



FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
(A Subsidiary of TVS Sensing Solutions Private Limited)

5th Annual Report 2023-2024

Registered Office:

No.10,Jawhar Road,
Chokkikulam,
Madurai 625 002.
Tamil Nadu
India

Factory

Madurai - Melur Road
Vellaripatti
Madurai 625 122
Tamil Nadu
India



Name of the Company **FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED**
(A Subsidiary of TVS Sensing Solutions Private Limited)

CIN U31900TN2019PTC131018

Registered Office No.10,Jawhar Road,
Chokkikulam,
Madurai 625 002
Tamil Nadu
India.

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India.

Directors Sri. V.BALAJI
Sri.T.K.RAVI

Auditors PKF SRIDHAR & SANTHANAM LLP
Chartered Accountants
Firm Registration No: 003990S / S200018
91-92 VII Floor, Dr Radhakrishnan Salai

5th Annual Report 2023-2024 Mylapore
Chennai 600004
Tamil Nadu
India

Fiber Optic Sensing Solutions Private Limited

CIN: U31900TN2019PTC131018

Registered Office:10, Jawahar Road, Chokkikulam,
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DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors have pleasure in presenting the Fifth Annual Report of the Company, together with the audited financial statements for the year ended 31st March, 2024.

1. Financial Performance / Highlights

The Company's financial performance for the year under review is given hereunder.

The particulars for the year ended 31st March, 2024 furnished below:

(Rupees in Lakhs)

Particulars	2023-24	2022-23
Revenue from Business Operations	230	164
Other Income	31	0
Total Income	261	164
Materials Consumed	164	123
Employee Benefit Expenses	159	144
Other Expenses	129	52
Interest	66	71
Depreciation	1	1
Total Expenses	519	391
Profit / (Loss) before tax	(258)	(227)

2. Dividend

The Board of Directors has not recommended any dividend for the year 2023-24.

3. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

There are no pending dividend amounts which are required to be transferred to Investor Education and Protection Fund.

4. Business Review / The state of the company's affairs

Your Directors wish to present the details of the Business operations for the year under review:

Sales, Production and Profitability:

The Company was incorporated during the FY 2019-20, and in the process of establishing Marketing Collaterals, Development Center and engaging System Integrators.

Marketing and Market Environment:

The Company is in the process of gaining strong sales funnel for the upcoming year FY 2024-25.

5. The amounts, if any, which it proposes to carry to any reserves

During the year, the Company does not carry any amount to reserves.

6. Directors

There is no change in the Directors of the Company during the year under review.

7. Material changes and commitment if any affecting the Financial position of the Company occurred between end of the Financial year to which this Financial statements relate and the date of the Report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and to the date of this report.

8. Deposits

During the year under review, the Company has not accepted any deposits from the public, within the meaning of Section 73 of the Companies Act, 2013 (erstwhile Section 58A of the Companies Act, 1956).

9. The Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

Your Company has no activity relating to conservation of energy or technology absorption. The Company does not have any foreign exchange earnings or outgo.

10. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors state as under:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had 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 (Loss)of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis;
5. The Company has adequate internal systems and financial controls in place to ensure compliance of laws applicable to the Company; and
6. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Subsidiaries, Joint Ventures and Associate Companies

The Company has not invested in any new subsidiary during this year under review.

12. Statutory Auditor

The Statutory Auditors of the Company M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai(Registration No.003990S / S200018) were appointed in the existing Auditors of the Company is liable to retire at the conclusion of the Fifth Annual General Meeting (AGM) of the Company. They will be appointed as a Statutory Auditor of the Company in the ensuing Annual General Meeting.

13. Number of meetings of the Board

During the year, (4) meetings of the Board of Directors of the Company were convened and held on 09-05-2023, 26-08-2023, 08-11-2023, and 27-02-2024 respectively. The intervening gap between the meetings was within the period prescribed under the Act.

14. Independent Directors

Having regard to the limits specified in Companies Act 2013, requirement of appointment of Independent Directors and statement of declaration given by them is not applicable to the Company.

15. Particulars of loans, guarantees or investments under Section 186(2)

The Company does not have any loan or guarantee under the provisions of Section 186 of the Companies Act, 2013.

16. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form

There were no materially significant transactions with Related Parties during the financial year 2023-24 which were in conflict with the interest of the Company. Hence, no details are required to be furnished in Form AOC-2 in terms of Section 134(3)(h) of the Companies Act, 2013.

17. Risk Management Policy

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal. The Company is in the process of framing a risk management policy and to take steps to mitigate risks.

18. Corporate Social Responsibility (CSR)

Section 135 of the Companies Act, 2013 is not applicable to the Company as the Company does not have the specified turnover or net worth or profit criteria and hence, there is no requirement for the Company to undertake CSR activities.

19. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company

During the year 2023-24, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Company.

20. Internal Control Systems and its adequacy

Your Company's internal control system has been designed to provide for

- a. Accurate recording of transactions with internal checks and prompt reporting
- b. Adherence to applicable Accounting Standards
- c. Compliance with applicable statutes

21. Disclosure under the Sexual Harassment of women at work place (prevention, prohibition and Redressal) Act, 2013

Your Directors state that during the year under review, there were no cases received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

22. Shares

a) Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

b) Bonus Shares

No Bonus Shares were issued during the year under review.

c) Employee Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees

23. Particulars of employees and related disclosures

There are no employees who are covered under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24. Acknowledgement

Your Directors express their sincere thanks to bankers, business associates, consultants, stakeholders and others for their continued support and co-operation.

For and on behalf of the Board

sd/-

V Balaji
Director
DIN: 08533753

Place: Madurai
Date:27/04/2024

Independent Auditors' Report

To the Members of Fiber Optic Sensing Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Fiber Optic Sensing Solutions Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2024, 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 material accounting policies and other explanatory information (hereinafter referred to as "financial statements").

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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its loss 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors' report but does not include the financial statements and our auditors' report 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 during 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.

Responsibilities of the Management and Board of Directors for 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, 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, 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.

Auditors' 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 auditors' 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors'

report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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. 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 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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 the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditors' 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:
 - i. The Company does not have any pending litigations which could impact the financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024; and
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on such audit procedures that we have 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 (a) and (b) contain any material mis-statement.

v. The company has neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, and the reliance placed on the representation and explanations from the software vendor and the company, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The software is such that it has no database but only objects and collections, hence, no changes is possible at that level. Further, during the course of our audit where audit trail has been enabled, we did not come across any instance of audit trail feature being tampered.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, Company has not paid any remuneration to its directors.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

sd/-

T V Balasubramanian
Partner
Membership No. 027251
UDIN : 24027251BKDHFZ9081

Place of Signature: Madurai
Date: 27-04-2024

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Fiber Optic Sensing Solutions Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2024.

