



AUTOMOBILE CORPORATION OF GOA LIMITED

Ref: ACG: S&L:28

June 7, 2023

Scrip Code: 505036

ISIN: INE451C01013

**To,
BSE Limited
First Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001**

Dear Sir/Madam,

Sub: **Annual Report for Financial Year 2022-23 and Notice convening the 43rd Annual General Meeting.**

This is further to our letter Ref: ACG: S&L:21 dated May 25, 2023, we wish to inform you that the 43rd Annual General Meeting ("AGM") of the Company will be held on Thursday, June 29, 2023 at 02:00 p.m. (IST) through Video Conference / Other Audio-Visual Means (VC/OAVM).

Pursuant to Regulation 30 and 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice of the 43rd Annual General Meeting. The same is also being sent through electronic mode today to all those Members whose e-mail addresses are registered with the Company / Depository Participant(s) / Registrar and Transfer Agent.

The Annual Report for the Financial Year 2022-23 along with Notice of the 43rd AGM is also available on the website of the Company at www.acglgoa.com.

This is for the information of the exchange and the members.

Thanking you,

Yours faithfully,
For **Automobile Corporation of Goa Limited**

Sanjay Chourey
Compliance officer



AUTOMOBILE CORPORATION OF GOA LIMITED



43RD
ANNUAL REPORT
2022-2023

WE **CRAFT**
THE **CONVENIENCE**
IN YOUR **TRAVEL**

OUR PRODUCT RANGE IN BUS SEGMENT



AGILE - New Developed model on LPO1315 chassis



AGILE - New Developed model on LPO1315 chassis



HERO - School Bus



AC School Bus on Bharat Benz Chassis



HRTC - State Transport Undertaking Bus



NEO LCV - AC Staff Bus

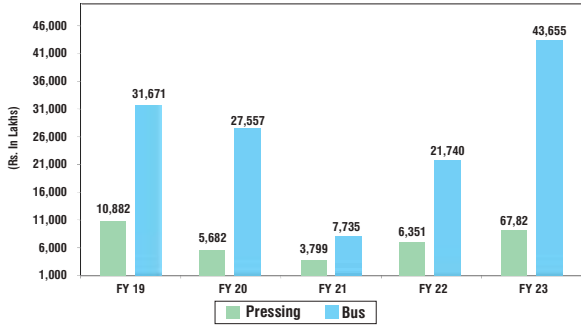
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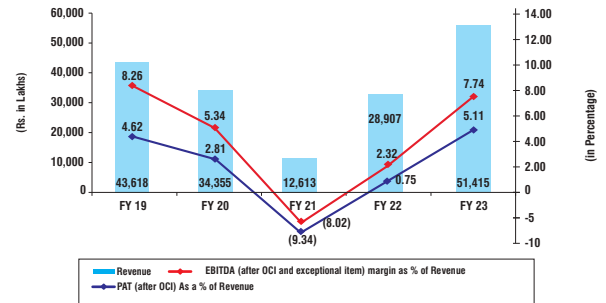


SEGMENT TURNOVER (Excluding Taxes)

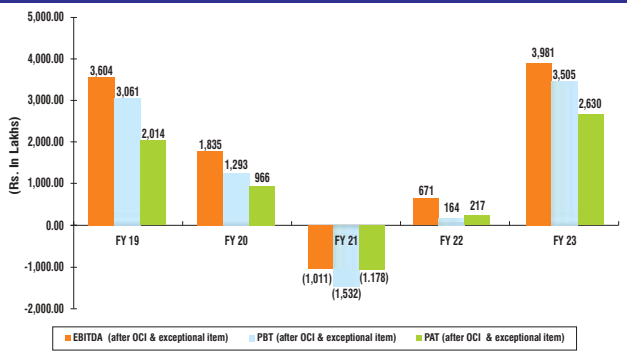


Including scrap income, excluding other income

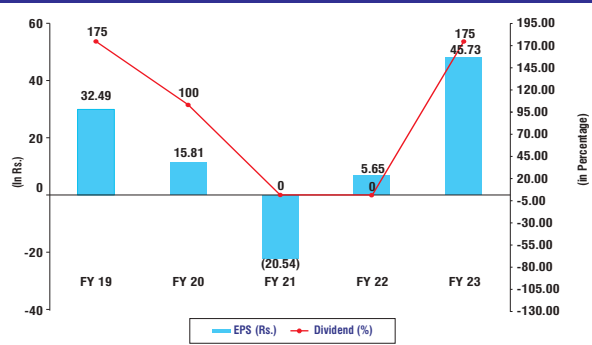
Net Revenue (inclgd. Other Income), EBITDA AND PAT (after OCI & exceptional item) as % Net Revenue



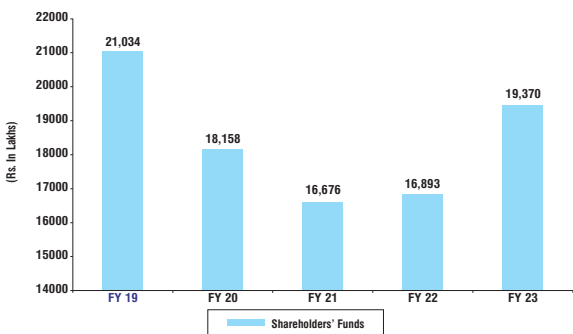
EARNINGS AND PROFITS (after OCI)



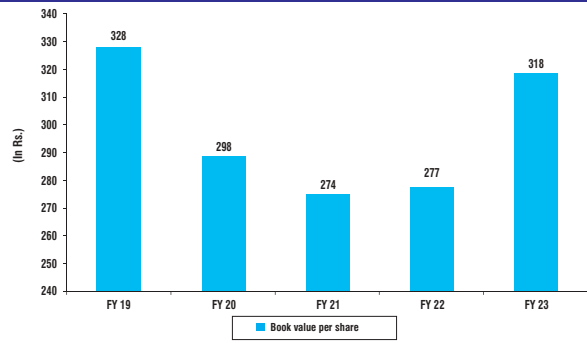
DIVIDEND (%) AND EPS (Rs)



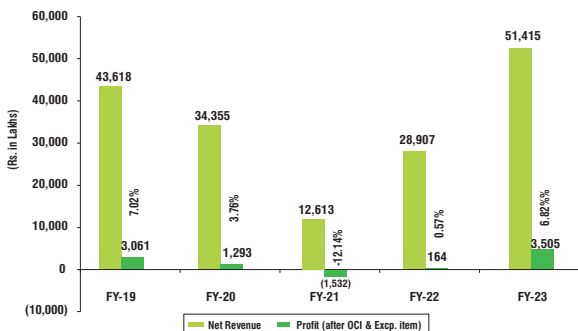
SHAREHOLDERS' FUNDS (Rs. in Lakhs)



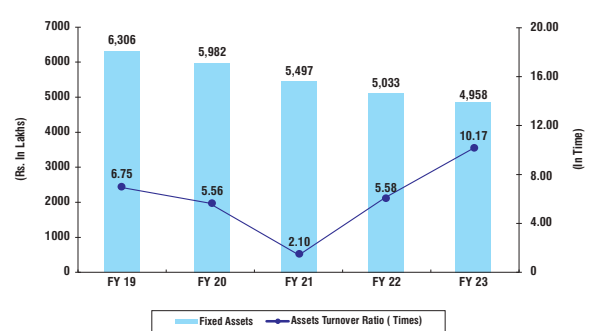
BOOK VALUE PER SHARE (Rs.)



Net Revenue (Excluding Taxes) and Profit (after OCI & Excp. item) (Rs. in Lakhs)



FIXED ASSETS AND ASSET TURNOVER RATIO





BOARD OF DIRECTORS

Mr Shrinivas V Dempo

Chairman - Independent Director

Mr Nagesh Pinge

Independent Director

Mr Yatin Kakodkar

Independent Director

Dr Mrs Vaijayanti Pandit

Independent Director

Mr Girish Wagh

Non Executive Director

Mr Rohit Srivastava

Non Executive Director

Mr Aasif Malbari

Non Executive Director (upto May 8, 2023)

Mr Vishal Badshah

Additional Director (w.e.f. May 8, 2023)

Mr G V Ramanan

Additional Director (w.e.f. May 8, 2023)

Mr O V Ajay

CEO & Executive Director

OTHER SENIOR EXECUTIVES

Mr Raghwendra Singh Butola

Chief Financial Officer

Mr Anish Palarpwar

Head - Pressing Business

Mr Christie Gomes

Head - Bus Manufacturing

Mr Dilip Desai

Head - Design

Mr Deepak Kade

Head - Bus Quality

Mr Prakash Naik

Head - HR & IR

Company Secretary & Compliance Officer

Mrs Sanu Kapoor

(upto March 18, 2023)

Compliance Officer

Mr Sanjay Chourey

(w.e.f. March 19, 2023)

Registered Office

Honda, Sattari, Goa 403530

Tel: +91 832 2383003

Email: sectl@acglgoa.com

Website: www.acglgoa.com

Corporate Identity Number (CIN)

L35911GA1980PLC000400

Registrar and Share Transfer Agent

TSR Consultants Private Limited

C-101, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai - 400 083

Tel: +91 22 66568484

Fax: +91 22 66568494

Email: csg-unit@tcplindia.co.in

Bankers

HDFC Bank Limited

Statutory Auditors

BSR & CO. LLP

(Registration No. 101248W/W-100022)

Secretarial Auditors

Mr Shivaram Bhat

Practicing Company Secretary

(Membership No A10454)

Chief Internal Auditor

Mr Suraj Singh

Works

Honda (Goa)

Jejuri (Maharashtra)

Bhuimpal (Goa)

Dharwad (Karnataka)

43RD ANNUAL GENERAL MEETING

Thursday, June 29, 2023

2:00 p.m.

Honda, Sattari, Goa - 403 530.

BOARD OF DIRECTORS



SHRINIVAS V DEMPO
Chairman



GIRISH WAGH
Director



NAGESH PINGE
Director



YATIN KAKODKAR
Director



DR VAIJAYANTI PANDIT
Director



ROHIT SRIVASTAVA
Director



AASIF MALBARI
Director



O V AJAY
CEO & Executive Director



Message From Chairman

Dear Shareholders,

Let me begin on a positive note and offer my congratulations to the shareholders. The financial year 2022-23 has been a very good year for ACGL. I must proudly say that your company has done extremely well on all counts be it the number of buses or profits generated.

As you are all aware, your company has faced tough times during the past couple of years with a combination of shrinking and fluctuating demands quarter after quarter. In this backdrop, I must proudly say that your company has made an outstanding turn-around for the last 2 financial years.

With growing demand, opportunities, rising investments and a healthy policy support, the total auto industry volume has risen well above pre-pandemic levels with a big focus on electric vehicles. India enjoys a strong position in the global heavy vehicles market, being the second-largest bus manufacturer in the world. India's annual production of automobiles in FY22 was 22.93 million vehicles.

In the financial year 2022-23, your company sold 5,715 number of bus bodies, 25% of which were exclusively for the export market – both numbers being the highest since the pandemic. With electric buses having a significantly large penetration in State Transport Undertakings which is showing an increasing trend, ACGL is gearing up for upgrading its manufacturing facility and engineering capability for manufacturing of future models of buses including Electric Buses.

In Q1 of financial year 2022-23, the overall bus segment saw more than three-fold growth as compared to the previous Q1 and this revival has reflected in ACGL's volume performance in the bus segment which increased by nearly 200% YoY.

ACGL, is working on a strong pipeline of new products & technologies keeping in view the changing market scenario, customer aspirations along with continuously changing regulatory requirements. I would like to emphasize that the management has done an admirable

job in the face of internal as well as external challenges which has reflected in its overall performance.

The Company's commitment towards its goal of Corporate Social Responsibility (CSR) is highlighted through the adoption of suitable strategies and projects, such as the facilitation of online digital education platforms. ACGL is dedicated to the cause of empowering people, educating them, and improving the quality of their lives. CSR is not just a social obligation to be carried out; but a way of going beyond business as usual and contributing to the society and environment at large.

On behalf of the Board and myself, I commend the efforts of the management and employees under the leadership of their CEO for rebounding and achieving a pre-pandemic level of performance.

Last but not the least, I wish to thank you, our shareholders for reposing faith in ACGL and its Management and look forwards to another fruitful year ahead.

Sincerely,

[Shrinivas V Dempo](#)



Message From Director

Dear Shareholders,

I am happy to connect with you once again and speak about the performance of your Company in perspective of the auto industry. A challenging year has gone by in which the Indian automobile industry showed signs of recovery which also reflected in the performance of your company scaling the heights of pre-pandemic levels. Overall, the industry saw a robust growth of 34% in wholesale and 38% by VAHAN registrations in FY23 vs FY22. The Domestic bus Industry almost doubled in FY23 vs last year, while still being lower than Pre-Covid levels, FY19. The performance of AGL in road to recovery has been remarkable, and the company has been agile to respond to the surge in demand and deliver to the expectations.

To be ready for the foreseeable transition of fuel powered to electric buses, your company has stepped up its efforts in both upgrading its manufacturing facilities and also its line-up of new models of EV buses that includes the prototype of an electric powered double decker bus. Your company is now getting ready for mass production of electric buses for the ever-growing electric vehicle segment.

The automobile industry plays an important role in the Indian economy accounting for 7% of India's total GDP and 49% of India's manufacturing GDP. In case of commercial vehicles, while the demand is driven by the economic activities within the country, the CV industry itself contributes to around 8-10% of manufacturing GDP.

As of 2022, India has been recognised as the 3rd largest automobile market in the world in terms of sales. Automobile production in India uniquely caters to the demand of a lower and middle-income group of the population. This makes the sector stand out in India among the other automobile-producing countries, and with our country becoming the most populous nation, the need for economical public transportation will only increase.

The Investment in the automobile sector is expected to be around USD 8000 million (INR 66,184 Cr) to USD 10,000 million (INR 82,730 Cr) from both local and foreign investors in 2023. The investment in electric vehicles has now increased by nearly 170%.

With a dynamic ever-evolving external environment, years of experience and self-built manufacturing competencies have helped your company in being pervasive of the fragilities surrounding the auto industry. Relentless cost reduction exercises have resulted in protecting profit margins and remaining competitive even under adverse market conditions.

My sincere appreciation goes to the executive management of the company for rising to the occasion and achieving a good performance in the emerging but demanding scenario after the pandemic.

I look forward to your support in ensuring that your company continues its story of progress in the years to come.

Best Regards,

Girish Wagh



Message From CEO & Executive Director

Dear Shareholders,

It gives me great pleasure to connect with you once again after another year in which the economy continued to hold a great promise for leading the global growth post the pandemic. The Indian auto industry recorded a resurgence in sales with impressive growth riding on the back of strong domestic demand and positive customer sentiments.

Growing demand for road transportation mainly from institutions, greater dominance of public transportation and growing investments in the commercial automobile segment coupled with technological advancements will be the key enablers for driving the market growth in the coming years.

The Bus industry began its revival from the year 2022 onwards and is showing definite signs of growth. The Industry revenue surge of more than 100% from 2021 which translates into a revenue in excess of Rs.5,500 Crores has sent positive indications across the entire Indian bus industry. In terms of number of buses, our company has also had a significant resurgence from the previous year, almost reaching the pre-covid levels.

On the delivery front, of the 5,715 buses manufactured, your company achieved the largest numbers, in the school segment (3,400) and also manufactured 200 buses for a major State Transport Undertaking. Our product portfolios are now configured to the new regulations as they evolve and are incorporated in the BSVI buses that we have produced. To keep abreast with the future, the manufacturing facilities are also being upgraded to accommodate manufacturing of future models of buses including electric buses.

The strength we showed in the last few years in meeting the challenges of the business has produced encouraging results this year. Our core strategy has continually focused around aggressive cost optimization, customer adaptability, responsive supply chain and a series of new products that allowed us to deliver positive performance even at the most adverse periods of the economic cycle.

The resilience built through the challenging times in the last couple of years has not only borne immense fruit but has also taught your company innovative ways of operations management which will enable it to capitalize on the lessons learnt for the future.

I take this opportunity to thank all the Directors on the Board for their active support in helping optimize the performance of the company by imparting their valuable insights. With the support and guidance of our promoter, Tata Motors, we have enhanced the value of our products and introduced new bus models, and also streamlined our operations and manufacturing processes.

I would like to thank the Chairman and the Board of Directors for their proactive support to the company in its effort to deliver to the stakeholder's expectations. I would like to place my gratitude to our shareholders and business partners for their confidence and trust in the company. My appreciation also goes out to the workforce in their unified efforts in helping the organization achieve the success of the past year.

Sincerely,

O V Ajay



NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Forty Third Annual General Meeting ('AGM') of the members of Automobile Corporation of Goa Limited ('the Company') has been Scheduled to be held on Thursday the 29th day of June 2023, at 02.00 P.M. IST through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
2. To Declare a Final Dividend of Rs. 15/- per equity share of Rs.10/- each (i.e.150%) of the Company for the Financial Year March 31,2023.
3. To Appoint a director in place of Mr. Girish Wagh (DIN: 03119361), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Appointment of Mr. Vishal Badshah (DIN: 10106666) as a Non-Executive (Non-Independent) Director.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Vishal Badshah (DIN: 10106666), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company w.e.f. May 8, 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and who is eligible for appointment and has consented to act as a Director of the Company under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Non- Independent director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution

5. **Appointment of Mr. Gopal Venkata Ramanan (DIN: 01446016) as a Non-Executive (Non-Independent) Director.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Gopal Venkata Ramanan (DIN: 01446016), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company w.e.f. May 8, 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and who is eligible for appointment and has consented to act as a Director of the Company under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Non Independent Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution".

6. **Approval for Material Related Party Transaction(s) with Tata Motors Limited (TML).**

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

"RESOLVED THAT in supersession of the resolutions passed earlier in this regard and pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Section 188 of the Companies Act, 2013, read with relevant Rules framed thereunder and such other applicable provisions of law, if any, and any amendments, modifications or re-enactments thereof (hereinafter called as "Applicable Laws") and the 'Policy on Materiality and Dealing with Related Party Transactions' of Automobile Corporation of Goa Ltd ("the Company"), as may be applicable from time to time, consent of the Members be and is hereby accorded to the Board of Directors for entering into and/or carrying out and/or continuing with contracts/arrangements/transactions of Rs. 99,000/- Lakhs (whether individual transaction or transactions taken together or series of transactions or otherwise), with – Tata Motors Limited (TML), related party on such terms and conditions as detailed in the Explanatory Statement herein.



RESOLVED FURTHER THAT Board of Directors, be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee of Directors and/or Director(s) and/or official(s) of the Company /any other person(s) so authorized by it and to sign and execute all such documents, deeds and writings, including filing the said documents, etc. and do all such acts, deeds and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

7. **Approval for Material Related Party Transaction(s) with Tata Cummins Private Limited (TCPL).**

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

"RESOLVED THAT in supersession of the resolutions passed earlier in this regard and pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Section 188 of the Companies Act, 2013, read with relevant Rules framed thereunder and such other applicable provisions of law, if any, and any amendments, modifications or re-enactments thereof (hereinafter called as "Applicable Laws") and the 'Policy on Materiality and Dealing with Related Party Transactions' of Automobile Corporation of Goa Ltd ("the Company"), as may be applicable from time to time, consent of the Members be and is hereby accorded to the Board of Directors for entering into and/or carrying out and/or continuing with contracts/arrangements/transactions of Rs.5,000/- Lakhs (whether individual transaction or transactions taken together or series of transactions or otherwise), with - Tata Cummins Private Limited (TCPL), related party on such terms and conditions as detailed in the Explanatory Statement herein.

RESOLVED FURTHER THAT Board of Directors, be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee of Directors and/or Director(s) and/or official(s) of the Company /any other person(s) so authorized by it and to sign and execute all such documents, deeds and writings, including filing the said documents, etc. and do all such acts, deeds and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

8. **Approval for Material Related Party Transaction(s) with Tata Motors Body Solutions Limited (TMBSL).**

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

"RESOLVED THAT in supersession of the resolutions passed earlier in this regard and pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Section 188 of the Companies Act, 2013, read with relevant Rules framed there under and such other applicable provisions of law, if any, and any amendments, modifications or re-enactments thereof (hereinafter called as "Applicable Laws") and the 'Policy on Materiality and Dealing with Related Party Transactions' of Automobile Corporation of Goa Ltd ("the Company"), as may be applicable from time to time, consent of the Members be and is hereby accorded to the Board of Directors for entering into and/or carrying out and/or continuing with contracts/arrangements/transactions of Rs.3,500/- Lakhs (whether individual transaction or transactions taken together or series of transactions or otherwise), with – Tata Motors Body Solutions Limited (TMBSL), related party on such terms and conditions as detailed in the Explanatory Statement herein.

RESOLVED FURTHER THAT Board of Directors, be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee of Directors and/or Director(s) and/or official(s) of the Company /any other person(s) so authorized by it and to sign and execute all such documents, deeds and writings, including filing the said documents, etc. and do all such acts, deeds and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

9. **Approval for Material Related Party Transaction(s) with Tata Motors Finance Limited (TMFL).**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Section 188 of the Companies Act, 2013, read with relevant Rules framed there under and such other applicable provisions of law, if any, and any amendments, modifications or re-enactments thereof (hereinafter called as "Applicable Laws") and the 'Policy on Materiality and Dealing with



Related Party Transactions' of Automobile Corporation of Goa Ltd ("the Company"), as may be applicable from time to time, consent of the Members be and is hereby accorded to the Board of Directors for entering into and/or carrying out and/or continuing with contracts/ arrangements/transactions of Rs. 97,300/- Lakhs (whether individual transaction or transactions taken together or series of transactions or otherwise), with – Tata Motors Finance Limited (TMFL), related party on such terms and conditions as detailed in the Explanatory Statement herein.

RESOLVED FURTHER THAT Board of Directors, be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee of Directors and/or Director(s) and/or official(s) of the Company /any other person(s) so authorized by it and to sign and execute all such documents, deeds and writings, including filing the said documents, etc. and do all such acts, deeds and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

10. **Approval for the extension of term of Mr. O V Ajay (DIN: 07042391) as the Chief Executive Officer and Executive Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded for the further extension of term of Mr. O V Ajay (DIN 07042391) as the CEO & ED of the Company for the period commencing from 1st April 2023 to 31st March 2024, upon the terms and conditions agreed between Mr. Ajay and Company, including remuneration set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his tenure), with liberty to the Board of Directors to alter and vary the terms and conditions of his appointment in such manner as may be agreed to between the Board of Directors and Mr. Ajay.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By Order of the Board of Directors

O V Ajay

CEO & Executive Director
DIN:07042391

Place: Mumbai, Maharashtra
Date: May 8, 2023

Registered Office:

Honda, Sattari, Goa – 403 530
Tel : (+91) 832 2383003;
E-mail : sectl@acglgoa.com;
Website : www.acglgoa.com
CIN: L35911GA1980PLC000400

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular Nos. 14/2020, 17/2020, dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made there under on account of the threat posed by COVID-19", General Circular nos. 20/2020, 02/2021, 19/2021, 21/2021, 02/2022, 10/2022 dated 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021, 5th May, 2022 and 28th December 2022 respectively, in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') has vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBIHO/CFDCMD2/CIR/P/2021/11 and SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated 12th May, 2020, 15th January, 2021 and 5th January 2023, respectively (collectively referred to as 'SEBI Circulars'), permitted the holding of AGM through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility without the physical presence of the members at a common venue. In compliance with the provisions of Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), MCA Circulars and the SEBI Circulars, the 43rd AGM of the Company is being held through VC/OAVM facility. The deemed venue for the 43rd AGM shall be the Registered office of the Company.
2. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('Act') relating to Special Business as set out at Item Nos. 4 to 10 of the accompanying Notice are annexed hereto. Further, the relevant details with respect to Item No.3 pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India ('ICSI'), as amended, in respect of the Directors seeking appointment/re-appointments are annexed hereto and forms part of this Notice convening the 43rd Annual General Meeting ('Notice'). Requisite declarations have been received from the Directors seeking appointment/re-appointments.
3. In terms of Section 152 of the Act, Mr. Girish Arun Wagh (DIN: 03119361), Non-Executive Director, retiring by rotation at the AGM and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended for his re-appointment as set out at Item No. 3 of this Notice.
4. **Pursuant to the provisions of the Act, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company.** Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars and the SEBI Circulars. Accordingly, in terms of the MCA Circulars and the SEBI Circulars, the facility for appointment of proxies by the members will not be available for the 43rd AGM and hence the Proxy Form, Attendance Slip and the Route Map are not annexed to this Notice.
5. A Green Environment Initiative - The Company's philosophy focuses on making the environment greener for the benefit of posterity. In this regard, your Company encourages its shareholders to register/update the e-mail ids for communication purpose thereby contributing to the environment. Members may kindly note that the Notice of AGM and the Annual Report will also be available on the Company's website.
6. Only registered Members of the Company may attend and vote at the AGM through VC/ OAVM.
7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. Members attending the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company or Depositories or RTA. Members may note that this Notice of AGM and Annual Report 2022-23 are also available on the Company's website at www.acglgoa.com, and may also access the same from the relevant section of the website of the Stock Exchange i.e. www.bseindia.com and on the website of National Securities Depository Limited ('NSDL') i.e. www.evoting.nsdl.com.
10. The Notice of AGM along with the Annual Report 2022-23 will be sent to those members/beneficial owners whose name will appear in the Register of Members/list of beneficiaries received from the Depositories as on May 26, 2023.



11 Book Closure and Dividend:

The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, June 20, 2023 to Sunday, June 25, 2023 (both days inclusive) for the purpose of this 43rd Annual General Meeting and for determining entitlement of members to final dividend for the financial year ended March 31, 2023, if approved at the AGM.

The final dividend of Rs. 15/- per equity share of Rs. 10/- each (150%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') on or after June 30, 2023.

- a. To all the Beneficial Owners as at the end of the day on Monday, June 19, 2023 as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
- b. To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on Monday, June 19, 2023.

Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non registration of the Electronic Bank Mandate, on request of those shareholders the Company shall dispatch the dividend warrant/ Bankers' cheque / demand draft to such Members, subject to availability of postal services and /or courier services.

12. As you are aware, the Income Tax Act, 1961 ('the IT Act'), as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of making the payment of the Final Dividend, if declared at the Annual General Meeting of the Company to be held on Thursday, June 29, 2023.

Further, as per the Finance Act 2021, Section 206AB has been inserted w.e.f. July 1, 2021 wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a 'Specified Person' defined under the provisions of the aforesaid section

If there is any change in the information, you are requested to update your records such as tax residential status, Permanent Account Number (PAN) and register your email address, mobile numbers and other details with your relevant depositories through your depository participants in case you are holding shares in dematerialized form and if you are holding shares in physical mode, you are requested to furnish details at csg-unit@tcplindia.co.in to TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited), the Registrar and Transfer Agent of the Company.

The exemption forms viz – Form 15H / Form 15G / Form 10F, treaty exemption documents and format of Declaration, as required to be provided by Resident/Non-Resident shareholders (Individual/Non Individual) for availing the exemption accordingly.

13. Members desiring any information/clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at sectl@acglgoa.com at least seven days in advance to enable the Management to keep information ready at the AGM.
14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection. Members seeking to inspect such documents can send an email to the Company at sectl@acglgoa.com
15. Pursuant to the MCA Circular, the Company has published a newspaper advertisement requesting its Members, who are holding shares in physical mode and who have not registered their e-mail address with the Company, to register the same by sending an email to the Company at sectl@acglgoa.com and/or by sending a request to our RTA-TSR Consultants Private Limited through email at csg-unit@tcplindia.co.in.

The Members holding shares in demat form are requested to register their e-mail address with their Depository Participant ('DP') only. The registered e-mail address will be used for sending future communications.



16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
17. The Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
18. The Members holding shares in dematerialized mode are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc./NECS/mandates, nominations, power of attorney, to their DPs only and not to the Company's RTA. Changes intimated to the DPs will then be automatically reflected in the Company's records which will help the Company and its RTA to provide efficient and deter service to the Members.

In case of Members holding shares in physical form, such information is required to be provided to the Company's RTA - TSR Consultants Private Limited at C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083, in physical mode, quoting their Folio Number.

19. As per the provisions of Section 72 of the Act, the Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company by submitting Form No. SH-13 to the RTA. Members holding shares in electronic form may submit the same to their respective Depository Participants. The nomination form can be downloaded from the Company's website www.acglgoa.com. Members, who require communication in physical form in addition to e-communication or have any other queries, may write to the RTA or the Company at its Registered Office address, quoting their folio number.

If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held in physical form.

20. Members are requested to note that dividend if not encashed for a period of seven (7) years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated time line. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in and by sending a physical copy of the same, duly signed by them to the Company, along with requisite documents enumerated in the Form IEPF-5. Please refer to Corporate Governance Report which is a part of this report, for details including the due dates for transfer of unclaimed dividends.

Details of dividend unclaimed by Members for the past years which have not yet been transferred to the Central Government have been uploaded on the Company's website www.acglgoa.com. Members are encouraged to view the lists and lodge their claim with our RTA for dividends which have remained unclaimed.

Individual notices are sent to the concerned shareholders as well as an advertisement is published in the newspaper, requesting the shareholders to encash their unclaimed dividends before transfer to the IEPF.

21. SEBI vide its notification dated 24 January, 2022 has mandated that all requests for transfer of securities including transmission or transposition of securities held in physical or dematerialized form shall be processed in dematerialized form only. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact the Company's RTA for assistance in this regard.



Members may further note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.acggoa.com and on the website of the Company's Registrar and Transfer Agents, TSR Consultants Private Limited ("TCPL") at www.tcplindia.co.in. It may be noted that any service request can be processed only after the folio is KYC Compliant.

22. Members informed that SEBI vide its circular dated 8th April 2022, on Standard Operating Procedures (SOP) for dispute resolution available under the stock exchange arbitration mechanism for disputes between a listed company and its shareholder(s)/ investor(s), Standard Operating Procedures (SOP) for operationalizing the resolution of all disputes pertaining to or emanating from investor services such as transfer/transmission of shares, demat/remat, issue of duplicate shares, transposition of holders, etc. and investor entitlements like corporate benefits, dividend, bonus shares, rights entitlements, credit of securities in public issue, interest /coupon payments on securities, etc.
23. Member are also informed that SEBI Circular No 6.SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated May 25, 2022 on Simplified Procedure and Standardizations on Formats for Issuance of Duplicate Securities Certificates in demat Mode, in order to make issuance of duplicate securities more efficient and investor friendly, the procedure and documentation requirements for issuance of duplicate securities has been further simplified.
 - (a) Submission by the security holder of copy of FIR including e-FIR/Police complaint/Court injunction order/copy of plaint (where the suit filed has been accepted by the Court and Suit No. has been given), necessarily having details of the securities, folio number, distinctive number range and certificate numbers.
 - (b) Issuance of advertisement regarding loss of securities in a widely circulated newspaper.
 - (c) Submission of Affidavit and Indemnity bond as per the format prescribed by the Board.
 - (d) There shall be no requirement of submission of surety for issuance of duplicate securities

SEBI further clarified that there shall be no requirement to comply with (a) and (b) of the above, if the value of securities as on the date of submission of application, along with complete documentation as prescribed by the Board does **not exceed Rs.5 Lakhs**. New formats have been prescribed which are to be submitted by the Claimant/Shareholders duly completed.

After verifying and processing the documents, a Letter of Confirmation ("LOC") shall be sent by RTA. Within 120 days of issue of the LOC, the claimant(s) shall submit the demat request, along with the original LOC or the digitally signed copy of the LOC. In case no such request has been received by the RTA /issuer company, the securities are required to be credited to Suspense Escrow Demat Account

Members are further informed that SEBI Circular No. SEBI/ HO / OIAE / 20 23/03394 dated January 27, 2023, instructed the Listed Companies and RTAs to inform either by emails or by SMS to all investors, who hold shares in physical form with respect to the dispute "If you have any dispute against a listed company and or its Registrar and Share Transfer Agent (RTA) on delay or default in processing your request, as per SEBI circular dated 30.05.2022, you can file for arbitration with Stock Exchange"

Further to inform you that our RTA has confirmed that the process of sending emails/SMSs as per the aforesaid Circular has been completed on 10th February, 2023 covering shareholders holding shares in physical mode.

