

Registered Office:  
"Chaitanya",  
No. 12, Khader Nawaz Khan Road,  
Nungambakkam,  
Chennai – 600006  
PH: 044 28332115

# **TVS Holdings Limited**

*[Formerly known as Sundaram-Clayton Limited]*

15<sup>th</sup> July 2024

BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001.  
**Equity Scrip code: 520056**

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> Floor,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai 400 051.  
**Equity Scrip code: TVSHLTD**

Dear Sir/Madam,

**Reg.: Annual Report for the FY 2023-24**

Pursuant to Regulations 34(1) and 53(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2023-24.

The copy of the Annual Report is available on the website of the Company viz.,  
[www.tvsholdings.com](http://www.tvsholdings.com).

Thanking you,

Yours faithfully,

**For TVS Holdings Limited**

**R Raja Prakash**  
**Company Secretary**  
Encl :a/a

*TVS Holdings Limited*  
*(Formerly known as Sundaram-Clayton Limited)*

*62<sup>nd</sup> Annual Report 2024*

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Board of Directors**

VENU SRINIVASAN,  
*Chairman*

SUDARSHAN VENU,  
*Managing Director*

K GOPALA DESIKAN,  
*Director & Group Chief Financial Officer*

C R DUA

R GOPALAN

ANUJ SHAH

TIMM TILLER

SASIKALA VARADACHARI

**Audit Committee**

SASIKALA VARADACHARI

R GOPALAN

ANUJ SHAH

**Nomination and Remuneration Committee**

SASIKALA VARADACHARI

R GOPALAN

ANUJ SHAH

**Risk Management Committee**

R GOPALAN, *Chairman*

K GOPALA DESIKAN

ANUJ SHAH

SASIKALA VARADACHARI

**Stakeholders' Relationship Committee**

ANUJ SHAH, *Chairman*

K GOPALA DESIKAN

SASIKALA VARADACHARI

**Corporate Social Responsibility Committee**

VENU SRINIVASAN, *Chairman*

SUDARSHAN VENU

ANUJ SHAH

**Company Secretary**

R RAJA PRAKASH

**Statutory Auditors (2023-24)**

M/s. RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants,  
No. 17/12, II Floor, Casa Capitol,  
Wood Street, Ashoknagar,  
Bengaluru - 560 025.  
Tel. : 080-2556 7578 / 2551 4771  
E-mail : [sathya@nca-india.com](mailto:sathya@nca-india.com)

**Secretarial Auditor**

B CHANDRA  
Practising Company Secretary  
AG 3, Ragamallika,  
No. 26, Kumaran Colony Main Road,  
Vadapalani, Chennai 600 026  
E-mail : [bchandraandassociates@gmail.com](mailto:bchandraandassociates@gmail.com)

**Shares listed with**

BSE Limited, Mumbai  
National Stock Exchange of India Limited, Mumbai

**Share Transfer Agent**

Integrated Registry Management Services  
Private Limited,  
Registered Office:  
2<sup>nd</sup> Floor, Kences Towers,  
No.1, Ramakrishna Street,  
North Usman Road,  
T Nagar, Chennai - 600 017  
Tel. : (044) 2814 0801-03  
Fax : (044) 2814 2479  
Email : [einward@integratedindia.in](mailto:einward@integratedindia.in)

**Bankers**

STATE BANK OF INDIA  
Corporate Accounts Group Branch  
Chennai

The Hongkong and Shanghai Banking  
Corporation Limited,  
Main Branch, Chennai

**Registered Office**

"Chaitanya",  
No. 12, Khader Nawaz Khan Road,  
Nungambakkam, Chennai - 600 006,  
Tamil Nadu, India.  
Tel. : 044 - 2833 2115  
Fax : 044 - 2833 2113  
CIN : L35999TN1962PLC004792  
E-mail : [corpsec@tvsholdings.com](mailto:corpsec@tvsholdings.com)  
Website: [www.tvsholdings.com](http://www.tvsholdings.com)

**Direct Subsidiaries**

1. TVS Motor Company Limited, Chennai
2. Emerald Haven Reality Limited, Chennai
3. TVS Holdings (Singapore) Pte. Limited, Singapore

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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 62<sup>nd</sup> Annual General Meeting of the Company (AGM) will be held on Thursday, the 8<sup>th</sup> August 2024 at 3.15 P.M. [Indian Standard Time (IST)] through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

### ORDINARY BUSINESS

1. To consider passing the following resolution as an ordinary resolution:

"RESOLVED THAT the standalone and consolidated audited financial statements for the year ended 31<sup>st</sup> March 2024, together with the Board's Report and the Auditors' Report thereon as circulated to the Members and presented to the meeting be and are hereby approved and adopted.

2. To consider passing the following resolution as an ordinary resolution:

"RESOLVED THAT Mr K Gopala Desikan (holding DIN 00067107), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

3. To consider passing the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 & 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and in accordance with the provisions stipulated by SEBI vide its circular no. CIR/CFD/CMD1/114/2019 dated October 18, 2019 and on the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for appointment of M/s. N C Rajagopal & Co., Chartered Accountants (having Firm Registration No. 003398S with the Institute of Chartered Accountants of India (ICAI) and a Peer review Certificate No. 014604 issued by the Peer Review Board of ICAI) as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, (Firm Registration No. 007761S) with effect from the closing of business hours of 9<sup>th</sup> May 2024, to hold office as the Statutory Auditors of the Company from 10<sup>th</sup> May 2024 till the conclusion of this Annual General Meeting of the Company.

4. To consider passing the following resolution as an ordinary resolution:

RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee of the Board, M/s. N C Rajagopal & Co., Chartered Accountants, Chennai having Firm Registration Number: 003398S, be and are hereby appointed as the Statutory Auditor of the Company, for a term of three

consecutive years to hold the office from the conclusion of this 62<sup>nd</sup> Annual General Meeting till the conclusion of the 65<sup>th</sup> Annual General Meeting of the Company on such remuneration as may be approved by the Board of Directors on the recommendation of the Audit Committee, from time to time during their tenure of appointment, in addition to applicable taxes and reimbursement of travelling and other out of pocket expenses incurred by them.

RESOLVED FURTHER THAT the Board of Directors and Audit Committee thereof, be and are hereby authorized to decide and finalize the terms and conditions of appointment, including remuneration of the Statutory Auditors and to do all such acts as may be necessary, proper and expedient to give effect to this resolution".

By order of the Board of Directors

Chennai  
9<sup>th</sup> May 2024

R Raja Prakash  
Company Secretary

Registered office:  
"Chaitanya"  
No.12, Khader Nawaz Khan Road,  
Nungambakkam, Chennai - 600 006

#### Notes:

A Statement pursuant to Section 102 of the Companies Act, 2013 (the Act, 2013), setting out the material facts in respect of the ordinary business to be transacted at the Annual General Meeting (AGM), as listed out in the Notice, is annexed hereto.

1. Pursuant to the MCA Circular No. 09/2023 dated: 25<sup>th</sup> September 2023 read with MCA Circulars No. 10/2022, 2/2022 and 20/2020 dated 28<sup>th</sup> December 2022, 5<sup>th</sup> May 2022 and 5<sup>th</sup> May 2020 respectively, issued by the Ministry of Corporate Affairs (MCA) and all other relevant circulars issued from time to time, and SEBI Circulars No. SEBI/HO/CFD/PoD-2/ P/CIR/2023/167 dated 7<sup>th</sup> October 2023, issued by the Securities and Exchange Board of India (SEBI) and in compliance with the provisions of the Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), physical attendance of the Members is not required at a common venue and AGM can be held through VC or OAVM. Hence, Members can attend and participate in the ensuing AGM through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives as Members to attend the AGM through VC / OAVM and participate and cast their votes through e-Voting.
3. Corporate Members are requested to send a certified copy of the Board Resolution authorizing their representative to attend this AGM, pursuant to Section 113 of the Act, 2013 through e-mail at [corpsec@tvsholdings.com](mailto:corpsec@tvsholdings.com) or through post to the registered office of the Company.

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**(Formerly known as Sundaram-Clayton Limited)**

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4. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on "first come first served" basis. This will not include large Shareholders (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, Auditors etc. who are allowed to attend the AGM without restriction on account of "first come first served" basis.
5. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.
6. Pursuant to the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations, and the Circulars issued by the Ministry of Corporate Affairs dated 5<sup>th</sup> May, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business as 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 authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting at the meeting will be provided by NSDL.
7. In line with MCA Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.tvsholdings.com](http://www.tvsholdings.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. AGM has been convened through VC / OAVM in compliance with applicable provisions of the Act, 2013, read with Circulars issued by MCA and SEBI from time to time.

#### **Unclaimed Dividend**

9. In terms of Section 124 of the Act, 2013, the dividend declared by the Company, for earlier years, which remain unclaimed for a period of seven years will be transferred on due dates to the Investor Education and Protection Fund (IEPF), established by the Central Government. The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished in the Report on Corporate Governance, forming part of the Annual Report.
10. Members who have not encashed their dividend warrants in respect of the above period are requested to make their claim(s) by surrendering the un-encashed warrants immediately to the Company.

Pursuant to The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is providing / hosting the required details of unclaimed

amount referred to under Section 124 of the Act, 2013 on its website and also on the website of MCA viz., [www.iepf.gov.in](http://www.iepf.gov.in).

#### **General**

11. With a view to serve the Members better and for administrative convenience, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings into one folio.
12. Members may also note that the Annual Report will also be available on the Company's website viz., [www.tvsholdings.com](http://www.tvsholdings.com) for their download.

#### **Members holding shares in electronic form**

13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are requested to submit their PAN to the Depository Participant(s) (DP) with whom they are maintaining their demat accounts.
14. Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC, Mandates, Nominations, Power of Attorney, Change of Address / Name / e-mail Address / Contact Numbers, etc., to their DP.
15. Electronic copy of the Annual Report and the Notice of the AGM *inter-alia* indicating the process and manner of e-Voting are being sent to all the Members whose e-mail IDs are registered with the Company / DPs for communication purposes.

#### **Members holding shares in physical form**

16. Members can submit their PAN details to the Company / Share Transfer Agent (STA).
17. Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC, Mandates, Nomination as per Section 72 of the Act, 2013 by filling Form SH-13, Power of Attorney, Change of Address / Name / e-mail Address / Contact Numbers, etc., with the Company / STA. Blank forms (SH-13) will be sent by e-mail.
18. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.

#### **Voting**

19. The businesses set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. The Members may cast their votes using electronic voting system from a place other than the venue of the meeting ('remote e-Voting').
20. In case of joint holders attending AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
21. In terms of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, ('the Rules') and Regulation 44 of the Listing Regulations, the Company has provided facility to exercise votes through electronic voting system to the Members holding shares as on 1<sup>st</sup> August 2024 being

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the "Cut-off Date" ("Cut- Off" for the purpose of Rule 20(4)(vii) of the Rules) fixed for determining voting rights of the Members entitled to participate in the remote e-Voting process through the platform provided by NSDL viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

The voting rights of the Members / Beneficial Owners will be reckoned on the Equity Shares held by them as on Cut-off date. Members as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting.

**THE INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING AT THE MEETING ARE AS UNDER**

The remote e-Voting period begins on 5<sup>th</sup> August 2024 at 9:00 A.M. (IST) and ends on 7<sup>th</sup> August 2024 at 5:00 P.M. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Members who have not cast their vote on any of the resolutions using the remote e-Voting facility can vote on those resolutions during the AGM. Once the vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently.

**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 9, 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.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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,

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL. (Continued)	<p>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 &amp; voting during the meeting.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile</p>



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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL. (Continued)	<p>App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/ Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
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.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants - (continued)	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 above mentioned 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**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.

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3. 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 101456 then user ID is 101456001***.

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

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
  - 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'.

- 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:

- 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](http://www.evoting.nsdl.com).
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name and your registered address etc.
- 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.**

- 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.
- 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".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which



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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.

**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), AADHAAR (self attested scanned copy of Aadhaar Card) by email to [einward@integratedindia.in](mailto:einward@integratedindia.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), AADHAAR (self attested scanned copy of Aadhaar Card) to [einward@integratedindia.in](mailto:einward@integratedindia.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.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 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.

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

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- ii. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not cast 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.

- iii. 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.
- iv. 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.

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

- i. Members 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, Members can see link of "VC / OAVM link" placed under "Join General meeting" menu against the Company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in shareholder / members 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.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. 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.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number / folio number, email id, mobile number at [rrp@tvsholdings.com](mailto:rrp@tvsholdings.com) from 3<sup>rd</sup> August 2024 (9.00 A.M. (IST)) to 5<sup>th</sup> August 2024 (5.00 P.M. (IST))
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- vii. Members can submit questions with regard to the financial statements or any other matter to be placed at the AGM, from

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their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address [rrp@tvsholdings.com](mailto:rrp@tvsholdings.com) atleast 48 hours in advance before the start of the meeting. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

**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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail [bchandraandassociates@gmail.com](mailto:bchandraandassociates@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
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](http://www.evoting.nsdl.com) to reset the password.
3. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
4. M/s B Chandra and Associates, Practicing Company Secretaries (Registration No. P2017TN065700), has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
5. In case of any queries, Members 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 2244 30 and send a request to NSDL official, Ms. Pallavi Mhatre Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
6. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such report shall then be sent to the Chairman or a person authorized in this regard, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
7. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at

[www.tvsholdings.com](http://www.tvsholdings.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai.

8. Pursuant to the Circulars issued by MCA and SEBI, owing to the difficulties involved in dispatching of physical copies of the Notice of the AGM and the Annual Report for the year 2023-24, the said documents are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the year 2023-24 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:

- a) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAAR) supporting the registered address of the Member, by email to the Company's email address [einward@integratedindia.in](mailto:einward@integratedindia.in).
- b) For Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

Further, as per Regulation 36 (1) (c) of the Listing Regulations, hard copy of the full annual report will be given to those shareholders who request for the same.

9. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1<sup>st</sup> April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to email address [einward@integratedindia.in](mailto:einward@integratedindia.in) alongwith the documents as stated in Para No. 10.
10. In order to receive dividend/s in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details / documents by email to reach the company's email ID [rrp@tvsholdings.com](mailto:rrp@tvsholdings.com) or the email ID of STA [einward@integratedindia.in](mailto:einward@integratedindia.in).

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- a. Signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
  - i. Name and Branch of Bank and Bank Account type;
  - ii. Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
  - iii. 11 digit IFSC Code;
  - iv. Self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
  - v. Self-attested scanned copy of the PAN Card; and
  - vi. Self-attested scanned copy of any document (such as AADHAAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.
- b. For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s.

11. As per SEBI Circulars, it is mandatory for shareholders of physical folios to update their PAN, Contact details (postal address with PIN and mobile number), bank account details and Specimen signature of shareholders ('KYC details') and Choice of Nomination with RTA for availing any service requests. With effect from April 01, 2024, for shares held in physical mode, dividend declared and paid by the Company, if any, shall be paid only through electronic mode, upon furnishing all the aforesaid KYC details, as may be applicable. Shareholders of such physical folios, wherein any one of the above cited documents/details are not available, would be eligible:

- to lodge grievance or avail any service request from the RTA only after furnishing the complete documents / details as mentioned above.
- to payment of dividend in respect of such physical Folios, only through electronic mode with effect from April 01, 2024, upon updation of all KYC details.

Necessary forms for updating KYC details and Choice of Nomination could be downloaded from the link <https://www.integratedregistry.in/KYCRegister.aspx> available in the website of RTA.

12. In accordance with the provisions of Article 66 of the Articles of Association of the Company, Mr K Gopala Desikan is eligible for reappointment; and
13. In terms of the Regulation 36(3) of the Listing Regulations, read with Secretarial Standards on General Meeting, brief profile of the Directors, who are proposed to be re-appointed in this AGM, nature of their expertise in specific functional areas, other Directorships and Committee Memberships, their shareholding and relationship with other Directors of the Company along with listed entities from which the Director has resigned in the past three years are provided below:

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT**

[Pursuant to Regulation 36(3) of the Listing Regulations, 2015 and Secretarial Standard - 2 on General Meetings]

**Profile of Mr K Gopala Desikan**

Mr K Gopala Desikan (DIN: 00067107) aged 60 years has rich experience and expertise in finance, taxation, merger and amalgamation and corporate matters. He has been with the Group for the last 35 years and has handled various functions which include Direct Taxation, Treasury & Risk Management, M&A activities, Corporate finance & accounts and various accounting functions at Plant level.

He is a qualified Chartered Accountant and also holds an MBA from Open University Business School, UK. He is the Director and Group Chief Financial Officer of the Company and also the Chief Financial Officer of TVS Motor Company Limited, the listed subsidiary engaged in the business of manufacturing two and three-wheeler and also oversees the finance function of the Group's business relating to NBFC and Realty. He is also involved in the strategic initiatives of the Group's International business and Long-range planning. He has represented the Industry Associations in various Expert Committee and attended various Leadership Programs both within and outside India.

He holds 100 equity shares in the Company. He received remuneration of ₹ 0.28 Cr during the year 2023-24. He was appointed as a Director on 9<sup>th</sup> February 2022. He is not related to any Directors and Key Managerial Personnel of the Board. He has attended six Board Meetings out of seven Board Meetings held during the year 2023-24. He does not hold any directorships in any other listed entity and holds position as a member of Risk Management Committee of TVS Motor Company, the listed subsidiary. He has not resigned as a Director from any listed entity in the past three years.

Details of his other Directorships are given below:

S.No.	Name of the Companies	Nature of Interest	Committee position held
1.	Sundaram Clayton Employees Welfare Foundation Private Limited	Director	-
2.	TVS Investment and Consultancy Services Private Limited	Director	-
3.	Emerald Haven Town and Country Private Limited	Director	-
4.	S. Venu Trustee Private Limited	Director	-
5.	LV Trustee Private Limited	Director	-
6.	VS Trustee Private Limited	Director	-
7.	Srinivasan Trading Private Limited	Director	-
8.	Vee Ess Trading Private Limited	Director	-
9.	Venu Srinivasan Trustee Private Limited	Director	-
10.	Emerald Haven Properties Private Limited	Director	-
11.	Emerald Haven Builders Private Limited	Director	-
12.	Emerald Haven Estates Limited	Director	-
13.	Veeyes Charities Foundation	Director	-
14.	Jupiter Cultural and Heritage Foundation	Director	-
15.	The GO Corporation, Switzerland	Director	-
16.	TVS Holdings (Singapore) Pte. Ltd, Singapore	Director	-

## Information pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

### Item No.3 & 4

Pursuant to the order of the Hon'ble National Company Law Tribunal ("NCLT") dated 6<sup>th</sup> March 2023, the entire business of manufacturing non-ferrous gravity and pressure die castings i.e., Demerged Undertaking, as defined in the Scheme, of the Company was demerged, transferred and vested into Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) ("Resulting Company") effective 11<sup>th</sup> August 2023 on going concern basis in accordance with the Composite Scheme. Consequent to the same, the Company, the Company has become a Core Investment Company ("CIC") as per the the Certificate of Registration to commence / carry on the business of Non-Banking Financial Institution without accepting public deposits subject to the conditions as applicable effective 14<sup>th</sup> March 2024, and thereby the Company is required to adhere to the Regulations prescribed by RBI in connection with the appointment of Statutory Auditors. Reserve Bank of India ("RBI") had vide their circular dated 27<sup>th</sup> April, 2021 prescribed guidelines regarding the manner of appointment, number of auditors, eligibility criteria, tenure, rotation as well as norms for ensuring the independence of auditors.

M/s Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru, having Firm Registration No. 007761S, were re-appointed as the Statutory Auditors of the Company for the second term of five years at the 60<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> June, 2022. The auditors have tendered resignation from the office of statutory auditors with effect from 9<sup>th</sup> May, 2024 as their firm did not met the criteria laid down in the circular dated April 27, 2021 issued by the Reserve Bank of India for the appointment of Statutory Auditors by banks and NBFCs.

In terms of Section 139 of the Companies Act, 2013 (as amended) (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 (as amended), to fill the casual vacancy caused by resignation of the statutory auditor, the Board of Directors of the Company at its meeting held on 9<sup>th</sup> May, 2024, based on the recommendations of the Audit Committee, have approved the appointment of M/s. N C Rajagopal & Co., Chartered Accountants, Chennai (ICAI Firm Registration Number: 003398S), to hold the office upto this Annual General Meeting, subject to the approval of the members.

Considering wide experience and expertise of N C Rajagopal & Co., Chartered Accountants, Chennai (ICAI Firm Registration Number: 003398S), their appointment is proposed by the Board including their appointment for a term of three years at a statutory audit fees as may be decided by the Board of Directors of the Company.

N C Rajagopal & Co., Chartered Accountants, Chennai (ICAI Firm Registration Number: 003398S), have consented to the proposed appointment and have confirmed their eligibility for the same. They

have further confirmed that their appointment, if made, would be within the limits laid down by or under the authority of the Act. They have also confirmed that they are not disqualified for the proposed appointment under the Act, including under Section 141 of the Act, the Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

### Brief Profile of Statutory Auditors:

M/s N C Rajagopal & Co, Chartered Accountants, a partnership firm founded in the year 1925 and it is one of the largest audit firms in South India with offices in Chennai, Erode and Salem.

All the senior partners have rich and deep experience for over 3 decades in sectors like Banks, Financial sector, Insurance, Pharmaceutical, Software, Power and Telecom rendering audit services for more than 300 clients.

The firm has qualified & experienced partners & qualified staffs / smart collaborations to compliment geography reach and strong confluence of people, process and technology.

The Auditors have reported their independence from the Company and its subsidiaries according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit.

Information pursuant to Regulation 36 (5) of the Listing Regulations:

Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:

The proposed fee payable is ₹ 25 Lakhs (exclusive of GST and out of pocket expenses etc.) for carrying out the audit for FY 2024-25. The statutory audit fee for subsequent financial years shall be mutually agreed between the statutory auditors and the Board of Directors of the Company, from time to time.

During the financial year 2023-24, M/s. Raghavan, Chaudhuri & Narayanan, the previous statutory auditors of the Company, were paid a remuneration of ₹ 55 Lakhs. The rationale for the difference in the proposed remuneration payable to the new statutory auditors is as follows:

The Company had a manufacturing business, specifically the Die Casting division, until 10<sup>th</sup> August 2023. This division was demerged into Sundaram Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) pursuant to a Composite Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal, Chennai, vide its order dated 6<sup>th</sup> March 2023.

Consequent to the demerger and the absence of the manufacturing business, the volume of audit requirements has considerably reduced. Therefore, the Company believes that the proposed remuneration for



**TVS Holdings Limited**  
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the new statutory auditors is commensurate with the services to be rendered during the said tenure.

Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed:

The recommendation for the appointment of the statutory auditors is based on their extensive experience, professional competence, and proven track record in the field of auditing and assurance services. M/s. N C Rajagopal & Co, Chartered Accountants, possess the necessary qualifications and expertise to effectively carry out the audit responsibilities for the Company.

The Board of Directors on the recommendation of the Audit Committee may alter, vary and modify the terms and conditions of appointment and enhance remuneration, in such manner as may be mutually agreed with the Statutory Auditors.

Further, as required under Regulation 33 of the Listing Regulations, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The firm is a multidisciplinary Audit Firm catering to various clients in diverse sectors.

The Board of Director places on record its appreciation for the valuable services rendered by Raghavan, Chaudhuri & Narayanan, Chartered Accountants.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in Item No.3 & 4 of this Notice.

The board of directors therefore recommends the ordinary resolution as set out in Item No.3 & 4 of the accompanying Notice for approval by the shareholders of the Company.

By order of the Board of Directors

Chennai  
9<sup>th</sup> May 2024

R Raja Prakash  
Company Secretary

Registered office:  
"Chaitanya",  
No.12, Khader Nawaz Khan Road,  
Nungambakkam, Chennai - 600 006.

**TVS Holdings Limited**  
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## DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors have the pleasure in presenting the 62<sup>nd</sup> annual report and the audited accounts of the Company for the year ended 31<sup>st</sup> March 2024.

### 1. COMPANY OVERVIEW

#### UPDATE ON CORPORATE RESTRUCTURING

During the year under review, the Company the following events were completed as part of the Composite Scheme of Arrangement ("**Composite Scheme**") amongst the Company ("**Demerged Company**") and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) and their respective shareholders and creditors sanctioned by the Hon'ble National Company Law Tribunal, Chennai Bench ("**NCLT**") vide its Order dated 6<sup>th</sup> March 2023.

#### CAPITAL STRUCTURE

##### Listing of Bonus Preference Shares

The Scheme Implementation Committee of the Company in its meeting held on 25<sup>th</sup> March 2023, allotted 234,69,21,860 9% Cumulative Non-Convertible Redeemable Preference Shares ("**NCRPS**" / "**Preference Shares**") of the Company by way of Bonus, and NCRPS were listed on both the Stock Exchanges viz., National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**") effective 16<sup>th</sup> June 2023.

##### Amalgamation of TVS Holdings Private Limited

In terms of the Composite Scheme, TVS Holdings Private Limited ("**Transferor Company 1**") was amalgamated into the Company effective 16<sup>th</sup> June 2023 and consequently, 1,30,94,460 Equity shares of ₹ 5 each and 151,89,57,360 NCRPS of ₹ 10 each held by the Transferor Company 1 were cancelled.

Further, the Scheme Implementation Committee at their meeting held on 16<sup>th</sup> June 2023, as consideration for the said amalgamation, approved the allotment of 1,30,94,460 equity shares of ₹ 5 each fully paid up and 151,89,57,360 preference shares ₹ 10 each fully paid up to shareholders of the Transferor Company 1, in the proportion of the number of shares held by the shareholders in the Transferor Company 1. The New Shares were listed with the Stock Exchanges viz., National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**").

##### Amalgamation of VS Investments Private Limited

VS Investments Private Limited ("**Transferor Company 2**") was amalgamated into the Company effective 4<sup>th</sup> August 2023, and as consideration for the said amalgamation 19 Equity shares of ₹ 5 each of the Company were allotted to the shareholders of Transferor Company 2. The Equity Shares were listed with the Stock Exchanges viz., NSE and BSE. Further, 147,38,90,346 NCRPS of ₹ 10 each held by the Transferor Company 2 in the Company, was cancelled.

#### CHANGE IN NAME OF THE COMPANY

In terms of the Scheme, upon the effectiveness of the amalgamation of TVS Holdings Private Limited, the name of the Company viz., "**Sundaram-Clayton Limited**" was changed to "**TVS Holdings Limited**" and the same was approved by the Registrar of Companies on 17<sup>th</sup> July 2023.

#### DEMERGER OF MANUFACTURING BUSINESS

The entire business of manufacturing non-ferrous gravity and pressure die castings i.e., Demerged Undertaking, as defined in the Scheme, of the Company was demerged, transferred and vested into Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) ("**Resulting Company**") ("**Demerger**") effective 11<sup>th</sup> August 2023 on going concern basis in accordance with the Composite Scheme. By virtue of Composite Scheme of Arrangement the following Companies were ceased to be a Subsidiary / Associate of the Company with effect from 10<sup>th</sup> August, 2023:

##### 1. Subsidiaries

- Sundaram-Clayton DCD Limited (now know as Sundaram-Clayton Limited), Chennai
- Sundaram-Clayton (USA) Limited, USA
- Sundaram Holding USA Inc, Delaware, USA
- Sundaram-Clayton GmbH, Germany (SCL GmbH)

##### 2. Subsidiaries of Sundaram Holding USA Inc, Delaware, USA

- Green Hills Land Holding LLC, South Carolina, USA
- Components Equipment Leasing LLC, South Carolina, USA
- Sundaram-Clayton (USA) LLC, South Carolina, USA
- Premier Land Holding LLC, South Carolina, USA

##### 3. Associates

- Sundram Non-Conventional Energy Systems Private Limited, Chennai.

The Company's financials upto 10<sup>th</sup> August 2023 encompass the operations of the Demerged Undertaking. All the assets and liabilities including the profits realised from Demerged Undertaking upto 10<sup>th</sup> August 2023 have been transferred by the Company to Resulting Company.

##### Registration as Core Investment Company (CIC):

Consequent upon Demerger, the Company was left with only investments in Group Companies and trading business in Automotive parts. This demerger resulted in TVS Holdings Limited becoming a Core Investment Company ("**CIC**").

Hence, the Company was registered as a CIC pursuant to the Certificate of Registration No N-07-00904 dated 14<sup>th</sup> March, 2024 issued by the Reserve Bank of India ('RBI') under Section 45-IA of the Reserve Bank of India Act, 1934 and Master Direction - Core Investment Companies (Reserve Bank) Directions 2016 as amended ("**RBI Master Directions**") to carry on the business of Non-Banking Financial Companies (NBFCs) without accepting public deposits.



## TVS Holdings Limited (Formerly known as Sundaram-Clayton Limited)

The RBI vide its notification dated October 22, 2021 had introduced an integrated regulatory framework for NBFCs under "Scale Based Regulation ('SBR'), a Revised Regulatory Framework for NBFCs". The SBR framework encompasses different facets of regulation of NBFCs covering capital requirements, governance standards, prudential regulation, etc. Under the SBR framework, NBFCs are divided into four layers viz., top layer, upper layer, middle layer and base layer based on the size, activity and perceived riskiness. The Company being a CIC falls under the category of Middle Layer NBFC ('NBFC-ML').

TVSHL holds equity investments in the following companies:

1. TVS Motor Company Limited ("TVSM"), Subsidiary
2. Emerald Haven Realty Limited ("EHRL"), Subsidiary
3. TVS Training & Services Limited ("TVS TS"), Associate

## 2. FINANCIAL SUMMARY AND HIGHLIGHTS

(₹ in Cr)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Revenue from Operations	1,607.77	2,197.53
Other Income	38.79	9.19
Profit / (loss) before Depreciation, Exceptional items and Tax Expense	452.81	335.91
Less: Depreciation / Amortization / Impairment	37.62	99.94
Profit / (loss) before Exceptional items and Tax Expense	415.19	235.97
Add / (less): Exceptional items	(5.07)	90.72
Profit / (loss) before Tax Expense	410.12	326.69
Less: Tax Expense (Current & Deferred)	71.38	53.58
Profit / (loss) for the year	338.74	273.11
Other Comprehensive Income / (loss)	(2.66)	3.37
Total Comprehensive Income	336.08	276.48

\* 2023-24 financials have been prepared giving effect to Composite Scheme of Arrangement amongst the Company and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) and their respective shareholders and creditors as approved by the Hon'ble National Company Law Tribunal, Chennai Bench vide its order dated 6<sup>th</sup> March 2023. Further the Company has also obtained CIC registration on 14<sup>th</sup> March 24. Hence, the figures of 2023-24 are not comparable with that of the previous year.

## 3. DIVIDEND

The Board of Directors of the Company (the Board) at their meeting held on 21<sup>st</sup> March 2024, declared an interim dividend of ₹ 94/- per share (1,880%) on 2,02,32,104 equity shares of ₹ 5/- each for the year FY24 absorbing a sum of ₹ 190 Cr. The same was paid on 15<sup>th</sup> April 2024.

The Board does not recommend any further dividend for the year under consideration. The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

## 4. TRANSFER TO RESERVES

For the financial year ended 31<sup>st</sup> March 2024 an amount of ₹ 67.75 Cr was transferred to Statutory Reserve in terms of Section 45-IC of the RBI Act.

## 5. COMPANY PERFORMANCE

Consequent to Demerger effective 11<sup>th</sup> August 2023, the Company has been essentially a holding and investment company and does not have any other operations of its own. The Company's revenue would primarily comprise of dividend income from investments held in group companies. More details about the Company and its investments are dealt elsewhere in this report.

## 6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT ECONOMY OVERVIEW

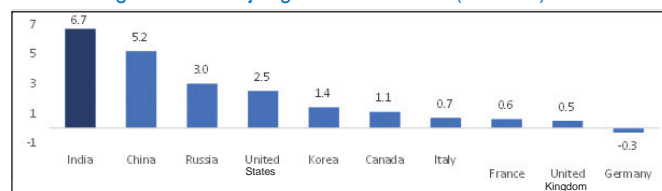
### India witnesses strong growth in fiscal 2024

India continues to maintain its position as one of the fastest-growing economies globally. The National Statistical Office (NSO) in its second advance estimates of national income estimated the real GDP to grow at a robust 7.6% on-year basis in fiscal 2024. This can be attributed to various factors such as demographic advantage, robust domestic demand, economic reforms, government's capex push for manufacturing and infrastructure development, technological advancements, and digital push.

The Monetary Policy Committee (MPC) held rates steady throughout fiscal 2024. It also held on to its stance of withdrawal of accommodation as it steadfastly pursues two goals - complete transmission of its 250 basis points (bps) rate hike in this cycle; and durably aligning head line inflation with its target of 4%. Inflation based on the Consumer Price Index (CPI) and core inflation eased by the end of this fiscal.

IMF, in its January 2024 economic outlook update, revised its India economic growth estimate upwards in real terms for the calendar year 2023 to 6.7% from previous 6.3% estimate in October 2023, citing momentum from resilient domestic demand. Further, the growth forecast for fiscal 2025 also witnessed an increase at 6.8% from the previous 6.3% forecast in October 2023.

### Real GDP growth for major global economies (CY2023)



Source: IMF, CRISIL MI&A

### India to continue as one of the fastest growing economies in the world

After a strong 7.6% growth this fiscal, India will continue to be the fastest growing economy in the world with real GDP growth estimated

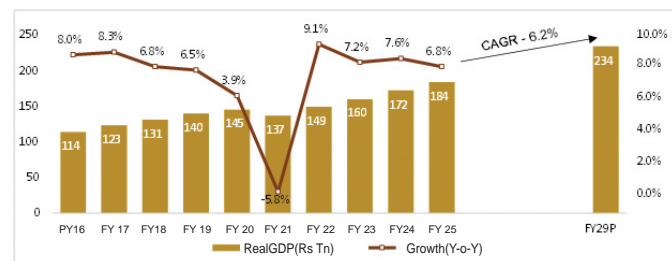
## TVS Holdings Limited (Formerly known as Sundaram-Clayton Limited)

at 6.8% in fiscal 2025. Budgetary support from the government, strengthening of domestic economic activities, improvement in household consumption, improved business sentiments, rising consumer confidence, expected uptick in private capex healthy balance sheet of banks and corporates and rising integration in global supply chain will lead economic growth next fiscal.

The transmission of rate hikes effected by the Monetary Policy Committee (MPC) of the RBI from 4.0% in April 2022 to 6.5% in February 2023 continues and is likely to weigh in next fiscal. A lower fiscal deficit will mean the fiscal impulse to growth will be curtailed. However, the nature of spending will provide some support to the investment cycle and rural incomes. A normalization of the net tax impact on GDP is also expected next fiscal. Moreover, continued disinflation will support the purchasing power of the consumers. Government spending in rural development, healthy rabi sowing and good kharif output while assuming normal spell of monsoon next fiscal will improve agricultural incomes. With healthy agricultural output, food inflation is also expected to tone down from an estimated 7.4% in fiscal 2024. Moreover, gradual pick-up in private sector capex will make investment growth more broad-based.

As per the RBI Monetary Policy Committee report, the real GDP growth in fiscal 2025 is expected to be 7.0%, led by recovery in rabi sowing, sustained profitability in manufacturing and underlying resilience of services. Whereas IMF projects India's growth at 6.5% in 2024 and 2025, reflecting resilience in domestic demand.

**India's economy to grow at 6.8% in fiscal 2025:**



Note: E = Estimated, P = Projected; GDP growth is based on constant prices, GDP growth till FY23 is actuals. GDP Estimates for fiscals 2023-2024 is based on NSO Estimates and 2024-2025 is projected based on CRISIL MI&A estimates; and that for fiscals 2026-2029 based on IMF estimates; Source: NSO, CRISIL MI&A, IMF (World Economic Outlook - October 2023 update)

Growth in real GDP is expected to be also supported by the following factors largely on account of the impact of the 2024-25 Interim Budget:

- Increase in total capital expenditure by 17.7% year-on-year from revised estimate of ₹12.7 lakh crores in fiscal 2024 to budgeted estimate of ₹ 15.0 lakh crores in fiscal 2025 would support growth in the economy, especially in a year where the Indian economy is expected to see a cyclical slowdown.
- The government continues its endeavour to revive rural demand as it increased the budget allocation to Ministry of Rural Development by 13% in interim budget 2024-25 to ₹ 1.78 lakh crores.

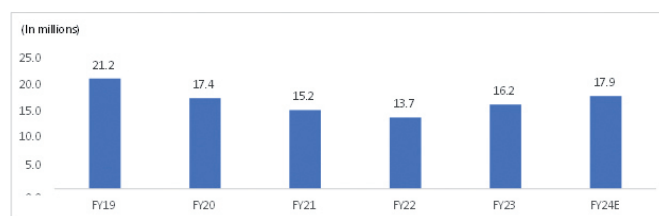
- With a focus on fiscal consolidation, the government aims to reduce the fiscal deficit to 5.1% of GDP next fiscal from 5.8% in the current fiscal through reduced revenue expenditure thrust and marginally better tax collections. Further, the government is aiming at bringing down the fiscal deficit to below 4.5% of GDP by fiscal 2026.
- Focus on investments rather than consumption push enhancing the productive capacity of the economy.
- Policies aimed towards greater formalisation of the economy, which are bound to lead to an acceleration in per capita income growth.

### INDUSTRY OVERVIEW

#### Two-wheeler industry

Two-wheelers comprising of motorcycle, scooter, mopeds, and EVs witnessed estimated 9-11% growth in sales in fiscal 2024. Improvement in sales was driven by the recovery of motorcycle sales as rural and semi urban markets improve supported by healthy crop prices, with incomes finally catching up with hike in vehicle prices and pent-up replacement demand. Going forward, volumes are expected to be driven by recovery in scooter sales as urban income sentiments improve and EV penetration increases. Elections in fiscal 2025 is anticipated to raise financial activities, particularly in rural areas, which is projected to boost the demand for two-wheelers. Moreover, above normal monsoon prediction is expected to support demand for motorcycles segment positively.

#### Two-wheeler domestic sales (including EV) maintains recovery momentum in fiscal 2024



Note: E = Estimated

Source: SIAM, SMEV, Vahan, CRISIL MI&A

#### Residential real-estate industry

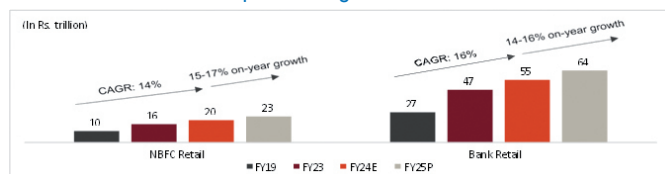
Healthy economic growth, and offices continuing with hybrid working model kept the demand for residential real estate steady in fiscal 2024, especially for bigger and premium residences. The volume is estimated to have increased at 4-6% despite rise in interest rates and capital values. This demand is amid inventory at comfortable levels of more than three years of sales on an average as against 4.5+ years before the pandemic. Developers, therefore, are on a stronger footing with greater confidence on new launches getting absorbed in line with incremental demand. Healthy demand emanating from smaller cities, attractive interest rates, government impetus on housing and financiers' focus on developer finance will continue to support the industry.

## TVS Holdings Limited (Formerly known as Sundaram-Clayton Limited)

### Retail lending

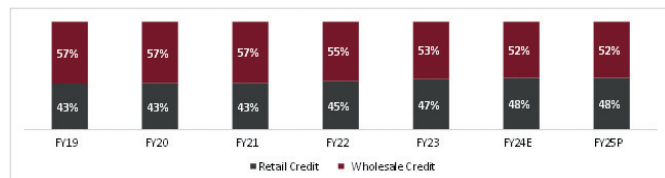
The retail credit (includes Housing finance, Vehicle Financing, Gold Loans, Education Loans, Consumer Durables, Personal loans, credit cards and microfinance) in India is estimated at Rs. 75 trillion, as of fiscal 2024 which rapidly grew at a CAGR of 15.2% between Fiscals 2019 and 2024. NBFC's retail portfolio grew at 21% year-on-year in fiscal 2024 and accounts for ~48% share in overall NBFC credit as of fiscal 2024. Going forward, growth in the NBFC retail segment is expected at 15-17% in Fiscal 2025 with continued focus of NBFCs on their retail business and multiple players announcing plans to reduce wholesale exposure. The retail segment's market share is expected to marginally increase in Fiscal 2025.

### NBFCs retail credit is expected to grow at 15% - 17% in Fiscal 2025



Note: P =Projected; Retail credit above includes housing finance, vehicle finance, microfinance, gold loans, construction equipment finance, consumer durable finance, MSME loans and education loans; Source: Company reports, RBI, CRISIL MI&A

### Share of retail credit in total NBFC credit to continue to grow



Note: P = Projected, E: Estimated; Retail credit above includes housing finance, auto finance, microfinance, gold loans, consumer durable finance, MSME loans, education loans & other smaller segments

Source: Company reports, CRISIL MI&A

### Risk Management

At your Company, we prioritize a comprehensive Risk Management Policy tailored to our business plan and risk appetite. The Board of Directors has approved a Risk Management Policy that outlines the risk strategy, approach, mitigation plans, liquidity risk management, and asset-liability management. Our approach focuses on identifying, assessing, monitoring, and addressing a wide range of risks while mitigating and managing their combined impact effectively.

As a registered CIC, our operations are centered on investments, loans, and securities within our group companies. Our Risk Management Policy aligns closely with our business operations, aiming to cultivate a risk intelligent culture that facilitates informed decision-making and enhances resilience against adverse developments. We are committed to seizing opportunities to create value for all stakeholders.

To ensure robust risk oversight, we have established a dedicated Risk Management Committee in compliance with SEBI Listing Regulations and RBI Master Directions. This Committee diligently monitors risks and implements necessary mitigating actions. Additionally, our Audit

Committee conducts detailed reviews of risks concerning internal controls, compliance, and systems. All risks, including those related to investments, are thoroughly examined during Board of Directors meetings.

Our Risk Management Policy reflects our commitment to proactively manage risks, uphold regulatory standards, and safeguard the interests of our stakeholders. By fostering a culture of risk awareness and prudent decision-making, we strive to navigate challenges effectively while maximizing opportunities for sustainable growth.

Risk Exposure of the company and its mitigation is represented in the table below:

Risk Category	Description	Risk Identification	Risk Mitigation Measures
<b>Financial Risk</b>	Risk related to financial losses or instability in the market	Identifying risks related to raising capital, meeting cash flow needs, and monitoring capital adequacy	Meeting capital requirements through own or borrowed funds, monitoring investments for cash flow needs, and ensuring dividend income
<b>Governance Risk</b>	Risk associated with ineffective governance structures and practices	Identified through internal audits, compliance checks, and governance assessments	Implementing strong governance policies, transparency, and accountability mechanisms
<b>Compliance Risk</b>	Risk of non-compliance with laws, regulations, or industry standards	Identified through regular compliance audits, monitoring legal changes, and industry updates	Establishing robust compliance procedures, training programs, and monitoring systems
<b>Market Risk</b>	Risk arising from fluctuations in market conditions and factors affecting investments	Identified through market analysis, economic indicators, and industry trends	Diversification of investments, hedging strategies, and staying informed about market changes
<b>Reputational Risk</b>	Risk related to damage to the organization's reputation and public perception	Identified through customer feedback, media monitoring, and stakeholder surveys	Building a strong brand image, crisis management plans, and proactive communication strategies

### Opportunities and Threats

The Company, being a CIC, holds significant investments in equity shares of TVS Motor Company Limited ("TVSM") and Emerald Haven Realty Limited ("EHRL"), as a result of which it remains less affected by the overall environment in the NBFC Sector.

## **TVS Holdings Limited** **(Formerly known as Sundaram-Clayton Limited)**

The Company recognizes that there is a significant potential for increase in demand in automotive and real estate sectors in India. TVSM, one of the major investments of your Company and has domestic as well as overseas operations to reap benefits in the long term. As a result of which, the Company is looking forward for a sustainable growth in its investee Companies in the coming years which would enhance the shareholders value.

### **Risks and Concerns**

The operations of TVS Motor Company Limited ("TVSM") and Emerald Haven Realty Limited ("EHRL") have a major impact on the profitability of your Company.

The Company continuously evaluates its investments in group companies to ensure that the same meets the objective of ensuring maximisation of value to all its stakeholders in a prudent manner.

The Company expects to make full use of the growth opportunities available to it as a CIC, however, the challenge remains on being able to leverage these initiatives to carve out a space in the competitive industry, within the regulatory and compliance framework.

### **Human Resource Development**

Consequent to the Demerger, your Company continues to employ sixty eight permanent employees and six non-permanent employees to look after the business and administration of the Company.

Given the nature of business your Company is engaged in, there have been no material developments in Human Resource and Industrial Relations front. The information on the number of persons employed have been provided in Business Responsibility and Sustainability Report (BRSR) (Annexure V).

### **Internal Control Systems and their adequacy**

The Board holds the responsibility for assessing and approving the efficiency of internal controls, including financial, operational, and compliance aspects. The Company has implemented a robust and sufficient internal control system to safeguard its assets against loss and ensure proper authorization and recording of all transactions.

The internal control system is continuously enhanced and evaluated for effectiveness. The information provided to management is accurate and prompt. The Company prioritizes the reliability of financial reporting and adherence to legal and regulatory requirements. To strengthen controls, the Company utilizes technology and centralizes processes, enhances monitoring, and maintains effective tax and treasury strategies.

The Audit Committee oversees the effectiveness of internal controls, employing new technologies that influence financial controls and risk management.

The Company has established an Internal Financial Control framework, encompassing internal controls over financial reporting, operating controls, and an anti-fraud framework. The framework undergoes regular reviews by management and is tested by both an independent audit firm and the internal audit team. The results are presented to the Audit Committee. Based on periodic testing, the framework is fortified to ensure the adequacy and effectiveness of Internal Financial Controls.

### **Regulations**

In August 2020, the Reserve Bank of India (RBI) revised the framework for Registered Core Investment Companies (CICs) for addressing systemic risks carried by inter-connectedness of CICs and their group companies. The Revised Framework made it mandatory for all the Systemically Important CICs to set up a policy for ascertaining the 'fit and proper' status of directors on a continuous basis and periodically furnish a report on the same to RBI to increase oversight over CICs and ensure adherence to good corporate governance.

To enhance disclosure standards, the Revised Framework of RBI also mandated CICs to prepare consolidated financial statements in accordance with the provisions of Companies Act, 2013, to provide a clear view of the financials of the group, and maintain a functional website with annual report, corporate governance report, management discussion and analysis, along with adequacy of internal controls.

RBI also restricted the number of layers of CICs within a group to two, irrespective of the extent of direct or indirect holding/ control exercised by a CIC in the other CIC.

The Company has ensured adherence to all the applicable regulatory requirements and guidelines relevant to its business processes.

## **7. INVESTMENT / DISINVESTMENT IN SUBSIDIARIES AND ASSOCIATE(S)**

During the year under review, the Company invested in the Equity Share Capital of the following Subsidiaries / Associate(s):

<b>S No</b>	<b>Name of the Subsidiary / Associate Company</b>	<b>% of Equity Shares invested / (disinvested)</b>
1	Emerald Haven Realty Limited	22.86%
2	TVS Credit Services Limited	(2.30%)

Further, details of investment in Subsidiaries / Associate(s) are stated in the notes to the Financial Statements forming part of this Annual Report.

## **8. KEY FINANCIAL RATIOS**

The financials for FY 2023-24 have been prepared giving effect to Composite Scheme of Arrangement. Therefore the details of significant changes in key financial ratios in terms of Regulation 34 of the Listing Regulations have not been disclosed as the figures of 2023-24 are not comparable with that of the previous year. The details of Key Financial Ratios have been disclosed in Note No. 40 to the Standalone Financial Statements.



## 9. DEBENTURES

### NON-CONVERTIBLE DEBENTURES (NCDS)

Pursuant to the Composite Scheme of Arrangement as approved by the Hon'ble NCLT, Chennai vide its order dated 6<sup>th</sup> March 2023 and upon Part V of the Scheme becoming effective i.e., 11<sup>th</sup> August 2023, Listed Non-convertible debentures ("NCDs") worth ₹100 Crores issued at 7.65% p.a. which form part of the Demerged Undertaking of the Company have been transferred to the Resulting Company viz., Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited). The NCDs are listed with the National Stock Exchange of India Limited ("NSE").

### 10. REDEMPTION OF NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES (NCRPS)

Pursuant to the Scheme, the Board had on 25<sup>th</sup> March 2023 allotted 234,69,21,860 9% Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company by way of bonus, i.e., 116 NCRPS of face value of ₹ 10 each fully paid up, for every 1 equity share of ₹ 5 each fully paid up, to each equity shareholder of the Company. Further, the said NCRPS was listed with the BSE Limited and the National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") effective 19<sup>th</sup> June 2023. The date of maturity of the said NCRPS is 25<sup>th</sup> March 2024.

Further, as part of the Scheme, VS Investments Private Limited ("Transferor Company 2"), holding 147,38,90,346 NCRPS of ₹ 10 each fully paid up held in the Company, was amalgamated with the Company effective 4<sup>th</sup> August 2023. On the account of the said amalgamation 147,38,90,346 NCRPS of ₹ 10 each fully paid up in the Company was cancelled. Post the said cancellation the total outstanding NCRPS was 87,30,31,514 NCRPS of ₹ 10 each.

During the year, the Company redeemed and paid in full the redemption amount of ₹ 10 per NCRPS, amounting to ₹ 873.03 Cr along with coupon payment at the rate of 9% per annum (₹ 78.57 Cr) on the redemption value to the eligible NCRPS holders of the Company as on the record date i.e., 13<sup>th</sup> March 2024. The NCRPS were redeemed and extinguished effective 25<sup>th</sup> March 2024.

#### Promoter Reclassification

During the year, the Company had received a letter from T.V. Sundram Iyengar & Sons Private Limited, member of Promoter and Promoter Group of the Company seeking reclassification from the 'Promoter' category to 'Public' category shareholders under Regulation 31A of the Listing Regulations. Consequent to the same, the Company has obtained the approval of the shareholders of the Company through Postal Ballot on 29<sup>th</sup> March 2024 and has filed necessary applications to the Stock exchanges. The approval of Stock exchanges for Promoter Reclassification is awaited.

## 11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Committed to social responsibility, the Company works to drive positive change in rural communities through the Srinivasan Services

Trust (SST). SST prioritizes health, education, environmental well-being, and economic empowerment in these areas. The core approach centres around total community involvement, ensuring all stakeholders participate and that projects are sustainable in the long run.

This participation is central to SST's success. SST has developed a mature model that emphasizes community involvement in every project, even adapting best practices from Total Quality Management (TQM) to the rural development landscape. This results in programs and structures that foster not only growth but also long-term sustainability for these communities.

SST fosters integrated, holistic, and participatory village development, working together with both communities and the Government. This collaborative approach ensures sustainable progress in the villages supported. Over the past 28 years, SST has empowered over 60,000 women by organizing them into Self Help Groups (SHGs).

Furthermore, SST has implemented over 350 water conservation projects, including desilting tanks and irrigation channels, and has repaired and renovated over 2,600 pieces of rural government infrastructure.

Looking ahead, SST is committed to continuous improvement.

In the last few years SST has stitched partnerships with several NGOs and Foundations to work on specific areas of water, health and hygiene, capacity building of SHGs, quality education and livelihoods through effective livestock management and entrepreneurship.

SST has won the following awards in FY24:

- Best CSR and Sustainability Practices Award 2022-23 (awarded in 2023-24) by Asian Centre for Corporate governance and Sustainability.
- Economic Times Human Capital Awards 2023 - Winner (Gold) in Change Management
- CSR Journal Excellence Award 2023 - Special commendation for Water Conservation work in Tiruvannamalai.
- Maharashtra CSR Awards 2023 by India CSR - for Silage: Livestock Development
- CII National HR Circle Award for Best practices - Winners in 2 Platinum in Change Management & Digitization.
- NHRD 12<sup>th</sup> Showcase Best Corporate HR Practice - Runners-up.

CSR activities have already been textured into the Company's value system through SST, established in 1996 with the vision of building self reliant rural community.

Over 28 years of service, SST has played a pivotal role in changing lives of people in rural India by creating self-reliant communities that are models of sustainable development.

The Committee formulated and recommended a CSR Policy in terms of Section 135 of the Companies Act, 2013 (the Act, 2013) along with a list of projects / programmes to be undertaken for CSR spending in accordance with the Companies (Corporate Social Responsibility

Policy) Rules, 2014. The projects / programmes undertaken by SST and other eligible Trusts are falling within the CSR activities as specified under Schedule VII to the Act, 2013.

Based on the recommendation of the CSR Committee, the Board has approved the projects / programmes carried out as CSR for an amount of Rs. 2 Cr for undertaking similar programmes / projects constituting more than 2% of the average net profits of the Company, made during the three immediately preceding financial years, towards CSR spending for the financial year 2023-24 and the Company has met the CSR spending through SST. Mr K Gopala Desikan, Director and Group Chief Financial Officer of the Company has also ensured the spending through SST for financial year 2023-24.

The work, SST has been doing, has matured into a model centered on community participation in all its projects. SST's focus is to bring about sustainable development in villages. The key focus areas are women empowerment, repairing and renovating the village government infrastructure like the balwadis, primary schools, health centres and veterinary centres, creation of water conservation structures, desilting of water bodies and preserving the environment. SST encourages the community to alter their attitudes and take ownership of changes that bring about lasting development.

To bring in expertise in specific intervention areas like education, health and hygiene and livelihoods through livestock, SST is working in collaboration with organizations like Agastya International Foundation, Villmart, Navsahyog Foundation, Sankara Eye Foundation, Gramalaya and Shreeja Mahila Milk Producers Company Limited.

All of the projects undertaken through SST, are within the limit of ₹ 1 crores individually and do not require impact assessment. However, SST is working with Tata Institute of Social Sciences (TISS) and Deloitte to carry out social impact studies. TISS is working to study the impact created on livelihoods by SST in rural Pabal area in Pune district, Maharashtra.

Deloitte is working to study the impact created on livelihoods by NABARD's wadi program. This was implemented by SST in Javadhu hills in Tamil Nadu.

As required under Section 135 of the Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual Report on CSR, containing the particulars of the projects / programmes approved and recommended by the CSR Committee and approved by the Board for the financial year 2023-24 are given by way of Annexure III attached to this Report. It may also be noted that the CSR Committee has approved the projects or programmes to be undertaken by the SST and other eligible trusts for the year 2024-25, preferably in local areas including the manner of execution, modalities of utilisation of funds and implementation schedules and also monitoring and reporting mechanism for the projects or programmes, as required under the Companies Amendment Act, 2020.

## **12. RESOURCE MOBILISATION**

During the financial year under review, no funds have been mobilised by way of Non-Convertible Debentures (NCD). Short Term loan of ₹ 550 Cr was taken for operational purpose. The Board at its meeting

held on 21<sup>st</sup> March 2024, approved the proposal to raise funds upto a sum of ₹ 650 Cr by way of issuance of Non-Convertible Debentures (NCD) during the financial year 2024-25.

## **13. CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand / supply and price conditions in the domestic and overseas market in which the Company operates, changes in the Government Regulations, Tax Laws and Other Statutes and incidental factors.

## **14. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 (the Act, 2013) with respect to Directors' Responsibility Statement, it is hereby stated -

- i. that in the preparation of annual accounts for the financial year ended 31<sup>st</sup> March 2024, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii. that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March 2024 on a "going concern basis";
- v. that the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. that 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.

## **15. FINANCIAL PERFORMANCE OF SUBSIDIARIES & ASSOCIATES**

Post amalgamation of TVS Holdings Private Limited ("TVSHPL") with the Company, pursuant to the Composite Scheme of Arrangement as approved by the Hon'ble NCLT, Chennai vide its order dated 6<sup>th</sup> March 2023, the subsidiaries of TVSHPL viz., Emerald Haven Realty Limited ("EHRL") and its Subsidiaries / Associate have become Subsidiaries / Associate of the Company effective 16<sup>th</sup> June 2023., except those Companies incorporated post acquisition.



## **TVS Holdings Limited** **(Formerly known as Sundaram-Clayton Limited)**

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### **Acquisitions**

During the year under review, the Company has acquired the additional stake in Emerald Haven Realty Limited (EHRL) on 30<sup>th</sup> June 2023 (11.20%) and 5<sup>th</sup> January 2024 (11.66%) aggregating to 22.86% from the existing shareholders of EHRL and the Company holds 89.26% of equity capital in EHRL as at 31<sup>st</sup> March 2024. Post 31<sup>st</sup> March 2024, the Company has acquired additional stake of 10.74% in Emerald Haven Realty Limited ("EHRL"), by way of purchase of 2,74,43,333 equity shares of ₹ 10/- each from the existing shareholders viz., Sandwood Investments Limited ("Sandwood") on 3<sup>rd</sup> May 2024. Consequent to the above, the shareholding of the Company in EHRL increased to 100%, thereby EHRL became a wholly owned subsidiary of the Company effective 3<sup>rd</sup> May 2024.

During the year under review, the Company had incorporated a wholly owned subsidiary namely viz., TVS Holdings (Singapore) Pte Limited effective 11<sup>th</sup> January 2024.

### **Disinvestments**

During the year under review, the Company has divested its entire shareholding of 2.30% in its subsidiary company viz., TVS Credit Services Limited.

As on 31<sup>st</sup> March 2024, the following companies and bodies corporate are the subsidiaries / associates of the Company:

#### **Subsidiaries:**

1. TVS Motor Company Limited (TVSM), Chennai
2. Emerald Haven Realty Limited (EHRL), Chennai
3. TVS Holdings (Singapore) Pte Limited (w.e.f. 11<sup>th</sup> January 2024)

#### **Subsidiaries of TVSM**

1. TVS Credit Services Limited (TVS CS), Chennai
2. Sundaram Auto Components Limited (SACL), Chennai
3. TVS Digital Limited, Chennai
4. TVS Motor Services Limited, Chennai
5. TVS Electric Mobility Ltd, Chennai
6. PT TVS Motor Company Indonesia, Jakarta.
7. TVS Motor (Singapore) Pte. Limited, Singapore (TVSM Singapore)
8. TVS Motor Company (Europe) B.V., Amsterdam

#### **Subsidiaries of EHRL**

1. Emerald Haven Projects Pvt Ltd
2. Happiness Harmony Property Developers Pvt Ltd
3. Emerald Haven Property Development Ltd
4. Emerald Haven Realty Developers (Paraniputhur) Pvt Ltd
5. Emerald Haven Development Ltd
6. Emerald Haven Life Spaces (Radial Road) Ltd
7. Emerald Haven Town & Country Pvt Ltd
8. Emerald Haven Towers Limited
9. Emerald Haven Residences Private Limited (w.e.f. 19<sup>th</sup> June 2023)

10. Emerald Haven Properties Private Limited (w.e.f. 8<sup>th</sup> January 2024)

11. Emerald Haven Builders Private Limited (w.e.f. 9<sup>th</sup> January 2024)

#### **Subsidiaries of TVS CS**

1. Harita ARC Private Limited, Chennai
2. TVS Housing Finance Private Limited, Chennai
3. Harita Two-wheeler Mall Private Limited, Chennai

#### **Subsidiaries of TVSM Singapore Pte. Limited**

1. The Norton Motorcycles Co Limited, UK
2. Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG)
3. The GO Corporation(GO AG), Switzerland
4. TVS Digital Pte Ltd, Singapore
5. EBCO Limited, UK
6. Celerity Motor GmbH, Germany

#### **Subsidiaries of GO AG**

1. EGO Movement, Stuttgart GmbH, Germany

#### **Subsidiaries of SEMG**

1. Swiss E-Mobility Group (Schweiz), Switzerland
2. Colag E-Mobility GmbH, Germany
3. Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland

#### **Associate Company**

1. TVS Training & Services Limited, Chennai

#### **Associates of TVSM**

1. Ultraviolette Automotive Private Limited, Bengaluru
2. Tagbox Solutions Private Limited, Bengaluru (upto 30<sup>th</sup> March 2024)
3. DriveX Mobility Private Limited, Coimbatore
4. Indian Foundation for Quality Management, Bengaluru (w.e.f. 15<sup>th</sup> February 2024)

#### **Associates of EHRL**

1. Emerald Haven Housing Private Limited, Chennai (w.e.f. 24<sup>th</sup> October 2023)

#### **Associates of TVSM Singapore Pte. Limited:**

1. Killwatt GmbH, Germany
2. ION Mobility Pte. Limited, Singapore (w.e.f. 14<sup>th</sup> March 2024)

#### **Associates of TVS Digital Pte Ltd:**

1. Tagbox Pte Limited, Singapore
2. Predictronic Corp., USA
3. Scienaptic Systems Inc., USA
4. Altizon Inc, USA

## **TVS Holdings Limited** **(Formerly known as Sundaram-Clayton Limited)**

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### **SUBSIDIARIES PERFORMANCE:**

#### **TVS Motor Company Limited (TVSM)**

TVSM is engaged in the business of manufacturing two and three-wheelers. During the year 2023-24, TVSM's total revenue including other income was ₹ 31,925 Cr and earned a profit after tax of ₹ 2,083 Cr. TVSM for the year 2023-24, declared and paid an interim dividend of ₹ 8 per share (800%) absorbing a sum of ₹ 380 Cr on 47,50,87,114 equity shares of ₹ 1 each.

#### **Emerald Haven Reality Limited (EHRL)**

During the year, Emerald Haven Reality became the subsidiary of TVSHL. EHRL registered a sales booking value (BV) of ₹ 1,331 Cr, with a growth of 43%, backed by strong sales across new launches and sustenance projects. EHRL had worked on various value engineering measures to control operating and fixed costs, which helped in the operating performance of the Company.

#### **TVS Holdings (Singapore) Pte Limited**

The Company was incorporated on 11<sup>th</sup> January 2024 for carrying out overseas business acquisitions and investments.

#### **TVS Credit Services Limited (TVS CS)**

TVS CS is the retail finance arm of TVSM for financing of two wheelers, used cars, used and new tractors, used commercial vehicles, consumer durables, digital finance products, emerging and corporate business loans and personal loans. Along with these, it started offering gold loans during this FY. TVS CS primarily caters to self-employed, new to credit borrowers in the semi-urban and rural areas in India.

During the year 2023-24, TVS CS's overall disbursements registered at ₹ 25,018 Cr as compared to ₹ 21,652 Cr in the previous year registering growth of 16%.

The book size of TVS CS registered a robust growth of 26% and is presently at around ₹ 25,900 Cr. Total income during the FY24 grew by 40% at ₹ 5,796 Cr from ₹ 4,152 Cr during the FY23. The PBT grew by 49% at ₹ 763 Cr as against ₹ 512 Cr during the previous year.

TVS CS raised ₹ 380 Cr from PI Opportunities Fund I Scheme II, an alternative investment fund controlled by Premji Invest Limited. PI Opportunities Fund had made an aggregate investment of ₹ 828.52 Cr in TVS CS as a combination of primary and secondary investment.

The following companies are the subsidiaries of TVS CS.

1. Harita ARC Private Limited, Chennai
2. TVS Housing Finance Private Limited, Chennai
3. Harita Two-wheeler Mall Private Limited, Chennai

All the above subsidiaries are yet to commence their operations.

#### **Sundaram Auto Components Limited (SACL)**

SACL is a wholly owned subsidiary of TVSM. SACL manufactures plastics components used in the automobile industry. It has manufacturing plants located at Chennai and Hosur in Tamil Nadu,

Mysore in Karnataka, Bhiwadi in Rajasthan, Nalagarh in Himachal Pradesh, and Sanand in Gujarat.

The total income of SACL was ₹ 765 Cr in the current year as against ₹ 787 Cr in the previous year 2022-23.

SACL earned a profit before tax of ₹ 29 Cr after incurring a NIL exceptional cost during the year 2023-24 as against profit of ₹ 24 Cr in the previous year after exceptional cost of ₹ 1.9 Cr. Exceptional cost includes separation cost.

During the year under review, SACL has distributed a sum of ₹ 310 Crores to the Company towards extinguishment of 3,26,31,578 equity shares held by the Company, consequent to the reduction of share capital under Section 66 of the Companies Act, 2013 as approved by the Hon'ble National Company Law Tribunal, Chennai.

SACL declared a dividend of ₹ 1.64/- per share on the equity shares for the year ended 31<sup>st</sup> March 2024 absorbing a sum of ₹ 1.96 Cr.

#### **TVS Digital Limited (TVS Digital)**

TVS Digital Limited (Formerly known as TVS Housing Limited) is a wholly owned subsidiary of TVSM.

The name and the main objects of the Company was changed during the FY 2023-24 from TVS Housing Limited to TVS Digital Limited to reflect its new objects and carry on the business activities relating to Digital / Information Technology and other related services.

#### **TVS Motor Services Limited (TVS MS)**

TVS MS was initially the investment SPV of TVSM, for funding TVS Credit Services Limited (TVS CS).

TVS MS now holds 0.48% only in TVS CS and TVS MS continues to be a wholly owned subsidiary of TVSM.

#### **TVS Electric Mobility Ltd, Chennai (TVSEM)**

The Company was incorporated on 13.12.2021 to undertake Electric Mobility business. The entire shares of TVSEM have been subscribed by TVSM and hence, TVSEM is a wholly owned subsidiary of TVSM. The Company is yet to commence its operations.

#### **TVS Motor Company (Europe) B.V.**

TVS Motor Company (Europe) B.V. was incorporated with a view to serve as special purpose vehicle for making and protecting the investments made in overseas operations of PT. TVS Motor Company Indonesia.

#### **TVS Motor (Singapore) Pte. Ltd**

TVS Motor (Singapore) Pte Limited, a wholly owned subsidiary of TVSM.

During the year, TVSM has invested a sum of SGD 199.50 Mn in the ordinary shares of SGD 1/- each of TVS Motor (Singapore) Pte Limited.

The Company serves as a special vehicle for investments made in overseas subsidiaries / associates.

## **TVS Holdings Limited** **(Formerly known as Sundaram-Clayton Limited)**

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### **TVS Digital Pte Ltd, Singapore**

TVS Digital Pte Limited, Singapore is a wholly owned subsidiary of TVS Motor (Singapore) Pte Limited. The Digital start-up offers a range of solutions across their Auto-tech and Fintech platforms and has secured clients in Bangladesh, Bolivia, India, Indonesia, Nepal, Philippines and Singapore. The product offerings centre around AI Driven Credit Decisioning and Collections in Fintech and a suite of Sales acceleration and Consumer Experience enhancements apps in the Auto-tech platform that is also finding applicability in Real Estate and B2B businesses. Revenue streams have commenced, and the team is now focused on scaled profitable growth to help deliver focused unit economics objectives. The Company has recently established an entity in India as well which is focused on IT professional services and is also scaling rapidly.