- (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.
 - (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified every 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. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification during the year.
 - (c) The company does not have any immoveable properties in its name. Where properties have been taken on lease, the lease agreements are in the name of the company as at the Balance Sheet date.
 - (d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year and hence this clause is not applicable to the Company.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not 10% or more in the aggregate for each class of inventory.

b) Based on our audit procedures & according to the information and explanation given to us, the Company has not 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. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) Based on our audit procedures & according to the information and explanation given to us, the Company has not, during the year, made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

- (iv) In our opinion and according to the information and explanation given to us, the Company has not made any investments, given loans, provided guarantee and securities. Accordingly, provisions of Section 185 and 186 of the Act are not applicable to the Company.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. Accordingly, paragraph 3(v) of the Order is not applicable to the Company
- (vi) . The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act.
- (vii)
 - (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and any other material statutory dues as applicable with the appropriate authorities.
According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at 31 March 2024 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 based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2024, which have not been deposited with the appropriate authorities on account of any dispute,
- (viii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.
- (ix)
 - (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in 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 willful defaulter by any bank or financial institution or government or government authority.
 - (c) According to the information and explanations given to us and the records of the Company examined by us, the company has not obtained any term loans.
 - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has not obtained any term loans or working capital loans and therefore the question of whether have they used any short term funds raised for long term purposes during the year does not arises..
 - (e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiaries, associates or joint ventures..

Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company

- (f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiaries, associates or joint ventures.. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x)

- (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)

- (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section 12 of Section 143 of the Act has been filed by by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government of India for the period covered by our audit.
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) 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) To the best of our knowledge and belief and according to the information and explanations given to us, the Company does not have an internal audit system.

- (b) Accordingly, there are no reports of the Internal Auditors for the period to be considered by us.

- (xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

- (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).
- (b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

- (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of INR 25,778 Thousands in the current year and INR 22,549 Thousands in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause 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) Based on our audit procedures and according to the information and explanations given to us, the company is not required to spend the amount for corporate social responsibilities and Accordingly, paragraph 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company..

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

sd/-

T V Balasubramanian
Partner
Membership No. 027251
UDIN: 24027251BKDHFZ9081

Place of Signature: Madurai
Date: 27-04-2024

Annexure B

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

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, 2013

We have audited the internal financial controls with reference to financial statements of Fiber Optic Sensing Solutions Private Limited("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibility 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 control 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"). 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.

Auditors' 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, 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 control 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 control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles,

and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to 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 control 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.

Opinion

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 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

sd/-

T V Balasubramanian
Partner
Membership No. 027251
UDIN: 24027251BKDHFZ9081

Place of Signature: Madurai
Date: 27-04-2024

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
(A Subsidiary of TVS Sensing Solutions Private Limited)
Balance Sheet as at 31st March 2024
(Amount in INR Thousands, unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	87	183
Intangible Assets	4	0	9
Financial Assets			
Other Financial Assets	5	730	450
Income tax assets (net)		63	-
Deferred Tax Asset	6	22,473	15,957
Current assets			
Inventories	7	-	1,984
Financial Assets			
Trade receivables	8	11,232	10,932
Cash and cash equivalents	9	5,730	16,699
Other Current Assets	10	180	289
Total Assets		40,495	46,504
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	100	100
Other Equity	12	(67,786)	(48,418)
Liabilities			
Financial Liabilities			
Borrowings	13	55,000	55,000
Other Financial Liabilities	14	20,139	13,539
Current liabilities			
Financial Liabilities			
Trade Payables			
Total outstanding dues of micro and small enterprises	15	-	
Total outstanding dues of creditors other than micro	15	20,101	13,033
Other Financial Liabilities	16	11,309	12,372
Other current liabilities	17	1,632	878
TOTAL		40,495	46,504

Summary of material accounting policies - Refer Note 2

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

sd/-

V. Balaji
Director
DIN : 08533753

Place: Madurai
Date: 27.04.2024

sd/-

T.K Ravi
Director
DIN : 08533754

sd/-

T V Balasubramanian
Partner
Membership No: 027251

Place: Madurai
Date: 27.04.2024
UDIN : 24027251BKDHFZ9081

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Firm Registration Number: 0039905/S200018
Chartered Accountants

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED			
(A Subsidiary of TVS Sensing Solutions Private Limited)			
Statement of Profit and Loss for the year ended 31st March 2024			
(Amount in INR Thousands, unless otherwise stated)			
Particulars		Year Ended March 31,2024	Year Ended March 31 2023
Income			
Revenue from Operations	18	22,960	16,440
Other income	19	3,093	1
Total Income		26,053	16,441
Expenses:			
Cost of material consumed	20	16,364	12,327
Employee Benefit Expenses	21	15,907	14,429
Finance costs	22	6,600	7,060
Depreciation and amortization expense	3 to 4A	106	123
Other expenses	23	12,960	5,175
Total Expenses		51,937	39,114
Profit before tax		-25,884	-22,673
(1) Current tax			-
(2) Deferred tax	6	(6,516)	-5,591
Income tax expense	32	(6,516)	-5,591
Profit (Loss) for the year		(19,368)	-17,082
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit and Other Comprehensive Income for the period)		-19,368	-17,082
Face value per share - Rs.10		10.00	10.00
Earnings per equity share			
(1) Basic	24	(1,936.82)	(1,708.17)
(2) Diluted		(1,936.82)	(1,708.17)
Summary of material accounting policies - Refer Note 2			
The accompanying notes are an integral part of the financial statements.			
For and on behalf of the Board of Directors		As per our report of even date attached	
		For PKF Sridhar & Santhanam LLP	
		Firm Registration Number: 003990S/S200018	
		Chartered Accountants	
sd/-	sd/-	sd/-	
V. Balaji	T.K Ravi	T V Balasubramanian	
Director	Director	Partner	
DIN : 085	DIN : 085337	Membership No: 027251	
Place: Madurai		Place: Madurai	
Date: 27.04.2024		Date: 27.04.2024	
		UDIN : 24027251BKDHFZ9081	

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
(A Subsidiary of TVS Sensing Solutions Private Limited)
Statement of Cash Flow for the year ended 31st March 2024
(Amount in INR Thousands, unless otherwise stated)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	-25,884	-22,673
Adjustments for :		
Interest Income	-	-1
Depreciation	106	123
Provision on stock	1,984	
Interest expense	6,600	7,060
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	-17,194	-15,491
Adjustments for :		
Inventories	-	-
Trade receivables	-299	-9,449
Trade payables	7,068	11,439
Other Financial Assets	-280	
Other current assets	110	864
Other Financial Liabilities	-1,062	6,922
Other current Liabilities	754	108
Cash Generated From Operations	-10,904	-5,606
Direct taxes paid	63	-
NET CASH GENERATED/(USED IN) FROM OPERATING ACTIVITIES (A)	-10,967	-5,606
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property Plant and Equipment & Intangibles	0	-74
NET CASH (USED IN) INVESTING ACTIVITIES (B)	-	-74
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Compulsory Convertible preference shares	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES: (C)	-	-
NET INCREASE CASH AND CASH EQUIVALENTS (A+B+C)	-10,967	-5,680
CASH AND CASH EQUIVALENTS - OPENING BALANCE	16,699	22,378
CASH AND CASH EQUIVALENTS - CLOSING BALANCE (Refer Note 9)	5,730	16,699
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	-10,970	-5,680