24. Mandatory update of PAN, KYC and Nomination details and linking of PAN and Aadhaar by holders of physical shares: SEBI vide its Circular dated November 03, 2021, December 14, 2021 and March 16, 2023 has made it mandatory for the shareholders holding shares in physical form to furnish PAN, KYC details and Nomination in the prescribed forms to the RTA of the Company. In case of failure to provide required documents and details as per the aforesaid Circular, all folios of such shareholders shall be frozen on or after October 01, 2023 by the RTA. Further, any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode with effect from April 01, 2024, and such frozen securities shall be referred by the RTA or the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as of December 31, 2025.



In compliance with the above stated Circular, the Company has sent individual communication to its shareholders holding shares in the physical form requesting them to update their PAN, KYC details and Nomination. In order to avoid freezing of folios, such members are requested to furnish details in the prescribed form as mentioned in the aforesaid SEBI circular along with the supporting documents, wherever required, to our RTA- TSR Consultants Private Limited, Registrar and Share Transfer Agent, for immediate action.

A copy of such forms can be downloaded from the website of the Company www.acglgoa.com at <https://acglgoa.com/information-to-investors/> or from the website of our RTA at www.tcplindia.co.in.

In case of any query / assistance, members are requested to contact our RTA- **TSR Consultants Private Limited** at C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083 or through email at csg-unit@tcplindia.co.in.

25. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on June 26, 2023 at 09:00 A.M. and ends on June 28, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. June 22, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being June 22, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system





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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a |



| Type of shareholders | Login Method |
|---|--|
| | <p>Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |



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

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

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



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

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.sbhat@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Rimpa Bag, Asst. Manager at evoting@nsdl.co.in

(C) Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@acglgoa.com



2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@acglgoa.com
3. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
4. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

(D) THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

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

(E) INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@acglgoa.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / Folio Number, PAN, Mobile Number at cs@acglgoa.com from June 16th, 2023 (9:00 A.M. IST) to June 18th, 2023 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**(F) DECLARATION OF RESULTS ON THE RESOLUTIONS:**

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) within two (2) working days from the conclusion of the AGM, submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorised by him in writing.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.acglgoa.com and on website of NSDL www.evoting.nsdl.com and will also be communicated to BSE Limited, where the equity shares of the Company are listed.
3. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. June 29, 2023

By Order of the Board of Directors**OV Ajay**

CEO & Executive Director
DIN:07042391

Place: Mumbai, Maharashtra
Date: May 8, 2023

Registered Office:

Honda, Sattari, Goa – 403 530
Tel : (+91) 832 2383003;
E-mail : sectl@acglgoa.com;
Website : www.acglgoa.com
CIN: L35911GA1980PLC000400



EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013 ('Act')]

The following Explanatory Statement sets out all the material facts relating to the Item Nos. 4 to 10 of the accompanying Notice dated May 8, 2023

Item No. 4

The Board of Directors appointed Mr. Vishal Badshah (DIN: 10106666) as an Additional Director effective May 8, 2023. Under Section 161 of the Companies Act, 2013 (the Act) read with Article 103 of the Articles of Association of the Company, he holds office till the forthcoming Annual General Meeting.

Brief particulars of the Director being appointed is given in the Annexure to the Notice.

The Company has received from Mr. Vishal Badshah, consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Act.

No director, key managerial personnel or their relatives, except Mr. Vishal Badshah to whom the resolution relates, is interested or concerned in the resolution. Mr. Vishal Badshah is not related to any of the directors of the Company.

The Nomination and Remuneration Committee of the Board of Directors has recommended appointment of Mr. Vishal Badshah as a Non-Executive Director to the Company. The Directors recommend the Ordinary Resolution at Item No.4 of the Notice for the approval of the Members of the Company.

Item No. 5

The Board of Directors appointed Mr. Gopal Venkata Ramanan (DIN:01446016) as an Additional Director effective May 8, 2023. Under Section 161 of the Companies Act, 2013 (the Act) read with Article 103 of the Articles of Association of the Company, he holds office till the forthcoming Annual General Meeting.

Brief particulars of the Director being appointed is given in the Annexure to the Notice.

The Company has received from Mr. Gopal Venkata Ramanan, consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Act.

No director, key managerial personnel, or their relatives, except Mr. Gopal Venkata Ramanan to whom the resolution relates, is interested or concerned in the resolution. Mr. Gopal Venkata Ramanan is not related to any of the directors of the Company.

The Nomination and Remuneration Committee of the Board of Directors has recommended appointment of Mr. Gopal Venkata Ramanan as a Non-Executive Director to the Company. The Directors recommend the Ordinary Resolution at Item No.5 of the Notice for the approval of the Members of the Company.

Item No. 6

The Company is an Associate of Tata Motors Limited ('TML'), which along with its group companies holds 49.77% of the paid-up equity capital of the Company.

TML is a related party pursuant to Regulation 2 (1) (zb) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') as amended and in terms of section 2(76) of the Companies Act, 2013 as amended. The estimated value of transactions with TML for the financial year 2023-24 will be Rs. 99,000/- Lakhs, which would breach the materiality threshold of 10% of the annual turnover of the Company i.e. Rs. 5,044/- Lakhs as per last audited financial statements of the Company for the financial year 2022-23 or Rs.1,000 Crores, whichever is lower. TML is the single largest customer of the Company.

The Member's approval was obtained by an ordinary resolution for material related party transactions with TML for the value of Rs. 62,500/- Lakhs at the 42nd Annual General Meeting held on 24th June, 2022, for the financial year 2022-23. To ensure uninterrupted operations, approval of the Member is being sought to enter into material related party transaction(s) with TML for an amount of Rs. 99,000/-Lakhs considering the operations of the Company for the financial year 2023-24. These transactions are in the ordinary course of business and on arm's length basis.



Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') as amended, approval of the Members through ordinary resolution is required for all material related party transactions even if they are entered into in the ordinary course of business and on arm's length basis.

Hence, it is proposed to secure the Members' approval for the related party contracts/ arrangements/transactions to be entered into with TML during the financial year 2023-24, pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, as per the Resolution set out at Item No. 6 of the Notice.

The details of the contracts/agreements/transactions that require the Member's approval are given below;

| | |
|---|---|
| Financial Year for which approval is sought 2023-2024 | Aggregate Value of all transactions (Rs. in lakhs) 99,000/- |
|---|---|

The Particulars of the Contracts/agreements/transactions that require for the member's approval are as follows:

| Particulars | Remarks |
|---|--|
| Name of Related Party | Tata Motors Limited (TML) |
| Nature of relationship with ACGL including nature of its concern or interest (financial or otherwise) | Promoters/ Enterprise exercising significant influence/ Investing Company |
| Name of Director(s) or Key Managerial Personnel who is related, if any | None of the Directors or Key Managerial Personnel, are concerned/interested |
| Nature of related party transactions with Tata Motors Limited ('RPTs') | The following transactions are in the ordinary course of business and are conducted on an arm's length basis: a. Sale and purchase of goods, b. Services rendered/received, c. Interest Expense/Income, d. Discount given /Discount received by ACGL, e. Warranties given/received, f. Recoveries, g. Reimbursement of expenses, h. Deputation charges, i. Royalty payment, j. Inter Corporate Deposit transactions, k. Any transfer of resources, services or obligations to meet its objectives/requirements and applicable taxes on all such transactions as per law in force. |
| Material terms and particulars of the proposed contracts/agreements/ transactions | Terms and Conditions for proposed transactions in the ordinary course of business and on arm's length basis: a. Manufacturing activities are carried out as per the specifications provided by TML. b. Pricing – Profit linked approach, Business/Commercial reasons and Comparable rates/quotations. c. Indirect Taxes as applicable. d. Currency – Rupees. |
| Duration of these RPTs | These transactions have been undertaken since inception of the Company from time to time as per the needs of business. Approval is sought for the financial year 2023-24. |
| Value of proposed transactions | Rs. 99,000 Lakhs (excluding ICDs to TML) |
| Percentage of ACGL Annual Turnover on a standalone basis for the immediately preceding FY | Approx. 89% |
| Information in case of ICDs to TML i. limit of investment ii. details of the source of funds in connection with the proposed transaction; iii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: | i. ICD upto 150 cr as per Investment Policy approved by Board of Directors ii. Surplus Funds created due to profits from operation iii. No |



| S. NO. | Particulars | Remarks |
|--------|--|---|
| | a) nature of indebtedness; b) cost of funds; c) tenure iv. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and v) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | iv. Interest rate not lower than Government Securities as per tenure; Re-payable on demand by TML; Unsecure v. for the business activities arising in the normal course of operations |
| | Justification as to why RPT is in the interest of ACGL | TML is the single largest customer contributing around 82% to 90% of total turnover of ACGL during the last three financial years and there is continuity of business. |
| | Copy of valuation or other external report if any relied upon | All contracts with the related party as per section 2(76) of the Companies Act are reviewed from Arm's length testing by the management, consultant engaged by the Company and by the Statutory Auditors. |
| | Any other information | The proposed RPTs are necessary, ordinary and incidental to business and also plays a significant role in the Company's business operations |

Aggregate Value of the previous three year's transactions:

| Financial Year | *Aggregate Value of all transactions (Rs. in Lakhs) |
|---------------------------------|--|
| 2020-2021 | 8,810.98 |
| 2021-2022 | 30,502.75 |
| 2022-2023 | 54,131.76 |
| * Including Taxes as applicable | |

The Audit Committee approved the said related party contract/agreements /transactions at its meeting held on May 8, 2023 and based on the recommendation of the audit committee, the Board of Directors approved the said related party contracts/agreements/transactions at its meeting held on May 8, 2023.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice, for the approval of Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

Item No. 7

Tata Cummins Private Limited ("TCPL") is a related party of the Company, pursuant to Regulation 2(1)(zb) of the SEBI Listing Regulations and the Section 2(76) of the Companies Act, 2013 as amended. The estimated value of transaction with TCPL for financial year 2023-24 will be Rs. 5,000 Lakhs, which would breach the materiality threshold of 10% of the annual turnover of the Company i.e. Rs.5,044/- Lakhs as per last audited financial statements of the Company for the financial year 2022-23 or Rs.1,000 Crores, whichever is lower.

The Member's approval was obtained by an ordinary resolution for material related party transactions with Tata Cummins Private Limited for the value of Rs. 5,000 Lakhs at the 42nd Annual General Meeting held on 24th June, 2022, for the financial year 2022-23. To ensure uninterrupted operations, approval of the Members is being sought to enter into material related party transaction(s) with TCPL for an amount of Rs.5,000/- Lakhs for the financial year 2023-24. These transactions are in ordinary course of business and on arm's length basis.

Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), approval of the Members through ordinary resolution is required for all material related party transactions even if they are entered into in the ordinary course of business and on arm's length basis.

Hence, it is proposed to secure the Members' approval for the related party contracts/ arrangements/transactions to be entered into with TCPL during the financial year 2023-24, pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, as per the Resolution set out at Item No. 7 of the Notice.



| | |
|---|--|
| Financial Year for which approval is sought | Aggregate Value of all transactions (Rs. in Lakhs) |
| 2023-2024 | 5,000/- |

The Particulars of the Contracts/agreements/transactions that require for the member's approval are as follows:

| Particulars | Information |
|---|---|
| Name of Related Party | Tata Cummins Private Limited ('TCPL') |
| Nature of relationship with ACGL including nature of its concern or interest (financial or otherwise) | 2(76)(iv)- A Private Company in which a director, manager or his relative is a member or director. Mr. Girish Wagh, Non-Executive Non Independent Director of ACGL is a Non-Executive Non Independent Director on the Board of TCPL. |
| Name of Director (s) or Key Managerial Personnel who is related, if any | Mr. Girish Wagh serves a non-executive non independent director on the Board of both the Companies. |
| Nature of related party transactions with Tata Cummins Private Limited ('RPTs') | The following proposed transactions are in the ordinary course of business and are conducted on an arm's length basis: a. Sale of goods, b. Discount given and/or Discounts received by the Company, c. Any transfer of resources, services or obligations to meet its objectives/requirements and applicable taxes on such transactions as per law in force. |
| Material terms and particulars of the proposed contracts/arrangements/ transactions | Terms and Conditions for proposed transactions in the Ordinary course of business and on arm's length basis are: a. Manufacturing activities are carried out as per the specifications provided by Tata Cummins Private Limited with Production Part Approval Process (PPAP) Certification and Engineering Source Approval. b. Amortization of tooling cost by TCPL. c. Pricing based on available drawings, volume projections and subject to commercial discussions between the parties on the transaction on pro tempore/transitional basis. d. Standard TCPL warranty terms for Automotive and Power Generation Genset Applications. e. Bailment Contract for dies produced exclusively for manufacturing TCPL products, upon full payment of the said dies. f. Volume discount given g. Indirect Taxes as applicable. h. Currency – Rupees |
| Duration of these RPTs | These transactions have been undertaken since inception of the Company from time to time as per the needs of business. Approval is sought for the financial year 2023-24. |
| Value of proposed transactions | Rs. 5,000 Lakhs (No ICDs) |
| Percentage of ACGL Annual Turnover on a standalone basis for the immediately preceding FY | Approx. 4% |
| Information in case of ICDs i. limit of investment ii. details of the source of funds in connection with the proposed transaction; iii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: a) nature of indebtedness; b) cost of funds; c) tenure | NOT APPLICABLE |



| Particulars | Remarks |
|---|---|
| iv. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and v) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | NOT APPLICABLE |
| Justification as to why RPT is in the interest of ACGL | The revenue contributed from the Pressings Segment has significantly increased over the years, owing to increase in sale volumes majorly to Tata Cummins Private Limited, which is likely to increase considerably in the coming years. |
| Copy of valuation or other external report if any relied upon | All contracts with the related party as per section 2(76) of the Companies Act are reviewed from Arm's length testing by the management, consultant engaged by the Company and by the Statutory Auditors. |
| Any other information | The proposed RPTs are necessary, ordinary and incidental to business and also plays a significant role in the Company's business operations. |

Aggregate Value of the previous three year's transactions:

| Financial Year | *Aggregate Value of all transactions (Rs. in Lakhs) |
|---------------------------------|--|
| 2020-2021 | 1,455.44 |
| 2021-2022 | 2,496.96 |
| 2022-2023 | 2,805.26 |
| * Including Taxes as applicable | |

The Audit Committee approved the said related party contract/agreements /transactions at its meeting held on 19th January 2023 and based on the recommendation of the audit committee, the Board of Directors approved the said related party contracts/agreements/transactions at its meeting held on 19th January 2023.

The Board recommends the Ordinary Resolution set out at Item No.7 of the Notice, for the approval of Members.

Except, Mr. Girish Wagh and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

Item No. 8

Tata Motors Body Solutions Limited (TMBSL) (formerly known as Tata Marcopolo Motors Limited (TMML) is a subsidiary of Tata Motors Limited (TML) and a related party of the Company, pursuant to Regulation 2(1)(zb) of the SEBI Listing Regulations and the Section 2(76) of the Companies Act, 2013 as amended. As per regulation 23(1A) of SEBI Listing regulation the estimated value of transaction with TMBSL for financial year 2023-24 will be Rs. 3,500/- Lakhs, which would breach the materiality threshold of 5% (transaction involving payments made to a related party with respect to brand usage or royalty) of the annual turnover of the Company i.e. Rs. 2,522/- Lakhs as per last audited financial statements of the Company for the financial year 2022-23 or Rs.1,000 Crores, whichever is lower.

To ensure uninterrupted operations, approval of the Members is being sought to enter into material related party transaction(s) with TMBSL for an amount of Rs.3,500/- Lakhs for the financial year 2023-24. These transactions are in ordinary course of business and on arm's length basis.

Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), approval of the Members through ordinary resolution is required for all material related party transactions even if they are entered into in the ordinary course of business and on arm's length basis.

Hence, it is proposed to secure the Members' approval for the related party contracts/ arrangements/transactions to be entered into with TMBSL during the financial year 2023-24, pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, as per the Resolution set out at Item No. 8 of the Notice.



| | |
|---|--|
| Financial Year for which approval is sought | Aggregate Value of all transactions (Rs. in Lakhs) |
| 2023-2024 | 3,500/- |

The Particulars of the Contracts/agreements/transactions that require for the member's approval are as follows:

| Particulars | Information |
|--|--|
| Name of Related Party | Tata Motors Body Solutions Limited (formerly known as Tata Marcopolo Motors Limited) |
| Nature of relationship with ACGL including nature of its concern or interest (financial or otherwise) | Member of the same group |
| Name of Director (s) or Key Managerial Personnel who is related, if any | None |
| Nature of related party transactions ('RPTs') | The following proposed transactions are in the ordinary course of business and are conducted on an arm's length basis: a. Sale of goods, b. Purchase of goods, c. Support services, d. Discount given and/or Discounts received by the Company, e. Royalty payment, f. Any transfer of resources, services or obligations to meet its objectives/requirements and applicable taxes on all such transactions as per law in force. |
| Material terms and particulars of the proposed contracts/arrangements/ transactions | Terms and Conditions for proposed transactions in the ordinary course of business and on arm's length basis: a. Manufacturing activities are carried out as per the specifications provided by TML. b. Using of service as per the agreement. c. Technical Know-how fees payment as per the agreed terms as a percentage of sales (payment of Royalty) d. Pricing – Profit linked approach, Business/Commercial reasons and Comparable rates/quotations. e. Indirect Taxes as applicable f. Currency – Rupees. g. Discounts if any as a percentage of sales/purchase. h. Any other specific mutually agreed terms. |
| Duration of these RPTs | These transactions have been undertaken since 2018-19, from time to time as per the needs of business. Approval is sought for the financial year 2023-24. |
| Value of proposed transactions | Rs. 3,500 Lakhs (No ICDs) |
| Percentage of ACGL Annual Turnover on a standalone basis for the immediately preceding FY | There was no transaction in the previous F.Y. |
| Information in case of ICDs i. limit of investment ii. details of the source of funds in connection with the proposed transaction; iii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: a) nature of indebtedness; b) cost of funds; c) tenure iv. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and v) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | NOT APPLICABLE |



| Particulars | Remarks |
|---|---|
| Justification as to why RPT is in the interest of ACGL | 1. A wholly owned subsidiary of Tata Motors Limited, with advance technology in "EV" sector. 2. For using TMBSL design for manufacturing EV buses at ACGL for specific orders. |
| Copy of valuation or other external report if any relied upon | All contracts with the related party as per section 2(76) of the Companies Act are reviewed from Arm's length testing by the management, consultant engaged by the Company and by the Statutory Auditors. |
| Any other information | The proposed RPTs are necessary, ordinary and incidental to business |

Aggregate Value of the previous three year's transactions:

| Financial Year | *Aggregate Value of all transactions (Rs. in Lakhs) |
|----------------|--|
| 2020-2021 | 5.50 |
| 2021-2022 | 0.23 |
| 2022-2023 | - |

* Including Taxes as applicable

The Audit Committee approved the said related party contract/agreements /transactions at its meeting held on 19th January 2023 and based on the recommendation of the audit committee, the Board of Directors approved the said related party contracts/agreements/transactions at its meeting held on 19th January 2023.

The Board recommends the Ordinary Resolution set out at Item No.8 of the Notice, for the approval of Members.

none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

Item No. 9

Tata Motors Finance Ltd (TMFL) is a promoter group company and is a Related Party pursuant to the amended Reg 2(zb) of SEBI (LODR) Regulations wef 1 April 2022.

The Company has availed Bill Discounting Facility from Tata Capital Financial Services Limited for discounting the invoices raised on Tata Motors Limited for sale of the Company products during the FY 2022-23. As per the proposed sanction terms the TMFL will have the second recourse to ACGL for recovery of any unpaid amount by TML. This amounts to giving guarantee for TML and this is treated as Borrowings in the financial statements.

It is submitted that at the Board Meeting held on 19 July 2022, based on the recommendation of the Audit Committee, the approval of the Board was obtained for availing this Bill Discounting Facility from Tata Motors Finance Ltd (TMFL) for the FY 2022-23 subject to the Members approval by way of Postal Ballot. In this regard it is updated that the Company renewed the Bill discounting facilities with Tata Capital Financial Services Limited for the FY 2022-23, hence, no approval of the Members was sought for the FY 2022-23.

Now, it is proposed to avail this Bill Discounting facility from Tata Motors Finance Ltd (TMFL) for the FY 2023-24 for an amount not exceeding Rs. 97,300 Lakhs on the basis of projections for the FY 2023-24 and this would exceed the materiality threshold limit:



| | |
|---|--|
| Financial Year for which approval is sought | Aggregate Value of all transactions (Rs. in Lakhs) |
| 2023-2024 | 97,300/- |

The Particulars of the Contracts/agreements/transactions that require for the member's approval are as follows:

| Particulars | Information |
|--|---|
| Name of Related Party | Tata Motors Finance Limited (TMFL) |
| Nature of relationship with ACGL including nature of its concern or interest (financial or otherwise) | Promoter Group Entity |
| Name of Director(s) or Key Managerial Personnel who is related, if any | None of the Directors or Key Managerial Personnel, are concerned/interested |
| Nature of related party transactions ('RPTs') | The following transactions are in the ordinary course of business and are conducted on an arm's length basis: 1. Bill discounting facility to be availed from TMFL for discounting the invoices to be raised on Tata Motors Ltd. during the FY 2023-24 2. Any transfer of resources, services or obligations to meet its objectives/requirements and applicable taxes on all such transactions as per law in force |
| Material terms and particulars of the proposed contracts/arrangements/ transactions | Terms and Conditions for proposed transactions to be in the ordinary course of business and on arm's length basis: a. Bills raised on Tata Motors Ltd to be discounted as per SBI MCLR rate. b. The Discounted value is paid by TMFL on behalf of TML c. TMFL to charge interest which is paid by TML at a rate agreed between TML and TMFL. d. Tata Motors to pay within 89 days to TMFL. e. In case of default in payment by TML, ACGL has to repay the principal dues (Invoice value) to TMFL. f. Indirect Taxes as applicable g. Currency – Rupees |
| Duration of these RPTs | Approval is sought for the financial year 2023-24. |
| Value of proposed transactions | Rs. 97,300 Lakhs |
| Percentage of ACGL Annual Turnover on a standalone basis for the immediately preceding FY | There are no transactions executed in the past with the entity |
| Information in case of ICDs i. limit of investment ii. details of the source of funds in connection with the proposed transaction; iii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: a) nature of indebtedness; b) cost of funds; c) tenure iv. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and v) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | NOT APPLICABLE |
| Justification as to why RPT is in the interest of ACGL | The proposed RPTs are for discounting the Bills raised on the promoter, Tata Motors Ltd (TML) through TMFL a promoter group entity. TML is the single largest customer contributing around 82% to 90% of total turnover of ACGL during the last three financial years. This would ensure liquidity and continuity of business. Further, monitoring of limits sanctioned by TMFL would be easier as compared to that with Tata Capital. |



| Particulars | Remarks |
|---|---|
| Copy of valuation or other external report if any relied upon | All contracts with the related party as per section 2(76) of the Companies Act are reviewed from Arm's length testing by the consultant engaged by the Company and by the Statutory Auditors. |
| Any Other information | The proposed RPTs are necessary, ordinary and incidental to business and would also play a significant role in the Company's business operations. |

The Audit Committee approved the said related party contract/agreements /transactions at its meeting held on May 8, 2023 and based on the recommendation of the audit committee, the Board of Directors approved the said related party contracts/agreements/transactions at its meeting held on May 8, 2023.

The Board recommends the Ordinary Resolution set out at Item No.9 of the Notice, for the approval of Members.

none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

Item No. 10

- A. Mr. O V Ajay (DIN: 07042391) has been initially appointed as the CEO & Executive Director and KMP of the Company on January 14, 2015 for a period of three years. At the 38th Annual General Meeting of the Company held on July 28, 2018, Mr. O V Ajay was re-appointed to continue to hold office for the period of 5 years effective January 14, 2018 to January 13, 2023, subject to review by the Board of Directors after 3 years from commencement of contract.
- B. Upon the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on May 28, 2020 recommended fresh approval of the Members at the 40th Annual General Meeting held on 24 July, 2020 for continuation of Mr. O.V. Ajay as CEO & Executive Director of the Company up-to January 13, 2023 and for payment of remuneration during the period commencing from April 01, 2020 till the end of the tenure i.e. January 13, 2023.
- C. Mr. O V Ajay has been deputed by the Company's promoter Tata Motors Limited (TML) and as per the policy of TML Mr. Ajay has superannuated on 31st March 2023. The Board and Committee further deliberated on the succession plan for the position of CEO & ED and decided for the extension of Mr. Ajay's term by another 1 year considering his excellent performance and his leadership to complete few important projects initiated by him in the areas of engineering, manufacturing and IR.
- D. The Board of Directors at its meeting held on 19th January, 2023 upon the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. O.V Ajay on Fixed term basis with the Company as CEO & Executive Director from April 1, 2023 to March 31, 2024 on the terms and conditions as agreed between the Company and Mr. Ajay including remuneration subject to approval of members.

Payment of remuneration, benefits, allowances, incentive, commission and perquisite to Mr. O V Ajay shall be within the overall limits as given below and as may be approved by the Board from time to time.

| Particulars | Terms of Appointment |
|---|--|
| Basic | Rs 5,50,000 pm to 7,00,000 pm |
| Incentive Remuneration | As awarded by the Board not exceeding 200% of Basic to be paid annually. |
| Commission | At the discretion of the Board Subject to limit Specified under the Companies Act, 2013 |
| Perquisites & Allowances | |
| Minimum Remuneration in case of inadequacy of profits during any Financial year | Amount of Fix pay, Incentive Remuneration and perquisites as per Schedule V of the Companies Act, 2013 |
| Notice period on either side | 6 Months |
| Severance fees payable by the Company for terminating employment | 6 Months' Salary |



1. Tenure of appointment:
Extended up to March 31, 2024 ("Term")
2. Terms of Employment and Nature of Duties:
Mr. O V Ajay is appointed on Fixed term contract basis with the Company. Subject to the approval of the Company and such other approvals as may be required, he shall be entitled to the remuneration as mentioned above.

The CEO & Executive Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

The CEO & ED shall also accept and discharge such other duties as may be assigned to him by the Board from time to time and which can be reasonably expected of him in consideration of his position as the CEO & ED.

3. The Company's performance as recorded in the preceding five years (as below) was under the leadership of Mr O V Ajay.
(Rupees in Crores)

| Financial Highlights | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|--------------------------|---------|---------|---------|---------|---------|
| Profit/ (Loss) after Tax | 26.30 | 2.17 | (11.78) | 9.66 | 20.14 |
| Total Revenue | 514.15 | 289.07 | 126.13 | 334.55 | 436.18 |

4. Mr. O V Ajay has taken various initiatives to improve the performance, to strengthen and reshape the business strategies, product portfolio and other value-added services that enabled the Company to emerge as stronger business player despite the weak business environment.
5. Mr. O V Ajay was appointed Additional Director on December 16, 2014 and he took over as the CEO and Executive Director on January 14, 2015 when the Company was going through a critical phase in the backdrop of poor industrial relations and weak order book. With his academic qualifications and the vast experience which he brings from Tata Motors in a similar field, Mr. O V Ajay brought a very clear vision and foresight to the management of the Company. A number of bus models have been introduced by the Company to offer variety, comfort and passenger safety at a competitive cost. Under his leadership and guidance, the Company has done extremely well on all counts including number of buses sold and the profit earned. As one of the spearheaded initiatives, he relentlessly drove the efforts to build a strong marketing foundation for the Company. His robust leadership ensured that the Company maintain its' industry leadership in the most challenging environment and sustain its profitability even during the tightest competition scenario in the industry.
6. Pursuant to the provisions of Section 197 read together with Schedule V of the Act, in respect of the payment of managerial remuneration in case of no profits or inadequacy of profits as calculated under Section 198 of the Act, the Company may pay such remuneration upto the ceiling limits as specified in Schedule V, provided the Members' approval by way of a ordinary / special resolution has been passed for payment of remuneration for a period not exceeding 3 years.

