



**INTEGRATED SOLUTIONS,
LIMITLESS OPPORTUNITIES**



ACROSS THE PAGES

CORPORATE OVERVIEW

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For more investor-related information, please visit <https://www.tvs-e.in/annual-reports>
Or simply scan to view the online version of the Report.

Investor Information

| | |
|----------------------|------------------------|
| Market Cap | ₹ 46,738 Lakhs |
| CIN | L30007TN1995PLC032941 |
| BSE Code | 532513 |
| NSE Symbol | TVSELECT |
| Dividend Recommended | ₹ 1/- per Equity Share |
| AGM Date | August 10, 2024 |
| AGM Mode | VC/OAVM |

Disclaimer

This document contains statements about expected future events and financials of TVS Electronics Limited ('TVS-E,' 'We,' 'The Company'), which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

INTEGRATED SOLUTIONS, LIMITLESS OPPORTUNITIES

In the dynamic landscape of modern technology, seamless integration and boundless possibilities define progress. TVS Electronics stands at the forefront of this landscape, pioneering innovation through integrated solutions. With a legacy steeped in excellence and a vision set on the future, we embrace the ethos of convergence to unlock limitless opportunities across diverse sectors.

At TVS-E, our commitment to integrated solutions goes beyond mere connectivity—it embodies a holistic approach that transforms

challenges into avenues for growth. Whether empowering enterprises with robust solar and EV infrastructure solutions, enhancing productivity through cutting-edge POS devices, or facilitating secure financial transactions with advanced payment solutions, we synergise innovation with reliability.

Our journey is marked by a relentless pursuit of excellence, and fuelled by a deep understanding of evolving market dynamics and customer needs. We empower businesses to thrive in a digital-first world by integrating smart technologies with intuitive design. From scalable software solutions tailored to optimise operations to hardware innovations that redefine efficiency benchmarks, every product and service reflects our dedication to shaping the future of technology.

Our integrated approach fosters agility and resilience, as we navigate the complexities of a rapidly evolving global marketplace. By forging strategic alliances and nurturing a culture of collaboration, we create ecosystems where innovation flourishes and partnerships thrive. Together, we redefine possibilities, propelling industries towards sustainable growth and unparalleled success.

KEY HIGHLIGHTS OF 2023-24

₹ 3,660 million
Revenue

₹ 2,673 million
Revenue from PSG Segment

₹ 987 million
Revenue from CSS Segment

₹ 95 million
EBITDA

₹ 86 million
EBITDA from PSG Segment

₹ 9 million
EBITDA from CSS Segment

EMPOWERING CONNECTIONS, DRIVING OPPORTUNITIES

Founded in 1986 under the visionary leadership of Mr. Gopal Srinivasan, TVS Electronics Limited ('TVS-E' or 'We' or 'The Company'), is headquartered in Chennai, India. The Company is a pioneer in IT peripherals, point-of-sale solutions, Field support services, electronics manufacturing services, and green energy services.

Our journey has always been about empowering others and we believe that true victory lies in enabling individuals to thrive. Since the 1980s, we have pioneered access to technology, enhancing lives and fulfilling aspirations. Today, our commitment goes beyond mere improvement—we inspire and equip people to unleash their full potential. Having evolved from electronics sales to crafting intelligent solutions, we now prioritise designing innovations that enhance customer experiences and streamline business operations. Our mission is clear: empower enterprises to reach new heights of success.



OUR PILLARS



- To build trust authentically: Act inclusively; set and deliver commitments in a culture of meritocracy
- To be leaders: Deliver the best in whatever we do and whatever we are
- To win in the marketplace: Outperform competition through 'Operational Excellence'; deliver value for customers; be connected to reality at all times
- To promote initiative: Stay energised to take initiatives in a positive manner with a positive attitude for the team's success

OUR VALUES



- Empathy
- Trust
- Reliability
- Integrity
- Courage
- Innovation Growth-Oriented
- Leader (To Lead, Not No. 1)

OUR LEGACY



TVS has established an impressive track record of excellence across various industry sectors we operate in, thereby creating a robust brand equity. Synonymous with trust, values, and customer centricity, the brand 'TVS' has garnered immense recognition and acclaim.

OUR STRENGTHS



- Rich experience and strong expertise in understanding customer needs
- Diversified portfolio with the unique edge of software bundling, product design solutions, and customisation for customers
- Superior quality of products and services built to meet the needs of Indian business
- Market leader in legacy products
- Pan-India presence
- Enduring bonds with partners
- Prudent financial management
- Consistent investments in digitisation

WHY CHOOSE US?

A trusted long-standing Indian company

- Rooted in our values and continuously evolving and 120-year-old business conglomerate
- One of the longest standing Indian electronics manufacturers – 37 years of strong presence
- A trusted company forging enduring partnerships with Global OEMs, spanning a remarkable period of 25+ years
- Collective leadership experience and footprint across India in terms of distributor points and service partners

State-of-the-art infra to create differentiated product solutions

- Plug-n-play manufacturing facility that can offer contract manufacturing services (CMS) in India for our tech partners and ultimately deliver value-addition benefits
- State-of-the-art manufacturing facility at Tumakuru that helps us to create tailored products for our customers and provide them with a diverse range of solutions

Wide network covering all of India with a strong digital backbone

- We are continuously focussing on expanding our reach to all parts of India to meet the diverse demands of our customers
- Our goal is to provide our customers with the tools and resources they require to succeed, ensuring that they can make informed decisions and achieve their desired outcomes

KEY HIGHLIGHTS OF 2023-24

703

Employees On-roll

856

Employees Off-roll

1

Manufacturing and Repair Factory

6

Branch Offices

13

Warehouses

73

Drop Points

500+

Authorised Partners

200+

Distribution Partners

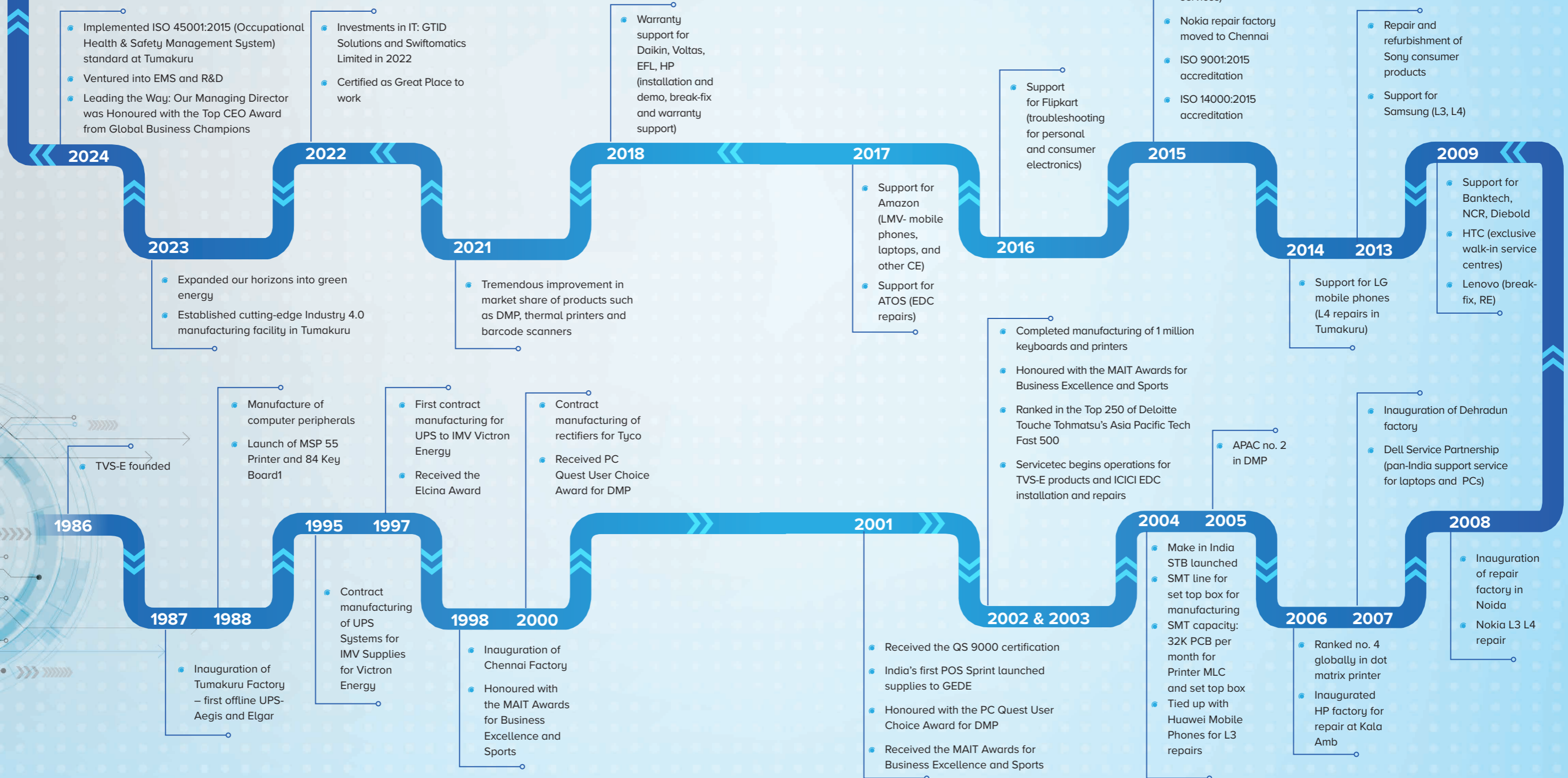
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Walk-In Centres



EVOLVING OPPORTUNITIES, PIONEERING SOLUTIONS

As we embarked on our journey, we set out to redefine standards, embracing innovation and sustainability as the cornerstones of our future. Driven by a vision to pioneer progress, we have traversed milestones, shaping a legacy grounded in resilience and forward-thinking.



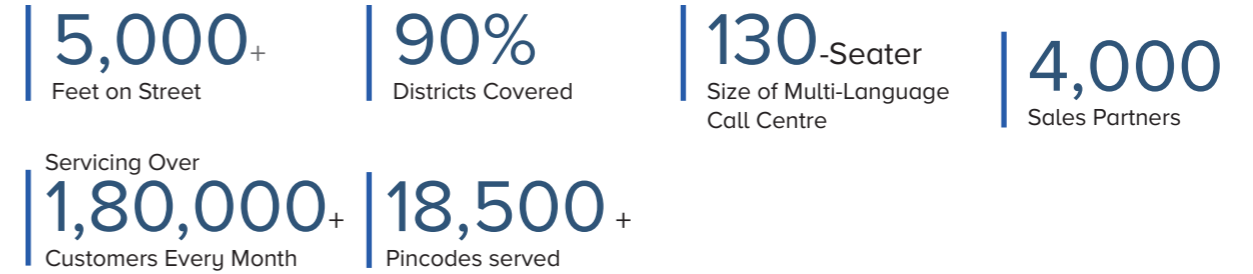
INTEGRATED SOLUTIONS, BEYOND BOUNDARIES

At TVS-E, we harness our broad reach and capabilities to meet the varied needs of customers nationwide with the aim of creating a meaningful impact in their lives. Our objective is to empower customers by delivering accessible solutions that elevate their experiences and fulfil their distinct requirements.



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PAN-INDIA DISTRIBUTION AND SERVICE SUPPORT NETWORK

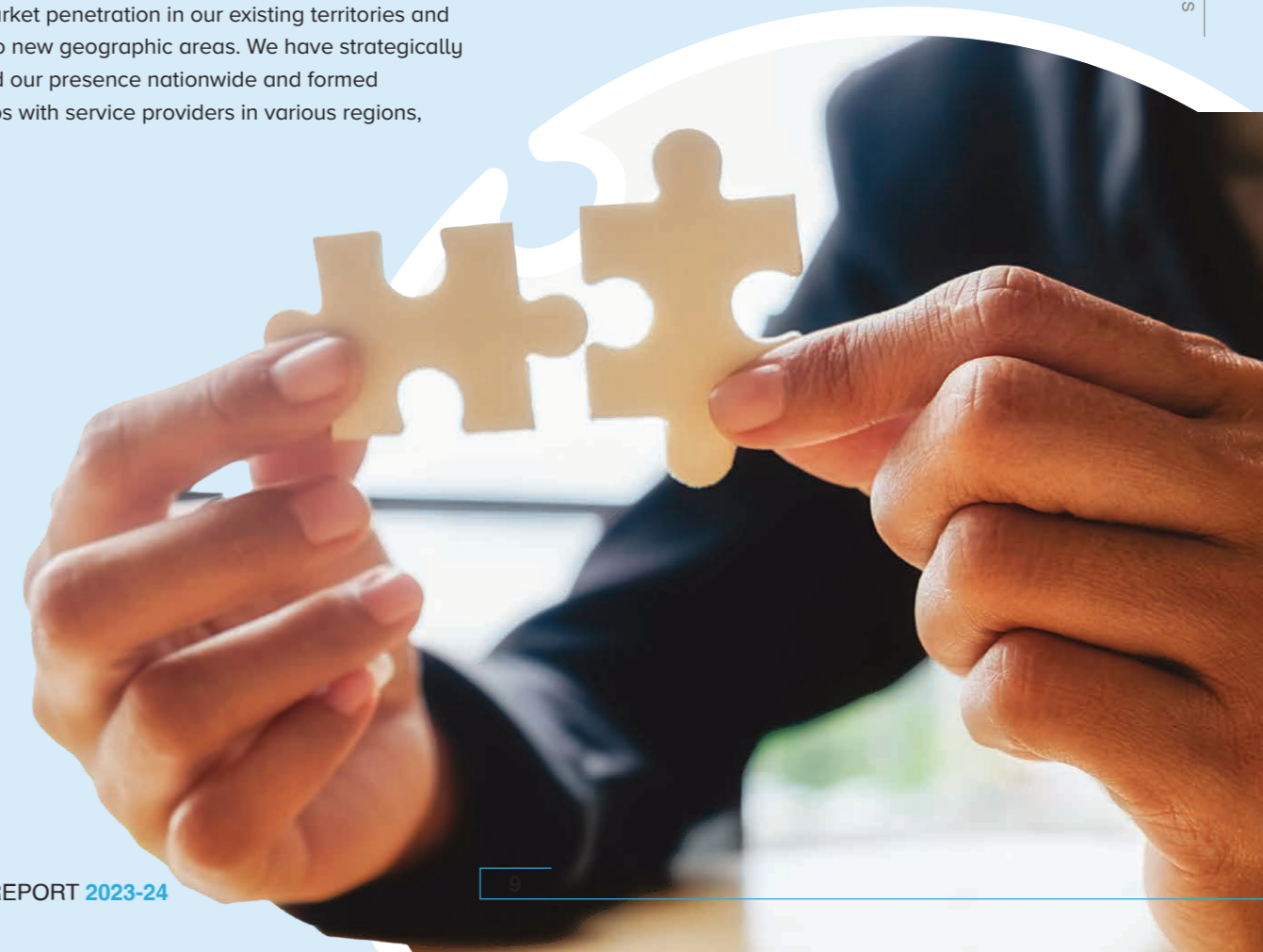


At TVS-E, we have been committed to expanding our presence across India, addressing the diverse needs of our customers, throughout our journey. We constantly strive to introduce innovative products and services as we embark on a transformative path. We aim to establish ourselves as a comprehensive one-stop solution provider, offering end-to-end solutions for the entire product life cycle in the B2B market.

In pursuit of this vision, we have intensified our efforts to deepen market penetration in our existing territories and expand into new geographic areas. We have strategically established our presence nationwide and formed partnerships with service providers in various regions,

ensuring efficient delivery of our solutions. Over the past year, we have implemented several initiatives to advance this strategic priority, further solidifying our commitment to growth and innovation.

- Online e-commerce portal on the Company's website
- AI/ML-enabled service delivery platform (SDP), which is integrated with field mobility, spare parts prediction and ordering system



INNOVATIVE INTEGRATION, SYNERGISTIC SOLUTIONS

At TVS Electronics, innovation seamlessly integrates to redefine industry standards. Our commitment to delivering cutting-edge solutions resonates through every product offering, catering to diverse technological needs with precision and reliability.

INTEGRATED END-TO-END ELECTRONICS SOLUTIONS

| | | | |
|---|---|---|--|
| | <p>Single Point Solution Provider State-of-the-art point-of-transaction hardware, including POS systems, handheld devices, barcode scanners, thermal and label printers, and retail billing software</p> | | <p>Design Innovative product design capabilities</p> |
| <p>Electronics Manufacturing Services End-to-end solutions, including supply chain management, PCB assembly, box build, after sales services and product testing</p> | | <p>Sales and Service Network Pan-India distribution network backed by a service support network</p> | |
| | <p>Warranty Solutions Supporting global OEMs for IT products</p> | | <p>IT-Infra Managed Services Offer end-to-end IT infrastructure managed services for large business entities.</p> |
| <p>Green Energy Solutions Core services include consultancy services, operation and maintenance solutions, and EV charging infrastructure and battery swap solutions</p> | | <p>End-of-Life Solutions</p> <ul style="list-style-type: none"> • Online portal providing surplus management solutions to B2B customers to dispose of their excess inventory, scrap, and machinery • Transparent and streamlined process through online bidding, ultimately determining the optimal price for these assets | |

OUR COMPETITIVE EDGE

| | |
|--|--|
| | <p>In-house developed AI/ML platform for service delivery brings together customers, brands, supply chain and repair service providers</p> |
| | <p>Service network capability across 90% of districts covered in India</p> |
| | <p>Strong B2B presence across chosen sector, partnership with global brands</p> |
| | <p>One-stop solution for customers with Make in India products</p> |
| | <p>Proven capability that seamlessly links the entire value chain of product lifecycle management</p> |
| | <p>Distribution network with last-mile connectivity across 90% of Indian territory</p> |
| | <p>30+ years of experience in design, manufacturing, repair, and services</p> |

POINT OF TRANSACTION PRODUCTS



COMPREHENSIVE RETAIL SOLUTIONS (CORE)
- A SINGLE POINT SOLUTION PLATFORM

HARDWARE

Touch POS System



Handheld POS Device



All-in-one POS Device



Weighing Scale



Cash Counting Machine



Barcode Scanner



Cash Drawer



Thermal Receipt Printer



BANKING

Passbook Printing



Ledger Printing



DD Printing



Cash Counting Machine



Keyboard with L1 Finger Print Reader



Teller Counter Receipt Printer



BILLING SOFTWARE



Retail



Parking Management

ASSOCIATE PARTNER



GOVERNMENT ESTABLISHMENTS

Ticketing



Documentation/Registration



Mobile printer



SHIPPING AND LOGISTICS

Track-and-Trace



Label Printing



RFID Scanner



TRANSFORMING EXPERIENCES, DRIVING SUCCESS

At TVS-E, we ensure that each interaction with our brand enhances our clients' business journey. Our client-centric approach focusses on understanding their unique needs, delivering tailored solutions, and fostering enduring partnerships. By leveraging the latest technological advancements and our deep industry expertise, we empower our clients to achieve their goals and excel in a rapidly evolving digital landscape.

Our partnerships with Fortune 500 companies and industry leaders reflect their confidence in our dedication to excellence. We pride ourselves on meeting their most crucial needs effectively. Our focus remains on providing cutting-edge solutions and outstanding service that not only meet but also elevate our clients' needs, propelling their success and growth in both current endeavours and future aspirations.

PROUD ASSOCIATIONS

| Retail | Manufacturing | Government Entities | IT and Peripherals | IT Infra Managed Services | Banking & Technology | | | | | | | | | |
|--|--|----------------------------|--------------------|---|----------------------|----------------------|--------------------------|---|---------------------|------|--|-------|--|----------------------|
| | <th>Healthcare and Hospitality</th> <td> </td> <td> <th>BFSI</th> <td> </td> <td> </td> <td> <th>Audio and Lifestyle</th> <td> </td> <td> <th>Solar</th> <td> </td> <td> </td> </td></td></td> | Healthcare and Hospitality | | <th>BFSI</th> <td> </td> <td> </td> <td> <th>Audio and Lifestyle</th> <td> </td> <td> <th>Solar</th> <td> </td> <td> </td> </td></td> | BFSI | | | <th>Audio and Lifestyle</th> <td> </td> <td> <th>Solar</th> <td> </td> <td> </td> </td> | Audio and Lifestyle | | <th>Solar</th> <td> </td> <td> </td> | Solar | | |



THRIVING ECOSYSTEM, LIMITLESS OPPORTUNITIES

In the rapidly evolving landscape of technology and electronics, TVS-E stands as a symbol of innovation and resilience. Our firm commitment to fostering a thriving ecosystem enables us to not only keep pace with the dynamic market but also sets new benchmarks for excellence. By leveraging limitless strategies, we continually push the boundaries of what is possible.

SINGLE-POINT SOLUTION PROVIDER

We aim to become the trusted single-point solution provider, offering reliable point-of-transaction and Track-and-Trace products to our customers in banking, retail, government, shipping, and logistics. Our ability to offer robust and customised hardware, billing software, and AMC solutions gives us a unique edge. This further enables us to diversify from our traditional channel-led distribution to AIDC and D2C (100 top retail accounts).

Over the years, we have not only expanded the size of our product portfolio but also diversified it in several key ways:

Innovative Bundling: Combining software, product design solutions, and customisation to meet customer needs

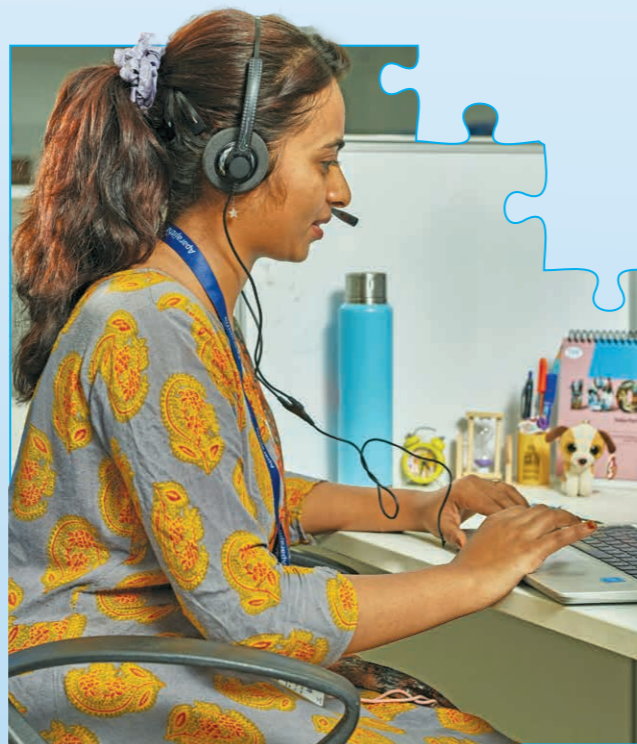
Enhanced Customer Experience: Delivering high-quality rugged & reliable products and services to improve customer satisfaction

Expertise and Depth: Offering comprehensive single point solutions for retail, banking, shipping and logistics industries

Diverse Product Portfolio: Catering to various customer segments, including consumer electronics, business solutions, and industrial applications

Sustainable Design: Emphasising on eco-friendly and sustainable product designs

Currently, we are adding over 50% local value to our existing products. By manufacturing at our Tumakuru plant, we aim to increase this to over 80%, positioning ourselves as a Class 1 supplier for all government establishments.

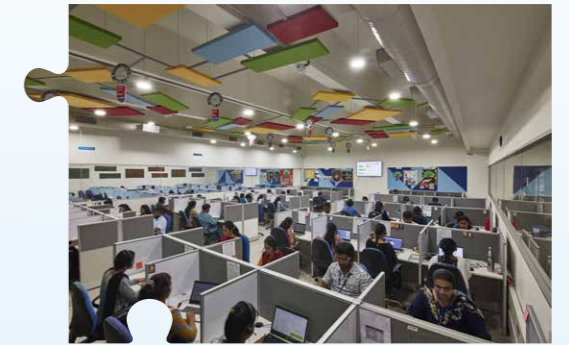


CUSTOMER SUPPORT SERVICES: ONE-STOP SOLUTION

Global brands and Indian customers rely on trusted partners for aftersales support. Under the customer support services, TVS-E provides end-to-end services, including:

Field Support Services

We extend comprehensive warranty management services to our partnering brands across various industry segments. These include IT and IT peripherals, consumer electronics, audio and lifestyle, solar, and electric vehicles (ev). Our robust support ensures that all warranty-related needs are efficiently managed, providing peace of mind and reliability to both brands and their customers.



Infra Managed Services

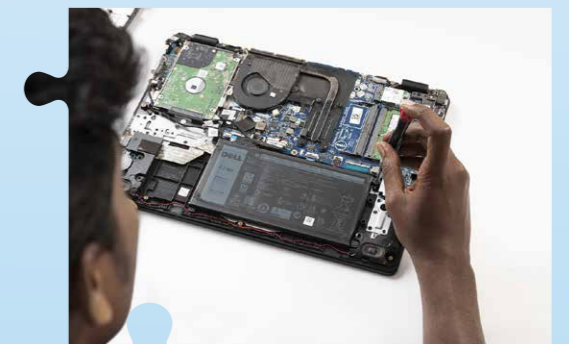
Our IMS cover everything from endpoint computing to data centres, both on-premises and in the cloud. This provides clients with a convenient one-stop solution. We deliver a compelling value proposition that encompasses efficiency, reliability, and cost-effectiveness, ensuring that our clients receive maximum benefits from our services.

Our infrastructure support includes service desk management, asset management, server and database management, and workspace management for laptops, desktops, IoT devices, and communication and conference tools. Additionally, we provide application management and cybersecurity support services under the umbrella of our infra managed services.



Repair Management Services (RMS)

Within the realm of RMS, TVS-E specialises in L3, L4 component level repairs such as PCBs, display panels, payment sound boxes and electronics.



e-Auction Services

Our e-Auction services provide a legitimate online platform, that offers comprehensive solutions for the disposal of scrap, machinery, excess inventory, e-waste, and end-of-life management support for B2B customers. Through our online portal, we offer surplus management solutions, enabling B2B customers to efficiently dispose of their excess inventory, scrap, and machinery. This platform facilitates a transparent and streamlined process through online bidding, involving a diverse pool of bidders to determine the optimal price for these assets.



Electronics Manufacturing Services

We provide a seamless integration of electronics manufacturing services with PSG (products & solutions), CSS (warranty/infra management/end-of-life services), and GTM support.

Our commitment to innovation drives us to develop products that enhance the standard of living. Our vision is to form strong partnership with customers, offering comprehensive end-to-end solutions.

The addition of Surface Mount Technology (SMT) lines underscores our commitment to staying at the forefront of technological advancements. We are known for our holistic approach to customer satisfaction. Our Tumakuru manufacturing facility offers end-to-end solutions, including supply chain management, PCB assembly, box build, aftersales services and product testing. This comprehensive ecosystem ensures that we can meet diverse customer needs both locally and globally.



In addition to our cutting-edge manufacturing capabilities, the plant exemplifies our commitment to sustainability. We utilise electricity from a 400-KW solar plant, underscoring our dedication to responsible manufacturing practices and reducing our environmental footprint.

Contract Manufacturing Services

Collaborating with our technology partners presents a significant opportunity for growth. By leveraging our manufacturing capabilities and expertise, we assist our partners in bringing their products to market efficiently and cost-effectively. This strategic partnership will not only strengthen our relationships but also contribute to the 'Make in India' initiative by promoting local manufacturing. To meet the growing demand, TVS-E is enhancing its manufacturing capabilities at Tumakuru through SKD and CKD processes and strengthening our supply ecosystem to better serve its customers' evolving needs.

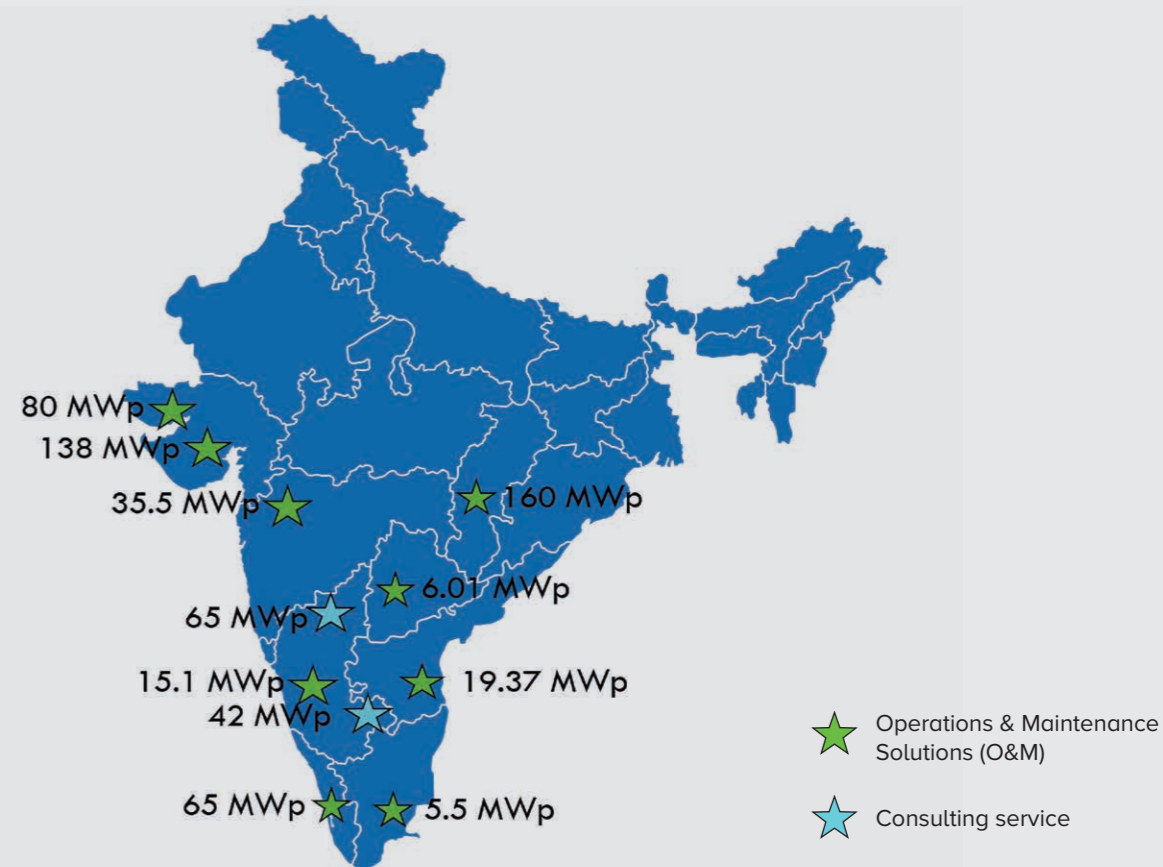
Green Energy Services

Dedicated to facilitating a transition to greener and more energy efficient practices, our Green Energy Business Unit (GEBU) offers a comprehensive range of services.

- We offer end-to-end consultancy services for the development of solar PV, wind, and hydro power plants.
- We offer Operations and Maintenance Services for smooth functioning and guaranteed Power Generation of Solar Systems.
- We provide comprehensive solutions, including consultancy, installation and commissioning (I&C), and operations and maintenance (O&M) services, for the development of public EV charging and swapping stations.



TVSE currently offering consultancy services for the development of 42-MWp and 65-MWp solar projects in Karnataka. Across India, the Company currently provides comprehensive O&M solutions for solar projects, ensuring a generation guarantee for a cumulative capacity of around 525MWp.



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Customer Relationship Management

Our in-house CRM platform integrates AI and machine learning capabilities to connect brands, service partners, parts management, and logistics seamlessly.



Hardware Devices with Software Solutions

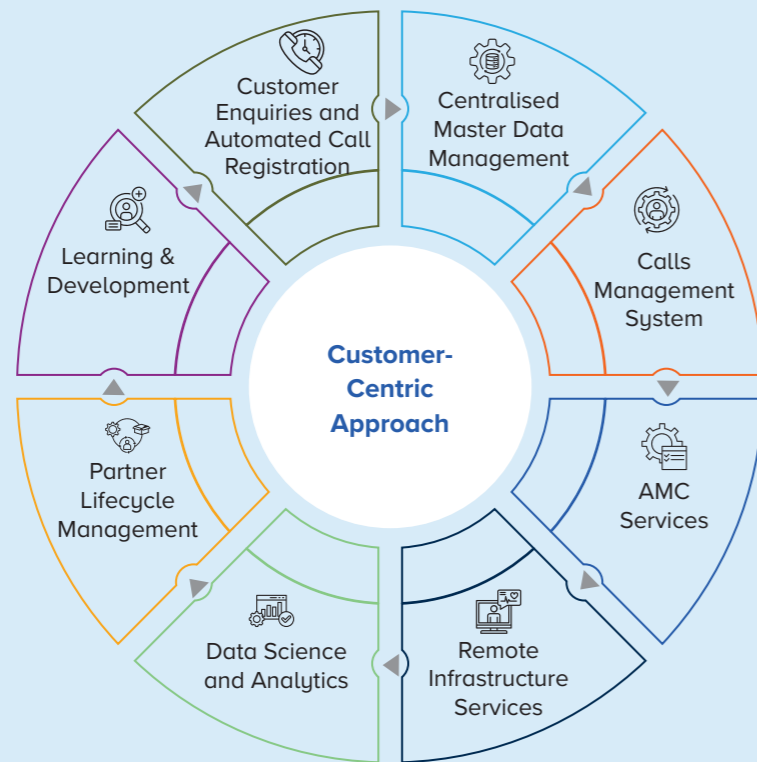
While our origins lie in hardware manufacturing, we continuously adapt to the ever-evolving business landscape. As a result, we have proactively shifted our focus towards providing integrated packages that include hardware devices, tailored solutions, and advanced analytics. This strategic shift not only diversifies our portfolio but also stimulates increased demand for our hardware devices.

The retail and parking sectors are currently undergoing a digital transformation, where software solutions play a pivotal role in optimising operations. As a single-point solution provider, TVS-E offers comprehensive solutions by bundling hardware products with billing software solutions to meet these evolving needs effectively. TVS-E Pay is a simplified billing software tailored for entry-level retail customers, featuring instant billings, product catalogue/ inventory management, generating and printing invoices and sales reports. This integrated offering enhances operational efficiency and supports businesses in managing transactions seamlessly. We have established partnerships with prominent retail software providers to customise solutions according to specific customer requirements, offering a comprehensive suite of solutions designed to cater to the unique needs of different retail formats, complementing our POS hardware.

In addition, TVS-E's e-Parking solution is designed for parking businesses to manage multiple parking areas or on/ off-street parking facilities quickly and effectively. Furthermore, in addition to our billing solutions, we also provide an integrated food billing solution to IRCTC to generate food receipts on trains and platforms for authorised licensed vendors.

TRANSFORMING EXPERIENCES, UNLOCKING OPPORTUNITIES

Our commitment to transforming experiences and unlocking growth is deeply rooted in understanding and prioritising our customers' needs, preferences, and aspirations. By placing our customers at the heart of everything we do, we strive to deliver unparalleled value, foster enduring relationships, and empower them with cutting-edge solutions that seamlessly integrate into their lives.



We are committed to earning the highest levels of satisfaction and trust from our customers by delivering defect-free products and services on time, every time. Our goal is to exceed their expectations in both performance and value. We accomplish this by practicing total quality management (TQM) as our management approach to:



Our Information Security Policy aims to ensure the protection, distribution, and management of sensitive information. This enables the seamless and secure delivery of products and services to clients while upholding their trust in our practices. We accomplish this by consistently implementing the following measures:

| | | |
|--|--|---|
| Maintain the confidentiality, integrity, and availability of sensitive information while minimising disruptions to employees' critical functions | Provide information security awareness and training to employees and non-employees (as needed) | Committed to meeting all applicable regulatory, legislative and contractual requirements that our business demands |
| Prevent disruptions to critical business activities caused by major failures through our business continuity plan | Report and investigate any actual or suspected security breaches of information to improve our security measures | Conduct regular audits to ensure the effectiveness of our security management system, and our security forum reviews this policy annually |

SPEARHEADING R&D, ENGINEERING SOLUTIONS

At TVS-E, we are proud of our efficiency in catering to diverse needs, made possible by our cutting-edge manufacturing tech and expert team. We source top-tier materials and components at competitive rates to provide dependable solutions to our clients. This approach allows us to offer cost-effective yet highly efficient answers that meet their needs seamlessly.

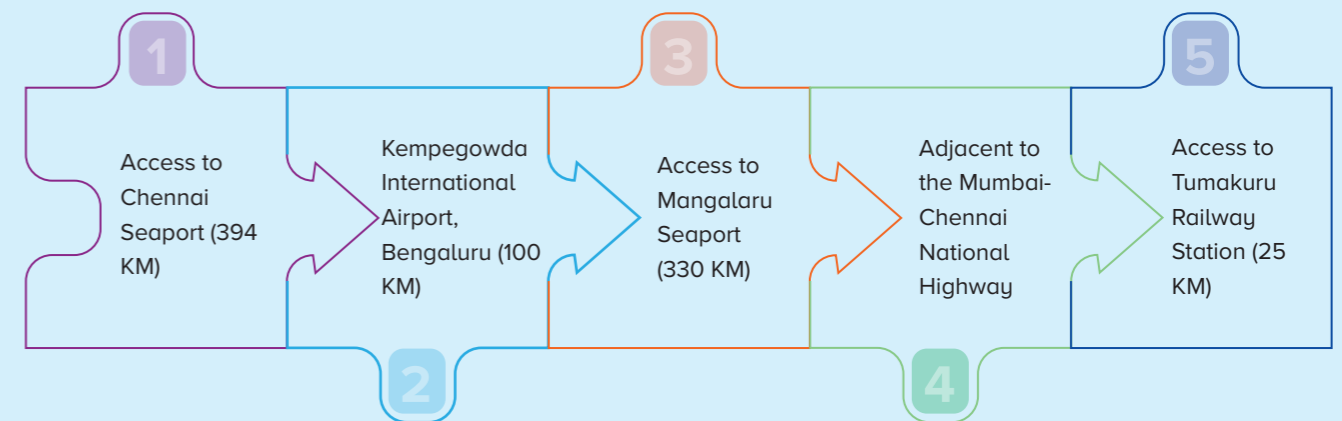
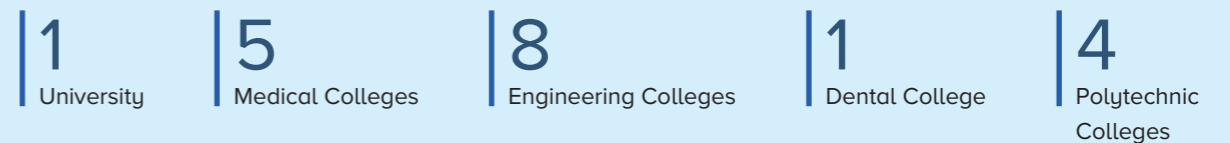
Moreover, we emphasise on robust vendor support and management, facilitating seamless collaboration and operational efficiency. Our provision of semi knocked-down (SKD) units and spare parts enables streamlined maintenance and servicing, ensuring ongoing operational fluidity. Significant investments are being made in R&D to foster innovation and bring new products to market. This is crucial for maintaining competitiveness and supporting the “Make in India” vision by creating high-quality products domestically.

As a forward-thinking entity, our exceptional repair capabilities empower us to swiftly resolve any product issues for our clients. This minimises downtime, ensuring maximal operational productivity. Within our Engineering Design Centre, our dedicated team of designers and engineers possess vast experience and expertise. This helps them tackle every challenge with unparalleled precision and firm commitment. In our pursuit of excellence, we consistently offer a comprehensive suite of product design services, empowering clients to manifest their concepts into tangible reality.



TUMAKURU FACTORY

Tumakuru, located in Karnataka, is a thriving hub for industry, education, and culture. It is a promising destination for investment and growth. Recognised among the 100 Smart City projects, it emphasises smart and sustainable urban development practices. Tumakuru boasts an impressive 80% literacy rate, significantly surpassing the national average of 60%. This emphasis on education contributes significantly to the city's overall progress and development.



Six-Lane Highway to Enable a Faster Commute

Soon to be linked to the Government of India's upcoming rapid road transport system (RRTS) to offer world-class commuter transit services which would reduce commuting time with high-speed and high-frequency operations.

Part of the Golden Quadrilateral

Faster transport networks between major cities and ports (East, West, North and South). Provides smoother movement of goods and people within the country. Enables industrial development and employment in smaller towns through access to varied markets.

