REF:TSL:SEC:2023/263

August 28, 2023

National Stock Exchange of India Ltd.,
5th Floor
Exchange Plaza, Bandra (E),
Mumbai - 400 051

Scrip Code: TVSSRICHAK
by NEAPS

BSE Limited
P J Towers
Dalal Street, Fort,
Mumbai 400 001

Scrip Code: 509243
by Listing Centre

Dear Madam / Sir

Sub : Notice of 40th Annual General Meeting (AGM) and Annual Report 2022-23

Ref : Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 34(1) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

a) Notice of 40th AGM of the members of the Company to be held on Wednesday, 20th September, 2023 through Video Conference (VC) / Other Audio Visual Means (OAVM) and

b) Annual Report for the financial year 2022-23.

The Notice convening the AGM and the Annual Report for the year ended 31st March, 2023 are also available on the Company's website www.tvseurogrip.com

Kindly take the above on record.

Thanking you

Yours faithfully
For TVS SRICHAKRA LIMITED

CHINMOY PATNAIK

Digitally signed by CHINMOY PATNAIK
DN: c=IN, o=PERSONAL, title=2992,
pseudonym=c35f1d39b1ae443ea294168b8aa14c24,
2.5.4.20=db02efdf9e11d477f2af883fb3d90de2137505504ce90bcc4365305b5429d1
c6, postalCode=751020, st=Odisha,
serialNumber=2b5d3e9422325f54a35c29ba1e3089f974bb51ff365897de9b27f5775a
841312, cn=CHINMOY PATNAIK
Date: 2023.08.28 12:45:23 +05'30'

Chinmoy Patnaik
Company Secretary & Compliance Officer
Membership No. A14724

Encl : as above

TVS Srichakra Limited
CIN: L25111TN1982PLC009414
Regd. Office: TVS Building, 7-B, West Veli Street, Madurai 625 001.
Tel:+91 0452 2356400, Fax: +91 0452 2443466 I Website: www.tvseurogrip.com I Email: secretarial@eurogriptyres.com
Manufacturing Unit: Vellaripatti, Melur Taluk, Madurai-625 122, Tel:+91 452 2443300

TVS SRICHAKRA LIMITED

(CIN: L25111TN1982PLC009414)
Regd. Office: TVS Building, 7-B West Veli Street, Madurai 625 001
Website: www.tvseurogrip.com; E-mail id: secretarial@eurogriptyres.com
Phone:0452 2443300

NOTICE

Notice is hereby given that the 40th Annual General Meeting (AGM) of the Company will be held on Wednesday, the 20th September, 2023 at 10.00 A.M. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses.

ORDINARY BUSINESS

1. Adoption of Audited Standalone and Consolidated Financial Statements for the year ended 31st March 2023 and the reports of the Board of Directors and Auditors thereon:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March 2023 and reports of the Board of Directors and Auditors’ thereon, as circulated to the members, be and are hereby considered, approved and adopted.”

2. Declaration of Dividend

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

“**RESOLVED THAT** a dividend of Rs.32.05 (Rupees Thirty two and paise five only) per share (320.50%) for the year ended 31st March, 2023 on 76,57,050 equity shares of Rs.10 each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for payment to the members of the Company whose names appear in the Register of Members as at the close of business hours on 4th September, 2023.”

3. Appointment of Mr. R. Naresh, as a Director, liable to retire by rotation:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. R. Naresh (DIN : 00273609), is hereby reappointed as a director, who is liable to retire by rotation.”

SPECIAL BUSINESS

4. Ratification of remuneration payable to the Cost Auditor

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of Audit Committee, the remuneration of Rs.1,37,500/- (Rupees One Lakh Thirty Seven Thousand and Five Hundred only), in addition to reimbursement of travel and out-of-pocket expenses, payable to Dr. I Ashok, Practicing Cost Accountant, (Membership No. 11929), appointed as Cost Auditor of the Company for the financial year 2023-24 by the Board of Directors of the Company, be and is hereby ratified.”

5. Commission payable to Non-Executive Directors

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

“**RESOLVED THAT** pursuant to the provisions of Sections 197 and 198 of the Companies Act, 2013 read with rules made thereunder and other applicable provisions, if any, and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the SEBI LODR Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to all the Non-Executive Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, for a period of five (5) financial years commencing from 1st April, 2023 to 31st March, 2028."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to determine the manner and proportion in which the amount may be distributed among Non-Executive Directors, including giving weightage to Audit Committee Members."

"**RESOLVED FURTHER THAT** the commission payable shall not exceed Rs.15,00,000/- per annum for every Non-Executive Director, who is a member of Audit Committee, and Rs.10,00,000/- to every other Non-Executive Director of the company."

6. **Re-appointment of Mr. V. Ramakrishnan as an Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and recommendation of the Nomination and Remuneration Committee, Mr. V. Ramakrishnan (DIN: 00002931), who holds office as an Independent Director upto 26th September, 2023, being eligible and offered himself for reappointment, be and is hereby reappointed as Independent Director of the Company, not liable to retire by rotation, for a second term of five(5) consecutive years effective from 27th September, 2023 to 26th September, 2028."

By Order of the Board

Place : Madurai
Date : June 22, 2023

SHOBHANA RAMACHANDHRAN
Managing Director
(DIN: 00273837)

Notes:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated 13th January, 2021, and circular No.2 and 3 dated 5th May, 2022, and General Circular No. 10/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI all other relevant circulars issued from time to time (Collectively referred to as the "MCA Circulars") companies are allowed to hold Annual General Meeting ("AGM") / Extraordinary General Meeting ("EGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical attendance of members. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/ OAVM.

2. In terms of the provisions of the Act, a member is entitled to attend and vote at the AGM and is also entitled to appoint a proxy on his / her behalf to attend and vote at the AGM. Since the Company's AGM is being held through VC / OAVM, physical attendance of members have been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.

3. The members can join the AGM through VC/OAVM mode atleast 30 minutes before the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation in the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. This will not include large members (members 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.

4. Institutional / corporate members (i.e. other than individuals / HUF, NRI, etc.,) are required to send a scanned copy (PDF/JPG Format) of their Board or governing body resolution / authorization etc., authorizing representatives to attend the AGM through VC / OAVM and to vote through remote e-voting. The said resolution / authorisation shall be sent to the Scrutinizer by email through its registered email address to baluoogeetha@gmail.com with a copy marked to secretarial@eurogriptyres.com.

5. In terms of SEBI circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company /Depositories as at the close of business hours on 18th August, 2023. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.tvseurogrip.com, websites of the National Stock Exchange of India Limited www.nseindia.com, BSE Ltd., www.bseindia.com and on the website of NSDL https://www.evoting@nsdlindia.com

6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

8. A statement showing additional information about the directors seeking appointment / re-appointment is annexed to the notice as required under Regulation 36 of the SEBI LODR Regulations and Secretarial Standard on General Meetings (SS-2), issued by the Institute of the Company Secretaries of India.

9. The information required to be provided as per Section 102 of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India and the SEBI LODR Regulations, 2015, are furnished in the explanatory statement which is annexed hereto.

E-VOTING FACILITY

10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI LODR Regulations (as amended), and the relevant circulars issued by the MCA, the Company is providing facility of remote e-voting and e-voting to its members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has engaged the services of National Securities Depository Limited (NSDL), as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL in a secure manner.

11. The remote e-voting period would commence on Saturday, 16th September, 2023 (9.00 AM) and end on Tuesday, 19th September, 2023 (5.00 PM).

    During the above period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 13th September, 2023, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting after 5.00 PM on Tuesday, 19th September, 2023. Once the vote on a resolution has been cast by the member, the member cannot change it subsequently.

12. The voting rights of members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 13th September, 2023. 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 (13th September, 2023) shall be entitled to avail the facility of remote e-voting as well as e-voting at the time of the meeting. Notice is being sent to all the members whose names appear on the Register of Members/ list of Beneficial Owners, as received from NSDL / Central Depository Services (India) Limited (CDSL) as at the close of business hours on 18th August, 2023. Any person, who acquires shares of the Company and becomes a member after despatch of the Notice, but holding shares as on the cut-off date for remote e-voting i.e. 13th September, 2023, may obtain the login Id and password by sending a request to yuvraj@integratedindia.in or contact our Registrar & Share Transfer Agent, M/s Integrated Registry Management Services Private Limited, Kences Towers, 2nd Floor, No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai 600017. Those members who will be present in the AGM through VC / OAVM facility and have not cast their vote for the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

13. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

14. Members can opt for only one mode of voting, i.e., either by remote e-voting or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail. The procedure and instructions for e-voting is furnished in this notice.

15. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password.

In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

16. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to evoting@nsdl.co.in

17. The Board of Directors have appointed Mr. N Balachandran, Company Secretary in Practice, Chennai, as the Scrutinizer to scrutinize the e-voting and remote e-voting process in a fair and transparent manner.

18. The Scrutinizer shall, immediately after the conclusion of e-voting on the date of AGM, first count the e-votes cast during the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall within two working days of conclusion of the meeting shall submit his report on the outcome of voting to the Chairman / Managing Director / Chief Financial Officer / Company Secretary of the Company.

19. The results along with the Scrutinizer’s Report shall be placed on the website of the Company www.tvseurogrip.com immediately. The results shall also be communicated to the Stock Exchanges, BSE Ltd., and National Stock Exchange of India Limited, Mumbai.

20. **Updation of members’ details :**

Members holding shares in electronic form

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.

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 Code, Mandates, Nominations, Power of Attorney, Change of Address / Name / e-mail Address / Contact Numbers, etc., to their DP.

Members holding shares in physical form

SEBI vide its Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 has mandated member / members of companies holding securities in physical mode to do the following details:

1. Register PAN linked with Aadhaar through Form ISR 1 (including joint members)
2. Register Nomination details through Form SH-13.
3. Register Postal address with PINCODE, E-mail ID / Mobile Number through Form ISR 1
4. Register Bank account details, name of the bank and branch, IFS code through Form ISR 1
5. Register specimen signature through Form ISR 2

The consequences of not doing the above will be as follows :

- Dividend shall not be paid unless bank and KYC including PAN, details are updated / furnished.
- Members will not be serviced by the company if the above details are not provided
- Failing to comply with the above requirements will warrant freezing of folios effective from 1st October, 2023.

Frozen folios as on 31st December, 2025, shall be referred by the RTA / the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, effective from 31st December, 2025.

The Securities and Exchange Board of India (SEBI) has already mandated that any requests for effecting transfer of securities, shall not be processed unless the securities are held in the dematerialized form with a depository. The members are therefore requested to immediately initiate necessary steps to dematerialise the shares held in physical form.

BOOK CLOSURE, DIVIDEND PAYMENT AND TAX ON DIVIDEND

21. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 5th September, 2023 to Wednesday, 20th September, 2023 (both days inclusive) for determining the members who shall be eligible for dividend.

22. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of members, with effect from 1st April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at rates prescribed in Income-Tax Act, 1961 (the "IT Act"). In general, to enable the 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 or Registrar and Transfer Agent (RTA), by sending email to Company's email address secretarial@eurogriptyres.com or RTA's email address yuvraj@integratedindia.in

    For Resident Shareholders the Tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @10% on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2023-24 provided a valid PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @20% as per Section 206AA of the Income-tax Act, 1961.

    For Resident Individual the TDS shall not be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2023-24 does not exceed Rs.5,000/-. Please note that this includes the future dividends, if any, which may be declared by the Board in the FY 2023-24. Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), no tax at source shall be deducted provided that the eligibility conditions are being met. PAN is mandatory. To avail the benefit of non-deduction of tax at source, members may send the form 15G/ 15H by an email to tsldividend@eurogriptyres.com; latest by 5.00 P.M. (IST),13th September, 2023.

    Non-resident members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, with proper attestation and duly signed and filled-in all respects, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to TSLDIVIDEND2023@eurogriptyres.com. The aforesaid declarations and documents need to be submitted by the members latest by 5.00 P.M. (IST), 13th September, 2023.

    In case shares are held by Clearing Member / Intermediaries / Stock Brokers on behalf of the beneficial owners, TDS on dividend will be deducted in the hands of beneficial owner as per the provisions of Rule 37BA(2) of Income Tax Rules, 1962, provided the Clearing Member / Intermediaries / Stock Brokers provides a declaration along with detailed list of beneficiaries to the Company on or before 13th September, 2023 (Record date), to enable the Company to process the dividend and TDS accordingly.

    Declaration received after the Record date will not be considered for claiming benefits under Rule 37BA (2) of the Income Tax Rules,1962.

TRANSFER OF UNCLAIMED/UNPAID DIVIDEND AND THE SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

23. Members, whose dividend remain un-encashed or unclaimed for a period of seven (7) consecutive years, shall be transferred to the Investor Education and Protection Fund Authority (IEPF Authority), by the Company. Accordingly, the unclaimed dividend for the financial year ended 31st March, 2015 has been transferred to IEPF Authority on 14th November, 2022, for the financial year ended 31st March, 2016 Interim dividend I on 31st March, 2023 and Interim dividend II on 4th May, 2023.

24. As per SEBI notification, members who have not encashed their dividend for a period of seven (7) consecutive years, their shares has to be transferred to IEPF authority. Accordingly, for those members who have not encashed dividend upto the financial years 2014-15, 2015-16 Interim I and Interim II their shares have been transferred to IEPF Authority, on 24th November, 2022, 6th April, 2023 and 10th May, 2023 respectively.

25. Members who have not encashed their dividend for the financial year 2016-17 and upto 2021-22, are requested to write to the RTA of the Company, mentioning the relevant Folio number or DP ID and Client ID to credit the dividend in their bank accounts.

26. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the members by writing an e-mail to the Company at secretarial@eurogriptyres.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board, based upon the recommendation of Audit Committee at its meeting held on 23rd May, 2023, has appointed Dr. I Ashok, Practicing Cost Accountant, holding Membership No. 11929, as Cost Auditor of the Company for the financial year 2023-24 and has fixed a sum of Rs.1,37,500/- (Rupees one lakh thirty seven thousand and five hundred only) as remuneration payable towards the audit.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor, as recommended by Audit committee and approved by the Board, is required to be ratified by the members of the Company at the Annual General Meeting.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2024.

Board recommends the ordinary resolution set out at item no.4 for approval of the members of the company.

None of the directors nor Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise, in the resolution as set out in Item No.4.

Item No. 5

At the Annual General Meeting held on 27th September, 2018, the members of the Company had approved for the payment of commission to Non-Executive Directors for a period of five years with effect from 1st April, 2018.

Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the directors by the Company should be commensurate with their role, responsibilities and duties.

Section 197 of the Companies Act, 2013 and regulation 17(6) of SEBI LODR Regulation, 2015 enables a company to pay to the Non-Executive Directors commission not exceeding in aggregate of one percent of the net profit of the Company for a financial year. Accordingly, the Board of Directors of your company have proposed that the Non-Executive Directors (i.e. directors other than the Managing Director and the Whole-time Directors) may be paid remuneration not exceeding in aggregate one percent of the net profits of the company for each financial year, as computed in the manner laid down in Section 198 of the said Act;

The said remuneration to Non-Executive Directors shall be in addition to the sitting fees payable to them for attending meetings of the Board and Committees. The commission payable shall not exceed Rs.10,00,000/- per annum and Rs.15,00,000/- per annum for each Non Audit Committee Member and each Audit Committee Member, respectively.

The Board recommends the special resolution set out at item no.5 for approval of the members of the company.

Save and except all the Non-Executive Directors of the Company and their relatives, none of the directors nor Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise, in the resolution as set out in Item No.5.

Item No. 6

Mr. V. Ramakrishnan was initially appointed as Non-executive and Non-Independent Director of the Company, liable to retire by rotation, on 24th May, 2014.

Mr. V. Ramakrishnan was appointed as an Independent Director on the Board of the Company in terms of Section 149 of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the SEBI LODR Regulations, w.e.f. 27th September, 2018 to hold office upto 26th September, 2023.

The Nomination and Remuneration Committee at its meeting held on 22nd June, 2023 has recommended the reappointment of Mr. V Ramakrishnan as an Independent Director of the company for a second term of five (5) consecutive years with effect from 27th September, 2023.

Based upon the performance evaluation of Mr. V. Ramakrishnan and the recommendation of Nomination and Remuneration Committee, the Board considers that his association would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to appoint Mr. V Ramakrishnan as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years with effect from 27th September, 2023. Board is of the view that Mr. V. Ramakrishnan fulfills the independence criteria as specified under SEBI LODR Regulations, 2015 and the Companies Act, 2013. Mr. V. Ramakrishnan's performance as Independent Director has been evaluated and found very satisfying.

Company has received notice in writing pursuant to Section 160 of the Act, from a member proposing the reappointment of Mr. V. Ramakrishnan to the office of Independent Director under the provisions of Section 149 of the Act.

He is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act and has given his consent to act as such.

The Company has received declarations from Mr. V. Ramakrishnan that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations.

Section 149(10) of the Companies Act, 2013, provides that an Independent Director shall hold office for a term of upto five consecutive years on the Board but shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in the Boards' Report. Section 149(11) of the Act provides that no Independent Director shall hold office for more than two consecutive terms.

In the opinion of the Board, Mr. V Ramakrishnan fulfills all the conditions specified in the Companies Act, 2013 and the SEBI LODR Regulations for his appointment as an Independent Director.

Copy of draft letter of appointment intended for execution with Mr. V Ramakrishnan as Independent Director setting out the terms and conditions is available for inspection, without any fee, at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday.

This Explanatory Statement together with the accompanying Notice may be regarded as a disclosure under Regulation 36 of SEBI LODR Regulations, 2015 and Secretarial Standards on General Meetings (SS-2), issued by the Institute of the Company Secretaries of India.

The Board recommends the special resolution set out at item no.6 for approval of the members of the company.

Except Mr. V. Ramakrishnan, none of the directors or Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise, in the resolution as set out in Item No. 6.

By Order of the Board

Place : Madurai
Date : June 22, 2023

SHOBHANA RAMACHANDHRAN
Managing Director
(DIN 00273837)

PARTICULARS OF DIRECTORS AS REQUIRED TO BE FURNISHED UNDER SECRETARIAL STANDARD (SS-2) ON GENERAL MEETINGS AND REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name	Mr. R Naresh	Mr. V Ramakrishnan
Director Identification Number (DIN)	00273609	00002931
Age	66 years	67 years
Qualification	B.E.	Master of Technology (M.Tech) in Mechanical Engineering, Post Graduate Diploma in Business Management (PGDBM) in Finance, Diploma in Public Speaking and extended training in Sweden and Germany.
Expertise in functional areas	Mr. R. Naresh has close to four decades of experience in the automobile and rubber industries. He is the co-founder of the company and a strategist, coupled with technical knowledge and vast experience helps the company in expanding its commercial activities. He has indepth knowledge and understanding of the ever evolving trends in auto and tyre industries. He is an inspiring leader and well known in the corporate world.	Mr. V Ramakrishnan held senior management and middle positions in business unit and profit center management, strategic planning / diversification, business development, project implementation, marketing, manufacturing and engineering. Mr. V Ramakrishnan was an Independent Director of PRICOL India between 2004 and 2013. He was Commissioner of PRICOL Surya, Indonesia and member of the Board of Commissioners between 2010 and 2013 and oversaw the operation as Lead Director. As a CEO with regional and worldwide responsibilities established a six sigma manufacturing operation. Mr. V Ramakrishnan is the Managing Director of M/s Organisation Development Pte Ltd., Singapore. Lead strategic thought processes; articulate and guide thought into action. Direct and lead the delivery of product and / or service by integrating, aligning and synthesizing business processes to meet the changing needs of the market. Build and sustain relationships with customers, suppliers, employees and other stakeholders. Evaluate the risks consequential to defining strategic direction. He teaches public policy for over a decade at the prestigious Lee Kuan School of Public Policy, covering areas like governance, strategy risk management, cost management, project management and value for money performance and audits. He has contributed to four books, published internationally, on governance, board performance management, family business coaching and dashboard driven enterprise performance management.

Terms and Conditions of Appointment / Re-appointment	As per the resolution passed by the members through postal ballot on 22nd March, 2023, Mr. R Naresh was reappointed as Managing Director designated as Executive Vice Chairman of the Company, liable to retire by rotation.	As per the resolution at item no. 6 of the Notice convening Annual General Meeting on 20.9.2023 read with explanatory statement thereto. For more details, members may please refer to the terms contained in the draft appointment letter intended for execution with Mr. V Ramakrishnan which is available in company's website www.tvseurogrip.com
Remuneration last drawn (including sitting fees, if any)	Rs.508.26 lakhs for the FY 2022-23	Rs.11.70 lakhs for the financial year 2022-23
Remuneration proposed to be paid	As per existing terms and conditions	As per the resolution at item no. 5 of the Notice convening Annual General Meeting on 20.9.2023 read with explanatory statement thereto, in addition to the fee for attending meetings of the Board or Committees or for any other purpose, whatsoever, as may be decided by the Board and reimbursement of expenses for participating in the Board and other meetings.
Date of first appointment on the Board	02.06.1982	24.05.2014
Shareholding in the Company as on 31st March, 2023	1,44,656 Equity Shares	NIL
Relationship between Directors inter se	Ms. Shobhana Ramachandhran, Managing Director of the Company is related to Mr. R Naresh.	NIL
No. of meetings of the board attended during the year	Details of meetings attended during the year are provided in the Corporate Governance Report.	Details of meetings attended during the year are provided in the Corporate Governance Report.
List of Directorships held in other Companies	M/s Sundaram Industries Private Limited, M/s TVS Argomm Private Limited, M/s SI Air Springs Private Limited, M/s TVS Sensing Solutions Private Limited, M/s TVS Srichakra Investments Limited, M/s Pusam Rubber Products Private Limited, M/s Uthiram Rubber Products Private Limited and M/s TVS Mobility Private Limited	M/s Organisation Development Pte Ltd
Member / Chairman in the Committees of the Board	NIL	Chairman: Stakeholders Relationship Committee Risk Management Committee Member: Corporate Social Responsibility Committee

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Saturday, 16th September 2023 at 9.00 A.M. and ends on Tuesday, 19th September 2023 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e.13th September, 2023, may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 13th September 2023.

<u>How do I vote electronically using NSDL e-Voting system?</u>

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 members holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members 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 members holding securities in demat mode is given below:

Type of members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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 ‘Member / Members’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Member / Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Individual Members holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	**Helpdesk details**
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Member/ Members section.
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 e services 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. 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.
5. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Member/ Members section.
6. 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.
7. 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 125327 then user ID is 125327001***

8. Password details for members other than Individual members are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those members whose email ids are not registered.

9. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

10. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

11. Now, you will have to click on "Login" button.

12. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members

1. Institutional members (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 to baluoogeetha@gmail.com<Please mention the e-mail ID of Scrutinizer> with a copy marked to evoting@nsdl.co.in. Institutional members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to evoting@nsdl.co.in

Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of email 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 member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@eurogriptyres.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@eurogriptyres.com. If you are an individual member 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 members holding securities in demat mode.

3. Alternatively member/members may send a request to 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 members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members 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 EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those member / members, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in member / 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.

2. Members are advised to join the Meeting through Laptops for better experience.

3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who desire to pose queries are kindly requested to submit in advance via email to secretarial@eurogriptyres.com, by mentioning their name, demat account number/folio number, email id and mobile number. The company will respond to the queries in an appropriate manner.

6. Members who intend to express their views or have questions regarding the Annual General Meeting (AGM) are requested to submit their inquiries in advance. Please include your name, demat account number/folio number, email id, and mobile number while mailing the queries to agm.questions@eurogriptyres.com. The company will respond to the queries appropriately.

7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at agm.speakers@eurogriptyres.com between 14th September, 2023 (9:00 A.M. IST) to 16th September, 2023 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. Members who prefer not to speak during the AGM but have queries, can submit their inquiries via email to agm.questions@eurogriptyres.com, providing their name, DP ID, Client ID/folio number, PAN and mobile number. The submission period for these queries is between 14th September 2023, (9:00 A.M. IST), to 16th September 2023, (5:00 P.M. IST). The company will respond to these queries appropriately via email.

