

**MINUTES OF THE 95TH ANNUAL GENERAL MEETING OF THE MEMBERS OF
GREAVES COTTON LIMITED HELD AT HALL OF CULTURE, NEHRU CENTRE, WORLI
MUMBAI - 400 018 ON THURSDAY, 31TH JULY, 2014 AT 3 P. M.**

Present:

1. Members:

In person	54
Through Proxies	7
Through Authorized Representatives	3

2. Directors:

Mr. Karan Thapar	Chairman
Mr. Sunil Pahilajani	Managing Director & CEO
Mr. Vijay Rai	Director and Member
Dr. Clive Hickman	Director
Mr. Navneet Singh	Director
Mr. Arvind Kumar Singhal	Director

3. From the Management:

Mr. Narayan Barasia	Chief Financial Officer
Ms. Monica Chopra	Company Secretary & Executive Vice President - Legal
Mr. Jatindra Dighe	Sr. General Manager, Accounts
Mr. Sumit Agarwal	Deputy General Manager, Accounts

4. Auditors:

Mr. Khushroo B. Panthaky	} Representing Walker, Chandio and Co LLP
Mr. Bharat Shetty	
Mr. Anuj Gupta	
Mr. Aditya Jalan	
Mr. Punit Mar	

1. Chairman of the Meeting

Pursuant to Article 101 of the Articles of Association of the Company, Mr. Karan Thapar, Chairman of the Board of Directors, occupied the Chair and conducted the proceedings of the Meeting.

2. Quorum

The requisite Quorum being present, the Chairman called the Meeting to order sharp at 3:00 p.m.

The Chairman welcomed all those present to the 95th Annual General Meeting of the Members of the Company and declared that the Company had received Proxies and

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For **Greaves Cotton Limited**



Monica Chopra
Company Secretary &
Executive Vice President - Legal

Letters of Representations for 12,84,87,685 Equity Shares of Rs. 2 each, that was around 52.61% of the Company's Equity Share Capital.

The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested were kept open for inspection by the Members, as required under Section 170 and Section 189 of the Companies Act, 2013.

The Chairman then introduced Mr. Arvind Kumar Singhal who had joined the Board from 1st November, 2013 as Additional Director and Ms. Monica Chopra, who was being inducted as an Additional and a Whole-time Director on the Board with effect from 1st August, 2014. Mr. Thapar expressed apologies on behalf of Mr. Vikram Tandon, Director, who was unable to attend the Meeting.

3. **Notice of the Meeting**

The Chairman suggested, with the concurrence of the Members present, that the Notice convening the 95th Annual General Meeting and the Explanatory Statement, be taken as read. The same was agreed to by the Members.

4. **Auditors' Report**

The Chairman requested the Members, that since the Auditors' Report for the year ended 31st March, 2014, did not contain any qualifications, observations or comments on financial transactions or matters, which had any adverse effect on the functioning of the Company, the same may be taken as read. The Members agreed to take the Auditors' Report as read.

5. **Chairman's Speech**

The Chairman then addressed the Shareholders covering, inter-alia, the following key areas: (Full text of the Chairman's speech is attached to these Minutes.)

He spoke about the state of the Indian economy during the financial year 2013-14 which was impacted by decelerating GDP growth and rising fiscal deficit, seeing lackluster investment momentum in infrastructure, and declining industrial capital expenditure. However, domestic demand was expected to pick up from the second half of the current fiscal in the backdrop of the economic reforms that had been put in place in the past few months, including those on the anvil. He presented an overview of Company's performance during 2013-14, in particular the automotive market, exit from non-strategic assets, winding up the 100% subsidiary in Netherlands subsequent to divestment in the step-down subsidiary, Greaves Farymann Diesel GmbH in Germany, new product launches and the major initiatives including strengthening of overseas presence in selected markets and dealer network in the aftermarket business and outlook. He informed the Shareholders of the Company's performance in the first quarter 2014-15. He concluded his speech by thanking all the stakeholders.



The Chairman then explained the new provisions of electronic voting and poll at the General Meetings under the Companies Act, 2013, the relevant Rules read with the revised Clause 35B of the Listing Agreement, whereunder all listed companies were required to provide e-voting facility to shareholders, in respect of all the resolutions to be passed at General Meetings. Accordingly, the Company had provided the e-voting facility to its Shareholders which began at 9 a.m. on 24th July, 2014 and ended at 6 p.m. on 26th July, 2014. He informed that 88 shareholders had availed of the facility. The Chairman then mentioned that only those Shareholders who have not already cast their votes through electronic means were entitled to vote at the Meeting which would be conducted by means of a poll following the principle of one share – one vote.