The Core Strength – Manufacturing Edge

State-of-the-Art Tumakuru Manufacturing Ecosystem

1988

Commenced Operations

26.4K

Sq. m
Campus

1

Office Block

6.5k

Sq. m
Work Area

Accreditation

ISO 9001:2015,
ISO 14001:2015 &
ISO 45001:2015

Products Manufactured include

Touch POS systems, thermal label printer, mobile printer, barcode scanners, cash counting machine, keyboards, mouse and consumables

1.7K

Sq. m
PCBA Repair with RM and FG Warehouse

30+

Years
Manufacturing Experience

560K

P.A. Volume for

POS Products and DMP

300K

P.A.
Volume for Keyboard

150+

Vendors



REPAIR FACTORY INFRASTRUCTURE

Clean Room for Screen Repair with ISO Standards

ESD-Compliant Environmentally Controlled Repair Factory

Quality Assurance with Environmental Stress Testing

End-of-Life Solutions, including Refurbishments and life Enhancements

Clean Work Attire and Safety Clothing

R&D Capability

We are investing in expanding our R&D capabilities in Bengaluru to drive the development of customer-centric innovative products and end-to-end solutions. This aligns with our vision of being a single-point solution provider for customers in the retail, government, banking, and logistics sectors, among others.

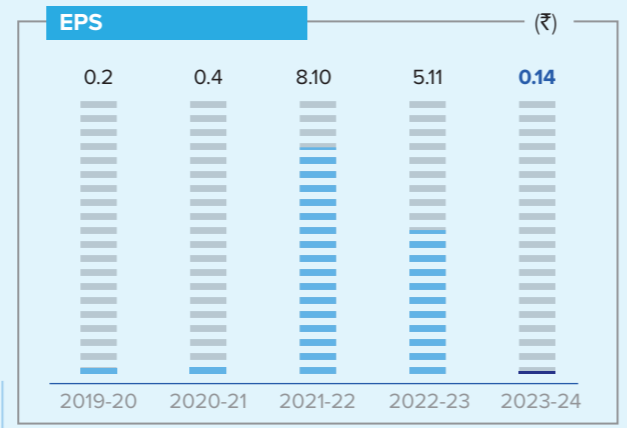
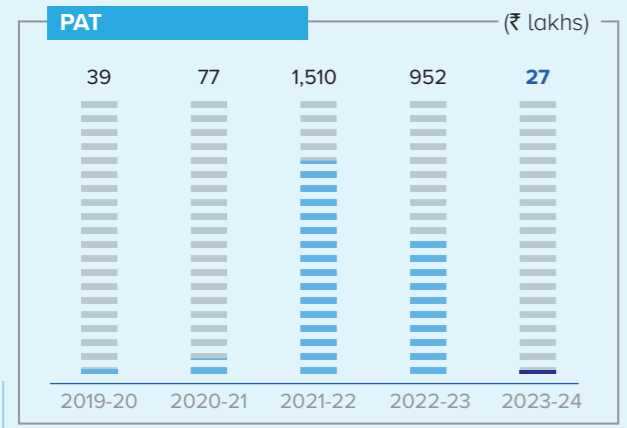
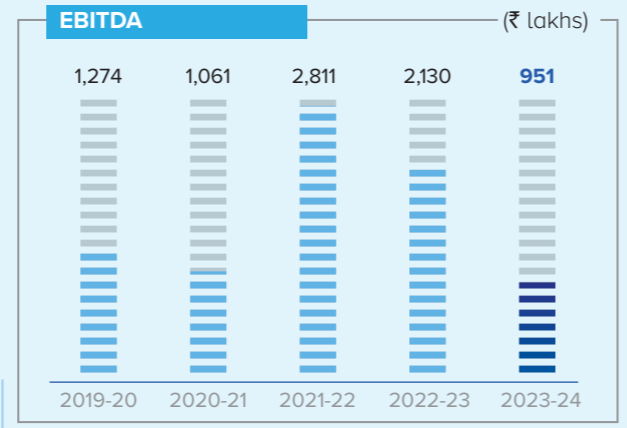
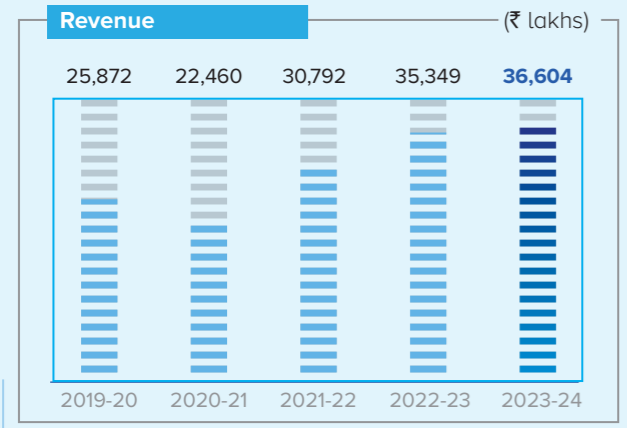
We have moved into a brand-new facility, strategically located in the well-connected commercial hub of Yeshwantpur, Bengaluru. This facility will house our product development teams and be equipped with a modern lab for R&D activities, along with a customer experience centre. Our team will focus on customer ideation, and the design and development of hardware and software solutions, emphasising the Make in India agenda and value engineering initiatives. Manufacturing will continue at our facility in Tumakuru.

At this centre, we are looking to add key talents in product management and hardware and software engineering. Additionally, we will focus on leveraging the innovation ecosystem of startups and incubation centers, such as IIT Madras Research Park, to gain new market insights and develop customer-centric product offerings.

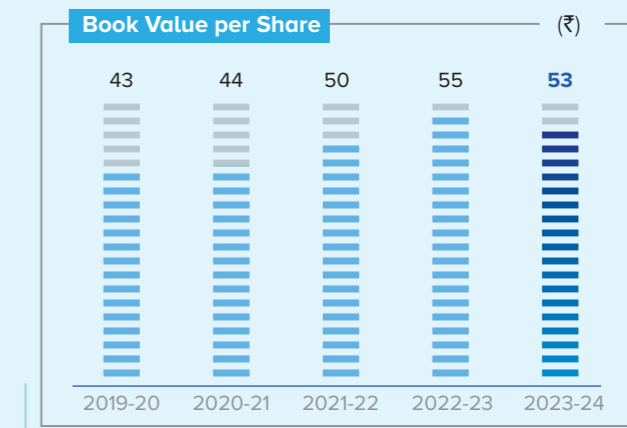
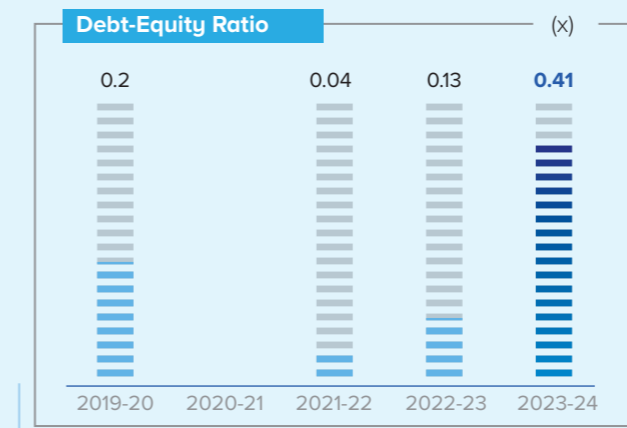
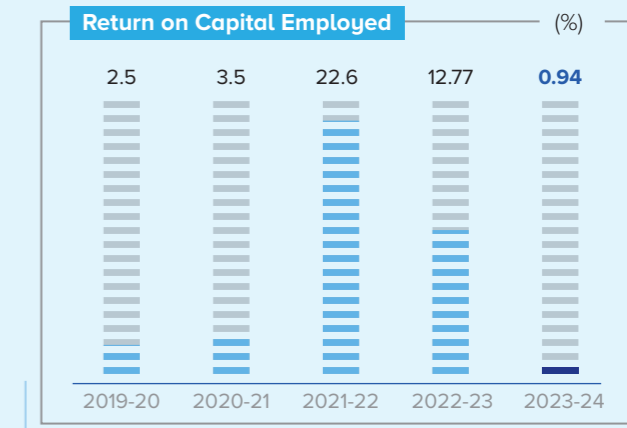
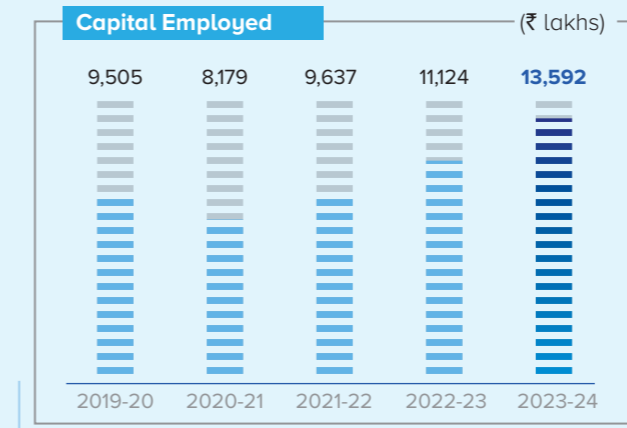
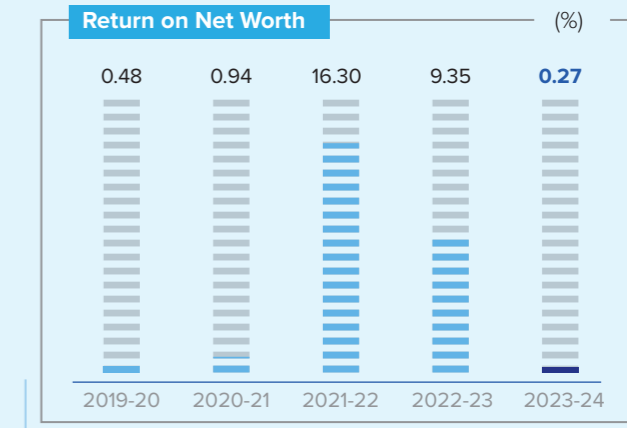
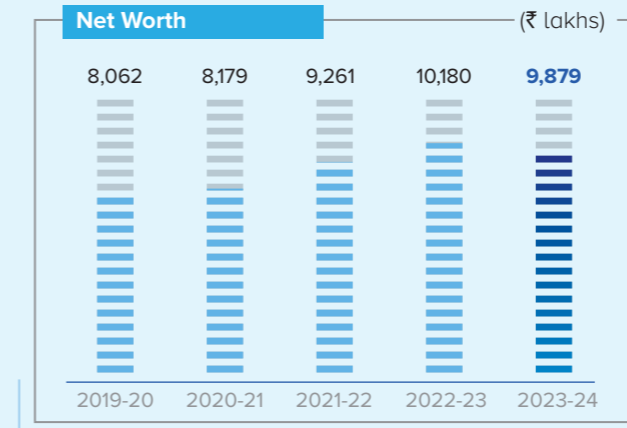


BALANCING BOOKS, AMPLIFYING INNOVATION

PROFIT AND LOSS INDICATORS



BALANCE SHEET INDICATORS



LIMITLESS TALENT, INTEGRATED VISION

At TVS-E, we believe that the Company's strength lies in the capabilities of our employees. They are the cornerstone of our value system, driving customer satisfaction, maintaining quality protocols, and leading us to success. We foster a culture of leadership within TVS-E, ensuring our employees are always prepared to excel in their roles.

We prioritise the well-being of our employees and consider them an integral part of our extended family. Proactively offering solutions and support at every stage, we strive to create a workplace where everyone can thrive. The Great Place to Work Certification validates our commitment to our employees, showcasing our care and support for their well-being and growth.

We are committed to nurturing a work environment where our employees can thrive, contribute their best, and achieve both personal and professional growth. At TVS-E, we see our workforce not just as employees but integral members of our extended family. We empower them to be prepared for any business challenges they may face, recognising their persistent efforts.

To support this commitment, we have implemented a well-structured framework for our employee engagement programmes, ensuring a systematic and consistent approach. Some of the key programmes and initiatives successfully implemented include:



Employee Recognition Programmes

We actively recognise and celebrate employee achievements and contributions through various initiatives. These include awards for Employee of the Month and Year, spot recognition, peer-to-peer acknowledgments, and incentive programmes linked to performance milestones.



Team Building Activities

We cultivate teamwork by organising initiatives that enhance collaboration, build relationships, and foster effective communication among our employees. These efforts encompass team retreats, off-site activities, group volunteer projects, and engaging team-building exercises and games.



Employee Resource Groups

We foster a supportive community for our employees through employee resource groups (ERGs). These groups unite individuals who share common backgrounds, interests, or experiences to champion diversity, inclusion, and a sense of belonging within the Company.



Wellness Initiatives

We prioritise employee well-being through comprehensive wellness programmes that include health screenings, fitness challenges, yoga or meditation sessions, access to gym facilities, and mental health support services.



Training and Development

We provide abundant opportunities for employees to expand their skills and knowledge, recognising their importance in personal growth. To enhance employee engagement, we implement various initiatives such as workshops, seminars, webinars, and online training platforms, empowering our employees to thrive professionally.



Employee Surveys and Feedback

We consistently gather feedback from our employees through surveys or focus groups, demonstrating our commitment to valuing their opinions. Taking swift action based on this feedback enables us to address concerns promptly and continuously enhance the work environment.



Mentorship Programmes

We implement mentorship programmes that harness the expertise of our seasoned employees to mentor and support their newer or less-experienced colleagues. These programs facilitate knowledge transfer, skill development, and career growth opportunities within the Company.



Townhall Meetings

We organise regular townhall meetings to offer our leadership a platform for sharing updates, company news, and strategic plans with employees. These meetings also encourage employees to ask questions and contribute ideas, promoting transparency and open communication within the Company.



Social Events & Celebrations

We actively organise social events and celebrations throughout the year to cultivate a positive and inclusive culture within TVS-E. These events include festive celebrations, Offsite meetings, collaboration workshops, themed gatherings, and milestone celebrations for work anniversaries or achievements. These occasions foster camaraderie and a sense of community among our employees.



STEERING GROWTH, PIONEERING SOLUTIONS



MR. GOPAL SRINIVASAN
Chairman

Mr. Gopal Srinivasan is a commerce graduate from Loyola College, Chennai, and an MBA from the University of Michigan, USA. As a passionate entrepreneur, he actively contributes to the promotion of entrepreneurship by serving as an angel investor in collaboration with esteemed organisations such as Chennai Angels and The Indus Entrepreneurs (TiE). Through these platforms, he offers valuable guidance and mentorship to aspiring entrepreneurs, helping them in the process of incubating and developing their businesses. He is also the Founder, Chairman & Managing Director of TVS Capital Funds Private Limited and a third-generation member of the TVS Family.

Over an entrepreneurial career spanning 30 years, he has incubated 8 companies operating in diverse sectors, including technology, financial services & auto components. He is a Governing Council member of Reserve Bank Innovation Hub (RBIH), which is a centre for idea generation and development facilitating environment stewardship, encouraging collaboration, and in turn, promoting innovation in the financial sector. He has recently been appointed as the Honorary Consul for the Kingdom of Netherlands in Tamil Nadu. He was the Chairman of the Confederation of Indian Industry (CII) Tamil Nadu State Council in 2007/08, and the Chairman of CII National for Private Equity & Venture Capital in 2010-11.



MRS. SRILALITHA GOPAL
Managing Director

Mrs. Srilalitha Gopal is an engineering graduate in computer science from IISc, Bengaluru. She was appointed as a Director at TVS Electronics on November 10, 2011 and subsequently named Managing Director of the Company for a five-year term starting from May 11, 2018. She has been at the forefront of the various strategic initiatives directed towards increasing the profitability of the Company and drive the growth initiatives of TVS Electronics. She provides active directional support to TVS Electronics in CSR initiatives.

She is also a Director of TVS Investments Private Limited, the holding company of TVS Electronics. She is also the Managing Director of M/s Harita Techserv Private Limited (HTPL) since 2008. Her direction has enabled the growth of HTPL and spurred it to become one of the most preferred design engineering and talent services partners, ensuring success for every stakeholder of HTPL.



MR. M. LAKSHMINARAYAN
Independent Director

Mr. Lakshminarayan is a postgraduate in management studies (MMS) from Chennai, and attended the Harvard Business School's Advanced Management Programme. He is a fellow member of the Institute of Cost and Management Accountants, and has a rich experience of more than three decades in the field of Infotainment System and Automotive Sector. Currently, he is a member of the advisory board of VOITH Industrial Services, a member of the Board of Directors in Sansera Engineering Limited, Suprajit Engineering Limited and ASM Technologies Limited. He was the Managing Director of Harman International India Private Limited, a 100% subsidiary of Harman International USA from 2009 till 2017.

He also had a stint at the Karnataka State and Southern Region of Confederation of Indian Industry (CII) as Chairman, and the Bengaluru Chamber of Industries and Commerce as the President. Mr. Lakshminarayan was also appointed by the Government as the Chairman of the Research Advisory Board of Central Manufacturing Technology Institute, Bengaluru.



MR. M. F. FAROOQUI
Independent Director

Mr. Farooqui is a retired IAS officer and a master's degree holder in physics and business administration. He is also the Chairman of The Ramco Cements Limited. In addition, he is a member of Dispute Resolution Committee of Ministry of New and Renewable Energy Government of India and Chairman of the Human Resources Reform Committee. He retired as the Secretary of Department of Telecommunications (DoT) and Chairman of Telecom Commission in June 2014. He was also the Secretary in the Department of Heavy Industry.

While serving in the Government of Tamil Nadu, he played a crucial role in increasing the footprint of the electronics hardware and automobile sectors in Tamil Nadu as the Principal Secretary of the Department of Industry. He also served as Special Secretary in the Ministry of Environment and Forests, and helped in shaping critical environmental policies in the Ministry. During his career, he also worked as the Joint Secretary in the Department of Economic Affairs, under the Ministry of Finance and as the Consul General of India in Jeddah, Saudi Arabia. He also had a stint as the Chief Executive & Member Secretary of the Chennai Metropolitan Development Authority (CMDA).



M M

MR. R. S. RAGHAVAN

Director

Mr. Raghavan is a Chartered Accountant, Cost Accountant and Company Secretary and the Non-Executive Non-Independent Director of TVS Electronics. His experience spans corporate finance, business performance, investment, governance, mergers & acquisitions, strategy, fund raising, investor relations, talent/people management and legal, among others.

A professional with nearly 42 years of experience in the manufacturing and financial services industry like VCPE, NBFC, wealth management and manufacturing, he brings deep financial experience and significant understanding of business and risk management. He is currently the Non-Executive Non-Independent Director of TVS Capital Funds Private Limited, a growth capital private equity firm. He is currently on the Boards of some of the Group companies.



C M M M

MR. K. BALAKRISHNAN

Independent Director

Mr. K. Balakrishnan is an electronics and communication graduate from the National Institute of Technology at Surathkal, India. He is currently the Co-Founder & CEO of a SaaS platform startup Autonomy and the Chairman on the Board of Servion Global Solutions. He is also on the advisory Board of IIT- Palakkad, and Cisco's startup accelerator programme LaunchPad. He co-founded Servion, and served as its Managing Director & Chief Executive Officer prior to taking over his current role.

During the first decade of his career, he wore many managerial hats in senior product management and sales positions. Earlier, he was the Founder & CEO of Acqueon Technologies, which is a products company focussed on customer experience management domain, and was on the Board of Customer Service Excellence Foundation, a non-profit organisation focussed on improving customer service. He brings to the table a rich experience of more than 25 years in the customer interaction management domain, with specialised expertise in Telecom and IT. With his rich knowledge and experience as the co-founder, he is an industry thought leader and enjoys successful associations with numerous large enterprises in the conceptualisation and design of their CEM programmes.



M

DR. V. SUMANTRAN

Independent Director

Dr. Sumantran is an alumnus of the Indian Institute of Technology, Madras, a MS from Princeton University, and Ph.D. in Aerospace Engineering from Virginia Tech. He is also a master's degree holder in Management of Technology, and a Fellow of SAE International and the Indian National Academy of Engineers. He is a business leader, technocrat and academic, having worked in the US, Europe, and Asia through a career spanning 37 years.

He is currently the Chairman & Managing Director of Celeris Technologies, Chairman of Interglobe Aviation Limited, and an advisor to several Fortune 100 organisations in autos, industrial equipment, defence, and aerospace sector. He was the Executive Vice-Chairman of Hinduja Automotive in the UK, and the Vice Chairman of Ashok Leyland as well. He also served as Chief Executive Officer in charge of the car business at Tata Motors in its early days. Previously, he had a 16-year-long career with General Motors with R&D operations in Detroit and subsequently served on deputation in Europe as Director-R&D at GM-Europe. He has co-authored a book, namely 'Faster, Smarter, Greener: The Future of the Car and Urban Mobility' which was published by the MIT Press in 2017.



C M

MRS. SUBHASRI SRIRAM

Independent Director

Ms. Subhasri Sriram is currently the Joint Managing Director of Shriram Capital (P) Ltd., the holding company of the financial services and insurance businesses of Shriram Group. She has over three decades of professional experience, including 24 years in Shriram Group's financial services business. During this time, she held the position of Executive Director & CFO at one of their listed NBFCs for more than 15 years.

She has handled many critical assignments related to implementing new organisation structures, improving business processes, raising several rounds of equity from marquee investors across globe and raising external commercial borrowings. She has won the 'Best Performing CFO in the NBFC Sector' for 2013 at the eighth edition of the awards instituted by a leading business television channel CNBC TV 18. In 2016, she was chosen as one of the most influential CFOs in India by CIMA. In 2022, she won the Woman Leader of the Organisation award from UBS Forums.

Mrs. Subhasri is a postgraduate in commerce, Fellow Member of the Institute of Cost Accountants of India (ICMAI) and the Institute of Company Secretaries of India (ICSI). She also holds a postgraduate diploma in systems management from NIIT and a postgraduate diploma in cyber laws from NALSAR, Hyderabad and is on the Boards of several listed and unlisted companies across industries.

■ Stakeholders' Relationship Committee
 ■ Audit Committee
 ■ Corporate Social Responsibility Committee
 ■ Nomination Remuneration Committee

C Chairman
 M Member

KEY MANAGERIAL PERSONNEL

MRS. SRILALITHA GOPAL
Managing Director

MR. A. KULANDAI VADIVELU
Chief Financial Officer

MR. K. SANTOSH
Company Secretary & Compliance Officer

10-YEAR HIGHLIGHTS

(₹ In Lakhs)

| Particulars | IND AS | | | | | | | | PREVIOUS GAAP | |
|--|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|---------------|---------------|
| | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 |
| PROFIT AND LOSS ACCOUNT | | | | | | | | | | |
| Revenue from Operations | 36,604 | 35,349 | 30,792 | 22,460 | 25,872 | 2,75,684 | 4,10,890 | 2,52,316 | 59,349 | 27,006 |
| Other Income | 264 | 153 | 123 | 206 | 533 | 373 | 220 | 307 | 154 | 97 |
| Total Income | 36,868 | 35,502 | 30,915 | 22,666 | 26,405 | 2,76,057 | 4,11,110 | 2,52,623 | 59,503 | 27,103 |
| Earnings before Interest Depreciation and Tax (EBITDA) | 951 | 2,130 | 2,810 | 1,061 | 1,274 | 1,831 | 3,033 | 1,747 | 1,977 | 1,706 |
| Depreciation | 1,087 | 710 | 633 | 777 | 1,040 | 368 | 446 | 593 | 860 | 697 |
| Profit before Interest and Tax (EBIT) | 127 | 1,421 | 2,177 | 284 | 234 | 1,463 | 2,587 | 1,154 | 1,117 | 1,009 |
| Finance Costs | 196 | 137 | 96 | 190 | 236 | 41 | 142 | 281 | 573 | 692 |
| PBT | (68) | 1,284 | 2,081 | 94 | (2) | 1,422 | 2,445 | 873 | 544 | 317 |
| Tax Expense | (95) | 332 | 571 | 17 | (41) | 678 | 821 | 240 | 113 | 88 |
| PAT | 27 | 952 | 1,510 | 77 | 39 | 744 | 1,624 | 633 | 431 | 229 |
| BALANCE SHEET | | | | | | | | | | |
| Share Capital | 1,865 | 1,865 | 1,865 | 1,865 | 1,865 | 1,861 | 1,861 | 1,861 | 1,855 | 1,802 |
| Reserves & Surplus | 8,014 | 8,315 | 7,396 | 6,314 | 6,197 | 6,837 | 6,496 | 4,925 | 2,486 | 1,969 |
| Net Worth | 9,879 | 10,180 | 9,261 | 8,179 | 8,062 | 8,698 | 8,357 | 6,786 | 4,341 | 3,771 |
| Loan Funds | 3,714 | 944 | 376 | - | 1,443 | - | 329 | 2,137 | 3,466 | 5,330 |
| Capital Employed | 13,592 | 11,124 | 9,637 | 8,179 | 9,505 | 8,698 | 8,686 | 8,923 | 7,807 | 9,101 |
| Deferred Tax Liability/(Asset) | (195) | (118) | (103) | (26) | 2 | 127 | (171) | (434) | 373 | 376 |
| Total | 13,397 | 11,006 | 9,534 | 8,153 | 9,507 | 8,825 | 8,515 | 8,489 | 8,180 | 9,477 |
| Net Fixed Assets | 5,391 | 3,296 | 2,253 | 2,583 | 2,669 | 3,068 | 2,798 | 3,215 | 3,843 | 4,073 |
| Investments | 129 | 110 | 98 | 110 | 96 | 57 | 523 | 742 | 41 | 134 |
| Current Assets | 18,712 | 18,599 | 17,788 | 14,256 | 15,065 | 13,347 | 1,00,113 | 33,951 | 11,844 | 10,025 |
| Current Liability and Provision | 10,835 | 11,000 | 10,605 | 8,796 | 8,323 | 7,647 | 94,919 | 29,419 | 7,548 | 4,755 |
| Net Current Assets | 7,877 | 7,600 | 7,183 | 5,460 | 6,742 | 5,700 | 5,194 | 4,532 | 4,296 | 5,270 |
| Total | 13,397 | 11,006 | 9,534 | 8,153 | 9,507 | 8,825 | 8,515 | 8,489 | 8,180 | 9,477 |

(₹ In Lakhs)

| Particulars | IND AS | | | | | | | | PREVIOUS GAAP | |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------------|---------|
| | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 |
| RATIOS | | | | | | | | | | |
| EPS (₹) | 0.14 | 5.11 | 8.10 | 0.4 | 0.2 | 4.0 | 8.7 | 3.4 | 2.2 | 1.3 |
| Dividend (%) | 10 | 20 | 20 | - | 15 | 15 | 15 | 5 | - | - |
| Book Value per Share (₹) | 53 | 55 | 50 | 44 | 43 | 47 | 45 | 36 | 23 | 21 |
| Return on Capital Employed (ROCE %) | 0.94 | 12.77 | 22.6 | 3.5 | 2.5 | 16.8 | 29.8 | 12.9 | 14.3 | 11.1 |
| Return on Net Worth (RONW %) | 0.27 | 9.36 | 16.30 | 0.94 | 0.48 | 8.55 | 19.43 | 9.33 | 9.93 | 6.07 |
| Fixed Asset Turnover Ratio | 4.2 | 12.7 | 12.7 | 8.6 | 9.0 | 94.0 | 136.7 | 71.5 | 15.0 | 6.3 |
| Working Capital Turnover Ratio | 4.7 | 4.8 | 4.9 | 3.7 | 4.2 | 50.6 | 84.5 | 57.2 | 12.4 | 5.2 |
| Debt-Equity Ratio | 0.41 | 0.13 | - | - | 0.2 | - | - | 0.3 | 0.8 | 1.4 |
| EBITDA as % of Sales | 2.62 | 6.0 | 9.1 | 4.7 | 4.9 | 0.7 | 0.7 | 0.7 | 3.3 | 6.3 |
| EBIT as % of Sales | 0.35 | 4.0 | 7.1 | 1.3 | 0.9 | 0.5 | 0.6 | 0.5 | 1.9 | 3.7 |
| Net Profit as % of Total Income | 0.07 | 2.7 | 4.9 | 0.3 | 0.2 | 0.3 | 0.4 | 0.3 | 0.7 | 0.8 |

HONOURING ACHIEVEMENTS, CELEBRATING INNOVATION



TVSE Certified as a Great Place to Work – 2024



Happy companies to work for & Top 50 HR Innovators - Mr. Nageswar Rao, CHRO



CFO - India's most Influential CFO Award - Mr. A Kulandai Vadivelu, CFO



TVSE POSH Award from SecureUS



VAR India Awards TVS-E Most Admired PoS Brand

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Gopal Srinivasan
Chairman

Mrs. Srilalitha Gopal
Managing Director

Mr. M. Lakshminarayan
Mr. M. F. Farooqui
Mr. R. S. Raghavan
Mr. K. Balakrishnan
Dr. V. Sumantran
Mrs. Subhasri Sriram

COMMITTEES OF THE BOARD

Audit Committee
Mrs. Subhasri Sriram
Chairperson

Mr. M. Lakshminarayan
Mr. M. F. Farooqui
Mr. K. Balakrishnan
Dr. V. Sumantran
Mr. R. S. Raghavan

Stakeholders' Relationship Committee

Mr. K. Balakrishnan
Chairman

Mrs. Srilalitha Gopal
Mr. M. F. Farooqui

Nomination and Remuneration Committee

Mr. M. F. Farooqui
Chairman

Mr. M. Lakshminarayan
Mr. K. Balakrishnan
Mrs. Subhasri Sriram

Corporate Social Responsibility Committee

Mr. M. Lakshminarayan
Chairman

Mr. K. Balakrishnan
Mr. R. S. Raghavan

Chief Financial Officer

Mr. A. Kulandai Vadivelu

Company Secretary & Compliance Officer

Mr. K. Santosh

Statutory Auditors

Guru and Jana,
Chartered Accountants
No. 41, Patalamma Temple Street, Basavanagudi,
Near South End Circle,
Bengaluru - 560 004
Tel: 91-44-24679400

Secretarial Auditors

V Suresh Associates
Practicing Company Secretary,
No. 28, 1st Floor, Ganapathy Colony,
3rd Street, Teynampet,
Chennai - 600 018

Cost Auditor

P. Raju Iyer, Cost Accountant,
17 (Old No. 8), 'Shree Ram Villa',
Hasthinapuram Main Road,
Nehru Nagar, Chromepet,
Chennai - 600 044

Bankers

IDFC Bank
RBL Bank Limited
AXIS Bank
ICICI Bank Limited

Website

www.tvs-e.in

Investor E-mail Id

investorservices@tvs-e.in

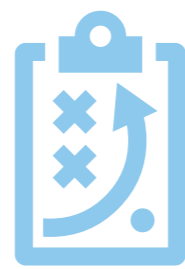
Corporate Identity Number

L30007TN1995PLC032941

Registered Office

Greenways Towers
No 119 2nd Floor
St. Mary's Road, Abhiramapuram
Chennai - 600 018
E-mail ID: contactus@tvs-e.in

Statutory Reports



Notice to the Members

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the members of the Company will be held on Saturday, August 10, 2024 at 10.00 a.m., through Video Conferencing/Other Audio Visual Means (“VC/OAVM”) to transact the following business:

ORDINARY BUSINESS

1. **To adopt the audited financial statement for the year ended March 31, 2024, along with the reports of the Board of Directors and Auditors thereon:**

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

“**RESOLVED THAT** the Audited Financial Statements, Reports of the Auditors on the Financial Statements and Reports of the Board of Directors on the Financial Statements for the Financial Year ended March 31, 2024 as circulated to the shareholders be and are hereby adopted.”

2. **To re-appoint Mrs. Srilalitha Gopal (DIN No: 02329790), who retires by rotation, as a Director of the Company:**

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

“**RESOLVED THAT** Mrs. Srilalitha Gopal (DIN No: 02329790), who retires by rotation and being eligible has consented for re-appointment, and has also been recommended for such re-appointment by the Nomination and Remuneration Committee and the Board of Directors, be and is hereby re-appointed as the Director of the Company whose term of office will be subject to retirement by rotation, on such remuneration as may be approved by the Board of Directors from time to time.”

3. **To declare the final dividend for the Financial Year 2023-24**

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

“**RESOLVED THAT** dividend of Rs.1/- (Rupee One only) per Equity Share, as recommended by the Board of Directors of the Company, be and is hereby declared on the 1,86,50,318 Equity Shares having face value of Rs.10/- (Rupees Ten) each for the financial year ended March 31, 2024, absorbing a sum of Rs. 1,86,50,318 (Rupees One Crore Eighty Six Lakhs Fifty Thousand Three Hundred and Eighteen only) out of the profits of the Company for the said financial year and the same be paid to the members whose names appear in the Register of Members of the Company and on the records of the depositories as on August 3, 2024.”

SPECIAL BUSINESS

4. **To ratify the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2025:**

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

“**RESOLVED THAT** the remuneration of Rs.1.50 Lakhs (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and out of pocket expenses at actuals, payable to Mr. P. Raju Iyer, Cost Accountant (Membership No.6987) as fixed by the Board of Directors of the Company at the time of his re-appointment to conduct cost audit for the Financial Year ending March 31, 2025 in terms of Section 148 of the Companies Act, 2013 read with the Rule 14 of the Companies (Audit and Auditors) Rules 2014, be and is hereby ratified.”



5. To approve the continuation of appointment of Mr. Gopal Srinivasan (DIN: 00177699) as a Non-Executive and Non-Independent Director of the Company

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

“RESOLVED THAT in terms of Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘the SEBI Listing Regulations’), applicable provisions of the Companies Act, 2013 (‘the Act’), the Articles of Association of the Company (AOA), the recommendations of the Nomination and Remuneration Committee and the Board of Directors (the Board), approval of the shareholders be and is hereby accorded for the continuation of Mr. Gopal Srinivasan (DIN: 00177699), who being a non-retiring director in terms of the Act and the AOA, as a Non-Executive and Non-Independent Director in the position of Chairman of the Company for a further period of 5 (five) consecutive years from August 10, 2024 to August 9, 2029, during which period he shall not be subject to retirement by rotation.”

RESOLVED FURTHER THAT Mrs. Srilalitha Gopal, Managing Director, Mr. A Kulandai Vadivelu, Chief Financial Officer and Mr. K Santosh, Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By Order of the Board

Srilalitha Gopal
Managing Director
DIN: 02329790

Chennai
May 09, 2024

Registered Office:
Greenways Towers, No.119, 2nd Floor,
St. Mary’s Road, Abhiramapuram,
Chennai – 600018.

NOTES FOR SHAREHOLDERS

- Pursuant to the General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022 and 10/2022 dated April 08, 2020, April 13 2020, May 05 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022 and December 28, 2022 respectively read with Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated May 12, 2020, January 15, 2021, May 13, 2022, January 05, 2023 and October 07, 2023 respectively issued by Securities and Exchange Board of India (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold Annual General Meeting (AGM) through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the 29th AGM of the Company is being held through VC / OAVM.
- National Securities Depositories Limited (“NSDL”) will be providing facility for voting through remote e-Voting, for participation in the AGM through VC / OAVM Facility and e-Voting during the AGM.
- Members may join the 29th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 9:30 a.m. IST i.e. 30 minutes before the time scheduled to start the 29th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 29th AGM.
- Members may note that the VC /OAVM Facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-serve basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and auditors can attend the AGM without any restriction on account of the first-come first-serve principle.
- In compliance with the aforesaid MCA and Securities and Exchange Board of India (SEBI) Circulars, the notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company’s website www.tvse.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>. The member holding shares in physical form and who have not registered their email address may register their email address by sending the name, folio number, self-attested PAN, email address to be registered and the number of shares held to investorservices@tvse.in. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as during the proceedings of the AGM will be provided by NSDL.
- Attendance of members through VC shall be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
- The statement pursuant to Section 102 of the Companies Act, 2013 setting out of material facts concerning the items of special business specified above is annexed hereto.
- The Company will transfer dividend amount pertaining to the Financial Year 2016-17 which remains unclaimed as on August 05, 2024 as per the provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 to Investor Education and Protection Fund (IEPF).
On April 30, 2024, the Company has dispatched notice through registered post to those shareholders who have not claimed dividend(s) for seven consecutive years to apply for the unclaimed dividends within three months from the date of the notice. The said notice was also published in the newspapers (Business Standard – English and Maalaimalar – Tamil) on May 01, 2024 and subsequently filed the said newspaper publications with the stock exchanges.
The details will be made available on the website of the Company i.e. www.tvse.in. In case the concerned shareholders wish to claim the unclaimed dividend amount that have been transferred to the IEPF, a separate application has to be made to the IEPF Authority in Form IEPF – 5, as prescribed in Rule 7 of the Rules and the same is available at IEPF website (www.iepf.gov.in).

10. In terms of the provisions of Section 124 (6) of the Companies Act, 2013 read along with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF. Further, pursuant to the new explanation inserted on August 14, 2019, effective from August 20, 2019 to the Rule 6 – (Manner of transfer of shares under sub-section 6 of section 124 to the Fund) of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, it is clarified that all shares in respect of which dividend has been transferred to IEPF on or before the September 07, 2016, shall also be transferred by the Company to IEPF. Based on the provisions of the Act, Rules and explanations, the Company has transferred 1,78,100 equity shares in respect of which dividend were unclaimed/not paid for a period of seven consecutive years or more. The statement containing the details of name, address, folio number/ Demat Account number and number of shares that have been transferred is made available in the Company's website viz., www.tvs-e.in for information and necessary action by the shareholders.
11. The Members may note that on account of the amendment made to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI [LODR]2015), **the Company shall not entertain the request for registration of physical transfer of shares on or after March 31, 2019. Hence, Members holding shares in physical form, in their own interest, are requested to dematerialise the shares to avail the benefits of electronic holding as well as trading.**
12. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form
13. Members holding shares in physical form are requested to register their email id for receiving an electronic copy of the Annual Report and also notify immediately any change in their address/E-mail address to the Company/its Share Transfer Agents through Form ISR-1 available at the website of the Company <http://www.tvs-e.in/investor-relations/>
14. Members holding shares in electronic form are requested to advise change of address/E-mail address to their Depository Participants. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, are used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
15. Corporate members intending to make their authorised representatives to attend the Meeting through VC are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting held through VC.
16. Members of the Company had approved the appointment of M/s. Guru & Jana, Chartered Accountants, Bangalore as the Statutory Auditors at the 27 th AGM of the Company for a period of five years. In accordance with the Companies (Amendment) Act, 2017, effective May 07, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.
17. The Notice of the Annual General Meeting and the Annual Report will be available on the Company's website www.tvs-e.in. The members who wish to inspect any of the relevant documents referred to in the accompanying notice may send the request to the Company by email on or before August 09, 2024 till 5.00pm, and Company will provide such documents through email.
18. As per the provisions of Companies Act, 2013, nomination facility is available for members holding shares in physical form. The nomination forms can be obtained from the Company's Share Transfer Agents. In respect of members holding shares in electronic form, the forms may be obtained from the Depository Participant with whom they are maintaining their demat account.
19. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Company's Share Transfer Agents by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member printed on it. In alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

20. SEBI vide its circulars No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 and No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination and such other requests for all shareholders holding physical securities. The relevant Forms for registering/changing KYC details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our RTA's website at https://www.integratedindia.in/Corporate_Container.aspx - RTI/STA - Forms Download and also in Companies Website at <https://www.tvs-e.in/investor-relations- Simplified Norms for furnishing Nomination and KYC details>.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email address, mobile number at (investorservices@tvs-e.in). The same will be replied by the Company suitably.
6. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email address, mobile number to tvseagm@tvs-e.in. Questions / queries received by the Company till 5.00 p.m. on Tuesday, August 06, 2024 shall only be considered and responded during the AGM.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their Name, DP ID and client ID/ folio number, PAN, mobile number and No. of shares held to tvseagm@tvs-e.in from July 29, 2024 (9.00 a.m. IST) to August 04, 2024 (5.00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers, as appropriate for smooth conduct of the AGM.
8. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.com or contact Ms. Pallavi Mhatre, Senior Manager, at- 022-48867000

Remote E-voting facility:

- a. In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company provides remote e-voting facility to all the shareholders, through remote e-voting platform of National Securities Depository Limited (NSDL), for voting on all the resolutions to be passed in the 29th Annual General Meeting.
- b. **Voting rights** will be reckoned on the basis of the number of shares registered in the names of the members / beneficial owners **as on the cut-off date** fixed for this purpose, viz., Saturday, **August 03, 2024**. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- c. The Company has appointed Mr. K. Sriram, Partner of M/s. S. Krishnamurthy & Co., Practising Company Secretaries, Chennai as Scrutiniser for conducting the remote e-voting and also the e-voting process during the AGM in a fair and transparent manner.
- d. **The instructions for remote e-voting are as under:**
The remote e-voting period commences on Wednesday, August 07, 2024 at 10.00 a.m. and ends on Friday, August 09, 2024 at 5.00 p.m. During this period, members holding shares as on **Saturday, August 03, 2024** may cast their votes

electronically. Thereafter, the remote e-voting facility will be disabled for voting by NSDL. Once a vote on a resolution is cast by a member, such member will not be allowed to change it subsequently. **Members as on the August 03, 2024 shall only be entitled for availing the Remote E-Voting facility.**

Shareholders who become Members of the Company, after despatch of Notice and hold shares as on August 03, 2024 may obtain the User ID and Password for e-voting by sending an e-mail, intimating DP ID and Client ID / Folio No. to srirams@integratedindia.in, corpserv@integratedindia.in or Member may send an e-mail request to evoting@nsdl.com **Members receiving e-mail from NSDL** (for members who have registered their email Ids with the Company / Depository Participants).

