



# TVS SENSING SOLUTIONS PRIVATE LIMITED

31st Annual Report 2023 - 24

**Registered Office:**

"TVS BUILDING"  
7B, West Veli Street  
Madurai - 625 001  
Tamil Nadu  
India

**Factory**

Madurai - Melur Road  
Vellaripatti  
Madurai 625 122  
Tamil Nadu  
India



**Name of the Company** TVS SENSING SOLUTIONS PRIVATE LIMITED

**CIN** U30007TN1993PTC026291

**Registered Office** TVS BUILDINGS  
7B, West Veli Street  
Madurai 625 001  
Tamil Nadu  
India.

**Factory** Madurai Melur Road  
Vellaripatti  
Madurai 625 122  
Tamil Nadu  
India.

**Directors** Sri. R HARESH  
Sri. R NARESH  
Sri. A.S.VISWANATHAN  
Sri. PREM PRADEEP  
Sri.PRASANNA BL SIMHA

**Auditors** PKF SRIDHAR & SANTHANAM LLP  
Chartered Accountants  
Firm Registration No: 003990S / S200018  
91-92 VII Floor, Dr Radhakrishnan Salai  
Mylapore  
Chennai 600004  
Tamil Nadu  
India

**Bankers** HDFC Bank Ltd, Madurai  
ICICI Bank Ltd, Madurai

## **DIRECTORS' REPORT TO THE SHAREHOLDERS**

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

### **1. Financial Performance / Highlights**

The Company's financial performances for the year under review along with previous year's figures are given hereunder.

The particulars for the year ended 31<sup>st</sup> March, 2024 furnished below:

(Rupees in Crores)		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Revenue from Business Operations	135.33	118.99
Other Income	1.34	1.96
<b>Total Income</b>	<b>136.67</b>	<b>120.95</b>
Materials Consumed	76.72	67.20
Employee Benefit Expenses	19.12	16.15
Other Expenses	21.40	21.14
Interest	1.82	1.18
Depreciation	3.90	2.76
<b>Total Expenses</b>	<b>122.96</b>	<b>108.43</b>
<b>Profit / (Loss) before tax</b>	<b>13.71</b>	<b>12.52</b>

### **2. Dividend**

The Company has approved and paid final dividend of Rs.4 per equity share of Rs.10 each (i.e., 10%) for the year ended 31<sup>st</sup> March 2023 as recommended by the Board which resulted in a total payout of Rs.0.84 Crores and approved in the 30<sup>th</sup> AGM by the shareholders.

Further, the Board of Directors had declared an interim dividend of Rs.4/- per equity share of Rs.10 each (40%) which resulted in a total payout of Rs.0.84crores, and recommended that this shall be treated as Final Dividend for the year

### **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:

#### **a) Performance:**

The Revenue from Operations of the Company was Rs.135 Crores as against the previous year's turnover of Rs.119 Crores, which is higher by 14%.

Your company has made Profit Before Tax of Rs.13.71 Crores during the year (PY Rs.12.52 Crores) and the Cash Profit after Tax for the year is Rs.14.10 Crores (PY Rs.12.27 Crores).

## **b) Marketing and Market Environment:**

### FY 2023-24:

The Company has seen many challenges during FY 23-24 on various factors like raise in input cost, constraints on material availability, logistics issues, increase in finance cost and challenges from Market including emerging EV Market.

The has company put in place internal as well as market facing measures to mitigate against these adverse factors, with a degree of success.

Despite many challenges the new business conversion, development of new product and new customer acquisition has enabled a positive growth of 12% business in FY 2023-24, driven by penetrating products and customers.

Export Sales in FY 2023-24 was Rs.15.38 Crores as against Rs.19.92 Crores in the previous FY 2022-23,

### **During the year under report, the company has taken various initiatives in the following areas:**

1. New Technology induction:
  - Pressure sensing using ceramic based transducers (in pipe line)
  - Inductive based speed sensing.
2. New Products launched during the year:
  - USB charger for 2 wheelers -Gasoline/EV
  - Electronic throttle position sensing for EV 2/3wheelers
  - Charge lock solenoid for EV 2 wheelers
  - Glove box solenoid for EV 2wheelers
  - Gear position sensor for 2wheelers -Gasoline
  - Battery temperature sensor for EV 2wheelers
  - DC-DC convertor for EV 2wheelers
3. New Customers inducted into the business during the year:
  - Tesla,USA through Inteva
  - EV customers(sample submission to Production): Okaya, Ather, Okinawa,Hero,OLA, REML, several other EV 2wheelers startups.
4. ESG Audit conducted during the year thro an external agency and working on the improvement areas, awareness created among the employees on ESG compliance, Core Team trained on ESG.
5. Invested in Solar Plant through Captive Consumption scheme of TANGEDCO (capacity of 0.50 MW)



6. Certifications:
  - ARAI certifications received for DC-DC convertor and Electronic throttle position sensing for EV Segment
7. Global projects is under discussion with Bendix, USA for Inductive speed sensor-product, testing and validation in progress.
8. After Market Business expanded in USA.
9. Established Innovation Cell jointly with Kalasalingam University for adopting new technologies and innovating new products and solutions.
10. Operational Excellence initiated for 3P (Product, Process and People) programme and journey towards lean management.
11. IIoT skill set scaled up to launch in-house line automation with digitation and to bring new revenue stream
12. Various employee engagement programme conducted for healthy work environment.
13. Initiated Growth Strategy thro external agency
14. The Company has secured following awards during the FY 23-24 from various customers / agency:
  - Certificate of Appreciation for Ramp up Support from Brakes India
  - Platinum Level in 7<sup>th</sup> National Lean Competition from CII
15. The company has contributed a sum of Rs.13.30 lakhs towards various CSR initiatives

#### FY 2024-25:

Growth over the previous year has been planned as we envisage sizeable business conversion on the current sales funnel.

While the challenges continue to remain especially on electronic products with material availability and raising input cost the efforts on introducing new products including EV market is likely to yield results during FY 24-25.

#### **c) Future prospects including constraints due to Government Policies:**

The company continues to expand its product and customer portfolio to meet market requirements. The Company is set to emerge as a leading supplier in this segment.

Export Market is expected to continue to perform similar to FY 2023-24.

We are also focusing in Emerging Technology like Electric Vehicles to become more relevant for the future.

To tide over difficult situation posed by input cost increase, material availability, logistic constraints and increase in finance cost, several steps including cost optimization with special attention on cash management has been put in place.

Further the Company has taken utmost care in establishing safe environment for conducting business operations as per government directives.

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

During the year, the Company has not transferred any amounts to General reserves and the entire profits is retained as Retained earnings under the head Reserves & Surplus.

**6. Material changes and commitment if any affecting the Financial position of the Company occurred between end of the Financial year to which these 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.

**7. Directors**

Mr.R.Haresh, Director whose office is liable to retire at this ensuing Annual General Meeting, being eligible, seeks re-appointment.

**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.

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

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished below:

**A. Conservation of Energy:**

i) Energy Conservation steps taken:

The energy requirement is relatively minimal. Efforts continue to optimize energy consumption through shift management

ii) Steps taken by the Company to utilize alternate source of Energy:

The company continue to adopt alternate energy savings measures includes converting all fluorescent tube light lamps and fluorescent lamps to LED Lamps, installation of solar street lights and solar inverters, installation of improved Compressor in the plant and in the Tool room shop.



- iii) Impact of the measures at i) & ii) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- iv) Capital investment on energy alternative energy sources: - Rs.0.14 Crores

**B. Technology Absorption:**

- i) Efforts in Brief:

Various RFQ are under discussion with various customers.

The Company is engaged continuously in the process of identifying Technology Partners for various applications.

- ii) Benefits derived as a result of the above efforts:

Technology Improvement  
 New Product Additions  
 Production & Sales improvement  
 Brand Image  
 Import Substitution

- iii) Imported Technology Absorption during the last three years: Nil
- iv) Expenditure incurred on Research and Development: Nil

**C. Foreign Exchange Earnings and Outgo: Rs. in Crores**

Particulars of Expenditure	2023-24	2022-23
<b>Inflows:</b>		
FOB Value of Exports	15.38	19.92
<b>Outflows:</b>		
Import of Trading Goods, Raw Materials, Components and Consumables	32.13	29.98

**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 Profit 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 the statutes

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 Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; 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 invested in the subsidiary Fiber Optic Sensing Solutions Private Limited.

During the FY 2023-24, the company registered a revenue of Rs.2.30 Cr as against revenue of Rs.1.64 Crores in the previous FY 2022-23

The Company is working on various sales funnel and participated in various PoC's at various locations, further participated in few tenders during the FY 2023-24.

#### **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 27<sup>th</sup> Annual General Meeting of the Company and is liable to retire at the conclusion of the 31<sup>st</sup> Annual General Meeting (FY23-24) of the Company.

The audit report for the financial year ended 31<sup>st</sup> March 2024 does not contain any qualification.

#### **13. Cost Records**

In terms of Section 148 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, cost records are made and maintained by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

Dr I Ashok, Cost Accountant is appointed as Cost auditor of the company for the financial year 2024-25 by the Board as required under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. A resolution seeking members' ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 31<sup>st</sup> AGM and the same is recommended for your consideration and approval.

A certificate from Dr I Ashok, Cost Accountant, has been received to the effect stating that his appointment as Cost Auditor of the company will be within the limits specified under Section 141 of the Act and rules thereunder.



The Cost Audit report for the financial year ended 31<sup>st</sup> March 2024 does not contain any qualification.

#### **14. 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.

#### **15. 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.

#### **16. Composition of Audit Committee and Remuneration & Nomination Committee**

- a. As per Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board) Rules, 2014, there was no requirement for the Company to have an Audit Committee.
- b. Having regard to the limits specified in Companies Act, 2013, requirement of constituting Remuneration and Nomination Committee is not applicable to the Company.

#### **17. Particulars of loans, guarantees or investments under Section 186(2)**

The Company does not have any loan or guarantee in excess of the limits prescribed under Section 186 (2) of the Companies Act, 2013.

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

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. 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. All related party transactions are duly approved by the Board. None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company.

#### **19. 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. However, Company periodically assess the risk and adopt suitable mitigation plans to minimize the risks. The Company presently has obtained adequate insurance like product Recall, Product liability and Loss of Profit Policy to cover the risks and damages of the business associated with the automotive industry.

## 20. Corporate Social Responsibility (CSR)

Section 135 of the Companies Act, 2013 is applicable to the Company as the Company having specified turnover or net worth or profit criteria and hence, there is requirement for the Company to undertake CSR activities. In accordance with the provisions of the act, CSR committee constituted in accordance with Section 135 of the Act has developed and implemented the Corporate Social Responsibility policy. The CSR Committee comprises of Mr.R.Haresh and Mr.R. Naresh.

Corporate Social Responsibility (CSR) initiatives of the Company are aimed at inclusive development of the community at large, through a range of social interventions, enhancing skills and building social infrastructure to improve the livelihood of the beneficiaries.