Mr. Upendra Shukla, Practicing Company Secretary, who was a Scrutinizer for electronic voting, was introduced by the Chairman as the Scrutinizer for the Poll process. Mrs. Asha Lata Maheshwari volunteered to represent the Shareholders as a scrutinizer for the Poll process. On the instructions of the Chairman, a volunteer unlocked the Ballot Box to confirm that it was empty and Mr. Shukla locked the same.

The Chairman then requested the Members to take up the Resolutions as per the Agenda of the Notice.

6. Resolutions

a. Adoption of Annual Accounts

The following Resolution was proposed by the Chairman as an Ordinary Resolution:

“RESOLVED THAT the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date, together with the Reports of the Auditors’ and Directors’ thereon, as already circulated, be and are hereby received, considered and adopted.”

Seconded by Mr. Hiranand Kotwani (Folio No. 00013786)

Before putting the Resolution to vote, the Chairman stated that requests had been received from some Members to speak and seek clarifications.

The Chairman requested the Members to be brief and stated that responses would be given at the end, after all questions had been raised.

Thereafter, Members, who had submitted requests to speak, came to the Speaker’s Podium. The remarks made and questions asked by them, in brief, are as follows:

Mr. Seshan Krishnamoorthy (DP ID/Client ID: IN300183/10083841)

- Mr. Krishnamoorthy appreciated the Company’s performance considering the difficult times.
- He suggested J K Banquets as a venue for the AGM of the Company



- He enquired about the Company's plan in respect of the opportunities in the infrastructure sector that had been in focus in the Union Budget, use of the Company's products in disaster management, road construction, etc.
- He requested for a Plant visit and supported all the Resolutions.
- He expressed his satisfaction with the services of the Company's Registrar and Share Transfer Agent – Sharepro Services (I) Pvt. Ltd.

Ms. Asha Lata Maheshwari (Folio No. 00008622)

- Ms. Maheshwari appreciated the Annual Report including the Management Discussion & Analysis for its presentation and detailed reporting.
- She enquired about the spend on CAPEX and R&D during the year, expected growth in revenue, income and expenditure in foreign exchange, etc.
- She expressed her satisfaction with the dividend given though and mentioned that the increase in the Company's share price more than compensated for the lower than last year's dividend; though the results could be better

Mr. Hiranand Kotwani (Folio No. 00013786)

- In his view, the Company's result was not up to the mark.
- He enquired about the Company's plan to increase productivity, global operations of the Company

Mr. Beruz Pouredehi (DP ID/Client ID: IN300907/10418337)

- He pointed out the fall in the Earning per Share of the Company as compared to last year
- He enquired about the reason for non-performance of the subsidiary companies and requested for copies of their annual accounts
- He asked for details about the sale of properties, the impairment of assets and the profit on sale of fixed assets during the year.

Mr. Babulal Parekh (DP ID/Client ID: IN300749/10036328)

- Mr. Parekh recommended for an increase in dividend for next year
- He suggested to show images of the Company's products in the Annual Report
- He enquired about the addition and disposal of Plant & Machinery during the year, from whom the Company acquired Technical Know-how and Capital WIP
- In respect of International Business, he enquired about the countries with which business was undertaken.

Ms. Shobhana Mehta (DP ID/Client ID: IN300513/10543512)

- She welcomed Mr. Navneet Singh and Mr. Singhal on the Board.
- She expressed her satisfaction with the Annual Report and pointed that she did not received Annual report in relation to her 2 Folios
- She appreciated the Company's performance in challenging times, the results and the dividend declared though the dividend was lower than last year



- She enquired about the employee strength in the Company and its Subsidiaries (abroad), the estimated Capital Expenditure for the F.Y. 2014-15 and the CSR spend as a % of profits to be undertaken by the Company, decrease in Forex earnings, etc.
- She expressed her support for all the Resolutions

Ms. Usha Karnad (Folio No. 00014056)

- She complained about non-receipt of the Annual Report

Mr. Michael Martins (DP ID/Client ID: 13025900/01261386)

- He appreciated the focus of the Company on new models for Farm Equipment, investing in Human Resource, cost optimization measures undertaken and the focus on Aftermarket Business

The Chairman acknowledged and appreciated the comments made by the Shareholders. Replies to the queries were given jointly with Mr. Sunil Pahilajani, to the satisfaction of the Shareholders.