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


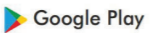


The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div> |

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

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

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

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

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

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

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

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

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|--|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 128959 then user ID is 128959001***. |

5. Password details for shareholders other than Individual shareholders are given below

- a) **If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.**
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN Card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorservices@tvs-e.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (investorservices@tvs-e.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
5. The members attending the meeting who have not already cast their vote through remote e-voting, shall be able to exercise their voting rights through electronic mode during the meeting. The members who have already cast their vote through remote e-voting can attend the meeting but shall not be entitled to cast their vote again during the meeting. In terms of Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting rights on shares lying in the Unclaimed Shares Suspense account, shall remain frozen till the rightful owner claims the shares.
6. The Scrutiniser will submit his report on the remote e-voting and voting at the meeting to the Chairman or Company Secretary or any other authorised Director, who will declare the result of the voting within 2 working days from the conclusion of the Annual General Meeting.
7. The result of the voting with details of the number of votes cast for and against each resolution, invalid votes and whether the resolution has been carried or not shall be displayed on the notice board of the Company at its Registered Office and at the Administrative Office. Further, the results of the voting along with the Scrutiniser's Report shall also be placed on the Company's website www.tvs-e.in and on the website of the NSDL and also communicated to the Stock Exchanges.
8. In case of any queries, members may contact the Company at investorservices@tvs-e.in, or srirams@integratedindia.in, corpserv@integratedindia.in

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

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

By Order of the Board

Srilalitha Gopal
Managing Director
DIN: 02329790

Chennai
May 09, 2024

Registered Office:
Greenways Towers, No.119, 2nd Floor,
St. Mary's Road, Abhiramapuram,
Chennai – 600018.

Statement of material facts pursuant to Section 102 of the Companies Act, 2013 and Additional information on director recommended for appointment / reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

The following Statement sets out all material facts relating to the Businesses mentioned in the accompanying Notice:

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 9th May, 2024, approved the appointment of Mr. P Raju Iyer, Cost Accountant (Membership No. 6987) as Cost Auditor of the Company, in terms of Section 148 of the Companies Act, 2013 and fixed a sum of 1.50 Lakhs (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses, as remuneration payable to him, for the Financial Year ending March 31, 2025. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, ratification of the Members is sought for the said remuneration.

None of the Directors or Key Managerial Personnel and / or their relatives has any concern or interest, financial or otherwise in this item of business.

The Board of Directors recommends the ordinary resolution as set out at item no.4 of the Notice for approval by the members.

Item No. 5:

Pursuant to Regulation 17(1D) of SEBI Listing Regulations, which has come into effect from April 01, 2024, stipulates that the continuation of a Director who has been serving on the Board of Directors of a listed entity without any approval of the members for 5 (five) years or more as on March 31, 2024, shall be subject to the approval of the Members at the first general meeting to be held after March 31, 2024.

As Mr. Gopal Srinivasan (DIN: 00177699), Chairman of the Company is not subject to retirement by rotation in terms of Section 152 of the Companies Act, 2013 and Articles of Association, his re-appointment was not required to be placed before the shareholders for their approval for over 5 (five) years as on March 31, 2024. Hence, approval is being sought for his continuation on the Board, which has also been recommended by the Nomination and Remuneration Committee and the Board of Directors, as a Non-Executive, Non Independent Director in the position of Chairman for a further period of 5 (five) consecutive years from August 10, 2024 (the date of the first General meeting after March 31, 2024) to August 09, 2029, during which period he will not liable to retire by rotation.

In the opinion of the Board, Mr. Gopal Srinivasan is not debarred from holding office as a Director, by virtue of any SEBI order or any other such authority and meets the skills, expertise and competencies fundamentally required for effective functioning of the Company.

The Board recommends his continuation as Non Executive Non Independent Director in the position of Chairman by way of Ordinary Resolution as set out in Item no. 5 of this Notice. The details of Mr. Gopal Srinivasan as required under Secretarial Standard – 2 and Regulation 36 of the SEBI (LODR) Regulations 2015, as applicable, are provided in 'Annexure' to the Notice.

Except Mr. Gopal Srinivasan to whom the resolution relates and Mrs. Srilalitha Gopal (Spouse), none of the Directors or Key Managerial Personnel and / or their relatives, are concerned or interested, financial or otherwise in the Resolution mentioned on this notice.

ANNEXURE

Information about Directors seeking re-appointment of the notice convening 29th Annual General Meeting in compliance with Regulation 36(3) of SEBI (LODR), Regulations, 2015 and Secretarial Standards on General Meeting (SS-2) is stated below:

Profiles of Directors seeking re-appointment

Mr. Gopal Srinivasan (DIN: 00177699)

Mr. Gopal Srinivasan, aged 65 years, is a graduate in commerce from Loyola College in Chennai, and a MBA graduate from the University of Michigan, US. He was appointed as director in TVS Electronics Limited on July 18, 2003 Being a passionate entrepreneur, he is actively involved in the promotion of entrepreneurship as an angel investor in association with Chennai Angels and TiE (The Indus Entrepreneurs), where he provides guidance to budding entrepreneurs on incubating businesses. He is also the Founder, Chairman and Managing Director of TVS Capital Funds Private Limited and a third-generation member of the TVS Family. Over an entrepreneurial career spanning 30 years, he has incubated 8 companies operating in diverse sectors including technology, financial services & auto components. He is a Governing Council member of Reserve Bank Innovation Hub (RBIH), which is a centre for idea generation and development facilitating environment stewardship, encouraging collaboration, and in turn, promoting innovation in the financial sector. He has been recently appointed as the Honorary Consul for the Kingdom of Netherlands in Tamil Nadu. He was the Chairman of the Confederation of Indian Industry (CII) Tamil Nadu State Council in 2007-08, and the Chairman of CII National for Private Equity & Venture Capital in 2010-11. His experience spans governance, strategy, investment, business performance, investor relations, talent/people management etc.

He holds 150 Equity Shares in the Company of Face Value of ₹ 10 each and does not hold any shares as a beneficial owner. He has attended four out of the six Board Meetings held during the year 2023-24. He is eligible for sitting fee for attending the Board meetings. He has received ₹ 4 Lakhs (Four Lakhs) as remuneration by way of sitting fee for attending the Board meetings during the Financial year 2023-24. He is the spouse of Mrs. Srilalitha Gopal, the Managing Director of the Company.

The other directorships / Committee memberships and key managerial positions held by him in Listed Companies, Private Companies and Non-Profit Companies along with listed entities from which he has resigned in the past three years are given below.

| S. No | Name of the Company | Nature of Interest or Concern / Change in Interest or Concern | Committee Membership | Date of Resignation |
|-------|--|---|--|---------------------|
| 1. | Lucas- TVS Limited | Director | - | |
| 2. | Vivriti Capital Limited | Director | Member - Nomination and Remuneration Committee | |
| 3. | TVS Capital Funds Private Limited | Chairman & Managing Director and Member | - | |
| 4. | T V Sundaram Iyengar & Sons Private Limited | Director and Member | - | |
| 5. | Reserve Bank Innovation Hub | Director | - | |
| 6. | TVS Wealth Private Limited | Director and Member | - | |
| 7. | NextWealth Entrepreneurs Private Limited | Director | - | |
| 8. | Sundaram Investment Private Limited | Director | - | |
| 9. | TVS Investments Private Limited (Formerly Geeyes Family Holdings Private Limited) | Director | - | |
| 10. | CredAvenue Private Limited | Director | - | |
| 11. | Vivriti Asset Management Private Limited (Formerly QED Business Solutions Private Limited) | Director | - | |
| 12. | IVC Association | Chairman and Director | - | |
| 13. | IIT Madras Research Park | Director | - | |
| 14. | Chennai International Centre | Director | - | |
| 15. | Chennaiangels Network Association | Director | - | |
| 16. | Chennai City Connect Foundation | Director | - | |
| 17. | Diaspora Leaders Foundation | Director | - | |
| 18. | Prema Srinivasan Charitable Foundation | Director | - | |
| 19. | Shri Cheema Charitable Foundation | Director | - | |
| 20. | Sundaram -Clayton Limited | Director | - | 04/02/2022 |
| 21. | TVS Supply Chain Solutions Limited | Director | - | 04/02/2022 |
| 22. | Wonderla Holidays Limited | Director | - | 02/08/2023 |

Mrs. Srilalitha Gopal (DIN: 02329790)

Mrs. Srilalitha Gopal, aged 57 years is an Engineering graduate in Computer Science from IISc, Bangalore. She was appointed as director in TVS Electronics on 10th November 2011 and she was subsequently appointed as Managing Director of the Company with effect from 11th May 2018. She has been at the forefront of the various strategic initiatives directed towards increasing the profitability of the Company and drive the growth initiatives of TVS Electronics. She provides active directional support to TVS Electronics in CSR initiatives. She is also the Managing Director of M/S. Harita Techserv Pvt Ltd (HTPL). Her direction has enabled the growth of HTPL and spurred it to become one of the most preferred design engineering and talent services partners, ensuring success for every stakeholder of HTPL. She has experience in the industries like manufacturing, service and hiring and staffing and provides directional support to the functions like leadership, strategy, governance and regulatory. She does not hold any shares in the Company directly or as a beneficial owner. She is the spouse of Mr. Gopal Srinivasan, the Chairman of the Company. She has attended all the six Board Meetings held during the year 2023-24. She has drawn a remuneration of ₹ 165.68 lakhs for the Financial Year 2023-24. She has not resigned from the directorship of any listed entities in the past three years.

The other directorships held by Mrs. Srilalitha Gopal are provided hereunder:

| S. No | Name of the Company | Nature of Interest or Concern / Change in Interest or Concern | Date of appointment | Date of cessation |
|-------|--|---|---------------------|-------------------|
| 1. | Harita Techserv Private Limited | Managing Director & Member | August 28, 2008 | - |
| 2. | TVS Investments Private Limited (formerly known as Geeyes Family Holdings Private Limited) | Director | August 31, 2018 | - |
| 3. | Sundaram Investment Private Limited | Director | July 05, 2018 | - |
| 4. | Geeyes Capital Funds Private Limited | Director | February 14, 2023 | - |
| 5. | Shri Cheema Charitable Foundation | Director | September 26, 2023 | - |
| 6. | Prema Srinivasan Charitable Foundation | Director | August 25, 2023 | - |

She does not hold any committee memberships in the aforesaid companies.

By Order of the Board

Chennai
May 09, 2024

Registered Office:
Greenways Towers, No.119, 2nd Floor,
St. Mary's Road, Abhiramapuram,
Chennai – 600018.

Srilalitha Gopal
Managing Director
DIN: 02329790



MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

GLOBAL ECONOMY

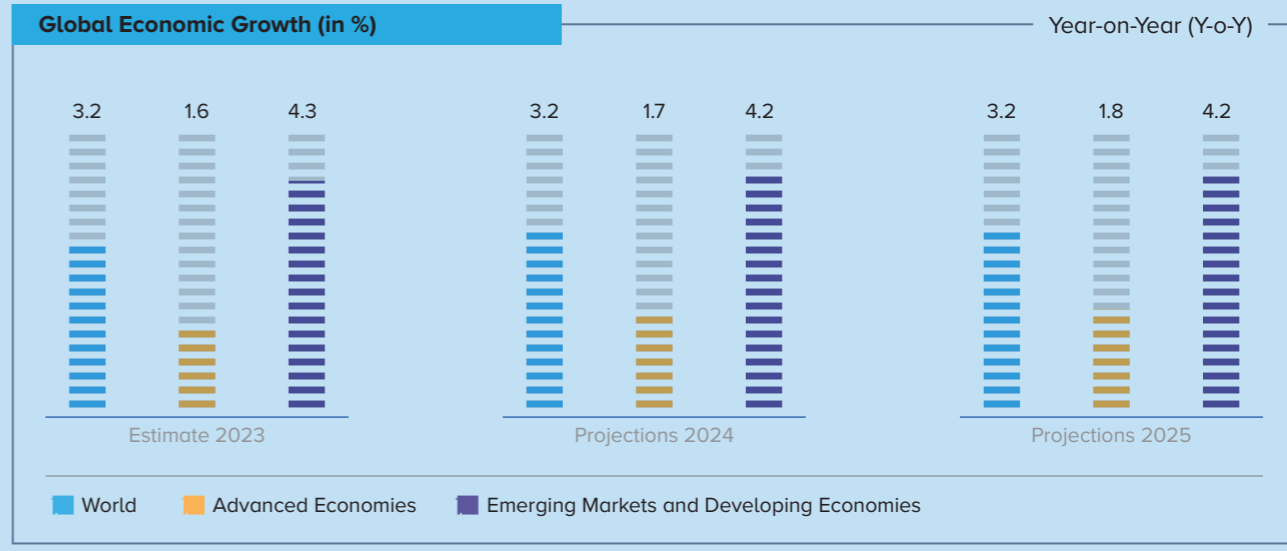
Despite facing challenges, the global economy has shown noteworthy resilience, characterised by steady growth and a rapid slowdown in inflation. This journey has been marked by events such as post-pandemic supply chain disruptions, and energy and food crisis triggered by the Russia-Ukraine war. A surge in inflation was also experienced, which was followed by synchronised monetary policy tightening.

Global growth, which reached 3.2% in 2023, is forecasted to remain steady through 2024 and 2025. However, this falls short of the 3.8% historical

average, owing to restrained monetary policies, diminished fiscal aid, and sluggish productivity growth. Global headline inflation is expected to moderate, decreasing from an annual average of 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025. This decline can be attributed to a more front-loaded decrease in advanced economies. Notably, inflation is anticipated to return to near pre-pandemic levels sooner in advanced economies than in emerging markets and developing economies.

Advanced economies are poised for

a slight uptick, primarily driven by significant recovery in the Euro Zone. Projections indicate that growth in these economies would climb from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. In contrast, emerging markets and developing economies are expected to sustain stable growth at 4.2% during 2024 and 2025. However, certain regional disparities exist, with growth moderation in Asia counterbalanced by growth in the Middle East, Central Asia, and sub-Saharan Africa.



Source: World Economic Outlook – April 2024
World Economic Outlook – January 2024

OUTLOOK

The global economic environment is currently balanced, though some uncertainties remain. Geopolitical tensions, such as those in Ukraine, Gaza, Iran and Israel, could disrupt Middle Eastern energy exports, leading to higher crude oil prices. This, in turn, could increase the likelihood of higher interest rates and lower asset values. The different rates of price decreases in major economies could cause currency fluctuations, impacting financial sectors. Altogether, the high interest rates, household debt levels, and adjustments to fixed-rate mortgages could strain financial stability.

China's economic expansion is at risk, as the country is yet to devise comprehensive solutions to its property sector issues. This is also likely to affect its trading partners. Moreover, high Government debt in several economies, including the United States and China, could require significant fiscal adjustments, eroding confidence and hindering efforts to address climate change. Furthermore, geoeconomic fragmentation could hinder supply-side dynamics. While implementing more relaxed fiscal policies could temporarily boost economic activity,

it could require more significant adjustments later.

The role of Central banks is essential as the global economy moves towards a soft landing, requiring careful management of inflation. Additionally, there is an urgent need to refocus on medium-term fiscal consolidation to create room for critical investments and ensure debt sustainability. Tailored policy responses, along with reforms to enhance supply, are also essential

to address inflation, reduce debt, promote higher growth, and narrow income gaps. Multilateral cooperation is crucial for addressing challenges such as geoeconomic fragmentation, climate change, and debt restructuring. Ultimately, it can promote sustainable and inclusive economic recovery and a brighter future.

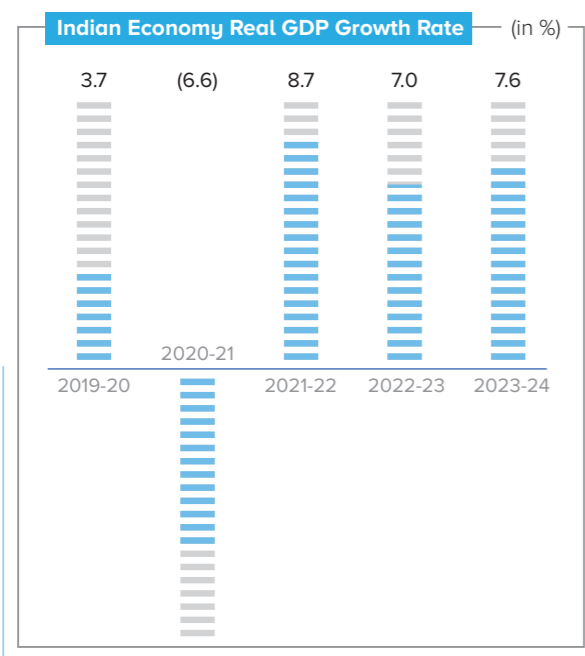
(Source: IMF Blogs: Global Economy remains Resilient despite Uneven Growth, Challenges Ahead)



INDIAN ECONOMY

India's economy has demonstrated remarkable resilience and sustained growth over the past three years, despite facing several global economic challenges. This strong path has been supported by a mix of strict policy measures and regulations, along with the gradual recovery of the private sector. Moving ahead, the country is positioned for further economic progress. This advancement is likely to be driven by significant investments in emerging sectors, ongoing Government expenditures, and efficiency improvements due to advancements in digitalisation and infrastructure.

In 2023-24, India's economic growth story has been one of strong expansion, achieving an impressive growth rate of 7.6%, surpassing earlier projections. However, looking ahead to the next fiscal year, there is a cautious note, with GDP growth expected to ease to 6.8%. This anticipated slowdown is a result of higher interest rates and a restrictive fiscal policy aimed at reducing the deficit to 5.1% of GDP. Despite these challenges, India's economic vitality is supported by various factors. These determinants include the strengthening of consumer buying power due to lower inflation, a thriving startup culture, an anticipated strong agricultural output, and a resurgence in private capital spending. Additionally, the Government's efforts to boost rural incomes and increase infrastructure spending have reinforced India's position as the world's fastest-growing major economy.



In 2023-24, the Wholesale Price Index (WPI) inflation stood at (0.70)%, a significant drop from the 6.52% recorded in 2022-23. This sharp decline played a crucial role in boosting the profitability of Indian corporations, as they benefitted from considerably lower input costs during the year. Additionally, India's Consumer Price Index (CPI) inflation eased to 4.85% in March 2024, down from 5.09% in February 2024. The government aims to further moderate CPI inflation further and maintain it within a specified target range consistently. Achieving this target is crucial to ensuring optimal interest rates and promoting overall economic stability.

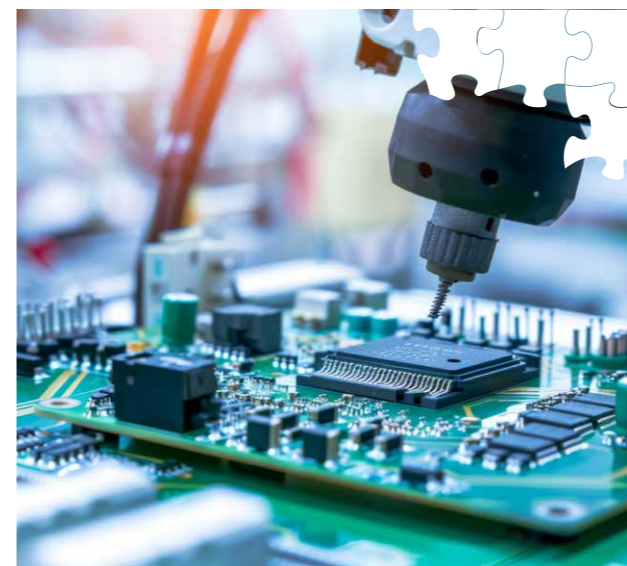
Source: Press Information Bureau – Indian Economy Estimates

DIGITAL INDIA

The Digital India programme, launched by the Government of India, aims to transform the country into a digitally empowered society and a knowledge-based economy. The programme focusses on ensuring digital access, inclusion, and empowerment, and bridging the digital divide. Its ultimate goal is to utilise digital technologies to enhance the quality of life, boost India's digital economy, create investment and job opportunities, and build digital technological capabilities within the country.

To achieve the vision of a digital nation, India has developed a comprehensive Digital Public Infrastructure. This infrastructure serves as the backbone for progress and includes initiatives such as FasTag, GST, and eWaybill. The introduction of these measures has made digital payments ubiquitous and has significantly reduced border waiting times. DigiLocker, another crucial component, has revolutionised transactions by eliminating the need for physical paperwork.

One of the key innovations in India's Digital Public Infrastructure is the Account Aggregator, which allows users to access and control their financial data. By blending elements from both the public and private sectors, these initiatives contribute to making the Government more efficient. India's efforts in building population-scale APIs and open networks set it apart as a global leader in today's digitally transforming society. These initiatives are crucial steps towards achieving the vision of a digitally empowered India.



ELECTRONICS MANUFACTURING

The electronics manufacturing industry is experiencing rapid growth globally. Alongside, India is actively promoting and developing its electronics manufacturing cluster. Currently, the country holds a 3% share in the global production of electronics. This contribution showcases India's potential and commitment to becoming a significant player in the industry. Notably, the Government has introduced several key initiatives to establish India as a global hub for Electronics System Design and Manufacturing (ESDM). These include the Production Linked Incentive Scheme (PLI) for large-scale electronics manufacturing, the Production Linked Incentive Scheme (PLI) for IT hardware, the Scheme for Promotion of Manufacturing of Electronics Components and Semiconductors (SPECS), and the Modified Electronics Manufacturing Clusters Scheme (EMC 2.0). The schemes aim to incentivise and promote the manufacturing of electronics and related components in India. In the process, they are likely to boost the country's competitiveness in the global electronics market.

(Source: Times of India)

OUTLOOK

Looking ahead, the Indian economy is set to achieve greater heights in the coming years. Projections suggest that the economy will reach the USD 7 trillion mark by 2031, solidifying its position as the third-largest economy in the world. This growth is likely to be propelled by enhancements in capital and productivity, facilitated by a comprehensive integration of digital and physical infrastructure. Furthermore, the manufacturing sector is anticipated to undergo a significant resurgence. The sector is likely to benefit from global opportunities, supportive domestic policies, and a focus on transitioning to green energy.

The future holds possibilities of strong growth in capital expenditure, propelled by industrial strength and effective infrastructure development. This positive trajectory is likely to be supported by factors such as the robust financial health of Indian companies, consistent revenue growth, and a favourable outlook for commodity prices. Additionally, the Government's Production Linked Incentive (PLI) scheme aims to enhance India's manufacturing capabilities on the global stage. The country's strong banking sector and innovative financing options are likely to catalyse this progress.

India has been actively positioning itself as a reliable alternative to Chinese manufacturing in Asia. The 'Make in India' campaign aims to elevate country's status as a global manufacturing hub and attract multinational companies to produce in India. The Atmanirbhar Bharat campaign, initiated in 2020, further emphasises a self-reliant approach and reduced dependence on imports. Recent global trends have seen a shift away from China in key markets such as smartphones and semiconductors. These trends present opportunities for India to capture significant supply chain segments. Aligning with this strategy, the country is reportedly pursuing the 'China+1' strategy to attract businesses looking to diversify their manufacturing bases. With a sizeable labour force and domestic market as its strengths, India is being seen as a natural partner for Western nations. Furthermore, the Government is striving to make it easier for businesses to establish their manufacturing operations in India. As a result, several global brands are relocating their manufacturing facilities to India, mitigating the risk of overdependence on China.

INDUSTRY OVERVIEW

IT SECTOR OVERVIEW

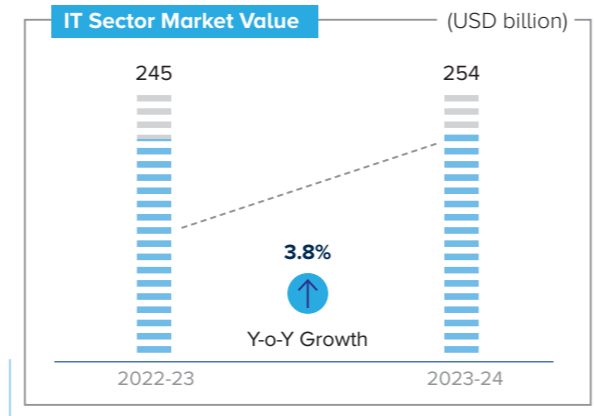
The Indian economy has received a significant boost from the Information Technology (IT) sector, which has emerged as a key growth driver. The sector has made substantial contributions to the country's GDP and public welfare. With the widespread integration of innovative digital applications across various sectors, India is strategically poised to enter the next phase of growth in its IT revolution. In 2023, the country was ranked 40th in the GII rankings, reflecting its growing prominence and capabilities in innovation on the global stage.

According to the National Association of Software and Service Companies (NASSCOM), the growth rate of India's technology sector decelerated to 3.8% in 2023-24, reaching a value of USD 254 billion. This represents a slowdown compared to 2022-23, when the industry experienced a growth of 8.4%, reaching USD 245 billion. The deceleration in growth was primarily stimulated by macroeconomic challenges, uncertain geopolitical tensions, and cautious technology spending by clients, resulting in delays in deal closures. Over the past several quarters, certain technology firms are experiencing weakened or subdued business due to the economic slowdown in western markets such as North America and Europe. These firms are software service exporters, which derive a significant portion of their revenue (around 57-58%) from the western markets.

The industry saw a net addition of ~60,000 employees in 2023-24, marking a significant decrease from the 2.90 lakhs added during the previous year. The cautious demand environment prompted companies to focus on improving workforce utilisation and transitioning to a more just-in-time hiring approach. However, there remains a strong emphasis on digital skills, with AI, Cloud, Data, and

Cybersecurity emerging as the most sought-after skills in the industry in 2023.

Even amid continuing macroeconomic headwinds, there are significant tailwinds as well. These include a better-than-expected performance of the ER&D (engineering, research, and development) sector, and the increasing prominence of global capability centres (GCCs) in India. Notably, the latter are becoming the preferred hub for many companies.



India is witnessing a transformative shift with regard to Global Capability Centres. These Centres are operating with a strong focus on digital capabilities such as AI/ML, analytics, and cybersecurity, driving unprecedented growth. As businesses aim to harness India's skilled workforce and favourable economic conditions, the GCC sector, currently valued at USD 46 billion, is forecast to surge to USD 110 billion by 2030. This growth trajectory is expected to generate employment opportunities for over 4.5 million professionals across 2,400 Global Capability Centers.

(Source: Hindu Business Line, Business Standard)



2023-24 HIGHLIGHTS

~7%

Share Relative to GDP

47-50%

Share in India's Services Export

57-58%

Share in Global Sourcing

38,000+

Tech Firms in India

31,000+

Tech Startups in India

1,630

Global Capability Centres in India

USD 254 billion

Tech Industry Revenue

USD 199.5 billion

Tech Export Revenue

USD 54.5 billion

Tech Domestic Revenue

5.43 million

Talent in the Tech Industry

36%

Women Employees

2+ million

Digitally Skilled Talent

IT PERIPHERALS MARKET

In recent times, the IT peripherals market has witnessed a significant surge in the demand for laptops/notebooks compared to traditional desktop PCs. However, both desktops and laptops/notebooks have experienced growth due to increased corporate purchases driven by the growing trend of digitalisation.

As for mobile phone accessories, these encompass a range of supplementary devices and equipment designed to enhance the functionality of mobile phones. The items within this segment include chargers, headphones, earphones, mobile covers, selfie sticks, pouches, and leather cases, among others. In recent years, there has been an emergence of innovative mobile phone accessories such as USB (Universal Serial Bus) for OTG (On-the-Go) smartphones, bluetooth keyboards, wireless headphones, and other cutting-edge offerings. By the end of 2024, the Indian mobile accessories market is projected to reach USD 3.54 billion. A significant factor expected to drive this growth is a rise in the young population during the forecast period.

The desktop category experienced a 6.7% year-on-year (Y-o-Y) growth from 2022 to 2023. On the other hand, the notebooks and workstations categories registered a decline of 11.1% Y-o-Y and 14% Y-o-Y, respectively. In the consumer segment, there was a decrease in growth by 3.1%, while the commercial segment saw a slump of 9.7% due to the reduced demand from enterprises. However, the education sector experienced strong growth of 80%, alongside an 18% increase in government demand.

Despite the overall decline in 2023, the market was ahead of pre-Covid shipments, indicating stability in the consumer segment. Reduced consumer demand led to a significant correction in shipments in the second half of 2022 and the first half of 2023. However, the decision on import regulations, improving market sentiment, and an aggressive push from vendors are expected to drive market recovery in 2024.

(Source: International Data Corporation)

GROWTH DRIVERS



GROWING MIDDLE-CLASS POPULATION

India is currently experiencing a digital revolution, which has led to a significant increase in the usage of electronic devices. The expanding middle-class population and rising disposable incomes have been key drivers of this surge in consumer demand. Projections suggest that India's middle-class will reach 583 million individuals by 2025, representing over 40% of the population. Additionally, there has been a noticeable increase in the percentage of middle-class Indians aged 25 or younger pursuing higher education. It has grown by more than 60% in the past decade and is expected to continue growing. This expanding middle-class has contributed to increased economic consumption across various sectors, including electronic products and services



INDIA AS A PROSPECTIVE INVESTMENT DESTINATION

India has emerged as a prominent global investment hub, attracting investors from around the world. The data annotation market in India is expected to experience significant growth, reaching a value of USD 7 billion by 2030. This projected development is likely to be driven by the rising domestic demand for artificial intelligence. In addition, the Indian software industry is anticipated to reach USD 100 billion by 2025. These factors collectively indicate a positive outlook for the IT and IT peripherals market in India in the coming years.



RISING URBANISATION

The increasing urbanisation of India has resulted in a growing demand for electronic goods. This has been primarily due to the higher disposable incomes of urban consumers and a greater willingness to adopt new technologies. Notably, the country's urbanisation rate is projected to reach 37-38% by 2025, leading to a significant increase in the demand for IT and IT peripherals.



COST ADVANTAGE

One of the key drivers of growth in the Indian IT industry is its cost advantage. Indian IT firms can provide services at more competitive rates compared to their counterparts in developed countries. This advantage has made India a major destination for businesses worldwide looking to outsource their IT services.



INCREASING ADOPTION OF DIGITAL TOOLS

Consumers have significantly shifted towards online channels, prompting companies and industries to adapt accordingly. The rise of digital tools, from smartphones and tablets to cloud computing and artificial intelligence, has empowered individuals to connect, collaborate, and share information globally. This widespread digitisation has helped break down barriers and foster innovation. According to a McKinsey Report, around 500 million Indians are connected to the internet, with over 100 million engaging in online transactions. On the whole, India has witnessed one of the fastest accelerations in digital adoption globally, which has further fuelled the growth of the IT sector in the country.



ROBUST INFRASTRUCTURE

India has made substantial investments in developing a robust IT infrastructure, which includes technology parks, software development centres, and world-class connectivity. This infrastructure acts as a catalyst for the growth of the IT industry, creating an enabling environment for businesses to thrive and expand.

CONSUMER ELECTRONICS INDUSTRY

The Indian consumer electronics industry has emerged as a significant player in the global scenario, demonstrating remarkable growth and development. In today's digital era, electronic products have had a profound impact on life, consistently shaping and transforming lifestyles. The introduction of cutting-edge technology has not only enabled seamless operations but has also propelled the digital revolution to unprecedented levels. Moreover, the increasing demand for electronic devices is expected to continue showcasing an upward trajectory, positioning the industry as a key catalyst for global economic advancement.

As per a report by Statista, the revenue in India's consumer electronics market reached USD 73.0 billion in 2023-24. Telephony was the largest market segment, recording a market volume of USD 47.2 billion. For the period between 2024 and 2028, the market is projected to expand annually at a CAGR of 6.06%, with the market volume likely to reach

921.6 million pieces in 2028. It is anticipated that the Indian consumer electronics market will reach to USD 124.94 billion by 2030.

USD **73.0** billion
Revenue from the Indian Consumer Electronics Market in 2023-24

USD **124.94** billion
Projected Market Size of the Consumer Electronics Market by 2030



GOVERNMENT INITIATIVES

Some of the major initiatives taken by the Government to promote the IT sector in India are as follows:

The Government has been actively promoting its 'Make in India' initiative, encouraging consumer durable brands to become self-reliant.

The Prime Minister has launched PM Gati Shakti - the National Master Plan for multi-modal connectivity. This initiative aims to establish a digital platform that brings together several ministries, including Railways and Roadways, to facilitate integrated planning and coordinated implementation of infrastructure connectivity projects. This approach aims to eliminate departmental silos and improve overall infrastructure development in the country.

The Next Generation Incubation Scheme (NGIS) is a futuristic and comprehensive incubation programme entrusted by the Ministry of Electronics and Information Technology (MeitY) to the Software Technology Parks of India (STPI) for implementation. NGIS aims to propel the rise of India as a Software Product Nation by making the country a global player in the development, production, and supply of innovative, efficient, and secure software products, including embedded software.

The National Deep Tech Startup Policy (NDTSP), introduced recently, acts as a roadmap for nurturing deep tech startups in India. It aims to provide a conducive environment for the growth of startups focussed on cutting-edge technologies such as artificial intelligence, machine learning, blockchain, and advanced manufacturing. The policy focusses on addressing key challenges faced by deep tech startups, including access to funding, mentorship, and market access. It also aims to foster collaboration between the startups, academia, and the industry to drive innovation and create a thriving ecosystem for deep tech startups in India.

The PLI Scheme 2.0 for IT Hardware aims to enhance the manufacturing ecosystem by promoting the local production of components and sub-assemblies. It provides applicants with more flexibility and time to develop the supply chain within the country. The scheme is designed to incentivise growth through incremental sales and investment thresholds. Additionally, it includes incentives for semiconductor design, IC manufacturing, and packaging, further boosting the IT hardware sector.

BANKING & FINANCE INDUSTRY

The Indian banking sector has undergone substantial growth and transformation in the past few years, emerging as a key driver of the nation's economy. Changing consumer behaviours and rapid digitalisation have been instrumental in shaping the sector's progress. Coupled with these trends, Government initiatives such as the Pradhan Mantri Jan Dhan Yojana and the Digital India campaign have significantly boosted financial inclusion for all citizens.

With regard to enhancing the scalability and efficiency of the banking sector, there have been significant efforts to embrace emerging technologies. Banks have adopted digital platforms, mobile banking, and internet banking services, offering customers convenient ways to conduct financial transactions. Additionally, the sector has harnessed technologies like artificial intelligence, machine

learning, and blockchain to streamline processes, mitigate risks, and enhance customer experience.

(Source: Ibef.org)



RETAIL INDUSTRY

The retail market in India has undergone a significant transformation and has experienced tremendous growth over the last decade. Currently, India is considered one of the best countries to invest in the retail space due to several factors. These include having the second-largest population in the world, a rising middle-income class, consisting of approximately 158 million households, increasing urbanisation, a growing number of connected rural consumers, and increased discretionary spending among consumers. As a result, the country has emerged as an attractive market for retailers looking to expand their operations. It is expected that the Indian retail market will reach USD 1.1 trillion by 2027 and USD 2 trillion by 2032, registering a CAGR of 25%. Currently, India has the fourth-largest retail market in the world.

(Source: InvestIndia.gov)



ELECTRONICS MANUFACTURING SERVICES

The electronics manufacturing sector in India has witnessed remarkable growth, establishing the country as an exceptional hub for subcontract manufacturing and drawing global market players. According to a report by Mordor Intelligence on the contract manufacturing organisation market, the Indian contract manufacturing industry is projected to record a CAGR of 13.3% from 2023 to 2028. This forecast demonstrates a promising outlook for the industry over the next five years, highlighting India's potential as a key player in contract manufacturing.

The China +1 strategy, which involves diversifying investments from China to other destinations, may provide a booster shot to electronics manufacturing in India. As multinational corporations are exploring alternative locations, India is well-positioned to capitalise on this trend and further expand its manufacturing footprint in the electronics sector. This presents a valuable opportunity for the country to strengthen its manufacturing industry and attract greater foreign investment.

(Source: Economic Times)

SHIPPING & LOGISTICS INDUSTRY

The shipping and logistics industry plays a crucial role in the Indian economy, making a significant contribution to the country's GDP. According to a report by LogiMAT India, the country's shopping and logistics market is projected to grow at a rate of 8.8% annually from 2024-2029. From a market size of USD 317.26 billion in 2024, it is projected to reach USD 484.43 billion in 2029. This growth is likely to result from several technological advancements in the industry.

(Source: Economic Times)

GOVERNMENT

Public Sector Undertakings (PSUs) that encompass public services and enterprises delivering benefits to society, play a vital role in the Indian economy. These entities primarily focus on serving the general public, fostering economic development through job creation, and contributing to the country's GDP. In the Interim Union Budget for 2024-25, a significant revision has taken place to the divestment targets for 2024-25 and 2025-26. The divestment target for 2024-25 has been scaled down from the previously budgeted ₹ 51,000 Crore to ₹ 30,000 Crore, reflecting challenges faced in meeting the initial goal. Furthermore, the divestment target for 2024-25 has been set at ₹ 50,000 Crore.

(Source: Economic Times)



GREEN ENERGY - SOLAR

India stands out as one of the most attractive destinations for solar energy globally, thanks to its vast landmass, the seventh-largest in the world, and a potential of 748 GW for solar energy. The industrialisation in India is rapidly expanding, with energy demands doubling approximately every 4-5 years.

India has set an ambitious target of achieving 500 GW of renewable energy (RE) installed capacity, with 280 GW planned specifically for solar energy. Both the Union and State Governments are actively promoting solar investments by incentivising developers through various schemes such as subsidies, viability gap funding, central financial assistance, tax rebates, and attractive policies. Harnessing solar energy will contribute significantly to long-term sustainability, reduce carbon emissions, and climate control, provide affordable power, and promote localised generation, thereby avoiding transmission losses.



GREEN ENERGY - ELECTRIC VEHICLES

The electric vehicle (EV) industry in India is experiencing rapid expansion, propelled by several factors. Firstly, environmental concerns regarding air pollution have led to the increased interest in electric vehicles as a cleaner alternative to traditional fossil fuel vehicles. The Government has also provided several tax incentives such as subsidies and tax benefits to encourage the adoption of electric vehicles. Additionally, declining battery costs have made electric vehicles more affordable and attractive to consumers. These factors, combined together, have contributed to the rapid growth of India's Electric Vehicle industry. Currently, the country is the third-largest automobile market in the world. EV sales account



for around 3-5% of the market, making it the fastest-growing electric vehicle market globally. In 2023, the sales of electric vehicles grew by approximately 49% year-on-year (Y-o-Y) to 1.53 lakh units, with two-wheelers leading the market. Moving ahead, for 2030, the Niti Aayog has set a target to make electric vehicles (EVs) account for 30% of the total vehicle sales in India by 2030. The Indian Government is focussing on expanding and strengthening the e-vehicle ecosystem by supporting manufacturing and charging infrastructure. The Government also aims to encourage greater adoption of e-buses for public transport networks through a payment security mechanism.

(Source: Autocarpro.in)

COMPANY OVERVIEW

TVS Electronics Limited ('TVS Electronics' or 'TVS-E' or 'the Company') is a reputable player in the IT peripherals and consumer electronics market. Since its inception in 1986, the Company has made significant progress, and currently offers a wide range of IT & electronics products and solutions. It has established a strong presence in three main business verticals, namely products and solutions, customer support services and electronics manufacturing services.

TVS Electronics has an extensive portfolio covering the entire lifecycle management process, including product design, manufacturing, customer support services, warranty management, and end-of-life services. By offering end-to-end IT and electronics solutions, TVS-E aims to meet its customers' diverse needs, ensuring a seamless experience throughout their journey.

The Products & Solutions Group (PSG) is responsible for designing, manufacturing, assembling, marketing, selling, and servicing a variety of products. These include dot matrix printers, thermal receipt printers, label printers, mobile printers, mechanical keyboards, membrane keyboards, mouse, barcode scanners, currency counters, touch POS systems, handheld devices, and electronic cash registers, among others.



