



# *ANNUAL REPORT 2023-24*

**TVS SRICHAKRA LIMITED**



## Contents

Corporate Information	3	Statement of Profit and Loss	82
Financial Highlights	4	Cash Flow Statement	83
Board's Report	7	Notes to Financial Statements	85
Management Discussion and Analysis Report	24	<b>Consolidated Financial Statements</b>	
Report on Corporate Governance	31	Independent Auditor's Report to the Shareholders	121
Business Responsibility and Sustainability Report	51	Balance Sheet	127
<b>Standalone Financial Statements</b>		Profit and Loss	128
Independent Auditor's Report to the Shareholders	73	Cash Flow Statement	129
Balance Sheet	81	Notes to Financial Statements	131

### Board of Directors

R. Naresh  
Executive Vice Chairman

Shobhana Ramachandhran  
Managing Director

V. Ramakrishnan  
S. V. Mathangi  
S. Ravichandran  
P. Srinivasavaradhan  
Ashok Srinivasan  
Piyush Jinendrakumar Munot

### Audit Committee

S. V. Mathangi  
Chairperson  
V. Ramakrishnan  
S. Ravichandran

### Nomination and Remuneration Committee

Piyush Jinendrakumar Munot  
Chairman  
S. Ravichandran  
Ashok Srinivasan

### Stakeholders Relationship Committee

V. Ramakrishnan  
Chairman  
Shobhana Ramachandhran  
S. V. Mathangi

### Corporate Social Responsibility Committee

Shobhana Ramachandhran  
Chairperson  
V. Ramakrishnan  
Ashok Srinivasan

### Borrowing and Investment Committee

R. Naresh  
Chairman  
Shobhana Ramachandhran  
P. Srinivasavaradhan  
S. Ravichandran

### Risk Management Committee

V. Ramakrishnan  
Chairman  
S. Ravichandran  
S. V. Mathangi

### Registered Office

TVS Building,  
7-B West Veli Street,  
Madurai 625 001.  
Tamil Nadu

### Plant Location

**Madurai**  
Vellaripatti, Melur Taluk,  
Madurai 625 122, Tamil Nadu

Narasingampatti,  
Therkutheru, Melur Taluk  
Madurai 625 122, Tamil Nadu

### Uttarakhand

Unit - I  
Plot No. 7, Sector - 1, IIE,  
SIDCUL, Pant Nagar, Rudrapur  
Tehsil - Kichha, Uttarakhand-263 153

Unit - II  
Plot No. 17, 18, 19, 52, 53, 54 Sector - 5,  
Pant Nagar, Udham Singh Nagar,  
Uttarakhand-263 153

### Corporate Office

No. 10 Jawahar Road,  
Madurai 625 002  
Tamil Nadu  
Tel : 0452 2443300  
Email : [secretarial@eurogriptyres.com](mailto:secretarial@eurogriptyres.com)  
[sec.investorgrievances@eurogriptyres.com](mailto:sec.investorgrievances@eurogriptyres.com)  
Website : [www.tvseurogrip.com](http://www.tvseurogrip.com)

### Corporate Identity Number

L25111TN1982PLC009414

### Subsidiary Companies

TVS Srichakra Investments Limited (TSIL)  
Super Grip Corporation, USA  
TVS Sensing Solutions Private Limited (TSSPL  
- Subsidiary of TSIL)  
Fiber Optic Sensing Solutions Private Limited  
(Subsidiary of TSSPL)

### Statutory Auditors

PKF Sridhar & Santhanam LLP  
Chartered Accountants  
KRD Gee Gee Crystal  
No. 91-92, 7<sup>th</sup> Floor  
Dr. Radhakrishnan Salai  
Mylapore, Chennai 600 004

### Listing of Shares

BSE Limited  
National Stock Exchange  
of India Limited

### Bankers

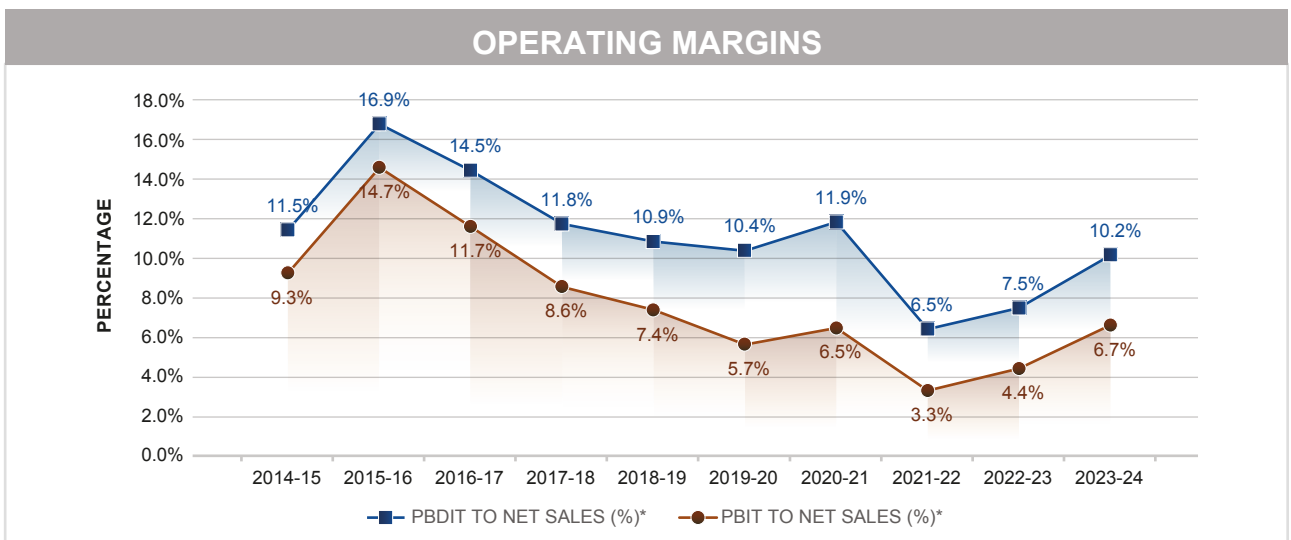
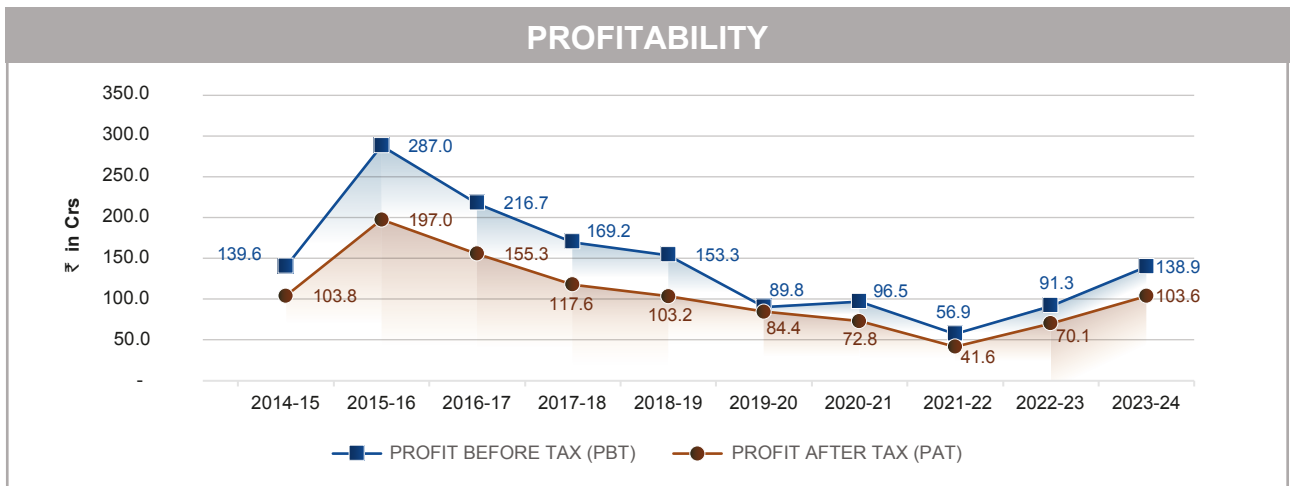
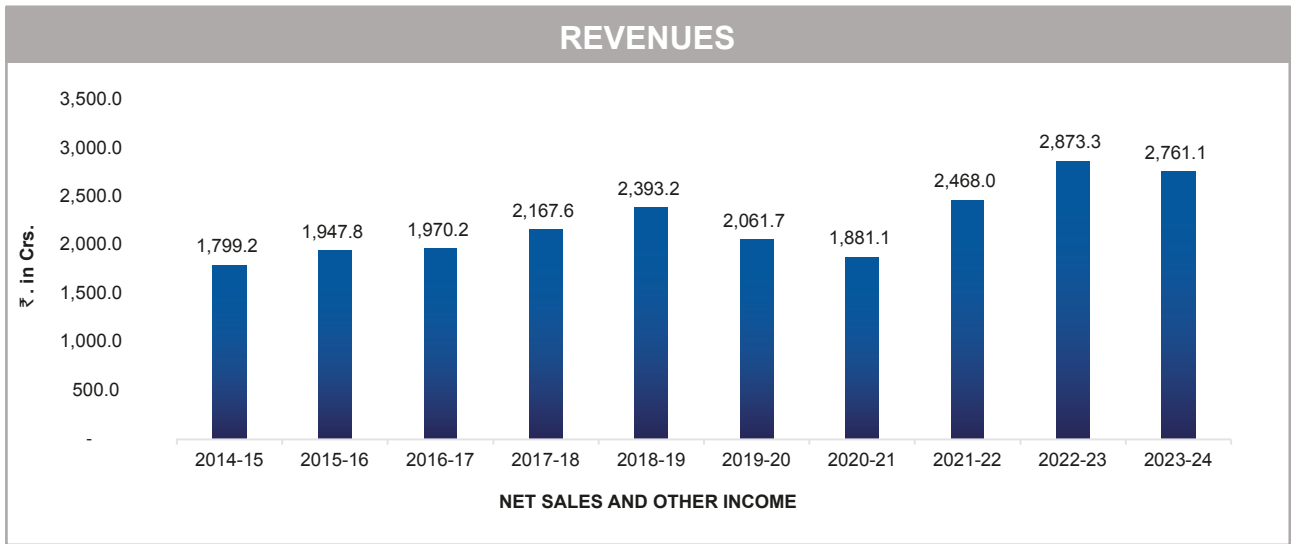
State Bank of India  
HDFC Bank Limited  
Axis Bank Limited  
ICICI Bank Limited

### Registrar and Share Transfer Agent

Integrated Registry Management Services  
Private Limited  
"Kences Towers", II Floor, No. 1,  
Ramakrishna Street, North Usman Road,  
T. Nagar, Chennai 600 017, Tamil Nadu.  
Tel : 044 28140802  
E-mail : [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in)

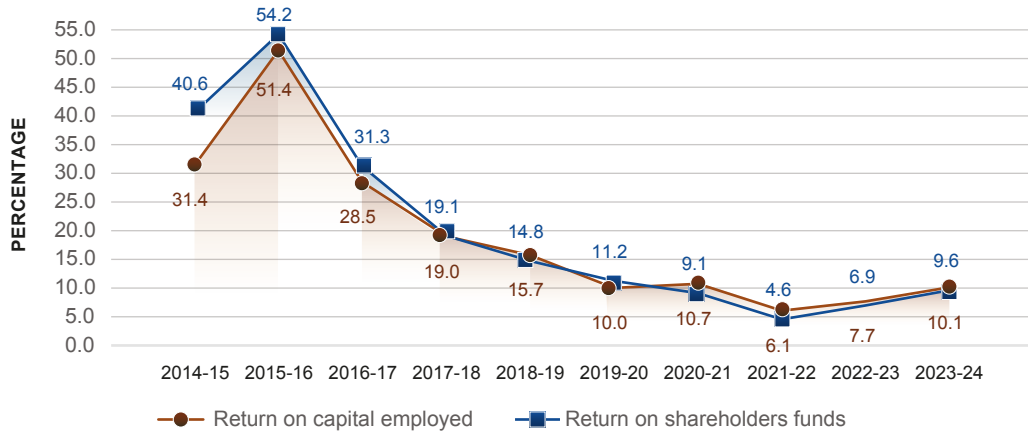


## FINANCIAL HIGHLIGHTS: STANDALONE

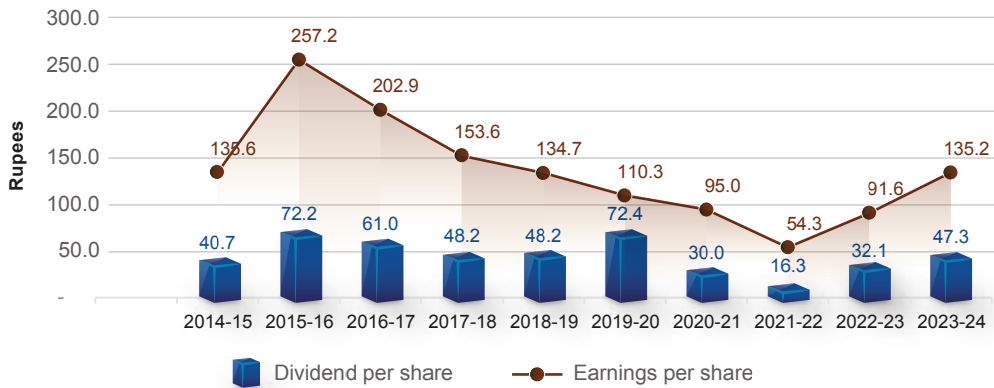


## FINANCIAL HIGHLIGHTS: STANDALONE

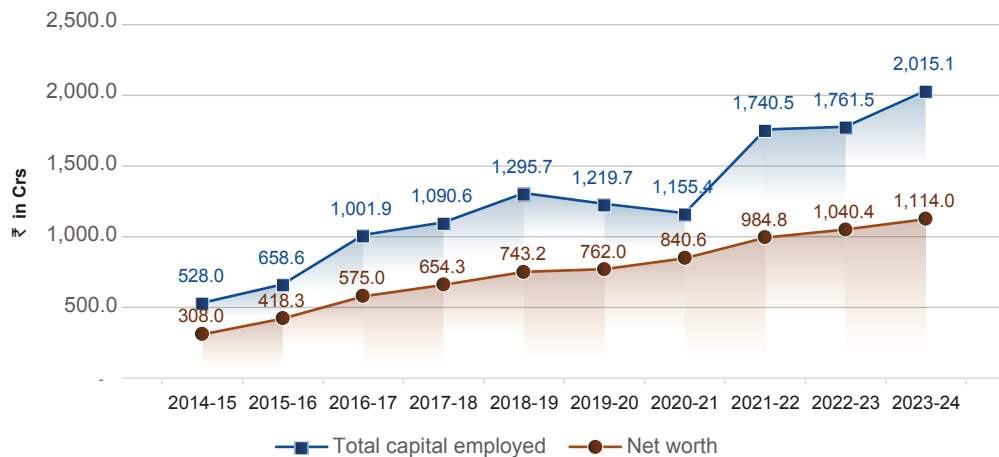
### RETURN ON FUNDS EMPLOYED



### EPS & DPS (IN ₹)



### FUNDS EMPLOYED



## TEN YEAR PERFORMANCE AT A GLANCE: STANDALONE

₹ in Crores

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>A. OPERATING RESULTS</b>										
Net Income (Excluding ED & Discounts)	1,799.2	1,947.8	1,970.2	2,167.6	2,393.2	2,061.7	1,881.1	2,468.0	2,873.3	2,761.1
Profit before Depn. Int & Taxes before exceptional items	209.3	345.1	292.5	267.2	270.6	223.4	228.6	164.8	223.6	288.9
Profit before Int. & Tax before exceptional items	169.5	302.7	236.8	198.9	187.8	125.7	127.5	87.7	135.2	190.4
Profit before Int. & Depn	139.6	287.0	216.7	169.2	153.3	89.8	96.5	56.9	91.3	138.9
Profit after Tax (PAT)	103.8	197.0	155.3	117.6	103.2	84.4	72.8	41.6	70.1	103.6
Dividends <sup>§</sup>	25.9	45.9	38.8	30.6	30.6	46.0	23.0	12.5	24.5	36.2
Dividend Tax <sup>§</sup>	5.3	9.4	7.9	6.3	6.3	9.4	-	-	-	-
Profit after Dividend	72.6	141.7	108.6	80.7	66.2	29.0	49.8	29.1	45.6	67.3
<b>B. FINANCIAL STATUS</b>										
Net Fixed Assets	283.0	403.1	568.7	621.2	656.1	694.8	689.5	894.0	1,006.4	1,147.4
Investments	32.0	87.3	89.4	110.6	150.3	153.1	162.9	319.9	320.0	358.4
Net Current Assets	186.8	86.2	260.3	274.3	405.0	371.8	303.0	526.7	435.0	509.4
Share Capital	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
Reserves And Surplus	300.0	410.6	567.3	646.6	735.5	754.3	832.9	977.1	1,032.7	1,106.3
Net Worth	308.0	418.3	575.0	654.3	743.2	762.0	840.6	984.8	1,040.4	1,114.0
Loan Funds	204.0	130.7	306.6	308.5	412.7	336.3	198.4	598.4	636.9	817.5
Deferred Tax Liability (Net)	15.0	27.6	36.8	43.3	55.5	33.0	29.6	66.5	71.1	69.9
Total Capital Employed	528.0	658.6	1,001.9	1,090.6	1,295.7	1,219.7	1,155.4	1,740.5	1,761.5	2,015.1
<b>C. KEY RATIOS</b>										
Pbdt to Net Sales (%) *	11.5%	16.9%	14.5%	11.8%	10.9%	10.4%	11.9%	6.5%	7.5%	10.2%
Pbit to Net Sales (%) *	9.3%	14.7%	11.7%	8.6%	7.4%	5.7%	6.5%	3.3%	4.4%	6.7%
Pbt to Net Sales (%) *	7.6%	13.9%	10.6%	7.2%	6.0%	3.9%	4.9%	2.1%	2.9%	4.8%
Pbit to Av. Capital Employed (%)	31.4	51.4	28.5	19.0	15.7	10.0	10.7	6.1	7.7	10.1
Return on Average Net Worth (%)	40.6	54.2	31.3	19.1	14.8	11.2	9.1	4.6	6.9	9.6
Earnings Per Share (₹)	135.6	257.2	202.9	153.6	134.7	110.3	95.0	54.3	91.6	135.2
Dividend Per Share (₹)	40.7	72.2	61.0	48.2	48.2	72.4	30.0	16.3	32.1	47.3
Dividend Pay Out (%)	30.0	28.1	30.1	31.4	35.8	65.7	31.6	30.0	35.0	35.0
Book Value Per Share (₹)	402.2	546.3	750.9	854.5	970.5	995.1	1,097.8	1,286.1	1,358.7	1,454.8
Debt Equity Ratio (No. of Times)	0.66	0.31	0.53	0.47	0.56	0.44	0.24	0.61	0.61	0.73

<sup>§</sup> Dividend for the financial year 2023-24 to be approved by the Shareholders at 41<sup>st</sup> AGM

\*Excluding other income

Previous years figures have been regrouped to conform to the Current classification

Dear Members,

Your directors are pleased to present the 41<sup>st</sup> Annual Report and the audited Financial Statement together with the consolidated Financial Statement of your Company for the financial year ended 31<sup>st</sup> March 2024.

### Financial Results and State of Affairs

₹ in Crores

Particulars	Standalone		Consolidated	
	Year ended 31 <sup>st</sup> March 2024	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2024	Year ended 31 <sup>st</sup> March 2023
Sales & Other Income	2,761.12	2,873.26	2,932.63	2,994.14
Profit before finance cost and depreciation	288.86	223.62	303.44	238.10
Less : Finance Cost	42.53	38.40	44.65	39.63
Depreciation	98.43	88.44	103.83	91.54
Profit after finance cost and depreciation	147.90	96.78	154.96	106.93
Less : Exception items	8.95	5.49	8.95	5.49
Profit before taxation	138.95	91.29	146.01	101.44
Less : Provision for Income tax	33.73	18.17	37.29	20.58
Income tax (previous years)	-	(3.09)	-	(3.09)
Deferred tax	1.66	6.09	0.96	6.13
Profit after tax	103.56	70.12	107.76	77.82
Profit/(Loss) attributable to the Non - Controlling Interest	-	-	(0.19)	(0.17)
Profit/ (Loss) attributable to the owners	-	-	107.95	77.99
Surplus brought forward from Previous Year	837.83	778.84	829.08	762.27
Re-measurement of post-employment benefit obligation (net of tax)	(3.29)	1.35	(3.34)	1.31
Dividend paid	(24.54)	(12.48)	(24.54)	(12.48)
Dividend Tax paid	-	-	-	-
Impact of IND AS 116 - Lease Rentals	-	-	-	-
Balance carried to Balance Sheet	913.56	837.83	909.15	829.08

During the reporting year, your standalone company's revenue from operations decreased to ₹2,754.03 crores in 2023-24, compared to ₹2,865.39 crores in the previous year, marking a decline of 3.89%. Despite this, the company increased its profit before tax to ₹138.95 crores from ₹91.29 crores, representing a substantial 52.20% year-on-year growth. Additionally, EPS rose to ₹135.25 in March 2024 from ₹91.58 in March 2023, reflecting a 47.69% increase year-on-year.

### Operational Performance

The year gone by saw an easing of inflation – especially raw material costs. This, along with the measures adopted by your Company to improve internal performance, saw margins rising.

Your Company continues its efforts at expanding its market presence.

While sustaining its presence in supplies to traditional two and three-wheeler manufacturers, your Company made deep inroads into the emerging and fast-growing EV segment. Your Company consolidated its position as a leading supplier of tyres in this segment.

The domestic aftermarket saw a period of consolidation, with your Company taking steps to expand its distribution as well as enrich its product portfolio, with new offerings in the premium and radial tyre segments.

Exports of two-wheeler tyres saw your Company showing strong growth. Your Company expanded its geographical coverage of markets serviced as well as the introduction of new products targeted at specific geographies. Your Company's design and marketing office in Milan, Italy continues to contribute to the globalization initiatives being taken.

The Off Highway Tyre (OHT) segment has seen your Company undertake a significant expansion at its Madurai facility. Most of the year gone by was spent on developing an expanded product range using the new facility. The new products developed have seen encouraging market acceptance and will contribute in no small measure to your Company's growth as we go ahead.

The year gone by also saw your Company acquire a company in the United States of America. The acquired company – Supergrid Corporation – is a boutique firm in the OHT segment. This acquisition is representative of your Company's desire to grow our global presence in the OHT segment.

### Capital Expenditure and Expansion Project

During the year under review, capital expenditure amounted to ₹ 243.39 crores. Production capacity was increased in both the off-highway and two-wheeler segments, in accordance with the expansion program announced in December 2021.

Your Company has a robust working capital management process that facilitates continuous monitoring and control over receivables, payables, and other parameters.

Cash and cash equivalent as of 31<sup>st</sup> March 2024 was ₹ 11.76 Crores.

### Dividend

Pursuant to Regulation 43A of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended, your Company has formulated a Dividend Distribution Policy. The Policy can be accessed at the investors' section of Company's website at: <https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/DIVIDEND-DISTRIBUTION-POLICY.pdf>.

Considering the improved performance of your Company, the board of directors are pleased to recommend final dividend of ₹ 47.34/- (@473.40%) per Equity Share of a face value of ₹ 10/- per Equity Share. The dividend recommendation is according to Dividend Distribution Policy of your Company.

The dividend will result in a total pay-out of ₹ 36.25 crores.

### Consolidated Performance

On a consolidated basis, your Company registered a turnover of ₹ 2,926.00 crores, a decrease of 1.98%. The company's consolidated net profit stood at ₹ 107.76 crores as against the previous year's net profit of ₹ 77.82 crores, an increase of 38.47%.

### Highlights of performance of subsidiary companies

TVS Srichakra Investments Limited (TSIL), wholly owned subsidiary Company, recorded a profit of ₹ 0.84 crores (previous year net profit of ₹ 1.03 crores).

TVS Sensing Solutions Private Limited (TSSPL), wholly owned subsidiary of TSIL, recorded a net operational turnover of ₹ 135.33 crores during the year under review, showing an increase of 13.73% compared to the previous year. TSSPL recorded a Profit after tax of ₹ 10.18 crores showing an increase of 7.16% compared to the previous year.

Fiber Optic Sensing Solutions Private Limited (FOSSPL), subsidiary of TSSPL, recorded a net operational turnover of ₹ 2.30 crore showing an increase of 40.24% compared to the previous year. FOSSPL made loss after tax of ₹ 1.94 Crores compared to a loss of ₹ 1.71 Crores in the previous year.

Super Grip Corporation, the US based wholly owned subsidiary of your Company recorded a net operational turnover of ₹ 36.70 crores and recorded loss after tax of ₹ 4.04 crores during the year.

### Subsidiary / Associate companies

During the financial year, your company has established an overseas wholly owned subsidiary company i.e., M/s. Super Grip Corporation, USA.

The audited financial statements of the following subsidiary companies have been consolidated with the Company as on 31<sup>st</sup> March 2024.

- a) TVS Srichakra Investments Limited (TSIL) - wholly owned subsidiary of TSL
- b) Super Grip Corporation, USA - wholly owned subsidiary of TSL (effective from 02.11.2023 - unaudited)
- c) TVS Sensing Solutions Private Limited (TSSPL) - wholly owned subsidiary of TSIL.
- d) Fiber Optic Sensing Solutions Private Limited (FOSSPL) - subsidiary of TSSPL

The consolidated financial statements of your Company for the year ended 31<sup>st</sup> March 2024 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ("Act"), Indian Accounting Standards and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"). The audited consolidated financial statements along with all relevant documents and the Auditor's Report thereon form part of Annual Report and may be accessed on the Company's website <https://tvseurogrip.com/>.

Pursuant to Section 129(3) of the Act, a statement containing salient features of the financial statement of the subsidiaries in the prescribed **Form AOC-1** is attached as **Annexure 1**.

The Financial Statements of the subsidiary companies are available for inspection by the members at the Registered Office of the Company pursuant to the provisions of Section 136 of the Act. The Company shall provide free of cost, a copy of the financial statement of its subsidiary companies to the members upon request. The financial statements of the subsidiary companies are also available on the website of the Company at <https://tvseurogrip.com/>.

### Awards and Recognition

During the financial year, your company has continued to excel and achieve significant milestones, garnering many awards and



recognitions across various categories. This distinguished award recognizes companies that have demonstrated excellence across various domains, including marketing, branding, innovation and business growth. Please refer to the Management and Discussion Analysis Report for more details on the achievements during the year.

### Transfer to Reserves

Your Company does not propose to transfer any amount to general reserve for financial year 2023-24.

### Deposits

Your Company has neither accepted nor renewed any deposits during the financial year 2023-24 in terms of Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

### Related Party Transactions

The details on the Policy on Related Party Transactions have been uploaded on the website of the Company at <https://y9u4s6b5.rocketcdn.me/wp-content/uploads/investor-relations/POLICY/Related-Party-Transactions-Policy-with-effect-from-April-1-2022.pdf>.

During the financial year ended March 31, 2024, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. All Related Party Transactions entered during the year, were contracted with the prior approval of Audit Committee and the Board of Directors, as required under the SEBI (LODR) Regulations. Monitoring of related party transactions was carried on a quarterly basis by Audit Committee and the Board. During the year, there was no materially significant Related Party Transaction having potential conflict with the interest of the Company. There are no transactions with related parties to be reported as per Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Please refer to **Annexure 2** in Form AOC - 2 which forms part of this Report. Further, your Company does not have a 'Material Subsidiary' as defined under SEBI (LODR) Regulations.

### Particulars of Loans, Guarantees or Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in the Annual Report.

During the year under review:

Your Company established an overseas wholly owned subsidiary, M/s. Super Grip Corporation, USA, through an equity investment of \$4 million (₹33.41 crores) by subscribing to 400 common shares at \$10,000/- each.

Your Company has also invested ₹4.35 crores by subscribing to 22,575 equity shares of ₹10 each in M/s. Clean Max Genesis Private Limited, to increase renewable energy usage under the Group Captive Arrangement.

### Risk Management

Board has constituted a Risk Management Committee pursuant to Regulation 21 of SEBI (LODR) Regulations.

This committee has been set up to effectively address the evolving and dynamic risks prevalent in the current business environment. The dimensions of risk include areas such as cyber security, information security, business continuity, data privacy, and the execution of large deals. Risk Management Committee has formulated a risk management policy covering a framework for internal and external risks faced by your Company.

This policy provides a structured approach to address the aforementioned risks and ensures that appropriate measures are in place to mitigate their impact. By establishing the Risk Management Committee and implementing a well-defined risk management policy, your Company demonstrates its commitment towards proactive risk management and ensured the resilience of its operations in the face of evolving threats. These measures help to safeguard the Company's interests and enhance its ability to navigate the complex and dynamic business landscape effectively. Members may refer to the Management Discussion and Analysis Report for more details.

In the opinion of the board, no element of risk is identified which threatens the existence of the Company.

### Material changes and commitments affecting the financial position during the financial year and the date of the report.

No material changes and commitments have occurred between the end of the financial year and the date of this Report which affect the financial position of the Company in respect of the reporting year.

### Change in nature of business

There has been no change in the nature of business of the Company during the year under review.

### Share Capital

There is no change in the Share Capital of your Company and the paid-up Equity Share Capital is ₹ 7,65,70,500/- comprising of 76,57,050 Equity Shares of ₹ 10/- each fully paid up.

### Issue of Equity Shares with differential rights

Company has not issued Equity Shares with differential rights.

### Issue of Sweat Equity shares and Employee stock options

Company has not issued shares to the employees of the Company under any scheme.

### Human Resources Management

Your Company promotes a collaborative, transparent and participative organization culture, duly rewarding merit and sustained high performance. The industrial relations in all manufacturing units have been cordial.

### Particulars of Employees and Related Disclosures

In terms of the first proviso to Section 136 of the Act, these reports and accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any member interested in obtaining the same may write to the Company Secretary. The said information is available for inspection by the members at the Registered Office of the Company on any working day of the Company upto the date of 41<sup>st</sup> Annual General Meeting.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure 3** and forms part of this Report.

### Prevention of sexual harassment at workplace

TVS Srichakra is known for providing a safe and secure environment to its women employees across its functions and other women stakeholders. In terms of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, your Company has adopted a policy and has also constituted an Internal Complaints Committee (ICC) to consider and resolve sexual harassment complaints reported by women.

The ICC has worked extensively on creating awareness through campaigns across all its manufacturing units, warehouses and office premises to encourage its employees to be more responsible towards providing a safe and secure environment to its women employees and other women stakeholders while discharging their duties.

During the year, there was no complaint of sexual harassment received by the ICC.

### Corporate Governance

Our corporate governance practices are reflective of the culture of the organization grown over the years to deliver optimum shareholder value legally and ethically. Your Company adheres to Corporate Governance requirements as set out by the Securities and Exchange Board of India (SEBI), in letter and spirit.

Our Corporate Governance report for fiscal 2024 forms part of this Report.

### Board diversity

Your Company embraces the importance of a diverse board in its success. The details on board diversity are available in the Corporate Governance Report that forms part of this Report.

### Meetings of the board of directors

An annual calendar of board and committees' meetings for the fiscal 2024 was circulated in advance to the directors. The board of directors met 8 (Eight) times during the year ended 31<sup>st</sup> March 2024. The details of the board meetings and the attendance of the directors are provided in the Corporate Governance Report, which forms part of this Report.

### Remuneration Policy

The details of board and committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report that forms part of this Report.

On the recommendation of the Nomination and Remuneration Committee (NRC), the board has adopted a policy on Director's appointment and remuneration, including remuneration for Senior Management, covering Key Managerial Personnel and other employees, in line with the provisions of Act and SEBI (LODR) Regulations which is available on Company's website at: <https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/Remuneration-Policy.pdf>.

Board hereby affirms that the remuneration paid to Executive/ Independent Directors is in line with the above policy and Non-Executive Directors are compensated by way of profit-sharing commission and sitting fees for attending the board/committee meetings.

### Declaration by Independent Directors

The Independent Directors have declared that they meet the criteria specified under Section 149(6) of the Companies Act, 2013, Regulation

25(8) of SEBI (LODR) Regulations, 2015, and the relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The Board is of the opinion that the Independent Directors of your company possess the requisite qualifications, experience and expertise, and they uphold the highest standards of integrity.

### Board Evaluation

In accordance with the provisions of the Act and SEBI (LODR) Regulations, an internal evaluation of the Board, its committees and individual directors was conducted. The evaluation process included parameters such as directors' attendance at Board and committee meetings, participation in the Annual General Meeting, effective engagement and domain knowledge. The performance evaluation of the Chairman and Non-Independent Directors was also conducted by the Independent Directors. Details of the evaluation parameters and process are outlined in the Corporate Governance Report.

### Familiarization Programme for Independent Directors

The company regularly conducts familiarization programs for Independent Directors, including periodic presentations on business strategy and updates on company performance. Additionally, programs are organized to familiarize Independent Directors with the company, their responsibilities, the nature of the industry, the company's business model and related matters. Details of the familiarization program are provided in the Corporate Governance Report.

### Directors and Key Managerial Personnel (KMP)

#### Director Liable to Retire by Rotation

Mr. S. Ravichandran (DIN: 01485845), Non-Executive Director, is liable to retire by rotation at the forthcoming AGM and seeks reappointment. Based on performance evaluation, the Board has recommended for his reappointment. The notice convening the 41<sup>st</sup> Annual General Meeting includes further details.

#### Appointment / Cessation

During the year under review, there were certain key appointments and changes.

#### New Appointments

Mr. Ashok Srinivasan (DIN: 06539656) and Mr. Piyush Jinendrakumar Munot (DIN: 00119507) were appointed as Non-Executive Independent Directors on the Board at its meeting held on 13<sup>th</sup> February 2024, based on the recommendation of the Nomination and Remuneration Committee. Their terms of appointments are for five consecutive years, effective from 13<sup>th</sup> February 2024. The members of the company approved their appointments through special resolutions via postal ballot on 3<sup>rd</sup> April 2024.

#### Reappointments

Mr. V. Ramakrishnan (DIN: 00002931) was reappointed as an Independent Director for a second term of five years, effective from 27<sup>th</sup> September 2023.

#### Cessations

Mr. M. S. Viraraghavan (DIN: 00249874) ceased to be an Independent Director of the company, effective from 20<sup>th</sup> December 2023, due to his demise.

Mr. H. Janardana Iyer (DIN: 02688787) retired as an Independent Director of the company upon completing his second term on 31<sup>st</sup> March 2024.

Mr. Rasesh R. Doshi (DIN: 00538059) retired as an Independent Director of the company upon completing his second term on 23<sup>rd</sup> May 2024.

The Board extends its gratitude to the retiring directors for their invaluable contributions and welcomes the new appointees, assured in their ability to contribute significantly to the company's future growth and governance. The Board also expresses its sincere gratitude to Late Mr. M. S. Viraraghavan for his invaluable contributions to the company during his tenure as Director.

### Key Managerial Personnel

During the year under review, there is no change to the Key Managerial Personnel of the Company.

### Committees of Board

The Company has constituted certain committees of directors as per the mandatory requirements of the Act and SEBI (LODR) Regulations. The details of such committees are provided in the Corporate Governance Report, which forms a part of the Annual Report.

During the year, all recommendations made by committees were approved by the board.

### Vigil Mechanism / Whistle Blower Policy

Over the years, your Company has established a reputation of doing business with integrity and displays zero tolerance towards any form

of unethical behaviour. "Whistle Blower Policy" (WBP) is the vigilance mechanism instituted by the Company to report concerns about unethical behaviour in compliance with the requirements of the Act and SEBI (LODR) Regulations and provides adequate safeguard against victimization of persons who use such mechanism.

The whistle-blower policy is and can be accessed on our website at: <https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/WHISTLE-BLOWER-POLICY.pdf>

No instances were reported under this mechanism and more detail about this policy are available in the Corporate Governance Report.

### Managerial Remuneration

Neither Managing Director nor the Executive Vice Chairman of the Company received any remuneration or commission from any of its subsidiary companies.

### Internal Financial Controls and its adequacy

The Board has adopted comprehensive policies and procedures to ensure the orderly and efficient conduct of its business. These measures include adherence to the Company's policies, safeguarding of assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of accounting records, and the timely preparation of reliable financial disclosures. These controls are supported by well-documented procedures covering both financial and operational functions. The adequacy of these controls is regularly assessed by Internal Audit.

### Significant and Material Orders

No significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

### Disclosure under Insolvency and Bankruptcy Code

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

### Disclosure under one-time settlement

There was no instance of onetime settlement with any Bank or Financial Institution

### Reporting of Frauds by Auditors

During the year under review, Statutory Auditors, Internal Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of fraud committed against the Company by its officers or employees.

### Annual Return

The Annual Return as required under the provisions of Section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014 is available and can be accessed on your Company's website at: <https://tvseurogrip.com/>.

### Secretarial Standards

Your Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### Listing on Stock Exchanges

Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited. Your Company has paid listing fees for the financial year 2023-24 to the stock exchanges.

### Investor Education and Protection Fund (IEPF)

During the year, your Company transferred unclaimed and un-encashed Interim Dividend II amounting to ₹ 46,11,210/- for the FY 2015-16. 5,390 shares related to FY 2015-16 Interim Dividend I and 4,614 shares related to FY 2015-16 Interim Dividend II, on which dividends had remained unclaimed for seven consecutive years, were transferred in accordance with the requirements of the IEPF Rules. The details of such shares are uploaded on IEPF website and are also available on Company's website at: <https://tvseurogrip.com/investor-relations/unclaimed-dividend-shares/>.

### Directors' Responsibility Statement

In terms of Section 134(5) of the Act, your directors, to the best of their knowledge and belief, state that:

- in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- they 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;
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d) they had prepared the annual accounts on a going concern basis;
- e) they 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
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Auditors' Reports

- The Statutory Auditors' Report for fiscal 2024 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements contained in this Annual Report.
- The Secretarial Auditors' Report for fiscal 2024 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure 4** to the Board's report.
- The Statutory Auditors' Certificate confirming compliance with conditions of corporate governance as stipulated under SEBI (LODR) Regulations, for fiscal 2024 is attached to the Corporate Governance Report.

### Auditors

#### Statutory Auditors

M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, (Firm Registration No. 003990S / S200018) were reappointed as Statutory Auditors of the Company at 39<sup>th</sup> AGM held on 21<sup>st</sup> September, 2022, to hold office for second term of five (5) consecutive years from the conclusion of 39<sup>th</sup> AGM till the conclusion of 44<sup>th</sup> AGM of the Company at a remuneration as may be agreed between the board of directors and the Statutory Auditors.

Company has obtained necessary certificate under Section 141 of the Companies Act, 2013 conveying their eligibility for being the Statutory Auditors of the Company and have confirmed that they satisfy the independence and other criteria required under the Companies Act, 2013. Statutory Auditors have also confirmed that they are not disqualified from continuing as auditors of your Company.

#### Cost Auditor

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, Practising Cost Accountant, is appointed as Cost Auditor of the Company for the financial year 2024-25 by the Board, based on the recommendation of Audit Committee, 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 41<sup>st</sup> AGM and the same is recommended for your approval.

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

#### Secretarial Auditor

M/s. SPNP & Associates, Practising Company Secretaries, Chennai, are appointed as Secretarial Auditor of the Company for the financial year 2024-25, as required under Section 204 of the Act and Rules and Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Corporate Social Responsibility (CSR)

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.

CSR committee constituted in accordance with Section 135 of the Act has developed and implemented the Corporate Social Responsibility policy.

The composition of CSR committee and other details like attendance at the meetings and terms of reference are provided in **Annexure 5** to the Board Report. The Company's CSR policy is available on Company's website, at: <https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/CSR-POLICY.pdf>. Your Company undertakes CSR initiatives in compliance with Schedule VII to the Act. The highlights of the initiatives undertaken by the Company forms part of this Report.

#### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as prescribed under Section 134 of the Act, read with the Companies (Accounts) Rules, 2014, are enclosed as **Annexure 6** to the Board's report.

#### Business Responsibility and Sustainability Report

In terms of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility and Sustainability Report of the Company for the financial year ended 31<sup>st</sup> March 2024 is given in separate section of the Annual Report which forms part of the Annual Report.

## Management Discussion and Analysis Report

Management Discussion and Analysis of financial conditions and results of operations of the company is provided in the Management Discussion and Analysis Report which forms part of the Annual Report.

### Acknowledgement

We extend our heartfelt gratitude to our clients, vendors, investors, bankers and employees for their support throughout the year. We sincerely appreciate the contributions made by our employees at all levels, whose dedicated hard work, perseverance and commitment have been integral to our success.

We also thank the governments of the states where the Company operates. Our appreciation extends to the Government of India and its ministries, Ministry of Corporate Affairs, the Central Board of Direct Taxes, the Central Board of Indirect Taxes and Customs, GST Authorities, the Reserve Bank of India, the Securities and Exchange Board of India, stock exchanges, depositories and other government agencies for their ongoing support. We look forward to their continued support in the future.

### For and on behalf of the Board

Sd/-

**R Naresh**

Executive Vice Chairman

DIN: 00273609

Place: Madurai

Date: 25<sup>th</sup> June 2024

Sd/-

**Shobhana Ramachandhran**

Managing Director

DIN: 00273837

## ANNEXURE 1 TO BOARD'S REPORT

### FORM AOC 1

(Pursuant to first proviso to Sub - Section (3) of Section 129 of the Companies Act,  
2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiary/associate companies/joint ventures

#### Part A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Crs)

Sl.No	1	2	3	4
Name of the Subsidiary	TVS Srichakra Investments Limited	TVS Sensing Solutions Private Limited	Fiber Optic Sensing Solutions Private Limited	Super Grip Corporation
The date since when subsidiary was acquired	05.02.2010	04.06.2018	08.08.2019	02.11.2023
Reporting period for the subsidiary concerned, if different from Holding Company's reporting period	NA	NA	NA	NA
Reporting currency and exchange rate as on the last date of relevant financial year in case of foreign subsidiaries	NA	NA	NA	USD 83.43
Share Capital	6.92	2.12	0.01	33.41
Other Equity	48.29	45.35	(6.78)	(4.09)
Total Assets	55.23	90.11	4.05	124.08
Total Liabilities	0.02	42.64	10.82	94.76
Investments	28.86	5.65	-	-
Turnover (incl Other Income)	1.39	136.67	2.61	36.70
Profit before Taxation	0.84	13.70	(2.59)	(4.04)
Provision for Taxation	-	3.52	(0.65)	-
Profit after taxation	0.84	10.18	(1.94)	(4.04)
Proposed Dividend	-	-	-	-
Extent of shareholding (in percentage)	100%	100%	90%	100%

#### Notes:

- Names of subsidiaries which are yet to commence operations: Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable
- Part B of the Annexure is not applicable as there are no associate companies/joint ventures.
- TVS Sensing Solutions Private Limited is a subsidiary of TVS Srichakra Investments Limited
- Fiber Optic Sensing Solutions Private Limited is a subsidiary of TVS Sensing Solutions Private Limited.
- Super Grip Corporation is a wholly owned subsidiary of the company.