- a) Figures in bracket indicate cash outflow.
b) Refer Note 13.1 for Net Debt reconciliation
c) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
Summary of material accounting policies - Refer Note 2

<p>For and on behalf of the Board of Directors</p> <p><i>sd/-</i></p> <p>V. Balaji Director DIN : 08533753</p> <p>Place: Madurai Date: 27.04.2024</p>	<p>As per our report of even date attached For PKF Sridhar & Santhanam LLP Firm Registration Number: 0039905/S200018</p> <p><i>sd/-</i></p> <p>T V Balasubramanian Partner Membership No: 027251 Place: Madurai Date: 27.04.2024 UDIN : 24027251BKDFH29</p>
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FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED		
(A Subsidiary of TVS Sensing Solutions Private Limited)		
Notes to Financial Statements for the year ended 31st March 2024		
(Amount in INR Thousands, unless otherwise stated)		
A. Equity Share Capital	Amount	
Balance as at March 31, 2022	100	
Changes in equity share capital due to prior period errors	-	
Restated Balance as at March 31, 2022	100	
Changes in equity share capital during the year	-	
Balance as at March 31,2023	100	
Changes in equity share capital due to prior period errors	-	
Restated Balance as at March 31, 2023	100	
Changes in equity share capital during the year	-	
Balance as at March 31,2024	100	
B. Other Equity		
For the year ended 31 March 2024		
Particulars	Retained Earnings	Total
As at 1 April 2023	(48,418)	(48,418)
Total comprehensive income (net of taxes)	(19,368)	(19,368)
At 31 March 2024	(67,786)	(67,786)
For the year ended 31 March 2023		
Particulars	Retained Earnings	Total
As at 1 April 2022	(31,336)	(31,336)
Total comprehensive income (net of taxes)	(17,082)	(17,082)
At 31 March 2023	(48,418)	(48,418)
Summary of material accounting policies - Refer Note 2		
The accompanying notes are an integral part of the financial statements.		
For and on behalf of the Board of Directors		As per our report of even date attached
		Firm Registration Number: 003990S/S200018
		Chartered Accountants
<i>sd/-</i>	<i>sd/-</i>	<i>sd/-</i>
V. Balaji	T.K Ravi	T V Balasubramanian
Director	Director	Partner
DIN : 08533753	DIN : 08533754	Membership No: 027251
		Place: Madurai
Place: Madurai		Date: 27.04.2024
Date: 27.04.2024		UDIN : 24027251BKDHFZ9081

Fiber Optic Sensing Solutions Private Limited

Material Accounting Policies and Notes to Financial Statements for the year ended March 31, 2024

1. Corporate Information

Fiber Optic Sensing Solutions Private Limited is domiciled and incorporated in India having its registered office at 10, Jawhar Road, Chokkikulam, Madurai – 625 002. The Company is engaged in the business of trading, manufacturing and sale of Fiber Optic Sensors.

The company was incorporated on August 8, 2019

The company is a 90% subsidiary of TVS Sensing Solutions Private Limited with its ultimate holding company being TVS Srichakra Limited.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on 27th April 2024.

2. Material Accounting Policies

a) Basis of preparation

The financial statements of the Company have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis of accounting, except for items in Statement of Cash Flow and certain items of Assets and Liabilities that have been measured on fair value basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on a periodic basis.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Note 2(s). Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Statement of Compliance with Ind AS

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow together with notes for the year ended March 31, 2024 have been prepared in accordance with Ind AS as notified above.

c) Changes in Accounting Standards

There were certain amendments to the Accounting Standards which were applicable from this financial year, namely

i. Ind AS 101 – First time adoption of Ind AS – Deferred tax assets and deferred tax liabilities to be recognized for all temporary differences associated with ROU assets, lease liabilities, decommissioning / restoration / similar liabilities.

ii. Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting – Material accounting policy information (including focus on how an entity

applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

iii. Ind AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

iv. Ind AS 8 – Accounting policies, changes in accounting estimate and errors- – Clarification on what constitutes an accounting estimate provided.

v. Ind AS 12 – Income Taxes – In case of a transaction which give rise to equal taxable and deductible temporary differences, the initial recognition exemption from deferred tax is no longer applicable and deferred tax liability & deferred tax asset shall be recognized on gross basis for such cases.

None of these amendments had any significant effect on the company's financial statements, except for disclosure of Material Accounting Policies instead of Significant Accounting Policies in the Financial Statements.

d) Changes in Accounting Standards that may affect the Company after 31st March 2024

Ministry of Corporate Affairs (“MCA”) has not notified any new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time, which are applicable for accounting periods commencing on or after 1st April 2024.

e) Functional and Presentation Currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). Indian rupee is the functional currency of the Company.

The Financial Statements are presented in Indian Rupees which is company's presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest Lakhs with two decimals except where otherwise indicated.

f) Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Assumptions and Key Sources of Estimation Uncertainty

i. Provisions for liabilities and charges

The value of provisions recognized in the Financial Statements represent the best estimate to date made by management for a range of issues. This estimate entails the adoption of assumptions which depend on factors that may change over time and which could therefore have a significant impact on the current estimates made by management in preparing the Financial Statements.

ii. Useful life of Property, Plant & Equipment (PPE)

The Company reviews the estimated useful lives of PPE at the end of each reporting period.

iii. Estimation of uncertainties relating to the global health pandemic from COVID-19:

On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs', including some period in the earlier financial years.

The economy has been impacted during the earlier financial years on account of COVID-19.

The company experienced a significant business resurgence in the past couple of years. In order to determine any potential effects on the Company, the Company will continue to closely monitor any significant changes to future economic conditions as a result of COVID-19.

g) Financial Instruments

i. Financial Assets

Financial assets comprise investments, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

Financial Assets being investments in its subsidiary is recorded at cost less impairment loss, if any.

All other financial assets are recognized initially at Fair value plus transaction costs that are attributable to the Acquisition of the financial asset (In case of financial assets recorded at FVTPL, transaction costs are recognized immediately in statement of profit and loss) except trade receivables which do not contain a significant financing component (determined in accordance with Ind AS 115 Revenue from Contracts with Customers) are initially measured at their transaction price and not at fair value.

Subsequent measurement:

i. Financial assets measured at amortized cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using Effective Interest Rate (EIR) method. The EIR amount is recognized as finance income in the statement of profit and loss.