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ANNUAL REPORT 2022-23

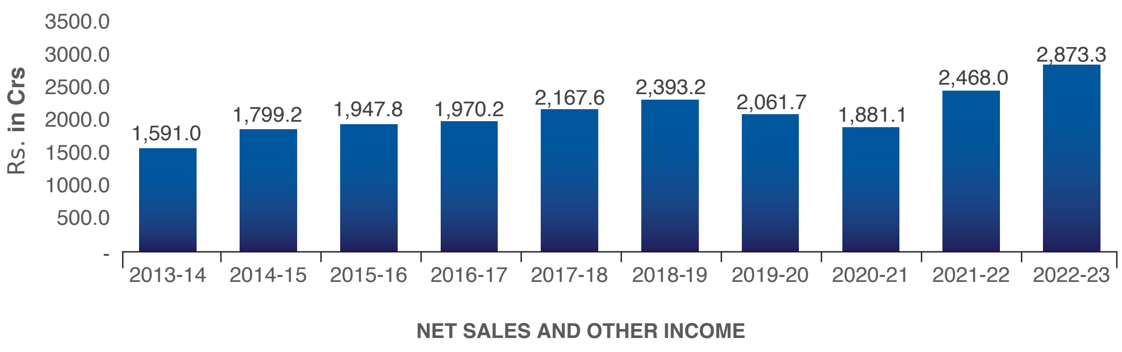
CONTENTS

Board of Directors	R. Naresh Executive Vice Chairman Shobhana Ramachandhran Managing Director M. S. Viraraghavan H. Janardana Iyer V. Ramakrishnan Rasesh R Doshi S. V. Mathangi S. Ravichandran P. Srinivasavaradhan
Audit Committee	H. Janardana Iyer Chairman M.S. Viraraghavan Rasesh R Doshi S. Ravichandran
Nomination and Remuneration Committee	M. S. Viraraghavan Chairman H. Janardana Iyer Rasesh R Doshi
Stakeholders Relationship Committee	V. Ramakrishnan Chairman Shobhana Ramachandhran S. V. Mathangi
Corporate Social Responsibility Committee	Shobhana Ramachandhran Chairperson Rasesh R Doshi V. Ramakrishnan
Borrowing and Investment Committee	R. Naresh Chairman Shobhana Ramachandhran P. Srinivasavaradhan S. Ravichandran
Risk Management Committee	V. Ramakrishnan Chairman S. Ravichandran S. V. Mathangi

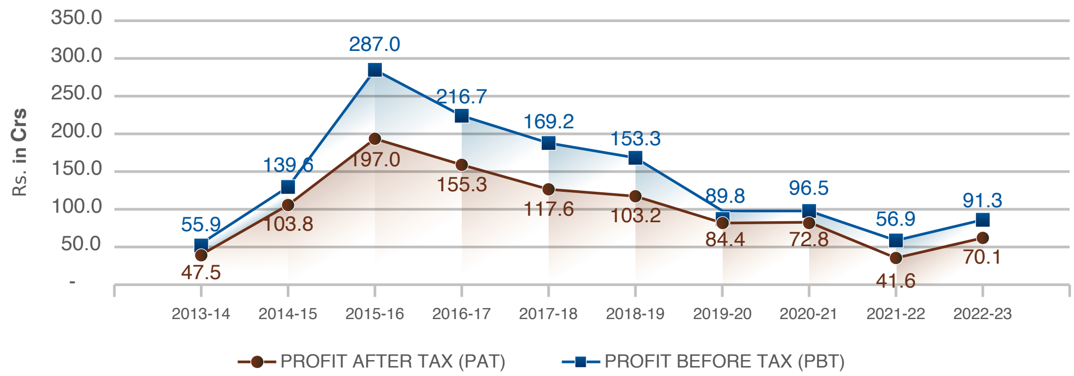
Corporate Identity Number	L25111TN1982PLC009414
Registered Office	TVS Building, 7-B West Veli Street, Madurai 625 001. Tamil Nadu
Plant Location	**Madurai** Vellaripatti, Melur Taluk, Madurai 625 122, Tamil Nadu Narasingampatti, Therkutheru, Melur Taluk Madurai 625 122, Tamil Nadu **Uttarakhand** Plot No. 7, Sector - 1, IIE, SIDCUL Pant Nagar 263 153, Rudrapur Tehsil - Kichha, Uttarkhand
Corporate Office	No. 10 Jawahar Road, Madurai 625 002. Tamil Nadu Tel: 0452 2443300 Email: secretarial@eurogriptyres.com sec.investorgrievances@eurogriptyres.com Website: www.tvseurogrip.com
Subsidiary Companies	TVS Srichakra Investments Limited (TSIL) TVS Sensing Solutions Private Limited (TSSPL) (Subsidiary of TSIL) Fiber Optic Sensing Solutions Private Limited (Subsidiary of TSSPL)
Statutory Auditors	PKF Sridhar & Santhanam LLP Chartered Accountants KRD Gee Gee Crystal No. 91-92, 7th Floor Dr. Radhakrishnan Salai Mylapore, Chennai 600 004
Listing of Shares with	BSE Limited National Stock Exchange of India Limited
Bankers	State Bank of India HDFC Bank Limited Axis Bank Limited
Registrar and Share Transfer Agent	Integrated Registry Management Services Private Limited “Kences Towers”, II Floor, No. 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai 600 017, Tamil Nadu. Tel : 044 28140802 - 803 email: corpserv@integratedindia.in

FINANCIAL HIGHLIGHTS: STANDALONE

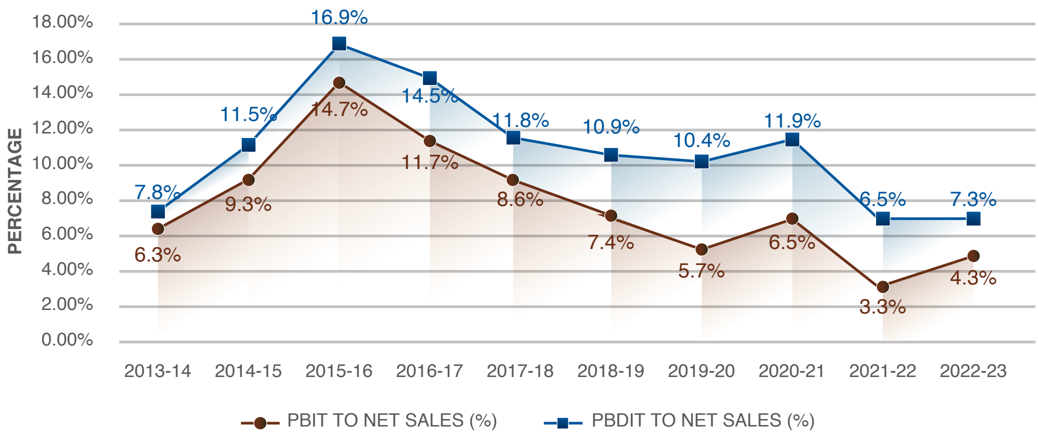
REVENUES



PROFITABILITY

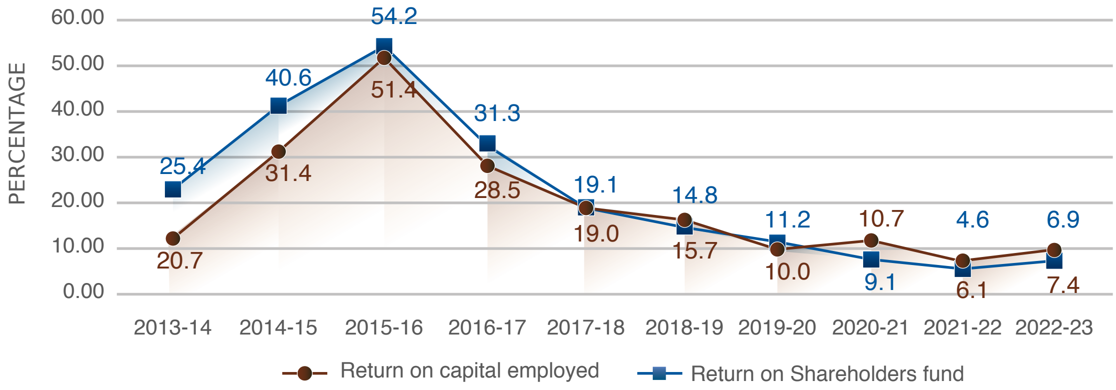


OPERATING MARGINS

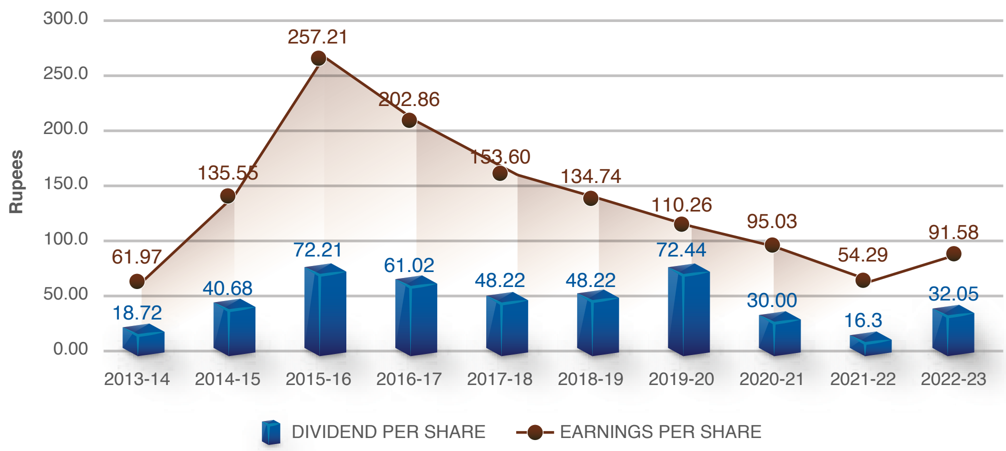


FINANCIAL HIGHLIGHTS: STANDALONE

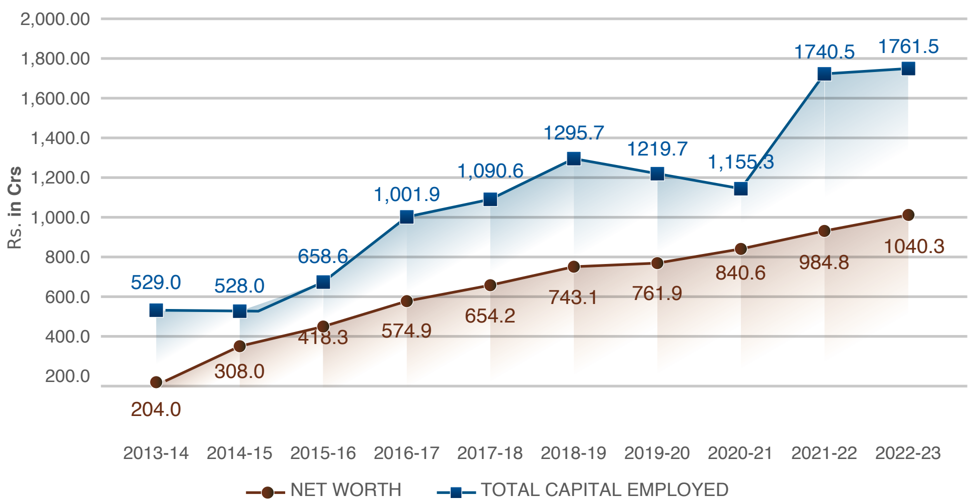
RETURN ON FUNDS EMPLOYED



EPS & DPS (IN RS.)



FUNDS EMPLOYED



TEN YEAR PERFORMANCE AT A GLANCE: STANDALONE

Rupees in Crores

Section	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
A. OPERATING RESULTS	NET INCOME(EXCLUDING ED AND DISCOUNTS)	1590.9	1799.1	1,947.8	1,970.2	2,167.6	2,393.2	2,061.7	1,881.1	2,468.0	2,873.3
	PROFIT BEFORE DEPN. INT. & TAX	123.8	209.3	345.1	292.5	267.2	270.6	223.4	228.6	164.8	218.1
	PROFIT BEFORE INT. & TAX	100.1	169.4	302.7	236.8	198.9	187.8	125.7	127.5	87.7	129.7
	PROFIT BEFORE TAX (PBT)	55.9	139.5	287.0	216.7	169.2	153.3	89.8	96.5	56.9	91.3
	PROFIT AFTER TAX (PAT)	47.4	103.7	197.0	155.3	117.6	103.2	84.4	72.8	41.6	70.1
	DIVIDENDS $	12.2	25.8	45.9	38.8	30.6	30.6	46.0	23.0	12.5	24.5
	DIVIDEND TAX $	2.0	5.2	9.4	7.9	6.3	6.3	9.4	-	-	-
	PROFIT AFTER DIVIDEND	33.1	72.6	141.7	108.6	80.7	66.2	29.0	49.8	29.1	45.6
B. FINANCIAL STATUS	NET FIXED ASSETS	250.0	283.0	403.1	568.7	621.2	656.1	694.8	689.5	894.0	1,006.4
	INVESTMENTS	19.0	32.0	87.3	89.4	110.6	150.3	153.1	162.9	319.9	320.0
	NET CURRENT ASSETS	260.0	186.8	86.2	260.3	274.3	405.0	371.8	303.0	526.7	435.0
	SHARE CAPITAL	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
	RESERVES AND SURPLUS	196.0	300.0	410.6	567.3	646.6	735.5	754.3	832.9	977.1	1,032.7
	NET WORTH	204.0	308.0	418.3	575.0	654.3	743.2	762.0	840.6	984.8	1,040.4
	LOAN FUNDS	304.0	204.0	130.7	306.6	308.5	412.7	336.3	198.4	598.4	636.9
	DEFERRED TAX LIABILITY (NET)	22.0	15.0	27.6	36.8	43.3	55.5	33.0	29.6	66.5	71.1
	TOTAL CAPITAL EMPLOYED &&	529.0	528.0	658.6	1,001.9	1,090.6	1,295.7	1,219.7	1,155.4	1,740.5	1,761.5
C. KEY RATIOS	PBDIT TO NET SALES (%) *	7.8	11.5	16.9	14.5	11.8	10.9	10.4	11.9	6.5	7.3
	PBIT TO NET SALES (%) *	6.3	9.3	14.7	11.7	8.6	7.4	5.7	6.5	3.3	4.3
	PBT TO NET SALES (%) *	3.5	7.6	13.9	10.6	7.2	6.0	3.9	4.9	2.1	2.9
	PBIT TO AV. CAPITAL EMPLOYED (%)	20.7	31.4	51.4	28.5	19.0	15.7	10.0	10.7	6.1	7.4
	RETURN ON AVERAGE NET WORTH (%)	25.4	40.5	54.2	31.3	19.1	14.8	11.2	9.1	4.6	6.9
	EARNINGS PER SHARE (Rs.)	61.90	135.5	257.2	202.9	153.6	134.7	110.3	95.0	54.3	91.6
	DIVIDEND PER SHARE (Rs.) #$	18.7	40.6	72.2	61.0	48.2	48.2	72.4	30.0	16.3	32.1
	DIVIDEND PAY OUT (%) #$	30.2	30.0	28.1	30.1	31.4	35.8	65.7	31.6	30.0	35.0
	BOOK VALUE PER SHARE (Rs.)	265.9	402.2	546.3	750.9	854.5	970.5	995.1	1,097.8	1,286.1	1,358.7
	DEBT EQUITY RATIO (NO. OF TIMES)	1.4	0.6	0.3	0.5	0.4	0.5	0.4	0.2	0.6	0.6

$ Including dividend tax
& to be approved by Shareholders in AGM
Previous years figures have been regrouped to conform to the Current classification.
&& Reclassified

BOARD'S REPORT

Dear Members,

Your directors are pleased to present the Annual Report and the audited Financial Statement together with the consolidated Financial Statement of your Company for the financial year ended 31st March 2023.

Financial Results and State of Affairs

Rs. in Crores

Particulars	Standalone		Consolidated	
	Year ended 31st March 2023	Year ended 31st March 2022	Year ended 31st March 2023	Year ended 31st March 2022
Sales & Other Income	**2873.26**	2467.98	**2994.14**	2549.36
Profit before finance cost and depreciation	**223.62**	167.53	**238.10**	173.30
Less: Finance Cost	**38.40**	30.75	**39.63**	31.60
Depreciation	**88.44**	77.07	**91.54**	79.81
Profit after finance cost and depreciation	**96.78**	59.71	**106.93**	61.89
Less: Exception items	**5.49**	2.77	**5.49**	2.77
Profit before taxation	**91.29**	56.94	**101.44**	59.12
Less: Provision for				
Income tax	**18.17**	14.79	**20.58**	15.66
Income tax (previous years)	**(3.09)**	-	**(3.09)**	-
Deferred tax	**6.09**	0.58	**6.13**	0.14
Profit after tax	**70.12**	41.57	**77.82**	43.32
Profit/(Loss) attributable to the Non-Controlling Interest	-	-	**(0.17)**	(0.14)
Profit/ (Loss) attributable to the owners	-	-	**77.99**	43.47
Surplus brought forward from Previous Year	**778.84**	763.48	**762.27**	745.04
Re-measurement of post-employment benefit obligation (net of tax)	**1.35**	(3.24)	**1.31**	(3.27)
Dividend paid	**(12.48)**	(22.97)	**(12.48)**	(22.97)
Dividend Tax paid	-	-	-	-
Impact of IND AS 116 - Lease Rentals				
Balance carried to Balance Sheet	**837.83**	778.84	**829.09**	762.27

During the year under report, your standalone Company's revenue from operations increased to Rs 2865.39 Crores in the year 2022-23 in comparison to Rs 2462.06 Crores in the previous year, an increase of 16.38% over the previous year. Your Company has increased its profit before tax to Rs 91.29 crores from Rs 56.94 crores, an increase of 60.33% year on year. EPS has increased to Rs. 91.57 in March 2023 from Rs. 54.29 in March 2022 a 68.67% increase year on year.

Operational Performance

The year gone by saw challenges in the form of continuous inflation, especially in the form of raw material costs as well as energy costs. Your Company put in place internal as well as market facing measures to mitigate against these adverse factors, with a degree of success as the year went by.

Your Company remained a leader in the domestic two and three wheeler Original Equipment (OE) segment, gained share in the domestic replacement market and has made strides in penetrating the emerging Electric Vehicle (EV). The Company is set to emerge as a leading supplier in this segment too.

Exports grew strongly, even in the face of global challenges, driven by the expanding product range as well as expansion of the geographical areas serviced by your Company - both in the two/three wheeler category as well as the off highway tyre category.

Your Company continued to expand its product portfolio to meet market requirements. During the year under report, your Company introduced a slew of new products, for the domestic as well as global markets. Your Company's commitment to expand its product portfolio, launch new products, and invest in software tools for NPD demonstrates the Company's dedication to innovation, market responsiveness and delivering solutions that meet the diverse needs of customers.

Capital Expenditure and Expansion Project

During the year under review, the capital expenditure was Rs.206.92 Crores. The production capacity was augmented during the year in the off-highway segment, in line with the expansion program announced in December 2021.

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

Cash and cash equivalent as of 31st March 2023 was Rs. 7.54 Crores.

Dividend

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

Considering the improved performance of your Company, the board of directors are pleased to recommend final dividend of Rs. 32.05/- (@320.50%) per Equity Share of a face value of Rs. 10/- per Equity Share. The dividend recommendation is according to Dividend Distribution Policy of your Company.

The dividend will result in a total pay-out of Rs. 24.54 crores, upon approval by the members at the Annual General Meeting.

Consolidated Performance

On a consolidated basis, your Company registered a turnover of Rs 2,984.97 crores, an increase of 17.38%. Company's consolidated net profit stood at Rs. 77.82 crores as against the previous year's net profit of Rs. 43.32 crores, an increase of 79.66%.

Highlights of performance of subsidiary companies

TVS Srichakra Investments Limited (TSIL), wholly owned subsidiary Company, recorded a profit of Rs 1.03 crores (previous year net loss of Rs 0.28 crores).

TVS Sensing Solutions Private Limited (TSSPL), wholly owned subsidiary of TSIL, recorded a net operational turnover of Rs.118.99 crores during the year under review, showing an increase of 47.6% compared to the previous year. TSSPL recorded a Profit after tax of Rs.9.51 crores showing an increase of 174% compared to the previous year.

Fiber Optic Sensing Solutions Private Limited (FOSSPL), subsidiary of TSSPL, recorded a net operational turnover of Rs 1.64 crore showing an increase of 86.4% compared to the previous year. FOSSPL made loss after tax of Rs.1.71 Crores compared to a loss of Rs.1.47 Crores in the previous year.

Subsidiary/associate companies

The audited accounts of the following subsidiary companies have been consolidated with the Company as on 31st March, 2023.

- **TVS Srichakra Investments Limited (TSIL) - wholly owned subsidiary of TSL**
- **TVS Sensing Solutions Private Limited (TSSPL) - wholly owned subsidiary of TSIL**
- **Fiber Optic Sensing Solutions Private Limited (FOSSPL) - subsidiary of TSSPL**

The consolidated financial statements of your Company for the year ended 31st March 2023 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ("Act"), Indian Accounting Standards and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"). The audited consolidated financial statements along with all relevant documents and the Auditor's Report thereon form part of Annual Report and may be accessed on the Company's website https://tvseurogrip.com/.

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

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

Awards and Recognition

Your Company was honored to receive the prestigious E4M Pride of India Brands Award in 2022-23. This distinguished award recognizes companies that have demonstrated excellence across various domains, including marketing, branding, innovation and business growth. Please refer to Management and Discussion Analysis Report for more details on achievements during the year.

Transfer to Reserves

Your Company does not propose to transfer any amount to general reserve for financial year 2022-23.

Deposits

Your Company has neither accepted nor renewed any deposits in terms of Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2022-23.

Related Party Transactions

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

During the financial year ended March 31, 2023, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. All Related Party Transactions entered during the year, were contracted with the prior approval of Audit Committee and the board of directors, as required under the SEBI (LODR) Regulations. Monitoring of related party transactions was carried on a quarterly basis by Audit Committee and the board. During the year, there was no materially significant Related Party Transaction having potential conflict with the interest of the Company. There are no transactions with related parties to be reported as per Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 and report on the same is given in **Annexure 2** in Form **AOC - 2** and forms part of this Report. Further, your Company does not have a 'Material Subsidiary' as defined under SEBI (LODR) Regulations.

Particulars of Loans, Guarantees or Investments

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

Risk Management

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

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

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

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

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

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

Change in nature of business

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

Share Capital

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

Issue of Equity Shares with differential rights

Company has not issued Equity Shares with differential rights.

Human Resources Management

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

Particulars of Employees and Related Disclosures

In terms of the first proviso to Section 136 of the Act, these reports and accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary. The said information is available for inspection by the members at the Registered Office of the Company on any working day of the Company upto the date of 40th Annual General Meeting.

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

Prevention of sexual harassment at workplace

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

The ICC has worked extensively on creating awareness through campaigns across all its manufacturing units, warehouses and office premises to encourage its employees to be more responsible and alert while discharging their duties.

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

Issue of Sweat Equity shares and Employee stock options

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

Corporate Governance

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

Our Corporate Governance report for fiscal 2023 forms part of this Report.

Board diversity

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

Meetings of the board of directors

An annual calendar of board and committees' meetings for the fiscal 2023 was circulated in advance to the directors. The board of directors met 10 (ten) times during the year ended 31st March, 2023. The details of the board meetings and the attendance of the directors are provided in the Corporate Governance Report, which forms part of this Report.

Remuneration Policy

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

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

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

Declaration by Independent Directors

The Independent Directors have given declarations that they meet the criteria specified under Section 149(6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The board is of the opinion that the Independent Directors of your Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

Board Evaluation

As per the provisions of the Act and SEBI (LODR) Regulations, the evaluation process on the performance of the board, its committees and individual directors was carried out internally. The evaluation process, inter alia, comprised parameters like attendance of directors at board, committee meetings and Annual General Meeting, effective participation, domain knowledge etc. The performance evaluation of the Chairman and Non-Independent Directors was carried out by Independent Directors. The evaluation parameters and the process have been explained in the Corporate Governance Report.

Familiarization Programme for Independent Directors

Company regularly carries out familiarisation programme for Independent Directors through periodic presentations on business strategy and updates on the performance of the Company. This apart, programmes were organized to familiarize Independent Directors with the Company, their responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

The details of the familiarization programme are provided in the Corporate Governance Report.

Directors and Key Managerial Personnel (KMP)

Director liable to retire by rotation

Mr. R Naresh, (DIN: 00273609), Executive Vice Chairman, is liable to retire by rotation at the ensuing AGM, and being eligible, seeks reappointment. Based on performance evaluation and the recommendation of Nomination and Remuneration Committee, board has recommended his reappointment. The notice convening 40th Annual General Meeting sets out the details.

Reappointment

During the year, Mr. R. Naresh (DIN:00273609) was reappointed as Managing Director (designated as Executive Vice Chairman) of the Company for a period of three (3) years effective from 16th June 2023. Ms. S. V. Mathangi (DIN:02596421) was reappointed as Independent Director for second term of five (5) years effective from 1st April 2023.

The term of Mr. V. Ramakrishnan (DIN: 00002931) as Independent Director will expire on 26th September 2023. Board of directors, based upon the recommendation of the Nomination and Remuneration Committee, has, subject to the approval of the members of the Company at 40th Annual General Meeting, reappointed Mr. V. Ramakrishnan as Independent Director of the Company for second term effective from 27th September 2023. The proposal together with other details are set out in the notice of 40th Annual General Meeting seeking approval of the members.

Key Managerial Personnel

Mr. V. R. Venkatakrishnan, Company Secretary resigned on 25th July 2022. Consequently Mr. Chinmoy Patnaik was appointed as Company Secretary with effect from 20th October 2022.

Committees of Board

Audit Committee

Audit Committee comprises of 4 (four) members viz. Mr H. Janardana Iyer, Chairman, Mr M. S. Viraraghavan, Mr Rasesh R Doshi and Mr S. Ravichandran, members. The Chairman of the committee is an Independent Director. The committee met 9 (nine) times during the year.

The Company has constituted certain committees of directors as per the mandatory requirements of SEBI (LODR) Regulations, details of which are disclosed in the Corporate Governance Report.

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

Vigil Mechanism / Whistle Blower Policy

Over the years, your Company has established a reputation of doing business with integrity and displays zero tolerance towards any form of unethical behaviour. "Whistle Blower Policy" (WBP) is the vigilance mechanism instituted by the Company to report concerns about unethical behaviour in compliance with the requirements of the Act and SEBI (LODR) Regulations and provides adequate safeguard against victimization of persons who use such mechanism.

The whistle-blower policy is put on the Company's website and can be accessed at: https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/WHISTLE-BLOWER-POLICY.pdf

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

Managerial Remuneration

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

Internal Financial Controls and its adequacy

Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. These controls include well documented procedures, covering financial and operational functions. These controls are assessed on a regular basis by Internal Audit for its adequacy.

Significant and Material Orders

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

Disclosure under Insolvency and Bankruptcy Code

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

Disclosure under one-time settlement

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

Reporting of Frauds by Auditors

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

Annual Return

The extract of annual return as required under the provisions of Section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014 is available on your Company's website at www.tvseurogrip.com.

Secretarial Standards

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

Listing on Stock Exchanges

Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited. The Company has paid listing fees for the financial year 2022-23 to the stock exchanges, where its Equity Shares are listed.

Investor Education and Protection Fund (IEPF)

During the year, your Company has transferred unclaimed and un-encashed dividends of Rs.55,24,847/- for the FY 2014-15, Rs. 48,66,480/- for the FY 2015-16 Interim Dividend I and Rs.46,11,210/- Interim Dividend II. Further 5,504 shares for the FY 2014-15, 5,390 shares for the FY 2015-16 Interim Dividend I and 4,614 shares for Interim Dividend II, on which dividends remained unclaimed for seven consecutive years, were transferred as per the requirements of the IEPF Rules. The details of such shares are uploaded on IEPF website and are also available on Company's website at www.tvseurogrip.com

Directors' Responsibility Statement

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

a) in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.

b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) they had prepared the annual accounts on a going concern basis;

e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and

f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors' Reports and Auditors

● The Statutory Auditors' Report for fiscal 2023 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements contained in this Annual Report.

● The Secretarial Auditors' Report for fiscal 2023 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure 4** to the Board's report.

● The Statutory Auditor's Certificate confirming compliance with conditions of corporate governance as stipulated under SEBI (LODR) Regulations, for fiscal 2023 is attached to the Corporate Governance Report.

Auditors

Statutory Auditors

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

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

Cost Auditor

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

Dr. I. Ashok, Practising Cost Accountant, is appointed as Cost Auditor of the Company for the financial year 2023-24 by the board, based on the recommendation of Audit Committee, as required under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. A resolution seeking members' ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 40th AGM and the same is recommended for your approval.