The Chairman then dealt with the other Resolutions as detailed in the Notice.

Declaration of Dividend:

The following Resolution was proposed by Mr. Jitendra Maheshwari (Folio no. 00003934) as an Ordinary Resolution:

“RESOLVED THAT, for the year ended 31st March, 2014, a Final Dividend of Rs.0.60 per Equity Share (30%) amounting to Rs.14,65,24,077 on the Paid-up Equity Share Capital of Rs.48,84,13,590 comprising of 24,42,06,795 Equity Shares of Rs.2 each, as per provision already made in the Accounts for the said year, be and is hereby declared and the same be paid at par on or after Friday, 22nd August, 2014.”

“FURTHER RESOLVED that the aforesaid Dividend be paid to Members holding Shares in physical form and whose names appear on the Company's Register of Members as holders of Equity Shares on Thursday, 31st July, 2014. In respect of Shares held in dematerialized form, the dividend will be paid to the beneficial owners of the Shares as at the close of business hours on Monday, 21st July, 2014 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.”

Seconded by Mr. Beruz Pouredehi.

b. Re-appointment of Statutory Auditors of the Company

The following Resolution was proposed by Mr. Hiranand Kotwani as an Ordinary Resolution:

“RESOLVED THAT Walker Chandiook & Co LLP, Chartered Accountants, having Firm Registration Number 001076N, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of 95th Annual General



Meeting upto the conclusion of the 96th Annual General Meeting of the Company and that the Audit Committee be and is hereby authorized to fix their remuneration.”

Seconded by Mr. Beruz Pouredehi

c. Re-appointment of Branch Auditors of the Company:

The following Resolution was proposed by Mr. Babulal Parekh as an Ordinary Resolution:

“**RESOLVED THAT** Wrigley Partington, London, UK, be and are hereby re-appointed as Branch Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company and that the Audit Committee be and is hereby authorized to fix their remuneration.”

Seconded by Mr. Hiranand Kotwani.

d. Appointment of Mr. Vikram Tandon as an Independent Director

The following Resolution was proposed by Mr. Jayesh Gandhi (DP ID/Client ID: 13029500/0000542) as an Ordinary Resolution:

”**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges (including any statutory modification or re-enactment thereof), Mr. Vikram Tandon (DIN 01727251), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive term up to 17th November, 2018.”

Seconded by Ms. Asha Lata Maheshwari.

e. Appointment of Dr. Clive Hickman as an Independent Director

The following Resolution was proposed by Mr. Babulal Parekh as an Ordinary Resolution:

”**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges (including any statutory modification or re-enactment thereof), Dr. Clive Hickman (DIN 02075540), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing



his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive term up to 31st March, 2019.”

Seconded by Mr. Michael Martins

f. **Appointment of Mr. Navneet Singh as an Independent Director**

The following Resolution was proposed by Mr. Babulal Parekh as an Ordinary Resolution:

”RESOLVED THAT pursuant to the provisions of Sections 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges (including any statutory modification or re-enactment thereof), Mr. Navneet Singh (DIN 01896854), who was appointed as an Additional Director of the Company with effect from 1st August, 2013 and who holds office up to the date of this Annual General Meeting, and who has given a notice in writing under Section 160 of the Companies Act, 2013, signifying his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive term up to 31st March, 2019.”

Seconded by Mr. Michael Martins

g. **Appointment of Mr. Arvind Kumar Singhal as an Independent Director**

The following Resolution was proposed by Ms. Shobhana Mehta as an Ordinary Resolution:

”RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges (including any statutory modification or re-enactment thereof), Mr. Arvind Kumar Singhal (DIN 00709084), who was appointed as an Additional Director of the Company with effect from 1st November, 2013 and who holds office up to the date of this Annual General Meeting and who has given a notice in writing, under Section 160 of the Companies Act, 2013, signifying his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive term up to 31st March, 2019.”

Seconded by Ms. Usha Karnad (Folio No. 00014056)

h. **Appointment of Mr. Vijay Rai as an Independent Director**

The following Resolution was proposed by Ms. Asha Lata Maheshwari as an Ordinary Resolution:

”RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges (including any statutory



modification or re-enactment thereof), Mr. Vijay Rai (DIN 00075837), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive term up to 12th October, 2016.”