Annual Report on CSR Activities for the financial year 2023-24:

The CSR Policy of the Company is to carry out the programs and activities focused on Education, Intellectual & Skill development, Health care, Women empowerment, Livelihood Enhancement, Strengthening Village level Organisation, Disaster Management, Ensuring environmental sustainability, Conservation and maintenance of natural resources and Protection of natural heritage, sports, arts and cultures.

Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - Not Applicable

Average net profit of the Company as per sub-section (5) of Section 135 - Rs.6.63 Crores

Two percent of average net profit of the Company as per sub-section (5) of section 135 - Rs.0.13 Crore

Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL

Amount required to be set off for the financial year, if any –NIL

Total CSR obligation for the financial year (b+c-d) - Rs.0.13 Crore

Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL

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

Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub section (5) of Section 135.: NO

During the year the company has contributed a sum of Rs.13.30 lakhs towards various CSR activities.



**21. 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.

**22. 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

**23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (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.

**24. Shares**

a) Buy Back of Securities

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

b) Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

c) Bonus Shares

No Bonus Shares were issued during the year under review.

d) Employee Stock Option Plan

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

e) Rights Issue Shares

No Right Issue Shares were issued during the year under review.



## **25. 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.

## **26. 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 of Directors of  
**TVS Sensing Solutions Private Limited**

*sd/-*

**R Haresh**  
**Chairman / Director**  
**DIN:** 00363096  
**Place:** Madurai  
**Date:**27<sup>th</sup> April, 2024

## **Independent Auditors' Report**

To the Members of TVS Sensing Solutions Private Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of TVS 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 profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("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, profit 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 except for the matter stated in the paragraph (h (vi)) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (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) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) and paragraph (h (vi)) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (h) 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 has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements – Refer Note 42 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company 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 interim dividend paid by the Company during the year in respect of the same declared for the current year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- vi. Relying on representations/explanations from the company and software vendor and based on our examination which includes test checks on the software application, except for the instances mentioned below, the Company has used 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:
- a. The feature for recording audit trail was not enabled at the master level for the accounting software.
  - b. The feature of recording audit trail was not enabled at the database level to log any direct database changes; however, we are given to understand that database level access is not provided by the software vendor to the company's personnel.
- Further, where audit trail feature is enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.
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 other than sitting fees.

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

**sd/-**

T V Balasubramanian  
Partner  
Membership No. 027251  
UDIN : 24027251BKDHGB3871

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 TVS 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 in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties disclosed in the financial statements are held in the name of the Company / erstwhile name of the Company as at 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, except goods in transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. 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 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. . The differences noticed between the quarterly return of inventories and book debts submitted to the banks and the books of account, did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

- (iii) Based on our audit procedures & according to the information and explanation given to us, the Company during the year has made investments in one company and has not granted any loans and advances and has not provided any guarantee or security to any party. Further, company has made investments in a subsidiary company in earlier years. In respect of loans outstanding at the beginning of the year and continuing during the year, we report that,
- (a) The company has an outstanding loan of Rs.77.36 Lakhs made to a person who is a non related party, in the earlier years. Further the Company has invested Rs.14.25 Lakhs into a non related party during the year.
  - (b) The Company has not provided any guarantee or given any security during the year. Further, in our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company.
  - (c) Based on our audit procedures and according to the information and explanation given to us, in respect of loans given, the schedule of repayment of principal and payment of interest has been stipulated and repayments / receipts are regular as at 31<sup>st</sup> March 2024.
  - (d) There are no amounts overdue for more than ninety days as at the balance sheet date in respect of loans given.
  - (e) Based on our audit procedure and according to the information and explanation given to us, the Company has not renewed or extended or granted any fresh loans or advances in the nature of loans to the same parties that has fallen due during the year
  - (f) Based on our audit procedures and according to the information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence the question of aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause 76 of section 2 of the Act does not arise. Accordingly, paragraph 3(iii)(f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of Section 185 and 186 of the Act with respect of making investments and loans. The company has not provided guarantees and securities, as applicable.
- (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 Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company as specified under sub section (1) of section 148 of the Act, for maintenance of cost records in respect of the products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not, made a detailed examination of cost records with a view to determine whether they are accurate or complete.

(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, except as stated below:

Name of the Statute	Nature of the dues	Amount demanded (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Tamil Nadu General Sales Tax Act, 1959	Assessability rate for a product group	1.45	1.21	FY 2001-02 to 2005-06	Appellate Deputy Commissioner (CT), Madurai
Central Sales Tax Act, 1956	Assessability rate for a product group	1.84	0.99	FY 2001-02 to 2003-04	Appellate Deputy Commissioner (CT), Madurai
The Income Tax, 1961	Difference in interest computation	2.31	0.30	AY 2007-08, 2012-13 and 2018-19	Deputy / Assistant Commissioner of Income Tax, Madurai
Goods and Services Tax Act, 2017	Dispute on availment of ineligible and blocked Input tax credit.	223.17	-	FY 2017-18	Honourable High Court of Madras
Goods and Services Tax Act, 2017	Dispute on availment of ineligible and blocked Input tax credit.	43.74	-	FY 2018-19	Deputy Commissioner (GST Appeals) Madurai and Thirunelveli

\* AY – Assessment year, FY – Financial year

- (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 applied the term loans for the purpose for which it was availed.
  - (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 used any short term funds raised for long term purposes during the year.
  - (e) According to the information and explanations given to us and the records of the Company examined by us, , the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. 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 has not raised any loans during the year on pledge of securities held in its subsidiary. 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) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of Section 143 of the Act has been filed by cost auditor or 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 has an internal audit system commensurate with the size and nature of its business.
  - (b) We have considered the reports of the Internal Auditors of the Company issued till date for the period under audit.
- (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) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and 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.

**PKF SRIDHAR & SANTHANAM LLP**  
*Chartered Accountants*

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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under Clause 3(xx) 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: 24027251BKDHGB3871

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 TVS 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: 24027251BKDHGB3871

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

<b>TVS SENSING SOLUTIONS PRIVATE LIMITED</b>			
<b>Balance Sheet as at March 31,2024</b>			
<b>(Amount in INR Lakhs, unless otherwise stated)</b>			
	<b>Notes</b>	<b>As at March 31,2024</b>	<b>As at March 31,2023</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,128.77	1,342.93
Capital Work in Progress	3	137.58	474.70
Intangible assets	4	124.23	146.67
Financial assets			
(i) Investments in Subsidiary	5	550.90	550.90
(ii) Investment in Others	5	14.25	
(iii) Loans	6	-	77.36
(iv) Other financial assets	7	218.63	151.78
Current tax assets (net)	8	100.07	46.05
Deferred tax assets (net)	19	105.57	100.79
Other non-current assets	9	55.53	357.57
<b>Total non-current assets</b>		<b>3,435.53</b>	<b>3,248.75</b>
<b>Current assets</b>			
Inventories	10	2,349.88	2,288.33
Financial assets			
(i) Trade receivables	11	2,345.95	2,732.51
(ii) Cash and cash equivalents	12	7.99	152.58
(iii) Loans	13	80.34	74.51
(iv) Other financial assets	14	13.42	46.30
Other current assets	15	777.96	496.53
<b>Total current assets</b>		<b>5,575.54</b>	<b>5,790.76</b>
<b>Total assets</b>		<b>9,011.07</b>	<b>9,039.51</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	16	211.65	211.65
Other equity	17	4,534.93	3,600.61
<b>Total equity</b>		<b>4,746.58</b>	<b>3,812.26</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	18	374.99	595.82
Provisions	21	36.26	21.72
Government grants	20	0.00	0.00
<b>Total non-current liabilities</b>		<b>411.25</b>	<b>617.54</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	1,343.30	1,911.97
(ii) Trade payables			
Total outstanding dues of micro and small enterprises	23	91.20	153.33
Total outstanding dues of creditors other than micro and small enterprises	23	1,452.55	1,641.38
(iii) Other financial liabilities	24	351.24	359.69
Provisions	25	410.62	314.55
Government grants	20	1.53	3.87
Other current liabilities	26	202.79	224.92
<b>Total current liabilities</b>		<b>3,853.24</b>	<b>4,609.71</b>
<b>Total liabilities</b>		<b>4,264.49</b>	<b>5,227.25</b>
<b>Total equity and liabilities</b>		<b>9,011.07</b>	<b>9,039.51</b>
Material Accounting Policies and Notes to Financial Statements -1 to 53			
<b>For and on behalf of the Board of Directors</b>		<b>As per our report of even date attached</b>	
		For PKF Sridhar & Santhanam LLP	
		Firm Registration Number: 003990S/S200018	
		Chartered Accountants	
<b>sd/-</b>	<b>sd/-</b>	<b>sd/-</b>	
<b>R Haresh</b>	<b>R.Naresh</b>	<b>T V Balasubramanian</b>	
Director	Director	Partner	
DIN : 00363096	DIN:00273609	Membership No: 027251	
Place: Madurai		Place: Madurai	
Date: 27th April 2024		Date: 27th April 2024	
		UDIN : 24027251BKDHGB3871	

**TVS SENSING SOLUTIONS PRIVATE LIMITED**  
**Statement of Profit & Loss for the year ended March 31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

	Notes	Year ended March 31,2024	Year ended March 31,2023
<b>INCOME</b>			
Revenue from operations	27	13,533.00	11,899.23
Other income	28	134.16	196.48
<b>Total income</b>		<b>13,667.16</b>	<b>12,095.71</b>
<b>EXPENSES</b>			
Cost of materials consumed	29	7,267.11	6,648.02
Purchases of stock-in-trade		524.92	303.75
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	(121.18)	(231.84)
Employee benefits expense	31	1,912.28	1,615.52
Finance costs	32	182.08	118.19
Depreciation and amortisation expense	33	390.68	276.03
Other expenses	34	2,140.50	2,114.49
<b>Total expenses</b>		<b>12,296.39</b>	<b>10,844.16</b>
<b>Profit/(Loss) before tax</b>		<b>1,370.77</b>	<b>1,251.55</b>
Income tax expense:	35		
i. Current tax		356.10	240.95
ii. Deferred tax	19	(4.67)	59.92
<b>Total tax expense</b>		<b>351.43</b>	<b>300.87</b>
<b>Profit/(Loss) for the year</b>		<b>1,019.34</b>	<b>950.68</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of post-employment benefit obligation		(0.48)	(7.36)
Income tax relating to the above item		0.12	1.91
<b>Other comprehensive income for the year, net of tax</b>		<b>(0.36)</b>	<b>(5.45)</b>
<b>Total comprehensive income for the year</b>		<b>1,018.98</b>	<b>945.23</b>
Basic and Diluted earnings per share (in INR) (FV - ₹10 per share)	36	48.16	44.92