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

Secretarial Auditor

Mr. N. Balachandran, Practising Company Secretary, is appointed as Secretarial Auditor of the Company for the financial year 2023-24, as required under Section 204 of the Act and Rules and Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Corporate Social Responsibility (CSR)

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

CSR committee constituted in accordance with Section 135 of the Act has developed and implemented the Corporate Social Responsibility policy. The CSR Committee comprises of Ms. Shobhana Ramachandhran, Chairperson, Mr. V. Ramakrishnan and Mr. Rasesh R Doshi, Members.

The Company's CSR policy is available on Company's website, at https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/CSR-POLICY.pdf.

The Annual Report on Company's CSR Activities is appended as an **Annexure 5** to the Board's Report. Your Company undertakes CSR initiatives in compliance with Schedule VII to the Act. The highlights of the initiatives undertaken by the Company form part of this Report.

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

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

Business Responsibility and Sustainability Report

In terms of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility and Sustainability Report of the Company for the financial year ended 31st March 2023 is given in separate section of the Annual Report which forms part of the Annual Report.

Management Discussion and Analysis Report

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

Acknowledgement

We thank our clients, vendors, investors, bankers, employees for their continued support during the year. We place on record our deep appreciation for the contribution made by our employees at all levels during the year. We owe our success to their dedicated hard work, perseverance and commitment to the organization.

We thank governments of the states where the Company has its business operations. We thank Government of India and its ministries, Central Board of Direct Taxes, Central Board of Indirect Taxes and Customs, GST Authorities, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, Depositories and other government agencies for their support and we look forward to their continued support in the future.

For and on behalf of the Board

R Naresh
Executive Vice Chairman
DIN: 00273609

Shobhana Ramachandhran
Managing Director
DIN: 00273837

Madurai
22nd June, 2023

ANNEXURE TO BOARD'S REPORT

ANNEXURE 1 TO BOARD'S REPORT

FORM AOC 1

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

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

Part A: Subsidiaries

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

Sl. No	1	2	3
Name of the Subsidiary	**TVS Srichakra Investments Limited**	**TVS Sensing Solutions Private Limited**	**Fiber Optic Sensing Solutions Private Limited**
The date since when subsidiary was acquired	05.02.2010	04.06.2018	08.08.2019
Reporting period for the subsidiary concerned, if different from Holding Company's reporting period	NA	NA	NA
Reporting currency and exchange rate as on the last date of relevant financial year in case of Foreign subsidiaries	NA	NA	NA
Share Capital	6.92	2.12	0.01
Reserves and Surplus	47.45	36.00	(4.84)
Total Assets	54.37	90.44	4.65
Total Liabilities	-	52.32	9.48
Investments	28.85	5.51	-
Turnover	1.57	120.96	1.64
Profit before Taxation	1.03	12.51	(2.27)
Provision for Taxation	-	3.00	(0.55)
Profit after taxation	1.03	9.51	(1.70)
Proposed Dividend	-	-	-
Extent of shareholding (in percentage)	100%	100%	90%

Notes:

1. Names of subsidiaries which are yet to commence operations: Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year: Not Applicable
3. Part B of the Annexure is not applicable as there are no associate companies/joint ventures.
4. TVS Sensing Solutions Private Limited is subsidiary of TVS Srichakra Investments Limited
5. Fiber Optic Sensing Solutions Private Limited is subsidiary of TVS Sensing Solutions Private Limited

SHOBHANA RAMACHANDHRAN
Managing Director
DIN: 00273837

R NARESH
Executive Vice Chairman
DIN: 00273609

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

B RAJAGOPALAN
Chief Financial Officer

CHINMOY PATNAIK
Company Secretary
Membership No. A14724

T V BALASUBRAMANIAM
Partner
M.No. 027251

Place: Madurai
Date: 22nd June, 2023

ANNEXURE 2 TO BOARD'S REPORT

FORM NO. AOC-2

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

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

1) Details of contracts or arrangements or transactions not on an arm's length basis. All transactions entered into by the Company during the year with related parties were on an arm's length basis.

2) Details of material contracts or arrangement or transactions at an arm's length basis. The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

Shobhana Ramachandhran
Managing Director
DIN: 00273837

R Naresh
Executive Vice Chairman
DIN: 00273609

ANNEXURE 3 TO BOARD'S REPORT

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

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

Sl. No.	Name of the Directors / Key Managerial Personnel	Ratio to Median Remuneration (times)	Percentage Increase / (Decrease) in Remuneration
1	Mr. R. Naresh Executive Vice Chairman	79.49	51.27
2	Ms. Shobhana Ramachandhran Managing Director	87.30	66.11
3	Mr. M. S. Viraraghavan	2.72	42.79
4	Mr. H. Janardana Iyer	2.74	43.61
5	Mr. V. Ramakrishnan	1.83	38.90
6	Mr. Rasesh R Doshi	2.77	40.64
7	Ms. S. V. Mathangi	1.80	43.33
8	Mr. S. Ravichandran	2.67	42.67
9	Mr. P. Srinivasavaradhan	1.85	36.83
10	Mr. B. Rajagopalan, Chief Financial Officer	Not Applicable	5.65
11	**Company Secretary** Mr. V. R. Venkatakrishnan (upto 25th July, 2022)	Not Applicable	$
12	Mr. Chinmoy Patnaik (Effect from 20th October, 2022)	Not Applicable	$

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

iii) The percentage increase in the median remuneration of employees in the financial year: 4.14%

iv) The number of permanent employees on the rolls of Company: 2681

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The average increase in salaries of employees other than managerial personnel in 2022-23 was 4.16%. Percentage increase in the managerial remuneration for the year was 29.31%.

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

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

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

Form No. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the year under audit covering the financial year ended on 31.03.2023 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 31.03.2023 according to the provisions of:

(I) The Companies Act, 2013 (the Act) and the rules made thereunder;

(II) The Securities Contracts (Regulation) Act,1956 ('SCRA') and the rules made thereunder;

(III) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;

(IV) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(V) The Following Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):

a) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;

c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(VI) Other laws specifically applicable to the Company

a. Public Liability Insurance Act, 1991,

b. Hazardous Wastes (Management and Handling) Rules, 1989 and amendment Rules 2003,

c. Energy Conservation Act, 2001,

d. Consumer Protection Act, 1986,

e. Legal Metrology Act, 2009,

f. Trade Marks Act, 1999,

g. Patents Act, 1970,

h. Designs Act, 2000,

i. Indian Boilers Act, 1923

j. Special Economic Zones Regulations

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

(I) The Secretarial Standards on Meetings of the board of directors (SS-1) and Secretarial Standards on general meetings (SS-2) issued by the Institute of Company Secretaries of India as notified by the Ministry of Corporate Affairs, effective form 1st day of July 2015, in respect of the Board Meetings and the previous Annual General Meeting for which notices have been issued after the said date;

(II) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited pursuant to the Regulations of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)]

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

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

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

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

a. Public / Rights / Preferential Issue of shares / Debentures / Sweaty

b. Redemption / Buy Back of securities

c. Merger / Amalgamations / reconstruction

d. Foreign Technical collaborations

Signature: sd/-
Name of Company
Secretary in Practice**: N Balachandran**
ACS No.**: 5113**   C P No**: 3200**
UDIN Number**: A005113E000366001**

Place: Chennai
Date: 24.05.2023

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

Annexure A to Secretarial Audit Report of even date

To

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

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

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

Place: Chennai
Date: 24.05.2023

Signature: sd/-
Name**: N Balachandran**
Designation: **Practising Company Secretary**
M No.**: A5113** C P No**: 3200**
UDIN Number**: A005113E000366001**

ANNEXURE 5 TO BOARD'S REPORT

Annual Report on CSR Activities for the financial year 2022-23

1. Brief outline on CSR Policy of the Company.

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

2. Composition of CSR committee:

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

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.

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

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

   https://y9u4s6b5.rocketcdn.me/wp-content/uploads/investor-relations/BOARD/CSR-Activities-FY-2022-23.pdf

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

5. a) Average net profit of the Company as per sub-section (5) of Section 135 - **Rs.83.00 Crore**

b) Two percent of average net profit of the Company as per sub-section (5) of section 135 - **Rs.1.66 Crore**

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

d) Amount required to be set off for the financial year, if any - **Rs.(0.38) Crore**

e) Total CSR obligation for the financial year (b+c-d) - **Rs.1.28 Crore**

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (Rs.in Crore)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State/ District			Name	CSR registration number
1	Physical Wellbeing	Sch. VII(i)	Yes	Madurai, Tamil Nadu	**0.53**	No	Arogya Welfare Trust	CSR00001641
2	Intellectual Wellbeing	Sch. VII(ii)	Yes	Madurai, Tamil Nadu	**0.22**	No	Arogya Welfare Trust	
3	Economic Wellbeing	Sch. VII(x)	Yes	Madurai, Tamil Nadu	**0.29**	No	Arogya Welfare Trust	
4	Social Wellbeing	Sch. VII(x)	Yes	Madurai, Tamil Nadu	**0.04**	No	Arogya Welfare Trust	
5	Health Care & Education	Sch. VII(i) & (ii)	No	Dindigul, Tamil Nadu	**0.10**	No	Gandhigram Trust	CSR00004575
6	Health Care Project	Sch. VII(i)	No	Nilgiris, Tamil Nadu	**0.10**	No	Rotary Club of Nilgiris Charitable Trust	CSR00003496
	Total				**1.28**			

b) Amount spent in Administrative Overheads **- NIL**

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

d) Total amount spent for the financial year [(a)+(b)+(c)] - **Rs.1.28 Cr**

e) CSR amount spent or unspent for the financial year

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

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

Sl. No.	Particular	Amount (Rs. in Crores)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	1.66
(ii)	Total amount spent for the Financial Year	1.28
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.12*

*Out of total excess spent of Rs.0.5 crore in the financial year 2021-22 only Rs.0.38 crore has been set off for financial year 2022-23 and the balance Rs.0.12 crore is available for set off in the succeeding two financial years.

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

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

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

Place: Madurai
Date: 22nd June, 2023

Shobhana Ramachandhran
Chairperson - CSR Committee & Managing Director
DIN: 00273837

ANNEXURE 6 TO BOARD'S REPORT

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

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

A. CONSERVATION OF ENERGY:

a) Steps taken or impact on conservation of energy

1. Electric power

i. Following Energy conservation projects successfully implemented to conserve electrical energy:

a. Power consumption for compressed air has been reduced by over 2300 units/day by modifying the PCI rims and curing press ejector cylinders.

b. There has been additional energy savings of 2100 units/day by providing VFD drive in our mixing.

c. 250-Watt Mercury Vapour Lamps have been replaced with 160 Watt LED Lamps.

2. Thermal

i. Following Energy conservation projects successfully implemented to conserve thermal energy:

a. Boiler efficiency has been improved by modifying the furnace and by installing a flue gas heat recovery system.

b. Thermal losses in steam distribution have been reduced by upgrading insulation.

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

i. Your Company uses, wind power and solar power in addition to power procured from the state discom. The renewable power consumption stands at 71% of the total consumption.

ii. Company uses biomass fuel in addition to imported coal in our boilers.

c) Capital investments on energy conservation equipment's

i. Your Company has invested Rs. 2.0 Crore to strengthen the Electrical Infrastructures for consuming the 5.4 MWp Roof Top Solar Power Plant.

ii. Your Company has invested Rs.0.70 Crore in Thermal Energy saving projects.

B. TECHNOLOGY ABSORPTION:

1. Efforts made towards technology absorption:

a) Developed over 26 products for global market which includes widest and lowest aspect ratio tyres in radial technology.

b) Introduced a new range of motocross tyres for on/off, Enduro segment for the global market.

c) Your Company's continued focus on various research programmes have resulted in 22 patents published and 9 granted.

d) Your Company has established a state of art tyre characterization laboratory for testing tyre properties for use in advanced tyre road bike simulation studies.

e) Through R&D efforts, your Company has launched innovative products with low rolling resistance, higher grip, meeting the needs of emerging premium segment motorcycle and EV vehicle.

f) A new range of futuristic sporty products developed for Indian market by your Company.

g) A full range of zero-degree steel belted high performance radial tyres developed for global market has been developed by your Company.

h) Your Company has developed more than 100 radial and bias products for the global half highway market.

i) We have launched steel belted agri & flotation radials for the global OHT market.

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

a) R&D activity initiated by your Company led to launch of 60 new products in standard cross ply technology in both Indian, EU and Asian market.

b) With continued focus on OE segment, we have received over 8 new product approvals from our OE customers.

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

4. Expenditure on Research & Development

Rs. in Crores

a.	Capital	20.75
b.	Recurring	25.80
c.	Total	46.55
d.	Total R&D expenditure as a percentage of Total Turnover	1.62%

C. Foreign Exchange Earnings & Outgo

Rs. in Crores

Exports Earnings	396.38
Outgo	424.70

For and on behalf of the Board

R Naresh
Executive Vice Chairman
DIN: 00273609

Shobhana Ramachandhran
Managing Director
DIN: 00273837

Madurai
22nd June, 2023


TVS EUROGRIP

MANAGEMENT DISCUSSION & ANALYSIS

Company Profile

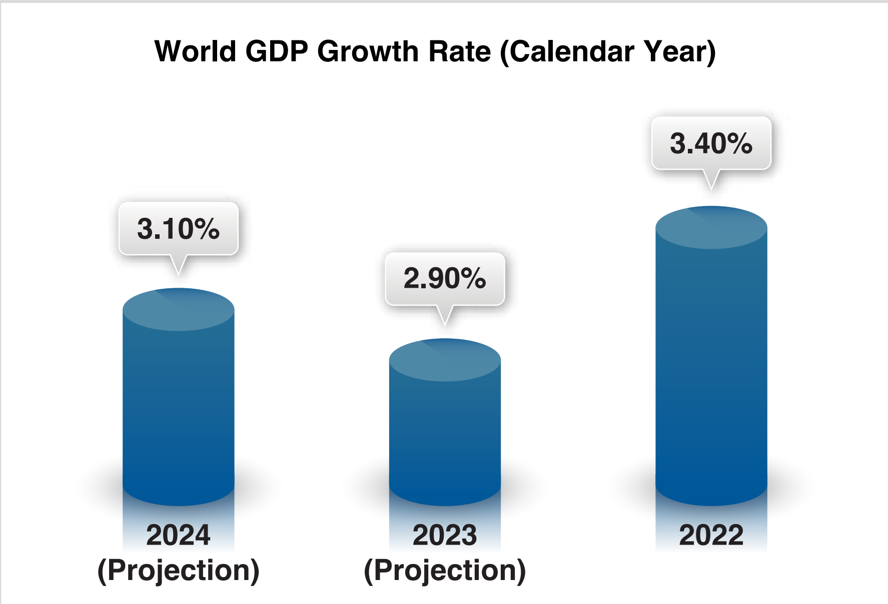
TVS Srichakra Limited (hereinafter referred as “the Company” or “your Company”) is one of India’s largest manufacturers and exporters of two-wheeler, three-wheeler and off highway tyres. Your Company produces 2.7 million Tyres and tubes per month. Domestically, the Company is a leading supplier of tyres to Original Equipment Manufacturers (OEM). The replacement market is supported through a network of depots, distributors and retailers. The Company accesses international markets through sales to more than 80 countries world-wide across all the major continents.

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

Global Economy

The multiple waves of the Covid pandemic, the emergence of geopolitical tensions, and the economic stresses being seen in the United States and Europe have all affected the global economy over the past three years, increasing uncertainty in an already complex economic landscape. Resilient consumer spending in advanced economies and China’s recovery have resulted in slight improvements to global economic projections for the year 2023-24. However, a sharp slowdown persists due to adverse economic conditions, a fragile financial environment and ongoing uncertainties. Further, the Russia-Ukraine conflict continues to affect economic activities at various levels globally.

The World Economic outlook report published by IMF in April 2023 projects that global growth will fall from 3.4 percent in 2022 to 2.8 percent in 2023 but rise to 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. Growth in Europe’s advanced economies will slow to 0.7 percent this year from 3.6 percent last year, while emerging economies (excluding Türkiye, Belarus, Russia, and Ukraine) will also see a sharp decline to 1.1 percent from 4.4 percent.



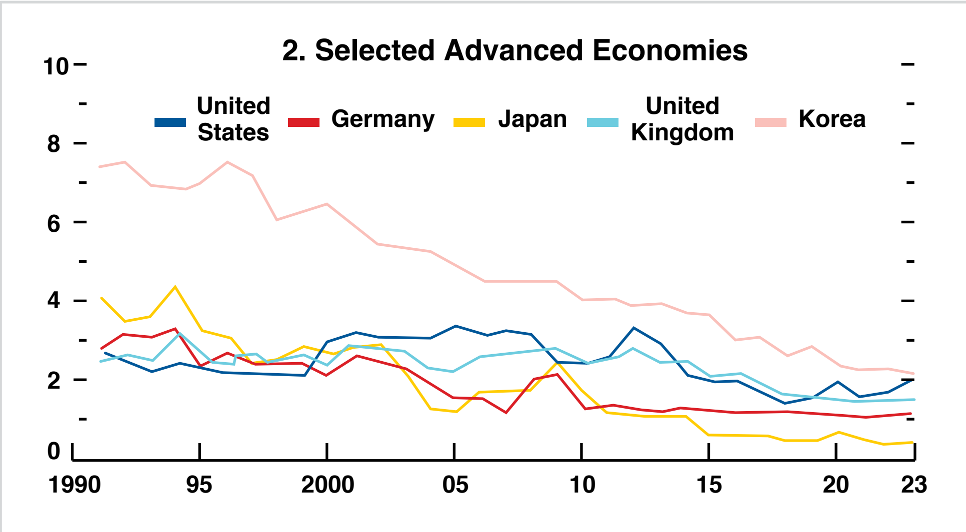
Source: IMF, World Economic Outlook Update

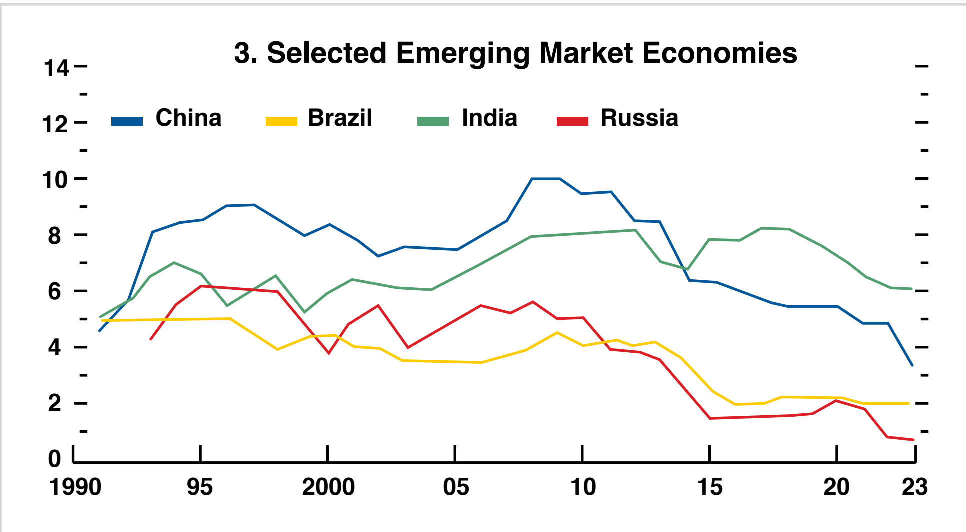
In a plausible alternate scenario, with further economic stress, global growth will decline to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 to a further 4.3 percent in 2024 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases. Against this somber backdrop, IMF has stated in their Regional Economic Outlook (Asia-Pacific) that, Asia-Pacific remains a dynamic region. Growth in Asia and the Pacific is projected to increase in 2023-24 to 4.6 percent, from 3.8 percent in 2022, an upgrade of 0.3 percent relative to the October 2022 World Economic Outlook. This means the region would contribute around 70 percent of global growth. Asia's dynamism will be driven primarily by the recovery in China and resilient growth in India.

WORLD ECONOMIC OUTLOOK - A ROCKY ROAD TO RECOVERY:

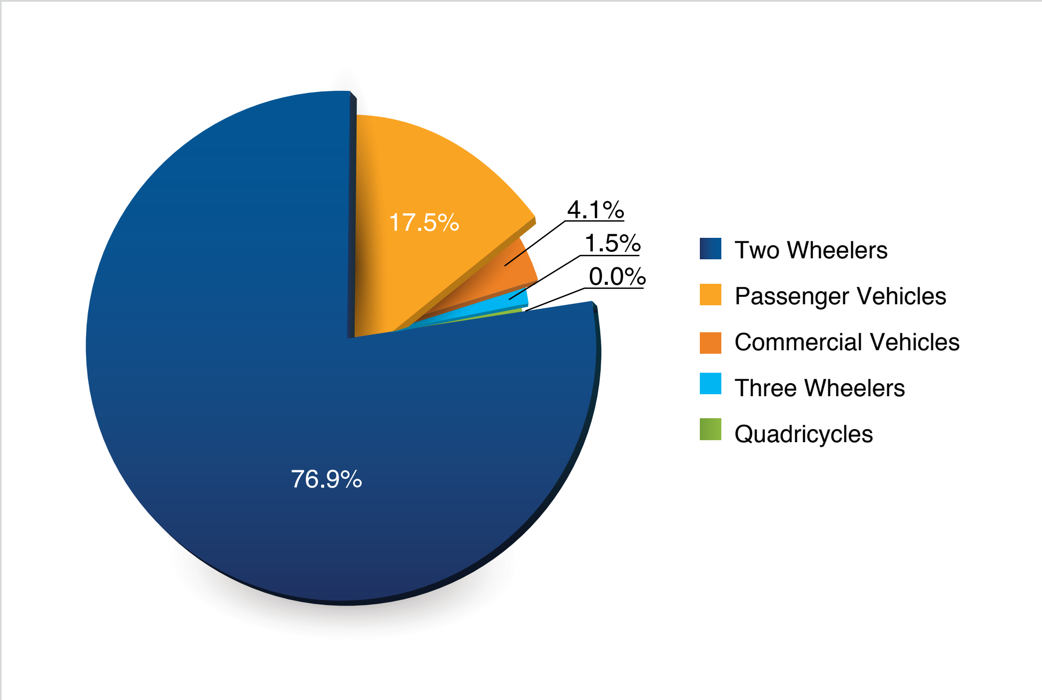
With the recent increase in financial market volatility and multiple indicators pointing in different directions, the fog around the world economic outlook has thickened. Uncertainty is high, and the balance of risks has shifted firmly to the downside so long as the financial sector remains unsettled. The major forces that affected the world in 2022—central banks' tight monetary stances to allay inflation, limited fiscal buffers to absorb shocks amid historically high debt levels, commodity price spikes and geoeconomic fragmentation with Russia's war in Ukraine, and China's economic reopening—seem likely to continue into 2023 (Source: IMF, World economic outlook).

Despite the US economy expanding at a rate of 2.1 percent in 2022, it is expected to drop down to 1.6 percent in 2023 and then to 1.1 percent in 2024 as a result of rising geopolitical and economic tensions between the US and China that may cause disruptions in the industrial value chain.





Share of each Segments in Total Production Volume (FY22)



The energy needs of Europe were catered to by Russia in recent years, but due to the conflict between Russia and Ukraine, the energy sourced from Russia has decreased to only 15% for petroleum liquids and natural gas, doubling the region's energy costs in CY 22. However, the IMF projects that Europe would grow by 0.8% in 2023.

Due to extremely high levels of public debt and inflation, Sub-Saharan Africa's growth in 2024 is anticipated to fall to 3.6 percent, with double-digit inflation an issue in half of the countries. As a result, household purchasing power has declined, which has a detrimental impact on the poor and exacerbates societal tensions.

India is still a “bright spot” in the global economy having single handedly contributed to over 15 percent of the global growth in 2023.

Major economies across the globe are setting new targets to reduce emissions and adopting strategies for supply chain resilience, thereby expecting a rocky recovery in the second half of the year.

INDIAN ECONOMY & OUTLOOK

During FY 2022-23, the Indian economy grew by 7.2% staging a broad-based recovery across sectors, positioning to ascend to the pre-pandemic growth path in FY 23. The Indian Government believes that India has recovered from pandemic-induced contraction, Russian-Ukraine conflict and inflation. India's GDP growth is expected to remain robust in FY 24. GDP is forecast for FY24 to be in the range of 6-6.8%.(Ministry of Finance). India's strong growth is driven by factors such as digitisation, prudent fiscal policy, push for infrastructure development, stabilising commodity prices and resilient supply chain.

Agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0% in FY 23 - 24. (Ministry of Finance). The three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks synchronised policy rate hikes to curb inflation economies, led by Federal Reserve have led to the appreciation of US Dollar and the consequent widening of the Current Account Deficits (CAD) in net importing economies. Growth in India, which withstood these shocks well, is underpinned by strong investment activity bolstered by the government’s capex push and buoyant private consumption, particularly among higher income earners (Source: Worldbank).

In the current uncertain situation of geo-political tensions and a few factors contribute to the high growth forecast. They include (i) supportive government policies, (ii) sound macroeconomic fundamentals, (iii) lower nonperforming loans in banks, (iv) significant corporate deleveraging and (v) increasing corporate profitability. However, weak global demand and effect of monetary policy tightening to manage inflationary pressure will have a constraint on the economic growth. Nevertheless, moderating inflation and monetary policy easing in the second half of 2024 will help discretionary household spending regain momentum. This along with improved global conditions, will help economic activity to accelerate, with growth of 7% in real GDP in FY 24-25 (Source: OCED economic outlook).

With India's CPI and WPI inflation easing out towards the end of 2023, the Index of Industrial Production ('IIP') for manufacturing for 2023 saw a growth of 10.94% on a Y-o-Y basis. Moreover, rural demand is expected to provide as a backbone for improving economic activity as the government focuses on infrastructure development, revival in corporate investments and moderating commodity prices.

Despite the unprecedented turbulent situation, India continues to be resilient (Source: World Bank).

GLOBAL AUTOMOBILE INDUSTRY

According to S&P Global Mobility, global motor vehicle production experienced a 1% reduction in CY'22 compared to the previous year. However, there is an anticipated growth of 3-4% over the next two years. The recovery process is ongoing, but the Russia/Ukraine conflict and adverse macroeconomic conditions are bringing uncertainties into the industry. Further, the global automotive industry faces a lot of problems such as ongoing energy crisis, slower global demand and continued supply-chain problems.

Despite challenges, there has been a strong rebound from the initial COVID lockdown in 2020, with further recovery observed in the later part of 2022. It is expected that global new-vehicle sales will remain relatively flat in 2023, while new-car sales are expected to rise by 0.9% and new Commercial Vehicle ('CV') sales are projected to fall by 1.3%.