### **PT. TVS Motor Company Indonesia (PT TVS)**

During the financial year, PT TVS two-wheeler sales grew by 37%, standing at 0.11 million units as against 0.08 million units during the previous financial year, and three-wheeler sales is at 7000 units as against 19,000 units during the previous financial year. During the year PT TVS reported Operating EBITDA of \$ 8 Mn as against \$ 8.3 Mn during the last year.

### **Swiss E-Mobility Group (Holding) AG (SEMG)**

The Swiss E-Mobility Group (SEMG), along with its subsidiaries Swiss E-Mobility Group (Schweiz) and Colag E-Mobility GmbH, operates under the full ownership of TVS Motor (Singapore) Pte Ltd. This organizational structure supports SEMG's strategic initiatives across the European markets, particularly focusing on the e-bike segment.

SEMG is strategically expanding its footprint in Europe, aiming to capitalize on the region's status as the second largest e-bike market after China. The company is enhancing its presence through a portfolio of both premium and technologically advanced brands. As a leading provider in the DACH region (Germany, Austria, and Switzerland), SEMG operates the largest pure-play e-bike retail chain, m-way, with new expansions including two stores in Austria, bringing their total to 35 physical stores across Switzerland and Austria. Additionally, SEMG maintains a robust online presence through two e-commerce platforms.

With a diverse e-bike brand portfolio like Cilo, Simpel, Allegro, and Zenith-Bikes, SEMG has developed a strong omnichannel distribution network. This not only enhances its market presence but also aligns with consumer aspirations within the e-mobility sector.

In FY 2023-24, SEMG reported revenues of \$ 76.6 million, yet faced a loss of \$ 25.4 million, mainly due to challenging conditions in the European e-bike market. Holding a dominant position with approximately 20% market share in Switzerland, SEMG stands as the region's leading provider. For 2024, the company is strategically focusing on reaching profitability by improving operational efficiencies and expanding its B2C (both offline and online) and B2B segments. SEMG is currently piloting the B2C offline model in Germany and Austria and is investing in the introduction of a B2B e-bike brand portfolio.

SEMG is leveraging emerging trends in the personal mobility sector by focusing on various e-bike categories, including e-city, e-urban, e-trekking, e-mountain, and e-cargo bikes. As e-bikes gain recognition for their sustainability and user-friendliness, the European market is experiencing increased regulatory backing and consumer uptake. E-bikes currently make up about 17% of all bicycles in Europe, with an expected annual growth rate of approximately 8%, signalling significant market opportunities. The global e-bike industry is projected to reach \$ 25 billion within the next five years.

In conclusion, SEMG's strong market presence and strategic initiatives highlight its capability to carve out a distinct niche in the European e-bike industry. By concentrating on enhancing operational efficiencies and expanding its market reach, SEMG is well-positioned to transform into a profitable entity, all while contributing to the advancement of sustainable transportation solutions.

### **The GO Corporation, Switzerland (the GO AG)**

In September 2021, TVSM acquired majority stake in the GO AG, Switzerland and its subsidiary EGO Movement through TVS Motor (Singapore) Pte Ltd. EGO Movement is a Swiss technology company providing innovative mobility solutions through a portfolio of e-bikes, e-cargo bikes and matching accessories. The Company has a strong presence in Switzerland, Austria and Germany with customer-centric products, a unique omnichannel network and a visionary team at its helm.

The GO Corporation and its subsidiaries have a strong presence in Europe with customer-centric products and a unique omnichannel network. In CY23, GO Corporation group reported a revenue of CHF 4.9 Mn as against CHF 4.6 Mn during CY22. With the further expansion / upgrade of retail network, and expansion of e-commerce channels along with the recovery in the economy we expect GO Corporation to do better in the year 2024.

Over the past decade, the personal mobility landscape has evolved significantly with the global sustainability agenda, increasing urbanisation and advancement in battery technology.

EGO Movement's product portfolio focuses on delivering sustainable products with the latest technology and stylish designs. A powerful battery is blended harmoniously into the frame, whose ergonomic design allows for a comfortable upright sitting position. In addition, EGO Movement's connectivity platform is enhancing security and convenience for the vehicle's user with smart features such as keylessgo, GPS location with theft alarm and access-sharing. The unique and innovative design philosophy has earned the Company multiple awards, including the prestigious Red Dot Award and in 2022 the German Brand Award.

This acquisition is in line with the Company's commitment towards electrification and the broader sustainability agenda for building an aspirational product portfolio while nurturing sustainable and scalable brands. EGO Movement is a Swiss technology company providing innovative mobility solutions through a portfolio of e-bikes, e-cargo bikes and matching accessories.

## **EBCO**

In April 2022, TVSM acquired a 70% share in EBCO Ltd through TVS Motor (Singapore) Pte Ltd. a British Company providing mobility solutions through E-Bikes, across the Adventure, Urban and City bikes segments.

EBCO offers innovative and high-quality e Bikes in the UK region. During FY24, EBCO reported a revenue of GBP 0.8 Mn as against GBP 0.5 Mn during FY23.

2023 saw a complete revamp of the range to update and modernise the offering providing a premium quality product at affordable pricing to hit the volume market. A new sales team was onboarded in Q3. UK market was impacted on account of overall market sentiments and huge accumulation of stock in the market.

2024 will be first full trading period with product available ready for the season's start. There was a small existing network of retail partners in place, and the addition and expansion of retail partnerships is developing to obtain national coverage, whilst working and developing the omnichannel also.

With the new products & strong dealerships planned, EBCO is placed in a good position to obtain good market share.

## **The Norton Motorcycle Co Limited, UK**

Since the acquisition of Norton in 2020, the Company has built a strong foundation by setting up a state-of-art facility, a new engineering and design centre to further the growth of Norton. During FY24, Norton has launched special editions to celebrate 125 years of brand legacy.

Overall, the premium and super-premium markets are expected to grow consistently, and Norton is preparing its portfolio to become a strong player with a series of products getting closer to market readiness. The Company will continue to invest during the upcoming 8 quarters. The Company's engineering, design & development and supply chain capabilities will be leveraged to ensure high quality products are delivered in a cost-efficient and timely manner.

## **ASSOCIATE COMPANY**

### **TVS Training and Services Limited (TVS TS)**

TVS TS is engaged in the business of establishing and providing vocational training to various industries and is participating in the National Skill Development Projects. During the year, TVS TS earned an income of ₹103.59 Cr and profit after tax for the year ended 31<sup>st</sup> March 2024 was ₹ (0.57) Cr.

## **16. CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements of the Company are prepared in accordance with the provisions of Section 129 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and Regulation 33 of the Listing Regulations along with a separate

statement containing the salient features of the financial performance of subsidiaries / associates in the prescribed form. The audited consolidated financial statements together with the Auditors' Report form part of the Annual Report.

The financial statements of the subsidiary companies will be made available to the Shareholders, on receipt of a request from any Shareholder. The financial statements of the subsidiaries have also been placed on the website of the Company. This will also be available for inspection by the Shareholders at the Registered Office during business hours as mentioned in the Notice of AGM.

The consolidated Profit Before Tax of the Company and its subsidiaries & associates amounted to ₹ 2,786.42 Cr for the financial year 2023-24 as compared to ₹ 2,013.32 Crores in the previous year.

## **17. DIRECTORS & KEY MANAGERIAL PERSONNEL**

### **Special Recognition to Mr Venu Srinivasan, Chairman**

During the year under review, Mr Venu Srinivasan, was conferred with an "Outstanding Institution Builder" Award at the 13<sup>th</sup> Managing India Awards - recognizing his exceptional vision and leadership in building an organization and who has been the driving force of an organization.

Mr Venu Srinivasan also received the "Lifetime Achievement Award" at the EY Entrepreneur of the Year 2023 in recognition of his visionary leadership and for his decades of entrepreneurial excellence in revolutionizing the two-wheeler industry in India.

### **Special Recognition to Mr Sudarshan Venu, Managing Director**

Mr Sudarshan Venu received "Next Gen Leader" award at the Indian Family Business Awards 2022. This remarkable recognition was a testament to his visionary leadership and unwavering commitment to innovation in the automotive industry.

### **Directors' appointment / re-appointment / cessation**

During the financial year, the following changes happened in the Board of Directors of the Company:

The Board of Directors of the Company at its meeting held on 11<sup>th</sup> August 2023 approved / noted the following changes consequent upon Demerger:

- \* Mr Venu Srinivasan (DIN: 00051523), was designated as Non-Executive Chairman of the Company and ceased to be Chairman Emeritus and Managing Director effective 11<sup>th</sup> August 2023;
- \* Dr. Lakshmi Venu (DIN: 02702020), ceased to be Managing Director and Director of the Company effective 11<sup>th</sup> August 2023; and



## **TVS Holdings Limited** **(Formerly known as Sundaram-Clayton Limited)**

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- \* Mr R Gopalan (DIN: 01624555), Non-executive Chairman ceased as Chairman of the Company and continued as a Non-executive Director.

Mr Rajesh Narasimhan (DIN: 07824276) resigned as Non- Executive Director of the Company effective close of business hours of 11<sup>th</sup> August 2023 due to personal reasons.

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 11<sup>th</sup> September 2023 approved the following:

- Appointment of Mr Sudarshan Venu (DIN: 03601690), as Managing Director for a period of five years, effective 11<sup>th</sup> September 2023, on such remuneration to be decided as and when deemed fit by the Board;
- Appointment of Mr Timm Tiller (DIN: 10289596), as an Additional Director and Non-Executive Independent Director of the Company, for a term of five consecutive years effective 11<sup>th</sup> September 2023; and
- Re-appointment of Ms Sasikala Varadachari (DIN: 07132398) as Non-Executive Independent Director for a second term of 3 years effective 24<sup>th</sup> October 2023.

All the above subjects were approved by the shareholders by ordinary / special resolutions, through Postal Ballot on 20<sup>th</sup> October 2023. Further, as required under Section 196 read with Clause (e) of Part I of Schedule V of the Companies Act, 2013 the approval of the Central Government was also received on 2<sup>nd</sup> February 2024 for the appointment of Mr Sudarshan Venu as Managing Director, being a non-resident.

In terms of the provisions of sub-section (6) read with explanation to Section 152 of the Act, 2013, two-thirds of the total number of Directors i.e., excluding IDs, are liable to retire by rotation and out of them, one-third is liable to retire by rotation at every AGM. Accordingly, Mr K Gopala Desikan, Director & Group Chief Financial Officer, is liable to retire by rotation, at the ensuing AGM.

The Directors have recommended his re-appointment for the approval of shareholders. Brief resume of the Director is furnished in the Notice convening the AGM of the Company.

### **Independent Directors (IDs)**

All IDs hold office for a fixed term and are not liable to retire by rotation.

The appointment of new Directors is recommended by the Nomination and Remuneration Committee ('NRC') on the basis of requisite qualifications, skills, proficiency, experience, expertise in industry knowledge and competencies as identified and finalized by the Board considering the industry and sector in which the Company operates.

The Board, on the recommendation of the NRC, independently evaluates and recommends to the shareholders. In the opinion of the Board, the Independent Directors appointed during the year are persons of high repute, integrity and possesses the relevant expertise and

experience in the respective fields.

The terms of appointment of Independent Directors (IDs) include the remuneration payable to them by way of fees and profit-related commission, if any.

The terms of IDs cover, *inter-alia*, duties, rights of access to information, disclosure of their interest / concern, dealing in Company's shares, remuneration and expenses, insurance and indemnity. The IDs are provided with copies of the Company's policies and charters of various committees of the Board.

In accordance with Section 149(7) of the Act, 2013, all IDs have declared that they have met the criteria of independence as provided under Section 149(6) of the Act, 2013 and Regulation 25 of the Listing Regulations and the Board confirms that they are independent of the management.

The detailed terms of appointment of IDs is disclosed on the Company's website in the link as provided in page no. 89. of this Annual Report.

All the IDs are registered with the databank of Independent Directors developed by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Companies Act, 2013 and obtained ID registration certificate and renewed the same for five years / life time, as the case may be.

### **Separate meeting of Independent Directors**

During the year under review, a separate meeting of IDs was held on 11<sup>th</sup> March 2024.

Based on the set of questionnaires, complete feedback on Non-Independent Directors and details of various activities undertaken by the Company were provided to IDs to facilitate their review / evaluation.

### **a) Non-Independent Directors (Non-IDs)**

IDs used various criteria prescribed by the Nomination and Remuneration Committee (NRC) for evaluation of Non-IDs and Executive Directors viz., M/s Sudarshan Venu, K Gopala Desikan and Non-ID Non-Executive Director viz., M/s Venu Srinivasan and Mr R Gopalan and also of Chairman of the Board and the Board as a whole, for the year 2023-24.

IDs evaluated the performance of all Non-IDs individually, through a set of questionnaires.

IDs reviewed the Company's performance during the year 2023-24 and the comparative data on financial / market cap for the year 2023-24.

They also reviewed the developing strategic plans aligned with the vision and mission of the Company, displaying leadership qualities for seizing the opportunities and priorities, developing and executing business plans aware of the risks involved, establishing an effective organizational structure, and demonstrating high ethical standards and integrity and commitment to the organization besides participation at the Board / Committee meetings, effective deployment of knowledge and expertise and constructive comments / guidance provided to

management by the Non-IDs.

IDs appreciated and recorded that-

Mr Venu Srinivasan Chairman's vision is a driving force and has also made major contribution to the automotive industry and nation building at large for the last four decades;

His dedication to the transformation of rural India by empowering women in the rural areas can be seen through his passion towards setting up the Srinivasan Services Trust which has touched the lives of 1.6 million people in 2500 villages across the country in the last 28 years

IDs were satisfied fully with the performance of all Non-IDs.

### **b) Chairman**

IDs reviewed the performance of the Chairman of the Board.

IDs also placed on record, their appreciation of the Chairman's exemplary leadership skills, exceptional vision, and unwavering dedication, Instrumental in leading the Company through a period of significant transformation, providing both strategic guidance and strong leadership to the Board of Directors and leverages his extensive experience to steer board discussions and decisions that maximize value for the Company and its shareholders.

IDs also noted that his vast experience to bear on steer Board discussions and decisions for the benefit of the Company and Shareholders.

### **c) Board**

IDs also evaluated the Board's composition, size, the mix of skills and experience, meeting sequence, the effectiveness of discussion, decision making, and follow up action, so as to improve governance and enhance the personal effectiveness of Directors.

The evaluation process focused on Board Dynamics. The Company has a Board with a wide range of expertise in all aspects of business and outstanding diversity of the Board with the presence of varied personalities with an expert in each domain viz., Engineering, Finance, Marketing, Legal, Banking, Administration and International trades and is well balanced with the addition of Directors, with domestic and international experience and also from new industries

The Company's management is well guided by the Non-Executive Directors; and Board benchmarks well in terms of its overall composition and the value it adds to the business.

As far as shareholders' interest is concerned, IDs noted that a proper system has been established to ensure that the Company is prompt, relevant and transparent.

They were satisfied with the Company's performance in all fronts and finally concluded that the Board operates with best practices. Board composition of the Company is in compliance with the SEBI Listing

Regulations and ahead of the benchmark as per the Corporate Governance Scorecard in overall position.

### **d) Quality, Quantity and Timeliness of flow of information between the Company, Management and the Board**

All IDs have expressed their overall satisfaction with the support received from the management and the excellent work done by the management during the year under review and also that the relationship between the top management and Board is smooth and seamless.

The Company is in compliance with the statutory requirements under both the Companies Act and the Listing Regulations and all the information provided to the Directors are very wholesome.

The information provided for the meetings were clear, concise and comprehensive to facilitate detailed discussions and periodic external presentations on specific areas well supplemented the management inputs. The emerging e-technology was duly incorporated in the overall review of the board.

### **Key Managerial Personnel (KMP)**

Mr Sudarshan Venu, Managing Director, Mr K Gopala Desikan, Director & Group Chief Financial Officer and Mr R Raja Prakash, Company Secretary are KMPs of the Company in terms of Section 2(51) read with Section 203 of the Act, 2013 as on date of this Report.

### **Nomination and Remuneration Policy**

The Nomination and Remuneration Committee of Directors (NRC) reviews the composition of the Board to ensure an appropriate mix of abilities, experience and diversity to serve the interests of all stakeholders of the Company.

The objective of such policy shall is to attract, retain and motivate executive management and devise remuneration structure to link to Company's strategic long-term goals, appropriateness, relevance, and risk appetite.

NRC will identify, ascertain the integrity, qualification, appropriate expertise and experience, having regard to the skills that the candidate will bring to the Board / Company, whenever the need arises for appointment of Directors / KMP.

Criteria for performance evaluation, disclosures on the remuneration of Directors, criteria of making payments to Non-Executive Directors have been disclosed as part of Corporate Governance Report attached herewith.

### **Remuneration payable to Independent Directors**

The Shareholders have provided approval for renewal of the payment of remuneration, by way of commission not exceeding 1% of the Net profits, in aggregate, payable to the Independent Directors of the Company (IDs) every year.

IDs devote considerable time in deliberating the operational and other issues of the Company and provide valuable advice in regard to the



management of the Company from time to time, and the Company also derives substantial benefit through their expertise and advice.

### **Evaluation of the Independent Directors and Committees of Directors**

In terms of Section 134 of the Act, 2013 and the Corporate Governance requirements as prescribed under the Listing Regulations, the Board reviewed and evaluated Independent Directors and various Committees viz., Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee, based on the evaluation criteria laid down by the NRC.

Board has carried out the evaluation of all Directors (excluding the Director being evaluated) and its committees through a set a questionnaire.

### **Independent Directors**

The performance of all IDs was assessed against a range of criteria such as contribution to the development of business strategy and performance of the Company, understanding the major risks affecting the Company, clear direction to the management and contribution to the Board cohesion. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

The IDs were always kept informed of the constitution of robust framework for the Company and group companies against cyber threats and mitigation plans against cyber-attacks for business continuity.

The Board noted that all IDs have understood the opportunities and risks to the Company's strategy and are supportive of the direction articulated by the management team towards consistent improvement.

On the basis of the report of performance evaluation of directors, the Board noted and recorded that all the directors should extend and continue their term of appointment as Directors / Independent Directors, as the case may be.

### **Committees**

Board delegates specific mandates to its committees, to optimize Directors' skills and talents besides complying with key regulatory aspects.

- a. Audit Committee for overseeing financial Reporting;
- b. Risk Management Committee for overseeing the risk management framework;
- c. Nomination and Remuneration Committee for selecting and compensating Directors / Employees;
- d. Stakeholders' Relationship Committee for redressing investors' grievances; and
- e. Corporate Social Responsibility Committee for overseeing CSR initiatives and inclusive growth.

The performance of each Committee was evaluated by the Board after seeking inputs from its members on the basis of specific terms of

reference, its charter, time spent by the Committees in considering key issues, quality of information received, major recommendations / action plans and work of each Committee.

The Board is satisfied with overall effectiveness and decision making of all Committees. The Board reviewed each Committee's terms of reference to ensure that the Company's existing practices remain appropriate.

Directors continues to devote such time as is necessary for the proper performance and effectively discharge their duties, all of them to devote appropriate time to fulfil their duties.

Board and its Committees has an appropriate combination of skills, experience and knowledge.

The current committees structure was considered effective and all the committees of the Board were considered to be working effectively.

Recommendations from each Committee were considered and accepted by the Board prior to its implementation during the financial year under review.

Details of Committees, its charter and functions are provided in the Corporate Governance Report.

### **Number of Board meetings held**

During the financial year 2023-24, the Board met seven times and details of the meetings are provided as part of Corporate Governance Report prepared in terms of the Listing Regulations.

## **18. AUDITORS**

### **Statutory Auditors**

The Company at its Sixtieth AGM held on 28<sup>th</sup> June 2022 re-appointed M/s Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru, having Firm Registration No. 007761S allotted by The Institute of Chartered Accountants of India, as Statutory Auditors of the Company to hold office, for the second term of five consecutive years, from the conclusion of the said AGM, at such remuneration in addition to applicable taxes, out of pocket expenses, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

Effective 14<sup>th</sup> March 2024 the Company has become a Core Investment Company ("CIC"), and thereby the Company is required to adhere to the Regulations prescribed by RBI in connection with the appointment of Statutory Auditors. As prescribed by Reserve Bank of India ("RBI") vide their circular dated 27<sup>th</sup> April, 2021 the regulations are applicable to the Company. These guidelines contain instructions regarding the manner of appointment, number of auditors, eligibility criteria, tenure, rotation as well as norms for ensuring the independence of auditors.

Based on the above said circular, M/s Raghavan, Chaudhuri & Narayanan, Chartered Accountants, communicated their ineligibility on the continuation as Statutory Auditors of the Company and tendered their resignation effective 9<sup>th</sup> May 2024.

To fill up this casual vacancy, the Board of Directors in its meeting held on 9<sup>th</sup> May 2024 have appointed M/s. N C Rajagopal & Co., Chartered

## **TVS Holdings Limited** (Formerly known as Sundaram-Clayton Limited)

Accountants, Chennai (ICAI Firm Registration Number: 003398S) as the Statutory Auditors of the Company effective 10<sup>th</sup> May 2024 till the conclusion of ensuing Annual General Meeting. Your Company has received an eligibility letter from the Auditors for their appointment in accordance with Sections 139 and 141 of the Act read with the RBI circulars in connection with the appointment of Statutory Auditor. Necessary resolutions are being placed in the ensuing Annual General Meeting for approval of shareholders for appointment done in casual vacancy and also for further appointment for a term of 3 years from the conclusion of Annual General Meeting.

The Auditors' Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark and the same is attached with the annual financial statements.

### **Secretarial Auditors**

As required under Section 204 of the Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Secretarial Auditor for auditing secretarial and related records of the Company.

The Secretarial Audit Report for the financial year 2023-24, given by Ms B Chandra, Practising Company Secretary, Chennai is attached to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or other remarks.

The Board at its meeting held on 9<sup>th</sup> May 2024 has re-appointed Ms B Chandra, Practising Company Secretary, Chennai having CP No. 7859 allotted by the Institute of Company Secretaries of India as Secretarial Auditors for the financial year 2024-25.

### **Cost Auditor**

Pursuant to the Composite Scheme of arrangement being effective 11<sup>th</sup> August 2023, the diecasting business has been demerged to Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) the Company is not required to maintain the Cost records from 11<sup>th</sup> August 2023 to 31<sup>st</sup> March 2024. Hence, the Company had maintained the cost records for the period upto 10<sup>th</sup> August 2023.

The Company has filed the Cost Audit report on 23<sup>rd</sup> August 2023 for the FY 2022-23. The Company will file the Cost Audit report for the period from 1<sup>st</sup> April 2023 to 10<sup>th</sup> August 2023 in due course.

## **19. CORPORATE GOVERNANCE**

The Company has been practicing the principles of good corporate governance over the years and lays strong emphasis on transparency, accountability and integrity.

A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations is given as Annexure VI to this Report.

The Managing Director and the Chief Financial Officer (CFO) of the Company have certified to the Board on financial statements and other matters in accordance with the Regulation 17 (8) of the Listing Regulations pertaining to CEO / CFO certification for the financial year ended 31<sup>st</sup> March 2024.

## **20. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with relevant SEBI Circulars, new reporting requirements on ESG parameters were prescribed under "Business Responsibility and Sustainability Report" ("BRSR"). The BRSR seeks disclosure on the performance of the Company against nine principles of the "National Guidelines on Responsible Business Conduct" ('NGRBCs').

As per the SEBI Circulars, effective from the financial year 2023-24, filing of BRSR is mandatory for the top 1,000 listed companies by market capitalisation. Accordingly, for the financial year ended 31<sup>st</sup> March 2024, Company has published BRSR, in the prescribed format is given as Annexure V to this Report and is available on the Company's website in the link as provided in page no. 89 of this Annual Report.

## **21. POLICY ON VIGIL MECHANISM**

The Company has adopted a Policy on Vigil Mechanism in accordance with the provisions of the Act, 2013 and Regulation 22 of the Listing Regulations, which provides a formal mechanism for all Directors, Employees and other Stakeholders of the Company to report to the management, their genuine concerns or grievances about unethical behaviour, actual or suspected fraud and any violation of the Company's Code of Business Conduct and Ethics.

The Code also provides a direct access to the Chairman of the Audit Committee to make protective disclosures to the management about grievances or violation of the Company's Code.

The Policy is disclosed on the Company's website in the link as provided in page no. 89 of this Annual Report.

## **22. PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public within the meaning of Section 76 of the Act, 2013 and the RBI Act, 1934 and the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 2016 for the year ended 31<sup>st</sup> March 2024 and there are no such Public Deposits Outstanding as on 31<sup>st</sup> March 2024.

## **23. STATUTORY STATEMENTS**

### **Information on conservation of energy, technology absorption, foreign exchange etc:**

As the Company is a Core Investment Company investing in Subsidiaries and Associate(s), the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities.

<b>Total foreign exchange earned and used:</b>	₹ in Cr
Foreign exchange used	56.17
Foreign exchange earned	358.07

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Material changes and commitments, if any, affecting the financial position of the Company, having occurred since the end of the year and till the date of the Report:**

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.

**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.

**Annual Return:**

Copy of the Annual Return (Annexure I) in prescribed form is available on the Company's website in the link as provided in page no. 89 of this Annual Report, in terms of the requirements of Section 134(3)(a) of the Act, 2013 read with the Companies (Accounts) Rules, 2014.

**Employee's remuneration:**

Details of Employees receiving the remuneration in excess of the limits prescribed under Section 197 of the Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in Annexure II. In terms of first proviso to Section 136(1) of the Act, 2013 the Annual Report, excluding the aforesaid annexure is being sent to the Shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company during business hours as mentioned in the Notice of AGM and any Shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

**Comparative analysis of remuneration paid:**

A comparative analysis of remuneration paid to Directors and Employees with the Company's performance is given as Annexure IV to this Annual Report.

**Details of related party transactions:**

There are no material related party transactions under Section 188 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

**Details of loans / guarantees / investments made:**

The Company is registered as a Core Investment Company with RBI. Thus, particulars of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, are not applicable to the Company.

**Reporting of fraud**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, 2013.

**Secretarial Standards**

The Company has complied with the applicable Secretarial Standards as amended from time to time.

**General Disclosures**

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

- a. issue of equity shares with differential rights as to dividend, voting or otherwise;
- b. issue of shares (including sweat equity shares) to employees of the Company under any scheme;
- c. pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and
- d. instance of one-time settlement with any bank or financial institution.

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

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), as amended, Company has a robust mechanism in place to redress complaints reported under it. Company has complied with provisions relating to the constitution of Internal Committee under POSH. The Internal Committee (IC) comprises of internal members and external member who has an extensive experience in the field.

There were no cases of sexual harassment reported during the year 2023-24.

During the year 2023-24, initiatives were undertaken to demonstrate Company's zero tolerance policy against discrimination and sexual harassment, which included creation of comprehensive and easy to understand training and communication material. In addition, online workshops were also run for the employees to enhance awareness and knowledge.

**Statutory Disclaimer**

The Company is having a valid Certificate of Registration dated 14<sup>th</sup> March 2024 issued by RBI under Section 45-IA of the RBI Act. However, RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for repayment of deposits / discharge of liabilities by the Company.

**24. ACKNOWLEDGEMENT**

The Directors gratefully acknowledge the continued support and co-operation received from the Promoters and also thank the bankers, investing institutions, customers, dealers, vendors and sub-contractors for their valuable support and assistance.

The Directors wish to place on record their appreciation of the very good work done by all the employees of the Company during the year under review.

The Directors also thank the investors for their continued faith in the Company.

For and on behalf of the Board of Directors

Chennai  
9<sup>th</sup> May 2024

VENU SRINIVASAN  
Chairman  
DIN: 00051523

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

## Annexure - III to Directors' Report to the shareholders - FY 2023-24

### Particulars of Corporate Social Responsibility activities carried out by the Company in terms of Section 135 of the Companies Act, 2013

1. Brief outline on CSR Policy of the Company:

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.

2. Composition of the CSR Committee:

Sl. No.	Name of the Director (M/s)	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Venu Srinivasan	Chairman	1	1
2.	Dr Lakshmi Venu <sup>\$</sup>	Member	1	1
3.	Sudarshan Venu <sup>#</sup>	Member	1	Not Applicable
4.	Anuj Shah	Member	1	1

<sup>\$</sup> Ceased as a Director/Member of the Committee effective 11<sup>th</sup> August 2023;

<sup>#</sup> Appointed as a Member effective 21<sup>st</sup> September 2023

3.	Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company.	<a href="http://www.tvsholdings.com">www.tvsholdings.com</a> . Web-link is provided in page no. 89 of this Annual Report.				
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable				
5.	(a) Average net profit of the Company as per section 135(5).	₹ 60.49 Cr				
	(b) Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013.	₹ 1.21 Cr				
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil				
	(d) Amount required to be set off for the financial year, if any	Nil				
	(e) Total CSR obligation for the financial year (5b+5c- 5d).	₹ 1.21 Cr				
6	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 2 Cr				
	(b) Amount spent in Administrative Overheads	Nil				
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable				
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 2 Cr				
	(e) CSR amount spent or unspent for the Financial Year:					
	Amount Unspent (in ₹)					
	Total Amount Spent for the Financial Year (in ₹)	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act, 2013.		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act, 2013.		
		Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	2.00 Cr	Not Applicable				

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f) Excess amount for set off, if any

Sl. No.	Particulars	Amount in (₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	1.21 Cr
(ii)	Total amount spent for the financial year	2.00 Cr
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.79 Cr
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.79 Cr

7 Details of Unspent CSR amount for the preceding three financial years:

Status 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	Amount Spent in the Financial Year	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	Deficiency, if any
					Amount	Date of Transfer		
Not Applicable								

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

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135 : Not Applicable

For and on behalf of the Board

Chennai  
9<sup>th</sup> May 2024

VENU SRINIVASAN  
Chairman  
DIN: 00051523







**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders**

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR FY 2023-24**

**SECTION A: GENERAL DISCLOSURES**

**I. I. DETAILS OF THE LISTED ENTITY**

1	Corporate Identity Number (CIN) of the Listed Entity	L35999TN1962PLC004792
2	Name of the Listed Entity	TVS Holdings Limited
3	Year of incorporation	1962
4.	Registered office address	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006
5.	Corporate address	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006
6.	E-mail	<a href="mailto:corpsec@tvsholdings.com">corpsec@tvsholdings.com</a>
7.	Telephone	044-28332115
8.	Website	<a href="http://www.tvsholdings.com">www.tvsholdings.com</a>
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 10,11,60,520
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	R Raja Prakash 044-28332115 <a href="mailto:corpsec@tvsholdings.com">corpsec@tvsholdings.com</a>
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of the assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

**II. PRODUCTS / SERVICES**

16. Details of business activities (accounting for 90% of the turnover) Excluding Die Casting Business consequent to Composite scheme of arrangement as approved by NCLT:

S. No.	Description of main activity	Description of business activity	% of turnover
1	Non-Banking Financial Company - Core Investment Company	The Company operates primarily as a long-term Investment Company with strategic investment in group companies and investments in listed and unlisted securities of other companies.	52%
2	Sale of Spares	Trading Business	42%

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

S. No.	Product / Service	NIC Code	% of total Turnover contributed
1	Investment	64200	52%
2	Sales of Spares	45402	42%

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Annexure - V to Directors' Report to the shareholders - (continued)**

**III. OPERATIONS**

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

Location	Number of plants	Number of offices	Total
National	Not Applicable*	1	1
International		1	1

\* The Company is engaged in the business of investment in securities and does not undertake any manufacturing activity.

19. Markets served by the entity:

- a. Number of locations

Location	Number
National (No. of States)	Not Applicable*
International (No. of Countries)	

\* The Company is engaged in the business of investment in securities and does not undertake any manufacturing activity.

- b. What is the contribution of exports as a percentage of the total turnover of the entity?

NIL

- c. A brief on types of customers

The Company is registered as a Core Investment Company to carry on the business of non-banking financial company without accepting public deposits in accordance with Core Investment Companies (Reserve Bank) Directions, 2016 effective 14<sup>th</sup> March 2024. Hence, the Company invests only in securities of Group Companies and grant loans / provide security only to Group Companies.

The Company is reducing its exposure in trading business in a phased manner and it will wind up trading in Automotive spare parts by April 2025.

**IV. EMPLOYEES**

20. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	68	56	82%	12	18%
2.	Other than Permanent (E)	6	6	100%	-	-
3.	Total employees (D + E)	74	62	84%	12	16%
WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)			Nil		
2.	Other than Permanent (E)					
3.	Total employees (D + E)					
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)			Nil		
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

21. Participation / Inclusion / Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.5
Key Management Personnel	1	–	–

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

Category	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.06	–	2.06	11.70	0.70	12.40	12.00	1.00	13.00
Permanent Workers	–	–	–	–	–	–	–	–	–

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Annexure - V to Directors' Report to the shareholders - (continued)**

**V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)**

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

S. No.	Name of the holding / subsidiary / associate companies/ joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business entity Responsibility initiatives of the the listed entity? (Yes/No)
1	TVS Motor Company Limited (TVSM)	Subsidiary	50.26	No
2	Emerald Haven Realty Limited (EHRL)	Subsidiary	89.26	No
3	TVS Holdings (Singapore) Pte. Ltd	Subsidiary	100	No
<b>Subsidiaries of TVSM</b>				
4	Sundaram Auto Components Limited	Subsidiary	-	No
5	TVS Digital Limited (formerly known as TVS Housing Limited)	Subsidiary	-	No
6	TVS Motor Services Limited	Subsidiary	-	No
7	TVS Electric Mobility Limited	Subsidiary	-	No
8	TVS Credit Services Limited	Subsidiary	-	No
9	TVS Motor Company (Europe) B.V.	Subsidiary	-	No
10	TVS Motor (Singapore) Pte Limited	Subsidiary	-	No
11	PT TVS Motor Company Indonesia	Subsidiary	-	No
12	Harita ARC Private Limited	Subsidiary	-	No
13	TVS Housing Finance Private Limited	Subsidiary	-	No
14	Harita Two-wheeler Mall Private Limited	Subsidiary	-	No
15	The Norton Motorcycle Co Limited, UK	Subsidiary	-	No
16	TVS Digital Pte Limited, Singapore	Subsidiary	-	No
17	The GO Corporation, Switzerland	Subsidiary	-	No
18	Swiss E-mobility Group (Holding) AG, Switzerland	Subsidiary	-	No
19	EBCO Limited, UK	Subsidiary	-	No
20	Celerity Motor GmbH, Germany	Subsidiary	-	No
21	EGO Movement, Stuttgart GmbH, Germany	Subsidiary	-	No
22	Swiss E-mobility Group (Schweiz), AG, Switzerland	Subsidiary	-	No
23	Colag E-mobility GmbH, Germany	Subsidiary	-	No
24	Alexand'RoEdouard'O Passion VeloSarl, Switzerland	Subsidiary	-	No

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

**V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES) - (continued)**

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

S. No.	Name of the holding / subsidiary / associate companies/ joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business entity Responsibility initiatives of the the listed entity? (Yes/No)
<b>Subsidiaries of EHRL</b>				
25	Emerald Haven Projects Private Limited	Subsidiary	-	No
26	Happiness Harmony Property Developers Private Limited	Subsidiary	-	No
27	Emerald Haven Property Development Limited	Subsidiary	-	No
28	Emerald Haven Realty Developers (Paraniputhur) Private Limited	Subsidiary	-	No
29	Emerald Haven Development Limited	Subsidiary	-	No
30	Emerald Haven Life Spaces (Radial Road) Limited	Subsidiary	-	No
31	Emerald Haven Town & Country Private Limited	Subsidiary	-	No
32	Emerald Haven Towers Limited	Subsidiary	-	No
33	Emerald Haven Residences Private Limited	Subsidiary	-	No
34	Emerald Haven Properties Private Limited	Subsidiary	-	No
35	Emerald Haven Builders Private Limited	Subsidiary	-	No
<b>Associate Companies</b>				
36	TVS Training and Services Limited	Associate	21.70	No
<b>Associates of TVSM</b>				
37	Ultraviolette Automotive Private Limited	Associate	-	No
38	DriveX Mobility Private Limited	Associate	-	No
39	Indian Foundation for Quality Management	Associate	-	No
<b>Associates of TVS Motor (Singapore) Pte. Limited</b>				
40	Killwatt GmbH, Germany	Associate	-	No
41	ION Mobility Pte. Ltd., Singapore	Associate	-	No
<b>Associates of TVS Digital Pte. Limited</b>				
42	Predictronics Corp, USA	Associate	-	No
43	Tagbox Pte Ltd, Singapore	Associate	-	No
44	Altizon Inc, USA	Associate	-	No
45	Scienaptic Systems Inc., USA	Associate	-	No
<b>Associates of EHRL</b>				
46	Emerald Haven Housing Private Limited	Associate	-	No



**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

**VI. CSR DETAILS**

24. CSR Details

Whether CSR is applicable as per Section 135 of Companies Act, 2013	Yes
Turnover (₹ in Cr)	1,607.77
Net worth (₹ in Cr)	1,372.63

**VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES**

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

Stakeholder group from whom complaints is received	Grievance Redressal Mechanism in Place (Yes / No) if yes then provide web-link for grievance redress policy	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	4	-	-	1	-	-
Employees	Yes	-	-	-	-	-	-
Customers	Yes	-	-	-	85*	-	-
Value Chain Partners (Dealers)	Yes	-	-	-	-	-	-
Value Chain Partners	Yes	-	-	-	-	-	-

\* Pursuant to Composite Scheme of Arrangement which was approved by the Hon'ble National Company Law Tribunal, Chennai, the Die-casting division of the Company were demerged to Sundaram-Clayton Limited (Formerly Known as Sundaram-Clayton DCD Limited) effective 11<sup>th</sup> August 2023 ("Demerger"). In view of the above, the Company does not carry on any manufacturing activity. Hence, there are no grievances reported from stakeholders except shareholders of the Company.

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

As a principle, in line with the policies, practices and processes of the Company, it engages with its stakeholders and strives to resolve differences with them in a just, fair, equitable and consistent manner and if warranted takes corrective measures.

Considering the nature of business of the Company, there are no material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity for the Company.

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive towards all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 a	Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Y	Y	Y	Y	Y	Y	N	Y	Y
b	Has the policy been approved by the Board? (Yes / No)	Y	Y	Y	Y	Y	Y	N	Y	Y
c	Web link of the Policies, if available	Policies of the Company are available on the website of the Company i.e., <a href="http://www.tvsholdings.com">www.tvsholdings.com</a>								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	N	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
4.	Name of the national and international codes/certifications / labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies have been developed based on industry practices or as per the regulatory requirements, as may be applicable to the Company.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	None, due to the nature of business of the Company.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								

**Governance, leadership and oversight**

7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	We are committed to fulfilling our responsibility to society and the environment. Furthermore, through our CSR policy, we continue to drive initiatives for the benefit of different segments of society, with a focus on the marginalized, poor, needy, deprived, underprivileged, and differently abled persons.
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	At the highest level, the Board of Directors of your Company, led by the Chairman has the primary role to protect and assess the Business Responsibility (BR) performance of your Company.

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Annexure - V to Directors' Report to the shareholders - (continued)**

S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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**Governance, leadership and oversight - (continued)**

9.	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Chairman, Managing Director and Director & Group Chief Financial Officer								
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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	As part of our standard practice, all company policies undergo periodic or as-needed reviews by department heads, senior management personnel, and relevant committees. These reviews include an assessment of policy effectiveness, and any necessary adjustments to policies and procedures are implemented									On need basis.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has the required policies and procedures in place to ensure compliance with laws applicable to the Company.  The Company is in compliance with the extant regulations, as applicable																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
										No  The Policies of the Company are subject to audit by the Internal Auditors of the Company. The working of the Policy is also ensured by the various department heads/Board Committees/Board members, wherever applicable.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	-								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-								
It is planned to be done in the next financial year (Yes/No)	-								
Any other reason (please specify)	P7 - The Company through the various industrial forums endeavours to promote growth and technological process, economic reforms, inclusive development policies and sustainable business principles. Therefore there is no need for such policy.								

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**Annexure - V to Directors' Report to the shareholders - (continued)**

**SECTION C : PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1**

**BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.**

**ESSENTIAL INDICATORS**

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	All principles	100
Key Managerial Personnel (KMPs)	2	All principles	100
Employees other than BoD and KMPs	from time to time	The employees are imparted various trainings/ awareness sessions such as induction/functional/behavioral training at the time of joining and leadership, policy, technical and specific compliance training during the course of employment.	100
Workers	Not Applicable		—

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

Monetary				
NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine		No		
Settlement				
Compounding fee				

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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

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

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
NA	NA

**4. Does the entity have an anti-corruption or anti-bribery policy?**

Yes. As part of Code of Conduct for all the employees, on discipline and misconduct, accepting bribe or illegal gratification, in any form, from anyone, in connection with the Company's business is considered as violation.

The Company has zero tolerance approach towards such violation, corruption and bribery. The Company has appropriate internal controls to ensure that the Company or its employees do not engage in unethical practices.

All employees are educated on the "Code of Conduct" with an objective to establish and specify standards of behaviour.

Web-link of such policies covered under the Code of Conduct are available on the Company's website as provided in page no. 89 of this Annual Report.

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

Category	FY 2023-24	FY 2022-23
Directors	—	—
KMPs	—	—
Employees	—	—
Workers	—	—

**6. Details of complaints with regard to conflict of interest:**

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

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

Not Applicable



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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	39	127

**9. Open-ness of business**

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

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	100%	-
	b. Number of dealers / distributors to whom sales are made	10	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	100%	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	88.88	-
	b. Sales (Sales to related parties / Total Sales)	31.25	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	-
	d. Investments (Investments in related parties / Total Investments made)	25.44	-

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**Annexure - V to Directors' Report to the shareholders - (continued)**

**LEADERSHIP INDICATORS**

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness held	Topics / principles covered under the training	% age of value chain programmes partners covered (by value of business done with such partners) under the awareness programmes
Not Applicable		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes / No)

Yes, the Company has in place a 'Policy on Related Party Transactions', which are applicable to our Board members. Transactions with the Board members or any entity in which such Board members are concerned or interested are required to be approved by the Audit Committee and the Board of Directors. In such cases, the interested directors abstain themselves from the discussions at the meeting. The weblink of the policy is available elsewhere reported in the annual report.

**PRINCIPLE 2**

**BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**ESSENTIAL INDICATORS**

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

Particulars	Current FY 2023-24	Previous FY 2022-23	Details of improvements in environmental and social impacts
R & D	-	15%	-
Capex	-	4%	-

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

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

Not Applicable

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

Not applicable considering that the Company is an investment company and it neither has consumption of raw material nor produces any tangible goods, hazardous or otherwise.

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

No

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**Annexure - V to Directors' Report to the shareholders - (continued)**

**LEADERSHIP INDICATORS**

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not Applicable					

- 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. -**

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Aluminum	Not Applicable	100%
Sand core	Not Applicable	90%

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Particulars	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable					
E-waste						
Hazardous waste						
Other waste						

- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

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**Annexure - V to Directors' Report to the shareholders - (continued)**

**PRINCIPLE 3**

**BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**

**ESSENTIAL INDICATORS**

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	56	56	100	56	100	-	-	56	100	-	-
Female	12	12	100	12	100	12	100	-		-	-
Total	68	68	100	68	100	12	100	56	100	-	-
Other than Permanent employees											
Male	6	6	100	6	100	-	-	6	100	-	-
Female	-	-	-	-	100	-	-	-	-	-	-
Total	6	6	100	6	100	-	-	6	100	-	-

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

There are no workers in the Company as on 31<sup>st</sup> March 2024

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

Particulars	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the Company	1.10%	1.67%

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

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	-	Yes	100	100	Yes
Gratuity	100	-	Yes	100	100	Yes
ESI	100	-	Yes	100	100	Yes
Others - please specify	Nil	-	-	-	-	-

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**Annexure - V to Directors' Report to the shareholders - (continued)**

**3. Accessibility of workplaces**

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

Yes, the premises / offices of the entity are accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016.

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

Web-link of such policies covered under the Code of Conduct are available on the Company's website as provided in page no. 89 of this Annual Report.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-
Total	100%	100%	-	-

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

Category	Yes/No (If Yes, then give details of the mechanism in brief)	Remark
Permanent Workers	Not applicable	The Company's whistleblower policy provides a formal platform for sharing grievances on a variety of topics. The employee induction program also sensitizes new recruits to the various mechanisms. The Company has dedicated channels for raising grievances and the same has been communicated to all the concerned stakeholders.
Other than Permanent Workers	Not applicable	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	68	6	-	-	-	-
- Male	56	6	-	-	-	-
- Female	12	-	-	-	-	-
Total Permanent Workers	-	-	-	874	874	100
- Male	-	-	-	871	871	100
- Female	-	-	-	3	3	100



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**Annexure - V to Directors' Report to the shareholders - (continued)**

**8. Details of training given to employees and workers:**

Category	Total (A)	FY 2023-24 Current Financial Year				FY 2022-23 Previous Financial Year				
		On Health and safety measures		On Skill upgradation		Total D	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
EMPLOYEES										
Male	62	62	100	62	100	515	369	72	363	70
Female	12	12	100	12	100	38	28	74	-	-
Total	74	74	100	74	100	553	397	72	363	66
WORKERS										
Male	-	-	-	-	-	775	775	100	439	57
Female	-	-	-	-	-	33	33	100	12	36
Total	-	-	-	-	-	808	808	100	451	56

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>EMPLOYEES</b>						
Male	62	62	100	515	433	84
Female	12	12	100	38	21	55
Total	74	74	100	553	454	82
<b>WORKERS</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

**10. Health and safety management system:**

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

Yes, the Company provides safety training to its employees through periodic fire safety drills and evacuation exercises conducted by its operating group entities. Additionally, the Company promotes health and safety practices among employees, including wearing helmets while riding two-wheelers, using seatbelts in four-wheelers, maintaining a healthy diet, staying hydrated, remaining active, and opting for stairs over elevators.

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

Not applicable, considering the nature of business.

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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

Not applicable

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

Yes

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

Safety Incident / Number	Category*	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	0.9
Total recordable work-related injuries	Employees	-	-
	Workers	-	5
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

• Including in the contract workforce

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

Yes, the Company provides safety training to its employees through periodic fire safety drills and evacuation exercises conducted by its operating group entities. Additionally, the Company promotes health and safety practices among employees, including wearing helmets while riding two-wheelers, using seatbelts in four-wheelers, maintaining a healthy diet, staying hydrated, remaining active, and opting for stairs over elevators.

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

Particulars	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions			-			
Health & Safety			-			

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**Annexure - V to Directors' Report to the shareholders - (continued)**

**14. Assessments for the year:**

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

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

Not applicable.

**LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (NA).**

Yes,

The Company provides Employee death benefit scheme, group personal accident coverage and all other benefits in line with Statutory requirements.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has adequate mechanisms and monitors ensures that any statutory dues have the deducted and deposited by the value chain partners, in accordance applicable regulations and reviewed as per regular audit. processes.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Particulars	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	-	-	-	-
Workers	-	-	-	-

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)**

No

**5. Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners**

Not applicable

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**Annexure - V to Directors' Report to the shareholders - (continued)**

**PRINCIPLE 4**

**BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**ESSENTIAL INDICATORS**

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

Considering the corporate structure of the Company and its business, the key stakeholders are shareholders, government, regulators, employees and the society.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Pamphlets, Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, Website and Meetings	Quarterly / Half yearly / Annually	Investor forums, corporate communication, annual general meetings, annual reports. Key topics: Company strategy and performance, future plans, returns to shareholders.
Government And Regulators	No	Email and Meetings	As and when required	Submission of reports, inspection visits, need-based meetings on directives. Key topics: Regulatory compliance and transparency in disclosure.
Employees	No	Email	Monthly / Daily/ weekly/ quarterly/ Half yearly / Annually	Performance appraisal, employee engagement survey, grievance handling process, training workshops. Key Concerns: Career planning, communication on employee related policies.
Society	No	Meetings	As and when required	To promote social welfare activities for inclusive growth, fair and equitable development and wellbeing of society through our business functioning and CSR activities.

**LEADERSHIP INDICATORS**

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Respective business / functional heads engage with the stakeholders on various ESG topics and the relevant feedback from such consultation is provided to the Board, wherever applicable.

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**Annexure - V to Directors' Report to the shareholders - (continued)**

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the Company collaborates with diverse stakeholders to ensure that all groups' expectations are acknowledged. Social development initiatives are conducted through the Company's CSR arm Srinivasan Services Trust (SST), which offers holistic and inclusive development opportunities to communities. SST actively combats poverty, hunger, malnutrition, and social inequalities by empowering vulnerable segments of society. Additionally, it addresses environmental concerns, preserves national heritage, and promotes sports training. Through ongoing and purposeful engagement with local communities, we strive to create a value-based and empowered society.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

The Company prioritizes fostering positive relationships with all stakeholders. We engage with stakeholders across various topics. Proactive interaction with stakeholders yields valuable insights, informing our approach to material issues, business strategy, and risk management.

**PRINCIPLE 5**

**BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**ESSENTIAL INDICATORS**

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (B)	% (D / C)
<b>EMPLOYEES</b>						
Permanent	68	68	100	555	555	100
Other than permanent	6	6	100	6	6	100
Total Employees	74	74	100	561	561	100
<b>WORKERS</b>						
Permanent	-	-	-	874	874	100
Other than permanent	-	-	-	1847	1847	100
Total Workers	-	-	-	2721	2721	100



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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

Category	Total (A)	FY 2023-24 Current Financial Year				FY 2022-23 Previous Financial Year				
		Equal to Minimum Wage		More than Minimum Wage		Total D	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
EMPLOYEES										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
WORKERS										
Permanent						874	-	-	874	100
Male	-	-		-		871	-	-	871	100
Female	-	-		-		3	-	-	3	100
Other than Permanent						1732	-	-	1732	100
Male	-	-		-		1732	-	-	1732	100
Female	-	-		-		-	-	-	-	100

**3. Details of remuneration / salary / wages**

**a. Median remuneration / wages:**

Particulars	Male		Female	
	Number	Median remuneration/ salary / wages of respective category (₹ in Cr)	Number	Median remuneration / salary / wages of respective category (₹ in Cr)
Board of Directors (BoD)	7	0.15	1	0.18
Key Managerial Personnel	1	1.02	-	-
Employees other than BoD and KMP	54	0.08	12	0.14
Workers	-	-	-	-

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

Particulars	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	15%	-

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

Head HR is responsible for addressing any human rights impacts or issues for the employees in the business. For POSH complaints there is an internal committee comprising of senior team which addresses any issues raised.

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

Employees can reach out to Head HR with reference to grievances related to human rights issues. An e-mail ID is made available for this purpose.

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Annexure - V to Directors' Report to the shareholders - (continued)**

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

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

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

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

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

The Company assures confidentiality and protection to the complainant in furtherance, any attempts to intimidate the complainant would be treated as a violation of code of conduct. All complaints are handled in time bound manner.

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

Yes. Agreements and contracts contain a standard provision of compliance with all the applicable laws, conventions, and policies etc., which encompasses the human rights requirements.

**10. Assessments for the year:**

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

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

Not Applicable.

**LEADERSHIP INDICATORS**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.**

During the year, the Company has not received any complaints relating to human rights grievances. The company has established a process to monitor and ensure the protection of human rights within the organization.

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

Nil

**3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes

**4. Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour / Involuntary Labour	-
Wages	-
Others - please specify	-

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable

**PRINCIPLE 6**

**BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**ESSENTIAL INDICATORS**

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23* (Previous Financial Year)
From renewable sources			
Total electricity consumption (A)	Kilo Joules	-	51.98
Total fuel consumption (B)	Kilo Joules	-	-
Energy consumption through other sources (C)	Kilo Joules	-	51.98
Total energy consumed from renewable sources (A+B+C)		-	-
From non-renewable sources		-	-
Total electricity consumption (D)		-	319.20
Total fuel consumption (E)		-	27.50
Energy consumption through other sources (F)		-	-
Total energy consumed from non-renewable sources (D+E+F)		-	346.70
Total energy consumed (A+B+C+D+E+F)		-	398.68
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Joules / Rupee	-	0.1814218691
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)		-	-
Energy intensity in terms of physical output		-	-
Energy intensity (optional) - the relevant metric may be selected by the entity		-	-

\* Rupees in Crore.

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

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Annexure - V to Directors' Report to the shareholders - (continued)**

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

No

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

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	1,11,864
(iii) Third party water	-	1,32,300
(iv) Seawater / desalinated water	-	-
(v) Others	-	2,98,234
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	-	5,42,398
<b>Total volume of water consumption (in kilolitres)</b>	-	5,42,398
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	-	0.026153
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	-	-
<b>Water intensity in terms of physical Output</b>	-	88,520
<b>Water intensity (optional)</b> - the relevant metric may be selected by the Entity	-	88,520

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

Considering the Company owning / leasing only a part of office premises in a building, the disclosure relating to 'water withdrawal' is not quantifiable. However, efforts have been made to ensure that water is consumed judiciously in the office premises at Chennai. In our offices, sensor taps are installed in washrooms to optimize water consumption.

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Annexure - V to Directors' Report to the shareholders - (continued)**

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	
- No treatment	-	
- With treatment - please specify level of treatment	-	
(ii) To Groundwater	-	
- No treatment	-	
- With treatment - please specify level of treatment	-	
(iii) To Seawater	-	
- No treatment	-	
- With treatment - please specify level of treatment	-	
(iv) Sent to third-parties	-	
- No treatment	-	
- With treatment - please specify level of treatment	-	
(v) Others	-	
- No treatment	-	
- With treatment - please specify level of treatment	-	
Total water discharged (in kilolitres)	-	

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

Considering the Company owning / leasing only a part of office premises in a building, the disclosure relating to 'water withdrawal' is not quantifiable. However, efforts have been made to ensure that water is consumed judiciously in the office premises at Chennai. In our offices, sensor taps are installed in washrooms to optimize water consumption.



**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

No

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

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	Micrograms / M3	-	20.2
SOx	Micrograms / M3	-	21.8
Particulate matter (PM)	Micrograms / M3	-	69.0
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	ppm	-	BDL(DL:01)
Hazardous air pollutants (HAP)	-	-	-
Others - please specify	Micrograms / M3	-	0.67

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

Not applicable

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	19,516
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	61,150
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent	-	80,666
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

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

Considering the nature of business of the Company, GHG emissions (covered under Scope 1) are not accounted for FY24.

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

Not applicable considering the nature of business.

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	66.36
E-waste (B)	-	5.28
Bio-medical waste (C)	-	0.90
Construction and demolition waste (D)	-	452.43
Battery waste (E)	-	1.06
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	268.74
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	12,140.98
Total (A+B + C + D + E + F + G + H)	-	12,940.14
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	-	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	6,576.64
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	6,576.64
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	6,363.50
Total	-	6,363.50

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

Not applicable considering the nature of business.

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

Not applicable considering the nature of business.

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

Not applicable

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

No project was subjected to environmental impact assessment of projects undertaken by the entity based on the applicable laws.

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

Not applicable considering the nature of business of the Company.

**LEADERSHIP INDICATORS**

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area  
(ii) Nature of operations  
(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) - the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	88,520
Total water discharged (in kilolitres)		88,520

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

Not applicable

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Not applicable

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Not Applicable

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, The Company has in place a business continuity and disaster management plan which is periodically reviewed and updated based on new risks identified. These risks apart from covering the regular business risks also address risk due to pandemic and cyber security and response to ensure business continuity. The risks identified are also presented to the Management and the Risk Management Committee of the Company every year.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

**PRINCIPLE 7**

**BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**ESSENTIAL INDICATORS**

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

7

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

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State/National)
1	Confederation of Indian Industries (CII)	National
2	Automotive Component Manufacturers Association (ACMA)	National
3	FICCI	National
4	Indo German Chamber of Commerce	International
5	Employers Federation of India (EFI)	National
6	Employers Federation of South India (EFSI)	State
7	Madras Chamber of Commerce and Industry (MCCI)	State

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

No corrective action was taken during the year.

**LEADERSHIP INDICATORS**

1. Details of public policy positions advocated by the entity:

S.No.	Public advocacy	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually / Half yearly / Quarterly / Others - please specify)	Web Link, if available
Nil					

**PRINCIPLE 8**

**BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**ESSENTIAL INDICATORS**

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

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

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the Community : Not Applicable



**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	-	-
Directly from within India	100%	-

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

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	-	-

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

**LEADERSHIP INDICATORS**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (SIAs) (Reference: Question 1 of Essential Indicators above):**

During the fiscal year 2023-24, no SIAs were conducted.

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

The Company does not operate in any aspirational districts.

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Not applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Nil

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Annexure - V to Directors' Report to the shareholders - (continued)**

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Nil

**6. Details of beneficiaries of CSR Projects:**

S.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Holistic rural development in tribal habitations of Tamil Nadu, Karnataka, and Andhra Pradesh	80,000	100
2.	Renovation of Anganwadi's, schools, hostel, health centres, veterinary centres and other rural community infrastructure	25,000	85
3.	Medical consultations conducting general health camps, dental camps and eye camps in schools, simple diagnostics, and medicines free of cost at medical centres & Mobile medical units	2,50,000	80
4.	Desilting of water storage bodies and channels	4,500	70
5.	Livelihood projects for women in Self-Help Groups	20,000	80
6.	Providing a platform for sales of women self-help group products	900	75
7.	Improving learning outcomes of children in primary and middle schools	6,500	95
8.	Improving life-skills among children	1,000	90

**PRINCIPLE 9**

**BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**ESSENTIAL INDICATORS**

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

Not applicable.

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

Not applicable considering the Company being a Core Investment Company (CIC) and it derives majority of its income from dividend earned on the investments held by it in other body corporate(s).

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

Particulars	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

**TVS Holdings Limited**  
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**Annexure - V to Directors' Report to the shareholders - (continued)**

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

Particulars	Number	Reasons for recall
Voluntary recalls	Not applicable	
Forced recalls		

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

Not applicable

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

Yes, the Company has framework and policy in place to address cyber security risks as well as data privacy.

**7. Provide the following information relating to data breaches:**

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers - Nil
- Impact, if any, of the data breaches - Not Applicable

**LEADERSHIP INDICATORS**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

All information regarding the Company's business can be accessed through the Company's website [www.tvsholdings.com](http://www.tvsholdings.com) and in its periodic disclosures such as the annual report.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company ensures that the group companies utilize funds in ways that align with sustainable business practices.

**3. Mechanisms in place to inform consumers of any risk of disruption /discontinuation of essential services.**

The Company identifies risks relating to its business deploys appropriate counter measures. These are reviewed by the management and Board periodically.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not Applicable. The financial transactions are governed as per the laws and regulations of the country.

For and on behalf of the Board of Directors

VENU SRINIVASAN

Chairman

DIN: 00051523

Chennai

9<sup>th</sup> May 2024

## Annexure - VI to Directors' Report to the shareholders

### Report on Corporate Governance

#### 1. The Company's Commitment to Responsible Governance

The Company has a strong legacy of fair, transparent and ethical governance practices. Company's businesses seek enhancement of shareholder value within this framework. The Company's philosophy on corporate governance is founded on the fundamental ideologies viz., Trust, Value, Exactness and Passion for Customers.

The Company believes in ensuring corporate fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, which are pre-requisites for attaining sustainable growth in this competitive corporate world. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built. The Company would constantly endeavor to improve on these aspects.

Good corporate governance, acting in accordance with the principles of responsible management which aimed at increasing enterprise value on a sustainable basis, is an essential requirement for the Group.

The Company's corporate governance philosophy has been further strengthened by adopting a Code of Business Conduct and Ethics, Whistle Blower Mechanism and Code of Conduct to Regulate, Monitor and Report trading by Insiders for Prevention of Insider

Trading by the Directors and Designated Persons and Code of practices for fair disclosure of unpublished price sensitive information.

#### 2. Board of Directors

The Company has a distinguished Board of Directors (the Board) and comprised of highly respected individuals possessing extensive professional experience and expertise. The Board provides strategic direction and oversight to the management team. This ensures the Company operates in the best interests of all stakeholders, ultimately maximizing long-term value.

##### 2.1 Composition and category of Directors:

The Board recognizes the importance of fostering a balanced composition. Board leverages the following strengths through Long-standing directors contribute institutional knowledge and a deep understanding of the Company's history and strategic direction. Their experience provides valuable context for informed decision-making and newer appointees bring external insights and diverse viewpoints, challenging assumptions and sparking innovation. This nurtures a dynamic and forward-thinking Board culture.

By implementing a gradual refreshment process, the Board benefits from a continuous exchange of knowledge and ideas. This ensures long-term effectiveness and ultimately drives sustainable value creation for all stakeholders.

During the year under review, pursuant to the Composite Scheme of Arrangement as approved by the Hon'ble NCLT,

Chennai vide its order dated 6<sup>th</sup> March 2023 and upon Part V of the Scheme becoming effective and consequent to the demerger of Die-casting division, the following changes have been made effective on 11<sup>th</sup> August 2023.

S. no	Name of the Director (M/s.)	DIN	Nature of Change
1.	Venu Srinivasan	00051523	Ceased as Chairman Emeritus and Managing Director and was appointed as Non-executive Chairman of the Company
2.	Dr Lakshmi Venu	02702020	Ceased as Managing Director of the Company
3.	Vivek Joshi	-	Ceased to be Chief Executive Officer of the Company

Further on the same date, the following changes to the Composition of the Board of Directors was also effected:

- Mr Rajesh Narasimhan, Non-executive Director ceased as Director of the Company; and
- Mr R Gopalan, Non-executive Chairman ceased as Chairman of the Company and continued as a Non-executive Director.

On the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 11<sup>th</sup> September 2023 appointed Mr Sudarshan Venu, as Managing Director effective that date for a period of five years on such remuneration to be decided as and when deemed fit by the Board. His appointment was subsequently approved by the shareholders through postal ballot dated 20<sup>th</sup> October 2023. The Central Government also approved his appointment on 2<sup>nd</sup> February 2024, being a nonresident.

Mr Timm Tiller was appointed as Non- Executive Independent Director (NE-ID) of the Company by the Board of Directors effective 11<sup>th</sup> September 2023 based on the recommendations of the Nomination and Remuneration Committee for a term of five consecutive years.

Further, Ms Sasikala Varadachari was re-appointed as Non-Executive Independent Director (NE-ID) of the Company by the Board of Directors effective 24<sup>th</sup> October 2023 based on the recommendations of the Nomination and Remuneration Committee for the second term of three consecutive years.

Both the aforesaid appointment / reappointment were approved by the Shareholders through postal ballot dated 20<sup>th</sup> October 2023. The terms of appointment / reappointment include the remuneration payable to them by way of fees and profit related commission, if any.

As on 31<sup>st</sup> March 2024, the total strength of the Board was eight. As the Company had Mr Venu Srinivasan, Non-Executive Director as Chairman and who is also promoter, the requirement of having one-half of its directors as Independent Directors and also to have at least one Woman Independent Director in terms of the Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) was complied with.

The Board has four Non-Executive Independent Directors (NE-IDs) viz., M/s C R Dua, Anuj Shah, Timm Tiller and Sasikala Varadachari. Mr Venu Srinivasan, Chairman and Mr R Gopalan, Non-Executive Director are the Non-Executive Directors of the Company. Mr Sudarshan Venu, Managing Director and Mr K Gopala Desika, Director & Group Chief Financial Officer are the Executive Directors. Thus, the composition of the Company and Board is in conformity with the Listing Regulations.

As on 31<sup>st</sup> March 2024, the Board of Directors is comprised of highly qualified Non-Executive Directors possessing a diversified range of industry backgrounds. This composition fosters a Board with the following strengths:

- **Deep Industry Knowledge:** Directors bring expertise from a multitude of industries, including financial services. Their experience in navigating complex organizational environments translates to valuable insights for the Company. This promotes a keen understanding of the industry's unique challenges and opportunities, enabling the Board to make informed strategic decisions.
- **Commitment to Board Diversity:** The Company prioritizes cultivating a diverse Boardroom, recognizing the significant benefits of a variety of perspectives in driving effective decision-making and fostering innovation.

By leveraging this combination of industry expertise, long-term industry understanding, and a commitment to diversity, the Board is well-positioned to provide effective leadership and strategic guidance, ensuring the Company's continued success.

As required under Regulation 16 of the Listing Regulations, it is also ensured that IDs of the Company do not hold Non-Independent Director position in another company, where any Non-Independent Director of the Company is an Independent Director.

All the existing NE-IDs are not liable to retire by rotation and none of them serves as NE-ID in more than seven listed companies.

In accordance with the provisions of the Act and the Articles of Association of the Company and to comply with the minimum level of having 2/3<sup>rd</sup> Directors liable to retire by rotation, Mr K Gopala Desikan, who has been the longest in office, is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment.

The resolution seeking approval of the Members for the reappointment of Mr K Gopala Desikan as Director has been included in the Notice of AGM along with brief details about him.

## 2.2 Board Meetings:

The Company is committed to ensuring a well-informed and engaged Board of Directors.

- **Advanced Planning and Scheduling:** In collaboration with the Directors, a tentative annual calendar for Board and Committee meetings is prepared and circulated well in advance. This enables Directors to effectively plan their schedules and maximize participation.
- **Accessibility Through Technology:** Recognizing the diverse needs of our Directors, we offer participation in all Board and Committee meetings via video conferencing. This flexibility promotes broader participation and informed decision-making.
- **Comprehensive Information Sharing:** The Company adheres to the highest standards of transparency by regularly presenting the Board with all information mandated by Part A of Schedule II to the Listing Regulations. This includes critical data such as annual operating plans, capital expenditure budgets with quarterly updates, quarterly results and committee minutes. Additionally, the Board receives information on significant developments in human resources, industrial relations, legal matters, foreign exchange exposures, risk management strategies, and legal compliance.
- **In-Depth Materials and Discussions:** To facilitate well-informed decision-making, comprehensive notes and pre-agenda materials are circulated well in advance of each meeting. This allows Directors to delve deeper into agenda items, contribute meaningfully, and exercise sound business judgment during discussions.
- **Engaging Presentations:** Business unit leaders present on the Company's operations, risk management practices, and internal financial controls during Board and Audit Committee meetings. External experts are also invited to provide specialized insights wherever necessary. Furthermore, CEOs of subsidiaries present quarterly performance updates to the Audit Committee and Board.
- **Digital Agenda and Materials:** The Company prioritizes environmental friendly practices by utilizing a digital application installed on iPads for circulating meeting agendas. Additionally, all supporting materials and notes for Board and Committee meetings are uploaded electronically well in advance, ensuring easy access and promoting a paperless environment.

These practices combined create a dynamic and informative environment for Board and Committee meetings, fostering

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effective governance and informed decision-making that ultimately benefits all stakeholders.