Sd/-  
**R NARESH**  
Executive Vice Chairman  
DIN: 00273609

Sd/-  
**SHOBHANA RAMACHANDHRAN**  
Managing Director  
DIN: 00273837

As per our report attached  
**PKF SRIDHAR & SANTHANAM LLP**  
Chartered Accountants  
Firm Registration No. 003990S/S200018

Sd/-  
**B RAJAGOPALAN**  
Chief Financial Officer

Sd/-  
**CHINMOY PATNAIK**  
Company Secretary  
Membership No. A14724

Sd/-  
**T V BALASUBRAMANIAN**  
Partner  
Membership No. 027251

**Place:** Madurai  
**Date:** 25<sup>th</sup> June 2024

## ANNEXURE 2 TO BOARD'S REPORT

### FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis - NIL
2. Details of material contracts or arrangement or transactions at arm's length basis - NIL

### For and on behalf of the Board

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Place: Madurai  
Date: 25<sup>th</sup> June 2024





## ANNEXURE 3 TO BOARD'S REPORT

### Disclosure pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) & (ii) The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl. No	Name of the Directors / Key Managerial Personnel	Ratio to Median Remuneration (times)	Percentage Increase / (Decrease) in Remuneration
1	Mr. R. Naresh Executive Vice Chairman	103.78	41.66
2	Ms. Shobhana Ramachandran Managing Director	110.56	37.42
3	Mr. M. S. Viraraghavan (Upto 20 <sup>th</sup> December 2023)	1.77	*\$
4	Mr. H. Janardana Iyer	2.45	(2.86)
5	Mr. V. Ramakrishnan	1.61	(4.27)
6	Mr. Rasesh R Doshi	2.42	(4.00)
7	Ms. S. V. Mathangi	1.60	(3.48)
8	Mr. S. Ravichandran	2.49	1.17
9	Mr. P. Srinivasavaradhan	1.64	(3.39)
10	Mr. Ashok Srinivasan (Effective from 13 <sup>th</sup> February 2024)	0.22	*\$
11	Mr. Piyush Jinendrakumar Munot (Effective from 13 <sup>th</sup> February 2024)	0.22	*\$
12	Mr. B. Rajagopalan, Chief Financial Officer	Not Applicable	6
13	Mr. Chinmoy Patnaik Company Secretary	Not Applicable	14

\*\$ Since the remuneration is only for part of the year the percentage increase in remuneration is not comparable and hence not stated.

iii) The percentage increase in the median remuneration of employees in the financial year: 8.51%

iv) The number of permanent employees on the rolls of Company: 2762

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The average increase in salaries of employees other than managerial personnel in 2023-24 was 9.59%. Percentage increase in the managerial remuneration for the year was 16.39%.

vi) Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration is as per the remuneration policy of the Company.

## ANNEXURE 4 TO BOARD'S REPORT

**N.BALACHANDRAN B.COM., A.C.S.,**  
Company Secretary In Practice

C/2 Yamuna Flats, 16<sup>th</sup> Street  
Nanganallur, Chennai - 600061  
Ph.No.22670412 Cell: 9444376560

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2024**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,

**The Members**

**TVS SRICHAKRA LIMITED**

CIN: L25111TN1982PLC009414

TVS Building, No 7B, West Veli Street, Madurai- 625001.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the year under audit covering the financial year ended on 31.03.2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2024 according to the provisions of:

- (I) The Companies Act, 2013 (the Act) and the rules made there under;
- (II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (III) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (IV) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (V) The Following Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (VI) Other laws specifically applicable to the Company
  - a) Public Liability Insurance Act, 1991,
  - b) Hazardous Wastes ( Management and Handling) Rules, 1989 and amendment Rules 2003,
  - c) Energy Conservation Act, 2001,
  - d) Consumer Protection Act, 1986,
  - e) Legal Metrology Act, 2009,
  - f) Trade Marks Act, 1999
  - g) Patents Act, 1970,
  - h) Designs Act, 2000,
  - i) Indian Boilers Act, 1923
  - j) Special Economic Zones Regulations

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

- (I) The Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India as notified by the Ministry of Corporate Affairs, effective from 1<sup>st</sup> day of July 2015, in respect of the Board Meetings and the previous Annual General Meeting for which notices have been issued after the said date;
- (II) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited pursuant to the Regulations of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)]

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

I further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that during the year under audit, there were no instances of :

- a) Public/Rights/Preferential issue of shares / Debentures/ sweat equity.
- b) Redemption / Buy Back of securities.
- c) Merger/ Amalgamations/ reconstruction.
- d) Foreign Technical collaborations.

Sd/-

**N. Balachandran**

Designation: Company secretary In Practice

Membership No.: **A5113 CP No.: 3200**

UDIN No: **A005113F000340745**

**Place:** Chennai

**Date:** 9<sup>th</sup> May 2024

Note: This Report is to be read with the letter of even date by the Secretarial Auditor, which is enclosed with this Report as **Annexure A**.

## ANNEXURE A TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To

The Members  
TVS SRICHAKRA LIMITED  
CIN: L25111TN1982PLC009414  
TVS Building, No 7B, West Veli Street,  
Madurai- 625001.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to be the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**N. Balachandran**

Designation: Company secretary In Practice

Membership No.: **A5113 CP No.: 3200**

UDIN No: **A005113F000340745**

**Place:** Chennai

**Date:** 9<sup>th</sup> May 2024



## ANNEXURE 5 TO BOARD'S REPORT

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

### 1. Brief outline on CSR Policy of the Company.

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.

### 2. Composition of CSR committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Shobhana Ramachandran	Chairperson of the Committee/Managing Director	-	-
2	**Mr. Rasesh R Doshi	Member-CSR Committee (Independent Director)	-	-
3	Mr. V. Ramakrishnan	Member-CSR Committee (Independent Director)	-	-
4	*Mr. Ashok Srinivasan	Member-CSR Committee (Independent Director)	-	-

\*\* Ceased as member of CSR Committee effective from 23<sup>rd</sup> May 2024, consequent to his retirement.

\* Appointed as a member of CSR Committee effective from 20<sup>th</sup> March 2024.

### 3. The web-link(s) where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company are provided below:

<https://y9u4s6b5.rocketcdn.me/wp-content/uploads/investor-relations/BOARD/CSR-Committee-27052024.pdf>

<https://y9u4s6b5.rocketcdn.me/wp-content/uploads/investor-relations/BOARD/CSR-Policy.pdf>

<https://y9u4s6b5.rocketcdn.me/wp-content/uploads/investor-relations/BOARD/CSR-Activities-FY-2023-24.pdf>

### 4. 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**

5. a) Average net profit of the Company as per sub-section (5) of Section 135 - ₹ **86.49 Crore**  
 b) Two percent of average net profit of the Company as per sub-section (5) of section 135 - ₹ 1.73 Crore  
 c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil.  
 d) Amount required to be set off for the financial year, if any – Nil  
 e) Total CSR obligation for the financial year (b+c-d) - ₹ **1.73 Crore**

### 6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) Ongoing Project – **NIL**

Details of amount spent other than Ongoing Project is as follows:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project	Amount spent for the project (₹ in Crore)	Mode of implementation-Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State / District			Name	CSR registration number
1	Physical Wellbeing	Sch. VII(i)	Yes	Madurai, Tamil Nadu Udham Singh Nagar Dist, Uttarakhand	0.56	No	Arogya Welfare Trust	CSR00001641
2	Intellectual Wellbeing	Sch. VII(ii)	Yes	Madurai, Tamil Nadu	0.51	No	Arogya Welfare Trust	
3	Economic Wellbeing	Sch. VII(x)	Yes	Madurai, Tamil Nadu	0.53	No	Arogya Welfare Trust	
4	Social Wellbeing	Sch. VII(x)	Yes	Madurai, Tamil Nadu	0.13	No	Arogya Welfare Trust	
<b>Total</b>					<b>1.73</b>			

b) Amount spent in Administrative Overheads – NA

c) Amount spent on Impact Assessment, if applicable - NA

d) Total amount spent for the financial year [(a)+(b)+(c)] - ₹ 1.73 Crore

e) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1.73	NIL	N.A.	N.A.	N.A.	N.A.

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ In Crore)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	1.73
(ii)	Total amount spent for the Financial Year	1.73
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.12*

\*This amount may be utilized during the Financial Year 2024-25.

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

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

9. 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

Place: Madurai  
Date: 25<sup>th</sup> June 2024

Sd/-  
**Shobhana Ramachandhran**  
Chairperson – CSR Committee & Managing Director  
DIN: 00273837

## ANNEXURE 6 TO BOARD'S REPORT

### CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION / FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

#### A. CONSERVATION OF ENERGY:

##### a) Steps taken or impact on conservation of energy

###### 1. Electric power

Following energy conservation projects successfully implemented to conserve electrical energy. With these initiatives, we have saved electrical energy of 2800 units/day.

- Conversion from electric heating to steam heating in extruders.
- Reduction in compressed air consumption through introduction of flow control valves.
- Conversion of star Delta starter to VFD drives in mixing.
- Replace conventional lighting with LED lighting.
- Reduction in idle running of machineries.

###### 2. Thermal

Following Energy conservation projects successfully implemented to conserve thermal energy in our plants. With these initiatives, we reduced specific steam consumption by 4% compared to previous year.

- Boiler efficiency improvement, by reducing heat loss through flue gas and Furnace modification in wood boilers.
- Insulation improvement.
- Introduction of Trap monitoring system and correction on routine basis.

##### b) Steps taken by the Company for utilizing alternate sources of energy

- Your Company maximises the use of renewable energy sources. The renewable power consumption in Madurai plant increased from 71 to 74%. This resulted in 31400 T of Co2 reduction.
- Company successfully uses 100% biomass fuel for steam generation in the Uttarakhand plant, thus eliminated the generation of Co2 during steam generation in Boilers in this plant.

##### c) Capital investments on energy conservation equipment's

- To increase the renewable energy usage further your Company has done an Equity investment of ₹4.35 Crore in 4.67MWp Ground Mounted Solar Plant and 2.63MW Wind Turbine Generator Project.
- Your Company has invested ₹1.38 Crore in Thermal Energy saving projects.

#### B. TECHNOLOGY ABSORPTION:

##### 1. Efforts made towards technology absorption:

- Developed over 37 products for global markets.
- Introduced a new range of Adventure Touring Product Line targeting worldwide touring segment.
- Your Company's continues its innovative approach in developing fuel-efficient products leading to several approvals with leading EV OEMs.
- With Successful launch of "Climber" motocross on/off product lines last year, your company extended the products to smaller motocross bikes (code named junior climber) used in bikes for young enthusiasts.
- Your company continues to focus on the global OHT segment and have launched over 73 new products catering to various global agricultural and construction segment.
- Your company developed premium VF (Very High Flexion) flotation Radial tyres for European Agricultural trailer segment.
- Research focus by your Company has resulted in grant of 6 patents in this year taking the overall number of patent grants to 14.
- Your Company has become the first to develop products suitable for China and have received accreditation of the products for supplies to China.

##### 2. Benefits derived like product improvement, cost reduction, product development or import substitution:

- R&D activity initiated by your Company led to launch over 150 products in 2W and OHT segment.
- With continued focus on OE segment, we have received over 8 new product approvals from our OE customers.
- We continue to grow our OHT product portfolio by introducing products for newer segments.

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

##### 4. Expenditure on Research & Development

		₹ in Crores
a	Capital	16.12
b	Recurring	26.07
c	Total	42.19
d	Total R&D expenditure as a percentage of Total Turnover	1.53%

**C. Foreign Exchange Earnings & Outgo**

₹ in Crores

Exports Earnings	356.42
Outgo	482.03

**For and on behalf of the Board**

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Place: Madurai  
Date: 25<sup>th</sup> June 2024



**COMPANY PROFILE**

TVS Srichakra Limited (hereinafter referred as “the company” or “your company”) is one of India’s largest manufacturers and exporters of two-wheeler, three-wheeler and off highway tyres (OHT). Domestically, the company is a leading supplier of tyres to Original Equipment Manufacturers (OEMs) as well as the replacement market, through a network of depots, distributors and retailers. The company’s growing OHT business is focused on global markets. The company accesses international markets through sales to more than 86 countries world-wide.

The company manufactures tyres in manufacturing sites located in Tamil Nadu and Uttarakhand. Products are precision engineered to provide superior performance in different conditions. Product range includes two and three-wheeler tyres, industrial pneumatic tyres, farm and implement tyres, floatation and other multi-purpose tyres. The company’s tyres are designed to global standards with high-quality and advanced technology and are sold under the brand name of “TVS Eurogrip”, “TVS Tyres” and “Eurogrip”.

FY24 also saw your company make an acquisition of a business entity in the United States of America (USA). This company operates as a subsidiary of your company, and is focused on the OHT segment in USA.

**GLOBAL ECONOMY**

After the upheaval caused by the COVID - 19 pandemic, the global economy seems on the path to recovery. However, ongoing geopolitical tensions such as the war in Ukraine and the conflict in Gaza have the ability to negatively impact this recovery.

The Global Economic Prospects Report published by the World Bank has forecast global growth to be 2.6% in the fiscal year 2024-25, expected to edge up to 2.7% in 2025-26. IMF had estimated the growth to be at 3.2% for the year 2024 too similar to that of 2023. Latest forecasts for global growth five years from now is at 3.1% at its lowest in decades. Global headline inflation is expected to fall from an annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Advanced economies are expected to return to their inflation targets sooner than emerging market and developing economies.

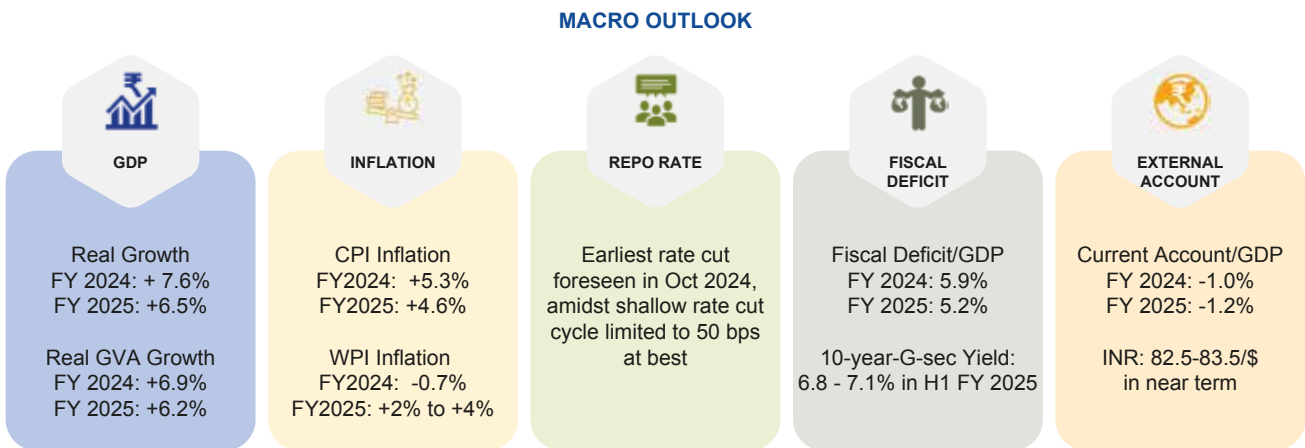
**GROWTH IN THE ASIA PACIFIC REGION**

As per the Regional Economic Outlook Report of the IMF, growth in the Asia Pacific region outperformed expectations in late 2023, reaching 5.0% for the year. Inflation has shown variability across the region with some economies seeing sustained price pressures, while others are facing deflationary risks.

**INDIAN ECONOMY - OUTLOOK**

Amidst global tensions and uncertain global growth rates, India remains a bright spot. As per CRISIL’s India Outlook 2024 Report, the Indian economy is set to grow by 6.8% in FY 25. The RBI Governor, when reviewing the Monetary Policy on 7<sup>th</sup> June 2024, increased this forecast for FY25 to 7.2%

ICRA published its FY25 outlook in March 2024. The chart below shows the macro outlook as per ICRA’s analysis.



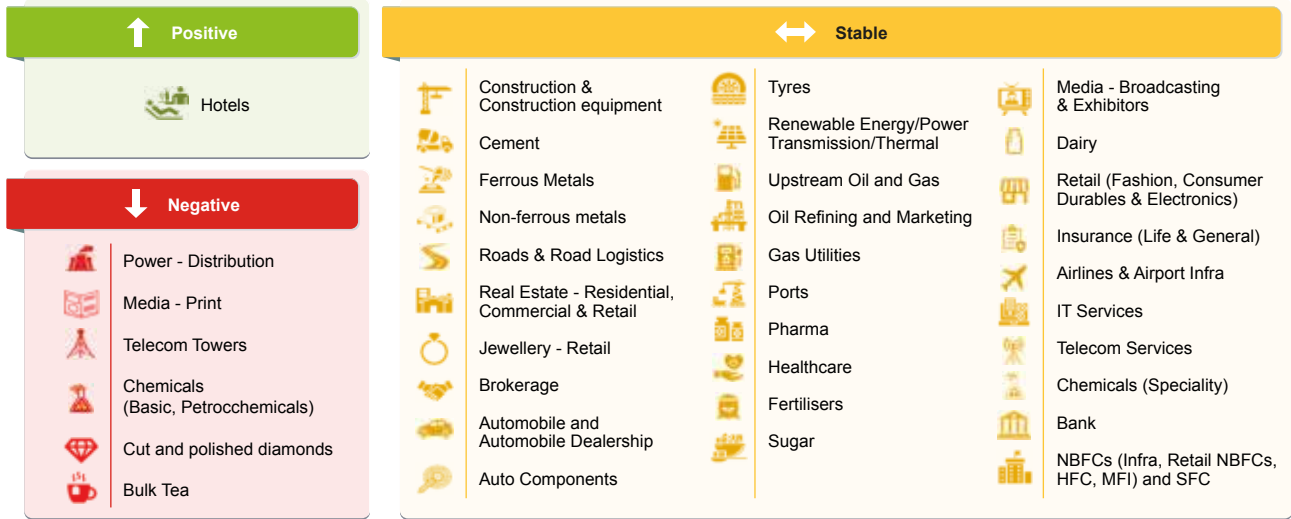
Source: ICRA Research

ICRA also published its sectoral outlook in March 2024, shown in the illustration below. ICRA places the tyre industry in the “stable” category





ICRA's Sectoral Outlook as on March 2024



The next 7 fiscals (2025-2031) should see the Indian economy crossing the \$5 trillion mark and inching closer to \$7 trillion. India should be the 3<sup>rd</sup> largest economy in the world. Per capita income should rise to the upper middle income category by 2031. Continuous increase in the capital stock (or the productive capacity of the economy) is one of the cornerstones driving this growth.

GLOBAL AUTOMOBILE INDUSTRY

S&P's Global Mobility report forecasts 88.3 million new vehicle sales worldwide in 2024, as the recovery rolls on. New auto demand is expected to benefit from ongoing output gains from restocking of inventories, as supply chains normalize.

Europe concluded CY 2023 on a strong note with the Western and Central European markets showing robust momentum, achieving 14.7 million units. This marks a 12.8% year-on-year increase. Improved vehicle production aided in easing delivery times and replenishing inventory levels. Looking ahead to CY 2024, S&P Global Mobility forecasted a modest growth to 15.1 million units, a 2.9% year-on-year rise. However, challenges loom, including economic recession risks, tightening credit conditions, and high car prices. The region faces a dynamic electrification transition alongside competition from Chinese OEMs, energy challenges, and upcoming EU elections, all influencing market dynamics.

In the United States, CY 2024 is expected to see an uptick in sales volumes to 15.9 million units, a 2.0% increase from 2023 levels. Consumer affordability concerns persist due to high interest rates and slow adjustment of vehicle prices, impacting market dynamics. Despite these challenges, the rollout of new EV models is expected to drive consumer interest, with nearly 100 models available by year-end, double the number from CY 2022, broadening consumer choice across various segments.

Mainland China's automotive market closed CY 2023 with 25.3 million units sold, up 4.9% year-on-year, bolstered by government incentives and recovering local production. Forecasts for CY 2024 remain optimistic, expecting a further increase to 26.4 million units, driven by pent-up demand and gradual consumer confidence recovery. EV affordability improvements, coupled with continued tax exemptions and declining battery costs, are set to boost EV penetration to 44% of passenger vehicles, up from 36% in CY 2023, underpinning sustained growth in the sector.

The global electrification shift looks unstoppable, despite near-term uncertainty in Europe & US. Global sale of battery electric passenger vehicles is projected to reach 13.3 million units in CY 2024, comprising 16.2% of global passenger vehicle sales.

Major markets are expected to drive most of this volume, with smaller markets also seeing incremental growth.

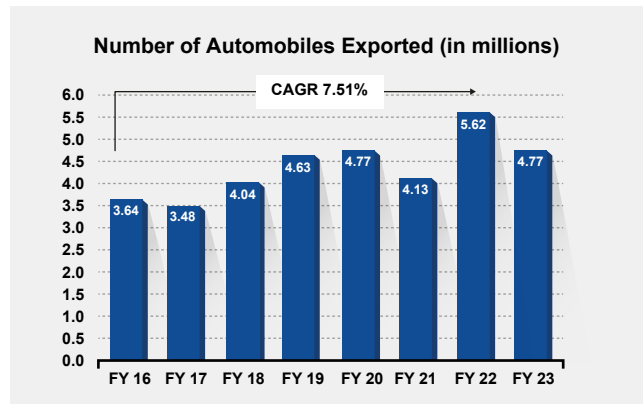
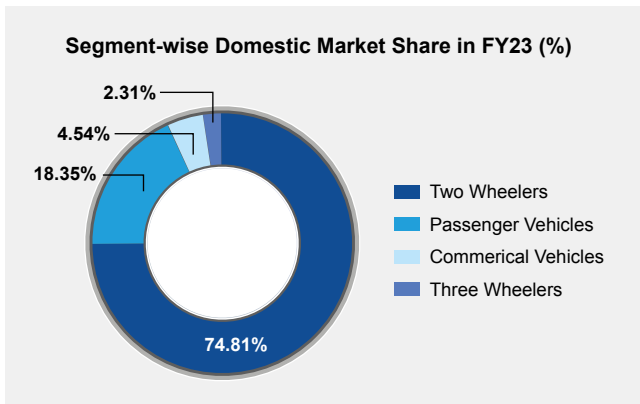
BEV Share Estimates, 2024	BEV Share Estimate in Region	YOY Change (2024 v. 2023)
Europe (Central/Western)	22.2%	+41%
US	13.2%	+66.4%
China	28.6%	+28%
India	4.1%	+39.0%
Global	16.2%	+39.5%

Source: S&P Global Mobility, BEV share estimates, December 2023. ©2023 S&P Global Mobility

INDIA'S AUTOMOBILE INDUSTRY

India is the world's third-largest automobile market, the largest manufacturer of three-wheelers and tractors, and the second-largest manufacturer of two-wheelers. (Source - IBEF). The Indian automobile industry has historically been a good indicator of how well the economy is doing. This sector plays a key role in both macroeconomic expansion and technological advancement.





Source: Society of Indian Automobile Manufacturers (SIAM), The Economic Times

**Growing demand** - Rising middle-class income and a huge younger population is a factor in the demand for vehicles in India.

In FY24, the passenger vehicle segment led the growth with overall sales touching almost 5-million units including 4.2 million domestic (growth of 8.4%) and 0.7 million exports. The two-wheeler segment continued its recovery path with growth of over 13% in domestic sales to almost 18 million units, even though lower than the earlier peak of 21 million units in FY19. The domestic commercial vehicle industry had a marginal growth to 0.97 million units. Within that, some drop was experienced in LCVs and SCVs due to degrowth in the CNG segment. Growth in Commercial vehicles was also impacted due to migration to higher tonnage trucks which created higher payload capacity, that is not reflected in the number of units. The three-wheeler industry was close to the earlier peak of 0.7 million units in FY 19.

The domestic electric vehicles (EV) market is expected to grow at a compound annual growth rate (CAGR) of 49% between 2022 and 2030 and is expected to hit one crore units annual sales by 2030. India is on track to become the largest EV market by 2030, with a total investment opportunity of more than US\$ 200 billion over the next 8-10 years.

Policy support has been critical in aiding India’s automotive growth. The Automotive Mission Plan 2016-26 drafted jointly by the Government of India and the Indian automotive industry targets industry growth to US\$ 300 billion by 2026. (Source - IBEF). Other Government of India policy initiatives like - The National Electric Mobility Mission Plan (NEMMP 2020), Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) Scheme, Production Linked Incentive (PLI) Scheme for Automobile and Auto components have bolstered the domestic demand contributing to the overall growth of the Indian Automobile Industry.

**INDIAN TYRE INDUSTRY:**

With the rapid expansion of the Indian automotive industry, the nation is set to become the world’s 3<sup>rd</sup> largest market in the next 5 to 6 years.

India stands as one of the leading global manufacturers of tyres. The Indian tyre market is anticipated to reach 192.3 million units by 2026, exhibiting a CAGR of 3.81% from 2021 to 2026.

Domestic tyre volume growth is expected to moderate to 4-6% in FY25 from an estimated growth of 6-8% in FY24 As per ICRA. ICRA estimates this moderation in growth to be caused by an elevated base and subdued growth in the commercial vehicle segment (CV). ICRA anticipates domestic demand from OEMs in certain consumer segments like passenger vehicles (PV) and two-wheeler (2W) as well as replacement market demand to remain healthy, supporting overall volume expansion in FY25.

**Domestic demand to be supported by replacements**

Tyre demand is expected to be driven by stable growth in replacement while OE volume growth is expected to moderate, given the high base. Volume growth is expected to be driven by consumer segments while the impact of the General Elections on Government capex in the initial few months of FY2025 will drive growth in commercial segments.

**Export demand expected to be subdued in the near term**

Tyre exports, which represent around a fourth of total industry revenues, have grown at a sharp pace till FY2022. However, exports have fallen since Q2 FY2023 amid economic slowdown in key overseas markets. Exports recovered sequentially; however, export volumes are expected to remain subdued in the next two quarters. The Red Sea crisis is also expected to impact the recovery in exports.

**New expansion plans on hiatus**

Industry players are expected to pause before undertaking any new capacity expansion on account of weak export demand and headroom available in the existing capacities. Industry is expected to focus on debottlenecking and R&D.

Source : ICRA Research



In addition to domestic demand, the Indian Tyre industry is aiming to increase its export value to \$5 billion-plus and emerge among the top-3 global Tyre hubs by 2030 (Source: Automotive Tyre Manufacturers Association)

## COMPANY INITIATIVES DURING FY 2023-24

### A. Overall

During 2023-24, your company consolidated its position as a leader in the domestic OEM segment. The year saw the domestic EV segment gaining ground. Your company made significant inroads into this segment and has emerged as a major supplier to 2-wheeler EV manufacturers. Your company sustained market share in the replacement market in the face of intense competition. Your Company also achieved significant share in the growing E-rickshaw segment. Your Company also continued to grow its presence in the global markets – for the full range of its products.

In FY24, your company acquired the business of Super Grip Corporation in the United States of America (USA). Super Grip operates in the industrial tyre segment (within the broad OHT segment) in select markets of USA. This acquisition by your company is targeted at increasing its global footprint in the OHT segment.

### B. Technology, Research and Product Development

Your Company has established systems to accelerate and proactively expand its product portfolio to meet market requirements.

In FY 24 your company introduced 37 New products in critical cohorts addressing global market needs. A new adventure touring product, "Trail Hound" was showcased in Europe aimed at addressing the needs of the high-performance adventure touring segment.

With the success of Climber XC tyres, designed for off-road Enduro and Motocross applications in global markets, your company widened its product offerings for smaller Enduro and Motocross bikes with launch of 12" and 14" off-road tyres aimed at providing superior products to budding motocross enthusiasts, globally.

In addition, the focus on developing tailor made low rolling resistance products for the electric two-wheeler segment has fructified in achieving product approvals and business in leading electric vehicle OEMs.

Premium product lines for Indian Market were further enhanced by launch of a full range of steel belted radials.

Your company developed a technologically superior product, Protorq Extreme, with demonstrated benchmark performance leading to its approval as a single source with a European OEM for the worldwide launch of their 450+ CC bike. Your company also achieved OE approvals in 8 new models launched in FY24 and commenced supplies.

Your company executed an aggressive product development plan in the OHT segment including, steel radial tractor tyres, steel radial flotation tyres, row crop tyres, harvester steel radial tyres etc., A meticulously executed New Product Development process resulted in launch of over 73 products in these product lines for global sales. In the OHT segment, your company is now developing products at the rate of 20 new variants per month, significantly improving its global competitiveness. The new variants developed by the company have been received well in global markets, receiving excellent reviews by end users and in trade fairs.

The company's dedication to innovation, focus on developing sustainable technologies has resulted in the grant of 6 patents in FY 24.

### C. Market and Channel Development:

Continuing its efforts at expanding globally, the company has appointed 40+ new channel partners. This strategic move aims to strengthen the distribution network and increase market penetration. Your company has successfully entered several new geographies, including Brazil, Argentina, Chile, Morocco, Turkey, Australia - adding to the list of countries where our products are now available.

In the ASEAN region, your Company has made significant progress by expanding into Malaysia & Taiwan. These new market entries present valuable opportunities for the Company to tap into the growing demand for its products in these dynamic markets.

Your company continued its expansion in the European Union (EU) market by adding Germany & Greece to its list of countries serviced. By entering these markets, the Company aims to capitalize on the strong demand for its products in the EU and further strengthen the Company's position in the region.

With this expansion into key markets such as ASEAN, LATAM and the EU, the company is well positioned to capture new business opportunities and drive sustainable global growth

In the domestic aftermarket (AM) segment, the company continues to grow its channel partner network. Your company successfully added 140+ new channel partners, strengthening distribution reach and enhancing the ability to serve customers effectively. The retail network was also expanded, by adding almost 2000 new retailers. Expansion of reach in this manner positions the company well in terms of establishing a wider retail footprint pan India, ensuring that our products are easily accessible to customers across various locations. Furthermore, we have achieved extensive district coverage, with approximately 438 districts covered as of March 2024 (an increase of 11 districts over last year).

In the off-highway tyres segment (OHT), your Company has developed an extensive network in key markets in Europe. Eurogrip Branded

OHT products are now used by tractor, trailer, and farm implement manufacturers globally. Your Company is also expanding its presence in other key markets in the Americas.

#### D. Raw Material Trends

Raw material prices account for about 55-65% of the turnover of tyre manufacturers. Natural rubber (NR), carbon black, nylon tyre cord fabric (NTCF), styrene butadiene rubber (SBR) and polybutadiene rubber (PBR) are among the main raw materials used to manufacture tyres.

The industry is raw material intensive. Natural rubber, which is a major raw material, is an agricultural commodity and is subject to price volatility and production concerns. Most other raw materials are impacted by the movement in crude prices. Changes in crude oil prices reflect in changes in raw material costs thereby affecting the profitability of the company.

Crude oil softened 12% in FY24 vs FY23, leading to price stabilisation of downstream petrochemical based raw materials. Multiple initiatives were undertaken to optimise the company's raw material purchasing strategy. These initiatives included a structured risk mitigation drive for reducing dependency on single source & single plant suppliers which involved spreading the sourcing base. Your company continued to engage extensively with strategic partners and selectively entered into long term contracts to protect price volatility. Inventory was maintained to ensure material cost optimisation and to ensure material availability to address market dynamics and supply security due to logistics challenges for imports.

#### E. Capacity Expansion

Your company's investment in the OHT segment saw commercial production increasing over the year, with increase in capacity utilization – both in the bias and radial category.

#### F. Opportunities

The global tyre market provides growth opportunities, in addition to the domestic market. Ministry of Commerce statistics indicate tyre exports from India in FY24 stood at a little over ₹ 23,000 Crores. Although this figure matches the previous year's (FY23) figures, it should be seen in the light of severe headwinds in the first half of FY24. The first half of the year saw falling demand in view of slowdown in advanced economies, geopolitical uncertainties, and inflationary pressures. Tyre exports from India made a sharp recovery in the second half of FY2023-24 and went up by 12% in value terms against the year-ago period.

Tyre exports from India represent over 25% of the total tyre industry turnover – making this industry one of the few industries in India to have such a high export to turnover ratio.

Your company operates in the two and three-wheeler as well as off highway tyre segment. Both present exciting global growth opportunities.

- Your company is a market leader in the export of two and three-wheeler tyres from India and continues to pursue this growth aggressively. Development of market specific product ranges, suited to the geographies being serviced, is a key element of the company's strategy.
- The off highway tyre segment is an area of emerging opportunity for your company. The recent expansion program that the company has undertaken allows for not just an increase in volumes but also a more modern and advanced product range.

The domestic market continues to provide opportunities.

- Your company is a leading supplier to Indian two and three-wheeler manufacturers. This leadership position is being extended to the emerging EV segment.
- The domestic after market is the other segment that provides growth opportunities that your company is pursuing

#### G. Challenges

While the overall outlook is positive, this needs to be seen in the context of near challenges.

- Domestically, demand is still to pick up meaningfully in the rural and semi urban areas.
- Global markets are seeing volatility – driven by economic recovery that is still to fully play out, while dealing with the challenges of long drawn-out conflicts in the European arena.
- Raw material costs, after a short period of stability, are rising again.

#### H. Risk Management

In compliance with Regulation 21 of the SEBI (LODR) Regulations, the Board of Directors of your Company has established a Risk Management Committee. This Committee is tasked with addressing the evolving and dynamic risks present in today's business environment.

In an effort to proactively manage and mitigate risks, your company has implemented a risk management framework. This framework aids in the identification, prioritization, and mitigation of risks.

By establishing the Risk Management Committee and implementing a risk management policy that combines strategic and operational

risks, your company demonstrates its commitment to proactive risk management and ensuring the resilience of its operations in the face of evolving threats.

Details of the potential risks the company faces are in the BRSR section of this report. A summary is shown in the table below.

S.No	Risk Area	Nature of Risk	Risk Mitigation Actions
1	Business concentration	In the past the Company's operations have been concentrated in a few product and market segments and limited geographies	The company has established a mid term plan focusing on: Diversifying its top line to reduce dependence on any single product segment Aggressively seeking growth in the global markets to mitigate against the risk of geographical concentration
2	Management of cost	Costs have seen volatility - in the form of core raw materials but also sources of energy	Mitigation actions taken by the company include actions related to: - Alternate materials - Alternate vendors - Alternate geographies as sources of materials - Alternate fuels - Increased dependence on "green energy" sources - Internal actions to improve operating efficiencies
3	Global geo political conditions	Global markets continue to see volatility, drive by: : Varying pace of economic recovery post the ravages caused by COVID : Continuing conflicts in Ukraine and Gaza : Shipping and supply chain risks following the closure of the Red Sea route	To mitigate against these risks the company has been working to expand its global footprint, including by inorganic actions such as the recent acquisition of a business in U.S.A.

**I. Energy**

Your company maximises the use of renewable energy sources. Renewable power consumption in the company's Madurai plant increased to about 74% in FY24.

To further increase renewable energy usage, your company has invested in the equity of a company setting up a ground mounted solar plant and wind turbine generator project. This company will supply to our company electricity under the Group Captive Power Purchase (GCPP) framework – further enhancing your company's usage of renewable energy.

Your Company uses 100% biomass fuel for steam generation in its Uttarakhand plant, thus eliminating the generation of Co2.

Energy conservation projects are continuously evaluated and implemented. Some of the projects implemented in FY24 include:

- Conversion from electric heating to steam heating
- Reduction in compressed air consumption
- Replace conventional lighting with LED lighting.
- Reduction in idle running of machineries
- Boiler efficiency improvement, by reducing heat loss through flue gas and furnace modifications

**J. Quality Assurance**

Your Company continues to be a preferred supplier for OEMs manufacturing traditional internal combustion engine (ICE) driven two and three wheelers. In addition to this, your Company has been assessed and cleared for supplies by a vast majority of the new clutch of OEMs manufacturing electric (EV) two wheelers.

Quality is assured at every stage of the process by enforcing a documented quality standard through the entire chain of receiving materials, manufacturing, and logistics.

The Total Employment Involvement (TEI) initiative started at the company a few years back continues to be used as a tool to motivate employees towards a culture of quality consciousness and continuous improvement.

**K. Environment, Occupational Health & Safety**

Your company views occupational health and safety (OHS) as an integral part of its operations.

- Employee safety is taken as the most important operating metric.
- By establishing strong internal controls and governance mechanisms, your Company has been able to continuously enhance the safety and well-being of its workforce.
- A strong governance mechanism is in place to ensure action plans are being implemented and that the risk mitigation efforts are on track.



Similar importance is given to protection of the environment. The high proportion of green energy sources in the company's energy mix is a testament to the importance the company places on being a responsible corporate citizen. Over the year, some of the specific efforts taken by the company include:

- Tree plantation drive
- Reduction of water consumption by over 10%

The company's efforts at environment conservation have also been recognized in the form of awards received. Your company got the following awards in the Tamil Nadu Sustainability Leadership Awards organised by Solar Quarter

- Best Corporate Green Portfolio award (Auto Industry)
- Energy Consumer Climate Action award (Platinum)

Your company is also in the process of establishing a comprehensive Sustainability Policy Framework to guide all operations.

**L. Awards and Recognition**

Some of the noteworthy awards and recognitions achieved during FY24 are mentioned below:

- CII - National Championship trophy - **Champion of Champions**
- CII - National Challenger trophy - **Super Challenger**
- HMSI - Annual Suppliers' NH Circle Competition – **Winner**
- BAJAJ – BAVA Convention 2023 – 24 Award – **Platinum**
- CII - 36<sup>th</sup> TN QC Competition - **Best in Teamwork**
- QCFI - TQM - INDIA SUMMIT - **Gold**

**M. Internal Control & Systems**

Your Company maintains risk management processes and protocols. The company also maintains adequate internal controls to safeguard stakeholders' interest and the Company's assets. Processes exist to identify, evaluate and manage risks that impede the realization of the Company's objectives. The Company has also established an Internal Financial Control Framework which addresses internal controls over financial reporting and operating controls. This framework is duly supported by well-defined policies, processes, and procedures. This control framework is reviewed periodically by the management, audited by an Independent Internal Audit team, and placed before the Audit Committee and the Board. The CEO and CFO Certification provided in the Annual Report also discusses in detail the adequacy of Internal control systems and procedures.

**N. Financial Performance**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes in key financial ratios. The Company has identified the following as key financial ratios:

Particulars		Units	31 <sup>st</sup> March 2024	31 <sup>st</sup> March, 2023
(i)	Debtors Turnover	Times	13.02	13.70
(ii)	Inventory Turnover	Times	3.98	3.68
(iii)	Current Ratio	Times	1.04	1.05
(iv)	Debt Equity Ratio	Times	0.73	0.61
(v)	Net Profit margin	%	3.76	2.45
(vi)	Debt Service Coverage	Times	2.57	2.40
(vii)	Return on Investment	%	0.23	0.07
(viii)	Return on Equity Ratio	%	9.61	6.92
(ix)	Net Capital Turnover	Times	63.89	18.56

The Company's revenue from operations decreased to ₹ 2754.03 Crores in the year 2023-24 in comparison to ₹ 2865.39 Crores in the previous year, a decrease of 3.9% over the previous year. However, Your Company has increased its profit before tax to ₹ 138.95 crores from ₹ 91.29 crores, an increase of 52.2% year on year. EPS has increased to ₹ 135.25 in March 2024 from ₹ 91.58 in March 2023 a 47.7% increase year on year. There has been an increase in the borrowings of the Company from ₹ 636.94 Crores in the previous year end to ₹ 817.53 crores during the current year. Finance cost has increased from ₹ 38.4 Crores to ₹ 42.53 Crores on the back of increased borrowings.

**O. Human Resources Management**

At TVS Srichakra, people are central to our business. We continued to focus on people related priority and undertook several initiatives through the year. These initiatives spanned multiple dimensions such as leadership, employee training & skill enhancement, employee welfare, building high performance culture etc. Our total permanent employee headcount as of 31<sup>st</sup> March 2024 was 2762.

**P. Cautionary Statement**

Statements in the Management Discussion and Analysis describing the Company's views, projections and expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions, geopolitical uncertainties, macro-economic conditions, global and domestic supply and demand situations, input prices and their availability, changes in government regulations, tax laws and other factors such as industrial relations, economic developments among others. This may influence the Company's operations or performance in the final analysis.



The board of directors presents the report on Corporate Governance of your Company (hereinafter referred as "Company" or "TVS Srichakra") for the year ended 31<sup>st</sup> March 2024.

## I. CORPORATE GOVERNANCE PHILOSOPHY

Your Company is dedicated to establishing and upholding the highest standards of corporate governance in all its business activities. This commitment enhances operational efficiency and ensures the creation of long-term value for our stakeholders. We continuously strive to operate in a fair, transparent, and ethical manner, holding ourselves accountable and responsible to society at large. Our adherence to compliance is unwavering as we strictly follow all applicable laws and regulations, both in letter and spirit, while conducting our business.

Our corporate governance philosophy emphasizes transparency in all dealings and operations involving the management and the Board of Directors. We are focused on enhancing long-term shareholder value without compromising on integrity, social obligations, or regulatory compliances.

Your Company has consistently complied with the corporate governance requirements as specified in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our governance structure is composed of the Board of Directors and various committees at the apex level, along with a management structure at the operational level. This configuration ensures a harmonious blend in governance, where the Board sets the overall corporate objectives and provides direction and freedom to the management. This framework enables the achievement of corporate objectives and ensures sustainable growth.

## II. BOARD OF DIRECTORS

The Board of Directors of your Company ("Board") plays a pivotal role in ensuring that the Company's business practices are ethical, sound and that resources are optimally utilized to guarantee sustainable growth. The Board operates within a well-defined responsibility matrix, safeguarding the interests of the Company, maintaining fairness in decision-making and ensuring integrity and transparency with stakeholders.

### 1. Management Structure

The management structure of your Company ensures the appropriate delegation of powers and responsibilities, facilitating the smooth functioning of the business.

### 2. Board of Directors

The Board comprises individuals with considerable professional expertise and experience. It provides leadership and guidance to the management, thereby enhancing stakeholder value.

### 3. Size and Composition of the Board

As of 31<sup>st</sup> March 2024, the Board consists of ten (10) directors. The Executive Vice Chairman and Managing Director are Executive Directors, while the remaining are Non-Executive Directors.

In line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI (LODR) Regulations"), more than fifty percent of the Company's directors are Non-Executive Directors. Out of the eight Non-Executive Directors, six are Independent Directors: Mr. H Janardana Iyer, Mr. Rasesh R Doshi, Mr. V. Ramakrishnan, Ms. S.V. Mathangi, Mr. Ashok Srinivasan, and Mr. Piyush Jinendrakumar Munot. Mr. S. Ravichandran and Mr. P Srinivasavaradhan serve as Non-Executive and Non-Independent Directors. (For changes to the board, please refer the table given on page no. 33)

Thus, the composition of the Company's Board is in conformity with the Companies Act, 2013, and the rules made thereunder (hereinafter referred to as the "Act"), as well as the SEBI (LODR) Regulations.

### 4. Directors' profile

The Board comprises highly esteemed professionals from diverse fields, bringing a wide range of skills and experience that enhance the quality of the Board's decision-making process.