Furthermore, the Customer Support Services (CSS) segment of TVS Electronics caters to the customer assistance needs of both original equipment manufacturers (OEMs) and end-customers. This segment encompasses services like break-fix solutions, repair engineering, installation assistance, product demonstrations, protection plans, IT infrastructure management, remote technical support, call centre services, green energy solutions and e-waste management, among others.

Additionally, TVS Electronics provides comprehensive Electronics Manufacturing Services (EMS), including product design, development, end-to-end manufacturing, sourcing, Printed Circuit Board Assembly (PCBA), box build, testing, logistics, and aftersales service.

TVS-E emphasises technological advancements and consistently invests in upgrading its technology infrastructure while developing innovative products and services. The Company also boasts a robust distribution network comprising 4000+ sales partners, 500 service partners, and 345+ walk-in stores, helping it serve customers effectively in over 18500 postal codes across India.

BUSINESS SEGMENT OVERVIEW

PRODUCTS & SOLUTIONS GROUP (PSG)

Within this vertical, the Company primarily offers four product categories, which include:

Point-of-Transaction Hardware - Invoice and Print Bills, Inventories and Sales Management, Reports & Tax/GST Reconciliation and Payments along with the Retail Billing Software, TVS E-Pay

Banking use - Passbook Printing, Ledger Printing, Cash Counting and DD Printing

Government use - Ticketing, Documentation/Registration, and India Posts Receipt Printing

Shipping & Logistics - Track and Trace, Stocks/Inventories Management and Label Printing

TVS-E oversees the manufacturing and assembly of its products at its Tumakuru facility. Throughout this period of evaluation, the Company concentrates on enhancing its product management team, engineering capabilities, and solution offerings. In pursuit of earning a distinctive position in the industry, TVS-E aims to provide bundled packages comprising products and solutions to its clientele.

Over time, TVS-E's product range has evolved to meet the dynamic needs and demands of its customers. The significant proliferation of consumer electronic products, driven by increased disposable income, growing purchasing capacity, and the availability of diverse electronic offerings from various manufacturers, presents a promising outlook for operations in this domain.

To enhance cost-effectiveness and align its operations with the Government's 'Make in India' initiative, TVS-E has implemented strategies to reduce imports from neighbouring countries. Some of these include sourcing materials from domestic manufacturers and implementing backward integration.

Furthermore, the Company has consistently expanded its portfolio over the years to meet the increasingly diverse needs of its customers. In the recent assessment period, TVS-E successfully introduced new products such as 2D barcode scanners, cash counting machines, highspeed receipt printers, 'Make in India' touch POS machines, and

revitalised existing products like the passbook printer, gaming keyboard & mouse, 1D scanner, and dot matrix printers.

Looking ahead, TVS-E aims to transform into a 'single-point solution-provider,' ensuring comprehensive and streamlined solutions under one roof for our customers. By leveraging state-of-the-art technology, we are committed to enhancing our offerings and staying at the forefront of industry advancements. Our approach is deeply customer-centric, focussing on customising solutions to meet the specific needs and use cases of our clients.

The Company will continue to rely on its traditional distributor led channels to effectively serve businesses, while also diversifying through AIDC partner channels. This includes offering specialised hardware solutions to meet diverse market demands. Additionally, TVS-E is adopting a Direct-to-Consumer (D2C) strategy, targeting key retail accounts across the country to enhance market reach and customer engagement. By working closely with its partners and embracing automation in identification and data capture, TVS Electronics is poised to innovate and expand its product offerings to meet the evolving needs of customers.



Drivers of PSG segment

- A continued focus on broadening the Company's product portfolio to address diverse customer requirements
- Effective brand positioning and extensive industry knowledge propelling segment expansion
- Increasing trend of digitalisation, leading to a huge demand for POS systems and billing software
- Growing demand driven by bundled solutions, complementing the Company's product offerings
- A strong sales network, varied distribution channels, and an internal sales force ensuring market penetration
- A firm commitment to the 'Make in India' initiative, resulting in the internalisation of previously imported products through backward integration
- Advent of e-commerce leading to increase in online shopping and need for automation and digitalisation in products

CUSTOMER SUPPORT SERVICES (CSS)

Within this vertical, TVS Electronics offers four product categories, which include:

Field Support Services (FSS)

Infrastructure Management Services (IMS)

Repair & Refurbishing Management Services (RMS)

Solar & Green Energy Services

E-Auction & E-Waste

TVS-E stands at the forefront of the industry with its comprehensive Field Support Services (FSS). The Company caters to a broad spectrum of brand warranty services across various sectors, including IT & Peripherals, Banking POS, Audio Lifestyle & Consumer Electronics. Its services encompasses installation, break-fix solutions, and Infrastructure Management Services (IMS). TVS-E offers Infrastructure Management Services (IMS) specifically for end-user computing, data centre & infra applications for business entities throughout the contractual period apart from providing Roof Top Solar & EV Chargers support Services. Both IMS and FSS involve lifecycle management services for partner-owned brands.

Auction India, an online platform operated by TVS-E, focusses on delivering surplus management solutions to B2B customers (sellers). The platform primarily aims to assist sellers in effectively clearing out their surplus inventory, scrap materials, and machinery, among others. This process is facilitated through a transparent online bidding system that engages a diverse range of bidders. Ultimately such a bidding framework ensures the discovery of the optimal price for the items being auctioned.

In addition, with the increasing focus on electric vehicles and solar energies, TVS Electronics is poised to capitalise on these opportunities. The Company has ample room for expansion and a strong market presence, coupled with established partnerships and enduring relationships with renowned brands. As such, it is well-positioned to achieve significant growth in the days ahead. The Company's

reputation for dependability in the product servicing sector further enhances its ability to collaborate with top brands. Therefore, it effectively bridges the gap between brands and the servicing of products with expired warranty.

Within the RMS domain, TVS-E has an expertise in repairing components, such as PCBs and display panels. The Company also offers refurbishment services for products intended for the secondary market.

In 2023-24, TVS-E made substantial progress, expanding its presence to 640 districts, which marks a notable increase from the coverage of 600 districts recorded. Moreover, the Company's services now cater to a larger customer base, serving 19,500+ postal codes across the country. Looking ahead, it aims to expand its coverage and accessibility further, with a target of reaching 670 districts in 2024-25.

Drivers of CSS Segment

- TVS-E's expertise across a diverse range of products helps it to effectively manage customer support and disposal services associated with those products
- The Customer Support Services (CSS) segment has significant opportunities in the burgeoning EV/Solar market, particularly in managing O&M for Solar Energy, as well as offering charging infrastructure and battery swap service for EVs
- TVS Electronics is dedicated to becoming a holistic service provider for aftersales lifecycle management. This encompasses the seamless integration of brands, service partners, call centres, parts management, logistics, and related services, all efficiently tracked through the Company's in-house built service platform
- Utilising advanced CRM technologies powered by AI and ML, the Company ensures a trusted and exceptional customer experience
- India's increasing emphasis on renewable power, particularly in the solar power sector, presents ample opportunities for the Company to expand its service offerings in this sector

TVS Electronics' Green Energy Business Unit (GEBU) is committed to facilitating the transition to greener and more energy efficient practices. The core services include Consultancy Services, Operation & Maintenance Solutions, and EV charging Infrastructure & Battery Swap solutions. GEBU ensures the smooth functioning and guaranteed generation of Solar Energy systems, offering comprehensive solutions for the development of public EV charging & Swapping Stations. Currently, GEBU provides Consultancy Services for the development of Solar projects in Karnataka, for a capacity of 42 MWp and 65 MWp. GEBU also provides Operation & Maintenance Solutions for a cumulative capacity of around 525MWp across India.



ELECTRONICS MANUFACTURING SERVICES (EMS)

TVS Electronics provides comprehensive Electronics Manufacturing Services (EMS), including product design, development, end-to-end manufacturing, sourcing, Printed Circuit Board Assembly (PCBA), box build, testing, logistics, and aftersales service. The Company has inaugurated its EMS capability at its cutting-edge facility located on the outskirts of Bengaluru in Tumakuru, Karnataka. The introduction of a Surface Mount Technology (SMT) line underlines the Company's commitment to adopting the latest technological innovations.

Renowned for its customer-centric approach, the Tumakuru manufacturing unit provides complete solutions, covering supply chain management, PCB assembly, box build, and product testing. This integrated ecosystem enables TVS Electronics to address a wide range of customer requirements, both domestically and internationally.

FINANCIAL OVERVIEW

During the fiscal year, the Company reported total revenue of ₹366 Crore, reflecting a 4% year-on-year growth compared to 2022-23. Revenue from the 'Products and Solutions' segment increased by 9% to ₹ 267 Crore, while revenue from the 'Customer Support Services' segment saw a slight decline of 8%, totaling ₹ 98 Crore. The EBIT margin decreased mainly due to higher depreciation costs from factory consolidation and increased manpower expenses. These costs were driven by new business initiatives, such as a dedicated focus on the retail segment, strengthening R&D, engineering and digital teams as well as diversification into new segments to offer value-added products and solutions through 'Make in India' initiatives. The Company also built teams to expand its reach through alternate channels under the Products and Solutions Group. Similarly, the Company strategically invested in enhancing its workforce to spearhead the development of Infrastructure Management services and pioneering green energy ventures under CSS segment. These strategic, one-time investments, incurred during the year are anticipated to enhance the Company's future growth and profitability.

During the year, the Company invested ₹ 28 Crore in capital expenditures for various expansion initiatives aimed at diversifying the business and enhancing operational efficiency. Of this amount, ₹ 15 Crore was dedicated to the Electronics Manufacturing Services (EMS) segment, as

part of expansion plan. The remaining ₹ 13 Crore towards Tumakuru factory consolidation. Of the total capex incurred 50% was funded through internal accruals. There were no changes in the Company's core business activities during the financial year ending March 31, 2024.

Key Ratios

| Ratios | 2023-24 | 2022-23 |
|------------------------------|---------|---------|
| Current Ratio (X) | 1.37 | 1.40 |
| Debt-Equity Ratio (X) | 0.41 | 0.13 |
| Operating Profit Margin (%) | 0.35 | 4.02 |
| Net Profit Margin (%) | 0.07 | 2.69 |
| Return on Net Worth (%) | 0.27 | 9.36 |
| Debtors' Turnover Ratio (X) | 6.70 | 8.66 |
| Inventory Turnover Ratio (X) | 3.23 | 3.42 |
| Interest Coverage Ratio (X) | 0.65 | 10.40 |

X – times



RISK MANAGEMENT

TVS-E acknowledges the importance of integrating risk management into its strategic planning framework to ensure long-term sustainability. As such, the Company takes a proactive approach to identify risks and develops action plans for effective mitigation. The Risk Management Committee, tasked with addressing and mitigating risks, reports directly to the Board of Directors, which holds the highest authority in the corporate governance structure. By prioritising risk management, TVS-E adeptly navigates potential threats and protect its long-term viability. During 2023-24, the Company identified and mitigated several risks, including:

| Risk | Raw Material Risk | Import Risk | Technology Risk | Cybersecurity Risk |
|------------|---|--|--|---|
| Impact | TVS Electronics' profitability may be affected due to an increase in raw material prices. | The Company's heavy reliance on exports from neighbouring countries can affect the continuity in its operations in case of any trade disruption. | TVS-E's failure to keep pace with evolving technologies and emerging trends can have detrimental effects on the business. | Network failures and data breaches can significantly impact the Company's operations. |
| Mitigation | TVS-E has felt the impact of fluctuating crude and steel prices, directly affecting raw material costs. Despite these obstacles, the Company effectively improved cost efficiency by reducing dependence on imports, adopting backward integration strategies, and establishing in-house production capabilities for materials. | TVS-E implements a vigilant and continuous monitoring process. The Company takes proactive steps to address this issue by prioritising the substitution of materials previously imported from neighboring countries, focussing on the 'Make in India' initiative. This has been achieved through strategic measures such as backward integration and exploring alternative domestic suppliers. | Acknowledging the dynamic nature of the industry, TVS-E consistently prioritises investments in cutting-edge technologies. Through this commitment, the Company aims to deliver products that exceed current market standards and maintain a leading position in innovation. | TVS-E's robust intrusion prevention system, combined with its comprehensive risk management framework, ensures that the Company is well-protected against cybersecurity threats. Additionally, the Company has appropriately covered this risk under insurance. |

TVS-E DIGITAL

IT plays a pivotal role in TVS-E's daily operations and growth strategies, with sustained investments made in this area. The Company consistently reinforces its IT infrastructure, implementing various initiatives to enhance technological capabilities and drive innovation.

The Company has deployed Control Tower as a real-time monitoring system for field activities within the services business unit, integrating virtual agents to handle incoming customer queries. This initiative aims to provide 24*7 support, reduce abandoned calls, and enhance the Net Promoter Score (NPS) by ensuring timely and efficient resolution of customer inquiries.

TVS-E's Customer Relationship Management (CRM) system has gained significant benefits through the Parts platform, including increased cost savings and earnings resulting from the platform's scalability.

The Company rolled out a more mature retail billing solution in 2023-24, now available on the Google Playstore, specifically designed for Android devices.

TVS-E is on track to modernise Auction India to attract auction houses of all sizes, with a pilot using the new platform expected to go live in 2024-25.

The Company has made significant investments in data engineering and cybersecurity to focus on and strengthening its various platforms.

The Servicetec digital platform's tech-enabled workflow continues to deliver. The Company is set to introduce two new verticals on SDP: one for its repair factory customers by extending SDP with L3/L4 repairs workflow and another for deploying remote remediation to its IMS customers. This will make SDP the only solution in the industry closest to addressing the circular economy with its end-to-end tech-enabled process as the key differentiator.

In addition to these initiatives, it is worth noting that TVS-E is ISO 27001 compliant, confirming the Company's adherence to international standards for information security management. This certification signifies TVS-E's commitment towards maintaining a secure environment for its stakeholders, ensuring the confidentiality, integrity, and availability of sensitive data. We are on track to make TVS Electronics as the premier 'High-Tech Indian Electronics Manufacturing & Services Company' in 2024-25.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

TVS Electronics has embraced Corporate Social Responsibility (CSR) initiatives as a core component of its values for many years. The Company's initiatives centres around education and sports, thereby enabling communities to achieve success. VIPASSANA is an after-school programme in Chennai, focussed on children and led by marginalised women teachers from Upasana. This initiative promotes literacy and holistic development, empowering underprivileged children to become change-makers in their communities. Partnering with the Shraddha Maanu Foundation, TVS Electronics aims to foster educational growth and personal development among these children.



Olympic Gold Quest (OGQ) is a non-profit foundation dedicated to nurturing Indian athletes to achieve success at the Olympic level. In collaboration with OGQ, TVS Electronics strives to bridge the gap between Indian and global athletes, fostering national pride and helping athletes win gold medals. Through this partnership, TVS Electronics supports the development and success of Indian athletes on the world stage.



Under the Student Adoption Scheme at Siddha Ganga Mutt, the Company has adopted 201 students from Siddha Ganga Mutt in Tumakuru. Additionally, TVS-E has extended scholarships to four children, further contributing to educational endeavours. These initiatives exemplify TVS-E's commitment to promoting education and making a meaningful impact on the lives of young individuals.



The Company has also extended support to Sevabharathi in Tamil Nadu to aid flood-affected communities. This initiative reflects TVS Electronics' dedication to supporting local communities during times of crisis and contributing to their long-term recovery.

HUMAN RESOURCES

Recognising the immense value of its workforce, TVS-E strongly emphasises fostering an environment of inclusive development. As part of its commitment to nurturing its diverse pool of employees, the Company cultivates a supportive atmosphere and offers competitive compensation packages aligned with industry standards. Such a remuneration structure facilitates accelerated career growth based on individual merit. Furthermore, it is complemented by exceptional personnel policies that prioritise the well-being and success of TVS-E's workforce.

TVS Electronics' organisational culture is anchored in principles of integrity, collaboration, innovation, and customer centricity, with leadership playing a pivotal role in shaping and upholding this culture. TVS-E actively promotes a collaborative work environment that encourages teamwork, knowledge sharing, and employee motivation. There is a continuous focus on empowering employees to enhance their skills, embrace new challenges, and foster a culture of innovation. This commitment to ongoing learning and development fosters both individual and organisational growth, promoting agility and adaptability within the Company.

To facilitate regular communication between management and employees, TVS-E has established effective

mechanisms, including surveys to gather insights, town hall meetings to encourage open dialogue, and an open-door policies that encourages employees to approach their superiors with any issues or suggestions. By fostering transparent channels of communication on a monthly, quarterly, and annual basis, the Company ensures that employee voices are acknowledged and valued, leading to enhanced collaboration and collective decision-making within the organisation.

Additionally, TVS-E places significant value on recognising and rewarding employee contributions and accomplishments, fostering an environment of belonging, motivation, and loyalty among its workforce.

As of March 31, 2024, the Company had 703 employees on its payroll.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

TVS-E has implemented a strong internal financial control system that ensures proper financial reporting. Furthermore, all the material aspects of the Company's internal controls are robust. During 2023-24, TVS-E operated effectively in compliance with the internal control standards established by the Company for financial statements. These criteria consider the essential components of internal control as outlined in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

CAUTIONARY STATEMENT

Certain statements in the management discussion and analysis may be forward-looking in nature within the meaning of applicable securities laws and regulations. Actual results may differ materially from those projected or implied. These statements refer to the Company's growth strategy, financial results, product potential, and development programmes based on certain assumptions and expectations of future events. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on subsequent developments or information of events.

Board's Report to the Shareholders

Your Directors have pleasure in presenting the 29th Annual Report of your Company for the financial year ended March 31, 2024.

Financial Results

The financial performance of the Company for the year ended March 31, 2024 is summarised below. The financial statements for the year have been prepared in accordance with the mandatory accounting standards (Ind AS).

Standalone

| Particulars | Year ended | |
|---|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Revenue from operations | 36,604 | 35,349 |
| Profit/ (Loss) Before Tax (PBT) and exceptional items | (68) | 1,284 |
| Exceptional items / Extra-ordinary Items | - | - |
| Profit / (Loss) Before Tax | (68) | 1,284 |
| Profit / (Loss) After Tax (PAT) | 27 | 952 |
| Add: Brought forward from previous year | 6,310 | 5,376 |
| Add/(Less): Other Comprehensive Income for the year (net of Income Tax) | 27 | (18) |
| Less: Dividend on equity shares (incl. taxes) | (373) | - |
| Retained earnings | 5,991 | 6,310 |

Transfer To Reserves

The Company has not transferred any amount to Reserves.

Company's Performance

During the fiscal year, the Company reported total revenues of ₹ 366 Crore, reflecting a 4% year-on-year growth compared to 2022-23. Revenue from the 'Products and Solutions' segment increased by 9% to ₹ 267 Crore, while revenue from the 'Customer Support Services' segment saw a slight decline of 8%, totaling ₹ 98 Crore. The EBIT margin decreased mainly due to higher depreciation costs from factory consolidation and increased manpower expenses. These costs were driven by new business initiatives, such as a dedicated focus on the retail segment, strengthening R&D, engineering and digital teams as well as diversification into new segments to offer value-added products and solutions through 'Made in India' initiatives. The Company also built teams to expand its reach through alternate channels under the Products and Solutions Group. Similarly, the Company strategically invested in enhancing its workforce to spearhead the development of Infrastructure Management services and pioneering green energy ventures under CSS segment. These strategic, one-time investments, incurred

during the year are anticipated to significantly enhance the Company's future growth and profitability.

During the year, the Company invested ₹ 28 Crore in capital expenditures for various expansion initiatives aimed at diversifying the business and enhancing operational efficiency. Of this amount, ₹ 15 Crore was dedicated to the Electronics Manufacturing Services (EMS) segment, as part of expansion plan. The remaining ₹ 13 Crore towards Tumkur factory consolidation. Of the total capex incurred 50% was funded through internal accruals. There were no changes in the Company's core business activities during the financial year ending March 31, 2024.

Dividend

The Company has a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support future growth. Though the profit for the current year is inadequate for declaring dividend, the Directors are pleased to recommend a final dividend of ₹ 1 per equity share (10% of the face value) for the financial year ended March 31, 2024, maintaining the consistency in dividend declaration. The dividend, if approved by the shareholders would absorb around ₹ 1.87 Crores and will be paid to all the equity shareholders whose names appear in the Register of Members of the Company and depositories as on August 03, 2024.

Safety

The Company's commitment to safety and well-being is evident through its comprehensive approach and initiatives implemented across its operations. Here's a detailed explanation:

- Comprehensive Safety Measures:** The Company has established a robust framework of Standard Operating Procedures (SOPs) to ensure that health and safety protocols are strictly adhered to. These SOPs are designed in accordance with guidelines issued by both Central and State governments, as well as local authorities. This ensures that all safety measures are up-to-date and aligned with regulatory requirements, enhancing the overall safety culture within the organisation.
- Regular Safety Training and Audits:** Recognising the importance of continuous improvement in safety standards, the Company conducts regular safety training sessions for its employees. These sessions not only educate employees about safety protocols but also empower them to actively participate in maintaining a safe workplace environment. Additionally, rigorous safety audits are performed to identify potential hazards and ensure compliance with safety standards across all facilities.

- Emergency Preparedness:** The Company places a strong emphasis on emergency preparedness through dedicated Emergency Preparedness Programmes (EPP). These programmes are designed to equip employees with the necessary knowledge and skills to respond effectively to emergencies, ensuring business continuity and minimising disruptions during unforeseen events or calamities.
- Medical Assistance and Support:** To further enhance safety measures, the Company has established a dedicated medical center at its Head Office and factory. These centers provide immediate medical assistance to employees in case of emergencies, demonstrating a proactive approach to employee health and well-being.
- Occupational Safety Initiatives:** The Company's commitment to occupational safety is evident through specific initiatives such as fire safety measures, routine safety audits covering, electrical safety, and furniture & equipment handling. By ensuring the availability and proper maintenance of fire extinguishers and conducting regular safety audits, the Company reinforces its commitment to maintaining a safe working environment for all employees.
- Support for Women Employees:** Recognising the importance of gender-sensitive safety measures, the Company has implemented comprehensive policies and standard operating procedures (POSH) to prioritise the safety of women employees. This includes initiatives such as Safety Awareness Programs, and other necessary precautions both within and outside the premises.

In conclusion, the Company's elaborate safety framework underscores its commitment to creating a safe and secure workplace environment. Through proactive measures, continuous improvement initiatives, and adherence to global standards, the Company ensures that safety remains a top priority for the benefit of its employees, customers, and stakeholders alike.

Code of Business Conduct and Ethics

The Company has in place the Code of Business Conduct and Ethics for member of the Board and senior management personnel (the Code) approved by the Board. The Code is available on the Company's Website at <https://www.tvs-e.in/wp-content/finreports/policy/Code%20of%20Conduct.pdf> The Code has been communicated to directors and the senior management personnel. All the members of the Board and senior management personnel have confirmed compliance with the Code of Business Conduct and Ethics for the year ended March 31, 2024. The Annual Report contains a declaration to this effect signed by Managing Director.

Vigil Mechanism / Whistle Blower policy

The Company has implemented a robust vigil mechanism overseen by the Audit Committee. As part of this mechanism,

the Chairperson of the Audit Committee has been appointed as the Ombudsman responsible for overseeing the vigil process. The policy outlines a formal framework for directors and employees to report any genuine concerns or grievances related to unethical behaviour, actual or suspected fraud, or violations of the Company's Code of Business Conduct and Ethics policy. The Company has also provided direct access to the Chairperson of the Audit Committee on reporting issues concerning Company. This Policy is amended from time to time to make it in line with the amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015. The Policy is available on the Company's Website at; https://www.tvs-e.in/wp-content/finreports/policy/TVSE_Vigil_Blower_Mechanism.pdf

Prevention of Insider Trading

The Company has a Code of Internal Procedures and Conduct for regulating, monitoring and reporting of Trading by Insiders in line with SEBI Regulations. The Code has been communicated to all the employees of TVS-E by conducting frequent awareness sessions and also has ensured obtaining Annual and One-time Disclosure from the designated persons of TVSE under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Internal Procedures and Conduct for regulating, monitoring and reporting of Trading by Insiders is amended from time to time to make it in line with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code has been communicated to all the employees at the time of orientation and adhered to by the Board of Directors, Senior Management Personnel and the other persons covered under the code. The Company follows the closure of the trading window prior to the publication of price-sensitive information. The Company has adopted Fair Practices Code (FPC) as per the regulations. Code of Conduct for Insider Trading Regulation and the Fair Practices Code are available on the Company's Website

- Code of Conduct for Insider Trading Regulation:**
https://www.tvs-e.in/wp-content/finreports/policy/TVSE_Insider-trading-Policy_22.pdf
- Fair Practices Code:**
https://www.tvs-e.in/wp-content/finreports/policy/TVSE_Fair_Practices_Code.pdf
- Procedure of inquiry in case of leak or suspected leak of UPSI:**
https://www.tvs-e.in/wp-content/finreports/policy/TVSE_UPSI_Policy.pdf

Holding Company and Promoters

M/s. TVS Investments Pvt Ltd (Formerly Geeyes Family Holdings Pvt Ltd), holding company ("TVSI") holds 59.84% of the outstanding equity in the Company as on March 31, 2024. TVSI and Mr. Gopal Srinivasan, holding majority

stakes in TVSI are promoters of the Company. There is no change in the shareholding percentage of promoters for the FY 2023-24.

Scheme of Amalgamation

The Board of Directors at its meeting held on November 11, 2023, approved the Scheme of Amalgamation between TVS Investments Private Limited, the Holding Company (Transferor Company) and TVS Electronics Limited (Transferee Company) ("Scheme").

The proposed merger would result in Mr. Gopal Srinivasan, promoter directly holding 59.84% of equity paid up share capital of the Company, leading to simplification of the shareholding structure and demonstrate the promoter's direct commitment to and engagement with the Company. There will not be any impact on net worth, assets and liabilities of the Company, on effectiveness of the proposed scheme. The public shareholders of the Company will continue to hold same number of shares in the Company on effectiveness of the proposed scheme as they held immediately before the Scheme.

Further, by removing TVS Investments Private Limited as a holding company of TVS-E from the shareholding layer, it gives greater flexibility to the Company to make downstream investment since the same will remove the restriction on number of layers applicable under the Companies Act 2013.

An application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been filed with Securities and Exchange Board of India (SEBI) for seeking No Objection Certificate for the proposed Scheme. Post approval from the SEBI, the proposed Scheme will be filed with the Hon'ble National Company Law Tribunal, Chennai.

Disclosure of Agreements

During the year under review, no agreements were entered into by the shareholders, promoter, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or its holding, subsidiary company among themselves or with the Company or with a third party, solely or jointly, which either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

The Company had acceded to the Non-Competition Agreement (NCA) executed amongst various members of the TVS family in the year 2022 by executing Deed of Adherence. The NCA recorded the understanding in respect of conduct of different kinds of business by the members of the TVS family.

Further, consequent to the recognition of the ownership of the Marks "TVS" "Sundaram" and "Sundram" in the

respective TVS family members in connection with the business owned or controlled or operated by them, as part of the family arrangement amongst the TVS family members, the Board of Directors of the Company at its meeting held on May 06, 2024, based on the recommendation of the Audit Committee, recognised the need to formalise the right to use the Mark "TVS" by the Company with its current owner viz; Gopal Srinivasan Family Group and approved the payment of brand usage fee by the Company to M/s. Sundaram Investment Consultants LLP (Licensor), an entity nominated by Gopal Srinivasan Family Group, being related party, at the rate not exceeding 1% of consolidated net sales of the Company with effect from April 01, 2023 ("Commencement Date"), subject to the condition that in the event of absence of profit or inadequacy of profit in a financial year, the Company shall pay a fixed brand usage fee of ₹ 5,00,000 (Rupees Five Lakhs) to the Licensor for that particular financial year.

The details are filed with the Stock Exchanges and is hosted in the Company's website <https://www.tvs-e.in/investor-relations/>

Change In The Nature Of Business

There was no change in the nature of business of the Company during the Financial Year.

Subsidiary, Joint Venture Associates Companies

The Company does not have any Subsidiary, Joint Venture or Associate. There was no Company which has become or ceased to be company's subsidiary, Joint Venture or associate during the Financial Year 2023-24. The details in the form of AOC-1 is given as Annexure A to this report.

Consolidated Accounts

The Company do not have any Subsidiary Company/ Joint Venture/Associate Company as on March 31, 2024 and hence the requirement to Consolidate Accounts is not applicable.

Annual Return

In terms of the requirements of Section 92(3) read with 134(3)(a) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 the copy of the Annual Return in prescribed format is available on the website of the Company https://www.tvs-e.in/wp-content/finreports/annual_reports/2024/FormFY24.pdf

Number of Board and Committee Meetings

The details of the Board and Committee Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

Share Capital

The paid up share capital of the Company as on March 31, 2024 is ₹ 18,65,03,180/-consisting of 1,86,50,318 Equity Shares of ₹ 10/- each.

Particulars of Loans, Guarantees or Investments

The Company has not granted any fresh loans or guarantees or provided any security in connection with any loan to any other body corporate or person covered under the provisions of Section 186 of Companies Act 2013. The details of investments made by the Company are given in the financial statements.

Related Party Transactions

All the related party transactions entered into are on 'arm's length' basis and in the ordinary course of business and are in compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

None of the transactions are in the nature of having any potential conflict with the interests of the Company at large. There were no material related party transactions during the year. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24 and hence does not form part of this report.

During the year under review, the Company has entered into transactions with M/s TVS investments Private Limited, which holds 10% or more shareholding in the Company as mentioned in Note 35 of Financial statement for the year ended March 31, 2024.

Omnibus approvals are obtained for related party transactions which are repetitive in nature. In respect of unforeseen transactions, specific approvals are obtained. All related party transactions are approved / reviewed by the Audit Committee on a quarterly basis, with all the necessary details and are presented to the Board and taken on record. The details of transactions with related parties are provided in the financial statements. The Related Party Transactions policy was amended to make it in line with the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is uploaded on the Company's website at <https://www.tvs-e.in/wp-content/finreports/policy/RELATED%20PARTY%20TRANSACTION.pdf>

Directors and Key Managerial Personnel

Independent Directors

All independent Directors hold office for a fixed period of five years and are not liable to retire by rotation. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and the provisions of SEBI (LODR) Regulations, 2015. The terms of appointment of Independent Directors are available in the Company's website <https://www.tvs-e.in/wp-content/finreports/Terms%20of%20appointment%20of%20Independent%20Directors.pdf>

The Company has not appointed any new Independent Director during the year. In the opinion of the Board, the existing Independent Directors are with sufficient integrity, expertise and experience. As per the provisions of Rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014, all the Independent Directors have registered their name in the databank maintained by the Indian Institute of Corporate Affairs and the Independent Directors will evaluate their past experiences and complete the online proficiency test, if applicable.

Re-appointment of Independent Directors – Second Term:

Based on the recommendation of the Nomination and Remuneration Committee and the performance evaluation, the Board of Directors at its meeting held on May 6, 2023, considered the experience, background and contributions made by the following Independent Directors and reappointed them for the second term of five consecutive years and the shareholders approved the aforesaid re-appointments by way of passing special resolutions through postal ballot on June 16, 2023.

| Name of the Independent Director | Second Term | Committee Details |
|----------------------------------|--|-----------------------|
| Mr. K Balakrishnan | August 09, 2023 to August 08, 2028 | SRC (C), AC, NRC, CSR |
| Dr. V Sumantran | August 09, 2023 to August 8, 2028 | AC |
| Mrs. Subhasri Sriram | February 07, 2024 to February 06, 2029 | AC (C), NRC |

AC- Audit Committee, SRC- Stakeholders' Relationship Committee, NRC- Nomination and Remuneration Committee, CSR- Corporate Social Responsibility Committee, (C)- Chairperson

Re-appointment of Managing Director - Key Managerial Personnel:

The Board of Directors at their meeting held on May 06, 2023, based on the recommendation of the Nomination and Remuneration Committee (NRC) and Audit Committee, re-appointed Mrs. Srilalitha Gopal (DIN: 02329790), as Managing Director of the Company, liable to retire by rotation for a period of 5 consecutive years from May 11, 2023 to May 10, 2028 for a remuneration of ₹ 2 Crore p.a. Further, the shareholders of the Company approved the said proposal by way of passing special resolution through postal ballot on June 16, 2023.

Separate Meeting of Independent Directors

During the year, a separate meeting of Independent Directors was held on November 10, 2023 The Independent Directors

actively participated and provided guidance to the Company in all its spheres.

Retirement by Rotation

Mrs. Srilalitha Gopal (DIN: 02329790) Managing Director, who will retire by rotation at the ensuing Annual General Meeting of the Company under Section 152(6) of Companies Act 2013 has expressed her desire to seek re-appointment on the Board. Based on the recommendation of NRC, the Board at its meeting held on May 09, 2024, accepted her request and recommended for re-appointment.

Continuation of appointment of Mr. Gopal Srinivasan as Non Executive Non Independent Director under the designation of Chairman:

Pursuant to the amended provisions of Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 09, 2024, approved the continuation of appointment of Mr. Gopal Srinivasan (DIN: 00177699) for a period of five consecutive years with effect from August 10, 2024 to August 09, 2029 in the position of Chairman, not liable to retire by rotation, subject to the approval of the shareholders.

The proposal will be placed before the shareholders in the ensuing Annual General Meeting scheduled to be held on August 10, 2024 for approval.

Woman Director

In terms of Section 149 of Companies Act, 2013, the Company is required to have a Woman Director on its Board. Mrs. Srilalitha Gopal, Managing Director is already on the Board of the Company from November 10, 2011 and hence the Company fulfills the requirements of the said Section.

In terms of Regulation 17 of SEBI (LODR) Regulations, 2015, the top 1000 listed entities shall have at least one Independent Women Director by April 01, 2020. Though the Company is not in the list of top 1000 listed entities, following good corporate governance, the Board at their meeting held on February 07, 2019 appointed Mrs. Subhasri Sriram as Independent Women Director and the shareholders approved the appointment at the Annual General Meeting held on August 10, 2019. Subsequently, she was re-appointed for a period of five consecutive years with effect from February 07, 2024 with the approval of shareholders on June 16, 2023 by way of postal ballot process.

Key Managerial Personnel (KMPs)

In terms of Section 2(51) and Section 203 of the Companies Act, 2013, Mrs. Srilalitha Gopal, Managing Director, Mr. A Kulandai Vadivelu, Chief Financial Officer and Mr. K Santosh, Company Secretary are the Key Managerial Personnel of the Company, as on date of this report.

Evaluation of the Performance

The members of the Nomination and Remuneration Committee (NRC) has carried out an evaluation of its own

performance, that of the Chairman, Managing Director, Directors individually including independent Directors, Board, the sub committees of the Board, Key Managerial Personnel and Senior Managerial Personnel. The Board evaluated the performance of the Independent Directors. The manner in which the evaluation has been carried out is explained in the Corporate Governance report.

The Company has developed a comprehensive Policy on Board Diversity that outlines the importance of functional, strategic, and structural diversity within the Board.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee of the Company reviewed the composition of the Board, to ensure that there is an appropriate mix of abilities, experience and diversity to serve the interests of the shareholders of the Company.

In accordance to Section 178 of Companies Act, 2013, the Nomination and Remuneration Policy was formulated to govern the terms of nomination, appointment and remuneration of Directors, Key Managerial and Senior Management Personnel of the Company.

The Policy ensures that (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully; (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Policy has been approved by the Nomination and Remuneration Committee and the Board.

The Nomination and Remuneration Policy is amended from time to time to make it in line with the amendments to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The document as approved by the Board is available on the Company Website at https://www.tvs-e.in/wp-content/finreports/policy/TVSE_NRC-Policy_2022_22.pdf

Risk Management

TVS-E acknowledges the importance of integrating risk management into its strategic planning framework to ensure long-term sustainability. The Risk Management Committee, tasked with addressing and mitigating risks, reports directly to the Board of Directors.

During 2023-24, the Company identified and mitigated several risks including raw material risk, import risk, technology risk, cyber security risk. The detailed explanation is covered under the Management Discussion and Analysis report.

Statutory Auditors

M/s Guru & Jana, Chartered Accountants (FRN: 006826S) were appointed as the Statutory Auditors of the Company at the 27th Annual General Meeting of the Company held on June 29, 2022 for the first term of 5 years to hold office up to the conclusion of the forthcoming 32nd Annual General Meeting.

In terms of the notification issued by Ministry of Corporate Affairs dated May 7, 2018, the requirement of obtaining shareholder's ratification every year has been done away with and requires only the Board approval. Accordingly, the Board of Directors of the Company at its meeting held on May 9, 2024 approved their appointment for the 3rd year (2024-25) in their term of 5 years to hold office till the conclusion of 32nd Annual General Meeting. There is no qualification, reservation, adverse remark, or disclaimer by the Statutory Auditors in their Report.

Internal Auditors

M/s. Suri & Co. Chartered Accountants (F.R.N. 004283S) were appointed as the Internal Auditors for the financial year 2023-24. The Board of Directors at their meeting held on May 09, 2024, based on the recommendation of the Audit Committee, re-appointed M/s. Suri & Co as Internal Auditors of the Company for the financial year 2024-25.

Cost Auditors

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audits) Rules, 2014, printers manufactured by the Company are falling under the specified Central Excise Tariff Act heading are covered under the ambit of mandatory cost audits from the financial years commencing on or after April 01, 2015.

Mr. P Raju Iyer, Cost Accountant, Chennai was appointed as the Cost Auditor of the Company, to carry out the cost audit for 2023-24. The Board of Directors at their meeting held on May 09, 2024, based on the recommendation of the Audit Committee, re-appointed Mr. P Raju Iyer, Cost Accountant, Chennai as the Cost Auditor of the Company, to carry out the cost audit for the financial year 2024-25, subject to the ratification by shareholders for the remuneration to be paid in the ensuing Annual General Meeting. As specified by the Central Government under Section 148(1) of the Companies Act, 2013, the cost records are required to be maintained by the Company and accordingly such accounts and records are made and maintained.

Secretarial Auditors

M/s. V Suresh Associates, Practicing Company Secretary, Chennai, Secretarial Auditors of the Company carried out Secretarial Audit for the financial year 2023-24 and the same is annexed as Annexure B. There is no qualification, reservation, adverse remark or disclaimer reported by the Secretarial Auditors in their report for the financial year 2023-24.

Based on the recommendation of the Audit Committee, the Board of Directors at the meeting held on May 09, 2024 re-appointed M/s. V Suresh Associates, Chennai as Secretarial Auditors for the financial year 2024-25

Employee Stock Option Plan

The details of the Stock Options granted under Employees Stock Option Scheme 2011 are provided in this Report as **Annexure C**. There are no active ESOP options under the ESOP Scheme, 2011, as on date of this report.

Credit Rating

The Company has obtained credit rating from Brickworks Ratings India (P) Limited, vide their letter dated October 10, 2023. The credit rating agency has reaffirmed the rating of "BWR A".

Transfer to Investor Education and Protection Fund (IEPF)

Unclaimed Dividend:

There was no amount required to be transferred to the IEPF during the year. However the Company has transferred the dividend to IEPF in respect of those shares which were transferred to IEPF.

Transfer of Equity Shares to IEPF Authority:

In terms of the provisions of Section 124 (6) of the Companies Act, 2013 read along with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF. Further, pursuant to the new explanation inserted on August 14, 2019, effective from August 20, 2019 to the Rule 6 – (Manner of transfer of shares under sub-section 6 of Section 124 to the Fund) of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, it is clarified that all shares in respect of which dividend has been transferred to IEPF on or before September 07, 2016, shall also be transferred by the Company to IEPF.

Based on the provisions of the Act, Rules and explanations, in the month of June, 2020, the Company's STA transferred 1,78,100 equity shares in respect of which the dividends remained unclaimed/unpaid as on the due date to the IEPF account. The statement containing the details of name, address, folio number, Demat Account number and number of shares in respect of which dividends are not claimed for seven consecutive years or more is made available in the Company's website viz., www.tvs-e.in for information and necessary action by the shareholders.

The Company will transfer dividend amount pertaining to the Financial Year 2016-17 which remains unclaimed as on August 05, 2024 as per the provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 to Investor Education and Protection Fund (IEPF).

On April 30, 2024, the Company has dispatched notice through registered post to the shareholders who have not claimed dividend(s) for seven consecutive years to apply for the unclaimed dividends within three months from the date of the notice. The said notice was also published in the newspapers (Business Standard – English and Maalaimalar – Tamil) on May 01, 2024 and subsequently filed the said newspaper publications with the stock exchanges.