During the year 2023-24, the Board met Seven (7) times on 5<sup>th</sup> May 2023, 25<sup>th</sup> July 2023, 11<sup>th</sup> August 2023, 11<sup>th</sup> September 2023, 30<sup>th</sup> October 2023, 25<sup>th</sup> January 2024 and 21<sup>st</sup> March

2024 the gap between two meetings did not exceed 120 days. Besides, the NE-IDs held a separate meeting on 11<sup>th</sup> March 2024 as per the applicable provisions of the Act, 2013 and Regulation 25(3) of the Listing Regulations. All the NE-IDs were present at the meeting.

### 2.3 Attendance and other Directorships:

The details of attendance of the Directors at the Board meetings during the year and at the last AGM held on 25<sup>th</sup> July 2023 and other directorships and Committee Memberships / Chairmanships as on 31<sup>st</sup> March 2024 are as follows:

Name of the Director (M/s.)	DIN	Category	Attendance particulars		Number of other Directorships, Committee Memberships / Chairmanships		
			Board meeting	Last Annual General Meeting	Other directorships*	Committee memberships**	Committee chairmanships
Venu Srinivasan	00051523	Chairman	6	No	23	1	-
Sudarshan Venu	03601690	MD	6	Yes	17	2	1
K Gopala Desikan	00067107	D & GCFO	6	Yes	16	1	0
C R Dua	00036080	NE-ID	4	Yes	13	5	2
R Gopalan	01624555	NE-NID	7	Yes	9	8	2
Anuj Shah	05323410	NE-ID	6	Yes	1	2	1
Timm Tiller \$	10289596	NE-ID	3	NA	-	-	-
Sasikala Varadachari	07132398	NE-ID	6	Yes	5	5	1

NE-NID : Non Executive - Non-Independent director

MD : Managing Director

NE-ID : Non Executive - Independent director

D&GCFO: Director & Group Chief Financial Officer

NA : Not Applicable

\$ Appointed as NE-ID effective 11<sup>th</sup> September 2023

\* includes private companies, section 8 Companies and companies incorporated outside India.

\*\* includes committees where the director holds the position of chairman also.

For the membership and chairpersonship in Committees only Audit Committee and Stakeholder Relationship Committee have been considered as per Regulation 26 of the Listing Regulations. Also, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

None of the Directors on the Board is a member of more than ten committees or chairman of more than five committees across all the companies in which they are directors. For the Membership and Chairpersonship in Committees only Audit Committee and Stakeholder Relationship Committee have been considered as per Regulation 26 of the Listing Regulations. Also, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

Chairman and MD are related to each other. None of the other Directors are related to any other Director on the Board. The Board recorded the declarations received from Independent Directors confirming that they meet the criteria of 'Independence' as stipulated under the Companies Act, 2013 and Listing Regulations and are independent of the Management.



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2.4 Listed entities in which the directors hold position as director other than TVS Holdings Limited and category of Directorship as on 31<sup>st</sup> March 2024.

Name of the Director (M/s.)	Name of the company	Category of Directorship
Venu Srinivasan	TVS Motor Company Limited	Chairman Emeritus & Managing Director
	Sundaram-Clayton Limited	
Sudarshan Venu	TVS Motor Company Limited	Managing Director
	Coromandel International Ltd	Non-Executive - Independent Director
K Gopala Desikan	-	-
C R Dua	TVS Motor Company Limited	Non-Executive - Independent Director
	Sundaram-Clayton Limited	
	Pearl Global Industries Limited	
	Gillette India Limited	
	Procter & Gamble Hygiene & Health Care Ltd	Non-Executive - Independent Director Chairman
R Gopalan	Zee Entertainment Enterprises Ltd.	Non-Executive - Independent Director- Chairman
	Sundaram-Clayton Limited	
Anuj Shah	-	-
Timm Tiller	-	-
Sasikala Varadachari	Sundaram-Clayton Limited	Non-Executive - Independent Director
	Tube Investment Limited	
	C G Power and Industrial Solutions Limited	

2.5 Access to information and updation to Directors:

The Board of Directors actively engages with the information presented during meetings. All materials provided are meticulously reviewed in accordance with Listing Regulations. Functional heads are invited to attend and present relevant information to the Board and Audit Committee as needed.

- Observations from internal audits are presented for discussion and addressed with functional heads by the Committee/Board.
- The Statutory Auditors' compliance report on payment of statutory liabilities is reviewed and discussed with relevant functional heads.
- The Board reviews quarterly declarations submitted by the Managing Director and the Company Secretary regarding adherence to all applicable laws.
- Decisions reached during Board and Committee meetings are promptly communicated to the functional heads responsible for implementation.
- Action taken reports detailing progress on previous meeting decisions are presented at each subsequent Board and Committee meeting, ensuring accountability and continuous improvement.

These practices ensure a thorough and transparent review process during Board and Committee meetings.

2.6 Familiarization program

The Company is dedicated to ensuring all new Directors are well-equipped to contribute effectively from day one. We achieve this through a comprehensive induction program that covers the following key areas:

- **Board Fundamentals:** New Directors gain a thorough understanding of the Board's role, composition, conduct, and associated risks and responsibilities. This ensures they are fully informed on current governance best practices.
- **Company's Culture:** The program delves into the Company's culture, values, and business model. Directors receive briefings on the roles and responsibilities of senior executives, along with the Company's financial, strategic, operational, and risk management landscape.

For more detailed information on the Director induction program, please refer to the dedicated section on the Company website, accessible through the link provided on page no. 89 of this Annual Report.

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2.7 Chart setting out the skills/expertise/competence of the Board of Directors:

While evaluating the Board as a whole, it was ensured that the existing board members have relevant core skills/expertise/ competencies as required in the context of its business (es) and sector(s) to function effectively.

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.
Experience in NBFC Sector	Strong knowledge and experience in financing sector and in managing business operations of a sizeable organization in the business of NBFC.
Financial	Practical knowledge and experience in Corporate Finance, accounting and reporting and internal financial controls, including strong ability to assess

Skill	Description
	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 and overseas.

The Company's Board of Directors is highly structured to ensure a high degree of diversity by age, gender, education/ qualifications, professional background, sector expertise and special skills (classification). This is reflected in Company's skills and diversity grid disclosed here.

Board comprises a range and balance of skills, experience, knowledge, gender, social-economic backgrounds and independence. This needs to be backed by a diversity of personal attributes, including sound judgement, honesty and courage.

Professional Background & Skills / expertise / competency of Directors

Name of the Directors	Brief description about the Directors
Mr Venu Srinivasan, Chairman	<ul style="list-style-type: none"> <li>Mr. Venu Srinivasan is the Chairman Emeritus and Managing Director of TVS Motor Company, one of the largest two-wheeler manufacturers in the world and Sundaram-Clayton Limited a leading manufacturer of automotive components in India.</li> <li>He is also the vice chairman of various Tata Trusts, India's most respected and largest philanthropic foundation.</li> <li>His experience and innovative excellence that helped the company in broadening its product portfolio from time to time and Company's market presence across the globe;</li> <li>His dedication to the transformation of rural India by empowering women in the rural areas that can be seen through his passion towards setting up the Srinivasan Services Trust (SST), which has touched the lives of 1.6 million people in 2500 villages across the country in the last 28 years;</li> <li>He was conferred the Padma Bhushan Award, the third Highest civilian award in India, in January 2020;</li> <li>He is the recipient of Deming Distinguished Service Award, granted to individuals who have made outstanding contributions in the dissemination and promotion (overseas award 2019);</li> <li>He was conferred with "Order of Diplomatic Merit" (Heung- In Medal) by the President of Korea;</li> <li>He was presented with an "Outstanding Institution Builder" Award at the 13<sup>th</sup> Managing India Awards by AIMA (All India Management Association) for displaying exceptional vision and leadership in building an institution in 2023;</li> <li>Conferred with lifetime achievement award by CNBC - TV18's India Business Leadership Awards (IBLA) in 2023 and in 2024 Ernst &amp; Young recognized him with the Life time Achievement award for his decades of entrepreneurial excellence in revolutionizing the two wheeler industry in India;</li> <li>He also serves on the board of T V Sundram Iyengar &amp; Sons Private Limited, Tata Sons Private Ltd., (Tata Sons) the holding company of the conglomerate Tata Group;</li> </ul>

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Name of the Directors	Brief description about the Directors
Mr Sudarshan Venu Managing Director	<ul style="list-style-type: none"> <li>Mr Sudarshan Venu, being an automotive enthusiast, grew up amidst the roar of engines in India's oldest factory racing team. Driven by passion, he has motorbiked in five continents. These experiences suit him well, as he charts the future of one of India's leading two-wheeler manufacturers, TVS Motor Company (TVSM). With Sudarshan's active intervention, TVS Motor has already seen a turnaround in its market share and has been the most awarded two - wheeler company. It is a testimony to Sudarshan's focus, that TVS Motor has been voted number 1 in customer satisfaction for four years in a row by the prestigious J. D. Power Awards.</li> <li>With his extraordinary efforts, the TVSM has acquired UK's iconic motorcycle brand Norton Motorcycles and has also setup a completely new manufacturing facility in UK.</li> <li>He strongly believes in staying ahead of the emerging trends - electrification and personal mobility are two big areas of focus and is looking to build a strategic personal e-mobility ecosystem by scaling unique brands, and recently led TVS to acquire European e-bike brand EGO Movement and Switzerland's largest e-bike company, Swiss E-Mobility Group.</li> <li>His vision of transforming the TVSM into a leading global mobility player, paved the way for launch of various new products in EV segment;</li> <li>His leadership drove the e-mobility initiative, resulting in significant market share gains, and which also resulted in 25% TVSM market share in the EV market;</li> <li>His focus on investing in future technologies and acquiring talent in software electronics and digital analytics was notable, and he has positioned TVS Motor for even greater global success;</li> <li>He has been a pivotal role in expanding TVSM's international business into markets in Africa, Middle East, Southeast Asia, LATAM, and Europe and market presence in more than 80 countries across the globe;</li> <li>His global experience and leadership skills helped the Company in various acquisitions and strategic partnerships across the globe;</li> <li>He also has been instrumental in setting up and in the success of Emerald Haven Realty Limited, TVS Credit Services Limited - a non-deposit Non-Banking Finance Company and TVS Digital, a subsidiary of TVSM incorporated in Singapore, focused on providing technology solutions for digital transformation.</li> <li>In addition to his role as Managing Director, he is also a Managing Director of TVS Motor Company Limited, and a Chairman in, TVS Credit Services Limited, Non-Executive Director in TVS Electric Mobility Limited, TVS Motor Singapore Pte Limited, TVS Digital Pte Limited, Swiss E-Mobility Group (Holding) AG (SEMG), Switzerland and The Norton Motorcycle Co. Limited, UK. He is also an Independent Director in Coromandel International Limited, the flagship company of the Murugappa Group.</li> <li>He received the "Next Gen Leader" award at the Indian Family Business Awards 2022, a testament to his visionary leadership and unwavering commitment to innovation in the automotive industry.</li> </ul>
Mr K Gopala Desikan Director & Group CFO	<ul style="list-style-type: none"> <li>Mr K Gopala Desikan has rich experience and expertise in finance, taxation, merger and amalgamation and corporate matters. He has been with the Group for the last 35 years and has handled various functions which include Direct Taxation, Treasury &amp; Risk Management, M&amp;A activities, Corporate finance &amp; accounts and various accounting functions at Plant level. He is a qualified Chartered Accountant and also holds an MBA from Open University Business School, UK.</li> <li>He is also the Chief Financial Officer of TVS Motor Company Limited, the listed subsidiary engaged in the business of manufacturing two and three-wheeler and also oversees the finance function of the Group's business relating to NBFC and Realty.</li> <li>He is also involved in the strategic initiatives of the Group's International business and Long-range planning. He has represented the Industry Associations in various Expert Committee and attended various Leadership Programs both within and outside India.</li> </ul>

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Name of the Directors	Brief description about the Directors
C R Dua, Independent Director	<ul style="list-style-type: none"> <li>Mr C R Dua is an honours graduate of St. Stephen's College and also holds a Master's degree in Economics from the Delhi School of Economics;</li> <li>His experience covers a broad range of areas relating to Corporate, Finance, Securities, Infrastructure and aspects of Public Policy and Administration, Governance and Ethics both in India and abroad;</li> <li>He is the Founder of and currently the Chairman of Dua Associates, one of India's prominent law firms, serving a wide spectrum of clients drawn from several Fortune 500 companies, listed companies, public-sector enterprises, privately-owned businesses, as well as entrepreneurial start-ups;</li> <li>Mr Dua has been the recipient of several awards as a Leading Lawyer in areas of M&amp;A, General Corporate and Corporate Restructuring. He has been recognized as being "The Most-Influential &amp; Significant Lawyer" by The Legal 500, and for the last four consecutive years has been recognized as a legal icon by India Business Law Journal's A-List of top Indian lawyers. He has also been recognized by Forbes India in its Legal Power list of Top Managing Partners every year since 2020.</li> <li>Through his active engagement, the Firm continues to retain its leadership position in an uncertain and challenging environment nationally and internationally;</li> <li>He holds Directorships in both listed and major multinational corporations primarily representing the interests of foreign collaborators and investors;</li> <li>He is one of the Senior Vice Presidents of the Society of Indian Law Firms (SILF). He is also a member of the National Committee on Legal Services, member of the Sub-Committee on Business &amp; Corporate Laws and of the Sub-Committee on Dispute Resolution of Confederation of Indian Industry's (CII) Task Force on Legal Services. He joined the Board of Governors of IILM Law School, IILM University Gurugram in 2023;</li> <li>An avid tennis player Mr Dua's interest in promoting sports is pursued as a Special Invitee to the Executive Committee of the International Lawn Tennis Club of India and Vice President of the Delhi Lawn Tennis.</li> <li>He received the prestigious Lifetime Achievement Award for Outstanding Contribution and Excellence in the field of Law in 2020 and 2021. He was also recognized as Corporate Lawyer of the Year in India - 2023 by Global Law Experts;</li> </ul>
Mr R Gopalan, Non-Executive Non-Independent Director	<ul style="list-style-type: none"> <li>Mr Gopalan was a Member of Public Enterprises Selection Board ("PESB"). This body selects CMDs, MDs and Directors of Central Public Sector Enterprises.</li> <li>Mr Gopalan as Secretary, Department of Economic Affairs was handling matters relating to Capital Markets, Infrastructure Finance, G-20, World Bank (WB), International Monetary Fund (IMF), Asian Development Bank (ADB), Budget preparation, Public Private Partnership (PPP), Directorate of Currency and other related matters pertaining to the economy. Mr Gopalan brought about a number of changes in the functioning of the Capital Markets and initiated new policy measures in infrastructure development.</li> <li>Mr Gopalan has vast experience in Corporate Laws, Business Administration, Corporate Finance and Regulatory matters and he had represented India in the trade negotiations at World Trade Organization.</li> <li>Mr Gopalan holds a Master's Degree in economics from Boston University and a Master's Degree in Public Administration and Management from the John F. Kennedy School of Government, Harvard University.</li> <li>He is currently the Chairman of Sundaram-Clayton Limited, Zee Entertainment Enterprises Limited and also Director of TVS Holdings Limited, TVS Credit Services Limited, ANA ARC Private Limited, MB Power (Madhya Pradesh) Limited, New Delhi Centre for Sight Limited, Play Games 24 x 7 Private Limited, U Games Private Limited and Exalt Capital Private Limited and Sundaram Holdings USA Inc., (SHUI), US.</li> </ul>

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Name of the Directors	Brief description about the Directors
Mr. Anuj Shah, Independent Director	<ul style="list-style-type: none"> <li>Mr. Anuj Shah is an LLB from ILS Law College, Pune and a Diploma in Securities Law, Government Law College, Mumbai. He is also a member of the Bar Council of Maharashtra and Goa. He regularly represents corporations, financial institutions, private equity sponsors and sovereign wealth funds in a broad range of corporate matters and M&amp;A transactions and also acts as a 'trusted advisor' to several Indian promoters on a wide range of corporate matters.</li> <li>Mr. Anuj Shah, as a part of a secondment programme, has also worked in the London and New York office of a premier global law firm.</li> <li>He has published numerous articles on diverse corporate law issues and is regularly ranked as a "recommended lawyer", "notable practitioner" by publications such as Legal 500, RSG and IFLR.</li> <li>He had represented various reputed Corporates viz., American Family Ventures and MassMutual Ventures, Swiss Re, Medi Assist Insurance TPA, Go Daddy, Toshiba Tech, Japan etc. in the matters of Insurance related deals, acquisitions, Mergers &amp; investments.</li> <li>He is currently a Director of Shah Mehta Holding Private Limited.</li> </ul>
Mr. Timm Tiller, Independent Director	<ul style="list-style-type: none"> <li>Mr Timm Tiller, aged 42 years, holds a Master of Arts in Business Economics from Witten / Herdecke University in Germany.</li> <li>He is the co-founder of the Owners Forum in 2007 and created a professional platform to bring a network of family businesses globally to handle corporate succession planning, crisis and conflict management.</li> <li>Currently, the Owners Forum consists of more than 250 leading family enterprises globally.</li> </ul>
Ms Sasikala Varadachari Independent Director	<ul style="list-style-type: none"> <li>Ms Sasikala Varadachari, born in 1954, is a retired banker with over 37 years of experience in the fields of banking operations both in India and Overseas.</li> <li>She worked as chief general manager of State Bank of India (SBI), spearheading the strategic training unit, SBI, corporate center Mumbai, having profound knowledge in Credit and Merchant Banking.</li> <li>She was the first CEO of SBI in Israel and was responsible for setting up SBI's Commercial Operations there.</li> <li>She is presently on the Board of Sundaram-Clayton Limited, Tube Investments of India Limited, Cholamandalam Securities Limited and CG Power &amp; Industrial Solutions Limited.</li> </ul>

2.8 Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel (SMP):

The Company has in place the Code of Business Conduct and Ethics for Members of the Board and SMP (the Code) approved by the Board.

The Company's Code of Conduct embodies its values and expectations to which its corporate standards and employee policies are aligned.

The Code has been communicated to Directors and SMP. An updated version of Code of Conduct, which is available on Company's website, is always under review and amended by the Board from time to time.

The Code has also been displayed on the Company's website in the link provided in page no. 89 of the Annual Report.

All the Members of the Board and SMP have confirmed compliance with the Code for the year ended 31<sup>st</sup> March 2024. The Annual Report contains a declaration to this effect signed by Managing Director.

2.9 Appointment / Re-appointment of Directors:

In terms of Regulation 36(3) of the Listing Regulations, a brief resume of director proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, other directorships and committee memberships, shareholdings and relationships, if any, with other Directors along with listed entities from which the Director has resigned in the past three years are provided in the Notice convening AGM of the Company.

2.10 Committees of the Board:

The Board of Directors is committed to strong corporate governance and has established the following committees to provide focused oversight and enhance accountability:

**Mandatory Committees as per Companies Act, 2013 & Listing Regulations:**

- **Audit Committee:** Responsible for overseeing the integrity of the Company's financial reporting process.
- **Risk Management Committee:** Identifies, assesses, and mitigates potential risks facing the Company.
- **Stakeholders' Relationship Committee:** Facilitates communication, redressal of grievances and fosters positive relationships with all stakeholders.
- **Nomination and Remuneration Committee:** Recommends qualified candidates for Board positions and oversees executive compensation practices.
- **Corporate Social Responsibility Committee:** Develops and implements the Company's social responsibility initiatives.
- **Investment Committee:** Decides the investment decisions and nature of investments to be made on behalf of the Company.

**Non-Mandatory Committee:**

- **Administrative Committee:** Handles administrative matters as delegated by the Board.

- **Scheme Implementation Committee:** Manages the matters related to the Composite Scheme of Arrangement.

The Company is registered with Reserve Bank of India (RBI) as a Core Investment Company effective 14<sup>th</sup> March 2024 and is in the process of complying with the constitution of committees as per RBI requirements.

The Board establishes the terms of reference for each committee and regularly reviews their performance. Committee meetings are chaired by designated members who report key discussions and decisions to the full Board. Minutes of all Committee meetings are presented at subsequent Board meetings for comprehensive oversight.

**3. Audit Committee**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

3.1 Brief description of terms of reference:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter-alia performs the following functions:

- a. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending the appointment, remuneration and terms of appointment of auditors of the Company;
- c. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement in terms of clause (c) of sub-section 3 of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion, if any, in the draft audit report.
- d. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;



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- e. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- f. Approving or subsequently modifying any transactions of the Company with related parties;
- g. Scrutinizing the inter-corporate loans and investments;
- h. Reviewing the valuation of undertakings or assets of the Company, wherever it is necessary;
- i. Evaluating internal financial controls and risk management systems;
- j. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- k. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- l. Discussing with internal auditors of any significant findings and follow up thereon;
- m. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or any failure of internal control systems of a material nature and reporting the matter to the Board;
- n. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- o. Looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- p. Reviewing the functioning of the Whistle Blower mechanism;
- q. Approving the appointment of CFO after assessing the qualifications, experience and background of the candidate; and
- r. reviewing the utilisation of loans and / or advances from / investments / by the holding company in the subsidiary exceeding Rs. 100 Cr or 10% of the asset size of the subsidiary, whichever is lower.

In addition, reviewing of such other functions as envisaged under Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Regulation 18 of Listing Regulations.

The subjects reviewed and recommended in the meetings of the Audit Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

**3.2 Composition, name of members and the Chairman:**

As at 31<sup>st</sup> March 2024, the Committee consists of the following Director's viz., M/s R Gopalan, Anuj Shah and Sasikala Varadachari.

The composition of the Committee is in accordance with the requirements of Regulation 18 of Listing Regulations read with Section 177 of the Act. There is no regular Chairperson for the Audit Committee. Mr R Raja Prakash, Company Secretary acts as the secretary of the Committee.

Ms Sasikala Varadachari, Chairperson of the last Audit Committee meeting was present at the last AGM held on 25<sup>th</sup> July 2023 to answer the Shareholder queries, as there is no regular Chairperson for the Audit Committee.

**3.3 The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:**

Date of the Meetings	Members present (M/s)		
	SASI	RG	AS
05-05-2023	✓	✓	✓
25-07-2023	✓	✓	✓
11-09-2023	✓	✓	✓
30-10-2023	✓	✓	✓
25-01-2024	✓	✓	✓
21-03-2024	✓	✓	✓

✓ - Attended the meeting

[SASI - Ms Sasikala Varadachari, RG - Mr R Gopalan & AS- Mr Anuj Shah]

**4. Subsidiary Companies**

The Company has three direct subsidiaries viz., TVS Motor Company Limited, Listed Company (TVSM), Emerald Haven Realty Limited, TVS Holdings (Singapore) Pte Limited, unlisted Companies. The other indirect Indian Unlisted subsidiaries of the Company are Sundaram Auto Components Ltd, TVS Digital Limited (formerly known as TVS Housing Ltd), TVS Motor Services Limited, TVS Electric Mobility Limited, TVS Credit Services Limited and its subsidiaries viz., Harita Two Wheeler Mall Private Ltd, Harita ARC Private Limited and TVS Housing Finance Private Ltd.

The other indirect Foreign subsidiaries are TVS Motor (Singapore) Pte. Ltd, TVS Motor Company (Europe) B.V, PT TVS Motor Company Indonesia, The Norton Motorcycle Co Limited, UK, TVS Digital Pte Ltd, Singapore (TVS Digital), GO AG, Switzerland (GO AG), Swiss E-Mobility Group (Holding) AG (SEMG), EBCO Limited, UK, Celerity Motor GmbH, Germany, EGO Movement, Swiss E-Mobility Group (Schweiz) Colag E-Mobility GmbH and Alexand'Ro Edouard'O Passion Vélo Sàrl.

## **TVS Holdings Limited** **(Formerly known as Sundaram-Clayton Limited)**

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During the year under review, by virtue of Composite Scheme of Arrangement the following Companies were ceased to be a Subsidiary / Associate of the Company with effect from 10<sup>th</sup> August, 2023:

### **Subsidiaries**

- Sundaram-Clayton DCD Limited, Chennai
- Sundaram-Clayton (USA) Limited, USA
- Sundaram Holding USA Inc, Delaware, USA
- Sundaram-Clayton GmbH, Germany (SCL GmbH)

### **Subsidiaries of Sundaram Holding USA Inc, Delaware, USA**

- Green Hills Land Holding LLC, South Carolina, USA
- Components Equipment Leasing LLC, South Carolina, USA
- Sundaram - Clayton (USA) LLC, South Carolina, USA
- Premier Land Holding LLC, South Carolina, USA

Further, the Company has invested in the following entities and thereby they became Subsidiary of the Company

- Emerald Haven Realty Limited effective 16<sup>th</sup> June 2023 (Associate upto 15<sup>th</sup> June 2023)
- TVS Holdings (Singapore) Pte. Limited effective 11<sup>th</sup> January 2024

Since all the above indirect subsidiaries are subsidiaries of TVSM, being the listed subsidiary, the Audit Committee of TVSM reviews the financial statements and in particular the investments made by the said unlisted subsidiaries in compliance with the Regulation 24(7) of the Listing Regulations. The minutes of the Board meetings of the said unlisted subsidiaries are periodically placed before the Board of TVSM. In addition to that, the Audit Committee reviews the financial statements and in particular the investments made by the said unlisted subsidiaries. The minutes of the Board meetings of the said unlisted subsidiaries, wherever applicable, are periodically placed before the Board.

The Board is periodically informed about all significant transactions and arrangements entered into by the other overseas direct subsidiary.

### **Material Subsidiaries Policy**

The Board has duly formulated a policy for determining 'material subsidiaries'. As per the amended Listing Regulations material subsidiary means a subsidiary whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

For the year 2023-24, no unlisted subsidiary is covered within the revised definition of "unlisted material subsidiary" in terms of the Regulation 16(1)(c) of the Listing Regulations. Company will comply with the requirement of Regulation 24 of the Listing Regulations.

Since, TVSM, the Company's Listed subsidiary has complied with the requirements laid down under the Listing Regulations for material subsidiaries, the Company has fully complied with the provisions of this regulation. The Company has also ensured that all the identified

material unlisted subsidiaries incorporated in India have obtained secretarial audit report from a Company Secretary in Practice for FY 2023-24 and annexed with the Annual Report of TVSM, a listed subsidiary of the Company, in compliance with Regulation 24 of the Listing Regulations.

Copy of the Material Subsidiary policy is available on the Company's website in the link provided in page no. 89 of this Annual Report.

## **5. Disclosures**

### **5.1 Materially significant related party transactions:**

All transactions entered into with related parties (RPTs), as defined under the Act and the Listing Regulations during the financial year 2023-24 were in the ordinary course of business and at an arm's length and do not attract the provisions of Section 188 of the Act and the rules made thereunder.

There were no materially significant transactions with the related parties during the year, which were in conflict with the interests, and hence no approval of the Company was required in terms of the Listing Regulations.

The transactions with the related parties, namely its promoters, holding, subsidiary and associate companies, etc., of routine nature have been reported in the Annual Report, as per Indian Accounting Standard 24 (IND AS 24) notified vide the Companies (Indian Accounting Standard) Rules, 2015.

Details of related party transactions are enclosed as part of accounts for the year ended 31<sup>st</sup> March 2024.

### **5.2 Related Party Transactions Policy:**

The Board has formulated a policy on related party transactions. The Audit Committee reviews and approves transactions (RPTs) between the Company and related parties, as defined under the Listing Regulations, to ensure that the terms of such RPTs would reasonably be expected of transactions negotiated at arm's length and in the ordinary course of business. The Audit Committee meets prior to each scheduled Board meeting to review all RPTs of the Company on a quarterly basis.

In terms of Regulation 23 of the Listing Regulations, all RPTs for the succeeding financial year, with clear threshold limit, are regularly placed before the Audit Committee meeting convened during last quarter of the financial year for its approval and recommendation to the Board for its approval, wherever required. RPTs entered during the financial year are reviewed at the same meeting for any upward revision in the threshold limit.

It was also ensured that none of RPTs involving payments with respect to brand usage or royalty during the financial year, exceeded five percent of the annual consolidated turnover of the Company as per the previous audited financial statements of the Company.

As per the Companies Act, 2013, any unforeseen RPT involving amount not exceeding ₹ 1 Cr per transaction entered into by a

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director or officer of the Company without obtaining prior approval of the Audit Committee and such transactions being RPTs can be ratified by the Audit Committee within three months from the date of such transaction. The Company has engaged an Independent audit firm for ensuring correctness of the approach in complying with both the criteria on arm's length price and ordinary course of business for all RPTs entered into by the Company, during the year under review.

Copy of the said Policy is available on the Company's website in the link as provided in page no. 89 of this Annual Report.

### 5.3 Disclosure of accounting treatment:

Pursuant to the notification, issued by the Ministry of Corporate Affairs dated 16<sup>th</sup> February 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, as amended from time-to-time, the Company has adopted "INDAS" with effect from 1<sup>st</sup> April 2016. Accordingly, the financial statements for the year 2023-24 have been prepared in compliance with the said Rules.

### 5.4 Risk Management:

- a) The Committee plays a crucial role in overseeing the Company's risk appetite, tolerance, and strategy.

This function is complemented by a well-established Risk Management Policy, which formalizes the Company's approach to managing material business risks. The policy leverages a combined top-down and bottom-up approach to comprehensively identify, assess, monitor, and manage key risks across all business units.

- b) A robust risk management framework ensures regular internal reviews and reporting to the Board.

This process involves identifying and prioritizing business risks based on their severity, likelihood of occurrence, and the effectiveness of current detection methods. The framework also monitors ongoing and potential risk exposures, the effectiveness of the risk management system itself, and adherence to Board-approved risk policies. Senior Management reviews these risks on a quarterly basis. Additionally, process owners are assigned for each risk, and metrics are developed to track and evaluate the effectiveness of mitigation strategies.

The Board is confident that the Company has adequate systems and procedures in place to effectively identify, assess, monitor, and manage risks. This confidence is further bolstered by the Company's Audit Committee, which reviews reports from management and recommends appropriate actions when necessary.

#### Risk Management Committee

As on 31<sup>st</sup> March 2024, the Committee consists of the following Directors viz., Mr R Gopalan, Non- Executive Director, Ms Sasikala Varadachari, Mr Anuj Shah, Independent Directors and Mr K Gopala Desikan, Director & Group Chief Financial Officer.

The composition of the Committee is in accordance with the requirements of the Regulation 21 of the Listing Regulations.

Mr R Gopalan, Non-executive Director is the Chairman of the Committee.

Mr R Raja Prakash, Company Secretary acts as the Secretary of the Committee.

The Committee during the year, *inter-alia*, reviewed the mitigation plans for the following critical risks viz., India & Global Macro Economic update, China-Taiwan conflict, Cyber Threat and Business risks.

As required under the Listing Regulations, the Committee met on 7<sup>th</sup> July 2023 and 30<sup>th</sup> October 2023 and details of attendance of directors are as follows:

Date of the Meetings	Members present (M/s)				
	RG	LV	SASI	KGD	AS
07-07-2023	✓	✓	NA	✓	✓
30-10-2023	✓	NA	✓	LOA	✓

✓ - Attended the meeting    LOA - Leave of absence  
NA - Not Applicable

[RG - Mr R Gopalan, LV - Dr. Lakshmi Venu, SASI - Ms Sasikala Varadachari, KGD - Mr K Gopala Desikan, AS - Mr Anuj Shah]

During the year under review,

- Dr. Lakshmi Venu ceased to be a member pursuant to the Composite Scheme on 11<sup>th</sup> August 2023.
- Ms Sasikala Varadachari appointed as member on 21<sup>st</sup> September 2023.

Scope:

- Overseeing and approving the Company's enterprise-wide risk management framework;
- Overseeing / identifying / assessing of all risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational; and
- Evaluating that adequate risk management infrastructure is in place and capable of addressing those risks.
- Monitoring / overseeing the implementation of the risk management policy and reviewing the policy periodically.

Role:

- To identify, evaluate and mitigate the existing as well as potential risks to the Company and to recommend the strategies to the Board to overcome them;
- To develop and implement action plans to mitigate the risks;
- To oversee at such intervals as may be necessary, the adequacy of Company's resources to perform its risk management responsibilities and achieve its objectives;
- To review the risk management framework for the operations of the Company that are deemed necessary and Company's performance against the identified risks of the Company;
- To formulate the strategies towards identifying any areas that may materially affect the Company's overall risk exposure and to review the Risk Management Plan;

- f) To adequately transmit necessary information with respect to material risks to Senior Executives / Board / relevant Committees;
- g) To check if Cyber security cover has been adopted by Information systems department; and
- h) Such other items as may be prescribed by the regulatory or by the Board, from time to time.

**5.5 Instances of non-compliances, if any:**

During the year, the Company had received notices from BSE and NSE for imposition of fine of ₹ 5,900 each for deviation under Regulation 23(9) of the Listing Regulations pertaining to delay in furnishing the related party transactions for the half year ended 30<sup>th</sup> September 2023. The Company has filed waiver applications with NSE and BSE along with rationale for delay in submission.

There were no other instances of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets, during the last three years.

**5.6 Disclosure by Senior Management Personnel (SMP):**

SMP have made disclosures to the Board relating to all material, financial and other transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.

Particulars of senior management personnel of the Company:

S.No.	Name of the Senior Management Personnel (M/s.)	Category
1	Vivek S Joshi (Upto 10 <sup>th</sup> August 2023)	President and CEO
2	R Raja Prakash	Company Secretary

**5.7 CEO and CFO Certification:**

The Managing Director and Director & Group Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Regulation 33 of the Listing Regulations for the financial year ended 31<sup>st</sup> March 2024.

**5.8 Compliance with mandatory / non-mandatory requirements:**

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

**5.9 Code of Conduct for Prevention of Insider Trading:**

In compliance with the amended SEBI (Prohibition of Insider Trading) Regulations 2015 as amended, the Company has a comprehensive Code of conduct for prevention of insider trading and the same is being strictly adhered by the Designated persons as defined under this Code.

The Company also has in place Code of Practices and Procedures for fair disclosure of "Unpublished Price Sensitive Information" (UPSI) and a Code of Conduct to regulate, monitor and report trading by insiders.

The Company follows closure of trading window from the end of every quarter till 48 hours till the UPSI is made public. The Company has been advising the Designated Persons covered by the Code not to trade in Company's securities during the closure of trading window period. The Company has set up a mechanism for weekly tracking of the dealings of equity shares of the Company by the Designated persons and their immediate relatives having access to unpublished price sensitive information.

The Audit Committee also reviewed the Institutional Mechanism for Prevention of Insider trading and the systems for internal control as per Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations 2015 and declarations from Designated Persons affirming their compliance with the Code for the year 2023-24.

The Company has installed necessary software for maintaining a Structured Digital Database as per the circulars issued by the SEBI. The Company regularly shares the importance of recording the UPSI to the DPs concerned. All DPs have been requested to share emails or any communication containing UPSI with others only for legitimate purposes. Wherever it is required, DPs are requested to record sharing of UPSI details with other employees, Auditors, Consultants within or outside the Company, marking a copy to a dedicated email ID. Emails marked to the specific mail ID can be accessed only by the intended users, till it is made public.

**5.10 Management Discussion and Analysis Report, Familiarization Programme and Whistle Blower Policy:**

All the above Report / Policies form part of the Directors' Report.

**5.11 Whistle Blower Policy:**

The Company has cultivated a strong reputation over the years for conducting business with the utmost integrity. This commitment is reflected in our zero-tolerance policy for unethical behaviour. To uphold this standard, we have established a robust vigil mechanism that allows for the



reporting of concerns in compliance with the Act and Listing Regulations. The Board's Audit Committee diligently oversees the functioning of this mechanism.

Whistleblowers are empowered to make protected disclosures through various channels. This system facilitates the reporting of actual or suspected instances of fraud or violations of the Company's Code of Conduct.

Copy of the said Policy is available in the Company's website in the following link is available in page no. 89 of this Annual Report.

## 6. Nomination and Remuneration Committee (NRC)

The NRC assists the Board in its oversight of Board composition and the maintenance of an effective framework for succession planning. It also assists with the implementation of the Remuneration Policy, including the fixing of remuneration of the Executive Directors, Key Managerial Personnel (KMPs)(other than Directors) and Senior Managerial Personnel(SMPs).

### 6.1 Composition of the Committee:

As at 31<sup>st</sup> March 2024, NRC consists of M/s R Gopalan, Non-Executive Director, Anuj Shah and Sasikala Varadachari, Independent Directors.

Ms Sasikala Varadachari, Chairperson of the last Nomination and Remuneration Committee meeting was present at the last AGM held on 25<sup>th</sup> July 2023 to answer the Shareholder queries, as there is no regular Chairperson for the Nomination and Remuneration Committee.

### 6.2 The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	Members present (M/s)		
	SASI	AS	RG
05-05-2023	✓	✓	✓
25-07-2023	✓	LOA	✓
11-09-2023	✓	✓	✓

✓ - Attended the meeting    LOA - Leave of absence

[RG - Mr R Gopalan, AS - Mr Anuj Shah, SASI - Ms. Sasikala Varadachari ]

### 6.3 The broad terms of reference of the NRC are as under:

- Guiding the Board for laying down the terms and conditions in relation to the appointment and removal of Director(s), Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of the Company.
- Evaluating the performance of the Director(s) and providing necessary report to the Board for its further evaluation and consideration.

- Recommending to the Board on remuneration payable to the Director(s), KMP and SMP of the Company based on:
  - the Company's structure and financial performance and
  - remuneration trends and practices that prevail in peer companies across the automobile industry.
- Retaining, motivating and promoting talent amongst the employees and ensuring long term sustainability of talented SMP by creation of competitive advantage through a structured talent review.

### 6.4 The role / scope of the NRC is as follows:

- To make recommendations to the Board with respect to incentive compensation plans for Executive Director(s) and remuneration of NED(s) of the Company.
- To identify persons who are qualified to become Director(s) / KMP and SMP of the Company.
- To recommend to the board for appointment / removal of Director(s), KMP / SMP of the Company.
- To formulate criteria for determining qualification, positive attributes and independence of a Director of the Company.
- To recommend to the Board a Policy for remuneration of Director(s), KMP and SMP of the Company.

### 6.5 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 and also the performance of KMP and SMP.

#### Board Performance Evaluation

- Composition, Size, and Expertise:** The Board's composition, size, and mix of skills and experience are assessed. The effectiveness of Board meetings is evaluated considering factors such as meeting frequency, discussion quality, decision-making processes, and follow-up actions.
- Information Quality and Governance:** The quality of information provided to the Board and its adherence to good governance practices are reviewed.
- Committee Performance:** The performance of various Board committees established for specific purposes is assessed.

#### Evaluation Methodology

The NRC prescribed a peer evaluation methodology using a set of questionnaires to assess the performance of individual directors, Board committees, the Chairman, and the Board as a whole. The Board conducted the evaluation following this prescribed methodology.

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### Individual Director Evaluation

The performance of individual directors is evaluated based on their:

- Commitment to their role and fiduciary responsibilities as Board members.
- Attendance and active participation in Board meetings.
- Strategic and lateral thinking abilities.
- Professional contributions and recommendations provided to the Board.
- Leadership or participation in various Board committees.

### Senior Management Performance

The performance of SMP is measured against their achievement of business plans approved by the Board throughout the financial year and their annual performance incentives tied to those achievements. All SMP evaluations are conducted consistently following the established criteria.

NRC has the overall responsibility for evaluating and approving the compensation plans, policies and programmes applicable to SMP. NRC also delegated its authority to the Executive Directors, wherever appropriate, for this purpose.

#### 6.6 Remuneration Policy

The Nomination and Remuneration Policy has been placed on the website of the Company. The details of the website link is available on the Company's website as provided in page no. 89 of this Annual Report. The salient features of the policy are as follows:

NRC formulates policies to ensure that -

- the level and composition of remuneration are reasonable;
- and sufficient to attract, retain and motivate Director(s) of the quality required to run the Company successfully;
- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- the remuneration to Director(s), KMP and SMP of the Company involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

#### g. Remuneration to Directors:

##### Executive Director(s)

The remuneration payable to CE & MD, MD and D & GCFO for the FY 2023-24 is fixed by the Board and are within the limits approved by the shareholders in terms of the relevant provisions of the Act, 2013.

Particulars of remuneration paid to Executive Directors during the financial year 2023-24:

(₹ in Cr)

Executive Directors	Salary and Perquisites	Total
Venu Srinivasan, CE & MD *	0.34	0.34
Sudarshan Venu, MD	-	-
Dr. Lakshmi Venu, MD *	0.84	0.84
K Gopala Desikan, D & GCFO	0.28	0.28

\* Upto 10<sup>th</sup> August 2023

Note: No commission was paid during the year

There is no separate provision for payment of severance fees. The notice period is mutually agreed between these Directors and the Board. The tenure of office of Executive Directors is for five years from their respective dates of re-appointment.

The above remuneration to Mr Venu Srinivasan, CE & MD (Upto 10<sup>th</sup> August 2023) is notwithstanding his holding similar position in the subsidiary Company, viz., TVS Motor Company Limited (TVSM) and drawing remuneration, as approved by its shareholders, from time to time, provided that the total remuneration drawn by him as CE&MD from the Company and TVSM does not exceed the higher maximum limit admissible, from any one of these two companies.

Mr Sudarshan Venu was appointed as Managing Director effective 11<sup>th</sup> September 2023 for a period of five years on such remuneration to be decided as and when deemed fit by the Board.

The Directors are paid commission within the permissible limits approved by the Members and determined by the Board every year depending upon the performance of the Company.

#### Non- Executive / Independent Director(s)

##### Sitting fees

₹ 10,000/- each is paid to the Non-Executive Directors for every meeting of the Board and / or Committee thereof attended by them, which is within the limits, prescribed under the Act, 2013.

Effective 9<sup>th</sup> May 2024, the sitting fees has been increased to ₹ 20,000/- for attending each meeting of the Board / Committee by a Director.

##### Commission

The Company benefits from the expertise, advice and inputs provided by NE-IDs. NE-IDs devote their valuable time in deliberating on strategic and critical issues in the course of Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the



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Company, from time to time and hence, NE-IDs are being paid by way of sitting fees and commission.

At the 59<sup>th</sup> AGM held on 30<sup>th</sup> July 2021, the Shareholders have approved payment of commission to Non-Executive and Independent Directors, based on performance of the Company, not exceeding 1% of the net profits of the Company, in aggregate, subject to a maximum, as determined by the Board, for each such Director for every financial year effective 1<sup>st</sup> April, 2021.

A commission of Rs 18 lakhs was approved at the Board Meeting held on 9<sup>th</sup> May 2024 to each such NE-IDs, who serve as members of any one of the Committees of the Company as well and ₹15 lakhs to other NE-IDs for the year 2023-24. The amount of commission for every financial year will be decided by the Board, as approved by the shareholders at AGM held on 30<sup>th</sup> July 2021, subject to the limit of 1% of net profits of the Company, in aggregate, as calculated pursuant to Section 198 of the Act, 2013. The above compensation structure is commensurate with the best practices in terms of remunerating NE-IDs and it adequately compensates for the time and contribution made by NE-IDs.

In terms of the amended Listing Regulations, it has also been ensured that the remuneration payable to one NE-ID does not exceed 50% of the total annual remuneration payable to all NE-IDs of the Company.

Presently, the Company does not have a scheme for grant of stock options either to the Directors or employees of the Company.

6.8 Particulars of sitting fees / commission paid to the Non-Executive and Independent / Non-Independent Directors during the financial year 2023-24 are as follows: (₹ in lakhs)

Name of the Directors (M/s.)	Sitting fees	Commission	Total
R Gopalan	2.30	-	2.30
Rajesh Narasimhan*	0.30	-	0.30
Sasikala Varadachari	2.40	18.00	20.40
C R Dua	0.50	15.00	15.50
Anuj Shah	1.90	18.00	19.90
Timm Tiller**	0.40	8.32	8.72
<b>Total</b>	<b>7.80</b>	<b>59.32</b>	<b>67.12</b>

\* Resigned as Director effective 11<sup>th</sup> August 2023

\*\* Appointed as Independent Director effective 11<sup>th</sup> September 2023

There are no other pecuniary relationships or transactions of the Non-Executive Directors' vis-a-vis of the Company.

6.9 Details of shareholdings of Non-Executive Directors in the Company as on 31<sup>st</sup> March 2024:

Mr Venu Srinivasan, Chairman and Non-Executive Director of the Company holds 23,82,847 shares representing 11.78% of the share capital of the Company. Except Mr Venu Srinivasan, no other Non-Executive Director hold shares in the Company.

## 7. Stakeholders' Relationship Committee (SRC)

7.1. As at 31<sup>st</sup> March 2024, the SRC consists of three Members viz., M/s. Anuj Shah, NE-ID, K Gopala Desikan, D&GCFO and Sasikala Varadachari, NE-ID. Mr Anuj Shah, the Chairman of the Committee was present at AGM held on 25<sup>th</sup> July 2023 to answer shareholders' queries.

7.2. During the year under review, Dr. Lakshmi Venu, Managing Director, ceased as a Member of the Committee consequent to the demerger of Die-casting division from the Company effective 11<sup>th</sup> August 2024.

Ms Sasikala Varadachari, Independent Director was appointed as a member of the Committee effective 21<sup>st</sup> September 2023.

As required by the Listing Regulations, Mr R Raja Prakash, Company Secretary is the Compliance Officer of the Company, who oversees the redressal of investor grievances. For any clarification / complaint, the shareholders may contact the Company Secretary.

7.3. The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meeting	Members present (M/s)		
	AS	KGD	SASI
30-10-2023	✓	LOA	✓

✓ - Attended the meeting LOA - Leave of absence

[AS - Mr Anuj Shah, KGD - Mr K Gopala Desikan, SASI - Ms Saikala Varadachari]

7.4. SRC oversees and reviews all the matters connected with share transfers, issue of duplicate share certificates and other issues pertaining to shares. SRC also looks into various aspects of interests:

- Resolving the grievances of the security holders relating to transfer / transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new / duplicate certificates and related activities.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Share Transfer Department.

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- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports / statutory notices by the shareholders of the Company.

The Company, in order to expedite the process of share transfers, delegated the power of share transfers to an officer of the Share Transfer Agent (STA). The Company, as a matter of policy, disposes off investors' complaints within the prescribed days.

**7.5 Complaints received and redressed during the year 2023-24:**

S.No.	Nature of complaint	No. of complaints
1.	Non updation of KYC	2
2.	Non-receipt of credit of shares	1
3.	Demat of Shares	1
Total		4

**7.6 All the queries and complaints received during the financial year ended 31<sup>st</sup> March 2024, were duly redressed and no queries were pending at the year end.**

All requests for dematerialization of shares were carried out within the stipulated time period and no request for dematerializing the share certificates were pending as on 31<sup>st</sup> March 2024.

**7.7.Reconciliation of Share Capital Audit:**

A Practising Company Secretary carries out a Reconciliation of Share Capital (RSC) Audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The report is being regularly placed before the Board for its perusal on a quarterly basis.

The RSC audit reports confirmed that the total issued and listed capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

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

As at 31<sup>st</sup> March 2024, CSR Committee consists of three Directors viz., M/s Venu Srinivasan, Mr Sudarshan Venu and Anuj Shah. Mr Venu Srinivasan is the Chairman of the Committee.

During the year under review, Dr.Lakshmi Venu ceased to be a member consequent to the Composite Scheme of Arrangement effective 11<sup>th</sup> August 2023 and Mr Sudarshan Venu who appointed as member of the Committee effective 21<sup>st</sup> September 2023.

The details of CSR Policy, initiatives and spending are spelt out as Annexure - III to the Directors Report.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	Members present (M/s)		
	VS	LV	AS
05-05-2023	✓	✓	✓

✓ - Attended the meeting LOA - Leave of absence

[VS - Mr Venu Srinivasan, LV - Dr. Lakshmi Venu, AS - Mr Anuj Shah ]

**9. Administrative Committee**

The Administrative Committee consist of three Directors viz., M/s Venu Srinivasan, R Gopalan and Sasikala Varadachari. Mr Venu Srinivasan is the Chairman of the Committee.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	Members present (M/s)		
	VS	RG	SASI
25-07-2023	LOA	✓	✓
20-12-2023	✓	✓	✓
01-03-2024	✓	✓	✓
21-03-2024	✓	✓	✓

✓ - Attended the meeting LOA - Leave of absence

[VS - Mr Venu Srinivasan, RG - Mr R Gopalan, SASI - Ms. Sasikala Varadachari ]

**10. General body meeting**

**10.1 Location and time where the AGMs were held during the last three years:**

Year	Location	Date	Time (IST)
2020-21	Through VC / OAVM	30.07.2021	10.00 A.M.
2021-22	Through VC / OAVM	28.06.2022	10.35 A.M.
2022-23	Through VC / OAVM	25.07.2023	03.00 P.M.

**10.2 Special resolutions passed in the previous three AGMs:**

During the last three years, namely 2020-21 to 2022-23, no approval of the shareholders were obtained for passing any special resolutions.

**10.3 Postal Ballot:**

None of the subjects placed before the shareholders in the last / ensuing AGM required / requires approval by Postal

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Ballot. However, in terms of the Regulation 44 of the Listing Regulations and Section 108 of the Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company facilitated its members to exercise their right to vote through Remote e-Voting and e-Voting at the meeting for all the items approved at the AGM held on 25<sup>th</sup> July 2023.

During the year, the consent of the shareholders were sought for the by way of Ordinary / Special Resolution through Postal Ballot for the below items:

Sl. No.	Date of Notice of Postal ballot	Item	Votes Polled	Votes cast			
				Favour		Against	
				No. of votes	%	No. of votes	%
1.	11 <sup>th</sup> September 2023	Approving the appointment of Mr Sudarshan Venu (DIN: 03601690) as Managing Director, for a period of 5 (five) years (Ordinary Resolution)	1,76,57,263	1,71,36,594	97.05	5,20,669	2.95
2.		Approving the appointment of Mr Timm Tiller (DIN: 10289596) as a Non-Executive Independent Director for a term of 5 (five) years (Special Resolution)	1,76,57,181	1,76,54,749	99.99	2,432	0.01
3.		Approving the re-appointment of Ms Sasikala Varadachari (DIN: 07132398), as an Independent Director for a second term of 3 (three) years (Special Resolution).	1,76,57,181	1,74,94,886	99.08	1,62,295	0.92
4.	25 <sup>th</sup> January 2024	Approving the request received from T.V. Sundram Iyengar & Sons Private Limited for re-classification of their status from 'Promoter' category to 'Public' category in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Ordinary Resolution)	1,77,09,963	1,77,09,426	100	537	0

In accordance with General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated 25<sup>th</sup> September 2023 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations, 2015), the above resolutions were passed by means of Postal Ballot through e-Voting.

All the above said Ordinary / Special Resolutions were passed with requisite majority of the shareholders. Voting results of Postal Ballot is available on the website of the Stock Exchanges and website of the Company.

#### 10.4 Person who conducted the Postal Ballot exercise:

M/s. B Chandra & Associates, Practising Company Secretaries were appointed to act as the scrutinizers for conducting the Postal Ballot and e-Voting in a fair and transparent manner.

#### 10.5 Procedure for Postal Ballot:

1. The Board of Directors, vide resolution dated 11<sup>th</sup> September 2023 and 25<sup>th</sup> January 2024 had appointed B Chandra & Associates, Practising Company Secretaries as the scrutinizer.
2. The dispatch of the Postal Ballot Notices dated 11<sup>th</sup> September 2023 and 25<sup>th</sup> January 2024 together with Explanatory Statement was completed on 20<sup>th</sup> September 2023 (both by post and e-mail) and 27<sup>th</sup> February 2024 (only by e-mail) respectively along with forms and postage prepaid business envelopes to all the shareholders whose name(s) appeared on the Register of Members / list of beneficiaries as on 14<sup>th</sup> September 2023 and 23<sup>rd</sup> February 2024.
3. The said Notice of Postal Ballot was sent on 18<sup>th</sup> September 2023 and 27<sup>th</sup> February 2024 in electronic mode to the Members, whose e-mail IDs were registered with the Company or the Depository Participants.
4. The voting under the Postal Ballot was kept open from,
  - 21<sup>st</sup> September 2023 (9.00 a.m.) to 20<sup>th</sup> October 2023 (5.00 p.m.) (either physically or electronically).
  - 29<sup>th</sup> February 2024 (9.00 a.m.) to 29<sup>th</sup> March 2024, (5.00 p.m.) (electronically)
5. The Postal Ballot forms were kept under the safe custody of the Scrutinizer.
6. All Postal Ballot forms received by the scrutinizer up to 5.00 p.m. on 20<sup>th</sup> October 2023 & 29<sup>th</sup> March 2024 have been considered for scrutiny. Chairman declared the results of the said postal ballot on 21<sup>st</sup> October 2023 and 29<sup>th</sup> March 2024 respectively.

10.6 None of the subjects placed before the shareholders in the last / ensuing AGM required / requires approval by Postal Ballot. However, in terms of the Regulation 44 of the Listing Regulations and Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company provided to the members facility to exercise their right to vote through remote e-Voting and through e-voting at the meeting for all the items at the AGM held on 25<sup>th</sup> July 2023.

#### 11. Means of communication to shareholders

The Board believes that effective communication of information is an essential component of corporate governance. The Company regularly interacts with Shareholders through multiple channels of communication such as results announcement, annual report, media releases, the Company's website and specific communications to Stock Exchanges, where the Company's shares are listed.

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**11.1 Quarterly results:**

The Company's quarterly/half-yearly/annual financial results were sent to the Stock Exchanges and were published in English and Regional newspapers. They are also available on the website of the Company.

**11.2 Newspapers wherein results are normally published:**

The results are normally published in English Newspapers viz., The Hindu, Business Line, Economic Times and Regional Newspaper viz., Dinamani.

**11.3 Website:**

The Company has in place a website addressed as [www.tvsholdings.com](http://www.tvsholdings.com). This website contains the basic information about the Company, viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company, who are responsible for assisting and handling investor grievances, such other details as may be required under Regulation 46 of the Listing Regulations. The Company ensures that the contents of this website are periodically updated.

**11.4 Press Release & Investor / Analysts meet:**

In addition, the Company makes use of this website for publishing official news release and presentations, if any, made to institutional investors / analysts.

The Dividend Distribution Policy is disclosed on the Company's website in the link as provided in page no. 89 of this Annual Report.

**12.4 Listing on Stock Exchanges:**

Name of the Stock Exchange	Stock code / symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001, India Tel.: 91 22 2272 1233 Fax : 91 22 2272 1919	520056
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India Tel.: 91 22 2659 8100 Fax : 91 22 2659 8120	TVSHLTD
ISIN allotted by Depositories (Company ID Number) Equity	INE105A01035

(Note: Annual listing fees and custodial charges for the year 2023-24 were duly paid to the above Stock Exchanges and Depositories viz., NSDL and CDSL)

**12.5 Market Price Data:**

(in ₹)

Month	BSE		NSE	
	High	Low	High	Low
Apr-23	4,038	3,731	4,037	3,726
May-23	4,367	3,786	4,395	3,948
Jun-23	5,000	4,222	5,004	4,208
Jul-23	5,359	4,553	5,378	4,641
Aug-23	5,900	4,627	5,930	4,622
Sep-23	5,820	5,050	5,835	5,065
Oct-23	6,140	5,101	5,809	5,173
Nov-23	6,070	5,364	6,105	5,373
Dec-23	8,876	5,943	8,922	5,949
Jan-24	8,648	7,650	8,508	7,573
Feb-24	9,529	7,876	9,555	7,854
Mar-24	9,685	7,919	9,510	7,924

**12. General shareholder information**

**12.1 Annual General Meeting:**

Day, Date and time : Thursday, 8<sup>th</sup> August 2024 at 3.15 P.M. (IST) through Video conferencing

**12.2 Financial year : 1<sup>st</sup> April to 31<sup>st</sup> March**

Financial calendar : 2024-25

Financial reporting for the quarter ending:

30<sup>th</sup> June 2024 : Before 14<sup>th</sup> August 2024

30<sup>th</sup> September 2024 : Before 14<sup>th</sup> November 2024

31<sup>st</sup> December 2024 : Before 14<sup>th</sup> February 2025

31<sup>st</sup> March 2025 : Before 30<sup>th</sup> May 2025

**12.3 Particulars of dividend payment:**

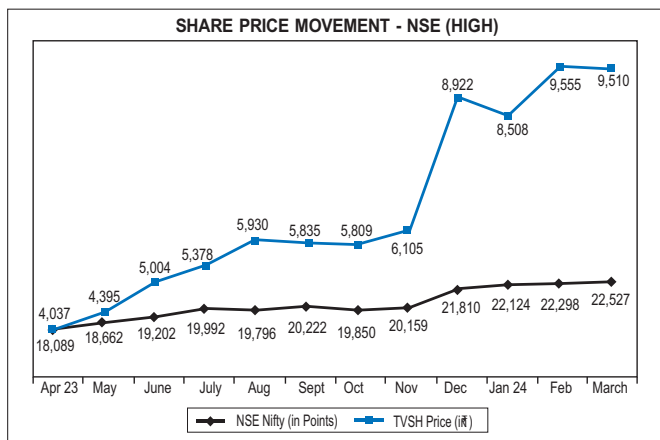
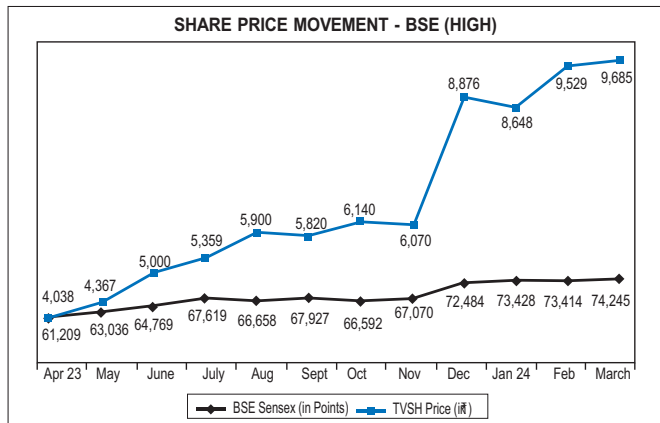
Particulars of dividend declaration / payment are disclosed in the Directors' Report. Dividends were declared in compliance with the Dividend Distribution Policy of the Company.

Dividend distribution policy

SEBI vide its circular No. SEBI/ LAD-NRO/ GN/2016-17/008 dated 8<sup>th</sup> July 2016 mandated the top 500 listed companies based on the market capitalization to formulate Dividend Distribution Policy which shall be disclosed in their annual reports and on their websites.

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### 12.6 Share price performance in comparison to broad based indices - BSE and NSE Nifty Sensex:



### 12.7 Share Transfer Agents and share transfer system:

- The Company has appointed Integrated Registry Management Services Limited, which has been registered with SEBI as Category - I Registrar & Transfer Agent (RTA) with Regn. No. INR000000544, as the Share Transfer Agent of the Company (STA) with a view to rendering prompt and efficient service to the investors and in compliance with the Regulation 7 of the Listing Regulations. The Shareholders have also been advised about this appointment of STA to handle share registry work pertaining to both physical and electronic segments of the Company.
- All matters connected with the share transfer, dividends and other matters are being handled by STA located at the address mentioned in this Report.
- Shares lodged for transfers are normally processed within the prescribed time from the date of lodgement, if the documents are clear in all respects.
- All requests for dematerialization of securities are processed and the confirmation is given to the depositories within prescribed time. Grievances received from investors and other miscellaneous correspondence relating to change of addresses, mandates etc., is processed by STA within the prescribed time.
- Certificates are being obtained and submitted to the Stock Exchanges, on yearly basis, from a company secretary- in-practice towards due compliance of share transfer formalities

by the Company within the due dates, in terms of Regulation 40(9) of the Listing Regulations.

- Certificates have also been received from a company secretary-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996.
- The Company, as required under Regulation 6(2)(d) of the Listing Regulations, has designated the e-mail ID, namely [corpsec@tvsholdings.com](mailto:corpsec@tvsholdings.com) for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.
- A certificate signed by the Compliance Officer of STA and the Company Secretary towards maintenance of share transfer facility by STA in compliance with the Regulation 7(3) of the Listing Regulations have been obtained and the same have been submitted to the Stock Exchanges.
- Shareholders are, therefore, requested to correspond with STA for transfer / transmission of shares, change of address and queries pertaining to their shareholding, dividend, etc., at their address given in this Report.

### 12.8 Shareholding pattern of the Company as on 31<sup>st</sup> March 2024:

Category of Shareholder	No. of shares held	%
<b>Promoter and Promoter Group</b>		
Individuals	26,05,633	12.88
Bodies Corporate	13,12,057	6.48
Trusts	1,11,45,708	55.09
<b>Total (A)</b>	<b>1,50,63,398</b>	<b>74.45</b>
<b>Public Shareholding</b>		
Mutual Funds	18,99,618	9.39
Banks/ Financial Institutions/NBFC	52	-
Insurance Companies	2,48,791	1.23
Foreign Portfolio Investors	4,69,059	2.32
Alternate Investment Fund	1,14,947	0.57
<b>Total Institutions (B)</b>	<b>27,32,467</b>	<b>13.51</b>
Bodies Corporate	2,79,042	1.38
Individuals holding nominal capital in excess of ₹ 2 lakhs	3,40,888	1.68
Individuals holding nominal capital up to ₹ 2 lakhs	16,22,909	8.02
NRI Repatriable	29,845	0.15
NRI Non - Repatriable	40,700	0.20
Directors & their relatives	3,412	0.02
IEPF	45,218	0.22
Others	74,225	0.37
<b>Total Non-Institutions (C)</b>	<b>24,36,239</b>	<b>12.04</b>
<b>Total Public Shareholding [D=(B+C)]</b>	<b>51,68,706</b>	<b>25.55</b>
<b>Grand Total (A+D)</b>	<b>2,02,32,104</b>	<b>100.00</b>



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12.9 Distribution of Shareholding as on 31<sup>st</sup> March 2024:

Shareholding (Range)	No of shares	%	No of members	%
Upto 500	11,98,444	5.93	24,863	98.13
501-1000	1,56,293	0.77	218	0.86
1001-2000	1,40,317	0.69	94	0.37
2001-5000	2,31,772	1.15	78	0.31
5001-10000	2,47,010	1.22	32	0.13
10001 & above	1,82,58,268	90.24	53	0.21
<b>Total</b>	<b>2,02,32,104</b>	<b>100</b>	<b>25,338</b>	<b>100</b>

12.10 Dematerialization of shares and liquidity:

The promoter holding consisting of 1,50,63,398 equity shares of ₹ 5/- each is in dematerialized form. Out of the balance 51,68,706 equity shares of ₹ 5/- each held by persons other than promoters, 51,05,205 equity shares have been dematerialized as on 31<sup>st</sup> March, 2024 accounting for 99.69%.

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

12.12 Other Disclosures

- Pecuniary relationships or transactions with NE-IDs vis-a-vis the Company during the year under review, do not exceed the threshold limit as laid down under the Listing Regulations and same have been reported in the notes to the accounts.
- During the year, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large.
- Company is a net exporter. Company has a forex hedging policy and covers are appropriately taken to cover the currency risk. The exposure and cover taken are reviewed by the Audit Committee on regular basis.
- Company is not a dealer in Commodities. Prices payable to vendors for raw materials and components are negotiated based on internationally available data. Cost of manufacture of all products are reviewed at regular intervals.
- Loans and advances in the nature of loans to firms/companies in which Directors are interests by name and amount – Nil
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations - Nil

The Company has not entered into any commodity derivatives with any of the bankers and hence the disclosure of exposure in commodity risks faced by the Company is not required, as directed in the SEBI Circular dated 15<sup>th</sup> November 2018.

12.13 Plant locations : Not Applicable

12.14 Address for investors correspondence :

(i) For transfer / dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the Company	Integrated Registry Management Services Limited; Share Transfer Agent (STA) Unit: TVS Holdings Limited Chennai - 600 006
(ii) for any query on non-receipt of annual report	Email : <a href="mailto:einward@integratedindia.in">einward@integratedindia.in</a>
(iii) for Investors grievance & general correspondence	Email : <a href="mailto:einward@integratedindia.in">einward@integratedindia.in</a> <a href="mailto:corpsec@tvsholdings.com">corpsec@tvsholdings.com</a>
(iv) Debenture Trustees	Beacon Trusteeship Limited Address: 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E), Mumbai - 400 051 E-mail: <a href="mailto:compliance@beacontrustee.co.in">compliance@beacontrustee.co.in</a>

12.15 List of Credit Ratings:

The Company is maintaining the existing credit rating obtained from CRISIL Rating Limited viz., CRISIL AA/Stable for term loan and Non-Convertible Debentures and with respect to issue of Cumulative Non-Convertible Redeemable Preference Shares, CRISIL Rating Limited has assigned CRISIL A1+.

12.16 Certificate from Practicing Company Secretary:

The Company has received a certificate from the Secretarial Auditor of the Company stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

12.17 Fees paid to Statutory Auditor on a consolidated basis:

During the year, the Company has paid ₹ 72.30 lakhs to the Statutory Auditors for all services received by the listed entity and its subsidiaries, if any on a consolidated basis excluding the out of pocket expenses and reimbursement costs.

12.18 Sexual Harassment at workplace:

During the year under review, the Company has not received any complaints in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Committee (IC) is constituted by the Company to consider and resolve the sexual harassment complaints reported by women. The constitution of the IC is as per the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee includes external members from NGOs or with relevant experience.



**12.19 Disclosure on compliance with the issue of Debt securities for incremental borrowings by Large Corporates:**

The Company does not fall under the definition of Large Corporate and hence was not required to raise a minimum of 25% of its incremental borrowings during the Financial Year by way of issuance of debt securities.

**12.20 Disclosure of agreements:**

Pursuant to Regulations 30 A of the SEBI Listing Regulations an agreement entered on March 2024 was disclosed to the Stock Exchanges. Since the Company is not a party to the agreement, it does not adversely impact the Company's business in any way and its ability to continue its current operations remains unaffected.

**13. Non-mandatory disclosures**

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

**13.1 The Board:**

As on 31<sup>st</sup> March 2024, Mr K Gopala Desikan, Director & Group CFO of the Company and is liable to retire by rotation as per the provisions of the Companies Act, 2013.

**13.2 Shareholder rights:**

The half-yearly results of the Company are published in newspapers as soon as they are approved by the Board and are also uploaded on the Company's website namely [www.tvsholdings.com](http://www.tvsholdings.com). The results are not sent to the shareholders individually.

**13.3 Audit qualifications:**

The Auditors report on the financial statements of the Company are unmodified.

**14. Request to shareholders**

Shareholders are requested to follow the general safeguards / procedures as detailed hereunder in order for the Company to serve them efficiently and avoid risks while dealing in securities of the Company.