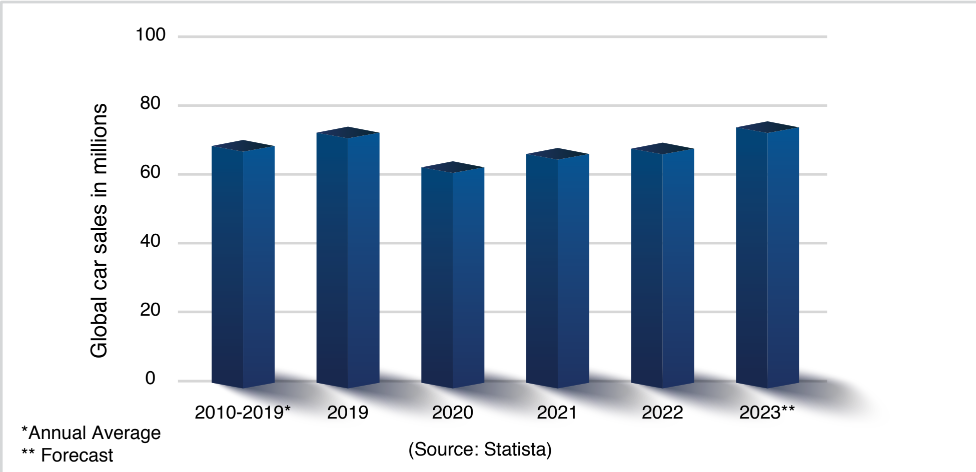
However, recurring outbreaks of the virus in China, continue to disrupt the global industry, while the relaxation of zero-COVID policies presents both opportunities and risks. Trade tensions, particularly regarding semiconductor capacity and technology, are likely to materialize, making certain export destinations more challenging for domestic and international brands.

The Asia-pacific Automotive industry is expected to grow at a CAGR of 7.4% from 2022 to 2030. This is due to the increasing governmental mandates for improving vehicle safety which has strongly contributed to the Asia-pacific automotive demand. Moreover, China Automotive industry held the largest market share, while the Indian Automotive Industry was the fastest growing market in the Asia-pacific region (Source: Market research future).

Electric Vehicle ('EV') space is expected to experience continuous growth as sales of EVs are projected to grow by 25% in 2023, representing a bright spot.

India is on the cusp of revolutionizing its mobility system. The government has devised a twofold approach through the Faster Adoption and Manufacturing of Electric Vehicles (FAME) Scheme, which aims to benefit Indian industry and citizens. This Scheme's second phase offers Rs.10,000 crores in incentives to spur electric vehicle (EV) growth in the country. The Government of India's think tank, Niti Aayog, and Rocky Mountain Institute have jointly prepared a report that quantifies the energy and carbon savings that the vehicles eligible for FAME II will deliver over their lifetimes. Assuming all vehicles eligible for FAME II incentives are deployed, the net savings would be 5 million tons of oil equivalent (Mtoe) and 7 million tons of CO2 (Source: Rocky Mountain Institute)

Number of cars sold worldwide from 2010 to 2022, with a 2023 forecast (in millions):



INDIAN AUTOMOBILE INDUSTRY & OUTLOOK

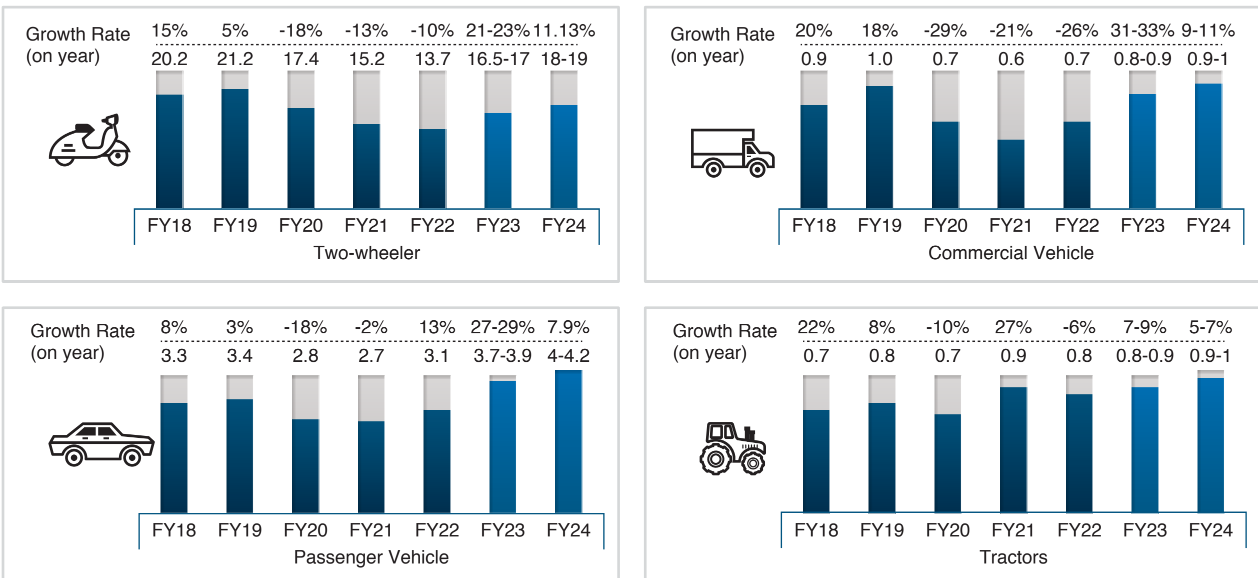
The Indian automobile industry contributes around 7.1% of India's Gross Domestic Product (GDP) and 49% of its manufacturing GDP. In December 2022, India became the third-largest automobile market in the world, surpassing Japan and Germany in terms of sales (Source: Nikkei Asia report).

India is one the largest manufacturer of 2/3 Wheeler vehicles in the world. It is also ranked as the fourth-largest manufacturer of Passenger Cars.

Two-wheelers occupy a dominant position in India's automobile industry, constituting about 80% market share and overall passenger vehicles comprise 13%. The industry produced about 22.9 mn vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles in financial year 2021-22 (Source: Make in India).

Domestically, auto companies sold 37,92,356 passenger vehicles in 2022, highest in a year, eclipsing the previous high of 2021, according to data from the Society of Indian Automobile Manufacturers. Passenger vehicles sales in India grew by 26.7% in the fiscal year 2022-23 (Source: Auto industry body). Wholesale of passenger vehicles were at 38,90,114 units, as compared to 30,69,523 units in the previous year. Two-wheeler sales rose 16.9% in fiscal year 2022-23 according to SIAM.

The automobile sector received cumulative equity FDI Inflow of about US$ 33.77 billion between April 2000-September 2022. The Government of India expects the automobile sector to attract US$ 8-10 billion in local and foreign investments by 2023.



Source: SIAM, TMA, CRISIL MI&A Research1

The passenger vehicle sector was the hardest hit in fiscal year 2022 due to semiconductor shortages on account of rising semiconductor intensity per vehicle and a shortage of chips. However, passenger vehicle volumes are expected to grow further during FY 2023-24 on the back of a healthy order book and ramp-up in production. Also, the prices for passenger vehicles are set to increase as companies prepare to conform to stricter emission norms which kick in from April 2023 and this may put some pressure on the consumers.

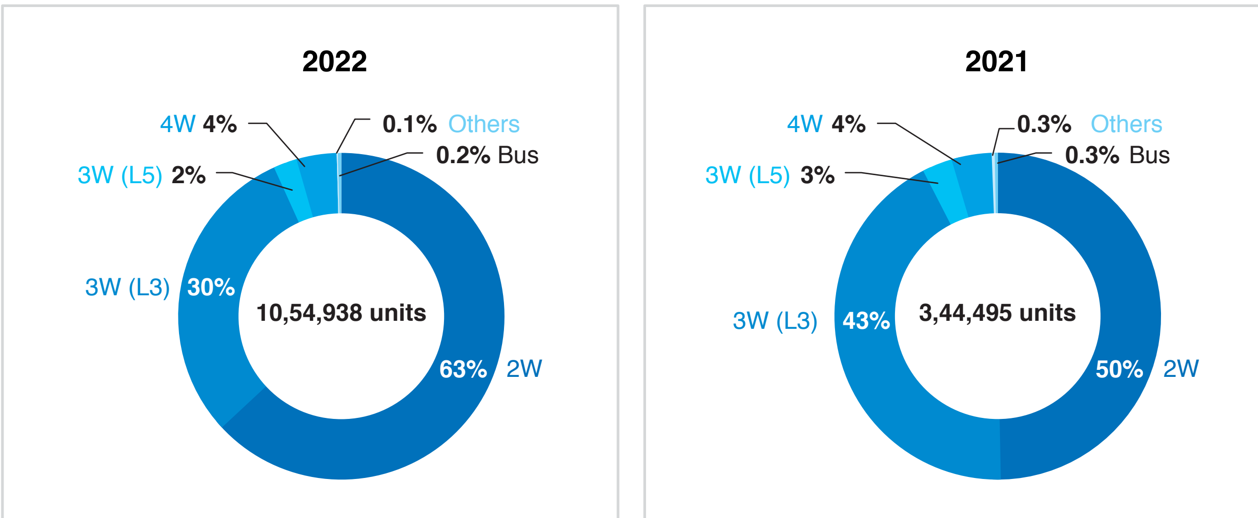
Demand for two-wheelers has been sluggish due to weakness in the rural segment. However, a gradual recovery is expected. For Tractors, volumes are likely to be better on improving customer sentiments and finance availability. The volatile geopolitical scenario has impacted the export tractors in Q4; however, the domestic market is expected to grow, in line with growth in agricultural sector.

What has helped the industry maintain growth momentum both domestically and in the export markets is the consistent support by raw material partners who have stood steadfastly with the industry at a time when supply chains were disrupted earlier due to Covid and then due to geo-political concerns (Source: ATMA)

India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles. The focus is shifting to electric vehicles to reduce emissions. The electric vehicles industry is likely to create five crore jobs by 2030. (Source: IBEF)

India is a signatory to the Paris Agreement under the United Nations Framework Convention on Climate Change. The country is also part of the EV30@30 campaign, targeting a 30% sales share for eVs by 2030. In CY 2022 EV sales surpassed one million units for the first time and marked a record 206% year on year growth over CY 2021 EV sales numbers. India's EV industry hit a record sales accounting to 4.7% overall automobile sales. (Source: evreporter.com)

Vehicle Category-wise EV Sales and Presentation



Opportunities for growth in the domestic automobile industry are attributable to:

- FDI investments in Automobile Industries
- Rise in the penetration of EVs
- Production linked incentives
- Extension of FAME-II scheme up to end March 2024.
- Autonomous vehicles
- Digital automobile Sales.

Various biofuels are in discussion for implementation by Government of India. EnC worked with MoPNG and Niti Aayog to draw a roadmap for shifting to higher blends of Ethanol. SIAM committed to timelines for launch of vehicles fully compatible to 20% Ethanol blended Gasoline by 2025 while introducing E20 material compliant vehicles as per MoPNG plan of launch of E20 from 2023 as well (Source: Emissions and conservative group of SIAM).

THE ELECTRIC VEHICLE (EV) SECTOR:

India has been making steady progress in the adoption of Electric Vehicles (EVs) as part of its efforts to reduce greenhouse gas emissions and air pollution. There have been multiple interventions across Central and State Governments in this regard. As an example, Tamil Nadu has announced its EV Policy CY 23, which aims to electrify public and commercial transport and promote the formation of EV cities.

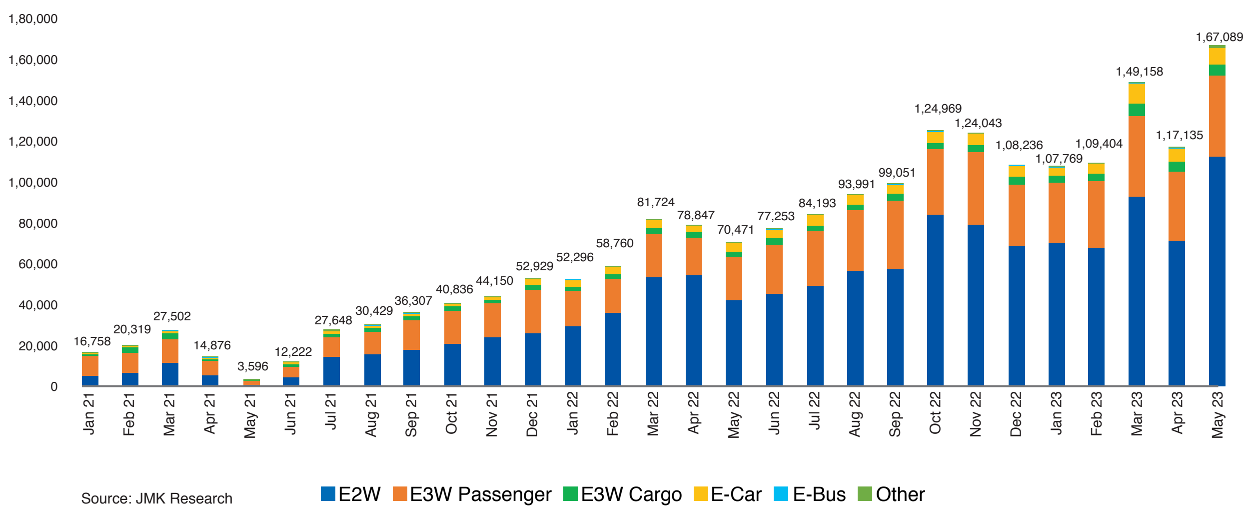
Furthermore, the Indian government aims to install a total of 46,397 public charging stations for EVs in nine major cities by 2030, representing a nine-fold jump from the current levels. This could provide a significant boost to the adoption of EVs, as range anxiety is one of the major concerns among potential buyers. India has also set a roadmap to achieve 80% electrification of 2-wheelers by 2030, which could significantly reduce the country's dependence on fossil fuels and the Union Budget 2023 also has several provisions to promote Electric Vehicle ('EV') industry in the country.

One of the most significant announcements in the budget is the reduction in customs duty on lithium batteries from 21% to 13%. This move could significantly reduce the cost of manufacturing EVs in India, as lithium-ion batteries account for a significant portion of the total cost of EV. The government has also reduced the Goods and Services Tax ('GST') on the sale of EVs from 12% to 5%, which is likely to make them more affordable for buyers.

Improving urban sentiments, increased public mobility with reopening of educational institutions and offices and positive rural sentiments backed by a regular monsoon and increased minimum support prices (MSPs) across crops, coupled with improved model availability and demand for electric vehicles (EVs), are expected to drive two-wheeler sales to 21-23% in fiscal 2023. Sales in fiscal 2024 are likely to be driven by expectations of a normal monsoon, coupled with improved model availability and demand for EVs.

India, today, has the second largest road network in the world, and it is growing rapidly. This will enhance interstate road-based commerce business and travel as it makes inroad to connect rural areas. This would also increase the number of vehicles on the roads, including primary and secondary demand.

EV Sales in India during the period from Jan 2021 - May 2023

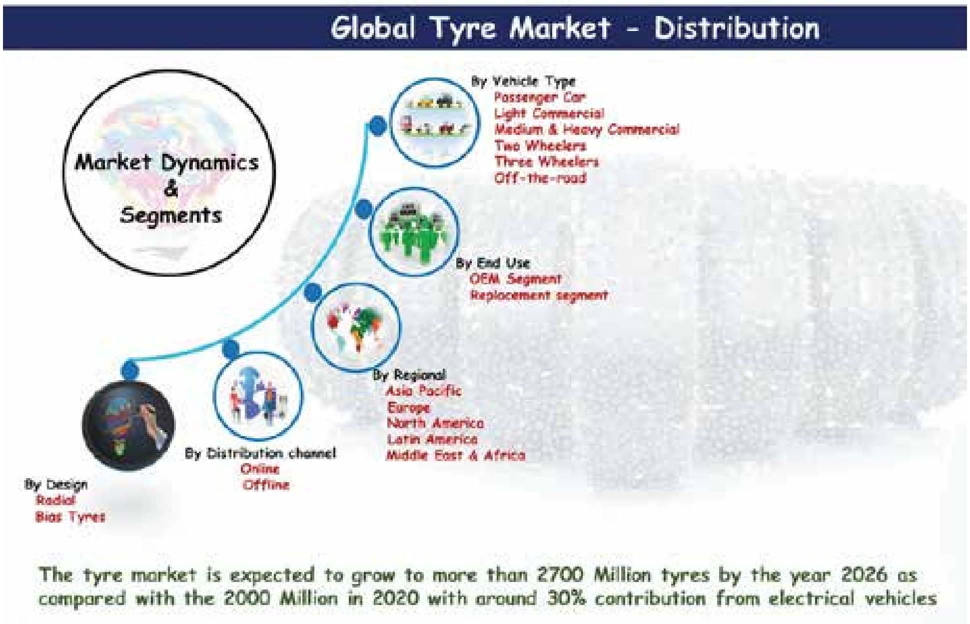


Source: JMK Research

GLOBAL TYRE INDUSTRY

The last seventy years have been characterized by rising population levels, urbanization and increasing disposable income. Greater consumer purchasing power has fueled demand for cars, which in turn has driven steady growth in the global tyre market.

However, in light of the ongoing global economic unrest, 2023 appears to be going to bring a similar, if not more difficult, set of issues for the biggest tyre makers (LMC Tyre and Rubber Research). Due to the global pandemic, overall light vehicle sales have been under pressure over the last 18 months to two years. China dominates the global tyre market, making up around 50% of the sector, followed by Europe, US, India and Japan. India's tyre business has showed strong resilience and is anticipated to develop at 7-9% from 2020 to 2024 and overtake US to become the third-largest market worldwide. The global tyre market size reached 2,321.3 million Units in 2022. Looking forward, it is expected that market will reach 2,741.2 million Units by 2028, exhibiting a CAGR of 2.81% during 2022-2028.



Key trends and drivers for the global tyre industry over the next five years include:

(i) Increasing sales of passenger, luxury, and electric vehicles (EVs) on account of rapid urbanization and expanding purchasing power of individuals represent one of the major factors positively influencing the demand for tyres around the world.

(ii) Rising focus on driver and passenger safety and the growing number of fatal road accidents are catalyzing the demand for premium quality tyres that have a longer operational life, enhanced stability and reliability, and high puncture resistance.

(iii) Replacement demand is supported by a wide variety of growing end uses.

(iv) Transport and Tyre regulations will continue to drive innovation and technology adoption.

(v) Adaption and evolution of tyres and related services to better meet end-use requirements such as fuel efficient, performance durability, and intelligence/data/predictive analytics will accelerate.

(vi) Focus on sustainability across the lifecycle, from raw materials to recycling. Greater automation and efficiency in production, pursuit of zero waste and defects.

Further, the industry is also experiencing the effects of Industry 4.0, as digital transformation influences all aspects of corporate operations. Companies are adopting technologies like digital simulation, virtual reality, collaborative robotics, additive manufacturing, the Internet of Things ('IoT'), Artificial Intelligence ('AI'), data-driven management and data protection to enhance productivity, flexibility, responsiveness and personalised solutions. This transformation is reshaping traditional job roles, organisational structures and collaboration methods in the tyre industry.

INDIAN TYRE INDUSTRY, OUTLOOK & COMPANY PERFORMANCE (Source: ATMA)

The Indian tyre industry is expected to grow in the coming years due to increasing demand for vehicles and government focus on infrastructure development. The planned spending in the tyre industry is aimed at adding manufacturing capacity, modernisation, upgrading technology and research and development (R&D). With growth and expansion of the automobile sector, demand for replacement tyres is also increasing. Moreover, increasing acceptance of Indian tyres in the overseas markets is leading to a sharp growth in tyre exports from India to destinations such as the US and Europe. The creation of high-speed corridors and government's infrastructure efforts will lead to an increase in the use of radial tyres. The shift towards radialisation will provide a further growth opportunity for the industry. The incorporation of Industry 4.0 and automation in the tyre industry is also expected to improve productivity and quality.

Demand from the two/three-wheeler OEM segment (38-42% of two-wheeler tyre demand in fiscal 2022) is expected to grow 6-10% in fiscal 2024 following a 11-13% growth in fiscal 2023 amid improving income sentiments. OEM tyre demand from PVs (49-51% of PV tyre demand in fiscal 2022) is expected to grow 7-11% in fiscal 2024, after a strong 28-30% growth in fiscal 2023, amid improving supply of semiconductors, pent-up demand and multiple models launches by OEMs. PV OEM demand showed a robust 25-27% on-year growth in fiscal 2022, owing to preferred personal mobility amid safety concerns and import substitution. Better financial conditions, increase in the launch of higher end of utility vehicle models by OEMs, and improving demand sentiments will support growth, going forward. Higher sales in the fleet and cab aggregator segments in fiscals 2017 and 2018 is expected to contribute to replacement demand in fiscals 2023 (considering the pandemic- induced delay in fiscal 2021 and replacement cycle of 3-4 years). Postponement of tyre purchases during the pandemic helped in clocking 24-26% growth in PV replacement market in fiscal 2022.

Indian market is showing very good progress, in view of the government's thrust on high localization, high export and high technology absorption. India has become the fifth largest economy in the world. India has also become the third largest automobile market in the world in 2022 calendar year. The country's exports are at a historic high level. Overall, India is increasingly becoming a promising destination for the manufacturing sector given a growing domestic market and good export potential (Quoted by: Mr Hisashi Takeuchi, MD & CEO, Maruti Suzuki India Ltd.)

While the Indian tyre exports had witnessed a growth rate of 9% in FY 23, tyre Imports in India went up by 15% in value terms in FY 23. The Indian tyre industry's topline is expected to double by fiscal 2032. Its contribution to India's manufacturing GDP will grow 1.5x and is expected to be 3.2-3.5% (from 2.1% currently). In terms of employment, it is expected to contribute by employing ~3.7 million persons by fiscal 2032. The cumulative R&D expenditure is expected to be $0.8-1 billion. The GST contribution would double to $4 billion. Investments by the industry is expected to increase to $12-13 billion from $5 billion currently. India's share in global tyre exports would be ~$4 billion, which is 4-5% of the total exports.

COMPANY INITIATIVES DURING 2022-23

A. Overall : During 2022-23, your Company sustained market share to remain a leader in the OE segment despite intense competition, while gaining share in the replacement market. More than 60 new customers were added in the E-scooter segment. Your Company also achieved significant share in the growing E-rickshaw segment. Your Company also continued to grow its presence in the global markets - for the full range of its products.

B. Product Development : Your Company has a proactive approach towards expanding its product portfolio to meet market requirements. Every year, the Company introduces a new range of tyres in critical cohorts, ensuring a comprehensive offering. In FY 23 alone, the Company introduced more than 20 SKUs, including the Europe-inspired Beamer and Duratrail range for motorcycle tubeless tyres, the e-Torq pattern for electric scooter tyres, and the extension of the Remora range for scooter tubeless tyres.

In addition to the FY 23 launches, your Company has also introduced a range of superbike radial tyres in FY 24, further enhancing our product offerings and catering to specific customer segments. These new additions demonstrate the Company's commitment to continuous innovation and addressing evolving market demands. To further enhance our focus on Export markets, in FY 23, your Company has launched Climber XC tyres, designed for off-road Enduro and Motocross applications, as well as the Roadhound range, available in both bias and radial options. These export-focused products aim to capture international market opportunities and cater to specific customer needs.

To streamline the new product development (NPD) process and ensure efficient execution, your Company implemented a new product development tracking software. This software enables effective monitoring and management of the NPD process, ensuring timely execution, coordination, and successful product launches.

Your Company's commitment to expanding its product portfolio, launching new SKUs, and investing in software tools for NPD demonstrates the Company's dedication to innovation, market responsiveness, and delivering products that meet the diverse needs of customers in both domestic and export markets.

Your Company introduced over 40 products for the European market including widest and lowest aspect ratio tyres, using cross ply technology. More than 25 products were specifically designed and introduced for Indian and other global markets. Your Company has received approval of 10 products from OE customers.

C. Market and Channel Development

Your Company has been proactive in expanding its presence and opening new markets across the globe. In order to augment its global business the Company has appointed 25 new channel partners. This strategic move aims to strengthen our distribution network and increase market penetration. Furthermore, your Company has successfully entered several new countries, including Maldives, Afghanistan, Cambodia, and Lebanon, adding to the list of countries where our products are now available.

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

Moreover, your Company has further expanded in the European Union (EU) market by adding France and Croatia to its our list. By entering these markets, the Company aims to capitalize on the strong demand for its products in the EU and further strengthen the Company's position in the region. These strategic moves to open new markets highlight your Company's commitment to expanding its global footprint and catering to the needs of customers in diverse regions. By appointing channel partners, entering new countries, and expanding into key markets such as ASEAN and the EU, we are well-positioned to capture new business opportunities and drive sustainable growth in the international market.

In the Aftermarket (AM) segment, we have made significant strides in expanding our channel partner network. The Company has successfully added new distributors, strengthening distribution reach and enhancing the ability to serve customers effectively. In addition to distributors, we have expanded the retailer network by adding an impressive almost 2500 new retailers. This expansion enables the Company to establish a wider retail footprint Pan India, ensuring that our products are easily accessible to customers across various locations. Furthermore, we have achieved extensive district coverage, with approximately 430 districts covered as of March 2023. This wide district coverage allows the Company to cater to the diverse needs of customers in different regions, ensuring that its products are available in both urban and rural areas.

D. Raw material trends

Raw material prices account for about 60 - 70% of the turnover of tyre manufacturers. Natural rubber (NR), carbon black, nylon tyre cord fabric (NTCF), styrene butadiene rubber (SBR) and polybutadiene rubber (PBR) are among the the main raw materials used to manufacture tyres.

Due to the global economy's impending recession, the drop in Brent crude prices, and the increased production and supply of natural resources, raw material prices reduced in the second half of in 2022. Demand was also influenced by the protracted geopolitical war between Russia and Ukraine. Crude oil prices increased in 2022 due to demand-supply tightness. Geopolitical tensions between Russia and Ukraine had wider implications on energy prices. Prices averaged $98-103 per barrel in 2022 versus $70.4 per barrel in 2021, up 39-46% year-on-year. Crude price has since declined, with the consensus outlook being a range price of USD 70 -75 per barrel. The rise in yield, tappable area growth, and improvement in the fraction of area tapped during the year all contributed to an increase in NR output in fiscal 2022. Despite the rise in output, supply restrictions and a rise in global crude prices as a result of the crisis in the Ukraine and Russia caused domestic NR prices to rise 21% year over year to an average price of Rs 171/kg in fiscal 2022.While NR and crude prices are beyond the control of the Company, the Company explored new sources, worked extensively with strategic partners, entered long term contracts for inputs to protect price volatility. Adequate inventory was maintained to ensure regular material availability and supply security.