In case the concerned shareholders wish to claim the shares that has been transferred to the IEPF, a separate application has to be made to the IEPF Authority in Form IEPF – 5, as prescribed in Rule 7 of the Rules and the same is available at IEPF website (www.iepf.gov.in).

Investments

The Company has completed the process of acquisition of the business and intellectual property rights of GTID Solutions Development Private Limited. This strategic move enabled the Company to enter the mobile point-of-sale (POS) software solutions and authentication solutions space. By acquiring these rights, the Company has expanded its capabilities to offer a comprehensive range of solutions including hardware, applications, digital payment solutions and cloud computing software to various sectors such as Retail, Banks and Government.

Further, the Company also completed the investment in M/S Swiftomatics Services Private Limited (RoyalPos) by way of subscribing to 2000 Nos. of Optionally Convertible and Redeemable Preference Shares. RoyalPos provides end to end SaaS based application to retail merchants, restaurants and aims to empower small and medium sized enterprises by digitalising and automating daily operations. The Company has integrated its Point of Sale products to offer efficient billing solutions to its interested customers.

Particulars of Employees and related disclosures

The particulars of the employees covered by the provisions of Section 197 (12) of Companies Act, 2013 and the rules thereunder forms part of this report. However, as per the provisions of Section 136(1) of Companies Act, 2013, the annual report is being sent to all the members excluding this statement. This will be made available for inspection through email on receiving request from the member.

Comparative analysis of remuneration paid

A comparative analysis of remuneration paid to Directors and employees with the Company's performance is given as **Annexure D** to this report.

E-Waste Management

The Company is well ahead in terms of e-waste management compliance directed by Government of India with effect from May 01, 2012. The Company has registered and authorised collection, storage and disposal centres in the required locations and has complied with the statutory requirements relating to E-Waste Management.

Report on energy conservation, technology absorption, foreign exchange and research and development

Information relating to energy conservation, technology absorption, foreign exchange earned and spent and research and development activities undertaken by the Company in accordance with the provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in **Annexure E** to the Board's Report.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) activities have been embedded in the value system of the Company for many decades. The Company continues to be actively engaged in CSR initiatives for development of the society through partnerships and continued to focus on to helping lesser privileged communities in areas like education, health & hygiene, culture & heritage and actively participated in other welfare projects.

The provisions of Section 135 of Companies Act, 2013 became applicable to the Company with effect from April 01, 2017. Accordingly, the Board of Directors of the Company, at their meeting held on May 12, 2017, constituted the CSR Committee, the details of which are provided in the Corporate Governance report.

Based on the recommendation by the CSR Committee, the Board has approved the projects / programs to be undertaken during the financial year 2023-24. The detail of CSR activities undertaken/spent by the Company has been provided as **Annexure F** to this report and also available on the Company's website <https://www.tvs-e.in/investor-relations/>

Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report and a Corporate Governance Report are made part of this Annual Report.

A Certificate from the Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of Annual Report.

Public Deposits

The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 for the year ended March 31, 2024.

Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

Policy For Determination of materiality of an event

Company has framed a policy for determination of materiality of an event and the same is available on the Company Website at: https://www.tvs-e.in/wp-content/finreports/policy/TVSE_MSP-Policy_2022_22.pdf

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

Consolidation of Factory Operations

Based on the proposal passed by the Board of Directors in its meeting held on November 12, 2022, the business assets of the factory situated at Dehradun, Uttarakhand were transferred to its factory situated at Tumakuru, Karnataka and its existing operations were consolidated by November 30, 2022. The consolidation of operations has resulted in better utilisation of space in the Tumakuru Factory and savings in operating and logistics cost.

Reporting of Fraud

During the year under review, none of the auditors of the Company (Statutory Auditors, Secretarial Auditors, Cost Auditor) has reported any instances of fraud committed

Other POSH Awareness session details

| Row Labels | Active Employees | Mode of Completion | | | Completed | Completion % |
|---|------------------|--------------------|---|--|-----------|--------------|
| | | eLearning | POSH Awareness Session by External lawyer Virtual | Webinars conducted by PoSH Ambassadors Virtual | | |
| Customer Support Services | 443 | 201 | 104 | 138 | 443 | 100% |
| Product and Solution Group | 160 | 39 | 82 | 39 | 160 | 100% |
| Support Services Group | 108 | 23 | 65 | 20 | 108 | 100% |
| Total | 711 | 263 | 251 | 197 | 711 | 100% |
| Structured Certified Course for POSH IC Members CecureUs | | | | | 4 | 100% |

Insolvency Proceedings pending, if any under the Insolvency and Bankruptcy Code 2016

During the year no application has been made and there are no proceeding pending as per Insolvency and Bankruptcy Code 2016

Details of difference between amount of the valuation done at the time of one time settlement and while taking loan

No such event has occurred during the year under review.

against the Company by its officers or employees, as specified under Section 143(12) of Companies Act, 2013.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India ("ICSI").

Other Laws

Disclosure in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review

Number of complaints received in the year: Nil

Number of complaints disposed off during the year: NA

Number of cases pending for more than 90 days: Nil

Number of Workshop or awareness Program: One awareness program was conducted during the women's forum day and e-learning courses* were launched by the Company.

Nature of Action taken by the employer or District Officer: Nil

*ELearning on POSH (Prevention of Sexual Harassment)-Mandatory Course was developed by of the Company to educate and spread awareness to all the employees of TVSE.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The Company has not raised funds through preferential allotment or qualified institutions placement during the financial year 2023-24.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the

Company, work performed by the internal, statutory, cost and secretarial auditors and external consultants, advisors of the Company and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2023-24:

The financial statements have been prepared in accordance with the Indian Accounting Standards, which has become applicable to the Company with effective from April 01, 2017.

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, further confirm:

- i. in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable Indian accounting standards have been followed and that there were no material departures;
- ii. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2024 and of the profits of the Company for the year under review;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company

- and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts for the year ended March 31, 2024 on a "going concern" basis;
 - v. that the directors had laid down internal financial controls which are adequate and are operating effectively;
 - vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the committed service of all the employees.

The Directors would also like to express their grateful appreciation for the assistance and co-operation received from the customers, dealer partners, business partners, bankers and its holding company M/s TVS Investments Private Limited (formerly known as M/s Geeyes Family Holdings Private Limited).

The Directors thank the Shareholders for the continued confidence and trust placed by them in the Company.

For and on behalf of the Board

| | |
|-------------------------|---------------------------------|
| SRILALITHA GOPAL | R S RAGHAVAN |
| Managing Director | Director |
| Chennai May 09, 2024 | DIN: 02329790 DIN : 00260912 |

Annexure A to Board's Report

FORM AOC-I

(Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiary
For the Financial year ended March 31, 2024
Part "A": Subsidiary

| Sl. No | Particulars | (₹ In lakhs) |
|--------|---|--------------|
| 1. | Name of the subsidiary | NA |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | |
| 4. | Share capital | |
| 5. | Reserves & Surplus | |
| 6. | Total Assets | |
| 7. | Total Liabilities | |
| 8. | Investments | |
| 9. | (a) Turnover (b) Other Income | |
| 10. | Profit (Loss) before Taxation | |
| 11. | Provision for Taxation | |
| 12. | Profit after Taxation | |
| 13. | Proposed dividend | |
| 14. | % of shareholding | |

Notes:

1. **Names of subsidiaries which are yet to commence operations: Nil.**
2. **Names of subsidiaries which have been liquidated or sold during the year: Nil**
3. **Since there are no Associate Companies or Joint Ventures, the Part B is not applicable**

For and on behalf of the Board

SRILALITHA GOPAL
 Managing Director
 DIN:02329790

R S RAGHAVAN
 Director
 DIN: 00260912

K SANTOSH
 Company Secretary

A KULANDAI VADIVELU
 Chief Financial Officer

Chennai,
 May 09, 2024

As per our report of even date annexed

For GURU & JANA
 Chartered Accountants
 Firm Registration No: 006826S

HEENA KAUSER A P
 Partner
 Membership No: 219971

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2023-24

[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 ELECTRONICS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TVS ELECTRONICS LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **TVS ELECTRONICS LIMITED** 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 authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. TVS ELECTRONICS LIMITED** ("the Company") for the financial year ended on March 31, 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 there under;
- (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 – **(Not applicable to the Company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not applicable to the Company during the audit period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. **(Not applicable to the Company during the audit period).**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period).**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable).**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period).**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period).**

Other Laws specifically applicable to this Company is as follows:

- (vi) E-Waste (Management) Rules, 2016

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time.

The Company paid the penalty imposed by the BSE/NSE for delayed furnishing the prior intimation regarding declaration of dividend.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive

Directors, Non-Executive Directors, Independent Directors and Women Director. There is no change in the composition of the Board of Directors during the period under review.

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

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

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

We further report that the Board at its meeting held on November 11, 2023 approved the scheme of amalgamation between TVS Investments Private Limited (Transferor Company) and TVS Electronics Limited (Transferee Company). The draft scheme has been submitted with the Stock Exchanges for prior approval.

This report is to be read with our letter of even date vide Annexure-1 that forms part of this report.

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P.No. 6032

Place: Chennai
Date: May 09, 2024

Peer Review Cert. No.: 667/2020
UDIN: F002969F000342352

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,

The Members

TVS ELECTRONICS LIMITED

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For V Suresh Associates
Practising Company Secretaries

V Suresh

Senior Partner
FCS No. 2969
C.P.No. 6032

Peer Review Cert. No. : 667/2020
UDIN: F002969F000342352

Place: Chennai
Date: May 09, 2024

Annexure C to Board's Report

Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Employees Stock Option Scheme 2011

| | | |
|----|--|---|
| a) | Options Granted | 11,05,000 |
| b) | Pricing Formula | The Exercise Price and for the purpose of grant of stock options will be decided by the Nomination and Remuneration Committee, provided that the Exercise Price per option shall not be less than the par value of the Equity Share of the Company. |
| c) | Options Vested | 6,57,500 |
| d) | Options Exercised | 6,27,500 |
| e) | The total no. of ordinary shares arising as a result of exercise of options | 6,27,500 |
| f) | Options lapsed | 4,77,500 |
| g) | Variation of terms of options | Nil |
| h) | Money realised by exercise of options | ₹ 62,75,000 /- |
| i) | Total no. of options in force | Nil |
| j) | (i) Details of options granted to Senior Managerial Personnel during the year | Nil |
| | (ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during the year | Nil |
| | (iii) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital outstanding (excluding outstanding warrants & conversions) of the Company at the time of grant. | Nil |
| k) | Diluted earnings per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with the Indian Accounting Standard. | |

As on the date of this report there are no active ESOP options under the ESOP Scheme 2011.

Chennai
May 09, 2024

SRILALITHA GOPAL
Managing Director
DIN: 02329790

For and on behalf of the Board

R S RAGHAVAN
Director
DIN : 00260912

Comparative analysis of Remuneration

| S No. | Name (M/s) | Designation | Ratio to Median Remuneration | % increase in Remuneration |
|-------|---|-------------------|------------------------------|----------------------------|
| 1. | Gopal Srinivasan | Chairman | NA | NA |
| | Srilalitha Gopal | Managing Director | 1:41 | NA |
| | M. Lakshminarayan | NEID | NA | NA |
| | M F Farooqui | NEID | NA | NA |
| | R S Raghavan | NENID | NA | NA |
| | K Balakrishnan | NEID | NA | NA |
| | V Sumantran | NEID | NA | NA |
| | Subhasri Sriram | NEID | NA | NA |
| | A Kulandai Vadivelu * | CFO | 1:15 | 6% |
| | K Santosh | CS | 1:6 | 10% |
| 2. | Percentage Increase in the median remuneration of employees in the financial year | | 8% | |
| 3. | The number of permanent employees in the rolls of the Company as on March 31, 2024**. | | 703 | |
| 4. | Average percentile increase in the salaries of employees other than the managerial personnel during the year 2023-24 was 9% and for the managerial personnel was 5 %. | | | |
| 5. | It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company. | | | |

NENID : Non Executive Non Independent Director

NEID : Non Executive Independent Director

*Performance compensation for the FY 2022-23 was paid during the FY 2023-24

**The number of permanent employees in the rolls of the Company as on March 31, 2023 - 609.

For and on behalf of the Board

SRILALITHA GOPAL
Managing Director
DIN: 02329790

R S RAGHAVAN
Director
DIN : 00260912

Chennai
May 09, 2024

Information relating to Energy Conservation, Technology Absorption, and Foreign Exchange Earnings and Outgoing forming part of directors' report in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

(a) Conservation of energy

| | | |
|------|--|---|
| i. | the steps taken or impact on conservation of energy | NIL |
| ii. | the steps taken by the Company for utilizing alternate sources of energy | Introduced Thermal Printer/Dot Matrix Printer with solar power operating compatibility |
| iii. | the capital investment on energy conservation equipment | 400 KwP Roof top solar Generation plant commissioned from December 04, 2023. Till Mar 24, 95% of plant consumption is through Solar. EV vehicles are being used |

(b) Technology absorption

| | | |
|-------|---|---|
| i. | the efforts made towards technology absorption | <ul style="list-style-type: none"> Thermal & Label Printers with BLE/Wifi Technology Industrial grade computers for billing applications New Age Printer- Cloud Based Solution |
| ii. | the benefits derived like product improvement, cost reduction, product development or import substitution | <ul style="list-style-type: none"> Product improvement – <ul style="list-style-type: none"> Promotion of in-house assembly of many products in line with Made in India (MII) initiative. Contract Manufacturing Services (CMS) for ATM Printer & Keyboards Expanded our product range for mobility use cases Product development or import <ul style="list-style-type: none"> Software application development for Retail, Parking billing applications – TVS-E Pay |
| iii. | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | <ul style="list-style-type: none"> Latest machinery and tools to allow for Made in India based circuit board manufacturing |
| iv. | the details of technology imported | <ul style="list-style-type: none"> SMT production line machinery |
| v. | the year of import; | 2023 |
| vi. | whether the technology been fully absorbed | Yes |
| vii. | if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | NA |
| viii. | the expenditure incurred on Research and Development | Nil |

(c) Foreign exchange earnings and Outgo

The Company exported Printers and other components

| | March 31, 2024 ₹ in lakhs | March 31, 2023 ₹ in lakhs |
|--------------------------------|------------------------------|------------------------------|
| (a) Total Forex earned (FOB) : | 562.78 | 1,331.99 |
| (b) Total Forex used (FOB) : | 12,548.08 | 12,955.40 |

For and on behalf of the Board

SRILALITHA GOPAL
Managing Director
DIN: 02329790

R S RAGHAVAN
Director
DIN : 00260912

Chennai
May 09, 2024

PARTICULARS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company: The Company was engaged in CSR activities for the past many decades. Through CSR initiatives, the Company intends to give back to the society as a corporate citizen, with a focus on education, health and hygiene, culture and heritage. The CSR policy inter alia guides on CSR budget and utilisation, project identification and selection criteria, monitoring and reporting framework etc. The complete CSR policy of the Company may be accessed at the website of the Company www.tvse.in

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. | Mr. M Lakshminarayan, | Chairman | 1 | 1 |
| 2. | Mr. R S Raghavan, | Member | 1 | 1 |
| 3. | Mr. K Balakrishnan, | Member | 1 | 1 |

3. Provide the Web-link where Composition of CSR committee CSR policy and CSR projects approved by the Board are disclosed On the Website of the Company : <https://www.tvse.in/investor-relations/>

4. Provide the details of Impact assessment of CSR projects carried Out in pursuance of sub rule (3) of rule 8of the Companies(Corporate Social Responsibility Policy) Rules 2014, if applicable : **NOT APPLICABLE**

5. (a) Average net profit of the Company as per section 135(5) : ₹ **1342.88 lakhs**
 (b) Two percent of average net profit of the Company as per section 135(5) : ₹ **26.86 lakhs**
 (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 : ₹ **10.46 lakhs**
 (e) Total CSR obligation for the financial year [(b) + (c) - (d)] : ₹ **16.40 lakhs**
6. (a) Amount spent on CSR Projects (both **Ongoing Projects** and **Other Than Ongoing Projects** for the financial year) : ₹ **32.38 lakhs**
 (b) Amount spent in Administrative Overheads : ₹ **0.62 lakhs**
 (c) Amount spent on Impact Assessment, if applicable : **NIL**
 (d) Total amount spent for the Financial Year [a+b+c] : ₹ **33 lakhs**
 (e) CSR Amount spent or unspent for the Financial Year:

| Total amount Spent for the Financial Year. (in ₹ lakhs) | Amount Unspent (in ₹) | | | | |
|---|---|-------------------|--|---------|-------------------|
| | 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. |
| 33 | | | NIL | | |

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

| Sl. No | Particular | Amount (in ₹. lakhs) |
|--------|--|----------------------|
| (i) | Two percent of average net profit of the Company as per sub-section (5) of section 135 | 26.86 |
| (ii) | Total amount spent for the Financial Year (including carried forwarded of excess spent of ₹ 10.46 lakhs from FY 2020-21) | 43.46 |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 16.60 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | - |
| (v) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | 16.60 |

7. (a) Details of Unspent CSR amount for the preceding three Financial Years:

| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
|---------|-----------------------------|---|---|---|--|------------------|---|--------------------|
| | | | | | Amount (in ₹) | Date of Transfer | | |
| 1 | FY-1 | | | | | | | |
| 2 | FY-2 | | | | | | | |
| 3 | FY-3 | | | | | | | |

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

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

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

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

NIL

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135 : **NIL**

Mrs. Srilalitha Gopal
 Managing Director
 DIN: 02329790

Mr. M Lakshminarayan
 Chairman CSR Committee
 DIN: 00064750

Report on Corporate Governance

[Under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

(1) Brief statement on Company's Philosophy on Code of Governance

The Company, in accordance with the TVS Group's philosophy, embraces the principles of sound and efficient Corporate Governance as an enduring commitment. It places utmost importance on implementing equitable, transparent, and morally upright governance practices to uphold the most elevated benchmarks of behavior. The organisation is firmly committed to conducting its operations in a manner that nurtures sustainable growth and augments shareholder value.

To govern its activities and behaviour, the Company adheres to a comprehensive Code of Business Conduct and Ethics, applicable to its Directors (including Non-Executive Directors) and Senior Management Personnel. The Company continuously assesses the efficacy of its implemented measures, including the Vigil Mechanism and internal control systems, to verify their effectiveness. The Board of Directors conscientiously carries out business operations in strict adherence to applicable laws and regulations. Furthermore, the Board periodically conducts comprehensive evaluations of business plans, performance, and regulatory compliance to uphold transparency, foster accountability, and attain organisational objectives.

(2) Board of Directors

As at March 31, 2024, the Board of Directors of the Company consisted of Eight (8) Directors comprising of a Non-Executive and Non-Independent Chairman, Managing Director, Non- Executive and Non-Independent Director, and five Non-Executive Independent Directors. Each member of the Board possesses exceptional expertise and accomplishments within their respective fields of specialisation.

Based on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board at its meeting held on May 06, 2023, re-appointed Mrs. Srilalitha Gopal as the Managing Director of the Company for the term of five consecutive years with effect from May 11, 2023, liable to retire by rotation.

The shareholders approved the re-appointment proposal through postal ballot on June 16, 2023.

Furthermore, based on the recommendation of the Nomination and Remuneration Committee and the performance evaluation, the Board of Directors at its meeting held on May 06, 2023, re-appointed the following Independent Directors for the Second Term of 5 consecutive years. The shareholders approved re-appointment proposal through postal ballot on June 16, 2023:

1. Dr. V. Sumantran (DIN: 02153989) as Non-Executive Independent Director for the second term of five consecutive years with effect from August 09, 2023 to August 08, 2028.
2. Mr. K. Balakrishnan (DIN: 00722447) as Non-Executive Independent Director for the second term of five consecutive years with effect from August 09, 2023 to August 08, 2028.
3. Mrs. Subhasri Sriram (DIN: 01998599) as Non-Executive Independent Director for the second term of five consecutive years with effect from February 07, 2024 to February 06, 2029

None of the Directors are related to each other except Mr. Gopal Srinivasan and Mrs. Srilalitha Gopal, who are spouses.

All the Directors have disclosed other directorships and committee positions in other public companies. It is observed that directorships / committee memberships and chairmanships are as per the prescribed limits provided under the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the financial year 2023-24, Six Board Meetings were held respectively on May 06, 2023, August 05, 2023, November 10, 2023, November 11, 2023, February 10, 2024 and March 09, 2024. The gap between any two meetings did not exceed 120 days.

The last Annual General Meeting (AGM) of the Company was held on August 05, 2023 at the Music academy, Kasturi Srinivasan hall, Chennai - 600014 with an option for members to participate in the meeting through Video Conferencing/ Other Audio Visual Means ("VC/OAVM").

All the existing Non Executive Independent Directors are not liable to retire by rotation. Mr. R S Raghavan, Non Executive Non Independent director and Mrs. Srilalitha Gopal, Managing Director are liable to retire by rotation.

The names and categories of the Directors on the Board as on date of this report, their attendance at Board Meetings and AGM held during 2023-24 and the number of directorships and Committee chairmanships/Memberships held by them in other companies as at March 31, 2024 are provided hereunder:

| Name of the Director | Category | No. of Board Meetings during the year 2023-24 | | Whether attended last AGM held on August 05, 2023 | Number of other Directorships and Committee Memberships / Chairmanships | | |
|--|---|---|----------|---|---|---------------------------|-------------------------|
| | | Held | Attended | | Other Directorships (a) | Committee Memberships (b) | Committee Chairmanships |
| Mr. Gopal Srinivasan Chairman DIN: 00177699 | Chairman Non-Independent Non- Executive | 6 | 4 | Yes | 13 | 0 | 0 |
| Mrs. Srilalitha Gopal DIN: 02329790 | Executive Director | 6 | 6 | Yes | 4 | 1 | 0 |
| Mr.M Lakshminarayan DIN 00064750 | Independent Non-Executive | 6 | 5 | Yes | 9 | 6 | 2 |
| Mr. M F Farooqui DIN 01910054 | Independent Non- Executive | 6 | 6 | Yes | 1 | 2 | 0 |
| Mr. R S Raghavan DIN 00260912 | Non Independent Non- Executive | 6 | 6 | Yes | 3 | 1 | 0 |
| Mr.K Balakrishnan DIN 00722447 | Independent Non Executive | 6 | 6 | Yes | 2 | 2 | 1 |
| Dr. V Sumantran DIN 02153989 | Independent Non-Executive | 6 | 6 | Yes | 4 | 3 | 2 |
| Mrs. Subhasri Sriram DIN 01998599 | Independent Non-Executive | 6 | 4 | Yes | 15 | 3 | 2 |

(a) includes directorship of listed, unlisted public and private companies.

(b) Includes membership of Audit Committee, Stakeholders Relationship Committee only of listed and unlisted public company.

| SL. No | Name of the Director | Name of Listed Company | Category of Directorship |
|--------|---|--|--|
| 1 | Mr. Gopal Srinivasan Chairman DIN 00177699 | | NIL |
| 2 | Mrs.Srilalitha Gopal DIN 02329790 | | NIL |
| 3 | Mr. M Lakshminarayan DIN 00064750 | Suprajit Engineering Limited Sansera Engineering Limited ASM Technologies Limited ZF Commercial Vehicle Control Systems India Limited | Independent Director Independent Director Independent Director Independent Director |
| 4 | Mr. M F Farooqui DIN 01910054 | The Ramco Cements Limited | Independent Director |
| 5 | Mr. R S Raghavan DIN 00260912 | | NIL |
| 6 | Mr. K Balakrishnan DIN 00722447 | | NIL |
| 7 | Dr. V Sumantran DIN 02153989 | Rane Holdings Limited InterGlobe Aviation Limited | Independent Director Independent Director |
| 8 | Mrs. Subhasri Sriram DIN 01998599 | Niyogin Fintech Limited Shriram Asset Management Company Limited | Independent Director Non-Executive - Non Independent Director |

A Certificate from the Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report.

Shares held by Directors

As on the date of this report, Mr. Gopal Srinivasan holds 150 equity shares in the Company. None of the other directors hold any equity shares in the Company and there are no convertible instruments or any other kind of shares issued by the Company.

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company other than Sitting Fees for Board and Committee Meetings.

The Company ensures that all statutory, significant material information are placed before the Board/ Committees of Directors for their noting / approval to enable them to discharge their responsibilities as trustees of the large family of shareholders. During the year, information on matters mentioned in terms of Regulation 17 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration. The Board periodically reviews compliance of all laws applicable to the Company.

Scheduling and selection of Agenda items for Board Meetings

All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board/Committee Meetings.

Post meeting follow-up mechanism

Important decisions taken at the Board/Committee Meetings are promptly communicated to the concerned departments. Action Taken Report on decisions/minutes of previous meetings is placed at the succeeding meetings of the Board/Committee for noting.

Code of Conduct for Board of Directors and Senior Management

The Code of Conduct has been communicated to all the Directors and members of the senior management. The Code is also available on the Company's website at <https://www.tvse.in/wp-content/finreports/policy/Code%20of%20Conduct.pdf> All Directors and Senior Management Personnel have confirmed compliance with the Code for the year ended March 31, 2024. The Annual Report contains a declaration to this effect signed by the Managing Director.

(3) Audit Committee

As on the date of this report, the Audit Committee consists of the following members:

Mrs. Subhasri Sriram – Non-Executive Independent Director- Chairperson

Mr. M Lakshminarayan – Non-Executive Independent Director

Mr. M F Farooqui – Non-Executive Independent Director

Mr. K Balakrishnan - Non-Executive Independent Director

Dr. V Sumantran - Non-Executive Independent Director

Mr. R S Raghavan - Non-Executive Non Independent Director

The members of the Audit Committee possess financial / accounting expertise and exposure. The Audit Committee consists of majority of Independent Directors.

The Company Secretary of the Company acts as the Secretary of the Committee.

The Committee's constitution and terms of reference are in compliance of the Companies Act, 2013, Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The last Annual General Meeting (AGM) of the Company was held on August 05, 2023 at Music academy, Kasturi Srinivasan hall , Chennai -600014 with an option for members to participate in the meeting through Video Conferencing / Other Audio Visual Mean. All the Directors attended the AGM.

The brief terms of reference are as under:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Reviewing, with the management, the quarterly and annual financial results and statements before submission to the Board for approval.
3. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor including Cost Auditors and the fixation of their fees.
4. Approving payment to statutory auditors, including cost auditors for any other services rendered by them.
5. To review the functioning of the Whistle Blower and Vigil mechanism.
6. Approval or any subsequent modification of transactions of the Company with related parties.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Scrutiny of inter-corporate loans and investments
9. Evaluation of internal financial controls and risk management systems

10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

11. Reviewing the utilisation of loans and/ or advances or investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.

12. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

13. Other matters as set out in the Companies Act, 2013 and the rules made thereunder and under the SEBI (LODR) Regulations, 2015.

The regulations governing the meetings of the Board / Committees of the Board as outlined in the

Details of the Audit Committee Meeting:

The details of Audit Committee meetings attended by its members, in terms of the SEBI (LODR) Regulations, 2015, during the financial year 2023-24 are given below:

| S. No. | Name of the Member | Status | Number of Meetings | |
|--------|------------------------------------|---|--------------------|----------|
| | | | Held | Attended |
| 1 | Mrs. Subhasri Sriram (Chairperson) | Non-Executive Director – Independent | 5 | 3 |
| 2 | Mr. M Lakshminarayan | Non-Executive Director – Independent | 5 | 5 |
| 3 | Mr. M F Farooqui | Non-Executive Director – Independent | 5 | 5 |
| 4 | Mr. K Balakrishnan | Non-Executive Director – Independent | 5 | 5 |
| 5 | Dr. V Sumantran | Non-Executive Director – Independent | 5 | 5 |
| 6 | Mr. R S Raghavan | Non-Executive Director- Non-Independent | 5 | 5 |

(4) Nomination and Remuneration Committee (NRC):

The NRC as on the date of this report consists of the following members.

Mr. M F Farooqui – Non Executive - Independent Director– Chairman

Mr. M Lakshminarayan – Non Executive – Independent Director

Mr. K Balakrishnan– Non Executive - Independent Director

Mrs. Subhasri Sriram – Non Executive - Independent Director

The Company Secretary acts as the Secretary of the Committee.

As per the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the members of the NRC are non-executive Directors

Brief terms of reference:

- 1) To identify persons who are qualified to become directors and who may be appointed in senior management and recommend their appointment and / or removal to the Board of Directors of the Company.

Articles of Association shall apply to the meetings of this Committee, with necessary modifications and adaptations, as long as they are consistent with the context and intent of these provisions.

The subjects reviewed and recommended in the meetings of the Audit Committee were appraised to the Board by the Chairperson of the Audit Committee.

Five Audit Committee Meetings were held during the year respectively on May 06, 2023, August 05, 2023, November 11, 2023, February 10, 2024 and March 09, 2024 . The gap between any two meetings did not exceed 120 days. The Audit Committee at its meeting held on March 09, 2024 reviewed and discussed the Enterprise Risk Management in detail.

The Managing Director, Chief Financial Officer, Statutory Auditors, Internal Auditors, Cost Auditor, Secretarial Auditor and such other executives, as may be required are invitees to the meeting.

2) For every appointment of independent director, the committee shall evaluate the skills, knowledge and experience on the Board. On the basis of such evaluation, the Committee shall prepare a description of the role and capabilities required. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

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

3) To carry out the evaluation of every Director's performance.

4) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy,

- relating to the remuneration for the directors, Key Managerial Personnel and other employees.
- 5) To formulate the criteria of evaluation of Independent Directors and the Board.
 - 6) To devise a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
 - 7) To review and recommend remuneration of Managing Directors/ Whole time directors based on their performance and defined assessment criteria.
 - 8) To administer, monitor, formulate the detailed terms and conditions of the Employees Stock Option Scheme and allot shares under the said

- ESOP Scheme to the employees / Directors of the Company, its subsidiaries and holding company.
- 9) Recommend to the Board, all remuneration, in whatever form, payable to senior Management.
 - 10) In terms of Regulation 19 (3A) of SEBI Listing Regulations, the NRC shall meet at least once in a year.
 - 11) Other matters as set out in the Companies Act, 2013 and the rules made thereunder and under the SEBI(LODR) Regulations, 2015.
- The Nomination and Remuneration Committee met twice during the financial year 2023-24 on May 05, 2023 and July 19, 2023

The details of Nomination and Remuneration Committee meetings attended by its members are given below:

| S. No. | Name of the Member | Status | Number of Meetings | |
|--------|---------------------------|--------------------------------------|--------------------|----------|
| | | | Held | Attended |
| 1. | Mr.M F Farooqui, Chairman | Non-Executive Director- Independent | 2 | 2 |
| 2. | Mr. M Lakshminarayan | Non-Executive Director- Independent | 2 | 2 |
| 3. | Mr. K Balakrishnan | Non-Executive Director – Independent | 2 | 2 |
| 4. | Mrs. Subhasri Sriram | Non-Executive Director – Independent | 2 | 2 |

The Members of Nomination and Remuneration Committee reviewed the performance of Chairman of the Company, Managing Director, Non- Executive Non Independent Director, Key Managerial Personnel, Senior Managerial Personnel, Board as a whole, Committees, self assessment and peer review.

Policy on Remuneration and Selection Criteria

The Board has, on the recommendation of the Nomination and Remuneration Committee has framed a policy for selection, appointment and fixing of remuneration of Directors, Key Managerial Personnel and Senior Management.

The Nomination and Remuneration Policy (NRC) is amended from time to time to make it in line with the amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is posted on the website of the Company at https://www.tvs-e.in/wp-content/finreports/policy/TVSE_NRC-Policy_2022_22.pdf

The Stakeholders' Relationship Committee met once during the year on November 10, 2023. The details of Stakeholders' Relationship Committee meetings attended by its members are given below:

| S. No. | Name of the Member | Status | Number of Meetings | |
|--------|------------------------------|-------------------------------------|--------------------|----------|
| | | | Held | Attended |
| 1. | Mr. K Balakrishnan- Chairman | Non-Executive Independent Director | 1 | 1 |
| 2. | Mr. M F Farooqui | Non- Executive Independent Director | 1 | 1 |
| 3. | Mrs. Srilalitha Gopal | Executive Director | 1 | 1 |

Remuneration Policy

Directors

NRC will recommend the remuneration for both Executive and Non-Executive Directors, which will then be approved by Board and shareholders, wherever required.

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board and Committee Meetings. The sitting fees shall be decided by the Board of Directors within the overall limits prescribed under the Companies Act, 2013.

(5) Stakeholders' Relationship Committee (SRC):

As on the date of this report, the SRC comprises of the following members:

- Mr. K Balakrishnan – Non-Executive Independent Director – Chairman
- Mr. M F Farooqui - Non-Executive Independent Director
- Mrs. Srilalitha Gopal – Executive Director
- Mr. K Santosh, Company Secretary of the Company acts as the Secretary of the Committee

Complaints received and redressed during the financial year 2023-24:

| Pending at the beginning of the year | Received during the year | Resolved during the year | Not solved to the satisfaction of shareholders | Pending at the end of the year |
|--------------------------------------|--------------------------|--------------------------|--|--------------------------------|
| 0 | 3 | 3 | Nil | Nil |

All the complaints received during the financial year ended March 31, 2024 were duly resolved. There are no complaints pending for redressal as on March 31, 2024. The dematerialisation requests from the Shareholders were also carried out within the stipulated time period and no Certificates were pending for dematerialisation as at the end of the financial year March 31, 2024.

(6) Corporate Social Responsibility (CSR) Committee

As on the date of this report, The Corporate Social Responsibility Committee consists of the following members:

- Mr. M Lakshminarayan – Non Executive Independent Director - Chairman
- Mr. K Balakrishnan - Non Executive Independent Director
- Mr. R S Raghavan - Non Executive Non Independent Director

The CSR Committee met on November 10, 2023 and all the members were present at the meeting. The details of CSR Policy, initiatives and spending are spelt out in Board's report.

(7) Meeting of Independent Directors

During the year, the Independent Directors met on November 10, 2023 and evaluated the performance of Non-Independent Directors, the Board as a whole, its

Details of sitting fees paid to Non-executive Directors for the year ended March 31, 2024:

| Name of the Director | (₹ In lakhs) Sitting fees |
|----------------------|---------------------------|
| Mr. Gopal Srinivasan | 4.00 |
| Mr. M Lakshminarayan | 13.50 |
| Mr. M F Farooqui | 14.50 |
| Mr. R S Raghavan | 11.50 |
| Mr. K Balakrishnan | 15.00 |
| Dr V Sumantran | 12.00 |
| Mrs. Subhasri Sriram | 10.00 |

No pecuniary relationship with any of Non Executive Directors of the Company except for payment of sitting fees for attending Board/ Committee meetings of the Company. Further the criteria to make payment to Non-Executive Directors are mentioned in detail under Nomination and Remuneration Policy on the Website of the Company: https://www.tvs-e.in/wp-content/finreports/policy/TVSE_NRC-Policy_2022_22.pdf

| Sl. NO | Additional disclosure with respect to remuneration paid to Non Executive Director under Companies Act, 2013 | |
|--------|--|---|
| 1 | All elements of remuneration package of individual directors summarised under major groups, such as salary, benefits, bonuses, stock options, pension etc. | NIL |
| 2 | Details of fixed component and performance linked incentives, along with the performance criteria; | |
| 3 | Service contracts, notice period, severance fees; | No Stock option had been issued to any of the Directors of the Company. |
| 4 | Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable. | |

Committees, Managing Director and the Chairman of the Company.

The Independent Directors also deliberated on the Board processes, which encompasses the assessment of the quality, relevance and timeliness of information exchange between the management and the Board. Such exchange is crucial for the Board to carry out its duties effectively and reasonably.

The Company has issued formal letters of appointment to Independent Directors and also disclosed the terms of appointment in the website of the Company at <https://www.tvs-e.in/wp-content/finreports/Terms%20of%20appointment%20of%20Independent%20Directors.pdf>

In the opinion of the Board, the Independent directors fulfill the conditions specified in these regulations and are independent from the management.

(8) Remuneration to Directors:

(a) Non – Executive Directors

During the year, the Company paid sitting fees of ₹ 1,00,000/- per meeting to its Non-Executive Directors for attending Board, Audit Committee, Nomination and Remuneration Committee and Independent Directors Meeting and ₹ 50,000/- per meeting for attending Corporate Social Responsibility Committee and Stakeholders Relationship Committee Meeting.

Details of remuneration paid to executive Directors for the year ended March 31, 2024.

(₹ In lakhs)

| Name of the Director | Salary/ Perquisites, etc | PF contribution | Commission | Employees Stock options | Total |
|-----------------------|--------------------------|-----------------|------------|-------------------------|--------|
| Mrs. Srilalitha Gopal | 156.08 | 9.60 | Nil | Nil | 165.68 |

(b) There is no separate provision for payment of severance fees to any of the Directors of the Company.

Senior Management Personnel

The remuneration of Senior Management and Key Managerial personnel is decided considering the current employment scenario and remuneration package of the industry. The relationship between the remuneration and performance benchmark is also made clear while determining their remuneration package.

The Members of Nomination and Remuneration reviewed the performance of Key Managerial Personnel and Senior Managerial Personnel and recommended the performance compensation for 2023-24 and remuneration payable for 2024-25 in accordance with the Nomination and Remuneration Policy of the Company.

| S. No | Name | Designation |
|------------------------------------|---------------------------|--|
| Key Managerial Personnel | | |
| 1 | Mrs. Srilalitha Gopal | Managing Director |
| 2 | Mr. A Kulandai Vadivelu | Chief Financial Officer |
| 3 | Mr. K Santosh | Company Secretary |
| Senior Management Personnel | | |
| 4 | Mr. C. Balaji | Vice President- Sales & Operations |
| 5 | Mr. K. Srinivasan | Associate Vice President - CSS Business |
| 6 | Mr. Nageshwar Rao | Vice President- Chief Human Resource Officer |
| 7 | Mr. Ravi Peddhibhotla | Chief Digital Officer |
| 8 | Mr. Srikanth Viswanathan* | Vice President & Chief Technology Officer - R&D (Products Business) |
| 9 | Mr. Sathya Doraisamy* | Chief Business Officer - Electronics Manufacturing Services (EMS) Business |

*Mr. Srikanth Viswanathan, Vice President & Chief Technology Officer - R&D (Products Business) and Mr. Sathya Doraisamy, Chief Business Officer - Electronics Manufacturing Services (EMS) Business were appointed as Senior Management Personnel with effect from May 09, 2024.

Criteria for Board membership

Directors

The Company has appointed the Directors with rich experience and expertise in various Sectors of Finance, Information Technology, Governance and other disciplines to ensure Board diversity with Directors having expertise in the fields related to the Company's business.

Independent Directors

The Independent Directors are appointed by the shareholders and they do not have any direct or indirect material relationship with the Company or any of its officers and they meet all criteria specified in Section 149(6) of the Companies Act, 2013 and the Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In terms of Section 150 read

with Rule 6 (Compliances Required by a person eligible and willing to be appointed as Independent Directors) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, all the Independent Directors of the Company have registered with the Digital Databank maintained by the Indian Institute of Corporate Affairs (IICA). Based on the past experiences, few Independent Directors are exempted from undergoing the online proficiency test and others are in process of evaluating their past experience and completing the online proficiency test, if applicable within the timeline prescribed under the Companies Act, 2013 and the Rules thereof.

In the opinion of the Board, the Independent Directors fulfill the conditions specified under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are not debarred from holding office as a Director, by virtue of any SEBI order or any other such authority.

The Nomination and Remuneration Committee and Board ensures that the candidate identified for appointment as a Director is not disqualified for

appointment under Section 164 of the Companies Act, 2013 and are not debarred from holding office as a Director, by virtue of any SEBI Order or any other such authority.

Evaluation

Board Evaluation and criteria

Pursuant to the provisions of Companies Act, 2013, the members of Nomination and Remuneration Committee and all the Independent Directors of the Company has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of all its Committees. The Board Evaluation has been conducted to assess the functioning of the Board, the adequacy of its composition and Committees, the effectiveness of Board processes and Committee operations, the prevailing Board culture, and the overall execution and performance of the Board's responsibilities and governance, including those of its Committees.

Evaluation Criteria:

The NRC laid down the criteria for evaluating the performance of every Director, Committees of the Board and the Board as a whole.

NRC prescribed a peer evaluation methodology by way of set of questionnaire to evaluate the performance of individual Directors.

The performance evaluation of each individual director was conducted, taking into account their dedication to the role and fiduciary responsibilities as a Board member, their attendance and active participation in meetings, their ability to engage in strategic and innovative thinking, their contributions and professional recommendations, and their involvement as chairpersons or members of various Committees etc among other relevant factors.