**14.1 Demat of Shares:**

Shareholders are requested to convert their physical holding to demat / electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.

**14.2 Registration of Electronic Clearing Service (ECS) mandate:**

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through ECS to investors wherever ECS and bank details are available. The Company will not entertain any direct request from members holding shares in electronic mode for deletion of / change in such bank details. Members who wish to change such bank account details are therefore requested to advise their DPs about such change, with complete details of bank account.

ECS helps in quick remittance of dividend without possible loss / delay in postal transit. Shareholders, who have not earlier

availed this facility, are requested to register their ECS details with the Share Transfer Department or their respective DPs.

**14.3 Transfer of shares:**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019. In view of the above, members are advised to dematerialise equity shares held by them in physical form. The Securities and Exchange Board of India (SEBI) has also, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25.01.2022, mandated listed Companies to issue the securities in dematerialized form only, while processing the following service request viz., Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Subdivision / Splitting of securities certificate; Consolidation of securities certificates / folios; Transmission and Transposition. Members holding shares in physical form are requested to submit such service request in Form ISR 4 along with necessary documents / details specified therein, as prescribed by SEBI.

**14.4 Non-furnishing of PAN, KYC details & Nomination:**

SEBI has mandated submission of PAN, KYC and nomination details by holders of physical securities by September 31, 2023, and linking PAN with Aadhaar by March 31, 2023 vide its Circulars dated November 3, 2021, December 14, 2021 and March 16, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA.

The forms for updating the same are available at the Company's website at [www.tvsholdings.com](http://www.tvsholdings.com). Members holding shares in electronic form are requested to submit the said details to their depository participant(s). The folios of holders of physical securities, wherein any one of the aforesaid document / details are not available on or after October 01, 2023, shall be frozen by our Registrar and Share Transfer Agent (RTA).

The securities in the frozen folios shall be:

- a) eligible to lodge grievance or avail service request from the RTA only after furnishing the complete documents / details as aforesaid.
- b) eligible for any payment including dividend, interest or redemption payment only through electronic mode and an intimation from the RTA to the holder that the aforesaid payment is due and shall be made electronically upon complying with the aforesaid requirements.

If KYC details were not provided to us earlier, you are requested to send duly filled in Form ISR-1, ISR-2, ISR-3 (or) SH-13 along with Self Attested proofs, in support of your Application for Duplicate share certificate. These forms can be downloaded from <https://www.integratedindia.in/> and by clicking on "RTA/ STA".

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**14.5 Registration of Nominations / opt out facility:**

Under the provisions of Section 72 of the Companies Act, 2013 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021 shareholder(s) is / are entitled to nominate in the prescribed manner, a person to whom his / her / their shares in the Company, shall vest after his / her / their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility may submit nomination in the prescribed Form SH-13 with the Company / RTA and any member who desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14, as the case may be, to the Company / RTA. The said forms are available at the Company's website at [www.tvsholdings.com](http://www.tvsholdings.com). In respect of shares held in dematerialized form, members may submit their nomination forms with their respective Depository Participants.

**14.6 Updation of KYC details:**

Members are requested to note that in case of deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of self-attested photocopy of PAN Card of the claimant(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for transmission / transposition, is mandatory.

Shareholders are requested to update their addresses registered with the Company, directly through the Share Transfer Department, to receive all communications promptly.

Shareholders, holding Shares in electronic form, are requested to deal only with their DPs in respect of change of address and furnishing bank account number, etc.

**14.7 Timely encashment of dividends:**

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation.

As required by SEBI, Shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.

Shareholders are requested to note that the dividends, not claimed for a period of seven years from the date they first became due for payment, shall be transferred to IEPF in terms of Section 124(6) of the Act read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Accordingly, a sum of Rs. 20.33 lakhs, being unclaimed dividend, was transferred to IEPF during the year 2023-24.

Shareholders, who have not encashed their dividend warrants, in respect 1<sup>st</sup> Interim dividend declared for the year ended 31<sup>st</sup> March 2018 and for any financial year thereafter may contact the Company and surrender their warrants for payment.

**INFORMATION IN RESPECT OF UNCLAIMED DIVIDENDS DUE FOR REMITTANCE INTO IEPF IS GIVEN BELOW**

**Particulars of unclaimed dividend of the Company:**

Financial Year	Date of declaration	Date of transfer to special account	Due date for transfer to IEPF
2016-2017 (2 <sup>nd</sup> interim)	13-03-2017	12-04-2017	12-04-2024
2017-2018 (interim)	15-03-2018	14-04-2018	14-04-2025
2018-2019 (1 <sup>st</sup> interim)	25-01-2019	24-02-2019	24-02-2026
2018-2019 (2 <sup>nd</sup> interim)	11-03-2019	10-04-2019	10-04-2026
2019-2020 (Interim)	10-03-2020	09-04-2020	09-04-2027
2020-2021 (1 <sup>st</sup> interim)	29-01-2021	28-02-2021	28-02-2028
2020-2021 (2 <sup>nd</sup> interim)	24-03-2021	23-04-2021	23-04-2028
2021-2022 (Interim)	22-03-2022	21-04-2022	21-04-2029
2022-2023 (Interim)	25-01-2023	24-02-2023	24-02-2030
2023-2024 (Interim)	21-03-2024	20-04-2024	20-04-2031

**15. Transfer of Shares to Investor Education and Protection Fund (IEPF) authority**

As per Section 124(6) of the Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time, all the shares in respect of which dividend remain unpaid/ unclaimed for seven consecutive years or more are required to be transferred to a Demat Account opened in the name of IEPF Authority with Punjab National Bank by the Ministry of Corporate Affairs.

During the year, the Company has sent individual notices to all the shareholders whose dividends are lying unpaid / unclaimed against their name for seven consecutive years or more and also advertised on the Newspapers seeking action from the shareholders.

The lists of such shareholders were also displayed on the website of the Company.

In compliance with the aforesaid provisions, the Company transferred 513 shares on 10/05/2023 and 2,177 shares on 30/12/2023 to IEPF account bearing Demat Account No. 10656671 and DPID IN300708 which is opened with Punjab National Bank.

Necessary steps will be initiated by the Company to transfer shares held by the members to IEPF, if they the shareholders have not claimed their dividends within the due date(s) mentioned above. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF. As required under the said provisions, all subsequent corporate benefits that accrues in relation to the above shares will also be credited to the said IEPF Account.

In the event of transfer of shares and the unclaimed dividends to IEPF, shareholders are entitled to claim the same from IEPF by

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

submitting an online application in the prescribed web based e-Form IEPF-5 available on the MCA website and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5, as per the following procedures:

Register yourself on MCA website and login to website of MCA at <https://www.mca.gov.in>.

After login, click on 'Investor Services' tab under 'MCA Services' section for filing the web-based form IEPF-5. Fill the details in the web based e-form and attach the requisite documents in it. Save a copy of uploaded e-form and acknowledgement receipt generated with SRN. Take print of auto generated indemnity bond, IEPF Form IEPF-5, SRN and attachments.

Submit self-attested copy of e-form, copy of acknowledgement, Indemnity Bond in original along with other documents (cancelled cheque leaf, client master list, PAN card, Aadhar card, original share certificate, entitlement letter) as mentioned in the form to Nodal Officer (IEPF) of the company in an envelope marked "Claim for refund from IEPF Authority.

After scrutinizing the documents received, Nodal Officer of the company to verify the claim and furnish the e-verification report to the IEPF Authority within 15 days from the date of filing the claim.

On the basis of verification report refund will be released by the IEPF Authority in favour of claimant's Bank or Demat account through electronic transfer.

In the process, general information about the Company which have to be provided are as under

- (a) Corporate Identification Number (CIN) of Company:- L35999TN1962PLC004792
- (b) Name of the company:- TVS Holdings Limited
- (c) Address of registered office of the company: "Chaitanya" No. 12 Khader Nawaz Khan Road, Chennai 600 006.
- (d) Email ID of the company:- [corpsec@tvsholdings.com](mailto:corpsec@tvsholdings.com)

Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules, 2012, the Company shall provide / host the required details of unclaimed dividend amount referred in relevant sections of the Act, 2013 on its website and also in the Ministry of Corporate Affairs (MCA) website in the relevant form every year.

#### 16. Unclaimed share certificates

Pursuant to the requirement of Regulation 34(3) and Schedule V Part F of Listing Regulations, the following table provides details in respect of the equity shares lying in the suspense account. The Company has already sent three reminders to the shareholders for claiming those shares at their latest available address(es) with the Company or Depository, as the case may be.

All the corporate benefits in terms of securities accruing on those shares like bonus shares, split etc would also be credited to unclaimed suspense account of the Company. The voting rights on shares lying in unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

Details	No. of shareholders	No. of shares
No of shares in the unclaimed suspense account as on 1 <sup>st</sup> April 2023	37	2,422
Add: No. of shares credited pursuant to Regulation 39(4) of Listing Regulation.	Nil	Nil
Less: No. of shares transferred to the shareholders on request from 1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024	3	180
Less: Shares transferred to IEPF A/c during the year	1	48
No of shares in the unclaimed suspense account as on 31 <sup>st</sup> March 2024	33	2,194

For and on behalf of the Board of Directors

Chennai  
9<sup>th</sup> May 2024

VENU SRINIVASAN  
Chairman  
DIN: 00051523

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Compliance with Code of Business Conduct and Ethics**

To

The Shareholders of  
TVS Holdings Limited (Formerly known as Sundaram-Clayton Limited),  
Chennai

On the basis of the written declarations 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, it is hereby certified that both the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board for the year ended 31<sup>st</sup> March 2024.

Chennai  
9<sup>th</sup> May 2024

SUDARSHAN VENU  
*Managing Director*  
DIN: 03601690

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**Auditors' certificate on compliance of the provisions of the Code of Corporate Governance**

To

The Shareholders of  
TVS Holdings Limited,  
Chennai

We have examined the compliance of conditions of Corporate Governance by TVS Holdings Limited (Formerly known as Sundaram-Clayton Limited), Chennai - 600 006 ('the Company') for the year ended 31st March 2024 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations].

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

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with corporate governance requirements by the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further 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.

Chennai  
9<sup>th</sup> May 2024

For RAGHAVAN, CHAUDHURI & NARAYANAN  
*Chartered Accountants*  
Firm Regn. No. 007761S

V. SATHYANARAYANAN  
*Partner*  
Membership No. 027716  
UDIN: 24027716BKCNN02477

**LINKS TO COMPANY'S POLICIES:**

1. **TERMS OF APPOINTMENT OF IDS**  
<https://www.tvsholdings.com/Investor/TVSH/Terms-of-Appointment-IDs.pdf>
2. **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**  
[https://www.tvsholdings.com/Investor/TVSH/2024/Reports/BusinessResponsibility\\_Sustainability\\_Report\\_2023-24.pdf](https://www.tvsholdings.com/Investor/TVSH/2024/Reports/BusinessResponsibility_Sustainability_Report_2023-24.pdf)
3. **POLICY ON VIGIL MECHANISM / WHISTLE BLOWER POLICY**  
<https://www.tvsholdings.com/Investor/TVSH/WhistleBlowerpolicy.pdf>
4. **ANNUAL RETURN**  
<https://www.tvsholdings.com/Investor/TVSH/2024/Reports/AnnualReturn2024.pdf>
5. **CSR POLICY**  
<https://www.tvsholdings.com/Investor/TVSH/CSRPOLICY.pdf>
6. **DIRECTORS FAMILIARIZATION PROGRAM**  
<https://www.tvsholdings.com/Investor/TVSH/IndependentDirectorsFamiliarisationprogramme.pdf>
7. **CODE OF BUSINESS CONDUCT AND ETHICS**  
<https://www.tvsholdings.com/Investor/TVSH/CodeofConduct.pdf>
8. **MATERIAL SUBSIDIARIES POLICY**  
<https://www.tvsholdings.com/Investor/TVSH/PolicyMaterialSubsidiary.pdf>
9. **RELATED PARTY TRANSACTION POLICY**  
<https://www.tvsholdings.com/Investor/TVSH/PolicyRelatedPartyTransactions.pdf>
10. **NOMINATION AND REMUNERATION POLICY**  
<https://www.tvsholdings.com/Investor/TVSH/Remunerationpolicy.pdf>
11. **DIVIDEND DISTRIBUTION POLICY**  
<https://www.tvsholdings.com/Investor/TVSH/DIVIDENDDISTRIBUTIONPOLICY.pdf>

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

To

The Board of Directors

TVS Holdings Limited

(Formerly known as Sundaram - Clayton Limited)

"Chaitanya", No.12, Khader Nawaz Khan Road,

Nungambakkam, Chennai - 600 006, Tamil Nadu, India

We certify that we have reviewed the financial statements prepared based on the Indian Accounting Standards for the year ended 31<sup>st</sup> March 2024 and 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 Company's affairs and are in compliance with applicable Indian Accounting Standards, Laws and Regulations.
- (3) No transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- (4) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (5) We have indicated to the Auditors and the Audit Committee:
  - a) significant changes, if any, in internal control over financial reporting during the year;
  - b) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting

Place: Chennai

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

SUDARSHAN VENU

*Managing Director*

DIN: 03601690

K GOPALA DESIKAN

*Director & Group Chief Financial Officer*

DIN: 00067107



**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**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 Member of  
TVS HOLDINGS LIMITED,  
"Chaitanya", No.12, Khader Nawaz Khan Road,  
Nungambakkam Chennai TN 600 006

Dear Sir,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TVS HOLDINGS LIMITED (formerly known as Sundaram, Clayton Limited) having CIN L35999TN1962PLC004792 and having registered office at "Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam Chennai TN 600006 (hereinafter referred to as 'the Company'), produced before me/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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. 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.

Place : Chennai  
Date : 9<sup>th</sup> May 2024

B Chandra  
Practising Company Secretary  
CP No. : 7859  
UDIN A020879F000338625  
Peer Review No 602/2019

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members of  
TVS HOLDINGS LIMITED,  
(Formerly Known as Sundaram-Clayton Limited),  
"Chaitanya", No.12, Khader Nawaz Khan Road,  
Nungambakkam, Chennai - 600 006.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by TVS HOLDINGS LIMITED ( Formerly Known as Sundaram-Clayton Limited), bearing CIN L35999TN1962PLC004792 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  1. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

2. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
3. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
4. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations 2021 and circulars/ guidelines issued thereunder;
5. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018

I am informed that the company, during the year, was not required to comply with the following regulations and consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

- a. Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity ) Regulations, 2014
- b. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;
- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

In addition to the compliance with Factory and Labour Laws as is applicable to a factory ( till the effective date of Demerger), based on the study of the systems and processes in place and a review of the reports of (1) the heads of the Departments (2) Occupier/ Manager of the factories located in Padi, Mahindra World City, Oragadam and Hosur Units which manufacture aluminium pressure die castings for heavy commercial vehicles., passenger cars and two wheelers (3) the compliance reports made by the functional heads of various departments which are submitted to the Board of Directors of the Company (4) the Internal Audit Reports submitted to the Company, I report that the Company has complied with the provisions of the following industry specific statutes and the rules made there under as well as other laws to the extent it is applicable to them:

1. Motor Vehicles Act, 1988
2. The Motor Transport Workers Act, 1961
3. The Explosive Act, 1884
4. The Petroleum Act, 1934
5. The Environment (Protection) Act, 1986
6. The Water( Prevention and Control of Pollution) Act, 1974

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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7. The Air( Prevention and Control of Pollution) Act, 1981
8. In the process of complying with the applicable Regulations issued by the Reserve Bank of India as a Core Investment Company ( without accepting Deposits) with effect from 14-03-2024

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has to a larger extent, complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, even though the commission to the Non-Executive Directors were paid on the authority of an ordinary resolution passed by the shareholders. The Company is in the process of filing the intimation regarding the significant beneficial owner of the Company pursuant to Section 90 of the Act, consequent to the implementation of the Scheme.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors and the committees that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting, though the Articles requires notice of 14 days. The investments made during the year were pursuant to the authority granted in the year 2004.
- Based on the minutes made available to us, I report that majority decision is carried through and that there were no dissenting votes from any Board member that was required to be captured and recorded as part of the minutes.
- I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.
- The Company is in the process of complying with section 4th proviso to Section 137 (1) of the Companies Act, by filing e-Form

GNL 2. The Company explained that disclosure of the remuneration received by the Directors/ Whole Time Directors from the subsidiary or holding Companies is not required, as they are not in receipt of any commission.

- I further report that:

(a) During the year the Company implemented the Composite Scheme of Arrangement amongst Sundaram-Clayton Limited ("Company") and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram - Clayton DCD Limited and their respective shareholders and creditors ("Scheme"), which was approved by the Hon'ble National Company Law Tribunal, Chennai Bench vide its order dated 6<sup>th</sup> March 2023 with the following implication on the effective dates mentioned against each:

- (i) Trading approval for the 234,69,21,860 Non-Convertible Bonus preference shares allotted to the shareholders of the Company in March 2023, was received on 15-06-2023, paving the way for implementing part III of the Scheme.
- (ii) On 16-06-2023, Part III of the Scheme became effective and all the shares of the Company held by the Transferor Company 1 (TVS Holdings Private Limited) were cancelled. Consequently, 1,30,94,460 Equity shares of INR 5 each and 151,89,57,360 9% Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) of INR 10 each were allotted to the shareholders of the Transferor Company 1 in the aforesaid scheme, in proportion to their shareholding in the Transferor Company 1. The Transferor Company got dissolved without winding up on the aforesaid effective date.
- (iii) The name of the Company was changed to its present name of TVS Holdings Limited vide fresh certificate of incorporation issued by the Registrar of Companies, Tamilnadu, Chennai on 17-07-2023.
- (iv) Trading approval for the Equity and Preference shares issued to the shareholders of Transferor Company 1 was received effective 28-07-2023, paving the way for implementation of Part IV of the Scheme .
- (v) On 04-08-2023, Part IV of the Scheme was effective and the NCRPS of the Company held by the Transferor Company 2 (VS Investments Private Limited) were cancelled. Consequently, 19 Equity shares of INR 5 each were allotted to the shareholders of Transferor Company 2 and the Transferor Company 2 got dissolved without winding up.
- (vi) On 11-08-2023, the Demerged Undertaking along with all its assets, Permits, contracts, liabilities, loan,

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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debentures, duties and obligations of the Demerged Company got vested in the Resulting Company, Sundaram - Clayton Limited (Formerly Known as Sundaram - Clayton DCD Limited) in consideration of the Equity Shares and Preference shares issued by the Resulting Company.

- (vii) Cessation of Dr. Lakshmi Venu as Managing Director, Mr Venu Srinivasan as Managing Director and Chairman Emeritus and Mr Vivek Joshi as CEO of the Company.
- (viii) Cessation of the Sundaram-Clayton DCD Limited, Sundaram-Clayton (USA) Limited, Sundaram Holding USA Inc., (along with Its Subsidiaries), and Sundaram-Clayton GmbH, Germany as subsidiaries and Sundram Non Conventional Energy Systems Limited as an associate Company.
- (ix) Emerald Haven Realty Limited along with its subsidiaries became subsidiaries of the Company and one of the transferor Companies acquired 11.20% of the shares in Emerald Haven Realty Limited, on the effective date of the merger of the said Transferor Company.
- (x) On 25.3.2024, the Company had redeemed 873031514 9% Cumulative Non Convertible Redeemable Preference shares of ₹ 10/- each.
- (xi) The Company is in the process of updating the Share Capital of the Company pursuant to the cancellation of the preference shares held by the Transferor Company 2 post amalgamation, and also the consequential allotments and redemption of shares. Considering that there is no existing e-Form for intimation of such cancellation, the Company has taken steps to update it through submission of Change Request Form (CRF).
- (b) Resignation of Mr Rajesh Narasimhan as Director of the Company, cessation of Mr R Gopalan as Chairman of the

Company and appointment of Mr Venu Srinivasan as Chairman of the Company.

- (c) Appointment and re appointment, respectively, of Mr Timm Tiller and Ms Sasikala Varadachari & Mr C R Dua as Independent Directors of the Company with the approval of the shareholders through Postal ballot.
- (d) Appointment of Mr Sudarshan Venu as Managing Director of the Company and obtaining approval of the Central Government for such appointment under Part I of Sch V to the Act.
- (e) The Company acquired investments in TVS Holdings (Singapore) Pte. Limited, Emerald Haven Realty Limited based on the authority of delegated powers granted in 2004. The Company has established a branch office in Singapore.
- (f) The Company registered itself as a Non-Banking Financial Company (without accepting Deposits), in the category of core investment Company with effect from 14-03-2024.
- (g) The Board of Directors of the Company declared Interim dividend of ₹ 94/- per share (1,880%) on 2,02,32,104 equity shares of ₹ 5/- each fully paid up, during the financial year ending 31<sup>st</sup> March 2024, on 21.3.2024.
- (h) The shareholders have approved the re classification of 'T V Sundram Iyengar & Sons Private Limited' from 'Promoter & Promoter Group' To 'Public' Category, the application for which is pending with the Stock Exchanges.

B Chandra  
Practising Company Secretary  
ACS No. : 20879  
CP No. : 7859

Place : Chennai  
Date : 9<sup>th</sup> May 2024

UDIN: A020879F000338504  
Peer Review No 602/2019

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Annexure – A to Secretarial Audit Report of even date**

To,

The Members of  
TVS HOLDINGS LIMITED,  
(Formerly Known as Sundaram-Clayton Limited),  
"Chaitanya", No.12, Khader Nawaz Khan Road,  
Nungambakkam, Chennai - 600 006.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. 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.

Place : Chennai  
Date : 9<sup>th</sup> May 2024

B Chandra  
Practising Company Secretary  
ACS No. : 20879  
CP No. : 7859  
UDIN: A020879F000338504  
Peer Review No 602/2019

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**Standalone Financial Statements**  
**of**  
**TVS Holdings Limited**  
***(Formerly known as Sundaram-Clayton Limited)***

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

## Independent Auditor's Report for the year ended 31<sup>st</sup> March 2024

To the Members of  
**TVS Holdings Limited**

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

#### Opinion

We have audited the accompanying standalone financial statements of TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) ("the Company"), having its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006, Tamil Nadu which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Material accounting policy and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing 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 Standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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

Key Audit Matter	Auditor's Response
<b>Accounting for Demerger</b> TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) has demerged its Die Cast division into Sundaram-Clayton DCD limited pursuant to the Composite Scheme of Arrangement (the Scheme") approved by the Hon'ble "National Company Law	<b>Principal Audit Procedures</b> Our audit procedures included following: a. Read and assessed the final Scheme and the final order passed by the NCLT and submitted with the ROC; b. Obtained an understanding and assessed the effectiveness of

Key Audit Matter	Auditor's Response
Tribunal, Chennai bench, vide its order dated 6 <sup>th</sup> March 2023. As part of scheme the company transferred and vested demerged undertaking into Sundaram Clayton DCD Limited (Resulting Company) now known as Sundaram Clayton Limited effective 11 <sup>th</sup> August 2023  The demerger has a significant impact on assets, liabilities, income, expense and reserves shown in the financial statements of the Company.  The demerger is a Extraordinary transaction and the impact on the financial statements and judgment involved have been considered as a Key Audit matter.	process followed by the management for recording the accounting treatment prescribed in the Scheme; c. Evaluated appropriateness of the accounting treatment followed by the management considering accounting principles prescribed in the Scheme and the requirements of the applicable accounting standards. d. Obtained and tested the management's working for arriving at the balances of assets and liabilities of the demerged undertaking and treatment of reserves as per the Scheme; e. Evaluated the adequacy of presentation and disclosures made with respect to the accounting of the demerger transaction as per the Scheme in the financial statements

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report to the Shareholders but does not include the standalone financial statements and our auditor's report thereon. The Annual Report to the Shareholders is expected to be made available to us after the date of this Auditor's Report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

#### Responsibilities of Management and Those charged with governance for the Standalone 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 standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial

## **TVS Holdings Limited** **(Formerly known as Sundaram-Clayton Limited)**

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performance) changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

### **Emphasis of Matter**

We draw attention to Note 37(x) to the Standalone Financial Statements in respect of the composite of scheme Sanctioned and approved by National Company Law Tribunal, Chennai on 06<sup>th</sup> March 2023, the company transferred and vested the Demerged undertaking (as defined in Scheme) into Sundaram-Clayton DCD limited ("Resulting Company") now known as Sundaram-Clayton Limited, effective from 11<sup>th</sup> August 2023. Our opinion is not modified in respect of this matter.

Further We draw attention to Note 37(xi) to the Standalone financial statements which states that the company has received certificate of Registration on 14<sup>th</sup> March 2024, as core Investment company consequent to which the Company commenced its operations as a core Investment company with effect from 14<sup>th</sup> March 2024. The Company has changed some of its accounting policies as compared to previous financial year to ensure compliance with the relevant RBI guidelines, and hence, the corresponding figures are not entirely comparable with those of the current year ended 31<sup>st</sup> March 2024. Further, the corresponding disclosures for the current financial year

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ended 31<sup>st</sup> March 2024 have been provided only to the extent such disclosures were applicable in the previous financial statements as well. Our opinion is not modified in respect of this matter.

**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 in terms of Section 143(11) of the Act, we give in "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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of 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 (as amended), 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 on the financial position in its standalone financial statements- Refer Note 37 (i) to the Standalone financial statements;
  - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2024;
  - (iii) There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company;
  - (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 No.36 to the standalone financial statement dividend paid and declared during the year by the company is in compliance with Section 123 of the Companies Act, 2013.

- (vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software Further, during our audit we did not come across any instance of the 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 the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

V. SATHYANARAYANAN  
Partner

Place : Chennai  
Date : 9<sup>th</sup> May 2024

Membership No. 027716  
UDIN : 24027716BKCNNG9707

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**(Formerly known as Sundaram-Clayton Limited)**

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**Annexure 'A' to Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment, right-of-use assets and Intangible Assets:
- (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) The Property, Plant and Equipment and right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements included under Property, Plant and Equipment 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 management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies noticed on such physical verification, were less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account;
- In respect of inventories with third parties, which have not been physically verified, there is a process of obtaining confirmation from such parties.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore during the year, from banks on the

basis of security of current assets and in our opinion, the quarterly returns or statements filed by the company are in agreement with the books of accounts.

- iii. The Company has made investments in companies during the year in respect of which:
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable;
- (b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The Company has not granted any loans or advances in the nature of loans hence reporting under clause 3(iii)(c) of the Order is not applicable.
- (d) The Company has not granted any loan or advances in the nature of loans hence reporting under clause 3(iii)(d) of the Order is not applicable.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any security, guarantee or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of investments made. The company has not granted loans or provided any security or guarantee.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;



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vii. In respect of statutory dues:

- (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable;
- (b) There are no dues in respect of income-tax, sales-tax, Goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute except the following:

Nature of Duty / Tax under Dispute	Nature of the Statute	Period	Forum where dispute is pending	Amount Involved ₹ In Crore
Income Tax	Income Tax Act, 1961	AY 2008-09	Commissioner (Appeals)	2.63
Income Tax	Income Tax Act, 1961	AY 2011-12	Commissioner (Appeals)	1.82
Income Tax	Income Tax Act, 1961	AY 2018-19	Commissioner (Appeals)	1.41
Income Tax	Income Tax Act, 1961	AY 2020-21	Commissioner (Appeals)	2.95
Income Tax	Income Tax Act, 1961	AY 2022-23	Commissioner (Appeals)	0.71
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2017-18	Appellate Authority	0.79
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2018-19	Appellate Authority	1.03
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2019-20	Appellate Authority	2.30
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2020-21	Appellate Authority	0.47
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2021-22	Appellate Authority	1.03

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Section 43 of 1961);

- ix. (a) The Company has not defaulted in repayment of loans or borrowings to any lender during the year;
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained;
- (d) On an overall examination of the standalone 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 standalone 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 and hence reporting on clause 3(ix)(e) of the order is not applicable;
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable;

- 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. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

- xiii. In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the standalone financial statements, as required by the applicable Ind AS;

- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;



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In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company;

- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained registration;
- (b) The Company has conducted Non-banking Financial Activities with a Valid Certificate of Registration from the Reserve Bank of India;
- (c) The Company is a Core Investment Company (CIC) as defined in the regulations made by the RBI. According to the information and explanations given to us, the Company is registered with RBI and it continues to fulfil the criteria of a CIC;
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC other than the Company;
- 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 of the Company during the year;
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the

audit report indicating 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, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;

- xx. (a) According to the information and explanations given to us in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in note no. 37(iv) to the Standalone financial statements;
- (b) According to the information and explanations given to us and based on the records, there are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act. This matter has been disclosed in note no. 37(iv) to the Standalone financial statements.

For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

V. SATHYANARAYANAN  
Partner

Place : Chennai  
Date : 9<sup>th</sup> May 2024

Membership No. 027716  
UDIN : 24027716BKCNG9707

## **Annexure 'B' to the Independent Auditors' Report**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls over financial reporting of TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) (the "Company") as of March 31, 2024 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Management of the Company is responsible for establishing and maintaining internal financial controls 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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 standalone financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone 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

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of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting 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 ICAI.

For RAGHAVAN, CHAUDHURI & NARAYANAN

Chartered Accountants

Firm Regn. No. 007761S

V. SATHYANARAYANAN

Partner

Place : Chennai

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

Membership No. 027716

UDIN : 24027716BKCNG9707

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2024**

		(Rupees in crores)	
Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and Cash Equivalents	2	96.32	2,028.40
(b) Bank Balances other than (a) above	3	276.23	1.37
(c) Receivables			
i) Trade Receivables	4	24.69	279.83
(d) Investments	5	1,970.30	831.54
(e) Other Financial Assets	6	2.43	30.95
<b>Total</b>		<b>2,369.97</b>	<b>3,172.09</b>
<b>2 Non-Financial Assets</b>			
(a) Inventories	7	6.94	348.05
(b) Current Tax Assets (Net)		5.04	6.73
(c) Deferred Tax Assets (Net)	8	4.81	–
(d) Property, Plant and Equipment	9	14.19	621.88
(e) Capital work in progress	9	–	57.13
(f) Other Intangible Assets	10	0.05	0.73
(g) Other Non-Financial Assets	11	12.80	68.72
<b>Total</b>		<b>43.83</b>	<b>1,103.24</b>
<b>Total Assets</b>		<b>2,413.80</b>	<b>4,275.33</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Payables			
Trade Payables			
i) Total outstanding dues of micro enterprises and small enterprises	12	–	25.02
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	84.94	364.72
(b) Debt Securities	13	–	99.85
(c) Borrowings other than debt securities	14	550.00	569.76
(d) Subordinated Liabilities	15	–	2,346.92
(e) Other Financial Liabilities	16	216.13	77.71
<b>Total</b>		<b>851.07</b>	<b>3,483.98</b>
<b>2 Non-Financial Liabilities</b>			
(a) Current Tax Liabilities (Net)		–	2.10
(b) Provisions	17	21.27	39.67
(c) Deferred Tax Liabilities (Net)	8	–	18.15
(d) Other Non-Financial Liabilities	18	91.89	20.88
<b>Total</b>		<b>113.16</b>	<b>80.80</b>
<b>3 EQUITY</b>			
(a) Equity Share capital	19	10.12	10.12
(b) Other Equity	20	1,439.45	700.43
<b>Total</b>		<b>1,449.57</b>	<b>710.55</b>
<b>Total Liabilities and Equity</b>		<b>2,413.80</b>	<b>4,275.33</b>
Material Accounting Policies forming part of financial statements	1		
The accompanying notes are an integral part of these financial statements.			

<b>venu srinivasan</b> <i>Chairman</i> DIN: 00051523	<b>SUDARSHAN VENU</b> <i>Managing Director</i> DIN: 03601690	<b>K GOPALA DESIKAN</b> <i>Director &amp; Group Chief Financial Officer</i> DIN: 00067107	As per our report annexed For RAGHAVAN, CHAUDHURI & NARAYANAN Chartered Accountants Firm Regn. No. 007761S
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Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

(Rupees in crores)

Particulars	Note No.	Year ended 31.03.2024	Year ended 31.03.2023
<b>I) Income</b>	21		
(a) Interest income		53.83	1.64
(b) Dividend income		191.03	120.27
(c) Net gain on Sale / Fair Valuation of Investments		83.85	1.66
(d) Sale of products		747.52	1,979.66
(e) Sale of services		141.96	66.07
(f) Sale of Traded Goods		380.72	—
(g) Other operating revenue		8.86	28.23
Total Revenue from Operations		1,607.77	2,197.53
II) Other Income	22	38.79	9.19
<b>III) Total Income (I + II)</b>		<b>1,646.56</b>	<b>2,206.72</b>
<b>Expenses</b>			
(a) Finance Cost	23	99.09	45.82
(b) Cost of materials consumed	24	407.44	1,101.60
(c) Purchases of Stock-in-trade		376.48	—
(d) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	7.42	15.33
(e) Employee Benefit Expense	26	99.61	234.63
(f) Depreciation and Amortization Expense	27	37.62	99.94
(g) Other Expenses	28	203.71	473.43
<b>IV) Total Expenses</b>		<b>1,231.37</b>	<b>1,970.75</b>
V) Profit before exceptional items and tax (III + IV)		415.19	235.97
VI) Exceptional items	29	(5.07)	90.72
<b>VII) Profit Before Tax (V + VI)</b>		<b>410.12</b>	<b>326.69</b>
VIII) Tax Expenses			
Current Tax	30	75.04	60.21
Deferred Tax	31	(3.66)	(6.63)
<b>IX) Profit for the year (VII - VIII)</b>		<b>338.74</b>	<b>273.11</b>
X) Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
Remeasurement of post employment benefit obligations		(4.97)	(0.26)
Change in fair value of equity instruments		0.68	3.25
Income tax relating to these items		1.29	(0.76)
Items that will be reclassified to profit and loss			
Transactions relating to Derivative instruments		0.45	1.53
Income tax relating to the above item		(0.11)	(0.39)
Other comprehensive income for the year (net of tax)		(2.66)	3.37
<b>XI) Total Comprehensive Income for the year (IX+X)</b>		<b>336.08</b>	<b>276.48</b>
XII) Earnings per share (EPS) (Face Value of ₹ 5/- each)			
Basic (₹)	32	167.43	134.99
Diluted (₹)		167.43	134.99

Material Accounting Policies forming part of financial statements 1

The accompanying notes are an integral part of these financial statements

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
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Place : Chennai  
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**TVS Holdings Limited**  
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**STATEMENT OF CHANGES IN EQUITY**

(Rupees in crores)

A. Equity Share Capital (refer Note No. 19)

As at 01-04-2022	10.12
Changes in Equity Share capital due to prior period errors	—
Restated balance as at 01-04-2022	10.12
Changes in equity share capital during the year	—
As at 31-03-2023	10.12
Changes in Equity Share capital due to prior period errors	—
Restated balance as at 01-04-2023	10.12
Changes in equity share capital during the year	—
As at 31-03-2024	10.12

B. Other Equity

Particulars	Reserves & Surplus					Other Reserves			
	General reserve	Securities Premium	Statutory reserve	Retained earnings	Total	Fair value through other Comprehensive income	Hedging reserve	Total	Total Reserves
Balance as at 01-04-2022	224.84	36.42	-	2,622.28	2,883.54	10.36	(3.66)	6.70	2,890.24
Add : Profit for the year	-	-	-	273.11	273.11	-	-	-	273.11
Add : Other comprehensive income	-	-	-	(0.19)	(0.19)	2.42	1.14	3.56	3.37
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>272.92</b>	<b>272.92</b>	<b>2.42</b>	<b>1.14</b>	<b>3.56</b>	<b>276.48</b>
Add / (Less) : Reclassified to retained earnings	-	-	-	(3.01)	(3.01)	-	3.01	3.01	-
(Less) : Reserves utilised for issuance of Bonus Cumulative Non-convertible Redeemable Preference Shares	(224.84)	-	-	(2,122.08)	(2,346.92)	-	-	-	(2,346.92)
Less : Interim Dividend declared for the year ended 31 <sup>st</sup> March 2023 (₹ 59 / share)	-	-	-	(119.37)	(119.37)	-	-	-	(119.37)
<b>Balance as at 31-03-2023</b>	-	<b>36.42</b>	-	<b>650.74</b>	<b>687.16</b>	<b>12.78</b>	<b>0.49</b>	<b>13.27</b>	<b>700.43</b>
Add : Profit for the year	-	-	-	338.75	338.75	-	-	-	338.75
Add : Other comprehensive income	-	-	-	(3.68)	(3.68)	0.68	0.34	1.02	(2.66)
Less : Statutory reserves movement form P&L	-	-	67.75	(67.75)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	<b>67.75</b>	<b>267.32</b>	<b>335.07</b>	<b>0.68</b>	<b>0.34</b>	<b>1.02</b>	<b>336.09</b>
Add / (Less) : Reclassified to / (from) retained earnings	-	-	-	-	-	-	-	-	-
Adjustment due to IND AS 103 Business combination (Refer Note: 37 (x))	-	-	-	1,328.95	1,328.95	-	-	-	1,328.95
Adjustment due to composite scheme of arrangement (Refer Note: 37 (x))	-	-	-	(730.75)	(730.75)	(4.26)	(0.83)	(5.09)	(735.84)
Less : Interim Dividend declared for the year ended 31 <sup>st</sup> March 2024 (₹ 94 / share)	-	-	-	(190.18)	(190.18)	-	-	-	(190.18)
<b>Balance as at 31-03-2024</b>	-	<b>36.42</b>	<b>67.75</b>	<b>1,326.08</b>	<b>1,430.25</b>	<b>9.20</b>	-	<b>9.20</b>	<b>1,439.45</b>

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Chief Financial Officer  
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As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716



**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

(Rupees in crores)

Year ended  
31.03.2024

Year ended  
31.03.2023

**A. CASH FLOW FROM OPERATING ACTIVITIES**

Profit before tax	410.12	326.69
Add: Depreciation and amortisation for the period	37.62	99.94
Loss on sale/scrapping of property, plant and equipment	0.05	—
Profit on sale of property, plant and equipment	(38.48)	(0.30)
Unrealised exchange (gain) / loss *	0.87	(1.19)
Net gain on Sale / Fair Valuation of Investments	(83.85)	(1.66)
	(83.79)	96.79
<b>Operating profit before working capital changes</b>	<b>326.33</b>	<b>423.48</b>
Adjustments for:		
Inventories *	341.11	23.30
Trade Receivables *	255.14	10.27
Other financial assets *	28.52	86.70
Other non-financial assets *	55.92	(25.18)
Trade Payables *	(304.81)	33.41
Other financial liabilities (excluding current maturities of debt) *	(44.48)	29.96
Provisions *	(18.40)	(8.93)
Other non financial liabilities *	(6.96)	8.68
	306.04	158.21
Cash generated from operations	632.37	581.69
Direct taxes paid	(37.70)	(53.56)
<b>Net cash from operating activities (A)</b>	<b>594.67</b>	<b>528.13</b>

**B CASH FLOW FROM INVESTING ACTIVITIES**

Additions to property, plant and equipment *	(17.80)	(100.16)
Sale of property, plant and equipment *	654.93	0.86
Purchase of investments *	(88.00)	(427.54)
Sale of investments *	851.67	2.13
Closure of Term deposits	1,999.87	283.21
Net movement on account of Mergers / Demerger *	(1,434.97)	—
<b>Net Cash from / (used in) investing activities (B)</b>	<b>1,965.70</b>	<b>(241.50)</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024 - (continued)**

(Rupees in crores)

	Year ended 31.03.2024	Year ended 31.03.2023
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Borrowings:		
Proceeds of Borrowing / (repaid) *	(1,592.61)	(63.40)
Repayment of Subordinated Liabilities (Net)*	(873.03)	—
Dividend Paid	—	(208.24)
Repayment of lease liabilities *	(6.94)	(11.53)
<b>Net cash inflow / (outflow) from financing activities (C)</b>	<b>(2,472.58)</b>	<b>(283.17)</b>
<b>D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>87.79</b>	<b>3.46</b>
Cash and cash equivalents at the beginning of the period		
Cash and Bank balances	8.53	5.07
Cash credit balance	—	—
Cash and cash equivalents at the end of the period		
Cash and Bank balances	96.32	8.53
Cash credit balance	—	—

\* Includes impact of mergers and demerger pursuant to the scheme of arrangement approved by the NCLT and hence not comparable.

Notes:

- The above statement has been prepared in indirect method except in case of dividend, tax and purchase and sale of investments which have been considered on the basis of actual movement of cash.

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**TVS Holdings Limited**  
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## **1 MATERIAL ACCOUNTING POLICIES**

The accounting policies mentioned herein relate to the standalone financial statements of the Company.

### **a) Brief description of the Company**

TVS Holdings Limited ('the Company') is a public limited company incorporated in India whose shares are publicly traded. The registered office is located at Chaitanya, No.12, Khader Nawaz Khan Road, Chennai- 600006, Tamil Nadu, India.

The Company was manufacturing non-ferrous gravity and pressure die castings. Pursuant to the scheme of demerger, the Company's business of manufacturing activity (die castings) was transferred to Sundaram-Clayton Limited (Resulting Company).

Post the composite scheme of demerger, the company is mainly into trading business of automotive components and investing activities.

The Company received the Certificate of Registration (No. N-07-00904) dated 14<sup>th</sup> March, 2024 from the Reserve Bank of India (RBI) and commenced Non-Banking Financial activity thereon. The Company is a Non-Deposit taking Core Investment Company, as defined under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934. The Company is categorised as "NBFC - Core Investment Company (NBFC-CIC)" vide RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019. Effective 01 October 2022, the Company has been categorised as NBFC-Middle Layer under the RBI Scale Based Regulation dated 22 October 2021.

### **b) Basis of preparation**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements have been prepared in accordance with Division III of Schedule III of the Companies Act 2013 notified by MCA on October 11, 2018. Further, the Company follows application guidance, clarifications, circulars, and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC) or other regulators, as and when they are issued and applicable.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value.

### **c) Going Concern**

The Company's financial statements have been prepared on a going concern basis.

### **d) Use of estimates**

The preparation of financial statements 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, actual results could differ from these estimates. 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. It also provides an overview 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.

### **e) Cost Recognition**

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure are capitalized where appropriate.

### **f) Significant Estimates and judgments**

The areas involving significant estimates or judgments are:

- i) Estimation of defined benefit obligation
- ii) Estimation of useful life of Property, Plant and Equipment

### **g) Revenue recognition**

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**MATERIAL ACCOUNTING POLICIES - (continued)**

i) Sale of products:

Revenue is recognized when the performance obligations are satisfied and the control of the goods is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the goods, customer has possession and legal title to the goods, customer bears significant risk and rewards of ownership and the customer has accepted the goods or the Company has objective evidence that all criteria for acceptance have been satisfied.

ii) Revenue from Services:

Revenue from Services is recognised in the accounting period in which the services are rendered and when invoices are raised.

iii) Dividend income:

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

iv) Interest Income:

Interest income is recognised using the Effective Interest Rate (EIR) method for all financial assets measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that is directly attributable to the acquisition of a financial asset.

**h) Property, Plant and Equipment**

Freehold Land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/ construction less accumulated depreciation / amortization and impairment, if any. Cost includes:

- (i) purchase price,
- (ii) taxes and duties,
- (iii) labour cost
- (iv) directly attributable overheads incurred upto the date the asset is ready for its intended use, and
- (v) Government grants that are directly attributable to the assets acquired.

However, cost excludes excise duty, value added tax, service tax and GST, and to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Government grants relating to the purchase of property, plant and equipment are capitalized and included as cost to fixed assets.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within Other gains / (losses).

**i) Depreciation**

- i) Depreciation on Property Plant and Equipment is charged over the estimated useful life of the asset or part of the asset (after considering double / triple shifts) as evaluated by a Chartered Engineer and in accordance with Ind AS 16, taking into consideration both usage, useful life and legal limitations on the use of assets, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013. Depreciation is adjusted for the proportionate usage with reference to the asset's expected capacity or physical output during the reporting period.

**TVS Holdings Limited**  
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**MATERIAL ACCOUNTING POLICIES - (continued)**

- ii) The estimated useful life of the tangible fixed assets as assessed by the Chartered Engineer and followed by the Company is furnished below:

Description	Years
Factory building and other buildings	30 to 64
Plant and Equipment	8 to 21
Electrical Equipment	15
Furniture and Fixtures	10
Computers	3
Mobile phones	1
Vehicles	6

- iii) The residual value for all the above assets is retained at 5% of the cost except for Mobile phones for which nil residual value is considered. Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.
- iv) On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.
- v) Depreciation in respect of tangible assets costing individually less than ₹ 5,000/- is provided at 100%.

**j) Impairment**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**k) Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e in Indian rupees (INR) and all values are rounded off to nearest crores except where otherwise indicated.

**(ii) Transactions and balances**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

- Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.
- Non-monetary items denominated in foreign currency such as investments, fixed assets, etc., are valued at the exchange rate prevailing on the date of transaction.
- Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

**TVS Holdings Limited**  
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**MATERIAL ACCOUNTING POLICIES - (continued)**

**l) Inventories**

Inventories are valued at the lower of cost and net realisable value.

- i) Cost of raw materials, components, stores, spares, work-in-process and finished goods are determined on a moving average basis.
- ii) Cost of finished goods and work-in-process comprises of Direct materials, Direct labour and an applicable proportion of Variable and Fixed overhead expenditure, Fixed Overhead Expenditure absorbed on the basis of normal operating capacity.
- iii) Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- iv) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

**m) Employee benefits**

i) Short term obligations:

Short-term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized upto the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii) Other long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees, pension plan for eligible senior managers; and
- b) Defined contribution plan such as provident fund.

Pension and gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.



**TVS Holdings Limited**  
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**MATERIAL ACCOUNTING POLICIES - (continued)**

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (net of deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit or Loss as past service cost.

Provident fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company makes monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year in which it is incurred.

iv) Bonus plans:

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

n) 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 and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is accounted based on technical evaluation, when the products are sold.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

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 are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

o) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

p) Leases

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

**TVS Holdings Limited**  
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**MATERIAL ACCOUNTING POLICIES - (continued)**

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to
- reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company
- which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

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**MATERIAL ACCOUNTING POLICIES - (continued)**

q) **Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in the balance sheet.

r) **Trade receivables**

Trade receivables are recognised initially at cost less provision for doubtful debts.

s) **Investments and Other financial assets**

i) Classification:

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(i) Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(ii) Fair Value through profit or loss:

Assets that do not meet the criteria for amortised cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at Fair Value through Profit or Loss (FVTPL). A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Equity instruments:

Subsequent to initial recognition, the Company measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**MATERIAL ACCOUNTING POLICIES - (continued)**

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately. Where the Company elects to measure fair value through profit or loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

Investment in subsidiaries / associates:

Investment in subsidiaries / associates are measured at cost less provision for impairment.

iv) Impairment of financial assets:

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34(A) details how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

v) De-recognition of financial assets:

A financial asset is derecognised only when:

the Company has transferred the rights to receive cash flows from the financial asset or

the Company retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Company has not retained control of the financial asset.

Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

t) **Borrowings**

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gain / (loss).

u) **Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

**TVS Holdings Limited**  
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**MATERIAL ACCOUNTING POLICIES - (continued)**

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

**v) Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes available.

Government grants relating to the purchase of property, plant and equipment are included in current / non-current liabilities as deferred income and are credited to profit or loss as and when the obligations are fulfilled.

**w) Financial and Non-Financial**

The Company presents assets and liabilities in the balance sheet based on Financial / Non-Financial classification.

The Company classifies its financial assets in the following categories, those to be measured subsequently at:

- (a) Amortised cost,
- (b) Fair value through Other Comprehensive Income (FVOCI), and
- (c) Fair value through Profit or Loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**x) Business Model Assessment**

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because it reflects the best way the business is managed, and information is provided to the management

**Derecognition of Financial Assets and Financial Liabilities**

A financial asset is derecognised only when:

- The Company has transferred the contractual rights to receive cash flows from the financial asset or the Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
- Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
- Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.
- On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) The consideration received (including any new asset

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**MATERIAL ACCOUNTING POLICIES - (continued)**

obtained less any new liability assumed) and (ii) Any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Financial liability is derecognised when its contractual obligations are discharged or cancelled or expires.

**y) Taxes on income**

Tax expense comprises of (i) current tax and (ii) deferred tax.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Also for the purposes of restated financials statements the current tax has been proportionately apportioned and taken into account of resulting entity

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.



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**Notes to Financial Statements**

(Rupees in crores)

	As at 31-03-2024	As at 31-03-2023
<b>2 CASH AND CASH EQUIVALENTS</b>		
Balances with banks	76.20	8.41
Balance with term deposits	20.00	2,019.87
Cash on hand	0.12	0.12
<b>Total</b>	<b>96.32</b>	<b>2,028.40</b>
<b>3 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Earmarked balances with Bank (incl. unpaid dividend)	276.23	1.37
<b>Total</b>	<b>276.23</b>	<b>1.37</b>
<b>4 TRADE RECEIVABLES</b>		
<b>Trade receivables (Refer Note 37(vii))</b>		
Secured, considered good	–	–
Unsecured, considered good	22.75	279.83
Unbilled Trade Receivables	1.94	–
Doubtful	–	8.41
Sub total	24.69	288.24
Less: Loss Allowance	–	8.41
<b>Total Trade Receivables</b>	<b>24.69</b>	<b>279.83</b>

Refer Note 37 for other Disclosures and Refer Note 38 for receivables from Related Parties

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**4 TRADE RECEIVABLES - (continued)**

Particulars	Outstanding for following periods from due date of payment as at March 31, 2024					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	22.75	—	—	—	—	22.75
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - credit impaired	—	—	—	—	—	—
(iv) Disputed Trade Receivables - considered good	—	—	—	—	—	—
(v) Disputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—
(vi) Disputed Trade Receivables - credit impaired	—	—	—	—	—	—
<b>SubTotal</b>	<b>22.75</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>22.75</b>
<b>Unbilled Trade Receivables</b>						<b>1.94</b>
<b>Loss Allowances</b>	—	—	—	—	—	—
<b>Total Trade Receivables</b>	<b>22.75</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>24.69</b>

Particulars	Outstanding for following periods from due date of payment as at March 31, 2023					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	261.02	26.87	0.35	—	—	288.24
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - credit impaired	—	—	—	—	—	—
(iv) Disputed Trade Receivables - considered good	—	—	—	—	—	—
(v) Disputed Trade Receivables - which have significant increase in credit risk	—	—	—	—	—	—
(vi) Disputed Trade Receivables - credit impaired	—	—	—	—	—	—
<b>SubTotal</b>	<b>261.02</b>	<b>26.87</b>	<b>0.35</b>	<b>—</b>	<b>—</b>	<b>288.24</b>
<b>Loss Allowances</b>	—	—	—	—	—	<b>8.41</b>
<b>Total Trade Receivables</b>	<b>261.02</b>	<b>26.87</b>	<b>0.35</b>	<b>—</b>	<b>—</b>	<b>279.83</b>

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**5. INVESTMENTS**

Sl No.	Name of the body corporate	Subsidiary / associate	No. of shares / units		Face Value (in ₹)	Currency	Partly paid / fully paid	Rupees in crores	
			As at 31-03-2024	As at 31-03-2023				As at 31-03-2024	As at 31-03-2023
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(a)	<b>Investments in Equity Impaired Fair Value through OCI</b>								
	<b>Unquoted :</b>								
(i)	Green Infra BTV Limited, New Delhi (formerly known as TVS Energy Limited) ^ @		-	45,00,000	10.00	INR	Fully paid	-	4.50
(ii)	Sai Regency Power Corporation Private Limited, Chennai ^ @		-	3,75,000	10.00	INR	Fully paid	-	0.38
(iii)	Adyar Property Holding Company Limited, Chennai (Cost ₹ 6,825) ^ @		-	105	100.00	INR	Partly paid	-	-
	<b>Private equity instruments #:</b>								
(iv)	TVS Shriram Growth fund 3 of TVS Capital Funds Limited, Chennai		1,81,600	1,71,600	1,000.00	INR	Fully paid	27.36	25.00
	<b>Investments in Equity Instruments at Cost</b>								
	<b>Quoted:</b>								
(v)	TVS Motor Company Limited, Chennai (includes effect of Business Combination)	Subsidiary	23,87,82,786	23,87,82,786	1.00	INR	Fully paid	1,593.44	17.16
	<b>Unquoted:</b>								
(vi)	Sundaram-Clayton (USA) Limited, Illinois, USA (Cost ₹ 5,572) ^		-	100	1.00	USD	Fully paid	-	-
(vii)	Sundaram Holding USA Inc., Delaware, USA ^		-	9,77,00,000	1.00	USD	Fully paid	-	684.97
(viii)	TVS Training and Services Limited, Chennai	Associate	19,06,709	19,06,709	10.00	INR	Fully paid	1.90	1.90
(ix)	Sundram Non Conventional Energy Systems Limited, Chennai ^		-	1,17,650	10.00	INR	Fully paid	-	0.12
(x)	TVS Credit Services Limited, Chennai	Step Down Subsidiary	-	52,66,650	10.00	INR	Fully paid	-	74.11
(xi)	Sundaram-Clayton DCD Limited (Cost ₹ 25,000) ^		-	2,500	10.00	INR	Fully paid	-	-
(xii)	Sundaram-Clayton GmbH (Cost Euro 25000) ^		-	25,000	1.00	EURO	Fully paid	-	0.23
(xiii)	Emerald Haven Realty Limited (Consequent to Business combination)	Subsidiary	22,80,00,000	-	10.00	INR	Fully paid	342.00	-
	Total value of Equity Instruments (a)							1,964.70	808.37
(b)	<b>Investments related to employee benefits</b>								
(i)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai					INR	Fully paid	1.60	2.25
(ii)	Life Insurance Corporation Pension Policy, Chennai					INR	Fully paid	4.0073722	8.65
(iii)	Tulsyan NEC Limited, Chennai @ ^		-	1,63,125	10.00	INR	Fully paid	-	0.50
(iv)	Nagai Power Private Limited, Hyderabad ^		-	1,33,010	10.00	INR	Fully paid	-	0.13
	Total value of Other non-current Investments (b)							5.60	11.53
	<b>Total (a) + (b)</b>							<b>1,970.30</b>	<b>819.90</b>
	<b>Investments in Mutual Fund @ Fair Value through P&amp;L</b>								
(i)	IDFC Mutual Fund		-	6,618.48	10.00	INR	Fully paid	-	0.79
(ii)	SBI Mutual Fund		-	39,917.62	10.00	INR	Fully paid	-	10.85
	Total value of Current Investment							-	11.64
	<b>Total (4a) + (4b)</b>							<b>1,970.30</b>	<b>831.54</b>
	(i) Investments outside India							-	-
	(ii) Investments in India							1,970.30	831.54
	Less: Allowance for impairment loss							-	-
	<b>Total</b>							<b>1,970.30</b>	<b>831.54</b>
	Aggregate amount of quoted investments and market value thereof							51,372.92	25,733.32
	Aggregate amount of unquoted investments							376.86	802.74
	Aggregate amount of impairment in value of investments							-	-
	<b>Total</b>							<b>51,749.78</b>	<b>26,536.06</b>

^ As a part of Demerger all the Investment relating to Die Casting Division has been transferred to the Resulting Company

# The values have been arrived using the management's best estimate of the fair value of the fund. These values may not materially differ from the actuals.

@ Cost treated as Fair value

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

As at  
31-03-2024

As at  
31-03-2023

**6 OTHER FINANCIAL ASSETS**

a) Rental deposits	1.38	10.32
b) Interest accrued on deposits/investments	0.01	9.89
c) Claims receivable	0.05	1.12
d) Derivatives (Forwards, POS, Call spread, IRS)	–	5.98
e) Duty Drawback receivable	–	0.79
f) Employee Advances	0.99	2.85
<b>Total</b>	<b>2.43</b>	<b>30.95</b>

**DERIVATIVE FINANCIAL INSTRUMENTS**

S. No.	Description	As at March 31, 2024		
		Notional amounts	Fair Value - Assets	Fair Value - Liabilities
a)	Other Derivatives - Cross Currency Swap Derivatives designated as cash flow hedges	–	–	–

S. No.	Description	As at March 31, 2023		
		Notional amounts	Fair Value - Assets	Fair Value - Liabilities
a)	Other Derivatives - Cross Currency Swap Derivatives designated as cash flow hedges	–	5.98	0.37
	<b>Total</b>	–	5.98	0.37

The Company has a Board approved policy for entering into derivative transactions. Derivative transactions comprises of Cross Currency Interest Rate Swaps (CCIRS). The Company undertakes such transactions for hedging interest / foreign exchange risk on borrowings.

**7 INVENTORIES (at weighted average cost or net realisable value whichever is less)**

Raw materials and components*	–	21.48
Goods-in-transit - Traded Goods	4.58	–
Work-in-progress *	–	27.86
Finished goods *	–	185.28
Stores and spares *	–	113.43
Traded Goods	2.36	–
<b>Total Inventories</b>	<b>6.94</b>	<b>348.05</b>

\* As a part of Demerger all the Inventory relating to Die Casting Division has been transferred to the Resulting Company

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**Notes to Financial Statements**

As at  
31-03-2024                      As at  
31-03-2023

**8 DEFERRED TAX (ASSET) / LIABILITY**

The balance comprises temporary differences attributable to:

Depreciation	0.74	33.64
Employee benefits	(4.68)	(7.64)
Financial assets & Financial liabilities	1.19	(7.85)
MAT Credit	–	–
Others	(2.05)	–
<b>Total deferred tax liabilities / (assets)</b>	<b>(4.81)</b>	<b>18.15</b>

**Movement in deferred tax liabilities / (assets)**

Particulars	Depreciation	Employee benefits	Financial assets & Financial liabilities	Others	Total
<b>At April 1, 2022</b>	<b>40.24</b>	<b>(10.84)</b>	<b>(4.93)</b>	<b>(0.83)</b>	<b>23.64</b>
Charged / (credited):					
- to statement of profit and loss	(6.60)	3.27	(4.13)	0.83	(6.63)
- to tax relating to earlier years	–	–	–	–	–
- to other comprehensive income	–	(0.07)	1.21	–	1.14
<b>At March 31, 2023</b>	<b>33.64</b>	<b>(7.64)</b>	<b>(7.85)</b>	<b>–</b>	<b>18.15</b>
Charged / (credited):					
- to statement of profit and loss	0.74	(4.68)	(1.12)	1.41	(3.66)
- to tax relating to earlier years	–	–	–	–	–
- to other comprehensive income	–	–	2.32	(1.13)	1.18
- Business Combination	(33.64)	7.64	7.85	(2.33)	(20.48)
<b>At March 31, 2024</b>	<b>0.74</b>	<b>(4.68)</b>	<b>1.19</b>	<b>(2.05)</b>	<b>(4.81)</b>

**TVS Holdings Limited**  
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**Notes to Financial Statements**

**9. PROPERTY, PLANT & EQUIPMENT**

(Rupees in crores)

Description	Property, Plant & Equipment								Total
	Freehold land	Lease hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Right Of Use Asset	
	1	2	3	4	5	6	7	8	9
<b>Gross Block</b>									
As at 01-04-2023	14.87	45.44	158.79	900.87	8.20	20.95	2.65	52.55	1,204.32
Additions		-	-	16.72	0.07	0.84	0.17	6.02	23.82
<b>Sub-total</b>	<b>14.87</b>	<b>45.44</b>	<b>158.79</b>	<b>917.59</b>	<b>8.27</b>	<b>21.79</b>	<b>2.82</b>	<b>58.57</b>	<b>1,228.14</b>
Sales / deletion	(0.02)		(3.73)	(3.46)	(2.88)	(0.10)	(0.35)		(10.54)
Due to Business Combination	(12.05)	(45.44)	(151.79)	(909.37)	(1.91)	(16.96)	0.70	(50.07)	(1,186.90)
<b>Total</b>	<b>2.80</b>	<b>-</b>	<b>3.27</b>	<b>4.76</b>	<b>3.48</b>	<b>4.73</b>	<b>3.18</b>	<b>8.50</b>	<b>30.70</b>
<b>Depreciation</b>									
Upto 31-03-2023	-	1.64	37.58	504.04	5.43	12.77	1.03	19.94	582.44
For the year									
Amortisation	-	0.02	1.96	29.66	0.19	1.12	1.14	3.34	37.42
<b>Sub-total</b>	<b>-</b>	<b>1.66</b>	<b>39.54</b>	<b>533.70</b>	<b>5.62</b>	<b>13.89</b>	<b>2.17</b>	<b>23.29</b>	<b>619.87</b>
Withdrawn on assets sold / deleted	-	-	(1.32)	(3.18)	(2.25)	(2.75)	(0.25)	-	(9.76)
Due to Business Combination		(1.66)	(37.33)	(527.00)	(0.18)	(6.91)	0.40	(20.94)	(593.61)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.89</b>	<b>3.54</b>	<b>3.18</b>	<b>4.23</b>	<b>2.32</b>	<b>2.35</b>	<b>16.51</b>
<b>Net Carrying amount As at 31-03-2024</b>	<b>2.80</b>	<b>-</b>	<b>2.38</b>	<b>1.21</b>	<b>0.30</b>	<b>0.50</b>	<b>0.86</b>	<b>6.15</b>	<b>14.19</b>

**CAPITAL WORK-IN-PROGRESS (AT COST)**

	<b>2023-24</b>	<b>2022-23</b>
(a) Building	-	26.85
(b) Plant & equipment	-	27.18
(c) Others	-	3.10
<b>Total</b>	<b>-</b>	<b>57.13</b>

**Ageing of Capital work-in- progress as on 31<sup>st</sup> March 2024:**

Particulars	Amount of Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-

Description	Property, Plant & Equipment								Total
	Freehold land	Lease hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Right Of Use Asset	
	1	2	3	4	5	6	7	8	9
<b>Gross Block</b>									
As at 01-04-2022	14.87	45.44	158.15	861.58	8.23	17.16	2.56	52.55	1160.54
Additions	-	-	0.64	45.14	0.03	4.84	0.42	-	51.07
<b>Sub-total</b>	<b>14.87</b>	<b>45.44</b>	<b>158.79</b>	<b>906.72</b>	<b>8.26</b>	<b>22</b>	<b>2.98</b>	<b>52.55</b>	<b>1211.61</b>
Sales / deletion	-	-	-	(5.85)	(0.06)	(1.05)	(0.33)	-	-7.29
<b>Total</b>	<b>14.87</b>	<b>45.44</b>	<b>158.79</b>	<b>900.87</b>	<b>8.2</b>	<b>20.95</b>	<b>2.65</b>	<b>52.55</b>	<b>1204.32</b>
<b>Depreciation</b>									
Upto 31-03-2022	-	1.14	32.024	426.22	4.944	11.33	0.86	13.49	490.008
For the year		0.5	5.56	83.196	0.54	2.43	0.48	6.454	99.16
Amortisation	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>1.64</b>	<b>37.584</b>	<b>509.416</b>	<b>5.484</b>	<b>13.76</b>	<b>1.34</b>	<b>19.944</b>	<b>589.168</b>
Withdrawn on assets sold / deleted	-	-	-	(5.38)	(0.05)	(0.99)	(0.31)	-	(6.73)
<b>Total</b>	<b>-</b>	<b>1.64</b>	<b>37.584</b>	<b>504.036</b>	<b>5.434</b>	<b>12.77</b>	<b>1.03</b>	<b>19.944</b>	<b>582.438</b>
<b>Net Carrying amount As at 31-03-2023</b>	<b>14.87</b>	<b>43.8</b>	<b>121.206</b>	<b>396.834</b>	<b>2.766</b>	<b>8.18</b>	<b>1.62</b>	<b>32.606</b>	<b>621.88</b>

**CAPITAL WORK-IN-PROGRESS (AT COST)**

	<b>2022-23</b>
(a) Building	26.85
(b) Plant & equipment	27.18
(c) Others	3.10
<b>Total</b>	<b>57.13</b>

**Ageing of Capital work-in- progress as on 31<sup>st</sup> March 2023:**

Particulars	Amount of Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	56.26	-	0.56	0.31	57.13



**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**10 INTANGIBLE ASSETS:**

(Rupees in crores)

Description	Software
Gross block	
As at 01-04-2023	9.02
Additions	–
Sub-total	9.02
Sales / deletion	–
Due to Business Combination	(7.92)
<b>Total</b>	<b>1.10</b>
Depreciation	
Upto 31-03-2023	8.29
For the period	
Amortisation	0.18
Sub-total	8.47
Withdrawn on assets sold / deleted	–
Due to Business Combination	(7.42)
<b>Total</b>	<b>1.05</b>
<b>Net Carrying amount as at 31-03-2024</b>	<b>0.05</b>

Description	Software
Gross block	
As at 01-04-2022	8.98
Additions	0.89
Sub-total	9.87
Sales / deletion	(0.85)
<b>Total</b>	<b>9.02</b>
Depreciation	
Upto 31-03-2022	8.36
For the year	
Amortisation	0.78
Sub-total	9.14
Withdrawn on assets sold / deleted	(0.85)
<b>Total</b>	<b>8.29</b>
<b>Net Carrying amount as at 31-03-2023</b>	<b>0.73</b>

(Rupees in crores)

As at  
31-03-2024      As at  
31-03-2023

**11 OTHER NON-FINANCIAL ASSETS**

a) Indirect taxes receivable	6.32	0.78
b) Vendor advances	0.03	11.35
c) Prepaid expenses	4.58	24.08
d) Capital advances	–	16.12
e) Statutory and other deposits	0.10	12.85
f) Gratuity	1.77	3.10
g) Export Incentive receivable	–	0.45
<b>Total</b>	<b>12.8</b>	<b>68.72</b>

Refer Note 33

**12 TRADE PAYABLES**

(a) Total outstanding dues of micro enterprises and small enterprises	–	25.02
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	84.94	364.72
<b>Total</b>	<b>84.94</b>	<b>389.74</b>

**TRADE PAYABLES ( Ageing Schedule)**

The following schedules reflect ageing of trade payables with respect to the date of transactions

Particulars	Outstanding for following periods from due date of payment as at March 31, 2024				
	< year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed dues – MSME*	–	–	–	–	–
(ii) Undisputed dues – Others	84.94	–	–	–	84.94
(iii) Disputed dues – MSME*	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–
<b>Total</b>	<b>84.94</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>84.94</b>

Refer Note 37 for Other disclosures & Note 38 for related party transactions

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**TRADE PAYABLES ( Ageing Schedule) - (continued)**

The following schedules reflect ageing of trade payables with respect to the date of transactions

Particulars	Outstanding for following periods from due date of payment as at March 31, 2023				
	< year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed dues – MSME*	24.87	–	–	–	24.87
(ii) Undisputed dues – Others	362.1	0.91	0.13	1.58	364.72
(iii) Disputed dues – MSME*	–	0.15	–	–	0.15
(iv) Disputed dues – Others	–	–	–	–	–
<b>Total</b>	<b>386.97</b>	<b>1.06</b>	<b>0.13</b>	<b>1.58</b>	<b>389.74</b>

\* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same.