Material Accounting Policies and Notes to Financial Statements -1 to 53

**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/-**

**R Haresh**

Director

DIN : 00363096

Place: Madurai

Date: 27th April 2024

**sd/-**

**R.Naresh**

Director

DIN:00273609

**sd/-**

**T V Balasubramanian**

Partner

Membership No: 027251

Place: Madurai

Date: 27th April 2024

UDIN : 24027251BKDHGB3871

<b>TVS SENSING SOLUTIONS PRIVATE LIMITED</b>		
<b>Statement of Cash Flows for the year ended March 31 2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
<b>(A) Cash flows from operating activities</b>		
Profit/(Loss) before tax	1,370.77	1,251.55
<b>Adjustments for:</b>		
Depreciation and amortisation expense	390.68	276.03
Interest expense	182.08	118.19
Provision for Doubtful debts	13.15	18.77
Bad Debts Written off	-	46.17
Interest income	(18.70)	(18.33)
Finance charges accrued on the CCPS	(66.00)	(66.00)
Government grant recognised	(2.34)	(2.45)
Gain on disposal of property, plant and equipment (net)	(3.30)	-
Liabilities/Provision written back to the extent no longer required	(42.35)	(75.87)
<b>Sub-total (1)</b>	<b>1,823.99</b>	<b>1,548.07</b>
<b>Changes in operating assets and liabilities:</b>		
Increase/(decrease) in trade payables	(208.61)	1,028.83
Increase/(decrease) in other financial liabilities	(10.28)	87.01
Increase/(decrease) in other current liabilities	(22.12)	146.96
Increase/(decrease) in provisions	110.25	85.38
(Increase)/decrease in trade receivables	373.41	(1,301.11)
(Increase)/decrease in inventories	(61.55)	(1,047.60)
(Increase)/decrease in other financial assets and loans	103.57	(39.06)
(Increase)/decrease in other current assets	(281.56)	(288.28)
(Increase)/decrease in other non-current assets	302.03	(331.12)
<b>Sub-total (2)</b>	<b>305.15</b>	<b>(1,659.00)</b>
<b>Cash generated from/(used in) operations (1) +(2) = (3)</b>	<b>2,129.13</b>	<b>(110.93)</b>
<b>Income taxes paid (net of refunds) (4)</b>	410.12	300.88
<b>Net cash generated from/(used in) operating activities (3)-(4)</b>	<b>1,719.01</b>	<b>(411.81)</b>
<b>(B) Cash flows from investing activities</b>		
Interest received	18.70	18.33
Investments made	(14.25)	-
Proceeds from disposal of property, plant and equipment	3.30	-
Purchase of property, plant and equipment and intangible assets	(816.96)	(648.27)
<b>Net cash used in investing activities</b>	<b>(809.20)</b>	<b>(629.94)</b>
<b>(C) Cash flows from financing activities</b>		
Proceeds from Issue of Equity Shares	-	-
Proceeds from long-term borrowings	-	750.00
Repayment of long-term borrowings	(254.17)	(141.68)
Proceeds from/(repayment of) short-term borrowings (net)	(535.32)	769.87
Dividend Paid	(84.66)	(105.83)
Interest paid	(180.25)	(115.60)
<b>Net cash generated from financing activities</b>	<b>(1,054.40)</b>	<b>1,156.77</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(144.59)</b>	<b>115.02</b>
Cash and cash equivalents as at the beginning of the year	152.58	37.55
<b>Cash and cash equivalents as at the end of the year</b>	<b>7.99</b>	<b>152.58</b>
<i>Reconciliation of cash and cash equivalents as per the statement of cash flows</i>		
Cash and cash equivalents as per above comprise of the following:		
Cash on hand	1.99	0.63
Balances with banks	6.00	151.95
<b>Balances per statement of cash flows</b>	<b>7.99</b>	<b>152.58</b>
<b>Note:</b>		
a) Figures in bracket indicate cash outflow.		
b) Refer Note 18.4 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'		
Material Accounting Policies and Notes to Financial Statements -1 to 53		
<b>For and on behalf of the Board of Directors</b>		<b>As per our report of even date attached For PKF Sridhar &amp; Santhanam LLP</b>
		Firm Registration Number: 003990S/S200018 Chartered Accountants
<b>sd/-</b>	<b>sd/-</b>	<b>sd/-</b>
<b>R Haresh</b> Director DIN : 00363096	<b>R.Naresh</b> Director DIN:00273609	<b>T V Balasubramanian</b> Partner Membership No: 027251 Place: Madurai Date: 27th April 2024 UDIN : 24027251BKDHGB3871
Place: Madurai Date: 27th April 2024		

**TVS SENSING SOLUTIONS PRIVATE LIMITED**  
**Statement of Changes in Equity for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

**(I) Equity share capital**

	Amounts
<b>Balance as at March 31,2022</b>	<b>211.65</b>
Changes in equity share capital due to prior period errors	<b>0.00</b>
<b>Restated Balance as at March 31, 2022</b>	<b>211.65</b>
Changes in equity share capital during the year	0.00
<b>Balance as at March 31,2023</b>	<b>211.65</b>
Changes in equity share capital due to prior period errors	<b>0.00</b>
<b>Restated Balance as at March 31, 2023</b>	<b>211.65</b>
Changes in equity share capital during the year	
<b>Balance as at March 31,2024</b>	<b>211.65</b>

**(II) Other equity**

	General reserve	Reserves and surplus Retained earnings	Securities Premium	Total other equity
<b>Balance as at March 31, 2022</b>	<b>245.99</b>	<b>1,476.87</b>	<b>1,038.35</b>	<b>2,761.21</b>
Changes in Other Equity due to change in accounting policy or prior period errors				
<b>Restated Balance as at March 31, 2022</b>				
Profit/(Loss) for the year		950.68	-	<b>950.68</b>
Other comprehensive income	-	(5.45)		<b>(5.45)</b>
Dividend during the year		(105.83)		<b>(105.83)</b>
Additions during the year				-
<b>Balance as at March 31, 2023</b>	<b>245.99</b>	<b>2,316.27</b>	<b>1,038.35</b>	<b>3,600.61</b>
Changes in Other Equity due to change in accounting policy or prior period errors				
<b>Restated Balance as at March 31, 2023</b>				
Profit/(Loss) for the year	-	1,019.34		<b>1,019.34</b>
Other comprehensive income	-	(0.36)		<b>(0.36)</b>
Dividend during the year		(84.66)	-	<b>(84.66)</b>
				-
<b>Balance as at March 31, 2024</b>	<b>245.99</b>	<b>3,250.59</b>	<b>1,038.35</b>	<b>4,534.93</b>

Material Accounting Policies and Notes to Financial Statements -1 to 53

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/-**

**R Haresh**  
Director  
DIN : 00363096

Place: Madurai  
Date: 27th April 2024

**sd/-**

**R.Naresh**  
Director  
DIN:00273609

**sd/-**

**T V Balasubramanian**  
Partner  
Membership No: 027251  
Place: Madurai  
Date: 27th April 2024  
UDIN : 24027251BKDHGB3871

## **TVS Sensing Solutions Private Limited**

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

#### **1. Corporate Information**

TVS Sensing Solutions Private Limited ('TVSSS' or 'the Company') is domiciled and incorporated in India having its registered office at TVS Building, 7-B West Veli Street, Madurai 625001. The Company is engaged in the business of trading, manufacturing and sale of electrical switches, sensors, computer peripheral devices, etc.

The company is a 100% subsidiary of TVS Srichakra Investments 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(r). 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 1<sup>st</sup> 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

<b>Particulars</b>	<b>Useful life</b>
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

<b>Particulars</b>	<b>Useful life</b>
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) 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.

### **m) 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.

**n) 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.

**o) 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.

**p) 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.

**q) 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.

**r) 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.

**s) 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.

**t) 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.

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

**3**

	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at	Additions	Disposals	As at	As at	For the year	Disposals	As at	As at	
	March 31, 2023			March 31, 2024	March 31, 2023			March 31, 2023	March 31, 2023	March 31, 2024
Freehold land	76.53	-	-	76.53	-	-	-	-	76.53	
Buildings	557.88	305.67	-	863.55	185.31	31.59	-	216.90	646.66	
Plant and machinery	2,160.89	722.81	15.38	2,868.32	1,327.66	264.66	15.38	1,576.94	1,291.38	
Furniture and fixtures	107.95	39.04	-	146.99	81.35	13.89	-	95.23	51.75	
Computers	101.27	33.38	-	134.65	70.61	38.70	-	109.31	25.34	
Vehicles	12.27	43.62	2.83	53.06	8.93	9.86	2.83	15.96	37.11	
<b>Total</b>	<b>3,016.79</b>	<b>1,144.52</b>	<b>18.21</b>	<b>4,143.10</b>	<b>1,673.86</b>	<b>358.70</b>	<b>18.21</b>	<b>2,014.34</b>	<b>2,128.77</b>	
<b>Capital Work in Progress</b>	<b>474.70</b>	<b>816.97</b>	<b>(1,154.09)</b>	<b>137.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137.58</b>	
<b>Total</b>	<b>3,491.49</b>	<b>1,961.49</b>	<b>(1,135.88)</b>	<b>4,280.68</b>	<b>1,673.86</b>	<b>358.70</b>	<b>18.21</b>	<b>2,014.34</b>	<b>2,266.35</b>	

	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at	Additions	Disposals	As at	As at	For the year	Disposals	As at	As at	
	March 31, 2022			March 31, 2023	March 31, 2022			March 31, 2023	March 31, 2023	March 31, 2023
Freehold land	76.53	-	-	76.53	-	-	-	-	76.53	
Buildings	549.75	8.13	-	557.88	161.60	23.71	-	185.31	372.57	
Plant and machinery	2,037.74	123.15	-	2,160.89	1,116.44	211.22	-	1,327.66	833.23	
Furniture and fixtures	100.26	7.69	-	107.95	73.78	7.57	-	81.35	26.60	
Computers	81.68	19.59	-	101.27	61.52	9.09	-	70.61	30.66	
Vehicles	12.27	-	-	12.27	7.50	1.43	-	8.93	3.34	
<b>Total</b>	<b>2,858.23</b>	<b>158.56</b>	<b>-</b>	<b>3,016.79</b>	<b>1,420.84</b>	<b>253.02</b>	<b>-</b>	<b>1,673.86</b>	<b>1,342.93</b>	
<b>Capital Work in Progress</b>	<b>141.95</b>	<b>648.28</b>	<b>315.53</b>	<b>474.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>474.70</b>	
<b>Total</b>	<b>3,000.18</b>	<b>806.84</b>	<b>315.53</b>	<b>3,491.49</b>	<b>1,420.84</b>	<b>253.02</b>	<b>-</b>	<b>1,673.86</b>	<b>1,817.63</b>	

**Ageing for Capital Work in Progress**

Particulars	As at 31st March 2024				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	104.54	33.05			137.59

  

Particulars	As at 31st March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	383.86	90.84			474.70

3.1 Refer to note 2(i) for information on material accounting policies.

3.2 Refer to notes 18, 22 and 44 for information on property, plant and equipment pledged as security by the Company.

3.3 Refer to note 42 for Contractual commitments for the acquisition of PPE.

3.4 The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition i.e., 1st of April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as gross block.

