for bad and doubtful advances | (117) | (117) |
| Net Amount | 371 | 2,436 |
| Prepaid expenses | 149 | 34 |
| GST input tax credit | 7,856 | 5,247 |
| Employee advances | 12 | 67 |
| | 8,388 | 7,784 |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 9 - Inventories

(Valued at lower of cost or net realisable value)

(Rs. in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|----------------------------------|-----------------------------|-----------------------------|
| Raw materials* | 2,984 | 4,257 |
| Raw Materials - Goods-in-transit | 226 | 39 |
| Finished goods | 2,254 | 88 |
| | 5,464 | 4,384 |

* Net of inventory provision/write off of Rs 80 lakhs (for the year ended 31st March, 2022: Rs 1,147 lakhs)

Note 10 - Trade receivables

(Rs. in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|-----------------------------|-----------------------------|
| Unsecured | | |
| Unsecured, considered good | - | 41 |
| Trade receivables - credit impaired | 585 | 585 |
| Allowance for doubtful receivables (expected credit loss allowance) | (585) | (585) |
| | - | 41 |

Trade Receivables ageing schedule as at 31st March 2023

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|-------------------|-----------|------------|-------------------|------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed trade receivables – considered good | - | - | - | - | - | - |
| (ii) Undisputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed trade receivables – credit impaired | - | - | - | 175 | 410 | 585 |
| (iv) Disputed trade receivables – considered good | - | - | - | - | - | - |
| (v) Disputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed trade receivables – credit impaired | - | - | - | - | - | - |
| | - | - | - | 175 | 410 | 585 |

Trade Receivables ageing schedule as at 31st March 2022

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|-------------------|------------|------------|-------------------|------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed trade receivables – considered good | 41 | - | - | - | - | 41 |
| (ii) Undisputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed trade receivables – credit impaired | - | - | 175 | 135 | 275 | 585 |
| (iv) Disputed trade receivables – considered good | - | - | - | - | - | - |
| (v) Disputed trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed trade receivables – credit impaired | - | - | - | - | - | - |
| | 41 | - | 175 | 135 | 275 | 626 |

Note 11A - Cash and cash equivalents

(Rs. in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------------|-----------------------------|
| Unrestricted balances with banks | | |
| Balances with banks in current accounts | 111 | 11 |
| Term deposits with original maturity less than 3 months (free of lien) | 5,000 | 2,000 |
| Cash and cash equivalents considered for Cash Flow Statement | 5,111 | 2,011 |

Note 11B - Other bank balances

(Rs. in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------------|-----------------------------|
| Term deposits with original maturity exceeding 3 months and less than 12 months (Free of lien) | 45,000 | 8 |
| | 45,000 | 8 |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

| | | (Rs. in Lakhs) | |
|--|--|----------------------------------|---|
| Particulars | | As at 31st March 2023 | As at 31st March 2022 |
| Non-current | | | |
| Unsecured loans given to subsidiary" (Refer note 1 below) | | 4,550 | - |
| Secured loans given to associate" (refer note 2 below) | | 1,030 | - |
| | | 5,580 | - |
| Current | | | |
| Unsecured loans given to subsidiary" (Refer note 1 below) | | - | 3,800 |
| | | - | 3,800 |
| Note: | | | |
| 1. Unsecured loan of Rs 3,800 lakhs given to Bestway Agencies Private Limited at 9% interest rate per annum in FY 2021-22 and Rs 750 lakhs given at 10% interest rate per annum in FY 2022-23. | | | |
| 2. Secured loan of Rs 1,030 lakhs given to MLR Auto Limited at SBI PLR interest rate (currently 14.15%) against the security of Land, Buildings and movable Plant and Machinery. The principal repayment shall be made at the end of the 2 years from the disbursement dates and the interest is payable on monthly basis. | | | |
| 3. a) 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 that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). | | | |
| 3. b) | The Company has received the following fund from Greaves Cotton Limited (Funding Party) to lend/ invest in the following companies, ("Ultimate Beneficiaries") | As at 31st March 2023 | As at 31st March 2022 |
| i) | Fund received from Greaves Cotton Limited | Date of fund received | Fund received |
| | For acquisition of 26% equity stake in MLR Auto Limited | 14-10-2021 | 1,881 |
| | For the purpose of payment of Non compete, non solicitation fees to the promotor of Bestway Agencies Pvt. Ltd, Subsidiary of Company | 20-10-2021 | 200 |
| | For acquisition of balance 26% equity stake of Bestway Agencies Pvt. Ltd, Subsidiary of Company | 21-10-2021 | 1,250 |
| | | Total | 3,331 |
| ii) | Fund Invested in the following companies: | Date of fund Invested | Fund Invested |
| | Bestway Agencies Private Limited | 20-10-2021 | 200 |
| | Bestway Agencies Private Limited | 25-10-2021 | 1,250 |
| | MLR Auto Limited | 19-10-2021 | 1,881 |
| | | Total | 3,331 |
| 3. c) | Term loans given outstanding at the year end | | |
| | Year | Related party | Amount of loan |
| | As at 31st March 2023 | Bestway Agencies Private Limited | 4,550 |
| | As at 31st March 2023 | MLR Auto Limited | 1,030 |
| | As at 31st March 2022 | Bestway Agencies Private Limited | 3,800 |
| | | | Percentage to the total loans (in the nature of loans) |
| | | | 82% |
| | | | 18% |
| | | | 100% |

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GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 13 - Equity share capital

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|--|-----------------------|--------------------------|-----------------------|--------------------------|
| | No. of shares | Amount (in Rs. Lakhs) | No. of shares | Amount (in Rs. Lakhs) |
| (a) Authorised Equity shares of Rs. 10 each with voting rights | 3,17,74,000 | 3,177 | 3,17,74,000 | 3,177 |
| (b) Issued, subscribed and fully paid up Equity shares of Rs. 10 each with voting rights | 1,86,45,747 | 1,865 | 1,17,19,163 | 1,172 |

(c) Rights, preferences and restrictions attached to shares
The Company has only one class of Equity Shares having a par value of Rs.10 each.