(Rupees in crores)

As at  
31-03-2024      As at  
31-03-2023

**13 DEBT SECURITIES**

At Amortised Cost

Non Convertible Debentures (Secured)

<b>Total (A)</b>	–	99.85
Debt securities in India	–	99.85
Debt securities outside India	–	–
<b>Total (B)</b>	–	99.85

**14 BORROWINGS (Other than Debt Securities)**

At Amortised Cost

(a) Term loans (Secured)

i) from banks - Rupee Term loan	–	250.98
ii) from other parties - State Owned Corporation	–	8.12
iii) External Commercial Borrowings	–	40.71
iv) Foreign Currency Non Resident Borrowings	–	114.50

(b) Loans repayable on demand

(i) cash credit from banks (secured)	–	–
(ii) working capital demand loan (Secured)	–	99.43
(iii) Short term loan / working capital demand loan (Unsecured)		
From Banks	225.00	56.02
From Others	325.00	–

<b>Total (A)</b>	<b>550.00</b>	<b>569.76</b>
Borrowings in India	550.00	569.76
Borrowings outside India	–	–
<b>Total (B)</b>	<b>550.00</b>	<b>569.76</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

(Rupees in crores)

As at  
31-03-2024      As at  
31-03-2023

**15 SUBORDINATED LIABILITIES**

At Amortised Cost-Unsecured

234,69,21,860 - 9% Cumulative Non-convertible Redeemable Preference Shares -  
other than those that qualify as Equity Refer Note 19

—      2,346.92

**Total (A)**

**—      2,346.92**

Subordinated Liabilities in India

—      2,346.92

Subordinated Liabilities outside India

—      —

**Total (B)**

**—      2,346.92**

- a. Refer Annexure for the terms of the debt securities, borrowings and subordinated liabilities.
- b. The Company has utilised the borrowed funds for the purposes for which the fund is obtained.
- c. The Company has not been declared willful defaulter by any Bank, financial Institution or other lender.
- d. There are no charges or satisfaction yet to be registered with ROC beyond the statutory time period.
- e. There is no unhedged foreign currency exposures.
- f. The Company has not breached any covenant relating to loan availed or debt securities issued.

**Annexure**

Description	Security	No. of instalments due	Frequency	Maturity	As at 31-03-2024	As at 31-03-2023
<b>Borrowings (Other than Debt Securities)</b>						
<u>Secured:</u>						
External Commercial Borrowing II (ECB II) *	First and exclusive charge on specific plant and equipments of the Company	4	Quarterly	Feb-24	-	40.71
State owned corporation *		1	Bullet payment	Apr-31	-	8.12
Rupee Term loan II *	First and <i>pari passu</i> charge on plant and equipments of the Company.	17	Quarterly	Dec-28	-	75.00
Foreign Currency Non-resident Borrowings (FCNR(B)) III *	Hypothecation of all current assets	19	Quarterly	Dec-27	-	114.50
Rupee Term loan III *		18	Quarterly	Sep-27	-	175.98
Working Capital Loan*						99.43
<u>Unsecured:</u>						
Short Term Loan			Bullet payment	Jun-24	225.00	-
Short Term Loan			Bullet payment	Jun-24	325.00	-
Working Capital Loan*			Bullet payment	Jun-24	-	56.02
<b>Debt Securities Unsecured :</b>						
Non Convertible Debentures *		2	Yearly	Aug-25	-	99.85
9% Cumulative Non-convertible Redeemable Preference Shares					-	2,346.92
<b>Total Borrowings :</b>					<b>550.00</b>	<b>3,016.53</b>

\* As a part of Demerger all the borrowings relating to Die Casting Division has been transferred to the Resulting Company

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

(Rupees in crores)

	As at 31-03-2024	As at 31-03-2023
<b>16 OTHER FINANCIAL LIABILITIES</b>		
a) Interest accrued but not due on loans	–	11.61
b) Unclaimed Dividend not due for Investor Education Protection Fund	198.27	1.22
c) Dividend declared but not paid	–	0.15
d) Employee related liabilities	7.67	43.77
e) Derivatives	–	0.37
f) Lease Liability*	6.53	20.53
g) Liabilities for Expenses	3.66	0.06
<b>Total</b>	<b>216.13</b>	<b>77.71</b>
*Refer Note No 37(viii) for disclosure on Lease liability		
<b>17 PROVISIONS</b>		
a) Pension	17.96	25.69
b) Leave Salary	0.97	7.81
Others		
a) Warranty	–	3.84
b) Disputed tax provided for	2.34	2.33
<b>Total</b>	<b>21.27</b>	<b>39.67</b>
*Refer Note No 33 for disclosure on Employee Benefit Obligations		
<b>18 OTHER NON-FINANCIAL LIABILITIES</b>		
a) Statutory dues	86.12	1.56
b) Advance received from customers	5.77	17.8
c) Government Grant - Deferred income	–	1.52
<b>Total</b>	<b>91.89</b>	<b>20.88</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**19 SHARE CAPITAL**

(a) **Details of authorised, issued and subscribed share**

(i) **Equity Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
<u>Authorised Capital</u> Equity Shares of ₹ 5/- each	9,22,00,000	46.10	5,00,00,000	25.00
<u>Issued, Subscribed &amp; Paid up Capital</u> Equity Shares of ₹ 5/- each fully paid	20,232,104	10.12	2,02,32,085	10.12
	20,232,104	10.12	2,02,32,085	10.12

(ii) **Preference Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
<u>Authorised Preference share Capital</u> Preference Shares of ₹ 10/- each	2,500,000,000	2,500.00	2,500,000,000	2,500.00
<u>Issued, Subscribed &amp; Paid up Capital</u> 9% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10/- each fully paid (NCRPS)	–	–	2,34,69,21,860	2,346.92
	–	–	2,34,69,21,860	2,346.92

(b) **Reconciliation of shares outstanding at the beginning and at the end of the year**

(i) **Equity Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
Shares outstanding at the beginning of the year	2,02,32,085	10.12	2,02,32,085	10.12
Shares Issued during the year	19	–	–	–
Shares outstanding at the end of the year	20,232,104	10.12	2,02,32,085	10.12

(ii) **Preference Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
Shares outstanding at the beginning of the year	2,346,921,860	2,346.92	–	–
Shares Issued during the year	–	–	2,346,921,860	2,346.92
Shares redeemed / cancelled during the year	2,346,921,860	2346.92186	–	–
Shares outstanding at the end of the year	–	–	2,346,921,860	2,346.92

(c) (i) **Rights and preferences attached to equity share:**

Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

There are no restrictions attached to equity shares.

(ii) **Rights attached to NCRPS share:**

The NCRPS do not have voting rights other than in respect of matters directly affecting it, The NCRPS will be redeemed along with coupon at the end of 1 year from the date of allotment.

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**19 SHARE CAPITAL - (continued)**

- (d) **Details of shares held by holding / ultimate holding / subsidiaries / associates of holding company at the end of 31<sup>st</sup> March 2024 for both Equity and Preference Share Capital**

Name of the Shareholder	Relationship	Class of share	As at 31-03-2024		As at 31-03-2023	
			Number of Shares held	% of Holding	Number of Shares held	% of Holding
Mr Venu Srinivasan, representing VS Trust	Controlling Entity	Equity	1,05,25,443	52.02	–	–
TVS Holdings Private Limited, Chennai	Holding Company	Equity	–	–	1,30,94,460	64.72

**(ii) Preference Share Capital**

Name of the Shareholder	Relationship	Class of share	As at 31-03-2024		As at 31-03-2023	
			Number of Shares held	% of Holding	Number of Shares held	% of Holding
Mr Venu Srinivasan, representing VS Trust	Controlling Entity	Preference	NIL			
TVS Holdings Private Limited, Chennai	Holding Company	Preference	–	–	1, 51,89,57,360	64.72

- (e) **Details of shareholders holding more than five percent at the end (other than 19 (d)) above**

Name of the Shareholder	Class of share	As at 31-03-2024		As at 31-03-2023	
		Number of Shares held	% of Holding	Number of Shares held	% of Holding
Sundaram Finance Holdings Limited - Chennai	Equity	13,12,057	6.49	1,514,378	7.49

Name of the Shareholder	Class of share	As at 31-03-2024		As at 31-03-2023	
		Number of Shares held	% of Holding	Number of Shares held	% of Holding
Sundaram Finance Holdings Limited- Chennai	Preference	–	–	17,56,67,848	7.49

- (f) **Details of shares held by promoters**

Name of the Promoter	Class of share	As at 31-03-2024		As at 31-03-2023	
		Number of Shares held	% of Holding	Number of Shares held	% of Holding
Mr Venu Srinivasan, representing VS Trust	Equity	10,525,443	52.02	–	–
Mr Venu Srinivasan		2,38,28,47,397	11.78	–	–
TVS Holdings Private Limited, Chennai		–	–	1,30,94,460	64.72

Name of the Promoter	Class of share	As at 31-03-2024		As at 31-03-2023	
		Number of Shares held	% of Holding	Number of Shares held	% of Holding
Mr Venu Srinivasan, representing VS Trust	Preference	NIL		–	–
Mr Venu Srinivasan				–	–
TVS Holdings Private Limited, Chennai				1,51,89,57,360	64.72



**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**20 OTHER EQUITY**

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	36.42	36.42
Statutory Reserve	67.75	—
Retained earnings	1,326.08	650.74
Other reserves	9.20	13.27
<b>Total reserves and surplus</b>	<b>1,439.45</b>	<b>700.43</b>

Refer Statement of Changes in Equity

**Securities Premium:**

This represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

**Statutory Reserves:**

According to Section 45 - IC of the Reserve Bank of India Act, 1934, the Company transfers a sum not less than 20% of its net profit every year as disclosed in the statement of Profit and Loss and before declaration of any dividend to the Statutory reserves.

**Retained Earnings:**

Represents Company's cumulative undistributed earnings since its inception. This is available for distribution to Shareholders through dividends / capitalisation.

**21 INCOME**

	Year ended 31.03.2024	Year ended 31.03.2023
Sale of products	747.52	1,979.66
Sale of services	141.96	66.07
Other operating revenue	8.86	28.23
Sale of Traded Goods	380.72	—
Dividend income		
(i) From subsidiary	191.03	119.39
(ii) From others	—	0.88
Interest income		
(i) From Banks	52.73	—
(ii) From others	1.10	1.64
Net gain on Sale / Fair Value of Investments	83.85	1.66
<b>Total</b>	<b>1,607.77</b>	<b>2,197.53</b>

Refer Note 38 for transactions with related parties

**22 OTHER INCOME**

Rental Income	0.25	—
Interest Income from IT refund	0.06	—
Gain on foreign currency transactions and translation	—	8.89
Profit on sale of Property, Plant & Equipment	38.48	0.30
<b>Total</b>	<b>38.79</b>	<b>9.19</b>

Refer Note 38 for transactions with related parties

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

	Year ended 31.03.2024	(Rupees in crores) Year ended 31.03.2023
<b>23 FINANCE COSTS</b>		
On financial liabilities measured at amortised cost		
Interest Cost		
- Interest on Borrowings (other than Debt Securities)	21.03	31.60
- Interest on Debt Securities	2.66	7.80
- Interest on Subordinated Liabilities	74.52	4.05
- Interest on Lease Liabilities	0.79	2.09
Other Finance Charges	0.09	0.28
<b>Total</b>	<b>99.09</b>	<b>45.82</b>
<b>24 COST OF MATERIALS CONSUMED</b>		
Opening stock of raw materials and components	22.76	22.76
Add: Purchases	420.85	1,100.32
	<b>443.61</b>	<b>1,123.08</b>
Less: Closing stock of raw materials and components	36.17	21.48
<b>Total *</b>	<b>407.44</b>	<b>1,101.60</b>
* As a part of Demerger all the Stock relating to Die Casting Division has been transferred to the Resulting Company		
<b>25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE</b>		
Opening stock:		
Work-in-progress	27.86	34.05
Finished goods	185.28	194.42
Stock in Trade ^	0.82	
<b>Total - (A)</b>	<b>213.97</b>	<b>228.47</b>
Transfer on account of Demerger (10 <sup>th</sup> August 2023)		
Work-in-progress *	28.49	—
Finished goods *	177.44	—
<b>Total - (B)</b>	<b>205.93</b>	<b>—</b>
Closing stock:		
Stock in Trade	—	—
Work-in-progress	0.62	27.86
Finished goods	—	185.28
<b>Total - (C)</b>	<b>0.62</b>	<b>213.14</b>
<b>Total (A) - (B) - (C)</b>	<b>7.42</b>	<b>15.33</b>

\* As a part of Demerger all the Inventory relating to Die Casting Division has been transferred to the Resulting Company

^ Received due to business combination on 15<sup>th</sup> June 2023

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

	Year ended 31.03.2024	(Rupees in crores) Year ended 31.03.2023
<b>26 EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages and Bonus	76.72	186.08
Contribution to Provident and other funds	4.72	11.6
Welfare Expenses	18.17	36.95
<b>Total</b>	<b>99.61</b>	<b>234.63</b>
Refer Note 38 for transactions with related parties		
<b>27 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation on Property, Plant and Equipment	34.08	92.21
Depreciation on Right-to-use asset	3.34	6.45
Amortisation on Intangible assets	0.18	0.78
Amortisation on leasehold land	0.02	0.50
<b>Total</b>	<b>37.62</b>	<b>99.94</b>
<b>28 OTHER EXPENSES</b>		
(a) Consumption of stores, spares and tools	28.88	73.64
(b) Power and fuel	51.13	129.00
(c) Repairs - buildings	7.98	21.38
(d) Repairs - plant and equipment	14.66	44.24
(e) Repairs - others	0.65	0.92
(f) Insurance	3.26	9.02
(g) Rates and taxes (excluding taxes on income)	2.03	4.82
(h) Audit fees	0.55	0.75
(i) Packing and freight charges	29.78	98.44
(j) Warehousing charges	7.70	18.91
(k) Loss on sale of Property, plant & equipment	0.05	—
(l) Loss on foreign currency transactions and translation	0.87	—
(m) Corporate social responsibility expenditure	2.00	0.45
(n) Professional Fees - Legal & Consultancy	26.92	23.08
(o) Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or ₹ 10 lakh, whichever is higher)	27.25	48.78
<b>Total</b>	<b>203.71</b>	<b>473.43</b>
<b>29 EXCEPTIONAL ITEMS</b>		
Interest income on share sale proceeds re-invested	—	111.87
Interest expenses of Bonus Cumulative Non-convertible Redeemable Preference Shares	—	(4.05)
One time voluntary separation costs	(5.07)	(17.10)
<b>Total</b>	<b>(5.07)</b>	<b>90.72</b>
<b>30 CURRENT TAX</b>		
Current tax on profits for the period	76.06	64.02
Adjustments for current tax of prior periods	(1.02)	(3.81)
<b>Total</b>	<b>75.04</b>	<b>60.21</b>

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

	Year ended 31.03.2024	(Rupees in crores) Year ended 31.03.2023
<b>31 DEFERRED TAX</b>		
Decrease (increase) in deferred tax assets including Business combination	(4.40)	11.15
(Decrease) increase in deferred tax liabilities including Business combination	0.74	(17.78)
<b>Total deferred tax expense / (benefit)</b>	<b>(3.66)</b>	<b>(6.63)</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before tax expense	410.12	326.69
<b>Tax at the Indian tax rate of 25.17%</b>	<b>103.23</b>	<b>82.23</b>
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Dividend Income	(48.08)	(30.27)
Tax difference on sale of assets	2.16	–
Expenses wholly / partially not allowed for deductions	15.09	1.96
Tax relating to earlier years	(1.02)	(3.81)
Difference in tax effect due to composite scheme of arrangement	–	3.47
<b>Tax expense / (benefit)</b>	<b>71.38</b>	<b>53.58</b>
<b>32 EARNINGS PER SHARE</b>		
(a) Basic and diluted earnings per share (₹)	167.43	134.99
(b) Earnings of company used as numerator in calculating basic and diluted earnings per share	338.74	273.11
(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,02,32,092	2,02,32,085
<b>33 EMPLOYEE BENEFIT OBLIGATIONS</b>		
Pension	17.96	25.69
Leave Salary	0.97	7.81
Gratuity	(1.77)	(3.09)
<b>Total employee benefit obligations</b>	<b>17.16</b>	<b>30.41</b>

**TVS Holdings Limited**  
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Notes to Financial Statements - (continued)

(Rupees in crores)

**33 EMPLOYEE BENEFIT OBLIGATIONS - (continued)**

Amount recognised in the Balance sheet and the movements in the net defined benefit obligation / other employee benefits over the years are as follows:

Particulars	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2023</b>	<b>24.63</b>	<b>27.72</b>	<b>(3.09)</b>	<b>25.69</b>	–	<b>25.69</b>	<b>7.81</b>	–	<b>7.81</b>
Current service cost	0.70		0.70	–	–	–	0.12	–	0.12
Interest expense / (income)	0.96	1.98	(1.02)	1.54	–	1.54	0.32	–	0.32
<b>Total amount recognised in statement of profit and loss</b>	<b>1.67</b>	<b>1.98</b>	<b>(0.32)</b>	<b>1.54</b>	–	<b>1.54</b>	<b>0.44</b>	–	<b>0.44</b>
<i>Remeasurements:</i>									
Return on plan assets, excluding amounts included in interest expense / (income)	–	1.09	(1.09)	–	–	–	–	–	–
(Gain) / loss from change in financial assumptions	0.11	–	0.11	0.45	–	0.45	–	–	–
Experience (gains) / losses	(0.56)	–	(0.56)	0.12	–	0.12	–	–	–
Effect of Business combination / Disposal	–	–	–	0.30	–	0.30	–	–	–
<b>Total amount recognised in other comprehensive income</b>	<b>(0.45)</b>	<b>1.08</b>	<b>(1.53)</b>	<b>0.87</b>	–	<b>0.87</b>	–	–	–
Employer contribution	–	–	–	–	–	–	–	–	–
Benefit payments	(1.00)	(1.00)	–	(0.77)	–	(0.77)	(0.28)	–	(0.28)
Effect of Business combination / Disposal	(23.00)	(26.18)	3.18	(9.37)	–	(9.37)	(7.00)	–	(7.00)
<b>March 31, 2024</b>	<b>1.85</b>	<b>3.62</b>	<b>(1.77)</b>	<b>17.96</b>	–	<b>17.96</b>	<b>0.97</b>	–	<b>0.97</b>

Amount recognised in the Balance sheet and the movements in the net defined benefit obligation / other employee benefits over the years are as follows:

Particulars	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2022</b>	<b>25.39</b>	<b>19.91</b>	<b>5.48</b>	<b>28.65</b>	–	<b>28.65</b>	<b>8.99</b>	–	<b>8.99</b>
Current service cost	1.61	–	1.61	–	–	–	–	–	–
Interest expense / (income)	1.86	1.69	0.17	1.81	–	1.81	0.54	–	0.54
<b>Total amount recognised in statement of profit and loss</b>	<b>3.47</b>	<b>1.69</b>	<b>1.78</b>	<b>1.81</b>	–	<b>1.81</b>	<b>0.54</b>	–	<b>0.54</b>
<i>Remeasurements:</i>									
Return on plan assets, excluding amounts included in interest expense / (income)	–	(1.20)	1.20	–	–	–	–	–	–
(Gain) / loss from change in financial assumptions	0.95	–	0.95	(1.24)	–	(1.24)	0.06	–	0.06
Experience (gains) / losses	(2.33)	–	(2.33)	(0.90)	–	(0.90)	2.52	–	2.52
<b>Total amount recognised in other comprehensive income</b>	<b>(1.38)</b>	<b>(1.20)</b>	<b>(0.18)</b>	<b>(2.14)</b>	–	<b>(2.14)</b>	<b>2.58</b>	–	<b>2.58</b>
Employer contribution	–	10.17	(10.17)	–	–	–	–	–	–
Benefit payments	(2.85)	(2.85)	–	(2.63)	–	(2.63)	(4.30)	–	(4.30)
<b>March 31, 2023</b>	<b>24.63</b>	<b>27.72</b>	<b>(3.09)</b>	<b>25.69</b>	–	<b>25.69</b>	<b>7.81</b>	–	<b>7.81</b>

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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**33 EMPLOYEE BENEFIT OBLIGATIONS - (continued)**

**(i) Post-Employment benefits**

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Details	Gratuity		Pension		Leave salary	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	6.97%	7.22%	6.88%	7.15%	6.97%	7.20%
Salary growth rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Mortality rate	IALM (2006-08) Ultimate					

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at 58 years.

**(ii) Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Gratuity	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	0.50%	0.50%	1.78	23.40	1.91	25.95
Salary growth rate	0.50%	0.50%	1.91	25.97	1.78	23.37
Mortality rate	5.00%	5.00%	1.85	24.62	1.84	24.61

Pension	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	1.00%	1.00%	16.93	23.79	19.12	27.89
Salary growth rate	1.00%	1.00%	19.19	28.02	16.85	23.66
Mortality rate	5.00%	5.00%	17.64	25.32	18.29	26.07

Leave Salary	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	0.50%	0.50%	0.94	7.49	1.00	8.15
Salary growth rate	0.50%	0.50%	1.00	8.16	0.94	7.48
Mortality rate	5.00%	5.00%	0.97	7.81	0.97	7.81

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability recognised in the balance sheet.

**(iii) Risk exposure**

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility:** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an



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**Notes to Financial Statements - (continued)**

**33 EMPLOYEE BENEFIT OBLIGATIONS - (continued)**

acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the above investment mix in the continuing years.

**Changes in bond yield:** A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

**Inflation risks:** In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**Life expectancy:** The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

**Defined contribution plans:** The Company's contribution to defined contribution plan i.e., provident fund of ₹ 3.63 crores (previous year Rs.6.75 crores) has been recognised in the Statement of Profit and Loss.

**34 FAIR VALUE MEASUREMENTS**

(Rupees in crores)

Financial instruments by category	March 31, 2024			March 31, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	-	27.36	1,937.34	-	29.88	778.49
- Others	-	-	5.60	11.64	-	11.53
Trade receivables	-	-	24.69	-	-	279.83
Balances with Banks	-	-	372.55	-	-	2,029.65
Derivative financial assets	-	-	-	5.98	-	-
Security deposits	-	-	1.38	-	-	10.32
Other financial assets	-	-	1.05	-	-	14.77
<b>Total financial assets</b>	-	<b>27.36</b>	<b>2,342.61</b>	<b>17.62</b>	<b>29.88</b>	<b>3,124.59</b>
<b>Financial liabilities</b>						
Trade payables	-	-	84.94	-	-	389.74
Borrowings - Current	-	-	550.00	-	-	2,502.37
Borrowings - Non Current	-	-	-	-	-	428.91
Current Maturities of long term borrowings	-	-	-	-	-	85.25
Derivative financial liabilities	-	-	-	-	0.37	-
Lease Liabilities	-	-	6.53	-	-	20.53
Other financial liabilities	-	-	209.60	-	-	56.81
<b>Total financial liabilities</b>	-	-	<b>851.07</b>	-	<b>0.37</b>	<b>3,483.61</b>

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**Notes to Financial Statements - (continued)**

**34 FAIR VALUE MEASUREMENTS - (continued)**

(Rupees in crores)

**(i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Financial assets and liabilities measured at fair value – recurring fair value measurements**

At 31 March 2024	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial assets at FVTPL:</b>					
Derivative financial asset	–	–	–	–	–
<b>Financial assets at FVOCI:</b>					
Investments					
- Equity instruments	5	–	27.36	–	27.36
- Others	–	–	–	–	–
Derivative financial asset	–	–	–	–	–
<b>Total financial assets</b>	–	–	<b>27.36</b>	–	<b>27.36</b>
<b>Financial liabilities</b>					
<b>Financial liabilities at FVTPL:</b>					
Derivative financial liability	–	–	–	–	–
<b>Financial liabilities at FVOCI:</b>					
Derivative financial liability	–	–	–	–	–
<b>Total financial liabilities</b>	–	–	–	–	–

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

At 31 March 2024	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Investments					
Equity instruments	5	1,935.44	–	1.90	1,937.34
Others	5	–	–	5.60	5.60
<b>Total financial assets</b>		<b>1,935.44</b>	–	<b>7.50</b>	<b>1,942.94</b>
<b>Financial Liabilities</b>					
Borrowings	13 to 15	–	–	550.00	550.00
<b>Total financial liabilities</b>		–	–	<b>550.00</b>	<b>550.00</b>

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

At 31 March 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
<b>Financial assets at FVTPL:</b>					
Derivative financial asset	6	–	17.62	–	17.62
<b>Financial Investments at FVOCI:</b>					
Investments					
- Equity instruments	5	–	25.00	4.88	29.88
<b>Total financial assets</b>		–	<b>42.62</b>	<b>4.88</b>	<b>47.50</b>
<b>Financial liabilities</b>					
<b>Financial Investments at FVOCI:</b>					
Derivative financial liability	16	–	0.37	–	0.37
<b>Total financial liabilities</b>		–	<b>0.37</b>	–	<b>0.37</b>

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**Notes to Financial Statements - (continued)**

**34 FAIR VALUE MEASUREMENTS - (continued)**

(Rupees in crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 31 March 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Investments					
Equity instruments	4	17.16	-	761.10	778.26
Others	4	-	-	11.53	11.53
<b>Total financial assets</b>		<b>17.16</b>	<b>-</b>	<b>772.63</b>	<b>789.79</b>
<b>Financial Liabilities</b>					
Borrowings	15,17	-	-	3,016.53	3,016.53
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,016.53</b>	<b>3,016.53</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principle only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

FVTPL - Fair value through statement of Profit and Loss; FVOCI - Fair value through Other Comprehensive Income.

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**Notes to Financial Statements - (continued)**

**35 FINANCIAL RISK MANAGEMENT**

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

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		<ul style="list-style-type: none"> <li>i) The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions.</li> <li>ii) Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).</li> <li>iii) The risk is measured through a forecast of highly probable foreign currency cash flows. The Company has a forex management policy which is duly approved by the Board.</li> <li>iv) The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.</li> </ul>
Market Risk - Interest rate	Foreign currency denominated borrowings	<ul style="list-style-type: none"> <li>i) The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow risk.</li> <li>ii) Company's policy is to maintain most of its borrowings at fixed rate using interest rate swaps. The Company's fixed rate borrowings are carried at amortised cost.</li> <li>iii) Foreign currency borrowings are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.</li> </ul>
Liquidity Risk	Borrowings (Other than soft loans given by Govt. Authorities)	<ul style="list-style-type: none"> <li>i) The company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.</li> <li>ii) The Company prepares a detailed annual operating plans to assess the fund requirements - both short term and long term.</li> <li>iii) Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance.</li> <li>iv) Company has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board.</li> <li>v) For long term fund requirements, Company targets various options such as rupee term loan, external commercial borrowing, debentures etc.</li> <li>vi) The Company obtains a credit rating for the various borrowing facilities on annual basis. Company constantly monitors the free cashflow from operations to ensure that the borrowings are minimized.</li> </ul>
Credit Risk		<ul style="list-style-type: none"> <li>i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost.</li> <li>ii) The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.</li> <li>iii) To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.</li> <li>iv) It considers available reasonable and supportive forward-looking information (more specifically described below).</li> <li>v) A default on a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.</li> </ul>
a.	Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
b.	Domestic Trade Receivables	<ul style="list-style-type: none"> <li>i) The Company extends credit to the customers and such extension of credit is based on customers' credit worthiness, ability to repay and past track record.</li> <li>ii) The Company has extensive reporting systems and review to constantly monitor the receivables.</li> </ul>
c.	Export Trade Receivables	The Company's export customers are Original Equipment Manufacturers with high credit rating. Export receivables are also covered through Insurance with Export Credit Guarantee Corporation of India Limited.

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**Notes to Financial Statements - (continued)**

**35 FINANCIAL RISK MANAGEMENT – (continued)**

Risk	Exposure arising from	Risk Parameters and Mitigation
Export trade receivables and Import Payables		i) The Company has a forex management policy duly approved by the Board. The Company's policy is to hedge most of its net currency exposure. ii) Company reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements are strictly adhered.
Foreign currency denominated borrowings		The Company has hedged its borrowings by covering the principal repayments using Principal Only Swaps and cost reduction structure viz., Call Spread under the approved Forex management policy.

**(A) Credit risk**

**Basis of recognition of expected credit loss & providing for such loss**

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses		Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

31-Mar-23

**a) Expected credit loss for investments and other financial assets**

(Rupees in crores)

Particulars	Internal rating	Asset/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	11.53	–	–	11.53
	1	Other financial assets	25.09	–	–	25.09

**b) Expected credit loss for trade receivables under simplified approach**

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	261.02	27.22	288.24
Expected loss rate	0%	30%	–
Expected credit losses	0.15	8.26	8.41
Carrying amount of trade receivables	260.87	18.96	279.83

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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**35 FINANCIAL RISK MANAGEMENT – (continued)**

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

Loss allowance March 31, 2022	3.60
Changes in loss allowance	4.81
<b>Loss allowance March 31, 2023</b>	<b>8.41</b>
Changes in loss allowance - consequent to business combination	(8.41)
<b>Loss allowance March 31, 2024</b>	<b>-</b>

**(B) Liquidity risk**

**(i) Financing arrangements**

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

Floating rate	31 March, 2024	31 March, 2023
- Expiring within one year (bank overdraft and other facilities)	-	624.55

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity ranging from 30 to 180 days.

**(ii) Maturities of financial liabilities**

The tables below analyse The company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

**31-Mar-24**

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	550.00	-	-	-	-	550.00
Trade payables	84.94	-	-	-	-	84.94
Lease liabilities	0.37	0.38	0.80	4.97	-	6.53
Other financial liabilities	209.60	-	-	-	-	209.60
Derivatives	-	-	-	-	-	-

**31-Mar-23**

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	19.97	19.97	2,462.43	431.03	83.12	3,016.52
Trade payables	389.74	-	-	-	-	389.74
Lease liabilities	4.37	4.25	7.97	24.76	-	41.35
Other financial liabilities	57.18	-	-	-	-	57.18
Derivatives	-	-	-	-	-	-



**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**35 FINANCIAL RISK MANAGEMENT – (continued)**

**(C) Market risk**

**i) Foreign exchange risk**

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

Particulars	31-03-2024		31-03-2023	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
Trade receivables	–	–	206.45	58.84
Derivatives	–	–	5.37	0.01
<b>Exposure to foreign currency risk (assets)</b>	<b>–</b>	<b>–</b>	<b>211.82</b>	<b>58.85</b>
<b>Financial liabilities</b>				
Foreign currency loan	–	–	40.72	–
Trade payables	–	–	3.73	2.69
Derivatives	–	–	0.02	0.35
<b>Exposure to foreign currency risk (liabilities)</b>	<b>–</b>	<b>–</b>	<b>44.47</b>	<b>3.04</b>
<b>Net Exposure to foreign currency risk assets / (liabilities)</b>	<b>–</b>	<b>–</b>	<b>167.35</b>	<b>55.81</b>

Note: Company has insignificant exposure to other foreign currencies and therefore the foreign currency risk of the same is immaterial.

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
USD sensitivity				
INR/USD Increases by 10%	–	12.66	–	0.02
INR/USD Decreases by 10%	–	(12.66)	–	(0.02)
EURO sensitivity				
INR / EURO Increases by 10%	–	4.23	–	–
INR / EURO Decreases by 10%	–	(4.23)	–	–

\* Holding all other variables constant

**ii) Interest Rate risk**

For short term borrowings the marginal cost of lending rate of the bank is followed. In respect of foreign currency borrowings for longer period, the interest rates are covered through interest rate swaps (IRS).

Particulars	31-Mar-24	31-Mar-23
Variable rate borrowings	550.00	331.43
Fixed rate borrowings	–	2,685.10

Sensitivity	Impact on profit after tax	
	31-Mar-24	31-Mar-23
Increase in interest rates by 100 bps	(4.11)	(2.51)
Decrease in interest rates by 100 bps	4.11	2.51

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**35 FINANCIAL RISK MANAGEMENT – (continued)**

(Rupees in crores)

iii) **Price risk**

The company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through other comprehensive income or at fair value through statement of profit and loss. To manage its price risk from investments in equity securities, the Company diversifies its portfolio. The impact of the changes in price risk is not material.

**(D) Impact of hedging activities**

Disclosure of effects of hedge accounting on financial position as at 31-03-2024 not applicable since no hedging activity taken place.

i) Disclosure of effects of hedge accounting on financial position

a) Disclosure of effects of hedge accounting on financial position as at 31-03-2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Foreign exchange forward contracts	–	–	–	–	Apr'23 to Jun'23	(0.24)	0.24
Principal only swaps (POS), interest rate swaps (IRS) & Call Spread	–	–	–	–	Apr'23 to Feb'24	(5.37)	5.37

b) Disclosure of effects of hedge accounting on financial position as at 31-03-2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Foreign exchange forward contracts	261.71	–	0.61	0.37	Apr'23 to May'23	0.09	0.09
Principal only swaps (POS), interest rate swaps (IRS) & Call spread	–	40.72	5.37	–	Apr'23 to Feb'24	1.33	(1.33)

ii) Disclosure of effects of hedge accounting on financial performance :

a) for the year ended 31-03-2024

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge : Foreign exchange forward contracts & IRS	–	–	0.49	–

b) for the year ended 31-03-2023

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge : Foreign exchange forward contracts & IRS	0.49	–	(3.66)	–

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**35 FINANCIAL RISK MANAGEMENT – (continued)**

Movements in Cash flow hedging reserve

Particulars	Forward contracts	Interest rate swap	Total
<b>Closing balance as at March 31, 2022</b>	<b>(0.29)</b>	<b>(3.37)</b>	<b>(3.66)</b>
Change in fair value of hedging instruments	0.66	0.87	1.53
Reclassification to statement of profit and loss	(0.33)	3.34	3.01
Deferred tax on the above	–	(0.39)	(0.39)
<b>Closing balance as at March 31, 2023</b>	<b>0.04</b>	<b>0.45</b>	<b>0.49</b>
Change in fair value of hedging instruments	–	–	–
Reclassification to statement of profit and loss	(0.04)	–	(0.04)
Adjustment due to Business Combination	–	(0.45)	(0.45)
Deferred tax on the above	–	–	–
<b>Closing balance as at March 31, 2024</b>	<b>–</b>	<b>–</b>	<b>–</b>

**36 CAPITAL MANAGEMENT**

**(a) Risk management**

The Company's objectives in regard to managing capital are

- safeguard its status as a going concern
- to ensure returns to shareholders
- to ensure benefits to stakeholders

In order to maintain optimum capital structure, the board may

- increase the capital by fresh issue of shares or
- reduce the same by return to equity holders
- vary the equity by increasing or reducing the quantum of dividend

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

Net debt divided by total equity

Gearing ratio refers to the level of a company's debt compared to its total equity.

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

Particulars	31-Mar-24	31-Mar-23
Net debt	454	661
Total equity (excluding exceptional income arising out of sale of shares)	1,450	711
<b>Net debt to equity ratio</b>	<b>0.31</b>	<b>0.93</b>

**(b) Dividends**

Particulars	31-Mar-24	31-Mar-23
Equity shares:		
Dividend declared for the year ended 31.03.2024 (₹ 94 / share)	190.18	–
Dividend declared for the year ended 31.03.2023 (₹ 59/ share)	–	119.37

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**37 OTHER DISCLOSURES**

**(i) Contingent liabilities**

Details	31-Mar-24	31-Mar-23
(i) Claims against the Company not acknowledged as debt		
- Income tax	9.52	7.94
- Service tax / Excise	—	—
- Value Added Tax	—	0.19
- Goods and Service Tax	5.62	59.94
(ii) Guarantees excluding Financial Guarantees	—	—
(iii) Other money for which the Company is contingently liable	—	4.47
<b>Total</b>	<b>15.14</b>	<b>72.54</b>

**(ii) Capital commitments**

Details	31-Mar-24	31-Mar-23
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	—	210.65
(ii) Investments (On commitment for capital contribution to TVS Shriram Growth Fund 3 of TVS Capital Funds Limited, Chennai)	1.84	2.84
<b>Total</b>	<b>1.84</b>	<b>213.49</b>

**(iii) Audit Fees**

Details	31-Mar-24	31-Mar-23
As statutory auditors	0.38	0.58
Taxation matters	0.10	0.10
Certification matters	0.07	0.07
<b>Total</b>	<b>0.55</b>	<b>0.75</b>

**(iv) Expenditure incurred on Corporate Social Responsibility activities:**

Details	31-Mar-24	31-Mar-23
(a) Gross amount required to be spent by the Company during the year	1.21	0.45
(b) Amount spent during the year in cash:		
(i) Construction / acquisition of any asset	—	—
(ii) On purposes other than (i) above	2.00	0.45
<b>Total</b>	<b>2.00</b>	<b>0.45</b>
(c) Shortfall at the end of the year	—	—
(d) Total of previous years shortfall	—	—
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	Economic development, Education, Environment, Health, Infrastructure & Water Conservation	
(g) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

**(v) Segment Reporting:**

Pursuant to becoming a "Core Investment Company -CIC " the Company has two reportable operating segments viz., automotive components and financial services. The Company is providing segment information in consolidated financial results in accordance with IND AS 108 "Operating Segments".

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**37 OTHER DISCLOSURES – (continued)**

(vi)	<b>Trade payables</b>	31-Mar-24	31-Mar-23
	Trade payables include amount due to micro and small scale industrial units	–	25.02
	Disclosure under Micro, Small and Medium Enterprises Development Act, 2006	31-Mar-24	31-Mar-23
	(i) The principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
	a) Principal (all are within agreed credit period and not due for payment)	–	25.02
	b) Interest (as no amount is overdue)	Nil	Nil
	(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
	(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
	(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
	(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

(vii)	<b>Trade receivables</b>	31-Mar-24	31-Mar-23
	Considered good - Unsecured	24.69	288.24
	Having significant increase in credit risk	–	–
	Credit impaired	–	–
	<b>Total</b>	<b>24.69</b>	<b>288.24</b>
	Loss allowance	–	8.41
	<b>Total trade receivables</b>	<b>24.69</b>	<b>279.83</b>

(viii) **Leases:**

Lease obligations

Details	31-Mar-24	31-Mar-23
<b>Net Debt as at 31<sup>st</sup> March 2023</b>	<b>20.53</b>	<b>32.70</b>
Cash flows	(6.94)	(14.26)
Deletions (preclosures)	–	–
Effect of Business Combination	(7.85)	–
Interest expenses	0.79	2.09
<b>Net debt as at 31<sup>st</sup> March 2024</b>	<b>6.53</b>	<b>20.53</b>
<b>Current lease obligation</b>	<b>1.56</b>	<b>15.29</b>
<b>Non current lease obligation</b>	<b>4.97</b>	<b>5.24</b>

Details	31-Mar-24	31-Mar-23
Payment towards short term leases	–	1.54
Payment towards low value asset leases	–	–

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**37 OTHER DISCLOSURES – (continued)**

**(ix) Borrowing costs capitalised :**

Borrowing cost capitalised during the year ₹ Nil (Previous year- ₹ 0.89 Cr)

The capitalisation rate used to determine borrowing costs to be capitalised is weighted average interest rate for the previous year 8.20%.

**(x) Composite scheme of arrangement:**

On February 9, 2022, the board of directors of the Company approved a composite scheme of arrangement (the Scheme) of Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company") and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Limited ("Resulting Company") subject to necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, National Company Law Tribunal, Chennai, (NCLT), other governmental authorities and third parties as may be required.

During the previous year, NSE and BSE by their respective letter dated July 29, 2022, issued to the Company have conveyed their "No Objection" on the Scheme, and based on their No Objection, the Company filed an application with Hon'ble National Company Law Tribunal, Chennai Bench, ("Hon'ble NCLT") for approval of the Scheme.

Hon'ble NCLT vide their Order dated November 9, 2022, directed to convene the meetings of the Equity Shareholders, Unsecured Creditors of the Company, and Secured Creditors of Transferor Company 2, on December 16, 2022 ("NCLT Convened Meeting") for their approval. Pursuant to the directions of Hon'ble NCLT, the NCLT Convened Meetings were held, and the resolutions were passed with requisite majority. Post the approval of the shareholders and creditors, the Company filed a petition with Hon'ble NCLT, and the Composite Scheme was sanctioned vide its Order dated March 6, 2023.

The Board at its meeting held on March 13, 2023, noted the Hon'ble NCLTs Order and the first part of the Scheme was made effective on March 14, 2023. The Board also authorised the issuance of bonus NCRPS, by fixations of Record Date as March 24, 2023, for the purpose of determining the eligible shareholders of the Company. The third part of the scheme was made effective on June 16, 2023. As part of third part of scheme of arrangement, the carrying value of the assets, liabilities, and reserves of TVS Holding Private Limited as appearing in the consolidated financial statements of the Company have been recognised in the standalone financial statements of the TVS Holdings Limited prior to the demerger, which is in accordance with Ind-AS 103, read with Ind AS Transition Facilitation Group (ITFG). Fourth part of the scheme was made effective on August 4, 2023. The Last part of the scheme was made effective on August 11, 2023.

Effective 11<sup>th</sup> August 2023, Sundaram- Clayton (USA) Limited, USA, Sundaram- Clayton GmbH, Germany, Sundaram Holdings USA Inc., USA and its four subsidiaries were ceased as subsidiaries of the Company pursuant to the demerger of Demerged Undertaking (as defined in the scheme) into Sundaram-Clayton DCD Limited ("Resulting Company ") now known as Sundaram-Clayton Limited as part of the Composite Scheme of Arrangement sanctioned by the Hon'ble National Company Law Tribunal, Chennai.

**The Comparative financial information of corresponding previous year ended taking the merger and demerger into effect is given below:**

Particulars	31-Mar-24	31-Mar-23
Revenue from Operations	1,607.77	1,208.79
Profit before tax (after Exceptional Item)	410.12	224.87
Profit after tax (after Exceptional Item)	338.74	176.26

**(xi) Core Investment Company Registration :**

During the quarter ended 31 March 2024 the Company received Certificate of Registration as Core Investment Company ("CIC") from Reserve Bank of India ("RBI") with CIC code -N-07-00904 to commence / carry on the business of non-banking financial institution without accepting public deposits subject to the conditions given on the reverse.



**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**38 RELATED PARTY DISCLOSURES**

**LIST OF RELATED PARTIES**

- |                        |  |
|------------------------|--|
| a) Reporting entity    | TVS Holdings Limited, Chennai (formerly known as Sundaram-Clayton Limited)   |
| b) Controlling entity: | (i) VS Trust (Mr Venu Srinivasan, Trustee) (from 16 <sup>th</sup> June 2023)   |
| c) Subsidiaries        | (i) TVS Motor Company Limited, Chennai<br>(ii) Sundaram-Clayton DCD Limited, Chennai [Upto 10 <sup>th</sup> August 2023]<br>(iii) Sundaram-Clayton (USA) Limited, USA (upto 10 <sup>th</sup> August 2023)<br>(iv) Sundaram Holding USA Inc, Delaware, USA [Upto 10 <sup>th</sup> August 2023]<br>(v) Sundaram-Clayton GmbH, Germany [Upto 10 <sup>th</sup> August 2023]<br>(vi) Emerald Haven Realty Limited, Chennai [From 16 <sup>th</sup> June 2023]<br>(vii) TVS Holdings (Singapore) Pte . Limited (from 11 <sup>th</sup> January 2024) |

Subsidiary companies of TVS Motor Company Limited:

- (i) Sundaram Auto Components Limited, Chennai
- (ii) TVS Digital Limited, Chennai [Formerly known as TVS Housing Limited]
- (iii) TVS Motor Services Limited, Chennai
- (iv) TVS Credit Services Limited, Chennai
- (v) TVS Motor (Singapore) Pte. Limited, Singapore
- (vi) TVS Motor Company (Europe) B.V, Amsterdam
- (vii) PT. TVS Motor Company Indonesia, Jakarta
- (viii) TVS Electric Mobility Limited, Chennai

Associate companies:

- (i) Sundram Non-Conventional Energy Systems Limited, Chennai [upto 10<sup>th</sup> August 2023]
- (ii) TVS Training and Services Limited, Chennai

Associate companies of TVS Motor Company Limited:

- (i) Ultraviolette Automotive Private Limited, Bengaluru
- (ii) Tagbox Solutions Private Limited, Bengaluru
- (iv) DriveX Mobility Private Limited, Coimbatore  
(Formerly known as Nkars Mobility Millennial Solutions Private Limited)
- (v) Indian Foundation for Quality Management, Bengaluru (w.e.f 15.02.2024)

Subsidiary companies of TVS Credit Services Limited:

- (i) Harita ARC Services Private Limited, Chennai
- (ii) Harita Two Wheeler Mall Private Limited, Chennai  
(Formerly known as TVS Two Wheeler Mall Private Limited, Chennai)
- (iii) TVS Housing Finance Private Limited, Chennai

Subsidiary companies of TVS Motor (Singapore) Pte Limited:

- (i) The Norton Motorcycle Co Limited, UK
- (ii) TVS Digital Pte Limited, Singapore
- (iii) The GO Corporation, Switzerland (GO AG),
- (iv) Swiss E-mobility (Group) Holding AG, Switzerland
- (v) EBCO Limited, UK
- (vi) Celerity Motor GmbH, Germany

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

**Notes to Financial Statements - (continued)**

**38 RELATED PARTY DISCLOSURES - (continued)**

c) Subsidiary companies - (continued)

Associate Companies of TVS Motor (Singapore) Pte Ltd

- (i) Killwatt GmbH, Germany
- (ii) ION Mobility Pte. Ltd., Singapore (w.e.f 14.03.2024)

Subsidiary companies of Sundaram Holding USA Inc, Delaware, USA [upto 10<sup>th</sup> August 2023]

- (i) Green Hills Land Holding LLC, USA
- (ii) Component Equipment Leasing LLC, USA
- (iii) Sundaram-Clayton USA LLC, USA
- (iv) Premier Land Holding LLC, USA

Subsidiary company of GO AG:

- (i) EGO Movement Stuttgart, GmbH, Germany

Subsidiary company of Swiss E-mobility (Group) Holding AG, Switzerland:

- (i) Swiss E-Mobility Group (Schweiz) AG Switzerland
- (ii) Colag E-Mobility GmbH, Germany
- (iii) Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland

Associate Companies of TVS Digital Pte Ltd, Singapore:

- (i) Predictronics Corp, USA
- (ii) Tagbox Pte Ltd , Singapore
- (iii) Altizon Inc , USA
- (iv) Scienaptic Systems Inc , USA

Holding Company of Altizon Inc , USA:

- (i) Altizon Systems Private Limited, Pune

Subsidiaries of Emerald Haven Realty Limited:

- (i) Emerald Haven Projects Private Limited, Chennai
- (ii) Emerald Haven Property Development Limited, Chennai
- (iii) Happiness Harmony Property Developers Private Limited
- (iv) Emerald Haven Realty Developers (Paraniputhur) Private Limited, Chennai
- (v) Emerald Haven Towers Limited, Chennai
- (vi) Emerald Haven Development Limited, Chennai
- (vii) Emerald Haven Life Spaces (Radial Road) Limited, Chennai
- (viii) Emerald Haven Town & Country Limited, Chennai
- (ix) Emerald Haven Residences Private Limited, Chennai (From 19.06.2023)
- (x) Emerald Haven Properties Private Limited, Chennai (From 08.01.2024)
- (xi) Emerald Haven Builders Private Limited, Chennai (From 09.01.2024)

Associate of Emerald Haven Realty Limited:

- (i) Emerald Haven Housing Private Limited, Chennai (From 12.06.2023)

d) Enterprises under Common control

- (i) Sundaram - Clayton Limited, Chennai

e) Enterprises in which directors are interested

- (i) Trichur Sundaram Santhanam & Family Private Limited, Chennai

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Notes to Financial Statements - (continued)**

**38 RELATED PARTY DISCLOSURES - (continued)**

- |                                   |   |
|-----------------------------------|---|
| f) Key management personnel (KMP) | <p><u>Executive Directors:</u></p> <p>(i) Mr . Venu Srinivasan, Chairman Emeritus and Managing Director [upto 10<sup>th</sup> August 2023]</p> <p>(ii) Dr . Lakshmi Venu, Managing Director [upto 10<sup>th</sup> August 2023]</p> <p>(iii) Mr. Sudarshan Venu, Managing Director [w.e.f 11<sup>th</sup> September 2023]</p> <p>(iv) Mr. K Gopala Desikan, Director &amp; Group CFO</p> <p><u>Non-Executive Directors:</u></p> <p>(i) Mr. Venu Srinivasan, Chairman [w.e.f 11<sup>th</sup> August 2023]</p> <p>(ii) Mr. R Gopalan</p> <p>(iii) Mr.Sudarshan Venu [upto 10<sup>th</sup> September 2023]</p> <p>(iv) Mr. Rajesh Narasimhan (upto 10<sup>th</sup> August 2023)</p> <p><u>Independent Directors:</u></p> <p>(i) Ms.Sasikala Varadachari</p> <p>(ii) Mr.C R Dua</p> <p>(iii) Mr. Anuj Shah</p> <p>(iv) Mr Timm Tiller [w.e.f 11<sup>th</sup> September 2023]</p> |
| g) Relative of KMP                | (i) Mrs. Mallika Srinivasan   |
| h) Promoter Group                 | (i) Srinivasan Trust  |
| i) Post employment benefit plans  | <p>(i) Sundaram-Clayton Limited Employees Provident Fund, Chennai [upto 10<sup>th</sup> August 2023]</p> <p>(ii) Sundaram-Clayton Limited Employees Gratuity Fund , Chennai [upto 10<sup>th</sup> August 2023]</p>  |

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**38 RELATED PARTY DISCLOSURES - (continued)**

(Rupees in crores)

Sl. No.	Nature of transactions	Name of the Company	Holding Company	Subsidiaries	Associates	KMP	Relative of KMP	Other related party	Total
1	Purchase of goods	TVS Motor Company Limited, Chennai	-	376.48	-	-	-	-	376.48
			-	376.48	-	-	-	-	376.48
			-	(20.28)	-	-	-	-	(20.28)
2	Sale of goods (including sub contract charges)	TVS Motor Company Limited, Chennai	-	135.15	-	-	-	-	135.15
			-	44.82	-	-	-	-	44.82
		Sundaram Auto Components Limited, Chennai	-	-	-	-	-	-	-
		Sundaram-Clayton USA LLC, South Carolina, USA	-	37.88	-	-	-	-	37.88
			-	217.85	-	-	-	-	217.85
			-	(502.23)	-	-	-	-	(502.23)
3	Purchase of power	Sundram Non Conventional Energy Systems Limited, Chennai	-	-	0.37	-	-	-	0.37
			-	-	(0.74)	-	-	-	(0.74)
4	Rendering of services	TVS Motor Company Limited, Chennai	-	117.83	-	-	-	-	117.83
		Sundaram Auto Components Limited, Chennai	-	3.30	-	-	-	-	3.30
		TVS Credit Services Limited, Chennai	-	18.36	-	-	-	-	18.36
		Sundaram-Clayton USA LLC, South Carolina, USA	-	0.53	-	-	-	-	0.53
		Future Accessories & Haritha Accessories LLP, Chennai	-	1.38	-	-	-	-	1.38
		Emerald Haven Realty Limited, Chennai	-	1.91	-	-	-	-	1.91
			-	143.31	-	-	-	-	143.31
			-	(68.88)	(0.66)	-	-	-	(69.54)
5	Receiving of services	Sundaram Auto Components Limited, Chennai	-	2.30	-	-	-	-	2.30
		Sundaram-Clayton (USA) Limited, Illinois, USA	-	-	-	-	-	-	-
		Sundaram Clayton Limited, Chennai	-	-	-	-	-	1.46	1.46
		TVS Training and Services Limited, Chennai	-	-	0.05	-	-	-	0.05
		TVS Motor Company Limited, Chennai	-	-	-	-	-	-	-
		Sundaram-Clayton USA LLC, South Carolina, USA	-	1.53	-	-	-	-	1.53
		Tagbox solutions Private Limited, Bengaluru	-	-	-	-	-	-	-
		Altizon systems Private Limited, Pune	-	-	-	-	-	0.32	0.32
		Trichur Sundaram Santhanam & Family Private Limited, Madurai	-	-	-	-	-	0.05	0.05
		Khaitan & Co, Mumbai	-	-	-	-	-	2.10	2.10
			-	3.83	0.05	-	-	3.93	7.81
6	Lease rent received	Sundram Non Conventional Energy Systems Limited, Chennai - (Associates)	-	-	-	-	-	-	-
			-	-	-	-	-	-	-
7	Remuneration paid	Key Management Personnel	-	-	-	3.19	-	-	3.19
			-	-	-	3.19	-	-	3.19
			-	-	-	(15.01)	-	-	(15.01)
8	Investments	Sundaram Holding USA Inc, Delaware, USA	-	82.03	-	-	-	-	82.03
		Sundaram-Clayton GmbH, Germany	-	4.66	-	-	-	-	4.66
		Srinivasan Trust (Purchase of EHRL Share)	-	-	-	-	-	42.92	42.92
		Mrs. Mallika Srinivasan ( Purchase of EHRL Share)	-	-	-	-	44.67	-	44.67
			-	86.69	-	-	44.67	42.92	174.28
			-	(351.52)	-	-	(1.21)	(57.10)	(409.83)

Previous year's figures are furnished in brackets

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**38 RELATED PARTY DISCLOSURES - (continued)**

(Rupees in crores)

Sl. No.	Nature of transactions	Name of the Company	Holding Company	Subsidiaries	Associates	KMP	Relative of KMP	Other related party	Total
9	Contribution to post employment benefit plan	Sundaram- Clayton Limited Employees Provident Fund, Chennai	-	-	-	-	-	1.32	1.32
		Sundaram- Clayton Limited Employees Gratuity Fund , Chennai	-	-	-	-	-	0.53	0.53
			-	-	-	-	-	1.85	1.85
			-	-	-	-	-	(17.24)	(17.24)
10	Dividend received	Sundram Non-Conventional Energy Systems Limited, Chennai	-	-	-	-	-	-	-
		TVS Motor Company Limited, Chennai	-	190.30	-	-	-	-	190.30
			-	190.30	-	-	-	-	190.30
			-	(119.39)	(0.88)	-	-	-	(120.27)
11	Dividend Paid	TVS Holdings Private Limited, Chennai	-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			(77.26)	-	-	-	-	-	(77.26)
12	Outstanding as on 31 <sup>st</sup> March 2024 Receivables	TVS Motor Company Limited, Chennai	-	11.79	-	-	-	-	11.79
		Sundaram Auto Components Limited, Chennai	-	1.93	-	-	-	-	1.93
		TVS Credit Services Ltd, Chennai	-	7.61	-	-	-	-	7.61
		Sundaram-Clayton USA LLC, South Carolina, USA	-	-	-	-	-	-	-
		Emerald Haven Realty Limited, Chennai	-	0.41	-	-	-	-	0.41
		TVS Training and Services Limited, Chennai - (Associates) (₹ 11,800)	-	-	-	-	-	-	-
			-	21.74	-	-	-	-	21.74
			-	(66.35)	(0.05)	-	-	-	(66.41)
13	Outstanding as on 31 <sup>st</sup> March 2024 Payables	TVS Motor Company Limited, Chennai	-	70.90	-	-	-	-	70.90
		Sundaram Auto Components Limited, Chennai	-	-	-	-	-	-	-
		TVS Credit Services Ltd, Chennai	-	-	-	-	-	-	-
		Sundaram-Clayton Limited, (Formerly known as Sundaram-Clayton DCD Limited)	-	-	-	-	-	1.08	1.08
		Sundram Non-Conventional Energy Systems Limited, Chennai	-	-	-	-	-	-	-
		TVS Training and Services Limited, Chennai - (Associates)	-	-	-	-	-	-	-
		Sundaram-Clayton USA LLC, South Carolina, USA	-	-	-	-	-	-	-
			-	70.90	-	-	-	1.08	71.98
			-	(9.60)	(0.10)	-	-	-	(9.73)

Previous year's figures are furnished in brackets

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

Notes to Financial Statements - (continued)

(Rupees in crores)

**39 DISCLOSURE MADE IN TERMS OF REGULATION 34(3) OF SEBI (LODR) REGULATIONS, 2015**

	Particulars	Name of the Company		Amount outstanding as on 31-03-2024	Amount outstanding as on 31-03-2023
a)	Loans and advances				
(i)	Loans and advances in the nature of loans made to subsidiary company	NIL		-	-
(ii)	Loans and advances in the nature of loans made to associate company	NIL		-	-
(iii)	Loans and advances in the nature of loans where there is				
	1) no repayment schedule or repayment beyond seven years (or)	NIL		-	-
	2) no interest or interest below Section 186 of the Companies Act, 2013	NIL		-	-
(iv)	Loans and advances in the nature of loans made to firms/companies in which directors of the company are interested	NIL		-	-
b)	Investments by the Company				
(i)	In subsidiary companies	TVS Motor Company Limited, Chennai (23,87,82,786 equity shares of ₹ 1/- each fully paid up)		1593.44*	17.16
	Maximum amount held at any time				
	During the year	1593.44			
	During the previous year	17.16			
	* Effect of Business Combination				
	Sundaram-Clayton (USA) Limited, Chicago, Illinois, USA (100 equity shares of USD 1 each fully paid up)			-	0.001
	Maximum amount held at any time				
	During the year	0.001			
	During the previous year	0.001			
	Sundaram Holding USA Inc., Delaware USA (9,77,00,000 (last year - 4,63,50,000) Equity Shares of USD-1 each fully paid-up)			-	684.97
	Maximum amount held at any time				
	During the year	684.97			
	During the previous year	684.97			
	TVS Credit Services Limited, Chennai (last year 52,66,650 ) Equity shares of ₹ 10/- each fully paid up)			-	74.11
	Maximum amount held at any time				
	During the year	74.11			
	During the previous year	74.11			



**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

**Notes to Financial Statements - (continued)**

**39 DISCLOSURE MADE IN TERMS OF REGULATION 34(3) OF SEBI (LODR) REGULATIONS, 2015 - (continued)**

(Rupees in crores)

	Particulars	Name of the Company		Amount outstanding as on 31-03-2024	Amount outstanding as on 31-03-2023
(i)	In subsidiary companies - (continued)	Sundaram-Clayton DCD Limited (2,500 equity shares of ₹ 10/- each fully paid up) (₹ 25,000)	-	0.00	0.00
		Maximum amount held at any time	-		
		During the year	-		
		During the previous year	-		
		Sundaram-Clayton GmbH (Cost Euro 25,000) (last year 25,000 equity shares of Euro 1 Each fully paid up)		0.00	0.23
		Maximum amount held at any time			
		During the year	0.23		
		During the previous year	0.23		
		Emerald Haven Realty Limited (Consequent on merger of TVS Holdings) (19,82,20,972 equity shares of ₹.15/- each fully paid up)		342.00	0.00
(ii)	In associate companies	Maximum amount held at any time			
		During the period	342.00		
		During the previous year	-		
		Sundram Non-conventional Energy Systems Limited, Chennai (1,17,650 Equity shares of ₹ 10/- each fully paid-up)		-	0.12
		Maximum amount held at any time			
		During the year	0.12		
		During the previous year	0.12		
		TVS Training & Services Limited, Chennai [19,06,709 (last year 19,06,709 Equity shares of ₹ 10/- each fully paid-up)]		1.90	1.90
		Maximum amount held at any time			
		During the year	1.90		
		During the previous year	1.90		

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**40 KEY FINANCIAL RATIOS:**

S.No.	Details	31-Mar-24	31-Mar-23	Variance (%)
1	Return on Equity %* (Net Profit after Tax / Average equity excluding exceptional item)	23.72	30.47	NA
2	Capital to Risk-Weighted Assets Ratio (CRAR) (Calculated as per RBI guidelines)	NA	NA	NA
3	Tier I CRAR (Calculated as per RBI guidelines)	NA	NA	NA
4	Tier II CRAR (Calculated as per RBI guidelines)	NA	NA	NA
5	Liquidity Coverage Ratio (LCR) (Calculated as per RBI guidelines)	NA	NA	NA
6	Return on Asset (Net Profit after Tax / Average Total Assets)	0.10	NA	NA
7	Net Profit per employee	5.13	NA	NA

\* Not comparable due to the effect of Business Combination and CIC registration.

Note: Certain ratios / line items marked with remark "NA" are not applicable since the Company is a Non-banking financial Company / CIC registered with the Reserve Bank of India

**41 Additional notes forming part of Standalone Financial Statements for the year ended March 31, 2024.**

- (i) Pursuant to para 2 of general instructions for preparation of financial statements of a NBFC as mentioned in Division III of Schedule III of The Companies Act, 2013, the current and non-current classification has not been provided.
- (ii) The Company has no transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (iii) The Company does not deal with virtual currency.
- (iv) The Company is in compliance with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (v) The Company has acquired additional stake of 10.74% in Emerald Haven Realty Limited, Subsidiary thereby the shareholding of the Company in Emerald Haven Realty Limited has increased from 89.26% to 100% consequent to which, EHRL has become a wholly owned subsidiary of the Company.
- (vi) As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable / do not apply
- (vii) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.
- (viii) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ix) The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (x) The Company has adhered to debt repayment and interest service obligations on time. "Wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable / do not apply

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

- (xi) 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.
- (xii) 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.

**Schedule to the Balance Sheet of a non-deposit taking Core Investment company (as required in terms of Annex II as amended from time to time of Systemically Important Core Investment Company (Reserve Bank) Directions, 2016)**

The Company has obtained for CIC registration in the current year and therefore the disclosures for the previous financial year FY 22-23 in the foregoing tables/sections is not provided as the same is not applicable.

All amounts in Crores unless otherwise specified.

S.No.	Description	Amount Outstanding	Amount Overdue
		as at March 31, 2024	
<b>(1)</b>	<b>Liabilities</b>		
	<b>Loans and advances availed by the CICs inclusive of interest accrued thereon but not paid:</b>		
A	Debentures		
	- Secured	—	—
	- Unsecured (other than falling within the meaning of public deposits)	—	—
B	Deferred Credits		
C	Term Loans (including Sub Ordinated Debt)	550.00	—
D	Inter-corporate loans and borrowings	—	—
E	Commercial Paper	—	—
F	Other loans:		
	i. Cash Credit & WCDL	—	—
	ii. Securitised Trust Borrowing	—	—
	<b>Total</b>		

S.No.	Description	Amount Outstanding	Amount Overdue
		as at March 31, 2023	
<b>(1)</b>	<b>Liabilities</b>		
	<b>Loans and advances availed by the CICs inclusive of interest accrued thereon but not paid:</b>		
A	Debentures		
	- Secured		
	- Unsecured (other than falling within the meaning of public deposits)		
B	Deferred Credits		
C	Term Loans (including Sub Ordinated Debt)		
D	Inter-corporate loans and borrowings		
E	Commercial Paper		
F	Other loans:		
	i. Cash Credit & WCDL		
	ii. Securitised Trust Borrowing		
	<b>Total</b>		

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

S. No.	Description	Amount Outstanding as at March 31, 2024	Amount Outstanding as at March 31, 2023
	<b>Assets</b>		
(2)	<b>Break-up of Loans and Advances including bills receivable (other than those included in (4) below) :</b>		
	(a) Secured	-	-
	(b) Unsecured considered good	-	-
(3)	<b>Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:</b>		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
	(iii) Other Loan counting towards AFC activities:		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
	<b>Total</b>	-	-

S.No.	Description	Amount Outstanding	Amount Overdue
		as at March 31, 2024	
(4)	<b>Current Investments:</b>		
	1 Quoted :		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	2 Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	<b>Long term Investments:</b>		
	1 Quoted :		
	(i) Shares: (a) Equity	1,593.44	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	2 Unquoted:		
	(i) Shares: (a) Equity	343.90	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	32.96	-
	<b>Total</b>	<b>1,970.30</b>	-

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**(5) Borrower group-wise classification of assets financed as in ( 2 ) and ( 3 ) above.**

S.No.	Category	Amount (Net of provisions for Non-performing assets)		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2. Other than related parties	-	-	-
	<b>Total</b>	-	-	-

**(6) Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)**

S.No.	Category	Market value / Break up or fair value of NAV	Book value (Net of provisions)
	1. Related Parties		
	(a) Subsidiaries	51,714.92	1,935.44
	(b) Companies in the same group	1.90	1.90
	(c) Other related parties	-	-
	2. Other than related parties	32.96	32.96
	<b>Total</b>	<b>51,749.78</b>	<b>1,970.30</b>

**(7) Other Information**

S.No.	Category	Amount
	(i) Gross Non-performing assets	-
	(a) Related Parties	-
	(b) Other than related parties	-
	(ii) Net Non-performing assets	-
	(a) Related Parties	-
	(b) Other than related parties	-
	(iii) Assets acquired in satisfaction of debt	-

Disclosures required in terms of Annexure V of the RBI Master Direction DoR(NBFC).PD.003/03.10.119/2016-17 dated August 25, 2016 (Updated as on 29 December 2022) "Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016".