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

<b>4 Intangible assets</b>									
	<b>Gross carrying amount</b>			<b>Accumulated amortisation</b>				<b>Net carrying amount</b>	
	<b>As at March 31, 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>As at March 31,2024</b>	<b>As at March 31, 2023</b>	<b>For the year</b>	<b>Disposals</b>	<b>As at March 31,2024</b>	<b>As at March 31,2024</b>
Software	194.76	9.56	-	204.31	48.09	31.99	-	80.08	124.23
<b>Total</b>	<b>194.76</b>	<b>9.56</b>	<b>-</b>	<b>204.31</b>	<b>48.09</b>	<b>31.99</b>	<b>-</b>	<b>80.08</b>	<b>124.23</b>
	<b>Gross carrying amount</b>			<b>Accumulated amortisation</b>				<b>Net carrying amount</b>	
	<b>As at March 31,2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>As at March 31,2023</b>	<b>As at March 31,2022</b>	<b>For the year</b>	<b>Disposals</b>	<b>As at March 31,2023</b>	<b>As at March 31,2023</b>
Software	37.79	156.97	-	194.76	25.08	23.01	-	48.09	146.67
<b>Total</b>	<b>37.79</b>	<b>156.97</b>	<b>-</b>	<b>194.76</b>	<b>25.08</b>	<b>23.01</b>	<b>-</b>	<b>48.09</b>	<b>146.67</b>

4.1 Refer to note 2(j) for information on material accounting policies.

4.2 The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition i.e., 1st of April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as gross block.



<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>As at</b>	<b>As at</b>
	<b>March 31,2024</b>	<b>March 31,2023</b>
<b>5 Financial assets - Investments</b>		
<b>Investments in Subsidiary</b>		
<b>Investment carried at amortized cost - unquoted</b>		
Investment in Equity shares - Fiber Optic Sensing Solutions Private Limited - 9,000 shares of Rs.10 each (PY 9,000 shares of Rs. 10 each)	0.90	0.90
Investment in Compulsorily Convertible Preference Shares of Fiber Optic Sensing Solutions Private Limited (Refer Note below)	550.00	550.00
5,50,000 of Compulsorily Convertible Preference Shares of Rs.100 each (5,50,000 Compulsorily Convertible Preference shares) carrying dividend @12% p.a		
<b>Total Investments in Subsidiary (A)</b>	<b>550.90</b>	<b>550.90</b>
<b>Investment in equity of others</b>		
<b>Investment at fair value through Other Comprehensive Income - unquoted</b>		
Investment in equity shares of Optical Sensing Solutions Private Limited - 1,42,500 shares of Rs.10 each	14.25	
<b>Total Other Investments(B)</b>	<b>14.25</b>	<b>-</b>
<b>Total Investments (A+B)</b>	<b>565.15</b>	<b>550.90</b>
<b>Aggregate value of unquoted investments at cost</b>	<b>565.15</b>	<b>550.90</b>
<b>Note:</b>		
c. Terms of Conversion Compulsorily Convertible Preference Shares		
(i) <b>Optional Conversion:</b> 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.		
(ii) <b>Mandatory Conversion:</b> 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.		
The first tranche of 2,00,000 shares is due for conversion by 24th March 2023. However, conversion has been extended for further 2 years for both tranches of the loans. Coupon dividend has been accrued upto year end.		
<b>6 Financial assets - Loans</b>		
<i>Unsecured, Considered good</i>		
Loans	-	77.36
<b>Total</b>	<b>-</b>	<b>77.36</b>
* There are no loans with significant increase in risk or credit impaired		
In the above no Loans are due from directors or other officers of the Company either severally or jointly with any other person.		
<b>7 Other financial assets - Non-current</b>		
Deposits with banks with maturity period more than 12 months (held as lien by bank against bank guarantee)	14.52	13.97
Deposits with Government authorities	2.50	2.20
Security deposits	0.22	0.22
Dividend / Coupon Accrued but not due on Compulsorily Convertible Preference shares	201.39	135.39
<b>Total</b>	<b>218.63</b>	<b>151.78</b>
Refer Note 41 for balance due from related parties		
<b>8 Income tax assets (net)</b>		
Balance as at the beginning of the year	46.05	(13.88)
Less : Current Year Provision	(356.10)	(240.95)
Add: Taxes paid	410.12	300.88
<b>Balance as at the end of the year</b>	<b>100.07</b>	<b>46.05</b>
<b>9 Other non-current assets</b>		
<i>Unsecured, considered good</i>		
Capital advances	44.58	346.62
<i>Advances other than capital advances:</i>		
Deposits with Government authorities	10.95	10.95
<b>Total</b>	<b>55.53</b>	<b>357.57</b>
<b>10 Inventories</b>		
Raw materials [Refer note (a) and (c) below]	1,500.80	1,571.55
Work-in-progress	360.45	235.45
Finished goods [Refer note (c) and (d) below]	385.15	386.12
Traded goods [Refer note (b) and (c) below]	80.79	83.64
Stores and spares	22.69	11.57
<b>Total</b>	<b>2,349.88</b>	<b>2,288.33</b>
<b>Notes:</b>		
a) Raw materials includes in-transit	293.79	247.80
b) Traded goods includes in-transit	13.59	27.91
c) Inventory is net of provision for slow-moving and non-moving items	575.97	342.15
d) Finished goods includes in-transit	253.59	221.35

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>As at</b>	<b>As at</b>
	<b>March 31,2024</b>	<b>March 31,2023</b>
<b>11 Trade receivables</b>		
Secured and Considered good	-	-
Unsecured and Considered good	2,345.95	2,732.51
Receivable with Significant Increase in Credit Risk	-	-
Receivable Credit Impaired	31.92	18.77
	<b>2,377.87</b>	<b>2,751.28</b>
Less: Allowance for doubtful debts	31.92	18.77
<b>Total</b>	<b>2,345.95</b>	<b>2,732.51</b>
Refer Note 41 for balance due from related parties		

### Ageing of Trade Receivables

Particulars	As at 31 March 2024						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,739.21	451.81	154.92				2,345.95
(ii) Undisputed Trade Receivables – credit impaired				25.85	6.07		31.92
<b>Total</b>	<b>1,739.21</b>	<b>451.81</b>	<b>154.42</b>	<b>25.85</b>	<b>6.07</b>	<b>-</b>	<b>2,377.87</b>
Less : Allowance for Trade Recivable			-	25.85	6.07	-	31.92
<b>Net Trade Receivable</b>	<b>1,739.21</b>	<b>451.81</b>	<b>154.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,345.95</b>

Particulars	As at 31 March 2023						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,404.47	1,303.93	24.11				2,732.51
(ii) Undisputed Trade Receivables – credit impaired				18.77			18.77
<b>Total</b>	<b>1,404.47</b>	<b>1,303.93</b>	<b>24.11</b>	<b>18.77</b>	<b>-</b>	<b>-</b>	<b>2,751.28</b>
<b>Less : Allowance for Trade Recivable</b>			-	18.77	-	-	18.77
<b>Net Trade Receivable</b>	<b>1,404.47</b>	<b>1,303.93</b>	<b>24.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,732.51</b>

Refer note 39A 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.

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>As at</b>	<b>As at</b>
	<b>March 31,2024</b>	<b>March 31,2023</b>
<b>12 Cash and cash equivalents</b>		
Balances with banks:		
- in current accounts	6.00	151.95
Cash on hand	1.99	0.63
<b>Total</b>	<b>7.99</b>	<b>152.58</b>
<b>13 Loans</b>		
<i>Unsecured, considered good*</i>		
Advances to employees	2.98	1.87
Loan	77.36	72.64
<b>Total</b>	<b>80.34</b>	<b>74.51</b>
<i>* There are no advances with significant increase in risk or credit impaired</i>		
<i>Refer Note 6</i>		
<b>14 Other financial assets</b>		
<b>Current</b>		
<i>Unsecured, considered good</i>		
Others	9.06	4.97
Advances to Related Parties	4.36	41.33
<b>Total</b>	<b>13.42</b>	<b>46.30</b>
<i>Refer Note 41 for Related party disclosures</i>		
<b>15 Other current assets</b>		
<i>Unsecured, considered good</i>		
Balances with Government authorities	231.61	194.93
Advances to suppliers	438.44	222.03
Prepaid expenses	95.20	69.08
Fund balance - Leave Encashment (Earned Leave)	12.71	10.50
<b>Total</b>	<b>777.96</b>	<b>496.53</b>

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

**16 Equity share capital**

**Authorised Share capital**

	<b>Number of shares</b>	<b>Amount</b>
<b>At 1 April 2022</b>	5,000,000	500.00
Changes during the year	-	-
<b>At 31 March 2023</b>	5,000,000	500.00
Changes during the year	-	-
<b>At 31 March 2024</b>	5,000,000	500.00

**Issued Share capital**

	<b>Number of shares</b>	<b>Amount</b>
<b>At 1 April 2022</b>	2,116,503	211.65
Changes during the year	-	-
<b>At 31 March 2023</b>	2,116,503	211.65
Changes during the year	-	-
<b>At 31 March 2024</b>	2,116,503	211.65

**Subscribed and paid-up Share capital**

	<b>Number of shares</b>	<b>Amount</b>
<b>At 1 April 2022</b>	2,116,503	211.65
Changes during the year	-	-
<b>At 31 March 2023</b>	2,116,503	211.65
Changes during the year	-	-
<b>At 31 March 2024</b>	2,116,503	211.65

**(a) Terms and rights attached for equity shares**

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(b) Disclosure of shareholding of promoters and percentage of change during the year.**

Promoter Name	As at 31st March 2024			As at 31 March 2023		
	No. of Shares held	% of Holding	% Change During the year	No. of Shares held	% of Holding	% Change During the year
TVS Srichakra Investments Limited	2,116,503	100%	NIL	2,116,503	100%	NIL

**(d) Details of shareholders holding more than 5% of the aggregate shares in the Company**

	As at March 31,2024		As at March 31,2023	
	Number of shares	%	Number of shares	%
<b>Equity shares held by:</b>				
TVS Srichakra Investments Limited	2,116,503	100%	2,116,503	100%
<b>Total</b>	<b>2,116,503</b>		<b>2,116,503</b>	

**(e)** The Company does not have any bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date (31st March 2024)

**(f)** The Company does not have any outstanding shares issued under options

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

	As at March 31,2024	As at March 31, 2023
<b>17 Reserves and surplus</b>		
General reserve	245.99	245.99
Retained earnings	3,250.59	2,316.27
Securities Premium	1,038.35	1,038.35
<b>Total</b>	<b>4,534.93</b>	<b>3,600.61</b>
<b>General reserve</b>		
Balance as at the beginning of the year	245.99	245.99
Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Balance as at the end of the year</b>	<b>245.99</b>	<b>245.99</b>
<b>Retained earnings</b>		
Balance as at the beginning of the year	2,316.27	1,476.87
Profit/(Loss) for the year	1,019.34	950.68
<i>Items of other comprehensive income recognised directly in retained earnings:</i>		
<i>Final Dividend for FY 21-22</i>		(21.17)
<i>Interim Dividend for FY 22-23</i>		(84.66)
<i>Interim Dividend for FY 23-24</i>	(84.66)	
Remeasurements of post-employment benefit obligation, net of tax	(0.36)	(5.45)
<b>Balance as at the end of the year</b>	<b>3,250.59</b>	<b>2,316.27</b>
<b>Securities Premium</b>		
Balance as at the beginning of the year	1,038.35	1,038.35
Additions during the year		
Deductions/adjustments during the year		
<b>Balance as at the end of the year</b>	<b>1,038.35</b>	<b>1,038.35</b>
<b>Nature and purpose of reserves:</b>		
General reserve: Part of retained earnings credited as per the erstwhile Companies Act, 1956. This is available for distribution to shareholders.		
Retained earnings: Company's cumulative earnings since its formation minus the dividends and any transfers effected to General Reserve.		
Securities Premium : The amount received in excess of face value of the equity shares is recognised in securities premium reserve		
<b>18 Borrowings</b>		
<b>Non-current</b>		
<b>Secured:</b>		
Term loans from banks:		
Term loan - A (Refer note 18.1)	33.61	100.76
Term loan - B (Refer note 18.3)	562.78	750.00
Less: Current maturities of long-term borrowings (Refer note 22)	(220.84)	(254.18)
Less: Interest accrued but not due on term loans (Refer note 24)	(0.56)	(0.76)
<b>Total</b>	<b>374.99</b>	<b>595.82</b>
18.1 Term Loan A with sanctioned amount of INR 450 Lakhs is repayable in 5 years including 12 months moratorium. Loan of INR 300 Lakhs was availed during the year 2019-20. Loan is primarily secured by factory land & building and plant and machinery of the company.		
18.2 Term Loan B with sanctioned amount of INR 850 Lakhs is repayable in 5 years including 1 year moratorium. Loan is primarily secured by movable fixed assets of the Company.		
18.3 Refer note 44 for the carrying amounts of assets pledged as security in respect of the above borrowings.		