The Company while applying above criteria has classified the following at amortized cost

a) Trade receivable

b) Other financial assets

ii. Financial asset at FVTOCI & FTVPL

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and the contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of

principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognized in other comprehensive income

Equity instruments held for trading are classified as FTVPL. For other equity instruments the Company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair value changes on equity instruments at FVTOCI excluding dividends, are recognized in other comprehensive income (OCI).

Derecognition of financial asset

Financial assets are derecognized when the contractual right to cash flows from the financial asset expires or the financial asset is transferred, and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of Derecognition) and the consideration received (including any new asset obtained less any new liability Assumed) shall be recognized in the statement of profit and loss.

Impairment of financial asset

Trade receivables and other financial assets are tested for impairment based on the expected credit losses for their respective financial asset

a) Trade receivable

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rate reflecting future economic conditions. In this approach, assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

b) Other financial assets

Other financial assets are tested for impairment and expected credit losses are measured at an amount equal to 12 month expected credit loss. If the credit risk on the financial asset has increased significantly since initial recognition, then the expected credit losses are measured at an amount equal to life-time expected credit loss.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognized at fair value plus any transaction cost that are attributable to the acquisition of financial liability except financial liabilities at fair value through profit and loss which are initially measured at fair value.

Subsequent measurement

The financial liabilities are classified for subsequent measurement at amortized cost

The Company is classifying the following under amortized cost;

- a) Borrowings from banks
- b) Borrowings from others
- c) Trade payables
- d) Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the

cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

De-recognition of financial liabilities

A financial liability is de-recognized when and only when, it is extinguished i.e. when the obligation specified in the contract 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.

ii. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is presented in Balance Sheet when, and only when, the Company has a legal right to offset the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

iii. Reclassification of financial assets

The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

h) Share capital and Dividend to Shareholders

Equity Shares, in accordance with Ind AS are classified within equity.. Where any shares are issued, incremental costs directly attributable to the issue of new equity shares or share options will be recognized as deduction from equity, net of any tax effects.

Dividend distribution to equity shareholders is distribution to owners of capital in statement of changes in equity, in the period in which it is approved. Final Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as liability on the date of declaration by the Company's Board of Directors.

i) Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and where applicable, accumulated impairment losses. Cost includes expenditure that is directly attributable to acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of Property, Plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and equipment and are recognized net within "other income/other expenses" in the statement of profit and loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The cost of day to day servicing of property, plant and equipment are recognized in statement of profit and loss.

Depreciation

Depreciation is recognized in the Statement of profit and loss under straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. Assets costing Rs.5000 or below acquired during the year considered not material are depreciated in full retaining Re.1 per asset. The Useful life has been considered in line with schedule II except where based on technical estimates.

Freehold land held by the Company is not depreciated

Estimated useful life in years

Particulars	Useful life
Plant and Machinery	5 – 15 years
Buildings	30 years
Furniture and Fixtures	5 – 10 years
Computers – excluding servers	3 years
Computers – servers	6 years
Vehicles	3 - 8 years

Estimated useful lives of the assets, is based on technical evaluation done by the management's expert, where it is different from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets

j) Intangible assets

Intangible assets that are acquired by the company, which have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in the statement of profit and loss.

Amortization of intangible asset with finite useful lives

Amortization is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of intangible assets from the date that they are available to use based on the estimates made by the management w.r.t the useful life and residual value.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

Estimated useful life in years

Particulars	Useful life
Computer Software	4 Years

k) Inventories

Inventories consisting of Stores & Spares, Raw materials, Work in Progress and Finished goods, are valued at the lower of cost (determined using Weighted average method) and net realizable value. Cost comprises the fair value of consideration for the purchase and all directly attributable costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated cost necessary to make the sale.

Cost includes direct material cost, direct labour cost, taxes and duties (other than duties and taxes for which input credit is available), freight, other direct expenses and an appropriate proportion of variable and fixed overhead expenditure.

Cost of the purchased inventory are determined after deducting rebates and discounts. Provision is made for obsolete, non-moving & defective stocks, wherever necessary.

l)

m) Revenue recognition

Revenue is recognized on their accrual and when no significant uncertainty on measurability or collectability exists.

Revenue from the sale of goods is recognized when the performance obligations towards customers have been met at an amount that reflects the consideration to which the company believes it is entitled to in exchange for the transfer of goods to customers i.e., Transaction price,, net of any sales returns and GST. Performance obligations are deemed to have been met when the control of goods has been transferred to the customer, depending on the individual terms of the contract with customers.

Considering the general terms of sales, there is no significant financing element included in the sales consideration.

Subsidies on export and other incentives

Government Subsidies and incentives, in the nature of RODTEP (Remission of Duties or taxes on Export of Products) are recognized when there is a reasonable assurance that the condition attaching to the incentive would be complied with and incentives will be recognized.

n) Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

i. Defined contribution plan (incl Provident fund & Superannuation)

In accordance with Indian law, eligible employees receive benefit from various defined contribution plans. The employee and / or employer make periodic contributions to these plans. The company has no further obligations under the plan beyond its contributions. Obligation for contributions to these plans are recognized as employee benefit expenses in the statement of profit and loss when incurred.

ii. Defined benefit plan (gratuity)

In accordance with applicable Indian laws, the Company provides for gratuity, which is a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service cost and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefit available in the form of any future refunds from the plan or reductions in the future contributions to the plan.

The Company recognizes all re-measurements of net defined benefit liability / asset directly in other comprehensive income and presented within retained earning under equity. The Company has an employees' gratuity fund managed by the Life Insurance Corporation of India.

iii. Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iv. Compensated absences

The employees of the Company are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Company recognizes an obligation for compensated absences in the period in which the employee renders the services. The Company provides for the expected cost of compensated absence in statement of profit or loss as additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated based on actuarial valuations carried out by an independent actuary at the balance sheet date.

o) Finance Income and Expense

Finance income comprises interest income on funds invested, dividend income, fair value gains on financial assets at fair value through profit or loss. Interest income is recognized using effective interest method. Dividend income is recognized in statement of profit and loss on date when the company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expense comprises interest expense on loans and borrowings, bank charges, unwinding of discount on provision.

p) Warranty

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

q) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

(i) The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.

(ii) Arising due to taxable temporary differences arising on the initial recognition of goodwill, as the same is not deductible for tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred taxation arising on investments in subsidiary is recognized except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

r) Fair value measurements

Ind AS requires the determination of fair value for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 - Unadjusted quoted prices in active market for identical assets and liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable outputs for the assets and liabilities

For assets and liabilities that are recognized in the financial statement at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

s) Current and non-current classification

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

t) Segment Reporting

Operating segments are identified and reported considering the different risks and returns, the organization structure and the internal reporting systems that is evaluated regularly by the chief operating decision maker. The Company's business activity falls within a single reportable business segment, viz, Trading, manufacturing and sale of electrical switches, sensors, computer peripheral devices, etc.

u) Publishing only Standalone Financial Statements

Considering the provision available under Companies Act, 2013 whereunder intermediate holding companies are exempted from publishing consolidated financial statements, if there is a holding company in India publishing consolidated financial statements, this company has opted to publish only standalone financial statements.