**(A) Components of ANW and other related information**

Description	2023-24	2022-23
ANW as a % of Risk Weighted Assets - CRAR	1,172.70%	NA
Unrealized appreciation in the book value of quoted investments	22,035.71	NA
Diminution in the aggregate book value of quoted investments	-	NA
Leverage Ratio	0.04	NA

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**(B) Investment**

S.No.	Description	2023-24	2022-23
<b>1</b>	<b>Value of Investments</b>		
	i) Gross Value of Investments		
	a) In India	1,970.30	NA
	b) Outside India	-	-
	ii) Provision for Depreciation		
	a) In India	-	-
	b) Outside India	-	-
	iii) Net Value of Investments		
	a) In India	1,970.30	NA
	b) Outside India	-	-
<b>2</b>	<b>Movement of Provisions held towards depreciation on Investments</b>		
	i) Opening Balance	-	-
	ii) Add: Provisions made during the year	-	-
	iii) Less: Write off/write back of excess provisions during the year	-	-
	iv) Closing Balance	-	-

**(C) Derivative**

The Company has fully hedged all its foreign currency borrowing at the time of drawal of each loan. - Not Applicable

**(D) Exposure to Real Estate sector, both Direct and Indirect**

Description	2023-24	2022-23
<b>(i) Direct Exposure</b>		
<b>(a) Residential Mortgages -</b>	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
- individual housing loans up to Rs. 15 Lakhs	-	-
- individual housing loans more than Rs. 15 Lakhs	-	-
<b>(b) Commercial Real Estate -</b>	-	-
Lending secured by mortgages on commercial real estates (office building, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.).	-	-
- Fund Based	-	-
- Non- Fund Based	-	-
<b>(c) Investments in Mortgage Backed Securities (MBS) and other Securitised exposures-</b>	-	-
a. Residential	-	-
b. Commercial Real Estate.	-	-
<b>(ii) Indirect Exposure</b>		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFC's)	-	-

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**(E) Exposure to Capital Market**

S.No.	Description	2023-24	2022-23
i	Direct Investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	1,593.44	NA
ii	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds.	-	-
iii	Advances for any other purpose where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as a primary security.	-	-
iv	Advances for any other purpose to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/convertible debentures / units of equity oriented mutual funds does not fully cover the advances.	-	-
v	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers.	-	-
vi	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	-
vii	Bridge loans to companies against expected equity flows / issues.	-	-
viii	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
ix	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
x	Financing to stockbrokers for margin trading	-	-
xi	All exposures to Alternative Investment Funds		
	(i) Category I		
	(ii) Category II	-	-
	(iii) Category III		



**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**(F) Disclosure on Sectoral Exposures**

S.No.	Sector	2023-24			2022-23		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	0.00%	0.00%	-	NA		
2	Industry						
	i. MSME	0.00%	0.00%	-			
	ii. Other	0.00%	0.00%	-			
	<b>Total</b>	-	-	<b>0.00%</b>			
3	Services	-	-	-			
4	Personal Loans	0.00%	0.00%	-			
5	Others						
	i. Vehicles	0.00%	0.00%	-			
	ii. Consumer Durable	0.00%	0.00%	-			
	iii. Advance to Dealers	0.00%	0.00%	-			
	iv. Other	-	-	-			
	<b>Total</b>	-	-	<b>0.00%</b>			
6	Others	-	-	-			

**(G) Disclosure on Intra-Group Exposures**

Description	2023-24	2022-23
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra group exposures to total exposure of the NBFC on borrower / customers	0.00%	0.00%

The above disclosure in note 39.2.C to 39.2.G also covers disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22.

**(H) Asset Liability Management Maturity Pattern of certain items of Assets and Liabilities**

As at March 31, 2024										
Time Bucket	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year up to 3 year	Over 3 year up to 5 year	Over 5 years
Deposits	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	27.36	1,942.94
Borrowings	-	-	-	-	550.00	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-
Grand Total	-	-	-	-	550.00	-	-	-	27.36	1,942.94

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

As at March 31, 2023										
Time Bucket	1 to 7 days	8 to 14 days	15 days to 30 /31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year up to 3 year	Over 3 year up to 5 year	Over 5 years
Deposits Advances Investments Borrowings Foreign Currency Assets Foreign Currency	Not Applicable									
Grand Total	-	-	-	-	-	-	-	-	-	-

**(I) Category-wise classification of frauds reported during the year vide DNBS.PPD.01/66.15.001/2016-17 dated 29<sup>th</sup> September, 2016**

Category		Less than ₹ 1 Lakh		₹ 1 Lakh to ₹ 25 Lakh		₹ 25 Lakh & above		Total	
		Count	Value	Count	Value	Count	Value	Count	Value
<b>A</b>	<b>Person involved</b>								
	Staff	-	-	-	-	-	-	-	-
	Staff & others	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	<b>Staff &amp; Customers</b>	-	-	-	-	-	-	-	-
<b>B</b>	<b>Type of Fraud</b>								
	Misappropriation and Criminal breach of trust	-	-	-	-	-	-	-	-
	Fraudulent encashment / manipulation of books of accounts	-	-	-	-	-	-	-	-
	Unauthorised credit facility extended	-	-	-	-	-	-	-	-
	Cheating and Forgery	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-	-	-

Note: Out of the above, Rs. 0.59 crore has been recovered and the Company has made adequate provision for the balance recoverable. The above information is prepared based on the information available with the Company and relied upon by the auditors.

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**Disclosure relating Securitization**

**(a) Outstanding amount of Securitized assets of as per books of SPVs**

S.No.	Description	2023-24	2022-23
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPEs relating to outstanding securitisation exposures to be reported here)	-	-
2	Total amount of securitised assets as per books of the SPEs sponsored by NBFC's	-	-
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss (cash collateral term deposits with banks)	-	-
	- Second Loss	-	-
	- Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	- First loss	-	-
	- loss	-	-
	ii) Exposure to third party securitizations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitizations		
	- First loss	-	-
	- Others	-	-
5	Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent. Mention percent in bracket as of total value of facility provided.	-	-
	a) Amount paid	-	-
	b) Repayment received	-	-
	c) Outstanding amount	-	-
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
9	Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10	Investor complaints (a) Directly / Indirectly received and; (b) Complaints outstanding	-	-

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

**Notes to Financial Statements - (continued)**

- (b) The value of "excess interest spread receivable" and "unrealized gain" on securitization transactions undertaken in terms of guidelines on securitization transaction issued by Reserve bank of India on August 21, 2012 are given below:

Sl. No.	Description	2023-24		2022-23	
		Non-Current	Current	Non-Current	Current
1	Excess Interest Spread receivable	-	-	-	-
2	Unrealized gain on Securitization Transactions	-	-	-	-

- (c) **Details of Financial Assets sold to Securitization / Reconstruction Company for Asset Reconstruction**

Description	2023-24	2022-23
No. of Accounts	-	-
Aggregate value (net of Provisions) of accounts sold to SC/RC	-	-
Aggregate Consideration	-	-
Additional Consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate Gain / Loss over net book value	-	-

- (d) **Details of Assignment Transactions undertaken by NBFCs**

Description	2023-24	2022-23
No. of Accounts	-	-
Aggregate value (net of Provisions) of accounts sold	-	-
Aggregate Consideration	-	-
Additional Consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate Gain / Loss over net book value	-	-

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**(a) Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.0029/03.10.001/2014-15 dated April 10 2015**

S.No.	Description	2023-24	2022-23
(I)	Net NPA to Net advances (%)		
(II)	Movement of gross NPA*		
	a. Opening Balance		
	b. Additions during the year		
	c. Reductions during the year		
	d. Write off during the year		
	e. Closing Balance		
(III)	Movement of Net NPA		NA
	a. Opening Balance		
	b. Additions during the year		
	c. Reductions during the year		
	d. Write off during the year		
	e. Closing Balance		
(IV)	Movement of Provision for NPAs**		
	a. Opening Balance		
	b. Provisions made during the Year		
	c. Reductions / Write off during the year		
	d. Closing Balance		

# The Reserve Bank of India (RBI) vide its circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, dated November 12, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", had clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has since taken necessary steps to implement the provisions of this circular under IRACP norms for regulatory purpose. The aforementioned circular has no impact on the financial results for the quarter and year ended March 31, 2024, as the Company continues to prepare financial statements in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and the RBI circular dated March 13, 2020 on "Implementation of Indian Accounting Standards.

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

(b) Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 and RBI/2 021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021 are given below:

	(A)	(B)	(C)	(D)	(E)
Type of borrower	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans Corporate persons Of which, MSMEs Others	NA				
<b>Total</b>	-	-	-	-	-

	(A)	(B)	(C)	(D)	(E)
Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year	Of (A), amount paid by borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half-year (A)
Personal Loans Corporate persons Of which, MSMEs Others	NA				
<b>Total</b>	-	-	-	-	-

During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the applicable guidelines issued by the RBI.

(c) Disclosure on restructured accounts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 07, 2019

Particulars		Amount
Restructured loans as April 01, 2023	Amount Outstanding	NA
	Provision thereon	
Fresh restructuring during the year	Amount Outstanding	
	Provision thereon	
Reductions during the Year	Amount Outstanding	
	Provision thereon	
Write-off of restructured accounts during the year	Amount Outstanding	
	Provision thereon	
Restructured loans as on March 31, 2024	Amount Outstanding	
	Provision thereon	

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**(d) Provisions and Contingencies**

Break up of 'Provisions and Contingencies' shown under the Head Expenditure in Statement of Profit and Loss

Description	2023-24	2022-23
Provision for Depreciation on Investments	-	NA
Provision / Impairment allowance towards NPA (Net)	-	NA
Provision / Impairment allowance towards Standard Assets	-	NA
Provision / Impairment allowance on trade receivables & Other Financial Assets	-	NA
Provision made towards Income Tax	75.04	NA
Other Provision and Contingencies	15.14	NA
<b>Total</b>	<b>90.18</b>	<b>-</b>

**Disclosure as required by DOR (NBFC).CC.PD.No.109/22.10.106/2019-20**

**Comparison between ECL as per books and RBI provision**

**As at Mar 31, 2024**

Asset Classification as per RBI Norms	Asset classify - cation as per IND-AS 109	Gross Carrying IND-AS 109	Amount as per (Provisions) as required under IND-AS 109	Loss Allowances Net Carrying Amount	Provisions required as per IRACP norms	Difference between IND-AS 109 Provisions and IRACP norms
<b>Performing Assets</b>						
Standard	Stage 1 Stage 2					
<b>Subtotal</b>						
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3					
1 to 3 years	Stage 3					
More than 3 years	Stage 3					
<b>Subtotal for doubtful</b>						
Loss	Stage 3					
<b>Subtotal for NPA</b>						
<b>Total</b>	<b>Stage 1 Stage 2 Stage 3*</b>					
<b>Total</b>	-	-	-	-	-	-

\* Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7<sup>th</sup> June 2019 irrespective of days past due on the reporting date.

\* Includes contracts vide circular RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated 12<sup>th</sup> November 2021 even though days past due on reporting date is less than 91.



**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**As at Mar 31, 2023**

Asset Classification as per RBI Norms	Asset classify - cation as per IND-AS 109	Gross Carrying IND-AS 109	Amount as per (Provisions) as required under IND-AS 109	Loss Allowances Net Carrying Amount	Provisions required as per IRACP norms	Difference between IND-AS 109 Provisions and IRACP norms
<b>Performing Assets</b>						
Standard	Stage 1					
	Stage 2					
<b>Subtotal</b>						
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3					
1 to 3 years	Stage 3					
More than 3 years	Stage 3					
<b>Subtotal for doubtful</b>						
Loss	Stage 3					
<b>Subtotal for NPA</b>						
<b>Total</b>	<b>Stage 1</b>					
	Stage 2					
	Stage 3*					
<b>Total</b>	-	-		-	-	-

In terms of the above notification on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an Impairment reserve for any shortfall in Impairment allowances under IND-AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under IND-AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2023 and as at March 31, 2022 and accordingly, no amount is required to be transferred to Impairment reserve.

**Concentration of Advances, Exposures & NPAs (Stage 3 Assets)**

**(a) Concentration of Advances**

Description	2023-24	2022-23
Total Advances to Twenty Largest Borrowers	NA	NA
Percentage of advances to twenty largest borrowers to Total Advances	NA	NA

**(b) Concentration of Exposures**

Description	2023-24	2022-23
Total Exposures to Twenty Largest Borrowers/Customers	NA	NA
Percentage of Exposures to twenty largest borrowers to Total Advances	NA	NA

**(c) Concentration of NPAs**

Description	2023-24	2022-23
Total Exposure to Top Four NPA Accounts	NA	NA

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**(d) Sector-wise distribution of NPA's**

S.No.	Sector	Percentage of NPA's to Total Advances in that Sector	
		2023-24	2022-23
1	Agriculture and Allied Activities	NA	NA
2	MSME		
3	Corporate Borrowers		
4	Services		
5	Unsecured Personal Loans		
6	Auto Loans (includes assets taken over from Chennai Business Consulting Services Limited)		
7	Others		

**a. Summary information on complaints received by the NBFCs from customers**

Description	2023-24	2022-23
No. of Complaints pending at the beginning of the year	NA	NA
No. of Complaints received during the year		
No. of Complaints disposed during the year of which No. of Complaints rejected by the NBFC		
No. of Complaints Pending at the end of the year		

**b. Maintainable complaints received by the NBFCs from offices of Ombudsman**

Description	2023-24	2022-23
No. of Complaints received by the NBFC from the office of Ombudsman	NA	NA
No. of Complaints resolved in favour of the NBFC by office of Ombudsman		
No. of Complaints resolved after passing of awards by office of Ombudsman against the NBFC		
No. of Complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman		
Number of Awards unimplemented within the stipulated time (other than those appealed)		

**c. Details of awards unimplemented within the stipulated time**

Description	2023-24	2022-23
No. of awards unimplemented within the stipulated time (other than those appealed)	-	-

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**d. Top five grounds of complaints received by the NBFCs from customers - NA**

Grounds of Complaints	No of Complaints pending at the beginning of the Year	No of Complaints received during the Year	% Increase / Decrease in the number of Complaints received over the previous year	No of Complaints pending at the end of the Year	No of Complaints pending beyond 30 Days
2023-24					
(a) Charges Waive (b) Executive Behavior problem (c) Loan Cancellation (d) Stop Promotional SMS / Calls (e) Loan Application Cancellation Request (f) Others	NA				
2022-23					
(a) Charges Waive (b) Executive Behavior problem (c) Loan Cancellation (d) Stop Promotional SMS / Calls (e) CIBIL Issue (f) Others	NA				

The above disclosure in note 39.19.7 also covers disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22.

**Details of non-performing financial assets purchased / sold**

Description	2023-24	2022-23
No. of accounts	NA	NA
Aggregate Outstanding	NA	NA
Aggregate Consideration Received	NA	NA

**Registration under Other Regulators**

S.No.	Regulator	Registration no.
1	Ministry of Company Affairs	CIN:L35999TN1962PLC004792
2	Reserve Bank of India	Certificate of Registration dt 14/03/2024 No. 07-00904

**Disclosure of penalties imposed by RBI and other regulators**

No penalties have been imposed by RBI and other regulators during the FY 2023-24

**Details of Financing of Parent Company Products**

Not Applicable

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**Ratings assigned by Credit Rating Agencies**

Description	2023-24	2022-23
Commercial paper / Short term loans	-	CRISIL A1+
Cash Credit/ Working Capital Demand Loans	-	CRISIL AA-/STABLE
Long Term Loans	CRISIL AA-/STABLE	CRISIL AA-/STABLE
Non-Convertible Debentures - Long Term	CRISIL AA-/STABLE	CRISIL AA-/STABLE
Perpetual Debt (Tier I Capital)	-	-
Subordinated Debt (NCRPS)	-	CRISIL A1+

**Directors' Sitting Fees and Commission - Rs. In Lakhs**

Sl. No.	Name of Director	Nature	2023-24	2022-23
1	Mr. Venu Srinivasan	Sitting Fees	-	-
		Commission	-	-
2	Mr. Sudarshan Venu	Sitting Fees	-	0.50
		Commission	-	-
3	Dr Lakshmi Venu	Sitting Fees	-	-
		Commission	-	775.00
4	Mr. R. Gopalan	Sitting Fees	2.30	1.70
		Commission	-	5.62
5	Mr K Gopala Desikan	Sitting Fees	-	-
		Commission	-	-
6	Mr Rajesh Narasimhan	Sitting Fees	0.30	0.80
		Commission	-	-
7	Ms. Sasikala Varadachari	Sitting Fees	2.40	1.80
		Commission	18.00	18.00
8	Mr Anuj Shah	Sitting Fees	1.90	1.10
		Commission	18.00	12.13
9	Mr C R Dua	Sitting Fees	0.50	0.20
		Commission	15.00	0.78
10	Mr Timm Tiller	Sitting Fees	0.40	-
		Commission	8.32	-
11	Mr Vivek Joshi	Sitting Fees	-	-
		Commission	-	-
	<b>Total</b>		<b>67.12</b>	<b>817.63</b>

\* The amounts mentioned are below the rounding off norms of the Company.

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**Notes to Financial Statements - (continued)**

Related Party Disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no.RBI/DoR/2023-24/106DoR.FIN.REC.No.45/03.10.119/2023-24

Related Party Item	Parent (as per ownership or control)		Subsidiaries		Associates / Joint Ventures		Key Managerial Person		Relatives of Person Key Managerial Person		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Borrowings:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
<b>Deposits:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
<b>Placement of Deposits:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
<b>Advances:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
<b>Investments:</b>														
Outstanding at the year end	-	NA	87.59	NA	-	NA	-	NA	-	NA	-	NA	87.59	NA
Maximum outstanding during the year	-	NA	174.28	NA	-	NA	-	NA	-	NA	-	NA	174.28	NA
<b>Purchase of fixed / other assets:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
<b>Sale of fixed/other assets:</b>														
Outstanding at the year end	-	NA	39.00	NA	-	NA	-	NA	-	NA	-	NA	39.00	NA
Maximum outstanding during the year	-	NA	39.00	NA	-	NA	-	NA	-	NA	-	NA	39.00	NA
<b>Interest Paid:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
<b>Interest Received:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
<b>Others*:</b>														
Outstanding at the year end	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA
Maximum outstanding during the year	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA	-	NA

\* For Other related party transactions refer Note 38.

**Details of Single Borrower Limits (SBL) / Group Borrower Limits (GBL) exceeded**

The Company has not exceeded the Single Borrower Limit and Group Borrowers Limit as set by Reserve Bank of India for the year ended March 31, 2024

**Advance against Intangible Securities**

The Company has not given any loans against intangible securities.

**Related Party Transactions**

Refer note 38 to the IndAS financial statements

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

**Derivatives**

**1 Forward Rate Agreement / Interest Rate Swap**

S.No.	Description	2023-24	2022-23
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap books	-	-

**2 Exchange Traded Interest Rate (IR) Derivatives**

S.No.	Description	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2023 (instrument wise)	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument -wise) -	-

**Overseas assets (for those with JV and Subsidiaries abroad)**

There are no overseas assets owned by the Company during the year ended March 31, 2024 and March 31, 2023.

**Drawdown from Reserves**

No draw down from reserves existed for the year ended March 31, 2024 and March 31, 2023.

**Off balance sheet SPV sponsored**

There are no prior period items accounted during the year.

There are no circumstances in which revenue recognition postponed pending the resolution of significant uncertainties.

Disclosures as required for liquidity risk as required by Circular DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4<sup>th</sup> November, 2019

**(i) Funding Concentration based on significant counterparty (both deposits and borrowings)**

Particulars	As at March 31, 2024	As at March 31, 2023
Number of significant counter parties*	-	-
Amount (Rs. in Cr)	-	-
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities**	-	-

\* Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/ 2019-20 dated 4<sup>th</sup> November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

\*\* Total Liabilities has been computed as Total Assets less Equity Share Capital less Reserves & Surplus and computed basis extant regulatory ALM guidelines.

**(ii) Top 20 large deposits (amount in Cr and % of total deposits) - NA**

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**Notes to Financial Statements - (continued)**

**(iii) Top 10 borrowings (amount in Cr and % of total borrowings)**

Particulars	As at March 31, 2024	As at March 31, 2023
Total amount of top 10 borrowings	550.00	NA
Percentage of amount of top 10 borrowings to total borrowings	100.00%	NA

**(iv) Funding Concentration based on significant instrument / product\***

Particulars	As at March 31, 2024	Percentage of total liabilities	As at March 31, 2023	Percentage of total liabilities
Term Loans from Banks	-	-	NA	NA
External Commercial Borrowings	-	-	NA	NA
Sub-ordinated Debts	-	-	NA	NA
Term Loan from Financial Institution	-	-	NA	NA
Commercial Paper	-	-	-	NA
Non-Convertible Debentures	-	-	NA	NA
Working Capital Demand Loan	550.00	57.04%	NA	NA

\* Significant instrument / product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/ 2019-20 dated 4<sup>th</sup> November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

**(v) Stock Ratios**

S.No.	Description	As at March 31, 2024	As at March 31, 2023
1	Commercial papers as a % of total public funds	NA	NA
2	Commercial papers as a % of total liabilities	NA	NA
3	Commercial papers as a % of total assets	NA	NA
4	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	NA	NA
5	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	NA	NA
6	Non-convertible debentures (original maturity of less than one year) as a % of total assets	NA	NA
7	Other short- term Liabilities as a % of total public funds	NA	NA
8	Other short- term Liabilities as a % of total liabilities	NA	NA
9	Other short- term Liabilities as a % of total assets	NA	NA

\* Other Short-term Liabilities is computed as current maturities of long-term debt, short-term bank borrowings including outstanding CC/WCDL and other short-term liabilities has been considered, but excludes commercial paper and Non-convertible debentures (original maturity of less than one year).

\* Public funds are as defined in Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

**(vi) Institutional set-up for Liquidity Risk Management**

The Company constituted an Asset Liability management committee as guideline issued by RBI to NBFCs. ALCO consists of members having requisite skill set and expertise of the business & sector of the Company. ALCO monitors asset liability mismatches to ensure that there are no excessive imbalances on either side of the balance sheet and also reviews Asset Liability Management strategy. The borrowing strategy of the Company has always been in tandem with assets composition with appropriate consideration for mitigation of interest rate and liquidity risk. The Asset Liability Committee constantly reviews and monitors the funding mix and ensures the optimum mix of funds based on the cash flow requirements, market conditions and keeping the interest rate view in consideration. The company has put in place robust processes to monitor and manage liquidity risks. ALCO supervises the liquidity management of the Company at regular intervals.



**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

The Company has taken various initiatives to raise funds at the cost commensurate with its rating by way of diversified mix of borrowings with respect to the source, type of instrument, tenor and nature of security. The Company has raised subordinated debt (Tier II) to the extent of Rs.600 Crores with participation from Assets Management Companies and maiden investment by leading Insurance Companies during year ended March 31, 2023.

**(vii) Disclosure on Liquidity Coverage Ratio ( LCR )**

The Liquidity Coverage Ratio (LCR) is a key compliance requirement for NBFCs. Its objective is to ensure short-term resilience of the liquidity risk profile of the NBFCs by way of maintenance of adequate High Quality Liquid Assets (HQLA) to survive a significant financial/ economic stress scenario lasting for thirty days period. The Company is maintaining adequate liquidity to manage its commitments. Additionally, the Company has unutilized sanctioned lines of credits from banks to meet liquidity needs.

Sl. No.	Particulars	Q1 FY23		Q2 FY23		Q3 FY23		Q4 FY23	
		Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)
1	<b>High Quality Liquid Assets</b> Total High Quality Liquid Assets (HQLA)	NA	NA	NA	NA	NA	NA	NA	NA
2	<b>Cash Outflows</b> Deposits (for deposit taking companies)	NA	NA	NA	NA	NA	NA	NA	NA
3	Unsecured wholesale funding (iii)	NA	NA	NA	NA	NA	NA	NA	NA
4	Secured wholesale funding (iv)	NA	NA	NA	NA	NA	NA	NA	NA
5	Additional requirements, of which								
	i) Outflows related to derivative exposures and other collateral requirements	NA	NA	NA	NA	NA	NA	NA	NA
	ii) Outflows related to loss of funding on debt products	NA	NA	NA	NA	NA	NA	NA	NA
	iii) Credit and liquidity facilities	NA	NA	NA	NA	NA	NA	NA	NA
6	Other contractual funding obligations	NA	NA	NA	NA	NA	NA	NA	NA
7	Other contingent funding obligations								
8	<b>TOTAL CASH OUTFLOWS</b>	-	-	-	-	-	-	-	-
9	<b>Cash Inflows</b> Secured lending	NA	NA	NA	NA	NA	NA	NA	NA
10	Inflows from fully performing exposures	NA	NA	NA	NA	NA	NA	NA	NA
11	Other cash inflows	NA	NA	NA	NA	NA	NA	NA	NA
12	<b>TOTAL CASH INFLOWS</b>	-	-	-	-	-	-	-	-
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
	<b>TOTAL HQLA</b>	-		-		-		-	
	<b>TOTAL NET CASH OUTFLOWS</b> (Weighted value of Total Cash Outflows – Minimum of (Weighted value of Total Cash Inflows, 75% of Weighted value of Total Cash Outflows))	-		-		-		-	
	<b>LIQUIDITY COVERAGE RATIO (%)</b>								

**TVS Holdings Limited**  
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**Notes to Financial Statements - (continued)**

Sl. No.	High Quality Liquid Assets (HQLA)	Q1 FY23		Q2 FY23		Q3 FY23		Q4 FY23	
		Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)
1	Assets to be included as HQLA without any haircut	NA	NA	NA	NA	NA	NA	NA	NA
2	Assets to be considered for HQLA with a minimum haircut of 15%	NA	NA	NA	NA	NA	NA	-	-
3	Assets to be considered for HQLA with a minimum haircut of 50%	NA	NA	NA	NA	NA	NA	-	-
4	Approved securities held as per the provisions of Section 45 IB of RBI Act	NA	NA	NA	NA	NA	NA	-	-
	<b>Total HQLA</b>	-	-	-	-	-	-	-	-

- (i) Unweighted values calculated as outstanding balances maturing within one month (for inflows and outflows).
- (ii) Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).
- (iii) Unsecured wholesale funding includes cash outflow on account of Commercial Paper and other unsecured borrowing repayments.
- (iv) Secured wholesale funding includes all Secured borrowing repayments.

**Summary of total borrowings, receivables and provision**

Category-wise breakup	2023-24	2022-23
<b>Secured:</b>		
Term Loan from Banks	-	NA
State Owned Corporation	-	NA
External Commercial Borrowings	-	NA
Securitised Trust Borrowing		
<b>Unsecured:</b>		
Other Loan from Banks / FI's	550.00	NA
Working Capital Demand Loan	-	NA
Commercial Paper		
Subordinated Debts	-	NA
Non-Convertible Debentures	-	NA
<b>Total</b>	<b>550.00</b>	<b>-</b>

**Total loans**

Description	2023-24	2022-23
<b>Category-wise breakup</b>		
Secured Loans	-	-
Unsecured Loans	-	-
Total Loans	-	-
Less: Impairment Allowance		
<b>Net Loans</b>	<b>-</b>	<b>-</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Notes to Financial Statements - (continued)**

**Total Assets Provisions**

Description	2023-24	2022-23
Provision for Depreciation on Investments	-	-
Provision / Impairment allowance towards NPA	-	-
Provision / Impairment allowance towards Standard Assets	-	-
Provision / Impairment allowance for Trade Receivables and other Financial Assets	-	8.41
Provision for General Loss	-	-
<b>Total</b>	<b>-</b>	<b>8.41</b>

**Disclosure pursuant to para 5 of the Annex XVII of the Master Direction on NBFC-NDSI 2016**

Particulars	2023-24	2022-23
Fund raised through PDI during the year	-	-
Outstanding at the end of the FY	-	-
Percentage of PDI to Tier I capital	-	-
FY in which interest for PDI Not Paid	-	-

**Disclosure pursuant to RBI/2022-23/29 DOR.CRE.REC.No.25/03.10.001/2022-23:**

**Loans to Directors, Senior Officers and relatives of Directors:**

Particulars	2023-24	2022-23
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

The above notification is applicable w.e.f. October 01, 2022 and the transactions have been disclosed accordingly.

**Disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22:**

The Statutory Auditors have not expressed any modified opinion on the financial statement for the year ended March 31, 2024.

**42** Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716

**Consolidated Financial Statements**  
**of**  
***TVS Holdings Limited***  
***(Formerly known as Sundaram-Clayton Limited)***

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**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Report on the Audit of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2024**

To the Members of  
**TVS Holdings Limited**

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

**Opinion**

We have audited the accompanying consolidated financial statements of TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as ("the Group")), and its associates, which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, ('the Act') in the manner so required and give a true and fair view in conformity with 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 consolidated state of affairs of the Group and its associates as at 31<sup>st</sup> March, 2024, the consolidated profit, the consolidated total comprehensive Income, consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by 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 of our opinion on the consolidated financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of the most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as

a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S.No.	Key Audit Matter	Auditor's Response
1	<p><b>Accounting for Demerger</b></p> <p>TVS Holdings Limited (erstwhile Sundaram Clayton Limited) has demerged into the Company pursuant to the Composite Scheme of Arrangement (the Scheme") approved by the Hon'ble "National Company Law Tribunal, Chennai bench, vide its order dated 06-March 2023 As part of scheme the company transferred and vested demerged undertaking into Sundaram Clayton DCD Limited (Resulting Company) now known as Sundaram Clayton Limited effective 11<sup>th</sup> August 2023</p> <p>The demerger has a significant impact on assets, liabilities, income, expense and reserves shown in the financial statements of the Company.</p> <p>Due to the above, demerger is a peculiar transaction and considering its impact on the financial statements and judgment involved, the same is considered as a key audit matter.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included following:</p> <ol style="list-style-type: none"> <li>Read and assessed the final Scheme and the final order passed by the NCLT and submitted with the ROC;</li> <li>Obtained an understanding and assessed the effectiveness of process followed by the management for recording the accounting treatment prescribed in the Scheme;</li> <li>Evaluated appropriateness of the accounting treatment followed by the management considering accounting principles prescribed in the Scheme and the requirements of the applicable accounting standards.</li> <li>Obtained and tested the management's working for arriving at the balances of assets and liabilities of the demerged undertaking and treatment of reserves as per the Scheme;</li> <li>Evaluated the adequacy of presentation and disclosures made with respect to the accounting of the demerger transaction as per the Scheme in the financial statements.</li> </ol>
2	<p><b>Carrying Value of Goodwill:</b></p> <p>The group has recognized a 'goodwill on consolidation' in its Consolidated Financial Statements, pursuant to a business combination.</p> <p>The goodwill has to be tested for impairment annually, which requires significant judgment on the part of the management in identifying and valuing the relevant Cash Generating Unit that contains goodwill.</p>	<p><b>Principal Audit Procedures</b></p> <p>Management has obtained a valuation of the Cash Generating Unit wherein valuers have arrived at a fair value, based on weighted average of the Discounted Cash Flow Method and Comparable Companies" Multiples Method. We gained an understanding of the key assumptions used to forecast the cash flows and the discount rates applied Weighted Average Cost of Capital (WACC) as well as the Comparable Companies considered in arriving at the fair value.</p> <p>We consider that the management conclusions concerning the absence of impairment in the goodwill are adequately supported and consistent with the information currently available.</p>

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors and management are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

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

**Responsibilities of Management and Board of Directors, for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that gives a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates, in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of each of the companies in the Group and its associates, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates, are responsible for overseeing the financial reporting process of each of the companies in the Group and its associates.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher, than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company, its subsidiary companies and its associates which are companies incorporated in India, has 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;



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**Consolidated Financial Statements of TVS Holdings Limited**

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the companies in the Group and its associates, 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group and its associates, to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- " Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

**Other Matters**

We did not audit the financial statements / consolidated financial statements of 19 subsidiaries, whose financial statements reflect of total assets (before consolidation adjustments) of ₹ 52,734.51 crores as at 31 March 2024, total revenue (before consolidation adjustments) of ₹ 39,887.75 crores, total net profit after tax (before consolidation adjustments) of ₹ 2,239.76 crores, and the total comprehensive income (before consolidation adjustments) of ₹ 2,206.49 crores for year ended 31 March 2024, and total net cash inflow (before consolidation adjustments) of ₹ 886.59 crores for the year ended on that date, as considered in the consolidated annual financial statements. The consolidated annual financial statements also include the net loss (before consolidation adjustments) of ₹ 7.05 crores, and total comprehensive loss of ₹ 7.05 Crores for the year ended 31 March 2024, as considered in the consolidated annual financial statements, in respect of 3 associates. These financial statements / consolidated financial statements have been audited by other auditors whose independent auditors' reports on financial statements have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and out report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of 16 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 1055.31 crore as at March 31, 2024, and total revenues of ₹ 762.83 crores and total net loss after tax (before consolidation adjustments) of ₹ 393.34 crores for the year ended March 31, 2024. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The Consolidated Financial Statements also include the Group's share of net loss of ₹ 24.86 crore for the year ended March 31, 2024, as considered in the Consolidated Financial Statements, in respect of 9 associates, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial

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**Consolidated Financial Statements of TVS Holdings Limited**

statements and other financial information are not material to the Group.

The subsidiaries and associates located outside India whose financial information and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's Management has converted this financial information from accounting principles generally accepted in their respective countries, to Indian accounting standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's Management. Our conclusion in so far as it relates to such subsidiaries and associates located outside India, is based on the conversion adjustments prepared by the Holding Company's Management and reviewed by us.

Our opinion on the consolidated annual financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. 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 of the aforesaid consolidated financial statements;
- (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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Consolidated financial statements comply with Ind AS specified under Section 133 of the Act and read with rules made thereunder;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India, is disqualified as on 31<sup>st</sup> 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statement disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 40(i) to the consolidated financial statement;

(ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March 2024;

(iii) There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company;

(iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their 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 or any of such subsidiaries 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, 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 No. 39(b) to the consolidated financial statements dividend paid and declared during the year by the company is in compliance with Section 123 of the Companies Act, 2013.
- (vi) Based on our examination which includes test checks and that performed by the respective auditors of the 13 subsidiary companies and its 3 associate companies which are incorporated in India and audited under the act, has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has

operated throughout the year for all relevant transactions recorded in the software Further, during our audit we and respective auditors of subsidiaries and associates mentioned above did not come across any instance of the 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 the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

V. SATHYANARAYANAN  
Partner

Place : Chennai  
Date : 9<sup>th</sup> May 2024

Membership No. 027716  
UDIN : 24027716BKCNNI9171

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**Consolidated Financial Statements of TVS Holdings Limited**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2024, we have audited the internal financial controls over financial reporting of TVS Holdings Limited (erstwhile Sundaram-Clayton Limited) (hereinafter referred to as the 'Holding Company') and its subsidiaries and its associate companies which are incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgment, including the assessment of the risks of material misstatement of the consolidated 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 of the company, its subsidiaries and its associate companies, which are companies incorporated in India.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Consolidated Financial Statements of TVS Holdings Limited**

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company its subsidiary companies and its associate companies which are incorporated in India, have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2024, based on internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by Institute of Chartered Accountants of India.

financial reporting in so far as it relates to its subsidiary companies and associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

**Other matters**

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over

Place : Chennai  
Date : 9<sup>th</sup> May 2024

V. SATHYANARAYANAN  
Partner  
Membership No. 027716  
UDIN : 24027716BKCNNI9171



**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2024**

(Rupees in crores)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and Cash Equivalents	2	2,820.88	3,899.36
(b) Bank Balances other than (a) above	3	349.16	29.29
(c) Receivables			
i) Trade Receivables	4	1,855.40	1,464.64
(d) Investments	5	726.47	609.06
(e) Investments accounted using equity method	6	477.13	413.10
(f) Loans	7	25,471.81	20,546.58
(g) Other Financial Assets	8	401.09	448.32
<b>Total</b>		<b>32,101.94</b>	<b>27,410.35</b>
<b>2 Non-Financial Assets</b>			
(a) Inventories	9	4,035.41	2,332.08
(b) Current Tax Assets (Net)		69.32	38.89
(c) Deferred Tax Assets (Net)	10	435.04	305.73
(d) Investment Properties		141.38	137.70
(e) Property, Plant and Equipment	11	4,318.58	5,649.30
(f) Capital work in progress	11	334.33	393.63
(g) Other Intangible Assets	12	862.20	836.61
(h) Intangibles under development	11	694.94	427.64
(i) Goodwill	11	307.82	307.82
(j) Other Non-Financial Assets	13	1,425.79	1,509.80
<b>Total</b>		<b>12,624.81</b>	<b>11,939.20</b>
<b>Total Assets</b>		<b>44,726.75</b>	<b>39,349.55</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Trade Payables			
i) Total outstanding dues of micro enterprises and small enterprises	14	62.38	100.85
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	14	6,634.50	5,373.42
(b) Debt Securities	15	1,575.00	4,296.51
(c) Borrowings other than debt securities	16	22,610.77	18,971.67
(d) Subordinated Liabilities	17	2,046.71	1,744.82
(e) Other Financial Liabilities	18	1,430.32	1,237.43
<b>Total</b>		<b>34,359.68</b>	<b>31,724.70</b>
<b>2 Non-Financial Liabilities</b>			
(a) Current Tax Liabilities (Net)		34.58	18.15
(b) Provisions	19	464.54	386.67
(c) Deferred Tax Liabilities (Net)	20	196.46	226.25
(d) Other Non-Financial Liabilities	21	2,679.78	948.63
<b>Total</b>		<b>3,375.36</b>	<b>1,579.70</b>
<b>3 EQUITY</b>			
(a) Equity Share capital	22	10.12	10.12
(b) Other Equity	23	2,829.95	3,230.87
<b>Equity attributable to owners</b>		<b>2,840.07</b>	<b>3,240.99</b>
(c) Non controlling interest	23	4,151.64	2,804.16
<b>Total</b>		<b>6,991.71</b>	<b>6,045.15</b>
<b>Total Liabilities and Equity</b>		<b>44,726.75</b>	<b>39,349.55</b>

Material Accounting Policies forming part of consolidated Financial Statements  
The accompanying notes are an integral part of these consolidated financial statements

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**STATEMENT OF CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

		(Rupees in crores)	
Particulars	Note No.	Year ended 31.03.2024	Year ended 31.03.2023
<b>I INCOME</b>			
Interest income		5,187.06	3,768.14
Net gain on sale / fair valuation of investments		65.89	84.66
Sale of goods and services	24	33,985.83	28,995.67
Other operating revenue		1,008.80	813.05
<b>Revenue from Operations</b>		<b>40,247.58</b>	<b>33,661.52</b>
<b>II Other income</b>	25	<b>34.44</b>	<b>28.81</b>
<b>III Total Income (I + II)</b>		<b>40,282.02</b>	<b>33,690.33</b>
<b>Expenditure</b>			
Finance Costs	26	2,043.24	1,424.49
Cost of materials consumed	27	24,237.67	20,779.47
Purchase of stock-in-trade	27	972.65	894.62
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(344.81)	(151.76)
Employee benefits expense	29	3,538.73	3,168.98
Depreciation and amortisation expense	30	1,029.99	985.82
Other expenses	31	5,969.44	4,624.51
<b>IV Total Expenditure</b>		<b>37,446.91</b>	<b>31,726.13</b>
<b>V Profit from ordinary activities before Share of Profit / (Loss) of associates and Exceptional Items (III-IV)</b>		<b>2,835.11</b>	<b>1,964.20</b>
VI Share of profit / (loss) of Associates - net		(43.62)	(39.73)
<b>VII Profit from ordinary activities before Exceptional items (V+VI)</b>		<b>2,791.49</b>	<b>1,924.47</b>
VIII Exceptional Items - Gain / (Loss)	32	(5.07)	88.85
<b>IX Profit from Ordinary Activities before tax (VII+VIII)</b>		<b>2,786.42</b>	<b>2,013.32</b>
X Tax expense			
a) Current tax	33	1,097.85	763.67
b) Deferred Tax	34	(93.81)	(83.52)
Total tax expense		1,004.04	680.15
<b>XI Profit for the year (IX- X)</b>		<b>1,782.38</b>	<b>1,333.17</b>
Profit attributable to			
a) Owners		800.39	649.65
b) Non-controlling Interest		981.99	683.52
<b>XII Other Comprehensive Income (net of tax)</b>			
a) Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations		(42.62)	(27.88)
Change in fair value of equity instruments		1.00	(10.24)
Share of other comprehensive income of an associate		0.01	(2.69)
Income tax relating to the above items		5.55	9.89
b) Items that will be reclassified to profit or loss			
Fair value changes on cash flow hedges		(27.02)	18.38
Foreign currency translation adjustments		2.85	83.76
Income tax relating to the above items		6.13	(5.37)
<b>Total Other Comprehensive Income</b>		<b>(54.10)</b>	<b>65.85</b>
<b>XIII Other Comprehensive income / (Loss) attributable to</b>			
a) Owners		(21.37)	52.28
b) Non-controlling Interest		(32.73)	13.57
<b>XIV Total Comprehensive income / (Loss) attributable to</b>			
a) Owners		779.02	701.93
b) Non-controlling interest		949.26	697.09
<b>XV Earnings Per Share (EPS) (Face value of ₹ 5/- each)</b>	35		
(i) Basic (in ₹)		395.60	321.10
(ii) Diluted (in ₹)		395.60	321.10
Material Accounting Policies forming part of Consolidated financial statements	1		
The accompanying notes are an integral part of these consolidated financial statements			

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716



**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

(Rupees in crores)

**a. Equity Share Capital (Refer Note No 22)**

As at 01-04-2022	10.12
Changes in equity share capital	-
As at 31-03-2023	10.12
Changes in equity share capital	-
As at 31-03-2024	10.12

**b. Other equity (Refer Note No. 23)**

Particulars	Reserves & Surplus					Other Reserves			Non Controlling Interest	Total
	General reserve	Capital reserve	Securities Premium	Statutory reserve	Retained earnings	Equity Instruments Fair Value through Other Comprehensive Income	Foreign currency translation reserve	Hedging reserves		
Balance as at 31-03-2022	595.20	98.65	36.42	41.48	4,233.19	19.72	45.51	(1.05)	2,202.63	7,271.75
Add : Profit for the year 2022-23	-	-	-	-	649.65	-	-	-	683.52	1,333.17
Add: Other comprehensive income for the year 2022-23	-	-	-	-	(11.45)	(2.98)	59.61	7.11	13.57	65.86
Add/(less): Reclassified to Retained earnings	-	-	-	-	(3.01)	-	-	3.01	-	-
Add : Transaction with non controlling interest	-	-	-	-	(89.28)	(1.50)	17.29	(0.41)	22.61	(51.29)
Add : Transferred from retained earnings to statutory reserve	-	-	-	1.14	(1.14)	-	-	-	-	-
Issue for Non-Convertible Redeemable Preference shares as per the scheme of arrangement (Refer Note:40(iv))	(224.84)	-	-	-	(2,122.08)	-	-	-	-	(2,346.92)
Less : Distribution to shareholders :	-	-	-	-	-	-	-	-	-	-
2022-23 Dividend declared	-	-	-	-	(119.37)	-	-	-	(118.17)	(237.54)
Balance as at 31-03-2023	370.36	98.65	36.42	42.62	2,536.51	15.24	122.41	8.66	2,804.16	6,035.03
Add : Profit for the year 2023-24	-	-	-	-	800.39	-	-	-	981.99	1,782.38
Add: Other comprehensive income for the year 2023-24	-	-	-	-	(13.47)	1.00	1.43	(1 0.33)	(32.73)	(54.10)
Add/(less): Reclassified to Retained earnings	-	-	-	-	-	-	-	-	-	-
Adjustment due to composite scheme of arrangement	-	-	-	-	(730.75)	(4.26)	-	(0.83)	-	(735.84)
Add : Transaction with non controlling interest	-	-	-	-	(242.73)	(13.69)	(0.27)	2.78	588.22	334.30
Add : Transferred from retained earnings to statutory reserve	-	-	-	113.73	(113.73)	-	-	-	-	-
Less : Distribution to shareholders :	-	-	-	-	-	-	-	-	-	-
2023-24 Dividend declared	-	-	-	-	(190.18)	-	-	-	(190.00)	(380.18)
Balance as at 31-03-2024	370.36	98.65	36.42	156.35	2,046.03	(1.71)	123.57	0.28	4,151.64	6,981.59

**Nature and Purpose of Other Reserves**

General reserve: General reserve is part of retained earnings. This is available for distribution to shareholders as dividend .

Capital Reserve: Reserve arising out of business combination.

Securities premium: This consist of premium realised on issue of shares and will be applicable / utilised in accordance with the provisions of the Companies Act, 2013

Statutory Reserve has been created pursuant to Section 45 - IC of the RBI Act,1934.

Hedging Reserve - Refer Note No. 37(D)- It represents the effective portion of the fair value of forward/option contracts designated as cashflow hedge.

Fair Value Through Other Comprehensive Income reserve- The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity.

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024** (Rupees in crores)

	Year ended 31.03.2024	Year ended 31.03.2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,786.42	2,013.32
<b>Adjustments for:</b>		
Depreciation and amortisation for the year	1029.99	985.82
(Profit)/ Loss on sale of property, plant and equipment	(5.21)	(2.95)
Dividend income	(0.65)	(0.02)
Interest income	(22.10)	(124.50)
Unrealised exchange Loss/ (gain)	8.06	(8.89)
Net gain on Sale / Fair Valuation of Investments	(65.89)	(84.66)
Share of losses from associates accounted using equity method	43.62	39.73
Interest expense (excluding relatable to financing activity)	290.50	256.49
	<u>1,278.32</u>	<u>1,061.02</u>
Operating profit before working capital changes	4,064.74	3,074.34
<b>Adjustments for:</b>		
Inventories	(1703.33)	(318.66)
Trade Receivables	(390.76)	(97.63)
Other financial assets	47.23	(128.63)
Other Bank balances	(319.87)	150.93
Other non-financial assets	84.01	(384.70)
Loans (Receivable from financing activity)	(4,925.23)	(6,530.89)
Provisions	77.87	(2.21)
Trade Payables	1,236.13	564.65
Other Financial liabilities	408.62	40.76
Other non-financial liabilities	1,731.14	243.80
	<u>(3,754.19)</u>	<u>(6,462.58)</u>
Cash generated from operations	310.55	(3,388.24)
Direct taxes paid	(1,177.14)	(722.40)
<b>Net cash used in operating activities</b>	<u>(866.59)</u>	<u>(4,110.64)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment (including Capital work in progress)	(1,119.75)	(1,485.24)
Sale of fixed assets	645.04	21.94
Purchase of investments in subsidiaries and associates	(322.21)	(87.17)
Purchase of investments	(258.91)	(297.84)
Sale of investments	65.89	1.25
Closure of Term deposits	2,019.87	283.21
Effect of business combination	(92.17)	—
Effect of changes in non controlling interest	572.17	—
Interest received	22.10	124.50
Dividend received	0.65	0.02
<b>Net Cash from/(used in) investing activities</b>	<u>1,532.68</u>	<u>(1,439.33)</u>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024 - (continued)**

	(Rupees in crores)	
	Year ended 31.03.2024	Year ended 31.03.2023
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	1,149.22	6,641.49
Interest paid	(290.50)	(244.49)
Dividend paid	(380.77)	(271.66)
Repayment of Lease Liabilities	(202.65)	(146.75)
<b>Net cash from financing activities</b>	<b>275.30</b>	<b>5,978.59</b>
<b>D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>941.39</b>	<b>428.62</b>
Cash and cash equivalents at the beginning of the year		
Cash and Bank balances	1,879.49	1,450.87
Cash credit balance	—	—
	1,879.49	1,450.87
Cash and cash equivalents at the end of the year		
Cash and Bank balances	2,820.88	1,879.49
Cash credit balance	—	—
	2,820.88	1,879.49

The above statement of consolidated cash flow is prepared using indirect method

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Consolidated Financial Statements of TVS Holdings Limited**

**1. MATERIAL ACCOUNTING POLICIES**

The accounting policies mentioned herein are relating to the Consolidated financial statements of TVS Holdings Limited and its subsidiaries and associates.

**a) Brief description of the Company**

TVS Holdings Limited ('the Company') is a public limited company incorporated in India whose shares are publicly traded. The registered office is located at "Chaitanya", 12, Khader Nawaz Khan Road, Nungambakkam Chennai - 600 006, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group"). The Company received a Certificate of Registration (No. N-07-00904) dated 14<sup>th</sup> March, 2024 from the Reserve Bank of India (RBI) and commenced Non-Banking Financial activity thereon. The Company is a Non-Deposit taking Core Investment Company, as defined under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 which operates in a range of activities such as investments in group companies and any other permissible investments as per RBI guidelines.

**b) Basis of preparation**

The consolidated financial statements (Hereinafter referred to as "Financial Statements") comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Company's financial statements have been prepared on a going concern basis.

The financial statements have been prepared in accordance with Division III of Schedule III of Companies Act, 2013 notified by MCA on 11<sup>th</sup> October, 2018. Further, the Company follows application guidance, clarifications, circulars, and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC) or other regulators, as and when they are issued and applicable. These financial statements for the year ended 31<sup>st</sup> March 2024 have been approved and authorised for issue by the Board of Directors at its meeting held on 9<sup>th</sup> May 2024.

**Principles of consolidation**

**Business Combination:**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

**Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together, items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

**Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. (This is generally the case where the Group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss and the Group's share of other comprehensive

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income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

**c) Use of estimates**

The preparation of financial statements 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, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

This note provides an overview of the areas that involved a higher degree of judgment or complexity. It also provides an overview 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 the information about the basis of calculation for each affected line item in the financial statements

**d) Significant estimates and judgments**

The areas involving significant estimates or judgments are:

- i) Estimation of fair value of unlisted securities - (Refer Note 36 (iii))
- ii) Estimation of defined benefit obligation - (Refer Note 41)
- iii) Estimation of useful life of Property, Plant and Equipment - (Refer Note 1(i) and 1(k))
- iv) Estimation of impairment of goodwill
- v) Estimation of Expected Credit Loss on Loans from financing receivable from financing activity & Trade receivables (Refer Note 37A & 38)
- vi) Estimation of product warranty (Refer Note 19)

**e) Cost Recognition**

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure are capitalized where appropriate, in accordance with the policy for internally generated intangible assets and represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction and product development undertaken by the Group.

**f) Revenue recognition**

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

**i) Sale of automotive vehicles, parts and automotive components:**

Revenue from sale of products is recognised when significant risk and rewards of ownership pass to the customers, as per the terms of the contract and it is probable that the economic benefits associated with the transaction will flow to the Group.

**ii) Sale of Services:**

Revenue from Services is recognised in the accounting period in which the services are rendered and when invoices are raised.

**iii) Revenue from Financing:**

- Interest income for loans (other than Purchase of Originally Credit Impaired (POCI) is recognised using the Effective Interest Rate (EIR) method.

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- For financial assets that are not "POCI" but have subsequently become credit-impaired (or 'stage-3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).
- Income in the nature of overdue interest and bounce charges are recognized on realization, due to uncertainty of collection.

**iv) Revenue from Realty:**

The Group recognises revenue from contracts with customers based on five-step model as set out in IND-AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

**v) Significant judgements:**

There are no significant judgements made by the Group in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract. In case of multiple performance obligations, the Group uses the adjusted market assessment approach to allocate the transaction price between multiple performance obligations. If a discount is granted, the same is adjusted against the transaction price of the contract.

**g) Dividend:**

Any dividend declared in the Group is based on the profits available for distribution as reported in the statutory Standalone financial statements. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory Standalone financial statements after providing for depreciation as per the Companies Act, 2013.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014.

**h) Property, Plant and Equipment**

Freehold Land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation / amortization and impairment, if any. Cost includes:

- i) purchase price,
- ii) taxes and duties,
- iii) labour cost, and
- iv) Directly attributable overheads incurred up to the date the asset is ready for its intended use.
- v) Government grants that are directly attributable to the assets acquired.

However, cost excludes GST, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Government grants relating to the purchase of property, plant and equipment are capitalized and included as cost to fixed assets.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Consolidated Statement of Profit and Loss within Other gains/ (losses).

**i) Depreciation**

- i) Depreciation on Property, Plant and Equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated by a Chartered Engineer, on straight line method and in accordance with Ind AS 16, taking into consideration both usage, useful life and legal limitations on the use of assets, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013. Depreciation is adjusted for the proportionate usage with reference to the asset's expected capacity or physical output during the reporting period

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- ii) The estimated useful life of the tangible fixed assets as assessed by the Chartered Engineer and followed by the Group is furnished below:

Description	Years
Factory building and other buildings	5 to 64
Plant and Equipment	4 to 29
Electrical Equipment	15
Furniture and Fixtures	4 to 10
Computers	3 to 4
Mobile phones	1 to 2
Vehicles	5 to 6

- iii) Tools and dies used for two wheelers are depreciated based on quantity of components manufactured and the life of tools and dies, subject to a maximum of 5 years. Tools and dies used for three wheeler operations are depreciated over a period of 9 years.
- iv) The residual value for all the above assets are retained at 5% of the cost except for Mobile phones for which nil residual value is considered. Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.
- v) On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.
- vi) Depreciation in respect of tangible assets costing individually less than ₹ 5, 000/- is provided at 100%.

**j) Investment properties**

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Group is classified as investment property. Investment Property is measured initially at its cost and including related transaction cost where applicable, borrowing cost. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item is measured reliably.

**k) Intangible assets**

**Goodwill**

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortized but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to the cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the cash generating units.

**Other intangible assets**

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

**Internally-generated intangible assets**

An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 38 - Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

The intangible assets are amortised on straight line basis over its useful life, viz., 2 years in the case of software, 8 years in case of acquired brands and trade marks and 6 to 10 years in the case of Design, Development and Technical knowhow.



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**MATERIAL ACCOUNTING POLICIES - (continued)**

**l) Loans (receivable from financing activity)**

The Loans (receivable from financing activity) are stated at the contract value plus transaction costs less origination income that are directly attributable to the acquisition of the loan. Interest income is recognised using the Effective Interest Rate (EIR) method. Loans are stated at carrying value less impairment loss.

**m) Impairment**

At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

The group estimates the recoverable amount of the cash-generating unit (CGU's) to which the asset belongs/or the individual and property, plant and equipment and intangible assets.

When necessary, the entire carrying amount of the Equity accounted investments is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's/CGU's 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 (or cash generating unit) for which the estimates of future cash flows have not been adjusted.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**n) Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). i.e. in Indian rupees (INR) and all values are rounded off to nearest crores except where otherwise indicated.

**(ii) Transactions and balances**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

- (a) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.
- (b) Non-monetary items denominated in foreign currency such as investments, fixed assets, etc., are valued at the exchange rate prevailing on the date of transaction.
- (c) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

**(iii) Group companies**

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities are translated at the closing rate at the date of that balance sheet
- b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- c) all resulting exchange differences are recognised in other comprehensive income.

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**MATERIAL ACCOUNTING POLICIES - (continued)**

**o) Hedge accounting**

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 37.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in the Consolidated Statement of Profit and Loss, within other gains / (losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects the Consolidated Statement of Profit and Loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Consolidated Statement of Profit and Loss within other gains / (losses).

**p) Inventories**

Inventories are valued at the lower of cost and net realizable value.

- i. Cost of raw materials, components, stores, spares, work-in-progress and finished goods are determined on a moving average basis.
- ii. Cost of finished goods and work-in-progress comprises of direct materials, direct labour and an applicable proportion of variable and fixed overhead expenditure, fixed overhead expenditure absorbed on the basis of normal operating capacity.
- iii. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- iv. Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

Land held for development / sale by the real estate subsidiary is valued at the lower of cost and net realizable value. Cost includes cost of acquisition and all related costs.

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**MATERIAL ACCOUNTING POLICIES - (continued)**

**q) Employee benefits**

i) Short term obligations:

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized upto the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii) Other long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Other Comprehensive Income.

The obligations are presented as current liabilities in the Consolidated Balance Sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Group operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees, pension plan for eligible senior managers; and
- b) Defined contribution plan such as provident fund.

a) Pension and gratuity obligation:

The liability or asset recognized in the Consolidated Balance Sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net of deferred tax). They are included in retained earnings in the statement of changes in equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Consolidated Statement of Profit and Loss as past service cost.

b) Provident fund:

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Group or EPFO. The Group is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognizes such contributions and shortfall, if any, as an expense in the year in which it is incurred.

iv) Bonus plans:

The Group recognizes a liability and an expense for bonus. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**r) Taxes on income**

Tax expense comprises of (i) current tax and (ii) deferred tax.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax

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**MATERIAL ACCOUNTING POLICIES - (continued)**

losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The Group recognises a Deferred tax asset and / or deferred tax liability when the difference between the carrying amount and tax base of the asset or liability is offset by an equal difference in a different asset or liability.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Where the Group is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Group accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

**s) Government Grants**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes available.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

In case of waiver of duty under EPCG licence, such grant is considered as revenue grant and recognized in "Other Income" on completion of export obligation as approved by Regulatory Authorities.

**t) Provisions and contingent liabilities**

**i) Provision:**

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is accounted based on technical evaluation, when the products are sold.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

**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 recognized 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 are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

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**MATERIAL ACCOUNTING POLICIES - (continued)**

**u) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The group has identified the following business segments as reportable segments, (on the basis of products and production process) viz., (1) Automotive vehicles and parts, (2) Automotive components (3) Financial Services and (4) Others

**v) Leases**

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognized in profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

**MATERIAL ACCOUNTING POLICIES - (continued)**

**w) Cash and Cash equivalents**

For the purpose of presentation in the Consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**x) Trade receivables**

The timing of revenue recognition, billings and cash collections results in receivables on the Consolidated Balance Sheet. The Group's receivables are its rights to consideration that are unconditional and are net of impairment in the Consolidated Balance Sheet.

**y) Contract Liabilities**

A contract liability is the obligation to transfer goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the consideration is received. Contract liabilities are recognized as revenue when the Group performs under the contract.

**z) Investments and Other financial assets**

**i) Classification**

The Group classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

**ii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Consolidated Statement of Profit and Loss.

**A) Debt Instruments:**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments.

**i) Amortised Cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on debt instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the Consolidated Statement of Profit and Loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**ii) Fair Value through profit or loss:**

Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at Fair Value Through Profit or Loss (FVTPL). A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**B) Equity instruments:**

The Group subsequently measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in the Consolidated Statement of Profit and Loss as other income when the Group's right to receive payments is established.



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**MATERIAL ACCOUNTING POLICIES - (continued)**

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately. Where the Group elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognized in the Consolidated Statement of profit and loss.

iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 37(A) and Note 38 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

For loans given by financial enterprise the impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 38 details how the Group determines whether there has been a significant increase in credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

iv) Derecognition of financial assets

A financial asset is derecognised only when:

- a) the Group has transferred the rights to receive cash flows from the financial asset or
- b) The Group retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

v) Income recognition

**Interest income:**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

Interest income from other financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

**Dividend income:**

Dividends are recognized in Consolidated statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

**aa) Borrowings**

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in the Consolidated statement of Profit and Loss over the period of the borrowings, using the effective interest rate method. Fees paid on the established loan facilities are recognized as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the Consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Consolidated Statement of Profit and Loss as other gain / (loss).