The Board recommends the Special Resolution as set out at Item No.10 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the said Resolution, except for Mr. O V Ajay.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE ACT

| I | General Information | | | | | |
|---|---|--|---------|---------|---------|---------|
| 1 | Nature of Industry | Manufacture of Bus Bodies & Sheet Metal Components | | | | |
| 2 | Date of Commencement of Commercial Production | The Company was incorporated on September 1, 1980 and Commencement of Business Certificate was granted on January 23, 1981. The Company had since commenced its business. | | | | |
| 3 | Financial performance based on given indicators | (Rupees in Crores) | | | | |
| | Financial Highlights | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
| | Profit/ (Loss) after Tax | 26.30 | 2.17 | (11.78) | 9.66 | 20.14 |
| | Total Revenue | 514.15 | 289.07 | 126.13 | 334.55 | 436.18 |
| 4 | Foreign investments or collaborators, if any | The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company. Foreign investors, mainly comprising of FIIs and NRIs are investors in the Company on account of past issuances of securities/secondary market purchases. | | | | |



| II Information about appointee | | |
|---------------------------------------|---|---|
| 1 | Background Details | Mr. O V Ajay took charge as the CEO and Executive Director of the Company effective January 14, 2015. Before this assignment, he worked with Tata Motors Limited Jamshedpur Plant as a Graduate Engineer Trainee in the year 1985 and has handled diverse functions during his 29 years there. Starting with maintenance of the Engine and Gearbox divisions, he rose to head the Electronics Division. Subsequently, he was the head of the Central Tool Room where he lead a team that successfully developed dies and fixtures for the prestigious Tata Prima Truck. He then shifted to head the Planning function and during his tenure, Tata Motors Jamshedpur executed major modernization and capacity expansion projects. Prior to being deputed to ACGL as Chief Operating Officer (COO), he was General Manager (Technical) at the Tata Motors' Jamshedpur Plant, responsible for the Planning, Tool room, Utilities, Engineering Change Management, Standards and New Vehicle Product ionization |
| 2 | Past Remuneration Details | Remuneration to the CEO & ED for the FY 2022-23; Rs.1.41 crore consisting of; Salary - Rs. 0.76 crore Perquisites - Rs 0.10 crore Incentive Remuneration of - Rs 0.55 crore as provided in the books (paid Rs. 0.25 crore during the FY 2022-23 for the FY 2021-22. |
| 3 | Recognition & Awards | Mr. O V Ajay Participated in TML CVBU and SPD Vendor meets in the Financial years 2016, 2017 and 2019 held in Pune. During FY 2017 he received "Highest TGP Pre-Packaging Implementation Award" on behalf of the Company. |
| 4 | Job profile and his suitability | Please refer point no 2 of the Explanatory Statement |
| 5 | Remuneration Proposed | As detailed under "D" above. |
| 6 | Comparative remuneration profile with respect to industry, size of the company, profile of the position | Not readily available for the similar size of organization. The Remuneration of CEO and Executive Director is decided by the Nomination and Remuneration Committee of the Board based on the Company's performance, the performance/track record of the CEO and Executive Director and the responsibility shouldered by him. |
| 7 | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | Besides the remuneration paid/payable to Mr. O. V Ajay, there is no pecuniary relationship with the Company or with the managerial personnel of the Company. |
| III Other Information | | |
| 1. | Steps taken or proposed to be taken for improvement | The Company has taken various initiatives to maintain its leadership, improve business share and the financial performance. Efforts are also being made to optimize operations, marketing of Bus and Sheet Metal businesses and cost management to be profitable in the wake of adverse market conditions. The results of these efforts are visible during FY 2021-22 and FY 2022-23 where company has achieved profitability despite downturn in the revenue in comparison to financial years before the start of Covid-19. |



| | | |
|----|---|---|
| 2. | Expected increase in productivity & profits in measurable terms | Dedicated efforts to achieve its own marketing goals, risk assessment and mitigation, cost management, quality initiatives, and a focus on operational improvements will enhance the company's performance in the years to come. Along with this a portfolio of new products is planned to improve the penetration of the company's products in the market. It is also planned to enhance both the production capacity and capability of the plants with focused investments in manufacturing and IT infrastructure. While the COVID-19 pandemic severely impacted the performance in FY 2019–20 that persisted in FY 2020–21 and FY 2021–22, the economy has since bounced back from FY 2021–22 onwards enabling the company to surpass its revenue projections and raise the expectations for future profitability. |
|----|---|---|

By Order of the Board of Directors

O V Ajay

CEO & Executive Director
DIN:07042391

Place: Mumbai, Maharashtra
Date: May 8, 2023

Registered Office:

Honda, Sattari, Goa – 403 530
Tel: (+91) 8322383003;
E-mail : sectl@acglgoa.com;
Website: www.acglgoa.com
CIN: L35911GA1980PLC000400



ANNEXURE TO THE NOTICE

Details of Directors seeking appointments at this Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard- 2 on General Meeting

| Particulars | Mr. Girish Wagh | Mr. Vishal Badshah |
|---|--|---|
| Director Identification Number (DIN) | 03119361 | 10106666 |
| Date of Birth & Age | 2nd December 1970, 52 Yrs. | 30th October, 1970, 52 Yrs. |
| Date of Appointment on the Board | 30th October, 2017 | 8th May, 2023 |
| Qualifications | Bachelor's Degree in Mechanical Engineering from Pune University, Post Graduate Diploma in Manufacturing Management from S. P. Jain Institute of Management Research, Mumbai | Graduate Engineer, Nagpur University and MBA from SP Jain Institute of Management, Mumbai. |
| Brief profile | <p>Mr. Girish Wagh in his illustrious career of over 30 years, has worked in various roles related to Operations, Purchasing, Business Excellence, Product Planning and Delivery. For his excellent contribution to the Automotive Industry he was recognized as a "Rising Star" by the Automotive News Europe in 2011 and was awarded "CV Man of the Year" twice at the Apollo CV Awards in 2020 and 2022, for his dynamic leadership in steering TATA Motor's Commercial Vehicle business Unit, into an agile organization that is ready to accommodate diverse technologies, bring down costs through modularity and deliver better value to its customers & ecosystem stakeholders through a combination of products and schemes like 'Samarth'.</p> <p>In July' 17, Mr. Girish Wagh took over as the Head of the Commercial Vehicles Business Unit of Tata Motors.</p> <p>His previous roles have included Product Line Head – Medium & Heavy Commercial Vehicles, Head - Programme Planning & Project Management and Head - Operations of the Passenger Car Business Unit.</p> <p>Presently, Mr. Wagh is an Executive Director of Tata Motors Ltd.</p> | <p>Mr. Vishal Badshah comes with a rich experience in the field of Manufacturing, Business Management in Automotive, Engineering of Large & Heavy Engineering organizations across geographies. Mr. Badshah who joined Tata Motors after Graduating from Nagpur University as a Graduate Engineer Trainee and MBA from SP Jain Institute of Management, Mumbai. He has worked in various areas like Manufacturing, Planning, Supply Chain, New Product Introduction and Product Line for almost more than three decades with India's Largest Automobile conglomerate - In his Current Capacity Mr Badshah is responsible for Operations at all the five CV manufacturing facilities of Tata Motors in India, which are at Jamshedpur, Pune, Dharwad, Lucknow & Pantnagar.</p> <p>His core competencies and areas of interest are Strategic Business Planning, Supply Chain Management Change Management, New Product Introduction, Lean manufacturing, Quality Management Systems, Industry 4.0.</p> <p>He comes with a successful record of accomplishment of business turnaround and profitable growth as he has a deep sense of understanding of the business. He believes in enablement, communication and collaboration for ensuring sustained long term organizational performance.</p> <p>On his personal front Vishal is an avid Golfer, Tennis player – and in his leisure time he prefers reading and spending time with his family.</p> <p>He is also an integral part of various forums – CII, SIAM, INVEST and JMA</p> |
| Nature expertise in specific functional areas | Handled key projects such as the Tata ACE - Mini Truck, Nano, Bolt, Zest, Tiago, Hexa and Tigor. | Manufacturing, Business Management in Automotive, Engineering of Large & Heavy Engineering organizations |
| Shareholding in the Company | Nil | Nil |



| Particulars | Mr. Girish Wagh | Mr. Vishal Badshah |
|--|---|---|
| Number of Board Meetings attended during the year 2022-23 | 6 | NA |
| Directorship held in other Companies [Excluding foreign, private and Section 8 Companies] | 1. Tata Motors Limited 2. Tata Motors Body Solutions Limited | Nil |
| Chairmanship and Membership in the Committees of Other Boards of Companies in which he is Director | Stakeholder Relationship Committee – Member – Tata Motors Limited | Nil |
| Relationship between directors in terse and relationships with other Key Managerial Personnel of the Company | Mr. Girish Wagh is not related to any other Director and/or Key Managerial Personnel of the Company | Mr. Vishal Badshah is not related to any other Director and/or Key Managerial Personnel of the Company. |
| Terms & conditions of appointment/re-appointments | Mr. Girish Wagh is a Non-Executive Non-Independent Director. He is liable to retire by rotation and being eligible has offered himself for re-appointment | Mr. Vishal Badshah is a Non-Executive Non-Independent Director. He is liable to retire by rotation. |
| Shareholding in the Company, including shareholders as a beneficial owner | Nil | Nil |

| Particulars | Mr. Gopal Venkata Ramanan | Mr. O V Ajay |
|--------------------------------------|--|--|
| Director Identification Number (DIN) | 01446016 | 07042391 |
| Date of Birth & Age | 4th October, 1969, 53 Yrs | 25th March, 1963, 60yrs |
| Date of Appointment on the Board | 8th May, 2023 | 14th January, 2015 |
| Qualifications | Bachelor of Commerce, Chartered Accountant from Institute of Chartered Accountant of India (ICAI) and Cost Accountant from Institute of Cost & Works Accountant of India (ICWAI) | Bachelor in Electronics & Communication Engineering from Birla Institute of Technology, Ranchi |
| Brief profile | Ramanan is currently the Vice President - Business Finance for Tata Motors Commercial Vehicle business, part of the Tata Motors Group, a USD 40 billion organization, is among the leading global automobile manufacturer in the world, providing integrated, smart and e-mobility solutions to 125+ countries and part of the USD 113 billion TATA Group. It has operations in India, UK, South Korea, Thailand, South Africa and Indonesia including Jaguar Land Rover & Tata Daewoo. In this role Ramanan is based out of Mumbai and oversees the entire Business Finance for Commercial Vehicle business. Prior to this role, he was Vice President Finance & Group Controller for the Tata Motors Group, overseeing Controlling, Taxation and managing a large captiShared Services Centre. | Mr O V Ajay joined Tata Motors Jamshedpur Plant as a Graduate Engineer Trainee in the year 1985 and has handled diverse functions during his 29 years there. Starting with maintenance of the Engine and Gearbox divisions, he rose to head the Electronics Division. Subsequently, he was the head of the Central Tool Room where he lead a team that successfully developed dies and fixtures for the prestigious Tata Prima Truck. He then shifted to head the Planning function and during his tenure, Tata Motors Jamshedpur executed major modernization and capacity expansion projects. Prior to being deputed to ACGL as Chief Executive Officer and Executive Director, he was General Manager (Technical) at the Tata Motors' Jamshedpur Plant. |



| Particulars | Mr. Gopal Venkata Ramanan | Mr. O V Ajay |
|-------------|---|---|
| | <p>Prior to joining the TATA Group, Mr. Ramanan worked for the US Conglomerate, General Electric Co with career spanning over 16 years with multiple Finance & Operational Leadership roles. In his last role in GE he was the leader of GE Global Delivery Operations, the company's global multi-functional shared services organization, focusing on global service delivery.</p> <p>Mr. Ramanan was responsible for the operating processes of GE's enabling functions working closely with the Regional Global Operations Centres. Global Delivery Operations brings a unique competitive advantage to the company by looking across all GE businesses, customers and suppliers for opportunities to deliver better outcomes at lower costs and creates capacity for the business/ Regional Centre teams to focus on customers.</p> <p>Mr. Ramanan joined Global Operations in 2015 and lead the multi-function shared services operation for the GE South Asia Region. Before moving to Global Operations, Mr. Ramanan was the Senior Controller for GE South Asia Operations. In this role, Ramanan provided strong leadership to the Region Controllershship Team. He was responsible for the technical & operational controllershship of the South Asia Region. Earlier, Ramanan was the Chief Financial Officer of GE John F Welch Technology Centre (JFWTC) in Bangalore, the largest R&D Centre for GE outside the USA.</p> <p>He has worked in various roles in Operational Finance & Corporate Finance in IL&FS, Coca-Cola and NCR. Mr. Ramanan is a graduate from GE's Experienced Financial Leadership Program (EFLP) & IMD's (Switzerland) Strategic Finance Program.</p> <p>In his spare time, Mr. Ramanan enjoys watching action movies & listening to music. He also enjoys visiting the various "Project Tiger" Reserves in India to get a nice glimpse of the lovely animal that is fast approaching extinction. He is fluent in English, Hindi & Tamil.</p> <p>Mr. Ramanan is married to Meera & has two lovely daughters Ananya & Anagha.</p> | <p>Mr. Ajay has appointed as CEO & Executive Director of the ACGL on 14 January 2015, he is responsible for long term and short term strategy, planning, operations, supervision, overall management, business growth, product development, profitability management, etc. and leading the Company successfully till as of now.</p> |



| Particulars | Mr. Gopal Venkata Ramanan | Mr. O V Ajay |
|---|---|---|
| Nature expertise in specific functional areas | Business, operational and Strategic Finance, | Planning, Tool room, Utilities, Engineering Change Management, Standards and New Vehicle Productionization. |
| Shareholding in the Company | Nil | Nil |
| Number of Board Meetings attended during the year 2022-23 | NA | 6 |
| Directorship held in other Companies [Excluding foreign, private and Section 8 Companies] | 1. TML Business Services Ltd. 2. Tata Motors Insurance Broking & Advisory Services Ltd. | Nil |
| Chairmanship and Membership in the Committees of Other Boards of Companies in which he is Director | Nil | Nil |
| Relationship between directors interse and relationships with other Key Managerial Personnel of the Company | Mr. Ramanan is not related to any other Director and/or Key Managerial Personnel of the Company | Mr. O V Ajay is not related to any other Director and/or Key Managerial Personnel of the Company |
| Terms & conditions of appointment/re-appointments | Mr. Ramanan is a Non-Executive Non-Independent Director. He is liable to retire by rotation. | As per resolution at Item No. 10 of this notice read with the explanatory statement thereto. |
| Shareholding of non-executive director in the Company, including shareholders as a beneficial owner. | Nil | Nil |

For other details such as number of meetings of the Board attended during the year, remuneration drawn in respect of the above Director, please refer to the Corporate Governance Report which is of part of this report.



Directors' Report

To
The Members,

The Directors present the 43rd Annual Report of Automobile Corporation of Goa Limited ("**the Company**" or "**ACGL**") along with the audited financial statements for the financial year ended March 31, 2023 .

1. Financial Results

(Rs. in Lakhs)

| Particulars | Standalone | |
|---|------------------|------------------|
| | FY 2022-23 | FY 2021-22 |
| Revenue | 50,621.46 | 28,178.02 |
| Other income | 793.13 | 729.21 |
| Total income | 51,414.59 | 28,907.23 |
| Expenses | | |
| Operating expenditure | 47,523.51 | 27,471.67 |
| Depreciation and amortization expenses | 467.55 | 497.48 |
| Total Expenses | 47,991.06 | 27,969.15 |
| Profit before finance cost, tax and exception items | 3,423.53 | 938.08 |
| Exceptional items | 296.69 | (594.22) |
| Finance cost | 8.26 | 9.41 |
| Profit before tax and OCI (PBT) | 3,711.96 | 334.45 |
| Tax expense | 927.35 | (9.69) |
| Other comprehensive loss(net of tax) | (154.99) | (127.24) |
| Profit for the year | 2,629.62 | 216.90 |
| Attributable to: | | |
| Shareholders of the company | 2,629.62 | 216.90 |
| Non-Controlling Interest | - | - |
| | | |
| Opening Balance of retained earning | 8,949.92 | 8,733.02 |
| Profit for the Year | 2,784.61 | 344.14 |
| Less: Other comprehensive losses | 154.99 | 127.24 |
| Total comprehensive income | 2,629.62 | 216.90 |
| Dividend | 152.22 | - |
| Transfer to reserve | - | - |
| Closing balance of retained earnings | 11,427.32 | 8949.92 |

2. Dividend

Your Company has paid an Interim Dividend of 25% (i.e. Rs. 2.50 per Equity Share) to the Equity shareholders on February 15, 2023.

Based on the Company's performance, the Board of Directors has recommended a final dividend of 150% (i.e. Rs. 15/- per equity share) to the Equity shareholders for the financial year ended March 31, 2023, which is subject to the approval of shareholders in forthcoming Annual General Meeting ("AGM")

Thus, the aggregate dividend is 175% for the financial year 2022-23

The dividend would involve a total cash outflow of Rs. 1,065.51 Lakhs (Inclusive of Interim Dividend and Final Dividend) for FY 2022-23 and result in a payout of 40.52% of current profit after tax.

3. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for Financial Year ended 31 March, 2023 in the statement of profit and loss.

4. Company's Performance

On a standalone basis, the revenue for FY 2022-23 was Rs.506.21 crore, higher by 80% over the previous year's revenue of Rs. 281.78 crore in FY 2021-22. The profit after tax (PAT) attributable to the shareholders for FY 2022-23 was Rs. 26.30 crore registering a growth of 1112% over the PAT of Rs. 2.17 crore for FY 2021-22.



5. Subsidiary Companies

The Company does not have any subsidiary, associates, and joint venture companies.

6. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2022-23 .

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. Directors and Key Managerial Personnel

In accordance with provision of the Act and Articles of Association of the Company, Mr. Girish Wagh (DIN:03119361), Director of the Company retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Mr Aasif Malbari (DIN:07345077) resigned from the directorship of the Company w.e.f. May 8, 2023.

During the year under review Mrs. Sanu Kapoor has resigned from the post of Company Secretary and Compliance Officer of the company w.e.f. March 18, 2023 and Mr. Sanjay Chourey appointed as Compliance Officer w.e.f. March 19, 2023.

At the forthcoming AGM, approval of Members will be sought to the following appointment:

Mr. Vishal Badshah (DIN:10106666) was appointed as an Additional Non-Executive (Non-Independent) Director of the Company by the Board w.e.f May 8, 2023, liable to retire by rotation, subject to approval of Members at this AGM. He shall hold office as an Additional Director upto the date of this AGM and is eligible for appointment as a Director.

Mr. G V Ramanan (DIN:01446016) was appointed as an Additional Non-Executive (Non-Independent) Director of the Company by the Board w.e.f May 8, 2023, liable to retire by rotation, subject to approval of Members at this AGM. He shall hold office as an Additional Director up to the date of this AGM and is eligible for appointment as a Director.

The Members at the 42nd Annual General Meeting held on June 24, 2022 had approved for continuation of Mr. O. V. Ajay (DIN: 07042391) as Chief Executive Officer & Executive Director ("CEO & ED") of the Company upto March 31, 2023 including payment of remuneration upto the end of his tenure i.e. March 31, 2023. Mr. O V Ajay has been deputed by the Company's promoter Tata Motors Ltd (TML) and as per TML policy his retirement date is March 31, 2023.

Further as per the TML policy Mr. O V Ajay has been Superannuated on 31st March 2023, and the Nomination and Remuneration Committee deliberated to the board on the succession plan for the position of CEO & ED considering the current situations and the ongoing projects, The Committee reviewed few important ongoing projects such as engineering and manufacturing transformations and also, ongoing IR issues led by Mr. O V Ajay, CEO & ED. Therefore, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on January 19, 2023, approved the extension of term of Mr. O V Ajay as CEO & Executive Director of the Company for a period of one year commencing from April 1, 2023 till March 31, 2024, upon the terms and conditions agreed between Mr. Ajay and the Company including remuneration, subject to the approval of the Members.



Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed there under and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

None of the Directors of your Company is disqualified for being appointed as Director, as specified in Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

Brief resume and other details of the Director(s) being appointed/re-appointed at the ensuing AGM as stipulated under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI Listing Regulations, are separately disclosed in the Notice of the ensuing AGM.

The resolutions seeking approval of the Members for appointment/re-appointment of Directors of the Company forms part of the notice convening 43rd Annual General Meeting. The Board recommends their appointment/re-appointment at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are:

1. Mr. O V Ajay (DIN: 07042391) - CEO & Executive Director
2. Mr. Raghwendra Singh Butola – Chief Financial Officer
3. Mrs. Sanu Kapoor- Company Secretary*

*Mrs. Sanu Kapoor has resigned w.e.f. March 18, 2023.

8. Number of Meetings of the Board

Six (6) meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

9. Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members based on criteria such as the composition of committees, effectiveness of committee meetings etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, considering the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors based on criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.



10. Policy on Directors' Appointment and Remuneration and other Details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on website of the Company at <http://acglgoa.com/wp-content/uploads/2022/05/Final-ACGL-Remuneration-Policy-for-Directors-KMP.v2.pdf>

11. Internal Financial Control Systems and their Adequacy

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate.

Other details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

12. Committees of the Board

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Risk Management Committee
- f. Capital Investment Committee

The details including to the composition of the committee (term of reference/ attendance) are included in the Corporate Governance Report, which is a part of this report.

13. Auditors

M/s. BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration No.101248W/W-100022) were re-appointed as the Statutory Auditors at the 42nd Annual General Meeting of the Company for a period of five years commencing from the conclusion of the 42nd Annual General Meeting until the conclusion of the 47th Annual General Meeting of the Company.

14. Auditor's Report and Secretarial Audit Report

The statutory auditor's report and the secretarial audit report do not contain any qualifications, reservations, or adverse remarks or disclaimer. Secretarial audit report is attached to this report.

15. Risk Management

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

16. Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees given and investments made during the year under review in accordance with Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

17. Related Party Transactions

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at <http://acglgoa.com/wp-content/uploads/2021/03/Policy-on-Materiality-and-Dealing-with-Related-Party-Transactions.pdf>. During the year under review, all transactions entered into with related parties were approved by the Audit Committee. Details of transactions with related party as per Form AOC-2 are provided in Annexure-I to this report.

Pursuant to SEBI Listing Regulations, the resolution for seeking approval of the shareholders on material related party transactions is being placed at the AGM.



18. Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on website of the Company at <http://acglgoa.com/wp-content/uploads/2017/02/Contents-of-the-CSR-Policy-Jan-2017.pdf>

19. Annual Return

As per the requirements of Section 92(3) of the Act and Rules framed there under, the Annual Return in Form MGT-7 for FY 2021-22 is available on website of the Company at <https://acglgoa.com/annual-return/>

20. Particulars of Employees

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year: 2022-23

| Name of Directors | Ratio of Median | Percentage increase in Remuneration |
|--|-----------------|-------------------------------------|
| Non Executive Directors | | |
| Mr. Shrinivas V Dempo | 0.82:1 | 46% |
| Dr. Vaijayanti Pandit | 0.65:1 | 36% |
| Mr. Yatin Kakodkar | 1.10:1 | 25% |
| Mr. Girish Wagh | 0.74:1 | 55% |
| Mr. Rohit Srivastava | 0.61:1 | 56% |
| Mr. Aasif Huseini Malbari | 0.79:1 | 38% |
| Mr. Nagesh Pinge | 0.79:1 | 28% |
| Executive Directors | | |
| Mr. O V Ajay, CEO & ED # | 20.34:1 | 22% |
| Chief Financial Officer | | |
| Mr. Raghendra Singh Butola | | 16% |
| Company Secretary | | |
| Mrs. Sanu Kapoor (upto March 18, 2023)* | - | NA |
| Mr. Anil Kumar Sharma (upto May 28, 2021)* | - | NA |

Further Non-Executive Directors of the Company opted not to receive commission for FY2021-22 payable in FY2022-23 due to stressed financial performance of the company in FY2021-22.

On deputation from Tata Motors Limited, Salary amount includes Deputation Charges paid through Tata Motors Ltd (exclusive of taxes) and Incentive remuneration paid/payable directly by the Company. The remuneration to Executive Director is within overall limits approved by the shareholders and within the limits prescribed under the Schedule IV of the Companies Act, 2013.

* Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and percentage increase in remuneration is not comparable and hence, not stated.

- b. The percentage increase in the median remuneration of employees in the financial year: 3%
- c. The number of permanent employees on the rolls of Company 462
- d. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the year Company gave increments to staff members and VDA increase to permanent workers for FY 2022-23.



The increase in KMP salary is as a result of general increment and variable pay increase in FY2022-23, which was reduced in the previous year due to inadequacy of profits.

- e. Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms that the remuneration is as per the remuneration policy of the company.
- f. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

21. Disclosure Requirements

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which forms part of this report.

A Business Responsibility Report as per Regulation 34 of the SEBI Listing Regulations, and the Dividend Distribution Policy as per Regulation 43A of the SEBI Listing Regulations are not applicable to the Company.

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

22. Deposits from Public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

23. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo [Pursuant to Companies (Accounts) Rules, 2014]

A. Conservation of Energy

The Company has always tried to improve energy efficiency significantly. During the year under review the steps taken by the Company to conserve energy include:

- At its plants, the Company has carried out various actions to optimize energy consumption and reduce losses.
- Optimization of shifts done to reduce the power consumption.
- In its plants and offices, the Company has replaced conventional light fixtures with energy efficient fixtures such as LED lights and tubes.
- Speed Control of Fan Motor for Air Balancing at Paint shop to reduce power consumption.
- Compressed air leakages checked periodically for the necessary repairs which had resulted in energy saving.
- Paint Shop baking oven blower fan speed controlled and achieved reduction in power upto 4KWH (Rs.18/- per bus) at plant II of Goa.
- At Plant I the Company has replaced conventional High bay lights (400 W) with energy efficient LED High bay lights (200 W).

B. Absorption of Technology

1. Efforts made towards Technology Absorption:

The Company has under taken the following initiatives for technology absorption during the year 2022-23

- Major changes carried out by the Company on LPO 1618/62 Euro-IV, Dubai A/C bus

2. Benefits derived from R&D and future plan of action:

The Company is focusing on the innovation and technology development to enhance the value of the products and manufacturing procedures in order to cater varied market demands.



3. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not Applicable

4. **Expenditure on Research and Development:**

| | | |
|--|-------------------|-------|
| a) Capital | Rs. 14.07 | lakhs |
| b) Recurring | Rs. 155.22 | lakhs |
| c) Total | <u>Rs. 169.29</u> | lakhs |
| d) Total as a percentage of net turnover (Excluding other income and taxes) | 0.34% | |

C. Foreign Exchange earnings and outgo:

Earnings:

- i. On export of goods calculated on FOB basis - Rs.48.19 Lakhs
- ii. The Company has exported bus bodies and component parts thereof through a merchant exporter – Rs.17,015.88 Lakhs (excluding taxes)

Outgo:

- i. Travelling expenses – Rs. 2.56 Lakhs
- ii. Procurement of raw material – Nil

24. Cost Auditors

Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.

25. Acknowledgement

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the ACGL family.

The Directors appreciate and value the contributions made by all our employees and their families for making the Company what it is.

On behalf of the Board of Directors

Place : Mumbai, Maharashtra
Date : May 8, 2023

Shrinivas V. Dempo
Chairman
DIN: 00043413



Annexure I

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis :
There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2023 which are not at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis :
The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2023 are as follows:

| (a) | Name(s) of the related party and nature of relationship | Tata Motors Limited (TML) Enterprise exercising significant influence/ Investing Company | Tata Cummins Pvt. Ltd. (TCPL) Related Party in terms of Section 2(76) of the Companies Act, 2013 |
|-----|--|---|--|
| (b) | Nature of contracts /arrangements/ transactions | Sale and purchase of goods, Services rendered/received, Interest Expense / Income, Discount, Recoveries / Bad Debts, Payment of dividend, Sale/Purchase of equipment, Reimbursement of expenses, GST/ Other taxes as applicable, Deputation charges, Inter Corporate Deposit transactions. | Sale of Pressing & Assembly Components. |
| (c) | Duration of the contracts/ arrangements/ transaction | Ongoing arrangement | Ongoing arrangement |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | <p>Manufacturing activities are carried out as per the specifications provided by TML. Pricing-Profit linked approach, Business/ Commercial reasons and Comparable rates / quotations.</p> <p>Indirect Taxes as applicable Value of transactions entered into during the financial year 2022-23 Rs. 54,131.76 lakhs</p> <p>Sales : Rs. 53,902.00 lakhs ICD placed : Rs. 7,300.00 lakhs ICD withdrawn : Rs.11,600.00 lakhs</p> | <p>Manufacturing activities are carried out as per the specifications provided by Tata Cummins Private Limited with Production Part Approval Process (PPAP) Certification and Engineering Source Approval.</p> <ul style="list-style-type: none"> • Amortization of tooling cost by TCPL. Pricing based on available drawings, volume projections and subject to commercial discussions between the parties on the transaction on pro tempore/transitional basis. • Standard TCPL warranty terms for Automotive and Power Generation Genset Applications. • Bailment Contract for dies produced exclusively for manufacturing TCPL products, upon full payment of the said dies. • Indirect Taxes as applicable. Value of transactions entered into during the financial year 2022-23 is Rs. 2,805.26 Lakhs. |
| (e) | Date of approval by the Board, if any | The transactions are in the ordinary course of business and are at arm's length basis approved by the Audit Committee and the Board of Directors at their meetings held on 6 th May, 2022. The above transactions were approved by the shareholders at the AGM held on 24 th June, 2022. | The transactions are in the ordinary course of business and are at arm's length basis approved by the Audit Committee and the Board of Directors at their meetings held on 6 th May, 2022. The above transactions were approved by the shareholders at the AGM held on 24 th June, 2022. |
| (f) | Amount paid as advances, if any | Nil | Nil |



Note:

1. All related party transactions entered during the year were in Ordinary Course of the Business and at Arm's length basis.
2. The above disclosure on material transactions is based on threshold of 10% of turnover.

On behalf of the Board of Directors

Place : Mumbai, Maharashtra
Date : May 8, 2023

Shrinivas V. Dempo
Chairman
DIN: 00043413



Annexure II

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020
1. A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs

ACGL has been an early adopter of Corporate Social Responsibility initiatives. In ACGL, Corporate Social Responsibility (CSR) philosophy revolves around engagements in socially relevant activities for the underprivileged sections of the society. The Company believes in inclusive growth to facilitate creation of a value-based and empowered society through continuous and purposeful engagement of society around. Our commitment to CSR is focused on initiatives that make a constructive contribution to the community and encourage sustainable development.

A policy on CSR has been formulated by the Corporate Social Responsibility Committee (CSR Committee) and adopted by the Board of Directors. The contents and overview of CSR projects and programs along with the CSR policy are available on the website of the Company at the following web link <http://acglgoa.com/up-content-of-the-CSR-Policy-Jan-2017.pdf>

2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|-----------------------|--------------------------------------|--|--|
| 1 | Dr. Vaijayanti Pandit | Chairperson-Independent Director | 1 | 1 |
| 2 | Mr. Shrinivas V Dempo | Member - Independent Director | 1 | 1 |
| 3 | Mr. Yatin Kakodkar | Member - Independent Director | 1 | 1 |
| 4 | Mr. O V Ajay | Member - CEO & Executive Director | 1 | 1 |

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company at : <https://acglgoa.com/csr-initiatives/>
4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 : Not Applicable
5. (a) Average net profit/(loss) of the company as per section 135(5).: Rs.(40,85,273)
 (b) Two percent of average net profit of the company as per section 135(5) : Rs. (81,705)
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 (d) Amount required to be set off for the financial year, if any: Rs. Nil
 (e) Total CSR obligation for the financial year (5b+5c-d) . : Rs. (81,705)
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).: Nil
 (b) Amount spent in Administrative Overheads : Nil
 (c) Amount spent on Impact Assessment, if applicable : NA
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Nil
 (e) CSR amount spent or unspent for the financial year

| Total amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount Transferred to Unspent CSR Account as per Section 135(6) | | Amount Transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| Nil | NA | NA | NA | NA | NA |



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

| Sl. No. | Particular | Amount (in Rs.) |
|---------|---|-----------------|
| (i) | Two percent of average net profit/(loss) of the company as per section 135(5) | (81,705) |
| (ii) | Total amount spent for the Financial Year | Nil |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | Nil |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | Nil |

7. Details of Unspent CSR amount for the preceding three financial year:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any | | | Amount remaining to be spent in succeeding financial years (in Rs.) |
|------------|--------------------------|---|---|---|-----------------|------------------|---|
| | | | | Name of the Fund | Amount (in Rs.) | Date of transfer | |
| Nil | | | | | | | |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired : NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| (1) | (2) | (3) | (4) | (5) | (6) | | |
|-----------|---|--------------------------------------|------------------|----------------------------|---|------|--------------------|
| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| NA | | | | | | | |

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.: NA

Sd/-

Dr. Vaijayanti Pandit
Chairperson - Corporate Social Responsibility Committee
DIN : 06742237

Sd/-

Mr. O V Ajay
Chief Executive Officer and Executive Director
DIN : 07042391

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023.

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

To,
The Members,
Automobile Corporation of Goa Limited,
Honda, Sattari, Goa- 403 530

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Automobile Corporation of Goa Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 (hereinafter referred to as the "Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and bye laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (provisions of external commercial borrowing and Overseas Direct Investment not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the audit period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period).
- vi. The Motor Vehicles Act, 1988 and rules made thereunder (the law, which is applicable specifically to the Company, being manufacturer/dealer of Automobile products and related components).

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement(s) entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (LODR).

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

I further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as prescribed. The changes in the composition of the Board of Directors/ Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act. During the year under review (a) the term of appointment of Mr. O V Ajay, Chief Executive Officer and Executive Director of the Company was initially extended from January 14, 2023 to March 31, 2023. The Board vide Resolution dated January 19, 2023 have further extended the term of Mr. O.V. Ajay by a year i.e., April 01, 2023 to March 31, 2024; and (b) incumbent Company Secretary & Compliance Officer resigned with effect from March 18, 2023. Mr. Sanjay Chourey was appointed as 'Compliance Officer' effective from March 19, 2023.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through and recorded as part of the minutes

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

I further report that during the audit period following specific event that took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards:

a) **Reclassification of Promoter Shareholder:**

In response to an application dated November 09, 2021, for reclassification of the shareholder holding 403,502 equity shares belonging to Promoter and Promoter group category to Public Category, BSE Limited vide letter dated May 02, 2022 approved reclassification sought

b) **Special Resolution(s) passed at Annual General Meeting held on June 24, 2022:**

- i) Approval of enhanced limit of Rs.260 Crores for transactions covered under Section 186 of the Companies Act, 2013 i.e. giving loans/guarantee or making investments.
- ii) Approval of enhanced limit of Rs.110 Crores in excess of paid up Capital and Free Reserves of the Company pursuant to section 180(1) (c) and Section 180 (1)(a) of the Companies Act, 2013

Place : Panaji, Goa
Date : May 8, 2023

Shivaram Bhat
Practising Company Secretary
ACS10454 CP 7853 PR1775/2022

UDIN:A010454E000268811

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

(My report of even date is to be read along with this Annexure.)

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.

My examination was limited to the verification of procedures on test basis.

6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Panaji, Goa
Date : May 8, 2023

Shivaram Bhat
Practising Company Secretary
ACS10454 CP7853 PR1775/2022

UDIN:A010454E000268811



Provided Computer Lab Equipments to Government School, Dabem, Sattari, Goa



Provided Computer Lab Equipments to Government School, Nagargaon, Sattari, Goa.