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
(A Subsidiary of TVS Sensing Solutions Private Limited)
Notes to Financial Statements for the year ended 31st March 2024
(Amount in INR Thousands, unless otherwise stated)

3 Property Plant and Equipment									
	Gross Block				Accumulated depreciation			Net Block	
	As at March 31,2023	Additions	Disposals	As at March 31,2024	As at March 31,2023	For the year	Disposals	As at March 31,2024	As at March 31,2024
Furniture and fixtures	93	-	-	93	47	15		62	31
Computers	343			343	205	82		287	56
Total	436	-	-	436	252	97	-	349	87

	Gross Block				Accumulated depreciation			Net Block	
	As at March 31,2022	Additions	Disposals	As at March 31,2023	As at March 31,2022	For the year	Disposals	As at March 31,2023	As at March 31,2023
Furniture and fixtures	93	-	-	93	33	14		47	46
Computers	269	74		343	109	96		205	138
Total	362	74	-	436	142	110	-	252	183

Note: Refer Note 2(i) for accounting of Property, Plant & Equipment

4 Intangible Assets									
	Gross Block				Accumulated amortisation			Net Block	
	As at March 31,2023	Additions	Disposals	As at March 31,2024	As at March 31,2023	For the year	Disposals	As at March 31,2024	As at March 31,2024
Software	52	-		52	43	9	-	52	0
Total	52	-	-	52	43	9	-	52	0

	Gross Block				Accumulated amortisation			Net Block	
	As at March 31,2022	Additions	Disposals	As at March 31, 2023	As at March 31,2022	For the year	Disposals	As at March 31, 2023	As at March 31, 2023
Software	52	-		52	30	13	-	43	9
Total	52	-	-	52	30	13	-	43	9

Note: Refer Note 2(J) for accounting on intangibles assets

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED			
(A Subsidiary of TVS Sensing Solutions Private Limited)			
Notes to Financial Statements for the year ended 31st March,2024			
(Amount in INR Thousands, unless otherwise stated)			
5	Other Financial Assets - Deposit		
		As at	As at
		March 31, 2024	March 31, 2023
	Rental Deposit	730	450
	Total	730	450

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED

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 Notes to Financial Statements for the year ended 31st March,2024
 (Amount in INR Thousands, unless otherwise stated)

6 Deferred tax liabilities/(assets) (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2023	Provided/(reversed) during the year	As at March 31, 2024
<u>Deferred tax assets</u>			
Depreciation	1	13	14
Provision for expense	103	140	243
Carryforward Tax losses	15,853	6,363	22,216
Total deferred tax assets	15,957	6,516	22,473
Deferred tax liabilities/(assets) (net)	(15,957)	(6,516)	(22,473)
<hr/>			
Particulars	As at March 31, 2022	Provided/(reversed) during the year	As at March 31, 2023
<u>Deferred tax assets</u>			
Depreciation	(2)	3	1
Provision for expense	103	-	103
Carryforward Tax losses	10,265	5,588	15,853
Total deferred tax assets	10,366	5,591	15,957
Deferred tax liabilities/(assets) (net)	(10,366)	(5,591)	(15,957)

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED (A Subsidiary of TVS Sensing Solutions Private Limited) Notes to Financial Statements for the year ended 31st March,2024 (Amount in INR Thousands, unless otherwise stated)		
	As at March 31, 2024	As at March 31, 2023
7 Inventories		
(Valued at lower of cost and Net realisable value)		
Raw Materials [Refer note (a) below]	-	1,984
Total	<u>-</u>	<u>1,984</u>
Notes:		
Inventory is net of provision for slow-moving and		
a) non-moving items	1,984	0
8 Trade receivables		
Secured and Considered good	-	-
Unsecured and Considered good	11,232	10,932
Receivable Credit Impaired	957	396
	<u>12,188</u>	<u>11,328</u>
Less: Provision for bad debts	(957)	(396)
	<u>11,232</u>	<u>10,932</u>

Trade Receivables ageing schedule

Particulars	As at 31 March 2024						
	No Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,514	162	9,555		-		11,232
(ii) Undisputed Trade Receivables – credit impaired			68	493		396	957
Total	1,514	162	9,624	493	-	396	12,189
Less : Allowance for Trade Recivable			68	493	-	396	957
Net Trade Receivable	1,514	162	9,555	-	-	-	11,232

Particulars	As at 31 March 2023						
	No Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	10,932			-			10,932
(ii) Undisputed Trade Receivables – credit impaired				-	396		396
Total	10,932	-	-	-	396	-	11,328
Less : Allowance for Trade Recivable	-	-	-	-	396	-	396
Net Trade Receivable	10,932	-	-	-	-	-	10,932

Refer note 29A for expected credit loss provision

Where no due date of payment is specified in that case disclosure is done from the date of the transaction.

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
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(Amount in INR Thousands, unless otherwise stated)

	As at 31.03.2024	As at March 31, 2023
9 Cash & Cash Equivalents		
Cash on hand	13	13
Balances with bank on Current Accounts	5,717	16,686
Total	5,730	16,699
10 Other Current Assets		
<i>Unsecured, considered good</i>		
GST Input Credit		264
Advance - Others	175	19
Prepaid Expenses	5	6
Total	180	289

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
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11 Equity Share Capital			
	Number of shares	Amount	
Authorised Share capital			
At 1 April 2022	100,000		1,000
Changes during the year	-		-
At 31 March 2023	100,000		1,000
Changes during the year	-		-
At 31 March 2024	100,000		1,000
Issued Share capital			
At 1 April 2022	10,000		100
Changes during the year	-		-
At 31 March 2023	10,000		100
Changes during the year	-		-
At 31 March 2024	10,000		100
Subscribed and paid-up Share capital			
At 1 April 2022	10,000		100
Changes during the year	-		-
At 31 March 2023	10,000		100
Changes during the year	-		-
At 31 March 2024	10,000		100
11.1 Terms/rights attached to equity shares			
The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.			
11.2 Disclosure of shareholding of promoters and percentage of change during the year ended March 31 2024			
Promoter Name	Number of Shares	Percentage of shareholding	% Change during the year
TVS Sensing Solutions Private Limited	9,000	90%	-
Disclosure of shareholding of promoters and percentage of change during the year ended March 31 2023			
Promoter Name	Number of Shares	Percentage of shareholding	% Change during the year
TVS Sensing Solutions Private Limited	9,000	90%	-
11.3 Shareholding more than 5% of the equity shares of the Company:			
Name	Shareholding % as at March 31 2024	Shareholding % as at March 31 2023	
TVS Sensing Solutions Private Limited	90%	90%	
Mr. Hitesh Mehta	10%	10%	
11.4 The Company does not have any outstanding shares reserved for issue under ESOP and there has been no bonus issue or buy back of shares in the past year from incorporation.			