E. Capacity expansion

The Company progressed well on its expansion program in the OHT segment, where capacity is being more than doubled. Phase 1 of the project was completed during the year gone by.

F. Technology, Research & Development

Your Company’s dedication to technology absorption and research and development has propelled development of innovative products, expanded market presence, and improved product offerings. During 2022-23, your Company made significant efforts in this area, resulting in a host of achievements and benefits in the form of product development and innovation. We have successfully developed and launched over 26 products for the global market, including the widest and lowest aspect ratio tyres using radial technology. In addition, we introduced a new range of “Motocross” tyres for the on/off and enduro segments, catering to the global market demand.

Our unwavering focus on research and development has yielded remarkable results, with 22 patents published and 9 patents granted. We take pride in the establishment of a state-of-the-art tyre characterization laboratory, enabling us to meticulously test tyre properties for advanced tyre-road bike simulation studies. Through our dedicated R&D efforts, your Company has been able to successfully launch an innovative product with Low Rolling Resistance (LRR) and higher grip, effectively meeting the needs of the emerging premium segment motorcycle and electric vehicle markets.

Furthermore, we have developed a new range of futuristic sporty products specifically tailored for the Indian market. To cater to global markets, we have developed a full range of zero-degree steel belted high performance radial tyres. We have also launched the widest zero-degree steel belted radials in Europe for high-performance bikes. Moreover, your Company has developed more than 100 products in radial and bias construction for the global off highway tyre market, including steel belted agri radials and flotation tyres. These technology absorption efforts have resulted in significant benefits, such as product improvement, cost reduction, product development, and import substitution. We have successfully launched 60 new products in the standard crossply technology in the Indian, EU, and Asian markets. Our focus on the original equipment (OE) segment has led to receiving over 8 new product approvals from our OE customers. Furthermore, we have leveraged the results of new test equipment to enhance product improvement initiatives.

Overall, these achievements demonstrate our commitment to staying at the forefront of the industry and meeting the evolving needs of our customers.

G. OPPORTUNITIES

The Indian tyre export market is experiencing exciting times, as indicated by the latest statistics from the Ministry of Commerce, Government of India. During the period of April to December 2022, tyre exports from India witnessed a notable increase of 15%. The value of exported tyres during this period amounted to Rs 17,816 crore, compared to Rs 15,507 crore in the same period the previous year.

The growth in demand and the potential for further expansion in the Indian tyre export market are evident. This surge in demand can be attributed to several factors. Firstly, there is a rising demand for tyres due to the increased production of automobiles. Additionally, the growing export activities of vehicles, including tractors, buses, heavy trucks, and cars, contribute to the market's growth. Furthermore, the escalating sales of cars and two-wheelers, driven by the rise in individual income levels across the country, and high quality expressways that encourage road travel, create a favorable market outlook. The lack of public transport in rural areas has also led to an increased demand for vehicles, further boosting the market for tyres.

The utilization of tyres in various types of vehicles, such as passenger cars, buses, military vehicles, motorcycles, and trucks, further contributes to the market's expansion. Moreover, Indian tyre manufacturers benefit from reduced logistics costs that enhance their competitiveness globally and enable increased exports. The ongoing automation advancements and modernization in tyre manufacturing present attractive growth opportunities for industry investors in India. The Indian government's initiatives, such as the Atmanirbhar Bharat Abhiyan, aimed at promoting domestic automobile manufacturing, further support the growth of the industry. In addition to the export market, domestic sales of tyres are expected to benefit from higher GDP growth, lower inflation, and increased disposable incomes. Improved affordability, driven by rising income levels, better rural connectivity, and an increase in the women workforce in both urban and rural areas, will contribute to higher domestic sales. The under penetrated rural market is anticipated to be a key growth segment for the two-wheeler industry.

Overall, the Indian tyre industry is witnessing a period of growth and opportunities, driven by increased demand, export potential, favorable market conditions, government initiatives, and a positive economic outlook.

H. CHALLENGES

While the broader outlook is positive, the near term may see challenges. In the domestic market, while the signs of growth are imminent, rural markets continue to see challenges. In the global markets, uncertain economic conditions in Europe and USA, coupled with the conflict in Europe, has the potential to result in suppressed demand in these areas – important markets for your Company. While the outlook for raw material prices remain stable, global market volatility has the potential to see sudden and sharp changes.

I. RISK MANAGEMENT

In compliance with Regulation 21 of the SEBI (LODR) Regulations, the Board has established a Risk Management Committee. This committee has been set up to effectively address the evolving and dynamic risks prevalent in the current business environment. The dimensions of risk include areas such as cyber security, information security, business continuity, data privacy, and the execution of large deals.

To proactively manage and mitigate these risks, your Company has implemented a robust risk management framework. This framework aids in the identification, prioritization, and mitigation of risks, enabling the organization to effectively navigate potential challenges. The Risk Management Committee has formulated a comprehensive risk management policy that encompasses both internal and external risks faced by the Company. This policy provides a structured approach to address the aforementioned risks and ensures that appropriate measures are in place to mitigate their impact. Furthermore, the committee collaborates with other committees within the organization, following the framework established by the Board of Directors.

By establishing the Risk Management Committee and implementing a well-defined risk management policy, one that combines strategic and operational risk assessment, your Company demonstrates its commitment to proactive risk management and ensuring the resilience of its operations in the face of evolving threats. These measures help to safeguard the Company's interests and enhance its ability to navigate the complex and dynamic business landscape effectively.

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

S. No.	Risk Area	Nature of Risk	Risk Mitigation Actions
1	Business concentration	In the past the Company's operations have been concentrated in a few segments and geographies	The Company has embarked on a program to enlarge its presence in a larger number of segments (product as well as customer). In addition, greater focus on global markets has also been initiated.
2	Management of cost	The recent past has seen significant cost inflation - especially in the cost of raw materials as well as fuel.	The Company has been working on measures to contain costs through a program of alternate sourcing strategic build up of inventory, use of alternate fuels, and internal actions to improve operating efficiencies.
3	Global economic conditions	The Company's operations are increasingly influenced by global conditions. The conflict in Europe and the outlook of depressed economic conditions in some major economies has the potential to impede the Company's growth	The Company is working to spread its presence to a larger global footprint, to mitigate against the effect of poor economic conditions in select economies.

J. Energy

During the year, your Company invested in a 5.4 MWp roof top solar power Plant to conserve energy and increase the use of renewable energy sources. Your Company employs wind power and solar power in addition to obtaining power from the grid. Renewable energy usage has climbed over 70% this year. With coal costs rising, the use of biomass fuel in the boilers was increased.

As part of Environmental Management system (EMS), environmental risks are identified and assessed through environmental aspect and impact assessment form. Based on this environmental management programs (EMP) are initiated are continuous ongoing activities.

Several successful energy conservation projects have been implemented to conserve both electrical and thermal energy. As an example of some of the actions on the electrical energy front, compressed air power consumption has been reduced, energy savings have been achieved by implementing VFD drives as needed, mercury vapor vamps have been replaced with LED lamps. This has contributed to further energy conservation.

In terms of thermal energy conservation, efforts have been made to improve alternate fuel usage in the boiler by modifying the furnace and installing a flue gas heat recovery system. These measures have resulted in enhanced boiler efficiency. Additionally, the insulation system for curing presses and steam distribution lines has been revamped with upgraded insulation material, aiming to minimize thermal losses.

K. Quality Assurance

As in the past, your Company continues to be a preferred supplier for 2 wheeler manufacturing OEMs. In addition to this, your Company has been assessed and cleared for supplies by a number of major EV companies.

Your Company ensures the highest quality for its products by enforcing quality standards at all phases of manufacturing and logistics.

Total Employment Involvement (TEI) has been used as a tool to motivate employees towards a culture of quality consciousness and continuous improvement.

L. Environment, Occupational Health & Safety

Your Company recognizes that occupational health and safety (OHS) and environmental safety are critical aspects of its operations. Failure to comply with safety norms can pose risks to the workforce's well-being and have a negative impact on the Company's brand image. However, by establishing strong internal controls and governance mechanisms, the Company has been able to enhance the safety and well-being of its employees and workers, ultimately leading to a more productive workforce. Further to mitigate risks, your Company adopts proactive measures in assessing health and environmental risks. This includes methods such as Hazard Identification and Risk Assessment (HIRA), Preliminary Hazard Analysis (PHA), Job Safety Analysis (JSA), and Environmental Impact Assessment (EIA). These assessments help identify potential hazards and risks associated with the work environment based on which we have been able to develop appropriate remedial action plans and implementation strategies to address these risks effectively. Regular review mechanisms are in place to ensure that the action plans are being implemented and that the risk mitigation efforts are on track.

Each unit has established a robust Occupational Health and Safety (OHS) management system in accordance with ISO 45001:2018 and ISO 14001 standards, as well as relevant legal requirements such as the Factories Act/Rules, Indian Boilers Act, and Environment Protection Act. This comprehensive system covers all units and employees, ensuring a 100% coverage. The implementation includes conducting pre-employment and periodic medical examinations, providing EHS training (induction, PEP talks, OJT, fire safety, etc.), conducting safety audits, enforcing a work permit system, developing emergency preparedness plans, and conducting thorough incident investigations. These measures demonstrate your Company’s commitment to prioritize employee health and safety, comply with regulations, and create a secure work environment within the manufacturing operations.

M. Awards And Recognition

Your Company was honoured to receive the prestigious E4M Pride of India Brands Award in 2022. This distinguished award recognizes companies that have demonstrated excellence across various domains, including marketing, branding, innovation and business growth. Some noteworthy awards and recognition which were won during the year are mentioned below:

- 11th CII National Poka Yoke Competition - Gold
- 13th Edition of CII National 3M Competition - Gold
- CII National Technology Competition - Gold
- CII National Level Kaizen Competition - Gold
- 30th CII Excellent Summit - Best practice in TEI - 1st Prize
- National Level Technology Competition Challengers Trophy - Gold

N. Internal Control & Systems

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

O. Financial Performance

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

Particulars	Units	31st March, 2023	31st March, 2022
(i) Debtors Turnover	Times	13.70	10.76
(ii) Inventory Turnover	Times	3.68	4.05
(iii) Current Ratio	Times	1.05	1.31
(iv) Debt Equity Ratio	Times	0.61	0.61
(v) Net Profit margin	%	2.45	1.69
(vi) Debt Service Coverage	Times	2.40	1.65
(vii) Return on Investment	%	0.07	152.91
(viii) Return on Equity Ratio	%	6.92	4.55
(ix) Net Capital Turnover	Times	18.56	11.92

The Company's revenue from operations increased to Rs.2856.39 Crores in the year 2022-23 in comparison to Rs.2462.06 Crores in the previous year, an increase of 16.38% over the previous year. Your Company has increased its profit before tax to Rs.91.29 crores from Rs.56.94 crores, an increase of 60.33% year on year. EPS has increased to Rs.91.57 in March 2023 from Rs.54.29 in March 2022 a 68.68% increase year on year. There has been an increase in the borrowings of the Company from Rs.598.42 Crores in the previous year end to Rs.636.94 crores during the current year end coupled with an increase in networth from Rs.984.80 Crores to Rs.1040.36 Crores. Finance cost has increased from Rs.30.75 Crores to Rs.38.40 Crores on the back of increased borrowings.

P. Cautionary Statement

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

REPORT ON COPORATE GOVERNANCE

The board of directors present the report on Corporate Governance of your Company (hereinafter referred as "Company" or "TVS Srichakra") for the year ended 31st March, 2023.

I. CORPORATE GOVERNANCE PHILOSOPHY

Your Company strongly believes in establishing and maintaining highest standards of corporate governance in carrying out its business activities, increasing operational efficiency and ensuring long term value creation for the stakeholders. Company constantly endeavours to operate in a fair, transparent and ethical manner and holds itself accountable and responsible to the society. Your Company remains committed to compliance and abides by applicable laws and regulations in letter and spirit while conducting business.

Our Corporate Governance philosophy ensures transparency in all dealings and functioning of the management / board of directors and focuses on enhancement of long-term shareholders value, without compromising on integrity, social obligations and regulatory compliances.

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

Company's governance structure comprises of the board of directors and committees of the board at the apex level and the management structure at the operational level. This structure ensures a harmonious blend in governance as the board sets the overall corporate objectives and gives direction and freedom to the management to achieve the corporate objectives within the set framework, ensuring sustainable growth.

II. BOARD OF DIRECTORS

The board of directors of your Company ("board") play a pivotal role in ensuring that your Company's business practices are sound and ethical and that your Company's resources are optimally utilized, thereby ensuring sustainable growth. Board operates within the framework of a well-defined responsibility matrix which enables it to safeguard the interests of the Company, maintain fairness in the decision making process and ensure integrity and transparency with its stakeholders.

1. Management Structure

Management Structure of your Company ensures appropriate delegation of powers and responsibilities for smooth functioning of the business.

2. Board of directors

Board consists of persons with considerable professional expertise and experience. The board provides leadership and guidance to the management, thereby enhancing stakeholders' value.

3. Size and composition of the board

As on 31st March, 2023, the board consists of nine (9) directors with the Executive Vice Chairman and Managing Director being Executive Directors and the remaining are Non-Executive Directors.

In line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as the "SEBI (LODR) Regulations"], more than fifty percent of your Company's directors are Non-Executive Directors. Out of the seven Non-Executive Directors, five directors are Independent Directors viz., Mr. M. S. Viraraghavan, Mr. H. Janardana Iyer, Mr. Rasesh R Doshi, Mr. V. Ramakrishnan and Ms. S.V. Mathangi. Mr. S. Ravichandran & Mr. P. Srinivasavaradhan are Non-Executive and Non-Independent Directors.

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

4. Directors' Profile

Board comprises of highly renowned professionals from diverse fields with a wide range of skills and experiences, which enhances the quality of the board's decision making process.

5. Core Skills / Expertise / Competencies available with the Board

Board comprises of qualified directors who possess the following skills / expertise / competencies that have been identified for the effective functioning of the Company.

- **Knowledge on Company's business & policy**
- **Behavioural skills**
- **Business strategy and decision making**
- **Governance and Regulations**
- **Financial and Management Skills**
- **Technical and Professional Skills**

The core expertise of the directors of your Company are given below:

Name of the Director	Area of Expertise
Mr. R Naresh	Technology, Engineering & Business Strategy
Ms. Shobhana Ramachandhran	Business Strategy & Administration
Mr. M S Viraraghavan	Financial and Management; Governance and Regulatory
Mr. H Janardana Iyer	Commercial; Financial and Management
Mr. Rasesh R Doshi	Sales & Marketing, Financial and Management
Mr. V Ramakrishnan	Business Strategy, Financial and Management
Ms. S V Mathangi	Finance, Management and Regulations
Mr. S Ravichandran	Supply Chain Management, Digital & Operational Excellence, Merger & Acquisition
Mr. P Srinivasavaradhan	Product, Process Engineering & Operations

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

6. Availability of information to board members

Board has unrestricted access to all Company-related information, including that of employees. Information is provided to the board members on a continuous basis for their review, inputs and approval. Company regularly places the following information, wherever applicable, as required under SEBI (LODR) Regulations before the board:

- Annual Operating Plans and updates,
- Capital Expenditure Budget and its Quarterly Updates,
- Quarterly/Annual Financial Results,
- Comprehensively drafted notes for each agenda item along with background materials, wherever necessary, are circulated well in advance to the committee / board, to facilitate the directors in making value addition as well as exercising their business judgment in the committee / board meetings.
- Minutes of meetings of the board and committees of the board,
- Information on recruitment and remuneration of Senior Executives including appointment or removal of Chief Financial Officer and the Company Secretary,
- Show cause, Demand, Prosecution Notices and Penalty Notices which are materially important,
- Fatal accidents, dangerous occurrences,
- Any material effluent or pollution problems,

- Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company,
- Public or Product liability claims of substantial nature,
- Significant labour problems, Significant development in Human Resources,
- Sale of investments,
- Quarterly details of Foreign Exchange exposures, Risk Management and Mitigation measures,
- Legal updates, Minutes of the subsidiary companies,
- Non-compliance of any regulatory, statutory or listing requirements,
- Shareholder service such as non-payment of dividend, delay in share transfer etc.,
- Report on compliance of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any etc.,

7. Appointment / Reappointment of directors

Pursuant to SEBI (LODR) Regulations, the following information about a director who is proposed to be appointed / reappointed are provided in the notice convening the ensuing Annual General Meeting (AGM) of the Company.

- Brief Resume,
- Nature of their expertise in specific functional areas,
- Their other directorships and committee memberships,
- Their shareholdings and relationship with other directors.

8. Familiarisation programme for Independent Directors

Your Company has in place a familiarization programme for Independent Directors with regard to their roles & responsibilities, rights and duties in the Company, nature of the industry in which the Company operates, the business models of the Company and etc. During the year, presentations on strategy of the Company were made to directors to familiarize them with the industry, organization structure, Board processes, major risks and risk management strategy, expansion and future business projections of the Company and etc. Details of the familiarization programs of the Company are available at www.tvseurogrip.com

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

9. Meeting of Independent Directors

Pursuant to the provisions of the Act, the meeting of Independent Directors was held on 9th February 2023, with the attendance of all Independent Directors and without the presence of Non-Independent Directors.

The following items were discussed at the meeting:

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

10. Board Meetings

a) Schedulement and selection of agenda items for board meetings

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

b) Board Meetings, Attendance and other Directorships

During the financial year 2022-23, Ten (10) Board Meetings were held on 26.4.2022, 25.5.2022, 24.6.2022, 20.7.2022, 10.8.2022, 20.10.2022, 10.11.2022, 25.1.2023, 9.2.2023 and 18.3.2023.

Details of directors' attendance at the board meetings held during the financial year and at the last Annual General Meeting (AGM) held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) on 21st September, 2022 with the details of number of other directorships and committee memberships / Chairmanships as on 31st March 2023 are as follows:

Name of the Director	Category	Attendance Particulars		Directorships in other Companies*		Committees of other companies in which Director is a Chairman / Member	
		Board Meetings	AGM	Chairman	Director	Chairman	Member
Mr. R Naresh DIN 00273609	EVC	10	Yes	3	4	-	-
Ms. Shobhana Ramachandhran DIN 00273837	MD	10	Yes	-	10	1	2
Mr. M S Viraraghavan DIN 00249874	NE-I	10	Yes	-	-	-	-
Mr. H Janardana Iyer DIN 02688787	NE-I	10	Yes	-	3	2	3
Mr. V. Ramakrishnan DIN 00002931	NE-I	10	No	-	-	-	-
Mr. Rasesh R Doshi DIN 00538059	NE-I	10	Yes	-	3	-	2
Ms. S V Mathangi DIN 02596421	NE-I	10	Yes	-	-	-	-
Mr. S Ravichandran DIN 01485845	NE	10	Yes	-	7	1	6
Mr. P Srinivasavaradhan DIN 08701214	NE	10	Yes	-	3	-	-

* Includes Private Limited companies   EVC - Executive Vice Chairman   MD - Managing Director
NE - Non Executive Director   NE-I - Non Executive Independent Director

i. None of the directors of the Company

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

Further, none of the directors who is serving as a Whole-Time Director / Managing Director in any listed entity is an Independent Director in not more than three (3) listed entities.

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

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

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

11. Access to information by Board

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

In addition, the board reviews the following information:

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

12. Material significant related party transactions

All transactions entered into with Related Parties as defined under the Act and SEBI (LODR) Regulations, during the financial year 2022-23 are:

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

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

Company has a Policy on Related Party Transactions, approved by the Board which is available at www.tvseurogrip.com

13. Details of total fees paid to Statutory Auditors

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

Rs. in Crores

Particulars	2022-23
a) Statutory Audit	0.39
b) Taxation	0.02
c) GST Audit	-
d) Certification	-
e) Towards reimbursement of expenses	0.03
f) Other services	0.05
Total	0.48

III. COMMITTEES OF THE BOARD

Your board of directors constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee to ensure focus on various facets of the business.

Board determines and reviews the terms of reference of these committees from time to time. Each of these committee meetings are convened by the respective committee Chairman who briefs the board about the discussions held in the committee meetings. The minutes of the committees' meetings are sent to the respective members individually and circulated at the next board meeting for their noting. During the financial year 2022-23, the board of directors have accepted all the recommendations made by the committees.

1. Audit Committee

Your Company, pursuant to the provisions of the Act and SEBI (LODR) Regulations, constituted an Audit Committee which is guided by the terms of reference (as given below) duly approved by the board, which covers the areas mentioned in Section 177 of the Act and rules made thereunder and SEBI (LODR) Regulations and Schedule II of the Regulations.

a) Chairman and Composition

The composition of the Committee is in accordance with Section 177(2) of the Act and SEBI (LODR) Regulations.

Audit Committee comprises of the following members:

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

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

The Chairman of this Committee was present at the Annual General Meeting of the Company held on 21st September, 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

b) Terms of reference of Audit Committee

1. Effective oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommends to the board, the appointment, remuneration and terms of appointment of auditors of the Company.

3. Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors.

4. Reviews, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013

   b. Changes, if any, in accounting policies and practices and reasons for the same.

   c. Major accounting entries involving estimates based on the exercise of judgment by management.

   d. Significant adjustments made in the financial statements arising out of audit findings.

   e. Compliance with listing and other legal requirements relating to financial statements.

   f. Disclosure of any related party transactions.

   g. Modified opinion(s), if any, in the draft audit report.

5. Reviews, with the management, quarterly financial statements before submission to the board for approval.

6. Whenever applicable, reviews with the management, statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviews and monitors the auditor's independence, performance and effectiveness of audit process.

8. Approval or any subsequent material modifications of transactions of the Company with related parties.

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

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

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

9. Scrutinises inter-corporate loans and investments.

10. Carries out valuation of undertakings or assets of the Company, wherever it is necessary.

11. Evaluates internal financial controls and risk management systems.

12. Reviews with the management performance of statutory and internal auditors, adequacy of the internal control systems.

13. Reviews the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discusses with internal auditors on any significant findings and follows up there on.

15. Reviews the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

16. Discusses with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

17. Looks into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors as applicable.

18. Reviews the functioning of the Whistle Blower Mechanism.

19. Grants approval to the appointment of Chief Financial Officer after assessing the qualifications, experience & background etc. of the candidate.

20. Whenever applicable, reviews the utilization of loans and / or advances from/investment by the holding Company in the subsidiary exceeding Rs.100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision of SEBI (LODR) Regulations.

21. Considers and comments on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

22. Reviews compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verification of systems for internal control to ensure that they are adequate and are operating effectively.

c) Review of information by Audit Committee

Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations.

2. Management letters / letters of internal control weaknesses issued by the Statutory Auditors

3. Internal Audit Reports relating to internal control weaknesses and

4. Appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

5. Statement of deviations.

6. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI (LODR) Regulations.

7. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of SEBI (LODR) Regulations.

d) Subsidiary Companies

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

e) Internal Controls and Governance Processes

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

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

f) Particulars of the meetings and attendance:

During the financial year 2022-23, the meetings of the Audit Committee were held on the following days 26.4.2022, 25.5.2022, 23.6.2022, 20.7.2022, 10.8.2022, 20.10.2022, 10.11.2022, 25.1.2023 and 9.2.2023. All members of the Committee were present for all the meetings.

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

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

2. Nomination and Remuneration Committee (NRC)

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

a) Chairman and Composition

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

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

The Chairman of the NRC was present at the last AGM held on 21st September, 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

b) Terms of reference of Nomination and Remuneration Committee

1. Formulates the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2. Formulates criteria for evaluation of performance of Independent Directors and the board of directors;

3. Devises policy on diversity of board of directors;

4. Identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.

5. Considers extension of term of appointment of the Independent Directors on the basis of the report of performance evaluation of independent directors.

6. Recommends to the board all remuneration, in whatever form, payable to senior management.

7. Specifies the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance. Such other roles and responsibilities as may be defined by the applicable laws.

7(a) For every appointment of an independent director, NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. Ensures that the person recommended to the Board for appointment as an Independent Director has the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

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

c) Particulars of meetings and attendance:

As per Regulation 19 (3A) of the SEBI (LODR) Regulations, the NRC meetings were held on 19.4.2022, 25.5.2022, 23.6.2022, 20.10.2022 and 9.2.2023 during the financial year. Barring the meeting held on 19.4.2022, where Mr. M S Viraraghavan was absent, all the members attended the meetings of the committee held during the year.

d) Performance Evaluation

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

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

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

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

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

e) Remuneration Policy

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

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

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

i. Remuneration paid to Non-Executive Directors

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

(a) Sitting Fees paid (b) Commission paid (c) Total (d) No. of shares

Mr M S Viraraghavan (a) 2.40 (b) 15.00 (c) 17.40 (d) 900, Mr H Janardana Iyer (a) 2.50 (b) 15.00 (c) 17.50 (d) Nil, Mr V Ramakrishnan (a) 1.70 (b) 10.00 (c) 11.70 (d) Nil, Mr. Rasesh R Doshi (a) 2.70 (b) 15.00 (c) 17.70 (d) Nil, Ms S V Mathangi (a) 1.50 (b) 10.00 (c) 11.50 (d) Nil, Mr S Ravichandran (a) 2.10 (b) 15.00 (c) 17.10 (d) 5, Mr P Srinivasavaradhan* (a) 1.80 (b) 10.00 (c) 11.80 (d) 800

*In addition, consultancy fee of Rs. 95 Lakhs paid vide shareholders resolution passed at their meeting held on 16th September 2020.

ii. Remuneration paid to Executive Directors

Particulars of remuneration paid to Executive Vice Chairman and Managing Director during the financial year 2022-23:

(a) Designation (b) Salaries & Allowances (c) Commission (d) Perquisites (e) Total [Rs in lakhs]

Ms. Shobhana Ramachandhran (a) Managing Director (b) 377.50# (c) 180.64 (d) Nil (e) 558.14; Mr. R Naresh (a) Executive Vice Chairman (b) 172.80 (c) 335.46 (d) Nil (e) 508.26

includes contribution to Provident and superannuation fund

3. Stakeholders' Relationship Committee (SRC)

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

a) Chairman and Composition

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

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

As per Regulation 20 (3) of the SEBI (LODR) Regulations, the Chairperson of this Committee / any other member of the Committee authorised by him / her, in his / her absence, was required to attend the Annual General Meeting / General Meeting of the Company. However, due to network connectivity issues, Chairman of the SRC was not able to attend the last AGM held on 21st September 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

b) Terms of reference of SRC:

1. SRC shall consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year, four (4) complaints were received from the shareholders and all were resolved to the satisfaction of the shareholders and there was no pending complaint as on 31st March 2023.