Constructed a Toilet facility for Girls Primary School, Jejuri, Pune



Providing Education by means of Web Platform for school students of Govt / Govt aided Schools from Sattari, Tiswadi and Bicholim Taluka for over 400+ schools which cater to 35,000+ govt. school students.

Company with the help of Connect Ed Technologies, who has been officially recognized for innovative practices in the Education & Education-Technology sector by Government of India's Ministry of Commerce & Industry has Initiated liaising efforts with the State Government of Goa on this project. Govt. of Goa has granted its "In Principle" approval for the project through Directorate of Education, Govt. of Goa. Presently 56 schools under the program are currently active.

Education Department of Goa is keen to support the scale-up of the program to all remaining govt. schools in Goa. The authorities have already shared with us details of 400+ schools which cater to 35,000+ govt. school students.



MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economy Overview:

India is one of the Fastest Growing Major Economy in the world. The overall growth remains robust and was estimated to be 6.9 percent for the full year with real GDP growing 7.7 percent year-on-year during the first three quarters of fiscal year 2022/23. There were some signs of moderation in the second half of FY 22/23. The central government is likely to meet its fiscal deficit target of 5.9 percent of GDP in FY23/24 and combined with consolidation in state government deficits, the general government deficit is also projected to decline.

India's VIBRANT Start-up ecosystem with 54 tech Unicorns expected by 2024, is another feather in the government's cap

Government Efforts

- 3,18,506 users registered on Startup India Portal
- 19,247 Startups recognized by Department for Promotion of Industry and Internal Trade (DPIIT)
- Start-up India Hub: A dedicated team has been set up under Invest India

Government Initiatives

- Faster exit for start-ups
- Providing Funding Support through a Fund of Funds with a Corpus of Rs. 10,000 crore
- US\$228.98m have been invested into 247 startups
- Tax exemption on Capital gains
- Harnessing Private Sector Expertise for Incubator Setup

Source: Economic Diplomacy & States Division, Ministry of External Affairs, Govt. of India

Key Economic Development:

Recent economic developments in India are as follows:

- Recovering from pandemic-induced contraction, Russian-Ukraine conflict and inflation, the Indian economy is staging a broad-based recovery across sectors, positioning to ascend to the pre-pandemic growth path in FY23.
- India's GDP growth is expected to remain robust in FY24. GDP forecast for FY24 to be in the range of 6-6.8%.
- The Capital Expenditure of the Central Government and crowding in the private Capex led by strengthening the balance sheets of the Corporates is one of the growth drivers of the Indian economy in the current year.
- The credit growth to the MSME sector was over 30.6% on average during Jan-Nov 2022.
- Retail inflation is back within RBI's target range in November 2022.
- Indian Rupee performed well compared to other Emerging Market Economies in Apr-Dec 2022.
- Direct Tax collections for the period April-November 2022 remain buoyant.
- Enhanced Employment generation seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund.
- Economic growth to be boosted by the expansion of public digital platforms and measures to boost manufacturing output.

Key Initiatives in Automobile Sector

The Indian automobile industry contributes almost 6.4% of India's GDP and 35% of manufacturing GDP and is a leading employment provider.

Growing Demand

- Rising middle-class income and a huge youth population will result in strong demand.
- The industry produced a total of 2,59,31,867 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in April 2022 to March 2023.

Opportunities

- India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles.
- Focus is shifting to electric vehicles to reduce emissions.
- The electric vehicles industry is likely to create five crore jobs by 2030.



Rising Investment

- The automobile sector received cumulative equity FDI inflow of about US\$ 33.77 billion between April 2000-September 2022.
- The Government of India expects the automobile sector to attract US\$ 8-10 billion in local and foreign investments by 2023.

Policy Support

- in September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion).
- The Automotive Mission Plan 2016-26 is a mutual initiative by the Government of India and the Indian automotive industry to lay down the roadmap for the development of the industry.

Source: Economic Data Source-IBEF.org, established by Ministry of Commerce & Industry, Gov of India

INDIAN AUTOMOBILE INDUSTRY

Performance of Auto Industry in 2022-23

Production

The industry produced a total of 2,59,31,867 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in April 2022 to March 2023, as against 2,30,40,066 units in April 2021 to March 2022.

Automobile Domestic Sales Trends

| Category | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Passenger Vehicles | 32,88,581 | 33,77,389 | 27,73,519 | 27,11,457 | 30,69,523 | 38,90,114 |
| Commercial Vehicles | 8,56,916 | 10,07,311 | 7,17,593 | 5,68,559 | 7,16,566 | 9,62,468 |
| Three Wheelers | 6,35,698 | 7,01,005 | 6,37,065 | 2,19,446 | 2,61,385 | 4,88,768 |
| Two Wheelers | 2,02,00,117 | 2,11,79,847 | 1,74,16,432 | 1,51,20,783 | 1,35,70,008 | 1,58,62,087 |
| Quadricycle | 0 | 627 | 942 | -12 | 124 | 725 |
| Grand Total | 2,49,81,312 | 2,62,66,179 | 2,15,45,551 | 1,86,20,233 | 1,76,17,606 | 2,12,04,162 |

Domestic Sales

Total Passenger Vehicle Sales increased from 30,69,523 to 38,90,114 units. Sales of Passenger Cars also increased from 14,67,039 to 17,47,376, Utility Vehicles from 14,89,219 to 20,03,718 and Vans 1,13,265 to 1,39,020 units, in FY-2022-23, compared to the previous year.

The overall Commercial Vehicles sales increased from 7,16,566 to 9,62,468 units. Sales of Medium and Heavy Commercial Vehicles increased from 2,40,577 to 3,59,003 units and Light Commercial Vehicles increased from 4,75,989 to 6,03,465 units, in FY-2022-23, compared to the previous year.

Sales of Three Wheelers increased from 2,61,385 to 4,88,768 units, in FY-2022-23, compared to the previous year. Two Wheelers sales increased from 1,35,70,008 to 1,58,62,087 units, in FY-2022-23, compared to the previous year.

Exports

In April 2022 to March 2023, Passenger Vehicle Exports increased from 5,77,875 to 6,62,891 units while Commercial Vehicle Exports decreased from 92,297 to 78,645, Three-Wheeler Exports decreased from 4,99,730 to 3,65,549 and Two Wheelers Exports decreased from 44,43,131 to 36,52,122 units over the same period last year.

Source : siam.in



COMPANY PERFORMANCE

Your Company's Sales (with other income) for the financial year 2022-23 was **Rs 514.15 Crores** as against **Rs. 289.07 crores** (net of taxes) in the preceding financial year. The Company's Profit before tax during the financial year 2022-23 was at **Rs. 37.12 crores** (after exceptional income/(expense) and before other comprehensive loss) as against profit of **Rs. 3.34 crores** in the preceding financial year. Net profit after tax stood at **Rs. 26.30 Crores** as compared to a profit of **Rs. 2.17 crores** in the preceding financial year. During FY 2022-23, your Company sold 5,715 buses.

The increase in Product Sales of your Company is primarily due to revival of economic condition and recovery of demand in the commercial vehicle passenger segment.

The Policy on the Emission Norms, Road & Infrastructure, Electric Vehicles, Bus Body Code, Urbanization & City Developments, Electrification & Gasification (CNG & LNG) of Bus City Transit and PPP model of Urban & Sub Urban stage bus operation and Scrappage policy would stimulate the demand in next few years.

Segment Overview

The bus segment has maintained its dominance in contributing to your company's revenue and profit. Proportion of bus division's revenue in the total revenue of the company clocked 87% during the year under review. Large portion of our workforce is operating in the bus segment at Goa. Revenue from Bus segment has grown sharply as compared to last year mainly due to revival of economic condition which was affected in the previous year due to the Covid 19 Pandemic.

1. Segment Review and Developments

A. BUS SEGMENT

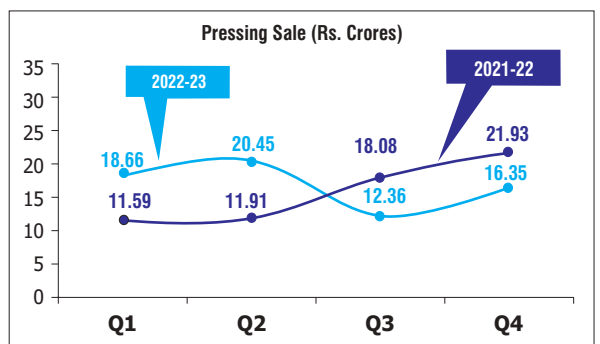
Revenue from product sales in Bus Segment increased by **101%** at **Rs. 437 crores** (excluding taxes and other income) in FY 2022-23, as compared **Rs. 217 crores** in the preceding financial year. In FY 2022-23, **5,715** buses were sold as compared to **1,952** buses in preceding financial year which was an increase of 3,763 buses. Out of the **5,715** buses sold during the financial year 2022-23, **1,442** buses were towards Export Application which has reduced by 13% during the current year.

The increase in Product Sales primarily owes itself to the revival of the economy which was affected in the previous year due to the impact of the Pandemic.

B. PRESSING SEGMENT

Sheet metal business follows the cyclicity of OEM's business for which your company is a key supplier. The segment is necessarily capital intensive and capacity utilization drives the profitability in this segment. Revenue from product sales (excluding taxes and other income) from this segment has increase from Rs 64 crores (excluding taxes and other income in FY 2021-22), to Rs 68 crores in the given financial year as a result of increase in the demand of components due to recovery in the demand of Commercial Vehicles.

Share of pressings business in the overall revenue of the Company has reduced from 23% in FY 2021-22 to 13% in FY 2022-23, as mass transport sale has improved in FY 2022-23 due to revival of the economic conditions and opening of schools and offices.





2. Technology Initiatives

Your Company is focussing on product and technical capability building by enhancing its design capability using modern methodology, while continuously benchmarking its product with competition offerings and calibrating itself to provide the best value proposition to the customer.

3. Entry into New segment

Your Company is making efforts to gain entry into bus body manufacturing of electric buses which would be the future technology in passenger mobility.

Your Company was able to develop new models in school and staff segment meeting new regulatory norms to meet market expectations and to diversity in its product offerings.

4. Awards, Certification & Recognition

Your Company is accredited with IATF 16949 QMS Certification for its Goa, Jejuri and Dharwad Plants.

5. Risks, Opportunities and Threats

Risks and Concerns

In order to build capacity & capability for future, your Company need to upgrade its old infrastructure and induct machinery and equipment to support new technology products like EV.

Your Company has made infra upgradation plan and implementing the same in financial year FY24 & FY25.

Your Company has also successfully implemented new IT servers and established Disaster recovery of IT system in Jejuri to support business continuity.

Opportunities

With government's increased focus on development of infrastructure including highways and Electric mobility, there would be an opportunity for growth in commercial vehicles and mass transportation solutions.

Your Company is working on product up-gradation to meet market requirement by diversifying its product range in school and staff segment with new contemporary designs.

Threats

The threat remains the same for the Company this year, as with the presence of multinational companies in Electric Vehicle space and various tie-up made by local bus body builders with foreign collaborators, could have an impact, especially in Electric Buses from domestic OEM's.

The GST difference between Fully Built Vehicle and Bus Body Supplied separately is posing hurdles for the growth of OEM supplied Bus Bodies.

Your Company is also facing a challenge due high manpower cost in comparison to industry benchmarks.

Your Company has aggressively worked on cost reduction which has helped to achieve additional sales due to price competitiveness and also be able to achieve profitability in FY22-23.

Your Company is also working on product diversification to enhance value addition and sale, to achieve economies of scale for better fixed cost apportionment.

6. Internal Control System

The Company has adequate internal control systems in place and also has reasonable assurance on authorizing, recording and reporting transactions of its operations in all material respects and on providing protection and safeguard against misuse or loss of assets of the Company. The Company has in place, well documented procedures covering financial and operational functions commensurate with the size and complexities of the organisation. Some of the salient features of the internal control system in place are: -



- I. Following statutory and applicable Accounting Standards and Policies.
- II. Preparation of annual budget for operation functions and monitoring the same with actual performance at regular intervals.
- III. All assets are properly recorded and procedures have been put in place to safeguard against any loss or unauthorized use or disposal.
- IV. Internal audit department carries out periodic audit at all locations and functions.
- V. The observations arising out of internal audit are periodically reviewed at the Audit Committee meetings along with follow up action.
- VI. Periodic presentations are made to the Audit Committee on various operational and financial risks faced by the company and action plans to mitigate the same.
- VII. Company has implemented system of Internal Financials Controls over Financial Reporting (ICOFR) and formed a three member team for the continuous assessment.
- VIII. Statutory Auditors of Company have conducted Test of Design (TOD) and Test of Effectiveness (TOE) under the purview of Internal Financial Controls over Financial Reporting (ICOFR) and found same operating effectively.

7. Financial and Operational Performance

Company's Total Revenue including Other Income (Excluding taxes) stood at Rs 514 crores, as against Rs 289 Crores in the previous year. Correspondingly, profit before tax (after OCI and exceptional item) is Rs 35.05 Crores (after exceptional income of Rs 2.97 crore related to fire incident at one of the plants in Goa, Plant-1) as compared to profit of Rs 1.64 Crores (after exceptional expense of Rs 5.94 crores) in the last financial year. Earnings per equity share is Rs 45.73 as compared to Rs.5.65 in the last financial year.

| Financial and Operational Performance: | Percentage of Sales Year ended 31 March | |
|--|--|---------------|
| | 2023 | 2022 |
| Particulars | | |
| Total Revenue (excluding taxes & including Other Income) | 100 | 100 |
| Expenditure: | | |
| Material (Including change in stock) | 69.48% | 69.35% |
| Employee cost | 9.12% | 13.56% |
| Manufacturing Expenses | 13.84% | 12.12% |
| Total Expenditure | 92.44% | 95.03% |
| Profit before Interest, Depreciation, Exceptional Items, Tax and OCI | 7.56% | 4.97% |
| Depreciation | 0.91% | 1.72% |
| Finance Cost | 0.02% | 0.03% |
| Profit before exceptional Item , OCI and Tax | 6.63% | 3.21% |
| Exceptional item | 0.58% | -2.06% |
| Profit before tax before OCI | 7.21% | 1.16% |
| Provision for Tax (net) before OCI | -1.80% | 0.03% |
| Other Comprehensive Income (net of taxes) | -0.30% | -0.44% |
| Profit After Tax after OCI | 5.11% | 0.75% |

8. Human Resources

The Company's innovative human resource management strategies supported its business growth in a challenging environment. The focus has been to create an environment where performance is rewarded, individuals are respected and employees get opportunities to realise their potential.

The employee cost reduced to 9.12% of total revenue (net of taxes) notwithstanding mainly due to increase in sales value. The strength of permanent employees reduced to 462 as on 31st March 2023 against 480 on 31st March 2022. Industrial Relations with staff and workmen across the Plants at Goa, Jejuri and Dharwad continue to be cordial.

9. Financial Ratios

The Key Financial ratios of the company are given below with explanation in case of significant changes:



| Sr. No | Type of Ratio | For year ended | | % Change | Reason of variance |
|--------|----------------------------------|----------------|---------|----------|---|
| | | 2022-23 | 2021-22 | | |
| (a) | Current ratio | 2.06 | 2.07 | 0% | The Company has started discounting its sales invoices with the third-party financier on recourse basis, as a result of which there is increase in borrowing (current liability) resulting an increase in debt-to-equity ratio. The volumes have also doubled in the current financial year in comparison to previous year as a result of which there is corresponding rise in the borrowing. |
| (b) | Debt-equity ratio | 0.37 | 0.25 | 48% | |
| (c) | Debt service coverage ratio | 507.60 | 72.70 | 598% | The improvement in the ratio is majorly due to increase in the EBITD, which is due to increase in business. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19 with almost same level of borrowings as that of the previous years. |
| (d) | Return on equity ratio | 0.15 | 0.02 | 649% | The company is having a positive EBT before OCI net of notional income due to increase in business, from that of the previous year. |
| (e) | Net profit ratio | 0.06 | 0.01 | 351% | The business has increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19 with almost similar level of equity and capital employed as that from the previous year. |
| (f) | Inventory turnover ratio | 11.17 | 7.09 | 58% | The ratio has increase due to growth in business from that of the previous year which has helped in effective utilisation of working capital. The business has increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19. With almost the same level of receivable/payable/capital. |
| (g) | Trade receivables turnover ratio | 6.45 | 5.60 | 15% | |
| (h) | Trade payables turnover ratio | 6.95 | 4.50 | 54% | |
| (i) | Net capital turnover ratio | 3.58 | 2.40 | 49% | |
| (j) | Return on capital employed | 12.91% | 4.44% | 191% | |
| (k) | Return on investment | -23.14 | 129.55% | -118% | The return from equity perspective is directly related to fall in the share price of the company which have declined to 717.90 on 31.03.2023 from 934.05 on 31.03.2022, due to sluggish market condition globally. |

Cautionary Statement

Statements in this Management Discussion and Analysis and Directors' messages describing the Company's objectives, expectations and predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, demand and pricing by the Company's major customers, changes in the Government regulations, Tax regimes, economic developments and other incidental factors.



Corporate Governance Report

I. Company's Philosophy on Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct for its employees including the Managing Director, Executive Directors and senior management. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through the Tata Business Excellence Model, the Automobile Corporation of Goa Ltd., Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code"). The Company has in place IT Policy that ensures proper utilization of IT resources.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

II. Board of Directors

- i. As on March 31, 2023, the Company has 8 Directors. Of which [4 are Independent Directors, (including 1 women Director), 3 are Non Independent Non-Executive Director and 1 is Executive Director who is also a CEO of the Company]. The profiles of Directors can be found on <https://acglgoa.com/board-of-directors/>. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii. None of the Directors on the Board holds directorships in more than 10 public companies. None of the Independent Directors serves as an independent director on more than 7 listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors. None of the Directors is related to each other.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

- iii. Six (6) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: 06.05.2022, 13.05.2022, 19.07.2022, 02.11.2022, 13.12.2022, 19.01.2023. The necessary quorum was present for all the meetings.
- iv. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2023 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.



| Name of the Director (DIN) | Category | No. of Board Meetings attended during FY 2022-23 | Whether last AGM held on 24.06.2022 (Yes/No) | Number of Directorships in other Public Companies | | Number of Committee positions held in other Public Companies | | Directorships in other listed entity (Category of Directorship) |
|---|--|--|--|---|--------|--|--------|---|
| | | | | Chairman | Member | Chairman | Member | |
| Mr. Shrinivas V Dempo (Chairman) 00043413 | Independent, Non-Executive | 6 | Yes | 1 | 2 | 1 | 2 | 1. Goa Carbon Ltd. @ 2. Hindustan Foods Ltd. @ 3. Kirloskar Brothers Ltd # |
| Dr. Mrs. Vaijayanti Pandit 06742237 | Independent, Non-Executive | 6 | Yes | - | 6 | 1 | 3 | 1. Banswara Syntex Ltd # 2. IG Petrochemicals Limited # 3. Indo Count Industries Limited # 4. Everest Kanto Cylinder Ltd # |
| Mr. Yatin Kakodkar 00001433 | Independent, Non-Executive | 6 | Yes | - | - | - | - | None |
| Mr. Nagesh Pinge 00062900 | Independent, Non-Executive | 6 | Yes | - | 8 | 6 | 7 | 1. Goa Carbon Ltd. # 2. Arvind Fashions Limited # |
| Mr. Girish Wagh 03119361 | Non - Independent, Non - Executive | 6 | Yes | - | 2 | - | 1 | 1. Tata Motors Ltd. \$ |
| Mr. Rohit Srivastava 07910693 | Non - Independent, Non - Executive | 6 | Yes | - | 3 | - | 1 | None |
| Mr. Aasif Malbari 07345077 | Non - Independent, Non - Executive | 6 | Yes | - | 1 | - | - | None |
| Mr. O V Ajay 07042391 | Chief Executive Officer and Executive Director | 6 | Yes | - | - | - | - | None |

Category of directorship held:

@Non-Independent, Non-Executive # Independent, Non-Executive \$ Executive Director

- v. During FY March 31, 2023, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- vi. During FY March 31, 2023, One meeting of the Independent Directors was held on 06.05.2022
- vii. The Board periodically reviews the compliance reports of all laws applicable to the Company.
- viii. No Directors hold any equity shares of the Company as on March 31, 2023. The Company has not issued any convertible instruments.
- ix. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:
 1. Management Expertise
 2. Financial Expertise
 3. Technical Expertise
 4. Sectoral/Business Expertise
 5. Industrial Expertise
 6. Strategic Expertise
 7. Marketing Expertise

| Name of Directors | Management Expertise | Financial Expertise | Technical Expertise | Sectoral/ Business Expertise | Industrial Expertise | Strategic Expertise | Marketing Expertise |
|----------------------------|----------------------|---------------------|---------------------|------------------------------|----------------------|---------------------|---------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Mr. Shrinivas V Dempo | ✓ | ✓ | - | - | ✓ | ✓ | - |
| Dr. Mrs. Vaijayanti Pandit | ✓ | - | - | - | - | ✓ | - |
| Mr. Yatin Kakodkar | ✓ | ✓ | - | - | - | ✓ | - |
| Mr. Nagesh Pinge | ✓ | ✓ | - | - | - | - | - |
| Mr. Girish Wagh | ✓ | - | ✓ | - | ✓ | ✓ | ✓ |
| Mr. Rohit Srivastava | - | - | - | - | ✓ | - | ✓ |
| Mr. Aasif Malbari | - | ✓ | - | ✓ | - | - | - |
| MR. O V Ajay | ✓ | - | ✓ | ✓ | - | - | - |



III. Committees of the Board

I. There are six Board Committees as on March 31, 2023, which comprises *five* statutory committees and *one* other committee that have been formed, considering the needs of the Company, details of which are as follows:

| Name of the Committee | Extract of Terms of Reference | Category and Composition | | Other Details |
|--|--|----------------------------|------------------------------------|---|
| Statutory Committees | | | | |
| | | Name | Category | |
| Audit Committee (AC) | Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. <ul style="list-style-type: none"> • Oversight of financial reporting process. • Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval. • Evaluation of internal financial controls and risk management systems. • Recommendation for appointment, remuneration and terms of appointment of auditors of the Company. • Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same. | Nagesh Pinge (Chairman) | Independent, Non- Executive | Four meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. <ul style="list-style-type: none"> • Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings. • The Company Secretary acts as the Secretary to the Audit Committee. • The previous AGM of the Company was held on June 24, 2022 and was attended by Mr. Nagesh Pinge, Chairman of the Audit Committee. |
| | | Yatin Kakodkar (Member) | Independent, Non - Executive | |
| | | Aasif Malbari (Member) | Non - Independent, Non - Executive | |
| | | | | |
| Nomination & Remuneration Committee (NRC) | Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. <ul style="list-style-type: none"> • Recommend to the Board the setup and composition of the Board and its Committees. • Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel. • Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors. • Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees. • Oversee familiarization programs for Directors | Name | Category | Three NRC meetings were held during the year under review. <ul style="list-style-type: none"> • The Company does not have any Employee Stock Option Scheme. • Details of Performance Evaluation Criteria and Remuneration Policy are provided at serial no. II (ix) & III. • The previous AGM of the Company was held on June 24, 2022 and was attended by Yatin Kakodkar, Chairman of the NRC. |
| | | Yatin Kakodkar (Chairman) | Independent, Non- Executive | |
| | | Shrinivas Dempo (Member) | Independent, Non- Executive | |
| | | Girish Wagh (Member) | Non - Independent, Non- Executive | |
| Stakeholder's Relationship Committee (SRC) | Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. <ul style="list-style-type: none"> • Consider and resolve the grievances of security holders. • Consider and approve issue of share certificates, transfer and transmission of securities, etc. | Name | Category | One meeting of the SRC was held during the year under review. <ul style="list-style-type: none"> • Details of Investor complaints and Compliance Officer are provided at serial no. II (a) & (b) below. • The previous AGM of the Company was held on June 24, 2022 and was attended by Mr Yatin Kakodkar, Chairman of the SRC. |
| | | Yatin Kakodkar (Chairman) | Independent, Non- Executive | |
| | | Vaijayanti Pandit (Member) | Independent, Non- Executive | |
| | | O V Ajay (Member) | CEO & Executive Director | |



| Name of the Committee | Extract of Terms of Reference | Category and Composition | | Other Details |
|---|---|---|------------------------------------|---|
| | | Name | Category | |
| Corporate Social Responsibility Committee (CSR) | Committee is constituted in line with the provisions of Section 135 of the Act. <ul style="list-style-type: none"> Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act. Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy. Monitor the CSR Policy. | Vajayanti Pandit (Chairman) | Independent, Non- Executive | One meeting of the CSR Committee was held during the year under review. |
| | | Shrinivas Dempo (Member) | Independent, Non- Executive | |
| | | Yatin Kakodkar (Member) | Independent, Non- Executive | |
| | | O V Ajay (Member) | CEO & Executive Director | |
| | | | | |
| Risk Management Committee (RMC) | Formulate, monitor and review risk management policy and plan, inter-alia, covering investment of surplus funds, management of foreign exchange risks, cyber security risks, data privacy risks and intellectual property infringements risks | | | As per the provisions of the Listing Regulations, it is not mandatory for the Company to constitute a Risk Management Committee. However, the Company has voluntarily constituted a Risk Management Committee . One meeting of the RMC was held during the year under review. |
| | | Rohit Srivastava (Chairman) | Non - Independent, Non - Executive | |
| | | Yatin Kakodkar (Member) | Independent, Non- Executive | |
| | | Nagesh Pinge (Member appointed w.e.f 19.1.23) | Independent, Non-Executive | |
| | | O V Ajay (Member) | CEO & Executive Director | |
| Non - Statutory Committee | | | | |
| Capital Investment Committee (CIC) | <ul style="list-style-type: none"> In considering and perusing investment opportunities which involve any capital expenditure of more than Rs. 10,00,000/- (Rupees Ten Lakhs Only). To recommend to the Board such purchase, sale, acquisitions, disposals and capital expenditure in line with the limits of authority delegated to it, if any and in line with the strategy determined by the board. Review the investment strategy from time to time. | | | |
| | | Girish Wagh (Chairman) (ceased to be member and Chairman wef 19.1.23) | Non - Independent Non - Executive | |
| | | Rohit Srivastava (Chairman w.e.f. 19.1.23) | Non - Independent Non - Executive | |
| | | Shrinivas Dempo | Independent Non-Executive | |
| | | Nagesh Pinge (Member appointed w.e.f. 19.1.23) | Independent Director | |
| | | Aasif Malbari | Non - Independent Non - Executive | |
| | | O V Ajay | CEO & Executive Director | |
| The terms of reference of these committees are available on the website of the Company at https://www.acglgoa.com/wp-content/uploads/2022/05/THE-TERMS-OF-REFERENCE-OF-THE-COMMITTEES-OF-THE-BOARD.pdf | | | | |

II. Stakeholders Relationship Committee – other details

a. Name, designation and address of Compliance Officer:

Mr. Sanjay Chourey, Compliance Officer
 Automobile Corporation of Goa Ltd.,
 Honda, Sattari, Goa – 403 530.
 Tel.: (0832) 2383003

b. Details of Investor Complaints received and redressed during FY 2022-23 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0 | 11 | 08 | 3* |

*Pending with Stock Exchange



III. Nomination and Remuneration Committee – other details

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

NRC / Remuneration Policy:

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and the Executive Directors. Annual increments are recommended by the Nomination and Remuneration Committee with in the salary scale approved by the Board and Members and are effective April 1, each year.

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy.

The Board of Directors, on there commendation of the Nomination and Remuneration Committee, decides the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and with in the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Managing Director and each Executive Director.

The Company pays sitting fees of Rs. 60,000/- per meeting to its Non-Executive Directors for attending meetings of the Board and Rs. 40,000/- for Audit Committee and Rs. 30,000/- for others Committee meetings of the Board. The Company also pays commission to the Non-Executive Directors within the ceiling of 1 percent of the net profits of the Company as computed under the applicable provisions of the Act, with the approval of the members. The said commission is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and distributed amongst the Non-Executive Directors based on the Board evaluation process, considering criteria such as their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings. The Remuneration policy is available on the website of the Company at <https://acglgoa.com/wp-content/uploads/2022/05/Final-ACGL-Remuneration-Policy-for-Directors-KMP..v2.pdf>

IV. Details of the Remuneration for the year ended March 31, 2023:

a. Non-Executive Directors: (in Rupees)

| Name of the Director | Commission for 2022-23 (payable during FY 2023-24) | Sitting Fees for 2022-23 |
|---------------------------|---|--------------------------|
| Mr. Shrinivas V Dempo* | NA | 5,70,000 |
| Mr. Yatin Kakodkar | 5,10,000 | 7,60,000 |
| Ms. Dr. Vaijayanti Pandit | 5,10,000 | 4,50,000 |
| Mr. Nagesh Pinge | 6,80,000 | 5,50,000 |
| Mr. Girish Wagh | 6,80,000 | 5,10,000 |
| Mr. Rohit Srivastava | 5,10,000 | 4,20,000 |
| Mr. Aasif Malbari | 5,10,000 | 5,50,000 |

*Mr. Shrinivas V Dempo, Chairman of the Company, has abstained from receiving commission from the Company.

No Commission was paid to the other Non-Executive Directors for the FY 2021-22.

b. CEO and Executive Director (in Rupees)

| Name of Director | Salary | Benefits, Perquisites and Allowances | Incentive Remuneration# | ESPS |
|------------------|-----------|--------------------------------------|-------------------------|------|
| Mr. O V Ajay | 7,572,340 | 1,037,182 | 5,500,000 | Nil |

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.



Mr O V Ajay is on deputation from Tata Motors Limited. Out of the above, the remuneration which is directly paid by Tata Motors Limited will be charged back to the Company as deputation charges with taxes as may be applicable from time to time.

Incentive Remuneration is paid directly by the Company. Incentive Remuneration amounting to Rs. 25.00 lakhs for the FY 2021-22 was paid in FY 2022-23. Incentive Remuneration for FY 2022-23 of CEO of Rs. 55.00 lakhs calculated as per limits prescribed in Schedule V of the Companies Act, which will be paid in FY 2023-24 as per approval of the NRC and Board.