(d) Reconciliation of the shares outstanding at the beginning and at the end of the year

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|--|-----------------------|--------------------------|-----------------------|--------------------------|
| | No. of shares | Amount (in Rs. Lakhs) | No. of shares | Amount (in Rs. Lakhs) |
| (i) Equity shares of Rs. 10 each with voting rights | | | | |
| Balance as at the beginning of the year | 1,17,19,163 | 1,172 | 1,17,19,163 | 1,172 |
| Add: Issued during the year* | 69,26,584 | 693 | - | - |
| Balance as at the end of the year | 1,86,45,747 | 1,865 | 1,17,19,163 | 1,172 |

* During the year, the Company has allotted 68,35,450 equity shares of face value Rs 10 each on a fully diluted basis to Abdul Latif Jameel Green Mobility Solutions DMCC by way of preferential allotment through private placement basis for an overall share subscription consideration amount of Rs. 117,081 lakhs. The Company has right (but not an obligation) to require ALJ to make further investments into Greaves Electric Mobility Private Limited of up to USD 70 Million by way of a primary subscription within a period of 12 months from the consummation of the first closing date. Further, Company has allotted 91,134 equity shares of face value of Rs.10 each to one of the independent director for Rs.1,561 lakhs against cash consideration of Rs.780.5 Lakhs and against one time remuneration of an equal amount.

(e) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

| Particulars | Aggregate number of shares | |
|--|----------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Equity shares with voting right | 45,567 | - |
| Fully paid up pursuant to contract(s) without payment being received in cash | | |

(f) Details of shareholders holding more than 5% shares in the Company and its holding Company details

| Class of shares / Name of shareholder | As at 31st March 2023 | | As at 31st March 2022 | |
|---|--------------------------|-----------|--------------------------|-----------|
| | No. of Shares (in lakhs) | % holding | No. of Shares (in lakhs) | % holding |
| Equity shares with voting rights | | | | |
| Greaves Colton Limited and its nominees (Holding Company) | 1,17,19,163 | 62.85% | 1,17,19,163 | 100.00% |
| Abdul Latif Jameel Green Mobility Solutions DMCC | 68,35,450 | 36.66% | - | - |

g) There are no promoters holding in the equity shares of the Company.

Note 14 - Other equity
Reserves and surplus

| Particulars | (Rs. in Lakhs) | |
|--|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Securities premium (refer 14.a) (Amounts received on issue of shares in excess of the par value has been classified as securities premium) | 1,20,043 | 6,625 |
| Retained earnings (refer 14.b) (Retained earnings comprise of the Company's undistributed earnings after taxes) | (9,832) | (10,487) |
| Other comprehensive income (refer 14.c) (Adjustments to other comprehensive income - pertaining to actuarial gains/(losses)) | 68 | (17) |
| Share based payment reserve (refer 14.d) (Represents value of equity settled share-based payments provided to employees and director)(refer note 36) | 623 | 46 |
| | 1,10,902 | (3,833) |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

| Particulars | (Rs. in Lakhs) | |
|---|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| 14.a Securities premium | | |
| Balance at beginning of year | 6,625 | 6,625 |
| Premium on issue of equity shares | 1,17,949 | - |
| Less: share issue expenses | (4,531) | - |
| Balance at end of year | 1,20,043 | 6,625 |
| 14.b Retained earnings | | |
| Balance at beginning of year | (10,487) | (7,361) |
| Profit/(loss) for the year | 655 | (3,126) |
| Balance at end of year | (9,832) | (10,487) |
| 14.c Other comprehensive income | | |
| Balance at beginning of year | (17) | (20) |
| Add: Remeasurement of employee defined benefit plans during the year | 85 | 3 |
| Balance at end of year | 68 | (17) |
| 14.d Share based payment reserve | | |
| Balance at beginning of year | 46 | 13 |
| Add: Expense on employee/director stock option scheme during the year (refer note 36) | 577 | 33 |
| Balance at end of year | 623 | 46 |

Note 15 - Borrowings
(at amortised cost)

| Particulars | (Rs. in Lakhs) | |
|--|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| 15A Non-current | | |
| Secured | | |
| MSME term loan from banks (refer note i below) | - | 44 |
| Term loan from banks (refer note ii below) | - | 2,858 |
| Unsecured | | |
| Others (refer note iii below) | - | 14,000 |
| | - | 16,902 |
| 15B Current | | |
| Secured | | |
| Loans repayable on demand from banks (refer note iv below) | - | 748 |
| WCDL loan from bank (refer note iv below) | - | 1,479 |
| Current maturities of non-current term borrowings | - | 190 |
| Unsecured | | |
| Others | - | 3,500 |
| - Current maturities of non-current term borrowings | - | - |
| | - | 5,917 |

Terms of borrowings:

- (i) Includes MSME term loan by way of Guaranteed Emergency Credit Line under ECLGS scheme at 8% interest. The same has been repaid during FY 2022-23.
- (ii) Includes term loan towards capital spends at 5.5% interest rate, repayable over 16 quarterly instalments after 1 year moratorium guaranteed by the Greaves Cotton Limited. (Holding Company). The same has been repaid during FY 2022-23.
- (iii) Unsecured term loan repayable in 5 equal quarterly instalments in the next year at 8% interest. The same has been repaid during FY 2022-23.
- (iv) Working capital loans / demand loans, with exclusive charge on all current assets, property plant and equipment and intangibles, interest rate 6M MCLR + 0.90% (Applicable as on 31 March 2022 is 8.20%). The same has been repaid during FY 2022-23.