**18.4 Reconciliation of Liabilities from Financing Activities**

Particulars	As at 1st April 2023	Cash flows		Reclassified as part of discontinued operations	Non Cash transactions	As at 31st March 2024
		Proceeds	Repayment			
Non Current Borrowings (including current maturities of non current borrowings)	(850.75)	-	254.17		0.20	(596.41)
Current Borrowings	(1,660.38)	-	535.33		1.63	(1,123.42)
<b>Total</b>	<b>(2,511.13)</b>	<b>-</b>	<b>789.50</b>	<b>-</b>	<b>1.83</b>	<b>(1,719.83)</b>

Particulars	As at 1st April 2022	Cash flows		Reclassified as part of discontinued operations	Non Cash transactions	As at 31st March 2023
		Proceeds	Repayment			
Non Current Borrowings (including current maturities of non current borrowings)	(242.82)	(750.00)	141.68		0.39	(850.75)
Current Borrowings	(885.33)	(769.87)			(2.59)	(1,657.79)
<b>Total</b>	<b>(1,128.15)</b>	<b>(1,519.87)</b>	<b>141.68</b>	<b>-</b>	<b>(2.20)</b>	<b>(2,508.54)</b>

**TVS Sensing Solutions Private Limited**  
**(Amount in INR Lakhs, unless otherwise stated)**

**19 Deferred tax liabilities/(assets) (net)**

The balance comprises temporary differences attributable to:

Particulars	March 31, 2023	Provided/(reversed) during the year	March 31, 2024
<u>Deferred tax liabilities</u>			
Depreciation	62.86	(22.38)	40.48
Others	2.73	(0.11)	2.62
<b>Total deferred tax liabilities (A)</b>	<b>65.59</b>	<b>(22.49)</b>	<b>43.10</b>
<u>Deferred tax assets</u>			
Allowance for doubtful debts	(9.22)	1.18	(8.03)
Expenses allowable in tax on payment basis	(157.16)	16.52	(140.64)
Carry forward tax losses	-	-	-
Carry forward tax credits	-	-	-
<b>Total deferred tax assets (B)</b>	<b>(166.38)</b>	<b>17.70</b>	<b>(148.67)</b>
<b>Deferred tax liabilities/(assets) (net)</b>	<b>(100.79)</b>	<b>(4.79)</b>	<b>(105.57)</b>

Particulars	March 31, 2022	Provided/(reversed) during the year	March 31, 2023
<u>Deferred tax liabilities</u>			
Depreciation	81.14	(18.28)	62.86
Others	2.71	0.02	2.73
<b>Total deferred tax liabilities (A)</b>	<b>83.85</b>	<b>(18.26)</b>	<b>65.59</b>
<u>Deferred tax assets</u>			
Allowance for doubtful debts	(17.18)	7.96	(9.22)
Expenses allowable in tax on payment basis	(81.15)	(76.01)	(157.16)
Carry forward tax losses	15.70	(15.70)	-
Carry forward tax credits	(160.02)	160.02	-
<b>Total deferred tax assets (B)</b>	<b>(242.65)</b>	<b>76.27</b>	<b>(166.38)</b>
<b>Deferred tax liabilities/(assets) (net)</b>	<b>(158.80)</b>	<b>58.01</b>	<b>(100.79)</b>



**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

	As at March 31,2024	As at March 31,2023
<b>20 Government grants</b>		
Balance as at the beginning of the year	3.87	6.34
Add: Grants during the year	-	-
Less: Released to profit or loss	(2.34)	(2.47)
<b>Balance as at the end of the year</b>	<b>1.53</b>	<b>3.87</b>
Non-current portion	-	-
Current portion	1.53	3.87
<b>Total</b>	<b>1.53</b>	<b>3.87</b>
Government grants are related to duty benefit availed by the Company by investing in property, plant and equipment in the export oriented unit. There are no unfulfilled conditions or other contingencies attached to these grants.		
<b>21 Provisions</b>		
<b>Non-current</b>		
Provision for employee benefits:		
Provision for gratuity (Refer note 31.1)	29.80	19.44
Provision for compensated absences	6.46	2.27
<b>Total</b>	<b>36.26</b>	<b>21.72</b>
<b>22 Borrowings</b>		
<b>Current</b>		
<b>Secured:</b>		
From banks (Refer note below):		
Working capital loans repayable on demand from banks	1,123.42	1,660.38
Less: Interest accrued but not due (Refer Note 24)	(0.96)	(2.59)
Current Maturities of Long term Borrowings (Refer Note 18)	220.84	254.18
<b>Total</b>	<b>1,343.30</b>	<b>1,911.97</b>

**Note:**

Working capital loans represents cash credit, working capital demand loans, bills discounted and packing credit facilities from banks which are secured by a hypothecation of inventories and receivables both present and future and by way of equitable mortgage by deposit of title deeds of the Company's immovable properties situated at Madurai.

Refer note 44 for the carrying amounts of assets pledged as security in respect of the above borrowings.

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>As at</b>	<b>As at</b>
	<b>March 31,2024</b>	<b>March 31,2023</b>
<b>23 Trade payables</b>		
Total outstanding dues of micro and small enterprises (Refer note 43)	91.20	153.33
Total outstanding dues of creditors other than micro and small enterprises	1,452.55	1,641.38
<b>Total</b>	<b>1,543.75</b>	<b>1,794.71</b>
Refer Note 41 for balance due from related parties		

### Ageing of Trade Payables

Particulars	As at 31 March 2023					
	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
MSE *	79.29	3.86	-	0.33	7.52	91.00
Others	1,236.28	181.17	19.11	4.24	11.94	1,452.75
Disputed Dues - MSE						-
Disputed Dues - Others						-
<b>Total</b>	<b>1,315.57</b>	<b>185.03</b>	<b>19.11</b>	<b>4.57</b>	<b>19.46</b>	<b>1,543.75</b>

Particulars	As at 31 March 2023					
	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
MSE *	129.22	16.26	0.33	0.42	7.10	153.33
Others	1,336.71	279.96	12.43	10.46	1.82	1,641.38
Disputed Dues - MSE						-
Disputed Dues - Others						-
<b>Total</b>	<b>1,465.93</b>	<b>296.22</b>	<b>12.76</b>	<b>10.88</b>	<b>8.92</b>	<b>1,794.71</b>

\* Total outstanding dues of micro and small enterprises

Based on due date as per credit period or in its absence based on date of transaction

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>As at</b>	<b>As at</b>
	<b>March 31,2024</b>	<b>March 31,2023</b>
<b>24 Other financial liabilities</b>		
Interest accrued but not due on loans (Refer notes 18 and 22)	1.52	3.35
Employee benefits payable	234.97	236.36
Creditors for capital goods	88.49	84.76
Others	26.27	35.23
<b>Total</b>	<b>351.24</b>	<b>359.69</b>
<b>25 Provisions</b>		
<b>Current</b>		
Provision for employee benefits:		
Provision for gratuity (Refer note 31.1)	20.15	26.00
Provision for compensated absences	1.19	0.14
Other provisions:		
Provision for warranty (Refer note (a) below)	388.98	288.11
Provision for fringe benefit tax	0.30	0.30
<b>Total</b>	<b>410.62</b>	<b>314.55</b>
<b>Notes:</b>		
<b>(a) Provision for warranty</b>		
Balance as at the beginning of the year	288.10	197.86
Additions	125.92	111.60
Total	414.02	309.46
Amounts used/reversed	25.05	21.36
<b>Balance as at the end of the year</b>	<b>388.97</b>	<b>288.10</b>
Provision for warranty represents the estimated warranty claims in respect of products sold which are still under warranty at the end of reporting period.		
<b>26 Other current liabilities</b>		
Advances from customers	124.35	149.46
Statutory dues including provident fund and tax deducted at source	78.44	75.46
<b>Total</b>	<b>202.79</b>	<b>224.92</b>
Refer Note 41 for balance due from related parties		

**TVS Sensing Solutions Private Limited**

Notes forming part of the financial statements for the year ended March,31,2024

(Amount in INR Lakhs, unless otherwise stated)

	Year ended March 31,2024	Year ended March 31,2023
<b>27 Revenue from operations</b>		
Sale of products:		
Finished goods	12,761.69	11,417.75
Traded goods	662.91	379.36
Other operating revenue:		
Job work charges	23.70	
Tooling income	73.50	90.93
Scrap sales	11.20	11.19
<b>Total</b>	<b>13,533.00</b>	<b>11,899.23</b>
<b>28 Other income</b>		
Liabilities written back to the extent no longer required	42.35	26.49
Provision for Doubtful Debts written back		49.38
Government grant income	2.34	2.45
Interest income	18.70	18.33
Finance charges accrued on the CCPS	66.00	66.00
Gain on disposal of property, plant and equipment (net)	3.30	-
Miscellaneous income	1.47	33.83
<b>Total</b>	<b>134.16</b>	<b>196.48</b>

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31,2024</b>	<b>March 31,2023</b>
<b>29 Cost of materials consumed</b>		
Raw materials consumed		
Raw materials inventory as at the beginning of the year	1,571.55	760.26
Add: Purchases	7,196.36	7,459.31
Less: Raw materials inventory as at the end of the year	1,500.80	1,571.55
<b>Total</b>	<b>7,267.11</b>	<b>6,648.02</b>
<b>30 Changes in inventories of finished goods, stock-in-trade and work-in-progress</b>		
Inventory as at the beginning of the year:		
Work-in-progress	235.45	132.19
Finished goods	386.12	289.30
Stock-in-trade	83.64	51.88
<b>Total (A)</b>	<b>705.21</b>	<b>473.37</b>
Inventory as at the end of the year:		
Work-in-progress	360.45	235.45
Finished goods	385.15	386.12
Stock-in-trade	80.79	83.64
<b>Total (B)</b>	<b>826.39</b>	<b>705.21</b>
<b>(Increase)/decrease (A-B)</b>	<b>(121.18)</b>	<b>(231.84)</b>