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

c) Particulars of meetings and attendance:

During the financial year 2022-23, SRC met on 26.4.2022 and 20.10.2022. Except for the meeting held on 20.10.2022, where Ms. Shobhana Ramachandhran was absent, all the members attended the meetings of the Committee.

4. Corporate Social Responsibility (CSR) Committee

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

a) Chairperson and Composition

- Ms. Shobhana Ramachandhran, Chairperson
- Mr. Rasesh R Doshi, and
- Mr. V Ramakrishnan

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

b) Terms of reference of CSR Committee:

1. To frame the CSR Policy and its review from time-to-time.

2. To ensure effective implementation of the CSR activities as per the approved policy, plans and budget.

3. To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the board of directors.

c) Particulars of meetings and the attendance:

During the financial year 2022-23, Corporate Social Responsibility Committee met on 23.6.2022 and 25.1.2023 in which all the members of the Committee were present.

5. Risk Management Committee (RMC)

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

a) Chairman and Composition

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

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

b) Terms of reference of RMC

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

To formulate a detailed risk management policy which shall include:

● A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

● Measures for risk mitigation including systems and processes for internal control of identified risks.

● Business continuity plan.

● Ensures that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.

● Monitors and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems.

● Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

● Keep the board of directors informed about the nature and content of its RMC discussions, recommendations and actions to be taken.

● Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by RMC.

● Coordinate its activities with other committees, in instances where there is overlap with activities of such committees as per the framework laid down by the Board of Directors.

● Such other functions and responsibilities as it may deem fit or as may be amended/introduced by statute from time to time in future.

c) Particulars of meetings and attendance:

During the financial year 2022-23, the meetings of the Committee were held on 20.7.2022 and 11.1.2023. All members of the committee were present for all the meetings.

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

Senior Management Personnel were also invited to the meetings.

IV. SHAREHOLDER INFORMATION

1. General Body Meeting / AGM

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

A

Year 2019-20

Date of Meeting:
16th September 2020

Time of Commencement:
10.00 AM

Location:
Madurai, [meeting held via (VC/OAVM)]

B

Year 2020-21

Date of Meeting:
9th September 2021

Time of Commencement:
10:00 AM

Location:
Madurai, [meeting held via (VC/OAVM)]

C

Year 2021-22

Date of Meeting:
21st September 2022

Time of Commencement:
10:00 AM

Location:
Madurai, [meeting held via (VC/OAVM)]

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

a) At the Annual General Meeting held for the financial year 2019-20, no special resolution was passed.

b) At the Annual General Meeting held for the financial year 2020-21, no special resolution was passed.

c) At the Annual General Meeting held for the financial year 2021-22, no special resolution was passed.

d) During the financial year 2022-23, two special resolutions were passed through Postal Ballot which were relating to re-appointment of Mr. R Naresh as Managing Director designated as Executive Vice Chairman and re-appointment of Ms. S V Mathangi as Independent Director. Postal ballot was carried out with e-voting facility as per the provisions of Section 108, 100 and all other applicable provisions of the Act, read with underlying rules and relevant circulars (Circular no.14/2020 dated 8/4/2020 and circular no.17/2020 dated 13/4/2020 & etc) issued by Ministry of Corporate Affairs. Furnished below is the voting pattern.

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

Resolution No. 1	Re-appointment of Mr R Naresh as Managing Director (designated as Executive Vice Chairman) for a further period of three (3) years effective from 16th June, 2023
Resolution Required	Special Resolution
Whether promoter/ promoter group are interested in the agenda/resolution?	YES

Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled	% of votes against on votes polled
		1	2	3={(2)/(1)}*100	4	5	6 = {(4)/(2)}*100	7 = {(5)/(2)}*100
Promoter & Promoter Group	E-voting	3499493	3057906	87.38	3057906	0	100.00	0.00
	Poll							
	Postal Ballot							
	Total	3499493	3057906	87.38	3057906	0	100.00	0.00
Public - Institution	E-voting	115265	88035	76.38	265	87770	0.30	99.70
	Poll							
	Postal Ballot							
	Total	115265	88035	76.38	265	87770	0.30	99.70
Public - Non Institution	E-voting	4042292	432839	10.71	432382	457	99.89	0.11
	Poll							
	Postal Ballot							
	Total	4042292	432839	10.71	432382	457	99.89	0.11
Total		7657050	3578780	46.74	3490553	88227	97.53	2.47

Resolution passed with requisite majority.

Resolution No. 2	Re-appointment of Ms S V Mathangi as Independent Director for a period of five (5) years effective from 1st April, 2023
Resolution Required	Special Resolution
Whether promoter/ promoter group are interested in the agenda/resolution?	NO

Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled	% of votes against on votes polled
		1	2	3={(2)/(1)}*100	4	5	6 = {(4)/(2)}*100	7 = {(5)/(2)}*100
Promoter & Promoter Group	E-voting	3499493	3499493	100.00	3499493	0	100.00	0.00
	Poll							
	Postal Ballot							
	Total	3499493	3499493	100.00	3499493	0	100.00	0.00
Public - Institution	E-voting	115265	88035	76.38	88035	0	100.00	0.00
	Poll							
	Postal Ballot							
	Total	115265	88035	76.38	88035	0	100.00	0.00
Public - Non Institution	E-voting	4042292	432925	10.71	432492	433	99.90	0.10
	Poll							
	Postal Ballot							
	Total	4042292	432925	10.71	432492	433	99.90	0.10
Total		7657050	4020453	52.51	4020020	433	99.99	0.01

Resolution passed with requisite majority.

No special Resolution is proposed to be passed, through postal ballot.

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

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

Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. The Company has transferred 5,504 Equity Shares for the FY 2014-15, 5,390 Equity Shares for the FY 2015-16 Interim I and 4,614 Equity Shares for the FY 2015-16 Interim II, in respect of which dividend has not been claimed by the shareholders for seven consecutive years, to the Investor Education and Protection Fund Authority (IEPF Authority) during the financial year 2022-23. Details of shares transferred have been uploaded on the website of IEPF as well as the Company's website www.tvseurogrip.com.

4. Disclosures with respect to demat suspense account / unclaimed suspense account.

a) Unclaimed Share Certificates

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

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

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

Voting rights on the shares outstanding in the suspense account as on 31/3/2023 shall remain frozen till the rightful owner of such shares claims the shares.

b) Timely encashment of dividends

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

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

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

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

Financial Year	Date of declaration	Date of transfer to special account	Proposed Date of transfer to IEPF
31.03.2017	23.08.2017	22.09.2017	19.08.2024
31.03.2018	27.09.2018	26.10.2018	24.11.2025
31.03.2019	11.09.2019	11.10.2019	10.11.2026
31.03.2020	18.03.2020	09.04.2020	07.05.2027
31.03.2021	09.09.2021	11.10.2021	09.11.2028
31.03.2022	21.09.2022	26.10.2022	24.11.2029

V. GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting for financial year 2022-23

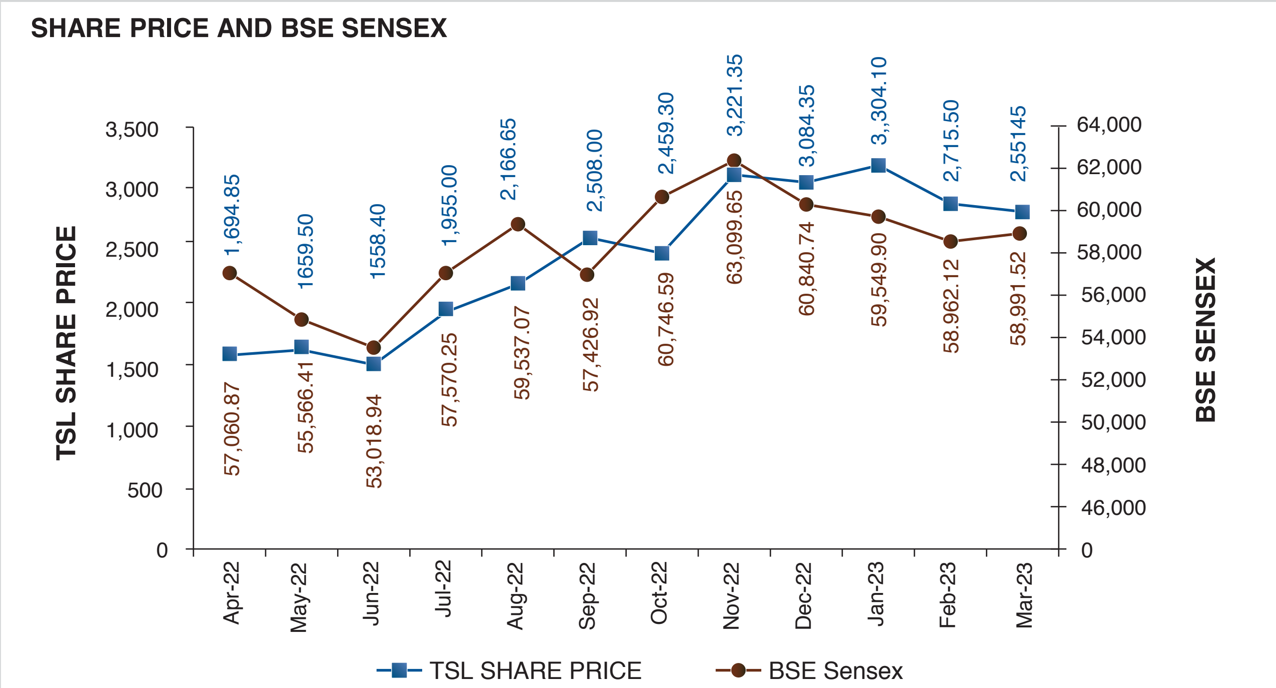
a)	**Annual General Meeting, Date, Time and Venue**	Date: 20.9.2023 Day: Wednesday Time: 10.00 AM Mode: Video Conference / Other Audio Visual Means (OAVM)
b)	**Financial Year**	1st April 2023 to 31st March 2024
	Financial reporting for the quarter ending	Financial calendar 2023-24 (tentative)
	30th June, 2023	Before 14th August, 2023
	30th September, 2023	Before 14th November, 2023
	31st December, 2023	Before 14th February, 2024
	31st March, 2024	Before 30th May, 2024
c)	**Dividend Payment date**	The dividend, if declared at AGM, will be paid on or after 25th September, 2023
	Book Closure Dates	From 5th September, 2023 to 20th September, 2023 (both days included)
d)	**Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)**	
e)	**Name of the Stock Exchange**	Stock code / Symbol
	BSE Ltd	509243
	National Stock Exchange of India Ltd	TVSSRICHAK
	ISIN allotted by Depositories (Company ID Number)	INE421C01016
	Annual listing fees and custodial charges for the year 2022-23 have been paid to the above Stock Exchanges and to the Depositories.	

2. Market price data

Rupees

Month	BSE Ltd (BSE)		National Stock Exchange of India Ltd (NSE)	
	High	Low	High	Low
April 2022	1899.00	1610.00	1839.95	1601.60
May 2022	1725.60	1470.00	1725.00	1451.00
June 2022	1750.90	1525.00	1750.00	1520.05
July 2022	2000.05	1543.10	2008.05	1553.15
August 2022	2375.00	1952.30	2387.00	1946.80
September 2022	2887.45	2170.05	2879.45	2177.80
October 2022	2593.75	2375.00	2596.45	2371.50
November 2022	3279.85	2433.25	3280.30	2451.85
December 2022	3414.00	2900.05	3390.00	2905.00
January 2023	3700.00	3084.00	3699.00	3090.20
February 2023	3369.95	2674.30	3394.40	2692.60
March 2023	2918.45	2454.15	2929.00	2457.60

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



4. Registrar to an Issue and Share Transfer Agents

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

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

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

5. Share Transfer System

All requests for dematerialization of securities received in the financial year 2022-23 are processed and the confirmation is given to the Depositories within three days from the receipt of such request. Grievances received from shareholders and other miscellaneous correspondence on change of address, mandates, etc., are processed by the Share Transfer Agent of the Company within three days.

The following certificates issued by a Company Secretary-in-Practice are submitted to Stock Exchanges:

- Quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company as required under SEBI (Depositories and Participants) Regulations, 2018.
- On an annual basis and as per Regulation 40 of the SEBI (LODR) Regulations, the Company to produce a certificate from a Practicing Company Secretary within a period of 30 days from the end of the financial year.

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

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

6. Distribution of Shareholding

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
Upto 500	26525	96.91	1679423	21.93
501 - 1000	496	1.81	361533	4.72
1001 - 2000	181	0.66	262206	3.42
2001 - 3000	60	0.22	149334	1.95
3001 - 4000	24	0.09	82054	1.07
4001 - 5000	20	0.07	89180	1.16
5001 - 10000	24	0.09	167612	2.19
10001 and above	42	0.15	4865708	63.56
Total	**27372**	**100.00**	**7657050**	**100.00**

7. Dematerialization of shares and liquidity

Out of the 41,57,557 shares held by persons other than promoters, 38,32,782 shares have been dematerialized as on 31st March, 2023 accounting to 92.20%.

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

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

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

8. Credit Rating

Company has obtained credit rating from the following agency:

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

9. Code of Conduct

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

All members of the board and Senior Management Personnel have complied with the Code for the year ended 31st March, 2023. A declaration to this effect signed by the Managing Director is annexed to this report.

The Code of Conduct for Business and Ethics of the Company are available at www.tvseurogrip.com

10. Whistle Blower / Vigil Mechanism Policy

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

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

The Whistle Blower Policy of the Company is available at www.tvseurogrip.com

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

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

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

12. Prohibition of Insider Trading

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

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

13. Subsidiary Companies

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

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

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

14. Disclosure of Accounting Treatment

Company, while preparing Financial Statements for the year 2022-23, has followed all relevant Accounting Standards as notified by the Companies (Indian Accounting Standards) Rules, 2015.

15. Risk Management

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

16. Commodity Price Risk / Foreign Exchange Risk

Volatility in commodity prices is managed by combining a robust price forecast mechanism by fine tuning the procurement policies. Company has been effectively managing its securities to mitigate the after effects of such volatility. In respect of Foreign Exchange price fluctuations, Company has a well-defined board approved Hedging Policy. Company is in compliance with the rules, regulations and guidelines, as applicable, and as prescribed by the Reserve Bank of India from time to time in this behalf.

17. Plant Locations

a) Tamil Nadu

i. Perumalpatti Road, Vellaripatti, Melur Taluk, Madurai District, Pin 625 122

ii. Narasingampatti, Therkutheru, Melur Taluk, Madurai District, Pin 625 122

b) Uttarakhand

Plot No.7, Sector-1, Integrated Industrial Estate, SIDCUL, Pantnagar 263153, Rudrapur, Tehsil - Kichha, District Udham Singh Nagar, Uttarakhand

18. Address for communication

TVS Srichakra Limited, No.10, Jawahar Road, Madurai 625 002

Phone: 0452 2443300

Email: sec.investorgrievances@eurogriptyres.com; secretarial@eurogriptyres.com

Website: www.tvseurogrip.com

19. Compliance Officer

Mr. Chinmoy Patnaik, Company Secretary

TVS Srichakra Limited, No. 10, Jawahar Road, Madurai 625 002

Phone : 0452-2443300 Email id: secretarial@eurogriptyres.com

20. Means of communication

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

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

In the financial year 2022-23

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

22. Compliance with mandatory / non-mandatory requirements

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

VI. MANAGEMENT REVIEW AND RESPONSIBILITY

1. Certificate from Practicing Company Secretary

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

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

2. CEO and CFO certification

Managing Director and the Chief Financial Officer (CFO) of the Company have certified on financial and other matters in accordance with Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 for the financial year ended 31st March, 2023. The certificate is enclosed with this report as an Annexure.

3. Auditors' Certificate on Corporate Governance

Auditor's Certificate confirming compliance with conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for financial year 2022-23 is enclosed with this report as an Annexure.

CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION

The Board of Directors

TVS Srichakra Limited

We certify that as under

a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and that to the best of our knowledge and belief we state that:

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and Audit Committee that there were

i) no significant changes in internal control over financial reporting during the year;

ii) no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

B Rajagopalan
Chief Financial Officer

Shobhana Ramachandhran
Managing Director
DIN: 00273837

Madurai
Date: June 22, 2023

CERTIFICATE

The Shareholders

TVS Srichakra Limited

I, Shobhana Ramachandhran, Managing Director of the Company, hereby confirm that all the members of your board and the Senior Management Personnel of your Company, have confirmed their compliance to the Code of Conduct of the Company, during the year ended 31st March, 2023.

Madurai
Date: June 22, 2023

Shobhana Ramachandhran
Managing Director
DIN: 00273837

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

To

The Board of Directors of TVS Srichakra Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated 16th November 2022.

2. We have examined the compliance of conditions of Corporate Governance by TVS Srichakra Limited ('the Company') for the year ended 31st March 2023, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

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

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in Paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable Standards on Auditing, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI') and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information, according to the explanations provided to us and the representation made by the management, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2023.

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

Restrictions on use

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

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

T V Balasubramanian
Partner
Membership No. 027251
UDIN: 23027251BGWNR05115
Place: Chennai
Date: 22nd June, 2023

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS 2022 - 23

N. Balachandran B.Com., A.C.S.,
Company Secretary in Practice

C/2 Yamuna Flats
16th Street
Nanganallur
Chennai - 600061
Ph.no. 22670412
Cell: 9444376560

To,

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

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

In my opinion and to the best of my information and according to the verification (including Directors Identification Number (DIN) status at the www.mca.gov.in) 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, 2023 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

Name: **N. Balachandran**
Designation: Company Secretary in Practice
Membership No.: A5113 CP No.: 3200
UDIN No: A005113E000470831

Place: Chennai
Date: 8.6.2023

BUSINESS REPONSIBILTY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L25111TN1982PLC009414
2.	Name of the Listed Entity	TVS Srichakra Limited
3.	Year of incorporation	02/06/1982
4.	Registered office address	TVS Building, 7-B West Veli Street, Madurai 625 001
5.	Corporate address	No.10, Jawahar Road, Madurai 625 002, Tamil Nadu.
6.	E-mail	secretarial@eurogriptyres.com
7.	Telephone	0452 2443300
8.	Website	www.tvseurogrip.com
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 7,65,70,500
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name- Mr. Chinmoy Patnaik (Company Secretary) Telephone No.- 0452 2443300 Email ID- secretarial@eurogriptyres.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of turnover of the entity
1	Manufacture of tyres and tubes	Manufacture of rubber tyres and tubes for motor vehicles, motorcycles, scooters, three-wheelers, tractors and aircraft	99.59%

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

Sr. No.	Product / Service	NIC Code	% of contributed total turnover
1	Manufacture of tyres and tubes	Class 22111* *As per National Industrial Classification (2008)	99.59%

III. Operations

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

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

17. Markets served by the entity

a. Number of Locations

Location	Number
National (No. of States)	Pan India
International (No. of Countries)	80+ Countries

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

% to Total Turnover - 12.91%

c. A brief on types of customers

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

IV. Employees

18. 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)	2681	2660	99%	21	1%
2	Other than Permanent (E)	-	-	-	-	-
3	Total Employees (D+E)	2681	2660	99%	21	1%
	WORKERS					
4	Permanent (F)	1979	1979	100%	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total Workers (F+G)	1979	1979	100%	-	-

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)	1	1	100%	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total differently abled employees (D+E)	1	1	100%	-	-
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total differently abled workers (F+G)	-	-	-	-	-

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors*	9	2	22%
Key Management Personnel**	3	1	33%

* Includes Managing Director

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

20. Turnover rate for permanent employees and workers (Disclose the trend for the past three years)

Particulars	Turnover rate in FY 2022-23		
	Male	Female	Total
Permanent Employees (in %)	9.45	28.57	9.60
Permanent Workers (in %)	3.55	-	3.55
	Turnover rate in FY 2021-22		
Permanent Employees (in %)	8.07	33.33	8.28
Permanent Workers (in %)	5.25	-	5.25
	Turnover rate in FY 2020-21		
Permanent Employees (in %)	5.82	20.69	5.97
Permanent Workers (in %)	5.04	-	5.04

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

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

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

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes it is applicable.

(ii) Turnover - Rs.2865.39 crores

(iii) Net worth - Rs.1040.36 crores

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)"	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL			NIL		
Investors (Other than shareholders)	Yes	NIL			NIL		
Shareholders	Yes-Stakeholders Relationship Committee monitors this on a monthly basis	4	NIL	Resolved all the complaints	NIL		
Employees & Workers	Yes	NIL			NIL		
Customers	Yes www.tvseurogrip.com	1,593	NIL	Resolved all the complaints	1,125	NIL	Resolved all the complaints
Value chain partners	Yes - Issue based resolution through one on one communication	NIL			NIL		

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

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

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environment & Sustainability	Opportunity	Initiatives to increase the use of renewable energy, reduce energy and material consumption, are in place. This will work towards reducing the impact of the company's operations on the environment as well as build sustainability.	NA	Positive The initiatives taken should see an impact on cost and wastage reduction as well as reduction in carbon footprint.
2	Business concentration	Risk	In the past, the company's operations have been concentrated in a few segments and geographies.	The company has embarked on a program to enlarge its presence in a larger number of segments (product as well as customer). In addition, greater focus on global markets has also been initiated.	Negative Risk of non achievement of financial goals because of exposure to concentrated business segments and geographies. Positive The initiatives taken by the company provide the opportunity to expand its business into a larger number of segments and geographies.
3	Management of cost	Risk	The recent past has seen significant cost inflation - especially in the cost of raw materials as well as fuel.	The company has been working on measures to contain costs through a program of alternate sourcing, strategic build up of inventory, use of alternate fuels, and internal actions to improve operating efficiencies.	Negative Cost increase not mitigated to the extent of finished goods price increase or cost reduction actions has a direct impact on financial performance of the company.
4	Innovation	Opportunity	The changing nature of the market, including the emergence of a rising electric vehicle segment provides an opportunity to deliver innovative products and services.	NA	Positive The company has a strong development program in place to address emerging product and market segments. This should have a positive impact on revenue & profitability.
5	Global economic conditions	Risk	The company's operations are increasingly influenced by global conditions. The conflict in Europe and the outlook for depressed economic conditions in some major economies has the potential to impede the company's growth.	The company is working to spread its presence to a larger global footprint, to mitigate against the effect of poor economic conditions in select economies.	Negative Depressed global economic conditions could have a negative effect on the company's growth ambitions and affect the company's financial performance.
6	Employee engagement and organisation capability	Opportunity	The company has taken initiatives to align its organisation structure, build organisation capabilities and engage with employees.	NA	Positive The actions initiated are targeted at fulfilling the twin objectives of business success and an engaged workforce.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Name	Designation	DIN
Ms. Shobhana Ramachandhran	Managing Director	00273837
Mr. V Ramakrishnan	Director	00002931
Mr. Rasesh R Doshi	Director	00538059

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)
	P1,P2,P3,P4,P5,P6,P7,P8,P9	P1,P2,P3,P4,P5,P6,P7,P8,P9
Performance against above policies and follow up action	Annual review of policies and performance are made and necessary actions, as required, are taken.	Policies are reviewed depending upon applicable laws and whenever there is a need.
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The company is in compliance with all applicable material statutory requirements.	The policies are reviewed as prescribed under applicable laws.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
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	The Company has framed the required policies and practices under each of the above principles and has not carried out any independent assessment of working of these policies.								

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year 2022-23:

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	Learning materials on NGRBC and sustainability related aspects shared. Need based clarifications provided internally or from an external consultant. These materials help in effective review of compliance with Environmental, Social & Governance aspects & its continuous improvement.	100.00%
Key Managerial Personnel	1		100.00%
Employees other than BoD and KMPs	24 2 16	Skill Development Health & Safety Managerial Excellence	99.50% 100.00% 72.50%
Workers	1	Skill Development	100.00%

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

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

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

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

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

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

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

Particulars	FY 2022-23	FY 2021-22
Directors	NIL	
KMPs		
Employees		
Workers		

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

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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

Not Applicable

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

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

<table>
<tr><th>Particulars</th><th>Current Financial Year</th><th>Previous Financial Year</th><th>Details of improvements in environmental and social impacts</th></tr>
<tr><td>R&D</td><td>2.49%</td><td>0.57%</td><td rowspan="2">R&D
1) Development actions targeted at tyres for the Electric Vehicle (EV) segment, which reduces the overall carbon footprint.
Others
1) Use of electric vehicle for intra plant movement, which is eco-friendly and helps in reducing the carbon footprint.
2) Adoption of technologies which help to promote fuel savings, thermal energy savings, avoid air pollution and reduce the depletion of natural resources.
3) Green belt plantation at plants
4) Number of measures taken for energy savings, power quality improvement and to avoid pollution.
5) Rainwater harvesting to improve the ground water level.</td></tr>
<tr><td>Capex</td><td>1.25%</td><td>1.94%</td></tr>
</table>

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

The company practices sustainable sourcing. Most raw material suppliers have, at minimum, the ISO 9001 certification. Terms & conditions under which the company procures materials stipulates adherence to various regulatory requirements including environment protection.

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

100% as mentioned in 2.a. above

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

The company continues to explore ways to increase the safe reclamation of products for reuse, recycle and eventual disposition at end of life.

At present, the company has the following processes in place:

Plastics – Sold to specified agency that uses it for recycling.

E-waste – Sold to Tamil Nadu Pollution Control Board (TNPCB) authorised agency

Hazardous waste – Sold to TNPCB authorised agency for reuse as raw material in cement factory.

Other waste – such as boiler ash, is sent to fly ash bricks manufacturers for reuse.

During the year, TSL disposed 0.92 MT of e-waste and 109.78 MT of plastic waste.

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

Yes, Extended Producer Policy is applicable to the company's activities. The company has submitted its application for registration as producer to the Central Pollution Control Board (CPCB), the implementing authority of EPR and awaits further instructions from the authority.

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

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

Essential Indicators

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	2,660	2,181	82%	2,660	100%	-	-	2,660	100%	-	-
Female	21	11	52%	21	100%	21	100%	-	-	-	-
Total	**2,681**	**2,192**	**82%**	**2,681**	**100%**	**21**	**1%**	**2,660**	**99%**	**-**	**-**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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

Category	Total(A)	% of Workers 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 workers											
Male	1,979	1,649	83%	1,979	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**1,979**	**1,649**	**83%**	**1,979**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**

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

Benefits	FY 22-23			FY 21-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes
Gratuity	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes
ESI	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes	100% of the applicable employees, as per the Act.	100% of the applicable workers, as per the Act.	Yes

3. Accessibility of workplaces

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

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

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.