Services of the CEO and Executive Director may be terminated by either party, giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance pay.

v. Number of Committee Meetings held and Attendance Records

| Name of the Committee | Audit Committee | Nomination and Remuneration Committee | Stakeholders' Relationship Committee | Corporate Social Responsibility Committee | Risk Management Committee | Capital Investment Committee |
|---|---|--|--------------------------------------|---|---------------------------|------------------------------|
| No. of meetings held | 4 | 4 | 1 | 1 | 1 | 1 |
| Date of meetings | 06.05.2022 19.07.2022 02.11.2022 19.01.2023 | 06.05.2022 10.05.2022 13.12.2022 19.01.2023 | 02.03.2023 | 16.03.2023 | 04.05.2022 | 10.05.2022 |
| Mr. Shrinivas V Dempo | NA | 4 | NA | 1 | NA | 1 |
| Mr. Yatin Kakodkar | 4 | 4 | 1 | 1 | 1 | NA |
| Dr. Mrs. Vajjayanti Pandit | NA | NA | 1 | 1 | NA | NA |
| Mr. Nagesh Pinge | 4 | NA | NA | NA | NA | NA |
| Mr. Girish Wagh | NA | 4 | NA | NA | NA | 1 |
| *Mr. Rohit Srivastava | NA | NA | NA | NA | 1 | 1 |
| Mr. Aasif Malbari | 4 | NA | NA | NA | NA | 1 |
| Mr. O V Ajay | NA | NA | 1 | 1 | 1 | 1 |
| Whether quorum was present for all the meetings | The necessary quorum was present for all the above Committee Meetings | | | | | |

* Mr Rohit Srivastava appointed as Chairman of the Capital Investment Committee w.e.f. 19.01.2023

VI. General Body Meetings

i. General Meeting

a. Annual General Meeting (AGM)

| Financial Year | Date of AGM | Time | Venue |
|----------------|-----------------------------|-----------|---|
| 2021-22 | 24 th June, 2022 | 3:00 p.m. | Through Video Conferencing / Other Audio Visual Means facility Honda, Sattari, Goa - 403 530. |
| 2020-21 | 25 th June, 2021 | 3:00 p.m. | Through Video Conferencing / Other Audio Visual Means facility Honda, Sattari, Goa - 403 530. |
| 2019-20 | 24 th July, 2020 | 3:30 p.m. | Through Video Conferencing / Other Audio Visual Means facility Honda, Sattari, Goa - 403 530. |

b. Extraordinary General Meeting:

No extraordinary general meeting of the members was held during FY 22-23

c. Special Resolution(s):

7 special resolutions were passed by the Company in its previous three AGMs.

| Date of AGM | Financial Year | Special Resolution Passed |
|-----------------------------|----------------|--|
| 24 th June, 2022 | 2021-22 | <ol style="list-style-type: none"> Approval for increase in the limits prescribed under Section 186 of the Companies Act, 2013. Approval for borrowing money in excess of limits prescribed under Section 180(1) (c) of the Companies Act, 2013 Authorisation to the Board of Directors pursuant to Section 180(1) (a) of the Companies Act, 2013 Approval for the extension of term of Mr. O V Ajay (DIN – 07042391) as the Chief Executive Officer and Executive Director of the Company |



| Date of AGM | Financial Year | Special Resolution Passed |
|-----------------------------|----------------|--|
| 25 th June, 2021 | 2020-21 | 1. Re-appointment of Mr. Yatin G Kakodkar (DIN:00001433) as an Independent Director |
| 24 th July, 2020 | 2019-20 | 1. Re-appointment of Mr. Shrinivas V Dempo (DIN:00043413) as an Independent Director. 2. Approval of terms of appointment of Mr. O V Ajay as the Chief Executive Officer and Executive Director(DIN:07042391) of the Company. |

No special resolution passed through postal ballot and no special resolution is proposed to be passed through postal ballot.

- VII. A certificate has been received from [Mr. Shivaram Bhat (ACS 10454 & CP No. 7853)], Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.
- VIII. M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

| Particulars | Amount |
|---|--------------|
| Services as statutory auditors (including quarterly audits) | 32.00 |
| SSAE16 and Other matters | 0.26 |
| Re-imbursment of out-of-pocket expenses | 3.79 |
| Total | 36.05 |

(Rs. in lakhs)

IX. Other Disclosure

| Particulars | Regulations | Details | Website link for details/policy |
|--|--|--|---|
| Related party transactions | Regulation 23 of SEBI Listing Regulations and as defined under the Act | There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company. | http://acglgoa.com/wp-content/uploads/2021/03/Policy-on-Materiality-and-Dealing-with-Related-Party-Transactions.pdf |
| Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets | Schedule V (C) 10(b) to the SEBI Listing Regulations | There were no cases of non-compliance during the last three financial years on any matter related to capital markets | |
| Whistle Blower Policy and Vigil Mechanism | Regulation 22 of SEBI Listing Regulations | The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company. | http://acglgoa.com/wp-content/uploads/2022/02/WHISTLE-BLOWER-POLICY-Revised-27012022.pdf |
| Discretionary requirements | Schedule II Part E of the SEBI Listing Regulations | a. The auditors' report on financial statements of the Company are unqualified. b. Internal auditors of the Company, make quarterly presentations to the audit committee on their reports. | |
| Subsidiary Companies | Regulation 24 of the SEBI Listing Regulations | The Company does not have any material unlisted Indian subsidiary company. | Not Applicable |



| Particulars | Regulations | Details | Website link for details/policy |
|--|--|--|---|
| Policy on Determination of Materiality for Disclosures | Regulation 30 of SEBI Listing Regulations | The Company has adopted a Policy on Determination of Materiality for Disclosures. | http://acglgoa.com/wp-content/uploads/2021/03/Policy-on-Materiality-and-Dealing-with-Related-Party-Transactions.pdf |
| Policy on Archival and Preservation of Documents | Regulation 9 of SEBI Listing Regulations | The Company has adopted a Policy on Archival and Preservation of Documents. | http://acglgoa.com/wp-content/uploads/2016/11/Policy-on-Preservation-of-Documents.pdf |
| Reconciliation of Share Capital Audit Report | Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC / FITTC/ Cir-16/2002 dated December 31, 2002. | A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued, and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. | https://acglgoa.com/material-event-disclosures/ |
| Code of Conduct | Regulation 17 of the SEBI Listing Regulations | The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2023. The Annual Report of the Company contains a certificate by the Chief Executive Officer and Executive Director, on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management. | acglgoa.com/wp-content/uploads/2022/04/CO-of-ACGL.pdf |
| Dividend Distribution Policy | Regulation 43A of the SEBI Listing Regulations | This is not applicable to the Company. | – |
| Terms of Appointment of Independent Directors | Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act | Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website. | http://acglgoa.com/wp-content/uploads/2018/06/Terms-of-Appointment-of-Independent-Directors1.pdf |
| Familiarization Programme | Regulations 25(7) and 46 of SEBI Listing Regulations | Details of Familiarization Programme is available on the Company's website. | http://acglgoa.com/wp-content/uploads/2021/05/Familiarisation-Programme-for-Independent-Directors.pdf |
| Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018 | Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 | As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as "Prevention of Sexual Harassment Act"), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committees has also been set up to redress any such complaints, if received. All employees (permanent, contractual, temporary, trainees) are covered under the said Policy. The Company is committed to providing a safe and conducive work environment to all of its employees and associates. During the financial year under review, no complaint was pending at the beginning of the year and none was received during the year. | http://acglgoa.com/wp-content/uploads/2022/05/Sexual-Harassment-Policy.pdf |

X. Means of Communication

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which include The Financial Express and Dainik Pudhari. The results are also displayed on the Company's website at <https://acglgoa.com/financial-results/> Statutory notices are published in Financial Express and Dainik Pudhari. The Company also issues press releases from time to time. Financial Results, Statutory Notices, Press Releases and Presentations made to the institutional investors/ analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the BSE Limited (BSE) as well as uploaded on the Company's website.



General shareholder information

i. Annual General Meeting for FY 2023

Date: Thursday, 29th June, 2023,

Time: 2:00 pm (IST)

Venue: Annual General Meeting through Video Conferencing/Other Audio Visual Means (VC/OAVM facility) [Deemed Venue for AGM : Honda, Sattari, Goa – 403530]

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the *Annexure* to the Notice of this AGM.

ii. Financial Calendar

Year ending : 31st March

AGM in : June

iii. Book Closure Dates :

Tuesday, 20th June, 2023 to Sunday, 25th June, 2023

iv. Dividend Payment Date:

On or after 30th June, 2023

v. Listing on Stock Exchanges :

BSE Limited

vi. Stock Codes/Symbol :

BSE : 505036

Listing Fees as applicable have been paid.

vii. Corporate Identity Number (CIN) of the Company:

L35911GA1980PLC000400

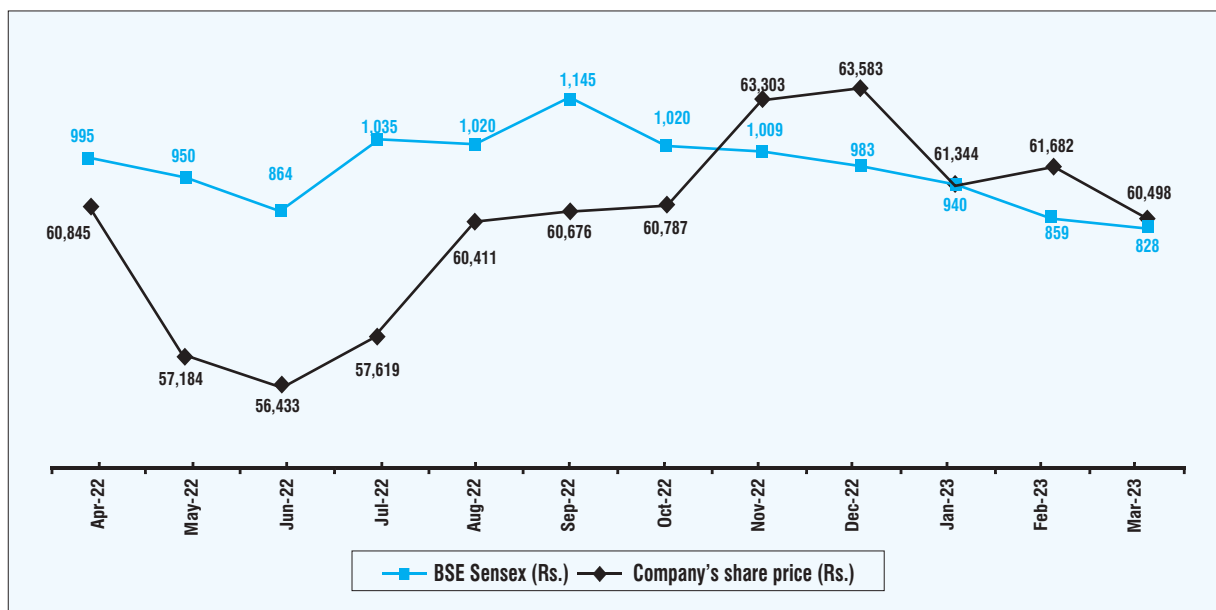
viii. Market Price Data:

High Low (based on daily closing price) and number of equity shares traded during each month in the year 2022-2023 on BSE:

| Month | Company's share price (Rs) | | | Sensex | |
|----------|----------------------------|--------|--------------------------------------|-----------|-----------|
| | High | Low | Total number of equity shares traded | High | Low |
| Apr-2022 | 995.00 | 901.20 | 27,202 | 60,845.10 | 56,009.07 |
| May-2022 | 950.00 | 781.50 | 16,625 | 57,184.21 | 52,632.48 |
| Jun-2022 | 863.95 | 705.05 | 21,125 | 56,432.65 | 50,921.22 |
| Jul-2022 | 1035.00 | 820.55 | 41,569 | 57,619.27 | 52,094.25 |
| Aug-2022 | 1019.95 | 911.60 | 26,587 | 60,411.20 | 57,367.47 |
| Sep-2022 | 1145.00 | 960.00 | 89,660 | 60,676.12 | 56,147.23 |
| Oct-2022 | 1020.00 | 950.00 | 15,913 | 60,786.70 | 56,683.40 |
| Nov-2022 | 1009.00 | 914.25 | 23,354 | 63,303.01 | 60,425.47 |
| Dec-2022 | 982.90 | 861.00 | 21,091 | 63,583.07 | 59,754.10 |
| Jan-2023 | 940.00 | 802.50 | 20,547 | 61,343.96 | 58,699.20 |
| Feb-2023 | 859.45 | 753.65 | 25,722 | 61,682.25 | 58,795.97 |
| Mar-2023 | 828.00 | 661.20 | 31,967 | 60,498.48 | 57,084.91 |



ix. Performance of the sharp price of the Company in comparison to the BSE



x. **Registrars and Transfer Agents:**

Name and Address:
 TSR Consultants Private Limited
 C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083.
 Telephone: +91 22 66568484
 Fax: +91 22 66568494
 E-mail: csg-unit@tcplindia.co.in
 Website: www.tcplindia.co.in

xi. **Place for acceptance of Documents:**

Same as above and other local offices available on their website.

xii. **Share Transfer System:**

Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

xiii. **Shareholder as on March 31, 2023:**

a. Distribution of equity shareholding as on March 31, 2023:

| Number of shares | Holding | Percentage to Capital | Number of accounts | Percentage to total accounts |
|------------------|------------------|-----------------------|--------------------|------------------------------|
| 1 to 100 | 320,280 | 5.26 | 8,015 | 77.39 |
| 101 to 500 | 391,715 | 6.43 | 1,987 | 19.19 |
| 501 to 1000 | 124,784 | 2.05 | 173 | 1.67 |
| 1001 to 2000 | 107,751 | 1.77 | 73 | 0.70 |
| 2001 to 5000 | 170,339 | 2.80 | 53 | 0.51 |
| 5001 and Above | 4,973,753 | 81.69 | 56 | 0.54 |
| Total | 60,88,622 | 100.00 | 10,357 | 100.00 |

b. Categories of equity shareholding as on *March 31, 2023* :

| Category | Number of equity shares held | Percentage of holding |
|---|------------------------------|-----------------------|
| Promoters: | | |
| Tata Motors Limited | 2,982,214 | 48.98 |
| Other Entities of the Promoter Group | | |
| Tata Motors Finance Limited | 48,315 | 0.79 |
| Mutual Funds & UTI | 0 | 0.00 |
| Banks, Financial Institutions, State and Central Government | 150 | 0.00 |
| Insurance Companies | 0 | 0.00 |
| Foreign Institutional Investors and Foreign Portfolio Investors - Corporate | 650 | 0.01 |
| NRI's / OCB's / Foreign Nationals | 21,256 | 0.35 |
| Corporate Bodies / Trust | 772,265 | 12.68 |
| Indian Public & Others | 2,157,824 | 35.44 |
| Alternate Investment Fund | 0 | 0.00 |
| IEPF account | 105,948 | 1.74 |
| GRAND TOTAL | 6,088,622 | 100.00 |

Note : Vide BSE approval letter dated 2 May, 2022, EDC Ltd has been reclassified under Public Category from the Promoters / Promoter Groups Category

c. Top ten equity shareholder of the Company as on *March 31, 2023* :

| Sr. No. | Name of the shareholder | Number of equity shares held | Percentage of holding |
|---------|--|------------------------------|-----------------------|
| 1 | Tata Motors Limited | 2,982,214 | 48.98 |
| 2 | EDC Limited | 405,302 | 6.66 |
| 3 | Arun Nahar | 251,752 | 4.13 |
| 4 | Investor Education And Protection Fund Authority Ministry of Corporate Affairs | 105,948 | 1.74 |
| 5 | Pankaj Rakyan | 87,702 | 1.44 |
| 6 | Rachna Credit Capital Private Limited | 75,866 | 1.25 |
| 7 | Diana Dhun Ratnagar | 65,875 | 1.08 |
| 8 | Trishakti Power Holdings Private Limited | 50,000 | 0.82 |
| 9 | Jyoni Consultancy Private Limited | 49,663 | 0.82 |
| 10 | B N Nagamani | 49,407 | 0.81 |

xiv. **Dematerialization of Shares and Liquidity:**

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company representing 96.88 percent of the Company's equity share capital are dematerialized as on March 31, 2023 under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 451C01013.

xv. **Equity Shares in the Suspense Account:**

As required under SEBI Circular No. SEBI/HO/MIRSD/PoD-1/OW//P/2022/64923 dated December 30, 2022, the Company has opened a Suspense Escrow Demat Account bearing no. IN301549 66553217 with HDFC Bank Ltd. There were NIL cases pertaining to Letter of Confirmation as on March 31, 2023.

xvi. **Transfer of Unclaimed / Unpaid Amounts to the Investor Education and Protection Fund:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").



Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at <http://acglgoa.com/wp-content/uploads/2020/05/Outstanding-Dividend-Statement-2020.xlsx>

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during FY2022-23 are as follows:

| Financial year | Amount of unclaimed dividend transferred (In Rs.) | Number of shares transferred |
|----------------------------|---|------------------------------|
| 2014-15 (Final Dividend) | 1,731,650.00 | 2,144 |
| 2015-16 (Interim Dividend) | 399,712.50 | 5,687 |

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred. The Members/ Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

| Financial year | Dividend | Date of Declaration | Last date for claiming unpaid dividend |
|----------------|----------|----------------------|--|
| 2015-16 | Interim | 25 January 2016 | 1-Apr-23 |
| 2015-16 | Final | 1 August 2016 | 5-Oct-23 |
| 2016-17 | Interim | 28 January 2017 | 26-Mar-24 |
| 2016-17 | Final | 27 July 2017 | 29-Sep-24 |
| 2017-18 | Interim | 29 January 2018 | 1-Apr-25 |
| 2017-18 | Final | 28 July 2018 | 1-Sept-25 |
| 2018-19 | Interim | 4 February 2019 | 7-Apr-26 |
| 2018-19 | Final | 27 June 2019 | 1-Sept-26 |
| 2019-20 | Interim | 23 January 2020 | 26-Mar-27 |
| 2019-20 | Final | 24 July, 2020 | 27-Sept-27 |
| 2020-21 | | No Dividend declared | |
| 2021-22 | | No Dividend declared | |
| 2022-23 | Interim | 19 January, 2023 | 23-Mar-30 |

xvii. **Plant locations :**

| Locations | Manufacturing Activity |
|--|---|
| Plant I - Honda, Sattari, Goa - 403 530 | Bus Bodies and component parts thereof |
| Plant II* - Bhuimpal, Sattari, Goa - 403 530 | Bus Bodies and component parts thereof |
| Plant IV - Jejuri Pressing Unit Plot No. F-2, MIDC, Jejuri, Taluka Purandar, Dist. Pune, Maharashtra | Pressed sheet metal parts/components/Sub assemblies and assemblies there from for various aggregates of automobiles |
| Plant V Plot No. 560-A, Belur Industrial Area, Belur, Dharwad, Karnataka | Door and Cowl Assembling |

*Plant III has been merged with Plant II

xviii. **Address for correspondence :**

Automobile Corporation of Goa Ltd.,
Honda, Sattari, Goa – 403 530.
Tel.: (0832) 2383003, 2383011
Fax : (0832) 2383062
Email: sectl@acglgoa.com
CIN: L35911GA1980PLC000400



Declaration by the CEO on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, O V Ajay, CEO and Executive Director of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year March 31, 2023.

For **Automobile Corporation of Goa Limited**

Place : Mumbai,
Date : May 8, 2023

O V Ajay
CEO & Executive Director
DIN:07042391

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

To,
The Members of
Automobile Corporation of Goa Ltd
Honda, Sattari, Goa

I have examined the relevant registers, records, forms, returns and disclosures received from Directors of **Automobile Corporation of Goa Ltd** having CIN **L35911GA1980PLC000400** and having registered office at Honda, Sattari, Goa (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

| Sr. No. | Name of Director | DIN | Date of Appointment in Company |
|----------------|--------------------------|------------|---------------------------------------|
| 1 | Shrinivas Vasudeva Dempo | 00043413 | 12/09/2015 |
| 2 | Yatin Gurudutt Kakodkar | 00001433 | 07/12/2016 |
| 3 | Girish Arun Wagh | 03119361 | 30/10/2017 |
| 4 | Vaijayanti Ajit Pandit | 06742237 | 20/10/2014 |
| 5 | Ajay Vasudevan Ottur | 07042391 | 16/12/2014 |
| 6 | Rohit Srivastava | 07910693 | 27/04/2018 |
| 7 | Aasif Huseini Malbari | 07345077 | 08/07/2019 |
| 8 | Nagesh Dinkar Pinge | 00062900 | 22/01/2021 |

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

Place: Panaji, Goa
Date: May 08, 2023

Shivaram Bhat
Practising Company Secretary
ACS No. 10454, CP No.7853
PR 1775/2022
UDIN: A010454E000268855

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY AUTOMOBILE CORPORATION OF GOA LIMITED.

To the members of **AUTOMOBILE CORPORATION OF GOA LIMITED**

I have examined the compliance with conditions of Corporate Governance by **AUTOMOBILE CORPORATION OF GOA LIMITED** (the Company) under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations") for the year ended 31st March 2023.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the LODR Regulations. This Certificate is issued pursuant to the requirements of Schedule V (E) of the LODR Regulations.

The compliance with conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures adopted and implementation thereof, by the Company for ensuring compliance with the condition of Corporate Governance under LODR Regulations. The examination is neither an audit nor an expression of opinion on the financial statements of the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Panaji, Goa
Date: May 08, 2023

Shivaram Bhat
Practicing Company Secretary
ACS No.10454 **CP** No.7853 **PR** 1775/2022

UDIN:A010454E000268877

**CEO/CFO Certification in respect of Financial Statements and Cash Flow Statement
(pursuant to Regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 For the
Financial Year ended March 31, 2023**

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2023 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- c. There are no transactions entered in to by the Company during the year ended 31st March 2023 which are fraudulent, illegal or violative of Company's Code of Conduct.
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.
- f. That there have been no significant changes in the accounting policies during the relevant period.
- g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

O V AJAY

CEO and Executive Director
DIN : 07042391

Place : Mumbai, Maharashtra
Date : May 8, 2023

RAGHWENDRA SINGH BUTOLA

Chief Financial Officer

Independent Auditor's Report

To the Members of Automobile Corporation of Goa Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Automobile Corporation of Goa Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue from related parties

See note 21 and note 37 to the financial statements

| The key audit matter | How the matter was addressed in our audit |
|---|--|
| <p>The Company is in the business of sale of bus bodies and pressing segment. Significant portion of such revenues are attributable to transactions with related parties.</p> <p>We identified revenue from related parties as a key audit matter.</p> <p>This is mainly on account of judgement involved in assessing arms' length, completeness of disclosures, assessing compliance with statutory regulations (Companies Act, 2013 and SEBI Regulations) governing related party relationships.</p> | <p>We have performed the following procedures:</p> <ul style="list-style-type: none">- Obtained an understanding of the systems, processes and controls implemented by the Company for measurement recognition of Revenue.- Evaluated the Company's revenue recognition accounting policies by comparing with applicable accounting standards.- For revenue from sale of goods to the related parties, we verified the Company's analysis in relation to arm's length assessment and involved our internal specialists.- Evaluating the design, implementation, and operating effectiveness of key internal controls over the existence, accuracy, and timing of revenue recognition.- Performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year by testing the underlying documents which included sales invoice, customer acknowledgement and proof of deliveries, to assess whether these are recognised in the appropriate period in which control is transferred.- Tested on a sample basis, revenue transactions recorded before and after the financial year end date to assess whether revenue is recognised in the financial period in which control is transferred.- Tested journal entries on revenue recognised during the year, by considering specified risk based criteria, to identify unusual or irregular items.- Obtained independent confirmations from related parties.- Assessed the adequacy of disclosure made in the financial statements with respect to revenue recognised during the year as required by applicable Ind AS. |

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, 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 changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid 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 01 April 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements - Refer Note 29 to the financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the Note 59 to the 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.

- (ii) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the Note 60 to the 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

As stated in Note 55 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Place : Mumbai, Maharashtra
Date : 08 May 2023

Abhishek
Partner
Membership No. 062343
ICAI UDIN: 23062343BGYFTD5033

Annexure A to the Independent Auditors' Report on the Financial Statements of Automobile Corporation of Goa Limited for the year ended 31 March 2023

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

| Description of property | Gross carrying value (Rs. In Lakhs) | Held in the name of | Whether promoter, director or their relative or employee | Period held indicate range, where appropriate | Reason for not being held in the name of the Company. Also indicate if in dispute |
|---|-------------------------------------|---|--|---|--|
| Freehold land located at Mann, Pune admeasuring 8,000.04 sq. meters | 21.15 | Late Mr. Narayan Hari Bharne and Family | No | 16 January 1997 | The execution of the Title Deed for the purchase of land is awaited on account of dispute with the land owner. |

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

| Quarter | Name of bank | Particulars | Amount as per books of account | Amount as reported in the quarterly return / statement | Amount of difference | Whether return / statement subsequently rectified |
|----------------|--------------|-------------------|--------------------------------|--|----------------------|---|
| June 2022 | HDFC Bank | Sales | 16,834.62 | 14,102.08 | 2,732.54 | No |
| | | Trade payables | 4,492.20 | 6,125.55 | -1,633.35 | No |
| | | Trade receivables | 1,592.59 | 5,865.31 | -4,272.72 | No |
| September 2022 | HDFC Bank | Sales | 16,660.09 | 13,895.88 | 2,764.21 | No |
| | | Trade payables | 3,842.79 | 5,578.24 | -1,735.45 | No |
| | | Trade receivables | 1,897.15 | 4,527.75 | -2,630.60 | No |
| December 2022 | HDFC Bank | Sales | 9,981.01 | 8,747.71 | 1,233.30 | No |
| | | Trade payables | 3,434.99 | 5,017.31 | -1,582.32 | No |
| March 2023 | HDFC Bank | Sales | 15,396.45 | 13,677.20 | 1,719.25 | No |
| | | Trade payables | 3,860.69 | 5,065.13 | -1,204.44 | No |

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investment, nor has it provided any guarantee or security to companies, firms, limited liability partnership or any other parties. The Company has granted loans to Companies during the year, in respect of which the requisite information is as below. The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

| Particulars | Loans (Rs. in Lakhs) |
|---|-------------------------|
| Aggregate amount during the year | |
| - Enterprise exercising significant influence* | 7,300 |
| - Others enterprises | 5,500 |
| - Advances to employees | 52.77 |
| Balance outstanding as at balance sheet date | |
| - Enterprise exercising significant influence * | 4,800 |
| - Others enterprises | 5,500 |
| - Advances to employees | 20 |

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the aforesaid loans are prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the loan of Rs. 7,300 Lakhs given during the year to Tata Motors Limited which is repayable on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

| Particulars | Promoters (Rs. In Lakhs) |
|---|-----------------------------|
| Aggregate of loans / advances in nature of loan | |
| - Repayable on demand (A) | 4,800 |
| - Agreement does not specify any terms or period of Repayment (B) | - |
| Total (A+B) | 4,800 |
| Percentage of loans / advances in nature of loan to the total loans | 46.51% |

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investment, nor has it provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of loans granted by the Company, in our opinion the provisions of section 185 and 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in few cases of Provident Fund and Employee State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

| Name of the Statute | Nature of the dues | Amount (in Rs. Lacs)# | Paid under protest (Rs. in lacs) | Period to which the Amount relates | Forum where dispute is pending |
|---|---------------------------|-----------------------|----------------------------------|------------------------------------|---|
| Central Excise Act, 1944 | Excise Duty | 516.26 | Nil | 1995-97, June 2005-February 2006 | Commissioner of Central Excise (Appeals) |
| The Goa Value Added Tax Act, 2005 | Value Added Tax | 15.76 | 1.58 | 2011-12 and 2012-13 | Administrative Tribunal, Goa |
| Income Tax Act, 1961 | Income Tax | 37.33 | Nil | 1989-90 | Income Tax Assessing Officer |
| The Goa Value Added Tax Act, 2005/Entry Tax Act | Value Added Tax/Entry Tax | 224.83 | 5.88 | 2016-17 | Additional Commissioner of Commercial Tax |
| The Goa Value Added Tax Act, 2005/Entry Tax Act | Value Added Tax/Entry Tax | 49.44 | 4.94 | 2017-18 | Additional Commissioner of Commercial Tax |

Amount disclosed above includes penalty and interest, where applicable

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Abhishek
Partner
Membership No.:062343
ICAI UDIN:23062343BGYFTD5033

Place : Mumbai, Maharashtra
Date : 08 May 2023

Annexure B to the Independent Auditors' Report on the Financial Statements of Automobile Corporation of Goa Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Automobile Corporation of Goa Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 controls with reference to financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Abhishek
Partner
Membership No.:062343
ICAI UDIN:23062343BGYFTD5033

Place : Mumbai, Maharashtra
Date : 08 May 2023

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Balance sheet as at 31 March 2023

Rs. in Lakhs

| Particulars | Note | As at 31 March 2023 | As at 31 March 2022 |
|--|-----------|------------------------|------------------------|
| I ASSETS | | | |
| (1) Non - current assets | | | |
| (a) Right-of-use assets, property plant and equipment | 4(A) | 4,861.49 | 5,016.95 |
| (b) Capital work-in progress | 4(B) | 45.00 | - |
| (c) Investment property | 4(C) | 14.19 | 14.45 |
| (d) Other intangible assets | 4(D) | 37.08 | 1.76 |
| (e) Financial assets | | | |
| (i) Loans | 5(A) | 500.00 | - |
| (ii) Security deposit | 5(C) | 53.33 | 49.75 |
| (iii) Other financial assets | 12(A) | 0.38 | 0.38 |
| (f) Deferred tax assets (net) | 16 | - | 346.78 |
| (g) Other tax assets (net) | | 658.33 | 426.43 |
| (h) Other non-current assets | 7(A) | 148.14 | 153.13 |
| Total non-current assets | | 6,317.94 | 6,009.63 |
| (2) Current assets | | | |
| (a) Inventories | 8 | 5,052.33 | 3,980.89 |
| (b) Financial assets | | | |
| (i) Investments | 9 | - | 1,073.13 |
| (ii) Trade receivables | 10,10A | 8,110.06 | 7,212.09 |
| (iii) Cash and cash equivalents | 11 | 109.44 | 603.09 |
| (iv) Bank balances other than (iii) above | 12 | 2,895.76 | 118.20 |
| (v) Loans | 5(B) | 9,820.00 | 9,114.37 |
| (vi) Other financial assets | 6 | 418.74 | 164.18 |
| (c) Other current assets | 7(B) | 910.77 | 343.68 |
| Total current assets | | 27,317.10 | 22,609.63 |
| Total Assets | | 33,635.04 | 28,619.26 |
| II EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity share capital | 13 | 608.86 | 608.86 |
| (b) Other equity | 14 | 18,761.22 | 16,283.82 |
| Total equity | | 19,370.08 | 16,892.68 |
| (2) Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Lease liability | 35 | 62.21 | 59.39 |
| (b) Provisions | 15 | 741.78 | 751.15 |
| (c) Deferred tax liabilities (net) | 16 | 228.62 | - |
| Total Non-current liabilities | | 1,032.61 | 810.54 |
| (3) Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 17 | 7,182.93 | 4,231.66 |
| (ii) Lease liability | 35 | 3.31 | 3.61 |
| (iii) Trade payables | 20, 20(A) | | |
| (A) total outstanding dues of micro enterprise and small enterprises and | | 878.80 | 544.37 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,186.33 | 4,984.42 |
| (iv) Other financial liabilities | 18 | 204.88 | 188.01 |
| (b) Other current liabilities | 19 | 330.21 | 682.89 |
| (c) Provisions | 15 | 424.89 | 256.93 |
| (d) Current tax liabilities (net) | | 21.00 | 24.15 |
| Total current liabilities | | 13,232.35 | 10,916.04 |
| Total liabilities | | 14,264.96 | 11,726.58 |
| Total Equity and Liabilities | | 33,635.04 | 28,619.26 |
| See accompanying notes to the financial statements | 1-60 | | |

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Abhishek
Partner
Membership No.062343

Place: Mumbai, Maharashtra
Dated: 08 May 2023

Shrinivas V. Dempo
Chairman
DIN 00043413

Yatin Kakodkar
Director - DIN 00001433

O. V. Ajay
CEO & Executive Director
DIN 07042391

Raghwendra Singh Butola
Chief Financial Officer

Place: Mumbai, Maharashtra
Dated: 08 May 2023



Statement of profit and loss for the year ended 31 March 2023

Rs. in Lakhs

| Particulars | Note | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|------------------|-------------------------------------|-------------------------------------|
| I. Revenue from operations (net) | 21 | 50,621.46 | 28,178.02 |
| II. Other income | 22 | 793.13 | 729.21 |
| III. Total income (I+II) | | 51,414.59 | 28,907.23 |
| IV. Expenses: | | | |
| (a) Cost of materials consumed | 23 | 36,601.13 | 19,960.78 |
| (b) Changes in inventories of finished goods, work-in-progress and scrap | 24 | (880.12) | 87.42 |
| (c) Employee benefits expense | 25 | 4,687.25 | 3,918.78 |
| (d) Finance costs | 26 | 8.26 | 9.41 |
| (e) Depreciation and amortisation expense | 4(A), 4(C), 4(D) | 467.55 | 497.48 |
| (f) Other expenses | 27 | 7,115.25 | 3,504.69 |
| Total expenses | | 47,999.32 | 27,978.56 |
| V. Profit before exceptional item and tax (III-IV) | | 3,415.27 | 928.67 |
| VI. Exceptional item | 45 | 296.69 | (594.22) |
| VII. Profit before tax (V + VI) | | 3,711.96 | 334.45 |
| VIII. Tax expense : | | | |
| (a) Current tax | 16 | 299.82 | 3.15 |
| (b) Deferred tax | 16 | 627.53 | (12.84) |
| | | 927.35 | (9.69) |
| IX. Profit for the year (VII - VIII) | | 2,784.61 | 344.14 |
| Other comprehensive income: | | | |
| (A) (i) Items that will not be reclassified to profit and loss: | | | |
| (a) Remeasurement losses on defined benefit obligations | 36 | (207.12) | (170.03) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 16 | 52.13 | 42.79 |
| X. Total Other comprehensive loss for the year (net of taxes) | | (154.99) | (127.24) |
| XI. Total comprehensive profit for the year (IX+X) | | 2,629.62 | 216.90 |
| XII. Earnings per equity share: (Face value of Rs. 10 per share) | | | |
| (i) Basic | 31 | 45.73 | 5.65 |
| (ii) Diluted | 31 | 45.73 | 5.65 |
| See accompanying notes to the financial statements | 1-60 | | |