### 5. Core skills, expertise, and competencies available with the Board

The Board consists of qualified directors who possess the following essential skills, expertise, and competencies identified for the effective functioning of the Company:

- Knowledge of Company's Business and Policy
- Behavioral Skills
- Business Strategy and Decision-Making
- Governance and Regulations
- Financial and Management Skills
- Technical and Professional Skills

The core expertise of the directors holding offices of your Company as on 31<sup>st</sup> March 2024 is outlined below:

Name of the Director	Area of expertise
Mr. R Naresh	Technology, Engineering & Business Strategy
Ms. Shobhana Ramachandhran	Business Strategy & Administration
Mr. H Janardana Iyer	Commercial, Financial and Management
Mr. Rasesh R Doshi	Sales & Marketing, Financial and Management
Mr. V Ramakrishnan	Business Strategy, Financial and Management
Ms. S.V Mathangi	Finance, Management and Regulations
Mr. S. Ravichandran	Supply Chain Management, Digital & Operational excellence and Merger & Acquisition
Mr. P. Srinivasavaradhan	Product, Process Engineering & Operations
Mr. Ashok Srinivasan	Investment, Finance and Management
Mr. Piyush Jinendrakumar Munot	Engineering, Technology and Management

There are no inter-se relationships between the board members, except for Mr. R. Naresh and Ms. Shobhana Ramachandhran, who are related to each other.

#### 6. Availability of information to board members

The Board has unrestricted access to all Company-related information, including employee details. Information is continuously provided to Board members for their review, input and approval. In compliance with SEBI (LODR) Regulations, the Company regularly presents the following information to the Board, wherever applicable:

- Annual Operating Plans and updates,
- Capital Expenditure Budget and its Quarterly Updates,
- Quarterly/Annual Financial Results,
- Comprehensively drafted notes for each agenda item along with background materials, wherever necessary, are circulated well in advance to the committee / board, to facilitate the directors in making value addition as well as exercising their business judgment in the committee / board meetings.
- Minutes of meetings of the board and committees of the board,
- Information on recruitment and remuneration of Senior Executives including appointment or removal of Chief Financial Officer and the Company Secretary,
- Show cause, Demand, Prosecution Notices and Penalty Notices which are materially important,
- Fatal accidents, dangerous occurrences,
- Any material effluent or pollution problems,
- Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company,
- Public or Product liability claims of substantial nature,
- Significant labour problems, Significant development in Human Resources,
- Sale of investments,
- Quarterly details of Foreign Exchange exposures, Risk Management and Mitigation measures,
- Legal updates, Minutes of the subsidiary companies,
- Non-compliance of any regulatory, statutory or listing requirements,
- Shareholder service such as non-payment of dividend, delay in share transfer etc.,
- Report on compliance of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any etc

#### 7. Appointment / Reappointment of directors

In accordance with SEBI (LODR) Regulations, the following information about a director proposed for appointment or reappointment is provided in the notice convening the upcoming Annual General Meeting (AGM) of the Company:

- Brief Resume,
- Nature of their expertise in specific functional areas,
- Their other directorships and committee memberships,
- Their shareholdings and relationship with other directors.
- Skills and capabilities required for the role of Independent Director



## 8. Familiarisation programme for Independent Directors

Your Company has established a familiarization programme for Independent Directors. This programme covers their roles and responsibilities, rights and duties within the Company, the nature of the industry in which the Company operates and the Company's business models. During the year, presentations on the Company's strategy were made to familiarize directors with the industry, organizational structure, Board processes, major risks and risk management strategies and the Company's future business projections. Details of the familiarization programs are available at: <https://y9u4s6b5.rocketcdn.me/wp-content/uploads/investor-relations/BOARD/Familiarisation-programme-to-ID-2023-24.pdf>.

Based on the disclosures received from all the Independent Directors, the board opines that the Independent Directors fulfill the conditions specified in the Act and SEBI (LODR) Regulations and are independent of the management.

## 9. Meeting of Independent Directors

In terms of the provisions of the Act, the meeting of Independent Directors was held on 12<sup>th</sup> February 2024, with the attendance of all Independent Directors and without the presence of Non-Independent Directors.

The following items were discussed at the meeting:

- Evaluation of the performance of the Executive Vice Chairman of the Company.
- Evaluation of the performance of the board and non-independent directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the Company management and the board to ensure that the board performs its duties effectively and reasonably.

## 10. Board Meetings

### a) Scheduling and selection of agenda items for board meetings

In consultation with the directors, your Company prepares and circulates a tentative annual calendar for the meetings of the board/committees for the next financial year to facilitate and assist planning of the directors' schedules in advance and to ensure their participation at the meetings. Video / teleconferencing facilities are also provided to directors to facilitate their participation.

### b) Board Meetings, Attendance and other Directorships

During the financial year 2023-24, Eight (8) Board Meetings were held on 26.4.2023, 23.5.2023, 22.6.2023, 10.8.2023, 20.10.2023, 9.11.2023, 13.2.2024 and 20.3.2024.

Details of the directors' attendance at the Board meetings held during the financial year, and at the last Annual General Meeting (AGM) held via Video Conferencing (VC) / Other Audio-Visual Means (OAVM) on 20<sup>th</sup> September 2023, along with the number of other directorships and committee memberships/chairmanships as of 31<sup>st</sup> March 2024, are provided below:

Name of the Director	Category	Attendance Particulars		Directorships in other Companies		Committees of other companies in which Director is a Chairman / Member	
		Board Meetings	AGM	Chairman	Director	Chairman	Member
Mr. R Naresh DIN 00273609	EVC	8	Yes	3	3	-	-
Ms. Shobhana Ramachandhran DIN 00273837	MD	8	Yes	-	9	-	1
Mr. M S Viraraghavan DIN 00249874 <sup>#</sup>	NE-I	6	Yes	-	-	-	-
Mr. H Janardana Iyer DIN 02688787 <sup>s</sup>	NE-I	8	Yes	-	-	-	-
Mr. V Ramakrishnan DIN 00002931	NE-I	7	Yes	-	-	-	-
**Mr. Rasesh R Doshi DIN 00538059	NE-I	7	Yes	-	3	-	1
Ms. S V Mathangi DIN 02596421	NE-I	6	Yes	-	-	-	-
Mr. S Ravichandran DIN 01485845	NE	8	Yes	-	7	-	1
Mr. P Srinivasavaradhan DIN 08701214	NE	7	Yes	-	3	-	-
Mr. Ashok Srinivasan* DIN 06539656	NE-I	2	NA	-	2	-	-
Mr. Piyush Jinendrakumar Munot* DIN 00119507	NE-I	2	NA	-	3	-	-

EVC - Executive Vice Chairman MD - Managing Director NE - Non-Executive Director NE-I - Non-Executive Independent Director

\* Appointed as Independent Director effective from 13<sup>th</sup> February 2024.

# Ceased from the office of director effective from 20<sup>th</sup> December 2023 due to passing away.

\$ Ceased from the office of director effective from 31<sup>st</sup> March 2024 (Second term completed).

\*\* Ceased from the office of director effective from 23<sup>rd</sup> May 2024 (Second term completed).

#### i. None of the directors of the Company

- Serve as Director in more than Ten (10) Public Limited companies.
- Serve as an Independent Director in more than Seven (7) listed companies.
- Is a member of more than Ten (10) Committees.
- Is a Chairman of more than Five (5) Committees across all companies.

Furthermore, the Executive Vice Chairman and Managing Director of the Company do not hold positions as Independent Director in more than three (3) listed entities.

#### c) Details of directorship & the category of directorship held by the directors of the Company.

As per the disclosures made by the directors, Chairmanship / membership of Committees include only Audit and Stakeholders' Relationship Committees as covered under SEBI (LODR) Regulations. The details of directorship and the category of directorship held by the directors of the Company is given below:

Sl. No.	Name of the Director	Name of the listed entities in which the concerned Director is a Director	Category of Directorship
1	Mr. R Naresh	-	-
2	Ms. Shobhana Ramachandhran	M/s. Sundaram Finance Holdings Limited*	Non-Executive Independent Director
		M/s. Sundaram Brake Linings Limited	Non-Executive Director
		M/s. TVS Supply Chain Solutions Limited	Non-Executive Director
3	Mr. M S Viraraghavan	-	-
4	Mr. H Janardana Iyer	-	-
5	Mr. V Ramakrishnan	-	-
6	Mr. Rasesh R Doshi	M/s. India Motor Parts & Accessories Limited	Non-Executive Independent Director
7	Ms. S V Mathangi	-	-
8	Mr. S Ravichandran	-	-
9	Mr. P Srinivasavaradhan	-	-
10	Mr. Ashok Srinivasan	-	-
11	Mr. Piyush Jinendrakumar Munot	-	-

\* Ceased to be Independent Director effective from 01.04.2024

#### 11. Access to information by Board

The board periodically reviews the information placed before it for discussion and consideration at its meetings in terms of SEBI (LODR) Regulations, which are submitted either as a part of the agenda papers circulated in advance of the board meetings or are presented during the board meetings.

In addition, the board reviews the following information:

- Declarations made by Managing Director/ Chief Financial Officer and Secretary of the Company regarding compliance of all applicable laws on quarterly basis
- Strategy, Annual Business Plan, Business Performance of the Company and its subsidiary companies
- Capex Budget
- Expansion plan and new projects
- Risk Management
- Safety and
- Business Sustainability and Environmental matters.

#### 12. Material significant related party transactions

It is confirmed that all transactions with Related Parties, as defined under the Act and SEBI (LODR) Regulations, during the financial year 2023-24 were:

- in the ordinary course of business,
- on an arm's length basis
- not materially significant
- not in conflict with the interest of the Company and
- do not attract the provisions of Section 188 of the Companies Act, 2013.

Disclosures as required by the IND AS 24 and Regulation 34 of SEBI (LODR) Regulations have been made in the notes to the Financial Statements.

Company has a Policy on Related Party Transactions, approved by the Board which is available at: <https://y9u4s6b5.rocketcdn.me/wp-content/uploads/investor-relations/POLICY/Related-Party-Transactions-Policy-with-effect-from-April-1-2022.pdf>.

### 13. Details of total fees paid to Statutory Auditors

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities within the network firm/network entity, of which the Statutory Auditor is a part, are as follows:

Particulars	₹ in Crore	
	2023-24	
a) Statutory Audit	0.38	
b) Taxation	0.02	
c) GST Audit	-	
d) Certification	-	
e) Towards reimbursement of expenses	0.02	
f) Other services	0.09	
Total	0.51	

## III. BOARD COMMITTEES

Your Board of Directors has established several mandatory committees to ensure focused attention on various aspects of the business, including the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The Board periodically determines and reviews the terms of reference of these committees. Each committee meeting is convened by its respective Chairman, who subsequently briefs the Board on the discussions held. Minutes of these meetings are individually circulated to committee members and presented at the subsequent Board meeting. Throughout the financial year 2023-24, the Board accepted all recommendations put forth by these committees.

### 1. Audit Committee

In accordance with the provisions of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, your Company has constituted an Audit Committee. This Committee operates under approved terms of reference, covering areas stipulated in Section 177 of the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations and Schedule II of the Regulations.

#### a) Chairman and Composition

The composition of the Committee aligns with Section 177(2) of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations. The Audit Committee comprises the following members as on 31<sup>st</sup> March 2024:

- Mr. H. Janardana Iyer (Chairman)
- Mr. Rasesh R Doshi
- Mr. S Ravichandran

Following the retirement of Mr. H. Janardana Iyer on 31<sup>st</sup> March 2024, Ms. S V Mathangi was appointed as Chairperson of the Audit Committee effective from 1<sup>st</sup> April 2024. Similarly, following the retirement of Mr. Rasesh R Doshi on 23<sup>rd</sup> May 2024, Mr. V Ramakrishnan was appointed as a member of the Audit Committee effective from 24<sup>th</sup> May 2024.

Mr. Chinmoy Patnaik, Company Secretary and Compliance Officer, serves as the Secretary of the Committee. The Chairman of this Committee was present at the Annual General Meeting of the Company held on 20<sup>th</sup> September 2023, conducted through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

#### b) Terms of reference of Audit Committee

1. Effective oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommends to the board, the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors.
4. Reviews, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions
  - g. Modified opinion(s), if any, in the draft audit report.
5. Reviews, with the management, quarterly financial statements before submission to the board for approval
  6. Whenever applicable, reviews with the management, statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Reviews and monitors the auditor's independence, performance, and effectiveness of audit process.
  8. Approval or any subsequent material modifications of transactions of the Company with related parties.

The Committee grants omnibus approval for related party transactions proposed to be entered into by the Company where the need cannot be foreseen and requisite details are not available subject to their value not exceeding Rupees One Crore (₹1 Crore) per transaction.

In case any transaction involving any amount not exceeding Rupees One Crore (₹1 Crore) is entered into by a director or officer of the Company without obtaining the approval of Audit Committee and it is not ratified by Audit Committee within three months from the date of the transaction, such transaction may become voidable at the option of Audit Committee and the director or concerned officer shall indemnify the Company against any loss incurred by the Company.

All related party transactions are approved by the Audit Committee according to applicable laws.

9. Scrutinises inter-corporate loans and investments.
10. Carries out valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluates internal financial controls and risk management systems
12. Reviews with the management performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviews the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discusses with internal auditors any significant findings and follows up there on.
15. Reviews the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discusses with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. Looks into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, as applicable.
18. Reviews the functioning of the Whistle Blower Mechanism.
19. Grants approval to the appointment of Chief Financial Officer after assessing the qualifications, experience & background etc. of the candidate.
20. Whenever applicable, reviews the utilization of loans and / or advances from/investment by the holding Company in the subsidiary exceeding ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision of SEBI (LODR) Regulations.
21. Considers and comments on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. Reviews compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verification of systems for internal control to ensure that they are adequate and are operating effectively.

### c) Review of information by Audit Committee

Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Management letters / letters of internal control weaknesses issued by the Statutory Auditors
3. Internal Audit Reports relating to internal control weaknesses and
4. Appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
5. Statement of deviations.
6. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI (LODR) Regulations.
7. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of SEBI (LODR) Regulations.

#### **d) Subsidiary Companies**

The Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies.

#### **e) Internal Controls and Governance Processes**

Reviews the adequacy and effectiveness of the Company's system, internal controls and discuss with the management, Company's major financial risk exposures and steps taken by the management to monitor and control such exposure.

Oversees and reviews the functioning of a vigil mechanism and reviews the findings of investigation into cases of material nature and the actions taken in respect thereof.

#### **f) Particulars of the meetings and attendance:**

During the financial year 2023-24, the meetings of the Audit Committee were held on the following days 26.4.2023, 23.5.2023, 28.7.2023, 10.8.2023, 26.10.2023, 9.11.2023, 5.2.2024 and 13.2.2024. Barring the meeting held on 10.8.2023, where Mr. Rasesh R Doshi was absent, all the members attended the meetings of the committee held during the year.

Senior Management Personnel were also invited to the meetings on need basis.

## **2. Nomination and Remuneration Committee (NRC)**

In accordance with provisions of Section 178 of the Act and SEBI (LODR) Regulations, your company has constituted Nomination and Remuneration Committee.

#### **a) Chairman and Composition as on 31<sup>st</sup> March 2024**

- Mr. H. Janardana Iyer - Chairman
- Mr. Rasesh R Doshi, and
- Mr. S Ravichandran

Consequent to the retirement of Mr. H. Janardana Iyer, Mr. Piyush Jinendrakumar Munot was appointed as Chairman of the NRC effective from 1<sup>st</sup> April 2024 and consequent to the retirement of Mr. Rasesh R Doshi, Mr. Ashok Srinivasan was appointed as member of the NRC effective from 24<sup>th</sup> May 2024.

Mr. Chinmoy Patnaik, Company Secretary and Compliance Officer, acts as the Secretary of the Committee.

The Chairman of the NRC was present at the last AGM held on 20<sup>th</sup> September 2023 through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

#### **b) Terms of reference of Nomination and Remuneration Committee**

1. Formulates of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulates of criteria for evaluation of performance of Independent Directors and the board of directors;
3. Devises a policy on diversity of board of directors;
4. Identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Considers extension of term of appointment of the Independent Directors, on the basis of the report of performance evaluation of independent directors.
6. Recommends to the board, all remuneration, in whatever form, payable to senior management.
7. Specifies the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance. Such other roles and responsibilities as may be defined by the applicable laws.
- 7(a) For every appointment of an independent director, NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. Ensures that the person recommended to the Board for appointment as an Independent Director has the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

#### c) Particulars of meetings and attendance:

NRC meetings were held on 23.5.2023, 22.6.2023 and 13.2.2024 during the year. All members of the committee were present for all the meetings held during the year.

#### d) Performance Evaluation

Pursuant to the provisions of the Act and SEBI (LODR) Regulations, the Board carried out an Annual Evaluation of the Performance of individual directors, board as a whole and board committees.

Board performance indicators based on which the Annual Evaluation was carried out are listed below:

- Attendance
- Participation in deliberations
- Understanding Company's business and that of the industry
- Guiding the Company in decisions affecting the business.

The evaluation of the performance of Independent Directors of the Company includes the following indicators in addition to those specified above.

- Leadership qualities
- Management Skills & Professionalism
- Industry Knowledge & Experience
- Relationship & Communication
- Contribution & Commitment
- Guidance & Support
- Attendance & Assessment
- Impartiality & Judgment
- Personal attributes.

#### e) Remuneration Policy

In accordance with provisions of the Act and SEBI (LODR) Regulations, your Company has put in place the Policy which defines the selection of directors & remuneration guidelines and key terms of employment for directors, Key Managerial Personnel, Senior Management and other employees of TVS Srichakra Limited with the object of attracting, retaining and motivating talent which are required to run the Company successfully.

The overall guiding principle is that the remuneration and terms of employment shall be with the intent that the Company will be able to attract and retain directors, Key Managerial Personnel, Senior Management and other employees of high caliber and talent. The remuneration and terms of employment envisaged under the policy is competitive and in line with prevalent Industry standards.

The Remuneration Policy of Company is available at <https://tvseurogrip.com/investor-relations/policy/>

#### i. Remuneration paid to Non-Executive Directors

The details of remuneration (₹ in Lakhs) paid to Non-Executive directors and their shareholdings are as follows:

(a) Sitting Fees paid (b) Commission paid (c) Total (d) No. of shares Mr. M S Viraraghavan (a) 1.40 (b) 10.85 (c) 12.25 (d) Nil, Mr. H Janardana Iyer (a) 2.00 (b) 15.00 (c) 17.00 (d) Nil, Mr. V Ramakrishnan (a) 1.20 (b) 10.00 (c) 11.20 (d) Nil, Mr. Rasesh R Doshi (a) 1.80 (b) 15.00 (c) 16.80 (d) Nil, Ms. S V Mathangi (a) 1.10 (b) 10.00 (c) 11.10 (d) Nil, Mr. S Ravichandran (a) 2.30 (b) 15.00 (c) 17.30 (d) 5, Mr. P Srinivasavaradhan\* (a) 1.40 (b) 10.00 (c) 11.40 (d) 800, Mr. Ashok Srinivasan (a) 0.20 (b) 1.32 (c) 1.52 (d) Nil, Mr. Piyush Jinendrakumar Munot (a) 0.20 (b) 1.32 (c) 1.52 (d) Nil.

\* In addition, consultancy fee of ₹ 99 Lakhs paid pursuant to shareholders resolution passed at their meeting held on 16<sup>th</sup> September 2020.

#### ii. Remuneration paid to Executive Directors

Particulars of remuneration paid to Executive Vice Chairman and Managing Director during the financial year 2023-24:

(a) Designation (b) Salaries & Allowances (c) Commission (d) Perquisites (e) Total [₹ in lakhs] Ms. Shobhana Ramachandhran (a) Managing Director (b) 549.00# (c) 218.00 (d) Nil (e) 767.00; Mr. R Naresh (a) Executive Vice Chairman (b) 250.00 (c) 470.00 (d) Nil (e) 720.00

# includes contribution to Provident and superannuation fund

### 3. Stakeholders' Relationship Committee (SRC)

In conformity with provisions of Section 178 (5) of the Act and SEBI (LODR) Regulations, the board constituted the Stakeholders' Relationship Committee.

**a) Chairman and Composition**

- Mr. V Ramakrishnan, Chairman
- Ms. Shobhana Ramachandhran, and
- Ms. S V Mathangi

Mr. Chinmoy Patnaik, Company Secretary and Compliance Officer, acts as the Secretary to SRC.

The Chairman of this Committee was present at the Annual General Meeting of the Company held on 20<sup>th</sup> September 2023, conducted through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

**b) Terms of reference of SRC:**

1. SRC shall consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year, three (3) complaints were received from the shareholders, and all were resolved to the satisfaction of the shareholders and there was no pending complaint as on 31<sup>st</sup> March 2024.

All requests for dematerialization of shares were carried out within the stipulated period and no share certificate was pending for dematerialization.

**c) Particulars of meetings and attendance:**

During the financial year 2023-24, SRC met on 26.4.2023. Except Ms. Shobhana Ramachandhran, all the members attended the meeting of the Committee.

**4. Corporate Social Responsibility (CSR) Committee**

Pursuant to the provisions of Section 135 of the Act, the Company has formed the CSR Committee.

**a) Chairman and Composition**

- Ms. Shobhana Ramachandhran, Chairperson
- \*Mr. Rasesh R Doshi,
- Mr. V Ramakrishnan and
- \*\*Mr. Ashok Srinivasan

\* Ceased as member of CSR Committee effective from 23<sup>rd</sup> May 2024, consequent to his retirement.

\*\* Appointed as a member of CSR Committee effective from 20<sup>th</sup> March 2024.

Mr. Chinmoy Patnaik, Company Secretary and Compliance Officer, acts as the Secretary of the CSR Committee.

**b) Terms of reference of CSR Committee:**

1. To frame the CSR Policy and its review from time-to-time.
2. To ensure effective implementation of the CSR activities as per the approved policy, plans and budget.
3. To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the board of directors.

**c) Particulars of meetings and the attendance:**

During the financial year 2023-24, the Corporate Social Responsibility Committee did not have any meeting during the year. The required resolutions were passed by the committee through resolution by circulation.

**5. Risk Management Committee (RMC)**

Your Company has constituted a RMC pursuant to Regulation 21 of SEBI (LODR) Regulations.

**a) Chairman and Composition**

- Mr. V Ramakrishnan, Chairman
- Mr. S Ravichandran, and
- Ms. S V Mathangi

Mr. Chinmoy Patnaik, Company Secretary and Compliance Officer, acts as the Secretary of the Committee.

**b) Terms of reference of RMC**

- Monitors and reviews of the risk management plan and
- Such other functions as it may deem fit including matters relating to cyber security.
- In addition to the above, other mandatory enhanced role of the committee as stipulated in Part D of Schedule II of SEBI (LODR) Regulations which are as follows:

To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- Ensures that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.
- Monitors and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- Keep the board of directors informed about the nature and content of its RMC discussions, recommendations, and actions to be taken.
- Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by RMC.
- Coordinate its activities with other committees, in instances where there is overlap with activities of such committees, as per the framework laid down by the Board of Directors.
- Such other functions and responsibilities as it may deem fit or as may be amended/introduced by statute from time to time in future.

**c) Particulars of meetings and attendance:**

During the financial year 2023-24, the meetings of the committee were held on 26.6.2023, 27.7.2023 and 5.1.2024. All members of the Committee were present at all the meetings.

Mr. Chinmoy Patnaik, Company Secretary and Compliance Officer, acts as the Secretary to RMC.

Senior Management Personnel were also invited to the meetings.

**IV. SHAREHOLDER INFORMATION**

**1.General Body Meeting / AGM**

The details of Annual General Meetings of the Company held in the last three years are provided below:

<b>A</b>	<b>B</b>	<b>C</b>
<b>Year – 2020-21</b>	<b>Year – 2021-22</b>	<b>Year – 2022-23</b>
<b>Date of Meeting:</b> 9 <sup>th</sup> September 2021	<b>Date of Meeting:</b> 21 <sup>st</sup> September 2022	<b>Date of Meeting:</b> 20 <sup>th</sup> September 2023
<b>Time of Commencement:</b> 10:00 AM	<b>Time of Commencement:</b> 10:00 AM	<b>Time of Commencement:</b> 10:00 AM
<b>Location:</b> Madurai, (meeting held via Video Conferencing / Other Audio-Visual Means (VC/OAVM))	<b>Location:</b> Madurai, (meeting held via Video Conferencing / Other Audio Visual Means (VC/OAVM))	<b>Location:</b> Madurai, (meeting held via Video Conferencing / Other Audio Visual Means (VC/OAVM))

**2. Details of Special Resolutions passed in AGMs held in the last three years**

- At the Annual General Meeting held for the financial year 2020-21, no special resolution was passed.
- At the Annual General Meeting held for the financial year 2021-22, no special resolution was passed.
- At the Annual General Meeting held for the financial year 2022-23, two special resolutions were passed relating to the following items:
  - Commission payable to Non-Executive Directors.
  - Re-appointment of Mr. V. Ramakrishnan as an Independent Director.
- During the financial year 2023-24, two special resolutions were passed through the Postal Ballot which were relating to the appointment of Mr. Ashok Srinivasan as Independent Director and appointment of Mr. Piyush Jinendrakumar Munot as Independent Director. Postal ballot was carried out with e-voting facility as per the applicable provisions of the Act, read with underlying rules and relevant circulars (General Circular 9/2023 dated 25<sup>th</sup> September 2023) issued by Ministry of Corporate Affairs and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Furnished below is the voting pattern.

Mr. N. Balachandran, Company Secretary in Practice, was appointed as Scrutinizer for the said Postal Ballot.





Resolution No. 1			Appointment of Mr. Ashok Srinivasan as Independent Director					
Resolution Required			Special Resolution					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled	% of votes against on votes polled
		1	2	$3 = \{(2) / (1)\} * 100$	4	5	$6 = \{(4) / (2)\} * 100$	$7 = \{(5) / (2)\} * 100$
Promoter & Promoter Group	E-voting	3499493	3499493	100.00	3499493	-	100.00	0.00
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	<b>Total</b>	<b>3499493</b>	<b>3499493</b>	<b>100.00</b>	<b>3499493</b>		<b>100.00</b>	<b>0.00</b>
Public-Institution	E-voting	468357	435457	92.98	435457	-	100.00	0.00
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	<b>Total</b>	<b>468357</b>	<b>435457</b>	<b>92.98</b>	<b>435457</b>		<b>100.00</b>	<b>0.00</b>
Public-Non Institution	E-voting	3689200	29165	0.79	28417	748	97.44	2.56
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	<b>Total</b>	<b>3689200</b>	<b>29165</b>	<b>0.79</b>	<b>28417</b>	<b>748</b>	<b>97.44</b>	<b>2.56</b>
<b>Total</b>		<b>7657050</b>	<b>3964115</b>	<b>51.77</b>	<b>3963367</b>	<b>748</b>	<b>99.98</b>	<b>0.02</b>

Resolution passed with requisite majority.

Resolution No. 2			Appointment of Mr. Piyush Jinendrakumar Munot as Independent Director					
Resolution Required			Special Resolution					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled	% of votes against on votes polled
		1	2	$3 = \{(2) / (1)\} * 100$	4	5	$6 = \{(4) / (2)\} * 100$	$7 = \{(5) / (2)\} * 100$
Promoter & Promoter Group	E-voting	3499493	3499493	100.00	3499493	-	100.00	0.00
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	<b>Total</b>	<b>3499493</b>	<b>3499493</b>	<b>100.00</b>	<b>3499493</b>		<b>100.00</b>	<b>0.00</b>
Public-Institution	E-voting	468357	430924	92.01	435457	-	100.00	0.00
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	<b>Total</b>	<b>468357</b>	<b>430924</b>	<b>92.01</b>	<b>430924</b>		<b>100.00</b>	<b>0.00</b>
Public-Non Institution	E-voting	3689200	29167	0.79	28389	778	97.33	2.67
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	<b>Total</b>	<b>3689200</b>	<b>29167</b>	<b>0.79</b>	<b>28389</b>	<b>778</b>	<b>97.33</b>	<b>2.67</b>
<b>Total</b>		<b>7657050</b>	<b>3959584</b>	<b>51.77</b>	<b>3958806</b>	<b>778</b>	<b>99.98</b>	<b>0.02</b>

Resolution passed with requisite majority.

e) As on date of this report, the company does not propose to pass any special resolution by way of Postal Ballot.

### 3. Transfer of Unclaimed Dividend Shares to Investor Education and Protection Fund Authority (IEPF Authority)

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with Section 124 of the Act, intimations have been sent to concerned shareholders requesting them to encash their unclaimed dividends falling which the unclaimed dividends and the corresponding shares held by them will be transferred to IEPF Authority.

Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred 5,390 Equity Shares for the FY 2015-16 Interim I and 4,614 Equity Shares for the FY 2015-16 Interim II, in respect of which dividend has not been claimed by the shareholders for seven consecutive years, to the Investor Education and Protection Fund Authority (IEPF Authority) during the financial year 2023-24. Details of shares transferred have been uploaded on the website of IEPF as well as the Company's website <https://tvseurogrip.com/investor-relations/unclaimed-dividend-shares/>.

**4. Disclosures with respect to demat suspense account / unclaimed suspense account.****a) Unclaimed Share Certificates**

Pursuant to the provisions of SEBI (LODR) Regulations, the unclaimed and returned undelivered share certificates were dematerialized and transferred to “Unclaimed Suspense Account” with M/s. Geojit BNP Paribas Financial Services Limited, Kochi, after the Company has sent reminder letters to the respective shareholders and received no replies.

As and when the member approaches the Company with required documents, the Company shall credit the shares lying in the suspense account to the demat account of the member.

Number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year		Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Number of shareholders and the outstanding shares in the suspense account lying at the end of the year	
No. of share holders	No. of shares in the suspense account			No. of share holders	No. of shares in the suspense account
3	105	-	-	3	105

Voting rights on the shares outstanding in the suspense account as on 31/3/2024 shall remain frozen till the rightful owner of such shares claims the shares.

**b) Timely encashment of dividends**

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation / losing your right to claim owing to transfer of unclaimed dividends beyond seven years to Investors Education and Protection Fund (IEPF).

Shareholders are requested to furnish details of bank account number, name and address of the bank to enable the Company to credit the dividend proceeds directly to their bank account, with intimation to the member thereby avoiding wrong credits to/by unauthorized persons.

Shareholders who have not encashed their dividend warrants in respect of dividend declared for the financial year ended 31<sup>st</sup> March 2017 and for any financial year thereafter may contact the Company and surrender their warrants for payment.

Information in respect of the unclaimed dividend of the Company with due date for remittance to IEPF is given below:

Financial Year	Date of declaration	Date of transfer to special account	Proposed Date of transfer to IEPF
31.03.2017	23.08.2017	22.09.2017	20.10.2024
31.03.2018	27.09.2018	26.10.2018	24.11.2025
31.03.2019	11.09.2019	11.10.2019	10.11.2026
31.03.2020	18.03.2020	09.04.2020	07.05.2027
31.03.2021	09.09.2021	11.10.2021	09.11.2028
31.03.2022	21.09.2022	26.10.2022	24.11.2029
31.03.2023	20.09.2023	27.10.2023	25.11.2030

## V. GENERAL SHAREHOLDER INFORMATION

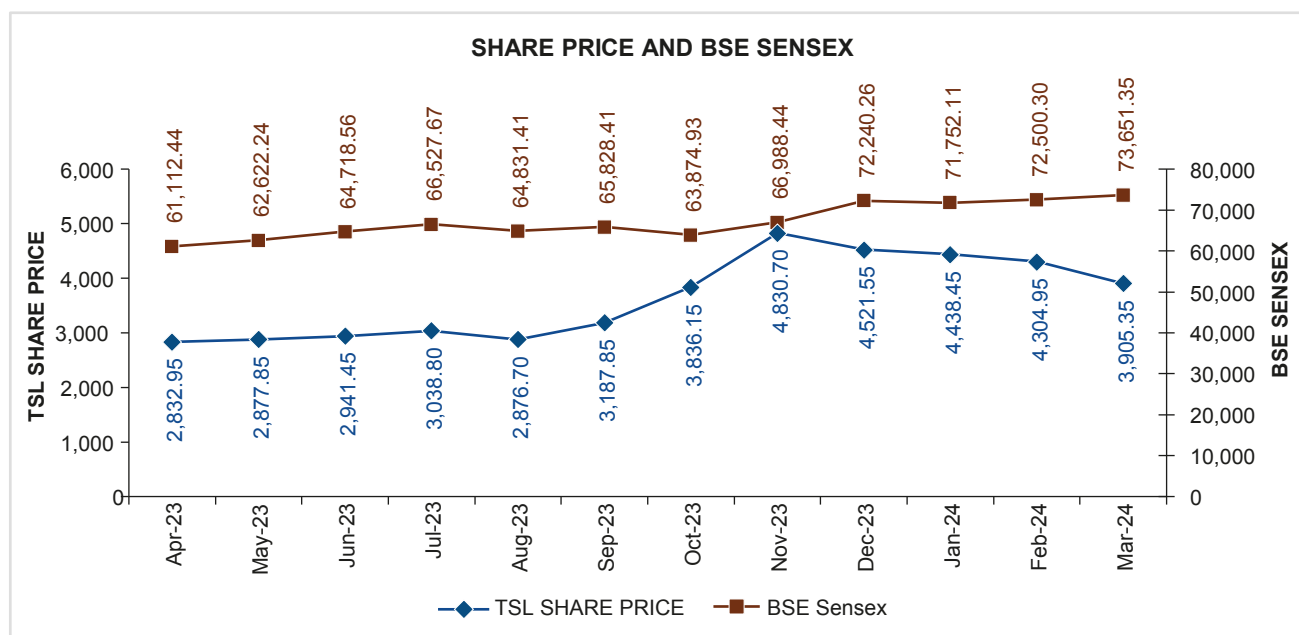
## 1. Annual General Meeting for financial year 2023-24

a)	<b>Annual General Meeting, Date, Time and Venue</b>	Date: 12 <sup>th</sup> September 2024 Day : Thursday Time: 11.00 AM Mode: Video Conference / Other Audio Visual Means (OAVM)
b)	<b>Financial Year</b>	1 <sup>st</sup> April 2024 to 31 <sup>st</sup> March 2025
	<b>Financial reporting for the quarter ending</b>	Financial calendar 2024-25 (tentative)
	<b>30<sup>th</sup> June 2024</b>	Before 14 <sup>th</sup> August, 2024
	<b>30<sup>th</sup> September, 2024</b>	Before 14 <sup>th</sup> November, 2024
	<b>31<sup>st</sup> December, 2024</b>	Before 14 <sup>th</sup> February, 2024
	<b>31<sup>st</sup> March, 2025</b>	Before 30 <sup>th</sup> May, 2025
c)	<b>Dividend Payment date</b>	The dividend, if declared at AGM, will be paid on or after 17 <sup>th</sup> September, 2024
	<b>Book Closure Dates</b>	From 31 <sup>st</sup> August 2024 to 12 <sup>th</sup> September, 2024 (both days included)
d)	<b>Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)</b>	
e)	<b>Name of the Stock Exchange</b>	Stock code / Symbol
	<b>BSE Ltd</b>	509243
	<b>National Stock Exchange of India Ltd</b>	TVSSRICHA
	<b>ISIN allotted by Depositories (Company ID Number)</b>	INE421C01016
	<b>Annual listing fees and custodial charges for the year 2023-24 have been paid to the above Stock Exchanges and to the Depositories.</b>	

## 2. Market price data

Month	BSE Ltd (BSE)		National Stock Exchange Ltd (NSE)	
	High	Low	High	Low
April 2023	2895.30	2515.00	2896.70	2531.40
May 2023	3300.00	2817.00	3289.75	2817.80
June 2023	3023.00	2823.65	3027.60	2821.00
July 2023	3252.15	2928.00	3262.55	2928.05
August 2023	3243.40	2756.00	3239.90	2755.00
September 2023	3211.95	2865.00	3214.00	2860.00
October 2023	4073.95	3219.70	4047.00	3200.05
November 2023	5094.95	3816.05	5097.00	3797.15
December 2023	4890.35	4400.10	4893.75	4399.60
January 2024	4631.95	4301.00	4646.00	4291.05
February 2024	4550.00	3932.20	4521.00	3919.95
March 2024	4427.60	3897.25	4474.00	3900.00

### 3. Performance in comparison to broad-based indices such as BSE Sensex



### 4. Registrar to an Issue and Share Transfer Agents

M/s. Integrated Registry Management Services Pvt. Limited, Chennai,

M/s. Integrated Registry Management Services Pvt. Limited, Chennai, is the common agency for all investors servicing activities relating to both electronic and physical segments.

Address: M/s. Integrated Registry Management Services Pvt. Limited  
 "Kences Towers" II Floor, No.1, Ramakrishna Street,  
 North Usman Road, T Nagar, Chennai 600017  
 Phone : 044 – 28140802 – 803 Fax : 044 – 28142479  
 Email : corperv@integratedindia.in

### 5. Share Transfer System

All requests for dematerialization of securities received in the financial year 2023-24 are processed and confirmation is given to the Depositories within three days from the receipt of such request. Grievances received from shareholders and other miscellaneous correspondence on change of address, mandates, etc., are processed by the Share Transfer Agent of the Company within three days. The following certificates issued by a Company Secretary-in-Practice are submitted to Stock Exchanges:

- Quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 2018.
- On an annual basis, produce a certificate from a Practicing Company Secretary within a period of 30 days from the end of the financial year, certifying that all the share certificates were issued within thirty days from the date of lodgement for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies as required under Regulation 40 of the SEBI (LODR) Regulations.

As per SEBI (LODR) Regulations, the e-mail IDs, viz., [sec.investorgrievances@eurogriptyres.com](mailto:sec.investorgrievances@eurogriptyres.com); [secretarial@eurogriptyres.com](mailto:secretarial@eurogriptyres.com) were hosted on the Company's website for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances thereafter.

Shareholders are requested to correspond with the Share Transfer Agent for transmission of shares, duplicate share certificates, change of address and queries pertaining to their shareholdings, dividends, etc., at the address given in this report.

### 6. Distribution of Shareholding

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
Upto 500	24879	97.17	1502955	19.63
501 - 1000	412	1.61	297221	3.88
1001 - 2000	166	0.65	241600	3.16
2001 - 3000	52	0.20	130327	1.70
3001 - 4000	19	0.07	64945	0.85
4001 - 5000	10	0.04	46368	0.61
5001 - 10000	22	0.09	148852	1.94
10001 and above	44	0.17	5224782	68.23
<b>Total</b>	<b>25604</b>	<b>100.00</b>	<b>7657050</b>	<b>100.00</b>

## 7. Dematerialization of shares and liquidity

Out of the 41,57,557 shares held by persons other than promoters, 38,77,321 shares have been dematerialized as on 31<sup>st</sup> March 2024 accounting to 93.26 %.

Company has already achieved 100% of promoter group's shareholding in dematerialized form consisting of 34,99,493 equity shares of face value of ₹ 10/- each.

Details of public funding obtained in the last three years - No capital has been raised in the last three years.

Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the Company's equity.

## 8. Credit Rating

Nature of Instrument / Bank facilities	Rating agency	Rating assigned with outlook
Fund Based Working Capital Limits	India Ratings & Research Pvt Ltd	IND AA-/STABLE/IND A1+
Non-Fund Based Working Capital Limits	India Ratings & Research Pvt Ltd	IND AA-/STABLE/IND A1+
Term Loans	India Ratings & Research Pvt Ltd	IND AA-/STABLE
Commercial Paper	India Ratings & Research Pvt Ltd	IND A1+

## 9. Code of Conduct

Company has a Code of Conduct for Business and Ethics, for its board of directors and Senior Management Personnel, duly approved by the Board.

All members of the board and Senior Management Personnel have complied with the Code for the year ended 31<sup>st</sup> March 2024. A declaration to this effect signed by the Managing Director is annexed to this report.

The Code of Conduct for Business and Ethics of the Company are available at: <https://tvseurogrip.com/investor-relations/code-of-conduct-2/>

## 10. Whistle Blower / Vigil Mechanism Policy

To address, prevent and mitigate the risks of fraud and misconduct in the Company, the Audit Committee has laid down a Whistle Blower Policy and has established the necessary Vigil Mechanism to ensure fraud free work environment.

The Whistle Blower policy of the Company allows directors and permanent employees to raise their genuine concerns internally about unethical behavior, actual or suspected fraud, or violation of the Code of Conduct. It also provides for adequate safeguards against the victimization of employees who avail the mechanism and allows direct access to the Chairperson of Audit Committee in exceptional cases. During the year, no person was denied access to the Audit Committee and no instance was reported under this policy.

The Whistle Blower Policy of the Company is available at <https://tvseurogrip.com/investor-relations/policy/>

## 11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, the Company has not received any complaints in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As stipulated by SEBI, the status of complaints received on sexual harassment is as below:

- Number of complaints filed during the Financial Year - Nil
- Number of complaints disposed off during the Financial Year - Not applicable
- Number of complaints pending as on end of the Financial Year - Not applicable

## 12. Prohibition of Insider Trading

Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per SEBI (Prohibition of Insider Trading) Regulations, 2015. It governs all the directors and designated persons who could have access to Unpublished Price Sensitive Information of the Company. Annual declarations were taken from the directors and designated persons, as at the end of the year.

The company closes the trading window from the end of every quarter till 48 hours after the declaration of financial results during which the Designated Persons are advised not to trade in Company's securities.

## 13. Subsidiary Companies

Though the Company does not have any material subsidiary as per SEBI (LODR) Regulations, a policy on material subsidiary(s) has been formulated by the Company.

The Material Subsidiary Policy of the Company is available on our website at: <https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/MATERIAL-SUBSIDIARY-POLICY.pdf>

The minutes of the board meetings of unlisted subsidiary companies are periodically placed before the board. The board is also informed about all significant transactions and arrangements entered into by the unlisted subsidiary. Audit Committee reviews the financial statements of subsidiaries periodically.

#### 14. Particulars of Senior Management including changes therein since the close of the Previous Financial Year:

During the year under review, there were no changes in the Senior Management of the Company. The particulars of senior management as on 31<sup>st</sup> March 2024 are as follows:

Sr. No.	Name	Designation
1.	Mr. Arvind Singh	Chief Operating Officer
2.	Mr. Rajagopalan Balasubramanian	Chief Financial Officer
3.	Mr. Chinmoy Patnaik	Vice President (Legal & Secretarial) and Company Secretary
4.	Mr. Suresh Sivanandam	Vice President (HR & ER)

#### 15. Disclosure of Accounting Treatment

Company, while preparing Financial Statements for the year 2023-24, has followed all relevant Accounting Standards as notified by the Companies (Indian Accounting Standards) Rules, 2015.

#### 16. Risk Management

Company has laid down various procedures to update the board about the risk assessment and mitigation procedures, which provides a defined framework for the board to manage risks effectively.

#### 17. Commodity Price Risk / Foreign Exchange Risk

The Company effectively manages volatility in commodity prices through a rigorous price forecast mechanism, coupled with refined procurement policies. Additionally, the Company adeptly manages its securities portfolio to mitigate the impact of such volatility.

Regarding fluctuations in Foreign Exchange prices, the Company has a meticulously crafted Hedging Policy, duly approved by the Board. The Company ensures strict compliance with rules, regulations, and guidelines prescribed by the Reserve Bank of India, ensuring alignment with regulatory requirements.