Note:

1. The Company has not been declared a willful defaulter by any bank or financial Institution or other any lender.
2. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any other lender.
3. The Company has used the borrowings from banks for the capital expenditures and working capital purposes.
4. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
5. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Note 16 - Financial liabilities

| Particulars | (Rs. in Lakhs) | |
|--|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| 16A Non-current | | |
| <u>Measured at amortised cost</u> | | |
| Lease liabilities | 496 | 552 |
| | 496 | 552 |
| <u>Measured at amortised cost</u> | | |
| Payable on purchase of property, plant and equipment to related parties | - | 1,108 |
| Other financial liabilities - Global Innovation and Technology Alliance (GITA) | 18 | 24 |
| | 18 | 1,132 |
| | 514 | 1,684 |
| 16B Current | | |
| <u>Measured at amortised cost</u> | | |
| Lease liabilities | 151 | 224 |
| | 151 | 224 |
| Other financial liabilities | | |
| <u>Measured at amortised cost</u> | | |
| Interest accrued on term loan | - | 38 |
| <u>Measured at fair value</u> | | |
| Contract liabilities | - | 440 |
| | - | 478 |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 17 - Provisions

| | | (Rs. in Lakhs) | |
|-------------|---|-----------------------------|-----------------------------|
| Particulars | | As at 31st March 2023 | As at 31st March 2022 |
| 17A | Non-current | | |
| | Provision for employee benefits | 93 | 63 |
| | - Compensated absences | 60 | 109 |
| | | 153 | 172 |
| 17B | Current | | |
| | Provision for employee benefits | 50 | 23 |
| | - Compensated absences | 5 | 1 |
| | - Gratuity | 3,656 | 1,634 |
| | Provision for warranty (Refer note below) | 3,711 | 1,658 |

Note: 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 products are generally covered under a free warranty period ranging to 12-36 months. The movement in provision for warranty is as follows :

| | | (Rs. in Lakhs) | |
|-------------|--|-----------------------------|-----------------------------|
| Particulars | | As at 31st March 2023 | As at 31st March 2022 |
| | Opening balance | 1,634 | 457 |
| | Provision recognised during the year | 4,865 | 1,967 |
| | Amount utilised / reversed during the year | (2,843) | (790) |
| | Closing balance | 3,656 | 1,634 |

Note 18 - Other liabilities

| | | (Rs. in Lakhs) | |
|--------------------|---|-----------------------------|-----------------------------|
| Particulars | | As at 31st March 2023 | As at 31st March 2022 |
| Non-current | | | |
| | Margin money received from associate | - | 316 |
| | | - | 316 |
| Current | | | |
| | Advances from customers | 969 | 1,537 |
| | Refundable deposits from customers | 2,293 | 1,412 |
| | Balance payable to government authorities - statutory remittances | 295 | 152 |
| | Others | 11 | 26 |
| | | 3,568 | 3,127 |

Note 19 - Trade payables

| | | (Rs. in Lakhs) | |
|-------------|---|-----------------------------|-----------------------------|
| Particulars | | As at 31st March 2023 | As at 31st March 2022 |
| | Due to Micro, Small and Medium enterprises (MSME) | 1,069 | 1,272 |
| | Creditors other than Micro, Small and Medium enterprises (MSME) | 17,009 | 9,293 |
| | | 18,078 | 10,565 |

Trade Payables aging as at 31st March 23

| Particulars | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--|--------------|--------------|--|-----------|-----------|-------------------|---------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Micro, Small and Medium enterprises | - | 899 | 169 | - | - | - | 1,069 |
| Undisputed - Other than MSME | 5,467 | 4,646 | 6,849 | 7 | 23 | 17 | 17,009 |
| Disputed - MSME | - | - | - | - | - | - | - |
| Disputed - Other than MSME | - | - | - | - | - | - | - |
| | 5,467 | 5,545 | 7,018 | 7 | 23 | 17 | 18,078 |

Trade Payables aging as at 31st March 22

| Particulars | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | Total |
|--|--------------|--------------|--|-----------|-----------|-------------------|---------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Micro, Small and Medium enterprises | - | 661 | 611 | - | - | - | 1,272 |
| Undisputed - Other than MSME | 1,818 | 4,467 | 2,967 | 23 | 18 | - | 9,293 |
| Disputed - MSME | - | - | - | - | - | - | - |
| Disputed - Other than MSME | - | - | - | - | - | - | - |
| | 1,818 | 5,128 | 3,578 | 23 | 18 | - | 10,565 |

| | | (Rs. in Lakhs) | |
|--|--|-----------------------------|-----------------------------|
| Note: | | As at 31st March 2023 | As at 31st March 2022 |
| The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to said MSMED Act are as follows: | | | |
| a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of the accounting year; | | 1,069 | 1,272 |
| b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the accounting year; | | - | - |
| c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | | - | - |
| d) the amount of interest accrued and remaining unpaid at the end of the accounting year | | - | - |
| e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act. | | - | - |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 20 - Deferred tax

| Particulars | (Rs. in Lakhs) | |
|--|-----------------------|-----------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Analysis of deferred tax assets presented in the balance sheet: | | |
| Deferred tax assets | - | - |
| Deferred tax liabilities | - | - |
| Deferred tax assets (net) | - | - |

| Particulars | Balance sheet | | Statement of profit or loss and Other Comprehensive income/(loss) | |
|---|-----------------------|-----------------------|---|------------------------------------|
| | As on 31st March 2023 | As on 31st March 2022 | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
| | | | | |
| Opening Balance | - | 405 | | |
| Recognised in profit or loss | | | | |
| Provision for doubtful receivables | - | (140) | - | (140) |
| Defined benefit obligations | - | (88) | - | (88) |
| Provision for warranties | - | (105) | - | (105) |
| Property, plant and equipment | - | 23 | - | 23 |
| Provision for inventories | - | (95) | - | (95) |
| Recognised in other comprehensive income | | | | |
| Defined benefit obligations | - | - | - | 0 |
| Deferred tax assets (net) | - | - | - | (405) |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 21 - Revenue from operations