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Abhishek
Partner
Membership No.062343

Place: Mumbai, Maharashtra
Dated: 08 May 2023

Shrinivas V. Dempo
Chairman
DIN 00043413

Yatin Kakodkar
Director - DIN 00001433

O. V. Ajay
CEO & Executive Director
DIN 07042391

Raghendra Singh Butola
Chief Financial Officer

Place: Mumbai, Maharashtra
Dated: 08 May 2023



Statement of cash flow for the year ended 31 March 2023

| Particulars | 31 March 2023 | | 31 March 2022 | |
|---|---------------|--------------|---------------|--------------|
| | Rs. In Lakhs | Rs. In Lakhs | Rs. In Lakhs | Rs. In Lakhs |
| A. Cash flow from operating activities | | | | |
| Profit before tax for the year | | 3,711.96 | | 334.45 |
| Adjustments for: | | | | |
| Depreciation and amortisation expense | 467.55 | | 497.48 | |
| Fair valuation gain on investments | - | | (176.80) | |
| Loss on sale/scrap of property, plant and equipment | 5.02 | | 19.54 | |
| Profit on redemption of mutual fund | (6.32) | | - | |
| Finance costs | 8.26 | | 9.41 | |
| Interest income | (700.65) | | (464.27) | |
| Dividend income | (24.02) | | (69.42) | |
| | | (250.16) | | (184.06) |
| Operating profit before working capital changes | | 3,461.80 | | 150.39 |
| Changes in working capital | | | | |
| Inventories | (1,071.44) | | (35.65) | |
| Trade receivables | (897.97) | | (4,826.28) | |
| Other current assets | (567.09) | | (184.06) | |
| Security deposits | (9.21) | | (6.83) | |
| Other current financial assets | 56.57 | | (20.81) | |
| Other non-current assets | (1.07) | | (7.92) | |
| Trade payables | (463.66) | | 2,128.40 | |
| Other financial liabilities | - | | (249.86) | |
| Other current liabilities | (352.68) | | 318.24 | |
| Provisions | (48.53) | | 72.42 | |
| | | (3,355.08) | | (2,812.35) |
| Cash generated from/(used in) operations | | 106.72 | | (2,661.96) |
| Income taxed paid (net of refund) | | (534.87) | | (201.90) |
| Net cash used in operations | | (428.15) | | (2,863.86) |
| B. Cash flow from investing activities | | | | |
| Acquisition of property plant and equipment | (357.81) | | (37.43) | |
| Proceeds from sale of property, plant and equipment | 6.05 | | 1.83 | |
| Investment in bank deposits | - | | (0.38) | |
| Deposit placed/matured (net) | (2,800.03) | | 0.37 | |
| Inter corporate deposit placed | (12,800.00) | | (800.00) | |
| Inter corporate deposit matured | 11,600.00 | | 1,200.00 | |
| Redemption of mutual fund | 1,079.45 | | - | |
| Interest received - Others | 4.57 | | 8.12 | |
| Interest received on Inter corporate deposit | 384.95 | | 457.68 | |
| Dividend received | 24.02 | | 69.42 | |
| Net cash (used in)/generated from investing activities | | (2,858.80) | | 899.61 |
| C. Cash flow from financing activities | | | | |
| Bill discounting arrangement/repayment of borrowing (net) | 2,951.27 | | 2,549.92 | |
| Unclaimed dividend transferred to IEPF account | (21.31) | | (21.46) | |
| Dividend paid | (153.38) | | - | |
| Payment of lease liabilities | (2.37) | | (2.50) | |
| Bank balances in dividend account | 22.47 | | 21.46 | |
| Interest paid | (3.38) | | (4.52) | |
| Net cash generated from financing activities | | 2,793.30 | | 2,542.90 |
| Net (decrease)/increase in cash and cash equivalents (A+B+C) | | (493.65) | | 578.65 |
| Cash and cash equivalents at 31 March 2022 & 31 March 2021 | | 603.09 | | 24.44 |
| Cash and cash equivalents at 31 March 2023 & 31 March 2022 | | 109.44 | | 603.09 |
| See accompanying notes to the financial statements (1-60) | | | | |

Note:

- The above Cash flow statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) "Statement of Cash Flows" prescribed under section 133 of the Companies Act, 2013.
- Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.



Statement of cash flow for the year ended 31 March 2023

Reconciliation of cash and cash equivalent with the Balance Sheet: -

| Particulars | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---|------------------------|------------------------|------------------------|
| Cash and cash equivalent as per Balance Sheet | 109.44 | 603.09 | 24.44 |
| Cash and cash equivalent as per Cash flow statement | 109.44 | 603.09 | 24.44 |

| Comprises of | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2021 |
|---------------------------------------|------------------------|------------------------|------------------------|
| Cash on hand | 0.13 | 0.13 | 0.18 |
| Balances with bank in current account | 109.31 | 602.96 | 24.26 |
| Total | 109.44 | 603.09 | 24.44 |

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Abhishek
Partner
Membership No.062343

Place: Mumbai, Maharashtra
Dated: 08 May 2023

Shrinivas V. Dempo
Chairman
DIN 00043413

Yatin Kakodkar
Director - DIN 00001433

O. V. Ajay
CEO & Executive Director
DIN 07042391

Raghendra Singh Butola
Chief Financial Officer

Place: Mumbai, Maharashtra
Dated: 08 May 2023



Statement of changes in equity for the year ended 31 March 2023

A. Equity Share Capital

Rs. in Lakhs

| | |
|---|--------|
| Balance as at 1 April 2022 | 608.86 |
| Changes in equity share capital during the year | - |
| Balance as at 31 March 2023 | 608.86 |
| Balance as at 1 April 2021 | 608.86 |
| Changes in equity share capital during the year | - |
| Balance as at 31 March 2022 | 608.86 |

B. Other Equity

Rs. in Lakhs

| Particulars | Securities premium | Capital redemption reserve | General reserve | Retained earnings | Total |
|--|--------------------|----------------------------|-----------------|-------------------|-----------|
| Balance as at 1 April 2022 | 4,843.48 | 953.36 | 1,537.06 | 8,949.92 | 16,283.82 |
| Profit for the year | - | - | - | 2,784.61 | 2,784.61 |
| Other comprehensive loss for the year, net of tax (directly recognised in retained earnings) | - | - | - | (154.99) | (154.99) |
| Dividends | - | - | - | (152.22) | (152.22) |
| Balance as at 31 March 2023 | 4,843.48 | 953.36 | 1,537.06 | 11,427.32 | 18,761.22 |

Rs. in Lakhs

| Particulars | Securities premium | Capital redemption reserve | General reserve | Retained earnings | Total |
|--|--------------------|----------------------------|-----------------|-------------------|-----------|
| Balance as at 1 April 2021 | 4,843.48 | 953.36 | 1,537.06 | 8,733.02 | 16,066.92 |
| Profit for the year | - | - | - | 344.14 | 344.14 |
| Other comprehensive loss for the year, net of tax (directly recognised in retained earnings) | - | - | - | (127.24) | (127.24) |
| Dividends | - | - | - | - | - |
| Balance as at 31 March 2022 | 4,843.48 | 953.36 | 1,537.06 | 8,949.92 | 16,283.82 |

See accompanying notes to the financial statements (1-60)

i. Securities premium

The securities premium represents the additional amount shareholders paid for their issued shares that was in excess of the par value of those shares.

ii. Capital redemption reserve account

When a company redeems preference shares or buys back its shares, the company is required to create capital redemption reserve. Capital redemption reserve is created out of the profits. The Capital redemption reserve is created in accordance with the provisions of section 69 of the Companies Act, 2013 for the nominal value of shares bought back.

iii. General reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of the net income at a specified percentage in accordance with the applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. The balances in the general reserve as determined in accordance with applicable regulations is Rs. 1,537.06 lakhs as at 31 March 2022 and 31 March 2023.

iv. Retained earning

Retained earnings includes re-measurement loss/(gain) on defined benefits plan, net of taxes that will not be reclassified to the statement profit and loss. Retained earnings is a free reserve available to the Company.

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Abhishek
Partner
Membership No.062343

Place: Mumbai, Maharashtra
Dated: 08 May 2023

Shrinivas V. Dempo
Chairman
DIN 00043413

Yatin Kakodkar
Director - DIN 00001433

O. V. Ajay
CEO & Executive Director
DIN 07042391

Raghendra Singh Butola
Chief Financial Officer

Place: Mumbai, Maharashtra
Dated: 08 May 2023



Notes forming part of the financial statements for the year ended 31 March 2023

1) Background and operations

Automobile Corporation of Goa Ltd. (ACGL) was incorporated on 1 September 1980 as a Public Limited Company under the Companies Act 1956. The Company was jointly promoted by EDC Limited (a Government of Goa Undertaking) and Tata Motors Limited. The Company received approval from BSE on 02 May 2022 approving the reclassification of EDC Limited from "Promoter shareholder" to "Public shareholding" and accordingly holdings of EDC Limited was reclassified to "Public Shareholding".

The Company is engaged in the manufacture of pressed parts, components, sub assemblies for various range of automobiles and manufacture Bus bodies and components thereof.

The financial statements for the year ended 31 March 2023 were approved by the Board of Directors and authorized for issue on 08 May 2023.

2) Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Company has considered the amendments to schedule III of the Companies Act, 2013 notified by The Ministry of Corporate Affairs (MCA) via notification dated 24 March 2021 in the financials statements disclosures, wherever applicable.

Details of the Company's significant accounting policies are included in Note 3. These policies have been consistently applied to all the years presented, unless otherwise stated.

b. Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All financial information presented in lakhs, except when otherwise indicated.

c. Basis of measurement

These financial statements have been prepared on a historical cost basis except for the following items:

| <u>Items</u> | <u>Measurement basis</u> |
|--|---|
| Certain financial assets and liabilities | Fair value |
| Net defined benefit (asset) / liability | Fair value of plan assets less present value of defined benefit obligations |

d. Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Assumptions and estimation uncertainties

i. Impairment of non-financial assets

In assessing the non-financial assets for impairment, factors leading to significant reduction in profits such as reduction in finished goods prices and increase in raw material prices, the Company's business plans and changes in regulatory environment are taken into consideration. The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use.

ii. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS.



Notes forming part of the financial statements for the year ended 31 March 2023

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

iii. Defined benefit plans

Refer note no. 36 for details of the key assumptions used in determining the accounting for these plans.

iv. Provision against obsolete and slow-moving inventories

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realizable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

v. Useful lives of property, plant and equipment.

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

vi. Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax asset at the end of each reporting period. The policy for the same has been explained under note 3f.

f. Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values which is overseen by the Chief Financial Officer (CFO). Significant valuation issues are reported to the Company's audit committee. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as a lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;



Notes forming part of the financial statements for the year ended 31 March 2023

- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/liabilities include current portion of non-current financial assets/liabilities respectively. All other assets/liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle :- Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalent. The operating cycle of the Company is less than 12 months.

3. Significant accounting policies

The Company has applied the following accounting policies to all years presented in the financial statements.

a. Revenue recognition

The Company generates revenue principally from - Sale of products including scrap sales:

Revenue is recognised as per Ind AS 115, when the contract entered with a customer is within the scope of this standard and;

- When the contract is approved by the parties in writing
- The rights and obligation of each party is identified in the contract
- The contract has commercial substance and the payment terms are defined
- When collectability of the resulting receivable is reasonably assured

Revenue from sale of products is recognised on satisfaction of a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. In case of products, when products are delivered to dealers or when delivered to a carrier for export sales, which is when the title and risks and rewards of ownership pass to the customer.

The transaction price is the amount of consideration to which the entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes) and net of discounts.

b. Dividend income, interest income or expense

Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

c. Product warranties

The estimated liability for product warranties is recorded when product is sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management's estimates regarding possible future incidences based on actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically 18 to 36 months from the date of sale.



Notes forming part of the financial statements for the year ended 31 March 2023

d. Provisions and contingencies

A provision is recognised where the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A Contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it.

e. Foreign currency

Income and expenses in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency denominated assets and liabilities are translated at the exchange rates prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

f. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost basis and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of raw materials and stock-in-trade, cost comprises of cost of purchase. In the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

Items of inventory are valued on the basis given below;

- i. Raw Material, Bought out components, Stores and Spares: at cost or net realizable value, whichever is lower. Cost is determined by the weighted average method.
- ii. Work in progress and Finished goods: at cost or net realizable value, whichever is lower. Cost is determined on the basis of absorption costing.
- iii. Scrap: at net realizable value.

h. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation. All cost relating to the acquisition and installation of Property, plant and equipment are capitalised and include financing cost relating to borrowed funds attributable to construction or acquisition of fixed assets, upto the date the asset is ready for intended use.



Notes forming part of the financial statements for the year ended 31 March 2023

Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Taking into account these factors, the Company have decided to retain the useful life hitherto adopted for various categories of fixed assets, which are different from those prescribed in Schedule II of the Act as under:

| <u>Type of Assets</u> | <u>Useful life follow by the Company</u> | <u>Useful life as per schedule II of Companies Act, 2013</u> |
|-----------------------|--|--|
| Buildings | 28 to 59 years | 5 to 60 years |
| Plant and Equipment | 6 to 20 years | 7.5 to 15 years |
| Furniture and fixture | 15 years | 10 years |
| Vehicles | 8 to 10 years | 8 years |
| Computers | 6 years | 3 to 6 years |

Depreciation on capital work-in-progress is recorded upon completion of construction and installation of the asset and once the asset is ready for its intended use. The residual value and the useful life of an asset is reviewed at the end of each financial year and upon change in estimates, the change(s) are accounted for as, a change in an accounting estimate in accordance with Ind AS 8, 'Accounting Policies, Accounting Estimates and Errors'.

i. Other intangible assets

Other intangible assets in the nature of computer software are stated at cost less accumulated amortisation. Computer software are amortised over 4 years being their estimated useful life on straight line methods.

j. Impairment of non-financial assets

Non-financial assets 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 recognized in the statement of profit or loss.

k. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three broad categories:

a. Financial assets at amortised cost

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.



Notes forming part of the financial statements for the year ended 31 March 2023

b. Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss if both the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual assets cash flows represent SPPI.

c. Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category. Any instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI is classified as at FVTPL.

All other financial assets are measured at fair value through profit or loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are measured at amortised cost e.g., loans, deposits and trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. In the Balance Sheet, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and designated upon initial recognition as at fair value through profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.



Notes forming part of the financial statements for the year ended 31 March 2023

b. Financial liabilities at amortised cost (Loans & Borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

I. Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Long term employee benefits:

i. Defined benefits plans

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service as per the Trust deed. Vesting occurs upon completion of five years of service. The Company has obtained group gratuity policy with Life Insurance Corporation of India, HDFC Standard Life Insurance Company Limited and Bajaj Allianz Life Insurance Company Limited. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation, carried out as at the year end.

Provident fund

In accordance with Indian law, eligible employee's of the Company are entitled to receive benefits in respect of provident fund, a defined benefit plan, in which both employee's and the Company make monthly contributions at a specified percentage of the covered employee's salary (currently 12% of employee's salary). The contributions, as specified under the law, are paid to the provident fund trust. Contributions towards Pension fund is paid to the Regional Provident Fund Commissioner at specified percentage of the covered employee's salary on monthly basis.

Contribution defined to benefit plan is recognized as an expense when employee's have rendered services entitling them to such benefits.

Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets (excluding interest) relating to retirement benefit plans, are recognized directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to income statement.

Measurement date

The measurement date of retirement plans is 31 March of the every financial year ending under consideration.



Notes forming part of the financial statements for the year ended 31 March 2023

ii. Defined contribution plan

Superannuation

The Company has a Superannuation plan (defined contribution plan). The Company maintains separate irrevocable trust for employees covered and entitled to benefits. The Company has obtained insurance policy with Life Insurance Corporation of India. The Company contributes 15% of eligible employee's salary to the trust every year. The Company recognizes such contributions as an expense when incurred. The Company has no further obligation beyond this contribution.

iii. Other long - term employee benefits

Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employee's are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation, carried out as at the year end.

m. Borrowing cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for the intended use. All other borrowing costs are charged to revenue.

n. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

o. Segmental reporting

Basis for segmentation

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the company's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segments and assess their performance.

Reportable segments

The Company operates in the following two reportable segments:

- Pressing division
- Bus body building division

p. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in the statement of Profit or Loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

q. Investment property

The Company recognises property as investment property Land and building, land, building etc if the property is held with an intention to earn rental or capital appreciation or for both rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business. The Company recognises property as investment property only when the Company is certain that the future economic benefits that are associated with the investment property will flow to the entity; and the cost of the investment property can be measured reliably. The investment property is recognised at cost including the transaction cost excluding the start up



Notes forming part of the financial statements for the year ended 31 March 2023

cost (Unless essential in commencement of operation of property) of , operating losses, abnormal amount of wasted material and labor in case of contraction of investment property. The Company values the property at fair value from an independent valuer every year for disclosure purpose.

r. Exceptional items

Items of income or expense which are non-recurring or outside the ordinary course of business for which the company have not budgeted for and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company are disclosed as exceptional items in the Statement of Profit and Loss.

s. Cash Flow Statement

Cash flow from operation are reported using the indirect methods where by profits before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t. Earnings per share

Basic earnings per share is calculated by dividing the profit (or loss) attributable to the owners of the company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split. Diluted Earnings Per Share Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

u. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to two decimal as per the requirement of schedule III, unless and otherwise stated.

Note 1D Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is in process of evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



Notes forming part of the financial statements for the year ended 31 March 2023

4(A). Property, plant and equipment and right-of-use asset

| | Reconciliation of carrying amount | | | | | | | | Rs. in Lakhs |
|--|-----------------------------------|-----------|---------------------|------------------------|----------|-------------------|-----------|---------------------|--------------|
| | Freehold land | Buildings | Plant and equipment | Furniture and fixtures | Vehicles | Office equipments | Computers | Right-of-use assets | Total |
| Cost as at 1 April 2022 | 21.15 | 4,689.44 | 7,483.90 | 142.07 | 294.45 | 152.07 | 290.45 | 113.62 | 13,187.15 |
| Additions | - | - | 112.13 | 13.12 | 51.99 | 11.50 | 130.91 | - | 319.65 |
| Deductions | - | - | 20.53 | - | 25.29 | 2.32 | - | - | 48.14 |
| Cost as at 31 March 2023 | 21.15 | 4,689.44 | 7,575.50 | 155.19 | 321.15 | 161.25 | 421.36 | 113.62 | 13,458.66 |
| Accumulated depreciation as at 1 April 2022 | - | 1,864.59 | 5,622.45 | 113.40 | 184.47 | 127.21 | 252.98 | 5.10 | 8,170.20 |
| Depreciation for the year | - | 122.56 | 290.96 | 4.19 | 21.59 | 7.92 | 15.12 | 1.70 | 464.04 |
| Deductions | - | - | 18.16 | - | 16.75 | 2.16 | - | - | 37.07 |
| Accumulated depreciation as at 31 March 2023 | - | 1,987.15 | 5,895.25 | 117.59 | 189.31 | 132.97 | 268.10 | 6.80 | 8,597.17 |
| Net carrying amount as at 31 March 2023 | 21.15 | 2,702.29 | 1,680.25 | 37.60 | 131.84 | 28.28 | 153.26 | 106.82 | 4,861.49 |

| | | | | | | | | | |
|--|-------|----------|----------|--------|--------|--------|--------|--------|-----------|
| Cost as at 1 April 2021 | 21.15 | 4,698.03 | 7,463.55 | 142.72 | 305.22 | 151.72 | 299.16 | 113.62 | 13,195.17 |
| Additions | - | - | 44.20 | 0.53 | - | 6.37 | 3.75 | - | 54.85 |
| Deductions | - | 8.59 | 23.85 | 1.18 | 10.77 | 6.02 | 12.46 | - | 62.87 |
| Cost as at 31 March 2022 | 21.15 | 4,689.44 | 7,483.90 | 142.07 | 294.45 | 152.07 | 290.45 | 113.62 | 13,187.15 |
| Accumulated depreciation as at 1 April 2021 | - | 1,745.88 | 5,316.31 | 110.14 | 165.67 | 125.30 | 253.58 | 3.40 | 7,720.28 |
| Depreciation for the year | - | 122.82 | 321.18 | 4.26 | 22.78 | 7.45 | 11.22 | 1.70 | 491.41 |
| Deductions | - | 4.11 | 15.04 | 1.00 | 3.98 | 5.54 | 11.82 | - | 41.49 |
| Accumulated depreciation as at 31 March 2022 | - | 1,864.59 | 5,622.45 | 113.40 | 184.47 | 127.21 | 252.98 | 5.10 | 8,170.20 |
| Net carrying amount as at 31 March 2022 | 21.15 | 2,824.85 | 1,861.45 | 28.67 | 109.98 | 24.86 | 37.47 | 108.52 | 5,016.95 |

Note:- The title deeds of the immovable properties which are freehold, are held in the name of the Company, except the following:

| Line item in Balance sheet | Description | Gross carrying value | Title deed held in name of | Holder is a related party | Date of holding | Reason for discrepancy |
|----------------------------|---|----------------------|------------------------------------|---------------------------|-----------------|---|
| PPE | Freehold land located at Mann, Pune (8,000.04 sq. Meters) | 21.15 | Mr. Narayan hari Bharne and Family | No | 16.01.1997 | The execution of the Title Deed for the purchase of land is awaited on account of dispute with the landowner (late Mr. Narayan Hari Bharne and Family). |

Rs. in Lakhs

4 (B) Capital work in progress

| | Reconciliation of carrying amount | |
|------------------------------------|-----------------------------------|-------|
| | Plant and equipment Others | Total |
| Balance as at 1 April 2022 | - | - |
| Additions | 45.00 | 45.00 |
| Assets capitalised during the year | - | - |
| Written off during the year | - | - |
| Balance as at 31 March 2023 | 45.00 | 45.00 |
| Balance as at 1 April 2021 | - | - |
| Additions | - | - |
| Assets capitalised during the year | - | - |
| Written off during the year | - | - |
| Balance as at 31 March 2022 | - | - |

4 (B)(i) Ageing for capital work in progress

| As at 31 March 2023 | Amount of Capital work in progress for a period of | | | | |
|----------------------------------|--|-----------|-----------|-----------|-------|
| | < 1 year | 1-2 years | 2-3 years | < 3 years | Total |
| 1) Project in progress | 45.00 | - | - | - | 45.00 |
| 2) Project temporarily suspended | - | - | - | - | - |



Notes forming part of the financial statements for the year ended 31 March 2023

4 (C) Investment property

Rs. in Lakhs

| Reconciliation of carrying amount | |
|--|-------|
| Cost as at 1 April 2022 | 22.09 |
| Additions | - |
| Deductions | - |
| Cost as at 31 March 2023 | 22.09 |
| Accumulated depreciation as at 1 April 2022 | 7.64 |
| Depreciation for the year | 0.26 |
| Deductions | - |
| Accumulated amortisation as at 31 March 2023 | 7.90 |
| Net carrying amount as at 31 March 2023* | 14.19 |
| Cost as at 1 April 2021 | 22.09 |
| Additions | - |
| Deductions | - |
| Cost as at 31 March 2022 | 22.09 |
| Accumulated depreciation as at 1 April 2021 | 7.38 |
| Depreciation for the year | 0.26 |
| Deductions | - |
| Accumulated amortisation as at 31 March 2022 | 7.64 |
| Net carrying amount as at 31 March 2022* | 14.45 |

4 (D) Other intangible assets

Rs. in Lakhs

| Reconciliation of carrying amount | |
|--|--------|
| Cost as at 1 April 2022 | 361.90 |
| Additions | 38.57 |
| Deductions | - |
| Cost as at 31 March 2023 | 400.47 |
| Accumulated amortisation as at 1 April 2022 | 360.14 |
| Amortisation for the year | 3.25 |
| Deductions | - |
| Accumulated amortisation as at 31 March 2023 | 363.39 |
| Net carrying amount as at 31 March 2023 | 37.08 |
| Cost as at 1 April 2021 | 361.34 |
| Additions | 0.56 |
| Deductions | - |
| Cost as at 31 March 2022 | 361.90 |
| Accumulated amortisation as at 1 April 2021 | 354.33 |
| Amortisation for the year | 5.81 |
| Deductions | - |
| Accumulated amortisation as at 31 March 2022 | 360.14 |
| Net carrying amount as at 31 March 2022 | 1.76 |

* The property meets the definition criteria of Ind AS 40 – Investment property. The property has been let out for a further period of 1 year. As at 31 March 2023 and 31 March 2022, the fair value of the properties are Rs. 215.10 lakhs and Rs. 204 lakhs respectively. These valuation are based on valuation performed by S.A. Boarkar an accredited independent valuer and a specialist in valuing these types of investment properties and is a registered valuer as defined under rule 2 of Companies (Registered valuers and valuation) Rules, 2017.

| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs | | |
|---|---|--|---|------------|
| 5 Loans | | | | |
| (A) Non-current | | | | |
| Unsecured, considered good | | | | |
| (a) Inter corporate deposit to non-related parties (refer note 37) | 500.00 | - | | |
| Total | 500.00 | - | | |
| (B) Current | | | | |
| Unsecured, considered good, unless otherwise specified | | | | |
| (a) Inter corporate deposit to related parties | 4,800.00 | 9,100.00 | | |
| (b) Others: | | | | |
| (i) Inter corporate deposits to non-related parties | 5,000.00 | - | | |
| (ii) Advances to employees | 20.00 | 14.37 | | |
| Total | 5,020.00 | 14.37 | | |
| Total | 9,820.00 | 9,114.37 | | |
| The company has given loans repayable on demand as disclosed below:- | | | | |
| Type of borrower | Amount of loan or advance in the nature of loan outstanding as at 31 March 2023 | % of total | Amount of loan or advance in the nature of loan outstanding as at 31 March 2022 | % of total |
| Related party (refer note 37) | 4,800.00 | 46.51% | 9,100.00 | 99.84% |
| Promoters | - | - | - | - |
| Directors | - | - | - | - |
| KMP | - | - | - | - |
| 5(C) Financial assets | | | | |
| Unsecured, considered good, unless otherwise specified | | | | |
| (i) Security deposits | | | | |
| Total | | | 53.33 | 49.75 |
| | | | 53.33 | 49.75 |



Notes forming part of the financial statements for the year ended 31 March 2023

| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
|---|--|--|
| 6) Other financial assets | | |
| Current | | |
| (i) Interest accrued on deposits | 312.78 | 1.65 |
| (ii) TDS Refund - PF Trust | 2.15 | 2.15 |
| (iii) GST on advance | 14.39 | 1.41 |
| (iv) Subsidy receivable from Government | 42.30 | 42.30 |
| (v) Other assets | 47.12 | 116.67 |
| Total | 418.74 | 164.18 |
| 7) Other assets | | |
| (A) Non-current | | |
| (a) Capital advances | 1.78 | 7.84 |
| (b) Advances other than capital advances | | |
| (i) Balances receivable from Government authorities | 2.56 | 14.80 |
| (ii) Prepaid expenses | 27.43 | 14.12 |
| (iii) Lease prepaid balance receivable | 116.37 | 116.37 |
| Total | 148.14 | 153.13 |
| (B) Current | | |
| (a) Advances other than capital advances | | |
| (i) Balances receivable from Government authorities | 600.83 | 178.77 |
| (ii) Advances to suppliers and contractors | 190.30 | 85.90 |
| (iii) Prepaid expenses | 44.04 | 41.04 |
| (iv) Other advances | 22.58 | 37.97 |
| (v) Other assets | 53.02 | - |
| Total | 910.77 | 343.68 |
| 8) Inventories | | |
| (a) Raw materials and boughtouts components (includes goods in transit of Rs nil) (Previous year Rs. 0.43 lakhs) | 2,554.72 | 2,359.95 |
| (b) Work-in-progress | 2,008.01 | 1,459.45 |
| (c) Finished goods * | 28.49 | 31.10 |
| (d) Stores and spare parts (including packing materials and dies & toolings) | 87.47 | 90.92 |
| (e) Scrap | 373.64 | 39.47 |
| Total | 5,052.33 | 3,980.89 |
| * Amount shown in finished goods comprises entirely of goods in transit For mode of valuation of inventories, please refer note 3(g) | | |
| 9) Investments | | |
| Current | | |
| (a) Investments in mutual funds measured at fair value through Profit and Loss (quoted) | | |
| (i) Nil (previous year 1,471,812.743 units) in HDFC Balanced Advantage Fund-Direct Plan-Dividend | - | 467.59 |
| (ii) Nil (previous year 1,361,976.136 units) in ICICI Prudential Equity & Debt Fund-Direct Plan-Monthly Dividend | - | 605.54 |
| Total | - | 1,073.13 |
| Aggregate amount of quoted investments and market value thereof | - | 1,073.13 |
| 10) Trade receivables | | |
| Unsecured, considered good unless otherwise stated | | |
| Current | | |
| - Trade receivables considered good | 8,110.06 | 7,212.09 |
| - Trade receivables - credit impaired | 18.84 | 18.84 |
| | 8,128.90 | 7,230.93 |
| Less: Provision for doubtful trade receivables | 18.84 | 18.84 |
| Total | 8,110.06 | 7,212.09 |
| (i) Tata Motors Limited | 7,813.88 | 6,740.96 |
| (ii) Tata Cummins Private Limited | 132.31 | 265.51 |
| (iii) Others | 163.87 | 205.62 |
| Note: Also refer Note 37 - Related Party Disclosures & Note 10(A) Trade receivables ageing | | |
| Total | 8,110.06 | 7,212.09 |



Notes forming part of the financial statements for the year ended 31 March 2023

10 (A). Trade Receivables Ageing Schedule for year ended 31 March 2023: -

| Particulars | Outstanding for following period from due date of payment | | | | | | Total |
|--|---|--------------|------------|-----------|-----------|--------------|-----------------|
| | Not due | < 6 months | 6 ><1 year | 1-2 years | 2-3 years | > 3 years | |
| (i) Undisputed Trade receivables- considered good | 8,060.16 | 49.90 | - | - | - | - | 8,110.06 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | 18.84 | 18.84 |
| Total | 8,060.16 | 49.90 | - | - | - | 18.84 | 8,128.90 |

Less allowance for doubtful trade receivable billed
Net trade receivables

18.84
8,110.06

Trade Receivables Ageing Schedule for year ended 31 March 2022: -

| Particulars | Outstanding for following period from due date of payment | | | | | | Total |
|--|---|--------------|------------|-----------|-----------|--------------|-----------------|
| | Not due | < 6 months | 6 ><1 year | 1-2 years | 2-3 years | > 3 years | |
| (i) Undisputed Trade receivables - considered good | 7,160.28 | 51.81 | - | - | - | - | 7,212.09 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables -credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (Iv) Disputed Trade Receivables - credit impaired | - | - | - | - | - | 18.84 | 18.84 |
| Total | 7,160.28 | 51.81 | - | - | - | 18.84 | 7,230.93 |