(10) General Body Meetings:

a. Annual General Meetings

The last three Annual General Meetings were held as under:

| Year | Location | Date | Time |
|------|--|-----------------|----------|
| 2021 | Through Video Conferencing / Other Audio Visual Means (VC / OAVM) | August 14, 2021 | 10.00 AM |
| 2022 | Through Video Conferencing / Other Audio Visual Means (VC / OAVM) | June 29, 2022 | 10.00 AM |
| 2023 | The Music Academy , Kasturi Srinivasan Hall, Chennai – 600014 With an Option to participate through Video Conferencing / Other Audio Visual Means (VC / OAVM) | August 05, 2023 | 10.00 AM |

b. Extraordinary General Meeting

No Extraordinary General meeting was conducted during the year.

The performance of Key Managerial Personnel (KMP) Senior Management Personnel (SMP) was measured against their achievement of the business plans approved by the Board during and at the completion of the financial year. A performance evaluation has been carried out for all SMP for 2023-24, following the criteria outlined in accordance with the policy set by the NRC.

The NRC has the overall responsibility for evaluating and approving the compensation plans, policies and programmes applicable to SMP.

NRC appointed M/s. Beyond Compliance Corporate Services Pvt Ltd, an external Independent Agency to assist the NRC members in carrying out evaluations of the performance of the Board and its Committees as a whole.

The comprehensive evaluation of the Board's performance as a collective entity was conducted, considering various criteria such as its composition, size, skill and experience, strategy formation and executive, risk management, succession planning, diversity, meeting structure, effectiveness of discussions, decision-making processes, follow-up actions, information quality, governance matters, performance assessment, and reporting by the different committees established by the Board.

Policy on Board Diversity

The Nomination and Remuneration Committee has devised the Policy on Board diversity to have balance of skills, experience and diversity on the Board.

(9) Risk Management

The Company has formulated and implemented a detailed Risk Management Matrix covering key aspects as provided under SEBI (LODR) Regulations, 2015.

c. Postal Ballot

Special Resolutions passed last year through Postal Ballot :

Details of special resolutions passed last year through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

| Particulars of Special Resolution | Date of Passing of the Resolution | Voting Pattern | |
|---|-----------------------------------|----------------------|--------------------|
| | | Votes cast in favour | Votes cast against |
| Approving the re-appointment of Dr. V. Sumantran (DIN: 02153989) as Independent Director for the second term of five consecutive years with effect from August 09, 2023 to August 08, 2028. | June 16, 2023 | 11,266,979 (99.994%) | 716 (0.006%) |
| Approving the re-appointment of Mr. K. Balakrishnan (DIN: 00722447) as Independent Director for the second term of five consecutive years with effect from August 09, 2023 to August 08, 2023 | June 16, 2023 | 11,266,117 (99.993%) | 809 (0.007%) |
| Approving the re-appointment of Mrs. Subhasri Sriram (DIN: 01998599) as Independent Director for the second term of five consecutive years with effect from February 07, 2024 to February 06, 2029. | June 16, 2023 | 11,266,155 (99.993%) | 776 (0.007%) |
| Approving the re-appointment of Mrs. Srilalitha Gopal (DIN: 02329790) as Managing Director for a term of five consecutive years with effect from May 11, 2023, liable to retire by rotation. | June 16, 2023 | 11,266,111 (99.994%) | 719 (0.006%) |

Mr. K Sriram, a Practising Company Secretary, (Membership No. F6312 / CP No.2215), was appointed as the Scrutiniser to scrutinise the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and with the General Circular nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, respectively issued by the Ministry of Corporate Affairs and Regulation 44 of SEBI Listing Regulations.

Details of special resolution proposed to be conducted through postal ballot:

As on date of this report, there is no proposal to pass any special resolution through Postal Ballot

d. Special Resolutions passed in the previous three Annual General Meetings

Details of Special Resolutions passed during the previous three Annual General Meetings by Shareholders are given below:

| Year | Subject matter of Resolution | Date of AGM |
|---------|---|-----------------|
| 2020-21 | To approve payment of minimum remuneration to Mrs. Srilalitha Gopal, Managing Director of the Company for remaining tenure of her appointment | August 14, 2021 |
| 2021-22 | To approve increase in remuneration of Mrs. Srilalitha Gopal, Managing Director of the Company | June 29, 2022 |

Means of communications

The quarterly unaudited results of the Company have been published in the Newspapers, English version in Financial Express and the Tamil version in Makkal Kural

The quarterly/annual financial results, shareholding pattern, official announcements etc., are sent to Stock Exchanges. The shareholders can access the same at www.nseindia.com and at www.bseindia.com and the Company's website at <https://www.tvs-e.in/investor-relations>

The Company's website (www.tvs-e.in) contains a separate Section "Investor Relations" where shareholders information, Annual Reports and other information is available. The press releases which are made after the board meetings for consideration of results are also displayed on the website of the Company. The Company has not made any presentations to institutional investors or analysts.

(11) General shareholder Information:

a. Annual General Meeting –

| | |
|-------|---|
| Date | Saturday, August 10, 2024 |
| Time | 10.00 a.m. |
| Venue | Company is conducting the Annual General Meeting(AGM) through Video Conferencing / Other Audio Visual Means. The procedure and other details for joining AGM through VC/OACM are mentioned in the AGM notice. |

b. Financial Year : April 1 to March 31

c. Financial reporting for the quarter ending for financial year ending March 31, 2025 (Tentative)

| | |
|------------------------|---------------------------------|
| June 30, 2024 | On or Before August 14, 2024 |
| September 30, 2024 | On or Before November 14, 2024 |
| December 31, 2024 | On or Before February 14, 2025 |
| March 31, 2025 | On or Before May 30, 2025 |
| Annual General Meeting | Between June and September 2025 |

d. The Board of Directors at their meeting held on May 09, 2024 has recommended final dividend of ₹ 1.00 per Equity Share of face value of ₹ 10/- each for the financial year ended March 31, 2024 .

e. Record date for ascertaining shareholders eligible to cast their votes for the items set out in the notice convening the AGM through remote e-voting and dividend entitlement shall be August 03, 2024. The dividend will be paid within 30 days from the date of approval by the Shareholders.

f. Listing on Stock Exchanges:

The Company's Equity Shares are listed on the following Stock Exchanges:

| Sl. No. | Name of the Stock Exchange | Stock Code |
|---------|--|------------|
| 1 | BSE Limited Floor 25, P. J. Towers, Dalal Street Mumbai 400 001 | 532513 |
| 2 | National Stock Exchange of India Limited Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex Bandra (E), Mumbai 400 051 | TVSELECT |

Annual listing fees have been paid to the above Stock Exchanges, for the financial year 2024-25.

Corporate Identification Number (CIN) of the Company: L30007TN1995PLC032941.

g. Market Price Data

Details of TVSE shares traded at NSE and BSE during the year ended March 31, 2024 are given below:

Details of shares traded at NSE:

| S. No. | Month | Price (in ₹) | | | | No. of shares Traded |
|--|-----------------|--------------|--------|--------|---------|----------------------|
| | | Open | High | Low | Closing | |
| 1 | April, 2023 | 334.50 | 406.95 | 314.10 | 386.60 | 1,29,11,754 |
| 2 | May, 2023 | 386.60 | 404.40 | 342.00 | 355.60 | 44,85,235 |
| 3 | June, 2023 | 356.00 | 430.00 | 349.20 | 403.65 | 68,37,798 |
| 4 | July, 2023 | 404.00 | 432.80 | 373.05 | 382.45 | 45,02,718 |
| 5 | August, 2023 | 383.90 | 394.00 | 342.00 | 369.95 | 24,03,837 |
| 6 | September, 2023 | 371.70 | 392.60 | 344.05 | 345.95 | 17,69,337 |
| 7 | October, 2023 | 348.30 | 406.00 | 333.15 | 345.40 | 21,19,322 |
| 8 | November, 2023 | 346.90 | 367.95 | 335.10 | 343.05 | 11,15,914 |
| 9 | December, 2023 | 344.25 | 416.75 | 339.10 | 356.15 | 40,69,005 |
| 10 | January, 2024 | 356.15 | 381.90 | 342.90 | 353.60 | 25,29,892 |
| 11 | February, 2024 | 355.00 | 364.20 | 307.80 | 311.10 | 11,90,462 |
| 12 | March, 2024 | 312.80 | 324.50 | 238.00 | 250.60 | 12,49,765 |
| Total traded quantity during the financial year 2023-24 | | | | | | 4,51,85,039 |

Details of shares traded at BSE:

| S. No. | Month | Price (in ₹) | | | | No. of shares Traded |
|--|-----------------|--------------|--------|--------|---------|----------------------|
| | | Open | High | Low | Closing | |
| 1 | April, 2023 | 333.55 | 407.05 | 314.45 | 386.6 | 11,01,425 |
| 2 | May, 2023 | 386.6 | 403.95 | 342.3 | 353.65 | 5,07,580 |
| 3 | June, 2023 | 355.95 | 429.65 | 348.85 | 403.35 | 7,14,971 |
| 4 | July, 2023 | 408.4 | 432 | 367.65 | 382.45 | 4,25,753 |
| 5 | August, 2023 | 383.3 | 393.5 | 342.3 | 370 | 3,14,477 |
| 6 | September, 2023 | 371.5 | 393 | 344.5 | 345.95 | 1,97,247 |
| 7 | October, 2023 | 348.95 | 405 | 333.05 | 346.15 | 1,67,802 |
| 8 | November, 2023 | 348.4 | 368.35 | 338.6 | 342.8 | 1,63,013 |
| 9 | December, 2023 | 348.15 | 417.15 | 322.25 | 356.3 | 5,35,627 |
| 10 | January, 2024 | 357.2 | 382 | 337.05 | 353.85 | 3,12,962 |
| 11 | February, 2024 | 357.95 | 363 | 308.25 | 311.15 | 1,77,887 |
| 12 | March, 2024 | 314.05 | 325 | 235 | 250.75 | 2,14,743 |
| Total traded quantity during the financial year 2023-24 | | | | | | 48,33,487 |

The Company's share price performance in comparison to BSE Sensex based on share price as on March 31, 2024.

| Financial year | Percentage change in | |
|----------------|---------------------------|------------|
| | Company's share price (%) | Sensex (%) |
| 2023-24 | (24.50) | 24.85 |
| 2022-23 | 29.78 | 0.72 |
| 2021-22 | 100.12 | 18.30 |

h. Transfer System:

With a view to rendering prompt and efficient services to the investors, the Company has handed over the Share registry work pertaining to the Company to M/s Integrated Registry Management Services Private Limited (Integrated) Reg.no. INR00000544 with effect from March 16, 2021.

Integrated Registry Management Services Private Limited

2nd Floor, Kences towers,

No. 1 Ramakrishna Street,

North Usman road,

T Nagar, Chennai - 600017.

Phone no: 044- 28140801/ 28140803

Fax No: 044- 28142479

Email id: srirams@integratedindia.in

i. Distribution of equity shareholding as on March 31, 2024:

| No. of shares held | No. Of Shareholders | % of Shareholders | No. of Shares Held | % of Shareholding |
|--------------------|---------------------|-------------------|--------------------|-------------------|
| Upto 50 | 30,809 | 61.32 | 5,47,335 | 2.94 |
| 51 to 100 | 9,440 | 19.15 | 8,59,867 | 4.61 |
| 101 to 500 | 7,861 | 15.60 | 19,53,415 | 10.47 |
| 501 to 1000 | 1,126 | 2.35 | 8,79,815 | 4.72 |
| 1001 to 2000 | 447 | 0.92 | 6,72,357 | 3.60 |
| 2001 to 3000 | 129 | 0.27 | 3,29,449 | 1.77 |
| 3001 to 4000 | 49 | 0.09 | 1,72,681 | 0.92 |
| 4001 to 5000 | 50 | 0.10 | 2,34,271 | 1.26 |
| 5001 to 10000 | 56 | 0.12 | 4,19,559 | 2.25 |
| 10001 and above | 38 | 0.08 | 1,25,81,569 | 67.46 |
| TOTAL | 50,005 | 100 | 1,86,50,318 | 100 |

j. Pattern of equity shareholding as on March 31, 2024

The detailed report on the shareholding pattern of the Company as on March 31, 2024 is also available in the website of the Company <https://www.tvs-e.in/shareholding-pattern>

| Sl No. | Category | No. of Shareholders | No. of Shares | % to total paid up share capital |
|----------|---|---------------------|--------------------|----------------------------------|
| A | Promoters and Promoter Group - | | | |
| | Individuals / Hindu Undivided Family | 1 | 150 | 0.00 |
| | Bodies Corporate | 2 | 1,11,72,593 | 59.91 |
| | Total (A) | 3 | 1,11,72,743 | 59.91 |
| B | Public Shareholding | | | |
| 1 | Institutions | | | |
| i. | Mutual Funds | 3 | 1,600 | 0.01 |
| ii. | Banks / Financial Institutions | 2 | 1,000 | 0.01 |
| iii. | Foreign Portfolio Investors | 2 | 46,459 | 0.25 |
| iv. | Central Government / State Government / President of India | 1 | 100 | 0.00 |
| | Total Institutions (B) (1) | 8 | 49,159 | 0.27 |
| 2 | Non- Institutions (B) (2) | | | |
| i. | Bodies Corporate – Indian | 167 | 3,33,177 | 1.79 |
| ii. | Individuals Shareholders holding | | | |
| a) | Upto ₹ 2 lakhs of Nominal Share Capital) | 48,441 | 56,83,607 | 30.47 |
| b) | Excess of ₹ 2 lakhs of Nominal Share Capital) | 16 | 7,46,114 | 4.00 |
| 3 | Others (B) (3) | | | |
| a) | Director or Director's Relatives | 2 | 250 | 0.00 |
| b) | IEPF | 1 | 1,75,850 | 0.94 |
| c) | KMP | - | - | - |
| d) | NRI | 715 | 2,16,922 | 1.16 |
| e) | HUF | 621 | 2,05,343 | 1.11 |
| f) | Trusts | 1 | 300 | 0.00 |
| g) | Limited Liability Partnership | 10 | 54,104 | 0.29 |
| h) | Clearing Members | 20 | 12,749 | 0.06 |
| | Total Non Institutions (B) (2) + (B)(3) | 49,994 | 74,28,416 | 39.82 |
| | Total Public Shareholding (B) = (B) (1) + (B) (2)+(B)(3) | 50,002 | 74,77,575 | 40.09 |
| | TOTAL (A)+(B) | 50,005 | 1,86,50,318 | 100.00 |

k. Dematerialisation of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialised form on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Details of Equity shares of the Company in dematerialised and physical form as on March 31, 2024, is given below:

| Mode of Holding | Percentage | No. of shareholders | No. of Shares |
|-----------------|------------|---------------------|--------------------|
| Demat | 98.31 | 47,647 | 1,83,35,991 |
| Physical | 1.69 | 2,358 | 3,14,327 |
| Total | 100 | 50,005 | 1,86,50,318 |

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE236G01019**.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: **Nil**

I. Plant / Repair Factories locations:

Tumkur

Panditanahalli, Hirehalli Post,
Tumkur District, Karnataka- 572168

m. Address for Investor's Correspondence:

Integrated Registry Management Services Private Limited

2nd Floor, Kences towers,
No. 1 Ramakrishna Street,
North Usman road,
T Nagar, Chennai - 600017.
Phone no: 044- 28140801/ 28140803
Fax No: 044- 28142479

Email id: srirams@integratedindia.in

Designated e-mail address for investor services: investorservices@tvs-e.in

Compliance Officer: Mr. K Santosh

Arihant E Park, No 117/1

9th Floor, L B Road

Adyar, Chennai - 600 020

Phone No. :91-44-4200 5200

E- Mail id: k.santosh@tvs-e.in

N. Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund:

The Company has transferred unclaimed dividend amount as per the provisions of the Companies Act, 2013 and Rules thereof to Investor Education and Protection Fund (IEPF). The details are available on the website of the Company i.e. www.tvs-e.in. In case the concerned shareholders wish to claim the unclaimed dividend amount that have been transferred to the IEPF, a separate application has to be made to the IEPF Authority in Form IEPF – 5, as prescribed in Rule 7 of the Rules and the same is available at IEPF website (www.iepf.gov.in).

O. Transfer of Equity Shares respect of which dividend has not been paid or claimed for seven consecutive years or more:

In terms of the provisions of Section 124 (6) of the Companies Act, 2013 read along with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF. Further, pursuant to the new explanation inserted on August 14, 2019, effective from August 20, 2019 to the Rule 6 – (Manner of transfer of shares under sub-section 6 of Section 124 to the Fund) of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, it

is clarified that all shares in respect of which dividend has been transferred to IEPF on or before September 07, 2016, shall also be transferred by the Company to IEPF.

Based on the provisions of the Act, Rules and explanations, in the month of June, 2020, the Company's STA transferred 1,78,100 equity shares in respect of which the dividends remained unclaimed/unpaid as on the due date to the IEPF account. The statement containing the details of name, address, folio number, Demat Account number and number of shares in respect of which dividends are not claimed for seven consecutive years or more is made available in the Company's website viz., www.tvs-e.in for information and necessary action by the shareholders.

The Company will transfer dividend amount pertaining to the Financial Year 2016-17 which remains unclaimed as on August 05, 2024 as per the provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 to Investor Education and Protection Fund (IEPF).

On April 30, 2024, the Company has dispatched notice through registered post to the shareholders who have not claimed dividend(s) for seven consecutive years to apply for the unclaimed dividends within three months from the date of the notice. The said notice was also published in the newspapers (Business Standard – English and Maalaimalar – Tamil) on May 01, 2024 and subsequently filed the said newspaper publications with the stock exchanges.

The details are made available on the website of the Company i.e. www.tvs-e.in. In case the concerned shareholders wish to claim the shares that has been transferred to the IEPF, a separate application has to be made to the IEPF Authority in Form IEPF – 5, as prescribed in Rule 7 of the Rules and the same is available at IEPF website (www.iepf.gov.in).

P. Unclaimed Shares:

In terms of the provisions of Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, the unclaimed share certificates are required to be dematerialised and transferred to "Unclaimed Suspense Account". As required under SEBI (LODR) Regulations, the Company sent reminder letters to the shareholders, whose share certificates were returned undelivered or unclaimed. The voting rights in respect of unclaimed shares held in Unclaimed Suspense Account stands frozen in terms of Regulation 39 read with Schedule VI of SEBI (LODR) Regulations, till the rightful owners of such shares claim them.

The Disclosures with respect to demat suspense account/ unclaimed suspense account is given below:

| Details | No. of | |
|---|---|--------------|
| | Shares | Shareholders |
| As on September 09, 2014 | 94,182 | 640 |
| Transferred to original shareholders during: | | |
| Financial Year 2015-16 | 400 | 3 |
| Financial Year 2016-17 | 1,300 | 2 |
| Financial Year 2017-18 | 1,550 | 8 |
| Financial Year 2018-19 | 1,200 | 10 |
| Financial Year 2018-19 | 1,150 | 6 |
| Financial Year 2019-20 | - | - |
| Financial Year 2020-21 | 64,182 | 519 |
| Financial Year 2021-22 | - | - |
| Financial Year 2022-23 | 500 | 1 |
| Outstanding as on March 31, 2023 | 23,900 | 91 |
| Transferred to original shareholders during the 2023-24 | 500 | 1 |
| Transferred to IEPF during the 2023-24 | - | - |
| Outstanding as on March 31, 2024 | 23,400 | 90 |
| voting rights | The voting rights of such shares shall remain frozen till the rightful owner claims the shares. | |

Q. Request to Investors

- Investors holding shares in physical mode are requested to communicate change/ updating of PAN, KYC (Bank details, Mobile Number, Address, Demat Account details) and Nomination and such other requests for all shareholders, if any, directly to the Registered Office or the Share Transfer Agent (STA) of the Company through specified forms for registering/changing KYC details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our RTA's website at <https://www.integratedregistry.in/KYCRegister.aspx> - Forms Download and are also available in Companies Website at <https://www.tvs-e.in/investor-relations> -Simplified Norms for furnishing Nomination and KYC details
- Investors holding shares in electronic form are requested to deal only with their Depository Participant (DP) in respect of change of address, bank account details, etc.
- We strongly recommend dematerialising your physical shares by converting them into electronic form. This process eliminates the risks associated with holding physical share certificates and offers several advantages, including enhanced portfolio management. Further, in terms of the SEBI notification dated June 08, 2018, the Company will not be in a position to entertain the request for registration of physical transfer of shares on or after March 31, 2019.

- Green Initiative – Electronic copy of full Annual Report are being sent to all the members whose email IDs are registered with the Company / Depository Participants. Members are requested to support this initiative and register their e-mail ids promptly with DPs in case of electronic shares or with the STA, in case of physical shares. As per the circular of MCA and SEBI, the Company has sent the Annual Report for the financial year 2023-24 only through email to the shareholders who have registered their email id.

(12) Other Disclosures:

Related Party transactions

All transactions entered into with Related Parties as defined under Regulation 23 of SEBI (LODR) Regulations, 2015 and Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards has been made in the note 35 to the Financial Statements.

The Board has amended policy for related party transactions to make it in line with the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is available on the Company's website in the following web link <https://www.tvs-e.in/wp-content/finreports/policy/RELATED%20PARTY%20TRANSACTION.pdf>

The Board has obtained certificates/disclosures from key management personnel and senior management personnel confirming they do not have any material financial and commercial interest in transactions with the Company at large.

The Company has complied with Regulation 23 of SEBI (LODR) Regulations, 2015 and applicable provisions of Companies Act, 2013 with respect to related party transactions.

Vigil and Whistle Blower mechanism

The Company has formulated the Vigil and Whistle Blower Mechanism as required under the Companies Act, 2013 which is in line with Regulation 22 of

SEBI (LODR) Regulations, 2015. The Company has appointed the Audit Committee Chairperson as the Ombudsman for the mechanism, under which employees can directly report to the ombudsman. It is affirmed that no personnel is denied access to the Audit Committee.

The Board amended the Policy to make it in line with the amended SEBI (LODR) Regulations, 2015 and the same is updated in the website of the Company https://www.tvs-e.in/wp-content/finreports/policy/TVSE_Vigil_Blower_Mechanism.pdf. All the mandatory requirements specified under Regulation 22 of the SEBI (LODR) Regulations, 2015 have been complied with.

Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies during the 2023-24 in which directors are interested:

| Name of the Firm/ Company | Nature of loans | Amount of loan (In ₹) | Name of the interested Director |
|---------------------------|-----------------|-----------------------|---------------------------------|
| NIL | | | |

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013:

Number of complaints received in the year: Nil

Number of complaints disposed off during the year: NA

Number of cases pending for more than 90 days: Nil

Number of Workshop or awareness Program: One awareness program was conducted during the women's forum day and e-learning courses* were launched by the Company.

Nature of Action taken by the employer or District Officer: Nil

ELearning on POSH (Prevention of Sexual Harassment) - Mandatory Course was developed by Learning and development team of TVSE to educate and spread awareness to all the employees of TVSE.

Other POSH Awareness session details:

| Row Labels | Active Employees | Mode of Completion | | | Completed | Completion % |
|---|------------------|--------------------|---|--|------------|--------------|
| | | eLearning | POSH Awareness Session by External lawyer Virtual | Webinars conducted by PoSH Ambassadors Virtual | | |
| Customer Support Services | 443 | 201 | 104 | 138 | 443 | 100% |
| Product and Solution Group | 160 | 39 | 82 | 39 | 160 | 100% |
| Support Services Group | 108 | 23 | 65 | 20 | 108 | 100% |
| Total | 711 | 263 | 251 | 197 | 711 | 100% |
| Structured Certified Course for POSH IC Members CecureUs | | | | | 4 | 100% |

Corporate Governance requirement with respect to subsidiary

The Company do not have any subsidiary Company as on March 31, 2024.

Though the Company is not having any material

subsidiary, the Company has evolved a policy for determining 'material subsidiaries' and placed on the Company's website in the following web link https://www.tvs-e.in/wp-content/finreports/policy/TVSE_MaterialSubsidiary.pdf

Disclosure of commodity prices and commodity hedging activities is not applicable to the Company considering the nature of its business.

Compliance Certificate from Practicing Company Secretary

Certificate from V Suresh Associates, Practicing Company Secretaries, Chennai, on compliance with conditions of Corporate Governance under SEBI (LODR) Regulations, 2015 is forming part of this Annual Report.

Secretarial Compliance Certificate from Secretarial Auditor

Secretarial Audit Report given by V Suresh Associates, Practising Company Secretaries, Chennai, forms part of this Annual Report.

A certificate has been received from V Suresh Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority in terms of Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Fees paid to Statutory Auditor on a consolidated basis:

During the year, the Company has paid ₹ 15 lakhs (including out of pocket and one-time fee for additional services) to the statutory Auditors for all services received by the listed entity.

A chart or a matrix setting out the skills/ expertise/competence of the Board of Directors specifying the following:

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

| Skill | Description |
|--|--|
| Leadership /strategy | Experience of playing leadership roles in large businesses, with competencies around strategy development & implementation, sales & marketing, business administration/ operations and organisations and people management. |
| IT and ITeS Industry Experience | Strong knowledge and experience in IT and ITeS Industry and in managing business operations of a sizeable organisation in the business of manufacture, sale and service of IT products. |
| Financial | Practical knowledge and experience in corporate finance, accounting and reporting and internal financial control, including strong ability to assess financial impact of decision making and ensure profitable and sustainable growth. |
| Governance | Board level experience in reputed organisations, with strong understanding of and experience in directing the management in the best interests of the Company and its stakeholders and in upholding high standards of governance. |
| Regulatory | Strong expertise and experience in corporate law and regulatory compliance in India (Including industry specific laws) |

The skills/ expertise/competence matrix of the Board of Directors with names are as follows:

| Name of Director | Leadership/ strategy | IT and ITeS Industry Experience | Financial | Governance | Regulatory |
|-----------------------|----------------------|---------------------------------|-----------|------------|------------|
| Mr. Gopal Srinivasan | √ | √ | √ | √ | √ |
| Mrs. Srilalitha Gopal | √ | √ | √ | √ | √ |
| Mr. M Lakshminarayan | √ | √ | √ | √ | √ |

Employee Stock Options

The information on Options granted by the Company under the Employees Stock Option Scheme and other particulars with regard to Employees' Stock Options are set out under Board's Report.

All the options under ESOP Scheme, 2011 are lapsed/ exercised and there are no active options under the ESOP Scheme, 2011 as on the date of this report.

MD / CFO certification

The Managing Director and Chief Financial Officer of the Company have certified to the Board of Directors, inter-alia, the accuracy of financial statements of the Company as required under the SEBI (LODR) Regulations, 2015

Disclosures

There were no instances of imposition of penalties or strictures on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years, except in one instance where the Company has paid a penalty of ₹0.10 L to the stock exchanges (BSE and NSE) due to delay in furnishing prior intimation about the meeting of the Board of Directors on recommendation of final dividend for the FY 2022-23.

Familiarisation Program for Independent Directors

Details of familiarisation program imparted to the Independent directors are available in the Company's website: <https://www.tvs-e.in/familiarisation-program>

| Name of Director | Leadership/strategy | IT and ITeS Industry Experience | Financial | Governance | Regulatory |
|----------------------|---------------------|---------------------------------|-----------|------------|------------|
| Mr. M.F.Farooqui | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. R S Raghavan | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. K Balakrishnan | ✓ | ✓ | ✓ | ✓ | ✓ |
| Dr. V Sumantran | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mrs. Subhasri Sriram | ✓ | ✓ | ✓ | ✓ | ✓ |

Disclosure of all list of credit ratings obtained:

The Company has obtained credit rating from Brickworks Ratings India (P) Limited, vide their letter dated October 10, 2023. The credit rating agency has reaffirmed the rating of “BWR A”.

The listed entity has not issued any debt instruments, does not have fixed deposit programme or any scheme or proposal involving mobilisation of funds. Hence this is not applicable

Compliance with mandatory / non-mandatory requirements:

The Company has complied with all applicable mandatory requirements in terms of the Listing Regulations and this report. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed in this Report.

Non-compliance of any requirement of corporate governance report of sub para(2) to (10) (Para C of Schedule V of SEBI LODR Regulations)

There were no instances of non-compliance by the Company

Other corporate governance requirements:

The listed entity may, at its discretion, comply with requirements as specified in Part E of Schedule II.

The Board:

The Board has a Non-Executive Chairman who functions from his own office.

Shareholder’s rights

The Company ensures the publication of its quarterly, half-yearly, and annual financial results in prominent newspapers. Additionally, these financial results are made available on the Company’s official website, allowing easy access to shareholders and other stakeholders.

Auditors Report

There is no audit qualification / reservation / adverse remark / disclaimer with regard to financial statement

by the Statutory Auditors in the Auditors’ Report or by the Company Secretary in Practice in the Secretarial Audit Report for the financial year 2023-24

Separate posts of Chairman and CEO/ Managing Director.

The Company has appointed separate persons to the post of Chairman and Managing Director.

The separation of powers of the chairman and MD would enable better and more balanced governance structure by enabling more effective supervision of the management

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

Weblinks:

| Policies | Website link for policy |
|--|---|
| Policy on Determination of Materiality for Disclosures | https://www.tvse.in/wp-content/finreports/policy/TVSE_MSP-Policy_2022_22.pdf |
| Policy on Archival and Preservation of Documents | https://www.tvse.in/wp-content/finreports/policy/Policy-for-Preservation-Archival-of-Documents.pdf |
| Policy for determination of Material subsidiary | https://www.tvse.in/wp-content/finreports/policy/TVSE_MaterialSubsidiary.pdf |

Other Reports:

| | |
|--|---|
| Financial Results | https://www.tvse.in/financial-results |
| Annual Reports | https://www.tvse.in/annual-reports |
| Communication to Stock Exchanges | https://www.tvse.in/communication-to-stock-exchanges |
| Reconciliation of share Capital Audit Report | https://www.tvse.in/investor-relations/ |
| Corporate Governance | |
| Unclaimed dividends | |

Annexures/certificates: (attached)

- Declaration regarding compliance by Board members and Senior Management personnel with the Company’s Code of Conduct.
- Practising Company Secretaries’ certificate on Corporate Governance.
- Certificate of non-disqualification of Directors.

- The Managing Director and the Chief Financial Officer shall provide the compliance certificate to the Board of Directors as specified in part B of Schedule II.

For and on behalf of the Board

Chennai
May 09, 2024.

SRILALITHA GOPAL
Managing Director
DIN: 02329790

R S RAGHAVAN
Director
DIN : 00260912

**Declaration from Managing Director regarding the adherence to the Code of Business
Conduct and Ethics by the Board of Directors and Senior Management**

To
The Shareholders of
TVS Electronics Limited
Greenways Towers, No.119, 2nd Floor,
St. Mary's Towers, Abhiramapuram,
Chennai-600018.

On the basis of the written declaration received from Members of the Board and Senior Management Personnel in terms of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that the Members of the Board of Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics of the Company during the year ended March 31, 2024.

Place: Chennai
Date: May 09, 2024

SRILALITHA GOPAL
Managing Director
DIN: 02329790

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SECURITIES AND
EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To the Members of
TVS ELECTRONICS LIMITED
Greenways Towers No 119 2nd Floor St Marys Road,
Abhiramapuram, Teynampet, Chennai – 600018.

We have examined the compliance of Corporate Governance by **TVS ELECTRONICS LIMITED**, for the year ended March 31, 2024, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by it.

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

Place: Chennai
Date: May 09, 2024

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P.No. 6032
Peer Review Cert. No.: 667/2020
UDIN: F002969F000342374

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
TVS Electronics Limited
Greenways Towers No 119 2nd Floor St Marys Road,
Abhiramapuram, Teynampet, Chennai – 600018.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TVS Electronics Limited having CIN: L30007TN1995PLC032941 and having registered office at Greenways Towers No 119 2nd Floor St Marys Road, Abhiramapuram, Teynampet, Chennai – 600018. (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 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

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|----------------------------------|----------|--------------------------------|
| 1 | Mr. Gopal Srinivasan | 00177699 | July 18, 2003 |
| 2 | Ms.Srilalitha Gopal | 02329790 | November 10, 2011 |
| 3 | Mr.Muthuswami Lakshminarayan | 00064750 | May 06, 2015 |
| 4 | Mr. Farooqui Fayazuddin Mohammed | 01910054 | May 06, 2015 |
| 5 | Mr. Rajagopalan Sundara Raghavan | 00260912 | May 04, 2015 |
| 6 | Mr. Venkataramani Sumantran | 02153989 | August 09, 2018 |
| 7 | Mr. Balakrishnan Kavikkal | 00722447 | August 09, 2018 |
| 8 | Ms.Subhasri Sriram | 01998599 | February 07, 2019 |

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

For V Suresh Associates
Practising Company Secretaries

V Suresh

Senior Partner
FCS No. 2969
C.P.No. 6032

Peer Review Cert. No. :667/2020
UDIN: F002969F000342319

Place: Chennai
Date: May 09, 2024

To
The Board of Directors
TVS Electronics Limited
Greenways Towers, No.119, 2nd Floor,
St. Mary's Towers, Abhiramapuram,
Chennai-600018.

Sub: Certificate in terms of Regulation 17(8) read with Schedule II of Part B of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

We Srilalitha Gopal, Managing Director and A Kulandai Vadivelu , Chief Financial Officer, hereby certify that:

We have reviewed the Financial Statements and Cash flow Statements for the financial year ended as on March 31, 2024 and that to the best of our knowledge and belief:

- (1) These Statements do not contain any materially untrue Statement or omit any material fact or contain statements that might be misleading;
- (2) These Statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal, or violative of the listed entity's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and Audit Committee that there are no:

- i. Significant changes in internal control over financial reporting during the year;
- ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Date: May 09, 2024
Place: Chennai

SRILALITHA GOPAL
Managing Director
DIN: 02329790

A KULANDAI VADIVELU
Chief Financial Officer

Financial Statements



Independent Auditor's Report

To the Members of TVS Electronics Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **M/s TVS ELECTRONICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report along with the annexures, Corporate Social Responsibility Report and Corporate Governance Report (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Chairman's statement, the Managing Directors Message, the Management Discussion and Analysis Report which is expected to be made available to us after that date.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has an 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 the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
 - g) In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has disclosed the impact of pending litigations as on March 31, 2024, on its financial position in its financial statements. Refer Note 34 (i) to the financial statements.
- ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
- iii. There were amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and the transfers have been made accordingly.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the audit procedures that have been considered reasonable

- and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in note 14(vii) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log)

facility is applicable to the Company with effect from April 1, 2023, and 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 and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Guru & Jana,**
Chartered Accountants
Firm Registration No: 006826S

Heena Kauser A P
Partner
Membership No: 219971
UDIN: 24219971BKCLPW5046

Place: Bangalore
Date: May 09th, 2024

“Annexure A” to the Independent Auditors Report

In terms of the information and explanation sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties relating to Right of use assets where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment and capital work-in progress) are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant, and equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories, except for goods-in-transit were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in-transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were

noticed on such physical verification of inventories, when compared with the books of accounts.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements (as amended) comprising information on stock, book debt, ageing analysis of the debtors/ other receivables and other stipulated financial information filed by the Company with such banks are in agreement with the books of account of the Company of the respective quarters.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the investments made by the Company is not prejudicial to the Company's interest. The Company has not provided guarantees or security and has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties and hence not commented upon.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.
- (iv) The company has not granted any loans, investments, guarantees, and securities covered under the provisions of section 185 and 186 of the Act. Accordingly, the provisions of clause 3 (iv) are not applicable to the Company and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made there under, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance

of cost records under section 148(1) of the Companies Act, 2013, in respect of machinery and mechanical appliances, and are of the opinion that prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to information and explanations given to us, in respect of statutory dues:

a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Custom, Cess and other material statutory dues applicable to the

Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Custom, Cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below :

| Sl No | Name of the statute | Nature of the dues | Forum where dispute is pending | Financial year to which the matter pertains | Amount (₹ In Lakhs) |
|-------|---|-----------------------|--|---|---------------------|
| 1. | Goods and Service Tax Act,2017 | Goods and Service Tax | Sales Tax Officer Class II / AVATO - Delhi | 2017-18 | 1,704.11 |
| 2. | Goods and Service Tax Act,2017 | Goods and Service Tax | Joint Commissioner-GST | 2018-19 | 226.60 |
| 3. | Uttarakhand VAT | VAT Dues | Uttarakhand VAT | 2016-17 & 2017-18 | 16.17 |
| 4. | Customs Act | Customs duty | Commissioner of Customs | July 2017 to April 22 | 3,558 |
| 5. | THE EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 | PF Damages | Industrial Tribunal Court | 2014-15 | 23.25 |
| 6. | THE EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 | PF Damages | EPFO | 2014-15 & 2015-16 | 33.08 |

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) According to the information and explanations given to us, Term loans were applied for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, the requirement to report on clause (ix)(e) of the Order is not applicable to the Company.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

(xi) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) a) The company has an internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report for the period under audit have been considered by us.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as stipulated u/s 192 of the Act. Accordingly, the provisions of clause (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 39 to the financial statements, the ageing and expected dates of realization 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 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, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Guru & Jana,**
Chartered Accountants
Firm Registration No: 006826S

Heena Kauser A P
Partner
Membership No: 219971
UDIN: 24219971BKCLPW5046

Place: Bangalore
Date: May 09th, 2024

“Annexure B” to the Independent Auditors Report

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of **M/s. TVS ELECTRONICS LIMITED** (“the Company”), as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control over financial reporting 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 “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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was 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 auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control with reference to standalone 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 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 authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

“Annexure B” to the Independent Auditors Report (Contd.)

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements 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.