#### 18. Plant Locations

##### a) Tamil Nadu

- i. Perumalpatti Road, Vellaripatti, Melur Taluk, Madurai District, Pin 625 122
- ii. Narasingampatti, Therkutheru, Melur Taluk, Madurai District, Pin 625 122

##### b) Uttarakhand

- i. Unit - I, Plot No. 7, Sector - 1, Integrated Industrial Estate, SIDCUL, Pantnagar, Rudrapur, Tehsil - Kichha, District Udham Singh Nagar, Uttarakhand - 263 153
- ii. Unit - II, Plot No.17, 18, 19, 52, 53, 54, Sector - 5, Pantnagar, Udham Singh Nagar, Uttarakhand - 263 153

#### 19. Address for communication

TVS Srichakra Limited, No.10, Jawahar Road, Madurai 625 002  
 Phone : 0452 2443300  
 Email : [sec.investorgrievances@eurogriptyres.com](mailto:sec.investorgrievances@eurogriptyres.com); [secretarial@eurogriptyres.com](mailto:secretarial@eurogriptyres.com)  
 Website : [www.tvseurogrip.com](http://www.tvseurogrip.com)

#### 20. Compliance Officer

Mr. Chinmoy Patnaik, Company Secretary  
 TVS Srichakra Limited, No.10, Jawahar Road, Madurai 625 002  
 Phone: 0452 – 2443300 Email id - [secretarial@eurogriptyres.com](mailto:secretarial@eurogriptyres.com)

#### 21. Means of communication

Pursuant to the provisions of SEBI (LODR) Regulations, the approved Quarterly, Half-Yearly and Annual Financial Results of the Company are reported to and uploaded on the website of the National Stock Exchange of India Ltd. and BSE Ltd. The results are simultaneously published in Business Line and Dinamalar newspapers and posted on the website of your Company at [www.tvseurogrip.com](http://www.tvseurogrip.com).

**22. Instances of non-compliance(s), if any**

In the financial year 2023-24:

- There were no instances of non-compliance by the Company.
- No penalties and strictures were imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets during the last three years, except a fine of Rs.37,760/- imposed by BSE in a matter relating to Reg.52 (4) of SEBI (LODR) Regulations during financial year 2022-23.

**23. Disclosure of certain type of agreements binding on the listed entity**

During the financial year 2023-24, no agreements were entered requiring a disclosure under Clause 5A to para A of part A of Schedule III of SEBI Listing Regulations.

**24. Compliance with mandatory / non-mandatory requirements**

Your Company has complied with all mandatory requirements in terms of SEBI (LODR) Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

**VI. MANAGEMENT REVIEW AND RESPONSIBILITY****1. Certificate from Practicing Company Secretary**

The Secretarial Auditor of the Company has given a certificate stating that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report.

The company has duly complied with the requirements specified in Regulations 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**2. CEO and CFO certification**

Managing Director and the Chief Financial Officer (CFO) of the Company have certified on financial and other matters in accordance with Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 for the financial year ended 31<sup>st</sup> March 2024. The certificate is enclosed with this report.

**3. Auditors' Certificate on Corporate Governance**

Auditor's Certificate confirming compliance with conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for financial year 2023-24 is enclosed with this report.



## CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION

### The Board of Directors TVS Srichakra Limited

We certify as under

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief we state that:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and Audit Committee that there were
- i) no significant changes in internal control over financial reporting during the year;
  - ii) no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Place: Madurai  
Date: 25<sup>th</sup> June 2024

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

---

## CERTIFICATE

### The Shareholders TVS Srichakra Limited

I, Shobhana Ramachandhran, Managing Director of the Company, hereby confirm that all the members of your board and the Senior Management Personnel of your Company, have confirmed their compliance to the Code of Conduct of the Company, during the year ended 31<sup>st</sup> March, 2024.

Place: Madurai  
Date: 25<sup>th</sup> June 2024

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837





To  
**The Board of Directors of TVS Srichakra Limited**

1. This Certificate is issued in accordance with the terms of our engagement letter dated 30<sup>th</sup> January 2024.
2. We have examined the compliance of conditions of Corporate Governance by TVS Srichakra Limited ('the Company') for the year ended 31<sup>st</sup> March 2024, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

#### **Management's Responsibility**

3. The compliance of Corporate Governance is the responsibility of the Management. The responsibility includes the designing, implementing, and maintaining operating effectiveness of internal controls to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

#### **Auditor's Responsibility**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in the Paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Standards on Auditing, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI') and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

#### **Opinion**

7. Based on the procedures performed by us and to the best of our information, according to the explanations provided to us and the representation made by the management, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31<sup>st</sup>, 2024.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

#### **Restrictions on use**

9. This certificate is addressed and provided to the Board of Directors of the Company solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing

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

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No. 027251  
UDIN: 24027251BKDHHO1330  
Place: Chennai  
Date: 14<sup>th</sup> June 2024

## CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS 2023 - 24

**N.BALACHANDRAN B.COM., A.C.S.,**  
Company Secretary In Practice

C/2 Yamuna Flats, 16<sup>th</sup> Street  
Nanganallur, Chennai - 600061  
Cell: 9444376560

**To,**  
**The Members**  
**TVS SRICHAKRA LIMITED**  
CIN: L25111TN1982PLC009414  
TVS Building,  
No 7B, West Veli Street,  
Madurai- 625001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **TVS SRICHAKRA LIMITED**, having CIN: L25111TN1982PLC009414 and having registered office at TVS Building, No 7B, West Veli Street, Madurai- 625001 (hereinafter referred to as the company'), produced before me by the company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Directors Identification Number (DIN) status at the [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

**Place:** Chennai  
**Date:** 27<sup>th</sup> April 2024

Sd/-  
**N. Balachandran**  
Designation: Company secretary In Practice  
Membership No.: **A5113 CP No.: 3200**  
UDIN No: **A005113F000262601**

**SECTION A: GENERAL DISCLOSURES**

**I. Details of the listed entity**

1.	Corporate Identity Number (CIN) of the Listed Entity	L25111TN1982PLC009414
2.	Name of the Listed Entity	TVS Srichakra Limited
3.	Year of incorporation	2-6-1982
4.	Registered office address	TVS Building, 7-B West Veli Street, Madurai 625 001
5.	Corporate address	No.10, Jawahar Road, Madurai 625 002. Tamil Nadu.
6.	E-mail	<a href="mailto:secretarial@eurogriptyres.com">secretarial@eurogriptyres.com</a>
7.	Telephone	0452 2443300
8.	Website	<a href="http://www.tvseurogrip.com">www.tvseurogrip.com</a>
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 7,65,70,500/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Chinmoy Patnaik (Company Secretary) Telephone No.- 0452 2443300 Email ID- secretarial@eurogriptyres.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

**II. Products/ Services**

16. Details of business activities (accounting for 90% of the turnover)

S. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacture of tyres and tubes	Manufacture of rubber tyres and tubes for motor vehicles, motorcycles, scooters, three-wheelers, tractors and aircraft	99.52%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No	Product/Service	NIC Code	% of contributed total Turnover
1	Manufacture of tyres and tubes	Class 22111* *As per National Industrial Classification (2008)	99.52%

**III. Operations**

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	118	120
International	-	1	1

19. Markets served by the entity.  
a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	90+ countries



b. What is the contribution of exports as a percentage of the total turnover of the entity?  
% of Total Turnover – 14.6%

c. A brief on types of customers  
Domestically, the company supplies tyres to vehicle manufacturers (commonly known as Original Equipment Manufacturers - OEMs) as well as the replacement market, serviced through a network of depots, distributors and retailers. The company also sells its range of products in the global markets.

**IV. Employees**

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No	Particulars	Total(A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>EMPLOYEES</b>						
1	Permanent (D)	2,762	2,740	99%	22	1%
2	Other than Permanent (E)	-	-	-	-	0%
3	<b>Total Employees (D+E)</b>	2,762	2,740	99%	22	1%
<b>WORKERS</b>						
4	Permanent (F)	2,014	2,014	100%	-	0%
5	Other than Permanent (G)	-	-	0%	-	0%
6	<b>Total Workers(F+G)</b>	2,014	2,014	100%	-	0%

b. Differently abled Employees and workers:

S. No	Particulars	Total(A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	1	1	100%	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	<b>Total Employees (D+E)</b>	1	1	100%	-	-
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	<b>Total Workers(F+G)</b>	-	-	-	-	-

21. Participation/Inclusion/Representation of women

Particulars	TOTAL(A)	No. and Percentage of Females	
		No.(B)	%(B/A)
Board of Directors *	10	2	20%
Key Management Personnel **	3	1	33%

\* As on 31.03.2024 and includes Managing Director

\*\* Key Management Personnel are Managing Director, Chief Financial Officer and Company Secretary



22. Turnover rate for permanent employees and workers (Disclose the trends for the past 3 Years)

Particulars	Turnover rate in FY 2023-24			Turnover rate in FY 2022-23			Turnover rate in FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees (in %)	17.84	18.60	17.87	9.45	28.57	9.60	8.07	33.33	8.28
Permanent Workers (in %)	6.81	-	6.81	3.55	-	3.55	5.25	-	5.25

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	TVS Srichakra Investments Limited	Subsidiary	100%	No
2	TVS Sensing Solutions Private Limited	Step down Subsidiary	100%	No
3	Fiber Optic Sensing Solutions Private Limited	Step down Subsidiary	90%	No
4	Super Grip Corporation	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover	₹ 2754.03 Crores
(iii) Net worth	₹ 1113.98 Crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL	NIL	NA	NIL	NIL	NA
Investors (Other than shareholders)	Yes	NIL	NIL	NA	NIL	NIL	NA
Shareholders	Yes	3	NIL	Resolved all the complaints	4	NIL	Resolved all the complaints
Employees and Workers	Yes	NIL	NIL	NA	NIL	NIL	NA
Customers	Yes	687	137	20% of claims under progress	1,593	NIL	Resolved all the complaints
Value chain partners	Yes	NIL	NIL	NA	NIL	NIL	NA



26. Overview of the entity’s material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environment & Sustainability	Opportunity	<ol style="list-style-type: none"> <li>The Company maximises the use of renewable energy sources. The renewable power consumption in Madurai plant increased from 71% to 74%.</li> <li>Company successfully uses 100% biomass fuel for steam generation in the Uttarakhand plant.</li> <li>Madurai plant maintained zero liquid discharge ensuring zero water pollution.</li> <li>Company provides ESP (Electrostatic Precipitators) in the boiler outlets to ensure clean chimneys.</li> </ol>	NA	<p><b>Positive</b> Increase in renewable power consumption has resulted in 31400 T of Co2 reduction. Usage of 100% biomass fuel in Uttarakhand plant has eliminated the generation of Co2 during steam generation in Boilers in this plant. Zero water pollution due to maintaining zero liquid discharge in Madurai plant.</p>
2	Business concentration	Risk	In the past, the company's operations have been concentrated in a few segments and geographies.	The company has embarked on a program to enlarge its presence in a larger number of segments (product as well as customer). In addition, greater focus on global markets has also been initiated.	<p><b>Negative</b> Risk of non-achievement of financial goals because of exposure to concentrated business segments and geographies.</p> <p><b>Positive</b> The initiatives taken by the company provide the opportunity to expand its business into a larger number of segments and geographies.</p>
3	Management of cost	Risk	<ul style="list-style-type: none"> <li>Raw material price volatility can affect budgeted product costing.</li> <li>Disturbances in global economy could lead to supply chain disruption, thereby impact on-time delivery of raw materials</li> </ul>	<ul style="list-style-type: none"> <li>The company optimises its cost by Strategic sourcing of seasonal inputs and entering into long term contracts with key suppliers.</li> <li>Supply security is protected with maximising domestic business share and on-boarding multiple vendors for each raw material.</li> </ul>	<p><b>Negative</b> Raw material and commodity pricing fluctuations have direct correlation with the profit margins.</p>
4	Innovation	Opportunity	The changing nature of the market, including the emergence of a rising electric vehicle segment provides an opportunity to deliver innovative products and services.	NA	<p><b>Positive</b> The company has a strong development program in place to address emerging product and market segments. This should have a positive impact on revenue and profitability.</p>
5	Global economic conditions	Risk	Demand-Supply mismatch, global economic policy changes leading to surge in raw material prices and reducing company's contribution.	Standardisation, more of commodity inputs that are locally available rather than speciality materials and cost competitive imports from FTA countries are few of the business approaches done by the company to control input costs.	<p><b>Negative</b> Lower market demand, Stiff competition and inability to pass-on the input cost increases in full affects the company's earnings.</p>
6	Employee engagement and organisation capability	Opportunity	The company has taken initiatives to align its organisation structure, build organisation capabilities and engage with employees.	NA	<p><b>Positive</b> The actions initiated are targeted at fulfilling the twin objectives of business success and an engaged workforce.</p>



SECTION B: Management And Process Disclosures

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Policies are available in the company's website - www.tvseurogrip.com								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fair-trade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF 16949, ISO 45001, ISO 14001, ISO 9001, ISO 50001								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	The company's functional leadership is responsible for ensuring compliance with the NGRBC principles. We are currently in the process of formalizing our ESG goals, which will be communicated once finalized.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	The company is currently formalizing its ESG goals, and progress on these goals will be communicated in due course.								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).	<p>Considering the nature of business of the company, ensuring that the environment is not adversely impacted either directly or indirectly by the operations of the company is a key ESG related challenge.</p> <p>We give utmost importance to all ESG aspects in our business decisions. We have increased renewable energy consumption, recycling of the wastes, reduced the usage of fossil fuels - to contribute to the circular economy.</p> <p>Our performance against each principle of National Guideline on Responsible Business Conduct is stated in Section C of this report.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Ms. Shobhana Ramachandhran (Managing Director) DIN: 00273837								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Corporate Social Responsibility (CSR) Committee is responsible for making decisions on sustainability issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director /Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	<b>P1, P2, P3, P4, P5, P6, P7, P8, P9</b>	<b>P1, P2, P3, P4, P5, P6, P7, P8, P9</b>
Performance against above policies and follow up action	Annual review of policies and performance are made and necessary actions, as required, are taken.	Policies are reviewed depending upon applicable laws and whenever there is a need.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The company is in compliance with all applicable material statutory requirements.	The policies are reviewed as prescribed under applicable laws.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
	The Company has framed the required policies and practices under each of the above principles and has not carried out any independent assessment of working of these policies.								



12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	<b>Not Applicable</b>								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: Principle Wise Performance Disclosure**

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent & Accountable.**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year 2023-24:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	-	-	-
Key Managerial Personnel	-		-
Employees other than BoD and KMPs	660	Skill development, health and safety and managerial excellence	100.00%
Workers	110	Skill Development	100.00%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In INR)	Brief of case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NIL				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Brief of case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NIL				
Punishment					





3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/ enforcement agencies / judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. To ensure that management is aware of its responsibilities for detection and prevention of fraud and for establishing procedures for preventing fraud and/or detecting fraud when it occurs. To provide clear guidance to employees and dealing with company forbidding them from involvement in any fraudulent activity and action to be taken by them where they suspect any fraudulent activity. More details on the policy are provided in the policy itself and the same is available on company's website.
---

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-24	FY 2022-23
Directors	NIL	
KMPs		
Employees		
Workers		

6. Details of complaint with regard to conflict of interest:

Particulars	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines, penalties, action taken by regulators, law enforcement agencies, judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable
----------------

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format

	FY 2023-24	FY 2022-23
Number of days of accounts payable	91	85

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from	NIL	NIL
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NIL	NIL
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	36.7%	35.5%
	b. Number of dealers / distributors to whom sales are made	680	576
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	7.5%	7.2%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.3%	0.2%
	b. Sales (Sales to related parties / Total Sales)	1.2%	1.2%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	30.8%	-
	d. Investments (Investments in related parties / Total Investments made)	27.6%	20.4%

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0.70%	2.49%	R&D We continuously strive to develop tyres to reduce the overall CO2 emission by using sustainable materials, recycled materials, etc... also adopt the least energy input-based tyre manufacturing process.  Others 1) Use of electric vehicles for intra-plant movement, which is eco-friendly and helps in reducing the carbon footprint.
Capex	3.39%	1.25%	2) Adoption of technologies that help to promote fuel savings, thermal energy savings, avoid air pollution and reduce the depletion of natural resources. 3) Green belt plantation at plants 4) Number of measures taken for energy savings, power quality improvement and avoiding pollution. 5) Rainwater harvesting to improve the groundwater level.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No -The company is currently in the process of formalizing a sustainable supply chain policy.

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The company is continuously exploring ways to enhance the safe reclamation of products for reuse, recycling, and eventual disposal at the end of their life cycle through various interventions. Currently, the following processes are in place:  
**Plastics:** We collaborate with Tamil Nadu Pollution Control Board (TNPCB) authorized agencies for recycling and repurposing.  
**E-waste:** We work with TNPCB authorized agencies to ensure e-waste is recycled and repurposed.  
**Hazardous waste:** We engage TNPCB authorized agencies to reuse hazardous waste as raw material in cement factories.  
**Other waste:** Boiler ash is sent to fly ash brick manufacturers for reuse.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) is applicable to the Company. Moreover, the Company is in full compliance with the action plan approved by the Central Pollution Control Board (CPCB) for the Financial Year 2023-24.



**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

1. a. Details of measures for the well being of employees:

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2,740	2,740	100%	2,740	100%	-	0%	2,740	100%	-	0%
Female	22	22	100%	22	100%	21	95%	-	0%	-	0%
<b>Total</b>	<b>2,762</b>	<b>2,762</b>	<b>100%</b>	<b>2,762</b>	<b>100%</b>	<b>21</b>	<b>1%</b>	<b>2,740</b>	<b>99%</b>	<b>-</b>	<b>0%</b>
Other Than Permanent Employees											
Male	-	-	0%	-	0%	-	0%	-	0%	-	0%
Female	-	-	0%	-	0%	-	0%	-	0%	-	0%
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>

b. Details of measures for the well being of workers:

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	2,014	2,014	100%	2,014	100%	-	0%	-	0%	-	0%
Female	-	-	0%	-	0%	-	0%	-	0%	-	0%
<b>Total</b>	<b>2,014</b>	<b>2,014</b>	<b>100%</b>	<b>2,014</b>	<b>100%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>
Other Than Permanent Workers											
Male	-	-	0%	-	0%	-	0%	-	0%	-	0%
Female	-	-	0%	-	0%	-	0%	-	0%	-	0%
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.6%	0.6%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes
Gratuity	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes
ESI	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes



3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

<p>Yes</p> <p>a) Facilities and amenities have been provided to disabled persons to enable them to work effectively;</p> <p>b) List of posts identified to sustain diversity and inclusion;</p> <p>c) Manner of selection of disabled persons for various posts, post-recruitment and pre-promotion training, preference in transfer, preference in allotment of residential accommodation (if any) and other facilities;</p> <p>d) Provisions for assistive devices, barrier-free accessibility and other provisions for disabled persons</p>
--

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

<p>Yes. It is covered in the Business Responsibility &amp; Sustainability policy of the company.                  Weblink - <a href="http://www.tvseurogrip.com">www.tvseurogrip.com</a></p>
--

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Employees can bring their grievances to the HR department through Union committee members or via their supervisor. If required, they can raise the grievances directly to HR and respective functional heads for clarification. A separate Family Counselling Center (FCC) also functions to keep the grievances handling on the right path and also for employee easy access to raise grievances.
Other than Permanent Workers	NA
Permanent Employees	Yes. These employees can report their grievances to their respective HRBP representative or the Head HR. The company, on a regular basis, sensitizes its employees on the prevention of the sexual harassment at the workplace, through workshops, group meetings, online training modules, and awareness programs.
Other than Permanent Employees	NA

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/Workers in respective category(A)	No. of employees/Workers in respective category, who are part of association(s) or Union(B)	%(B/A)	Total employees/Workers in respective category(C)	No. of employees/Workers in respective category, who are part of association(s) or Union(D)	%(D/C)
<b>Total Permanent Employees</b>	2,762	1,859	67%	2,681	1,859	69%
Male	2,740	1,859	68%	2,660	1,859	70%
Female	22	-	0%	21	-	0%
<b>Total Permanent Workers</b>	2,014	1,859	92%	1,979	1,859	94%
Male	2,014	1,859	92%	1,979	1,859	94%
Female	-	-	0%	-	-	0%



8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	TOTAL (A)	On health and safety		On skill upgradation		TOTAL (D)	On health and safety		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	2,740	2,740	100%	80	3%	2,660	2,660	100%	323	12%
Female	22	22	100%	-	0%	21	21	100%	-	0%
<b>Total</b>	<b>2,762</b>	<b>2,762</b>	<b>100%</b>	<b>80</b>	<b>3%</b>	<b>2,681</b>	<b>2,681</b>	<b>100%</b>	<b>323</b>	<b>12%</b>
<b>Workers</b>										
Male	2,014	2,014	100%	80	4%	1,979	1,979	100%	75	4%
Female	-	-	0%	-	0%	-	-	0%	-	0%
<b>Total</b>	<b>2,014</b>	<b>2,014</b>	<b>100%</b>	<b>80</b>	<b>4%</b>	<b>1,979</b>	<b>1,979</b>	<b>100%</b>	<b>75</b>	<b>4%</b>

9. Details of performance and career development reviews of employees and workers

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total. (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2,740	2,740	100%	2,660	2,660	100%
Female	22	22	100%	21	21	100%
<b>Total</b>	<b>2,762</b>	<b>2,762</b>	<b>100%</b>	<b>2,681</b>	<b>2,681</b>	<b>100%</b>
<b>Workers</b>						
Male	2,014	2,014	100%	1,979	1,979	100%
Female	-	-	0%	-	-	0%
<b>Total</b>	<b>2,014</b>	<b>2,014</b>	<b>100%</b>	<b>1,979</b>	<b>1,979</b>	<b>100%</b>

10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, manufacturing units of the company have an occupational health and safety management system in place. This is in accordance with the guidelines of ISO 45001:2018 standards, covering the employees, workers, visitors, contractual service providers, suppliers. Coverage is 100%.  
 The company's occupational health safety & environment policy works as a guiding document to implement, monitor and assess the occupational health and safety management system. EOHS risk is monitored during regular safety committee meetings, monthly review meeting with senior team, safety audits, various EOHS training/ awareness (Induction/ PEP Talk/ On the Job Training (OJT)/ Fire Safety etc.), work permit system, etc.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

These risks are assessed through conducting regular Hazard Identification & Risk Assessments (HIRA) and controlled through standard operating procedures, operational control procedures, visual display signages, safety audits, inspections, etc.,  
 Non-routine activities which may have hazards and related risks are assessed through conducting Job Safety Analysis (JSA) by expert teams (safety officer, engineering head, area head, contractor, safety committee member). Safety procedure has been developed for execution.  
 All critical activities are monitored through 8 types of work permits to ensure the health and safety of man, machines and materials. These are:  
 a) Hot work permit  
 b) Confined space entry permit  
 c) Height work permit  
 d) Night work permit  
 e) Excavation work permit  
 f) Lock Out Tag Out (LOTO) work permit  
 g) Lifting work permit  
 h) Heavy vehicle entry permit  
 We have various forums to record work related risks by consultation and participation of employees/workers in safety committee meetings, daily review meetings, PEP talks and shift start up meetings. Based on the nature of the recorded observations, actions are taken by supervisors and reviewed by the safety officer. This is horizontally deployed in all respective areas as corrective actions and are regularly reviewed.



c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, The company has a well-defined system to encourage employees/workers to record, monitor and mitigate work related hazards through various means including safety suggestions, near miss incident reporting, safety committee meetings, etc., We conduct various awareness sessions inside the manufacturing facilities on reporting unsafe conditions, near miss incidents, etc., to all our employees.  
Daily PEP talk is conducted inside shop floor on job related standard operating procedures through discussion with employees.  
Safety signages are provided inside the manufacturing facility on potential hazards.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The company has appointed certified medical officers (MO), who conduct various medical camps on diabetes, hypertension, anaemia, cardiac health, etc. Awareness sessions on preventive healthy lifestyle are conducted. Our occupational health center is equipped with adequate and required PPE with medical services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	0.034	0.83
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	4	7
No. of fatalities	Employees	NIL	NIL
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers		2

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The company strives to achieve a target of “ZERO ACCIDENTS, ZERO HEALTH HAZARDS AND ZERO LIQUID DISCHARGE”. The company's Occupational Health Safety and Environment (OHSE) policy covers the manufacturing plants of the company. The scope extends to employees and contractors.  
We conduct internal audits and third-party audits with experts at regular intervals, for identification and elimination of unsafe acts and unsafe working conditions. As part of the initiative of implementing good safety practices, at the beginning of the shift, operators conduct a self check of safety devices located on their machines.  
We regularly conduct safety awareness programs on the shop floor through safety PEP talks, KY training , fire & life support training including training through visual control displays. We follow a stringent practice of work permits system to ensure safe working methods are in place.  
We have conducted mass safety awareness programs during National Safety Month celebrations, Road Safety Week celebrations, for employees and their family members. We conduct periodical medical examinations and also health related awareness programmes for all employees.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL					
Health & Safety						

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	



15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We have a defined audit system to carry out internal & external audits of environmental, occupational health & safety parameters. Corrective actions for all categories of incidents/significant risks are identified and suitable actions are taken. We have developed a pool of internal auditors trained in the different ISO standards to review compliances periodically. Internal audits are conducted twice a year and external audits are conducted by a third party. Opportunities for improvement and non compliances raised in the internal/external audits are addressed. These are reviewed in monthly review meetings.

**PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders**

1. Describe the processes for identifying key stakeholder groups of the entity.

The policies of the company provide the approach for identifying and engaging with stakeholders that include shareholders, customers, employees, suppliers, communities, civil society, media and the government. The company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth. The company has put in place systems and procedures to identify, prioritize, and address the needs and concerns of its stakeholders across businesses and units in a continuous, consistent, and systematic manner so that the stakeholder priorities and interests are attended to and all their concerns are addressed.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, meetings, newspaper, company website, stock exchanges, other statutory authority	Regularly through company's website and website of stock exchanges, through annual general meetings	Disseminating and sharing of information with the shareholders with a view to update
All local residents living within the vicinity of the plant	No	Designated representative is available to have a periodical communication, handling grievances and maintaining smooth relationship.	As and when required	To maintain a smooth relationship as to ensure harmonies environment to run the plant amicably.
Employee	No	Town hall, notice board, meeting, pep talk at shop floor	As and when required	1.Communicate the business requirements and priorities. 2.Family counselling. 3.Employee engagement programme
Channel partners	No	Physical meetings, dealer meets, audits, loyalty programmes, 1 on 1 interactions, WhatsApp communication.	As and when required	Customer relationship, product knowledge, business development.
Suppliers	No	Supplier meets, audits, physical meetings and email	Engaged on daily, monthly and quarterly basis.	New product development, supplier relationship



**PRINCIPLE 5 Businesses Should Respect And Promote Human Rights**

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total(A)	No. of employees / workers covered (B)	%(B/A)	Total.(C)	No. of employees / workers covered (D)	%(D/C)
<b>Employees</b>						
Permanent	2,762	179	6%	-	-	0%
Other than permanent	-	-	0%	-	-	0%
Total Employees	2,762	179	6%	-	-	0%
<b>Workers</b>						
Permanent	-	-	0%	-	-	0%
Other than permanent	-	-	0%	-	-	0%
Total Workers	-	-	0%	-	-	0%

2. Details of minimum wages paid to employees and workers in the following format

Category	FY 2023-24					FY 2022-23				
	Total(A)	Equal to Minimum Wage		More than Minimum Wage		Total(D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	2,740	-	0%	2,740	100%	2,660	-	0%	2,660	100%
Female	22	-	0%	22	100%	21	-	0%	21	100%
<b>Other than Permanent</b>										
Male	-	-	0%	-	0%	-	-	0%	-	0%
Female	-	-	0%	-	0%	-	-	0%	-	0%
<b>Workers</b>										
<b>Permanent</b>										
Male	2,014	-	0%	2,014	100%	1,979	-	0%	1,979	100%
Female	-	-	0%	-	0%	-	-	0%	-	0%
<b>Other than Permanent</b>										
Male	-	-	0%	-	0%	-	-	0%	-	0%
Female	-	-	0%	-	0%	-	-	0%	-	0%

3. Details of remuneration/salary/wages

a. Median remuneration/ wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	8	10,42,466	1	10,00,000
Key Managerial Personnel	3	86,71,968	1	5,48,52,751
Employees other than BoD & KMP	723	8,10,000	21	9,50,004
Workers	2,014	6,17,820	NA	NA

\* Excluding Executive Vice Chairman and Managing Director





b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	3%	3%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the company has a process to address human rights issues, to provide counselling and to escalate critical issues to management for resolution.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company has grievance and harassment forums such as FCC, Union committee to address issues relating to human rights.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment			NIL			
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Employees with complaints related to discrimination can contact the HR team. The head of HR reviews the complaint, investigates, and sends all relevant information regarding the case for further discussion and action. If necessary, the issue may be reviewed with the Managing Director.

For cases of sexual harassment, the company has established an Internal Complaints Committee in accordance with the guidelines of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). Throughout the process, the confidentiality of the reporter is maintained, ensuring a safe environment for employees and workers to report any discrimination or harassment issues.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

YES

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/Involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

Note: All the above requirement Assessed by Labour Department and Internal audit system.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable
----------------

**PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A)	1,92,088	1,86,638
Total fuel consumption (B)	2,74,484	4,72,021
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>4,66,572</b>	<b>6,56,659</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	1,37,084	1,43,366
Total fuel consumption (E)	12,66,350	10,06,084
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>14,03,434</b>	<b>11,49,450</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>18,70,006</b>	<b>18,06,109</b>
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.000068	0.000063
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (Total energy consumed/ Revenue from operations adjusted for PPP)	0.001521	0.001397
<b>Energy intensity in terms of physical output</b>		
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO
----

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

NO
----



3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	2,77,329	3,01,595
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	2,77,329	3,01,595
<b>Total volume of water consumption (in kilolitres)</b>	2,77,329	3,01,595
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.000010	0.000011
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (Total water consumption/ Revenue from operations adjusted for PPP)	0.000226	0.000233
<b>Water intensity in terms of physical output</b>		
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO
----

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	<b>Zero Discharge plant</b>	
- No treatment		
- With treatment - please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) To seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
<b>Total water discharged (in Kilolitres)</b>		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes - Aqua Tech Systems Asia Private Limited
--

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the entity has implemented a mechanism for Zero liquid discharge. The Madurai factory are equipped with Electrostatic Precipitators (ESP) in Boilers, to reduce particulate matter in ambient, Zero Liquid Discharge (ZLD) wastewater treatment plants. The company is continuously driving to utilise increased share of green power, the power from renewable energy increased to 71% of total consumption. Installed 5Mw Roof top solar plants in our Madurai factory building roofs and get units around 25000 Units/day.



6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
Nox	µg/M³	42.4	34.2
Sox	µg/M³	21.65	21.2
Particulate matter (PM)	µg/M³	92.865	86.25
Persistent organic pollutants (POP)		Not Applicable	Not Applicable
Volatile organic compounds (VOC)	mg/m3	Max up to 0.37	Max up to 0.6
Hazardous air pollutants (HAP)		Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

Yes, independent assessment has been carried out by external agencies, plant wise. Details are as follows: Madurai Plant - Excellence Laboratory Uttarakhand Plant – Arihant Analytical Laboratory Pvt Ltd.
---

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions* (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCo2e	1,54,736	1,55,308
Total Scope 2 emissions* (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCo2e	27,049	28,289
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)</b>	TCo2e/INR	0.0000066007	0.0000064074
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)</b>	TCo2e/INR (Adjusted to PPP)	0.0001478559	0.0001420516
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

\* Detailed scope 1 and scope 2 assessment is planned in FY 2024-25

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO
----

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the entity has the following projects related to reducing greenhouse gas emission: <ol style="list-style-type: none"> <li>1. Provision of air cut off to curing press, centre mech-compressor energy saving.</li> <li>2. Mill Ideal time cut off for energy saving.</li> <li>3. Closed loop pressure control system for Hydraulic system.</li> <li>4. Stopping of heavy-duty equipment's during Peak hours.</li> <li>5. Power saving by providing VFD for Man coolers.</li> </ol>
---



9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	159.08	109.78
E-waste (B)	0.59	0.92
Bio-medical waste (C)	-	-
Construction and waste (D) demolition	-	-
Battery waste.(E)	33.43	10.83
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	1,045.04	593.56
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5,900.01	6,124.00
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>7,138.14</b>	<b>6,839.10</b>
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.000259	0.000239
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (Total water consumption/ Revenue from operations adjusted for PPP)	0.005806	0.005292
<b>Water intensity in terms of physical output</b>		
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	112.67	72.47
(ii) Re-used	879.20	421.35
(iii) Other recovery operations	-	-
<b>Total</b>	<b>991.87</b>	<b>493.82</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	53.17	99.74
(ii) Landfilling	390.00	-
(iii) Other disposal operations	5,703.10	6,245.54
<b>Total</b>	<b>6,146.27</b>	<b>6,345.28</b>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

NO

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

1. Wastewater coming out of cooling towers is treated by an ETP. The reject water from the ETP is further treated through evaporator. The reject is converted into the form of salts through the evaporator. The result is the maintenance and sustenance of zero liquid discharge.
2. Wastewater from toilets is treated in the STP and recycled. This also contributes to zero liquid discharge.
3. All our boilers are equipped with ESPs to significantly reduce particulate emission and maintain green chimneys.
4. Solid wastes generated from rejected tyres in process defective materials are disposed of through specified recycling contractors.
5. Generated sludge is stored and sold through TNPCB authorized disposal agencies.
6. Ash generated from boilers is sold to fly ash brick manufacturers as raw materials.



11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable as there are no operations near above-mentioned zones.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes - The company has complied with applicable environmental law/ regulations/ guidelines in India.
---

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations. 3

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl.No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Automotive Tyre Manufacturer Association (ATMA)	National
3	Indian Rubber Manufacturers Research Association (IRMRA)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Sl.No	Name of Authority	Brief of the case	Corrective action taken
NIL			

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					



2. Provide information on project(s) for which on-going Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No.	Name of Project for which R&R is on-going	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NIL						

3. Describe the mechanisms to receive and redress grievances of the community:

<p>The company engages with communities through CSR initiatives conducted by NGOs. These NGOs are responsible for addressing and resolving grievances from the community.</p>
---

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	6.4%	1.7%
Directly from within India	74.1%	76.4%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	0.00%	0.00%
Semi-urban	0.04%	0.04%
Urban	9.49%	9.11%
Metropolitan	90.47%	90.85%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

<p>The company has in place processes and a dedicated team for customers to reach out. There are multiple touch points through whom quick solutions are provided.</p>
---

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Particulars	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	NIL					
Advertising						
Cyber-Security						
Delivery of essential Services						
Restrictive trade practices						
Unfair trade practices						
Other						



4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary Recalls	NIL	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, we follow as per the ISO 27001 Standards for our IT operations and the policy is published internally.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

We keep upgrading our security tools as per the ISMS standards across our devices. No complaint regarding cybersecurity and data privacy of all our Customers, Employee, Vendor has been registered.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches	NIL
b. Percentage of data breaches involving personally identifiable information of customers	NIL
c. Impact, if any, of the data breaches	NIL





**Independent Auditors' Report**

To the Members of **TVS Srichakra Limited**

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

**Opinion**

We have audited the accompanying standalone financial statements of TVS Srichakra Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2024, the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 standalone financial statements.

**Key Audit Matters**

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

We have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	Description	Our Response
<b>Revenue Recognition</b>	<p>The Company recognizes revenue of sale of products on the following basis:</p> <p>i. OE Manufacturers: Revenue is recognized only on delivery being made at the OE factory site. Price variance for the change in input costs is adjusted through debit / credit notes on the same after being approved by the concerned OE.</p> <p>ii. After Market: Sales to dealers in the after-market segment is accounted on dispatch being effected from the depots.</p> <p>Credit notes for schemes and discounts are estimated and accounted in the period when the sales revenue is recorded itself as a reduction from the revenue recognized. Actual credit notes issued are adjusted against such provisions made on a periodical basis.</p> <p>Considering:</p> <ul style="list-style-type: none"> <li>the magnitude and high volume of sales transactions carried out, and</li> <li>estimation involved in price variance accounting as well as accruals for discounts and schemes.</li> </ul> <p>Revenue recognition represented a key audit matter in the audit</p>	<p>Our audit procedures included verification of existence, completeness, accuracy and cut-off for the sales transactions.</p> <ul style="list-style-type: none"> <li>Our tests included performance of an understanding and evaluation of the internal controls over the revenue recognition and a validation of relevant controls.</li> <li>The tests further covered the proper recognition of revenue through testing of samples of sales transactions, obtaining appropriate supporting evidence with specific attention to key contractual terms that regulate the various performance obligations.</li> <li>Our audit procedures included analytical review of sales transactions and accounting of revenue.</li> <li>Our audit procedures included the accounting for discounts, rebates and schemes in accordance with the underlying policies and schemes.</li> <li>It also extended to performing confirmation procedures over trade receivables with the objective of validating trade receivable balances, testing samples of credit notes and year-end accruals.</li> <li>Evaluating the disclosures made with requirements under the Accounting Standards and the Companies Act, 2013</li> </ul>

**Information Other than the Standalone 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 Company's annual report Director's report, Management Discussion and Analysis Report (MDA), Report on Corporate Governance, Financial Highlights and Business Responsibility and Sustainability Report (BRSR) but does not include the standalone financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated.



When we read the aforesaid reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

### Responsibilities of the Management and Board of Directors for Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income) the Standalone Statement of Changes in Equity and the Standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (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 standalone 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) above on reporting under Section 143(3)(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 standalone financial statements – Refer Note 41 to the standalone financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the standalone financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 53 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 Note 53 to the Financial Statements , no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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 final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 52 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that that audit trail was enabled at application layer for direct database changes on 9th July 2023 and was not enabled for direct changes at database level as explained in note 55 to the financial statements. At the transaction level for which audit trail feature is enabled, the audit trail facility has operated throughout the year from being enabled, for all relevant transactions recorded in the software and during the course of our audit we did not come across any instance of audit trail feature being tampered with.
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, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No. 027251  
UDIN : 24027251BKDHGO3917

Place of Signature: Chennai  
Date: 11<sup>th</sup> May 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 Srichakra Limited ("the Company") on the standalone 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 three 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 (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as right of use assets in the standalone financial statements, the lease agreements are in the name of the Company.  
 (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) 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 amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.
- (iii) Based on our audit procedures and according to the information and explanation given to us, the Company has during the year made investments granted loan and has not provided any security or guarantee to companies, firms, Limited Liability Partnerships or any other parties. In respect of investments made and loans granted and continuing during the year, we report that  
 (a) Based on our audit procedures and according to the information and explanation given to us, the aggregate amount given during the year and balance outstanding at the balance sheet date of these loans are as per the table below:

Particulars	Loans(₹ Crores)	Security Deposit (₹ Crores)
Aggregate amount granted / provided during theyear		
- Subsidiaries	72.17	-
- Others	-	45.60
Balance outstanding as at balance sheet date		
- Subsidiaries	72.17	-
- Others	-	45.60

- (b) Based on our audit procedures and according to the information and explanation given to us, the investments made and the terms and conditions of the grant of all loans are not prejudicial to the Company's interest.  
 (c) Based on our audit procedures and according to the information and explanation given to us, in respect of loans to subsidiary referred above in (a), which are repayable on demand, we are informed that the amount of interest and principal was not demanded by the Company during the year and thus, there has been no default on the part of the subsidiary to whom the money has been lent and in respect of the security deposit repayment as per schedule is not yet due.  
 (d) Since the loan to subsidiary is repayable on demand and during the year the Company has not demanded such loan, there are no amounts overdue for more than 90 days as at the balance sheet date.  
 (e) Based on our audit procedures and according to the information and explanation given to us and as indicated in para (d) above, no loans / security deposit granted by the Company have fallen due during the year.  
 (f) Based on our audit procedures and according to the information and explanation given to us, the Company has granted loans or advances in the nature of loans which is repayable on demand as follows:

Particulars	All parties	Promoters	Related parties
Aggregate amount of loans (Rupees Crores) Repayable on demand	72.17	--	72.17
Percentage of loans to the total loans	100%	--	100%

- (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 in respect of grant of loans and making investments. The company has not provided guarantees and securities.
- (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, Duty of Excise, 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 dues	Period to which amounts relates	Forum where dispute is pending	Amount demanded (Rs. in Crores)	Amount paid under protest (Rs. in Crores)
Central Excise Tax/Customs Act	Excise Duty	Various periods	DyCommissioner	0.04	-
		Various periods	Jt. Commissioner	0.20	-
		Various periods	Commissioner of Central GST & Excise (Appeals), Madurai	0.24	0.24
		2012 -13	Madurai bench of Madras High Court	17.99	-
	Custom Duty	2012 -13	Customs, Excise & Service Tax Appellate Tribunal	3.79	-
		2013 -14	Addl Director General (Adjn)	1.70	0.07
Goods and Service Tax Act	GST	Various periods	First Appellate Authority	0.16	0.15
		Various periods	Jt. Commissioner (Appeals)	19.73	0.91
		2019 -20	Asst State Tax officer	0.06	-
		2020 -21	State Tax Officer	0.04	0.04
		Various periods	Deputy Commissioner of State Tax, Thane, Mumbai	1.11	0.06
		2017 -18	Assistant Commissioner of CGST, Indore, MP	0.46	0.02
Central Sales Tax Act; Tamil Nadu Value Added Tax Act	Sales Tax, VAT, CST	Various periods	Asst. Commissioner	12.18	1.16
		Various periods	Dy. Commissioner (Appeals)	0.08	0.04
		Various periods	Jt. Commissioner (Appeals)	0.14	0.01
		2006 -07	Commissioner, Commercial tax	0.01	0.01
		2010 -11	Assessing Officer	0.01	0.01
		2012 -13	CTO	0.00*	-
		2014 -15	Commercial Tax Inspector	0.00**	-
		2015 -16	Jt. Commissioner	0.08	0.08
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	2012 -14	Regional PF Office, Madurai	1.46	-
		2015 -17	Regional PF Office, Madurai	5.97	-
The Electricity Act, 2003	Cross Subsidy Surcharge	2019 -20	Madras High Court	0.74	-

\*Includes amount demanded of Rs.7000. \*\* Includes amount demanded of Rs. 16,000.

- (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)
- 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.
  - 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.
  - According to the information and explanations given to us and the records of the Company examined by us, term loans were applied for the purpose for which the loans were obtained;
  - According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long term purposes.
  - 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 subsidiaries. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.
  - 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 subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.
- (x)
- According to the information and explanations given to us, the Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
  - According to the information and explanations given to us, 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)
- 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.
  - 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 secretarial auditor or 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.
  - As represented to us by the management, there are no whistle blower complaints 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 standalone financial statements as required by the Indian Accounting Standards
- (xiv)
- 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.
  - We have considered the reports of the Internal Auditors of the Company issued till date for the period under audit.
    - 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)
- 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).
  - 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.
  - 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.
  - 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. 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. Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the Company's board report is expected to be made available to us after the date of this auditors' report.