Less allowance for doubtful trade receivable billed
Net trade receivables

18.84
7,212.09



Notes forming part of the financial statements for the year ended 31 March 2023

| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
|---|--|--|
| 11) Cash and cash equivalents | | |
| (a) Balances with banks (in current accounts) | 109.31 | 602.96 |
| (b) Cash on hand | 0.13 | 0.13 |
| Total | 109.44 | 603.09 |
| 12) Other bank balances | | |
| (a) With upto 12 months maturity | | |
| (i) Earmarked balances with banks (unpaid dividend accounts) | 95.33 | 117.80 |
| (ii) In deposits accounts | 2,800.43 | 0.40 |
| Total | 2,895.76 | 118.20 |
| 12(A) Non Current financial asset | | |
| (a) With more than 12 months maturity | | |
| (i) In deposits accounts | 0.38 | 0.38 |
| The deposit is kept as security with SBI Bank due to pending VAT assessment with the commercial tax authority. | | |
| Total | 0.38 | 0.38 |
| 13) Equity Share Capital | | |
| Authorised : | | |
| 10,000,000 (Previous year: 10,000,000) equity shares of Rs. 10/- each | 1,000.00 | 1,000.00 |
| 1,500,000 (Previous year: 1,500,000) preference shares of Rs. 100/- each | 1,500.00 | 1,500.00 |
| Total | 2,500.00 | 2,500.00 |
| Issued: | | |
| 6,088,622 (Previous year: 6,088,622) equity shares of Rs. 10/- each | 608.86 | 608.86 |
| Subscribed and fully paid-up : | | |
| 6,088,622 (Previous year: 6,088,622) equity shares of Rs. 10/- each | 608.86 | 608.86 |
| Total | 608.86 | 608.86 |
| Notes: | | |
| (1) Reconciliation of number of shares outstanding : | | |
| (i) Ordinary equity shares | | |
| Number of shares at the commencement and end of the year | Numbers 6,088,622 | Numbers 6,088,622 |
| (2) Terms and rights attached | | |
| Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. | | |
| (3) List of shareholder holding more than 5 percent shares in the Company and promoters. | | |

| | As at 31 March 2023 | | As at 31 March 2022 | |
|---------------------------------|---------------------|---------------|---------------------|---------------|
| Class | Numbers | % of holdings | Numbers | % of holdings |
| (a) Tata Motors Limited | 29,82,214 | 48.98% | 29,82,214 | 48.98% |
| (b) EDC Limited (Refer note 43) | - | - | 4,05,302 | 6.66% |
| (c) EDC Limited (Refer note 43) | 4,05,302 | 6.66% | - | - |
| (d) Tata Motors Finance Limited | 48,315 | 0.79% | 48,315 | 0.79% |



Notes forming part of the financial statements for the year ended 31 March 2023

| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
|---|--|--|
| 14) Other equity | | |
| (a) Capital redemption reserve account At the commencement and at end of the year | 953.36 | 953.36 |
| (b) Securities premium At the commencement and at end of the year | 4,843.48 | 4,843.48 |
| (c) General reserve At the commencement and at end of the year | 1,537.06 | 1,537.06 |
| (d) Surplus in statement of profit and loss As per last balance sheet | 8,949.92 | 8,733.02 |
| Add : Profit for the year | 2,629.62 | 216.90 |
| Less: | | |
| (a) Interim dividend paid | 152.22 | - |
| | 11,427.32 | 8,949.92 |
| Total | 18,761.22 | 16,283.82 |
| 15) Provisions | | |
| Non-current | | |
| (a) Provision for employee benefits: | | |
| (i) Provision for compensated absences | 343.23 | 482.58 |
| (ii) Provision for gratuity (Refer note 36(a)) | 290.62 | 237.20 |
| (b) Others: | | |
| (i) Provision for product warranty (Refer note 34) | 107.93 | 31.37 |
| Total | 741.78 | 751.15 |
| Current | | |
| (a) Provision for employee benefits: | | |
| (i) Provision for compensated absences | 32.05 | 51.75 |
| (ii) Provision for gratuity (Refer note 36(a)) | 149.09 | 137.92 |
| (b) Others: | | |
| (i) Provision for product warranty (Refer note 34) | 243.75 | 67.26 |
| Total | 424.89 | 256.93 |
| 16) Income tax | | |
| (a) Amount recognised in statement of profit and loss | | |
| Current tax expense | | |
| (i) For the year | 299.82 | - |
| (ii) Short provision of tax relating to earlier years | - | 3.15 |
| Deferred tax - origination and reversal of temporary differences | 627.53 | (12.84) |
| Total tax expense for the year in statement of profit and loss | 927.35 | (9.69) |
| (b) Amount recognised in other comprehensive income | | |
| Deferred tax charge/(credit) on : | | |
| Re-measurement of defined benefit obligation | 52.13 | 42.79 |
| Total tax expense for the year in other comprehensive income | 52.13 | 42.79 |
| (c) The income tax expenses for the year reconciled to the accounting profit : | | |
| Accounting profit before tax | 3,711.96 | 334.45 |
| Income tax expenses calculated at statutory rate | 934.23 | 84.17 |
| Effect of disallowable expenses | | |
| Corporate social responsibility | - | 5.09 |
| DTA not created on true up entry on actual return filed for business loss | 23.64 | (10.85) |
| Others | (30.51) | (91.25) |
| Tax relating to prior years | - | 3.15 |
| Total | (6.87) | (93.86) |
| | 927.36 | (9.69) |



Notes forming part of the financial statements for the year ended 31 March 2023

| (d) | | | | | |
|---|---|------------------------------------|------------------------------|---|---|
| Sr. No. | Particulars | Opening balance as at 1 April 2022 | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance as at 31 March 2023 |
| (i) | Property, plant and equipment and intangible assets | (533.70) | 19.53 | - | (514.17) |
| (ii) | Disallowances under section 43B of the Income Tax Act, 1961 | 134.48 | 10.31 | - | 144.79 |
| (iii) | Provision for gratuity | 94.41 | (35.87) | 52.13 | 110.67 |
| (iv) | Provision for doubtful debts | 4.74 | - | - | 4.74 |
| (v) | Deferment of expenditure on voluntary retirement scheme under section 35DDA of the Income Tax Act, 1961 | 34.92 | (27.90) | - | 7.02 |
| (vi) | Fair valuation of investment | (52.15) | 52.15 | - | - |
| (vii) | Disallowances on account of ICDS | 93.95 | (75.62) | - | 18.33 |
| (viii) | Losses carried forward | 570.13 | (570.13) | - | - |
| | Total | 346.78 | (627.53) | 52.13 | (228.62) |
| Sr. No. | Particulars | Opening balance as at 1 April 2021 | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance as at 31 March 2022 |
| (i) | Property, plant and equipment and intangible assets | (564.57) | 30.87 | - | (533.70) |
| (ii) | Disallowances under section 43B of the Income Tax Act, 1961 | 191.47 | (56.99) | - | 134.48 |
| (iii) | Provision for gratuity | 55.97 | (4.35) | 42.79 | 94.41 |
| (iv) | Provision for doubtful debts | 4.74 | - | - | 4.74 |
| (v) | Deferment of expenditure on voluntary retirement scheme under section 35DDA of the Income Tax Act, 1961 | 62.83 | (27.91) | - | 34.92 |
| (vi) | Fair valuation of investment | (7.66) | (44.49) | - | (52.15) |
| (vii) | Disallowances on account of ICDS | 31.02 | 62.93 | - | 93.95 |
| (viii) | Losses carried forward | 517.34 | 52.79 | - | 570.13 |
| | Total | 291.14 | 12.85 | 42.79 | 346.78 |
| | | | | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
| (e) Major components of deferred tax assets / (liabilities) are as under: | | | | | |
| Liabilities: | | | | | |
| (i) Differences in tax and books written down values of property, plant and equipment and intangible assets | | | | (514.17) | (533.70) |
| (ii) Disallowance of remeasurement on investment | | | | - | (52.15) |
| | | | | (514.17) | (585.85) |
| Assets: | | | | | |
| (i) Disallowances under section 43B of the Income tax Act, 1961 | | | | 163.12 | 228.43 |
| (ii) Deferment of expenditure on Voluntary retirement scheme under section 35DDA of the Income Tax Act, 1961 | | | | 7.02 | 34.92 |
| (iii) Defined benefit obligations - Provision for gratuity | | | | 110.67 | 94.41 |
| (iv) Provision for doubtful debts | | | | 4.74 | 4.74 |
| (v) Carry forward of loss* | | | | - | 570.13 |
| | | | | 285.55 | 932.63 |
| Net deferred tax asset | | | | (228.62) | 346.78 |
| Total | | | | | |
| * During the current year ended 31 March 2023 the Company has recognised a deferred tax asset amounting to Rs. nil lakhs on account of tax losses in the current year (year ended 31 March 2022 - Rs. 570.13 lakhs). The Company has a convincing other evidence that sufficient taxable profit will be available against which the tax losses will be utilised based on the future projections provided by the management. | | | | | |



Notes forming part of the financial statements for the year ended 31 March 2023

| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
|---|--|--|
| 17) Borrowings | | |
| Unsecured | | |
| (a) Loans repayable on demand | | |
| (i) Customer bill-discounting | 7,182.93 | 4,231.66 |
| The bill discounting facility with Tata Capital Limited is unsecured and interest rate is 0.47% (31 March 2022 - 0.42%) | | |
| Total | 7,182.93 | 4,231.66 |
| 18) Other financial liabilities | | |
| (a) Unclaimed dividends | 95.21 | 117.69 |
| (b) Security deposits received | 3.05 | 3.05 |
| (c) Capital creditors | 106.62 | 67.27 |
| Total | 204.88 | 188.01 |
| 19) Other current liabilities | | |
| (a) Contract liabilities - Advance from customers | 192.28 | 125.11 |
| (b) Other payables | | |
| (i) Statutory dues | 129.60 | 484.36 |
| (ii) Others | 8.33 | 73.42 |
| Total | 137.93 | 557.78 |
| | 330.21 | 682.89 |
| 20) Trade payables | | |
| (i) The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made on the basis of confirmations received from suppliers regarding their status under the said act; | | |
| 1. Outstanding principal amount and Interest as at 31 March 2023 and 31 March 2022 | | |
| - Principal amount | 878.80 | 544.37 |
| - Interest due thereon | - | - |
| 2. Amount of interest paid along with the amounts of payment made beyond the appointed day | - | - |
| 3. Amount of interest due and payable (where the principal has already been paid but interest has not been paid) | - | - |
| 4. The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| 5. The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act | - | - |
| (ii) Dues to other than Micro, Small and Medium enterprises | 4,186.33 | 4,984.42 |
| Total | 5,065.13 | 5,528.79 |



Notes forming part of the financial statements for the year ended 31 March 2023

20 (A) Ageing for trade payable due for payment for the year ended 31 March 2023

(A) Sundry creditors: -

| Particulars | Outstanding for following period | | | | | Total |
|----------------------------------|----------------------------------|------------------|--------------|-----------|-------------|-----------------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | > 3 years | |
| (I) MSME | 876.74 | 2.06 | - | - | - | 878.80 |
| (II) Others | 2,199.59 | 369.21 | 30.21 | - | 0.18 | 2,599.19 |
| (III) Disputed dues MSME | - | - | - | - | - | - |
| (IV) Disputed dues others | - | - | - | - | - | - |
| (v) Accrued expenses | - | - | - | - | - | 1,587.14 |
| Total | 3,076.33 | 371.27 | 30.21 | - | 0.18 | 5,065.13 |

Ageing for trade payable due for payment for the year ended 31 March 2022

(A) Sundry creditors: -

| Particulars | Outstanding for following period | | | | | Total |
|---------------------------|----------------------------------|------------------|--------------|--------------|--------------|-----------------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | > 3 years | |
| (I) MSME | 544.37 | - | - | - | - | 544.37 |
| (II) Others | 2,886.71 | 351.12 | 12.36 | 27.94 | 18.99 | 3,297.12 |
| (III) Disputed dues MSME | - | - | - | - | - | - |
| (IV) Disputed dues others | - | - | - | - | - | - |
| (v) Accrued expenses | - | - | - | - | - | 1,687.30 |
| Total | 3,431.08 | 351.12 | 12.36 | 27.94 | 18.99 | 5,528.79 |



Notes forming part of the financial statements for the year ended 31 March 2023

| | For the year ended 31 March 2023 Rs. in Lakhs | For the year ended 31 March 2022 Rs. in Lakhs |
|---|---|---|
| 21) Revenue from operations | | |
| Revenue from contracts with customers | | |
| (a) Sale of products | 49,438.80 | 26,877.90 |
| (b) Other operating revenue | | |
| (i) Scrap sales | 997.55 | 1,212.58 |
| (ii) Other | 185.11 | 87.54 |
| | 1,182.66 | 1,300.12 |
| Total | 50,621.46 | 28,178.02 |
| Note: | | |
| (i) Disaggregation of revenue | | |
| (a) Product sale | | |
| i Bus bodies and components parts thereof | 43,117.25 | 21,555.27 |
| ii Pressed parts/components/sub assemblies and assemblies there from for various aggregates of automobiles | 6,321.56 | 5,322.63 |
| (b) Scrap sale | | |
| Bus bodies | 537.36 | 184.69 |
| Pressing | 460.18 | 1,027.89 |
| (c) Other operating revenue | | |
| Bus bodies | 184.57 | 86.87 |
| Pressing | 0.54 | 0.67 |
| Total | 50,621.46 | 28,178.02 |
| Information about major customers having sales more than 10% | | |
| (a) Tata Motors Limited (TML) | 45,294.68 | 23,495.37 |
| (b) Others | 5,326.78 | 4,682.65 |
| Total | 50,621.46 | 28,178.02 |
| No other single customer contributed 10% or more to the Company's revenue for year ended 31 March 2023 and 31 March 2022. | | |
| (ii) Details of contracts balances: | | |
| The following table provides information about trade receivables and contract liabilities from contracts with customers: | | |
| | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
| Trade receivable (net of allowance for credit impaired) (Refer note 10) | 8,110.06 | 7,212.09 |
| Contract liabilities (Advance from customers) (Refer note 19) | 192.28 | 125.11 |
| The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognised as and when control in promised goods is transferred. | | |
| Significant changes in the contract liability balances during the year ended 31 March 2023 are as follows: | | |
| Contract liabilities at the beginning of the year (Refer note 19) | 125.11 | |
| Amount refunded that was included in the contract liability balance at the beginning of year | 8.56 | |
| Revenue recognised that was included in the contract liability balance at the beginning of the year | (37.34) | |
| Increase due to cash received, excluding amounts recognised as revenue during the year | 95.95 | |
| Contract liabilities at the end of the year (Refer note 19) | 192.28 | |
| (iii) Performance obligations | | |
| The Company satisfies its performance obligations pertaining to the sale of bus bodies and pressing segment items at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and does not contain any financing component. The payment is generally due within 30-45 days. The bill discounting facility with Tata Capital Limited is unsecured and interest rate is 0.47% (31 March 2022 - 0.42%) There are no other significant obligations attached in the contract with customer. | | |
| (iv) Transaction price | | |
| There is no remaining performance obligation for any contract for which revenue has been recognised till year end. | | |



Notes forming part of the financial statements for the year ended 31 March 2023

- (v) **Determining the timing of satisfaction of performance obligations**
There are no significant judgments involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.
- (vi) **Determining the transaction price and the amounts allocated to performance obligations**
The transaction price ascertained for the only performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price.
- (vii) **Cost to obtain contract or fulfill a contract**
There is no cost incurred for obtaining or fulfilling contract with customers.

| | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------------------------------------|-------------------------------------|
| 22) Other income | | |
| (a) Interest income | | |
| (i) on bank deposits | 104.66 | 0.04 |
| (ii) on inter corporate deposits to related parties | 346.91 | 456.15 |
| (iii) on corporate deposits other than to related parties | 244.51 | - |
| (iv) others | 4.57 | 8.08 |
| | 700.65 | 464.27 |
| (b) Dividend on current investments | 24.02 | 69.42 |
| (c) Fair valuation increase on investments | - | 176.80 |
| (d) Net gain on sale of investments | 6.32 | - |
| (e) Other non-operating income | 62.14 | 18.72 |
| Total | 793.13 | 729.21 |
| 23) Cost of materials consumed | 36,601.13 | 19,960.78 |
| Total | 36,601.13 | 19,960.78 |
| Note: | | |
| Details of materials consumed | | |
| i Steel | 5,097.88 | 4,109.65 |
| ii Others | 31,503.25 | 15,851.13 |
| | 36,601.13 | 19,960.78 |
| 24) Changes in inventories of finished goods, work-in-progress and scrap | | |
| Opening stock | | |
| Finished goods (Goods in transit) | 31.10 | 26.93 |
| Work-in-progress | 1,459.45 | 1,396.80 |
| Scrap | 39.47 | 193.71 |
| | 1,530.02 | 1,617.44 |
| Closing stock | | |
| Finished goods (Goods in transit) | 28.49 | 31.10 |
| Work-in-progress | 2,008.01 | 1,459.45 |
| Scrap | 373.64 | 39.47 |
| | 2,410.14 | 1,530.02 |
| Total | (880.12) | 87.42 |
| 25) Employee benefits expense | | |
| (a) Salaries and wages | 3,784.32 | 3,239.24 |
| (b) Contribution to provident and other funds (Refer note 36) | 620.85 | 484.75 |
| (c) Staff welfare expenses | 282.08 | 194.79 |
| Total | 4,687.25 | 3,918.78 |
| 26) Finance costs | | |
| (a) Interest expense on | | |
| (i) Cash credit accounts with bank | 2.31 | 2.61 |
| (ii) Others | 5.95 | 6.80 |
| Total | 8.26 | 9.41 |



Notes forming part of the financial statements for the year ended 31 March 2023

| | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|--|--|--|
| 27) Other expenses | | |
| (a) Consumption of stores and spare parts | 2,205.99 | 1,028.26 |
| (b) Power and fuel | 455.02 | 333.33 |
| (c) Rent | 8.56 | 8.64 |
| (d) Repairs and maintenance: | | |
| - buildings | 239.10 | 95.55 |
| - machinery | 129.15 | 40.18 |
| - others | 20.53 | 14.00 |
| | 388.78 | 149.73 |
| (e) Insurance | 44.16 | 42.52 |
| (f) Rates and taxes | 21.54 | 13.58 |
| (g) Processing / labour charges | 2,860.67 | 1,241.98 |
| (h) Packing, freight and forwarding expenses | 309.91 | 279.95 |
| (i) Expenditure on corporate social responsibility (Refer note 32) | - | 20.21 |
| (j) Warranty expense | 278.18 | 74.92 |
| (k) Miscellaneous expenses (Refer note 30) | 542.44 | 311.57 |
| Total | 7,115.25 | 3,504.69 |
| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
| 28) Estimated amount of contracts remaining to be executed on capital account and not provided for. | 90.77 | 133.59 |
| 29) The Company is involved in the following appellate, judicial and arbitration proceeding matters arising in the course of conduct of the Company's businesses. In few of the proceedings in respect of matters under litigation are in early stages, and in other cases, the claims are indeterminate. Contingent liability in respect of: | | |
| Claims against the Company not acknowledged as debt: | | |
| (i) Disputed demands of excise authorities - Pending before the Commissioner of Central Excise (Appeals) | 516.26 | 516.26 |
| (i) Denial of MODVAT due to technical lapses in the invoices. MODVAT on technical lapses are allowed by CESTAT under various case laws. The amount involved is Rs. 19.40 lakhs. | | |
| (ii) Prior to February 2006, ACGL were reversing Cenvat Credit on inputs used for export buses and TML used to claim duty drawback (DBK) on these buses. However, TML discontinued claiming DBK on non AC buses and Claimed DBK only on AC buses. This fact was not intimated to ACGL and hence ACGL reversed the Credit as per the normal practice. As TML had not claimed DBK, ACGL filed for refund which was initially rejected by the lower authority. However, the Commissioner (Appeals) allowed the refund and the amount was refunded. The appeal is filed by the Department against the order of the Commissioner (Appeals) before CESTAT and is remanded back to the adjudicating authority for disposal. The total amount involved is Rs. 496.86 lakhs | | |
| (ii) Disputed demand of Commercial Tax authority - Pending before Additional Commissioner of Commercial Taxes | 274.30 | 291.14 |
| i. Disallowance of input tax credit availed on entry tax paid through credit account & ITC reversal on Stock Transfer. Total demand is Rs. 222.83 lakhs and imposed penalty of Rs. 2.00 lakhs. ACGL has filed an appeal against the said order before the Additional Commissioner of Commercial Taxes. | | |
| ii. Disallowance of ITC carry forward based on the earlier assessment order of 2016-17. The total tax of Rs. 28.84 lakhs and the interest of Rs. 20.63 lakhs is demanded due to denial of ITC carry forward of the earlier tax period. ACGL filed appeal against the assessment order before the Addl. Commissioner of Commercial Taxes. | | |
| (iii) During the current year the below cases have been settled - Pending before Joint Commissioner of Commercial Taxes | - | 19.05 |



Notes forming part of the financial statements for the year ended 31 March 2023

| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
|--|--|--|
| <p>i) The Deputy commissioner has disallowed input credit based on J2 report available with department and liability reversal on rate reduction debit note. Tax is calculated on expenses reimbursed (die cost) by Tata Cummins Private Limited. ACGL preferred appeal contending that reimbursement of die cost will not form part of turnover, VAT to be calculated after adjusting the rate reduction debit note and input is considered based on J2 reports and not as per the actual purchases which is less than input as per actual purchases amounting to Rs. 17.61 lakhs.</p> <p>ii) The Deputy commissioner has disallowed the reversal of CST on rate reduction done by ACGL. Differential tax has been demanded on account of form C and form H not submitted the amount involved is Rs. 0.74 lakhs of basic and an amount of Rs. 0.70 towards interest.</p> | | |
| <p>(iv) Penalty proposed to be levied by the Securities and Exchange Board of India (SEBI) for alleged violation of Regulation 6 and 8 of SEBI (Substantial acquisition of shares and takeovers) Regulations 1997 (pending before the Adjudicating Officer) notice dated 21.07.2004.</p> | 1.75 | 1.75 |
| <p>(v) Income Tax Department has gone into Appeal in the Supreme Court against the order of the High Court dismissing their Review Application in the matter of depreciation not claimed by the Company in assessment year 1990-91. The Company has filed a counter affidavit with Supreme Court against the appeal. Vide Order dated 12.08.2016, Supreme Court has disposed off Appeal filed by IT Dept. The Supreme Court has allowed the appeals and set aside both the Orders dated 25.08.2010 and 28.03.2012 passed by the High Court in Tax Appeal No. 7 of 2004 and Civil Application (Review) no. 26 of 2010 and requested the High Court to decide upon the Review Petition and thereafter Appeal itself, if so on merits. The Supreme Court has also made it clear that they have expressed no opinion on the merits of any of the contentions of the parties. The High Court has restored back the appeal to ITAT, who has allowed the appeal and restored the issue to the office of Assessing Officer directing Assessing Officer for re-examining the issue after providing an opportunity of being heard.</p> | 37.33 | 37.33 |
| <p>(vi) The Hon'ble Supreme Court of India ("SC") by their order dated 28.02.2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Further, there are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively.</p> <p>Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable reliably and consequently no financial effect has been provided for in the financial statements. The Company has also obtained a legal opinion on the matter and basis the same there is no material impact on the financial statements as at 31.03.2022 and 31.03.2023. The Company would record any further effect on its financial statements, on receiving additional clarity on the subject.</p> | | |
| <p>A number of contingent liabilities have arisen as a result of</p> | | |
| <p>a) Show cause notice for wrong availment of Modvat by Central Excise which was procedural and technical in nature and similar case decision was given in Company's favour. Decision made by Commissioner Excise (Appeals) in favour of ACGL for restoration of cenvat reversal whereas appeal filed by Excise department against the Commissioner (Appeals) was remanded back to adjudicating authorities.</p> | | |
| <p>b) Appeal filed by Company against Rule 10 A where any liability arising out of demand will be reimbursed by Tata Motors Limited.</p> | | |
| <p>c) Disallowance of ITC availed on entry tax paid through credit account.</p> | | |
| <p>d) Income Tax notional demand for penalty was dismissed by High Court. Thereafter set aside by Supreme court and sent back to High Court to review. The High Court has restored back the appeal to ITAT.</p> | | |
| <p>The management believes that, the aforesaid claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of these matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported year.</p> | | |



Notes forming part of the financial statements for the year ended 31 March 2023

| | | For the year ended 31 March 2023 Rs. in Lakhs | For the year ended 31 March 2022 Rs. in Lakhs |
|-----|--|---|---|
| 30) | Payment to auditors | | |
| | (i) For audit | 32.00 | 27.30 |
| | (ii) For reimbursement of expenses | 3.79 | 4.43 |
| | (iii) For other services | 0.26 | 0.26 |
| | Total | 36.05 | 31.99 |
| 31) | Earnings per share (EPS) | | |
| | Earnings per share (EPS) is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:- | | |
| | Profit for the year from continuing operations (Rs. In Lakhs) | 2,784.61 | 344.14 |
| | Weighted average number of shares outstanding during the year (numbers in Lakhs) | 60.89 | 60.89 |
| | Basic EPS (Rupees) | 45.73 | 5.65 |
| | Diluted EPS (Rupees) | 45.73 | 5.65 |
| | Nominal value per share (Rupees) | 10.00 | 10.00 |
| 32) | Corporate social responsibility | For the year ended 31 March 2023 Rs. in Lakhs | For the year ended 31 March 2022 Rs. in Lakhs |
| | (i) Amount required to be spent by the company during the year | - | 20.81 |
| | (ii) Amount of expenditure incurred on: | | |
| | (a) Construction/acquisition of any assets | - | - |
| | (b) On purpose other than (i) above | - | 20.81 |
| | (iii) Shortfall at the end of the year | - | - |
| | (iv) Total of previous years shortfall | - | - |
| | (v) Reason for shortfall | | |
| | (vi) Nature of CSR activities: -The activities undertaken by the Company in its locality is donation to schools for laptop/setting up of computer lab, donation to armed forces and health center (items for Covid care center). | | |
| | (vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately | - | - |
| 33) | Expenditure incurred on research and development | | |
| | 1 Revenue expenditure - charged to statement of profit and loss | 155.22 | 163.34 |
| | 2 Capital expenditure | 14.07 | 0.37 |
| | Total | 169.29 | 163.71 |
| 34) | Warranty provision | As at 31 March 2023 | As at 31 March 2022 |
| | Warranty pertains to replacement of defective parts and expenses incurred in relation to rectification of workmanship defects. | | |
| | Opening carrying amount | 98.63 | 73.38 |
| | Provision during the year | 315.69 | 128.06 |
| | Amount released during the year | (25.11) | (61.18) |
| | Provision written back | (37.53) | (41.63) |
| | Closing carrying amount | 351.68 | 98.63 |
| | The outflow on this count can arise any time during the period of 18/36 months | | |



Notes forming part of the financial statements for the year ended 31 March 2023

35) IND AS 116 - Lease

The Company has adopted IND AS 116 Leases from 1st April 2019. Discounting rate 8.8 % had been applied. On application of Ind AS116, the nature of expenses have changed from lease rentals in previous periods to depreciation cost on ROU asset and finance cost on lease liability. The difference between the future minimum lease commitments reported as at 31 March 2019 and lease liability accounted as on 1 April 2019 is primarily due to discounting of lease payments as per Ind AS 116 requirements.

| Sr. No. | Particulars | 31 March 2023 | 31 March 2022 |
|---------|---|----------------|---------------|
| 1 | Right of use of assets | | |
| | Balance as at 1 April | 108.52 | 110.22 |
| | Add: Addition / deletion during the year | - | - |
| | Less: depreciation charged for the period | (1.70) | (1.70) |
| | Balance as at 31 March | 106.82 | 108.52 |
| 2 | Lease liabilities | | |
| | Balance as at 1 April | (63.00) | (60.61) |
| | Add: Addition during the year | - | - |
| | Add: Finance cost during the year | (4.88) | (4.89) |
| | Less: Payment of lease liabilities | 2.36 | 2.50 |
| | Balance as at 31 March (current + non current) | (65.52) | (63.00) |
| 3 | Finance cost on lease liabilities | (4.88) | (4.89) |
| 4 | Expenses on short term leases / low value assets | 8.56 | 8.64 |
| | Low value lease expense excluding short-term leases of low-value assets | - | - |
| | Total | 8.56 | 8.64 |
| 5 | Amounts recognised in the statement of cash flow | 2.36 | 2.50 |
| | Total cash outflow for leases | 10.92 | 11.14 |
| 6 | Maturity analysis for lease liabilities | | |
| 6.1 | Minimum Lease Payments (undiscounted values) | | |
| | For 1 Year | 3.82 | 3.82 |
| | For 2 To 5 years | 15.29 | 15.29 |
| | Above five years | 272.69 | 276.23 |
| 7 | Lease liabilities | | |
| | Non current | 62.21 | 59.39 |
| | Current | 3.31 | 3.61 |



Notes forming part of the financial statements for the year ended 31 March 2023

36) Employee Benefits

A Defined benefit plan

(a) Gratuity: -

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable to each completed year of service as per the Trust deed. Vesting occurs upon completion of 5 years of service.

The amount recognised in balance sheet and movements in the net defined benefit obligation over the year are as follows:

| | As at 31 March 2023 Rs. in Lakhs | As at 31 March 2022 Rs. in Lakhs |
|--|---|--|
| I. Change in present value of obligation. | | |
| Present value of benefit obligation at beginning of the year | 2,281.24 | 1,953.66 |
| Current service cost | 135.20 | 121.08 |
| Interest cost | 157.41 | 133.24 |
| Actuarial loss | 199.13 | 170.31 |
| Benefits paid | (238.49) | (97.05) |
| Defined benefit obligation at year end | 2,534.49 | 2,281.24 |
| II. Change in fair value of plan assets | | |
| Fair value of plan assets at beginning of the year | 1,906.12 | 1,731.29 |
| Expected return on plan assets | 131.52 | 118.07 |
| Actuarial (loss)/gain | (7.98) | 0.28 |
| Employer contribution | 303.61 | 153.53 |
| Benefits paid | (238.49) | (97.05) |
| Fair value of plan assets at year end | 2,094.78 | 1,906.12 |
| III. Present value of benefits obligation at the end of the year | | |
| Present value of obligation as at 31 March 2023 | 2,534.49 | 2,281.24 |
| Fair value of plan assets as at 31 March 2023 | 2,094.78 | 1,906.12 |
| Amount recognized in Balance Sheet [liability] | (439.71) | (375.12) |
| IV. Expense recognized during the year (Under the head "Employee benefits expense" - Refer note 25) | | |
| Current service cost | 135.20 | 121.08 |
| Net interest cost | 25.89 | 15.17 |
| Net cost recognised in the statement of profit and loss | 161.09 | 136.25 |
| V. Expense recognized in other comprehensive income | | |
| Actuarial Losses on obligation for the year | 199.14 | 170.31 |
| Return on plan assets, excluding interest income | 7.98 | (0.28) |
| Total actuarial losses recognised in OCI | 207.12 | 170.03 |
| VI. Actuarial assumptions | | |
| Discount rate (per annum) | 7.41% | 6.90% |
| Expected rate of return on plan assets (per annum) | 7.41% | 6.90% |
| Salary escalation | 10% for next 1 year 7 % starting from 2nd year | 7.00% |
| Remaining years of service | 10.20 | 8.93 |
| VII. The amounts of present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets for the current annual period and previous annual period are as under: | | |
| Present value of defined benefit obligation | 2,534.49 | 2,281.24 |
| Fair value of the plan assets | 2,094.78 | 1,906.12 |
| (Deficit) in the plan | (439.71) | (375.12) |
| Experience adjustment | | |
| - On plan liability loss | 199.13 | 170.31 |
| - On plan assets (loss)/gain | (7.98) | 0.28 |



Notes forming part of the financial statements for the year ended 31 March 2023

- VIII.** The assumptions of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment.

| | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Sensitivity analysis | | |
| Projected benefit obligation on current assumptions | 2,534.49 | 2,281.24 |
| Delta effect of +1% change in rate of discounting | (99.93) | (99.72) |
| Delta effect of -1% change in rate of discounting | 108.06 | 108.40 |
| Delta effect of +1% change in rate of salary increase | 106.85 | 107.25 |
| Delta effect of -1% change in rate of salary increase | (100.65) | (100.53) |
| Delta effect of +1% change in rate of employee turnover | 1.10 | (0.53) |
| Delta effect of -1% change in rate of employee turnover | (1.22) | 0.56 |

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. Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligations liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

- IX.** The Company has invested in assets which are insurer managed funds.
- (b)** Contributions are made to recognized provident fund trust established by the Company and Family Pension Fund which covers eligible employees of the Company. Employees and the Company make monthly contributions at a specified percentage of the covered employees salary (currently 12% of the employee's salary). The contribution as specified under the law are paid to the provident fund trust. Contribution towards Pension fund is paid to the Regional Provident fund commissioner at specified percentage of the covered employee's salary on the monthly basis. Amount recognised as expense in respect of these defined benefits plans, aggregate to Rs. 204.71 lacs (Previous year Rs.240.95 lacs).
- B Defined contribution plans**
- I.** The Company has a superannuation plan (defined contribution plan). The Company maintains separate irrevocable trust for employees covered and entitled to benefits. The Company has obtained insurance policy with Life Insurance Corporation of India. The company contributes 15% eligible employees salary to the trust every year. Amount recognised as expense in respect of this defined contribution plans, aggregate to Rs. 255.05 lacs (Previous year Rs. 260.36 lacs).