(Rs. in Lakhs)

| Particulars | For the year ended | |
|---------------------------------------|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Revenue from sale of goods | 1,05,279 | 42,234 |
| Other operating revenue - scrap sales | 159 | 51 |
| | 1,05,437 | 42,285 |

The Company believes that the below table best depicts the disaggregation of how the nature, amount, timing and uncertainty of revenues and cash flows are affected. The Company made sales only to the domestic customers during the year and previous year. Transaction price allocated to the remaining performance obligations is within 1 year for both the years.

Disaggregation of revenue

(Rs. in Lakhs)

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Revenue from sale of goods [including FAME subsidy of Rs.35,622 lakh for the year ended (Rs.12,832 lakh for the year ended 31st March 2022)] | 1,07,869 | 42,404 |
| Less: Incentives and schemes | 2,590 | 170 |
| Net Revenue from sale of goods | 1,05,279 | 42,234 |
| Other operating revenue - scrap sales | 159 | 51 |
| | 1,05,438 | 42,285 |

Note 22 - Other income

(Rs. in Lakhs)

| Particulars | For the year ended | |
|-------------------------------------|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Interest income | | |
| - From fixed deposits | 3,003 | - |
| - On loan given to subsidiary | 372 | - |
| - On loan given to associate | 51 | - |
| Royalty Income | 13 | - |
| Income from Interim transit service | 316 | - |
| Others | 43 | 40 |
| | 3,798 | 40 |

Note 23 - Cost of materials consumed

(Rs. in Lakhs)

| Particulars | For the year ended | |
|--------------------------------------|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Opening stock of raw materials | 4,296 | 1,426 |
| Purchases | 81,962 | 35,777 |
| Less: Closing stock of raw materials | 3,210 | 4,296 |
| | 83,048 | 32,907 |

Note 24 - Changes in inventories of finished goods

(Rs. in Lakhs)

| Particulars | For the year ended | |
|---|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| <u>Inventories at the beginning of the year</u> | | |
| Finished goods | 88 | 81 |
| | 88 | 81 |
| <u>Inventories at the end of the year</u> | | |
| Finished goods | 2,254 | 88 |
| | 2,254 | 88 |
| Total | (2,166) | (7) |

Note 25 - Employee benefits expense

(Rs. in Lakhs)

| Particulars | For the year ended | |
|---|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Salaries and wages* | 6,010 | 2,195 |
| Contribution to provident funds and other funds | 221 | 99 |
| Gratuity expense | 65 | 42 |
| Staff welfare expenses | 267 | 117 |
| | 6,563 | 2,453 |

*The amount of Rs 555.23 lakhs and Rs. Nil has accrued in salaries and wages for the year ended 31st March 2023 and 31st March 2022, respectively towards share based payment to employees.

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

(a) Defined contribution plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised Rs. 219 lakhs (for the year ended 31st March 2022: Rs. 95 lakhs) as contribution to Provident Fund, and Rs. 2 lakhs (for the year ended 31st March 2022 Rs. 4 Lakhs) as payment under Employee State Insurance Scheme in the Statement of profit and loss. These contributions have been made at the rates specified in the rules of the respective schemes and has been recognised in the Statement of profit and loss under the head Employee benefits expense.

(b) Defined benefit plans:

Gratuity

The Company has not funded its gratuity obligations. The following table sets out the status of the defined benefit schemes and the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary.

Reconciliation of opening and closing balances of defined benefit obligation

(Rs in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Defined Benefit Obligation at beginning of the year | 111 | 87 |
| Service cost (current + past) | 57 | 36 |
| Interest cost | 8 | 6 |
| Actuarial (Gain) / Loss | (95) | (3) |
| Benefits paid | (16) | (15) |
| Defined benefit obligation at year end | 65 | 111 |
| Current | 5 | 1 |
| Non-current | 60 | 109 |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Reconciliation of opening and closing balances of fair value of plan assets

(Rs in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Fair value of Plan Assets at beginning of year | - | - |
| Employer contributions | (16) | (15) |
| Expected Return on Plan Assets | - | - |
| Actuarial Gain / (Loss) | - | - |
| Benefits paid | 16 | 15 |
| Fair value of plan assets at year end | - | - |

(Rs in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| Expenses recognised during the year | | |
| In Income Statement | | |
| Service cost | 57 | 36 |
| Interest on net defined benefit liability/ (asset) | 8 | 6 |
| Net Cost | 65 | 42 |
| In Other Comprehensive Income | | |
| Actuarial (Gain) / Loss | (95) | (3) |
| Net (Income)/ expense for the period recognised in OCI | (95) | (3) |

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 remeasurement of the net defined liability is included in other comprehensive income.

Actuarial assumptions

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| Discount rate (per annum) | 7.30% | 7.40% |
| Rate of escalation in Salary (per annum) | 10.00% | 9.00% |
| Retirement age and attrition rate (per annum) | | |
| 21-30 yrs | 35.00% | 2.42% |
| 31-40 yrs | 20.00% | 0.34% |
| 41-50 yrs | 20.00% | 0.28% |
| 51-59 yrs | 20.00% | 0.05% |

The retirement age of employees of the Company is 60 years.

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult table.

Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

(Rs. in Lakhs)

| Particulars | Discount rate | Salary escalation rate |
|---|---------------|------------------------|
| As at 31st March 2023 | | |
| Defined benefit obligation on plus 50 basis points | 63 | 67 |
| Defined benefit obligation on minus 50 basis points | 67 | 63 |
| As at 31st March 2022 | | |
| Defined benefit obligation on plus 50 basis points | 102 | 123 |
| Defined benefit obligation on minus 50 basis points | 124 | 103 |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Maturity profile of defined benefit obligation

(Rs. in Lakhs)

| Particulars | (Rs. in Lakhs) | |
|---------------------------------|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Expected total benefit payments | | |
| 1 year to 3 years | 15 | 2 |
| 4 years to 5 years | 28 | 3 |
| 6 years and above | 65 | 632 |

Summary of experience adjustments

(Rs. in Lakhs)

| | (Rs. in Lakhs) | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 | As at 31st March 2020 |
| Defined benefit obligation at year end | 65 | 111 | 87 | 63 |
| Fair value of plan assets at year end | - | - | - | - |
| Net liability / (asset) | 65 | 111 | 87 | 63 |
| Experience adjustments | (95) | (3) | (2) | 22 |

| | As at 31st March 2019 |
|--|--------------------------|
| Defined benefit obligation at year end | 39 |
| Fair value of plan assets at year end | - |
| Net liability / (asset) | 39 |
| Experience adjustments | (1) |

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GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 26 - Finance costs

(Rs. in Lakhs)

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Interest expenses | 818 | 683 |
| Interest expenses on lease liability (refer note 35) | 28 | 39 |
| Other borrowing costs | 5 | 20 |
| | 851 | 742 |

Note 27 - Depreciation and amortisation expense

(Rs. in Lakhs)

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Depreciation of property, plant and equipment | 477 | 409 |
| Amortisation of intangible assets | 538 | 111 |
| Amortisation of right of use asset (refer note 35) | 110 | 113 |
| | 1,125 | 633 |

Note 28 - Other expenses

(Rs. in Lakhs)

| Particulars | For the year ended | |
|---|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Contracting expenses | 1,243 | 981 |
| Carriage and freight | 3,198 | 1,839 |
| Power and fuel | 212 | 51 |
| Repairs and maintenance | | |
| Plant and Equipment | 29 | 22 |
| Building | 35 | 84 |
| Others | 472 | 210 |
| Rent including lease rentals | 96 | 137 |
| Insurance charges | 80 | 28 |
| Rates and taxes | 101 | 18 |
| Advertisement and sales promotion expenses | 3,130 | 1,104 |
| Travelling and conveyance | 792 | 319 |
| Royalty | 271 | - |
| Warranty expenses | 4,865 | 1,967 |
| Legal, professional and consultancy charges | 3,184 | 563 |
| Share based payment to director | 21 | 33 |
| Net loss on foreign currency transactions and translation | 0 | 58 |
| Auditors remuneration and out-of-pocket expenses (refer note below) | 41 | 19 |
| Research expenses | 331 | 82 |
| Fair value changes of financial liability recognised at FVTPL | - | 756 |
| Fair value change in lease liability | 156 | - |
| Allowance for doubtful assets | 88 | - |
| Provision for doubtful financial assets | 759 | - |
| Miscellaneous expenses | 42 | 47 |
| | 19,145 | 8,318 |

Auditors remuneration includes

(Rs. in Lakhs)

| Particulars | For the year ended | |
|------------------------|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Statutory audit fees | 23 | 13 |
| Limited Review | 12 | 6 |
| Group audit fee | 5 | - |
| Out of pocket expenses | 1 | - |
| | 41 | 19 |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

(Rs. in Lakhs)

Note 29 - Tax expense

| Particulars | For the year ended | |
|---|--------------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Current tax | | |
| In respect of the current year | 14 | - |
| Deferred tax | | |
| | - | 405 |
| Total income tax expense recognised in the current year | 14 | 405 |
| The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows: | | |
| Current Tax: | | |
| Profit/ (Loss) before tax | 669 | (3,126) |
| Enacted income tax rate | 25.17% | 25.17% |
| Computed expected tax expense | 168 | - |
| utilization of unabsorbed depreciation and other temporary differences | (154) | - |
| Income tax expense recognised in the profit or loss | 14 | - |
| Deferred Tax: | | |
| Relating to the origination and reversal of temporary differences | - | 405 |
| Tax expense reported in the Statement of Profit and Loss | 14 | 405 |

The company has not recognised deferred tax asset in view of the historical business losses and in accordance with its accounting policy

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

Note 30 - Segment reporting

The Chief Operating Decision Maker (CODM) of the company examines the performance from the perspective of company as a whole viz. 'Electric vehicles' and hence there are no separate reportable segments as per Ind AS 108.

Note 31 - Earnings per share

| Particulars | Year ended 31st Mar 2023 | Year ended 31st Mar 2022 |
|--|-----------------------------|-----------------------------|
| Profit attributable to ordinary shareholders - for Basic and Diluted EPS (Rs in Lakhs) | 655 | (3,126) |
| Weighted Average number of Equity Shares used as denominator for calculating Basic EPS | 1,70,01,747 | 1,17,19,163 |
| Weighted Average Potential Equity Shares (refer note below) | 6,12,319 | - |
| Weighted average number of equity shares used in the calculation of diluted earnings per share | 1,76,14,066 | 1,17,19,163 |
| Earnings per share of Rs 10/- | | |
| - Basic (in Rs) | 3.85 | (26.67) |
| - Diluted (in Rs) | 3.72 | (26.67) |

Note: Potential equity shares for the year ended 31st March 2022 have not been considered, since these are anti-dilutive in nature

Note 32 - Contingent liabilities and commitments

(Rs. in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Contingent Liabilities | | |
| Claims against the Company / disputed liabilities not acknowledged as debts | | |
| - Goods and Service Tax appeals | - | 14 |
| - Custom duty | 387 | - |
| - Other matters | 74 | 74 |

Note: The Company is confident of succeeding in its appeals/defense with respect to the above.