Yes. It is covered in the Business Responsibility & Sustainability policy of the company. Weblink - www.tvseurogrip.com

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%		NA	
Female				
Total				

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.

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

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

FY 22-23				FY 21-22		
Category	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	2,681	1,859	69%	2,757	1,904	69%
Male	2,660	1,859	70%	2,736	1,904	70%
Female	21	-	-	21	-	-
Total Permanent Workers	1,979	1,859	94%	2,028	1,904	94%
Male	1,979	1,859	94%	2,028	1,904	94%
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

	FY 22-23					FY 21-22				
Category	Total(A)	On health and safety		On skill upgradation		TOTAL(D)	On health and safety		On skill upgradation	
		No.(B)	%(B/A)	No.(C)	% (C/A)		No.(E)	%(E/D)	No.(F)	% (F/D)
Employees										
Male	2,660	2,660	100%	323	12%	2,736	2,736	100%	195	7%
Female	21	21	100%	-	-	21	21	100%	-	-
Total	**2,681**	**2,681**	**100%**	**323**	**12%**	**2,757**	**2,757**	**100%**	**195**	**7%**
Workers										
Male	1,979	1,979	100%	75	4%	2,028	2,028	100%	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	**1,979**	**1,979**	**100%**	**75**	**4%**	**2,028**	**2,028**	**100%**	**-**	**-**

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

Category	FY 2022-23			FY 2021-22		
	Total(A)	No.(B)	%(B/A)	Total.(C)	No.(D)	% (D/C)
Employees						
Male	2,660	2,660	100%	2,736	2,736	100%
Female	21	21	100%	21	21	100%
Total	**2,681**	**2,681**	**100%**	**2,757**	**2,757**	**100%**
Workers						
Male	1,979	1,979	100%	2,028	2,028	100%
Female	-	-	-	-	-	-
Total	**1,979**	**1,979**	**100%**	**2,028**	**2,028**	**100%**

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, manufacturing units of the company have an occupational health and safety management system in place. This is in accordance with the guidelines of ISO 45001:2018 standards, covering the employees, workers, visitors, contractual service providers, suppliers. Coverage is 100%.

The company's occupational health safety & environment policy works as a guiding document to implement, monitor and assess the occupational health and safety management system. EHS risk is monitored during regular safety committee meetings, monthly review meeting with senior team, safety audits, various EHS training/ awareness (Induction/ PEP Talk/ On the Job Training (OJT)/ Fire Safety etc.,), work permit system, etc.

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

These risks are assessed through conducting regular Hazard Identification & Risk Assessments (HIRA) and controlled through standard operating procedures, operational control procedures, visual display signages, safety audits, inspections, etc., Non-routine activities which may have hazards and related risks are assessed through conducting Job Safety Analysis (JSA) by expert teams (safety officer, engineering head, area head, contractor, safety committee member). Safety procedure has been developed for execution.

All critical activities are monitored through 8 types of work permits to ensure the health and safety of man, machines and materials. These are:

a) Hot work permit
b) Confined space entry permit
c) Height work permit
d) Night work permit
e) Excavation work permit
f) Lock Out Tag Out (LOTO) work permit
g) Lifting work permit
h) Heavy vehicle entry permit

We have various forums to record work related risks by consultation and participation of employees/workers in safety committee meetings, daily review meetings, PEP talks and shift start up meetings. Based on the nature of the recorded observations, actions are taken by supervisors and reviewed by the safety officer. This is horizontally deployed in all respective areas as corrective actions and are regularly reviewed.

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

Yes, The company has a well-defined system to encourage employees/workers to record, monitor and mitigate work related hazards through various means including safety suggestions, near miss incident reporting, safety committee meetings, etc.,

We conduct various awareness sessions inside the manufacturing facilities on reporting unsafe conditions, near miss incidents, etc., to all our employees.

Daily PEP talk is conducted inside manufacturing facilities on job related standard operating procedures through discussion with employees.

Safety signages are provided inside the manufacturing facility on potential hazards.

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

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

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

Safety Incident/Number	Category	FY 22-23	FY 21-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	0.83	1.5
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	7	8
No. of fatalities	Employees	NIL	NIL
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	2	

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

The company strives to achieve a target of "ZERO ACCIDENTS, ZERO HEALTH HAZARDS AND ZERO LIQUID DISCHARGE". The company's Occupational Health Safety and Environment (OHSE) policy covers the manufacturing plants of the company. The scope extends to employees and contractors.

We conduct internal audits and third-party audits with experts at regular intervals, for identification and elimination of unsafe acts and unsafe working conditions. As part of the initiative of implementing good safety practices, at the beginning of the shift, operators conduct a self check of safety devices located on their machines.

We regularly conduct safety awareness programs on the shop floor through safety PEP talks, KY training , fire & life support training including training through visual control displays. We follow a stringent practice of work permits system to ensure safe working methods are in place.

We have conducted mass safety awareness programs during National Safety Day celebrations, Road Safety Week celebrations, for employees and their family members. We conduct periodical medical examinations and also health related awareness programmes for all employees.

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

Particulars	FY 22-23			FY 21-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL					
Health & Safety						

14. Assessments for the year:

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

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

We have a defined audit system to carry out internal & external audits of environmental, occupational health & safety parameters. Corrective actions for all categories of incidents/significant risks are identified and suitable actions are taken.

We have developed a pool of internal auditors trained in the different ISO standards to review compliances periodically. Internal audits are conducted twice a year and external audits are conducted by a third party. Opportunities for improvement and non compliances raised in the internal/external audits are addressed. These are reviewed in monthly review meetings.

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

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

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

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

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

PRINCIPLE 5: Businesses should respect and promote human rights

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 22-23			FY 21-22		
	Total(A)	No. of employees / workers covered (B)	%(B/A)	Total.(C)	No. of employees / workers covered (D)	%(D/C)
Employees						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-

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

Category	FY 22-23					FY 21-22				
	Total(A)	Equal to Minimum Wage		More than Minimum Wage		Total(D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	% (F/D)
Employees										
Permanent										
Male	2,660	-	-	2,660	100%	2,736	-	-	2,736	100%
Female	21	-	-	21	100%	21	-	-	21	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	1,979	-	-	2,660	100%	2,028	-	-	2,028	100%
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	7	15,00,000	1	10,00,000
Key Managerial Personnel	2	76,27,448	1	5,58,14,591
Employees other than BoD & KMP	2658	6,39,372	20	9,20,330
Workers	1979	5,65,896	NA	NA

* Excludes Managing Director

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

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

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

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

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

Particulars	FY 22-23			FY 21-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL					
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

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

We have POSH Policy and committee is in place to address any issues that may arise.

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

Yes

9. Assessments for the year:

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

Note: All the above requirement assessed by labour department and internal audit system.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

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

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

Parameter	FY 22-23	FY 21-22
Total electricity consumption (A)	1,43,366	1,55,102
Total fuel consumption (B)	11,52,907	11,62,732
Energy consumption through other sources ('C)	1,86,546	1,67,922
Total energy consumption (A+B+C)	14,82,819	14,85,756
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.000052	0.000060
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

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

No

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

No

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

Parameter	FY 22-23	FY 21-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	3,01,595	3,07,990
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,01,595	3,07,990
Total volume of water consumption (in kilolitres)	3,01,595	3,07,990
Water intensity per rupee of turnover (Water consumed / turnover)	0.000011	0.000013
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

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

No

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

Yes. The entity has implemented a mechanism for zero liquid discharge. We have achieving zero liquid discharge (ZLD) which is sustained through our waste water treatment plants. The company's Madurai factory is equipped with 2 Multiple Effect Evaporators (MEE) for waste water treatment.

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

Madurai Plant

Parameter	Please specify unit	FY 22-23	FY 21-22
Nox	μg/M³	Max up to 28.6	Max up to 25
Sox	μg/M³	Max up to 26	Max up to 21.6
Particulate matter (PM)	μg/M³	Max up to 90	Max up to 70
Persistent organic pollutants (POP)		Not Applicable	Not Applicable
Volatile organic compounds (VOC)	mg/m3	Max up to 0.6	Max up to 0.5
Hazardous air pollutants (HAP)		Not Applicable	Not Applicable

Uttarakhand Plant

Parameter	Please specify unit	FY 22-23	FY 21-22
Nox	μg/M³	Max up to 39.8	Max up to 35.9
Sox	μg/M³	Max up to 16.4	Max up to 11.3
Particulate matter (PM)	μg/M³	Max up to 82.5	Max up to 82.6
Persistent organic pollutants (POP)		Not Applicable	Not Applicable
Volatile organic compounds (VOC)	mg/m3	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)		Not Applicable	Not Applicable

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

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

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

Parameter	Unit	FY 22-23	FY 21-22
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	1,20,000	1,20,000
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	32,259.93	34,044.55
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.0000053	0.0000063
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.

Yes. Scope 1 emissions are assesed by an external agency. As per their report, emissions are within the above mentioned limits Madurai Plant - Excellence Laboratory

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

Yes, the entity has the following projects related to reducing green house gas emission: 1. Factories are equipped with Electro Static Precipitators (ESP) in boilers, to reduce particulate matter in stacks. 2. The company has been driving to increase the share of green power in its total mix. Power from renewable energy increased from 66% to 71% of total consumption. 3. Installed 5 MW roof top solar plants in the Madurai factory premise. This facility generates around 25,000 units of electricity per day.

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

Parameter	FY 22-23	FY 21-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	109.78	61.40
E-waste (B)	0.92	0.75
Bio-medical waste (C)	-	-
Construction and waste demolition (D)	-	-
Battery waste (E)	10.83	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any (G)	593.56	956.26
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e. by materials relevant to the sector)	6,124.00	5,915.00
Total (A+B + C + D + E + F + G + H)	6,839.10	6,933.41
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	72.47	84.18
(ii) Re-used	421.35	770.11
(iii) Other recovery operations	-	-
Total	493.82	854.29
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	99.74	101.97
(ii) Landfilling	-	-
(iii) Other disposal operations	6,245.54	5,977.15
Total	**6,345.28**	**6,079.12**

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

No

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

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

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

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

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

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

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

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

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

Essential indicators

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

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

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

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

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

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

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

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

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

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

CSR projects promote and strengthen community level children forums (village related needs and issues), government's grievance redressal committee (for child related needs and issues), community based organisations (for elder related needs and issues) and the local level institutions that bring to the fore, needs and grievances and also adequately build their capacities to resolve (or) redress the same. Periodic generation of MIS reports duly support in assessing field level challenges and shortfalls and help in timely resolution. Project cases documented at the community level provide insights on the concern areas that are addressed during the subsequent cycles of the project. Periodic interaction with project stakeholders (Communities, Government Partners, Implementing agencies, Resource institutions) on the emerging needs, existing grievances and anticipated challenges help in timely redressal of grievances and aid in averting any possible situations which may lead to grievances.

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

Particulars	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	1.72%	0.28%
Sourced directly from within the district and neighbouring districts	15.62%	20.48%

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.

The company has in place processes and a dedicated team for customers to reach out. There are multiple touch points though whom a quick solutions are provided.

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

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

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

Particulars	FY 22-23		Remarks	FY 21-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	NIL					
Advertising						
Cyber-Security						
Delivery of essential Services						
Restrictive trade practices						
Unfair trade practices						
Other						

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

Particulars	Number	Reasons for recall
Voluntary Recalls	NIL	
Forced recalls		

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

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

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

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

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of TVS Srichakra Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of TVS Srichakra Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

Key Audit Matter	Description	Our Response
Revenue Recognition	The Company recognizes revenue of sale of products on the following basis: **i. OE Manufacturers:** Revenue is recognized only on delivery being made at the OE factory site. Price variance for the change in input costs is adjusted through debit / credit notes on the same after being approved by the concerned OE.	Our audit procedures included verification of existence, completeness, accuracy and cut-off for the sales transactions. ● Our tests included performance of an understanding and evaluation of the internal controls over the revenue recognition and a validation of relevant controls.

Key Audit Matter	Description	Our Response
	ii. After Market: Sales to dealers in the after-market segment is accounted on dispatch being effected from the depots. Credit notes for schemes and discounts are estimated and accounted in the period when the sales revenue is recorded itself as a reduction from the revenue recognized. Actual credit notes issued are adjusted against such provisions made on a periodical basis. Considering: ● the magnitude and high volume of sales transactions carried out, and ● estimation involved in price variance accounting as well as accruals for discounts and schemes. Revenue recognition represented a key audit matter in the audit	● The tests further covered the proper recognition of revenue through testing of samples of sales transactions, obtaining appropriate supporting evidence with specific attention to key contractual terms that regulate the various performance obligations. ● Our audit procedures included analytical review of sales transactions and accounting of revenue. ● Our audit procedures included the accounting for discounts, rebates and schemes in accordance with the underlying policies and schemes. ● It also extended to performing confirmation procedures over trade receivables with the objective of validating trade receivable balances, testing samples of credit notes and year-end accruals. ● Evaluating the disclosures made with requirements under the Accounting Standards and the Companies Act, 2013

Information Other than the Standalone financial statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis Report (MDA), Report on Corporate Governance, Financial Highlights and Business Responsibility and Sustainability Report (BRSR) but does not include the standalone financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated. When we read the aforesaid reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of the Management and Those Charged with Governance for Standalone financial statements

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

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements – Refer Note 41 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the standalone financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 53 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in Note 53 to the Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement;

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

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

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

T V Balasubramanian
Partner
M. No: 027251
UDIN: 23027251BGWNRE3592
Place: Madurai
Date: 23rd May 2023

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of TVS Srichakra Limited ("the Company") on the standalone financial statements as of and for the year ended 31 March 2023.

(i)

(a) In respect of the Company's fixed assets (Property, plant and equipment) and intangible assets:

(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties disclosed in the financial statements are held in the name of the Company as at Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as right of use assets in the standalone financial statements, the lease agreements are in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets and intangible assets) during the year and hence this clause is not applicable to the Company.

(e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.

(ii)

a) The inventory, except goods in transit and stocks with third parties, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods in transit / stock lying with third parties at the year-end, written confirmations have been obtained or subsequent goods receipts / utilisation have been verified. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not 10% or more in the aggregate for each class of inventory.

b) Based on our audit procedures & according to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

(iii) Based on our audit procedures & according to the information and explanation given to us, the Company has not, during the year, made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. In respect of advances in the nature of loans outstanding at the beginning of the year and continuing during the year, we report that

a. The Company has an outstanding loan of Rs.28.85 crores (include 17.50 crores made during the current year) made to two suppliers (who are non-related parties).

b. Based on our audit procedures & according to the information and explanation given to us, the investments made, and loans given are not prejudicial to the Company's interests.

c. For the loan referred to in (a) above the interest has been received regularly, where stipulated, while interest is not stipulated for part of the amount and period of repayment has not been mutually agreed.

d. In respect of the aforesaid loan, considering that there is no mutually agreed period of repayment, there are no overdue.

e. There have been no extension, renewal or fresh loan given to close existing loan during the current year by the Company.

f. The Company has given a sum of Rs. 28.85 crores (include 17.50 crores made during the current year), cumulatively, for which terms or period of repayment have not been mutually agreed, as yet.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of Section 185 and 186 of the Act with respect of making loans and investments. The Company has not, provided guarantees, and securities, as applicable.

(v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company as specified under sub section (1) of section 148 of the Act, for maintenance of cost records in respect of the products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not, made a detailed examination of cost records with a view to determine whether they are accurate or complete.

(vii)

(a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, custom duty, Goods and Services Tax (GST), cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, custom duty, Goods and Services Tax (GST), cess and any other statutory dues were in arrears, as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2023, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of dues	Period to which amounts relates	Forum where dispute is pending	Amount demanded (Rs. in Crores)	Amount paid under protest (Rs. in Crores)
Central Excise Tax/Customs Act	Excise Duty	Various periods	Dy. Commissioner	0.04	-
		Various periods	Jt. Commissioner	0.20	-
		Various periods	Commissioner of Central GST & Excise (Appeals), Madurai	18.23	0.24
		2017	Madurai bench of Madras High Court	0.52	-
	Custom Duty	2012-13	Customs, Excise & Service Tax Appellate Tribunal	3.79	-
		2013-14	Addl Director General (Adjn)	1.70	0.07
Goods and Service Tax Act	GST	2017-18	Additional Commissioner, CGST	1.64	-
		Various periods	First Appellate Authority	0.16	0.15
		2018-19	Jt. Commissioner (Appeals)	0.02	0.01
		2019-20	Asst State Tax officer	0.06	-
		2020-21	State Tax Officer	0.04	0.04
Central Sales Tax Act; Tamil Nadu Value Added Tax Act	Sales Tax, VAT, CST	Various periods	Asst. Commissioner	12.18	1.16
		Various periods	Dy.Commissioner (Appeals)	0.08	0.04
		Various periods	Jt. Commissioner (Appeals)	0.14	0.01
		2006-07	Commissioner, Commercial tax	0.01	0.01
		2010-11	Assessing Officer	0.01	0.01
		2012-13	CTO	0.00*	-
		2014-15	Commercial Tax Inspector	0.00**	-
		2015-16	Jt. Commissioner	0.08	0.08
		Various periods	The Appellate Dy Commissioner (CT)	1.63	0.73
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	2012-14	Regional PF office, Madurai	1.46	-
		2015-17	Regional PF office, Madurai	5.97	-
The Electricity Act, 2003	Cross Subsidy Surcharge	2019-20	Madras High Court	0.74	-

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

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix)

(a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted on repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, the Company has applied the term loans for the purpose for which it was availed.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has not used any short-term funds raised for long term purposes during the year.

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiary companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x)

(a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi Company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by the Indian accounting standard.

(xiv)

(a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditors for the period under audit

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

(xvi)

(a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

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

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, there are no Core Investment Companies (CICs) in the Group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the Company's board report is expected to the made available to us after the date of this auditors' report.

(xx)

(a) Based on our audit procedures and according to the information and explanations given to us, in respect of other than ongoing projects, the Company having spent the required amount, there is no amount pending to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to transfer unspent amount under sub-section (5) of section 135 of the Companies Act, pursuant to ongoing project to special account in compliance with provision of sub-section (6) of section 135. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

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

T V Balasubramanian
Partner
M. No: 027251
UDIN: 23027251BGWNRE3592
Place: Madurai
Date: 23rd May 2023

Annexure B

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

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

We have audited the internal financial controls with reference to standalone financial statements of TVS Srichakra Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

T V Balasubramanian
Partner
M. No: 027251
UDIN: 23027251BGWNRE3592
Place: Madurai
Date: 23rd May 2023

STANDALONE BALANCE SHEET

Standalone Balance Sheet as at 31.03.2023
(All amounts are stated in Crores of Rupees unless otherwise stated)

	Particulars	Note	As at 31.03.2023	As at 31.03.2022
I.	ASSETS			
	Non-current assets			
1.	(a) Property, Plant and Equipment	**3**	843.32	644.61
	(b) Capital work-in-progress	**3**	108.87	207.92
	(c) Intangible assets	**4**	20.59	16.92
	(d) Intangible assets under development	**4**	31.25	16.25
	(e) Right of Use Asset	**5**	2.41	8.27
	(f) **Financial Assets**			
	(i) Investments in subsidiary & associates	**6**	65.40	65.40
	(ii) Other investments	**6**	254.64	254.47
	(iii) Others Non-current Financial Assets	**7**	43.85	22.25
	(g) Income tax assets (net)	**32(b)**	22.21	15.01
	(h) Other non-current assets	**8**	12.88	6.88
2.	**Current assets**			
	(a) Inventories	**9**	755.86	800.38
	(b) Financial Assets			
	(i) Trade receivables	**10**	193.38	225.04
	(ii) Cash and cash equivalents	**11(a)**	7.54	4.89
	(iii) Bank balances other than (ii) above	**11(b)**	3.01	4.18
	(iv) Others	**12**	15.48	23.14
	(c) Other Current Assets	**13**	28.45	33.93
	TOTAL ASSETS		**2,409.14**	**2,349.54**
II.	**EQUITY AND LIABILITIES**			
1.	**Equity**			
	(a) Equity Share capital	**14**	7.66	7.66
	(b) Other Equity	**15**	1,032.70	977.14
	Liabilities			
2.	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**16(a)**	318.31	362.42
	(ii) Other financial liabilities	**17**	12.90	87.04
	(b) Provisions	**18(a)**	12.28	12.51
	(c) Deferred tax liabilities (Net)	**19**	71.07	66.54
	(d) Other Non-current liabilities	**20**	0.20	3.68
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	**21**	318.64	236.00
	(ii) Trade payables			
	a) total outstanding dues of Micro and Small Enterprises (Refer Note 42)	**22**	2.11	5.36
	b) total outstanding dues of creditors other than Micro and Small Enterprises		393.11	403.87
	(iii) Other financial liabilities	**23**	206.50	152.06
	(b) Other current liabilities	**24**	22.29	22.00
	(c) Provisions	**18(b)**	11.37	13.26
	TOTAL EQUITY AND LIABILITIES		**2,409.14**	**2,349.54**
	Significant Accounting Policies & Notes to Financial Statement	**1-54**		

Shobhana Ramachandhran
Managing Director
DIN: 00273837

R Naresh
Executive Vice Chairman
DIN: 00273609

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

B Rajagopalan
Chief Financial Officer

Place: Madurai
Date: 23rd May 2023

Chinmoy Patnaik
Secretary
Membership No: A14724

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRE3592

Standalone Statement of Profit and Loss for the year ended 31.03.2023

(All amounts are stated in Crores of Rupees unless otherwise stated)

	Particulars	Note	Year ended 31.03.2023	Year ended 31.03.2022
I.	Revenue from operations	25	2,865.39	2,462.06
II.	Other income	26	7.87	5.92
III.	**Total Income (I + II)**		**2,873.26**	**2,467.98**
IV.	**Expenses:**			
	Cost of materials consumed	27	1,722.39	1,569.62
	Purchase of Stock-in-trade		1.14	1.76
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	28	(22.60)	(118.91)
	Employee benefits expense	29	301.34	285.89
	Finance costs	30	38.40	30.75
	Depreciation and Amortisation	45	88.44	77.07
	Other expenses	31	647.37	562.09
	Total expenses		**2,776.48**	**2,408.27**
V.	Profit before exceptional items and tax (III-IV)		96.78	59.71
VI.	Exceptional items	46	5.49	2.77
VII.	Profit before tax (V - VI)		91.29	56.94
VIII.	Tax Expense:			
	(1) Current Tax		18.17	14.79
	(2) Current Tax (Previous Year)	32	(3.09)	-
	(3) Deferred Tax		6.09	0.58
IX.	Profit for the year (VII-VIII)		70.12	41.57
X.	Other Comprehensive Income			
	A. Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurement of the post-employment benefit obligations		1.82	(4.33)
	(ii) Fair value gains on equity instruments		0.17	152.88
	(iii) Income tax relating to items that will not be reclassified subsequently to profit or loss		0.15	(32.97)
	B. Items that will be reclassified subsequently to profit or loss			
	(i) Deferred gains / (losses) on cash flow hedges		(5.63)	13.39
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		1.42	(3.37)
XI.	Total Comprehensive Income for the year (IX+X)(Comprising Profit and Other Comprehensive Income for the year)		**68.05**	**167.17**
XII.	Earnings per equity share			
	- Basic & Diluted (FV - ₹10 per share)	33	91.58	54.29

Significant Accounting Policies & Notes to Financial Statement **1-54**

Shobhana Ramachandhran
Managing Director
DIN: 00273837

R Naresh
Executive Vice Chairman
DIN: 00273609

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

B Rajagopalan
Chief Financial Officer

Place: Madurai
Date: 23rd May 2023

Chinmoy Patnaik
Secretary
Membership No: A14724

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRE3592

Standalone Statement of Cash Flows for the year ended March 31, 2023
(All amounts are stated in Crores of Rupees unless otherwise stated)

	Particulars	Year ended 31.03.2023		Year ended 31.03.2022	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before tax		91.29		56.94
	Adjustments for :				
	Depreciation	88.44		77.07	
	Interest expense	38.40		30.75	
	Interest received	(3.95)		(3.35)	
	Provisions no longer required	-		(0.82)	
	Loss/(Gain) due to Exchange rate Fluctuations	1.46		(1.73)	
	Advances Written off / provided	2.68		-	
	Profit from Sale of Assets	(0.05)		(0.02)	
	Ind AS Adjustment - Leases	-		-	
	Bad Debts written off / provided	0.70		1.36	
	Assets Condemned	0.01			
			127.69		103.26
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**218.98**		**160.20**
	Adjustments for :				
	Trade Receivables	30.96		6.86	
	Other Receivables	(16.42)		54.79	
	Inventories	44.52		(384.28)	
	Trade and other payables	(39.02)		147.76	
			20.04		(174.87)
	OPERATING PROFIT AFTER WORKING CAPITAL CHANGES		**239.02**		**(14.67)**
	Cash Generated From Operations		239.02		(14.67)
	Direct taxes paid		(22.27)		(25.69)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**216.75**		**(40.36)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Property, Plant & Equipment	(206.92)		(304.53)	
	Proceeds from disposal of assets	0.05		0.02	
	Investments Purchased	-		(4.10)	
	Interest received	3.95		3.35	
	Movement in Bank deposits with original maturity of more than 12 months	1.17		0.13	
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**(201.75)**		**(305.13)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Interest paid	(38.40)		(29.65)	
	Proceeds of term loans	-		313.54	
	Repayment of term loans	(53.49)		(47.73)	
	Proceeds/(Repayment) of long term borrowings	(50.00)		50.00	
	Movement in working capital loans	142.02		84.22	
	Dividend	(12.48)		(22.97)	
	NET CASH FLOW FROM FINANCING ACTIVITIES: (C)		**(12.35)**		**347.41**
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**2.65**		**1.92**
	OPENING CASH AND CASH EQUIVALENTS		**4.89**		**2.97**
	CLOSING CASH AND CASH EQUIVALENTS (Refer Note 11(a))		**7.54**		**4.89**

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'

Refer Note 16(b) for Net debt reconciliation

Significant Accounting Policies & Notes to Financial Statement **1-54**

Shobhana Ramachandhran
Managing Director
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UDIN: 23027251BGWNRE3592

Place: Madurai
Date: 23rd May 2023

Standalone Statement of Changes in Equity as at March 31, 2023

(All amounts are stated in Crores of Rupees unless otherwise stated)

(a) Equity share capital

Particulars	Amount
Balance as at March 31, 2021	**7.66**
Changes in equity share capital due to prior period Errors	-
Restated Balance as at March, 31,2021	**7.66**
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**7.66**
Changes in equity share capital due to prior period Errors	-
Restated Balance as at March, 31,2022	**7.66**
Changes in equity share capital during the year	-
Balance as at March 31, 2023	**7.66**

(b) Other Equity

Particulars	Reserves and Surplus					Cash Flow hedge through OCI	Equity Instrument through OCI	Total Equity
	Capital Reserve	Securities Premium Account	General Reserve	Amalgamation Reserve	Retained Earnings			
Balance as at March 31, 2021	0.01	0.93	31.01	0.46	763.48	-	37.05	832.94
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2021	0.01	0.93	31.01	0.46	763.48	-	37.05	832.94
Other Comprehensive income for the year	-	-	-	-	(3.24)	10.02	118.82	125.60
Dividends including Dividend Distribution Tax	-	-	-	-	(22.97)	-	-	(22.97)
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	41.57	-	-	41.57
Balance as at March 31, 2022	0.01	0.93	31.01	0.46	778.84	10.02	155.87	977.14
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2022	0.01	0.93	31.01	0.46	778.84	10.02	155.87	977.14
Other Comprehensive income for the year	-	-	-	-	1.35	(4.21)	0.78	(2.08)
Dividends including Dividend Distribution Tax	-	-	-	-	(12.48)	-	-	(12.48)
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	70.12	-	-	70.12
Balance as at March 31, 2023	0.01	0.93	31.01	0.46	837.83	5.81	156.65	1,032.70
Significant Accounting Policies & Notes to Financial Statement			1-54					

Shobhana Ramachandhran
Managing Director
DIN: 00273837

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Executive Vice Chairman
DIN: 00273609

B Rajagopalan
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Firm Registration No:003990S/S200018

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRE3592

1. Corporate Information

TVS Srichakra Limited ('TSL' or 'the Company') is a public limited Company domiciled and incorporated in India having its registered office at TVS Building, 7-B West Veli Street, Madurai 625001. The Company is engaged in the business of two-wheeler, three-wheeler and other industrial tyre manufacturing.