Notes forming part of the financial statements for the year ended 31 March 2023

37) Related party disclosures

a) Name of related parties and nature of relationship:

| Name of the party | Relationship |
|--|---|
| Tata Motors Limited | Enterprise exercising significant influence |
| Tata Cummins Private Limited | The entity and the reporting entity are members of the same group |
| Tata Motors Body Solutions limited w.e.f. 30 December 2022 (formerly known as Tata Marcopolo Motors Limited) | The entity and the reporting entity are members of the same group |
| Tata Motors Finance Limited | Promoter |
| Mr. O. V. Ajay | Key Management Personnel - CEO & Executive Director |
| Mr. Raghwendra Singh Butola | Key Management Personnel - Chief Financial Officer |
| Mr. Anil Kumar Sharma (upto 28 May 2021) | Key Management Personnel - Company Secretary |
| Ms. Sanu Kapoor (upto 18 March 2023) | Key Management Personnel - Company Secretary |
| Mr. Shrinivas Dempo | Independent Director |
| Dr. Vaijayanti Pandit | Independent Director |
| Mr. Yatin Kakodkar | Independent Director |
| Mr. Nagesh Pinge | Independent Director |
| Mr. Girish Wagh | Non - Executive Director |
| Mr. Rohit Srivastava | Non - Executive Director |
| Mr. Asif Malbari | Non - Executive Director |

b) Details of transactions with related parties for the year ended 31 March 2023:

Rs.In Lakhs

| Nature of Transactions | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|--|-------------------------------------|-------------------------------------|
| 1. Tata Motors Limited | | |
| Sale of goods * | 53,902.03 | 27,740.27 |
| Purchase of goods * | 39.84 | 38.86 |
| Interim dividend paid | 74.56 | - |
| Expenses (recovered from Tata Motors Limited) * | 6.44 | 81.50 |
| Other expenses (recovered by Tata Motors Limited) * | 8.42 | 3.87 |
| Deputation charges : | | |
| - Mr. O. V. Ajay ** | 89.35 | 89.35 |
| - Chief Internal Auditor | 11.17 | - |
| - Mr. Anish Palarpwar | 48.87 | 44.37 |
| Warranty expenses recovered by Tata Motors Limited* | 20.15 | 6.43 |
| Discount given to TML on spares Sales* | 1.23 | 2.60 |
| IT support services * | 0.92 | 0.92 |
| TCS Board Apps * | 3.34 | 4.71 |
| Inter corporate deposit extended | 7,300.00 | 800.00 |
| Inter corporate deposit repaid | 11,600.00 | 1,200.00 |
| Interest received / accrued on inter corporate deposit given | 346.91 | 456.15 |
| 2. Tata Cummins Private Limited | | |
| Sale of goods * | 2,805.26 | 2,440.22 |
| 3. Tata Motors Body Solutions limited w.e.f. 30 December 2022 (formerly known as Tata Marcopolo Motors Limited) | | |
| Support service * | - | 0.23 |
| 4. Tata Motors Finance Limited | | |
| Interim dividend paid | 1.21 | - |
| Remuneration | | |
| Mr. O. V. Ajay ** | 60.37 | 39.75 |
| Mr. Raghwendra Singh Butola | 71.74 | 61.62 |
| Mr. Anil Kumar Sharma (upto 28 May 2021) | - | 2.10 |
| Ms. Sanu Kapoor (upto 18 March 2023) | 21.05 | 12.96 |
| Commission other benefits to Non - Executive and Independent Directors | | |
| Commission | 34.00 | - |
| Sitting fees | 38.10 | 27.60 |

* The amount is inclusive of GST

** The total compensation paid / provided to Mr. Mr. O. V. Ajay amounts to Rs. 149.72 lakhs (previous year Rs. 129.10 lakhs).

Note: As post employment obligations and other long term obligations are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included above.



Notes forming part of the financial statements for the year ended 31 March 2023

Balance outstanding as at the year end

| | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|--|-------------------------------------|-------------------------------------|
| 1. Tata Motors Limited | | |
| Trade payables | 15.59 | 11.78 |
| Trade receivables | 7,813.88 | 6,740.96 |
| Inter corporate deposit placed and outstanding | 4,800.00 | 9,100.00 |
| Advance from customer | 18.24 | 26.26 |
| Advance to suppliers | 3.92 | 12.58 |
| 2. Tata Cummins Private Limited | | |
| Trade receivables | 132.31 | 265.51 |
| 3. Tata Marcopolo Motors Limited : | | |
| Trade payable | - | 0.72 |
| Remuneration of Key Management Personnel | 94.99 | 41.69 |

Notes:

- The above mentioned balances outstanding as at year end are net of provisions.
- Loans are given for general business purpose of the related parties.
- All transactions with the related party are priced on arm's length basis
- Unsecured loans given to Tata Motors Limited and interest there on in measured at amortised cost. The difference between the carrying amount and actual amount is accounted as net gain/(loss) under other income/ finance cost as the case may be. Below are the details of loan and interest receivable from TML

| Particulars | Tenure of loan and interest | ROI P.A. | Loans | |
|---|--|----------|-----------|-----------|
| | | | 31-Mar-23 | 31-Mar-22 |
| Tata Motors limited | Repayable on demand (2 Days call basis). | 6.14% | 4,800.00 | 9,100.00 |
| Percentage of loans given to related party as a percentage of total loans | | | 46.51% | 99.84% |

- There is no loans or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.



Notes forming part of the financial statements for the year ended 31 March 2023

38) Segment information

- (a) The Company has identified business segments as reportable segments.
The Company has two business segments:-
i) Pressing division - Manufacturing of pressed parts, components, sub-assemblies and assemblies for various range of automobiles.
ii) Bus body building division - Manufacturing of bus bodies and component parts for bus bodies.
- (b) Inter-segment Transfer Pricing
Inter-segment transfers are made at transfer price.
- (c) Common Expenses
Common Expenses are allocated to different segments on reasonable basis as considered appropriate.

Rs. in Lakhs

| Sr. No. | PARTICULARS | Year to date figures for the current year ended 31 March 2023 (Audited) | Year to date figures for the previous year ended 31 March 2022 (Audited) |
|---------|--|---|--|
| 1. | Segment revenue a) Pressing segment - Refer note 1(A) b) Bus body segment - Refer note 1(B) Total | 6,793.77 43,839.18 50,632.95 | 6,360.04 21,826.83 28,186.87 |
| | less: Inter segment revenue | 11.49 | 8.85 |
| | Total revenue from operations | 50,621.46 | 28,178.02 |
| 2. | Segment results Before tax and interest from segment a) Pressing segment b) Bus body segment (refer note 2 below) Total | 306.90 2,829.50 3,136.40 | 304.81 (785.88) (481.07) |
| | Less: i) Finance cost ii) Other un-allocable (income)/expenditure (net) | 3.32 (578.88) | 4.02 (819.54) |
| | Total Profit before tax | 3,711.96 | 334.45 |
| 3. | Capital employed (Segment assets - Segment liabilities) a) Pressing segment b) Bus body segment c) Unallocated Total capital employed in the Company | 3,166.82 2,346.97 13,856.29 19,370.08 | 3,091.64 2,411.21 11,389.83 16,892.68 |

Notes

- 1 Segment revenue:-
A. The segment revenue includes an amount of Rs. nil towards reversal of provision from trade receivable, on account of settlement of prices (year ended 31 March 2022 - Rs. 100.95 lakhs)] for the pressing division.
B. The segment revenue includes an amount of Rs. nil towards reversal of provision from trade receivable, on account of settlement of prices (year ended 31 March 2022 - Rs. 261.68 lakhs) for the bus division.
- 2 The fire incidence took place on 8 February 2022 at Plant 1 of Goa which had affected the main stores and some property, plant and equipment. The Company had lodged the claim with the insurance company and accordingly reported the exceptional loss of Rs. 594.22 Lakhs (after netting-off of interim payment received from insurance company of Rs. 200 Lakhs) in the year ended 31 March 2022. During the year the Company has received Rs. 410.80 lakhs, as full and final settlement towards the claim and accordingly recognised exceptional income of Rs. 296.69 Lakhs for the period ending 31 March 2023 (after netting-off of expenditure in relation to repairs of such assets amounting to Rs. 114.11 lakhs).
- 3 Tata Motors Limited contributed Rs. 45,294.68 lakhs (year ended 31 March 2022 - 23,495.37 lakhs)] to the Company's revenue and is the only party contributing more than 10% to the Company's revenue.



Notes forming part of the financial statements for the year ended 31 March 2023

39) Financial instruments - Fair values and risk management

i. The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in the fair value hierarchy.

Rs. in Lakhs

| Financial assets | Carrying amount | | | | | Fair value | | |
|--|-----------------|-----------------------------------|---|------------------|----------------------|-----------------|----------|----------|
| | Note | Fair value through profit or loss | Fair value through other Comprehensive income | Amortised cost | Total carrying value | Level 1 | Level 2 | Level 3 |
| As at 31 March 2023 | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Investments - mutual funds | 9 | - | - | - | - | - | - | - |
| Financial assets not measured at fair value* | | | | | | | | |
| Trade receivables | 10,10A | - | - | 8,110.06 | 8,110.06 | - | - | - |
| Cash and cash equivalents | 11 | - | - | 109.44 | 109.44 | - | - | - |
| Other bank balances | 12 | - | - | 2,896.14 | 2,896.14 | - | - | - |
| Loans | 5(A),(B) & (C) | - | - | 10,373.33 | 10,373.33 | - | - | - |
| Other financial assets | 6 | - | - | 418.74 | 418.74 | - | - | - |
| Total financial assets | | - | - | 21,907.71 | 21,907.71 | - | - | - |
| As at 31 March 2022 | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Investments - mutual funds | 9 | 1,073.13 | - | - | 1,073.13 | 1,073.13 | - | - |
| Financial assets not measured at fair value* | | | | | | | | |
| Trade receivables | 10,10A | - | - | 7,212.09 | 7,212.09 | - | - | - |
| Cash and cash equivalents | 11 | - | - | 603.09 | 603.09 | - | - | - |
| Other bank balances | 12 | - | - | 118.58 | 118.58 | - | - | - |
| Loans | 5(A),(B) & (C) | - | - | 9,164.12 | 9,164.12 | - | - | - |
| Other financial assets | 6 | - | - | 164.18 | 164.18 | - | - | - |
| Total financial assets | | 1,073.13 | - | 17,262.06 | 18,335.19 | 1,073.13 | - | - |



Notes forming part of the financial statements for the year ended 31 March 2023

Rs. in Lakhs

| Financial liabilities | Carrying amount | | | | | Fair value | | |
|---|-----------------|-----------------------------------|---|------------------|----------------------|------------|---------|---------|
| | Note | Fair value through profit or loss | Fair value through other Comprehensive income | Amortised cost | Total carrying value | Level 1 | Level 2 | Level 3 |
| As at 31 March 2023 | | | | | | | | |
| Financial liabilities not measured at fair value* | | | | | | | | |
| Borrowings | 17 | - | - | 7,182.93 | 7,182.93 | - | - | - |
| Lease liability | | - | - | 65.52 | 65.52 | - | - | - |
| Trade payables | 20, 20(A) | - | - | 5,065.13 | 5,065.13 | - | - | - |
| Other financial liabilities | 18 | - | - | 204.88 | 204.88 | - | - | - |
| Total financial liabilities | | - | - | 12,518.46 | 12,518.46 | - | - | - |
| As at 31 March 2022 | | | | | | | | |
| Financial liabilities not measured at fair value* | | | | | | | | |
| Borrowings | 17 | - | - | 4,231.66 | 4,231.66 | - | - | - |
| Lease liability | | - | - | 63.00 | 63.00 | - | - | - |
| Trade payables | 20, 20(A) | - | - | 5,528.79 | 5,528.79 | - | - | - |
| Other financial liabilities | 18 | - | - | 188.01 | 188.01 | - | - | - |
| Total financial liabilities | | - | - | 10,011.46 | 10,011.46 | - | - | - |

* Financials assets and liabilities such as trade receivables, cash and cash equivalents, other bank balances, inter corporate deposits, advances to employees, interest accrued, subsidy receivable from Government, cash credit account, trade payables, unclaimed dividends, payable for voluntary retirement scheme and other financial liabilities are largely short term in nature. The fair value of these financial assets and liabilities approximate their carrying amount due to the short term nature of such assets and liabilities.

ii. Measurement of fair values

Level 1: level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: level 2 hierarchy includes fair value of the financial instruments that are not traded in an active market. Fair value of these financial instruments is determined using valuation, which maximise the use of observable market data and rely as little as possible on entity specific estimates. Investments in mutual funds are valued using the closing net assets value (NAV).

Level 3: level 3 hierarchy includes financial instruments that are not based on the observable market data.



Notes forming part of the financial statements for the year ended 31 March 2023

iii. Risk management framework

The risk management process is coordinated by the management assurance functions and is regularly reviewed by the Company's audit committee. The audit committee meets regularly to review risks as well as the progress against the planned actions. Key business decisions are also discussed at the periodic meetings of the audit committee and the board of directors. The overall internal control environment and risk management programme including financial risk management is reviewed by the audit committee and the board

The risk management framework aims to:

- improve financial risk awareness and risk transparency.
- identify, control and monitor key risks.
- identify risk accumulations.
- provide management with reliable information on the Company's risk situation.
- improve financial returns.

The Company has exposure to the following risks arising from financial instruments:

(i) Market risk

The Company's activities does not expose it to the financial risks of changes in foreign currency exchange rates and interest rates.

(ii) Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with credit worthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

(iii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, the Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2023.

| Particulars | Carrying amount | Due in 1st year |
|---|-----------------|-----------------|
| Financial Liabilities | | |
| (a) Borrowings | 7,182.93 | 7,182.93 |
| (b) Trade payables | 5,065.13 | 5,065.13 |
| (c) Lease Liability | 65.52 | 3.31 |
| (d) Other financial liabilities at amortised cost | 204.88 | 204.88 |

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2022.

| Particulars | Carrying amount | Due in 1st year |
|---|-----------------|-----------------|
| Financial Liabilities | | |
| (a) Borrowings | 4,231.66 | 4,231.66 |
| (b) Trade payables | 5,528.79 | 5,528.79 |
| (c) Lease Liability | 63.00 | 3.61 |
| (d) Other financial liabilities at amortised cost | 188.01 | 188.01 |

As at year end the Company had access to following funding facilities

| Particulars | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Secured credit facility, reviewed annually and payable at call (refer note - (i)): | | |
| - amount used | 7,182.93 | 4,231.66 |
| - amount unused | 1,317.07 | 768.34 |

Note (i) - Credit facility includes cash credit, letter of credit, bank guarantee, facility relating to invoice discounting amounting to Rs. 8,500 lacs



Notes forming part of the financial statements for the year ended 31 March 2023

40) Reconciliation of statement submitted to bank and financial statement:-

The Company has sanctioned working capital limit in excess of five crore rupees, from HDFC banks on the basis of security of current assets. The differences in the quarterly returns or statements of current assets filed by the Company as per the books of account have been explained below.

a) Reconciliation of sales statement submitted to HDFC Bank V/S Financials:-

| Period ending | Total Submitted to bank | As per financials | Difference | Adj Explained below | Net diff. |
|---------------|-------------------------|-------------------|------------|---------------------|-----------|
| JUNE 2021 | 4,053.44 | 3,806.99 | 246.45 | 246.45 | - |
| SEP 2021 | 5,275.51 | 5,247.02 | 28.49 | 28.49 | - |
| DEC 2021 | 7,058.73 | 7,578.56 | (519.83) | (519.83) | - |
| MARCH 2022 | 11,866.97 | 11,457.92 | 409.06 | 409.06 | - |
| JUNE 2022 | 16,834.62 | 14,102.80 | 2,731.82 | 2,731.82 | - |
| SEP 2022 | 16,660.09 | 13,895.88 | 2,764.21 | 2,764.21 | - |
| DEC 2022 | 9,981.01 | 8,746.99 | 1,234.02 | 1,234.02 | - |
| MARCH 2023 | 15,396.45 | 13,690.68 | 1,705.77 | 1,705.77 | - |

The Company has submitted sales figures to the bank including GST whereas the amounts as per financials are exclusive of GST amounts. Further the sales figures submitted to bank does not include effects of supplementary sales invoices and sales cut off entries.

c) Reconciliation of Receivable statement submitted to HDFC Bank V/S Financials:-

| Period ending | Total Submitted to bank | As per financials | Difference | Adj Explained below | Net diff. |
|---------------|-------------------------|-------------------|------------|---------------------|-----------|
| JUNE 2021 | 875.33 | 2,033.64 | (1,158.31) | (1,158.31) | - |
| SEP 2021 | 979.23 | 3,805.27 | (2,826.04) | (2,826.04) | - |
| DEC 2021 | 1,230.44 | 6,449.79 | (5,219.35) | (5,219.35) | - |
| MARCH 2022 | 3,392.63 | 7,212.09 | (3,819.46) | (3,819.46) | - |
| JUNE 2022 | 1,592.59 | 5,865.31 | (4,272.72) | (4,272.72) | - |
| SEP 2022 | 1,897.15 | 4,527.75 | (2,630.60) | (2,630.60) | - |
| DEC 2022 | 2,933.67 | 2,933.67 | - | - | - |
| MARCH 2023 | 8,096.58 | 8,110.06 | (13.00) | (13.00) | - |

The amount shown in quarterly returns are amounts receivable from customers without considering following adjustments –

- Amount receivable from Tata Capital as per Bills discounting scheme which has been shown as receivable in Financial statements however, not shown under quarterly statements.
- Billable party adjustments – billable amounts for goods sent to job workers for further processing are shown in quarterly returns whereas these are netted off in financial statements with trade payables.
- Provisional entries posted in financial statements for recovery of amounts from trade receivables have not been shown in quarterly returns filed.

b) Reconciliation of Trade Payable statement submitted to HDFC Bank V/S Financials:-

| Period ending | Total Submitted to bank | As per financials | Difference | Adj Explained below | Net diff. |
|---------------|-------------------------|-------------------|------------|---------------------|-----------|
| JUNE 2021 | 1,582.03 | 3,838.89 | (2,256.86) | (2,256.86) | - |
| SEP 2021 | 1,405.82 | 3,899.58 | (2,493.76) | (2,493.76) | - |
| DEC 2021 | 2,902.22 | 5,572.10 | (2,669.88) | (2,669.88) | - |
| MARCH 2022 | 3,406.52 | 5,528.79 | (2,122.27) | (2,122.27) | - |
| JUNE 2022 | 4,492.20 | 6,125.55 | (1,633.35) | (1,633.35) | - |
| SEP 2022 | 3,842.79 | 5,578.24 | (1,735.45) | (1,735.45) | - |
| DEC 2022 | 3,434.99 | 5,017.31 | (1,582.32) | (1,582.32) | - |
| MARCH 2023 | 3,862.04 | 5,065.13 | (1,203.09) | (1,203.09) | - |

The amount shown in quarterly returns are amounts payable to pure creditors whereas the amounts as per financial statements include amounts payable to trade creditors, accrual of expenses and salary payable.

d) Reconciliation of stock statement submitted to HDFC Bank V/S Financials:-

| Period ending | Total Submitted to bank | As per financials | Difference | Adj Explained below | Net diff. |
|---------------|-------------------------|-------------------|------------|---------------------|-----------|
| JUNE 2021 | 4,595.43 | 4,320.92 | 274.51 | (274.51) | - |
| SEP 2021 | 4,560.94 | 4,199.60 | 361.34 | (361.35) | - |
| DEC 2021 | 6,027.27 | 5,610.32 | 416.95 | (416.95) | - |
| MARCH 2022 | 3,980.89 | 3,980.89 | - | - | - |
| JUNE 2022 | 5,147.65 | 5,147.65 | - | - | - |
| SEP 2022 | 5,154.24 | 5,154.24 | - | - | - |
| DEC 2022 | 5,603.49 | 5,603.49 | - | - | - |
| MARCH 2023 | 5,052.33 | 5,052.33 | - | - | - |

The Company has shown gross amount of inventory in the quarterly returns filed with Bank. The difference is on account of non-consideration of inventory provision relating to slow moving and differences if any observed during the stock counts. The difference is on account of entry relating to provision for slow moving inventory.



Notes forming part of the financial statements for the year ended 31 March 2023

| 41) Ratio analysis | | |
|--|---------------|---------------|
| | For the year | |
| | 31 March 2023 | 31 March 2022 |
| a) Current ratio = Current asset divided by current liability | | |
| Current Assets | 27,317.10 | 22,609.63 |
| Current Liabilities | 13,232.35 | 10,916.04 |
| Ratio | 2.06 | 2.07 |
| % change from 31 March 2022 | 0% | |
| Reason for change more than 25% Change is not more than 25% | | |
| b) Debt-equity ratio = Borrowing divided by Equity | | |
| Borrowings | 7,182.93 | 4,231.66 |
| Equity | 19,370.08 | 16,892.68 |
| Ratio | 0.37 | 0.25 |
| % change from 31 March 2022 | 48% | |
| Reason for change more than 25% The Company has started discounting its sales invoices with the third party financier on recourse basis, as a result of which there is increase in borrowing (current liability) resulting an increase in debt to equity ratio. The volumes have also doubled in the current financial year in comparison to previous year as a result of which there is corresponding rise in the borrowing. | | |
| c) Debt service coverage ratio = Earning available for debt service divided by Total interest, lease payment and principal repayments | | |
| Profit for the year | 3,711.96 | 334.45 |
| Add: Depreciation and amortisation | 467.55 | 497.48 |
| Add: Finance cost | 8.26 | 9.41 |
| Add: Loss on sale/scrap of property, plant and equipment | 5.02 | 19.54 |
| Add: Fair valuation gain on investments | - | (176.80) |
| Earnings available for debt service | 4,192.79 | 684.08 |
| Finance cost paid (Including lease payment) | 8.26 | 9.41 |
| Ratio | 507.60 | 72.70 |
| % change from 31 March 2022 | 598% | |
| Reason for change more than 25% The Company is having a positive EBITD before OCI net of notional income due to increase in business, from that of the previous year. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic Covid 19 also resulting in corresponding increase in borrowings to service the business. | | |
| d) Return on equity ratio = Profit for the year divided by average equity | | |
| Profit for the year | 2,784.61 | 344.14 |
| Average equity | 18,131.38 | 16,784.23 |
| Ratio | 0.15 | 0.02 |
| % change from 31 March 2022 | 649% | |
| Reason for change more than 25% The Company is having a positive EBT before OCI net of notional income due to increase in business, from that of the previous year. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19 with almost similar level of equity and capital employed as that from the previous year. | | |
| e) Net profit ratio = Profit for the year divided by net sales | | |
| Profit for the year | 2,784.61 | 344.14 |
| Net sales | 50,436.35 | 28,090.48 |
| Ratio | 0.06 | 0.01 |
| % change from 31 March 2022 | 351% | |
| Reason for change more than 25% The company is having a positive EBT before OCI net of notional income due to increase in business, from that of the previous year. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19. | | |



Notes forming part of the financial statements for the year ended 31 March 2023

| | For the year | |
|---|---|---|
| | 31 March 2023 | 31 March 2022 |
| f) Inventory turnover ratio = Net sales divided by average inventory Net sales (Product sales) Average inventory Ratio % change from 31 March 2022 | 50,436.35 4,516.61 11.17 58% | 28,090.48 3,963.07 7.09 |
| Reason for change more than 25% The ratio have increase due to growth in business from that of the previous year which has helped in effective utilisation of working capital. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19. | | |
| g) Trade receivables turnover ratio (Net sales excluding scrap sales divided by average trade receivables) Net sales (Excluding scrap sales) Average trade receivables Ratio % change from 31 March 2022 | 49,438.80 7,661.08 6.45 15% | 26,877.90 4,798.95 5.60 |
| Reason for change more than 25% Change is not more than 25% | | |
| h) Trade payables turnover ratio = Net credit purchase divided by average trade payable Cost of materials consumed Changes in inventories of finished goods, work-in-progress and scrap Opening inventory Closing inventory Net credit purchase Average trade payable Ratio % change from 31 March 2022 | 36,601.13 (880.12) 5,052.33 (3,980.89) 36,792.45 5,296.96 6.95 54% | 19,960.78 87.42 3,980.89 (3,945.24) 20,083.85 4,464.59 4.50 |
| Reason for change more than 25% The ratio have increase due to growth in business from that of the previous year which has helped in effective utilisation of working capital. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19. With almost the same level of payable. | | |
| i) Net capital turnover ratio = Net sales divided by working capital Net sales (Product sales) Current asset Less Current liability Working capital Ratio % change from 31 March 2022 | 50,436.35 27,317.10 13,232.35 14,084.75 3.58 49% | 28,090.48 22,609.63 10,916.04 11,693.59 2.40 |
| Reason for change more than 25% The ratio have increase due to growth in business from that of the previous year which has helped in effective utilisation of working capital. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19. With almost the same level of working capital. | | |
| j) Return on capital employed = Net profit divided by capital employed Net profit before exceptional item Add finance cost Net profit earned on capital employed Total equity Borrowings Other intangible assets Capital employed Ratio % change from 31 March 2022 | 3,415.27 8.26 3,423.53 19,370.08 7,182.93 (37.08) 26,515.93 12.91% 191% | 928.67 9.41 938.08 16,892.68 4,231.66 (1.76) 21,122.58 4.44% |
| Reason for change more than 25% The Company is having a positive EBIT before OCI before exception expense due to increase in business, from that of the previous year. The business have increased due to revival of economic condition which was affected in the previous year due to the Pandemic - Covid 19 also resulting in corresponding increase in capital employed to service the business. | | |



Notes forming part of the financial statements for the year ended 31 March 2023

k) Return on investment

(Market price on 31 March 2023* No of shares) - (Market price on 31 March 2022* No of shares)
(Market price on 31 March 2022* No of shares)

| | For the year | |
|--|----------------|----------------|
| | 31 March 2023 | 31 March 2022 |
| Change in market capitalisation | (13,160.56) | 32,096.17 |
| Market capitalisation at previous year end | 56,870.77 | 24,774.60 |
| Ratio | -23.14% | 129.55% |
| % change from 31 March 2022 | -118% | |

Reason for change more than 25%

The return from equity perspective is directly related to fall in the share price of the company which have declined to 717.90 on 31.03.2023 from 934.05 on 31.03.2022, due to sluggish market condition globally.

- 42) The Company does not have any long - term contract including derivative contract for which provision would be required for material foreseeable losses.
- 43) The Company received approval from BSE on 02 May 2022 approving the reclassification of EDC Limited from "Promoter shareholder" to "Public shareholding" pursuant to the Regulation 31(A) of Listing Regulations as amended and other applicable provisions. The Company has taken the same on record and given effect of such reclassification as required.
- 44) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- 45) The fire incidence took place on 8 February 2022 at Plant 1 of Goa which had affected the main stores and some property, plant and equipment. The Company had lodged the claim with the insurance company and accordingly reported the exceptional loss of Rs. 594.22 Lakhs (after netting-off of interim payment received from insurance company of Rs. 200 Lakhs) in the year ended 31 March 2022. During the year the Company has received Rs. 410.80 lakhs, as full and final settlement towards the claim and accordingly recognised exceptional income of Rs. 296.69 Lakhs for the period ending 31 March 2023 (after netting-off of expenditure in relation to repairs of such assets amounting to Rs. 114.11 lakhs).
- 46) The company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- 47) The Company do not have any charges or satisfaction which is yet to be registered with the ROC beyond the statutory period.
- 48) The Company have not traded or invested in Crypto currency or virtual currency during the current financial year
- 49) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 50) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- 51) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 52) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- 53) Current tax expenses for the year ended 31 March 2023 includes tax for earlier years amounting to Rs. nil (year ended 31 March 2022 - Rs. 3.15 lakhs).
- 54) The company's PF Trust "Automobile Corporation of Goa Ltd. Employees Provident Fund Trust" which was managed by the Company, had applied for surrender on 26 March 2021 and received the order from EPFO on 26 March 2021 to comply as an un-exempted establishment w.e.f... 01 April 2021. On 06 September 2021, the Company received an order from the Goa Regional P.F. Commissioner, which stated that the establishment has not violated any terms and condition of grant of exemption under Appendix A of para 27AA of the E.P.F Scheme, 1952. As a result of which the Company had written back an amount of Rs. 226.96 lakhs in the previous year.
- 55) Dividends declared by the Company are based on the profit available for distribution. On 08 May 2023, the Board of Directors of the Company have proposed a final dividend of Rs. 15.00 per equity share in respect of the year ended 31 March 2023, subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately Rs. 913.29 lakhs.



Notes forming part of the financial statements for the year ended 31 March 2023

- 56) Dividends paid during the year ended 31 March 2023 include an amount of Rs 2.50 per equity share towards interim dividends for the year ended 31 March 2023.
- 57) Pursuant to her resignation, Ms. Sanu Kapoor – Company Secretary (CS) of the Company, was relieved from the service of the Company effective 18 March 2023. The Company is in the process of appointing a new Company Secretary. The Board of Directors has appointed Mr. Sanjay Chourey - a qualified company secretary, as compliance officer of the Company w.e.f. 19 March 2023 to look into compliance related matters and investor relations.
- 58) The Company has not provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 59) The Company has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding that the intermediary shall :
- Directly or indirectly lend or invest in other person (s) or entities identified in any manner whatsoever on behalf of the Company (ultimate beneficiaries).
 - Provide any guarantee, any securities or the like to or on behalf of the ultimate beneficiaries.
- 60) The Company has not received any fund from any person (s) or entity (ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall
- Directly or indirectly lend or invest in other person (s) or entities identified in any manner whatsoever on behalf of the Company (ultimate beneficiaries).
 - Provide any guarantee, any securities or the like to or on behalf of the ultimate beneficiaries.

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Abhishek
Partner
Membership No.062343

Place: Mumbai, Maharashtra
Dated: 08 May 2023

Shrinivas V. Dempo
Chairman
DIN 00043413

Yatin Kakodkar
Director - DIN 00001433

O. V. Ajay
CEO & Executive Director
DIN 07042391

Raghwendra Singh Butola
Chief Financial Officer

Place: Mumbai, Maharashtra
Dated: 08 May 2023



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