For **Guru & Jana,**
Chartered Accountants
Firm Registration No: 006826S

Heena Kauser A P
Partner
Membership No: 219971
UDIN: 24219971BKCLPW5046

Place: Bangalore
Date: May 09th, 2024

Balance Sheet

as at March 31, 2024
CIN :L30007TN1995PLC032941

(All amounts ₹ in lakhs unless otherwise stated)

| S. No | Particulars | Note No. | As at March 31, 2024 | As at March 31, 2023 |
|----------|--|----------|----------------------|----------------------|
| A | ASSETS | | | |
| | Non-Current Assets | | | |
| (a) | Property, plant and equipment | 2 | 3,918 | 1,665 |
| (b) | Right to use assets | 3 | 326 | 439 |
| (c) | Capital work-in-progress | 2 | 3 | 177 |
| (d) | Intangible Assets | 4 | 1,413 | 1,323 |
| (e) | Intangible assets under development | 4 | 57 | 131 |
| (f) | Financial Assets | | | |
| (i) | Investments | 5 | 129 | 110 |
| (ii) | Other financial assets | 6 | 105 | 79 |
| (g) | Deferred tax assets (Net) | 7 | 195 | 118 |
| (h) | Non Current tax assets (Net) | 13 | 331 | 86 |
| (i) | Other Non current assets | 8 | 168 | 2,584 |
| | Total non-current assets | | 6,645 | 6,712 |
| | Current Assets | | | |
| (a) | Inventories | 9 | 5,513 | 6,194 |
| (b) | Financial Assets | | | |
| (i) | Investments | 5 | 2,503 | 1,134 |
| (ii) | Trade Receivables | 10 | 6,275 | 4,645 |
| (iii) | Cash and Cash Equivalents | 11 | 177 | 908 |
| (iv) | Bank balances other than cash and cash equivalent | 12 | 261 | 209 |
| (v) | Other Financial assets | 6 | 1,200 | 960 |
| (c) | Other Current Assets | 8 | 1,854 | 1,361 |
| | Total current assets | | 17,783 | 15,411 |
| | TOTAL ASSETS | | 24,428 | 22,123 |
| B | EQUITY AND LIABILITIES | | | |
| | Equity | | | |
| (a) | Equity Share Capital | 14 | 1,865 | 1,865 |
| (b) | Other Equity | 15 | 8,014 | 8,315 |
| | TOTAL EQUITY | | 9,879 | 10,180 |
| | Liabilities | | | |
| | Non-Current Liabilities | | | |
| (a) | Financial Liabilities | | | |
| i. | Borrowings | 19 | 1,501 | 619 |
| ii. | Lease Liabilities | 21 | 50 | 277 |
| (b) | Provisions | 16 | 22 | - |
| (c) | Other non-current liabilities | 17 | 24 | 26 |
| | Total non-current liabilities | | 1,597 | 922 |
| | Current Liabilities | | | |
| (a) | Financial Liabilities | | | |
| i. | Borrowings | 19 | 2,213 | 325 |
| ii. | Lease Liabilities | 21 | 280 | 145 |
| iii. | Trade Payables | 20 | - | - |
| - | Dues of micro enterprises and small enterprises | | 412 | 580 |
| - | Dues of other than micro enterprises and small enterprises | | 6,775 | 6,239 |
| iv. | Other financial Liabilities | 21 | 1,343 | 1,478 |
| (b) | Provisions | 16 | 1,186 | 890 |
| (c) | Other Current Liabilities | 17 | 743 | 1,364 |
| (d) | Current Tax Liabilities (Net) | 18 | - | - |
| | Total current liabilities | | 12,952 | 11,021 |
| | Total Liabilities | | 14,549 | 11,943 |
| | TOTAL EQUITY AND LIABILITIES | | 24,428 | 22,123 |

The accompanying notes 33 to 45 are an integral part of these financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Guru & Jana
Chartered Accountants
Firm Registration No. 006826S

HEENA KAUSER A P
Partner
Membership No. 219971
UDIN: 24219971BKCLPW5046

Place: Chennai
Date: May 09, 2024

SRILALITHA GOPAL
(DIN : 02329790)
Managing Director

R S RAGHAVAN
(DIN : 00260912)
Director

SANTOSH KRISHNADASS
Company Secretary

A KULANDAI VADIVELU
Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2024
CIN :L30007TN1995PLC032941

(All amounts ₹ in lakhs unless otherwise stated)

| S. No | Particulars | Note No. | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|-------|--|----------|---------------------------|---------------------------|
| I | Revenues from Operations | 22 | 36,604 | 35,349 |
| II | Other Income | 23 | 264 | 153 |
| III | Total Income (I+II) | | 36,868 | 35,502 |
| IV | Expenses | | | |
| | Cost of materials consumed | 24 | 13,072 | 12,606 |
| | Purchases of Stock-in-Trade | 25 | 5,585 | 6,769 |
| | Changes in Inventories of finished goods and stock in trade | 26 | 253 | (783) |
| | Employee benefits expense | 27 | 5,349 | 4,970 |
| | Finance costs | 28 | 196 | 137 |
| | Depreciation and amortisation expense | 29 | 1,087 | 710 |
| | Other expenses | 30 | 11,394 | 9,809 |
| | Total Expenses (IV) | | 36,936 | 34,218 |
| V | Profit before tax & Exceptional Items (III-IV) | | (68) | 1,284 |
| VI | Exceptional Items (net) | | - | - |
| VII | Profit before tax (V+VI) | | (68) | 1,284 |
| VIII | Tax Expense: | | | |
| | (1) Current Tax | 31 | - | 336 |
| | (2) Deferred Tax | 7 | (95) | (4) |
| | (3) Tax relating to earlier years | 31 | - | - |
| | Total Tax Expenses | | (95) | 332 |
| IX | Profit for the year (VII-VIII) | | 27 | 952 |
| | Other Comprehensive Income | | | |
| | i) Items that will not be reclassified to profit or loss | | | |
| | a) Remeasurements of the defined benefit plans | | 39 | (25) |
| | b) Equity instruments through other comprehensive income | | 19 | (20) |
| | | | 58 | (45) |
| | ii) Income tax relating to items that will not be reclassified to profit or loss | | (17) | 11 |
| X | Total other comprehensive income (i+ii) | | 41 | (34) |
| XI | Total Comprehensive Income (IX+X) | | 68 | 918 |
| XII | Paid-up equity share capital (Face Value of ₹ 10/- each) | | 1,865 | 1,865 |
| XIII | Earnings Per Equity Share (Nominal value per share ₹ 10) | | | |
| | (a) Basic (₹) | 32 | 0.14 | 5.11 |
| | (b) Diluted (₹) | 32 | 0.14 | 5.11 |

The accompanying notes 33 to 45 are an integral part of these financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Guru & Jana
Chartered Accountants
Firm Registration No. 006826S

HEENA KAUSER A P
Partner
Membership No. 219971
UDIN: 24219971BKCLPW5046

Place: Chennai
Date: May 09, 2024

SRILALITHA GOPAL
(DIN : 02329790)
Managing Director

R S RAGHAVAN
(DIN : 00260912)
Director

SANTOSH KRISHNADASS
Company Secretary

A KULANDAI VADIVELU
Chief Financial Officer

Statement of Cash Flows

for the year ended March 31, 2024
CIN : L30007TN1995PLC032941

₹ in lakhs

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit/(loss) before tax | (68) | 1,284 |
| Adjustments for : | | |
| Depreciation and Amortisation | 1,088 | 710 |
| Finance costs | 196 | 136 |
| (Profit)/Loss on sale of Property, Plant and equipment | 10 | (11) |
| Net Gain arising on FVTPL Transaction | (132) | (28) |
| Gain on derecognition of lease | - | (12) |
| Profit on sale of Investment | (45) | (71) |
| Interest Income | (22) | (24) |
| Provision for Expected Credit Losses | 157 | 74 |
| | 1,251 | 774 |
| Operating profit before working capital changes | 1,183 | 2,058 |
| Changes in working capital | | |
| Adjustments for (increase)/decrease in operating assets | | |
| Trade and other receivables | (1,788) | (1,204) |
| Inventories | 682 | (1,503) |
| Other Assets | 1,843 | (284) |
| Other Financial Assets | (247) | 53 |
| Adjustments for increase/(decrease) in operating liabilities | | |
| Trade payables | 367 | 26 |
| Other Liabilities | (264) | 589 |
| Other Financial Liabilities | (136) | (49) |
| | 457 | (2,372) |
| Cash (used) in operations | 1,639 | (314) |
| Direct taxes paid / refund received - (net) | (245) | (520) |
| Net cash flow (used) in operating activities | 1,394 | (834) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Property, plant and equipment & intangibles including capital advances | (2,797) | (1,564) |
| Proceeds from sale of Property, plant and equipment | 8 | 44 |
| Bank balances considered as other than cash and cash equivalents | (52) | (169) |
| Purchase of Investment | (4,100) | (954) |
| Sale of Investments | 2,900 | 3,242 |
| Interest received | 22 | 15 |
| Net cash flow generated from investing activities | (4,019) | 614 |

Statement of Cash Flows (Contd.)
for the year ended March 31, 2024

₹ in lakhs

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Payment of lease liability | (350) | (399) |
| Proceeds from borrowings (Net) | 3,051 | 568 |
| Repayment of borrowings (Net) | (281) | - |
| Finance costs | (153) | (77) |
| Dividends paid (Gross of Tax) | (373) | - |
| Net cash flow (used) in financing activities | 1,894 | 92 |
| Net (decrease) in cash and cash equivalents (A+B+C) | (731) | (128) |
| Reconciliation | | |
| Cash and cash equivalents as at beginning of the Year | 908 | 1,036 |
| Cash and cash equivalents as at end of the period | 177 | 908 |
| Net (decrease) in cash and cash equivalents | (731) | (128) |

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows"
- Cash And Cash Equivalents:

| | | |
|--|------------|------------|
| Cash and cash equivalents as above | 177 | 908 |
| Unrealised gain/(loss) on foreign currency cash and cash equivalents | - | - |
| Cash and cash equivalents (Note 11) | <u>177</u> | <u>908</u> |
- Net Cash Flow from Operating Activities includes an amount of ₹ 33 lakhs (2022-23 - ₹ 27 lakhs) spent towards Corporate Social Responsibility.

The accompanying notes 33 to 45 are a part of the financial results

In terms of our report attached

For and on behalf of the Board of Directors

For Guru & Jana
Chartered Accountants
Firm Registration No. 006826S
HEENA KAUSER A P
Partner
Membership No. 219971
UDIN: 24219971BKCLPW5046

SRILALITHA GOPAL
(DIN : 02329790)
Managing Director

R S RAGHAVAN
(DIN : 00260912)
Director

Place: Chennai
Date: May 09, 2024

SANTOSH KRISHNADASS
Company Secretary

A KULANDAI VADIVELU
Chief Financial Officer

Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts ₹ in lakhs unless otherwise stated)

| Particulars | Share Capital | Securities premium | Capital Reserve | Reserves and Surplus | | Items of other comprehensive income | Total |
|--|---------------|--------------------|-----------------|----------------------|--------------------------------|-------------------------------------|---------------|
| | | | | General reserve | Retained earnings (Refer Note) | | |
| Balance at April 01, 2022 | 1,865 | 1,525 | 61 | 405 | 5,376 | 29 | 9,261 |
| Movement during 2022-23 | | | | | | | |
| Profit for the year | - | - | - | - | 952 | - | 952 |
| Other comprehensive income for the year, net of income tax | - | - | - | - | (18) | (15) | (33) |
| Payment of dividends (Gross of TDS) | - | - | - | - | - | - | - |
| Balance at March 31, 2023 | 1,865 | 1,525 | 61 | 405 | 6,310 | 14 | 10,180 |
| Movement during 2023-24 | | | | | | | |
| Profit for the year | - | - | 4 | - | 27 | - | 31 |
| Other comprehensive income for the year, net of income tax | - | - | - | - | 27 | 14 | 41 |
| Payment of dividends (Gross of TDS) | - | - | - | - | (373) | - | (373) |
| Balance at March 31, 2024 | 1,865 | 1,525 | 65 | 405 | 5,991 | 28 | 9,879 |

The accompanying notes 33 to 45 are an integral part of these financial statements

Note: In accordance with the notification issued by Ministry of Corporate Affairs dated March 24, 2021, re-measurement of defined benefit plan shall be recognised as a part of retained earnings. Accordingly, re-measurement of defined benefit plan has been disclosed as part of retained earnings.

In terms of our report attached

For Guru & Jana
Chartered Accountants
Firm Registration No. 006826S

HEENA KAUSER A P
Partner
Membership No. 219971
UDIN: 24219971BKCLPW5046

Place: Chennai
Date: May 09, 2024

For and on behalf of the Board of Directors

SRILALITHA GOPAL
(DIN : 02329790)
Managing Director

SANTOSH KRISHNADASS
Company Secretary

R S RAGHAVAN
(DIN : 00260912)
Director

A KULANDAI VADIVELU
Chief Financial Officer

Notes forming part of the Financial Statements for the year ended March 31, 2024

1. NOTES FORMING PART OF THE FINANCIAL STATEMENTS

a) Brief description of the Company

TVS Electronics Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Greenways Towers, 2nd Floor, No.119, St. Mary's Road, Abhiramapuram, Chennai - 600 018

The Company manufactures and sells Point of sale devices, Printers, Keyboards, etc. besides providing service for various Original Equipment Manufacturers via delivery models like exclusive service centers, multi brand service centers, Onsite support, repair centers and factories.

b) Material Accounting Policies

1) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments and rules issued thereafter. The Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs (₹ 00,000), except when otherwise indicated.

2) Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants

would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3) Critical accounting judgements, key sources of estimation uncertainty and applicability of new accounting standards

a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, future results could differ from these estimates and the differences between actual results and estimates are recognised in the period

in which results are known/materialised.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revision to accounting estimates is recognised prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

b) Significant Estimates and judgements

The areas involving critical estimates or judgments are:

- i) Fair valuation measurement & valuation process
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 valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.
- ii) Actuarial Valuation
The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend

upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

- iii) Useful life of Property, Plant and Equipment & Intangible assets
As described in the material accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.
- iv) Revenue Recognition
 - The Company's contracts with customers could include promises to render multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves Judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
 - Judgement is also applied to determine the principal and agent in the contracts with customers based on the substance of the arrangement read with the guidance provided in the standard.
 - The Company uses judgement to determine standalone selling price of a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.
- v) Impairment of Financial and Non-Financial assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets Company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

4) Revenue Recognition

The Company earns revenue primarily from sale of electronic goods, computer consumable and other support services.

Revenue is measured at the fair value of the consideration received or receivable and net of returns, allowances and rebates and goods and services tax.

"Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. When there is uncertainty on ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. The amount of revenue recognised depends on whether we act as an agent or as a principal. Certain arrangements with our clients are such that our responsibility is to arrange for a third party to provide a specified good or service to the client. In these cases we are acting as an agent as we do not control the relevant good or service before it is transferred to the client. When we act as an agent, the revenue recorded is the net amount retained. The Company acts as principal when we control the specified good or service prior to transfer. When the Company acts as a principal, the revenue recorded is the gross amount billed.

In- Warranty Service

In respect of In-warranty service contracts, where performance obligation is satisfied at a point of time when the service is extended to the customer on behalf of the brand, revenue is recognised net of payments made to the brand after considering the rights and obligation of both the Company and the brand in specific to these contracts.

Out of Warranty Service

In respect of Out of warranty service contracts, where performance obligation is satisfied at a point of time when the control of the goods sold is passed on to the customer and the service is received by the customer as per the terms and conditions stipulated by the brand, revenue is recognised net of payments made to the brand after considering the rights and obligation of both the Company and the brand in specific to these contracts.

Service Contracts

In respect of service contracts, where performance obligation is satisfied over the period of time when the service is received by the customer as per the terms and conditions stipulated by the brand, transaction price which is the amount charged to customer is recognised on a time proportion basis over the period of time when the customer receives and accepts the service.

Sale of Goods

In respect of Sale of goods, where performance obligation is satisfied at a point of time when the control of the goods sold is passed on to the customer, revenue is recognised for the transaction price which is the invoice value charged to the customer.

Sale of Goods- Institutions

In respect of contracts with institutional customer where goods are sold with additional warranty period, performance obligation is satisfied at a point of time when the control of the goods sold is passed on to the customer for sale of goods and for the extended warranty service performance obligation is satisfied over the period of time when that particular service is received by the customer.

Both sale of goods and extended warranty service qualify to be separate performance obligation within the definition of the standard and the transaction price is allocated between the performance obligations proportionate to the standalone selling prices of the components.

In respect of sale of goods, revenue is recognised at the point in time when the control is transferred for the value allocated and in respect of extended warranty service revenue is recognised on a time proportion basis over the period of time when the customer receives and accepts the service.

Extended Warranty Service

In respect of extended warranty service contracts, where performance obligation is satisfied over the period of time at the transaction price which is the amount charged to customer is recognised on a time proportion basis over the period of time

when the customer receives and accepts the service.

5) Property, Plant and Equipment

Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimate useful life adopted by the Company are as follows:

| Asset | Useful life |
|---|------------------------------|
| Building | 1 to 30 Years |
| Plant & Machinery | 1 to 15 Years |
| Furniture & Fittings | 1 to 10 Years |
| Office Equipments (including computers & servers) | 1 to 6 Years |
| Vehicles | 1 to 10 Years |
| Leasehold improvements | over primary period of lease |

Based on technical evaluation, the Management believes that the useful lives, as given above, best represent the period over which the Management expects to use

these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Capital work-in-progress: Projects under which plant, property and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

6) Intangible assets

a. Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

b. Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

c. Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

| Intangible asset | Useful life |
|--------------------|-------------|
| Computer softwares | 2 years |
| Business Rights | Indefinite |

7) Impairment of Tangible and Intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced

to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

8) Inventories

Inventories are stated at lower of cost or net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in normal course of business in bringing such inventory to its present location and condition and includes where applicable, appropriate overheads based on the normal level of activity.

Net realisable value is the estimated selling price less estimated cost for completion of sale.

Obsolete, slow moving and defective inventories are identified from time to time and where necessary, a provision is made for such inventories.

9) Employee benefits

(i) Short term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(ii) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Curtailment gains and losses are accounted for as past service costs. The

retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Gratuity for employees is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognised in the Statement of Profit and Loss. The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out as at the end of the year.

10) Taxes on income

Tax expense comprises of current and deferred taxes.

Current tax:

The current tax payable is based on the taxable profit for the year. Taxable profit differs from Profit before tax as reported in the statement of profit and loss account because of items of income or expenditure that are taxable or deductible in other years and items that are never taxable or deductible. Company computes current tax using tax rate that have been enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts

of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss account, except when they relate to items that are recognised in other comprehensive income or directly in equity respectively

11) Provisions and contingent liabilities

(i) Provision:

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to

settle the obligation and the amount can be reasonably estimated.

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is present value of those cash flows (when the effect of time value of money is material)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for expected cost of warranty obligations under the local sale of goods legislation are recognised at the date of sale of relevant products, at management's best estimate of expenditure required to settle the Company's obligation.

(ii) Contingent liabilities:

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability.

(iii) Warranties

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future

incidence on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically upto three years. Expected recoveries towards warranty cost from the vendors are estimated and accounted for by the management in the year in which the related provision for warranty is created and it is certain that such recoveries will be received if the Company incurs the warranty cost. The estimates used for accounting for warranty liability/recoveries are reviewed periodically and revisions are made, as required.

(iv) E-Waste

Environment Liabilities E-Waste (Management) Rules, 2016, as amended, requires the Company to complete the Extended Producer Responsibility targets measured based on sales made in the preceding years, if it is a participant in the market during a financial year. Accordingly, the obligation event for e-waste obligation arises only if the Company participate in the markets in those years.

12) Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/ costs attributable to the enterprise as a whole and are not attributable to segments.

13) Leases

The leases are recognised as a right-of-use asset with a corresponding lease liability at the date on which the leased asset is

available for use by the Company as a lessee except for payments associated with short term leases (lease term of 12 months or less) and low value leases, which are recognised as an expense as and when incurred.

The Company assesses whether a contract contains a lease at the inception of a contract. Certain lease contracts include the options to extend or terminate the lease before the end of the lease term. Right-of-Use assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The Right-of-Use assets are initially recognised at cost comprising initial lease liability adjusted for lease payments made on or before the commencement date less any lease incentives received and any initial direct cost. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related Right-of-Use assets if the Company changes its assessment as to whether it will exercise an extension or a termination option.

Right-of-Use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the asset

Right-of use assets and lease liability have been separately presented in the balance sheet and lease payments have been classified as financing cash flow in the cash flow statement.

14) Financial instruments

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and

financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

14.1 Financial assets

Initial recognition and measurement:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in subsidiaries / associates are accounted at cost.

All other financial assets are subsequently measured at fair value.

For the impairment policy on financial assets measured at amortised cost, refer Note 1(b)(14)(d)

b. Investment in equity instruments at FVTOCI

A financial asset is subsequently measured at fair value through other

comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

The Company has equity investments in entities which are neither held for trading nor a subsidiary or associate to the Company. The Company has elected FVTOCI irrevocable option for these investments. Fair value is determined in the manner described in note 1(b) (2).

A financial asset is held for trading if :

- > it has been acquired principally for the purpose of selling it in near term; or
- > on initial recognition it is part of portfolio of identified financial instrument that the Company manages together and has recent actual pattern of short term profit making or
- > it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investment in equity instrument, if any will be recognised in profit or loss when the Company's right to receive the dividend is established, it is probable that economic benefit associated with the dividend will flow to the entity, the dividend does not represent a recover of part of cost of investment and the amount of dividend can be measured reliably.

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

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other income" line item.

d. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information or case to case basis.

e. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

f. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

14.2 Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

c.1. Financial liabilities at FVTPL

Financial liabilities are recognised at fair value through profit or loss (FVTPL) if it includes derivative liabilities.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 1(b)(2)

c.2. Financial liabilities measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

c.3. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

c.4. Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

14.3 Derivative financial instruments

The Company enters into forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

15. Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated

in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

16 Operating cycle for current and non-current classification

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in

cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

17 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

| Particulars | ₹ in Lakhs | |
|---------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Carrying amounts of: | | |
| Freehold land | 24 | 24 |
| Buildings | 1,483 | 810 |
| Plant and equipment | 1,955 | 567 |
| Furniture and Fixtures | 109 | 58 |
| Office Equipments | 224 | 136 |
| Vehicles | 55 | 20 |
| Computers & Servers | 68 | 50 |
| Total | 3,918 | 1,665 |
| Capital Work-in-progress (CWIP) | 3 | 177 |

| | Freehold land | Buildings | Plant and equipment * | Furniture and Fixtures | Office Equipments | Vehicles | Computers & Servers | Total |
|--|------------------|--------------|--------------------------|------------------------------|----------------------|-----------|------------------------|--------------|
| Cost of Assets | | | | | | | | |
| Gross carrying value at April 01, 2022 | 24 | 1,032 | 1,953 | 320 | 728 | 55 | 235 | 4,348 |
| Additions | - | 622 | 395 | 26 | 108 | - | 51 | 1,203 |
| Disposals | - | (103) | (167) | (42) | (115) | - | (15) | (442) |
| Balance at March 31, 2023 | 24 | 1,550 | 2,181 | 305 | 722 | 55 | 272 | 5,109 |
| Additions | - | 906 | 1,613 | 95 | 139 | 53 | 56 | 2,863 |
| Disposals | - | (42) | (23) | (2) | (10) | (17) | - | (94) |
| Other adjustments | - | - | - | - | - | - | - | - |
| Balance at March 31, 2024 | 24 | 2,415 | 3,772 | 398 | 851 | 91 | 328 | 7,879 |

| Accumulated depreciation and impairment | | | | | | | | |
|---|----------|------------|--------------|------------|------------|-----------|------------|--------------|
| Gross carrying value at April 01, 2022 | - | 794 | 1,644 | 270 | 642 | 27 | 225 | 3,602 |
| Eliminated on disposals | - | (88) | (153) | (41) | (112) | - | (15) | (409) |
| Depreciation expense | - | 39 | 126 | 26 | 50 | 8 | 11 | 260 |
| Other adjustments | - | (4) | (3) | (9) | 6 | - | - | (10) |
| Balance at March 31, 2023 | - | 740 | 1,614 | 247 | 586 | 35 | 222 | 3,444 |
| Eliminated on disposals | - | (33) | (21) | (2) | (8) | (11) | - | (75) |
| Depreciation expense | - | 225 | 224 | 44 | 50 | 13 | 38 | 593 |
| Other adjustments | - | - | - | - | - | - | - | - |
| Balance at March 31, 2024 | - | 932 | 1,817 | 288 | 628 | 36 | 259 | 3,961 |

| | | | | | | | | |
|---|-----------|--------------|--------------|------------|------------|-----------|-----------|--------------|
| Carrying amount as on March 31, 2023 | 24 | 810 | 567 | 58 | 136 | 20 | 50 | 1,665 |
| Carrying amount as on March 31, 2024 | 24 | 1,483 | 1,955 | 109 | 224 | 55 | 68 | 3,918 |

* Includes net carrying amount value at ₹ 131 lakhs (as at March 31, 2023, ₹ 121 lakhs), of assets situated at Third party location All the Immovable and Movable properties are held in the name of the Company.

The capital work-in-progress ageing schedule for the years ended March 31, 2024 and March 31, 2023 is as follows:

| CWIP | Amount in CWIP for a period of | | | |
|--|--------------------------------|-----------|-----------|-------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| Projects in progress as on March 31, 2024 | 3 | - | - | - |
| Projects in progress as on March 31, 2023* | 177 | - | - | - |

* The Company has capitalised ₹ 174 lakhs out of opening balance during 2023-24.

3 RIGHT OF USE ASSETS*

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Carrying amounts of: | | |
| Right of Use Assets | 326 | 439 |
| | 326 | 439 |
| Gross Carrying Amount | | |
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| Balance at beginning of the year | 2,141 | 1,986 |
| Additions | 221 | 267 |
| Disposals | (15) | (112) |
| Balance at end of year | 2,347 | 2,141 |
| Accumulated depreciation and impairment | | |
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| Balance at beginning of year | 1,703 | 1,471 |
| Amortisation expense | 323 | 343 |
| Eliminated on disposals | (15) | (112) |
| Other Adjustments | 11 | - |
| Balance at end of year | 2,022 | 1,703 |
| Carrying amount at the beginning of year | 439 | 515 |
| Carrying amount at end of year | 326 | 439 |

* The lease contracts in respect of these assets are held in the name of the Company.

4 INTANGIBLE ASSETS

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| Carrying amounts of: | | |
| Trade Mark | 12 | 11 |
| Business Rights | 1,187 | 1,187 |
| Software and Licences | 214 | 125 |
| Intangible assets under development | 57 | 131 |
| Total | 1,470 | 1,454 |

| Particulars | Business Rights (Refer note 1) | Software and Licences | Trade Mark |
|--|-----------------------------------|--------------------------|------------|
| Gross carrying value at April 01, 2022 | 3,263 | 548 | 14 |
| Additions | - | 64 | - |
| Disposals | - | - | - |
| Gross value as on March 31, 2023 | 3,263 | 612 | 14 |
| Additions | - | 260 | 2 |
| Disposals | - | - | - |
| Other adjustments | - | - | - |
| Balance at March 31, 2024 | 3,263 | 873 | 16 |

Accumulated Amortisation and impairment

| Particulars | Business Rights | Software and Licences | Trade Mark |
|---|-----------------|-----------------------|------------|
| Balance at April 01, 2022 | 2,076 | 383 | 2 |
| Impairment recognised (refer note below) | - | - | - |
| Amortisation expense | - | 105 | 1 |
| Balance at March 31, 2023 | 2,076 | 488 | 3 |
| Impairment recognised (refer note below) | - | - | - |
| Amortisation expense | - | 171 | 1 |
| Effect of foreign currency exchange differences | - | - | - |
| Other adjustments | - | - | - |
| Balance at March 31, 2024 | 2,076 | 659 | 4 |
| Carrying amount as on March 31, 2023 | 1,187 | 125 | 11 |
| Carrying amount as on March 31, 2024 | 1,187 | 214 | 12 |

Note:

- 1) Business Rights relating to Customer Support Services business (Cash Generating Unit - CGU), with carrying value of ₹ 1,187 lakhs has been considered as intangible having an indefinite useful life as there are no technical, technological obsolescence or limitations under the contract.

This 'Business Rights' has been tested for impairment using the future discounted cash flow method. The Company has assessed the business rights asset duly considering the changes arising out of post pandemic trends, evolving business models, underlying revenue streams and has determined that no additional impairment required for current financial year

- 2) Amortisation expense of intangible asset have been included under 'Depreciation & amortisation' expense in statement of profit and loss account.
- 3) Intangible assets under development aging schedule for the years ended March 31, 2024 and March 31, 2023 is as follows:

| Particulars | Amount in Intangible assets under development for a period of | | |
|---|---|-----------|-------------------|
| | Less than 1 year | 1-2 years | More than 2 years |
| Intangible assets under development as on March 31, 2024 | 50 | 7 | - |
| Intangible assets under development as on March 31, 2023* | 131 | - | - |

* The Company has capitalised ₹ 124 lakhs out of opening balance during 2023-24.

** There are no cost over run / timeline delays in any of the projects.

5 INVESTMENTS

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| I. Unquoted Investments | | |
| (a) Investments in Equity Instruments at FVTOCI | 79 | 60 |
| 4,14,000 (2022-23 - 4,14,000) shares of ₹ 10 each fully paid up in TVS Training and Services Limited. | | |
| (b) Investments in Optionally convertible and redeemable preference shares at FVTOCI | | |
| 2,000 (2022-23 - 2,000) shares of ₹ 10 each fully paid up in Swiftomatics Services Private Limited | 50 | 50 |
| Total Unquoted Investments - Non current | 129 | 110 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Cost of Investment: | | |
| TVS Training and Services Limited | 41 | 41 |
| Swiftomatics Services Private Limited | 50 | 50 |
| II. Quoted Investments | | |
| Investment in Mutual Funds at FVTPL | | |
| a) 27,863.71 (2022-23 - 27,863.71) units of Bandhan Liquid Fund - Growth (Direct Plan) at NAV of ₹ 2,917.3599 (2022-23 - ₹ 2718.58 per unit) | 813 | 757 |
| b) 1,12,31,700.45 (2022-23 - 12,22,599.59) units of Bandhan Ultra Short Term Fund (Regular Plan). Growth at NAV of ₹ 13.9105 (2022-23 - ₹ 12.98 per unit) | 1,562 | 159 |
| c) 1,740.99 (2022-23 - 1,740.99) units of ABSL Saving Fund - Growth at NAV of ₹ 506.1988 (2022-23 - ₹ 470.26) | 9 | 8 |
| d) 463.328 (2022-23 - 31,624.56) units of ABSL Money Manager Fund Gr - Direct at NAV of ₹ 340.7909 (2022-23 - ₹ 316.19) | 2 | 100 |
| e) 15,969.84 (2022-23 - 15,969.84) units of Shriram Overnight Fund - Direct - Growth at NAV of ₹ 11.0763 (2022-23 - ₹ 10.37) | 2 | 2 |
| Total Quoted Investments - Current | 2,388 | 1,026 |
| Cost of Investment: | | |
| Bandhan Liquid Fund - Growth (Direct Plan) | 686 | 686 |
| Bandhan Ultra Short Term Fund (Regular Plan) | 1,502 | 158 |
| ABSL Saving Fund | 8 | 8 |
| ABSL Money Manager Fund | 1 | 100 |
| Shriram Overnight Fund | 2 | 2 |
| Other Investment | | |
| Hero Housing Finance Ltd | 115 | 108 |
| Cost of Investment : | | |
| Hero Housing Finance Ltd | 104 | 104 |
| Total | 115 | 108 |
| Total Investments | 2,632 | 1,244 |
| Current | 2,503 | 1,134 |
| Non-current | 129 | 110 |

6 OTHER FINANCIAL ASSETS

| | Non-current | | Current | |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Unsecured, Considered Good | | | | |
| <i>At Amortised Cost</i> | | | | |
| (a) Security Deposits** | 103 | 61 | 70 | 167 |
| (b) Interest receivable | - | - | 10 | 9 |
| (c) Unbilled revenue* | - | - | 1,077 | 708 |
| (d) Insurance claims | - | - | - | - |

| | Non-current | | Current | |
|---|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| (e) Others | - | - | 43 | 76 |
| (f) Deposits with original maturity for more than 12 months | 2 | 18 | - | - |
| | 105 | 79 | 1,200 | 960 |

* Net of Provision ₹ 357 lakhs (previous year - ₹ 111.13 lakhs)

**Security deposits carried at amortised cost

7 DEFERRED TAX BALANCES

The details of deferred tax assets/(liabilities) is given below

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|----------------------|----------------------|
| Deferred tax assets | 311 | 215 |
| Deferred tax liabilities | (116) | (98) |
| | 195 | 118 |

| 2023-24 | Opening balance | Recognised in profit or loss | Recognised in Other comprehensive income | Closing balance | Deferred Tax asset | Deferred tax Liability |
|--|-----------------|------------------------------|--|-----------------|--------------------|------------------------|
| Deferred tax (liabilities)/asset in relation to | | | | | | |
| Property plant and equipment, and Intangible Assets | (89) | (15) | - | (104) | - | (104) |
| Provision for Doubtful Debts and others | 102 | 16 | - | 118 | 118 | - |
| Financial assets at FVTOCI | (5) | - | (5) | (9) | - | (9) |
| Right to use Asset | (110) | 25 | - | (85) | - | (85) |
| Lease liability | 106 | (23) | - | 83 | 83 | - |
| Provision for Contingencies | 62 | 102 | - | 164 | 164 | - |
| Defined benefit obligation, Provision for compensated absences | 51 | (15) | (13) | 23 | 23 | - |
| MSME payment | - | 5 | - | 5 | 5 | - |
| Total | 118 | 95 | (17) | 195 | 394 | (199) |
| Tax losses | - | - | - | - | - | - |
| Net Deferred Tax Assets/(Liability) | 118 | | | 195 | | |

| 2022-23 | Opening balance | Recognised in profit or loss | Recognised in Other comprehensive income | Closing balance | Deferred Tax asset | Deferred tax Liability |
|--|-----------------|------------------------------|--|-----------------|--------------------|------------------------|
| Deferred tax (liabilities)/asset in relation to | | | | | | |
| Property plant and equipment, and Intangible Assets | (45) | (44) | - | (89) | - | (89) |
| Provision for Doubtful Debts and others | 78 | 25 | - | 102 | 102 | - |
| Financial assets at FVTOCI | (10) | - | 5 | (5) | - | (5) |
| Right to use Asset | (130) | 19 | - | (110) | - | (110) |
| Lease liability | 128 | (21) | - | 106 | 106 | - |

| 2022-23 | Opening balance | Recognised in profit or loss | Recognised in Other comprehensive income | Closing balance | Deferred Tax asset | Deferred tax Liability |
|--|-----------------|------------------------------|--|-----------------|--------------------|------------------------|
| Provision for Contingencies | 43 | 19 | - | 62 | 62 | - |
| Defined benefit obligation, Provision for compensated absences | 38 | 7 | 6 | 51 | 51 | - |
| Total | 102 | 4 | 11 | 118 | 322 | (204) |
| Tax losses | - | - | - | - | - | - |
| Net Deferred Tax Assets/(Liability) | 102 | | | 118 | | |

8 OTHER ASSETS

| | Non Current | | Current | |
|--|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Unsecured, Considered Good | | | | |
| (a) Security Deposit | 24 | 2,516 | - | 18 |
| (b) Advances to suppliers | - | - | 1,514 | 822 |
| (c) Capital Advance | - | - | 41 | 121 |
| (d) Balance with Statutory authorities | 137 | 60 | 93 | 314 |
| less: provision | - | - | - | - |
| (e) Prepaid expenses | 7 | 8 | 206 | 86 |
| | 168 | 2,584 | 1,854 | 1,361 |

9 INVENTORIES

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <i>(At lower of cost and net realisable value)</i> | | |
| (a) Raw materials (Goods in Transit - 2023-24 ₹ 603.47 lakhs 2022-23 ₹ 422 lakhs) | 2,083 | 2,511 |
| (b) Finished goods (Goods in Transit - 2023-24 ₹ 471.00 lakhs 2022-23 ₹ 235 lakhs) | 842 | 808 |
| (c) Stock-in-trade (Goods acquired for trading) | 2,588 | 2,875 |
| | 5,513 | 6,194 |

Notes:

- The cost of inventories recognised as an expense during the year is disclosed in Note 24
- The amount of inventory disclosed above is net of ₹ 773 lakhs (during 2022-23 ₹ 602 lakhs) on account of provision for slow moving/non moving inventory.

10 TRADE RECEIVABLES

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Unsecured, considered good | 6,815 | 5,013 |
| Less: Allowance for Expected Credit Loss | 540 | 368 |
| Receivables Considered good - unsecured | 6,275 | 4,645 |
| Credit Impaired - Unsecured | - | 15 |
| Less: Allowance for credit impaired | - | 15 |
| Receivables Credit Impaired - Unsecured | - | - |
| Total Receivables (Net of Allowance for doubtful debts) | 6,275 | 4,645 |
| Current | 6,275 | 4,645 |
| Non-current | - | - |

The average credit period on sales of goods ranges from 30 to 60 days. No interest is charged on trade receivables up to the due date.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes in to account historical credit loss experience and adjusted for forward - looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates are given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

| Ageing | Expected credit loss% |
|-----------------------------|-----------------------|
| 0-180 days past due | - |
| 181 - 365 days past due | 50% |
| more than 365 days past due | 100% |

Additional provision, where required, has been made based on specific debtors and other conditions impacting recoverability.

| Movement in expected credit loss allowance | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Balance at beginning of the year | 383 | 327 |
| Additions | 157 | 74 |
| Write off (net of recovery) | - | (17) |
| Balance at end of the year | 540 | 383 |

Ageing information of Trade receivable as on March 31, 2024 are given below

| Particulars | Outstanding for following periods from due date of payment | (i) Undisputed Trade receivables – considered good | (ii) Undisputed Trade Receivables – which have significant increase in credit risk/credit impaired | (iii) Disputed Trade Receivables considered good | (iv) Disputed Trade Receivables considered doubtful which have significant increase in credit risk/credit impaired | Total |
|--------------------|--|--|--|--|--|-------|
| | | Less than 6 Months | 5,983 | - | - | - |
| 6 Months to 1 Year | 285 | - | - | - | 285 | |
| 1 to 2 Years | 258 | - | - | - | 258 | |
| 2 to 3 Years | 274 | - | - | - | 274 | |
| More than 3 Years | 15 | - | - | - | 15 | |
| Total | 6,815 | - | - | - | 6,815 | |

Ageing information of Trade receivable as on March 31, 2023 are given below

| Particulars | Outstanding for following periods from due date of payment | (i) Undisputed Trade receivables – considered good | (ii) Undisputed Trade Receivables – which have significant increase in credit risk/credit impaired | (iii) Disputed Trade Receivables considered good | (iv) Disputed Trade Receivables considered doubtful which have significant increase in credit risk/credit impaired | Total |
|--------------------|--|--|--|--|--|-------|
| | | Less than 6 Months | 4,096 | - | - | - |
| 6 Months to 1 Year | 521 | - | - | - | 521 | |
| 1 to 2 Years | 357 | - | - | 15 | 373 | |
| 2 to 3 Years | 31 | - | - | - | 31 | |
| More than 3 Years | 7 | - | - | - | 7 | |
| Total | 5,013 | - | - | 15 | 5,028 | |

The Company has transferred a group of financial assets in the form of trade receivables to a financial institution during the year and the amount outstanding in respect of the same as at March 31, 2024 is ₹ 501 lakhs. The Company also has a first default loss guarantee in respect of any losses that could arise on account of the above to the extent of ₹ 150 lakhs, therefore no financial guarantee liability has been recognised for the current financial year.

11 CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| (a) Balances with banks | | |
| (i) In Current account | 146 | 881 |
| (ii) Deposits with original maturity for Less than 3 Months | 31 | 27 |
| | 177 | 908 |

12 OTHER BANK BALANCES

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| (a) Balances with banks in earmarked accounts | | |
| - In Unpaid Dividend account | 41 | 35 |
| - Deposits with original maturity for more than 3 months but less than 12 months | 220 | 174 |
| | 261 | 209 |

13 NON CURRENT TAX ASSET

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Advance tax & TDS (net of provision) | 331 | 86 |
| Total | 331 | 86 |

14 EQUITY SHARE CAPITAL

| Particulars | As at | |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| AUTHORISED : | | |
| Equity Shares: | | |
| 2,50,00,000 (2022-23 - 2,50,00,000) Equity Shares of ₹ 10 each | 2,500 | 2,500 |
| ISSUED, SUBSCRIBED AND FULLY PAID UP | | |
| 1,86,50,318 (2022-23 - 1,86,50,318) Equity Shares of ₹ 10 each | 1,865 | 1,865 |
| | 1,865 | 1,865 |

14(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period.

| Reconciliation | 2023-24 | | 2022-23 | |
|---|--------------------|--------------|--------------------|--------------|
| | No of Shares | ₹ lakhs | No of Shares | ₹ lakhs |
| Equity Shares of ₹ 10 each fully paid up | | | | |
| At the beginning of the year | 1,86,50,318 | 1,865 | 1,86,50,318 | 1,865 |
| At the end of the year | 1,86,50,318 | 1,865 | 1,86,50,318 | 1,865 |

14(ii) Details of shares held by each shareholder holding more than 5 percent of equity shares in the Company:

| Name of the Share holder | No of shares held as at | | | |
|---|-------------------------|--------|----------------------|--------|
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Nos. | % | Nos. | % |
| TVS Investments Private Limited - (Holding Company) | 1,11,60,093 | 59.84% | 1,11,60,093 | 59.84% |

14(iii) Details of shares held by holding/ ultimate holding company

| Name of the Share holder | No of shares held as at | | | |
|---------------------------------|-------------------------|--------|----------------------|--------|
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Nos. | % | Nos. | % |
| TVS Investments Private Limited | 1,11,60,093 | 59.84% | 1,11,60,093 | 59.84% |

14(iv) Terms attached to Equity Shares:

The Company has one class of equity share having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

14(v) Details of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Nil

14(vi) Details of Shareholding of Promoter

| Name of the Promoter | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---------------------------------|----------------------|-------------------|--------------------------|----------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % Change during the year | No. of shares | % of total shares | % Change during the year |
| Promoter | | | | | | |
| Gopal Srinivasan | 150 | - | - | 150 | - | - |
| TVS Investments Private Limited | 1,11,60,093 | 59.84 | - | 1,11,60,093 | 59.84 | - |
| Promoter Group | | | | | | |
| Harita Properties LLP | 12,500 | 0.07 | - | 12,500 | 0.07 | - |
| Total | 1,11,72,743 | 59.91 | | 1,11,72,743 | 59.91 | |

14(vii) Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognised according to where the entity originally recognised those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognised as distribution to equity shareholders in accordance with Companies Act 2013 is as follows :

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------|----------------------|----------------------|
| Interim Dividend | - | - |
| Final Dividend | - | 373 |

The Board of Directors in their meeting held on May 09, 2024 recommended a final dividend of ₹ 1 per equity share for the financial year ended March 31, 2024. This payment is subject to the approval of shareholders in the forthcoming AGM of the Company and if approved, would result in a net cash outflow of approximately ₹ 1.87 Crore.