Seconded by Ms. Shobhana Mehta

i. **Approval of Remuneration of the Cost Auditors**

The following Resolution was proposed by Mr. Michael Martins as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification or re-enactment thereof), the remuneration of ` 6.90 lakhs, as recommended by the Audit Committee and approved by the Board of Directors of the Company, to be paid to M/s. Dhananjay V. Joshi & Associates, Cost Accountants, for conduct of audit of the cost records maintained by the Company for the financial year 2014-15, be and is hereby ratified.”

Seconded by Mr. Seshan Krishnamoorthy

The Chairman then ordered the Poll and put the Resolutions to vote and requested the Shareholders, who did not cast their vote through the electronic voting mode, to complete the Poll Paper given to them at the registration counter and put the same, duly filled and signed, in the Ballot Box kept for the purpose.

The Chairman informed the Shareholders that the result of the electronic voting as well as voting through the Poll would be declared on 1st August, 2014 on the website of the Company and will also be submitted to the Stock Exchanges.


Then Chairman then stated that all business as per Notice had been transacted and the Meeting stood concluded.

Ms. Shobhana Mehta proposed a vote of thanks by to the Chair.

CHAIRMAN

Appendix:
Text of Mr. Karan Thapar's Speech

Certified True Copy
For Greaves Cotton Limited



Monica Chopra
Company Secretary &
Executive Vice President - Legal

Dear Shareholders,

2013-14 has been a challenging year for Indian industry. The economy, impacted by decelerating GDP growth and rising fiscal deficit, has seen lackluster investment momentum in infrastructure, and declining industrial capital expenditure. However, we expect the domestic demand to pick up from the second half of the current fiscal in the backdrop of the economic reforms that have been put in place in the past few months, including those on the anvil.

Today, I will take you through the performance of your Company and some of the significant highlights of the previous year and of course, the outlook for the current year.

Overview 2013-14

With business sentiments being far from optimistic, most sectors of the economy were adversely affected and as our businesses are closely linked to the critical sectors, it was imperative for us to pool our efforts in strengthening our business strategy. Our robust business model focused on growing products, deepening markets and expanding geographies which will help tide over the challenging business environment and define our approach towards business.

In 2013-14, the automotive market and, in particular, the sales of commercial vehicles declined sharply. This downturn was also reflected in the Company's annual performance with net sales registered at Rs.1,719 crores as against Rs.1,873 crores during the previous year and the Net Profit for the year was at Rs. 113 crores as against Rs. 138 crores during the previous year.

In spite of the difficulty faced by the economy, your Company was swift to adapt to this tough economic situation and initiated prudent counter measures to maintain margins, while remaining competitive in the Indian market. We exited non-strategic assets and wound up the 100% subsidiary in Netherlands pursuant to the divestment in the step-down subsidiary, Greaves Farymann Diesel GmbH in Germany. We focused on operational excellence initiatives which saw improvement in material cost through Value Engineering and sourcing initiatives.

New Product launches:

I am happy to inform that 2013-14 witnessed new product launches across businesses catering to the evolving demands of the market and customers. With the market ready 265cc gasoline engine, the automotive engine business is now geared to partner with OEMs for quadricycles. New products were added to the power business with the inclusion of the sub 20 KVA genset range addressing the retail market as well as CPCB2 norm compliant range of engines and gensets. Farm equipment business strengthened its presence in the irrigation segment with thrust on diesel engine and electrical pumpsets. This business is also strengthening its presence in the fast growing Light Agri Equipment space with a rapid product indigenization plan. Your Company has increased its investment in Research & Development and will continue to develop indigenous, value-based and technology-enabled products.



Initiatives:

Other major initiatives included strengthening our overseas presence in selected markets and strengthening our dealer network in the aftermarket business. The latter is also exploring the possibility of leveraging its network to support non Greaves products.

Outlook and Performance for Q1 2013-14

Greaves expects the economic conditions to improve in 2014-15, including automotive sector. The first quarter's results show Rs. 422.53 Cr in revenue and Rs. 28.74 Cr in PAT. Your Company has been able to maintain its sales albeit in a tough business scenario. It will continue to invest in technology, R&D and quality related capexes, while judiciously restraining capital expenditure. Greaves is well equipped for the future and in a position to capitalise on new opportunities going forward. As a result, we expect our strengths to become more important than ever before.

I conclude by conveying my sincere thanks most of all to you, our shareholders, and to our valued customers, suppliers, bankers, financial institutions, and special thanks and appreciation to the employees of the Company at all levels for their hard work, dedication and continued commitment.

Thank you for your attention.