11.5 Preference Share Capital			
Authorized Share capital	Number of shares	Amount	
At 1 April 2022	1,200,000	120,000	
Changes during the year	-	-	
At 31 March 2023	1,200,000	120,000	
Changes during the year	-	-	
At 31 March 2024	1,200,000	120,000	
Issued Share capital			
At 1 April 2022	550,000	55,000	
Changes during the year	-	-	
At 31 March 2023	550,000	55,000	
Changes during the year	-	-	
At 31 March 2024	550,000	55,000	
Subscribed and paid-up Share capital			
At 1 April 2022	550,000	55,000	
Changes during the year	-	-	
At 31 March 2023	550,000	55,000	
Changes during the year	-	-	
At 31 March 2024	550,000	55,000	
11.6 Terms/rights attached to preference shares			
Refer Note 13			
11.7 Disclosure of shareholding of promoters and percentage of change during the year ended March 31 2024			
Promoter Name	Number of Shares	Percentage of shareholding	% Change during the year
TVS Sensing Solutions Private Limited	550,000	100%	-
Disclosure of shareholding of promoters and percentage of change during the year ended March 31 2023			
Promoter Name	Number of Shares	Percentage of shareholding	% Change during the year
TVS Sensing Solutions Private Limited	550,000	100%	-
11.8 Shareholding more than 5% of the preference shares of the Company:			
Name	Shareholding % as at March 31 2024	Shareholding % as at March 31 2023	
TVS Sensing Solutions Private Limited	100%	100%	
Note: The same is disclosed as Non-Current Borrowings as per INDAS 109. Refer Note 13 for details.			

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED (A Subsidiary of TVS Sensing Solutions Private Limited) Notes to Financial Statements for the year ended 31st March,2024 (Amount in INR Thousands, unless otherwise stated)			
12	Other Equity	As at March 31,2024	As at March 31, 2023
	Surplus/(Deficit) in the statement of profit and Loss		
	Opening balance	(48,418)	(31,336)
	Add: Net profit/ (Net loss) for the current year	<u>(19,368)</u>	<u>(17,082)</u>
	Total Reserves and Surplus	<u>(67,786)</u>	<u>(48,418)</u>

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
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Notes to Financial Statements for the year ended 31st March,2024
(Amount in INR Thousands, unless otherwise stated)

13	Financial Liabilities - Non-Current	As at	As at
Borrowings		March 31,2024	March 31, 2023
	12% Compulsorily Convertible Preference Shares	55,000	55,000
	Total	55,000	55,000
<p>a. The Company had originally issued 2 Lakh shares on 24th March 2020 for Rs 20,000 thousands and on 4th October 2021, 3.5 lakh shares were issued for Rs 35,000 thousands. The shares are cumulative, participating and convertible.</p> <p>b. Shares carry a preferential right, vis-à-vis Equity Shares of the Company, with respect to payment of dividend and repayment in case of a winding up or repayment of capital.</p> <p>c. <u>Terms of Conversion:</u></p> <p>(i) <u>Optional Conversion:</u> The holder of Preference Shares/ Board / Company has an option to convert the Preference Shares at any time within three years from the date of allotment provided one month notice showing the intention regarding the conversion of Preference Shares is given.</p> <p>(ii) <u>Mandatory Conversion:</u> At the time of expiry of a period of 3 (Three) years from the date of issuance of CCPS.Upon conversion of CCPS in to equity shares of the Company, such equity shares shall rank pari passu to all existing equity shares of the Company.</p> <p>d. Finance Cost of 12% Preference Dividend has been accrued in the financials.</p> <p>e. Conversion has been extended for further 2 years from their respective original mandatory conversion dates for both tranches of the Preference Shares</p>			

13.1 Reconciliation of Liabilities from Financing Activities

Particulars	As at 1st April 2023	Cash flows		Reclassified as part of discontinued operations	Non Cash transctions	As at 31st March 2024
		Proceeds	Repayment			
Non Current Borrowings	55,000.00	-	-	-	-	55,000.00
Current Borrowings	-	-	-	-	-	-
Total	55,000.00	-	-	-	-	55,000.00

Particulars	As at 1st April 2022	Cash flows		Reclassified as part of discontinued operations	Non Cash transctions	As at 31st March 2023
		Proceeds	Repayment			
Non Current Borrowings	55,000.00	-	-	-	-	55,000.00
Current Borrowings	-	-	-	-	-	-
Total	55,000.00	-	-	-	-	55,000.00

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
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Notes to Financial Statements for the year ended 31st March,2024
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Particulars	As at March 31,2024	As at March 31, 2023
14 Other Financial Liabilities		
Interest Accrued but not due on Compulsorily Convertible Preference Shares	20,139	13,539
Total	20,139	13,539
15 Trade payables		
Total outstanding dues of micro and small enterprises (Refer note 31)		
Total outstanding dues of creditors other than micro and small enterprises	20,101	13,033
	20,101	13,033

Trade Payables ageing schedule

Particulars	As at 31 March 2024					
	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
MSME *	-	-	-	-	-	-
Others	3,078	16,531	478		14	20,101
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	3,078	16,531	478	-	14	20,101

Particulars	As at 31 March 2023					
	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
MSME *	-	-	-	-	-	-
Others	5,163	7,856	-	14	-	13,033
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	5,163	7,856	-	14	-	13,033

* Total outstanding dues of micro and small enterprises

Where no due date of payment is specified in that case disclosure shall be from the date of the transaction.

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Notes to Financial Statements for the year ended 31st March,2024
(Amount in INR Thousands, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
16 Current Financial Liabilities		
Employee Benefits Payable	10,872	8,239
Payable to Holding Company (Refer Note 26)	437	4,133
Total	11,309	12,372
17 Other Current Liabilities		
Statutory liabilities	437	274
Other Current liabilities	1195	604
Total	1,632	878