- (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: 24027251BKDHGO3917

Place of Signature: Chennai  
Date: 11<sup>th</sup> May 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 standalone 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 standalone financial statements of TVS Srichakra Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone 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 standalone 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 standalone 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 standalone 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: 24027251BKDHGO3917

Place of Signature: Chennai

Date: 11<sup>th</sup> May 2024



**Standalone Balance Sheet as at March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

Particulars		Note	As at March 31, 2024	As at March 31, 2023
I.	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	948.27	843.32
	(b) Capital work-in-progress	3	101.96	108.87
	(c) Intangible assets	4	33.22	20.59
	(d) Intangible assets under development	4	39.13	31.25
	(e) Right of Use Asset	5	24.81	2.41
	(f) <b>Financial Assets</b>			
	(i) Investments In subsidiary and Associate	6	98.81	65.40
	(ii) Other Investments	6	259.58	254.64
	(iii) Others	7	37.48	43.85
	(g) Income tax assets (net)	32 (b)	19.61	22.21
	(h) Other non-current assets	8	43.79	12.88
2	<b>Current assets</b>			
	(a) Inventories	9	629.40	755.86
	(b) Financial Assets			
	(i) Trade receivables	10	229.66	193.38
	(ii) Cash and cash equivalents	11(a)	11.76	7.54
	(iii) Bank balances other than (ii) above	11(b)	2.69	3.01
	(iv) Others	12	88.45	15.48
	(c) Other Current Assets	13	64.28	28.45
	<b>TOTAL ASSETS</b>		<b>2,632.90</b>	<b>2,409.14</b>
II.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share capital	14	7.66	7.66
	(b) Other Equity	15	1,106.31	1,032.70
2	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16 (a)	427.80	318.31
	(ii) Other financial liabilities	17	13.63	12.90
	(b) Provisions	18(a)	17.75	12.28
	(c) Deferred tax liabilities (Net)	19	69.85	71.07
	(d) Other Non-current liabilities	20	0.16	0.20
3	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	21	389.73	318.64
	(ii) Trade payables			
	(A) total outstanding dues of Micro and Small Enterprises (Refer Note 42)	22	3.38	2.11
	(B) total outstanding dues of creditors other than Micro and Small Enterprises		373.73	393.11
	(iii) Other financial liabilities	23	172.97	206.50
	(b) Other current liabilities	24	35.63	22.29
	(c) Provisions	18(b)	14.30	11.37
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,632.90</b>	<b>2,409.14</b>

Material Accounting Policies & Notes to Financial Statement

1-57

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership No: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN:24027251BKDHGO3917

Place: Chennai  
Date: 11th May 2024



**Standalone Statement of Profit and Loss for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

Particulars		Note	Year ended 31-Mar-2024	Year ended 31-Mar-2023
I.	Revenue from operations	25	2,754.03	2,865.39
II.	Other income	26	7.09	7.87
III.	<b>Total Income (I + II)</b>		<b>2,761.12</b>	<b>2,873.26</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	27	1,483.32	1,722.39
	Purchase of Stock-in-trade		2.60	1.14
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	28	27.40	(22.60)
	Employee benefits expense	29	325.19	301.34
	Finance costs	30	42.53	38.40
	Depreciation and Amortisation	45	98.43	88.44
	Other expenses	31	633.75	647.37
	<b>Total expenses</b>		<b>2,613.22</b>	<b>2,776.48</b>
V.	Profit before exceptional items and tax (III-IV)		147.90	96.78
VI.	Exceptional items	46	8.95	5.49
VII.	Profit before tax (V-VI)		138.95	91.29
VIII.	Tax Expense:			
	(1) Current Tax		33.73	18.17
	(2) Current Tax (Previous years)	32	-	(3.09)
	(3) Deferred Tax		1.66	6.09
IX.	Profit for the year (VII-VIII)		<b>103.56</b>	<b>70.12</b>
X	Other Comprehensive Income			
	A Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurement of the post-employment benefit obligations		(4.40)	1.82
	(ii) Fair value gains on equity instruments		0.58	0.17
	(iii) Income tax relating to items that will not be reclassified subsequently to profit or loss		1.75	0.15
	B Items that will be reclassified subsequently to profit or loss			
	(i) Effective portion of gains (losses) on hedging instruments in cash flow hedges		(4.47)	(5.63)
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		1.13	1.42
XI	Total Comprehensive Income for the year (IX+X)(Comprising Profit and Other Comprehensive Income for the year)		<b>98.15</b>	<b>68.05</b>
XII	Earnings per equity share (in Rupees)			
	-Basic & Diluted (FV - ₹ 10 per share)	33	135.25	91.58

Material Accounting Policies & Notes to Financial Statement

1-57

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership no: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN:24027251BKDHGO3917

Place: Chennai  
Date: 11th May 2024



**Standalone Statement of Cash Flows for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

Particulars		Year ended 31-Mar-2024		Year ended 31-Mar-2023	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	Profit before tax		138.95		91.29
	Adjustments for :				
	Depreciation	98.43		88.44	
	Interest expense	42.53		38.40	
	Interest received	(5.48)		(3.95)	
	Net Unrealised Foreign Exchange (gain)/loss	(1.51)		1.46	
	Advances Written off / written back	0.12		2.68	
	Profit from Sale of Property, Plant & Equipments (net)	(0.02)		(0.05)	
	Bad debts Written off / written back	0.85		-	
	Allowance for bad and doubtful debts	0.35		0.70	
	Assets Condemned	0.09		0.01	
			135.36		127.69
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>274.31</b>		<b>218.98</b>
	Adjustments for :				
	Trade Receivables	(37.13)		30.96	
	Other Receivables	(58.68)		(16.42)	
	Inventories	126.46		44.52	
	Trade and other payables	(33.01)		(39.02)	
			(2.36)		20.04
	Cash Generated From Operations		<b>271.95</b>		<b>239.02</b>
	Income taxes paid (net of refund)		(31.12)		(22.27)
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		<b>240.83</b>		<b>216.75</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
	Payment for acquisition of assets	(243.39)		(206.92)	
	Proceeds from sale of property, plant & equipment	0.02		0.05	
	Payment towards investment in subsidiaries	(33.41)		-	
	Payment towards other investments	(4.35)			
	Loans given to subsidiaries	(72.17)			
	Interest received	2.81		3.95	
	Bank balances other than cash and cash equivalents	0.32		1.17	
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		<b>(350.17)</b>		<b>(201.75)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Interest paid	(42.48)		(38.40)	
	Proceeds of term loans	165.75		-	
	Repayment of term loans	(44.38)		(53.49)	
	Proceeds/(Repayment) of Commercial Paper	-		(50.00)	
	Proceeds/(Repayment) of short-term borrowings (net)	59.21		142.02	
	Dividend paid	(24.54)		(12.48)	
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES: (C)</b>		<b>113.56</b>		<b>(12.35)</b>
	<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>4.22</b>		<b>2.65</b>
	<b>OPENING CASH AND CASH EQUIVALENTS (Refer Note 11(a))</b>		<b>7.54</b>		<b>4.89</b>
	<b>CLOSING CASH AND CASH EQUIVALENTS (Refer Note 11(a))</b>		<b>11.76</b>		<b>7.54</b>

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' Refer Note 16(b) for Net debt reconciliation

Material Accounting Policies & Notes to Financial Statement

1-57

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership no: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN:24027251BKDHGO3917

Place: Chennai  
Date: 11th May 2024



**Standalone Statement of Changes in Equity for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

(a) Equity share capital

Particulars	Amount
<b>Balance as at March 31, 2022</b>	<b>7.66</b>
Changes in equity share capital due to prior period Errors	-
<b>Restated Balance as at March, 31,2022</b>	<b>7.66</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2023</b>	<b>7.66</b>
Changes in equity share capital due to prior period Errors	-
<b>Restated Balance as at March, 31,2023</b>	<b>7.66</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2024</b>	<b>7.66</b>

(b) Other Equity

Particulars	Reserves and Surplus					Cash Flow hedge through OCI	Equity Instrument through OCI	Total
	Capital Reserve	Securities Premium Account	General Reserve	Amalgamation Reserve	Retained Earnings			
<b>Balance as at March 31, 2022</b>	<b>0.01</b>	<b>0.93</b>	<b>31.01</b>	<b>0.46</b>	<b>778.84</b>	<b>10.02</b>	<b>155.87</b>	<b>977.14</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
<b>Restated balance as at March 31, 2022</b>	<b>0.01</b>	<b>0.93</b>	<b>31.01</b>	<b>0.46</b>	<b>778.84</b>	<b>10.02</b>	<b>155.87</b>	<b>977.14</b>
Other Comprehensive income for the year	-	-	-	-	1.35	(4.21)	0.78	(2.08)
Dividends	-	-	-	-	(12.48)	-	-	(12.48)
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	70.12	-	-	70.12
<b>Balance as at March 31, 2023</b>	<b>0.01</b>	<b>0.93</b>	<b>31.01</b>	<b>0.46</b>	<b>837.83</b>	<b>5.81</b>	<b>156.65</b>	<b>1032.70</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
<b>Restated balance as at March 31, 2023</b>	<b>0.01</b>	<b>0.93</b>	<b>31.01</b>	<b>0.46</b>	<b>837.83</b>	<b>5.81</b>	<b>156.65</b>	<b>1032.70</b>
Other Comprehensive income for the year	-	-	-	-	(3.29)	(3.34)	1.22	(5.41)
Dividends	-	-	-	-	(24.54)	-	-	(24.54)
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	103.56	-	-	103.56
<b>Balance as at March 31, 2024</b>	<b>0.01</b>	<b>0.93</b>	<b>31.01</b>	<b>0.46</b>	<b>913.56</b>	<b>2.47</b>	<b>157.87</b>	<b>1,106.31</b>

Material Accounting Policies & Notes to Financial Statement

1-57

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership no: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN:24027251BKDHGO3917

Place: Chennai  
Date: 11th May 2024



## **1. Corporate Information**

TVS Srichakra Limited ('TSL' or 'the Company') is a public limited company 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 two-wheeler, three-wheeler and other industrial tyre manufacturing.

The Company's shares are listed and traded on Bombay Stock Exchange and National Stock Exchange in India.

The standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on 11<sup>th</sup> May, 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 in terms of disclosure being changed to "material accounting policies" instead of "significant accounting policies" in the earlier years.

#### **d) Changes in Accounting Standards that may affect the Company after 31<sup>st</sup> March 2024**

##### **1. New Accounting Standards/Amendments notified but not yet effective:**

Ministry of Corporate Affairs ("MCA") has not notified any new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules which are applicable for the financial periods commencing on or after 01<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 Crore (Cr) 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.

##### **Critical Judgments in applying accounting policies**

###### **i. Classification of investment in TVS Automobile Solutions Private Limited**

The Company holds investments in equity shares of TVS Automobile Solutions Private Limited ("TVS ASPL"). In the opinion of the management, TVS ASPL is not considered to be an associate of the Company. Accordingly, the investment in their shares have been designated as investment at FVTOCI.

###### **ii. Lease**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

##### **Assumptions and Key Sources of Estimation Uncertainty**

###### **i. Fair value measurements and valuation processes**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 2(q).

**ii. 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.

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

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

**iv. 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 took a series of measures to contain the outbreak, which included imposing multiple 'lock-downs', including some period in the previous financial year.

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

The company experienced a significant business resurgence in the past couple of years compared to the COVID-19-impacted period in earlier 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** - Investment in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

**ii. Financial Assets** - Other than investment in subsidiaries, associates and joint ventures

Financial assets comprise investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

**Initial recognition:**

All 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). Purchase or sales of financial assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**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 amortization 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**

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 FVTPL. 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).

### **iii. Financial asset at FVTPL**

All fair value changes are recognized in the Statement of Profit and loss.

#### **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 (except for equity instruments designated as FVTOCI).

#### **Impairment of financial asset**

Trade receivables, investments in debt instruments that are carried at amortized cost, investments in debt instruments that are carried at FVTOCI 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.

### **iii. Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are initially recognized at fair value net of 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 into following categories

- at amortized cost
- at fair value through the statement of profit and loss

#### **Financial liabilities at amortized cost**

The Company is classifying the following under amortized cost;

- a) Borrowings from banks
- b) Borrowings from others
- c) Lease liabilities
- d) Trade payables
- e) 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.

#### **Financial liability at Fair Value through statement of profit and loss**

Financial liabilities held for trading are measured at FVTPL.



#### **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.

#### **iv. Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / other expenses. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet Date.

#### **v. Cash flow hedges**

The Company designates certain foreign exchange forward contracts / other derivative instruments as cash flow hedges to mitigate the risks of foreign exchanges exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

#### **vi. 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.

#### **vii. Reclassification of financial assets**

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

#### **h) Property, Plant and Equipment**

Property, plant and equipment is stated at cost less accumulated depreciation (except in case of freehold land which is not depreciated) 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 or 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. Leased asset are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Assets costing Rs.5000 or below acquired during the year considered not material are depreciated in full retaining Rs.1 per asset. The Useful life has been considered in line with schedule II except where based on technical estimates.

#### Estimated useful life in years:

Class of Assets	Estimated Useful life
<b>Tangible (Owned Assets):</b>	
Building - Temporary structures	3-5 years
- Factory	10 years
- Other than factory buildings	30-60 years
Plant and Machinery other than generator sets	10-20 years
Electronics	6 years
Moulds / trolleys / weighing balance / drums / PCI stand / Storage stand / motor / pump	6 years
Furniture and Fixtures	10 years
Office Equipment	2-5 years
Vehicles	8-10 years

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

#### i) 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.

Research costs are expensed as incurred. Development expenditures on an individual project / New Product Development are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

#### 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.

Estimated useful life:

- a) Software License is amortised over 5 years
- b) New Product Development is amortised over 6 years

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

## **j) Leases**

At the inception of a contract, the Company assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement date, discounted using the Company's incremental borrowing rate.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

## **k) Inventories**

Inventories consisting of stores and 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 is 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. Variable consideration in the form of trade discounts and volume rebates are netted off from revenue. 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 Business Support Subsidy and RODTEP (Remission of Duties or Taxes on Export 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. Government grant received relating to assets are treated as Deferred Revenue and are recognized over the period in which the economic benefit is expected from such assets.

### **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 (including Provident fund)**

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 ICICI Prudential Life Insurance Company Limited.

#### **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 the 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, fair value losses on financial asset through FVTPL that are recognized in the statement of profit and loss.

### **o) 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.

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:

## MATERIAL ACCOUNTING POLICIES AND NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- (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
- (ii) Differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.
- (iii) 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 subsidiaries and associates 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. Deferred taxation on temporary differences arising out of undistributed earnings of the equity-method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the Company's share of the income and expenses of the equity-method accounted investee is recorded in the statement of profit and loss after considering any taxes on dividend payable by equity-method accounted investee or deferred tax is set up in the books if the tax liability is with the Company.

### p) Foreign Currency Transactions and balances

Transactions in foreign currencies are initially recognized in the financial statements using exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in statement of profit and loss for determination of net profit or loss during the period.

### 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

## MATERIAL ACCOUNTING POLICIES AND NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

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.

Fair values have been determined for measurement and/or disclosures purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

### (i) Investments in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting period. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

### (ii) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date except trade receivables which do not contain a significant financing component (determined in accordance with Ind AS 115 Revenue from Contracts with Customers) are measured at undiscounted invoice price (i.e., transaction price) and not at fair value. However, in respect of such financial statements, fair value generally approximates the carrying amount due to the short-term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

### (iii) Lease Security Deposits

Any lease deposits paid by the company to the lessors are discounted to their fair value and thereafter accounted on amortised cost method over the lease period.

### (iv) Derivatives

The fair value of forward exchange contracts is based on quoted price. Fair value reflects the credit risk of the instrument and includes adjustments to take account of the credit risk of the Company and the counter party when appropriate.

### (v) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flow discounted at the market rate of interest at the reporting date. For leases, the applicable rate of interest is determined by reference to incremental borrowings rate.

## 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 system to the chief operating decision maker. The Company's business activity falls within a single reportable business segment, viz, Automotive Tyres, Tubes and Flaps. Geographical segments are considered as India and rest of the world.

**t) 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



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

### 3. Property, plant and equipment

The following table presents the changes in PPE during the year ended March 31, 2024

Particulars	Gross Block			Accumulated depreciation				Net book value		
	As at April 1, 2023	Additions during the year	Disposals during the year	As at 31 March, 2024	As at 31 March, 2023	For the year	Disposals	As at 31 March, 2024	As at 31 March, 2024	As at 31 March, 2023
Freehold Land	48.18	-	-	48.18	-	-	-	-	48.18	48.18
Building	318.55	41.80	-	360.35	64.88	15.43	-	80.31	280.04	253.67
Plant and Machinery	789.74	133.22	1.42	921.54	332.59	58.60	1.40	389.79	531.75	457.15
Furniture and Fittings	20.60	3.88	-	24.48	9.02	2.23	-	11.25	13.23	11.58
Vehicles	2.18	0.19	0.38	1.99	1.03	0.24	0.33	0.94	1.05	1.15
Office equipment	26.51	2.20	-	28.71	20.77	2.70	-	23.47	5.24	5.74
Others (electrical)	199.70	16.21	0.07	215.84	133.85	13.27	0.06	147.06	68.78	65.85
<b>Total</b>	<b>1,405.46</b>	<b>197.50</b>	<b>1.87</b>	<b>1,601.09</b>	<b>562.14</b>	<b>92.47</b>	<b>1.79</b>	<b>652.82</b>	<b>948.27</b>	<b>843.32</b>
Capital work in progress	108.87	190.57	197.48	101.96	-	-	-	-	101.96	108.87
<b>Total Gross Block</b>	<b>1,514.33</b>	<b>388.07</b>	<b>199.35</b>	<b>1,703.05</b>	<b>562.14</b>	<b>92.47</b>	<b>1.79</b>	<b>652.82</b>	<b>1,050.23</b>	<b>952.19</b>

The following table presents the changes in PPE during the year ended March 31, 2023

Particulars	Gross Block			Accumulated depreciation				Net book value		
	As at April 1, 2022	Additions during the year	Disposals during the year	As at 31 March, 2023	As at 31 March, 2022	For the year	Disposals	As at 31 March, 2023	As at 31 March, 2023	As at 31 March, 2022
Freehold Land	45.25	2.93	-	48.18	-	-	-	-	48.18	45.25
Building	258.03	60.52	-	318.55	51.50	13.38	-	64.88	253.67	206.53
Plant and Machinery	596.42	194.28	0.96	789.74	285.99	47.56	0.96	332.59	457.15	310.43
Furniture and Fittings	18.06	2.61	0.07	20.60	7.30	1.79	0.07	9.02	11.58	10.76
Vehicles	2.05	0.13	-	2.18	0.78	0.25	-	1.03	1.15	1.27
Office equipment	25.42	1.26	0.17	26.51	18.07	2.87	0.17	20.77	5.74	7.35
Others (electrical)	184.27	15.44	0.01	199.70	121.25	12.61	0.01	133.85	65.85	63.02
<b>Total</b>	<b>1,129.50</b>	<b>277.17</b>	<b>1.21</b>	<b>1,405.46</b>	<b>484.89</b>	<b>78.46</b>	<b>1.21</b>	<b>562.14</b>	<b>843.32</b>	<b>644.61</b>
Capital work in progress	207.92	167.47	266.52	108.87	-	-	-	-	108.87	207.92
<b>Total</b>	<b>1,337.42</b>	<b>444.64</b>	<b>267.73</b>	<b>1,514.33</b>	<b>484.89</b>	<b>78.46</b>	<b>1.21</b>	<b>562.14</b>	<b>952.19</b>	<b>852.53</b>

1. The amount of borrowing cost capitalised during the year ended March 31, 2024 is ₹ 2.27 Crores (March 31, 2023 - ₹ 1.04). The rate used to determine the amount of borrowing cost eligible for capitalisation was 6.04 % (PY- 1.44%), based on the effective interest rate of identified borrowings.

2. Refer note 16(a) and 21 for details on pledges and securities of property, plant and equipment provided for borrowings.

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

### 4. Intangible assets

The following table presents the changes in intangibles during the year ended March 31, 2024

Particulars	Gross Block			Accumulated amortisation				Net book value		
	As at April 1, 2023	Additions during the year	Disposals during the year	As at 31 March, 2024	As at 31 March, 2023	For the year	Disposals	As at 31 March, 2024	As at 31 March, 2024	As at 31 March, 2023
Computer software	18.10	1.49	-	19.59	16.68	0.87	-	17.55	2.04	1.42
New Product Development	23.76	16.91	-	40.67	4.59	4.90	-	9.49	31.18	19.17
<b>Total</b>	<b>41.86</b>	<b>18.40</b>	<b>-</b>	<b>60.26</b>	<b>21.27</b>	<b>5.77</b>	<b>-</b>	<b>27.04</b>	<b>33.22</b>	<b>20.59</b>
Intangible assets under development	31.25	7.88	-	39.13	-	-	-	-	39.13	31.25
<b>Total</b>	<b>73.11</b>	<b>26.28</b>	<b>-</b>	<b>99.39</b>	<b>21.27</b>	<b>5.77</b>	<b>-</b>	<b>27.04</b>	<b>72.35</b>	<b>51.84</b>

The following table presents the changes in Intangible Assets during the year ended March 31, 2023

Particulars	Gross Block			Accumulated amortisation				Net book value		
	As at April 1, 2022	Additions during the year	Disposals during the year	As at 31 March, 2023	As at 31 March, 2022	For the year	Disposals	As at 31 March, 2023	As at 31 March, 2023	As at 31 March, 2022
Computer software	18.02	0.08	-	18.10	15.66	1.02	-	16.68	1.42	2.36
New Product Development	16.05	7.71	-	23.76	1.49	3.10	-	4.59	19.17	14.56
<b>Total</b>	<b>34.07</b>	<b>7.79</b>	<b>-</b>	<b>41.86</b>	<b>17.15</b>	<b>4.12</b>	<b>-</b>	<b>21.27</b>	<b>20.59</b>	<b>16.92</b>
Intangible assets under development	16.25	15.00	-	31.25	-	-	-	-	31.25	16.25
<b>Total</b>	<b>50.32</b>	<b>22.79</b>	<b>-</b>	<b>73.11</b>	<b>17.15</b>	<b>4.12</b>	<b>-</b>	<b>21.27</b>	<b>51.84</b>	<b>33.17</b>

**Note:** 1. The Company has availed the deemed cost exemption in relation to the intangible on the date of transition i.e. 1st April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as Gross Block Refer below the Gross Block Value



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**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	91.61	10.35	-	-	101.96
Projects temporarily suspended					-
<b>Total</b>	<b>91.61</b>	<b>10.35</b>	<b>-</b>	<b>-</b>	<b>101.96</b>

Particulars	As at 31st March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	90.39	7.70	2.40	8.38	108.87
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>90.39</b>	<b>7.70</b>	<b>2.40</b>	<b>8.38</b>	<b>108.87</b>

**CWIP completion schedule for which Completion is overdue or has exceeded its cost compared to its original plan:**

**i) Projects in progress**

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 1	3.47	0.07	-	-	3.54
Manufacturing Enhancement project	33.03	7.41	-	-	40.44
TSL 2	3.66	0.25	-	-	3.91
TSL 3	-	-	-	-	-
TSL 4	2.39	0.13	-	-	2.52
TSL 5	0.45	0.32	-	-	0.77
TSL 6	-	-	-	-	-
TSL 7	2.11	-	-	-	2.11
TSL 8	22.57	1.11	-	-	23.68
<b>Total</b>	<b>67.68</b>	<b>9.29</b>	<b>-</b>	<b>-</b>	<b>76.97</b>

**Ageing of Intangible assets under development**

Particulars	As at 31s March 2024				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	25.53	13.60	-	-	39.13
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>25.53</b>	<b>13.60</b>	<b>-</b>	<b>-</b>	<b>39.13</b>

Particulars	As at 31s March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	22.71	8.54	-	-	31.25
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>22.71</b>	<b>8.54</b>	<b>-</b>	<b>-</b>	<b>31.25</b>

**Completion schedule for Intangibles for which Completion is overdue or has exceeded its cost compared to its original plan:**

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 2	-	-	-	-	-
TSL 3	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**5. Right of Use Assets**

**A. Movement in Right of Use Assets:**

Particulars	Plant & Machinery	Land	Total
<b>Gross Block at Cost</b>			
<b>As at 1st April 2023</b>	24.07	2.47	26.54
Additions during the year *		22.59	22.59
Deductions for the year			
<b>As at 31st March 2024</b>	<b>24.07</b>	<b>25.06</b>	<b>49.13</b>
<b>Depreciation</b>			
<b>As at 1st April 2023</b>	24.07	0.06	24.13
Charge for the year		0.19	0.19
Deductions for the year			
<b>As at 31st March 2024</b>	<b>24.07</b>	<b>0.25</b>	<b>24.32</b>
<b>Net Block</b>			
<b>As at 31st March 2024</b>	<b>0.00</b>	<b>24.81</b>	<b>24.81</b>

Particulars	Plant & Machinery	Land	Total
<b>Gross Block at Cost</b>			
<b>As at 1st April 2022</b>	24.07	2.47	26.54
Additions during the year			-
Deductions for the year			
<b>As at 31st March 2023</b>	<b>24.07</b>	<b>2.47</b>	<b>26.54</b>
<b>Depreciation</b>			
<b>As at 1st April 2022</b>	18.22	0.05	18.27
Charge for the year	5.85	0.01	5.86
Deductions for the year	-	-	
<b>As at 31st March 2023</b>	<b>24.07</b>	<b>0.06</b>	<b>24.13</b>
<b>Net Block</b>			
<b>As at 31st March 2023</b>	<b>0.00</b>	<b>2.41</b>	<b>2.41</b>

**B. Movement in Lease Receivable (Net of Liabilities):**

Particulars	Amt
<b>As at 1st April 2023</b>	-
Lease payments during the year	
Rebates received/Adjustments	
<b>As at 31st March 2024</b>	-
- Non Current	-
- Current	-

Particulars	Amt
<b>As at 1st April 2022</b>	<b>1.30</b>
Lease payments during the year	0.25
Rebates received/Adjustments	(1.55)
<b>As at 31st March 2023</b>	<b>0.00</b>
- Non Current	-
- Current	0.00

**C. Amounts recognized in statement of profit and loss:**

Expense/(Income)	As at 31.03.2024	As at 31.03.2023
Depreciation expense of Right of Use Assets	0.19	5.86
Expense relating to short-term leases	26.82	25.90
Interest income on Net lease receivable	-	(0.47)
<b>Total recognized in Statement of Profit and Loss</b>	<b>27.01</b>	<b>31.29</b>

\* The company has entered into a lease arrangement with the State Infrastructure and Industrial Development Corporation of Uttarakhand Limited for the leasing of land amounting to Rs. 22.59 Crores on 6th October 2022 for a period of 74 years.

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**6. Investments (Non-current Financial Assets)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Unquoted equity shares (at cost)</b>		
<b>Investment in Subsidiaries:</b>		
TVS Srichakra Investments Ltd	65.40	65.40
69,23,736 fully paid up equity shares (PY - 69,23,736 shares) of ₹ 10 each		
Super Grip Corporation	33.41	-
400 equity shares (PY - NIL) of \$10,000 each		
<b>Investment in Associate:</b>		
Van leeuwen Tyres and wheels BV	0.09	0.09
15,000 fully paid up equity shares (PY - 15,000 shares) of EURO 1 each		
Less: Provision for diminution in value of investments	(0.09)	(0.09)
<b>Total Investment in Subsidiaries and Associate</b>	<b>98.81</b>	<b>65.40</b>
<b>Investment in Others (at fair value through other comprehensive income)</b>		
Sai Regency Power Corporation Private Limited	0.22	0.22
2,25,000 fully paid up equity shares (PY - 2,25,000 shares) of ₹ 10 each		
Myrtah Vayu Manijra private limited	1.61	1.61
16,20,140 fully paid up equity shares (PY - 16,20,140 shares) of ₹ 10 each		
Clean Max Genesis Private Limited	4.35	-
22,575 fully paid equity shares (PY - Nil) of Rs. 10 each		
Coromandel Electricity Company Limited	0.01	0.01
10,000 fully paid up equity shares (PY - 10,000 shares) of ₹ 10 each		
TVS Automobile Solutions Private Limited	253.61	253.02
9,11,741 fully paid up equity shares (PY - 9,11,741 shares) of ₹ 10 each		
<b>Total</b>	<b>259.80</b>	<b>254.86</b>
Less: Provision for diminution in value of investments	(0.22)	(0.22)
<b>Total Other Investments</b>	<b>259.58</b>	<b>254.64</b>
<b>Total Investments</b>	<b>358.39</b>	<b>320.04</b>
Aggregate amount of unquoted investment	358.70	320.35
Aggregate amount of impairment in the value of investment	(0.31)	(0.31)

**7. Other Non-current Financial Assets**

Particulars	As at 31.03.2024	As at 31.03.2023
Deposits with banks with maturity period more than 12 months (held as lien by bank against bank guarantee)	0.06	0.06
Advances to employees	3.19	3.46
Security Deposits	34.23	40.33
<b>Total</b>	<b>37.48</b>	<b>43.85</b>

**8. Other non current assets**

Particulars	As at 31.03.2024	As at 31.03.2023
Capital advance	16.13	12.88
<b>Others</b>		
Prepaid expenses	27.66	-
<b>Total</b>	<b>43.79</b>	<b>12.88</b>

**9. Inventories**

Particulars	As at 31.03.2024	As at 31.03.2023
Raw material and components	317.30	419.04
Work in progress	43.67	41.26
Finished goods*	231.64	261.65
Stock in trade	1.54	1.34
Stores and spares	35.25	32.57
<b>Total**</b>	<b>629.40</b>	<b>755.86</b>

\*The company has written down inventory by Rs. 3.08 Crores (PY - Rs.2.25 Crores) which is included as part of cost of materials consumed.

\*\*Includes stock in transit of Rs. 51.29 Crores (PY - Rs. 42.61 Crores)

Refer to Note 16 (a) and Note 21 for details of pledge and securities of Inventories provided for borrowings

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**10. Trade receivables**

Particulars	As at 31.03.2024	As at 31.03.2023
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured (Refer Note 37 for Related Parties)	229.66	193.38
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	1.05	0.70
	<b>230.71</b>	<b>194.08</b>
Less: Allowance for doubtful receivables	1.05	0.70
<b>Total</b>	<b>229.66</b>	<b>193.38</b>

**Trade Receivables ageing schedule**

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	187.59	43.03					<b>230.62</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							-
(iii) Undisputed Trade Receivables – credit impaired							-
(iv) Disputed Trade Receivables considered good					0.09	-	<b>0.09</b>
(v) Disputed Trade Receivables - which have significant increase in credit risk							-
<b>Total</b>	<b>187.59</b>	<b>43.03</b>	-	-	<b>0.09</b>	-	<b>230.71</b>
Less : Allowance for Trade Recivables		0.96			0.09	-	1.05
<b>Net Trade Receivable</b>	<b>187.59</b>	<b>42.07</b>	-	-	-	-	<b>229.66</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	162.40	30.98	-	-	-	-	<b>193.38</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.08	0.39	0.08	0.05	0.01	<b>0.61</b>
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	0.09	-	-	<b>0.09</b>
<b>Total</b>	<b>162.40</b>	<b>31.06</b>	<b>0.39</b>	<b>0.17</b>	<b>0.05</b>	<b>0.01</b>	<b>194.08</b>
<b>Less : Allowance for Trade Recivable</b>	-	0.08	0.39	0.17	0.05	0.01	0.70
<b>Net Trade Receivable</b>	<b>162.40</b>	<b>30.98</b>	-	-	-	-	<b>193.38</b>

Note: Where no due date of payment is specified, ageing computed based on the date of transaction.

**11. Cash and bank balances**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>11(a) Cash and Cash Equivalents</b>		
(i) Balance with banks	11.56	7.15
(ii) Cash on Hand	0.20	0.39
<b>Total</b>	<b>11.76</b>	<b>7.54</b>
<b>11(b) Other bank balances</b>		
(i) Unpaid dividend	2.69	3.01
<b>Total</b>	<b>2.69</b>	<b>3.01</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**12. Other financial assets**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Accrued Income</b>		
Considered Good	5.11	2.44
Credit Impaired	3.00	3.00
Less: Provision for Doubtful Advances	(3.00)	(3.00)
	<b>5.11</b>	<b>2.44</b>
Derivative Asset	3.88	6.71
Security Deposits	6.33	6.33
Loan to Subsidiaries (considered good - Unsecured)	72.17	-
Other Current financial assets	0.96	-
<b>Total</b>	<b>88.45</b>	<b>15.48</b>

**13. Other current assets (Unsecured, Considered good)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(a) Advance other than capital advance:</b>		
<u>Other Advances:</u>		
Advances to suppliers	10.45	12.97
Less : Provision for Doubtful advance	(2.79)	(2.68)
	<b>7.66</b>	<b>10.29</b>
<b>(b) Others</b>		
Prepaid expenses	21.97	17.87
GST Input Tax Credit (Net) available for set-off/refund	34.60	-
Others	0.05	0.29
	<b>56.62</b>	<b>18.16</b>
		-
<b>Total (a) + (b)</b>	<b>64.28</b>	<b>28.45</b>

**14. Equity share capital**

Particulars	As at 31.03.2024	As at 31.03.2023
Authorised (1,00,00,000 equity shares at Rs.10 each)	10.00	10.00
Issued, Subscribed and fully paid up (76,57,050 equity shares at Rs.10 each)	7.66	7.66
<b>Total</b>	<b>7.66</b>	<b>7.66</b>

**14.1 Reconciliation of number of shares in the beginning and at end of the year**

FY 2023-24	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66

FY 2022-23	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66

**14.2 Shareholding more than 5 % of the shares of the company**

Name of the Company	As at 31.03.2024	As at 31.03.2023
TVS Mobility Private Limited (CY-37.52%, PY-37.52%)	2,873,115	2,873,115

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**14.3 Disclosure of shareholding of promoters and percentage of change during the year.**

Promoter name	As at 31 March 24			As at 31 March 23		
	No. of shares held	% of share Holding	% Change during the year	No. of shares held	% of share Holding	% Change during the year
R Naresh	144,656	1.89%	-	144,656	1.89%	-
TVS Mobility Private Limited	2,873,115	37.52%	-	2,873,115	37.52%	-
Shobhana Ramachandhran	296,931	3.88%	-	296,931	3.88%	0.13%
Nitya Kalyanee Investment Limited	121,429	1.59%	-	121,429	1.59%	-
R Haresh( On Behalf Of Sundaram Trust)	62,372	0.81%	-	62,372	0.81%	0.21%
R Haresh	945	0.01%	-	945	0.01%	-
R Dinesh	45	0.00%	-	45	0.00%	-

**14.4 Rights, preferences and restrictions attached to shares -**

Equity shares - The company has one class of equity shares having a par value of Rs. 10/- each. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Each shareholder also has a residual interest in the assets of the Company in proportion to their shareholding.

**14.5** The Company does not have any outstanding shares issued under options.

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

**15. Other equity**

Reserves and surplus

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Securities premium</b>	<b>0.93</b>	<b>0.93</b>
<b>General reserve</b>	<b>31.01</b>	<b>31.01</b>
<b>Capital reserve</b>	<b>0.01</b>	<b>0.01</b>
<b>Reserve on amalgamation</b>	<b>0.46</b>	<b>0.46</b>
<b>Surplus</b>		
Opening balance	837.83	778.84
Profit for the year	103.56	70.12
Dividends paid	(24.54)	(12.48)
Remeasurement of DBO through Other Comprehensive Income	(3.29)	1.35
Closing Balance	<b>913.56</b>	<b>837.83</b>
<b>Gains on Equity instruments through Other Comprehensive Income</b>		
Opening Balance	156.65	155.87
Fair Valuation of Investments (net of taxes)	1.22	0.78
Closing Balance	<b>157.87</b>	<b>156.65</b>
<b>Gains on cash flow hedge instrument through Other Comprehensive Income</b>		
Opening Balance	5.81	10.02
The effective portion of gains and loss on hedging instruments in a cash flow hedge (net of taxes)	(3.34)	(4.21)
Closing Balance	<b>2.47</b>	<b>5.81</b>
<b>Total</b>	<b>1,106.31</b>	<b>1,032.70</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Nature and purpose of other reserves**

**Securities Premium** represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

**General Reserve** is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. Mandatory transfer to general reserve is not required under the Companies Act 2013.

**Capital reserve** represents reserve of capital nature taken to this head under the erstwhile GAAP.

**Reserve on amalgamation** represents reserve created as a result of amalgamation

**Surplus / Retained earnings** are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Equity Instrument through Other Comprehensive Income** represents the fair value gain/loss which is not routed through statement of P&L.

**Cash flow hedge instrument through Other Comprehensive Income** represents the fair value gain/loss which is routed through statement of P&L.

**16 (a) Borrowings - Non current**

**Term loans**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Secured</b>		
From Banks	<b>483.58</b>	<b>362.68</b>
Less: Amount Transferred to Current Maturities	(55.78)	(44.37)
<b>Unsecured</b>		
From banks	-	-
From others	-	-
<b>Total</b>	<b>427.80</b>	<b>318.31</b>

**Additional Information :**

**Details of Security for Secured Loans:**

- Term Loan Availed from HDFC Bank: This is repayable over 5 years including 12 months of moratorium with an interest rate of 9% p.a., cross currency swap and interest rate swap at interest rate of 1.4% p.a. Loan is secured by exclusive charge on plant and machinery.
- Term Loan availed from HDFC Bank - This is repayable over 5 years with an interest rate of 6.4% p.a., cross currency swap and interest rate swap at interest rate of 1.4% p.a. Loan is secured by exclusive first charge on the Specific Fixed Assets/ Immoveable property.
- Term Loan Availed from Axis Bank: This is repayable over 8 years including 36 Months of Moratorium with an average interest rate of 7.8% p.a. Loan is secured by first charge over specific plant and machinery
- Term Loan Availed from ICICI Bank: This is repayable over 6 years including 14 Months of Moratorium with an average interest rate of 4.5% p.a. Loan is secured by first charge over specific assets identified for this purpose
- Term Loan Availed from Axis Bank: This is repayable over 7 years including 18 Months of Moratorium with an average interest rate of 4.4% p.a. Loan is secured by first charge over specific assets purchased out of the loan amount.
- Term Loans from Axis/HDFC Banks are covered by Cross Currency Swaps.
- Term Loan from State Bank of India - This is repayable over 6 years including 12 months of moratorium with an average interest rate of 7.7% p.a. Loan is secured by first charge over plant and machinery located at Vellaripatti Village, Madurai.

**16(B): Net Debt Reconciliation**

**Changes in Liability arising from Financing activities.**

Particulars	As at 31.03.2023	Cash Flows		As at 31.03.2024
		Receipts	Payments	
Current Borrowings	274.27	59.68	-	333.95
Non-current Borrowings*	362.68	165.28	44.38	483.58
<b>Total</b>	<b>636.95</b>	<b>224.96</b>	<b>44.38</b>	<b>817.53</b>

Particulars	As at 31.03.2022	Cash Flows		As at 31.03.2023
		Receipts	Payments	
Current Borrowings	182.25	132.64	40.62	274.27
Non-current Borrowings*	416.17	-	53.49	362.68
<b>Total</b>	<b>598.42</b>	<b>132.64</b>	<b>94.11</b>	<b>636.95</b>

\* Includes Current maturities of Long-term borrowings

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**17. Other Financial Liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposits	13.63	12.90
<b>Total</b>	<b>13.63</b>	<b>12.90</b>

**18. Provisions**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>18(a) Non Current provisions</b>		
Gratuity	3.96	-
Compensated absences	13.79	12.28
(a)	<b>17.75</b>	<b>12.28</b>
<b>18(b) Current provisions</b>		
Gratuity	3.21	0.79
Compensated absences	1.26	1.05
Warranty (Refer Note 36)	9.83	9.53
(b)	<b>14.30</b>	<b>11.37</b>

**19. Deferred Tax Liability (Net)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Deferred Tax Liability</b>		
a) On Account of Depreciation on Property, Plant, Equipment	37.01	32.22
b) On account of timing Differences in Recognition of Expenditure	(9.22)	(4.46)
c) On Account of Amortisation of Right of Use Assets	-	0.61
d) On account of Ind AS fair value adjustments	42.06	42.70
<b>Total</b>	<b>69.85</b>	<b>71.07</b>

**20. Other non current liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Deferred Government Grant (Capital Subsidy)	0.09	0.12
Deferred Income	0.07	0.08
<b>Total</b>	<b>0.16</b>	<b>0.20</b>

**21. Borrowings (Current)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Secured</b>		
(a) Loans repayable on demand from Banks	233.95	249.12
Current Maturities of long Term Borrowings	55.78	44.37
<b>Unsecured</b>		
(a) Loans repayable on demand from banks	100.00	25.15
<b>Total</b>	<b>389.73</b>	<b>318.64</b>

**Additional Information :**

a. Details of Security for Secured Loans

Working Capital facilities availed from State Bank of India are secured by a first charge on the entire Current Assets of the Company viz Raw Materials, Semi-finished Goods, Finished Goods, Stores, Spares, Trade Receivables, and Other Current Assets. Interest rate charged is the half-yearly MCLR + 0.15%, with a half-yearly reset.

b. Details of Unsecured loans

Cash credit facility availed from HDFC bank at interest rate of 7.75% p.a.

Cash credit facility availed from Axis bank at interest rate of 8.85% p.a.

**22. Trade payables**

Particulars	As at 31.03.2024	As at 31.03.2023
i) total outstanding dues of Micro and Small Enterprises (Refer Note 42)	3.38	2.11
ii) total outstanding dues of creditors other than Micro and Small Enterprises (Refer Note 37 for Related Parties)	373.73	393.11
<b>Total</b>	<b>377.11</b>	<b>395.22</b>



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Trade Payables ageing schedule**

Particulars	As at 31 March 2024						Total
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises*	-	2.89	0.49	0.00	-	-	3.38
Others	25.77	281.93	65.77	0.10	0.02	0.14	373.73
Disputed Dues - Micro and Small Enterprises							-
Disputed Dues - Others							-
<b>Total</b>	<b>25.77</b>	<b>284.82</b>	<b>66.26</b>	<b>0.10</b>	<b>0.02</b>	<b>0.14</b>	<b>377.11</b>

Particulars	As at 31 March 2023						Total
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises*		2.09	0.02				2.11
Others	44.95	276.08	71.88	0.06	0.01	0.13	393.11
Disputed Dues - Micro and Small Enterprises							-
Disputed Dues - Others							-
<b>Total</b>	<b>44.95</b>	<b>278.17</b>	<b>71.90</b>	<b>0.06</b>	<b>0.01</b>	<b>0.13</b>	<b>395.22</b>

\* Total outstanding dues of micro and small enterprises  
Where no due date of payment is specified in that case disclosure shall be from the date of the transaction.  
Unbilled pertains to GRIR/SRIR balances

**23. Other financial liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Capital creditors*	19.56	20.22
Interest accrued but not due on borrowings	2.16	2.11
Unpaid dividends	2.69	3.01
Deposits Repayable in one year	8.00	72.00
Other creditors	140.27	109.16
Dues to employees	0.29	-
<b>Total</b>	<b>172.97</b>	<b>206.50</b>

\*Includes ₹ 1.82 Crores (PY - 2.72) of dues to Micro and Small Enterprises (Refer Note 42)

**24. Other current liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Advances from customers*	6.01	6.00
GST Payable	23.57	10.44
Statutory payables	6.05	5.85
<b>Total</b>	<b>35.63</b>	<b>22.29</b>

\* represents contract liabilities

**25. Revenue from operations**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Revenue from contracts with customers	2,740.85	2,853.66
Other Operating Revenue	13.18	11.73
<b>Total</b>	<b>2,754.03</b>	<b>2,865.39</b>

Revenue from operations are recognised at the point of time.