15 OTHER EQUITY

| | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Capital reserve | 65 | 61 |
| Security Premium | 1,525 | 1,525 |
| General Reserve | 405 | 405 |
| Reserve for equity instruments through Other Comprehensive income | 28 | 14 |
| Retained Earnings | 5,991 | 6,311 |
| Total | 8,014 | 8,315 |

RESERVES AND SURPLUS:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------|-------------------------|-------------------------|
| (i) Capital reserve | 65 | 61 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| (ii) Securities Premium Account | | |
| Opening balance | 1525 | 1,525 |
| Add :Addition during the year | - | - |
| Closing balance | 1525 | 1,525 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|-------------------------|-------------------------|
| (iii) General Reserve | | |
| Opening balance | 405 | 405 |
| Add :Addition during the year | - | - |
| Closing balance | 405 | 405 |

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act,2013 and rules made thereunder.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| (iv) Reserve for equity instruments through Other Comprehensive income | | |
| Opening Balance | 14 | 29 |
| Additions/(Deletions) | 14 | (15) |
| Closing | 28 | 14 |

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| (v) Retained Earnings | | |
| Opening Balance | 6,311 | 5,376 |
| Profit for the year | 27 | 952 |
| Other comprehensive income for the year, net of income tax | 27 | (18) |
| | 6,364 | 6,311 |
| Less : Appropriations | - | - |
| Dividend on Equity Shares (Gross of TDS)* | 373 | - |
| Closing Balance | 5,991 | 6,311 |
| Total Other Equity | 8,014 | 8,315 |

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

*Represents Final dividend of ₹ 2 per Equity share of face value of ₹ 10/- each for the year 2022-23 declared by the Board of Directors at their meeting held on May 06, 2023 and subsequently approved by shareholders during annual general meeting on August 05, 2023.

16 PROVISIONS

| | Non-current | | Current | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| a. Provision for compensated absences | 22 | - | 10 | 26 |
| b. Provision for Warranty (Refer note - 33(ii)) | - | - | 457 | 331 |
| c. Provision for Claims and Contingencies (Refer note - 33(iii)) | - | - | 653 | 416 |
| d. Provision for Bonus | - | - | 2 | - |
| e. Gratuity | - | - | 64 | 116 |
| | 22 | - | 1,186 | 890 |

17 OTHER LIABILITIES

| | Non-current | | Current | |
|---------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| a. Statutory remittances | - | - | 380 | 213 |
| b. Deferred Revenue | 24 | 26 | 54 | 91 |
| c. Advance from customers | - | - | 219 | 904 |
| d. Other Payables | - | - | 90 | 155 |
| | 24 | 26 | 743 | 1,364 |

18 CURRENT TAX LIABILITY

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Income Tax payable (net of advance tax & TDS) | - | - |
| Total | - | - |

19 BORROWINGS

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Long term Borrowings | | |
| Secured - at amortised cost | | |
| a. Term Loan from Bank | 1,501 | 619 |
| Short term Borrowings | | |
| Secured - at amortised cost | | |
| a. Working Capital Loan from Bank | 1,435 | - |
| b. Bills Discounting | 340 | 182 |
| C. Term Loan from Bank | 438 | 143 |
| | 2,213 | 325 |
| Total | 3,714 | 944 |

a. The Company has working capital facilities from Banks which are secured by hypothecation of raw materials, components, work in progress, finished goods, book debts, stores and spares. The amount outstanding as at March 31, 2024 is ₹ 1435 lakhs. The quarterly returns or statement as amended of current assets filed by the Company with banks are in agreement with books of accounts.

- b. The Company has taken Term loan from banks as on June 2022 loan disbursed on June 2022 for modernisation and expansion of existing facilities of the Company at tumkur factory, the amount outstanding as at March 31, 2024 is 937 lakhs and as at March 31, 2023 is ₹ 762 lakhs.
- At the interest rate of 1 year MCLR Benchmark, Interest will reset annually.
 - Repayment terms are 16 Quarterly instalments at the end of 15 months from the date of disbursement Commencing from September 2023.
 - The quarterly returns or statement as amended of current assets filed by the Company with banks are in agreement with books of accounts.
 - Security : Out of total land parcel of ~66 acres available, the Company created mortgage on the land parcel to be used for the proposed capex.
- c. The Company has taken Term loan from banks as on April 2023 and Loan disbursed on October 2023 for expansion of EMS, the amount outstanding as at March 31, 2024 is 1002 lakhs and as at March 31, 2023 is Nil.
- At the interest rate of 3 Months MCLR Benchmark, Interest will reset Quarterly.
 - Repayment terms are 16 Quarterly instalments at the end of 15 months from the date of disbursement Commencing from January 2025.
 - The quarterly returns or statement as amended of current assets filed by the Company with banks are in agreement with books of accounts.
 - Security : Charge on all Current assets and Moveble fixed assets (apart from exclusive charge given to other banks) of the Company.
- d. Bills discounting facility from Banks are secured against invoices outstanding from our debtors.

20 TRADE PAYABLES

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises | 412 | 580 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 6,775 | 5,832* |
| Total Payable to other than micro enterprises and small enterprises | 6,775 | 5,832 |
| | 7,187 | 6,413 |

* Employee related payables ₹ 407 Lakhs grouped under other financial liabilities (Refer Note 21)

Ageing information of Trade Payable as on March 31, 2024 are given below:

| Particulars | Not due | Less than 1 Year | 1 to 2 Years | 2 to 3 Years | More than 3 Years | Total |
|-----------------------------|--------------|---------------------|-----------------|-----------------|----------------------|--------------|
| (i) MSME (Refer note below) | - | 412 | - | - | - | 412 |
| (ii) Others | 3,444 | 2,822 | 509 | - | - | 6,775 |
| (iii) Disputed Dues MSME | - | - | - | - | - | - |
| (iv) Disputed Dues Others | - | - | - | - | - | - |
| Total | 3,444 | 3,234 | 509 | - | - | 7,187 |

Ageing information of Trade Payable as on March 31, 2023 are given below:

| Particulars | Not due | Less than 1 Year | 1 to 2 Years | 2 to 3 Years | More than 3 Years | Total |
|-----------------------------|--------------|---------------------|-----------------|-----------------|----------------------|--------------|
| (i) MSME (Refer note below) | - | 580 | - | - | - | 580 |
| (ii) Others | 3,000 | 2,655 | 166 | - | 11 | 5,832 |
| (iii) Disputed Dues MSME | - | - | - | - | - | - |
| (iv) Disputed Dues Others | - | - | - | - | - | - |
| Total | 3,000 | 3,235 | 166 | - | 11 | 6,413 |

Note:

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Company

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Amount remaining unpaid | 412 | 580 |
| Interest | - | - |
| Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day | 2 | 4 |
| Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 | - | - |
| Interest accrued and remaining unpaid at the end of the year | - | - |
| Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act 2006 | - | - |

Note: Interest paid includes Amount waived off by Vendors.

21 OTHER FINANCIAL LIABILITIES

| Particulars | Non-current | | Current | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| At Amortised Cost | | | | |
| (a) Unclaimed dividends | - | - | 40 | 35 |
| (b) Security deposit | - | - | 1,059 | 1,444 |
| (c) Employee related payables | - | - | 244 | 407 |
| | - | - | 1,343 | 1,885* |
| Lease Liabilities (Refer Note 33 (iv)) | 50 | 277 | 280 | 145 |
| Total | 50 | 277 | 1,623 | 2,031 |

* As per balance sheet, total is ₹ 1478 Lakhs - Difference due to employee related payables ₹ 407 Lakhs is grouped under Trade Payables (Refer Note 20)

22 REVENUE FROM OPERATIONS

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| (a) Sale of Products - Manufactured Goods | 17,783 | 16,758 |
| (b) Sale of Products - Traded Goods | 8,946 | 7,792 |
| (c) Sale of Services | 9,835 | 10,734 |
| (d) Other operating revenues | 40 | 65 |
| Total | 36,604 | 35,349 |

23 OTHER INCOME

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| (a) Interest income earned on financial assets that are not designated at fair value through profit / loss | | |
| On bank deposits (at amortised cost) | 11 | 11 |
| On security deposits | 21 | 8 |
| On delayed receipts | 4 | 7 |
| On Income Tax refund | 7 | 5 |
| (b) Profit on sale of Property, Plant and Equipment | 2 | 11 |
| (c) Profit on sale of investments | 45 | 71 |

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| (d) Net gain arising on financial assets measured at FVTPL | 133 | 20 |
| (e) Net gain on foreign currency transaction and translation | 7 | 7 |
| (f) Gain on derecognition of lease | - | 12 |
| (g) Other non-operating income | 34 | - |
| Total | 264 | 153 |

24 COST OF MATERIAL CONSUMED

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Opening stock of raw materials and components | 2,511 | 1,805 |
| Add: Purchases | 12,645 | 13,312 |
| Total | 15,155 | 15,116 |
| Less: Closing stock of raw materials and components | 2,083 | 2,511 |
| Consumption of raw material and components | 13,072 | 12,606 |

25 PURCHASES OF STOCK-IN-TRADE

| | March 31, 2024 | March 31, 2023 |
|-----------------------------|----------------|----------------|
| Purchases of Stock-in-trade | 5,585 | 6,769 |
| Total | 5,585 | 6,769 |

26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Opening Stock: | | |
| Finished goods | 808 | 452 |
| Stock-in-trade | 2,875 | 2,449 |
| | 3,683 | 2,901 |
| Closing Stock: | | |
| Finished goods | 842 | 808 |
| Stock-in-trade | 2,588 | 2,875 |
| | 3,430 | 3,684 |
| Decrease / (Increase) in Stocks | 253 | (783) |

27 EMPLOYEE BENEFIT EXPENSE

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| (a) Salaries, Wages and Bonus | 4,796 | 4,361 |
| (b) Contribution to Provident and Other Funds | 285 | 238 |
| (c) Workmen and Staff Welfare Expenses | 268 | 371 |
| Total | 5,349 | 4,970 |

28 FINANCE COSTS

| | March 31, 2024 | March 31, 2023 |
|----------------------|----------------|----------------|
| Interest | | |
| On term loans | 75 | 2 |
| On lease liabilities | 43 | 60 |
| On others | 78 | 75 |
| Total | 196 | 137 |

29 DEPRECIATION AND AMORTISATION EXPENSE

| | March 31, 2024 | March 31, 2023 |
|-----------------------------------|----------------|----------------|
| Depreciation/amortisation on | | |
| (a) Property, plant and equipment | 593 | 260 |
| (b) Right to use assets | 323 | 343 |
| (c) Intangible assets | 172 | 106 |
| Total | 1,087 | 710 |

30 OTHER EXPENSES

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| (a) Consumption of Stores, Spares and Consumables | 145 | 119 |
| (b) Power and Fuel | 154 | 132 |
| (c) Rent | 300 | 302 |
| (d) Repairs and Maintenance | | |
| - Buildings | 355 | 327 |
| - Plant and Machinery | 68 | 50 |
| - Others | 682 | 519 |
| (e) Insurance | 287 | 234 |
| (f) Rates and Taxes | 67 | 41 |
| (g) Auditors' Remuneration (refer note 34 (iii)) | 19 | 16 |
| (h) Directors' Fees and Commission | 74 | 75 |
| (i) Loss on Sale & discard of Assets | 12 | - |
| (j) Travelling & conveyance | 686 | 598 |
| (k) Legal & consultancy | 698 | 601 |
| (l) Outsource staffing services | 2,145 | 2,017 |
| (m) Carriage outwards | 729 | 784 |
| (n) Corporate Social Responsibility expense (refer note 41) | 33 | 27 |
| (o) Provision for Expected Credit Losses | 157 | 74 |
| (p) Warranty expenses | 421 | 12 |
| (q) Authorised service provider expense | 3,600 | 3,297 |
| (r) Miscellaneous expenses | 763 | 584 |
| Total | 11,394 | 9,809 |

31 INCOME TAXES

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| 31(i) Income tax recognised in profit or loss | | |
| Current tax | | |
| In respect of current year | - | 336 |
| In respect of prior years | - | - |
| Deferred tax | | |
| In respect of current year | (95) | (4) |
| Others | - | - |
| Total income tax expense | (95) | 332 |

The income tax expense for the year can be reconciled to the accounting profit as follows:

| Particulars | 2023-24 | 2022-23 |
|--|-------------|------------|
| (Loss) / Profit before tax | (68) | 1,284 |
| Income tax expense calculated at 25.17% | (17) | 323 |
| Effect of income that is exempt from taxation | - | - |
| Effect of expenses that are not deductible in determining taxable profit | 17 | 12 |
| Effect of other temporary differences now recognised as DTA, net (including effect of rate change) | (95) | (4) |
| | (95) | 332 |
| Adjustments recognised in current year relating to current tax of previous years | - | - |
| Income tax expense recognised in profit or loss | (95) | 332 |

The Company has chosen to exercise the option of lower tax rate at 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019.

31(ii) Income tax recognised in other comprehensive income

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Deferred tax | | |
| Arising on income and expenses recognised in other comprehensive income: | | |
| Net fair value gain on investments in equity shares at FVTOCI | 5 | (11) |
| Remeasurement of defined benefit obligation | 12 | - |
| Total income tax recognised in other comprehensive income | 17 | (11) |

32 EARNINGS PER SHARE:

| Particulars | March 31, 2024 | March 31, 2023 |
|---------------------------------------|----------------|----------------|
| Basic Earnings per share (Amt in ₹) | 0.14 | 5.11 |
| Diluted Earnings per share (Amt in ₹) | 0.14 | 5.11 |

32(i) Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Profit after Taxation | 27 | 952 |
| Earnings used in the calculation of basic earnings per share | 27 | 952 |
| Weighted Average number of Equity Shares | 1,86,50,318 | 1,86,50,318 |
| Earnings Per Equity Share (Nominal value per share ₹ 10) | | |
| (a) Basic (Amt in ₹) | 0.14 | 5.11 |
| (b) Diluted (Amt in ₹) | 0.14 | 5.11 |

33 (I) REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue

The following table provides information about disaggregated revenue by major service line, timing of revenue recognition, category of customer and geographical market (in ₹ lakhs):

| Major product/service lines | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Sale of goods | 26,729 | 24,550 |
| B2B Services (In-Warranty, E-auction & others) | 9,443 | 9,138 |
| B2C Services (Out of warranty Services) | 396 | 1,247 |
| Others | 36 | 414 |
| Total revenue from contracts with customers | 36,604 | 35,349 |

| Timing of revenue recognition | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Products & services transferred at point in time | 36,537 | 35,280 |
| Services transferred over a period of time | 67 | 68 |
| Total revenue from contracts with customers | 36,604 | 35,349 |

| Category of customer | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Institutional - Govt / BFSI - Sale of Products | 8,203 | 5,843 |
| Retail - ADP, Channel & outlets - Sale of Products | 18,427 | 19,021 |
| Others (Including IT products related companies, Retail Customers) | 9,974 | 10,484 |
| Total revenue from contracts with customers | 36,604 | 35,349 |

| Geographical market | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| India | 36,604 | 34,110 |
| Rest of the World | - | 1,238 |
| Total revenue from contracts with customers | 36,604 | 35,349 |

Transaction price allocated to the remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures with respect to:

- contracts where revenue is recognised at a point in time
- the performance obligation that is part of a contract that has an original expected duration of one year or less.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency.

The following table includes estimated revenue expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Unamortised portion of service contracts | 79 | 117 |
| Total | 79 | 117 |

Contract liability

Changes in Unearned income / deferred revenue and advance from customers are as follows:

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Balance at the beginning of the year | 117 | 39 |
| Additions | | |
| (on account of invoicing during the year or advance received from the customer during the year) | 138 | 209 |
| Revenue recognised that was included in the unearned income / deferred revenue / advance received from customers balance at beginning of the year | (176) | (132) |
| Balance at the end of the year | 79 | 117 |

Reconciliation of revenue recognised with the contract price is as follows:

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Contract price (as reflected in the signed contract with customer) | 39,174 | 38,973 |
| <i>Reduction towards amounts payable to customer:</i> | | |
| Amounts paid/payable to the brand | - | - |

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| <i>Reduction towards variable components:</i> | | |
| -Direct commission | 325 | 402 |
| -Parts cost | 2,245 | 3,222 |
| Revenue recognised | 36,604 | 35,349 |

The Company receives payments from customers based upon contractual billing schedules; accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets includes amounts related to our contractual right to consideration for completed performance objectives not yet invoiced and deferred contract acquisition costs, which are amortised along with the associated revenue. Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract. The Company had no asset impairment charges related to contract assets in the period.

33 (II) MOVEMENT OF PROVISION FOR PRODUCT WARRANTY

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Balance at the beginning of the year | 331 | 664 |
| Provisions made during the year (Net off claims settled) | 126 | (333) |
| Balance at the end of the year | 457 | 331 |

Recognised under Provision (Refer note 16)

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------|----------------|----------------|
| Current | 457 | 331 |
| Total | 457 | 331 |

Provision represents estimate made for probable liabilities / claims relating to warranty. The outflow would depend on receipt of claims during the period.

33 (III) MOVEMENT OF PROVISION FOR CLAIMS AND CONTINGENCIES

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------------------------|----------------|----------------|
| Balance at the beginning of the year | 416 | 170 |
| Provisions made during the year | 238 | 246 |
| Claims Settled during the year | - | - |
| Balance at the end of the year | 653 | 416 |

Note - Provision for contingencies represents the estimated provision made for probable liabilities relating to certain claim/ other matters. Whilst the provision is considered short term in nature, the actual outflow with regard to the said matters depends on the exhaustion of the remedies available under the law and, hence, the Company is not able to reasonably ascertain the timing of the outflow. No recoveries are expected in respect of the same.

33 (IV)

A. Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities as at March 31, 2024:

| Particulars | March 31, 2024 | March 31, 2023 |
|-------------------------------|----------------|----------------|
| Current lease liabilities | 280 | 145 |
| Non-current lease liabilities | 50 | 277 |
| Total | 330 | 422 |

B. Movement in Lease liabilities :

The following is the movement in lease liabilities during the year ended March 31, 2024:

| Particulars | 2023-24 | 2022-23 |
|--|------------|------------|
| Opening Balance | 422 | 507 |
| Restatements on account of change in lease terms | - | - |
| Additions | 221 | 267 |
| Deletions | (17) | (12) |
| Finance costs accrued during the period | 43 | 60 |
| Other Adjustments | 11 | - |
| Payment of Lease liabilities | (350) | (399) |
| Closing Balance | 330 | 422 |

C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

| Particulars | March 31, 2024 | March 31, 2023 |
|----------------------|----------------|----------------|
| Less than one year | 95 | 331 |
| One to five years | 544 | 228 |
| More than five years | - | - |
| Total | 640 | 560 |

D. Amounts recognised in profit or loss

| Particulars | 2023-24 | 2022-23 |
|--|---------|---------|
| Interest on lease liabilities | 43 | 60 |
| Variable lease payments not included in the lease payment liabilities | - | - |
| Income from sub-leasing right of use assets | - | - |
| Expenses relating to short- term leases | - | - |
| Expenses relating to leases of low- value assets, excluding short term leases of low value assets. | - | - |

E. Amounts recognised in cash flow

| Particulars | 2023-24 | 2022-23 |
|---------------------------------------|---------|---------|
| Total cash outflows for leases | 350 | 399 |

34 OTHER DISCLOSURES

(i) Contingent liabilities

| Details | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| (i) Claims against the Company not acknowledged as debt | | |
| Value added tax, CST and GST* | 1,947 | 265 |
| Customs Duty ** | 3,558 | - |
| Others*** | 56 | 56 |

Note - Show Cause/ Other notices pending formal demand order are not considered as contingent liabilities.

Claims against the Company not acknowledged as debts is 5,561 lakhs (2022-23 : ₹ 321 lakhs). These includes:

*Increase in current year due to GST claims disputed by the Company relating to issues on applicability and mismatch in ITC between GSTR-2A Vs GSTR-3B aggregating is ` 1,623 lakhs (2022-23 : Nil).

** Customs Duty disputed by the Company pertaining to issue of rate of duty(Classification) and value of the goods for the purpose of assesment of duty(Valuation) aggregating to ₹ 3,558 lakhs

*** Provident Fund (PF) Damages/penalty up on non payment of PF on special allowances is 56 lakhs (2022-23 : ₹ 56 lakhs)

The Company is in the process of submitting its replies to the respective authorities and not carrying any provision for the above case in its books of account, as it is confident that the contingent liability will not be materialised.

(ii) Capital commitments

| Details | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| (i) Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances) | 366 | 597 |

(iii) Audit Fees

| Details | March 31, 2024 | March 31, 2023 |
|-----------------------------------|----------------|----------------|
| As Statutory auditors & Tax Audit | 15 | 15 |
| Reimbursement of expenses | 4 | 1 |
| Total | 19 | 16 |

35 RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2024 (AS REQUIRED UNDER IND AS 24)

35(i). Holding companies

TVS Investments Private Limited (Holding Company of Reporting Entity)

35(ii). Other Related Parties with whom transactions have been made:

Fellow Subsidiaries:

TVS Capital Funds Private Limited
Harita Techserv Private Limited
International Money Matters Pvt Ltd

Other Related Party (Entities under Common Control) :

IIT Madras Research Park
Autonom 8 Private Limited

35(iii). Key Management Personnel (KMP)

Mrs. Srilalitha Gopal (Managing Director)
Mr. A Kulandai Vadivelu (Chief Financial Officer)
Mr.Santosh Krishnadass (Company Secretary)

35(iii). Non Executive Directors

Mr. Gopal Srinivasan
Mr. M Lakshminarayan
Mr. M F Farooqui
Mr. R S Raghavan
Mr. K Balakrishnan
Dr V Sumantran
Mrs. Subhasri Sriram

35(v). Transactions with related parties

| | 2023-24 | 2022-23 |
|--|---------|---------|
| Services availed | | |
| a. TVS Investments Private Limited, Chennai | 49 | 45 |
| b. TVS Capital Funds Private Limited, Chennai | 60 | 65 |
| c. Harita Techserv Private Limited | 10 | 21 |
| d. International Money Matters Private Limited | 8 | 2 |
| e. IIT Madras | 32 | 27 |
| Services rendered | | |

| | 2023-24 | 2022-23 |
|--|---------|---------|
| a. TVS Capital Funds Private Limited | 4 | 22 |
| b. International Money Matters Private Limited | 1 | 1 |
| c. Harita Techserv Limited | 4 | 4 |
| d. TVS Investments Private Limited | - | - |
| Compensation of Key Management Personnel | | |
| a. Short term benefits | 244 | 263 |
| b. Sitting Fees | 74 | 75 |
| Reimbursement (Received) | | |
| a. TVS Capital Funds Private Limited | 14 | 16 |
| b. TVS Investments Private Limited | 6 | 2 |
| Closing Balance of related parties as of March 31, 2022 | | |
| a) Trade Receivables | | |
| a. TVS Capital Funds Private Limited, Chennai | - | 5 |
| b. International Money Matters Private Limited | 6 | 17 |
| c. Harita Techserv Limited | - | 1 |
| d. Harita Fehrer Limited | - | 1 |
| b) Indemnity Deposit | | |
| a. TVS Investments Private Limited, Chennai | - | 2,500 |
| c) Trade Payables | | |
| a. TVS Investments Private Limited, Chennai | 20 | 12 |
| b. TVS Capital Funds Private Limited, Chennai | 11 | 11 |
| c. Harita Techserv Limited, Chennai | 3 | - |
| d. IIT Madras | - | 3 |

36 FINANCIAL INSTRUMENTS

36(i) Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Debt * | 3,714 | 944 |
| Cash and cash equivalents | 177 | 908 |
| Net debt | 3,536 | 36 |
| Equity** | 9,879 | 10,180 |
| Total capital (Net Debt+Equity) | 13,415 | 10,216 |
| Net debt to equity ratio | 0.26 | 0.00 |

*Debt is defined as long-term and short-term borrowings (excluding derivatives).

** Equity includes all capital and reserves of the Company that are managed as capital.

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| 36(ii) Categories of financial instruments | | |
| Financial assets | | |
| Measured at fair value through profit or loss (FVTPL) | | |
| (a) Mandatorily measured: | | |
| (i) Other investments | 2,503 | 1,134 |
| Measured at amortised cost | | |
| (a) Cash and bank balances | 438 | 1,117 |
| (b) Other financial assets | 7,580 | 5,683 |
| Measured at FVTOCI | | |
| (a) Investments in equity instruments designated upon initial recognition | 129 | 110 |
| Measured at fair value through profit or loss (FVTPL) | | |
| (a) Derivatives not designated in hedge accounting relationships | - | - |
| Financial liabilities | | |
| Measured at fair value through profit or loss (FVTPL) | | |
| (a) Derivatives not designated in hedge accounting relationships | - | - |
| Measured at amortised cost | | |
| (a) Other financial liabilities | 12,573 | 9,664 |

36(iii) Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

36(iv) Market Risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

36(v) Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Company's foreign currency denominated monetary liabilities remaining unhedged at the end of the reporting period.

| Currency | Liabilities as at (Amount in lakhs) | |
|----------|-------------------------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| USD | - | 8 |
| CNY | 42 | - |

The carrying amounts of the Company's foreign currency denominated monetary assets remaining unhedged at the end of the reporting period.

| Currency | Assets as at (Amount in lakhs) | |
|----------|--------------------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| USD | 16 | 2 |
| JPY | - | 2 |
| CNY | 20 | 9 |

Foreign currency forward contracts outstanding as at Balance Sheet date:

| Currency | Liabilities as at (Amount in lakhs) | |
|----------|-------------------------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| USD | 74 | 62 |

36(v)(a) Foreign Currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in the ₹ against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity.

| Particulars | USD - ₹ impact | | EUR - ₹ impact | | SGD - ₹ impact | | CHF - ₹ impact | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Profit or loss | 133 | 50 | - | - | - | - | - | 1 |

| Particulars | JPY - ₹ impact | | CNY - ₹ impact | |
|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Profit or loss | - | - | 26 | 11 |

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.

36(vi) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

36(vi)(a) Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Impact on profit & loss account (in ₹ lakhs) | 19 | 8 |

36(vii) Other price risks

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic purposes. The Company doesn't actively trade these investments.

36(vii)(a) Equity Price Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 100 points higher/lower ;

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---------------|--------------------------------------|--------------------------------------|
| Impact on OCI | 1.3 | 1.1 |

36(viii) Credit risk management

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 only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to review its major customers. The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

36(xi) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. 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.

36(xi)(a) Liquidity and interest risk tables

The amounts included in the following table for financial guarantee contracts are the maximum amount the Group could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee (see note 35). Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses. The contractual maturity is based on the earliest date on which the Group may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2024

| Particulars | Less than 1 year | 1-3 year | 3 - 5 year | 5+years | Total contractual cash flows | Carrying amount |
|-----------------------------|---------------------|----------|------------|---------|---------------------------------|--------------------|
| Trade payables | 3,743 | - | - | - | 3,743 | 3,743 |
| Borrowings | 2,213 | 969 | 532 | - | 3,714 | 3,714 |
| Other financial liabilities | - | - | - | - | - | - |

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2023

| Particulars | Less than 1 year | 1-3 year | 3 - 5 year | 5+years | Total contractual cash flows | Carrying amount |
|-----------------------------|---------------------|----------|------------|---------|---------------------------------|--------------------|
| Trade payables | 3,413 | - | - | - | 3,413 | 6,820 |
| Borrowings | 325 | 381 | 238 | - | 944 | 944 |
| Other financial liabilities | - | - | - | - | - | - |

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The carrying value of financial instruments as follows

36(x) Fair value measurements

36.10.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Fair value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique (s) and inputs used).

| Particulars | Fair value hierarchy | As at March 31, 2024 | | | As at March 31, 2023 | | |
|--|-------------------------|----------------------|--|------------------------------|----------------------|--|---------------------------|
| | | Amortised cost | Fair Value through profit or loss | Fair Value through OCI | Amortised cost | Fair Value through profit or loss | Fair Value through OCI |
| Financial assets | | | | | | | |
| Financial assets at amortised cost: | | | | | | | |
| - Trade receivables | Level 2 | 6,275 | - | - | 4,645 | - | - |
| - Cash and cash equivalents | Level 2 | 177 | - | - | 908 | - | - |
| - Bank balances other than cash and cash equivalents | Level 2 | 261 | - | - | 227 | - | - |
| - Investments in Mutual funds | Level 1 | - | 2,503 | - | - | 1,134 | - |
| - Investments in equity instruments | Level 3 | - | - | 129 | - | - | 110 |
| - Other financial assets | Level 2 | 1,305 | - | - | 1,038 | - | - |
| Financial liabilities | | | | | | | |
| Financial liabilities at amortised cost: | | | | | | | |
| Borrowings | Level 2 | 3,714 | - | - | 944 | - | - |
| Trade payables | Level 2 | 7,187 | - | - | 6,820 | - | - |
| Other financial liabilities | Level 2 | 1,673 | - | - | 1,901 | - | - |

The Management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, trade payables, bills discounting and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37 SEGMENT REVENUES, RESULTS AND OTHER INFORMATION

| Particulars | March 31, 2024 | | | March 31, 2023 | | |
|--|----------------------|---------------------------|---------------|----------------------|---------------------------|---------------|
| | Products & Solutions | Customer Support Services | Total | Products & Solutions | Customer Support Services | Total |
| Revenue from Operations | | | | | | |
| External Sales | 26,729 | 9,875 | 36,604 | 24,597 | 10,752 | 35,349 |
| Less: Inter Segment Sales - Elimination | - | - | - | - | - | - |
| Net Revenue | 26,729 | 9,875 | 36,604 | 24,597 | 10,752 | 35,349 |
| Segment wise results before interest and tax and Exceptional items | 374 | (510) | (137) | 1,414 | (146) | 1,268 |
| Add: Exceptional Items (Refer 33(V)) | - | - | - | - | - | - |
| Segment wise results before interest and tax and After Exceptional items | 374 | (510) | (137) | 1,414 | (146) | 1,268 |
| Add: Interest Income | - | - | 43 | - | - | 24 |
| Add: Other unallocable Income | - | - | 220 | - | - | 130 |
| Less: Finance Costs | - | - | (196) | - | - | (137) |
| Less: other unallocable expense | - | - | - | - | - | - |
| Profit from ordinary activities before tax and after exceptional items | | | (69) | | | 1,284 |
| Less: Tax expense | - | - | (95) | - | - | 332 |
| Profit After Tax | | | 27 | | | 952 |
| Segment Assets | 13,813 | 7,019 | 20,833 | 13,917 | 5,624 | 19,541 |
| Unallocated segment assets | - | - | 3,596 | - | - | 2,582 |
| Total Assets | | | 24,428 | | | 22,123 |
| Segment Liabilities | 6,572 | 4,262 | 10,834 | 6,511 | 4,488 | 10,999 |
| Unallocated segment liabilities | - | - | 3,714 | - | - | 944 |
| Total Liabilities | | | 14,548 | | | 11,943 |
| Capital Expenditure | 2,093 | 32 | 2,125 | 110 | 72 | 182 |
| Segment depreciation/amortisation (other than Right to use) | 241 | 162 | 403 | 150 | 216 | 366 |
| Non-cash expenses / (income) other than depreciation / amortisation | - | - | - | - | - | - |

"With effect from April 01, 2021, the Company has combined the "Fulfilment and distribution services" segment with the "Products & Solutions" segment based on an assessment of operations of the Chief Operating Decision Maker (CODM). Accordingly, the Company has the following two business segments as per Ind AS 108:

(i) Products & Solutions; (ii) Customer Support Services

Information by Geographic market

| Particulars | March 31, 2024 | | | March 31, 2023 | | |
|--------------------|----------------|--------|--------|----------------|--------|--------|
| | India | Others | Total | India | Others | Total |
| Revenue | 36,603 | - | 36,603 | 34,109 | 1,238 | 35,348 |
| Non Current Assets | 6,014 | - | 6,014 | 6,429 | - | 6,429 |

38 EMPLOYEE BENEFIT PLANS

(i). Defined contribution plans :

The Company makes provident fund contributions and National Pension fund contributions for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Contributions payable by the Company are at rates specified in the rules of the Schemes/Policy and the details of expense recognised during the year on account of such defined benefit plan is ₹ 286 lakhs (Previous year ₹ 233 lakhs)

(ii). Defined benefit plans :

Gratuity -

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to the employees on retirement or termination of employment. In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. 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).

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

| Particulars | Gratuity (Funded) | |
|--|-------------------|------------|
| | 2023-24 | 2022-23 |
| Present Value of obligations at the beginning of the year | 550 | 501 |
| Current service cost | 99 | 79 |
| Interest Cost | 37 | 30 |
| Acquisition / Divestitures / Adjustments | - | - |
| Re-measurement (gains)/losses: | | |
| - Actuarial gains and losses arising from change in financial assumption | (39) | 12 |
| - Actuarial gains and losses arising from experience adjustment | - | - |
| Benefits paid | (101) | (71) |
| Present Value of obligations at the end of the year | 547 | 550 |
| Changes in the fair value of planned assets | | |
| Fair value of plan assets at beginning of year | 436 | 353 |
| Interest Income | 33 | 24 |
| Return on plan assets | 1 | (1) |
| Acquisition / Divestitures / Adjustments | - | - |
| Other charges | - | - |
| Contributions from the employer | 113 | 131 |
| Benefits Paid | (101) | (71) |
| Fair Value of plan assets at the end of the year | 482 | 436 |

| Particulars | Gratuity (Funded) | |
|--|-------------------|------------|
| | 2023-24 | 2022-23 |
| Amounts recognised in the Balance Sheet | | |
| Projected benefit obligation at the end of the year | 547 | 550 |
| Fair value of plan assets at end of the year | 482 | 436 |
| Funded status of the plans – Liability recognised in the balance sheet | 65 | 114 |
| Components of defined benefit cost recognised in profit or loss | | |
| Current service cost | 99 | 79 |
| Net Interest Expense | 4 | 5 |
| Net Cost in Profit or Loss | 104 | 84 |
| Components of defined benefit cost recognised in Other Comprehensive income | | |
| Remeasurement on the net defined benefit liability: | | |
| - Actuarial gains and losses arising from change in financial assumption | (39) | 12 |
| - Actuarial gains and losses arising from experience adjustment | - | - |
| Return on plan assets | (1) | 1 |
| Net Cost in Other Comprehensive Income | (40) | 13 |

| | March 31, 2024 | March 31, 2023 |
|---|-----------------------------|------------------|
| Assumptions | | |
| Discount rate | 7.1% to 7.20% | 7.3% to 7.40% |
| Expected rate of salary increases | 8% to 9% | 10.00% |
| Expected rate of attrition | 12.00% to 30.00% | 12.00% to 30.00% |
| Average age of members | 38.86 | 34.43 |
| Average remaining working life (Against Retirement age of 58) | 24.30 | 23.57 |
| Mortality | (IALM (2012-2014) Ultimate) | |

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The results of sensitivity analysis is given below:

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------|----------------|----------------|
| Discount rate | | |
| - 1% increase | 20 | 22 |
| - 1% decrease | (21) | (23) |
| Salary growth rate | | |
| - 1% increase | (16) | (17) |
| - 1% decrease | 15 | 15 |

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods / assumptions used in preparing the sensitivity analysis from prior years.

(iii). Long Term Compensated Absence

The assumption used for computing the long term accumulated compensated absences on actuarial basis are as follows:

| Assumptions | 2023-24 | 2022-23 |
|-----------------------------------|------------------|------------------|
| Discount rate | 7.1% to 7.20% | 7.3% to 7.40% |
| Attrition Rate | 12.00% to 30.00% | 12.00% to 30.00% |
| Expected rate of salary increases | 8% to 9% | 10.00% |

39 RATIOS

| Ratios | Current period | | | Previous period | | | Variance % |
|---|----------------|-------------|-------|-----------------|-------------|--------|------------|
| | Numerator | Denominator | Ratio | Numerator | Denominator | Ratio | |
| (a) Current ratio (In times) | 17,783 | 12,952 | 1.37 | 15,411 | 11,021 | 1.40 | (2%) |
| (b) Debt-equity ratio (In times)* | 4,044 | 9,879 | 0.41 | 1,366 | 10,180 | 0.13 | 205% |
| (c) Debt service coverage ratio (In times)* | 1,322 | 4,044 | 0.33 | 1,799 | 1,366 | 1.32 | (75%) |
| (d) Return on equity ratio (in %) | 27 | 9,879 | 0.27% | 952 | 10,180 | 9.36% | (9%) |
| (e) Inventory turnover ratio (In times) | 18,911 | 5,854 | 3.23 | 18,592 | 5,443 | 3.42 | (5%) |
| (f) Trade receivables turnover ratio (In times) | 36,604 | 5,460 | 6.70 | 35,349 | 4,080 | 8.66 | (23%) |
| (g) Net profit ratio (in %) | 27 | 36,604 | 0.07% | 952 | 35,349 | 2.69% | (3%) |
| (h) Trade payables turnover ratio (In times) | 30,304 | 6,800 | 4.46 | 28,402 | 6,603 | 4.30 | 4% |
| (i) Net capital turnover ratio (In times) | 36,604 | 4,610 | 7.94 | 35,349 | 4,322 | 8.18 | (3%) |
| (j) Return on capital employed (in %) ** | 127 | 13,592 | 0.94% | 1,421 | 11,124 | 12.77% | (93%) |
| (k) Return on investment (in %) | 45 | 1,938 | 2.33% | 71 | 2,353 | 3.00% | (22%) |

* Variance in debt equity ratio & DSCR due to availment of debts for capital expenditure towards expansions

** Expenses for the year includes spends on technology and developments which are non routine

40 UTILISATION OF BORROWED FUNDS:

- a. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall,
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- b. The Company has not received any fund from any person or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall,
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

41 CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility (Section 135 of the Companies Act, 2013) are applicable to the Company, the amount spent are over and above the limit prescribed.

Expenditure incurred on Corporate Social Responsibility activities:

| Details | March 31, 2024 | March 31, 2023 |
|--|---|----------------|
| (a) Gross amount required to be spent by the Company during the year | 27 | 20 |
| (b) Amount spent during the year in cash | 33 | 27 |
| (c) short fall at the end of the year | - | - |
| (d) Previous year shortfall | - | - |
| (e) Reason for shortfall | - | - |
| (f) Nature of CSR Activities | Promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects | |
| (g) Contribution to a trust controlled by the Company | - | - |

42 UNDISCLOSED INCOME

There are no transactions that are not recorded in the books of account that has been surrendered or disclosed as income during the year.

43 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the current and the previous financial year.

44 OTHER STATUTORY REQUIREMENTS

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies which has been struck off by ROC under section 248 of the companies Act, 2013 other than the following:

| Amount in ₹ | | | | |
|-------------------------------------|--|--|--|---|
| Name of struck off company | Nature of transactions with struck off company | Balance outstanding as on March 31, 2024 | Balance outstanding as on March 31, 2023 | Relationship with struck off companies |
| Chipscape Computers Private Limited | Payables | 10,184 | 10,184 | Third party vendor and not related party of the Company |
| Cyko Technology Private Limited | Payables | - | (1,450) | Third party vendor and not related party of the Company |
| Vaishali Computech Private Limited | Receivables | - | (9,928) | Third party vendor and not related party of the Company |
| Canal Electronic Co., Limited | Payables | (504) | - | Third party vendor and not related party of the Company |

| Amount in ₹ | | | | |
|-----------------------------------|--|--|--|---|
| Name of struck off company | Nature of transactions with struck off company | Balance outstanding as on March 31, 2024 | Balance outstanding as on March 31, 2023 | Relationship with struck off companies |
| ETR Electronic Co., Limited | Payables | (448) | (1,625) | Third party vendor and not related party of the Company |
| JMS Engineering Company Limited | Payables | (2,940) | - | Third party vendor and not related party of the Company |
| Sylog Enterprises Private Limited | Receivables | - | (5,406) | Third party vendor and not related party of the Company |

- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- There are no immovable property which are held in the name of promoter, director or relative of promoter/director or employee of promoter/director.
- During the year, company has not revalued its Property, Plant and Equipment.
- There are no Loans or Advances granted to promoters, directors, KMPs and related parties either severally or jointly with any other person which are either of repayable on demand or without specifying any terms or period of repayment.
- There is no wilful defaulter issued by any bank or financial institution (as defined under the Act) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- There are no such holdings or investments made by company which is related to the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

45 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Board of Directors on May 09, 2024.

In terms of our report attached

For Guru & Jana
Chartered Accountants
Firm Registration No. 006826S
HEENA KAUSER A P
Partner

UDIN: 24219971BKCLPW5046

Place: Chennai
Date: May 09, 2024

For and on behalf of the Board of Directors

SRILALITHA GOPAL
(DIN : 02329790)
Managing Director

R S RAGHAVAN
(DIN : 00260912)
Director

SANTOSH KRISHNADASS
Company Secretary

A KULANDAI VADIVELU
Chief Financial Officer



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