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|-------------------------------|--------------------------|--------------------------|
| II. Capital Commitment | 182 | 204 |

Note 33 - Financial instruments

33.1 Capital management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the returns to stakeholders. The company has no borrowings, except cash credit facilities

33.2 Categories of financial instruments

The significant accounting policies in respect of each class of financial asset, financial liability and equity instrument including criteria for their recognition, the basis of measurement are as disclosed in Note No. 6, 7, 10, 11, 12, 15, 16, & 19 to the financial statements. These notes also mention the basis on which the income and expenses are recognised.

(Rs. in Lakhs)

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|--|---------------------------|--------------|---------------------------|------------|
| | Carrying value at cost | Fair value | Carrying value at cost | Fair value |
| Financial assets | | | | |
| <u>Measured at amortised cost</u> | | | | |
| Investments in subsidiary and associate | 2,557 | - | 2,557 | - |
| Others financial assets - non current | 508 | - | 63 | - |
| Trade receivables | - | - | 41 | - |
| Cash and cash equivalents | 5,111 | - | 2,011 | - |
| Other bank balances | 45,000 | - | 8 | - |
| Loans | 5,580 | - | 3,800 | - |
| Others financial assets - current | 44,319 | - | 10,497 | - |
| Total financial assets measured at amortised cost (a) | 1,03,075 | - | 18,977 | - |
| <u>Mandatorily measured at FVTPL</u> | | | | |
| Investments in mutual funds | - | 8,410 | - | - |
| Others financial assets - non current (b) | - | - | - | 440 |
| | - | 8,410 | - | 440 |
| Total financial assets (a + b) | 1,03,075 | 8,410 | 18,977 | 440 |
| Financial liabilities | | | | |
| <u>Measured at amortised cost</u> | | | | |
| Borrowings | - | - | 22,819 | - |
| Trade payables | 18,078 | - | 10,565 | - |
| Others financial liabilities - current | 151 | - | 262 | - |
| Others financial liabilities - non current | 514 | - | 1,684 | - |
| Total financial assets measured at amortised cost (a) | 18,744 | - | 35,330 | - |
| <u>Mandatorily measured at FVTPL</u> | | | | |
| Others financial liabilities - non current (b) | - | - | - | 440 |
| Total financial liabilities (a + b) | 18,744 | - | 35,330 | 440 |

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

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33.3 Financial and liquidity risk management objectives :

- i) The Company has a policy of investing surplus funds in fixed deposits with bank, liquid and overnight funds.
- ii) The average payment terms of creditors (trade payables) is in the range of 30-45 days. In case of MSMED creditors the payment terms are within 45 days. Other financial liabilities viz. employee payments, dealer deposits are payable within one year.
- iii) Trade receivables, company has cash and carry policy.

33.4 Foreign currency risk

The Company does not have foreign currency exposure for its regular transactions. The company has entered into import of capex items for which Company has paid advances. The Company does not use forward contracts for speculative purposes. The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of each reporting period are as follows.

| Particulars | Financial assets | Financial liabilities |
|---------------------|----------------------|-----------------------|
| | Advances Outstanding | Trade Payables |
| | INR Lakhs | INR Lakhs |
| EURO | 11 | - |
| USD | 564 | - |
| CNY (Previous year) | 0 | 0 |
| USD (Previous year) | 412 | 238 |
| | In Foreign Currency | In Foreign Currency |
| EURO | 0 | - |
| USD | 7 | - |
| CNY (Previous year) | 0 | 0 |
| USD (Previous year) | 5 | 3 |

Sensitivity analysis

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

| | (Rs. in Lakhs) | |
|-----------------------|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| FX Sensitivity | | |
| INR increase by 5% | 29 | 9 |
| INR decrease by 5% | (29) | (9) |

Market risk - interest rate

(i) Liabilities:

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31st March 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

(ii) Assets:

The Company's financial assets are carried at amortised cost and are at fixed rate only except MLR Auto Limited (at SBI PLR interest rate). They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

33.5 Credit risk management :

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Credit risk on receivables is limited as the nature of the business is advance driven. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties. The credit risk for cash and cash equivalents, bank deposits, security deposits and loans is considered negligible.

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED

Notes to the standalone financial statements for the year ended 31st March 2023

Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term expansion programs. The Company remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Company manages liquidity risk by maintaining adequate support of facilities from its banking partners, and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company's financial liability is represented significantly by long term and short term borrowings from banks, financial institutions and trade payables.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2023, 31st March 2022

| Particulars | As at | (Rs. in Lakhs) | | | |
|-----------------------------|-----------------|------------------|-----------|-------------------|--------|
| | | Less than 1 year | 1-2 years | 2 years and above | TOTAL |
| Borrowings | 31st March 2023 | - | - | - | - |
| | 31st March 2022 | 5,917 | 14,793 | 2,109 | 22,819 |
| Trade payables | 31st March 2023 | 18,078 | - | - | 18,078 |
| | 31st March 2022 | 10,565 | - | - | 10,565 |
| Other financial liabilities | 31st March 2023 | 151 | 349 | 165 | 665 |
| | 31st March 2022 | 702 | 446 | 1,238 | 2,386 |

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

(Rs. in Lakhs)

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|---|------------------|
| | Total equity attributable to the equity share holders of the company | 1,865 |
| As percentage of total capital | 100% | 5% |
| Current borrowings | - | 5,917 |
| Non-current borrowings | - | 16,902 |
| Total borrowings | - | 22,819 |
| As a percentage of total capital | 0% | 95% |
| Total capital (borrowings and equity) | 1,865 | 23,991 |