**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

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**Consolidated Financial Statements of TVS Holdings Limited**

**MATERIAL ACCOUNTING POLICIES - (continued)**

**ab) Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

**ac) Earnings Per Share (EPS)**

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year / period.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements**

(Rupees in crores)

	As at 31.03.2024	As at 31.03.2023
<b>2 CASH AND CASH EQUIVALENTS</b>		
Balances with banks in current accounts	2,509.39	1,874.70
Balances with banks in Fixed deposits / Term deposits	304.24	2,019.87
Cheques on Hand	1.31	—
Cash on hand	5.94	4.79
<b>Total</b>	<b>2,820.88</b>	<b>3,899.36</b>
Cash and cash equivalents for the purpose of Consolidated cash flow statement	2,820.88	1,879.49
<b>3 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS</b>		
Earmarked balances with banks (for unpaid dividend)	321.25	7.51
Balance with banks (with more than 3 months and less than 12 months maturity)	27.91	21.78
<b>Total</b>	<b>349.16</b>	<b>29.29</b>
<b>4 TRADE RECEIVABLES</b>		
Secured, considered good	14.13	11.53
Unsecured, considered good	1,841.27	1,453.11
Doubtful	48.34	57.90
<b>Total</b>	<b>1,903.74</b>	<b>1,522.54</b>
Less: Allowance for doubtful receivables	48.34	57.90
<b>Total</b>	<b>1,855.40</b>	<b>1,464.64</b>
Refer Note 42- Related Party Disclosure		

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

Ageing for trade receivables as on 31.03.2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables - Considered good	128.62	1,233.91	428.40	44.64	4.87	11.71	1,852.15
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	3.25	-	-	-	-	3.25
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	20.00	1.17	1.39	25.78	48.34
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-	-
(vii) Unbilled	-	-	-	-	-	-	-
<b>Total</b>	<b>128.62</b>	<b>1,237.16</b>	<b>448.40</b>	<b>45.81</b>	<b>6.26</b>	<b>37.49</b>	<b>1,903.74</b>

Ageing for trade receivables as on 31.03.2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables - Considered good	111.28	884.56	410.93	51.25	16.29	23.81	1,498.12
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	-	3.32	-	7.03	-	10.35
(iii) Undisputed trade receivables - Credit impaired	-	-	0.17	0.15	0.05	-	0.37
(iv) Disputed trade receivables - Considered good	-	0.06	-	-	1.31	11.67	13.04
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	0.11	-	-	-	0.11
(vii) Unbilled	0.55	-	-	-	-	-	0.55
<b>Total</b>	<b>111.83</b>	<b>884.62</b>	<b>414.53</b>	<b>51.40</b>	<b>24.68</b>	<b>35.48</b>	<b>1,522.54</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**5 INVESTMENTS**

(Rupees in crores)

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	Rupees in crores	
		As at 31.03.2024	As at 31.03.2023			As at 31.03.2024	As at 31.03.2023
1	2	3	4	5	6	7	8
<b>(a)</b>	<b>Investment in Equity Instruments Fair valued through OCI:</b>						
	<b>Quoted:</b>						
(i)	Ucal Fuel Systems Limited, Chennai	91,760	91,760	10.00	INR	1.33	1.00
	<b>Unquoted :</b>						
(ii)	Green Infra BTV Limited, New Delhi	32,50,000	32,50,000	10.00	INR	1.89	1.75
(iii)	Green Infra BTV Limited, New Delhi	-	45,00,000	10.00	INR	-	4.50
(iv)	TVS Lanka (Private) Limited, Colombo	50,00,000	50,00,000	10.00	LKR	4.48	4.38
(v)	Green Infra Wind Power Projects Limited, New Delhi	1,11,600	1,11,600	10.00	INR	0.08	0.08
(vi)	Green Infra Wind Energy Theni Limited, New Delhi	34,34,477	34,34,477	10.00	INR	2.14	1.86
(vii)	Green Infra Wind Power Generation Limited, New Delhi	2,16,000	2,16,000	10.00	INR	0.18	0.17
(viii)	Condivision Solutions Pvt. Limited, Bengaluru	6,760	6,760	10.00	INR	-	-
(ix)	Mulanur Renewable Energy Pvt. Limited, Chennai	15,000	15,000	10.00	INR	0.02	0.02
(x)	PHI Research Pvt. Limited, New Delhi	3,50,000	3,50,000	10.00	INR	3.36	3.36
(xi)	Sai Regency Power Corporation Private Limited, Chennai	-	3,75,000	10.00	INR	-	0.38
(xii)	Adyar Property Holding Company Limited, Chennai (Cost ₹ 6,825)	-	105	100.00	INR	-	-
(xiii)	Atria Wind Power Bijapur 1 Limited, Bengaluru	85,788	85,788	10.00	INR	2.00	2.00
(xiv)	Atria Wind Power (Chitradurga) P Ltd, Bengaluru	80,948	80,948	100.00	INR	0.51	0.47
(xv)	Altizon Systems Private Ltd, Pune	10	10	10.00	INR	0.01	0.01
(xvi)	Roppen Transportation Services Private Limited, Hyderabad	10	10	1.00	INR	0.05	0.05
(xvii)	Roppen Transportation Services Private Limited, Hyderabad <sup>§</sup>	23,985	23,985	10.00	INR	119.73	113.93
(xviii)	Green Infra Wind Energy Generation Limited, Gurugram	23,45,000	23,45,000	10.00	INR	2.85	2.35
(xix)	Eight Innovate Fund	40,000	-	1,000.00	INR	4.00	-
(xx)	ARC Ride Limited, UK	575	575	0.01	GBP	8.46	8.47
(xxi)	ION Mobility Pte Limited, Singapore	-	31,44,198	3.02	USD	-	76.58
(xxii)	Tulsyan NEC Limited, Chennai	-	1,63,125	10.00	INR	-	0.50
(xxiii)	Nagai Power Private Limited, Hyderabad	-	1,33,010	10.00	INR	-	0.13
(xxiv)	TVS Training and Services Limited, Chennai	19,06,709	-	10.00	INR	3.51	-
(xxv)	Emerald Haven Housing Private Limited, Chennai	15,00,000	-	10.00	INR	1.47	-
	<b>Private equity instruments:</b>						
(xxvi)	TVS Shriram Growth fund Scheme 3 of TVS Capital Funds Limited, Chennai	1,81,600	1,71,600	1,000	INR	27.36	25.00
	<b>Investments- Fair Valued Through Profit or Loss:</b>						
<b>(a)</b>	<b>Equity Instruments</b>						
	<b>Quoted :</b>						
(i)	TVS Supply Chain Solutions Limited, Chennai	1,06,62,200	1,06,62,200	1.00	INR	163.19	191.91
	<b>Mutual Funds:</b>						
(ii)	IDFC Mutual Fund	-	6,618	10.00	INR	-	0.80
(iii)	SBI Mutual Fund	-	39,918	10.00	INR	-	10.85
(iv)	Aditya Birla				INR	31.40	-
	Total value of Equity Instruments (a)					378.02	450.55
<b>(b)</b>	<b>Investments in Preference Shares: (Unquoted)</b>						
	<b>Fair valued through OCI:</b>						
(i)	Pinnacle Engines Inc., USA (face value 0.01 cent)	24,09,638	24,09,638	0.0001	USD	-	-
(ii)	Axiom Research Labs Private Limited, Delhi	82	82	10.00	INR	-	-
(iii)	Mottu Holdings Ltd, USA	2,19,514	70,344	0.0010	USD	73.63	16.33
(iv)	Quadrant Esports Ltd.	12,547	-	0.0001	USD	1.04	-
	<b>Total value of Preference shares (b)</b>					<b>74.67</b>	<b>16.33</b>

<sup>§</sup> Preference Shares in the nature of Equity

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**5 INVESTMENTS - (contd..)**

(Rupees in crores)

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	Rupees in crores	
		As at 31.03.2024	As at 31.03.2023			As at 31.03.2024	As at 31.03.2023
1	2	3	4	5	6	7	8
(c)	<b>Other Investments:</b>						
	<b>Investments valued through OCI:</b>						
(i)	Autotech Fund L.L.P. USA				USD	32.79	40.07
	<b>Pension Funds / Government Securities (Unquoted)</b>						
	<b>Valued at Amortised Cost :</b>						
(ii)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai				INR	1.60	2.25
(iii)	Life Insurance Corporation Pension Policy, Mumbai				INR	20.82	19.42
(iv)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai				INR	6.63	6.39
(v)	Investment in Government Securities				INR	93.46	-
(vi)	Hyper Grocers Private Limited, Gwalior	25	-	1,00,000	INR	0.25	-
(vii)	TVS CO. Philippines				USD	0.07	-
(viii)	Investments in CGI Reality Bonds				INR	-	-
(ix)	Life Insurance Corporation Pension Policy, Chennai				INR	4.01	8.65
	<b>Debt Instruments</b>						
	<b>Valued at Amortised Cost :</b>						
(x)	Fabric IOT Private Limited, Bengaluru				INR	17.79	16.28
(xi)	Emerald Haven Housing Private Limited, Chennai	12,79,000	-	10	INR	11.18	-
	<b>Fair valued through Profit and Loss :</b>						
(xii)	Fabric IOT Private Limited, Bengaluru				INR	45.00	45.00
(xiii)	DAT Bike, Singapore				USD	4.16	4.12
(xiv)	Zapata Group B.V, Singapore				USD	36.02	-
	<b>Total value of other investments (c)</b>					<b>273.78</b>	<b>142.18</b>
	<b>Total Investments (a) + (b) + (c)</b>					<b>726.47</b>	<b>609.06</b>
	(i) Investments outside India					160.65	149.95
	(ii) Investments in India					565.82	459.11
	Less: Allowance for impairment loss					-	-
	<b>Total</b>					<b>726.47</b>	<b>609.06</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

(Rupees in crores)

As at  
31.03.2024      As at  
31.03.2023

**6 INVESTMENTS ACCOUNTED USING EQUITY METHOD**

Emerald Haven Realty Limited, Chennai [Nil (last year - 11,12,19,512) Equity shares]	–	86.93
Ultraviolette Automotive Private Limited, Bengaluru [14,850 (last year - 14,850) Equity shares]	7.29	7.29
Ultraviolette Automotive Private Limited, Bengaluru [12,316 (last year - 12,316) Preference shares]	91.65	110.00
Predictronics Corp, USA [24,827 (last year - 24,827) Equity shares]	17.85	18.89
Tagbox Solutions Private Limited, Bengaluru [Nil (last year - 45,710) Equity shares]	–	0.42
Tagbox Solutions Private Limited, Bengaluru [Nil (last year - 3,83,983) Preference shares]	–	9.99
Tagbox Pte Limited, Singapore [2,43,243 (last year - 2,43,243 ) Preference shares]	0.98	14.22
Scienaptic Systems Inc., USA [28,05,357 (last year - 28,05,357) Equity shares]	54.07	53.83
Altizon Inc., USA [8,06,429 (last year - 8,06,429) Equity shares]	23.27	23.35
TVS Training and Services Limited, Chennai [(last year - 19,06,709) Equity Shares]	–	3.63
Sundram Non Conventional Energy Systems Limited, Chennai [Nil (last year - 1,17,650) Equity shares]	–	0.94
DriveX Mobility Private Limited, Coimbatore [9,766 (last year - 9,766) Equity shares]	68.65	83.61
Ion Mobility Pte Ltd, Singapore [49,64,524 (last year - Nil) Preference shares]	121.81	–
Kilwatt GmbH, Germany [24,500 (last year - Nil) Equity shares]	66.68	–
Indian Foundation for Quality Management, Bengaluru [2,50,00,000 (last year - Nil) Equity shares]	25.00	–
<b>Total</b>	<b>477.13</b>	<b>413.10</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

(Rupees in crores)

	As at 31.03.2024	As at 31.03.2023
<b>7 LOANS (Receivable from Financing Activity)</b>		
a) Term Loans		
i) Automobile Financing	20,897.01	15,894.43
ii) Financing (Others)	5,285.73	5,078.03
iii) Trade Advance	225.13	284.19
<b>Total Loans - Gross</b>	<b>26,407.87</b>	<b>21,256.65</b>
b) Less: Impairment Loss Allowance	(936.06)	(710.07)
<b>c) Total Loans - Net (a)-(b)</b>	<b>25,471.81</b>	<b>20,546.58</b>
<b>Nature</b>		
a) Secured	20,897.01	15,894.43
b) Unsecured	5,510.86	5,362.22
<b>c) Total Loans - Gross (a + b)</b>	<b>26,407.87</b>	<b>21,256.65</b>
d) Less: Impairment Loss Allowance	(936.06)	(710.07)
<b>e) Total Loans- Net (c)-(d)</b>	<b>25,471.81</b>	<b>20,546.58</b>
<b>I. Loans in India</b>		
a) Public Sector	—	—
b) Others	26,407.87	21,256.65
<b>c) Total Loans - Gross (a + b)</b>	<b>26,407.87</b>	<b>21,256.65</b>
d) Less: Impairment Loss Allowance	(936.06)	(710.07)
<b>e) Total Loans - Net (c)-(d)</b>	<b>25,471.81</b>	<b>20,546.58</b>
<b>II. Loans Outside India</b>	—	—
<b>Total Loans ( I+ II)</b>	<b>25,471.81</b>	<b>20,546.58</b>
<b>8 OTHER FINANCIAL ASSETS</b>		
Deposits	70.63	72.46
Loans given to employees	4.46	3.09
Claims receivable	65.97	66.92
Derivative financial instruments - receivable	90.67	182.76
Share application money pending allotment	—	1.34
Bank deposits	2.09	0.33
Employee Advances	19.64	18.35
Loans and advances - Non Related Parties	41.60	16.44
Security Deposits	39.47	11.05
Receivable towards sale of fixed assets	66.43	65.55
Others	0.13	10.03
	<b>401.09</b>	<b>448.32</b>



**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

(Rupees in crores)

As at  
31.03.2024      As at  
31.03.2023

**9 INVENTORIES**

Raw materials and components	990.02	981.50
Goods-in-transit - Raw materials / components / Traded Goods	52.74	107.85
Work-in-progress	64.23	103.81
Finished goods	532.60	493.32
Stock-in-trade	558.08	470.37
Stores and spares	57.67	175.23
Construction-in-progress	966.45	-
Land held for Development	813.63	-
	<b>4,035.41</b>	<b>2,332.08</b>

Refer note no. 40(iv)

**10 DEFERRED TAX ASSETS :**

The balance comprises temporary differences attributable to:

Others	16.03	18.36
Total deferred tax liability	16.03	18.36

Deferred tax asset consists of :

- Depreciation	4.81	4.84
- tax on employee benefit expenses	26.21	16.71
- tax on expected credit losses provision	228.12	180.02
- tax on investment property	14.72	14.72
- tax on carried forward loss	54.11	75.35
- tax on others	123.10	32.45
Total deferred tax assets	451.07	324.09
<b>Deferred tax asset</b>	<b>435.04</b>	<b>305.73</b>

**Movement in deferred tax:**

	Depreciation	Others	Total
<b>As at 01-04-2022</b>	<b>5.24</b>	<b>212.64</b>	<b>217.88</b>
(Charged) / credited:			
- to profit or loss	(0.40)	85.94	85.54
- to other comprehensive income	-	(2.44)	(2.44)
- to subsidiary incumbent deferred tax asset	-	(0.98)	(0.98)
- to foreign currency translation	-	5.73	5.73
<b>As at 31-03-2023</b>	<b>4.84</b>	<b>300.89</b>	<b>305.73</b>
(Charged) / credited:			
- to profit or loss	(0.95)	89.06	88.11
- to other comprehensive income	-	1.52	1.52
- to subsidiary incumbent deferred tax asset	0.92	28.99	29.91
- business Combination	-	9.77	9.77
<b>As at 31-03-2024</b>	<b>4.81</b>	<b>430.23</b>	<b>435.04</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**11 PROPERTY, PLANT & EQUIPMENT**

(Rupees in crores)

Description	Property, Plant & Equipment								
	Freehold land	Leasehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	RTA	Total
	1	2	3	4	5	6	7	8	9
Cost of assets									
As at 01-04-2023	550.77	45.44	1,514.67	5,458.64	166.15	261.89	153.40	1,094.84	9,245.80
Incumbent Subsidiary	–	–	–	1.26	5.82	3.24	1.24	8.00	19.56
Additions	56.21	–	109.43	453.96	67.92	64.53	31.90	183.98	967.92
Foreign currency translation reserve	(5.02)	–	(0.27)	(3.74)	0.71	0.02	0.54	–	(7.76)
Sub-total	601.96	45.44	1,623.83	5,910.12	240.60	329.68	187.08	1,286.82	10,225.52
Sales / deletion	(0.02)	–	(7.63)	(165.25)	(3.85)	(15.07)	(11.03)	(40.12)	(242.97)
Due to Business Combination	(36.17)	(45.44)	(478.43)	(1,473.82)	(5.91)	(30.16)	(4.11)	(52.42)	(2,126.46)
<b>Total</b>	<b>565.77</b>	<b>–</b>	<b>1,137.77</b>	<b>4,271.04</b>	<b>230.84</b>	<b>284.44</b>	<b>171.94</b>	<b>1,194.28</b>	<b>7,856.09</b>
Depreciation / Amortisation									
Upto 31-03-2023	–	1.64	309.58	2,600.67	100.64	170.67	81.89	331.41	3,596.50
Incumbent Subsidiary	–	–	–	1.15	3.51	2.06	0.65	0.74	8.11
For the year Amortisation	–	0.02	53.87	438.40	30.76	55.20	16.92	221.85	817.01
Foreign currency translation reserve	–	–	(0.74)	(12.78)	0.35	(0.11)	0.14	(8.12)	(21.26)
Sub-total	–	1.66	362.71	3,027.44	135.26	227.82	99.60	545.87	4,400.35
Withdrawn on assets sold / deleted	–	–	(4.25)	(111.20)	(1.16)	(17.67)	(5.94)	(22.52)	(162.74)
Due to Business Combination	–	(1.66)	(52.52)	(600.58)	(2.36)	(19.44)	(1.05)	(22.51)	(700.11)
<b>Total</b>	<b>–</b>	<b>–</b>	<b>305.94</b>	<b>2,315.66</b>	<b>131.74</b>	<b>190.71</b>	<b>92.61</b>	<b>500.84</b>	<b>3,537.50</b>
<b>As at 31-03-2024</b>	<b>565.77</b>	<b>–</b>	<b>831.83</b>	<b>1,955.38</b>	<b>99.10</b>	<b>93.74</b>	<b>79.33</b>	<b>693.44</b>	<b>4,318.58</b>

<b>Goodwill</b>	<b>2023-24</b>	<b>2022-23</b>
(i) Goodwill arising on business combination	2.20	2.20
(ii) Goodwill arising on consolidation	305.62	305.62
<b>Total</b>	<b>307.82</b>	<b>307.82</b>

<b>Capital Work-In-Progress (At Cost)</b>	<b>2023-24</b>	<b>2022-23</b>
(i) Building	60.45	90.27
(ii) Plant & equipment	273.88	271.19
(iii) Others	–	32.17
<b>Total</b>	<b>334.33</b>	<b>393.63</b>

Ageing of Capital work-in-progress as at 31-03-2024

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	217.28	34.22	61.97	20.86	334.33

Ageing of Intangible assets under development as at 31-03-2024:

Particulars	Amount of Intangible assets under development for a period of				
	< 1 Yr.	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	439.91	168.61	64.86	21.56	694.94

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**11 PROPERTY, PLANT & EQUIPMENT – (continued)**

(Rupees in crores)

Description	Property, Plant & Equipment								
	Freehold land	Leasehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	RTA	Total
	1	2	3	4	5	6	7	8	9
Cost of Assets									
As at 01-04-2022	373.04	45.44	1,384.88	4,948.45	142.88	230.22	120.55	768.01	8,013.47
Additions	171.39	–	102.68	613.04	23.78	43.44	45.58	328.48	1,328.39
Foreign currency translation reserve	6.34	–	28.22	40.70	0.80	0.75	(2.47)	–	74.34
<b>Sub-total</b>	<b>550.77</b>	<b>45.44</b>	<b>1,515.78</b>	<b>5,602.19</b>	<b>167.46</b>	<b>274.41</b>	<b>163.66</b>	<b>1,096.49</b>	<b>9,416.20</b>
Sales / deletion	-	-	(1.11)	(143.55)	(1.31)	(12.52)	(10.26)	(1.65)	(170.40)
<b>Total</b>	<b>550.77</b>	<b>45.44</b>	<b>1,514.67</b>	<b>5,458.64</b>	<b>166.15</b>	<b>261.89</b>	<b>153.40</b>	<b>1,094.84</b>	<b>9,245.80</b>
Depreciation / Amortisation									
Upto 31-03-2022	–	1.14	245.60	2,206.89	82.58	156.21	58.35	222.58	2,973.35
For the year									-
Amortisation	–	0.50	62.00	502.31	19.11	24.64	32.94	144.22	785.72
Foreign currency translation reserve	–	–	2.23	5.75	(0.25)	1.23	(1.08)	(35.39)	(27.51)
<b>Sub-total</b>	<b>–</b>	<b>1.64</b>	<b>309.83</b>	<b>2,714.95</b>	<b>101.44</b>	<b>182.08</b>	<b>90.21</b>	<b>331.41</b>	<b>3,731.56</b>
Withdrawn on assets sold / deleted	–	–	(0.25)	(114.28)	(0.80)	(11.41)	(8.32)	–	(135.06)
<b>Total</b>	<b>–</b>	<b>1.64</b>	<b>309.58</b>	<b>2,600.67</b>	<b>100.64</b>	<b>170.67</b>	<b>81.89</b>	<b>331.41</b>	<b>3,596.50</b>
<b>As at 31-03-2023</b>	<b>550.77</b>	<b>43.80</b>	<b>1,205.09</b>	<b>2,857.97</b>	<b>65.51</b>	<b>91.22</b>	<b>71.51</b>	<b>763.43</b>	<b>5,649.30</b>

<b>Goodwill</b>	<b>2022-23</b>	<b>2021-22</b>
(i) Goodwill arising on business combination	2.20	2.20
(ii) Goodwill arising on consolidation	305.62	288.39
<b>Total</b>	<b>307.82</b>	<b>290.59</b>
<b>Capital Work-In-Progress (At Cost)</b>	<b>2022-23</b>	<b>2021-22</b>
(i) Building	90.27	97.30
(ii) Plant & equipment	271.19	230.45
(iii) Others	32.17	1.36
<b>Total</b>	<b>393.63</b>	<b>329.11</b>

Ageing of Capital work-in- progress as on 31<sup>st</sup> March 2023:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	266.00	83.82	21.14	22.67	393.63

Ageing of Intangible assets under development as at 31-03-2023:

Particulars	Amount of Intangible assets under development for a period of				
	< 1 Yr.	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	290.72	109.39	22.92	4.61	427.64

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**12 INTANGIBLE ASSETS**

(Rupees in crores)

Description	Software	Design Development	Trademark	Total
Cost of assets				
As at 01-04-2023	195.39	673.18	478.04	1,346.61
Additions	73.13	179.35	2.41	254.89
Incumbent Subsidiary	0.87	-	-	0.87
Foreign Currency translation reserve	0.50	(2.90)	12.63	10.23
<b>Sub-total</b>	<b>269.89</b>	<b>849.63</b>	<b>493.08</b>	<b>1,612.60</b>
Sales / deletion	-	(26.79)	-	(26.79)
Due to Business Combination	(7.92)	-	-	(7.92)
<b>Total</b>	<b>261.97</b>	<b>822.84</b>	<b>493.08</b>	<b>1,577.89</b>
Depreciation / Amortisation				
Upto 31-03-2023	151.93	323.60	34.47	510.00
For the year Amortisation	53.34	95.56	64.08	212.98
Incumbent Subsidiary	0.56	-	-	0.56
Foreign Currency translation reserve	(7.88)	(0.09)	(1.47)	(9.44)
<b>Sub-total</b>	<b>197.95</b>	<b>419.07</b>	<b>97.08</b>	<b>714.10</b>
Withdrawn on assets sold / deleted	(0.01)	-	-	(0.01)
Due to Business Combination	1.60	-	-	1.60
<b>Total</b>	<b>199.54</b>	<b>419.07</b>	<b>97.08</b>	<b>715.69</b>
<b>As at 31-03-2024</b>	<b>62.43</b>	<b>403.77</b>	<b>396.00</b>	<b>862.20</b>

Description	Software	Design Development	Trademark	Total
Cost of assets				
As at 01-04-2022	189.62	577.97	471.18	1,238.77
Additions	47.20	96.67	1.62	145.49
Foreign Currency translation reserve	-	-	5.24	5.24
<b>Sub-total</b>	<b>236.82</b>	<b>674.64</b>	<b>478.04</b>	<b>1,389.50</b>
Sales / deletion	(41.43)	(1.46)	-	(42.89)
<b>Total</b>	<b>195.39</b>	<b>673.18</b>	<b>478.04</b>	<b>1,346.61</b>
Depreciation / Amortisation				
Upto 31-03-2022	127.78	227.93	12.15	367.86
For the year				-
Amortisation	50.85	97.15	52.10	200.10
Foreign Currency translation reserve	(5.87)	(0.02)	(14.54)	(20.43)
<b>Sub-total</b>	<b>172.76</b>	<b>325.06</b>	<b>49.71</b>	<b>547.53</b>
Withdrawn on assets sold / deleted	(20.83)	(1.46)	(15.24)	(37.53)
<b>Total</b>	<b>151.93</b>	<b>323.60</b>	<b>34.47</b>	<b>510.00</b>
<b>As at 31-03-2023</b>	<b>43.46</b>	<b>349.58</b>	<b>443.57</b>	<b>836.61</b>

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

As at  
31.03.2024      As at  
31.03.2023

**13 OTHER NON FINANCIAL ASSETS**

Capital advances	126.39	87.68
Statutory and other deposits	18.34	48.80
VAT / IT / Excise / GST receivable	545.53	505.39
Prepaid expense	148.47	133.07
Vendor advance	338.67	225.92
Trade Deposits	77.75	22.93
Incentive receivable from Government <sup>^</sup>	182.63	472.55
Employee Related Assets	6.54	8.24
Others	4.41	8.05
	<b>1,448.73</b>	<b>1,512.63</b>
Less: loss allowance	22.94	2.83
	<b>1,425.79</b>	<b>1,509.80</b>

<sup>^</sup> Includes EV subsidy receivable of ₹ 148.62 crores (Previous Year ₹ 448.40 crores)

**14 TRADE PAYABLES**

Current		
Dues to Micro and Small Enterprises **	62.38	100.85
Dues to enterprises other than Micro and Small Enterprises	6,634.50	5,373.42
<b>Total trade payables</b>	<b>6,696.88</b>	<b>5,474.27</b>

\*\* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to the enterprises. There are no undisputed overdues on Principal and no interest due or outstanding.

Refer Note 42 for Related Party Disclosure.

Ageing for Trade Payables as on 31.03.2024

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	62.38	—	—	—	—	62.38
Others	3,280.16	1,720.55	30.94	20.64	25.16	5,077.45
Disputed Dues - MSME	—	—	—	—	—	—
Disputed Dues - Others	—	—	—	—	—	—
Accrued Expenses	—	—	—	—	—	1,557.05
<b>Total</b>	<b>3,342.54</b>	<b>1,720.55</b>	<b>30.94</b>	<b>20.64</b>	<b>25.16</b>	<b>6,696.88</b>

Ageing for Trade Payables as on 31.03.2023

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	100.70	—	—	—	—	100.70
Others	2,272.32	2,431.76	19.80	9.40	25.59	4,758.87
Disputed Dues - MSME	—	—	0.03	0.05	0.07	0.15
Disputed Dues - Others	—	—	—	—	—	—
Accrued Expenses	—	—	—	—	—	614.55
<b>Total</b>	<b>2,373.02</b>	<b>2,431.76</b>	<b>19.83</b>	<b>9.45</b>	<b>25.66</b>	<b>5,474.27</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

	As at 31.03.2024	As at 31.03.2023
<b>15 DEBT SECURITIES</b>		
At Amortised Cost		
Non Convertible Debentures (Secured)	1,575.00	1,949.59
Optionally Convertible Debentures ( Secured)	–	–
Compulsorily Convertible Debentures	–	–
Non Convertible Redeemable Preference Shares	–	2,346.92
<b>Total (A)</b>	<b>1,575.00</b>	<b>4,296.51</b>
Debt securities in India	1,575.00	4,296.51
Debt securities outside India	–	–
<b>Total (B)</b>	<b>1,575.00</b>	<b>4,296.51</b>
<b>16 BORROWINGS (OTHER THAN DEBT SECURITIES)</b>		
At Amortised Cost		
(a) Term loans (Secured)		
i) from banks	15,191.48	14,247.41
ii) from other parties	1,117.61	312.00
iii) External Commercial Borrowings	833.00	1,683.38
iv) Others	99.91	1,382.04
(b) Loans repayable on demand		
i) Unsecured		
i) from banks	452.21	727.88
ii) from other parties	–	–
(ii) cash credit from banks (secured)	3,608.07	235.27
(iii) working capital demand loan (Unsecured)		
- From Banks	783.66	305.05
- From Others	325.00	–
iv ) Others	199.84	78.64
<b>Total (A)</b>	<b>22,610.77</b>	<b>18,971.67</b>
Borrowings in India	21,934.27	18,006.89
Borrowings outside India	676.50	964.78
<b>Total (B)</b>	<b>22,610.77</b>	<b>18,971.67</b>
<b>17 SUBORDINATED LIABILITIES</b>		
At Amortised Cost-Unsecured		
(a) Perpetual Debt Instruments to the extent that do not qualify as equity	–	99.88
(b) Preference Shares other than those that qualify as Equity		
Others (specifying the nature and type of instrument issued)	–	–
(c) Other Subordinated Liabilities		
From Banks	–	100.00
From Others	2,046.71	1,544.94
<b>Total (A)</b>	<b>2,046.71</b>	<b>1,744.82</b>
Subordinated Liabilities in India	2,046.71	1,744.82
Subordinated Liabilities outside India	–	–
<b>Total (B)</b>	<b>2,046.71</b>	<b>1,744.82</b>

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**Annexure to FINANCIAL LIABILITIES - BORROWINGS**

Nature	Lenders	As at 31-03-2024	As at 31-03-2023	Status as at 31-03-2024			
				Interest Rate	Frequency	No. of Installments Due	Maturity
<b>Secured Borrowings:</b>							
ECB Loan 1	Bank	-	410.43	-	-	-	-
ECB Loan 2	Bank	-	385.94	-	-	-	-
ECB Loan 3	Bank	833.00	818.90	6.9%	Bullet	1	Dec-2024
Term Loan 1	Bank	-	4.58	-	-	-	-
Term Loan 2	Bank	-	1.25	-	-	-	-
Term Loan 3	Bank	-	9.38	-	-	-	-
Term Loan 4	Bank	47.56	41.92	8.5%	Quarterly	12	Nov-2027
Term Loan 5	Bank	249.44	197.20	SOFR + 2.60% p.a	Quarterly	8	Dec-2027
Term Loan 6	Bank	175.58	337.77	5.60%	Monthly	13	Apr-2025
Term Loan 7	Bank	62.49	187.47	6.30%	Quarterly	2	Sep-2024
Term Loan 8	Bank	125.00	250.00	6.30%	Quarterly	4	Feb-2025
Term Loan 9	Bank	324.30	567.53	6.35%	Monthly	16	Jul-2025
Term Loan 10	Bank	200.00	200.00	7.00%	Bullet	1	Oct-2024
Term Loan 11	Bank	299.95	499.92	7.00%	Quarterly	6	Jul-2025
Term Loan 12	Bank	-	180.00	-	-	-	-
Term Loan 13	Bank	291.18	457.58	7.25%	Quarterly	7	Feb-2026
Term Loan 14	Bank	249.45	374.18	7.25%	Quarterly	8	Apr-2026
Term Loan 15	Bank	-	24.99	-	-	-	-
Term Loan 16	Bank	-	300.00	-	-	-	-
Term Loan 17	Bank	83.34	250.00	7.50%	Monthly	6	Sep-2024
Term Loan 18	Bank	-	499.82	-	-	-	-
Term Loan 19	Bank	-	249.95	-	-	-	-
Term Loan 20	Bank	489.08	698.56	7.59%	Quarterly	7	Oct-2025
Term Loan 21	Bank	-	249.86	-	-	-	-
Term Loan 22	Bank	-	250.00	-	-	-	-
Term Loan 23	Bank	59.33	91.74	7.60%	Monthly	22	Jan-2026
Term Loan 24	Bank	-	499.91	-	-	-	-
Term Loan 25	Bank	-	416.63	-	-	-	-
Term Loan 26	Bank	41.67	208.31	7.75%	Monthly	15	Jun-2024
Term Loan 27	Bank	40.00	60.00	7.75%	Quarterly	12	Mar-2026
Term Loan 28	Bank	58.38	87.57	7.75%	Monthly	36	Mar-2026
Term Loan 29	Bank	-	100.00	-	-	-	-
Term Loan 30	Bank	-	399.91	-	-	-	-
Term Loan 31	Bank	-	249.84	-	-	-	-
Term Loan 32	Bank	-	149.98	-	-	-	-
Term Loan 33	Bank	-	149.91	-	-	-	-
Term Loan 34	Bank	-	166.53	-	-	-	-
Term Loan 35	Bank	-	199.97	-	-	-	-
Term Loan 36	Bank	-	199.91	-	-	-	-



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**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**Annexure to FINANCIAL LIABILITIES - BORROWINGS - (continued)**

Nature	Lenders	As at 31-03-2024	As at 31-03-2023	Status as at 31-03-2024			
				Interest Rate	Frequency	No. of Installments Due	Maturity
Term Loan 37	Bank	329.95	300.00	8.03%	Quarterly	7	Oct-2025
Term Loan 38	Bank	-	499.90	-	-	-	-
Term Loan 39	Bank	62.53	145.80	8.37%	Monthly	9	Dec-2024
Term Loan 40	Bank	-	74.99	-	-	-	-
Term Loan 41	Bank	-	41.67	-	-	-	-
Term Loan 42	Bank	-	33.32	-	-	-	-
Term Loan 43	Bank	-	120.00	-	-	-	-
Term Loan 44	Bank	-	120.00	-	-	-	-
Term Loan 45	Bank	-	50.00	-	-	-	-
Term Loan 46	Bank	-	99.98	-	-	-	-
Term Loan 47	Bank	-	50.00	-	-	-	-
Term Loan 48	Bank	-	150.00	-	-	-	-
Term Loan 49	Bank	456.44	-	7.10%	Quarterly	13	Jun-2027
Term Loan 50	Bank	151.61	-	7.10%	Quarterly	13	Jun-2027
Term Loan 51	Bank	335.70	-	7.10%	Quarterly	14	Sep-2027
Term Loan 52	Bank	749.18	-	7.10%	Monthly	39	Jun-2027
Term Loan 53	Bank	100.00	-	7.10%	Quarterly	13	Jun-2027
Term Loan 54	Bank	374.60	-	7.15%	Quarterly	12	Feb-2027
Term Loan 55	Bank	93.65	-	7.15%	Quarterly	12	Mar-2027
Term Loan 56	Bank	100.00	-	7.28%	Quarterly	5	Apr-2025
Term Loan 57	Bank	100.63	-	7.54%	Quarterly	14	Sep-2027
Term Loan 58	Bank	99.22	-	7.70%	Monthly	39	Sep-2027
Term Loan 59	Bank	249.98	-	8.08%	Quarterly	10	Jul-2026
Term Loan 60	Bank	400.00	-	8.10%	Bullet	1	May-2026
Term Loan 61	Bank	300.00	-	8.10%	Quarterly	8	Dec-2026
Term Loan 62	Bank	249.98	-	8.20%	Quarterly	10	Oct-2026
Term Loan 63	Bank	499.95	-	8.25%	Quarterly	11	Apr-2027
Term Loan 64	Bank	249.97	-	8.25%	Bullet	1	Sep-2025
Term Loan 65	Bank	249.92	-	8.25%	Bullet	1	Jun-2026
Term Loan 66	Bank	999.73	-	8.25%	Quarterly	11	Feb-2027
Term Loan 67	Bank	299.73	-	8.25%	Bullet	1	Feb-2025
Term Loan 68	Bank	124.97	-	8.26%	Half Yearly	5	Aug-2025
Term Loan 69	Bank	281.22	-	8.30%	Quarterly	15	Dec-2027
Term Loan 70	Bank	124.99	-	8.30%	Quarterly	2	Aug-2024
Term Loan 71	Bank	49.96	-	8.30%	Quarterly	12	Mar-2027
Term Loan 72	Bank	746.10	-	8.34%	Quarterly	14	Sep-2027
Term Loan 73	Bank	299.90	-	8.35%	Quarterly	14	Nov-2027
Term Loan 74	Bank	919.84	-	8.35%	Quarterly	8	Jul-2026
Term Loan 75	Bank	458.23	-	8.35%	Quarterly	11	Nov-2026

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**Annexure to FINANCIAL LIABILITIES - BORROWINGS - (continued)**

Nature	Lenders	As at 31-03-2024	As at 31-03-2023	Status as at 31-03-2024			
				Interest Rate	Frequency	No. of Installments Due	Maturity
Term Loan 76	Bank	124.93	-	8.40%	Quarterly	4	Mar-2025
Term Loan 77	Bank	156.25	-	8.40%	Quarterly	5	Apr-2025
Term Loan 78	Bank	333.20	-	8.40%	Quarterly	8	Feb-2026
Term Loan 79	Bank	299.95	-	8.50%	Quarterly	6	Sep-2025
Term Loan 80	Bank	299.95	-	8.50%	Quarterly	6	Oct-2025
Term Loan 81	Bank	349.94	-	8.65%	Quarterly	7	Dec-2025
Soft Loan	State owned corporation - I	3.33	3.08	0.1%	Bullet	1	Apr-2029
Soft Loan	State owned corporation -II	9.68	84.68	0.1%	Specific period	2	Apr-2030
Debentures	8.30% Secured Non Convertible Debenture	425.00	425.00	8.30%	Bullet	1	Oct-2024
Debentures	8.15% Secured Non Convertible Debenture	800.00	800.00	8.15%	Bullet	1	Sep-2025
Debentures	8.40% Secured Non Convertible Debenture	225.00	-	8.4%	Bullet	1	Jun-2026
Debentures	Optionally Convertible Debentures	16.00	-	15.0%	End of Tenure	1	25-26 & 26-27
Term Loan - A	Others	0.11	-	7.0%	Monthly	-	Apr-2020
Term Loan - B	Others	60.00	-	LTLR less 8.80%	Quarterly	12	Sep-2027
Term Loan - C	Others	5.10	-	LTLR less 7.25%	Monthly	48	Sep-2028
Term Loan - D	Others	5.20	-	LTLR less 7.25%	Monthly	24	Mar-2026
Term Loan - E	Others	55.00	-	LTLR less 8.80%	Quarterly	12	Oct-2027
Term Loan - F	Others	9.75	-	LTLR less 8.25%	Monthly	14	May-2026
Term Loan - G	Others	114.93	-	LTRR less 7.15%	Quarterly	8	Sep-2026
FCNRB Term Loan	Bank	-	114.50	-	-	-	-
ECB Loan	Bank	-	40.72	-	-	-	-
Term Loan	Bank	-	75.00	-	-	-	-
Soft Loan	State owned corporation	-	8.12	-	-	-	-
Term Loan	Bank	-	173.69	-	-	-	-
Term Loan	Bank	-	196.54	-	-	-	-
<b>Unsecured Borrowings:</b>							
Debentures	Non Convertible Debenture - I	-	499.93	-	-	-	-
Debentures	Non Convertible Debentures - II	124.87	124.81	Repo Rate plus Margin	End of Tenure	1	Mar-2026
Debentures	Compulsorily Convertible Debentures	74.25	-	15.0%	End of Tenure	1	Mar-2026
Debentures	Non Convertible Debentures	46.80	-	0.0%	End of Tenure	1	Feb-2027
Debentures	Non Convertible Debentures	-	99.85	0.0%	-	-	-

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**Annexure to FINANCIAL LIABILITIES - BORROWINGS - (continued)**

Nature	Lenders	As at 31-03-2024	As at 31-03-2023	Status as at 31-03-2024			
				Interest Rate	Frequency	No. of Installments Due	Maturity
ECB Loan	Bank	-	27.39	-	-	-	-
Term Loan	Bank	429.96	479.93	6.3%	Quarterly	12	Mar-2027
Term Loan	Bank	17.49	17.02	2.2%	Yearly	5	Dec-2029
Term Loan	Bank	20.35	3.13	SONIA + Margin	Bullet	1	Apr-2024
Term Loan	Others	14.73	16.12	0.8%	Annual	8	Nov-2031
Term Loan	Others	299.94	-	8.0%	Monthly	43	Dec-2027
Term Loan	Others	499.84	-	8.25%	Quarterly	12	Mar-2027
Term Loan	Others	40.00	200.00	7.6%	Quarterly	1	Jun-2024
Term Loan	Bank	-	175.98	-	-	-	-
Sub Debt	Bank	-	50.00	-	-	-	-
Sub Debt	Bank	-	50.00	-	-	-	-
Sub Debt	Others	99.90	99.60	10.9%	Bullet	1	Aug-2024
Sub Debt	Others	64.38	64.20	9.4%	Bullet	1	Jun-2026
Sub Debt	Others	34.67	34.60	9.4%	Bullet	1	Jun-2026
Sub Debt	Others	19.85	19.76	9.4%	Bullet	1	Jun-2026
Sub Debt	Others	49.52	49.39	9.4%	Bullet	1	Jun-2026
Sub Debt	Others	129.02	128.40	9.4%	Bullet	1	Aug-2026
Sub Debt	Others	99.00	99.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	35.00	35.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	35.00	35.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	30.00	30.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	200.00	200.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	50.00	50.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	100.00	100.00	10.0%	Bullet	1	Jul-2026
Sub Debt	Others	95.00	95.00	9.5%	Bullet	1	Jan-2028
Sub Debt	Others	80.00	80.00	9.5%	Bullet	1	Jan-2028
Sub Debt	Others	115.00	115.00	9.5%	Bullet	1	Jan-2028
Sub Debt	Others	110.00	110.00	9.5%	Bullet	1	Jan-2028
Sub Debt	Others	50.00	50.00	9.4%	Bullet	1	Aug-2028
Sub Debt	Others	50.00	50.00	9.4%	Bullet	1	Aug-2028
Sub Debt	Others	50.00	50.00	9.4%	Bullet	1	Aug-2028
Sub Debt	Others	50.00	50.00	9.4%	Bullet	1	Aug-2028
Sub Debt	Others	25.02	-	9.3%	Bullet	1	Jun-2029
Sub Debt	Others	100.08	-	9.3%	Bullet	1	Jun-2029
Sub Debt	Others	175.13	-	9.3%	Bullet	1	Jun-2029
Sub Debt	Others	200.15	-	9.3%	Bullet	1	Jun-2029
Perpetual Debt	Others	99.91	99.88	11.5%	Bullet	1	Nov-2027
Term loan	Bank	199.56	199.20	8.3%	Quarterly	8	Mar-2026
Term loan	Bank	187.38	-	Repo Rate plus Margin	Quarterly	10	Jul-2026
Term loan	Bank	499.08	-	Repo Rate plus Margin	Quarterly	8	May-2026

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**Annexure to FINANCIAL LIABILITIES - BORROWINGS - (continued)**

Nature	Lenders	As at 31-03-2024	As at 31-03-2023	Status as at 31-03-2024			
				Interest Rate	Frequency	No. of Installments Due	Maturity
Sales Tax Deferral	Others	62.91	78.64	Nil	Yearly	4	Jun-2027
Working Capital Demand Loan	Bank	225.00	-		Yearly		
Working Capital Demand Loan	Others	325.00	-		Yearly		
Cash Credit	Bank	3,372.08	2.99				
Overdraft	Bank	33.97	10.72	7.3%			
Commercial Papers	Others	-	1,382.04	6.12% to 10.52%			
Term Loan	Bank	37.21	42.88				
Term Loan	Bank	-	440.00				
Term Loan	Bank	235.99	232.28				
Term Loan	Bank	433.72	2,460.16				
Short Term Loan	Bank	59.21	41.23	7.17 to 8.25%			
Short Term Loan	Bank	42.11	3.58	3.7%			
Short Term Loan	Bank	423.37	193.49	3.9 to 4.6%			
Short Term Loan	Bank	-	66.97				
Short Term Loan	Bank	-	88.49				
Non Convertible Redeemable Preference Shares	Others	-	2,346.92	9.0%			
<b>Total Borrowings</b>		<b>26,232.48</b>	<b>25,013.00</b>				

Details of securities created:

- ECB Loan 1 - 3 hypothecation of receivables under the financing activity of the Company.
- Term loan 1 - 4 received from bank of ₹ 47.56 crores (Previous year ₹ 57.13 crores) - charge created on land and building and *paripasu* charge on plant and machinery.
- Term Loan 5 received from bank of ₹ 249.44 Crores is to be secured by a charge over the subsidiary's plant and machinery. At 31<sup>st</sup> March 2024, the subsidiary is in the process of creating this charge against the security
- Term Loans received from Banks of ₹ 13,521.95 crores (Previous Year: ₹ 10,243.50 Crores) is secured against hypothecation of receivables under the financing activity of the Group.
- Loan from State owned corporation - I viz., SIPCOT - First charge on the specific plant and equipment.
- Loan from State owned corporation - II viz., SIPCOT - First charge on the specific plant and equipment and also secured by equitable mortgage created by way of deposit of title deeds of land.
- Debentures of ₹ 1,450.00 crores (Previous Year: ₹ 1,225 crores) secured against hypothecation of receivables under the financing activity of the group.
- Term Loan A - Vehicle loan is availed, which is offered as hypothecation.
- Term Loan C & D - Unsold inventory of Land of Salamangalam GD, Salamangalam Plot, Green Hills Club House, Green Hills Commercial Shops, Green Acres GD Ph-2 and Green Acres Villa Ph-4 and Thaiyur.
- Term Loan B & F - Kovilambakkam land held by the subsidiary company (Emerald Haven Towers Limited) was given as security.
- Term Loan E - Anna Nagar land held by the subsidiary company (Emerald Haven Development Limited) was given as security.
- Term Loan G - Mission Road land held by the company and Pudupakkam land held by the subsidiary company (Emerald Haven Property Development Limited) was given as security.
- \* Under the Investment Agreement between ASK Real Estate Special Opportunities Fund - II , Emerald Haven Town and Country Private Limited, Emerald Haven Realty Limited, All classes of debentures shall rank equally, except on occurrence of events of Default (as defined in the Investment Agreement), where the debentures issued to ASK Real Estate Special Opportunities Fund - II shall rank senior to debentures issued to Emerald Haven Realty Limited. Secured by first charge of land at Manapakkam.

Refer note no. 40(iv)

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

	As at 31.03.2024	As at 31.03.2023
<b>18 OTHER FINANCIAL LIABILITIES</b>		
Interest accrued but not due on loans	210.67	206.96
Interest accrued and due on loans*	0.44	0.72
Trade deposits received	170.71	98.57
Unclaimed Dividends (Not due for transfer to Investor Education and Protection Fund)	202.34	5.25
Payables against capital goods	80.91	47.05
Employee related liabilities	7.67	–
Liabilities for expenses	5.07	48.56
Lease Liability	732.51	776.19
Derivative Instruments - Payable	15.29	6.31
Money received in Trust	4.70	–
Security Deposit	0.01	–
Other Advances	–	47.82
<b>Total</b>	<b>1,430.32</b>	<b>1,237.43</b>

\* Subsidiary has made funds available with the banks and the same has been appropriated subsequently.

**19 PROVISIONS**

Provision for Employee Benefits		
(a) Pension	215.42	193.69
(b) Leave salary	156.09	129.05
(c) Gratuity	1.56	2.66
Others		
(a) Warranty	89.13	58.94
(b) Disputed tax provided for	2.34	2.33
	<b>464.54</b>	<b>386.67</b>

**20 DEFERRED TAX LIABILITIES :**

The balance comprises temporary differences attributable to:

Depreciation	351.61	350.15
Others	19.49	33.81
Total deferred tax liability	371.10	383.96
Deferred tax asset consists of :		
- tax on employee benefit expenses	54.46	55.99
- tax on warranty provision	23.95	15.59
- tax on others	96.23	86.13
<b>Total deferred tax assets</b>	<b>174.64</b>	<b>157.71</b>
<b>Deferred tax liability</b>	<b>196.46</b>	<b>226.25</b>

**Movement in deferred tax:**

	Depreciation	Others	Total
<b>As at 01-04-2022</b>	<b>359.83</b>	<b>(128.63)</b>	<b>231.20</b>
Charged / (credited):			
- to profit or loss	(9.68)	11.70	2.02
- to other comprehensive income	–	(6.97)	(6.97)
- to tax relating to others	–	–	–
<b>As at 31-03-2023</b>	<b>350.15</b>	<b>(123.90)</b>	<b>226.25</b>
Charged / (credited):			
- to profit or loss	35.10	(40.80)	(5.70)
- to other comprehensive income	–	(6.21)	(6.21)
- business Combination	(33.64)	15.76	(17.88)
<b>As at 31-03-2024</b>	<b>351.61</b>	<b>(155.15)</b>	<b>196.46</b>

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

	As at 31.03.2024	As at 31.03.2023
<b>21 OTHER NON-FINANCIAL LIABILITIES</b>		
Statutory dues	384.11	233.66
Employee related	343.94	310.71
Advance received from customers	295.18	355.81
Deferred income - Government grants	61.39	48.45
Revenue Received in Advance	1,595.16	-
	<b>2,679.78</b>	<b>948.63</b>

**22 SHARE CAPITAL**

**(a) Details of authorised, issued and subscribed share**

**(i) Equity Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
<u>Authorised Capital:</u> Equity Shares of ₹ 5/- each	9,22,00,000	46.10	5,00,00,000	25.00
<u>Issued, Subscribed &amp; Paid up Capital:</u> Equity Shares of ₹ 5/- each fully paid	2,02,32,104	10.12	2,02,32,085	10.12
	<b>2,02,32,104</b>	<b>10.12</b>	<b>2,02,32,085</b>	<b>10.12</b>

**(ii) Preference Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
<u>Authorised Capital:</u> Preference Shares of ₹ 10/- each	2,50,00,00,000	2,500.00	2,50,00,00,000	2,500.00
<u>Issued, Subscribed &amp; Paid up Capital:</u> 9% Cumulative Non-convertible Redeemable Preference Shares of ₹ 10/- each fully paid (NCRPS)	-	-	2,34,69,21,860	2,346.92
	-	-	<b>2,34,69,21,860</b>	<b>2,346.92</b>

The Company has issued Bonus NCRPS by utilising the reserves as per Composite Scheme of Arrangement during FY 22-23, the same has been accounted as financial liability as per "Ind AS -32 Financial Instruments: Presentation" and disclosed under Borrowings

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**22 SHARE CAPITAL – (continued)**

(Rupees in crores)

**(b) Reconciliation of shares outstanding at the beginning and at the end of the year**

**(i) Equity Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
Shares outstanding at the beginning of the year	2,02,32,085	10.12	2,02,32,085	10.12
Shares Issued during the year	19	–	–	–
Shares outstanding at the end of the year	2,02,32,104	10.12	2,02,32,085	10.12

**(ii) Preference Share Capital**

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
Shares outstanding at the beginning of the year	2,34,69,21,860	2,346.92	–	–
Shares Issued during the year	–	–	2,34,69,21,860	2,346.92
Shares redeemed / cancelled during the year	2,34,69,21,860	2,346.92	–	–
<b>Shares outstanding at the end of the year</b>	<b>–</b>	<b>–</b>	<b>2,34,69,21,860</b>	<b>2,346.92</b>

**(c) i) Rights and preferences attached to equity share:**

(i) Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

(ii) There are no restrictions attached to equity shares.

**ii) Rights and preferences attached to NCRPS:**

The NCRPS do not have voting rights other than in respect of matters directly affecting it, The NCRPS will be redeemed along with coupon at the end of 1 year from the date of allotment.

**(d) Details of shares held by holding / ultimate holding/subsidiaries / associates of holding company at the end of 31<sup>st</sup> March 2024 for both Equity and Preference Share Capital**

**(i) Equity Share Capital**

Name of the shareholder	Relationship	Class of share	As at 31-03-2024		As at 31-03-2023	
			Number of shares held	% of holding	Number of shares held	% of holding
Mr Venu Srinivasan, representing VS Trust	Controlling Entity	Equity	1,05,25,443	52.02	–	–
TVS Holdings Private Limited - Chennai	Holding company	Equity	0	0	1,30,94,460	64.72



**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**22 SHARE CAPITAL – (continued)**

**(ii) Preference Share Capital**

Name of the shareholder	Relationship	Class of share	As at 31-03-2024		As at 31-03-2023	
			Number of shares held	% of holding	Number of shares held	% of holding
Mr Venu Srinivasan, representing VS Trust	Controlling Entity	Preference	NIL			
TVS Holdings Private Limited - Chennai	Holding company	Preference	-	-	1,518,957,360	64.72

**(e) Details of shareholders holding more than five percent at the end of 31<sup>st</sup> March 2024 (other than 22(d)) above**

Name of the shareholder	Class of share	As at 31-03-2024		As at 31-03-2023	
		Number of shares held	% of holding	Number of shares held	% of holding
Sundaram Finance Holdings Limited - Chennai	Equity	13,12,057	6.49	15,14,378	7.49

Name of the shareholder	Class of share	As at 31-03-2024		As at 31-03-2023	
		Number of shares held	% of holding	Number of shares held	% of holding
Sundaram Finance Holdings Limited - Chennai	Preference	–	–	17,56,67,848	7.49

**(f) Details of shares held by promoters as at 31<sup>st</sup> March 2024**

Name of the Promoter	Class of share	As at 31-03-2024		As at 31-03-2023		% Change during the year
		No. of shares held	% of holding	No. of shares held	% of holding	
Mr Venu Srinivasan, representing VS Trust	Equity	1,05,25,443	52.02	–	–	100%
Mr Venu Srinivasan		23,82,847	11.78	–	–	100%
TVS Holdings Private Limited - Chennai		–	–	1,30,94,460	64.72	100%

Name of the Promoter	Class of share	As at 31-03-2024		As at 31-03-2023		% Change during the year
		No. of shares held	% of holding	No. of shares held	% of holding	
Mr Venu Srinivasan, representing VS Trust	Preference	Nil		–	–	0%
Mr Venu Srinivasan				–	–	0%
TVS Holdings Private Limited - Chennai				1,51,89,57,360	64.72	100%

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**23 OTHER EQUITY**

Description	As at 31.03.2024	As at 31.03.2023
General Reserve	370.36	370.36
Capital Reserve	98.65	98.65
Securities Premium	36.42	36.42
Statutory Reserve	156.35	42.62
Retained Earnings	2,038.13	2,536.51
Other Reserves	130.04	146.31
	<b>2,829.95</b>	<b>3,230.87</b>
<b>Non-controlling interest</b>	<b>4,151.64</b>	<b>2,804.16</b>

**24 INCOME**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Interest income	5,187.06	3,768.14
Dividend income	0.65	0.02
Net gain on sale / fair value of investments	65.89	84.66
Sale of products	33,525.98	28,918.84
Sale of traded goods	380.72	-
Sale of services	79.13	76.83
Other operating revenue	1,008.15	813.03
	<b>40,247.58</b>	<b>33,661.52</b>

Refer Note 42 for related party disclosure

**25 OTHER INCOME**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Gain on foreign currency transactions and translation	-	8.89
Other non-operating income	29.23	16.97
Profit on sale of Property, Plant & Equipment	5.21	2.95
	<b>34.44</b>	<b>28.81</b>

Refer Note 42 for related party disclosure

**26 FINANCE COSTS**

Description	Year ended 31.03.2024	Year ended 31.03.2023
On financial liabilities measured at amortised cost		
Interest Cost		
- Interest on Borrowings (other than Debt Securities)	1,635.80	1,013.20
- Interest on Debt Securities	168.23	191.67
- Interest on Subordinated Liabilities	151.01	165.34
- Interest on Lease Liabilities	75.57	42.48
Other Finance Charges	13.14	11.56
Exchange differences	(0.51)	0.24
	<b>2,043.24</b>	<b>1,424.49</b>

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**27 COST OF MATERIALS CONSUMED**

Description	Year ended 31.03.2024	Year ended 31.03.2023
<b>Opening stock of raw materials and components</b>	981.50	897.34
Add: Purchases	24,246.19	20,863.63
Less: Closing stock of raw materials and components	990.02	981.50
Consumption of raw materials and components	<b>24,237.67</b>	<b>20,779.47</b>
Purchases of stock-in-trade	972.65	894.62

Refer Note 42 for related party disclosure and Note no. 40(iv).

**28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE:**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Opening stock:		
Work-in-progress	103.81	99.22
Stock-in-trade	470.37	276.78
Finished goods	493.32	539.74
Incumbent Subsidiary	1,722.28	-
<b>Total (A)</b>	<b>2,789.78</b>	<b>915.74</b>
Transfer on account of Composite Scheme of Arrangement		
Work-in-progress *	29.11	-
Finished goods *	170.50	-
<b>Total (B)</b>	<b>199.61</b>	<b>-</b>
Closing stock:		
Work-in-progress	64.23	103.81
Stock-in-trade	558.08	470.37
Finished goods	532.60	493.32
Construction in Progress includes Land under Development	1,780.07	-
<b>Total (C)</b>	<b>2,934.98</b>	<b>1,067.50</b>
<b>Changes in inventories (A)-(B)-(C)</b>	<b>(344.81)</b>	<b>(151.76)</b>

\* Transferred to Sundaram-Clayton Limited on account of Demerger on 10<sup>th</sup> August 2023.

Refer Note 42 for related party disclosure and Note no. 40(iv).

**29 EMPLOYEE BENEFIT EXPENSES**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Salaries and Wages	3,024.06	2,746.91
Contribution to Provident and other funds	226.93	189.13
Staff Welfare	287.74	232.94
	<b>3,538.73</b>	<b>3,168.98</b>

Refer Note 41 & 42

**30 DEPRECIATION AND AMORTISATION EXPENSE**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation on Property, Plant and Equipment	595.14	641.00
Depreciation on Right-to-use asset	221.857	144.72
Amortisation on Intangible assets	212.98	200.10
	<b>1,029.99</b>	<b>985.82</b>

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**31 OTHER EXPENSES**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Consumption of stores, spares and tools	92.18	133.04
Power and fuel	187.18	262.47
Repairs - buildings	48.69	48.04
Repairs - plant and equipment	186.95	167.68
Insurance	53.32	48.60
Rates and taxes (excluding taxes on income)	22.45	22.50
Audit fees	4.74	3.44
Packing and freight charges	602.83	648.64
Advertisement and publicity	628.35	384.75
Other marketing expenses	593.32	377.66
Loss on sale of property, plant and equipment	0.05	—
Loss on sale of investments	—	—
Foreign exchange loss	8.93	—
Loss allowance for expected credit losses relating to loans	1,864.67	629.14
Corporate social responsibility expenditure	42.32	19.00
Contributions to electoral trust	40.00	5.00
Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or ₹.10 lakh, whichever is higher)	1,602.45	1,874.55
	<b>5,969.44</b>	<b>4,624.51</b>

**32 EXCEPTIONAL ITEMS**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Interest Income	—	111.87
Voluntary separation costs	(5.07)	(18.97)
Interest expenses of Bonus Non-convertible Redeemable Cumulative Preference Shares	—	(4.05)
	<b>(5.07)</b>	<b>88.85</b>

**33 CURRENT TAX**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Current tax on profits for the year	1,098.87	767.48
Adjustments for current tax of prior periods	(1.02)	(3.81)
<b>Total current tax</b>	<b>1,097.85</b>	<b>763.67</b>

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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**34 DEFERRED TAX**

Description	Year ended 31.03.2024	Year ended 31.03.2023
Decrease / (increase) in deferred tax assets	(88.11)	(85.54)
(Decrease) / increase in deferred tax liabilities	(5.70)	2.02
<b>Total deferred tax expense / (benefit)</b>	<b>(93.81)</b>	<b>(83.52)</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before tax expense	2,786.42	2,013.32
Tax at the Indian tax rate of 25.17%	701.34	506.75
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Capital Recceipits	—	(1.63)
Timing difference on subsidiaries losses	276.19	157.88
Tax difference on sale of assets	2.16	—
Expenses wholly / partially not allowed for deductions	53.40	5.27
Tax on income chargeable at lower rates	(39.40)	—
Tax relating to earlier years	(0.87)	—
Other items	11.22	11.88
<b>Tax expense / (benefit)</b>	<b>1,004.04</b>	<b>680.15</b>

**35 EARNINGS PER SHARE**

Description	Year ended 31-03-2024	Year ended As at 31-03-2023
(a) Basic and diluted earnings per share (₹)	395.60	321.10
(b) Earnings of the Group used as numerator in calculating basic and diluted earnings per share attributable to owners	800.39	649.65
(c) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	2,02,32,092	2,02,32,085

**TVS Holdings Limited**  
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Notes to Financial Statements - (continued)

(Rupees in crores)

**36 FAIR VALUE MEASUREMENTS**

Financial instruments by category	March 31, 2024			March 31, 2023		
	FVTPL*	FVOCI*	Amortised cost	FVTPL*	FVOCI*	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	168.17	151.09	-	191.91	221.99	-
- Preference shares	-	74.67	-	-	16.33	-
- Debt Instruments	85.18	-	28.97	49.12	-	16.28
- Accounted using equity method			477.13			413.10
- Others	31.40	60.15	126.84	11.65	65.07	36.71
Trade receivables	-	-	1,855.40	-	-	1,464.64
Loans (Receivable from financing activity)	-	-	25,471.81	-	-	20,546.58
Cash and Cash Equivalents	-	-	2,820.88	-	-	3,899.36
Other Bank balances	-	-	349.16	-	-	29.29
Derivative financial assets	-	90.67	-	-	182.76	-
Security Deposits	-	-	110.10	-	-	83.51
Other Financial assets	-	-	200.32	-	-	182.05
<b>Total financial assets</b>	<b>284.75</b>	<b>376.58</b>	<b>31,440.61</b>	<b>252.68</b>	<b>486.15</b>	<b>26,671.52</b>
<b>Financial liabilities</b>						
Borrowings	-	-	26,232.48	-	-	25,013.00
Trade Payables	-	-	6,696.88	-	-	5,474.27
Derivative Financial Liability	-	15.29	-	-	6.31	-
Lease Liability	-	-	732.51	-	-	776.19
Other Financial Liability	-	-	682.52	-	-	454.93
<b>Total financial liabilities</b>	<b>-</b>	<b>15.29</b>	<b>34,344.39</b>	<b>-</b>	<b>6.31</b>	<b>31,718.39</b>

\* FVTPL - Fair Valued Through Profit and Loss      FVOCI - Fair Valued Through Other Comprehensive Income

**(i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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Notes to Financial Statements - (continued)

(Rupees in crores)

**36 FAIR VALUE MEASUREMENTS - (continued)**

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

At 31 March 2024	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Financial Investments at FVTPL	5 & 6	199.57	-	85.18	284.75
Financial Investments at FVOCI	5 & 6	1.33	60.15	224.43	285.91
Derivatives designated as hedges		-	90.67	-	90.67
<b>Total financial assets</b>		<b>200.90</b>	<b>150.82</b>	<b>309.61</b>	<b>661.33</b>
<b>Financial Liabilities</b>					
Derivatives	18	-	15.29	-	15.29
<b>Total financial liabilities</b>		<b>-</b>	<b>15.29</b>	<b>-</b>	<b>15.29</b>

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

At 31 March 2024	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Investments					
Debt Instruments	5 & 6	-	-	28.97	28.97
Others	5 & 6	-	-	126.84	126.84
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>155.81</b>	<b>155.81</b>
<b>Financial Liabilities</b>					
Borrowings	15-17	-	-	26,232.48	26,232.48
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>26,232.48</b>	<b>26,232.48</b>

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

At 31 March 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Financial Investments at FVTPL	5 & 6	11.65	-	241.03	252.68
Financial Investments at FVOCI	5 & 6	1.00	65.07	237.32	303.39
Derivatives designated as hedges	12	-	182.76	-	182.76
<b>Total financial assets</b>		<b>12.65</b>	<b>247.83</b>	<b>478.35</b>	<b>738.83</b>
<b>Financial liabilities</b>					
Derivatives	18	-	6.31	-	6.31
<b>Total financial liabilities</b>		<b>-</b>	<b>6.31</b>	<b>-</b>	<b>6.31</b>

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

At 31 March 2023	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Investments					
Debt Instruments	5 & 6	-	-	16.28	16.28
Others	5 & 6	-	-	36.71	36.71
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>52.99</b>	<b>52.99</b>
<b>Financial Liabilities</b>					
Borrowings	15-17	-	-	25,013.00	25,013.00
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>25,013.00</b>	<b>25,013.00</b>



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**36 FAIR VALUE MEASUREMENTS - (continued)**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and other non current investments included in level 3.

There are no transfers between levels 1 and 2 during the year.

**(ii) Valuation technique used to determine fair value (Level 2)**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principle only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

**(iii) Fair value measurement using significant unobservable inputs (Level 3)**

Particulars	Unlisted Equity Shares	Preference Shares	Debt Instruments	Total
<b>As at 31-03-2022</b>	<b>150.90</b>	<b>14.79</b>	<b>-</b>	<b>165.69</b>
Additions / (deletions)	201.46	-	-	201.46
Reclassified from amortised cost	-	-	-	-
Gains / (losses) recognised in profit or loss	61.69	-	49.12	110.81
Gains / (losses) recognised in other comprehensive income	(1.15)	1.54	-	0.39
<b>As at 31-03-2023</b>	<b>412.90</b>	<b>16.33</b>	<b>49.12</b>	<b>478.35</b>
Additions / (deletions)	(72.13)	58.34	36.06	22.27
Reclassified from level 3 to Level 1	(191.91)	-	-	(191.91)
Movement due to Business Combination	(5.50)	-	-	(5.50)
Gains / (losses) recognised in other comprehensive income	6.40	-	-	6.40
<b>As at 31-03-2024</b>	<b>149.76</b>	<b>74.67</b>	<b>85.18</b>	<b>309.61</b>

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Notes to Financial Statements - (continued)

(Rupees in crores)

**36 FAIR VALUE MEASUREMENTS - (continued)**

**(iv) Valuation inputs & relationships to fair value**

Particulars	Fair value as at *		Significant unobservable input	Probability weighted range for the year ended	
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23
Unquoted Equity shares	149.76	412.90	a) Earnings growth rate	1-3%	1-3%
			b) Risk adjusted discount rate	8%	8%
Preference Share	74.67	16.33	a) Earnings growth rate	1-3%	1-3%
			b) Risk adjusted discount rate	8%	8%
Debt Instrument	85.18	49.12	a) Earnings growth rate	1-3%	1-3%
			b) Risk adjusted discount rate	8%	8%

\* Sensitivity is not significant.

**(v) Valuation processes**

Discount rates are determined using a capital asset pricing model to calculate a pretax rate that reflects current market assessments of the time value of money and the risk specific to the asset. Earnings growth factor of preference shares are based on cash flow projections of future earnings of the Company and unlisted equity securities are estimated based on market information for similar types of companies.

Risk adjustments have been derived based on the market risk premium adjusted for companies relevant financial data.

**(vi) Fair value of financial assets and liabilities measured at amortised cost**

Particulars	31-Mar-24		31-Mar-23	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Investments				
Debt Instruments	28.97	28.97	16.28	16.28
Others	126.84	126.84	36.71	36.71
<b>Total financial assets</b>	<b>155.81</b>	<b>155.81</b>	<b>52.99</b>	<b>52.99</b>
<b>Financial Liabilities</b>				
Borrowings	26,232.48	26,232.48	25,013.00	25,013.00
<b>Total financial liabilities</b>	<b>26,232.48</b>	<b>26,232.48</b>	<b>25,013.00</b>	<b>25,013.00</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for Preference shares and other debt instruments were calculated based on cash flows discounted using a current lending rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**37 FINANCIAL RISK MANAGEMENT**

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

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		<ul style="list-style-type: none"> <li>i) The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions.</li> <li>ii) Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR).</li> <li>iii) The risk is measured through a forecast of highly probable foreign currency cash flows. The Group has a forex management policy which is duly approved by the Board.</li> <li>iv) The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.</li> </ul>
Market Risk - Interest rate	Foreign currency denominated borrowings	<ul style="list-style-type: none"> <li>i) The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.</li> <li>ii) Group's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary.</li> <li>iii) The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.</li> </ul>
Market Risk - Foreign Currency	Export trade receivables and Import Payables	<ul style="list-style-type: none"> <li>i) The Group has a forex management policy duly approved by the Board. The Group's policy is to hedge most of its net currency exposure.</li> <li>ii) Group reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements under are strictly adhered. The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.</li> </ul>
Market Risk - Foreign Currency	Foreign currency denominated borrowings	The Group has hedged its borrowings by covering the principal repayments.
Liquidity Risk	INR denominated borrowings [Other than soft loans given by Govt. Authorities)	<ul style="list-style-type: none"> <li>i) The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.</li> <li>ii) The Group prepares a detailed annual operating plans to assess the fund requirements - both short term and long term.</li> <li>iii) Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance.</li> <li>iv) Group has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board.</li> <li>v) For long term fund requirements, Group targets various options such as rupee term loan, external commercial borrowing, debentures etc.</li> <li>vi) The Group obtains a credit rating for the various borrowing facilities on annual basis. Group constantly monitors the free cash flow from operations to ensure that the borrowing is minimized</li> </ul>
Credit Risk		<ul style="list-style-type: none"> <li>i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost.</li> <li>ii) The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.</li> <li>iii) To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.</li> <li>iv) It considers available reasonable and supportive forwarding-looking information (more specifically described below) . In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.</li> <li>v) A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.</li> </ul>

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**37 FINANCIAL RISK MANAGEMENT - (continued)**

Risk	Exposure arising from	Risk Parameters and Mitigation
a.	Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
b.	Domestic Trade Receivables	i) Domestic sales to the Dealers are based on advance payments received through banking channels or through inventory funding facilities availed by them from the banks. ii) The Group extends limited credit to the dealers and such extension of credit is based on dealers' credit worthiness, ability to repay and past track record. iii) The Group has extensive reporting systems and review to constantly monitor the outstandings.
c.	Export Trade Receivables	The Group's export business is mostly based on Letters of credit. Export receivables are also covered through Insurance with Export Credit Guarantee Corporation of India Limited.

**(A) Credit risk (Except Loans from Financing Activity covered under Note No. 38)**

Basis of recognition of expected credit loss provision					
Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses		Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

31-Mar-24

a) Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Asset/ Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	155.81*	0%	—	157.42
	1	Other financial assets	310.42	0%	—	310.42

\* For Investment accounted using equity method Refer Note 6

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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**37 FINANCIAL RISK MANAGEMENT – (continued)**

b) Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,385.60	518.14	1,903.74
Expected loss rate	0.00%	9.33%	–
Expected credit losses	–	48.34	48.34
Carrying amount of trade receivables	1,385.60	469.80	1,855.40

31-Mar-23

a) Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Asset/ Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	52.99	0%	–	52.99
	1	Other financial assets	265.56	0%	–	265.56

b) Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	996.45	526.09	1,522.54
Expected loss rate	0.0%	10.98%	–
Expected credit losses	0.15	57.75	57.90
Carrying amount of trade receivables	996.30	468.34	1,464.64

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

Loss allowance March 31, 2022	56.23
Changes in loss allowance	1.67
Loss allowance March 31, 2023	57.90
Changes in loss allowance	(9.56)
Loss allowance March 31, 2024	48.34

**(B) Liquidity risk**

(i) Financing arrangements

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

	31-Mar-24	31-Mar-23
<b>Floating rate</b>		
- Expiring within one year (bank overdraft and other facilities)	6,566.41	4,994.83
- Expiring beyond one year (bank loans)	43.63	–

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity ranging 30 to 180 days.

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Notes to Financial Statements - (continued)

(Rupees in crores)

**37 FINANCIAL RISK MANAGEMENT – (continued)**

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- a) all non-derivative financial liabilities, and
- b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

31-Mar-24

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings (Principal portion)	3,106.85	2,580.12	7,690.85	12,318.30	536.36	26,232.48
Trade payables	6,205.72	299.28	185.68	6.20	-	6,696.88
Lease Liabilities	55.30	55.13	107.72	429.02	85.33	732.51
Other financial liabilities	653.90	-	-	28.62	-	682.52
Derivatives	15.29	-	-	-	-	15.29

31-Mar-23

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings (Principal portion)	3,723.98	1,785.62	9,615.18	9,596.65	291.57	25,013.00
Trade payables	4,892.29	290.86	291.12	-	-	5,474.27
Lease Liabilities	52.60	50.09	97.41	500.81	75.28	776.19
Other financial liabilities	453.51	-	1.42	-	-	454.93
Derivatives	6.31	-	-	-	-	6.31

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**(C) Market risk**

**i) Foreign exchange risk**

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

Particulars	31-Mar-24		31-Mar-23	
	USD	EUR	USD	EUR
<u>Financial Assets</u>				
Trade receivables	1,544.44	87.45	1,481.68	125.72
Investments	146.67	-	137.10	-
Hedges:				
Derivatives - Forward contracts	(888.20)	(87.45)	(842.52)	(62.74)
<u>Financial liabilities</u>				
Foreign currency loan	1,123.61	-	3,087.00	-
Trade payables	131.25	15.24	564.64	10.23
Hedges:				
Derivatives - Forward contracts and principal swap	(824.54)	-	(2,665.84)	0.35

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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**37 FINANCIAL RISK MANAGEMENT – (continued)**

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
<b>USD sensitivity</b>				
INR / USD Increases by 10%	60.04	41.86	(56.84)	(54.90)
INR / USD Decreases by 10%	(60.04)	(41.86)	56.84	54.90
SGD / USD increases by 10%	11.72	3.40	4.85	6.28
SGD / USD decreases by 10%	(11.72)	(3.40)	(4.85)	(6.28)
IDR / USD increases by 10%	13.54	(10.38)	–	–
IDR / USD decreases by 10%	(13.54)	10.38	–	–
<b>EURO sensitivity</b>				
INR / EURO Increases by 10%	4.95	8.50	(5.76)	(4.25)
INR / EURO Decreases by 10%	(4.95)	(8.50)	5.76	4.25
SGD / EURO increases by 10%	–	–	0.56	0.57
SGD / EURO decreases by 10%	–	–	(0.56)	(0.57)

\* Holding all other variables constant

**ii) Interest Rate risk**

Domestic borrowings are based on fixed / variable rate of interest. Normally, for variable short term borrowings, respective geographies' bank lending rate plus margin is followed. Whenever the Group resorts to short term borrowing through Commercial Paper, the rate of interest is fixed in advance. In respect of long term foreign currency borrowings, the interest rates are covered through interest rate swaps (IRS).

	31-Mar-24	31-Mar-23
Variable rate borrowings	16,329.90	10,103.52
Fixed rate borrowings	9,902.58	14,910.01

Sensitivity	Impact on profit after tax	
	31-Mar-24	31-Mar-23
Increase in interest rates by 100 bps	(108.14)	(76.57)
Decrease in interest rates by 100 bps	108.14	76.57

**iii) Price risk**

The Group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet either as fair value through OCI or at fair value through statement of profit and loss. To manage its price risk from investments in equity securities, the Group diversifies its portfolio. The impact of the changes in price risk is not material.