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED			
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Notes to Financial Statements for the year ended 31st March,2024			
(Amount in INR Thousands, unless otherwise stated)			
	Particulars	Year ended March 31,2024	Year ended March 31 2023
18	Revenue from Operations		
	Sale of goods	22,960	16,440
	Total	22,960	16,440
19	Other Income		
	Insurance claim received	2,643	
	Misc Income	450	1
	Total	3,093	1
20	Cost of Material Consumed		
	Raw materials consumed		
	Raw materials inventory as at the beginning of the year	1,984	1,984
	Add: Purchases	14,380	12,327
	Less: Raw materials inventory as at the end of the year	-	1,984
	Total	16,364	12,327
21	Employee Benefit Expenses		
	Salaries, wages and bonus	15,230	14,091
	Contribution to provident fund	279	251
	Staff welfare expenses	398	87
	Total	15,907	14,429
22	Finance cost		
	Finance charges accrued on the CCPS	6,600	6,600
	Interest - Others	-	460
	Total	6,600	7,060
23	Other Expenses		
	Consumption of spares	2,751	214
	Rent (Refer Note Below)	1,091	1,205
	Rates & taxes	504	62
	Sales Promotion Expenses	190	150
	Travelling and Boarding Expense	4,114	1,860
	Consultancy	880	792
	Statutory Audit Fees	200	200
	Tax Audit Fee	100	100
	Product development Expenses	1,162	-
	Miscellaneous Expenses	1,407	592
	Provision for Doubtful Debt	561	-
	Total	12,960	5,175
	<p>Note : Rent is towards cancellable period of the leases for office premise. This lease arrangement is for a period of another 36 months and is renewable for further period on mutually agreeable terms. In view of the cancellable nature of this arrangement for the balance period of lease and value of the lease involved, this is not considered as resulting in ROU assets and a lease liability.</p>		

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED**(A Subsidiary of TVS Sensing Solutions Private Limited)****Notes to Financial Statements for the year ended 31st March, 2024****(Amount in INR Thousands, unless otherwise stated)****24 Earnings per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended March 31 2024	Year ended March 31 2023
Profit/(Loss) attributable to equity holders of the Company (A)	(19,368)	(17,082)
Weighted average number of equity shares outstanding (B)	10,000	10,000
Face value per equity share (in INR)	10	10
Earnings per equity share (Basic & Diluted) (in INR) (A / B)	(1,936.82)	(1,708.17)

Note:

The Company has issued 12% Compulsory Convertible Preference Shares which are convertible at fair value at the end of their term. (Refer Note 13)

These are anti-dilutive and hence accordingly not adjusted above.

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
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Notes to Financial Statements for the year ended 31st March, 2024

(Amount in INR Thousands, unless otherwise stated)

25 Segment reporting

The Company's business activity falls within a single reportable business segment, viz, Trading, manufacturing and sale of fiber optic sensors.

26 Related party and transactions

a) Related parties

The related party who exercise control over the entity are holding companies and ultimate holding company. Key managerial personnel are those persons having authority and responsibility in planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or otherwise. Key management personnel include the board of directors and other senior management executives. The other related parties are those with whom the company has had transaction during the year ended Mar 31, 2024 as follows:

Related parties	Relationship	Country of incorporation
TVS Sensing Solutions Private Limited	Holding Company	India
TVS Srichakra Limited	Ultimate Holding Company	India
TVS Srichakra Investments Limited	Intermediate Holding Company	India
V.Balaji	Director - Key Managerial Personnel	
T.K Ravi	Director - Key Managerial Personnel	
Mr. Brahmanyapura Lakshminarasimha Rao Prasannasimha	Director - Key Managerial Personnel of Holding Company	

b) Related party transactions and outstanding balances

Related party transactions for the period ending Mar 31, 2024

	TVS Sensing Solutions Private Limited	TVS Srichakra Limited	KMP of Holding Company
Finance charges accrued on the CCPS	6,600	-	-
Purchase	20,394	-	-
Receipt of Services	-	-	700
Expense debited	11,906	-	-
Expense debits reimbursed	15,602	-	-

	TVS Sensing Solutions Private Limited	TVS Srichakra Limited	KMP of Holding Company
Outstanding balances as at 31st Mar'24			
Equity Investment	90	-	-
Non-current Other financial liabilities - 12% Compulsorily Convertible Preference Shares	55,000	-	-
Interest accrued but not due on Compulsorily Convertible Preference Shares	20,139	-	-
Advance payable	436	-	-
Trade payable	19,609	-	700.00

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Notes to Financial Statements for the year ended 31st March, 2024
(Amount in INR Thousands, unless otherwise stated)

Related party transactions for the period ending Mar 31, 2023	TVS Sensing Solutions Private Limited	TVS Srichakra Limited	KMP of Holding Company
Finance charges accrued on the CCPS	6,600	-	-
Purchase of Goods	9,733	-	-
Expense debited	7,912	-	-
Expense debits reimbursed	4,068	-	-
	TVS Sensing Solutions Private Limited	TVS Srichakra Limited	KMP of Holding Company
Outstanding balances as at 31st Mar'23			
Equity Investment	90	-	-
Non-current Other financial liabilities - 12% Compulsorily Convertible Preference Shares	55,000	-	-
Interest accrued but not due on Compulsorily Covertible Preference Shares	13,539	-	-
Advance payable	4,133	-	-
Trade payable	12,540	-	-

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Notes to Financial Statements for the year ended 31st March, 2024
(Amount in INR Thousands, unless otherwise stated)

27. Fair value measurements

Financial instruments by category*	As at March 31,2024	As at March 31, 2023
Financial assets		
Carried at amortized cost		
Trade receivables	11,232	10,932
Cash and cash equivalents	5,730	16,699
Other financial assets	730	450
Total financial assets	17,691	28,082
Financial liabilities		
Carried at amortized cost		
Other Non current financial liability	75,139	68,539
Other current financial liability	11,309	12,372
Trade payables	20,101	13,033
Total financial liabilities	106,548	93,944

* There are no financial assets or liabilities carried at fair value through OCI or profit or loss.

(i) Fair value hierarchy

There are no assets / liabilities which are being remeasured at fair value on a recurring basis in each period. All assets and liabilities are carried at amortised cost.

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
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Notes to Financial Statements for the year ended 31st March, 2024
(Amount in INR Thousands, unless otherwise stated)

28 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and their impact in the financial statements.

(A) Credit risk

Credit risk primarily arises from cash and cash equivalents and trade receivables measured at amortised cost. There is minimal credit risk on other financial assets. With respect to cash and cash equivalents, the Company deposits surplus cash only with banks holding high credit ratings.

For trade receivables, the primary source of credit risk is that all of these are unsecured. Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment. The Company considers the probability of default upon initial recognition of trade receivables and whether there has been a significant increase in the credit risk on an on-going basis throughout each reporting period. As at the balance sheet date, based on the credit assessment, the historical trend of low default is expected to continue. The Company estimates the expected credit loss of trade receivables based on an allowance matrix underpinned by historical data of default rates and experience. The Company provides for expected credit loss for trade receivables under simplified approach based on the following:

As at March 31, 2024:

Particulars	Less than 1 year	More than 1 Year	Total
Gross carrying amount of trade receivables	11,300	889	12,189
Expected credit loss rate	0%	100.0%	
Expected credit loss (loss allowance provision)	-	889	889
Loss allowance based on specific identification	68	-	68
Carrying amount of trade receivables (net of impairment)	11,232	-	11,232

As at March 31, 2023:

Particulars	Less than 1 year	More than 1 Year	Total
Gross carrying amount of trade receivables	10,932	396	11,328
Expected credit loss rate	0%	100%	
Expected credit loss (loss allowance provision)	-	396	396
Loss allowance based on specific identification	-	-	-
Carrying amount of trade receivables (net of impairment)	10,932	-	10,932

* The same was received after Mar'22 and hence provision was not made

Reconciliation of loss allowance provision - Trade receivables

Loss allowance on March 31, 2023	396
Changes in loss allowance (net)	561
Loss allowance on March 31, 2024	957

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external requirements and maintaining financing plans.