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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit for the year ended would have impacted in the following manner:

(Rs. in Lakhs)

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| Decrease in profit/(Increase in loss) for the year | 79 | (77) |

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

Note 34 - Related party disclosures

Name of the related parties and nature of relationship

| | |
|---|--|
| (a) Holding Company | Greaves Cotton Limited |
| (b) Subsidiary | Bestway Agencies Private Limited |
| (c) Fellow Subsidiaries | Greaves Finance Limited Greaves Technologies Limited |
| (d) Associate | MLR Auto Limited |
| (e) Entities exercising significant influence | Abdul Latif Jameel Green Mobility Solutions DMCC |
| (f) Enterprises owned or significantly influenced by Key Management Personnel | Celeris Technologies Private Limited Celeris Technologies LLP |
| (g) Key Management Personnel (KMP) | Karan Thapar (Director) Kewal Kundanlal Handa (Director) (From 23rd June 2022) Nagesh Basavanhalli (Director) Venkataramani Sumantran (Director) (From 23rd June 2022) Sanjay Kumar Behl (Director) (From 13th May 2022) Mohammad Arshi Abrar Khan (Director) (From 23rd June 2022) Tevilyan Yudhistira Rusli (Director) (From 23rd June 2022) Chandrasekar Thyagarajan (CFO) (From 07 February 2023) Shivani Pradeep Chopra (CS) (from 08 November 2022) Roy Kurian (Director and COO) (Till 23rd June 2022) Bidadi Anjani Kumar (Director) (Till 23rd June 2022) Meda Pandurangasetty Shyam (Director) (Till 23rd June 2022) Rajat Jain (CFO) (Till 19th October 2022) Richin Sangwan (CS) (Till 7th November 2022) |

The following table summarises related-party transactions and balances for the year ended / as at 31st March 2023 & for the year ended / as at 31st March 2022

| Nature of transaction | (Rs. in Lakhs) | | | | | | | Total |
|---|-----------------|---|------------|-------|---|---|-----------|----------|
| | Holding Company | Entities exercising significant influence | Subsidiary | KMP | Enterprises as defined in point (c) above | Enterprises as defined in point (e) above | Associate | |
| Transactions during the year | | | | | | | | |
| Managerial remuneration | - | - | - | 205 | - | - | - | 205 |
| | - | - | - | (131) | - | - | - | (131) |
| Sitting fees | - | - | - | 7 | - | - | - | 7 |
| | - | - | - | (23) | - | - | - | (23) |
| Purchase of goods | - | - | - | - | - | - | (572) | (572) |
| Repayment of financial liability | 1,980 | - | - | - | - | - | - | 1,980 |
| | (7) | - | - | - | - | - | - | (7) |
| Receipt of services | 547 | - | - | - | 481 | 2,538 | 18 | 3,584 |
| | (435) | - | - | - | (53) | - | (19) | (507) |
| Interest expense | (512) | - | - | - | - | - | - | (512) |
| Receipt of loan | (8,686) | - | - | - | - | - | - | (8,686) |
| Repayment of loan | (10,750) | - | - | - | - | - | - | (10,750) |
| Fresh issue of shares for cash | 1,551 | 1,17,081 | - | 780 | - | - | - | 1,19,413 |
| Capital assets purchase (including intangibles) | 2,010 | - | - | - | - | - | - | 2,010 |
| | (2,770) | - | - | - | - | - | - | (2,770) |
| Loan given | - | - | 750 | - | - | - | 1,030 | 1,780 |
| | - | - | (3,800) | - | - | - | - | (3,800) |
| Repayment of Interest | (564) | - | - | - | - | - | - | (564) |
| Shares issued in lieu of services | - | - | - | 780 | - | - | - | 780 |
| Interest income on loan advanced* | - | - | (15) | - | - | - | - | (15) |
| Margin money received (non refundable security deposit) | - | - | - | - | - | - | (316) | (316) |
| Investment in associate | - | - | - | - | - | - | (1,881) | (1,881) |
| Royalty Expense | 271 | - | - | - | - | - | - | 271 |
| | (19) | - | 13 | - | - | - | - | 13 |
| Royalty Income | - | - | 372 | - | - | - | 683 | 1,055 |
| Other Income including interest on loan given | - | - | (84) | - | - | - | - | (84) |
| Balance as on balance sheet date | 68 | - | 755 | - | - | - | 131 | 954 |
| Other financial assets | - | - | (107) | - | - | - | (72) | (179) |
| Trade payables and other financial liabilities | 1 | - | - | - | 67 | - | - | 68 |
| | (1,995) | - | - | - | (34) | - | - | (2,028) |
| Margin money received | - | - | - | - | - | - | (316) | (316) |
| Loans | - | - | 4,550 | - | - | - | 1,030 | 5,580 |
| | - | - | (3,800) | - | - | - | - | (3,800) |

i. There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties

ii. Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.

iii. No amount is/has been written off or written back during the year in respect of debts due from or to related party.

iv. The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.

v. All transactions with related parties are conducted at arm's length price under normal course of business.

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Note 35 - Leases

The Company has entered into operating lease arrangements for certain units. The leases are cancellable and range between period of 3 to 84 months and are renewable based on mutual agreement of the parties.

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The Company has treated the leases with the lease term of less than 12 months as short term leases. The Company has not applied the requirements of Ind AS 116 for leases of low value assets.