**25.1. Reconciliation of contracted price and net sales**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Contracted price of sale of Manufactured Goods	2,982.81	3,055.33
Contracted price of sale of Traded Goods	3.51	1.17
Other Sales	2.07	3.52
Less: Discount and Commission	(247.54)	(206.36)
<b>Total</b>	<b>2,740.85</b>	<b>2,853.66</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**25.2. Contract Asset and Liabilities**

The company has recognized the Following revenue related contract assets and liabilities

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Contract Assets	-	-
Contract Liabilities (Refer note 24)	6.01	6.00

**25.3. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under IND AS 115 "Revenue from contracts with customers". Hence no separate disclosure of disaggregate revenues are reported.(Refer Note 35).**

**26. Other income**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Interest income on lease (net)	-	0.51
Interest - Others	5.48	3.44
Exchange Rate Fluctuation gain (Net)	0.18	-
Profit on sale of property, plant and equipment	0.02	0.05
Miscellaneous Income	1.41	3.87
<b>Total</b>	<b>7.09</b>	<b>7.87</b>

**27. Cost of materials consumed**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Opening Stock	419.04	491.82
Add : Purchases	1,381.58	1,649.61
<b>Total</b>	<b>1,800.62</b>	<b>2,141.43</b>
Less Closing Stock	317.30	419.04
<b>Cost of Materials consumed</b>	<b>1,483.32</b>	<b>1,722.39</b>

**28. Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Opening Stock of Finished goods & Traded goods	262.99	238.40
Opening Stock of Work in progress	41.26	43.25
Closing Stock of Finished goods & Traded Goods	233.18	262.99
Closing Stock of Work in progress	43.67	41.26
(Increase) / Decrease in Finished goods & Traded Goods	29.81	(24.59)
(Increase) / Decrease in Work in progress	(2.41)	1.99
<b>Total (Increase) / Decrease in Stock</b>	<b>27.40</b>	<b>(22.60)</b>

**29. Employee benefit expenses**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
(a) Salaries, wages and bonus	274.85	255.83
(b) Contributions to -		
(i) Superannuation Fund	0.52	0.84
(ii) Gratuity fund contributions * (Refer note 34)	2.77	2.61
(iii) Provident Fund and other funds	15.50	13.89
(c) Remuneration to Whole time directors	14.87	10.66
(d) Staff welfare expenses	16.68	17.51
<b>Total</b>	<b>325.19</b>	<b>301.34</b>

\* Excludes Actuarial Gain/Loss on account of Gratuity liability and contributions.

**30. Finance costs**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Interest expense	42.53	38.40
<b>Total</b>	<b>42.53</b>	<b>38.40</b>



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**31. Other expenses**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Processing Charges/Outsourcing Charges	86.86	89.83
Consumption of Stores & Spares	64.95	69.99
Power & Fuel	121.24	129.01
Repairs to building	2.88	2.53
Repairs to machinery	28.69	26.27
Repairs Others	0.05	0.26
Insurance	12.47	10.24
Rates & taxes	4.32	5.73
Telephone & Internet Charges	1.17	0.95
Travelling Expense	16.36	12.23
Exchange Rate Fluctuation Loss (Net)	-	1.46
Bank charges	3.73	4.68
Advertisement and sales Promotion	93.93	93.19
Corporate Social Responsibility (CSR) expenses (Refer Note 43)	1.73	1.18
Freight Out	100.59	109.59
Allowance for Doubtful Advances	0.12	2.68
Allowance for Bad Debts	0.35	0.70
Bad debts written off	0.85	-
Assets condemned	0.09	0.01
Commission to non Whole time directors	0.90	0.90
Director's sitting fees	0.12	0.15
Variable/ short term Lease rentals	26.82	25.90
Payment to auditors - (Refer Note 44)	0.36	0.30
Donation	0.31	0.06
Consultancy	21.53	22.95
Warranty Claims - (Refer Note 36)	11.21	9.84
C and F Commission	18.15	17.55
Other expenses	13.97	9.19
<b>Total</b>	<b>633.75</b>	<b>647.37</b>

**32. Income Taxes**

**(a) Reconciliation of effective tax rates**

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarised below:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Profit before taxes	138.95	91.29
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	34.97	22.98
<u>Items leading to difference in Effective Rate compared to Statutory</u>		
<u>Rate :</u>		
Other Impacts due to permanent allowances/disallowances as per IT Act	0.58	1.15
Effect of tax rate change	-	-
Others	(0.16)	0.14
Tax Reversal of earlier years	-	3.09
<b>Tax Expense as per P&amp;L</b>	<b>35.39</b>	<b>21.17</b>

Tax Charged to Other Comprehensive Income	Year ended 31-Mar-24	Year ended 31-Mar-23
Net loss/(gain) on remeasurement of Defined Benefit Plans	1.11	(0.46)
Fair value gains on equity instruments	0.64	0.61
Deferred gains / (losses) on cash flow hedges	1.13	1.42
	<b>2.88</b>	<b>1.57</b>

**(b) Income tax assets (Net) consists of:**

Particulars	As at 31.03.2024	As at 31.03.2023
Advance Tax	420.05	388.92
Provision for Tax	(400.44)	(366.71)
<b>Total</b>	<b>19.61</b>	<b>22.21</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**33. Details of Earnings Per Share**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Profits for the Year	103.56	70.12
Number of Equity Shares (Nos.)	7,657,050	7,657,050
Face Value of Shares (In Rupees)	10	10
Basic and Diluted Earnings per Share (In Rupees)*	135.25	91.58

\* There are no potential dilutive equity shares

**34. Employee benefit Liabilities**

**- Contribution to Provident Funds**

The Company has recognised and included in Note no. 29 "Contributions to Provident Fund and other funds" expenses towards the defined contribution plan as under:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Contribution to Provident fund (Government)	15.50	13.89

**- Contribution to Superannuation Funds**

The Company has recognised and included in Note no. 29 "Superannuation Fund" expenses towards the defined contribution plan as under:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Contribution to Superannuation Fund (Government)	0.52	0.84

**- Compensated Absences**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Present value of defined benefits obligations (DBO) 1	15.05	13.33
Fair value of the plan assets (FVA)	-	-
Net assets/(liabilities) recognised in balance sheet	(15.05)	(13.33)
Employer direct benefit payments	(3.36)	(3.57)
Defined benefits cost included in P&L	5.08	3.72
<b>PVO Unfunded scheme</b>		
Current	1.26	1.05
Non Current	13.79	12.28
<b>Projected Benefit Obligation</b>	15.05	13.33
<b>Summary of actuarial assumptions</b>		
Discount rate	7.25%	7.32%
Expected rate of plan assets	0.00%	0.00%
Salary escalation rate	4.00%	4.00%
Attrition rate	5.00%	5.00%

**- Gratuity**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
<b>Present Value of Defined Benefits</b>	36.62	39.34
Service cost	2.74	2.46
Interest cost	2.57	2.67
Actuarial (gain)/loss	5.64	(3.05)
Benefits paid	(3.14)	(4.80)
Project benefit obligation at the end of the year	44.43	36.62
<b>Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	35.83	35.47
Interest income	2.54	2.53
Employers contribution	0.80	3.87
Benefits paid	(3.14)	(4.80)
Actuarial gain/(loss)	1.23	(1.24)
Fair value of plan assets at the end of the year	37.26	35.83
<b>Amount recognised in balance sheet</b>		
Present value of projected benefit obligation at the end of the year	44.43	36.62
Fair value of plan assets at the end of year	37.26	35.83
Net (asset)/liability recognised in balance sheet	7.17	0.79
Non Current Liability / (Assets)	3.96	-
Current Liability / (Assets)	3.21	0.79

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
<b>Expense recognised in statement of profit or loss</b>		
Service cost	2.74	2.46
Interest cost	2.57	2.67
Interest income	(2.54)	(2.53)
Net gratuity cost	2.77	2.60
Actual return on plan asset	3.77	1.28
<b>Loss / (Gain) recognised</b>	-	-
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	0.21	(0.24)
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	5.42	(2.82)
Actuarial (Gain)/Losses due to Experience on DBO	(1.23)	1.24
Return on Plan Assets (Greater)/Less than Discount rate	4.40	(1.82)
<b>Components of defined benefit losses (gains) recognised</b>		
<b>Summary of actuarial assumptions</b>		
Discount rate	7.25%	7.32%
Expected rate of plan assets	7.22%	7.22%
Salary escalation rate	4.00%	4.00%
Attrition rate	5.00%	5.00%

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. The expected cash flows over the next few years are as follows:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Within 1 year	2.77	2.95
2 to 5 years	8.70	11.45
6 to 10 years	7.42	11.23
more than 10 years	25.54	10.99

**Mortality - Indian Assured Lives Mortality (2012-14) Ultimate**

Sensitivity analysis of significant actuarial assumption

Particulars - Gratuity	31-Mar-24	
	% inc/dec in DBO	Liability (Rs in Crores)
Discount Rate + 100 basis points	-5.68%	41.90
Discount Rate - 100 basis points	6.76%	47.43
Salary growth rate + 100 basis points	6.06%	47.12
Salary growth rate - 100 basis points	-5.46%	42.00
Attrition Rate + 100 basis points	2.22%	45.41
Attrition Rate - 100 basis points	-2.58%	43.28
Mortality Rate 10% Up	0.04%	44.44

Particulars - Gratuity	31-Mar-23	
	% inc/dec in DBO	Liability (Rs in Crores)
Discount Rate + 100 basis points	-6.55%	34.22
Discount Rate - 100 basis points	7.42%	39.33
Salary growth rate + 100 basis points	7.29%	39.28
Salary growth rate - 100 basis points	-6.54%	34.22
Attrition Rate + 100 basis points	1.40%	37.13
Attrition Rate - 100 basis points	-1.54%	36.05
Mortality Rate 10% Up	0.05%	36.63

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

**Interest rates risk**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

**Investment Risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Salary risk**

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

**Demographic risks:**

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

**35. Segment reporting**

The Company has identified manufacture and sale of tyres as the only reportable segment taking into account the different risks and returns, the organization structure and the internal reporting systems. Accordingly disclosure of segment-wise information is not applicable under Ind AS 108 - Operating Segments.

Entity wide disclosures required by the Ind AS 108 are as detailed below.

**I. Revenue From Customer**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Outside India	402.04	368.42
With in India	2,338.81	2,485.24
<b>Total</b>	<b>2,740.85</b>	<b>2,853.66</b>

**II. Non Current Asset**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Outside India	0.03	-
With in India	1,210.76	1,041.52
<b>Total</b>	<b>1,210.79</b>	<b>1,041.52</b>

III. Top 3 customers of the company constitute 39.2% of the company's total revenue (PY 38.9%).

**36. Movement in provision for product warranty**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening Balance	9.53	8.71
Add: Provided during the year	11.21	9.84
Less: Claims made	(10.91)	(9.02)
<b>Closing Balance</b>	<b>9.83</b>	<b>9.53</b>

The estimated provision takes into account historical information frequency and average cost of warranty claims and the estimated future incidence of claims.

**37. Related party and transactions**

**a) Names of related parties and related party relationship**

The related party where control/joint control/significant influence exists are subsidiaries, joint ventures and associates. Key managerial personnel are those persons having authority and responsibility in planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or otherwise. Key management personnel include the board of directors and other senior management executives.

**Related parties where control exists**

TVS Srichakra Investments Limited  
TVS Sensing Solutions Private Limited  
Fiber Optic Sensing Solutions Private Limited  
Super Grip Corporation, USA



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Related parties with whom transactions have taken place during the Financial year 2023-24 and 2022-23**

**Entity with significant influence and its subsidiaries, associates and joint venture**

- TVS Mobility Private Limited ("TMPL") (holds more than 10% shareholding) w.e.f Feb'22 (Entity with significant influence)
- TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) (Associate of TMPL)
- TVS SCS Global Freight Solutions Limited (Formerly known as TVS Dynamic Global Freight Services Limited) (Subsidiaries of Associate of TMPL)
- TVS Auto Bangladesh Limited (Subsidiary of TMPL)
- SI Air Springs Private Limited (formerly known as Firestone TVS Private Limited) (Subsidiary of TMPL)
- TVS Automotives (Private) Limited (Subsidiary of TMPL)
- Sundaram Industries Private Limited (Subsidiary of TMPL)
- TVS Lanka Private Limited (Subsidiary of TMPL)
- KI Mobility Solutions Private Limited (Subsidiaries of Associate of TMPL)
- TVS Argomm Private Limited (Joint venture of TMPL)

**Subsidiaries**

- TVS Srichakra Investments Limited
- TVS Sensing Solutions Private Limited
- Fibre Optic Sensing Solutions Private Limited
- Super Grip Corporation, USA

**Key Management Personnel/ Relative of KMP's**

- Mr. R Naresh, Executive Vice Chairman
- Ms. Shobhana Ramachandran, Managing Director

**Independent / Non-Executive Directors**

- Late Mr. M S Viraraghavan - Independent Non-Executive Director (expired on 20th Dec' 23)
- Mr. H Janardana Iyer - Independent Non-Executive Director
- Mr. V Ramakrishnan - Independent Non-Executive Director
- Mr. Rasesh R Doshi - Independent Non-Executive Director
- Ms. Mathangi - Independent Non-Executive Director
- Mr. Ravichandran - Non-Independent Non-Executive Director
- Mr. P Srinivasavaradhan - Non-Independent Non-Executive Director
- Mr. Ashok Srinivasan - Non-Independent Non-Executive Director (w.e.f Feb'24)
- Mr. Piyush Jinendrakumar Munot - Non-Independent Non-Executive Director (w.e.f Feb'24)

**b) Related party transaction and balance as at reporting period**

Transactions for the year and balance as at Mar 31, 2024 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Subsidiaries	Key Management Personnel	Independent /Non-Executive Directors
Purchases	3.49	0.66	-	-
Sales	34.39	-	-	0.00
Rendering of services	0.13	-	-	-
Receipt of Services	88.30	0.00	-	0.99
Salaries and other benefits	-	-	7.99	-
Commission	-	-	6.88	0.88
Sitting fees	-	-	-	0.12
Rent paid	1.65	0.44	0.08	-
Loan given	-	72.17	-	-
Interest income	-	1.46	-	-
Investment in equity shares	-	33.41	-	-
<b>Amount Receivable</b>	<b>10.48</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Amount Payable</b>	<b>9.52</b>	<b>0.02</b>	<b>6.88</b>	<b>0.07</b>
<b>Loan Receivables</b>	<b>-</b>	<b>72.17</b>	<b>-</b>	<b>-</b>
<b>Interest Receivables</b>	<b>-</b>	<b>1.46</b>	<b>-</b>	<b>-</b>
<b>Investment in subsidiary</b>	<b>-</b>	<b>33.41</b>	<b>-</b>	<b>-</b>



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

Transactions for the year and balance as at Mar 31, 2023 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Subsidiaries	Key Management Personnel	Independent / Non-Executive Directors
Purchases	2.67	0.04	-	-
Sales	34.96	-	-	-
Receipt of Services	46.03	-	-	0.94
Lease rent paid	0.02	0.42	0.07	-
Salaries and other benefits	-	-	5.50	0.07
Commission	-	-	5.16	0.90
Sitting fees	-	-	-	0.15
<b>Amount Receivable</b>	<b>9.88</b>	<b>0.15</b>	-	-
<b>Amount Payable</b>	<b>3.98</b>		<b>5.16</b>	<b>0.90</b>

c) Remuneration paid to Key managerial Personnel

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Short-term Employee Benefits	14.11	10.14
Post-Employment Benefits*	0.76	0.52
<b>Total</b>	<b>14.87</b>	<b>10.66</b>

\* Excludes Gratuity, as the same is considered on actuarial valuation basis for the company as whole.

### 38. Financial instruments

#### a. Derivative financial instruments

##### (i) Forward and option contract

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company manages its foreign currency risk by using foreign currency forward contracts. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. The counterparties for these contracts are generally banks or financial institutions. The details of outstanding forward contracts as at March 31, 2024 and March 31, 2023 are given below:

Particulars	Currency	As at 31-Mar-24	As at 31-Mar-23
Forward contracts (Sell)	USD	802,250.00	54,588.49
	EURO	3,186,783.00	7,388,408.33
Forward contracts (Buy)	USD	1,500,000.00	1,500,000.00
	EURO	-	-
Cross currency swap (CCS) - Loans Outstanding	EURO	51,449,440.77	35,876,540.70
Gain/(loss) mark to market in respect of forward contracts & loans outstanding	Rupees in Crores	3.88	6.71

All open forward exchange contracts mature within three to nine months from the balance sheet date.



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**b. Financial instruments by category**

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

Particulars	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
<b>Asset</b>			
Investment in Others	-	-	259.58
Investment in Subsidiary and Associate	98.81	-	-
Employee advances	3.19	-	-
Security Deposits	40.56	-	-
Deposit with Bank	0.06	-	-
Trade Receivables	229.66	-	-
Other receivables	0.96	-	-
Cash and Bank Balances	14.45	-	-
Accrued income	5.11	-	-
Derivative Asset	-	-	3.88
Loan to Subsidiaries	72.17	-	-
<b>Liabilities</b>			
Loans from Banks	817.53	-	-
Interest accrued but not due	2.16	-	-
Security Deposits	21.63	-	-
Trade payables	377.11	-	-
Capital Creditors	19.56	-	-
Other Creditors	140.56	-	-
Unpaid Dividends	2.69	-	-

The carrying value and fair value of financial instruments by each category as at Mar 31, 2023 was as follows:

Particulars	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
<b>Asset</b>			
Investment in Others	-	-	254.64
Investment in Subsidiary and Associate	65.40	-	-
Employee advances	3.46	-	-
Deposits with Bank	0.06	-	-
Security Deposits	46.66	-	-
Trade Receivables	193.38	-	-
Cash and Bank Balances	10.55	-	-
Accrued income	2.44	-	-
Derivative Asset	-	-	6.71
<b>Liabilities</b>			
Loans from Banks and Commercial paper	636.94	-	-
Interest accrued but not due	2.11	-	-
Security Deposits	84.90	-	-
Trade payables	395.22	-	-
Capital Creditors	20.22	-	-
Other Creditors	109.16	-	-
Unpaid Dividends	3.01	-	-

Details of financial assets pledged as collateral :

Carrying amount of financial assets as at Mar 31, 2024 and 2023 that the Company has provided as a collateral for obtaining borrowing and other facilities from the bankers are as follows :

Particulars	As at 31-Mar-24	As at 31-Mar-23
Fixed Deposits	0.06	0.06

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**c. Fair value measurement of financial instruments measured at fair value on recurring basis:**

Particulars	As at 31-Mar-24		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Investment in Others	-	253.61	5.97
Derivative Asset	-	3.88	-

Particulars	As at 31-Mar-23		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Investment in Others	-	253.02	1.62
Derivative Asset	-	6.71	-

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

**d. Interest income/(expense), gain/(losses) recognised on financial assets and liabilities**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
(a) Financial assets at amortised cost		
Interest income on bank deposits	-	-
Interest income on loans	1.66	1.05
(b) Financial liabilities at amortised cost		
Interest expenses on borrowings from banks, others and overdrafts	(42.53)	(38.40)
(c) Financial asset at FVTPL		
Net gain/(losses) on fair valuation on derivative financial instruments	0.59	1.89
(d) Financial asset at FVTOCI		
Net gain/(losses) on fair valuation on derivative financial instruments	(4.47)	(5.63)
Net gain/(losses) on fair valuation of investments	0.58	0.17

**39. Financial risk management**

The company has exposure to the following risks from its use of financial instruments

**39.1 Credit risk**

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

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Credit risk is managed by the entity. Considering the credit risk assessment made by the management and based on past history, provision/write off for receivables amounting to Rs.1.05 crores ( PY Rs. 0.70 crores) has been made under the simplified approach

**39.2 Liquidity risk**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	As at 31-Mar-24	As at 31-Mar-23
<b>Long term borrowings</b>		
- Upto 1 Year	55.78	44.37
- 1 to 3 Years	160.10	138.93
- more than 3 years	267.70	179.38
<b>Short term borrowings</b>		
- Upto 1 Year	333.95	274.27
<b>Trade Payable</b>		
- Upto 1 Year	377.11	395.22
<b>Security Deposits from Customer</b>		
- Upto 1 Year	8.00	72.00
- 1 to 3 Years	13.63	12.90
- More than 3 Years		
<b>Capital creditors</b>		
- Upto 1 Year	19.56	20.22
<b>Other Financial Liabilities</b>		
- Upto 1 Year	145.40	114.28
<b>Total</b>	<b>1,381.23</b>	<b>1,251.57</b>

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

The following table details the Company's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	As at 31-Mar-24	As at 31-Mar-23
Fixed Deposits with Banks	0.06	0.06
- 1 to 3 Years		
Trade Receivables		
- Upto 1 Year	229.66	193.38
Advance to Employees		
- 1 to 3 Years	3.19	3.46
Security Deposits		
- 1 to 3 Years	34.23	40.33
Other Financial Assets		
- Upto 1 Year	88.45	15.48
Unpaid Dividend		
- Upto 1 Year	2.69	3.01
Cash & Cash Equivalents		
- Upto 1 Year	11.76	7.54
Investment in Unquoted Shares		
- Upto 1 Year		-
- More than 3 Years	358.39	320.04
<b>Total</b>	<b>728.43</b>	<b>583.30</b>

The Company has access to committed credit facilities as described below, of which Rs.91.05 cr were unused at the end of the reporting period (as at March 31, 2023 Rs.150.73 cr). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Bank Credit facility, reviewed annually:	As at 31-Mar-24	As at 31-Mar-23
Current borrowings - secured	233.95	249.12
Current borrowings - unsecured	100.00	25.15
Amount used	333.95	274.27
Amount unused	91.05	150.73

### 39.3 Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency exchange risk and interest rate risk

**39.3.1 Commodity Price Risk** - The primary commodity price risks that the Company is exposed to include rubber prices that could adversely affect the value of the Company's financial assets or expected future cash flows.

**39.3.2 Foreign currency risk management** - The Company imports raw materials from outside India as well as make export sales to countries outside India. The Company is, therefore, exposed to foreign currency risk principally arising out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against firm purchase commitment and receivables.

**39.3.2.1** The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

**The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.**

#### Balance as at 31-Mar-24

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
<b>Trade Receivables (Assets)</b>			
USD	83.40	3,838,608	32.01
EUR	89.87	4,433,301	39.84
GBP	105.07	25,018	0.26
<b>Trade Payables (Liabilities)</b>			
USD	83.41	3,605,600	30.07
EUR	89.89	2,125	0.02
AED	22.71	740,880	1.68
SGD	61.74	8,000	0.05
<b>Capital creditors payables (Liabilities)</b>			
USD	83.41	1,007,726	8.41
<b>Loans to wholly owned subsidiary (Assets)</b>			
USD	83.40	8,650,000	72.17

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Balance as at 31-Mar-23**

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
<b>Trade Receivables (Assets)</b>			
USD	82.18	2,650,832	21.78
EUR	89.46	3,435,669	30.74
<b>Trade Payables (Liabilities)</b>			
USD	82.19	3,586,217	29.48
EUR	89.49	2,177	0.02

**39.3.2.2 Foreign currency sensitivity analysis**

The Company is principally exposed to foreign currency risk against USD & EURO. Sensitivity of profit or loss arises mainly from USD & EURO denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and EURO-INR currency pair, sensitivity of profit/(loss) only on outstanding foreign currency denominated monetary items at the period end is presented below:

The Company's foreign currency sensitivity analysis at the end of the reporting period expressed in INR, are as follows:

Particulars	Currency	31-Mar-24	31-Mar-23
Impact on Receivables due to +/- 5% Change in Currency Rates	USD	1.60	1.09
	EUR	1.99	1.54
	GBP	0.01	-
Impact on Payables due to +/- 5% Change in Currency Rates	USD	1.50	1.47
	EUR	0.00	0.00
	AED	0.08	-
	SGD	0.00	-
Impact on Capital Payables due to +/- 5% Change in Currency Rates	USD	0.42	-
Impact on Loan to Subsidiaries due to +/- 5% Change in Currency Rates	USD	3.61	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

**39.3.2.3 Forward foreign exchange contracts**

It is the policy of the Company to enter into forward exchange contracts based on the net exposures for the future periods evaluated on a monthly basis, considering both existing exposures and potential forecast transactions

**39.3.3 Interest rate risk management**

The Company is exposed to interest rate risk because of borrowal of short term funds at floating interest rates.

**Interest rate sensitivity analysis**

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's Profit for the year ended March 31, 2024 would decrease/increase by Rs.4.20 Crores; as against Rs.1.00 Crores for the year ended March 31, 2023

**40. Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium, general reserve and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of borrowings and related covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by fund attributable to Equity Shares Holders. The company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31-Mar-24	As at 31-Mar-23
Interest-bearing loans and borrowings	819.69	639.05
Less: cash and cash equivalents	(11.76)	(7.54)
<b>Net debt</b>	<b>807.93</b>	<b>631.51</b>
Equity Capital	7.66	7.66
Other Equity	1,106.31	1,032.70
Total capital	<b>1,113.97</b>	<b>1,040.36</b>
<b>Gearing ratio</b>	<b>0.73</b>	<b>0.61</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it provide for a strong financial strength to meet the Company's growth needs and meet borrowing related capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2024 and 31st March 2023.



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**41. Commitments and Contingencies**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Estimated amount of contract remaining to be executed on capital account	30.16	84.97
b) Letter of Credit opened by Company's Bankers	57.61	47.62
c) Excise duty and service tax under dispute	18.47	19.00
d) Sales Tax under dispute	11.52	11.52
e) Provident Fund	4.03	5.03
f) Customs	28.38	2.50
g) GST	21.57	1.93
h) Other Matters	0.74	0.86

**42. Due to micro and small enterprises**

Particulars	As at 31-Mar-24	As at 31-Mar-23
Principal amount due to a suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end *	5.20	4.83
Interest due to suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the Micro and Small Enterprises Act beyond the appointed day during the year	0.97	0.46
Interest paid, other than under Section 16 of Micro and Small Enterprises Act, to suppliers registered under the Micro and Small Enterprises Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of Micro and Small Enterprises Act, to suppliers registered under the Micro and Small Enterprises Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under Micro and Small Enterprises Act, for payments already made**	0.00	0.00
Futher interest remaining due and payable for earlier years #	-	0.00

\* Includes principal amount due to capital creditors Rs.1.82 Crores (PY Rs.2.72 Crores)

\*\* Aggregate Interest to be payable for current year Rs.44,458 (PY Rs.17,411)

# Aggregate Interest to be paid for earlier years NIL (PY Rs.35,163)

**43. Contribution to corporate social responsibilities**

Sec 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. The company is expected to spend Rs.1.73 crores in compliance to this requirement. A sum of Rs.1.73 crores has been spent during the current year towards CSR activities as explained below.

CSR Expenditure	Year ended 31-Mar-24	Year ended 31-Mar-23
Amount required to be spent under section 135 of the Companies Act, 2013	1.73	1.66
Amount spent during the year on:		
i) Construction/acquisition of an asset		-
ii) Purposes other than (i) above	1.73	1.28
Surplus of amount spent in the year	-	0.10
2021-22 surplus adjusted in previous year*	-	0.48
Shortfall at the end of the year		-
Reason for shortfall		-
Nature of CSR activities	**	-
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-
	-	-

The surplus spend in 2022-23 for CSR expenditure of Rs. 0.10 crores has been carry forward as per Sec.135(5).

\* The surplus spend in 2021-22 for CSR expenditure has been adjusted to the extent of Rs. 0.48 crores as per Sec.135(5) in the FY 22-23.

\*\* Activities focused on Education, Intellectual & Skill development, Health care & Sanitation, Livelihood Enhancement, Strengthening Village level Organisation, Ensuring environmental sustainability, Conservation and maintenance of natural resources and Protection of natural heritage, sports, arts and cultures.

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**44. Payments of Statutory Auditor**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
a) Auditor	0.28	0.28
b) For taxation matters	-	-
c) For company law matters	-	-
d) For other services	0.06	-
e) For reimbursement of expenses	0.02	0.02
<b>Total</b>	<b>0.36</b>	<b>0.30</b>

**45. Depreciation & Amortisation**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Depreciation on Property, Plant and Equipment (Refer Note 3)	92.47	78.46
Amortisation of Intangible Assets (Refer Note 4)	5.77	4.12
Depreciation of Right of Use Assets (Refer Note 5)	0.19	5.86
<b>Total</b>	<b>98.43</b>	<b>88.44</b>

**46. Exceptional Item** - The company initiated a Voluntary Retirement Scheme for its employees in FY 2021-22. Under this scheme, the company has received and approved applications for a sum of Rs.1.37 crores in the current year (PY Rs.5.49 crores).

On July 21, 2022, the Ministry of Environment, Forest and Climate Change issued notification containing Regulations on Extended Producer Responsibility (EPR) for Waste Tyre applicable to Tyre manufacturers and Recyclers. As per the notification, the Company has a present legal obligation as at March 31, 2024 for FY 2023-24 (quantified basis the production in FY 21-22) and for FY 2022-23 (quantified basis the production in FY 20-21). As at March 31, 2023 the Company could not estimate the liability reliably since the infrastructure for the same was not enabled and hence this obligation was not provided for. In the current year the enabling framework has been established for the Company to estimate the liability and accordingly Rs.7.58 Crores has been provided in the books in the current year, which has been disclosed as an exceptional item during the year ended March 31, 2024.

**47. Previous year figures:** Previous year's figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification.

**48. Quarterly returns filed with Banks and Financial Institutions :** The amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

**49. Relationship with Struck off Companies:** Where the company has any transactions with companies struck off under sec.248 of companies act 2013 or sec 560 of companies act 1956.

Name of struck off companies	Nature of transactions with struck off company	Share Held	Balance outstanding (in face value)
KS MORAKA AND SONS PVT LTD	Shares held by struck off companies	50	500
MUSASONS PRIVATE LTD	Shares held by struck off companies	1	10

**50. Utilisation of borrowings from Banks and Financial Institutions:** Terms loans taken during the year have been put to use for the purpose for which these were obtained.

**51.** The implementation of the Code on Social Security, 2020 is getting postponed. The Company will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.

**52.** The Board of Directors of the company recommended a dividend of Rs.47.34 (PY 32.05) per equity share of Rs.10/- each (I.e.) for the year ended March 31, 2024, subject to the approval of shareholders at the ensuing Annual General Meeting of the company.

**53.** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b)Provide any guarantee ,security, or the like to or on behalf of ultimate Beneficiaries.

**54.** 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 tax assessments under the income tax act,1961 (such as search or survey or any relevant provisions of Income Tax Act,1961.

**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**55.** Company uses an ERP as books of accounts and the same was configured to maintain audit trail and audit logs at transaction level and database level with the application layer from 9th July 2023. Post publication of ICAI implementation guide in February 2024, direct database level changes was also included in the audit trail scope which however was not enabled. The Company shall evaluate the impact on performance by enabling the database level audit trail and incorporate the recommendation as suggested by the ERP vendor. However, access to direct database level changes is available only to the default System user provided by the ERP vendor.

For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and audit trail feature has not been tampered with during the year”

**56. Other notes**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company to holding any benami property.
- (ii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (iii) The Company 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)
- (iv) 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.
- (v) The Company has nothing to report on compliance with approved Scheme(s) of Arrangements.
- (vi) The Company has not taken loans and borrowings from lenders (Other than banks and Financial Institutions).
- (vii) The Company has complied with the requirements of section 123 of the Companies Act 2013 in respect of the final dividend for previous year paid during the year and the interim dividend declared and paid in the current year.

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership No: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN:24027251BKDHGO3917

Place: Chennai  
Date: 11th May 2024



**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**57. Ratios**

S.no	Ratio	%/ Times	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current Ratio	Times	Current Assets	Current Liabilities	1.04	1.05	1.45%	
2	Debt Equity Ratio	Times	Total Debt	Total shareholder equity	0.73	0.61	20.31%	
3	Debt Service Coverage Ratio	Times	Earning available for debt service (Net Profit after taxes + Finance cost+Depreciation and amortization expense) adjustments like loss on sale of Fixed assets etc.)	Debt Service = Interest & Lease Payments + Principal Repayments	2.58	2.40	7.42%	
4	Return on Equity Ratio	Percentage	Profit after Tax	Average Shareholders Equity	9.61%	6.92%	38.83%	Better Profitability compare to last year
5	Inventory Turnover Ratio	Times	Revenue from Operations	Average inventory	3.98	3.68	7.98%	
6	Trade Receivable Turnover Ratio	Times	Revenue from Operations	Average Accounts Receivable	13.02	13.70	4.93%	Factoring of Receivable and improved collections in current year
7	Trade Payable Turnover Ratio	Times	Purchases	Average Accounts Payable	3.58	4.10	12.76%	
8	Net Capital Turnover Ratio	Times	Revenue from Operations	Average Working Capital	63.89	18.56	244.26%	Better Inventory and receivables turnover ratios reduced the working capital requirements.
9	Net Profit Ratio	Percentage	Profit after tax	Revenue from Operations	3.76%	2.45%	53.66%	Better Profitability compare to last year
10	Return on Capital Employed Ratio	Percentage	EBIT	Capital Employed (Tangible net worth+Total debt+Deferred Tax Liability)	10.16%	7.96%	27.60%	Better PBIT contributed to increased ROCE
11	Return on Investment	Percentage	Net return on investment	Opening carrying value of investment	0.23%	0.07%	238.28%	No major change in fair value of investments in current year.

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership No: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN:24027251BKDHGO3917

Place: Chennai  
Date: 11th May 2024



Independent Auditors' Report

To the Members of TVS Srichakra Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of TVS Srichakra Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2024, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, ("Ind AS") and accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, consolidated total comprehensive income, their consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's *Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Description	Our Response
<b>Revenue Recognition</b>	<p>In respect of holding company, The Company recognizes revenue of sale of products on the following basis:</p> <p>i. OE Manufacturers: Revenue is recognized only on delivery being made at the OE factory site. Price variance for the change in input costs is adjusted through debit / credit notes on the same after being approved by the concerned OE.</p> <p>ii. After Market: Sales to dealers in the after-market segment is accounted on dispatch being effected from the depots.</p> <p>Credit notes for schemes and discounts are estimated and accounted in the period when the sales revenue is recorded itself as a reduction from the revenue recognized. Actual credit notes issued are adjusted against such provisions made on a periodical basis.</p> <p>Considering: • the magnitude and high volume of sales transactions carried out, and • estimation involved in price variance accounting as well as accruals for discounts and schemes.</p> <p>Revenue recognition represented a key audit matter in the audit</p>	<p>Our audit procedures included verification of existence, completeness, accuracy and cut-off for the sales transactions.</p> <ul style="list-style-type: none"> <li>• Our tests included performance of an understanding and evaluation of the internal controls over the revenue recognition and a validation of relevant controls.</li> <li>• The tests further covered the proper recognition of revenue through testing of samples of sales transactions, obtaining appropriate supporting evidence with specific attention to key contractual terms that regulate the various performance obligations.</li> <li>• Our audit procedures included analytical review of sales transactions and accounting of revenue.</li> <li>• Our audit procedures included the accounting for discounts, rebates and schemes in accordance with the underlying policies and schemes</li> <li>• It also extended to performing confirmation procedures over trade receivables with the objective of validating trade receivable balances, testing samples of credit notes and year-end accruals.</li> <li>• Evaluating the disclosures made with requirements under the Accounting Standards and the Companies Act, 2013</li> </ul>

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' report Management Discussion and Analysis Report (MDA), Report on Corporate Governance, Financial Highlights and Business Responsibility and Sustainability Report (BRSR) but does not include the consolidated financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the aforesaid reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.



### Responsibilities of the Management and Board of Directors for Standalone Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 controls 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 Holding Company, its subsidiary companies which are companies incorporated in India have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

**Other Matters**

We did not audit the financial information of one subsidiary, whose financial information reflect total assets of 124.08 crores as at 31st March 2024, total revenues of 36.70 crores and net cash inflows amounting to 0.53 crores for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

**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 sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matter specified in paragraphs 3 (xxi) and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company and its Subsidiaries which are companies incorporated in India as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and its Subsidiaries, none of the directors of the Holding company and its Subsidiaries 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 adequacy of the internal financial controls over financial statements of the Holding Company and its subsidiary companies which are incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
  - 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 46 to the consolidated financial statements.
    - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 43 to the consolidated financial statements in respect of such items as it relates to the Group.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
    - iv. (a) The management of holding Company and its subsidiary companies which are incorporated in India has represented that, to the best of their knowledge and belief, as disclosed in Note 55 to the Financial Statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or its subsidiary companies 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 Holding Company or any of its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) The management of the holding Company and its subsidiary companies which are incorporated in India has represented, that, to the best of its knowledge and belief, as disclosed in Note 55 to the Financial Statements, no funds have been received by the holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiary companies 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 final dividend paid by the Holding Company during the year in respect of the same declared for the previous year and the interim dividend declared and paid by one of the subsidiary company incorporated in India for current year are in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend.

The Board of Directors of the Holding Company have proposed final dividend for current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, performed by us on the Holding company and its subsidiaries which are incorporated in India, except for the instances mentioned below, have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year from activation for all relevant transactions recorded in the softwares. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Refer Note 56 to the consolidated financial statements.

A) In case of the Holding Company and its one subsidiary company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the books of account.

B) In case of one subsidiary company the feature for recording audit trail was not enabled at the master level for the accounting software.

C) In the holding company, audit trail for direct database changes through application layer was enabled from 9th July 2023.

- i) With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:

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

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

Sd/-

**T V Balasubramanian**

Partner

Membership No. 027251

Place: Chennai

Date: 11th May 2024

UDIN: 24027251BKDHGQ5683

**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 Srichakra Limited ("the Company") on the consolidated financial statements as of and for the year ended 31 March 2024.**

As required by Paragraph (xxi) of Companies (Auditor's Report) Order (CARO), there have been no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies which are incorporated in India and included in the consolidated financial statements.