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>Year ended March 31,2024</b>	<b>Year ended March 31,2023</b>
<b>31 Employee benefits expense</b>		
Salaries, wages and bonus	1,612.89	1,370.96
Contribution to provident and other funds (Refer note (a) below)	90.33	78.44
Gratuity (Refer note 31.1)	26.04	20.44
Staff welfare expenses	183.02	145.68
<b>Total</b>	<b>1,912.28</b>	<b>1,615.52</b>
<b>Note (a):</b> This comprises of contribution to the following:		
- Provident fund	80.39	67.44
- Superannuation fund	9.87	10.95
- Labour welfare fund	0.07	0.05
	<b>90.33</b>	<b>78.44</b>
<b>31.1 Disclosures as per Ind AS 19 - Employee benefits</b>		
<b>Defined benefit plan - Gratuity</b>		
The Company operates a gratuity plan which is funded and being administered by the Life Insurance Corporation of India (LIC). Every employee is entitled to a benefit (lump sum payment) equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vests after 5 years of continuous service.		
The amounts recognised in the balance sheet and the movements in the net defined benefit obligation and plan assets over the year are as follows:		
<b>Particulars - Gratuity</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
<b>Present Value of Defined Benefits</b>		
Defined benefit obligation at the beginning of the year	208.39	180.10
Service cost	23.10	18.23
Interest cost	15.12	12.79
Actuarial (gain)/loss	0.54	8.56
Benefits Paid		(11.29)
Projected benefit obligation at the end of the year	247.15	208.39
<b>Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	162.95	137.45
Interest income	12.18	10.58
Employer's contribution	22.00	24.99
Benefits paid	-	(11.29)
Actuarial gain/(loss)	0.07	1.22
Fair value of plan assets at the end of the year	197.20	162.95
<b>Amount recognised in balance sheet</b>		
Present value of projected benefit obligation at the end of the year	247.15	208.39
Fair value of plan assets at the end of year	197.20	162.95
Funded status amount of liability recognised in balance sheet	49.95	45.44
Non-current liability/(asset)	29.80	19.44
Current liability/(asset)	20.15	26.00
<b>Expense Recognised in statement of Profit or Loss</b>		
Service cost	23.10	18.23
Interest cost	15.12	12.79
Interest income	(12.18)	(10.58)
Net gratuity cost	26.04	20.44
Actual return on plan asset	12.24	11.80
<b>Actuarial gains/losses</b>		
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO		
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	5.20	12.14
Actuarial (Gain)/Losses due to Experience on DBO	(4.66)	(3.56)
Return on Plan Assets (Greater)/Less than Discount rate	(0.06)	(1.22)
Amount recognized in Other Comprehensive Income	0.48	7.36
<b>Summary of actuarial assumptions</b>		
Discount rate	7.25%	7.54%
Expected rate of plan assets	7.54%	7.33%
Salary escalation rate	5.00%	5%
Average future working life time	11.61	11.23
Discount rate - based on prevailing market yields of Indian government securities as at the balance sheet date for estimated term of obligations expected rate of return on plan assets - expectation of the average long term rate of return expected on investment of the funds during the estimated terms of the obligations salary escalation rate - estimates of future salary increases considered taken into account the inflation, seniority, promotion and other relevant factors contributions.		
<b>Particulars (Discounted values)</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Within 1 year	18.67	19.78
2 to 5 years	83.63	66.11
6 to 10 years	61.83	57.22
More than 10 years	80.03	65.30

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
<b>Sensitivity analysis of significant actuarial assumption:</b>		
<b>Particulars - Gratuity</b>	<b>31st March 2024</b>	
	<b>% Increase in DBO</b>	<b>Liability (in lakhs)</b>
Discount Rate + 100 basis points	-6.38%	231.41
Discount Rate - 100 basis points	7.25%	265.09
Salary growth rate + 100 basis points	7.07%	264.65
Salary growth rate - 100 basis points	-6.31%	231.58
Attrition Rate + 100 basis points	0.64%	248.76
Attrition Rate - 100 basis points	-0.72%	245.39
Mortality Rate - 10% upwards	0.02%	247.22
<b>Particulars - Gratuity</b>	<b>31st March 2023</b>	
	<b>% Increase in DBO</b>	<b>Liability (in lakhs)</b>
Discount Rate + 100 basis points	-6.58%	194.71
Discount Rate - 100 basis points	7.47%	223.98
Salary growth rate + 100 basis points	7.21%	223.45
Salary growth rate - 100 basis points	-6.43%	195.01
Attrition Rate + 100 basis points	0.86%	210.21
Attrition Rate - 100 basis points	-0.96%	206.41
Mortality Rate - 10% upwards	0.02%	208.46
These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.		
Mortality - Indian Assured Lives Mortality (2012-14) Ultimate		
<b>Particulars - Leave Encashment - Earned Leave</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Projected benefit obligation at the beginning of the year	29.73	24.55
Projected benefit obligation at the end of the year	32.51	29.73
<b>Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	40.23	34.98
Fair value of plan assets at the end of the year	45.23	40.23
<b>Amount recognised in balance sheet</b>		
Present value of projected benefit obligation at the end of the year	32.51	29.73
Fair value of plan assets at the end of the year	45.23	40.23
Funded status amount of liability/(asset) recognised in balance sheet	(12.71)	(10.50)
Non-current liability/(asset)		
Current liability/(asset)	(12.71)	(10.50)
<b>Particulars - Leave Encashment - Sick Leave</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Present Value of defined Obligation at beginning	2.71	2.71
Projected benefit obligation at the end of the year	7.65	2.41
Unfunded status amount of liability/(asset) recognised in balance sheet		
Non-current liability/(asset)	6.46	-
Current liability/(asset)	1.19	2.41
<b>Risk exposure</b>		
Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:		
i) An independent actuary (a Fellow member of the Institute of Actuaries of India) has carried out an actuarial valuation of the Scheme as at March 31, 2024, using the projected unit credit method. This plan is exposed to actuarial risk such as investment risk, salary risk and interest risk. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.		
ii) Investment risk (Asset volatility): The Scheme's present value of defined benefit obligation is calculated using a discount rate determined with reference to Government of India bond rate. If the return on the Scheme's assets underperform this rate, the accounting deficit will increase.		
iii) Salary risk: The Scheme's present value of defined benefit obligation is linked to the future salaries, therefore, increase in salary escalation rate will increase the Scheme's liability.		
iv) Interest risk (Changes in bond yields): A decrease in the bond rates will increase the Scheme's liability, although this will be partially offset by an increase in the value of the plans' bond holdings.		



<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>Year ended March 31,2024</b>	<b>Year ended March 31,2023</b>
<b>32 Finance costs</b>		
Interest expense:		
Interest on working capital loans	114.25	60.43
Interest on term loans	65.22	51.39
Other Borrowing Cost	2.61	6.37
<b>Total</b>	<b>182.08</b>	<b>118.19</b>
<b>33 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	358.70	253.02
Amortisation of intangible assets	31.99	23.01
<b>Total</b>	<b>390.69</b>	<b>276.03</b>
<b>34 Other expenses</b>		
Consumption of stores and spares	15.50	20.32
Tooling expenses	26.82	36.62
Sub-contracting charges	440.11	490.17
Power and fuel	158.00	137.03
Rent (Refer note below)	19.35	18.00
Contract labour charges	411.03	414.32
Provision for warranty	100.87	90.25
Factory expenses	99.83	116.89
Repairs and maintenance:		
Buildings	17.97	36.89
Machinery	78.67	81.45
Others	108.99	88.40
Insurance	47.79	53.04
Rates and taxes	21.22	13.92
Travelling and conveyance expenses	137.79	143.25
Payment to Auditors:		
- As auditor		
- Statutory audit fee	8.40	8.40
- Tax audit fee	1.40	1.40
- Other Services	1.50	4.50
- Certification Fees	0.60	-
- Reimbursement of expenses	0.22	0.63
Legal and professional expenses	196.86	71.19
Freight outwards	55.24	41.28
Communication expenses	8.41	7.97
Royalty	2.58	3.90
Printing and stationery	11.58	11.22
Sales commission	4.14	8.62
Bank charges and commission	7.78	12.55
Bad debts written off		46.17
Provision for doubtful debts	13.15	18.77
Directors' sitting fees	2.25	2.70
Product development expenses	39.33	38.90
Net loss on foreign currency transactions and translation	27.73	19.59
CSR Expenditure	13.30	-
Miscellaneous expenses	62.09	76.15
<b>Total</b>	<b>2,140.50</b>	<b>2,114.49</b>
<b>Note:</b>		
Rent is towards cancellable leases for office premises/machinery. These lease arrangements range for a period between 11 months to 36 months and are renewable for further period on mutually agreeable terms. In view of the cancellable nature of these arrangements and value of the lease involved, these are not considered as resulting in ROU assets and a lease liability.		

<b>TVS Sensing Solutions Private Limited</b>		
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>		
<b>(Amount in INR Lakhs, unless otherwise stated)</b>		
	<b>Year ended March 31,2024</b>	<b>Year ended March 31,2023</b>
<b>35 Income tax expense</b>		
<b>(a) Income tax expense</b> □		
Current tax	356.10	240.95
<b>Total current tax expense</b>	<b>356.10</b>	<b>240.95</b>
Deferred tax		
Decrease/(increase) in deferred tax assets	17.70	76.27
(Decrease)/increase in deferred tax liabilities	(22.49)	(18.26)
<b>Total deferred tax expense/(benefit)</b>	<b>(4.79)</b>	<b>58.01</b>
<b>Income tax expense</b>	<b>351.31</b>	<b>298.95</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
<b>Profit/(Loss) before income tax expense</b>	<b>1,370.77</b>	<b>1,251.55</b>
<b>Tax at the applicable tax rate of 25.17%</b>	<b>345.02</b>	<b>325.40</b>
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Effect of expenses that are not deductible in determining taxable profit	3.35	0.04
- Net		
Tax losses considered in Income Tax return but not in Books		(22.69)
Impact on DTA due to change in Tax rate	3.49	
Impact of other reconciling items	(0.55)	(3.80)
<b>Income tax expense</b>	<b>351.31</b>	<b>298.95</b>
<b>Note:</b>		
The Taxation Laws (Amendment) Ordinance 2019 inserted S.115BAA under Income Tax Act, 1961 which provides domestic companies with a non-reversible option to opt for lower tax rate of 22% provided they do not claim certain deductions. On evaluating the options, the Company has decided to opt for the new tax regime.		

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

	Year ended March 31, 2024	Year ended March 31, 2023
<b>36 Earnings per share</b>		
Profit/(Loss) attributable to equity holders of the Company (A)	1,019.34	950.68
Weighted average number of equity shares outstanding (B)	2,116,503	2,116,503
Face value per equity share (in INR)	10	10
Earnings per equity share (Basic) (in INR) (A / B)	48.16	44.92

There is no dilution to the Basic Earnings per equity share as there are no dilutive potential equity shares.