The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

Disclosure as per the requirement of Ind AS 116

Amounts recognised in balance sheet

| Particulars | (Rs. in Lakhs) | |
|--------------------------|-----------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Right-of-use assets | 1,814 | 1,262 |
| Lease Liabilities | | |
| Current | 151 | 224 |
| Non-current | 496 | 552 |

Amounts recognised in the statement of profit and loss

| Particulars | (Rs. in Lakhs) | |
|--|-----------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Depreciation charge of right-of-use assets | 110 | 113 |
| Interest expenses on lease liability (included in finance costs) | 28 | 39 |
| Expense relating to short term lease not included in lease liabilities | 96 | 137 |

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2023 on an undiscounted basis:

| Particulars | (Rs. in Lakhs) | |
|--|-----------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Not later than 1 year | 201 | 291 |
| Later than 1 year and not later than 5 years | 558 | 654 |
| Later than 5 years | - | - |
| Total undiscounted lease liabilities | 759 | 945 |

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.

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GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

36 Employee stock option plan (ESOP)

The position of the existing schemes is summarized as under -

| Sl. No. | Particulars | Employee Stock Option Plan 2020 (Director) | Employee Stock Option Plan 2020 | Employee Stock Option Plan 2022 (Executive director and CEO) |
|--|--|---|---|--|
| I. Details of the ESOP | | | | |
| 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 | 1,75,787 | 3,42,777 | 2,34,383 |
| 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 (Rs.) | 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 | 8th January 2021 | 8th January 2021 | 1st June 2022 |
| 8 | Method of settlement | Equity | Equity | Equity |
| 9 | Variation in terms of ESOP | Nil | Nil | Nil |
| II. Option Movement during the year | | | | |
| | | Employee Stock Option Plan 2020 (Director) | 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 | 1,28,909 | 2,34,383 |
| 2 | Options granted during the year | - | 1,66,992 | - |
| 3 | Options forfeited / lapsed during the year | - | 93,752 | - |
| 4 | Options vested during the year | - | - | - |
| 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 (Rs.) | - | - | - |
| 8 | Number of options outstanding at the end of the year | 1,75,787 | 2,02,149 | 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 | 1,938 | 1,381 |
| | Weighted average fair value of options granted during the year | NA | - | 727 |
| 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:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

| Date of grant | 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% |

| | |
|--|-----|
| Expense on Employee Stock Option Scheme debited to P&L (in lakhs) - March 31, 2023 | 577 |
| Expense on Employee Stock Option Scheme debited to P&L (in lakhs) - March 31, 2022 | 33 |

GREAVES ELECTRIC MOBILITY PRIVATE LIMITED
Notes to the standalone financial statements for the year ended 31st March 2023

37 Financial ratios

| | Ratio / Measure | Methodology | For the year ended March 31, 2023 | For the year ended March 31, 2022 | Change | Remarks |
|----|----------------------------------|--|-----------------------------------|-----------------------------------|--------|--|
| 1 | Current ratio | Current assets over current liabilities | 4.6 | 1.1 | 316% | On account of increase in cash and cash equivalents from additional shares issued during the year. |
| 2 | Debt equity ratio | Debt over total shareholders' equity | 0.0 | (8.9) | -100% | During the year all the borrowings have been repaid. |
| 3 | Debt service coverage ratio | Profit before taxes over debt | 0.2 | (0.1) | -318% | During the year all the borrowings have been repaid. |
| 4 | Return on equity % | Profit after taxes over total average equity | 43.5% | -266.7% | -116% | On account of increased business operations and higher interest income on fixed deposits. |
| 5 | Inventory turnover ratio | Adjusted cost of goods sold over average inventory | 16.4 | 11.1 | 48% | On account of higher purchases made due to increased volume of business. |
| 6 | Trade receivables turnover ratio | Revenue from operations over average trade receivables | 5,020.8 | 413.6 | 1114% | Due to sales made to dealers on advance basis. |
| 7 | Trade payables turnover ratio | Adjusted purchases over trade payables | 7.0 | 4.3 | 63% | On account of higher purchases made due to increased volume of business. |
| 8 | Net capital turnover ratio | Revenue from operations over average working capital | 1.2 | 24.3 | -95% | Due to increase in Cash and cash equivalents from additional shares issued during the year. |
| 9 | Net profit % | Profit after taxes over revenue | 0.6% | -7.4% | -108% | On account of increased business operations and higher interest income |
| 10 | Return on capital employed % | PBIT over average capital employed | 1.3% | -16.5% | -108% | On account of increased business operations and higher interest income on fixed deposits. |

Notes:

PBIT - Profit before interest and taxes

Debt includes current and non-current lease liabilities

Capital employed refers to total shareholders' equity and debt

38 Change in liabilities arising from financing activities

| Particulars | 31st March, 2022 | Proceeds / impact of IND AS 116 | Repayment | Fair value changes | 31st March, 2023 |
|--|------------------|---------------------------------|-----------------|--------------------|------------------|
| Borrowings from banks and others (non-current and current) | 22,819 | - | (22,819) | - | - |
| Lease liabilities | 776 | 663 | (974) | 183 | 647 |
| Total | 23,595 | 663 | (23,794) | 183 | 647 |

| Particulars | 31st March, 2021 | Proceeds / impact of IND AS 116 | Repayment | Fair value changes | 31st March, 2022 |
|--|------------------|---------------------------------|----------------|--------------------|------------------|
| Borrowings from banks and others (non-current and current) | 2,470 | 23,895 | (3,735) | (1) | 22,819 |
| Lease liabilities | 174 | 1,077 | (514) | 39 | 776 |
| Total | 2,645 | 24,972 | (4,249) | 38 | 23,595 |

39. Additional Regulatory Information

- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- No schemes of arrangements have been applied or approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.
- The title deeds of all immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- The Company does not have any transactions with struck off companies.
- 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 of Directors



Karan Thapar
Director
DIN : 00004264
New Delhi



Sanjay Kumar Behl
Director and CEO
DIN : 07003899
Bengaluru



Chandrasekar Thyagarajan
Chief Financial Officer
Bengaluru



Shivani Pardeep Chopra
Company Secretary
Bengaluru

Date: 9th May 2023