**Annexure B**

**Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date on the consolidated financial statements of TVS Srichakra Limited**

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of **TVS Srichakra Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India as of that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 ICAI"). 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 the respective 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 internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditors' 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 internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and to the best of our information and according to the explanations given to us the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No. 027251  
Place: Chennai  
Date: 11th May 2024  
UDIN: 24027251BKDHGQ5683



**Consolidated Balance Sheet as at March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

I.	Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	<b>3</b>	973.80	856.77
	(b) Capital work -in-progress	<b>3</b>	104.29	113.58
	(c) Investment Property	<b>4</b>	23.23	23.56
	(d) Goodwill	<b>5</b>	18.15	-
	(e) Other Intangible assets	<b>6</b>	34.46	22.06
	(f) Intangible assets under development	<b>6</b>	39.13	31.25
	(g) Right of Use Asset	<b>7(a)</b>	32.42	2.41
	<b>(h) Financial Assets</b>			
	(i) Investment in Associate	<b>8</b>	-	-
	(ii) Other Investments	<b>8</b>	259.72	254.64
	(iii) Loans	<b>9</b>	-	0.77
	(iv) Others	<b>10</b>	37.73	44.06
	(i) Income tax assets (net)		20.77	22.84
	(j) Deferred tax Asset (Net)	<b>11</b>	3.30	2.60
	(k) Other non-current assets	<b>12</b>	44.35	16.46
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	<b>13</b>	702.72	778.94
	<b>(b) Financial Assets</b>			
	(i) Trade receivables	<b>14</b>	282.29	220.52
	(ii) Cash and cash equivalents	<b>15(a)</b>	15.92	12.55
	(iii) Bank balances other than (ii) above	<b>15(b)</b>	2.69	3.01
	(III) Loans	<b>16</b>	0.80	0.75
	(iv) Others	<b>17</b>	17.96	15.53
	(c) Other Current Assets	<b>18</b>	82.95	33.29
	<b>TOTAL ASSETS</b>		<b>2,696.68</b>	<b>2,455.59</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>Equity</b>			
	(a) Equity Share capital	<b>19</b>	7.66	7.66
	(b) Other Equity	<b>20</b>	1,104.47	1,026.52
	(c) Non-Controlling Interest		(0.67)	(0.48)
<b>2</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	<b>(a) Financial Liabilities</b>			
	(i) Borrowings	<b>21</b>	431.55	324.26
	(ii) Lease liabilities	<b>7(b)</b>	5.54	
	(iii) Other financial liabilities	<b>22</b>	20.43	12.90
	(b) Provisions	<b>23(a)</b>	18.11	12.49
	(c) Deferred tax liabilities (Net)	<b>24</b>	69.85	71.07
	(d) Other Non-current liabilities	<b>25</b>	0.16	0.20
<b>3</b>	<b>Current liabilities</b>			
	<b>(a) Financial Liabilities</b>			
	(i) Borrowings	<b>26</b>	403.16	337.81
	(ii) Lease liabilities	<b>7(b)</b>	2.24	-
	(iii) Trade payables			
	a) total outstanding dues of Micro and Small Enterprises	<b>27</b>	4.29	3.69
	b) total outstanding dues of creditors other than Micro & Small Enterprises	<b>27</b>	397.82	409.51
	(iv) Other financial liabilities	<b>28</b>	175.80	210.92
	(b) Other current liabilities	<b>29</b>	37.87	24.52
	(c) Provisions	<b>23(b)</b>	18.40	14.52
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,696.68</b>	<b>2,455.59</b>

Material Accounting Policies & Notes to Financial Statement

1-58

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership No: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251

Place: Chennai  
Date: 11<sup>th</sup> May 2024

Place: Chennai  
UDIN: 24027251BKDHGQ5683



**Consolidated Statement of Profit and Loss for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

Particulars		Note	Year ended 31-Mar-2024	Year ended 31-Mar-2023
I.	Revenue from operations	30	2,926.00	2,984.97
II.	Other income	31	6.63	9.17
III.	<b>Total Income (I + II)</b>		<b>2,932.63</b>	<b>2,994.14</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	32	1,555.33	1,789.12
	Purchase of Stock-in-trade		78.18	4.18
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	33	(23.46)	(24.92)
	Employee benefits expense	34	356.05	318.94
	Finance costs	35	44.65	39.63
	Depreciation and Amortisation	47	103.83	91.54
	Other expenses	36	663.09	668.72
	<b>Total expenses</b>		<b>2,777.67</b>	<b>2,887.21</b>
V.	Profit before exceptional items and tax (III-IV)		154.96	106.93
VI.	Exceptional items	48	8.95	5.49
VII.	Profit before tax (V - VI)		146.01	101.44
VIII.	Tax Expense:			
	(1) Current Tax		37.29	20.58
	(2) Current Tax (Previous years)	37	-	(3.09)
	(3) Deferred Tax		0.96	6.13
IX.	Profit for the year (VII-VIII)		107.76	77.82
	<b>(Profit) / Loss attributable to non-controlling Interest</b>		(0.19)	(0.17)
	<b>Profit for the year attributable to owners</b>		107.95	77.99
x	Other Comprehensive Income			
	A Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurement of the post-employment benefit obligations		(4.40)	1.75
	(ii) Fair value gains on equity instruments		0.58	0.17
	(iii) Income tax relating to items that will not be reclassified subsequently to profit or loss		1.75	0.17
	B Items that will be reclassified subsequently to profit or loss			
	(i) Effective portion of gains (losses) on hedging instruments in cash flow hedges		(4.47)	(5.63)
	(ii) Foreign currency translation reserve		(0.05)	-
	(iii) Income tax relating to items that will be reclassified subsequently to profit or loss		1.13	1.42
XI	Total Comprehensive Income for the year (IX+X)(Comprising Profit and Other Comprehensive Income for the year)		<b>102.30</b>	<b>75.70</b>
	<b>Total Comprehensive Income attributable to non-controlling Interest</b>		(0.19)	(0.17)
	<b>Total Comprehensive Income attributable to Owners</b>		102.49	75.87
XII	Earnings per equity share			
	- Basic & Diluted (FV - ₹ 10 per share)	38	140.98	101.85

Material Accounting Policies & Notes to Financial Statement

1-58

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership No: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN: 24027251BKDHGQ5683

Place: Chennai  
Date: 11<sup>th</sup> May 2024





**Consolidated Statement of Cash Flows for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

Particulars		Year ended 31-Mar-2024		Year ended 31-Mar-2023	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	Profit before tax		146.01		101.44
	Adjustments for :				
	Depreciation	103.83		91.54	
	Interest expense	44.65		39.63	
	Interest received	(4.22)		(4.14)	
	Provisions no longer required	(0.42)		(0.76)	
	Net Unrealised Foreign Exchange (gain)/loss	(1.51)		1.66	
	Advances Written off / written back	0.12		2.68	
	Profit from Sale of Property, Plant & Equipments (net)	(0.05)		(0.05)	
	Bad debts Written off / written back	0.85		-	
	Allowance for bad and doubtful debts	0.54		0.89	
	Assets Condemned	0.09		0.01	
			143.88		131.46
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>289.89</b>		<b>232.90</b>
	Adjustments for :				
	Trade Receivables	(47.52)		18.91	
	Other Receivables	(73.01)		(28.62)	
	Inventories	115.19		34.05	
	Trade and other payables	(21.37)		(26.24)	
			(26.71)		(1.90)
	Cash Generated From Operations		<b>263.18</b>		<b>231.00</b>
	Income taxes paid (net of refund)		(35.22)		(25.40)
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		<b>227.96</b>		<b>205.60</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
	Payment for acquisition of assets	(250.81)		(207.40)	
	Payment towards acquisition of business (Refer note 49)	(72.02)			
	Proceeds from sale of property, plant & equipment	0.05		0.05	
	Investments in equity instruments	(4.49)			
	Interest received	1.50		4.14	
	Movement in Bank deposits with original maturity of more than 12 months	0.32		1.17	
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		<b>(325.45)</b>		<b>(202.04)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Interest paid	(46.35)		(39.63)	
	Payment towards lease liabilities	(0.88)			
	Proceeds of term loans	165.75		7.50	
	Repayments of term loans	(46.92)		(54.91)	
	Proceeds / (Repayments) of Commercial paper	-		(50.00)	
	Movement in working capital loans	53.80		149.79	
	Dividend paid	(24.54)		(12.48)	
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES: (C)</b>		<b>100.86</b>		<b>0.27</b>
	<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>3.37</b>		<b>3.83</b>
	<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>12.55</b>		<b>8.72</b>
	<b>CLOSING CASH AND CASH EQUIVALENTS (Refer Note 15(a))</b>		<b>15.92</b>		<b>12.55</b>

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' Refer Note 21(b) for Net debt reconciliation

Material Accounting Policies & Notes to Financial Statement

1-58

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership no: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN: 24027251BKDHGQ5683

Place: Chennai  
Date: 11<sup>th</sup> May 2024



**Consolidated Statement of Changes in Equity for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**TVS SRICHAKRA LIMITED**  
CIN : L25111TN1982PLC009414  
Regd Office : TVS Building, 7-B West Veli Street, Madurai - 625001

(a) Equity share capital

Particulars	Amount
<b>Balance as at March 31, 2022</b>	<b>7.66</b>
Changes in equity share capital due to prior period Errors	-
<b>Restated Balance as at March, 31,2023</b>	<b>7.66</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2023</b>	<b>7.66</b>
Changes in equity share capital due to prior period Errors	-
<b>Restated Balance as at March, 31,2022</b>	<b>7.66</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2024</b>	<b>7.66</b>

(b) Other Equity

Particulars	Reserves and Surplus					Debt instruments through OCI	Equity Instrument through OCI	Cash flow hedge through OCI	Total equity attributable to equity holders of the Company	Non Controlling Interest	Total Equity
	Capital Reserve	Securities Premium Account	General Reserve	Amalgamation Reserve	Retained Earnings						
<b>Balance as at March 31, 2022</b>	0.11	0.93	33.47	0.46	762.27	-	155.88	10.02	963.14	(0.31)	962.83
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance at March 31, 2023</b>	0.11	0.93	33.47	0.46	762.27	-	155.88	10.02	963.14	(0.31)	962.83
Other Comprehensive income for the year	-	-	-	-	1.31	-	0.78	(4.21)	(2.13)	-	(2.13)
Dividends	-	-	-	-	(12.48)	-	-	-	(12.48)	-	(12.48)
IND AS 116 - Transferred to Reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	77.99	-	-	-	77.99	(0.17)	77.82
<b>Balance as at March 31, 2023</b>	0.11	0.93	33.47	0.46	829.08	-	156.66	5.81	1,026.52	(0.48)	1,026.04
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance March 31, 2023</b>	0.11	0.93	33.47	0.46	829.08	-	156.66	5.81	1,026.52	(0.48)	1,026.04
Other Comprehensive income for the year	-	-	-	-	(3.34)	-	1.22	(3.34)	(5.46)	-	(5.46)
Dividends	-	-	-	-	(24.54)	-	-	-	(24.54)	-	(24.54)
IND AS 116 - Transferred to Reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	107.95	-	-	-	107.95	(0.19)	107.76
<b>Balance as at March 31, 2024</b>	0.11	0.93	33.47	0.46	909.15	-	157.88	2.47	1,104.47	(0.67)	1,103.80

Material Accounting Policies & Notes to Financial Statement

1-58

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership no: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN: 24027251BKDHGQ5683

Place: Chennai  
Date: 11<sup>th</sup> May 2024



## MATERIAL ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

### 1. Corporate Information

TVS Srichakra Limited ('TSL' or 'the Holding Company') is a public limited company domiciled and incorporated in India having its registered office at TVS Building, 7-B West Veli Street, Madurai 625001. The Holding Company's shares are listed and traded on Bombay Stock Exchange and National Stock Exchange in India. The Holding Company is engaged in the business of two-wheeler, three-wheeler and other industrial tyre manufacturing.

The Consolidated financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on 11th May, 2024.

### 2. Material Accounting Policies

#### a) Basis of preparation and Consolidation

The consolidated financial statements 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 consolidated 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.

The Consolidated financial statements comprise the financial statements of TVS Srichakra Limited (the holding company), its subsidiaries TVS Srichakra Investments Limited, TVS Sensing Solutions Private Limited (formerly known as ZF Electronics TVS (India) Private Limited), Fiber Optic Sensing Solutions Private Limited (FOSS) & Super Grip Corporation (the holding company and its subsidiaries together is referred to as the "Group").

TVS Srichakra Limited has incorporated a company named SG Acquisition Corporation in USA. SG Acquisition Corporation has acquired 100% of equity shares of M/s. Super Grip Corporation. Later, SG Acquisition Corporation was renamed to Super Grip Corporation. Accordingly, the company has become the subsidiary of TVS Srichakra Limited w.e.f 2nd November 2023.

The Financial Statements of the parent company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating Intra-group balances, Intra-group transactions and unrealised profits or losses in accordance with Ind AS 110 – "Consolidated Financial Statements". The deferred tax to be recognised for temporary differences arises from elimination of profits and losses resulting from intra group transactions.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Note 2(u). 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 Group 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 Consolidated 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
- (iii) 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.
- (iv) Ind AS 107 – Financial Instruments: Disclosures  
Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

**MATERIAL ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

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

(vi) 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 group's financial statements, except in terms of disclosure being changed to "material accounting policies" instead of "significant accounting policies" in the earlier years.

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

**1. New Accounting Standards/Amendments notified but not yet effective:**

Ministry of Corporate Affairs ("MCA") has not notified any new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules which are applicable for the financial periods commencing on or after 01st April 2024.

**e) Functional and Presentation Currency**

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

The Financial Statements are presented in Indian Rupees which is Group's presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest Crore (Cr) 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.

**Critical Judgments in applying accounting policies**

**i. Classification of investment in TVS Automobile Solutions Private Limited**

The Holding Company holds investments in equity shares of TVS Automobile Solutions Private Limited ("TVS ASPL"). In the opinion of the management, TVS ASPL is not considered to be an associate of the Holding Company. Accordingly, the investment in their shares have been designated as investment at FVTOCI.

**ii. Lease**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## **Assumptions and Key Sources of Estimation Uncertainty**

### **i. Fair value measurements and valuation processes**

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the group engages third party qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 2(t).

### **ii. 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.

### **iii. Useful life of Property, Plant & Equipment (PPE)**

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

### **iv. 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 took a series of measures to contain the outbreak, which included imposing multiple 'lock-downs', including some period in the previous financial year.

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

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

## **g) Business Combinations**

The Group uses the acquisition method of accounting to account for business combinations other than those under common control. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Any goodwill that arises on account of such business combination is tested annually for impairment. Any contingent consideration is measured at fair value at the date of acquisition. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Company incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

## **h) Financial Instruments**

### **i. Financial Assets - Investments**

Financial assets comprise of investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

#### **Initial recognition:**

All 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). Purchase or sales of financial assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date. However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### **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 amortization is recognized as finance income in the statement of profit and loss.

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

- a) Trade receivable
- b) Other financial assets

##### **ii. Financial asset at FVTOCI**

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 FVTPL. For other equity instruments the Group 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).

##### **iii. Financial asset at FVTPL**

All fair value changes are recognized in the Statement of Profit and loss.

#### **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 (except for equity instruments designated as FVTOCI).

#### **Impairment of financial asset**

Trade receivables, investments in debt instruments that are carried at amortized cost, investments in debt instruments that are carried at FVTOCI 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 net of 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 into following categories

- at amortized cost
- at fair value through the statement of profit and loss

### **Financial liabilities at amortized cost**

The Group is classifying the following under amortized cost;

- a) Borrowings from banks
- b) Borrowings from others
- c) Lease liabilities
- d) Trade payables
- e) 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.

### **Financial liability at Fair Value through statement of profit and loss**

Financial liabilities held for trading are measured at FVTPL.

### **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.

## **iv. Derivative financial instruments**

The Group holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / other expenses. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet Date.

## **v. Cash flow hedges**

The Group designates certain foreign exchange forward contracts / other derivative instruments as cash flow hedges to mitigate the risks of foreign exchanges exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

#### **vi. 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 Group 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.

#### **vii. Reclassification of financial assets**

In case of any reclassification, the group applies the reclassification prospectively and does not restate any previously recognized gains, losses (including impairment gains, or losses) or interest.

### **i) Property, Plant and Equipment**

Property, plant and equipment is stated at cost less accumulated depreciation (except in case of freehold land which is not depreciated) 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 Group 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 or 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. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Assets costing Rs.5000 or below acquired during the year considered not material are depreciated in full retaining Rs.1 per asset. The Useful life has been considered in line with schedule II except where based on technical estimates.



**MATERIAL ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

**Estimated useful life in years:**

Class of Assets	Estimated Useful life
<b>Tangible (Owned Assets):</b>	
Building - Temporary structures	3-5 years
- Factory	10 years
- Other than factory buildings	30-60 years
Plant and Machinery other than generator sets	10-20 years
Electronics	6 years
Moulds / trolleys / weighing balance / drums / PCI stand / Storage stand / motor / pump	6 years
Furniture and Fixtures	10 years
Office Equipment	2-5 years
Vehicles	8-10 years

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

**j) Goodwill**

Goodwill on acquisitions is disclosed as a separate line item on the face of the balance sheet apart from 'Other Intangible Assets'. Goodwill is not amortised but it is tested for impairment annually, or more frequently if went or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units or groups of cash generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

**k) Other Intangible assets**

Intangible assets that are acquired by the group, 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.

Research costs are expensed as incurred. Development expenditures on an individual project / New Product Development are recognised as an intangible asset when the Group can demonstrate:

- a) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- b) Its intention to complete and its ability and intention to use or sell the asset
- c) How the asset will generate future economic benefits
- d) The availability of resources to complete the asset
- e) The ability to measure reliably the expenditure during development

**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.

Estimated useful life:

- a) Software License is amortised over 5 years
- b) New Product Development is amortised over 6 years

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



### **I) Investment Properties**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) and that is not meant for use by the Group. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties are depreciated using the straight-line method over their estimated useful life.

The useful life of Investment properties – Buildings have been estimated at 30 years. The useful life has been determined based on technical evaluation performed by management expert. Based on management's estimate, the residual value has been considered as NIL.

### **m) Leases**

Where the Company is the lessee

At the inception of a contract, the Group assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term

The lease liability is initially measured at the present value of the remaining lease payments at the commencement date, discounted using the Group's incremental borrowing rate.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value (less than Rs. 50 lakhs). The Group recognizes the lease payments associated with these leases as an expense over the lease term.

Where the Company is the lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

### **n) Inventories**

Inventories consisting of stores and 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.

## MATERIAL ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

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 is determined after deducting rebates and discounts. Provision is made for obsolete, non-moving & defective stocks, wherever necessary.

### **o) 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 Group 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. Variable consideration in the form of trade discounts and volume rebates are netted off from revenue. 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.

Revenue from lease rentals is recognized on time proportionate basis. In case of uncertainty in realization of the lease rentals, recognition of such income is deferred.

### **Subsidies on export and other incentives**

Government Subsidies and incentives, in the nature of Business Support Subsidy and RODTEP (Remission of Duties or Taxes on Export 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. Government grant received relating to assets are treated as Deferred Revenue and are recognized over the period in which the economic benefit is expected from such assets.

### **p) Employee benefits**

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

#### **i. Defined contribution plan (including Provident fund)**

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 companies have no further obligations under the plan beyond its monthly 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 Group 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 Group'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 Group'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 Group, 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 Group recognizes all re-measurements of net defined benefit liability / asset directly in other comprehensive income and presented within retained earning under equity.

#### **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 Group 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 Group recognizes an obligation for compensated absences in the period in which the employee renders the services. The Group provides for the expected cost of compensated absence in statement of profit or loss as additional amount that the Group 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.

#### **q) 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 the date when the Group'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, fair value losses on financial asset through FVTPL that are recognized in the statement of profit and loss.

#### **r) 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.

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
- (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 subsidiaries and associates is recognized except where the Group 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. Deferred taxation on temporary differences arising out of undistributed earnings of the equity-method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the Investor company's share of the income and expenses of the equity-method accounted investee is recorded in the statement of profit and loss after considering any taxes on dividend payable by equity-method accounted investee or deferred tax is set up in the books if the tax liability is with the company.

#### **s) Foreign Currency Transactions and balances**

Transactions in foreign currencies are initially recognized in the financial statements using exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in statement of profit and loss for determination of net profit or loss during the period.

#### **t) 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 Group.

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 Group 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 Group 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 Group 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.

Fair values have been determined for measurement and/or disclosures purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

##### **(i) Investments in equity and debt securities**

The fair value is determined by reference to their quoted price at the reporting period. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

##### **(ii) Trade and other receivables**

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date except trade receivables which do not contain a significant financing component (determined in accordance with Ind AS 115 Revenue from Contracts with Customers) are measured at undiscounted invoice price (i.e., transaction price) and not at fair value. However, in respect of such financial statements, fair value generally approximates the carrying amount due to the short-term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

##### **(iii) Lease Security Deposits**

Any lease deposits paid by the Group to the lessors are discounted to their fair value and thereafter accounted on amortised cost method over the lease period.

##### **(iv) Derivatives**

The fair value of forward exchange contracts is based on quoted price. Fair value reflects the credit risk of the instrument and includes adjustments to take account of the credit risk of the Group and the counter party when appropriate.

##### **(v) Non-derivative financial liabilities**

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flow discounted at the market rate of interest at the reporting date. For leases, the applicable rate of interest is determined by reference to incremental borrowings rate.

**u) 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 Group'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.

**v) Segment Reporting**

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems to the chief operating decision maker. The Holding Company's business activity falls within a single reportable business segment, viz, Automotive Tyres, Tubes and Flaps. Geographical segments are considered as India and rest of the world. Subsidiaries' revenues and assets do not meet the criteria for reportable segment as prescribed in the standards. Non-Reportable segments have not been disclosed as unallocated reconciling item in view of materiality.

**w) 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.



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**3. Property, plant and equipment**

The following table presents the changes in PPE during the year ended March 31, 2024

Particulars	Gross Block				Depreciation					Net book value		
	As at April 1, 2023	Additions during the year	Acquisition of business (Refer Note 49)	Disposals during the year	As at 31 March, 2024	As at 31 March, 2023	For the year	Disposals	As at 31 March, 2024	Translation Reserve	As at 31 March, 2024	As at 31 March, 2023
Freehold Land	48.95	-	-	-	48.95	-	-	-	-	-	48.95	48.95
Building	324.13	44.85	-	-	368.98	66.73	15.75	-	82.48	-	286.50	257.40
Plant and Machinery	811.34	140.46	0.85	1.57	951.08	345.86	61.35	1.55	405.66	-	545.42	465.48
Furniture and Fittings	21.69	4.32	0.16	-	26.17	9.84	2.38	-	12.22	-	13.95	11.85
Vehicles	2.30	2.61	0.89	0.41	5.39	1.12	0.51	0.36	1.27	0.01	4.13	1.18
Office equipment	27.56	2.83	0.35	-	30.74	21.50	3.17	-	24.67	-	6.07	6.06
Others (electrical)	199.70	16.21	-	0.07	215.84	133.85	13.27	0.06	147.06	-	68.78	65.85
<b>Total</b>	<b>1,435.67</b>	<b>211.28</b>	<b>2.25</b>	<b>2.05</b>	<b>1,647.15</b>	<b>578.91</b>	<b>96.42</b>	<b>1.97</b>	<b>673.36</b>	<b>0.01</b>	<b>973.80</b>	<b>856.77</b>
Capital work in progress	113.58	198.74	0.98	209.02	104.28	-	-	-	-	0.01	104.29	113.58
<b>Total Gross Block</b>	<b>1,549.25</b>	<b>410.02</b>	<b>3.23</b>	<b>211.07</b>	<b>1,751.43</b>	<b>578.91</b>	<b>96.42</b>	<b>1.97</b>	<b>673.36</b>	<b>0.02</b>	<b>1,078.09</b>	<b>970.35</b>

The following table presents the changes in PPE during the year ended March 31, 2023

Particulars	Gross Block				Depreciation					Net book value	
	As at April 1, 2022	Additions during the year	Disposals during the year	As at 31 March, 2023	As at 31 March, 2022	For the year	Disposals	As at 31 March, 2023	As at 31 March, 2023	As at 31 March, 2022	
Freehold Land	46.02	2.93	-	48.95	-	-	-	-	48.95	46.02	
Building	263.53	60.60	-	324.13	53.12	13.62	-	66.73	257.40	210.41	
Plant and Machinery	616.80	195.51	0.96	811.34	297.15	49.67	0.97	345.86	465.48	319.64	
Furniture and Fittings	19.07	2.69	0.07	21.69	8.04	1.87	0.07	9.84	11.85	11.03	
Vehicles	2.17	0.13	-	2.30	0.85	0.26	-	1.12	1.18	1.32	
Office equipment	26.26	1.46	0.17	27.56	18.70	2.97	0.17	21.50	6.06	7.56	
Others (electrical)	184.27	15.44	0.01	199.70	121.25	12.61	0.01	133.85	65.85	63.02	
<b>Total</b>	<b>1,158.12</b>	<b>278.76</b>	<b>1.21</b>	<b>1,435.67</b>	<b>499.11</b>	<b>81.00</b>	<b>1.21</b>	<b>578.91</b>	<b>856.77</b>	<b>659.00</b>	
Capital work in progress	209.34	173.92	269.68	113.58	-	-	-	-	113.58	209.34	
<b>Total</b>	<b>1,367.46</b>	<b>452.68</b>	<b>270.89</b>	<b>1,549.25</b>	<b>499.11</b>	<b>81.00</b>	<b>1.21</b>	<b>578.91</b>	<b>970.35</b>	<b>868.34</b>	

**Note**

- The amount of borrowing cost capitalised during the year ended March 31, 2024 is ₹ 2.27 Crores (March 31, 2023 - ₹ 1.04). The rate used to determine the amount of borrowing cost eligible for capitalisation was 6.04 % (PY- 1.44%), based on the effective interest rate of identified borrowings.
- Refer note 21 and 26 for details on pledges and securities of property, plant and equipment provided for borrowings.
- The group has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition i.e. 1<sup>st</sup> April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as Gross Block.

**4. Investment Properties**

**(i) Carrying Amount of Investment Properties**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Gross Carrying Amount</b>		
Opening Gross Carrying Amount / Deemed Cost		
- Freehold Land	17.80	17.80
- Buildings	9.14	9.14
- Borewell	0.01	0.01
	<b>26.95</b>	<b>26.95</b>
Additions	-	-
Disposals	-	-
Closing Gross Carrying Amount	<b>26.95</b>	<b>26.95</b>
<b>Accumulated Depreciation</b>		
Opening Accumulated Depreciation	3.39	3.06
Depreciation Charge ( Buildings and Borewell)	0.33	0.33
Closing Accumulated Depreciation	<b>3.72</b>	<b>3.39</b>
<b>Net Carrying Amount</b>	<b>23.23</b>	<b>23.56</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**(ii) Fair Valuation of investment properties**

Particulars	As at 31.03.2024	As at 31.03.2023
Investment properties	35.68	34.47

**(iii) Estimation of Fair value**

The company obtains independent valuations of its investment properties annually.

The best evidence of fair value is the current prices in an active market for similar properties.

Where such information is not available the company considers information from variety of sources including :

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a properties estimated net market income and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by Registered Valuers (under IBBI) Mr. Ram Dass, for Madurai and Mr. Kishore K Vikamsey, for Mumbai property. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transaction and industry data. All resulting fair value estimates for investment properties are included in level 3.

**Note 5 : Goodwill**

**Carrying Amount of Goodwill**

Gross Carrying Amount	Goodwill	Total
As at 1 <sup>st</sup> April 2022	-	-
Additions	-	-
Disposals	-	-
<b>As at 31<sup>st</sup> March 2023</b>	-	-
Additions - Acquired through Business combination*	18.09	18.09
Disposals	-	-
As at 31 <sup>st</sup> March 2024	<b>18.09</b>	<b>18.09</b>
Translation Reserve	0.06	0.06
<b>Closing Carrying amount</b>	<b>18.15</b>	<b>18.15</b>
<b>Impairment</b>		
As at 1 <sup>st</sup> April 2022	-	-
Impairment for the year	-	-
<b>As at 31<sup>st</sup> March 2023</b>	-	-
Impairment for the year	-	-
<b>As at 31<sup>st</sup> March 2024</b>	-	-
<b>Net carrying amount</b>		
As at 31 <sup>st</sup> March 2023	-	-
As at 31 <sup>st</sup> March 2024	<b>18.15</b>	<b>18.15</b>

\* Refer note 49 for Goodwill computation

**6. Other Intangible assets**

The following table presents the changes in PPE during the year ended March 31, 2024

Particulars	Gross Block				Amortisation				Net book value	
	As at April 1, 2023	Additions during the year	Disposals during the year	As at 31 March, 2024	As at 31 March, 2023	For the year	Disposals	As at 31 March, 2024	As at 31 March, 2024	As at 31 March, 2023
Computer software	20.06	1.58	-	21.64	17.17	1.19	-	18.36	3.28	2.89
NPD	23.76	16.91	-	40.67	4.59	4.90	-	9.49	31.18	19.17
<b>Total</b>	<b>43.81</b>	<b>18.49</b>	<b>-</b>	<b>62.31</b>	<b>21.76</b>	<b>6.09</b>	<b>-</b>	<b>27.85</b>	<b>34.46</b>	<b>22.06</b>
Intangible assets under development	31.25	7.88	-	39.13	-	-	-	-	39.13	31.25
<b>Total</b>	<b>75.06</b>	<b>26.37</b>	<b>-</b>	<b>101.44</b>	<b>21.76</b>	<b>6.09</b>	<b>-</b>	<b>27.85</b>	<b>73.59</b>	<b>53.31</b>



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

The following table presents the changes in Intangible Assets during the year ended March 31, 2023

Particulars	Gross Block				Amortisation				Net book value	
	As at April 1, 2022	Additions during the year	Disposals during the year	As at 31 March, 2023	As at 31 March, 2022	For the year	Disposals	As at 31 March, 2023	As at 31 March, 2023	As at 31 March, 2022
Computer software	18.40	1.65	-	20.06	15.91	1.25	-	17.17	2.89	2.50
NPD	16.05	7.71	-	23.76	1.49	3.10	-	4.59	19.17	14.56
<b>Total</b>	<b>34.45</b>	<b>9.36</b>	<b>-</b>	<b>43.81</b>	<b>17.40</b>	<b>4.35</b>	<b>-</b>	<b>21.76</b>	<b>22.06</b>	<b>17.06</b>
Intangible assets under development	16.25	15.00	-	31.25	-	-	-	-	31.25	16.25
<b>Total</b>	<b>50.70</b>	<b>24.36</b>	<b>-</b>	<b>75.06</b>	<b>17.40</b>	<b>4.35</b>	<b>-</b>	<b>21.76</b>	<b>53.31</b>	<b>33.31</b>

**Note:**

1. The Group has availed the deemed cost exemption in relation to the intangible on the date of transition i.e. 1<sup>st</sup> April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as Gross Block Refer below the Gross Block Value.

**Ageing for Capital work in progress**

Particulars	As at 31 <sup>st</sup> March 2024				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	92.62	10.68	-	-	103.30
Projects temporarily suspended	-	-	-	0.99	0.99
<b>Total</b>	<b>92.62</b>	<b>10.68</b>	<b>-</b>	<b>0.99</b>	<b>104.29</b>

Particulars	As at 31 <sup>st</sup> March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	94.27	8.53	2.40	8.38	113.58
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>94.27</b>	<b>8.53</b>	<b>2.40</b>	<b>8.38</b>	<b>113.58</b>

**CWIP completion schedule for which Completion is overdue or has exceeded its cost compared to its original plan:**

**i) Projects in progress**

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 1	3.47	0.07	-	-	3.54
Manufacturing Enhancement project	33.03	7.41	-	-	40.44
TSL 2	3.66	0.25	-	-	3.91
TSL 3	-	-	-	-	-
TSL 4	2.39	0.13	-	-	2.52
TSL 5	0.45	0.32	-	-	0.77
TSL 6	-	-	-	-	-
TSL 7	2.11	-	-	-	2.11
TSL 8	22.57	1.11	-	-	23.68
<b>Total</b>	<b>67.68</b>	<b>9.29</b>	<b>-</b>	<b>-</b>	<b>76.97</b>

**ii) Projects temporarily suspended**

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Prefab Building	-	-	-	0.99	0.99
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.99</b>	<b>0.99</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Ageing of Intangible assets under development**

Particulars	As at 31 <sup>st</sup> March 2024				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	25.53	13.60	-	-	39.13
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>25.53</b>	<b>13.60</b>	<b>-</b>	<b>-</b>	<b>39.13</b>

Particulars	As at 31 <sup>st</sup> March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	22.71	8.54	-	-	31.25
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>22.71</b>	<b>8.54</b>	<b>-</b>	<b>-</b>	<b>31.25</b>

**Completion schedule for Intangibles for which Completion is overdue or has exceeded its cost compared to its original plan:**

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 2 - OHT	-	-	-	-	-
TSL 3 - Others	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**7. Right of Use Assets**

**A. Movement in Right of Use Assets:**

Particulars	Plant & Machinery	Land	Total
<b>Gross Block at Cost</b>			
As at 1 <sup>st</sup> April 2023	24.07	2.47	26.54
Opening Adjustments (on transition)			
Additions during the year*	8.38	22.59	30.97
Deductions for the year	-	-	-
<b>As at 31<sup>st</sup> March 2024</b>	<b>32.45</b>	<b>25.06</b>	<b>57.51</b>
<b>Depreciation</b>			
As at 1 <sup>st</sup> April 2023	24.07	0.06	24.13
Charge for the year	0.80	0.19	0.99
Deductions for the year	-	-	-
<b>As at 31<sup>st</sup> March 2024</b>	<b>24.87</b>	<b>0.25</b>	<b>25.12</b>
<b>Translation Reserve</b>	0.03	-	0.03
<b>Net Block</b>			
<b>As at 31<sup>st</sup> March 2024</b>	<b>7.61</b>	<b>24.81</b>	<b>32.42</b>

Particulars	Plant & Machinery	Land	Total
<b>Gross Block at Cost</b>			
As at 1 <sup>st</sup> April 2022	24.07	2.47	26.54
Opening Adjustments (on transition)			
Additions during the year			
Deductions for the year			
<b>As at 31<sup>st</sup> March 2023</b>	<b>24.07</b>	<b>2.47</b>	<b>26.54</b>
<b>Depreciation</b>			
As at 1 <sup>st</sup> April 2022	18.22	0.05	18.27
Opening Adjustments			
Charge for the year	5.85	0.01	5.86
Deductions for the year	-	-	-
<b>As at 31<sup>st</sup> March 2023</b>	<b>24.07</b>	<b>0.06</b>	<b>24.13</b>
<b>Net Block</b>			
<b>As at 31<sup>st</sup> March 2023</b>	<b>0.00</b>	<b>2.41</b>	<b>2.41</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**B. Movement in Lease Liabilities:**

Particulars	Amount
<b>As at 1<sup>st</sup> April 2023</b>	-
Opening Adjustments (on transition)	
Additions	8.41
Interest Expense	0.25
Lease payments during the year	(0.88)
Rebates received	-
Adjustment	-
<b>As at 31<sup>st</sup> March 2024</b>	<b>7.78</b>
- Non Current	5.54
- Current	2.24

Particulars	Amount
<b>As at 1<sup>st</sup> April 2022</b>	<b>1.30</b>
Opening Adjustments (on transition)	
Lease payments during the year	0.25
Rebates received	-
Adjustment	(1.55)
<b>As at 31<sup>st</sup> March 2023</b>	<b>0.00</b>
- Non Current	-
- Current	0.00

**C. Amounts recognized in statement of profit and loss:**

Expense/(Income)	As at 31.03.2024	As at 31.03.2023
Depreciation expense of Right of Use Assets	0.99	5.86
Expense relating to short-term leases	26.61	25.56
Interest Expense on Lease Liabilities	0.25	-
Interest income on Net lease receivable	-	-
<b>Total recognized in Statement of Profit and Loss</b>	<b>27.85</b>	<b>31.42</b>

**D. Exposure to future cash flows:**

The Group has taken some plant & machinery on lease and following are the undiscounted contractual cash flows of lease liabilities:

Maturity Analysis	As at 31.03.2024	As at 31.03.2023
Less than 1 year	2.41	(0.00)
Between 1 and 2 years	2.51	-
Between 2 and 5 years	4.42	-
More than 5 years	-	-
<b>Total</b>	<b>9.34</b>	<b>(0.00)</b>

\*The Holding company has entered into a lease arrangement with the State Infrastructure and Industrial Development Corporation of Uttarakhand Limited for the leasing of land amounting to ₹ 22.59 Crores on 6<sup>th</sup> October 2022 for a period of 74 years.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**8. Investments (Non-current Financial Assets)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Investment in Associate:</b>		
Van Leeuwen Tyres and wheels BV 15,000 fully paid up equity shares (PY - 15,000 shares) of EURO 1 each	0.09	0.09
Less: Provision for diminution in value of investments	(0.09)	(0.09)
<b>Total Investment in Associate</b>	<b>-</b>	<b>-</b>
<b>Investment in Others (at fair value through other comprehensive income)</b>		
Sai Regency Power Corporation Private Limited 2,25,000 fully paid up equity shares (PY - 2,25,000 shares) of ₹10 each	0.22	0.22
Myrtah Vayu Manijra private limited 16,20,140 fully paid up equity shares (PY - 16,20,140 shares) of ₹10 each	1.61	1.61
Clean Max Genesis P Ltd 22,575 fully paid equity shares (PY - Nil) of ₹10 each	4.35	-
Coromandel Electricity Company Limited 10,000 fully paid up equity shares (PY - 10,000 shares) of ₹10 each	0.01	0.01
<b>Investment in preference shares - Unquoted</b>	<b>-</b>	<b>-</b>
<b>Others:</b>	<b>-</b>	<b>-</b>
TVS Automobile Solutions Private Limited 9,11,741 fully paid up equity shares (PY - 9,11,741 shares) of ₹10 each	253.61	253.02
Sembian Solar Private Limited 1,42,500 fully paid up equity shares (PY - NIL) of ₹10 each	0.14	
<b>Total Other Investments</b>	<b>259.94</b>	<b>254.86</b>
<b>Total Investments</b>	<b>259.94</b>	<b>254.86</b>
Less: Provision for diminution in value of other investments	(0.22)	(0.22)
<b>Total</b>	<b>259.72</b>	<b>254.64</b>
Aggregate amount of unquoted investment	260.03	254.95
Aggregate amount of impairment in the value of investment	(0.31)	(0.31)

**9. Financial assets - Loans**

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured, Considered good Loans	-	0.77
<b>Total</b>	<b>-</b>	<b>0.77</b>

**10. Other Non-current Financial Assets**

Particulars	As at 31.03.2024	As at 31.03.2023
Deposits with banks with maturity period more than 12 months (held as lien by bank against bank guarantee)	0.21	0.20
Advances to employees	3.19	3.46
Security Deposits	34.33	40.40
<b>Total</b>	<b>37.73</b>	<b>44.06</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**11. Deferred Tax Asset (Net)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Deferred Tax Liability</b>		
a) On Account of Depreciation on Property, Plant, Equipment	(0.43)	(0.66)
b) On account of timing Differences in Recognition of Expenditure	0.01	0.01
c) On Account of Amortisation of Right of Use Assets	-	-
d) On account of Ind AS fair value adjustments	-	-
e) On account of carried forward tax losses/tax credits	3.72	3.25
f) On account of others	-	-
<b>Total</b>	<b>3.30</b>	<b>2.60</b>

**12. Other non current assets**

Particulars	As at 31.03.2024	As at 31.03.2023
Advance Tax (Net of Provisions)		
Capital advance	16.58	16.35
<b>Others</b>		
Prepaid expenses	27.66	-
Deposits with Government authorities	0.11	0.11
<b>Total</b>	<b>44.35</b>	<b>16.46</b>

**13. Inventories**

Particulars	As at 31.03.2024	As at 31.03.2023
Raw material and components	332.30	434.95
Work in progress	47.27	43.61
Finished goods*	235.50	265.51
Stock in trade	52.18	2.18
Stores and spares	35.47	32.69
<b>Total**</b>	<b>702.72</b>	<b>778.94</b>

\*The company has written down inventory by ₹ 9.04 Crores (PY - ₹ 2.25 Crores) which is included as part of cost of materials consumed.

\*\*Includes stock in transit of ₹ 56.90 Crores (PY - ₹ 42.61 Crores)

Refer to Note 21 and Note 26 for details of pledge and securities of Inventories provided for borrowings

**14. Trade receivables**

Particulars	As at 31.03.2024	As at 31.03.2023
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured (Refer Note 42 for Related Parties)	282.29	221.13
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	1.46	0.32
	<b>283.75</b>	<b>221.45</b>
Less: Allowance for doubtful receivables	1.46	0.93
<b>Total</b>	<b>282.29</b>	<b>220.52</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Trade Receivables ageing schedule**

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	214.95	63.16	3.69	0.94	-	-	<b>282.74</b>
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	0.01	0.80	0.06	0.04	<b>0.91</b>
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	0.01	-	-	<b>0.01</b>
(iv) Disputed Trade Receivables considered good	-	-	-	-	0.09	-	<b>0.09</b>
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	<b>214.95</b>	<b>63.16</b>	<b>3.70</b>	<b>1.75</b>	<b>0.15</b>	<b>0.04</b>	<b>283.75</b>
Less : Allowance for Trade Recivables	-	0.96	0.01	0.30	0.15	0.04	1.46
<b>Net Trade Receivable</b>	<b>214.95</b>	<b>62.20</b>	<b>3.69</b>	<b>1.45</b>	<b>-</b>	<b>-</b>	<b>282.29</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	177.54	42.74	0.24				<b>220.52</b>
(ii) Undisputed Trade Receivables - which have significant increase in credit risk				0.19	0.04		<b>0.23</b>
(iii) Undisputed Trade Receivables - credit impaired		0.08	0.38	0.08	0.06	0.01	<b>0.61</b>
(iv) Disputed Trade Receivables considered good							-
(v) Disputed Trade Receivables - which have significant increase in credit risk				0.09			<b>0.09</b>
<b>Total</b>	<b>177.54</b>	<b>42.82</b>	<b>0.62</b>	<b>0.36</b>	<b>0.10</b>	<b>0.01</b>	<b>221.45</b>
Less : Allowance for Trade Recivable		0.08	0.38	0.36	0.10	0.01	0.93
<b>Net Trade Receivable</b>	<b>177.54</b>	<b>42.74</b>	<b>0.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>220.52</b>

**Note:** Where no due date of payment is specified, ageing computed based on the date of transaction.

**15. Cash and bank balances**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>15(a) Cash and Cash Equivalent</b>		
a) Balance with banks	15.69	11.39
(i) Cash on Hand	0.23	1.16
(a)	<b>15.92</b>	<b>12.55</b>
<b>15(b) Other bank balances</b>		
(i) Unpaid dividend	2.69	3.01
(b)	<b>2.69</b>	<b>3.01</b>

**16. Loan- Current Financial Asset**

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured, considered good		
Advances to employees	0.03	0.02
Loan	0.77	0.73
<b>Total</b>	<b>0.80</b>	<b>0.75</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**17. Other financial assets**

Particulars	As at 31.03.2024	As at 31.03.2023
Interest Accrued on Debentures (Refer Note 37 for Related Parties)	-	
<b>Accrued Income</b>		
Considered Good	5.20	2.48
Credit Impaired	3.00	3.00
Less: Provision for Doubtful Advances	(3.00)	(3.00)
	<b>5.20</b>	<b>2.48</b>
Derivative Asset	3.88	6.71
Security Deposits	6.33	6.34
Other Current financial assets	2.55	-
<b>Total</b>	<b>17.96</b>	<b>15.53</b>

**18. Other current assets**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(a) Advance other than capital advance:</b>		
<u>Other Advances: (Unsecured, Considered good)</u>		
Advances to suppliers	23.86	15.05
Advances to suppliers - Credit Impaired	-	-
Less: provision for doubtful advances	(2.79)	(2.68)
	<b>21.07</b>	<b>12.37</b>
<b>(b) Others</b>		
Balance with Government Authorities	2.31	1.97
Prepaid expenses	24.79	18.56
Advance tax and tax deducted at source	-	-
GST Input Tax Credit (Net) available for set-off/refund	34.60	-
Others	0.18	0.39
	<b>61.88</b>	<b>20.92</b>
<b>Total (a) + (b)</b>	<b>82.95</b>	<b>33.29</b>

**19. Equity share capital**

Particulars	As at 31.03.2024	As at 31.03.2023
Authorised (1,00,00,000 equity shares at ₹ 10 each)	10.00	10.00
Issued, Subscribed and fully paid up (76,57,050 equity shares at ₹10 each)	7.66	7.66
<b>Total</b>	<b>7.66</b>	<b>7.66</b>

**19.1 Reconciliation of number of shares in the beginning and at end of the year**

FY 2023-24	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66
FY 2022-23	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66

**19.2 Shareholding more than 5 % of the shares of the company**

Name of the Company	As at 31.03.2024	As at 31.03.2023
*TVS Mobility Private Limited (CY-37.52%, PY-37.52%)	2,873,115	2,873,115

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**19.3 Disclosure of shareholding of promoters and percentage of change during the year.**

Promoter name	As at 31 March 24		
	No. of shares held	% of share Holding	% Change during the year
R Naresh	144,656	1.89%	-
TVS Mobility Private Limited	2,873,115	37.52%	-
Shobhana Ramachandhran	296,931	3.88%	-
Nitya Kalyanee Investment Limited	121,429	1.59%	-
R Haresh( On Behalf Of Sundaram Trust)	62,372	0.81%	-
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

Promoter name	As at 31 March 23		
	No. of shares held	% of share Holding	% Change during the year
T V Sundram Iyengar & Sons Private Limited	-	-	-
Sundaram Industries Limited	-	-	-
R Naresh	144,656	1.89%	-
TVS Mobility Private Limited	2,873,115	37.52%	-
Shobhana Ramachandhran	296,931	3.88%	0.13%
Nitya Kalyanee Investment Limited	121,429	1.59%	-
R Haresh( On Behalf Of Sundaram Trust)	62,372	0.81%	0.21%
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

**19.4 Rights, preferences and restrictions attached to shares -**

Equity shares - The company has one class of equity shares having a par value of ₹ 10/- each. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Each shareholder also has a residual interest in the assets of the Company in proportion to their shareholding.

**19.5** The Company does not have any outstanding shares issued under options.

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

**20. Other equity**

**Reserves and surplus**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Securities premium</b>	<b>0.93</b>	<b>0.93</b>
<b>General reserve</b>	<b>33.47</b>	<b>33.47</b>
<b>Capital reserve</b>	<b>0.11</b>	<b>0.11</b>
<b>Reserve on amalgamation</b>	<b>0.46</b>	<b>0.46</b>
<b>Surplus</b>		
Opening balance	829.08	762.27
Profit for the year	107.95	77.99
Dividends paid	(24.54)	(12.48)
Remeasurement of DBO through Other Comprehensive Income	(3.29)	1.31
Foreign Currency Translation Reserve	(0.05)	
Closing Balance	<b>909.15</b>	<b>829.08</b>
<b>Gains on Equity instruments through Other Comprehensive Income</b>		
Opening Balance	156.66	155.88
Fair Valuation of Investments (net of taxes)	1.22	0.78
Closing Balance	<b>157.88</b>	<b>156.66</b>
<b>Gains on cash flow hedge instrument through Other Comprehensive Income</b>		
Opening Balance	5.81	10.02
The effective portion of gains and loss on hedging instruments in a cash flow hedge (net of taxes)	(3.34)	(4.21)
Closing Balance	2.47	5.81
<b>Total</b>	<b>1,104.47</b>	<b>1,026.52</b>



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Nature and purpose of other reserves**

**Securities Premium** represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

**General Reserve** is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. Mandatory transfer to general reserve is not required under the Companies Act 2013.