**37 Segment information**

The Company's chief decision maker (CODM), viz. the Board of Directors, examines the Company's performance both from a product and geographical perspective and has determined its business segment as 'trading, manufacturing and sale of electrical switches, sensors, computer peripheral devices, etc.'. Accordingly, the total segment revenue, total segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total capital expenditure during the year, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2024.

Information about revenue from major products	Year ended March 31, 2024	Year ended March 31, 2023
<b>Finished goods:</b>		
Sensors	3,376.29	3,723.64
Switches	3,183.54	2,919.99
Electronic Component carrier	3,120.25	2,537.94
Solenoid	1,539.57	1,949.50
Others	1,542.04	286.68
	<u>12,761.69</u>	<u>11,417.75</u>
<b>Traded goods:</b>		
Switches	265.94	241.75
Computer peripheral devices	21.60	71.52
Sensors	320.25	66.09
Others	55.14	
	<u>662.92</u>	<u>379.36</u>
Other operating revenue	108.40	102.12
	<u><b>13,533.00</b></u>	<u><b>11,899.23</b></u>

**Information about revenue from major geographies**

India	11,993.51	9,911.14
USA	657.73	1,002.03
Hongkong	820.03	951.82
Mexico	55.81	
Germany	0.87	1.07
Others	5.05	33.17
	<u><b>13,533.00</b></u>	<u><b>11,899.23</b></u>

**Information about non-current assets from major geographies**

All the non-current assets are held within India.

**Information about revenue from major customers**

One external customer contributed more than 10% of the total revenues of the Company. Their share of the revenues for the year ended March 31, 2024 are 28% (March 31, 2023 - 25%).

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR lakhs, unless otherwise stated)**

**38 Fair value measurements**

**The carrying value and fair value of financial instruments by categories as of March 31, 2024 were as follows:**

<b>Financial assets</b>	<b>Amoritized Cost</b>	<b>FVTPL</b>	<b>FVOCI</b>	<b>Total</b>
Trade receivables	2,345.95	-	-	2,345.95
Investment in subsidiary	550.90	-	-	550.90
Investment in Others	-	-	14.25	14.25
Cash and cash equivalents	7.99	-	-	7.99
Deposits with banks	14.52	-	-	14.52
Other Financial Assets	297.87	-	-	297.87
<b>Total financial assets</b>	<b>3,217.23</b>	<b>-</b>	<b>14.25</b>	<b>3,231.48</b>
<b>Financial liabilities</b>				
Trade payables	1,543.75	-	-	1,543.75
Borrowings including term loans	1,718.29	-	-	1,718.29
Capital creditors	88.49	-	-	88.49
Other payables	262.75	-	-	262.75
<b>Total financial liabilities</b>	<b>3,613.27</b>	<b>-</b>	<b>-</b>	<b>3,613.27</b>

**The carrying value and fair value of financial instruments by categories as of March 31, 2023 were as follows:**

<b>Financial assets</b>	<b>Amoritized Cost</b>	<b>FVTPL</b>	<b>FVOCI</b>	<b>Total</b>
Trade receivables	2,732.51	-	-	2,732.51
Loans	150.00	-	-	150.00
Investment in subsidiary	550.90	-	-	550.90
Investment in Others	-	-	-	-
Cash and cash equivalents	152.58	-	-	152.58
Deposits with banks	13.97	-	-	13.97
Other Financial Assets	185.98	-	-	185.98
<b>Total financial assets</b>	<b>3,785.94</b>	<b>-</b>	<b>-</b>	<b>3,785.94</b>
<b>Financial liabilities</b>				
Borrowings	1,794.71	-	-	1,794.71
Borrowings including term loans	2,507.79	-	-	2,507.79
Capital creditors	84.76	-	-	84.76
Other payables	274.93	-	-	274.93
<b>Total financial liabilities</b>	<b>4,662.20</b>	<b>-</b>	<b>-</b>	<b>4,662.20</b>

**(i) Fair value measurement of financial instruments measured at fair value on recurring basis**

The carrying value and fair value of financial instruments by each category as at Mar 31, 2024 was as follows

<b>Particulars</b>	<b>As at 31st March 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Assets				
Investment in Others	-	-	14.25	14.25

<b>Particulars</b>	<b>As at 31st March 2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Assets				
Investment in Others	-	-	-	-

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

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

**39 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:**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>More than 1 Year</b>	<b>Total</b>
Gross carrying amount of trade receivables	2,345.95	31.92	2,377.87
Expected credit loss rate	0.0%	100.0%	
Expected credit loss (loss allowance provision)		31.92	31.92
Loss allowance based on specific identification	-	-	-
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>2,345.95</b>	<b>-</b>	<b>2,345.95</b>

**As at March 31, 2023:**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>More than 1 Year</b>	<b>Total</b>
Gross carrying amount of trade receivables	2,732.51	18.77	2,751.28
Expected credit loss rate	0.0%	100.0%	
Expected credit loss (loss allowance provision)	-	18.77	18.77
Loss allowance based on specific identification	-	-	-
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>2,732.51</b>	<b>-</b>	<b>2,732.51</b>

**Reconciliation of loss allowance provision - Trade receivables**

<b>Loss allowance on March 31, 2022</b>	<b>49.38</b>
Changes in loss allowance (net)	(30.61)
<b>Loss allowance on March 31, 2023</b>	<b>18.77</b>
Changes in loss allowance (net)	13.15
<b>Loss allowance on March 31, 2024</b>	<b>31.92</b>

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

**39 Financial risk management (contd)**

**(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 and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) 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 debt financing plans.

*(i) Financing arrangements*

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2024	March 31, 2023
<b>Floating rate</b>		
- Expiring within one year (bank overdraft and other facilities)	2,026	767
- Expiring beyond one year (bank loans)	-	-
<p>The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.</p> <p><i>(ii) Maturities of financial assets and liabilities</i></p> <p>The table below analyses the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for all financial assets and liabilities.</p> <p>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><b>Contractual maturities of financial assets and liabilities:</b></p>		

Particulars	Carrying amount	Less than 1 year	Between 1 year and 5 years	Above 5 years
<b>March 31, 2024</b>				
<b>Liabilities</b>				
Borrowings	1,718.29	1,343.30	374.99	-
Trade payables	1,543.75	1,500.60	43.15	-
Other financial liabilities	351.23	351.23	-	-
<b>Assets</b>				
Trade receivables	2,345.95	2,345.95		
Investments in Subsidiary	550.90			550.90
Investments in Others	14.25			14.25
Cash and Cash equivalents	7.99	7.99		
Loans	80.33	80.33		
Other Financial Assets	232.06	13.42	218.64	
<b>March 31, 2023</b>				
<b>Liabilities</b>				
Borrowings	2,507.79	1,911.97	595.82	
Trade payables	1,794.71	1,772.61	22.10	
Other financial liabilities	359.69	359.69	-	
<b>Assets</b>				
Trade receivables	2,732.51	2,732.51		
Investments in Subsidiary	550.90			550.90
Investments in Others				
Cash and Cash equivalents	152.58	152.58		
Loans	151.87	74.51	77.36	
Other Financial Assets	198.08	46.30	151.78	

**(C) Market risk**

**(i) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR Lakhs, are as follows:

Particulars	March 31, 2024		
	USD	Euro	GBP
<u>Financial assets</u>			
Trade receivables	43.78	206.47	-
Other receivables	-	-	-
<b>Exposure to foreign currency risk (assets)</b>	<b>43.78</b>	<b>206.47</b>	<b>-</b>
<u>Financial liabilities</u>			
Trade payables	33.40	17.16	22.16
Borrowings	-	-	-
<b>Exposure to foreign currency risk (liabilities)</b>	<b>33.40</b>	<b>17.16</b>	<b>22.16</b>

<b>TVS Sensing Solutions Private Limited</b>			
<b>Notes forming part of the financial statements for the year ended March,31,2024</b>			
<b>(Amount in INR Lakhs, unless otherwise stated)</b>			
<b>39 Financial risk management (contd)</b>			
<b>Particulars</b>	<b>March 31, 2023</b>		
	<b>USD</b>	<b>Euro</b>	<b>GBP</b>
<i>Financial assets</i>			
Trade receivables	407.55	366.15	-
Other receivables	-	-	-
<b>Exposure to foreign currency risk (assets)</b>	<b>407.55</b>	<b>366.15</b>	<b>-</b>
<i>Financial liabilities</i>			
Trade payables	158.17	321.76	-
Borrowings	-	-	-
<b>Exposure to foreign currency risk (liabilities)</b>	<b>158.17</b>	<b>321.76</b>	<b>-</b>
<b>Sensitivity</b>			
The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.			
<b>Particulars</b>	<b>Impact on profit after tax</b>		
	<b>March 31, 2024</b>	<b>March 31, 2023</b>	
<i>USD sensitivity</i>			
INR/USD increase by 5% * (March 31, 2023 - 5%)*	0.39	9.33	
INR/USD decrease by 5% * (March 31, 2023 - 5%)*	(0.39)	(9.33)	
<i>Euro sensitivity</i>			
INR/Euro increase by 5% * (March 31, 2023 - 5%)*	7.08	1.66	
INR/Euro decrease by 5% * (March 31, 2023 - 5%)*	(7.08)	(1.66)	
<i>GBP sensitivity</i>			
INR/GBP increase by 5% * (March 31, 2023 - 5%)*	(0.83)	-	
INR/GBP decrease by 5% * (March 31, 2023 - 5%)*	0.83	-	
* Holding all other variables constant			
<b>(ii) Interest rate risk</b>			
The Company's main interest rate risk arises from borrowings with variable rates.			
<b>Interest rate risk exposure</b>			
As at the end of the reporting period, the Company has the following variable rate borrowings outstanding:			
<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	
Variable rate borrowings	1,718.29	2,507.79	
Weighted average interest rate	8.27%	7.84%	
% of total borrowings	100%	100%	
<b>Sensitivity</b>			
Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.			
<b>Particulars</b>	<b>Impact on profit after tax</b>		
	<b>March 31, 2024</b>	<b>March 31, 2023</b>	
<i>Interest rate</i>			
Increase by 5% *	(5.26)	(7.27)	
Decrease by 5% *	5.26	7.27	
* Holding all other variables constant			
<b>Other risk - COVID-19:</b>			
a. Financial Assets measured at fair value amounting to NIL and measured at amortised cost amounting to 2,28,031 have been considered for the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19.			
b. The Company has specifically evaluated the potential impact with respect to certainty of collections from its customers.			
c. Since the Company closely monitors the financial strength of its customers & investments on a continuing basis and assesses actions such as changes in payment terms, no additional provision is deemed necessary in purview of COVID-19.			

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

**40 Capital management**

**(a) Risk management**

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with the others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet).

The Company's strategy is to maintain an optimal gearing ratio. The gearing ratios were as follows:

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Net debt	1,710.31	2,355.21
Total equity	4,746.58	3,812.26
<b>Net debt to equity ratio</b>	<b>36%</b>	<b>62%</b>

*Loan covenants*

Under the terms of the major borrowing facilities, the Company is required to comply with financial covenants in the nature of debt service coverage ratio, interest coverage ratio and maintain a positive net worth. The Company has complied with these covenants throughout the reporting period.