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED (A Subsidiary of TVS Sensing Solutions Private Limited) Notes to Financial Statements for the year ended 31st March, 2024 (Amount in INR Thousands, unless otherwise stated)				
<p><i>(ii) Maturities of financial assets and liabilities</i></p> <p>The table below analyses the Company's financial assets liabilities into relevant maturity groupings based on their contractual maturities for all financial assets and liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.</p> <p>Contractual maturities of financial assets and liabilities:</p>				
Particulars	Carrying amount	Less than 1 year	Between 1 year and 5 years	Above 5 years
March 31, 2024				
Liabilities				
Trade Payables	20,101	19,610	491	
Other financial liabilities	86,447	11,309	75,139	
Assets				
Trade receivables	11,232	11,232		
Cash and Cash equivalents	5,730	5,730		
Other Financial Assets	730		730	
March 31, 2023				
Liabilities				
Trade Payables	13,033	13,019	14	-
Other financial liabilities	80,911	12,372	68,539	
Assets				
Trade receivables	10,932	10,932		
Cash and Cash equivalents	16,699	16,699		
Other Financial Assets	450		450	
(C) Market risk	The Company as at 31st March 2024 does not have any foreign currency exposure or borrowings. Hence the Company does not face any Currency risk, Interest rate risk and commodity risk			
29 Capital Management	The Company's capital comprises of equity share capital, retained earnings. The primary objective of company's capital management is to maximise shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company has also raised funds through the issue of 5,50,000, 12% Compulsory convertible preference shares of Rs 100 each.			

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED (A Subsidiary of TVS Sensing Solutions Private Limited) Notes to Financial Statements for the year ended 31st March, 2024 (Amount in INR Thousands, unless otherwise stated)		
30	Disclosures relating to micro and small enterprises	
	The Company has certain amounts due to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:	
	Particulars	Year ended March 31, 2024
		Period ended March 31, 2023
	Principal amount due to a suppliers registered under the MSMED Act and remaining unpaid as at year end	-
	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-
	Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year	-
	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-
	Futher interest remaining due and payable for earlier years	-
	Note: The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.	
31	Events occuring after the reporting period	
	No significant event is to be reported between the closing date and that of the meeting of the Board of Directors.	
32	A. Income tax expense and Reconciliation of tax expense and accounting profit multiplied by statutory tax rate:	
	Particulars	Year ended 31-Mar-24
		Year ended 31-Mar-23
	<u>Income tax expense:</u>	
	Current tax	-
	Deferred tax:	
	Decrease/(increase) in deferred tax assets	-6,516
		(4,917)
	Reconciliation:	
	Profit/(Loss) before income tax expense	(25,884)
	Tax at the applicable tax rate of 25.17%	(6,515)
	Impact of other reconciling items	(1)
		12
	Income tax expense	-6,516
		-4,917
33	The Company has no Contingent liabilities as at March 31 2024	

Note 34: Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.52	1.14	-54%	In the PY Current Assets were higher due to higher Cash reserves
Debt Equity Ratio			-	-	0%	Not Applicable. As the Company has no Borrowings. The Company has issued 12% Compulsorily convertible preference shares. The same is disclosed as Non-Current Borrowings as per INDAS 109. Refer Note 14 for details
Debt Service Coverage Ratio			-	-	0%	
Return on Equity Ratio	Profit after Tax	Average Shareholders Equity	(0.33)	(0.43)	-22%	
Trade Receivable Turn over Ratio	Net Credit Sales	Average Accounts Receivable	2.07	1.50	38%	Increase in receivables due to increased sales in current year
Trade Payable Turn over Ratio	Net Credit Purchases	Average Accounts Payable	0.87	0.95	-8%	No Significant Change
Net Capital Turn over Ratio	Net Sales (Sales minus sales return)	Average Working Capital	(1.44)	1.41	-202%	Company has a negtive working capital. Hence Not comparable
Net Profit Ratio	Net Profit (Net profit after tax)	Net Sales (Sales minus sales return)	(0.84)	(1.04)	-19%	No Significant Change
Return on Capital Employed Ratio	EBIT	Capital Employed (Tangible net worth+Total debt+Deferred Tax Liability)	(2.31)	(0.77)	201%	
Return on Investment	Net return on investment	Cost of investment			-	Not Applicable

FIBER OPTIC SENSING SOLUTIONS PRIVATE LIMITED
(A Subsidiary of TVS Sensing Solutions Private Limited)
Notes to Financial Statements for the year ended 31st March, 2024
(Amount in INR Thousands, unless otherwise stated)

Relationship with Struck off Companies

- 35 The company has identified transactions with Struck-off companies by comparing company's counter parties with publicly available database of struck of companies through a manual name search. Based on such a manual search, no party identified to be reported in the financial statements.
- 36 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company to holding any benami property.
- (ii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with understanding that intermediary shall :
- (a) 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
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries"
- iv) 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
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funded party (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries"
- v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered, disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as, search or survey or any of the relevant provisions of the Income Tax Act, 1961
- vi) The Company has in respect of the investments made, complied with no of layers as defined under section 2(87) of the Companies act,2013.
- vii) The Company has nothing to report on compliance with approved Scheme(s) of Arrangements.
- viii) The Company has not taken loans and borrowings from lenders (Other than banks and Financial Institutions).
- ix) The Company has not declared any dividend and hence compliance with the requirements of section 123 of the Companies Act 2013 does not arise.
- x) The company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The software is such that it has no database but only objects and collections, hence, no changes is possible at that level.

- 37 **Previous year figures**
Previous year's figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification. Such regrouping / reclassification were not material, except where it was on account of change in disclosure mandated by Accounting Standards / Companies Act, 2013

For and on behalf of the Board of Directors

For PKF Sridhar & Santhanam LLP
Firm Registration Number: 003990S/S200018
Chartered Accountants

sd/-

V. Balaji
Director
DIN : 08533753

Place: Madurai
Date: 27.04.2024

sd/-

T.K Ravi
Director
DIN : 08533754

sd/-

T V Balasubramanian
Partner
Membership No: 027251
Place: Madurai
Date: 27.04.2024
UDIN : 24027251BKDHfZ9081