**Capital reserve** represents reserve of capital nature taken to this head under the erstwhile GAAP.

**Reserve on amalgamation** represents reserve created as a result of amalgamation

**Surplus / Retained earnings** are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Equity Instrument through Other Comprehensive Income** represents the fair value gain/loss which is not routed through statement of P&L.

**Cash flow hedge instrument through Other Comprehensive Income** represents the fair value gain/loss which is routed through statement of P&L.

**21. Borrowings - Non current**

**Term Loan**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Secured</b>		
From Banks	489.54	371.19
Less: Amount transferred to Current Maturities	57.99	46.92
<b>Total</b>	<b>431.55</b>	<b>324.26</b>

**Additional Information :**

**Details of Security for Secured Loans:**

- Term Loan Availed from HDFC Bank: This is repayable over 5 years including 12 months of moratorium with an average interest rate of 7.8% p.a Loan is secured by exclusive charge on plant and machinery. This loan has been closed during the current year
- Term Loan availed from HDFC Bank - This is repayable over 5 years with an interest rate of 6.4% p.a., cross currency swap and interest rate swap at interest rate of 1.4% p.a. Loan is secured by exclusive first charge on the Specific Fixed Assets/ Immoveble property.
- Term Loan Availed from Axis Bank: This is repayable over 8 years including 36 Months of Moratorium with an average interest rate of 7.8% p.a Loan is secured by first charge over specific plant and machinery
- Term Loan Availed from ICICI Bank: This is repayable over 6 years including 14 Months of Moratorium with an average interest rate of 4.5% p.a Loan is secured by first charge over specific assets identified for this purpose
- Term Loan Availed from Axis Bank: This is repayable over 7 years including 18 Months of Moratorium with an average interest rate of 4.4% p.a Loan is secured by first charge over specific assets purchased out of the loan amount.
- Term Loans from Axis/HDFC Banks are covered by Cross Currency Swaps.
- Term Loan from State Bank of India - This is repayable over 6 years including 12 months of moratorium with an average interest rate of 7.3% p.a. Loan is secured by first charge over plant and machinery located at Vellaripatti Village, Madurai.
- Term Loan I availed by subsidiary company from HDFC Bank ( TVS Sensing solutions private limited) with sanctioned amount of INR 4.50 Crores is repayable in 5 years including 12 months moratorium. Loan of INR 3 Crores was availed during the year 2019-20. Loan is primarily secured by factory land & building and plant and machinery of the company.
- Term Loan II availed by subsidiary company from ICICI Bank ( TVS Sensing solutions private limited) with sanctioned amount of INR 6 Crores is repayable in 8 quarterly instalments. Loan is primarily secured by a pari passu first charge on movable fixed assets of the Company. The Loan was repaid during the current Year
- Term Loan III availed by subsidiary company from ICICI Bank ( TVS Sensing solutions private limited) with sanctioned amount of INR 8.50 Crores is repayable in 5 years including 1 year moratorium. Loan is primarily secured by movable fixed assets of the Company.

**21(b): NET DEBT RECONCILIATION**

**Changes in Liability arising from Financing activities.**

Particulars	As at 31.03.2023	Cash Flows		As at 31.03.2024
		Receipts	Payments	
Current Borrowings	290.89	54.28	-	345.17
Non-current Borrowings*	371.19	165.27	46.92	489.54
<b>Total</b>	<b>662.08</b>	<b>219.55</b>	<b>46.92</b>	<b>834.71</b>

Particulars	As at 31.03.2022	Cash Flows		As at 31.03.2023
		Receipts	Payments	
Current Borrowings	191.10	99.79		290.89
Non-current Borrowings*	418.59	7.51	54.91	371.19
<b>Total</b>	<b>609.69</b>	<b>107.30</b>	<b>54.91</b>	<b>662.08</b>



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**22. Other Financial Liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposits	18.42	12.90
Interest accrued but not due on borrowings	2.01	-
<b>Total</b>	<b>20.43</b>	<b>12.90</b>

**23. Provisions**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>23(a) Non Current provisions</b>		
Gratuity	4.26	0.19
Compensated absences	13.85	12.30
<b>23(b) Current provisions</b> (a)	<b>18.11</b>	<b>12.49</b>
Gratuity	3.41	1.05
Compensated absences	1.27	1.05
Warranty (Refer Note 41)	13.72	12.42
Others	0.00	-
(b)	<b>18.40</b>	<b>14.52</b>

**24. Deferred Tax Liability (Net)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Deferred Tax Liability</b>		
a) On Account of Depreciation on Property, Plant, Equipment	37.01	32.22
b) On account of timing Differences in Recognition of Expenditure	(9.22)	(4.46)
c) On Account of Amortisation of Right of Use Assets	-	0.61
d) On account of Ind AS fair value adjustments	42.06	42.70
<b>Total</b>	<b>69.85</b>	<b>71.07</b>

**25. Other non current liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Deferred Government Grant (Capital Subsidy)	0.09	0.12
Deferred Income	0.07	0.08
Interest accrued but not due on borrowings	-	0.00
<b>Total</b>	<b>0.16</b>	<b>0.20</b>

**26. Borrowings (Current)**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Secured</b>		
(a) Loans repayable on demand from Banks*	245.17	265.74
Current Maturities of long Term Borrowings	57.99	46.92
<b>Unsecured</b>		
(a) Loans repayable on demand from banks	100.00	25.15
(b) Commercial paper	-	-
<b>Total</b>	<b>403.16</b>	<b>337.81</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**Additional Information :**

a. Details of Security for Secured Loans

Working Capital facilities availed from State Bank of India are secured by a first charge on the entire Current Assets of the Company viz Raw Materials, Semi-finished Goods, Finished Goods, Stores, Spares, Trade Receivables, and Other Current Assets. Interest rate charged is the half-yearly MCLR + 0.15%, with a half-yearly reset.

b. Details of Unsecured loans

Cash credit facility availed from HDFC bank at interest rate of 7.75% p.a.

Cash credit facility availed from Axis bank at interest rate of 8.85% p.a.

**27. Trade payables**

Particulars	As at 31.03.2024	As at 31.03.2023
i) total outstanding dues of Micro and Small Enterprises	4.29	3.69
ii) total outstanding dues of creditors other than Micro and Small Enterprises (Refer Note 42 for Related Parties)	397.82	409.51
<b>Total</b>	<b>402.11</b>	<b>413.20</b>

**Trade Payables ageing schedule**

Particulars	As at 31 March 2024						Total
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises*	-	3.69	0.52	0.00	0.00	0.08	4.29
Others	33.03	296.13	67.98	0.36	0.06	0.26	397.82
Disputed Dues - Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>33.03</b>	<b>299.82</b>	<b>68.50</b>	<b>0.36</b>	<b>0.06</b>	<b>0.34</b>	<b>402.11</b>

Particulars	As at 31 March 2023						Total
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises*	-	3.44	0.17	0.00	0.01	0.07	3.69
Others	44.95	289.54	74.68	0.18	0.01	0.15	409.51
Disputed Dues - Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>44.95</b>	<b>292.98</b>	<b>74.85</b>	<b>0.19</b>	<b>0.02</b>	<b>0.22</b>	<b>413.20</b>

\* Total outstanding dues of micro and small enterprises

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

Unbilled pertains to GRIR/SRIR balances

**28. Other financial liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Capital creditors*	20.45	21.07
Interest accrued but not due on borrowings	0.25	2.14
Unpaid dividends	2.69	3.01
Salary Payable	1.38	-
Deposits Repayable in one year	8.00	72.00
Other creditors	143.03	112.70
<b>Total</b>	<b>175.80</b>	<b>210.92</b>

\*Includes ₹ 1.82 Crores (PY - 2.72) of dues to Micro and Small Enterprises

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**29. Other current liabilities**

Particulars	As at 31.03.2024	As at 31.03.2023
Advances from customers*	7.08	7.35
Deferred Government Grant (capital subsidy)	0.02	0.04
GST Payable	23.57	10.44
Statutory payables	7.08	6.63
Other current Liabilities	0.12	0.05
<b>Total</b>	<b>37.87</b>	<b>24.52</b>

\* represents contract liabilities

**30. Revenue from operations**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Sale of products (Net of Commissions & Discounts)	2,911.80	2,972.22
Other Operating Revenue	14.20	12.75
<b>Total</b>	<b>2,926.00</b>	<b>2,984.97</b>

**30.1 Reconciliation of contracted price and net sales**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Contracted price of sale of Manufactured Goods	3,110.96	3,170.09
Contracted price of sale of Traded Goods	46.88	4.96
Other Sales	1.53	3.53
Less: Discount and Commission	(247.57)	(206.36)
	2,911.80	2,972.22

**30.2 Contract Asset and Liabilities**

The company has recognized the Following revenue related contract assets and liabilities

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Contract Assets	-	-
Contract Liabilities	7.08	7.35

**30.3. Revenue disaggregation basis geography has been included in segment reporting Refer Note 40.**

**31. Other income**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Interest income on lease (net)	-	0.51
Interest - Others	4.22	3.63
Exchange Rate Fluctuation gain (Net)	0.18	-
Other	0.26	-
Profit on sale of Assets	0.05	0.05
Miscellaneous Income	1.50	4.22
Provision no longer required	0.42	0.76
<b>Total</b>	<b>6.63</b>	<b>9.17</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**32. Cost of materials consumed**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Opening Stock	434.95	499.62
Add : Purchase	1,452.68	1,724.45
<b>Total</b>	<b>1,887.63</b>	<b>2,224.07</b>
Less Closing Stock	332.30	434.95
<b>Cost of Materials consumed</b>	<b>1,555.33</b>	<b>1,789.12</b>

**33. Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Opening Stock of Finished goods & Traded goods	267.69	241.81
Opening Stock of Work in progress	43.61	44.57
Closing Stock of Finished goods & Traded Goods	287.49	267.69
Closing Stock of Work in progress	47.27	43.61
(Increase) / Decrease in Finished goods & Traded Goods	(19.80)	(25.88)
(Increase) / Decrease in Work in progress	(3.66)	0.96
<b>Total (Increase) / Decrease in Stock</b>	<b>(23.46)</b>	<b>(24.92)</b>

**34. Employee benefit expenses**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
(a) Salaries, wages and bonus	302.65	270.95
(b) Contributions to -		
(i) Superannuation Fund	0.62	0.96
(ii) Gratuity fund contributions * (Refer note 39)	3.03	2.81
(iii) Provident Fund and other funds	16.33	14.58
(c) Remuneration to Whole time directors	14.87	10.66
(d) Staff welfare expenses	18.55	18.98
<b>Total</b>	<b>356.05</b>	<b>318.94</b>

\* Excludes Actuarial Gain/Loss on account of Gratuity.

**35. Finance costs**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Interest expense	44.32	39.52
Interest on lease liability	0.25	-
Other borrowing cost (including letter of credit and bill discounting charges)	0.08	0.11
<b>Total</b>	<b>44.65</b>	<b>39.63</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**36. Other expenses**

Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
Processing Charges/Outsourcing Charges	91.54	93.97
Consumption of Stores & Spares	65.39	70.21
Power & Fuel	123.20	130.38
Repairs to building	3.24	2.90
Repairs to machinery	29.42	27.08
Repairs Others	1.37	1.14
Insurance	14.78	10.77
Rates & taxes	4.69	5.87
Telephone & Internet Charges	1.52	1.03
Travelling Expense	19.31	13.85
Exchange Rate Fluctuation Loss (Net)	0.28	1.66
Bank charges	3.80	4.68
Advertisement and sales Promotion	95.02	93.19
Corporate Social Responsibility (CSR) expenses	1.86	1.18
Freight Out	101.46	109.99
Allowance for Doubtful Advances	0.12	2.68
Allowance for Bad Debts	0.54	0.89
Bad debts written off	0.85	0.46
Assets condemned	0.09	0.01
Commission to non Whole time directors	0.90	0.90
Director's sitting fees	0.14	0.18
Variable/ short term Lease rentals	26.61	25.56
Payment to auditors	0.51	0.48
Donation	0.31	0.06
Consultancy	24.54	23.75
Warranty Claims - (Refer Note 41)	12.22	10.74
C and F Commission	18.19	17.64
Tooling expenses	0.27	0.37
Contract Labour Charges	4.11	4.90
Other expenses	16.81	12.19
<b>Total</b>	<b>663.09</b>	<b>668.72</b>

**37. Reconciliation of effective tax rates**

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarised below:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Profit before taxes	146.01	101.44
Enacted tax rates in India	Refer Note Below	Refer Note Below
Expected tax expense/(benefit)	38.53	26.23
<b>Items leading to difference in Effective Rate compared to Statutory Rate :</b>		
Other Impacts due to permanent allowances/disallowances as per IT Act	0.58	0.47
Effect of tax rate change	-	(0.14)
Effect of other carried forward temporary differences	-	(0.14)
Tax losses for earlier period to the extent on which deferred tax asset was (created)/reversed	-	0.89
Others	(0.86)	(0.73)
Tax Reversal of earlier years	-	(3.09)
<b>Tax Expense as per P&amp;L</b>	<b>38.25</b>	<b>23.62</b>

Tax Charged to Other Comprehensive Income for	Year ended 31-Mar-24	Year ended 31-Mar-23
Net loss/(gain) on remeasurement of Defined Benefit Plans	1.11	(0.44)
Fair value gains on equity instruments	0.64	0.61
Deferred gains / (losses) on cash flow hedges	1.13	1.42
<b>Total</b>	<b>2.88</b>	<b>1.59</b>

Note: 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. In the earlier year, on evaluating the options, the Holding Company and its two subsidiaries (TVS Srichakra Investments Ltd and Fiber Optic Sensing Solutions Private Limited) have adopted the new tax structure. Tax Rate applicable for TVS Sensing Solutions Private Limited is 25.75%.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**38. Details of Earnings Per Share**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Profits for the Year	107.95	77.99
Number of Equity Shares (Nos.)	7,657,050	7,657,050
Face Value of Shares (In Rupees)	10	10
Basic and Diluted Earnings per Share (In Rupees)*	140.98	101.85

\* There are no potential dilutive equity shares

**39. Employee benefit Liabilities**  
**- Contribution to Provident Funds**

The Company has recognised and included in Note no.34 “Contributions to Provident Fund and other funds” expenses towards the defined contribution plan as under:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Contribution to Provident fund (Government)	16.33	14.58

**- Compensated Absences**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Present value of defined benefits obligations (DBO)	15.38	13.63
Fair value of the plan assets (FVA)	0.45	0.40
Net assets/liabilities recognised in balance sheet	(14.92)	(13.23)
Employer direct benefit payments	(3.36)	(3.57)
Defined benefits cost included in P&L	5.11	3.76
<b>PVO Unfunded scheme</b>		
Current	1.27	1.05
Non Current	13.85	12.30
<b>Projected Benefit Obligation</b>	15.12	13.35
<b>Summary of actuarial assumptions</b>		
Discount rate	7.25% to 7.29%	7.32% to 7.54%
Expected rate of plan assets	0% to 7.29%	0% to 7.54%
Salary escalation rate	4% to 5%	4% to 5%
Attrition rate	5.00%	5.00%

**- Gratuity**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
<b>Present Value of Defined Benefits</b>	38.70	41.15
Service cost	2.97	2.64
Interest cost	2.72	2.80
Actuarial (gain)/loss	5.65	(2.97)
Benefits paid	(3.14)	(4.91)
Project benefit obligation at the end of the year	46.90	38.71
<b>Change in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	37.46	36.84
Interest income	2.66	2.63
Employers contribution	1.02	4.14
Benefits paid	(3.14)	(4.91)
Actuarial gain/(loss)	1.23	(1.23)
Fair value of plan assets at the end of the year	39.23	37.47
<b>Amount recognised in balance sheet</b>		
Present value of projected benefit obligation at the end of the year	46.90	38.71
Fair value of plan assets at the end of year	39.23	37.47
<b>Funded status amount of liability recognised in balance sheet</b>	7.67	1.24
Gratuity Liability / (Asset) - Holding Company (Non Current)	3.96	-
Gratuity Liability / (Asset) - Holding Company (Current)	3.21	0.79
Gratuity Liability / (Asset) - Subsidiary Company (Non Current)	0.30	0.19
Gratuity Liability / (Asset) - Subsidiary Company (Current)	0.20	0.26

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
<b>Expense recognised in statement of profit or loss</b>		
Service cost	2.97	2.64
Interest cost	2.72	2.80
Interest income	(2.66)	(2.63)
Net gratuity cost	3.03	2.81
Actual return on plan asset	3.89	1.40

Actuarial Loss / (Gain) recognised	Year ended 31-Mar-24	Year ended 31-Mar-23
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	0.26	(0.12)
Actuarial (Gain)/Losses due to Experience on DBO	5.37	(2.86)
Return on Plan Assets (Greater)/Less than Discount rate	(1.23)	1.23
<b>Components of defined benefit losses (gains) recognised</b>	<b>4.40</b>	<b>(1.75)</b>
<b>Summary of actuarial assumptions</b>		
Discount rate	7.25%	7.32% to 7.54%
Expected rate of plan assets	7.22% to 7.54%	7.32% to 7.33%
Salary escalation rate	4.00%	4.00%
Attrition rate	5.00%	5.00%

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. The expected cash flows over the next few years are as follows:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Within 1 year	2.96	6.49
2 to 5 years	9.54	23.61
6 to 10 years	8.04	22.65
more than 10 years	26.34	23.22

**Mortality - Indian Assured Lives Mortality (2012-14) Ultimate**  
Sensitivity analysis of significant actuarial assumption

Particulars - Gratuity	31-Mar-24	
	% inc/dec in DBO	Liability (₹ in Crores)
Discount Rate + 100 basis points	-5.73%	44.21
Discount Rate - 100 basis points	6.78%	50.08
Salary growth rate + 100 basis points	6.11%	49.77
Salary growth rate - 100 basis points	-5.51%	44.32
Attrition Rate + 100 basis points	2.12%	47.90
Attrition Rate - 100 basis points	-2.49%	45.73
Mortality Rate 10% Up	0.02%	46.91

Particulars - Gratuity	31-Mar-23	
	% inc/dec in DBO	Liability (₹ in Crores)
Discount Rate + 100 basis points	-6.55%	36.17
Discount Rate - 100 basis points	7.42%	41.57
Salary growth rate + 100 basis points	7.29%	41.51
Salary growth rate - 100 basis points	-6.54%	36.17
Attrition Rate + 100 basis points	1.40%	39.23
Attrition Rate - 100 basis points	-1.54%	38.11
Mortality Rate 10% Up	0.05%	38.71



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

**Interest rates risk**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

**Investment Risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Salary risk**

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

**Demographic risks**

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

**40. Segment reporting**

The Group has identified the following reportable segment taking into account the different types of products produced and services rendered, different risks and returns, the organization structure and the internal reporting systems : (i) Tyres & Tubes (ii) Others

(I) Information about revenue from segments :

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Tyres & Tubes	2,740.85	2,853.66
Others	170.95	118.56
<b>Total</b>	<b>2,911.80</b>	<b>2,972.22</b>

Information about net profit/(loss) from segments: (PBT)	Year ended 31-Mar-24	Year ended 31-Mar-23
Tyres & Tubes	138.95	91.29
Others	7.06	10.15
<b>Total</b>	<b>146.01</b>	<b>101.44</b>

(II) Geographical Breakup of Revenue through sale of products is as under:

Tyres & Tubes	Year ended 31-Mar-24	Year ended 31-Mar-23
Exports	402.04	368.42
Domestic	2,338.81	2,485.24
<b>Total</b>	<b>2,740.85</b>	<b>2,853.66</b>

Others	Year ended 31-Mar-24	Year ended 31-Mar-23
Exports	15.39	19.88
Domestic	155.55	98.68
<b>Total</b>	<b>170.94</b>	<b>118.56</b>



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

(III) Non Current Asset

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Outside India	31.02	-
With in India	1,259.58	1,088.93
<b>Total</b>	<b>1,290.60</b>	<b>1,088.93</b>

(IV) Top 3 customers of the group constitute 30.4% of the group's total revenue (PY 31.9%).

**41. Movement in provision for product warranty**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening Balance	12.42	10.69
Add: Provided during the year	12.22	10.74
Less: Claims made	(10.92)	(9.02)
<b>Closing Balance</b>	<b>13.72</b>	<b>12.42</b>

The estimated provision takes into account historical information frequency and average cost of warranty claims and the estimated future incidence of claims.

**42. Related party and transactions**

**a) Related parties and their relationship**

The related party where control/joint control/significant influence exists are subsidiaries, joint ventures and associates. Key managerial personnel are those persons having authority and responsibility in planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or otherwise. Key management personnel include the board of directors and other senior management executives.

**Related parties with whom transactions have taken place during the Financial year 2023-24 and 2022-23**

**Entity with significant influence and its subsidiaries, associates and joint venture**

- TVS Mobility Private Limited ("TMPL") (holds more than 10% shareholding) w.e.f Feb'22 (Entity with significant influence)
- TVS Supply Chain Solutions Limited (formerly known as TVS Logistics Services Limited) (Associate of TMPL)
- TVS SCS Global Freight Solutions Limited (formerly known as TVS Dynamic Global Freight Services Limited) (Subsidiaries of Associate of TMPL)
- TVS Auto Bangladesh Limited (Subsidiary of TMPL)
- SI Air Springs Private Limited (formerly known as Firestone TVS Private Limited) (Subsidiary of TMPL)
- TVS Automotives (Private) Limited (Subsidiary of TMPL)
- Sundaram Industries Private Limited (Subsidiary of TMPL)
- TVS Lanka Private Limited (Subsidiary of TMPL)
- KI Mobility Solutions Private Limited (Subsidiaries of Associate of TMPL)
- TVS Argomm Private Limited (Joint venture of TMPL)

**Key Management Personnel/ close member of KMP**

- Mr. R Naresh, Executive Vice Chairman
- Ms. Shobhana Ramachandhran, Managing Director
- Mr. R Haresh (Chairman/Director, M/s TVS Sensing Solutions Private Limited)

**Independent / Non-Executive Directors and entities in which they exercise significant influence**

- Late Mr. M S Viraraghavan - Independent Non-Executive Director (Expired on 20<sup>th</sup> Dec'23)
- Mr. H Janardana Iyer - Independent Non-Executive Director
- Mr. V Ramakrishnan - Independent Non-Executive Director
- Mr. Rasesh R Doshi - Independent Non-Executive Director
- Ms. Mathangi - Independent Non-Executive Director
- Mr. Ravichandran - Non-Independent Non-Executive Director
- Mr. P Srinivasavaradhan - Non-Independent Non-Executive Director
- Mr. Ashok Srinivasan - Non-Independent Non-Executive Director (w.e.f Feb'24)
- Mr. Piyush Jinendrakumar Munot - Non-Independent Non-Executive Director (w.e.f Feb'24)
- Mr. Arunkunram Sankaran Viswanathan - Non-Executive Director
- Team ASV Consultants Private Limited (Director is interested)
- Mr. Prem Pradeep - Non-Executive Director
- Mr. Brahmanyapura Lakshminarasimha Rao Prasannasimha - Non-Executive Director



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**b) Related party transaction and balance as at reporting period**

Transactions for the year and balance as at Mar 31, 2024 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Key Management Personnel & Close member of KMP's	Independent / Non-Executive Directors
Purchases	3.63	-	-
Sales	34.39	-	0.00
Rendering of services	0.15	-	-
Receipt of Services	88.30	-	1.19
Salaries and other benefits	-	7.99	-
Commission	-	6.88	0.88
Sitting fees	-	0.01	0.13
Rent paid	1.67	0.08	-
Loan given	-	-	-
Interest income	-	-	-
Investment in equity shares	-	-	-
<b>Amount Receivable</b>	<b>10.49</b>	<b>-</b>	<b>-</b>
<b>Amount Payable</b>	<b>9.52</b>	<b>6.88</b>	<b>0.15</b>

Transactions for the year and balance as at Mar 31, 2023 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Key Management Personnel	Independent and Non-Executive Directors
Purchase of Goods	2.80	-	-
Sale of goods	34.96	-	-
Receipt of Services	46.03	-	0.94
Lease rent paid	0.04	0.07	-
Salaries and other benefits	-	5.50	0.07
Sitting fees	-	0.01	0.16
Commission	-	5.16	0.90
Reimbursement of expenses received	0.10	-	-
<b>Amount Receivable</b>	<b>9.88</b>	<b>-</b>	<b>-</b>
<b>Amount Payable</b>	<b>4.08</b>	<b>5.16</b>	<b>0.90</b>

**43. Financial instruments**

**a. Derivative financial instruments**

**(i) Forward and option contract**

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group manages its foreign currency risk by using foreign currency forward contracts. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. The counterparties for these contracts are generally banks or financial institutions. The details of outstanding forward contracts as at March 31, 2024 and March 31, 2023 are given below:

Particulars	Currency	Year ended 31-Mar-24	Year ended 31-Mar-23
Forward contracts (Sell)	USD	802,250	54,588
	EURO	3,186,783	7,388,408
Forward contracts (Buy)	USD	1,500,000	1,500,000
	EURO	-	-
Cross currency swap (CCS) - Loans Outstanding	EURO	51,449,441	35,876,541
Gain/(loss) mark to market in respect of forward contracts outstanding	Rupees in Crores	3.88	6.71

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

All open forward exchange contracts mature within three to nine months from the balance sheet date.

**b. Financial instruments by category**

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

Particulars	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
<b>Asset</b>			
Investment in Others	-	-	259.72
Loans	0.80	-	-
Employee advances	3.19	-	-
Security Deposits	40.66	-	-
Deposit with Bank & Government authorities	0.21	-	-
Trade Receivables	282.29	-	-
Other receivables	2.55	-	-
Cash and Bank Balances	18.62	-	-
Accrued income	5.20	-	-
Derivative Assets	-	-	-
<b>Liabilities</b>			3.88
Loans from Banks	834.71	-	-
Lease Liability	7.78	-	-
Interest accrued but not due	2.26	-	-
Security Deposits	26.42	-	-
Trade payables	402.11	-	-
Capital Creditors	20.45	-	-
Other Creditors	144.41	-	-
Unpaid Dividends	2.69	-	-

The carrying value and fair value of financial instruments by each category as at Mar 31, 2023 was as follows:

Particulars	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
<b>Asset</b>			
Investment in Others	-	-	254.64
Loans	1.52	-	-
Employee advances	3.46	-	-
Security Deposits	46.74	-	-
Deposit with Bank & Government authorities	0.20	-	-
Trade Receivables	220.52	-	-
Cash and Bank Balances	15.56	-	-
Accrued income	2.48	-	-
Derivative Assets	-	-	-
<b>Liabilities</b>			6.71
Loans from Banks	662.07	-	-
Interest accrued but not due	2.14	-	-
Security Deposits	84.90	-	-
Trade payables	413.20	-	-
Capital Creditors	21.07	-	-
Other Creditors	112.70	-	-
Unpaid Dividends	3.01	-	-

Details of financial assets pledged as collateral :

Carrying amount of financial assets as at Mar 31, 2024 and 2023 that the Group has provided as a collateral for obtaining borrowing and other facilities from the bankers are as follows :

Particulars	As at 31-Mar-24	As at 31-Mar-23
Fixed Deposits	0.21	0.20

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**c. Fair value measurement of financial instruments measured at fair value on recurring basis:**

Particulars	As at 31-Mar-24		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Investment in Others	-	253.61	6.12
Derivative Asset	-	3.88	-

Particulars	As at 31-Mar-23		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Investment in Others	-	253.02	1.62
Derivative Asset	-	6.71	-

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

**d. Interest income/(expense), gain/(losses) recognised on financial assets and liabilities**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
(a) Financial assets at amortised cost		
Interest income on bank deposits	-	0.00
Interest income on loans	0.38	1.05
(b) Financial liabilities at amortised cost		
Interest expenses on borrowings from banks, others and overdrafts	44.65	39.63
(c) Financial asset at FVTPL		
Net gain/(losses) on fair valuation on derivative financial instruments	0.59	1.89
(d) Financial asset at FVTOCI		
Net gain/(losses) on fair valuation on derivative financial instruments	(4.47)	(5.63)
Net gain/(losses) on fair valuation of investments	0.58	0.17

**44. Financial risk management**

The Group has exposure to the following risks from its use of financial instruments

**44.1 Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Credit risk is managed by the entity. Considering the credit risk assessment made by the management and based on past history, provision / write off for receivables amounting to ₹ 1.39 crores (PY ₹ 1.35 crores) has been made under the simplified approach

**44.2 Liquidity risk**

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Long term borrowings		
- Upto 1 Year	57.99	46.92
- 1 to 3 Years	160.10	318.31
- more than 3 years	271.45	5.96
Short term borrowings		
- Upto 1 Year	345.17	290.90
- 1 to 3 Years	-	-
Trade Payable		
- Upto 1 Year	401.35	412.98
- 1 to 5 Years	0.76	0.22
Security Deposits from Customer		
- Upto 1 Year	8.00	72.00
- 1 to 3 Years	18.42	12.90
- More than 3 Years	-	-
Lease Liabilities		
- Upto 1 Year	2.24	-
- 1 to 5 Years	5.54	-
Capital creditors		
- Upto 1 Year	20.45	21.07
Other Financial Liabilities		
- Upto 1 Year	149.36	117.85
<b>Total</b>	<b>1,440.83</b>	<b>1299.10</b>

The following table details the Group's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	As at 31-Mar-24	As at 31-Mar-23
Fixed Deposits with Banks		
- 1 to 3 Years	0.21	0.20
Trade Receivables		
- Upto 1 Year	282.29	220.52
Loans		
- Upto 1 Year	0.80	0.75
- 1 to 3 Years		0.77
- 1 to 5 Years		
Advance to Employees		
- 1 to 3 Years	3.19	3.46
Security Deposits		
- 1 to 3 Years	34.33	40.40
Other Financial Assets		
- Upto 1 Year	17.96	8.82
- 1 to 5 Years		
Unpaid Dividend		
- Upto 1 Year	2.69	3.01
Cash & Cash Equivalents		
- Upto 1 Year	15.92	12.55
Investment in Unquoted Shares		
- Upto 1 Year	-	-
- More than 3 Years	259.72	254.64
Deposit with Government authorities		
- 1 to 3 Years	-	-
<b>Total</b>	<b>617.11</b>	<b>545.12</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

The Group has access to committed credit facilities as described below, of which ₹ 111.33 crores were unused at the end of the reporting period (as at March 31, 2023 ₹ 155.61 crores). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Unsecured bank overdraft facility, reviewed annually and payable at call:	As at 31-Mar-24	As at 31-Mar-23
Limit from banks	FOR TSL and TVS SS - 446.50 Crores	FOR TSL and TVS SS - 446.50 Crores
<b>Actual Utilized</b>		
Current Borrowings - Secured	245.17	265.74
Current Borrowings - Unsecured	100.00	25.15
Total Used	345.17	290.89
Unused	111.33	155.61

#### 44.3 Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency exchange risk and interest rate risk

**44.3.1 Commodity Price Risk** - The primary commodity price risks that the Group is exposed to include rubber prices that could adversely affect the value of the Group's financial assets or expected future cash flows.

**44.3.2 Foreign currency risk management** - The Group imports raw materials from outside India as well as make export sales to countries outside India. The Group is, therefore, exposed to foreign currency risk principally arising out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against firm purchase commitment and receivables.

**44.3.2.1 The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.**

#### Balance as at 31-Mar-24

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
<b>Trade Receivables (Assets)</b>			
USD	83.40	3,891,118	32.45
EUR	89.89	4,662,163	41.91
GBP	105.07	25,018	0.26
<b>Trade Payables (Liabilities)</b>			
USD	83.41	3,637,008	30.34
EUR	90.18	21,144	0.19
GBP	105.29	21,045	0.22
AED	22.71	740,880	1.68
SGD	61.74	8,000	0.05
<b>Capital creditors payables (Liabilities)</b>			
USD	83.41	1,007,726	8.41

#### Balance as at 31-Mar-23

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
<b>Trade Receivables (Assets)</b>			
USD	82.18	3,148,705	25.86
EUR	89.46	3,851,369	34.40
GBP			
<b>Trade Payables (Liabilities)</b>			
USD	82.19	3,768,459	30.97
EUR	89.49	367,312	3.24
GBP			

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**44.3.2.2 Foreign currency sensitivity analysis**

The Group is principally exposed to foreign currency risk against USD & EURO. Sensitivity of profit or loss arises mainly from USD & EURO denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and EURO-INR currency pair, sensitivity of profit/(loss) only on outstanding foreign currency denominated monetary items at the period end is presented below:

The Group's foreign currency sensitivity analysis at the end of the reporting period expressed in INR, are as follows:

Particulars	Currency	31-Mar-24	31-Mar-23
Impact on Receivables due to +/- 5% Change in Currency Rates	USD	1.62	1.09
	EUR	2.10	1.54
	GBP	0.01	-
Impact on Payables due to +/- 5% Change in Currency Rates	USD	1.52	1.47
	EUR	0.01	0.00
	GBP	0.01	-
	AED	0.08	-
	SGD	0.00	-
Impact on Capital Payables due to +/- 5% Change in Currency Rates	USD	0.42	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

**44.3.2.3 Forward foreign exchange contracts**

It is the policy of the Group to enter into forward exchange contracts based on the net exposures for the future periods evaluated on a monthly basis, considering both existing exposures and potential forecast transactions

**44.3.3 Interest rate risk management**

The Group is exposed to interest rate risk because of borrowal of short term funds at floating interest rates.

**Interest rate sensitivity analysis**

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's Profit for the year ended March 31, 2024 would decrease/increase by ₹ 2.79 crores; as against ₹ 1.00 crores for the year ended March 31, 2023.

**45. Capital Management**

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium, general reserve and all other equity reserves attributable to the equity holders of the group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of borrowings and related covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by fund attributable to Equity Shares Holders. The group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31-Mar-24	As at 31-Mar-23
Interest-bearing loans and borrowings	834.71	662.07
Less: cash and cash equivalents	(15.92)	(12.55)
<b>Net debt</b>	<b>818.79</b>	<b>649.52</b>
Equity Capital	7.66	7.66
Other Equity	1,103.80	1,026.04
Total capital	<b>1,111.45</b>	<b>1,033.69</b>
<b>Gearing ratio</b>	<b>0.74</b>	<b>0.63</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it provide for a strong financial strength to meet the Group's growth needs and meet borrowing related capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023.



**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**46. Commitments and Contingencies**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Estimated amount of contract remaining to be executed on capital account	36.99	84.97
b) Letter of Credit opened by Company's Bankers	57.61	47.62
c) Excise duty and service tax under dispute	18.47	19.00
d) Sales Tax under dispute	11.55	14.81
e) Provident Fund	4.03	5.03
f) Customs	28.38	2.50
g) GST	24.24	1.93
h) Other Matters	0.76	1.66

**47. Depreciation & Amortisation**

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Depreciation on Property, Plant and Equipment (Refer Note 3)	96.42	81.00
Amortisation of Other Intangible Assets (Refer Note 6)	6.09	4.35
Depreciation of Right of Use Assets (Refer Note 7)	0.99	5.86
Depreciation on Investment Property (Refer Note 4)	0.33	0.33
<b>Total</b>	<b>103.83</b>	<b>91.54</b>

**48. Exceptional Item** - The company initiated a Voluntary Retirement Scheme for its employees in FY 2021-22. Under this scheme, the company has received and approved applications for a sum of ₹ 1.37 crores in the current year (PY ₹ 5.49 crores).

On July 21, 2022, the Ministry of Environment, Forest and Climate Change issued notification containing Regulations on Extended Producer Responsibility (EPR) for Waste Tyre applicable to Tyre manufacturers and Recyclers. As per the notification, the Company has a present legal obligation as at March 31, 2024 for FY 2023-24 (quantified basis the production in FY 21-22) and for FY 2022-23 (quantified basis the production in FY 20-21). As at March 31, 2023 the Company could not estimate the liability reliably since the infrastructure for the same was not enabled and hence this obligation was not provided for. In the current year the enabling framework has been established for the Company to estimate the liability and accordingly ₹ 7.58 Crores has been provided in the books in the current year, which has been disclosed as an exceptional item during year ended March 31, 2024.

**49. Business Combination [Acquisitions during the year ended March 31, 2024]**

**A) Acquisition of Super Grip Corporation business**

On 2<sup>nd</sup> November, 2023 the holding company has made an investment in 400 equity shares of SG Acquisition Corporation, USA for 100% ownership. On 3<sup>rd</sup> November, 2023 the SG Acquisition Corporation had taken over the assets and liabilities and business operations of Super Grip Corporation, company based on USA for a purchase consideration of ₹ 72.02 crores. Super Grip Corporation is in the business of trading off highway tyres.

**B) Goodwill computation**

The fair values of the identifiable assets and liabilities as at the date of acquisition are computed on provisional basis. As per para 45 of Ind AS 103, the group shall retrospectively adjust the provisional amounts recognised at the acquisition date, during the measurement period to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

Particulars	Amount	Amount
<b>I. Consideration paid for acquisition</b>		72.02
<b>Assets and liabilities transferred</b>		
a. Assets acquired on appointed date		57.55
<b>Financial assets</b>		
Trade receivables	15.21	
<b>Non-financial assets</b>		
Property, Plant and Equipment	2.25	
Capital work-in-progress	0.98	
Inventories (Stock in trade)	39.04	
Other Current Assets	0.07	
b. Liabilities transferred on appointed date		3.62
<b>Financial Liabilities</b>		
Trade payables	2.45	
Other financial liabilities	1.17	
<b>II. Net Value (a-b)</b>		<b>53.93</b>
<b>III. Goodwill (I-II)</b>		<b>18.09</b>

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

**50. Additional Disclosure in respect of Subsidiaries**

Particulars	Parent	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Non-Controlling Interests	Adjustments	Total
Name of the Entity	TVS Srichakra Limited	TVS Srichakra Investments Limited	TVS Sensing Solutions Private Limited	Fiber Optic Sensing Solutions Private Limited	Super Grip Corporation	Fiber Optic Sensing Solutions Private Limited		
Whether Indian or Foreign	Indian	Indian	Indian	Indian	Foreign	Indian		
Extent of Holding by Parent	NA	100%	100%	90%	100%	10%		
<b>Net Asset</b>	<b>1,113.97</b>	<b>55.21</b>	<b>47.47</b>	<b>(6.09)</b>	<b>29.32</b>	<b>(0.67)</b>	<b>(127.75)</b>	<b>1,111.45</b>
Net Asset as a % of Consolidated Net Asset	100.23%	4.97%	4.27%	-0.55%	2.64%	-0.06%	-11.49%	100.00%
<b>Share in Profit or Loss</b>	<b>103.56</b>	<b>0.84</b>	<b>10.19</b>	<b>(1.74)</b>	<b>(4.04)</b>	<b>(0.19)</b>	<b>(0.85)</b>	<b>107.76</b>
Share in Profit or Loss as a % of Consolidated Profit or Loss	96.09%	0.78%	9.46%	-1.62%	-3.75%	-0.18%	-0.79%	100.00%
<b>Share in Other Comprehensive Income</b>	<b>(5.41)</b>	<b>-</b>	<b>(0.00)</b>	<b>-</b>	<b>(0.05)</b>	<b>-</b>	<b>-</b>	<b>(5.46)</b>
Share in Other Comprehensive Income as a % of Consolidated Other Comprehensive Income	99.02%	-	0.07%	-	0.92%	-	-	100.00%
<b>Share in Total Comprehensive Income</b>	<b>98.15</b>	<b>0.84</b>	<b>10.20</b>	<b>(1.74)</b>	<b>(4.09)</b>	<b>(0.19)</b>	<b>(0.85)</b>	<b>102.30</b>
Share in Total Comprehensive Income as a % of Consolidated Total Comprehensive Income	95.93%	0.82%	9.97%	-1.70%	-4.00%	-0.19%	-0.83%	100.01%

**51. Previous year figures:** Previous year's figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification.

**52. Quarterly returns filed with Banks and Financial Institutions :** The amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

**53. Relationship with Struck off Companies :** The Holding company's and its subsidiaries search based on publicly available database on struck off companies did not reveal any transactions with such companies except as detailed below.

Name of struck off companies	Nature of transactions with struck off company	Share Held	Balance outstanding (in face value)
KS MORAKA AND SONS PVT LTD	Shares held by struck off companies	50	500
MUSASONS PRIVATE LTD	Shares held by struck off companies	1	10

**54.** The implementation of the Code on Social Security, 2020 is getting postponed. The Group will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.

**55.** 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
(All amounts are stated in Crores of Rupees unless otherwise stated)

Company	Audit Trail
TVS Srichakra Limited (India) (Holding company)	Company uses an ERP as books of accounts and the same was configured to maintain audit trail and audit logs at transaction level and database level with the application layer from 9 <sup>th</sup> July 2023. Post publication of ICAI implementation guide in February 2024, direct database level changes was also included in the audit trail scope which however was not enabled. The Company shall evaluate the impact on performance by enabling the database level audit trail and incorporate the recommendation as suggested by the ERP vendor. However, access to direct database level changes is available only to the default System user provided by the ERP vendor. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and audit trail feature has not been tampered with during the year"
TVS Srichakra Investments Limited (India) (100% Subsidiary)	The company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The software is such that it has no database but only objects and collections, hence, no changes is possible at that level.
TVS Sensing Solutions Private Limited (India) (100% Subsidiary)	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.
Fiber Optic Sensing Solutions Private Limited (India) (90% Subsidiary)	The company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The software is such that it has no database but only objects and collections, hence, no changes is possible at that level.
Super Grip Corporation (USA) (100% Subsidiary)	Not Applicable

**57. Other notes**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group to holding any benami property.
- (ii) The Group has not traded or invested in crypto currency or virtual currency during the financial year.
- (iii) The Group 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
- (iv) The Group has in respect of the investments made, complied with no of layers as defined under section 2(87) of the Companies act, 2013.
- (v) The Group has nothing to report on compliance with approved Scheme(s) of Arrangements.
- (vi) The Group has not taken loans and borrowings from lenders (Other than banks and Financial Institutions).
- (vii) The Group has complied with the requirements of section 123 of the Companies Act 2013 in respect of the final dividend for previous year paid during the year and the interim dividend declared and paid in the current year.

**58.** The Board of Directors of the holding company recommended a dividend of ₹ 47.34 (PY 32.05) per equity share of ₹ 10/- each for the year ended March 31, 2024, subject to the approval of shareholders at the ensuing Annual General Meeting of the holding company.

Sd/-  
**Shobhana Ramachandhran**  
Managing Director  
DIN: 00273837

Sd/-  
**R Naresh**  
Executive Vice Chairman  
DIN: 00273609

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Registration No:003990S/S200018

Sd/-  
**B Rajagopalan**  
Chief Financial Officer

Sd/-  
**Chinmoy Patnaik**  
Secretary  
Membership No: A14724

Sd/-  
**T V Balasubramanian**  
Partner  
Membership No:027251  
Place: Chennai  
UDIN: 24027251BKDHGQ5683

Place: Chennai  
Date: 11<sup>th</sup> May 2024



**TVS SRICHAKRA LIMITED**

**Regd. Office:** TVS Building, 7-B West Veli Street, Madurai - 625001, India

[www.tvseurogrip.com](http://www.tvseurogrip.com)