**(b) Dividends**

Interim Dividend for FY 23-24

The Company has declared and paid an interim dividend of 40% (i.e. Rs.4/- per share) aggregating for an amount of Rs. 84.66 Lakhs on equity share capital of the Company, as per the Provisions of Section 123(3) of the Companies Act, 2013



**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**

**41 Related party disclosures**  
**A Related parties and their relationships :**

<b>(a) Ultimate Holding Company</b>	TVS Srichakra Limited
<b>(b) Holding Company</b>	TVS Srichakra Investments Limited
<b>(c) Subsidiary</b>	Fiber Optic Sensing Solutions Private Limited

<b>(d) Entities with significant influence</b>	TVS Mobility Private Limited Sundaram Industries Private Limited TVS Argomm Private Limited SI Air Springs Private Limited
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**(e) Key Management Personnel** Mr. Ramachandhran Haresh (Chairman/Director)

**(f) Close Member of Key Management Personnel** Mr. Ramachandhran Naresh (Director)

**(g) Non-executive Directors and entities in which they exercises significant influence**  
 Mr. Arunkunram Sankaran Viswanathan (Director)  
 Entities in which director is interested: Team ASV Consultants Private Limited  
 Mr. Prem Pradeep (Director)  
 Mr. Brahmanyapura Lakshminarasimha Rao Prasannasimha (Director)

**B Particulars of transactions:**

**Year ended March 31, 2024**

Description	Holding Company	Ultimate Holding Company	Subsidiary	Entities with Significant Influence	Key Management Personnel (KMP)	Close Member of KMP	Non-executive Directors and entities in which they exercises significant influence
Purchase of PPE	-	-	-	13.81	-	-	-
Sale of goods	-	56.28	173.44	-	-	-	-
Job work charges income	-	6.22	-	0.66	-	-	-
Job work Expenses	-	-	-	0.16	-	-	-
Rent expense	10.08	-	-	2.00	-	-	-
Finance charges accrued on the CCPS	-	-	66.00	-	-	-	-
Sitting fees	-	-	-	-	0.60	0.45	1.20
Receipt of Services	-	-	-	-	-	-	12.70
Dividend Paid	84.66	-	-	-	-	-	-
Expense debited	-	-	119.06	1.53	-	-	-
Reimbursement of expenses	-	-	156.02	-	-	-	-

TVS Sensing Solutions Private Limited								
Notes forming part of the financial statements for the year ended March,31,2024								
41 Related party disclosures (contd)								
Year ended March 31, 2023								
Description	Holding Company	Ultimate Holding Company	Subsidiary	Entities with Significant Influence	Key Management Personnel (KMP)	Close Member of KMP	Non-executive Directors and entities in which they exercises significant influence	
Purchase of goods	-	-	-	13.00	-	-		1.50
Sale of goods	-	7.60	97.33	-	-	-		-
Job work Expenses	-	-	-	1.11	-	-		-
Rent expense	10.08	-	-	2.00	-	-		-
Finance charges accrued on the CCPS	-	-	66.00	-	-	-		-
Sitting fees	-	-	-	-	0.75	0.75		1.20
Receipt of Services	-	-	-	-	-	-		12.44
Dividend Paid	105.83	-	-	-	-	-		-
Expense debited	-	-	79.12	8.32	-	-		-
Reimbursement of expenses	-	-	40.68	0.18	-	-		-
41 Related party disclosures (contd)								
C Particulars of outstanding balances:								
As at March 31, 2024								
Description	Holding Company	Ultimate Holding Company	Subsidiary	Entities with Significant Influence	Key Management Personnel (KMP)	Close Member of KMP	Non-executive Directors and entities in which they exercises significant influence	
Trade payables	0.91	-	-	-	-	-		1.08
Trade receivables	-	19.41	196.09	0.65	-	-		-
Advance given	-	-	4.36	-	-	-		-
Interest Accrued but not due on Compulsorily Convertible Preference shares	-	-	201.39	-	-	-		-
Advance received	-	17.67	-	-	-	-		-
Investments	-	-	550.90	-	-	-		-

TVS Sensing Solutions Private Limited								
Notes forming part of the financial statements for the year ended March,31,2024								
As at March 31, 2023								
Description	Holding Company	Ultimate Holding Company	Subsidiary	Entities with Significant Influence	Key Management Personnel (KMP)	Close Member of KMP	Non-executive Directors and entities in which they exercises significant influence	
Trade payables	0.91	-	-	9.37	-	-	-	1.20
Trade receivables	-	4.48	125.40	-	-	-	-	-
Advance given	-	-	41.33	-	-	-	-	-
Interest Accrued but not due on Compulsorily Convertible Preference shares	-	-	135.39	-	-	-	-	-
Advance received	-	14.50	-	-	-	-	-	-
Investments	-	-	550.90	-	-	-	-	-
			<b>As at</b>	<b>As at</b>				
			<b>March 31, 2024</b>	<b>March 31, 2023</b>				
<b>42 a. Contingent liabilities</b>								
Demand raised by authorities against which Company has filed appeals								
Income tax matters		2.31	0.80					
Sales tax matters		3.29	3.29					
Goods and service tax matters		266.91	-					
<b>Total</b>		<b>272.51</b>	<b>4.09</b>					
1. Future cash outflows, if any, in respect of above are determinable only on receipt of judgement/decisions pending at various forums/ authorities.								
2. The Company's pending litigations comprise of proceedings pending with tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed contingent liabilities where applicable, in its financial statements.								
<b>b. Capital commitments</b>								
Estimated value of contracts in capital account remaining to be executed		187.99	721.74					

**43 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	Year ended March 31, 2023
Principal amount due to a suppliers registered under the MSMED Act and remaining unpaid as at year end	77.54	142.16
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	13.66	11.17
Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year	281.13	269.72
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	2.49	3.32
Futher interest remaining due and payable for earlier years	11.17	7.85

**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.

**44 Assets pledged as security**

Particulars	March 31, 2024	March 31, 2023
<b>Current</b>		
<b>Financial assets</b>		
(i) Trade receivables	2,345.95	2,732.51
(ii) Cash and cash equivalents	7.99	152.58
(iii) Other financial assets	13.42	46.30
<b>Non-financial assets</b>		
(i) Inventories	2,349.88	2,288.33
(ii) Other current assets	777.96	496.53
<b>Total current assets pledged as security</b>	<b>5,495.20</b>	<b>5,716.25</b>
<b>Non-current</b>		
(i) Freehold land	76.53	76.53
(ii) Buildings	646.66	372.57
(iii) Plant and machinery	1,291.38	833.23
<b>Total non-current assets pledged as security</b>	<b>2,014.57</b>	<b>1,282.33</b>
<b>Total assets pledged as security</b>	<b>7,509.77</b>	<b>6,998.58</b>

**45** The Company has complied with the requirements of section 123 of the Companies Act 2013 in respect of the interim dividend declared and paid in the current year

TVS Sensing Solutions Private Limited

Notes forming part of the financial statements for the year ended March,31,2024

(Amount in INR Lakhs, unless otherwise stated)

46	Ratios						
Sl #	Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
a	<b>Current Ratio</b>	Current Assets	Current Liabilities	1.45	1.26	15%	
b	<b>Debt Equity Ratio</b>	Total Debt	Total shareholder equity	0.36	0.66	-45%	Reduction is due to repayment of Borrowings by the Company during the year
c	<b>Debt Service Coverage Ratio</b>	Earning available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service = Interest & Lease Payments + Principal Repayments	4.19	6.16	-32%	Due to increase in principal repayments and interest cost in current year
d	<b>Return on Equity Ratio</b>	Profit after Tax	Average Shareholders Equity	0.24	0.28	-15%	
e	<b>Inventory Turn over Ratio</b>	Cost of goods sold	Average inventory	3.31	3.81	-13%	
f	<b>Trade Receivable Turn over Ratio</b>	Net Credit Sales	Average Accounts Receivable	5.33	5.69	-6%	
g	<b>Trade Payable Turn over Ratio</b>	Net Credit Purchases	Average Accounts Payable	4.63	6.00	-23%	
h	<b>Net Capital Turn over Ratio</b>	Net Sales (Sales minus sales return)	Average Working Capital	9.32	13.87	-33%	Reduction is due to lower net working capital
i	<b>Net Profit Ratio</b>	Net Profit (Net profit after tax)	Net Sales (Sales minus sales	0.08	0.08	-6%	
j	<b>Return on Capital Employed Ratio</b>	EBIT	Capital Employed (Tangible net worth+Total debt+Deferred	0.24	0.22	9%	
k	<b>Return on Investment</b>	Net return on investment	Cost of investment	12%	12%	-	

**TVS Sensing Solutions Private Limited**  
**Notes forming part of the financial statements for the year ended March,31,2024**  
**(Amount in INR Lakhs, unless otherwise stated)**

**47 Contribution to corporate social responsibilities**

As per Section 135 of Companies Act 2013, A company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) Activities.

CSR Expenditure	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent under section 135 of the Companies Act, 2013	12.85	-
Amount spent during the year on:	-	-
i) Construction/acquisition of an asset	-	-
ii) Purposes other than (i) above	13.30	-
Shortfall at the end of the year	-	-
Nature of CSR activities	**	-
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

\*\* Activities focused on Education, Intellectual & Skill development, Health care & Sanitation, Covid-19 relief measures, Women empowerment, Livelihood Enhancement, Strengthening Village level Organisation, Disaster Management, Ensuring environmental sustainability, Conservation and maintenance of natural resources and Protection of natural heritage, sports, arts and cultures.

**48 Events occurring 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.

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

**49 (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries**

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

**50 Quarterly returns filed with Banks and Financial Institutions**

The differences between the quarterly return of inventories and book debts submitted to the banks and the books of account, did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms

**51 Utilisation of borrowings from Banks and Financial Institutions**

Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

**52 Other information**

**(i) Relationship with Struck off Companies**

The Company has reviewed transactions, to the extent of information available, for the purpose of identifying transactions with struck off companies. Based on the above review, there are no transactions with struck off companies in the current financial year

**(ii)**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company to holding any benami property

**(iii)**

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

**(iv)**

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

**(v)**

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

**(vi)**

The Company has nothing to report on compliance with approved Scheme(s) of Arrangements

**(vii)**

The Company has not taken loans and borrowings from lenders (Other than banks and Financial Institutions).

**(viii)** In the accounting software, audit trail at transaction level (including General Table Maintenance) is enabled throughout the year and audit logs are stored in the form of tables which creates unique events for every transaction along with dates of creating and updating transactions with the identity of users. Entries in ledger are not allowed to be modified after posting and the date and creator of transactions are tracked. This feature cannot be disabled. Audit trail with respect to masters were not enabled during the year.

In respect of this ERP, access to direct database level changes is not available to any users in the company.

**53 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

**R Haresh**

Director  
 DIN : 00363096

Place: Madurai  
 Date: 27th April 2024

**R.Naresh**

Director  
 DIN:00273609

**T V Balasubramanian**

Partner  
 Membership No: 027251

Place: Madurai  
 Date: 27th April 2024  
 UDIN : 24027251BKDHGB3871