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**37 FINANCIAL RISK MANAGEMENT – (continued)**

**(D) Impact of hedging activities**

i) Disclosure of effects of hedge accounting on financial position

a) Disclosure of effects of hedge accounting on financial position as at 31-03-2024

Type of hedge and risks	Nominal value		Carrying amount hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge							
(i) Foreign exchange forward contracts, PCFC	975.65	0.95	–	15.29	Apr'24 to Dec'24	(15.29)	15.29
(ii) Principal only swaps & Interest rate swaps	–	1,665.99	90.67	–	Jun'24 to Dec'24	90.67	(90.67)

b) Disclosure of effects of hedge accounting on financial position as at 31-03-2023

Type of hedge and risks	Nominal value		Carrying amount hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge							
(i) Foreign exchange forward contracts, PCFC	1,172.35	4.14	3.35	0.37	Apr'23 to Jun'23	2.83	(2.83)
(ii) Principal only swaps & Interest rate swaps	–	2,710.70	173.47	–	Jun'23 to Dec'27	169.43	(169.43)

ii) Disclosure of effects of hedge accounting on financial performance :

a) for the year ended 31-03-2024

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge : Foreign exchange forward contracts, PCFC & Interest Rate Swap	(20.89)	–	(1.35)	Revenue and Borrowing Cost

b) for the year ended 31-03-2023

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge : Foreign exchange forward contracts, PCFC & Interest Rate Swap	(5.53)	–	(21.55)	Revenue and Borrowing Cost

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**38 FINANCIAL RISK MANAGEMENT RELATING TO LOANS RECEIVABLE FROM FINANCING ACTIVITY**

**Credit Risk**

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Companies involved in financing activity monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Companies involved in financing activity does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of ECL.

**Other financial assets**

Credit risk with respect to other financial assets are extremely low. Based on the credit assessment the historical trend of low default is expected to continue. No provision for Expected Credit Loss (ECL) has been created for Other financial Assets.

**Loans**

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on number of days past due information. The amount represents gross carrying amount.

Particulars	As at 31-03-2024	As at 31-03-2023
Gross carrying value of loan assets:		
Stage-1 (less than 30 days)	24,359.13	19,693.40
Stage-2 (30-90 days)#	1,305.94	989.54
Stage-3 (more than 90 days)*	742.80	573.71
Total gross carrying value on reporting date	26,407.87	21,256.65

# Includes restructured contracts under one time resolution framework vide RBI circular dated August 6, 2020 and RBI/2 021- 22/31/ DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021 irrespective of days past due on the reporting date.

\* Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date.

**Credit Quality**

Financial services business has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

**Inputs considered in the ECL model**

In assessing the impairment of loans assets under Expected Credit Loss (ECL) Model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Companies involved in financing activity categorises loan assets into stages based on the days past due status:

- Stage 1: 30 days past due
- Stage 2: 31-90 days past due
- Stage 3: more than 90 days past due

**Assumptions considered in the ECL model**

The financial services business has made the following assumptions in the ECL Model:

- "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. Effective Interest Rate (EIR) has been taken as discount rate for all loans.

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**Notes to Financial Statements - (continued)**

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**38 FINANCIAL RISK MANAGEMENT RELATING TO LOANS RECEIVABLE FROM FINANCING ACTIVITY - (continued)**

**Estimation Technique**

The financial services business has applied the following estimation technique in its ECL model:

- "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.
- Probability of default for Stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.
- Probability of default for Stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from Stage 2 to Stage 3 for the remaining tenor.
- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

The Companies in the Group involved in financing activity considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Companies involved in financing activity ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

**Assessment of significant increase in credit risk**

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analyses based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

In accordance with the board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Companies involved in financing activity has offered moratorium upto six months on the payment of installments falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Companies involved in financing activity has extended One-Time Resolution framework as for COVID-19-related Stress to eligible customers as per applicable RBI guidelines and as per the policy of the Company. The Companies involved in financing activity has classified all restructured accounts done under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7<sup>th</sup> June 2019 in Stage 3 and with regard to restructured contracts done under one time resolution framework vide RBI circular dated August 6, 2020 and RBI/2 021- 22/ 31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021 in Stage 2 irrespective of days past due status on the reporting date.

COVID-19 (including second wave) has severe impact on global as well as domestic macro and micro economies, businesses and consumers. Due to this uncertainty, Companies involved in financing activity assessments of impairment loss allowance on its loans are subject to a number of management judgements and estimates. Since the Companies involved in financing activity impairment loss allowance estimates are inherently uncertain, actual results may differ from these estimate.

**Definition of default**

The definition of default used for internal credit risk management purposes is based on RBI Guidelines. Under Ind AS, financial asset to be in default when it is more than 90 days past due. The financial services business considers Loans under default as 'credit impaired' and classified as Stage-3 except for restructured contracts as disclosed above.

**Impairment loss**

The expected credit loss allowance provision is determined as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross balance as at 31 <sup>st</sup> March 2024	24,359.13	1,305.94	742.80	26,407.87
Expected Credit Loss	289.49	253.53	393.04	936.06
Expected Credit Loss Rate	1.19%	19.41%	52.91%	3.54%
Net of impairment provision	24,069.64	1,052.41	349.76	25,471.81

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**Notes to Financial Statements - (continued)**

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**38 FINANCIAL RISK MANAGEMENT RELATING TO LOANS RECEIVABLE FROM FINANCING ACTIVITY - (continued)**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross balance as at 31 <sup>st</sup> March 2023	19,693.40	989.54	573.71	21,256.65
Expected Credit Loss	264.75	138.78	306.54	710.07
Expected Credit Loss Rate	1.34%	14.02%	53.43%	3.34%
Net of impairment provision	19,428.65	850.76	267.17	20,546.58

Reconciliation of Expected Credit Loss

Particulars	Stage 1	Stage 2	Stage 3	Grand Total
<b>Balance as at 1<sup>st</sup> April 2022</b>	<b>87.82</b>	<b>33.25</b>	<b>267.61</b>	<b>388.68</b>
Transfer to Stage 1	(6.38)	3.96	2.42	—
Transfer to Stage 2	2.16	(8.41)	6.25	—
Transfer to Stage 3	11.64	2.96	(14.60)	—
Loan that have derecognised during the period	(22.10)	(9.86)	(141.35)	(173.31)
New Loans originated during the year	118.95	46.44	48.07	213.46
Net Remeasurement of Loss Allowance	72.66	70.44	138.14	281.24
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>264.75</b>	<b>138.78</b>	<b>306.54</b>	<b>710.07</b>
Transfer to Stage 1	(15.17)	8.74	18.25	11.82
Transfer to Stage 2	13.19	(55.32)	41.91	(0.22)
Transfer to Stage 3	8.78	4.45	(13.17)	0.06
Loan that have derecognised during the period	(39.36)	(48.01)	(113.34)	(200.71)
New Loans originated during the year	114.54	59.15	49.21	222.90
Net Remeasurement of Loss Allowance	(57.24)	145.74	103.64	192.14
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>289.49</b>	<b>253.53</b>	<b>393.04</b>	<b>936.06</b>

Concentration of Credit Risk

The business manages concentration of risk primarily by geographical region. The following details show the geographical concentrations of the loans at the year end:

Concentration by geographical region in India

Carrying value	31-Mar-24	31-Mar-23
South	10,637.99	8,472.49
West	7,256.11	5,917.79
East	4,252.84	3,307.58
North	4,260.93	3,558.79
<b>Total Loans as at reporting period</b>	<b>26,407.87</b>	<b>21,256.65</b>

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**39 CAPITAL MANAGEMENT**

**(a) Risk management**

The Group's objectives when managing capital are to

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

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

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

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

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

Particulars	31-Mar-24	31-Mar-23
Net Debt (including debt from financing activity)	23,411.60	21,113.64
Total equity	6,991.71	6,045.15
<b>Net debt to equity ratio</b>	<b>3.35</b>	<b>3.49</b>

The Group also monitors interest coverage ratio :

Group's Earnings Before Interest and Taxes (EBIT) divided by interest .

The Group's strategy is to maintain a optimum interest coverage ratio. The interest coverage ratio were as follows:

Particulars	31-Mar-24	31-Mar-23
EBIT ((before exceptional item) without including financing activity)	3,073.59	2,266.26
Interest	287.17	252.94
<b>Interest coverage ratio</b>	<b>10.70</b>	<b>8.96</b>

**(b) Dividends**

Particulars	31-Mar-24	31-Mar-23
<i>(i) Equity shares</i>		
Dividend declared by the Company for the year ended 31 March 2024 of ₹ 94 per fully paid share during 2023-24	190.18	
Dividend paid by the Company for the year ended 31 March 2023 of ₹ 59 per fully paid share		119.37
<i>(ii) Dividends not recognised at the end of the reporting period</i>	—	—

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**Notes to Financial Statements - (continued)**

(Rupees in crores)

**40 OTHER DISCLOSURES**

**(i) Contingent liabilities**

Details	31-Mar-24	31-Mar-23
(i) Claims against the Group not acknowledged as debt		
- Income tax	687.17	81.61
- Service tax	8.08	8.65
- Value added tax / Sales tax	—	2.93
- Excise	33.14	52.44
- Customs	—	39.67
- GST	14.65	63.40
- Others	6.15	4.04
(ii) Guarantees excluding Financial Guarantees	100.79	—
(iii) Other money for which the company is contingently liable	250.99	151.38
<b>Total</b>	<b>1,100.97</b>	<b>404.12</b>

The Group is in the process of filing the appeals with the respective appellate authorities wherever necessary. These appeals are proposed to be filed within the respective due dates.

**(ii) Capital commitments**

Details	31-Mar-24	31-Mar-23
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	252.41	492.08
(ii) Investments	3.72	6.74
(iii) Undrawn Loans sanctioned to customers by financial enterprise	63.47	43.58
(iv) Estimated Indemnity amount on account of tax paid due to interpretational difference in GST tax rate	15.94	—

**(iii) Borrowing Costs Capitalised :**

Borrowing cost capitalised during the year ₹ 1.78 Cr (last year - ₹ 0.89 Cr)

**(iv) Composite scheme of arrangement :**

On 9<sup>th</sup> February 2022, the board of directors of the Company approved a composite scheme of arrangement (the Scheme) of Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company") and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Limited ("Resulting Company") subject to necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, National Company Law Tribunal, Chennai, (NCLT), other governmental authorities and third parties as may be required.

During the year under review, NSE and BSE by their respective letter dated July 29, 2022, issued to the Company have conveyed their "No Objection" on the Scheme, and based on their No Objection, the Company filed an application with Hon'ble National Company Law Tribunal, Chennai Bench, ("Hon'ble NCLT") for approval of the Composite Scheme.

Hon'ble NCLT vide their Order dated November 9, 2022, directed to convene the meetings of the Equity Shareholders, Unsecured Creditors of the Company, and Secured Creditors of Transferor Company 2, on December 16, 2022 ("NCLT Convened Meeting") for their approval. Pursuant to the directions of Hon'ble NCLT, the NCLT Convened Meetings were held, and the resolutions were passed with requisite majority. Post the approval of the shareholders and creditors, the Company filed a petition with Hon'ble NCLT, and the Composite Scheme was sanctioned vide its Order dated March 6, 2023.

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**Notes to Financial Statements - (continued)**

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**40 OTHER DISCLOSURES - (continued)**

The Board at its meeting held on March 13, 2023, noted the Hon'ble NCLTs Order and the first part of the Scheme was made effective on March 14, 2023. The Board also authorised the issuance of bonus NCRPS, by fixations of Record Date as March 24, 2023, for the purpose of determining the eligible shareholders of the Company. The third part of the scheme was made effective on June 16, 2023. As part of third part of scheme of arrangement, the carrying value of the assets, liabilities, and reserves of TVS Holding Private Limited as appearing in the consolidated financial statements of the Company have been recognised in the standalone financial statements of the TVS Holdings Limited prior to the demerger, which is in accordance with Ind-AS 103, read with Ind AS Transition Facilitation Group (ITFG). Fourth part of the scheme was made effective on August 4, 2023. The Last part of the scheme was made effective on August 11, 2023. During the quarter ended 31 March 2024, TVS Holdings Limited received Certificate of Registration as Core Investment Company ("CIC") from Reserve Bank of India ("RBI") with CIC code -N-07-00904 to commence / carry on the business of non-banking financial institution without accepting public deposits subject to the conditions given on the reverse.

The Comparative Consolidated financial information of corresponding previous year ended taking the merger and demerger into effect is given below:

Particulars	31-Mar-24	31-Mar-23
Revenue from operations	40,247.58	32,310.42
Profit before tax (after Exceptional Item)	2,786.42	1,941.83
Profit after tax (after Exceptional Item)	1,782.38	1,278.46

**(v) Leases :**

Group as a Lessee

The Group has taken land, warehouses and sales offices across the country on lease for lease period ranging from 6-99 years. The Group also has other assets on leases, the lease term here ranges from 2-9 Years.

Wherever the lease includes extension option and it is reasonably certain to exercise that option, the same is considered for computing the lease term. In other cases, the term is limited to initial lease period. Lease term includes non-cancellable period and expected lease period.

Payment made towards short term leases during the year is ₹ 97.52 Cr (Previous year: ₹ 63.39 Cr)

Payment made towards low value asset leases during the year is Nil (Previous year: Nil)

Payment relating to leases are disclosed in Cash flow statement

Income from sub-leasing of Right of use asset ₹ Nil (Previous year: ₹ 7.47 Cr.)

**(vi) ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF COMPANIES ACT, 2013**

- (i) As per the Group's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable /do not apply
- (ii) The Group has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.
- (iii) No proceedings have been initiated or pending against any Company in the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (iv) The Group has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Companies in the Group with such banks are in agreement with the books of accounts of the Companies in the Group.
- (v) All the Companies in the Group has adhered to debt repayment and interest service obligations on time. "Wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable / do not apply



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**40 OTHER DISCLOSURES - (continued)**

- (vi) There are no transactions with the companies whose names were struck off under Section 248 of The Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year ended 31 March 2024.
- (vii) The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (viii) "The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: "(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or "(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary"
- (ix) "The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: "(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or "(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"
- (x) The Group has not operated in any crypto currency or Virtual Currency transactions
- (xi) During the year no Company in the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

**41 AMOUNT RECOGNISED IN THE BALANCE SHEET AND THE MOVEMENTS IN THE NET DEFINED BENEFIT OBLIGATION / OTHER EMPLOYEE BENEFITS**

Particulars	Defined benefit obligation						Other employee benefits		
	Gratuity			Pension			Leave salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2022	236.66	221.08	15.58	223.59	-	223.59	70.13	-	70.13
<b>Balance from incumbent subsidiary</b>									
Current service cost	36.48	-	36.48	-	-	-	-	-	-
Interest expense / (income)	16.74	15.09	1.65	11.36	-	11.36	6.84	-	6.84
Experience (gains) / losses	-	-	-	-	-	-	-	-	-
<b>Total amount recognised in statement of profit and loss</b>	<b>53.22</b>	<b>15.09</b>	<b>38.13</b>	<b>11.36</b>	<b>-</b>	<b>11.36</b>	<b>6.84</b>	<b>-</b>	<b>6.84</b>
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/(income)	-	3.41	(3.41)	-	-	-	-	-	-
(Gain) / loss from change in demographic assumptions	3.66	-	3.66	(20.25)	-	(20.25)	(0.74)	-	(0.74)
(Gain) / loss from change in financial assumptions	0.95	-	0.95	(1.24)	-	(1.24)	0.06	-	0.06
Experience (gains) / losses	1.00	-	1.00	(14.45)	-	(14.45)	72.19	-	72.19
<b>Total amount recognised in other comprehensive income</b>	<b>5.61</b>	<b>3.41</b>	<b>2.20</b>	<b>(35.94)</b>	<b>-</b>	<b>(35.94)</b>	<b>71.51</b>	<b>-</b>	<b>71.51</b>
Employer contribution	-	62.22	(62.22)	(4.02)	-	(4.02)	-	-	-
Benefit payments	(26.34)	(26.63)	0.29	(1.31)	-	(1.31)	(19.43)	-	(19.43)
<b>March 31, 2023</b>	<b>269.15</b>	<b>275.17</b>	<b>(6.02)</b>	<b>193.69</b>	<b>-</b>	<b>193.69</b>	<b>129.05</b>	<b>-</b>	<b>129.05</b>

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**41 AMOUNT RECOGNISED IN THE BALANCE SHEET AND THE MOVEMENTS IN THE NET DEFINED BENEFIT OBLIGATION / OTHER EMPLOYEE BENEFITS - (continued)**

Particulars	Defined benefit obligation						Other employee benefits		
	Gratuity			Pension			Leave salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	269.15	275.17	(6.02)	193.69	-	193.69	129.05	-	129.05
Incumbent Subsidiary									
Balance from incumbent subsidiary	0.58	0.66	(0.08)	-	-	-	1.19	-	1.19
Current service cost	43.14	-	43.14	-	-	-	31.87	-	31.87
Interest expense / (income)	18.58	14.96	3.62	13.41	-	13.41	0.45	-	0.45
Experience (gains) / losses	-	-	-	-	-	-	-	-	-
<b>Total amount recognised in statement of profit and loss</b>	<b>61.72</b>	<b>14.96</b>	<b>46.76</b>	<b>13.41</b>	<b>-</b>	<b>13.41</b>	<b>32.32</b>	<b>-</b>	<b>32.32</b>
Remeasurements									
Return on plan assets, excluding amounts included in interest expense / (income)	-	7.93	(7.93)	-	-	-	-	-	-
(Gain) / loss from change in financial / demographic assumptions	4.77	-	4.77	1.79	-	1.79	0.07	-	0.07
Experience (gains) / losses	(0.55)	-	(0.55)	16.75	-	16.75	1.34	-	1.34
<b>Total amount recognised in other comprehensive income</b>	<b>4.22</b>	<b>7.93</b>	<b>(3.71)</b>	<b>18.54</b>	<b>-</b>	<b>18.54</b>	<b>1.42</b>	<b>-</b>	<b>1.42</b>
Employer contribution	-	50.48	(50.48)	-	-	-	-	-	-
Benefit payments	(22.09)	22.09	-	(5.49)	-	(5.49)	(0.28)	-	(0.28)
Effect of Business combination /Disposal	(23.00)	(31.55)	8.55	(4.73)	-	(4.73)	(7.61)	-	(7.61)
<b>March 31, 2024</b>	<b>290.59</b>	<b>295.57</b>	<b>(4.98)</b>	<b>215.42</b>	<b>-</b>	<b>215.42</b>	<b>156.09</b>	<b>-</b>	<b>156.09</b>

**(i) Post-Employment benefits**

Certain companies in the group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The company has created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. Company's contributions are based on actuarial valuation arrived at the end of each year and charged to Statement of Profit and Loss .

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Details	Gratuity		Pension		Leave salary	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	6.95%	6.76%	7.06%	6.53%	6.97%	6.73%
Salary growth rate	5.63%	6.63%	6.63%	6.63%	5.50%	6.63%
Pre- Retirement Mortality rate	IALM (2006-08) Ultimate					
Post- Retirement Mortality rate	LIC Ann (1996-98)					
Attrition Rate	3%	20%	0%	0%	3%	-

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at 58 years.

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**41 AMOUNT RECOGNISED IN THE BALANCE SHEET AND THE MOVEMENTS IN THE NET DEFINED BENEFIT OBLIGATION / OTHER EMPLOYEE BENEFITS - (continued)**

**(ii) Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Gratuity	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	0.50%	0.50%	266.00	218.66	287.15	236.10
Salary growth rate	0.50%	0.50%	287.24	236.19	265.83	218.50
Mortality rate	5.00%	5.00%	274.36	227.11	274.26	227.03

Pension	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	1.00%	1.00%	181.31	141.38	220.75	174.82
Salary growth rate	1.00%	1.00%	221.92	175.80	180.12	140.40
Mortality rate	5.00%	5.00%	197.59	155.42	201.31	157.98

Leave salary	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	0.50%	0.50%	2.97	125.62	3.20	133.36
Salary growth rate	0.50%	0.50%	3.20	133.41	2.97	125.54
Mortality rate	5.00%	5.00%	0.97	129.37	0.97	129.35

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability recognised in the balance sheet.

**(iii) Risk exposure**

Through its defined benefit plans, The Group is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility:** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The group intends to maintain the above investment mix in the continuing years.

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**41 AMOUNT RECOGNISED IN THE BALANCE SHEET AND THE MOVEMENTS IN THE NET DEFINED BENEFIT OBLIGATION / OTHER EMPLOYEE BENEFITS - (continued)**

**Changes in bond yield:** A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

**Inflation risks:** In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**Life expectancy:** The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

**(iv) Defined contribution plans:**

The Group's contribution to defined contribution plan i.e., provident fund of ₹ 91.22 crores (previous year ₹ 76.65 crores) has been recognised in the Consolidated of Profit and Loss.

**42 RELATED PARTY DISCLOSURES**

**LIST OF RELATED PARTIES**

- |                        |   |
|------------------------|---|
| a) Reporting entity    | TVS Holdings Limited, Chennai (formerly known as Sundaram-Clayton Limited)        |
| b) Controlling entity: | (i) VS Trust (Mr Venu Srinivasan, Trustee) (from 16 <sup>th</sup> June 2023)      |
| c) Subsidiaries        | (i) TVS Motor Company Limited, Chennai  |
|                        | (ii) Sundaram-Clayton DCD Limited, Chennai [Upto 10 <sup>th</sup> August 2023]    |
|                        | (iii) Sundaram-Clayton (USA) Limited, USA (upto 10 <sup>th</sup> August 2023)     |
|                        | (iv) Sundaram Holding USA Inc, Delaware, USA [Upto 10 <sup>th</sup> August 2023]  |
|                        | (v) Sundaram-Clayton GmbH, Germany [Upto 10 <sup>th</sup> August 2023]            |
|                        | (vi) Emerald Haven Realty Limited, Chennai [From 16 <sup>th</sup> Jun 2023]       |
|                        | (vii) TVS Holdings (Singapore) Pte . Limited (from 11 <sup>th</sup> January 2024) |

Subsidiary companies of TVS Motor Company Limited:

- |        |  |
|--------|--|
| (i)    | Sundaram Auto Components Limited, Chennai                            |
| (ii)   | TVS Digital Limited, Chennai (Formerly known as TVS Housing Limited) |
| (iii)  | TVS Motor Services Limited, Chennai                                  |
| (iv)   | TVS Credit Services Limited, Chennai                                 |
| (v)    | TVS Motor (Singapore) Pte. Limited, Singapore                        |
| (vi)   | TVS Motor Company (Europe) B.V, Amsterdam                            |
| (vii)  | PT. TVS Motor Company Indonesia, Jakarta                             |
| (viii) | TVS Electric Mobility Limited, Chennai                               |

Associate companies:

- |      |  |
|------|--|
| (i)  | Sundram Non-Conventional Energy Systems Limited, Chennai [upto 10 <sup>th</sup> August 2023] |
| (ii) | TVS Training and Services Limited, Chennai   |

Associate companies of TVS Motor Company Limited:

- |       |   |
|-------|---|
| (i)   | Ultraviolette Automotive Private Limited, Bengaluru   |
| (ii)  | Tagbox Solutions Private Limited, Bengaluru   |
| (iii) | DriveX Mobility Private Limited, Coimbatore (Formerly known as Nkars Mobility Millennial Solutions Private Limited) |
| (iv)  | Indian Foundation for Quality Management, Bengaluru [w.e.f 15.02.2024]  |

**TVS Holdings Limited**  
**(Formerly known as Sundaram-Clayton Limited)**

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**42 RELATED PARTY DISCLOSURES - (continued)**

Subsidiary companies of TVS Credit Services Limited:

- (i) Harita ARC Services Private Limited, Chennai
- (ii) Harita Two Wheeler Mall Private Limited, Chennai  
(Formerly known as TVS Two Wheeler Mall Private Limited, Chennai)
- (iii) TVS Housing Finance Private Limited, Chennai

Subsidiary companies of TVS Motor (Singapore) Pte Limited:

- (i) The Norton Motorcycle Co Limited, UK
- (ii) TVS Digital Pte Limited, Singapore
- (iii) The GO Corporation, Switzerland (GO AG),
- (iv) Swiss E-mobility (Group) Holding AG, Switzerland
- (v) EBCO Limited, UK
- (vi) Celerity Motor GmbH, Germany

Associate Companies of TVS Motor (Singapore) Pte Ltd

- (i) Killwatt GmbH, Germany
- (ii) ION Mobility Pte. Ltd., Singapore (w.e.f 14.03.2024)

Subsidiary companies of Sundaram Holding USA Inc, Delaware, USA [upto 10<sup>th</sup> August 2023]

- (i) Green Hills Land Holding LLC, USA
- (ii) Component Equipment Leasing LLC, USA
- (iii) Sundaram-Clayton USA LLC, USA
- (iv) Premier Land Holding LLC, USA

Subsidiary company of GO AG, Zurich:

- (i) EGO Movement Stuttgart, GmbH, Germany

Subsidiary company of Swiss E-mobility (Group) Holding AG, Switzerland:

- (i) Swiss E-Mobility Group (Schweiz) AG Switzerland
- (ii) Colag E-Mobility GmbH, Germany
- (iii) Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland

Associate Companies of TVS Digital Pte Ltd, Singapore:

- (i) Predictrics Corp, USA
- (ii) Tagbox Pte Ltd , Singapore
- (iii) Altizon Inc , USA
- (iv) Scienaptic Systems Inc , USA

Holding Company of Altizon Inc , USA:

- (i) Altizon Systems Private Limited, Pune

Subsidiaries of Emerald Haven Realty Limited (from 16<sup>th</sup> June 2023):

- (i) Emerald Haven Projects Private Limited, Chennai
- (ii) Emerald Haven Property Development Limited, Chennai
- (iii) Happiness Harmony Property Developers Private Limited
- (iv) Emerald Haven Realty Developers (Paraniputhur) Private Limited, Chennai
- (v) Emerald Haven Towers Limited, Chennai
- (vi) Emerald Haven Development Limited, Chennai
- (vii) Emerald Haven Life Spaces (Radial Road) Limited, Chennai
- (viii) Emerald Haven Town & Country Limited, Chennai
- (ix) Emerald Haven Residences Private Limited, Chennai (From 19.06.2023)
- (x) Emerald Haven Properties Private Limited, Chennai (From 08.01.2024)
- (xi) Emerald Haven Builders Private Limited, Chennai (From 09.01.2024)

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**42 RELATED PARTY DISCLOSURES - (continued)**

Associate of Emerald Haven Realty Limited, Chennai

Emerald Haven Housing Private Limited, Chennai (From 16.06.2023)

Other related parties and their relationship where transaction exists

- |    |   |                                 |   |
|----|---|---------------------------------|---|
| d) | Enterprises under common control              | (i)                             | Sundaram - Clayton Limited, Chennai   |
| e) | Enterprises in which directors are interested | (i)                             | Trichur Sundaram Santhanam & Family Private Limited, Chennai                                      |
|    |   | (ii)                            | T.V Sundram Iyengar & Sons Private Limited, Madurai   |
|    |   | (iii)                           | Dua Associates, Delhi   |
|    |   | (iv)                            | Dua Consulting Private Limited, Delhi   |
|    |   | (v)                             | McCann-Erickson (India) Private Limited, Delhi  |
|    |   | (vi)                            | Lakshmi Energy and Environment Design Private Limited, Coimbatore                                 |
|    |   | (vii)                           | TVS Organics Private Limited, Chennai   |
|    |   | (viii)                          | Adwaith Lakshmi Industries Private Limited, Coimbatore ( From 01 <sup>st</sup> April 2023)        |
|    |   | (ix)                            | ROCAF SDN BHD, Malaysia   |
|    |   | (x)                             | Bayswater Partners Investments  |
|    |   | (xi)                            | Harita Accessories LLP, Chennai   |
|    |   | (xii)                           | Future Accessories LLP, Chennai   |
|    |   | (xiii)                          | Khaitan & Co, Mumbai  |
| f) | Key management personnel (KMP)                | <u>Executive Directors:</u>     |   |
|    |   | (i)                             | Mr . Venu Srinivasan, Chairman Emeritus and Managing Director [upto 10 <sup>th</sup> August 2023] |
|    |   | (ii)                            | Dr . Lakshmi Venu, Managing Director [upto 10 <sup>th</sup> August 2023]                          |
|    |   | (iii)                           | Mr. Sudarshan Venu, Managing Director [w.e.f 11 <sup>th</sup> September 2023]                     |
|    |   | (iv)                            | Mr. K Gopala Desikan, Director & Group CFO  |
|    |   | <u>Non-Executive Directors:</u> |   |
|    |   | (i)                             | Mr. Venu Srinivasan, Chairman [w.e.f 11 <sup>th</sup> August 2023]                                |
|    |   | (ii)                            | Mr. R Gopalan   |
|    |   | (iii)                           | Mr. Sudarshan Venu [upto 10 <sup>th</sup> September 2023]   |
|    |   | (iv)                            | Mr. Rajesh Narasimhan (upto 10 <sup>th</sup> August 2023)   |
|    |   | <u>Independent Directors:</u>   |   |
|    |   | (i)                             | Ms. Sasikala Varadachari  |
|    |   | (ii)                            | Mr. C R Dua   |
|    |   | (iii)                           | Mr. Anuj Shah   |
|    |   | (iv)                            | Mr. Timm Tiller [w.e.f 11 <sup>th</sup> September 2023]   |
| f) | Relative of KMP                               | (i)                             | Mrs. Mallika Srinivasan   |
| g) | Promoter group                                | (i)                             | Srinivasan Trust  |
| h) | Post employment benefit plans                 | (i)                             | Sundaram- Clayton Limited Employees Provident Fund, Chennai [upto 10 <sup>th</sup> August 2023]   |
|    |   | (ii)                            | Sundaram- Clayton Limited Employees Gratuity Fund , Chennai [upto 10 <sup>th</sup> August 2023]   |
|    |   | (iii)                           | TVS Motor Company Employees' Gratuity Fund  |
|    |   | (iv)                            | TVS Motor Company Employees' Provident Fund   |

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**42 RELATED PARTY DISCLOSURES - (continued)**

(Rupees in crores)

Sl No	Nature of transactions	Name of the Company	Holding Company	Associates	KMP	Relative of KMP	Enterprise in which directors are interested	Enterprise under common control	Other related party	Total
1	Purchase of goods	Sundaram- Clayton Limited, Chennai	-	-	-	-	-	255.24	-	255.24
		TVS Organics Private Limited, Chennai	-	-	-	-	0.69	-	-	0.69
		Adwaith Lakshmi Industries Private Limited, Coimbatore	-	-	-	-	0.01	-	-	0.01
		Tagbox Solutions Private Limited, Bengaluru	-	0.73	-	-	-	-	-	0.73
		Ultraviolette Automotive Private Limited, Bengaluru	-	0.67	-	-	-	-	-	0.67
			-	1.40	-	-	0.70	255.24	-	257.34
			-	(1.43)	-	-	(0.42)	-	-	(1.85)
2	Sale of goods (including sub contract charges)	DriveX Mobility Private Limited, Coimbatore	-	0.06	-	-	-	-	-	0.06
		Sundaram- Clayton Limited, Chennai	-	-	-	-	-	9.60	-	9.60
			-	0.06	-	-	-	9.60	-	9.66
			(420.09)	-	-	-	-	-	-	(420.09)
3	Purchase of power	Sundram Non Conventional Energy Systems Limited, Chennai	-	0.37	-	-	-	-	-	0.37
			-	(0.74)	-	-	-	-	-	(0.74)
4	Purchase of asset	Tagbox Solutions Private Limited, Bengaluru	-	0.61	-	-	-	-	-	0.61
			-	0.61	-	-	-	-	-	0.61
			-	(3.07)	-	-	-	-	-	(3.07)
5	Sale of Assets	Sundaram-Clayton Limited, Chennai	-	-	-	-	-	0.29	-	0.29
			-	-	-	-	-	0.29	-	0.29
			-	-	(0.12)	-	-	-	-	(0.12)
6	Rendering of services	Future Accessories LLP, Chennai	-	1.15	-	-	-	-	-	1.15
		Harita Accessories LLP, Chennai	-	0.23	-	-	-	-	-	0.23
		Sundaram-Clayton Limited, Chennai	-	-	-	-	-	6.74	-	6.74
			-	1.38	-	-	-	6.74	-	8.12
			-	(1.39)	-	-	-	-	-	(1.39)
7	Receiving of services	Sundaram-Clayton Limited, Chennai	-	-	-	-	-	5.07	-	5.07
		TVS Training and Services Limited, Chennai	-	0.05	-	-	-	-	-	0.05
		Emerald Haven Realty Limited, Chennai	-	-	-	-	-	-	-	-
		McCann-Erickson (India) Private Limited, Delhi	-	-	-	-	3.59	3.59	-	7.18
		Dua Associates, Delhi	-	-	-	-	0.35	0.35	-	0.70
		Lakshmi Energy and Environment Design Private Limited, Coimbatore	-	-	-	-	0.20	-	-	0.20
		Dua Consulting Private Limited, Delhi	-	-	-	-	4.57	4.57	-	9.14
		Altizon Systems Private Limited, Pune	-	0.32	-	-	-	-	-	0.32
		Trichur Sundaram Santhanam & Family Private Limited, Chennai	-	-	-	-	0.70	-	-	0.70
		Bayswater Partners Investments	-	-	-	-	0.32	-	-	0.32
		Khaitan & Co, Mumbai	-	-	-	-	2.10	-	-	2.10
			-	0.37	-	-	11.83	13.58	-	25.78
			-	(4.42)	-	-	(11.34)	-	-	(15.76)



**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**42 RELATED PARTY DISCLOSURES - (continued)**

(Rupees in crores)

Sl No	Nature of transactions	Name of the Company	Holding Company	Associates	KMP	Relative of KMP	Enterprise in which directors are interested	Enterprise under common control	Other related party	Total
8	Lease rent received	Sundram Non Conventional Energy Systems Limited, Chennai - Rs.40,000 (Associates)	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
9	Remuneration paid	Key Management Personnel	-	-	72.05	-	-	-	-	72.05
			-	-	(118.16)	-	-	-	-	(118.16)
10	Investments	Srinivasan Trust (Purchase of EHRL Share)	-	-	-	-	-	-	42.92	42.92
		Mrs. Mallika Srinivasan ( Purchase of EHRL Share)	-	-	-	44.67	-	-	-	44.67
		Indian Foundation for Quality Management, Bengaluru [From 15.02.2024]	-	25.00	-	-	-	-	-	25.00
		Killwatt GmbH, Germany [From 14.04.2023]	-	71.50	-	-	-	-	-	71.50
		ION Mobility Pte. Ltd, Singapore [From 14.03.2024]	-	45.38	-	-	-	-	-	45.38
			-	141.88	-	44.67	-	-	42.92	229.47
			-	-	-	(1.21)	(57.10)	-	-	(58.31)
11	Dividend received	Sundram Non-Conventional Energy Systems Limited, Chennai	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	(0.88)	-	-	-	-	-	(0.88)
12	Contribution to post employment benefit plans	Sundaram- Clayton Limited Employees Provident Fund, Chennai	-	-	-	-	-	-	1.32	1.32
		TVS Motor Company Employees Provident Fund , Chennai	-	-	-	-	-	-	98.51	98.51
		TVS Motor Company Employees Gratuity Fund , Chennai	-	-	-	-	-	-	114.30	114.30
		Sundaram- Clayton Limited Employees Gratuity Fund , Chennai	-	-	-	-	-	-	0.53	0.53
			-	-	-	-	-	-	214.66	214.66
			-	-	-	-	-	-	(153.20)	(153.20)
13	Outstanding as on 31 <sup>st</sup> March 2024 Receivables	Ultraviolette Automotive Private Limited, Bengaluru	-	0.18	-	-	-	-	-	0.18
		Trichur Sundaram Santhanam & Family Private Limited, Chennai	-	-	-	-	0.52	-	-	0.52
		McCann-Erickson (India) Private Limited, Delhi	-	-	-	-	0.02	-	-	0.02
		Sundaram-Clayton Limited, Chennai	-	-	-	-	-	1.25	-	1.25
		TVS Training and Services Limited, Chennai - (Associates) (Rs.11,800)	-	-	-	-	-	-	-	-
			-	0.18	-	-	0.54	1.25	-	1.97
			(17.36)	(4.97)	-	-	-	-	-	(22.33)
14	Outstanding as on 31 <sup>st</sup> March 2024 Payables	TVS Training and Services Limited, Chennai (Associates)	-	-	-	-	-	-	-	-
		Dua Consulting Private Limited, Delhi	-	-	-	-	0.32	-	-	0.32
		Sundram Non-Conventional Energy Systems Limited, Chennai	-	-	-	-	-	-	-	-
		Predictronic Corporation, USA	-	0.07	-	-	-	-	-	0.07
		DriveX Mobility Private Limited, Coimbatore	-	0.04	-	-	-	-	-	0.04
		Sundaram-Clayton Limited, Chennai	-	-	-	-	-	1.35	-	1.35
		T.V Sundram Iyengar & Sons Private Limited, Madurai	-	-	-	-	0.07	-	-	0.07
		TVS Organics Private Limited, Chennai	-	-	-	-	0.03	-	-	0.03
			-	0.11	-	-	0.42	1.35	-	1.88
			-	(0.62)	-	-	(0.73)	-	-	(1.35)

Previous year's figures are furnished in brackets

**TVS Holdings Limited**  
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**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**43 SEGMENT REVENUES, RESULTS AND OTHER INFORMATION**

**Information about primary business segments**

Particulars	Business Segments									
	Automotive components		Automotive Vehicle and Parts		Financial Services		Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
External sales - domestic	628.30	1,131.51	24,990.27	19,629.96	6,050.75	4,150.31	171.73	3.82	31,841.05	24,915.60
- exports	373.59	920.54	8,032.94	7,825.38	-	-	-	-	8,406.53	8,745.91
Inter segment sales	571.39	840.76	354.16	10.28	196.10	6.04	187.78	-	1,309.43	857.08
<b>Total sales</b>	<b>1,573.28</b>	<b>2,892.81</b>	<b>33,377.37</b>	<b>27,465.62</b>	<b>6,246.85</b>	<b>4,156.35</b>	<b>359.51</b>	<b>3.82</b>	<b>41,557.01</b>	<b>34,518.60</b>
Less: Inter segment sales	571.39	840.76	354.16	10.28	196.10	6.04	187.78	-	1,309.43	857.08
<b>Net Revenue (excluding other operating revenue)</b>	<b>1,001.89</b>	<b>2,052.05</b>	<b>33,023.21</b>	<b>27,455.34</b>	<b>6,050.75</b>	<b>4,150.31</b>	<b>171.73</b>	<b>3.82</b>	<b>40,247.58</b>	<b>33,661.52</b>
Segment results before interest and tax	(4.80)	117.50	2,296.68	1,679.47	883.41	508.99	31.11	3.30	3,206.40	2,309.26
Add: Share of Associate profit									(43.62)	(39.73)
Less: Interest									376.36	256.21
<b>Profit before tax</b>									<b>2,786.42</b>	<b>2,013.32</b>
Taxes									1,004.04	680.15
<b>Profit after tax</b>									<b>1,782.38</b>	<b>1,333.17</b>
Segment Assets	395.41	4,988.95	13,360.23	11,330.10	28,553.02	23,028.11	2,418.09	2.39	44,726.75	39,349.55
Segment Liabilities	255.12	4,282.73	10,154.57	9,018.20	25,169.55	20,001.98	2,155.80	1.49	37,735.04	33,304.40
Segment Depreciation	74.85	170.44	925.18	793.82	27.39	21.43	2.57	0.13	1,029.99	985.82

Note:

Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**44 REVENUE FROM CONTRACT WITH CUSTOMERS**

**A Disaggregated revenue**

Revenue from contracts with customers are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group identifies the product lines, amongst others to indicate the factors as mentioned above. The details of revenue from contracts with customers on the basis of various product lines are as under :

Sl. No.	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
A.	Type of goods or service		
	1. Motor Vehicles	29,493.96	24,232.76
	2. Parts and accessories	3,266.88	2,702.91
	3. Automotive components	1,135.86	2,001.44
	4. Services - IT Services	75.86	50.55
	5. Services - Royalty	13.27	8.01
		33,985.83	28,995.67
B.	Geographical markets		
	1. Domestic	26,169.82	20,614.02
	2. Exports	7,816.01	8,381.65
		33,985.83	28,995.67

**B** The Group operates in the segments of automotive vehicle and its parts, Automotive components and financial services. The information provided above is in line with the segmental information provided under Ind AS 108 in Note. 43

**C Reconciliation of contracts with customers**

**Contract Assets**

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Trade Receivables	1,903.74	1,522.54
Unbilled Revenue	—	—
	1,903.74	1,522.54

**Contract Liabilities**

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Advance from customers	295.18	355.81
Unearned revenue	1,595.16	—
	1,890.34	355.81

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**44 REVENUE FROM CONTRACT WITH CUSTOMERS - (continued)**

Movement of contract liabilities for the reporting period given below:

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Contract Liabilities at the beginning of the period	355.81	274.48
Add / (Less) :		
Due to Business Combination	1,595.16	-
Consideration received during the year as advance	295.18	355.81
Revenue recognized from contract liability	(355.81)	(274.48)
Contract Liabilities at the end of the period	1,890.34	355.81

Payment is received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met the same is recognized as revenue.

**D Transaction price allocated to the remaining performance obligations**

The Group's contracts with customers are short term (i.e., the performance obligations are expected to be met within one year or less). Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.

**E Reconciliation of revenue with contract price**

Sl. No.	Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(i)	Contract price	34,872.23	29,862.67
(ii)	Adjustments :		
	Incentive schemes	705.62	450.97
	Transport cost	526.49	413.81
(iii)	Revenue from sale of products and services	33,640.12	28,997.89

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**45 INTERESTS IN OTHER ENTITIES**

**a) Subsidiaries**

The Group's subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	
TVS Motor Company Limited	India	50.26%	50.26%	49.74%	49.74%	Motor vehicles manufacturing
Sundaram-Clayton (USA) Limited, USA	USA	NA	100.00%	NA	0.00%	Automotive components
Sundaram Holding USA Inc., Delaware, USA	USA	NA	100.00%	NA	0.00%	Automotive components
TVS Digital Limited	India	50.26%	50.26%	49.74%	49.74%	IT Services
Sundaram Auto Components Limited (SACL)	India	50.26%	50.26%	49.74%	49.74%	Automotive components
TVS Motor Company (Europe) B.V., Amsterdam	Netherlands	50.26%	50.26%	49.74%	49.74%	Others
TVS Motor (Singapore) Pte. Limited, Singapore	Singapore	50.26%	50.26%	49.74%	49.74%	Others
PT.TVS Motor Company Indonesia, Jakarta	Indonesia	50.26%	50.26%	49.74%	49.74%	Motor vehicles manufacturing
The Norton Motorcycle Co. Ltd, UK	United Kingdom	50.26%	50.26%	49.74%	49.74%	Motor vehicles manufacturing
TVS Digital Pte Limited, Singapore	Singapore	50.26%	50.26%	49.74%	49.74%	Others
GO AG, Zurich	Switzerland	41.63%	41.16%	58.37%	58.84%	Others
Swiss E-Mobility (Group) Holding AG, Switzerland	Switzerland	50.26%	37.70%	49.74%	62.30%	Others
Green Hills Land Holding LLC, USA	USA	NA	100.00%	NA	0.00%	Others
Component Equipment Leasing LLC, USA	USA	NA	100.00%	NA	0.00%	Others
Sundaram-Clayton USA LLC, USA	USA	NA	100.00%	NA	0.00%	Others
Premier Land Holding LLC, USA	USA	NA	100.00%	NA	0.00%	Others
EGO Movement Stuttgart, GmbH	Germany	41.63%	41.16%	58.37%	58.84%	Others
Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich	Switzerland	50.26%	37.70%	49.74%	62.31%	Others
Colag E-Mobility GmbH, Germany, Nuremberg	Germany	50.26%	37.70%	49.74%	62.31%	Others
TVS Electric Mobility Ltd	India	50.26%	50.26%	49.74%	49.74%	Others

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

(Rupees in crores)

**45 INTERESTS IN OTHER ENTITIES - (continued)**

Name of entity	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	
TVS Motor Services Limited	India	50.26%	50.26%	49.74%	49.74%	Financial Service
TVS Credit Services Limited	India	40.70%	45.59%	59.30%	54.41%	Financial Service
Harita ARC Private Limited	India	40.70%	45.59%	59.30%	54.41%	Financial Service
Sundaram-Clayton DCD Limited	India	NA	100.00%	NA	0.00%	Automotive Components
TVS Housing Finance Private Limited	India	40.70%	45.59%	59.30%	54.41%	Financial Service
Harita Two Wheeler Mall Private Limited	India	40.70%	45.59%	59.30%	54.41%	Financial Service
EBCO Limited, UK	United Kingdom	35.18%	35.18%	64.82%	64.82%	Others
Alexand'Ro Edouard'O Passion Velo Sarl, Switzerland	Switzerland	50.26%	37.70%	49.74%	62.31%	Others
Celerity Motor GmbH, Germany	Germany	50.26%	50.26%	49.74%	49.74%	Others
Emerald Haven Realty Limited	India	89.26%	NA	10.74%	NA	Others
Sundaram - Clayton GmbH, Germany	Germany	NA	100%	NA	0%	Others

**b) Non-Controlling Interest**

Set out below is summarised financial information for each subsidiary that has non controlling interest that are material to the Group. The amount disclosed for each subsidiary are before inter company eliminations.

Summarised balance sheet	TVS Motor Company Limited		Sundaram Auto Components Limited		TVS Credit Services Limited		Emerald Heaven Realty Limited	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Current assets	4,217.82	3,667.49	160.59	173.28	15,461.47	11,967.12	2,362.06	NA
Current liabilities	6,606.80	6,008.54	182.43	208.78	12,901.72	12,044.87	2,154.10	NA
Net current assets / (liabilities)	(2,388.98)	(2,341.05)	(21.84)	(35.50)	2,559.74	(77.75)	207.96	NA
Non-current assets	11,849.18	10,324.89	240.36	551.03	12,679.51	10,784.89	50.19	NA
Non-current liabilities	1,729.16	1,936.00	72.41	77.17	11,370.33	7,946.28	-	NA
Net non-current assets	10,120.02	8,388.89	167.95	473.86	1,309.18	2,838.61	50.19	NA
Net assets	7,731.04	6,047.84	146.11	421.84	3,868.92	1,865.80	258.15	NA
Accumulated NCI	3,845.42	3,008.20	72.68	218.04	2,294.44	1,502.18	27.73	-

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Notes to Financial Statements - (continued)**

**45 INTERESTS IN OTHER ENTITIES - (continued)**

(Rupees in crores)

Summarised Statement of profit and loss	TVS Motor Company Limited		Sundaram Auto Components Limited		TVS Credit Services Limited		Emerald Heaven Realty Limited	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Revenue	31,924.90	26,378.09	764.72	776.77	5,795.97	4,156.35	381.95	NA
Profit for the year	2,083.00	1,491.03	19.25	15.50	571.83	389.26	9.75	NA
Other comprehensive income	(19.74)	(27.68)	0.14	3.25	(20.71)	5.80	(1.60)	NA
Total comprehensive income	2,063.26	1,463.35	19.39	18.75	551.82	395.06	8.15	NA
Profit allocated to NCI	1,036.08	741.64	9.57	7.71	339.53	211.80	0.88	NA
Dividends paid to NCI	189.20	118.17	-	-	-	-	-	-

Summarised Cash Flow Statement	TVS Motor Company Limited		Sundaram Auto Components Limited		TVS Credit Services Limited		Emerald Heaven Realty Limited	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Cash flow from operating activities	3,617.29	1,992.86	56.86	63.95	(4,017.80)	(5,708.07)	318.55	NA
Cash flow from investing activities	(1,896.26)	(2,311.80)	288.47	(14.27)	(124.05)	(23.36)	(48.38)	NA
Cash flow from financing activities	(1,469.55)	224.54	(339.04)	(36.78)	530.33	6,309.36	(51.33)	NA
Net increase / (decrease) in cash and cash equivalents	251.48	(94.40)	6.29	12.90	(3,611.52)	577.93	218.85	-

**c) Interests in associates and joint ventures**

**Individually immaterial associates**

The group has interests in 7 individually immaterial associates that are accounted using equity method.

Particulars	31-Mar-24	31-Mar-23
Aggregate carrying amount of individually immaterial associates	477.13	413.10

Particulars	31-Mar-24	31-Mar-23
Share of profits from associates	(43.62)	(39.73)
Other Comprehensive Income	0.01	(2.69)
Total Comprehensive Income	(43.61)	(42.42)



**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**46 ADDITIONAL INFORMATION ON NET ASSETS AND SHARE OF PROFITS AS AT 31<sup>st</sup> MARCH 2024**

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in crores	As % of consolidated profit or loss	Amount ₹ in crores	As % of other comprehensive income	Amount ₹ in crores	As % of total comprehensive income	Amount ₹ in crores
1	2	3	4	5	6	7	8	9
<b>Parent</b>								
TVS Holdings Limited, Chennai	51.04%	1,449.47	37.84%	338.74	(25.44%)	3.38	38.79%	342.11
<b>Subsidiaries - Indian</b>								
TVS Motor Company Limited, Chennai	272.21%	7,731.04	232.69%	2,083.00	148.81%	(19.74)	233.95%	2,063.26
TVS Credit Services Limited, Chennai	136.23%	3,868.92	63.96%	572.53	126.35%	(16.76)	63.02%	555.77
TVS Motor Services Limited, Chennai	5.94%	168.70	(0.07%)	(0.60)	21.71%	(2.88)	(0.39%)	(3.48)
Sundaram Auto Components Limited, Chennai	5.13%	145.79	2.15%	19.25	(1.06%)	0.14	2.20%	19.39
TVS Digital Limited, Chennai	0.15%	4.15	0.03%	0.27	0.00%	-	0.03%	0.27
TVS Electric Mobility Limited, Chennai	0.04%	1.00	0.00%	-	0.00%	-	0.00%	-
Emerald Haven Realty Limited, Chennai	8.20%	232.80	2.15%	19.27	13.64%	(1.81)	1.98%	17.46
<b>Subsidiaries - Foreign</b>								
TVS Motor (Singapore) Pte Limited, Singapore	123.53%	3,508.34	(1.04%)	(9.31)	(50.43%)	6.69	(0.30%)	(2.62)
TVS Motor Company Europe B.V., Amsterdam	(0.06%)	(1.71)	(0.12%)	(1.06)	0.45%	(0.06)	(0.13%)	(1.12)
PT. TVS Motor Company Indonesia, Jakarta	9.65%	274.02	1.68%	15.05	76.07%	(10.09)	0.56%	4.96
The Norton Motorcycle Co Limited, UK	8.61%	244.53	(44.00%)	(393.88)	(71.54%)	9.49	(43.59%)	(384.39)
TVS Digital Pte Limited, Singapore	(0.10%)	(2.87)	(7.42%)	(66.42)	1.28%	(0.17)	(7.55%)	(66.59)
GO AG, Zurich	(0.30%)	(8.46)	(6.20%)	(55.49)	101.24%	(13.43)	(7.81%)	(68.92)
Swiss E- Mobility (Group) Holding AG, Switzerland	(5.77%)	(163.88)	(25.09%)	(224.63)	(35.05%)	4.65	(24.94%)	(219.98)
EBCO Limited, UK	(0.89%)	(25.30)	(1.58%)	(14.16)	2.64%	(0.35)	(1.65%)	(14.51)
Sundaram Holdings USA Inc	0.00%	-	(9.15%)	(81.89)				
Celerity Motor GmbH, Germany	(0.81%)	(23.08)	(1.74%)	(15.57)	37.99%	(5.04)	(2.34%)	(20.61)
<b>Sub-total</b>		<b>17,403.46</b>		<b>2,185.10</b>		<b>(45.99)</b>		<b>2,221.00</b>
Non Controlling Interest in all subsidiaries	146.18%	4,151.64	122.69%	981.99	153.15%	(32.73)	121.85%	949.26
<b>Sub-total</b>		<b>13,251.82</b>		<b>1,203.11</b>		<b>(13.26)</b>		<b>1,271.74</b>

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

Notes to Financial Statements - (continued)

(Rupees in crores)

**46 ADDITIONAL INFORMATION ON NET ASSETS AND SHARE OF PROFITS AS AT 31<sup>st</sup> MARCH 2024 - (continued)**

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in crores	As % of consolidated profit or loss	Amount ₹ in crores	As % of other comprehensive income	Amount ₹ in crores	As % of total comprehensive income	Amount ₹ in crores
1	2	3	4	5	6	7	8	9
<b>Add: Associates</b>								
(Investment as per the equity method)								
TVS Training and Services Limited, Chennai	0.03%	3.51	-0.03%	(0.12)	0.00%	-	-0.03%	(0.12)
Tagbox Solutions Private Limited	0.00%	-	-0.09%	(0.34)	0.00%	-	-0.08%	(0.34)
Tagbox PTE Limited, Singapore	0.01%	0.98	-0.09%	(0.32)	0.00%	-	-0.07%	(0.32)
Ultraviolette Automotive Private Limited, Bengaluru	0.91%	98.94	-5.11%	(18.35)	0.00%	-	-4.09%	(18.35)
Predictronics Corp, USA	0.16%	17.85	-0.29%	(1.04)	0.00%	-	-0.23%	(1.04)
Scienaptic Systems Inc., USA	0.50%	54.07	0.07%	0.24	0.00%	-	0.05%	0.24
Altizon Inc., USA	0.21%	23.15	-0.02%	(0.08)	0.00%	-	-0.02%	(0.08)
DriveX Mobility Private Limited, Coimbatore	0.63%	68.65	-4.17%	(14.96)	0.12%	0.01	-3.33%	(14.95)
Emerald Haven Housing Private Limited, Chennai	0.01%	1.47	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
Emerald Haven Realty Limited, Chennai	0.00%	-	-1.02%	(3.65)	0.00%	-	-0.81%	(3.65)
Ion Mobility Pte Ltd, Singapore	1.12%	121.81	-0.04%	(0.15)	0.00%	-	-0.03%	(0.15)
Kilwatt GmbH, Germany	0.61%	66.68	-1.34%	(4.82)	0.00%	-	-1.07%	(4.82)
Indian Foundation for Quality Management, Bengaluru	0.23%	25.00	0.00%	-	0.00%	-	0.00%	-
<b>Sub-total</b>	<b>483.58%</b>	<b>13,733.93</b>	<b>144.87%</b>	<b>1,159.49</b>	<b>61.98%</b>	<b>(13.25)</b>	<b>157.65%</b>	<b>1,228.13</b>
Less: Effect of intercompany eliminations	383.58%	10,893.87	44.87%	359.10	-38.02%	8.13	57.65%	449.10
<b>Total - Attributable to owners</b>	<b>100%</b>	<b>2,840.07</b>	<b>100%</b>	<b>800.39</b>	<b>100%</b>	<b>(21.37)</b>	<b>100%</b>	<b>779.02</b>

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries and associates are determined based on the standalone / consolidated financial statements amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

**47 Previous Year's figures have been regrouped wherever necessary to conform to the current year's classification**

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Annexure**

**Form AOC-I**

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

**Statement containing salient features of the financial statement of subsidiaries/ associate companies**

**Part "A": Subsidiaries**

Information in respect of each subsidiary

(Rupees in crores)

Sl.No	Particulars	Indian Subsidiaries									
		TVS Motor Company Limited	Sundaram Auto Components Limited	TVS Digital Limited (Formerly known as TVS Housing Limited)	TVS Motor Services Limited	TVS Credit Services Limited	Harita Two-Wheeler Mall Private Limited	Harita ARC Private Limited	TVS Housing Finance Private Limited	TVS Electric Mobility Limited	Emerald Haven Realty Limited
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	Date on which subsidiary was acquired	15-11-2001	01-04-2003	21-06-2010	07-09-2017	07-09-2017	07-09-2017	07-09-2017	08-09-2017	13-12-2021	16-06-2023
2.	Reporting period	01-04-2023 to 31-03-2024									
3.	Reporting currency	Indian Rupees									
	Closing Exchange rate	Not applicable									
4.	Share capital	47.51	11.94	3.05	149.63	246.60	^	^	12.00	1.00	255.44
5.	Reserves & Surplus	7,683.53	133.85	1.09	19.13	3618.88	(0.02)	(0.02)	3.49	-	(17.21)
6.	Total assets	16,067.00	400.95	5.83	224.72	28,137.55	-	-	15.72	1.00	909.51
7.	Total Liabilities	8,335.96	255.16	1.69	55.96	24272.06	0.02	0.02	0.24	-	671.28
8.	Investments	6,991.26	3.12	-	30.96	109.71	-	-	-	-	291.76
9.	Turnover	31,776.37	764.72	3.85	3.41	5789.57	-	-	0.96	-	114.79
10.	Profit before taxation	2,780.66	28.83	0.37	(0.55)	761.94	-	-	0.96	-	(5.10)
11.	Provision for taxation	697.66	9.58	0.10	-	190.11	-	-	0.23	-	1.99
12.	Profit after taxation	2,083.00	19.25	0.27	(0.55)	571.83	-	-	0.73	-	(3.12)
13.	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
14.	% of shareholding	50.26	50.26 <sup>#</sup>	50.26 <sup>#</sup>	50.26 <sup>#</sup>	40.70 <sup>#</sup>	40.70 <sup>#</sup>	40.70 <sup>#</sup>	40.70 <sup>#</sup>	50.26 <sup>#</sup>	89.26

^ Share capital of INR 25,000. # Held through subsidiary

(Rupees in crores)

Sl.No	Particulars	Indian Subsidiaries										
		Emerald Haven Development Ltd	Emerald Haven Projects Pvt Ltd	Emerald Haven Realty Developers (Paraniputhur) Pvt Ltd.	Emerald Haven Life Spaces (Radial Road) Ltd	Emerald Haven Town and Country Pvt Ltd	Emerald Haven Property Development Ltd	Happiness Harmony Property Developers Pvt Ltd.	Emerald Haven Towers Ltd.	Emerald Haven Residences Pvt Ltd	Emerald Haven Propert-i-es Pvt Ltd	Emerald Haven Builders Pvt Ltd
		(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
1.	Date on which subsidiary was acquired	16-06-2023								19-06-2023	08-01-2024	09-01-2024
2.	Reporting period	01-04-2023 to 31-03-2024										
3.	Reporting currency	Indian Rupees										
	Closing Exchange rate	Not applicable										
4.	Share capital	57.19	11.00	20.80	55.69	66.82	0.005	0.01	30.00	0.005	0.005	0.005
5.	Reserves & Surplus	14.88	(10.39)	(7.72)	(43.94)	(20.61)	19.11	(0.58)	(26.25)	(0.002)	(0.001)	(0.001)
6.	Total assets	630.36	37.94	201.42	120.38	417.16	176.00	80.60	395.41	0.004	0.005	0.005
7.	Total Liabilities	558.30	37.33	188.34	108.62	370.95	156.90	81.16	391.66	0.001	0.001	0.001
8.	Investments	-	20.55	-	-	-	-	-	-	-	-	-
9.	Turnover	149.29	7.68	60.87	-	22.19	111.83	-	-	-	-	-
10.	Profit / (loss) before taxation	3.60	(1.00)	4.31	(6.85)	70.86	26.58	(0.74)	(34.52)	(0.002)	(0.001)	(0.001)
11.	Provision for taxation	(0.91)	-	(0.87)	-	(29.23)	(7.41)	19.33	8.97	-	-	-
12.	Profit / (loss) after taxation	2.70	(1.00)	3.44	(6.85)	41.63	19.17	(0.55)	(25.54)	(0.002)	(0.001)	(0.001)
13.	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
14.	% of shareholding	62.48%	89.26%	89.26%	79.65%	79.86%	89.26%	89.26%	79.65%	89.26%	89.26%	89.26%

Notes: 1. Subsidiaries which are yet to commence operations: (1) Harita Two Wheeler Mall Private Limited (2) Harita ARC Private Limited (3) TVS Housing Finance Private Limited and (4) TVS Electric Mobility Limited

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

Sl.No	Particulars	Foreign Subsidiaries									
		TVS Motor Company (Europe) B.V.*	PT TVS Motor Company Indonesia	TVS Motor (Singapore) Pte. Ltd	The Norton Motorcycle Co Ltd, UK	TVS Digital Pte Limited, Singapore	The GO Corporation* Switzerland *	Swiss E-Mobility Group (Holding) AG, Switzerland *	Celerity Motor GmbH*	EBCO Ltd	TVS Holdings (Singapore) Pte Limited
		(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
1.	Date on which subsidiary was acquired	21-07-2005	05-09-2005	21-10-2005	03-04-2020	24-05-2021	16-09-2021	27-01-2022	06-12-2022	01-04-2022	11-01-2024
2.	Reporting period	01-04-2023 to 31-03-2024									11-01-2024 to 31-03-2024
3.	Reporting currency	USD	IDR	SGD	GBP	SGD	CHF	CHF	EUR	GBP	SGD
	Closing Exchange rate	INR 83.41/USD	INR 0.53/ IDR 100	INR 61.74/SGD	INR 105.03/GBP	INR 61.74/SGD	INR 92.04/CHF	INR 92.04/CHF	INR 89.88/EUR	INR 105.03/GBP	INR 61.74/SGD
4	Share capital	126.52	906.08	3,689.66	1091.44	138.78	1.75	1.23	0.22	<sup>^</sup>	<sup>§</sup>
5	Reserves & Surplus	(128.23)	(632.06)	(181.32)	(846.91)	(141.65)	(10.20)	(165.11)	(23.30)	(25.30)	-
6	Total assets	0.08	1062.46	3861.11	648.97	138.71	105.63	886.70	29.52	33.38	-
7	Total Liabilities	1.79	788.44	352.77	404.44	141.59	114.08	1050.58	52.60	58.68	-
8	Investments	-	-	2,554.52	-	-	-	-	-	-	-
9	Turnover	(0.01)	818.70	151.79	45.18	15.15	48.75	648.79	4.19	6.66	-
10	Profit before taxation	(1.06)	26.50	(9.55)	(397.85)	(66.42)	(55.50)	(200.07)	(15.57)	(14.16)	-
11	Provision for taxation	-	11.45	(0.24)	(3.97)	-	(0.01)	(24.56)	-	-	-
12	Profit after taxation	(1.06)	15.05	(9.31)	(393.88)	(66.42)	(55.49)	(224.63)	(15.57)	(14.16)	-
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
14	% of shareholding	50.26 <sup>†</sup>	50.26 <sup>†</sup>	50.26 <sup>†</sup>	50.26 <sup>†</sup>	50.26 <sup>†</sup>	41.63 <sup>†</sup>	50.26 <sup>†</sup>	50.26 <sup>†</sup>	35.18 <sup>†</sup>	100

\* Unaudited financial statement. <sup>†</sup> Held through subsidiary <sup>^</sup> Share Capital of GBP 100 <sup>§</sup> SGD 1

1. The GO AG, Switzerland includes the consolidation of its subsidiary viz, EGO Movement Stuttgart, GmbH, Germany.
2. Swiss E-Mobility Group (Holding) AG include the consolidation of its subsidiaries viz, Swiss E-Mobility Group (Schweiz) AG, Zurich, Switzerland, Colag E-Mobility GmbH, Nuremberg, Germany and Alexand'Ro Edouard'O Passion Vélo Sàrl ("Passion Vélo"), Switzerland.
3. TVS Holdings (Singapore) Pte Limited is yet to commence its operations.

**TVS Holdings Limited**  
(Formerly known as Sundaram-Clayton Limited)

**Consolidated Financial Statements of TVS Holdings Limited**

**Part "B": Associates**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies**

(Rupees in crores)

S. No.	Name of Associate	Ultraviolette Automotive Private Limited*	DriveX Mobility Pvt Ltd	Indian Foundation for Quality Management	Predictronics Corp, USA*	Tagbox Pte Limited, Singapore*	Scienaptic Systems Inc., USA*	Altizon Inc*	Kilwatt GmbH, Germany*	ION MobilityPte Limited, Singapore	Emerald Haven Housing Pvt Ltd	TVS Training and Services Limited
1.	Latest audited Balance Sheet Date	31-03-2023	31-03-2024	NA	31-12-2022	31-03-2023	**	**	**	31-03-2022	31-03-2024	31-03-2024
2.	Date on which the Associate was acquired	09-08-2018	15-10-2022	15-02-2024	17-08-2019	08-05-2019	28-09-2020	01-02-2021	04-04-2023	02-02-2024	09-01-2024	20-2-2013
3.	Shares of Associate held by the company on the year end											
	(i) No. of shares	27,166	9,766	2,50,00,000	24,827	2,43,243	28,05,357	8,06,429	24,500	49,64,524	15,00,000	19,06,709
	(ii) Amount of investment in Associates / Joint Venture	121.00	87.17	25.00	22.36	15.42	64.81	25.34	71.50	121.96	1.47	1.90
	(ii) Extent of holding %	15.50 <sup>#</sup>	24.25 <sup>#</sup>	14.36 <sup>#</sup>	11.81 <sup>#</sup>	12.22 <sup>#</sup>	10.57 <sup>#</sup>	10.05 <sup>#</sup>	24.63 <sup>#</sup>	12.89 <sup>#</sup>	40.13 <sup>#</sup>	21.70
4.	Description of how there is significant influence	Subsidiary holding more than or equal to 20% of share capital										Holding more than 20% of share capital
5.	Reason why the associate/joint venture is not consolidated	Not Applicable										
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	53.70	10.50	12.57	0.80	1.46	(0.28 )	0.44	13.85	9.49	1.18	3.55
7.	Profit / (Loss) for the year:											
	(i) Considered in consolidation	(18.35)	(14.96)	-	1.04	(0.32)	0.24	(0.08)	(4.82)	(0.15)	-	(0.12)
	(ii) Not considered in consolidation	Not Applicable										

\* Unaudited financial statements up to 31-03-2024 has been consolidated. # Held through subsidiary

\*\* Audit of financial statements are not mandated by the regulations of the respective country in which the Company is incorporated.

Notes:

1. Associates which have been liquidated or sold or transferred due to Business combination during the year - Tagbox Solutions Private Limited
2. Associates which has been transferred due to Business combination during the year - Sundaram Non-Conventional Energy Systems Limited

VENU SRINIVASAN  
Chairman  
DIN: 00051523

SUDARSHAN VENU  
Managing Director  
DIN: 03601690

K GOPALA DESIKAN  
Director & Group  
Chief Financial Officer  
DIN: 00067107

As per our report annexed  
For RAGHAVAN, CHAUDHURI & NARAYANAN  
Chartered Accountants  
Firm Regn. No. 007761S

Place : Chennai  
Date : 9<sup>th</sup> May 2024

R RAJA PRAKASH  
Company Secretary

V SATHYANARAYANAN  
Partner  
Membership No. 027716