The Company's shares are listed and traded on Bombay Stock Exchange and National Stock Exchange in India.

The standalone financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorized for issue on 23rd May, 2023.

2. Significant Accounting Policies

a) Basis of preparation

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

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

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

b) Statement of Compliance with Ind AS

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow together with notes for the year ended March 31, 2023, have been prepared in accordance with Ind AS as notified above.

c) Changes in Accounting Standards

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

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 16 - Proceeds before intended use

The amendment clarifies that an entity shall deduct from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to de-recognise a financial liability.

Ind AS 116 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

None of these amendments had any significant effect on the Company's financial statements.

d) Changes in Accounting Standards that may affect the Company after 31st March 2023

1. New Accounting Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended certain existing Ind ASs on miscellaneous issues through the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

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

ii. Ind AS 1 - Presentation of Financial Statements & Ind AS 34 - Interim Financial Reporting - Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

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

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

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

The Company is in the process of evaluating the impact of the above amendments which is not expected to have any material impact on the financial statements of the Company. It may be noted that we expect there would be a change in Accounting policies section of the financial statements as the standard would require presentation of 'material accounting policies' as against 'significant accounting policies' disclosed so far.

e) Functional and Presentation Currency

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

The Financial Statements are presented in Indian Rupees which is Company's presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest

Crore (Cr) with two decimals except where otherwise indicated.

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

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

Critical Judgments in applying accounting policies

i. Classification of investment in TVS Automobile Solutions Private Limited

The Company holds investments in equity shares of TVS Automobile Solutions Private Limited ("TVS ASPL"). In the opinion of the management, TVS ASPL is not considered to be an associate of the Company. Accordingly, the investment in their shares have been designated as investment at FVTOCI.

ii. Lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company’s operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Assumptions and Key Sources of Estimation Uncertainty

i. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 2(v).

ii. Provisions for liabilities and charges

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

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

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

iv. Employee Benefits - Defined Benefit Obligations (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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

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

The economy has been impacted during the previous year on account of COVID-19.

The Company experienced a significant business resurgence this year compared to the COVID-19-impacted period last year. In order to determine any potential effects on the Company, the Company will continue to closely monitor any significant changes to future economic conditions as a result of COVID-19.

g) Financial Instruments

i. Financial Assets - Investment in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

ii. Financial Assets - Other than investment in subsidiaries, associates and joint ventures

Financial assets comprise investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognized initially at Fair value plus transaction costs that are attributable to the Acquisition of the financial asset (In case of financial assets recorded at FVTPL, transaction costs are recognized immediately in statement of profit and loss). Purchase or sales of financial assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

i. Financial assets measured at amortized cost:

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

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

a) Trade receivable

b) Other financial assets

ii. Financial asset at FVTOCI

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and the contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognized in other comprehensive income

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

iii. Financial asset at FVTPL

All fair value changes are recognized in the Statement of Profit and loss.

De-recognition of financial asset

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

Impairment of financial asset

Trade receivables, investments in debt instruments that are carried at amortized cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses for their respective financial asset.

a) Trade receivable

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

b) Other financial assets

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

iii. Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

The financial liabilities are classified for subsequent measurement into following categories

- at amortized cost

- at fair value through the statement of profit and loss

Financial liabilities at amortized cost

The Company is classifying the following under amortized cost;

a) Borrowings from banks

b) Borrowings from others

c) Lease liabilities

d) Trade payables

e) Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Financial liability at Fair Value through statement of profit and loss

Financial liabilities held for trading are measured at FVTPL.

De-recognition of financial liabilities

A financial liability is de-recognized when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

iv. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / other expenses. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet Date.

v. Cash flow hedges

The Company designates certain foreign exchange forward contracts / other derivative instruments as cash flow hedges to mitigate the risks of foreign exchanges exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

vi. Offsetting of financial assets and liabilities

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

vii. Reclassification of financial assets

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

h) Share capital and Dividend to Shareholders

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

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

i) Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation (except in case of freehold land which is not depreciated) and where applicable, accumulated impairment losses. Cost includes expenditure that is directly attributable to acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

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

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

Subsequent costs

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

Depreciation

Depreciation is recognized in the Statement of profit and loss under straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased asset are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Assets costing Rs.5000 or below acquired during the year considered not material are depreciated in full retaining Rs.1 per asset. The Useful life has been considered in line with schedule II except where based on technical estimates.

Particulars	Useful life
Tangible (Owned Assets):	
Building - Temporary structures	3-5 years
- Factory	10 years
- Other than factory buildings	30-60 years
Plant and Machinery other than generator sets	10-20 years
Electronics	6 years
Moulds / trolleys / weighing balance / drums / PCI stand / Storage stand / motor / pump	6 years
Furniture and Fixtures	10 years
Office Equipment	2-5 years
Vehicles	8-10 years

Estimated useful life in years.

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

j) Intangible assets

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

Research costs are expensed as incurred. Development expenditures on an individual project / New Product Development are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequent expenditure

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

Amortization of intangible asset with finite useful lives

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

Estimated useful life:

a) Software License is amortised over 5 years

b) New Product Development is amortised over 6 years

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

k) Impairment of Non-financial assets

The carrying amount of the Company's non-financial asset, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing the value in use and its fair value less cost to sell, 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 risk specific to asset. For impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows into continuing use that are largely independent of cash inflows of other assets or group of assets (the cash generating unit).

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of cash generating unit are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or group of units on a pro data basis.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

l) Leases

At the inception of a contract, the Company assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement date, discounted using the Company's incremental borrowing rate.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

m) Inventories

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

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

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

n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements. Provisions and contingent liability are reviewed at each balance sheet date. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

o) Revenue recognition

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

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

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

Subsidies on export and other incentives

Government Subsidies and incentives, in the nature of Business Support Subsidy and RODTEP (Remission of Duties or Taxes on Export Products) are recognized when there is a reasonable assurance that the condition attaching to the incentive would be complied with and incentives will be recognized. Government grant received relating to assets are treated as Deferred Revenue and are recognized over the period in which the economic benefit is expected from such assets.

p) Employee benefits

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

i. Defined contribution plan (including Provident fund)

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

ii. Defined benefit plan (gratuity)

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

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

iii. Short term benefits

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

iv. Compensated absences

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

q) Finance Income and expense

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

Finance expense comprises interest expense on loans and borrowings, bank charges, unwinding of discount on provision, fair value losses on financial asset through FVTPL that are recognized in the statement of profit and loss.

r) Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

s) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date.

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

(i) The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss

(ii) Differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

Deferred taxation arising on investments in subsidiaries and associates is recognized except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation on temporary differences arising out of undistributed earnings of the equity-method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the Company's share of the income and expenses of the equity-method accounted investee is recorded in the statement of profit and loss after considering any taxes on dividend payable by equity-method accounted investee or deferred tax is set up in the books if the tax liability is with the Company.

t) Foreign Currency Transactions and balances

Transactions in foreign currencies are initially recognized in the financial statements using exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in statement of profit and loss for determination of net profit or loss during the period.

u) Earnings per share

Basic Earnings Per Share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company after adjusting impact of dilution shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

v) Fair value measurements

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

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

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

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

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

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

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

Level 3 - Unobservable outputs for the assets and liabilities

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

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

Fair values have been determined for measurement and/or disclosures purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting period. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(ii) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date except trade receivables which do not contain a significant financing component (determined in accordance with Ind AS 115 Revenue from Contracts with Customers) are measured at undiscounted invoice price (i.e., transaction price) and not at fair value. However, in respect of such financial statements, fair value generally approximates the carrying amount due to the short-term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

(iii) Lease Security Deposits

Any lease deposits paid by the Company to the lessors are discounted to their fair value and thereafter accounted on amortised cost method over the lease period.

(iv) Derivatives

The fair value of forward exchange contracts is based on quoted price. Fair value reflects the credit risk of the instrument and includes adjustments to take account of the credit risk of the Company and the counter party when appropriate.

(v) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flow discounted at the market rate of interest at the reporting date. For leases, the applicable rate of interest is determined by reference to incremental borrowings rate.

w) Current and non-current classification

An asset is classified as current if:

(a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realized within twelve months after the reporting period; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

x) Segment Reporting

Operating segments are identified and reported considering the different risks and returns, the organization structure and the internal reporting system to the chief operating decision maker. The Company's business activity falls within a single reportable business segment, viz, Automotive Tyres, Tubes and Flaps. Geographical segments are considered as India and rest of the world.

y) Warranty

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

3(a) Property, plant and equipment

The following table presents the changes in PPE during the year ended March 31, 2023

Particulars	Gross Block				Depreciation				Net Book Value	
	As at April 1, 2022	Additions during the year	Deletions during the year	As at 31 March, 2023	As at 31 March, 2022	For the year	Disposals	As at 31 March, 2023	As at 31 March, 2023	As at 31 March, 2022
Freehold Land	45.25	2.93	-	48.18	-		-	-	48.18	45.25
Building	258.03	60.52	-	318.55	51.50	13.38	-	64.88	253.67	206.53
Plant and Machinery	596.42	194.28	0.96	789.74	285.99	47.56	0.96	332.59	457.15	310.43
Furniture and Fittings	18.06	2.61	0.07	20.60	7.30	1.79	0.07	9.02	11.58	10.76
Vehicles	2.05	0.13	-	2.18	0.78	0.25	-	1.03	1.15	1.27
Office equipment	25.42	1.26	0.17	26.51	18.07	2.87	0.17	20.77	5.74	7.35
Others (electrical)	184.27	15.44	0.01	199.70	121.25	12.61	0.01	133.85	65.85	63.02
Total	**1,129.50**	**277.17**	**1.21**	**1,405.46**	**484.89**	**78.46**	**1.21**	**562.14**	**843.32**	**644.61**
Capital work in progress	207.92	167.47	266.52	108.87	-	-	-	-	108.87	207.92
Total Gross Block	**1,337.42**	**444.64**	**267.73**	**1,514.33**	**484.89**	**78.46**	**1.21**	**562.14**	**952.18**	**852.53**

The following table presents the changes in PPE during the year ended March 31, 2022

Particulars	Gross Block				Depreciation				Net Book Value	
	As at April 1, 2021	Additions during the year	Deletions during the year	As at 31 March, 2022	As at 31 March, 2021	For the year	Disposals	As at 31 March, 2022	As at 31 March, 2022	As at 31 March, 2021
Freehold Land	42.83	2.42	-	45.25	-	-	-	-	45.25	42.83
Building	241.18	16.85	-	258.03	39.36	12.14	-	51.50	206.53	201.82
Plant and Machinery	524.42	72.00	-	596.42	249.70	36.29	-	285.99	310.43	274.72
Furniture and Fittings	17.75	0.31	-	18.06	5.57	1.73	-	7.30	10.76	12.18
Vehicles	1.59	0.59	0.13	2.05	0.70	0.21	0.13	0.78	1.27	0.89
Office equipment	23.89	1.53	-	25.42	14.83	3.24	-	18.07	7.35	9.06
Others (electrical)	174.91	9.36	-	184.27	106.88	14.37	-	121.25	63.02	68.03
Total	**1,026.57**	**103.06**	**0.13**	**1,129.50**	**417.04**	**67.98**	**0.13**	**484.89**	**644.61**	**609.53**
Capital work in progress	42.44	177.80	12.32	207.92	-	-	-	-	207.92	42.44
Total Gross Block	**1,069.01**	**280.86**	**12.45**	**1,337.42**	**417.04**	**67.98**	**0.13**	**484.89**	**852.53**	**651.97**

1. 'The amount of borrowing cost capitalised during the year ended March 31, 2023 is ₹ 1.04 Crores (March 31, 2022 - ₹ 3.79). The rate used to determine the amount of borrowing cost eligible for capitalisation was 1.44 % (PY- 3.03%), based on the effective interest rate of identified borrowings.
2. For UKD the amount of borrowing cost capitalised during the year ended March 31, 2023 is ₹ 0.98 Crores.The rate used to determine the amount of borrowing cost eligible for capitalisation was 7.67%, based on the effective interest rate of identified borrowings.
3. Refer note 16(a) and 21 for details on pledges and securities of property, plant and equipment provided for borrowings.
4 The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition i.e. 1st April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as Gross Block.

(All amounts are stated in Rupees in Crores unless otherwise stated)

4. Intangible assets

The following table presents the changes in PPE during the year ended March 31, 2023

Particulars	Gross Block				Amortisation				Net Book Value	
	As at April 1, 2022	Additions during the year	Deletions during the year	As at March 31, 2023	As at March 31, 2022	For the year	Disposals	As at March 31, 2023	As at 31 March, 2023	As at 31 March, 2022
Computer software	18.02	0.08	-	18.10	15.66	1.02	-	16.68	1.42	2.36
New Product Development	16.05	7.71	-	23.76	1.49	3.10		4.59	19.17	14.56
Total	**34.07**	**7.79**	-	**41.86**	**17.15**	**4.12**	-	**21.27**	**20.59**	**16.92**
Intangible assets under development	16.25	15.00	-	31.25	-	-	-	-	31.25	16.25
Total	**50.32**	**22.79**	-	**73.11**	**17.15**	**4.12**	-	**21.27**	**51.84**	**33.17**

The following table presents the changes in Intangible Assets during the year ended March 31, 2022

Particulars	Gross Block				Amortisation				Net Book Value	
	As at April 1, 2021	Additions during the year	Deletions during the year	As at 31 March, 2022	As at 31 March, 2021	For the year	Disposals	As at 31 March, 2022	As at 31 March, 2022	As at 31 March, 2021
Computer software	17.06	0.96	-	18.02	14.29	1.37		15.66	2.36	2.77
New Product Development	-	16.05	-	16.05		1.49	-	1.49	14.56	
Total	17.06	17.01	-	34.07	14.29	2.86		17.15	16.92	2.77
Intangible assets under development	20.23	12.07	16.05	16.25	-	-	- -	-	16.25	20.23
Total	37.29	29.08	16.05	50.32	14.29	2.86	-	17.15	33.17	23.00

Note:

1. The Company has availed the deemed cost exemption in relation to the intangible on the date of transition i.e. 1st April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as Gross Block Refer below the Gross Block Value .

(All amounts are stated in Rupees in Crores unless otherwise stated)

Ageing for Capital work in progress (CWIP)

Particulars	As at 31st March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	90.39	7.70	2.40	8.38	108.87
Projects temporarily suspended	-	-	-	-	-
Total	**90.39**	**7.70**	**2.40**	**8.38**	**108.87**

Particulars	As at 31st March 2022				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	183.24	12.67	10.94	1.07	207.92
Projects temporarily suspended	-	-	-	-	-
Total	**183.24**	**12.67**	**10.94**	**1.07**	**207.92**

CWIP completion schedule for which Completion is overdue or has exceeded its cost compared to its original plan:

i) Projects in progress

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 1		1.89			1.89
Manufacturing Enhancement project		16.97			16.97
TSL 2	18.84				18.84
TSL 3	6.29				6.29
TSL 4	8.11				8.11
TSL 5	0.76				0.76
TSL 6	0.37				0.37
Total	**34.38**	**18.85**	-	-	**53.23**

Ageing of Intangible assets under development

Particulars	As at 31st March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	22.71	8.54	-	-	31.25
Projects temporarily suspended	-	-	-	-	-
Total	**22.71**	**8.54**	-	-	**31.25**

Particulars	As at 31st March 2022				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.39	1.86	-	-	16.25
Projects temporarily suspended	-	-	-	-	-
Total	**14.39**	**1.86**	-	-	**16.25**

Completion schedule for Intangibles for which Completion is overdue or has exceeded its cost compared to its original plan:

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 2	30.51	-	-	-	30.51
TSL 3	0.74	-	-	-	0.74
Total	31.25	-	-	-	31.25

(All amounts are stated in Rupees in Crores unless otherwise stated)

5. Right of Use Assets

A. Movement in Right of Use Assets:

Particulars	Plant & Machinery	Land	Total
Gross Block at Cost			
As at 1st April 2022	24.07	2.47	26.54
Additions during the year			-
Deductions for the year			
As at 31st March 2023	**24.07**	**2.47**	**26.54**
Depreciation			
As at 1st April 2022	18.22	0.05	18.27
Charge for the year	5.85	0.01	5.86
Deductions for the year	-	-	
As at 31st March 2023	**24.07**	**0.06**	**24.13**
Net Block			
As at 31st March 2023	0.00	**2.41**	**2.41**
Gross Block at Cost			
As at 1st April 2021	24.07	2.47	26.54
Additions during the year			-
Deductions for the year			
As at 31st March 2022	**24.07**	**2.47**	**26.54**
Depreciation			
As at 1st April 2021	12.02	0.02	12.04
Charge for the year	6.20	0.03	6.23
Deductions for the year	**-**	**-**	**-**
As at 31st March 2022	**18.22**	**0.05**	**18.27**
Net Block			
As at 31st March 2022	**5.85**	**2.42**	**8.27**

B. Movement in Lease Receivable (Net of Liabilities):

Particulars	Amt
As at 1st April 2022	**1.30**
Lease payments during the year	0.25
Rebates received/Adjustments	(1.55)
As at 31st March 2023	**0.00**
- Non Current	-
- Current	0.00
As at 1st April 2021	**1.72**
Lease payments during the year	0.24
Rebates received/Adjustments	(0.66)
As at 31st March 2022	**1.30**
- Non Current	-
- Current	1.30

C. Amounts recognized in statement of profit and loss:

Expense/(Income)	As at 31.03.2023	As at 31.03.2022
Depreciation expense of Right of Use Assets	5.86	6.23
Expense relating to short-term leases	25.90	21.34
Interest income on Net lease receivable	-	(0.47)
Total recognized in Statement of Profit and Loss	31.76	27.10

D. Exposure to future cash flows:

The Company has taken some plant & machinery on lease and following are the undiscounted contractual cash flows of lease liabilities (Net of receivables):

Maturity Analysis	As at 31.03.2023	As at 31.03.2022
Less than 1 year	-	(1.30)
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
More than 5 years	-	-
Total	-	**(1.30)**

6. Investments (Non-current Financial Assets)

Particulars	As at 31.03.2023	As at 31.03.2022
Investment in equity of others - Unquoted		
Subsidiary:		
TVS Srichakra Investments Ltd	65.40	65.40
69,23,736 fully paid up equity shares (PY - 66,38,465 shares) of ₹10 each		
Associate:		
Van leeuwen Tyres and wheels BV	0.09	0.09
15,000 fully paid up equity shares (PY - 15,000 shares) of EURO 1 each		
Less: Provision for diminution in value of investments	(0.09)	(0.09)
Total Investment in Subsidiary and Associate	**65.40**	**65.40**
Others:		
Sai Regency Power Corporation Private Limited	0.22	0.22
2,25,000 fully paid up equity shares (PY - 2,25,000 shares) of ₹10 each		
Myrtah Vayu Manijra private limited	1.61	1.61
16,20,140 fully paid up equity shares (PY - 10,10,840 shares) of ₹10 each		
Coromandel Electricity Company Limited	0.01	0.01
10,000 fully paid up equity shares (PY - 10,000 shares) of ₹10 each		
TVS Automobile Solutions Private Limited	253.02	252.85
9,11,741 fully paid up equity shares (PY - 9,11,741 shares) of ₹10 each		
Total	**254.86**	**254.69**
Less: Provision for diminution in value of investments	(0.22)	(0.22)
Total Other Investments	**254.64**	**254.47**
Total Investments	**320.04**	**319.87**

Aggregate amount of unquoted investment	**320.35**	**320.18**
Aggregate amount of impairment in the value of investment	**(0.31)**	**(0.31)**

7. Other Non-current Financial Assets

Particulars	As at 31.03.2023	As at 31.03.2022
Deposits with banks with maturity period more than 12 months (held as lien by bank against bank guarantee)	0.06	0.06
Advances to employees	3.46	3.16
Security Deposits	40.33	19.03
Total	**43.85**	**22.25**

8. Other non current assets

Particulars	As at 31.03.2023	As at 31.03.2022
Capital advance	12.88	6.88
Total	**12.88**	**6.88**

9. Inventories

Particulars	As at 31.03.2023	As at 31.03.2022
Raw material and components	419.04	491.82
Work in progress	41.26	43.25
Finished goods*	261.65	237.34
Stock in trade	1.34	1.06
Stores and spares	32.57	26.91
Total**	**755.86**	**800.38**

*The Company has written down inventory by Rs.2.25 Crores (PY Nil) which is included as part of cost of materials consumed.
**Includes stock in transit of Rs.42.61 Crores (PY - Rs. 36.7 Crores)
Refer to Note 16 (a) and Note 21 for details of pledge and securities of Inventories provided for borrowings

10. Trade receivables

Particulars	As at 31.03.2023	As at 31.03.2022
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	193.38	225.04
(Refer Note 37 for Related Parties)	-	-
Trade Receivables - credit impaired	0.70	-
	194.08	**225.04**
Less:Allowance for doubtful receivables	0.70	-
Total	**193.38**	**225.04**

(All amounts are stated in Rupees in Crores unless otherwise stated)

Trade Receivables ageing schedule

Particulars	Not Due	As at 31 March 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	162.40	30.98	-	-	-	-	**193.38**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables - credit impaired	-	0.08	0.39	0.08	0.05	0.01	**0.61**
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	0.09	-	-	**0.09**
Total	**162.40**	**31.06**	**0.39**	**0.17**	**0.05**	**0.01**	**194.08**
Less : Allowance for Trade Recivables	-	0.08	0.39	0.17	0.05	0.01	**0.70**
Net Trade Receivable	162.40	30.98	-	-	-	-	**193.38**

Particulars		As at 31 March 2022					
(i) Undisputed Trade receivables - considered good	158.23	66.42	0.22	0.05	0.02	0.01	**224.95**
(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	-	-	0.09	-	-	-	**0.09**
Total	**158.23**	**66.42**	**0.31**	**0.05**	**0.02**	**0.01**	**225.04**
Less : Allowance for Trade Recivable							**-**
Net Trade Receivable							**225.04**

Note: Where no due date of payment is specified, ageing computed based on the date of transaction.

11. Cash and bank balances

Particulars		As at 31.03.2023	As at 31.03.2022
11(a) Cash and Cash Equivalents			
a) Balance with banks			
(i) in Current accounts		7.15	4.70
(ii) Cash on Hand		0.39	0.19
	(a)	**7.54**	**4.89**
11(b) Other bank balances			
(i) Unpaid dividend		3.01	4.18
	(b)	**3.01**	**4.18**

12. Other financial assets

Particulars	As at 31.03.2023	As at 31.03.2022
Accrued Income	2.44	3.08
Considered Good	3.00	3.00
Credit Impaired	(3.00)	(3.00)
Less: Provision for Doubtful Advances	**2.44**	**3.08**
Derivative Asset	6.71	14.24
Prepaid Rent	-	-
Security Deposits	6.33	5.82
Total	**15.48**	**23.14**

13. Other current assets (Unsecured, Considered good)

Particulars	As at 31.03.2023	As at 31.03.2022
(a)Advance other than capital advance:		
Other Advances:		
Advances to suppliers	12.97	10.57
Less : Provison for Doubtful advance	(2.68)	-
	10.29	**10.57**
(b) Others		
Prepaid expenses	17.87	20.90
Lease prepayments	-	1.67
Others	0.29	0.79
	18.16	**23.36**
		-
Total (a) + (b)	**28.45**	**33.93**

(All amounts are stated in Rupees in Crores unless otherwise stated)

14. Equity share capital

Particulars	As at 31.03.2023	As at 31.03.2022
Authorised (1,00,00,000 equity shares at Rs.10 each)	10.00	10.00
Issued, Subscribed and fully paid up (76,57,050 equity shares at Rs.10 each)	7.66	7.66
Total	7.66	7.66

14.1 Reconciliation of number of shares in the beginning and at end of the year

FY 2022-23	Number of shares	Amount
Balance as at the beginning of the year	76,57,050	7.66
Balance as at the end of the year	76,57,050	7.66

FY 2021-22	Number of shares	Amount
Balance as at the beginning of the year	76,57,050	7.66
Balance as at the end of the year	76,57,050	7.66

14.2 Shareholding more than 5 % of the shares of the Company

Name of the Company	As at 31.03.2023	As at 31.03.2022
TVS Mobility Private Limited (CY-38%, PY-38%)	28,73,115	28,73,115

14.3 Disclosure of shareholding of promoters and percentage of change during the year.

Promoter name	As at 31 March 23		
	No. of shares held	% of share Holding	% Change during the year
T.V Sundaram Iyengar & Sons Pvt Ltd *	-	-	-
Sundaram Industry limited *	-	-	-
R Naresh	1,44,656	1.89%	-
TVS Mobility Private Limited *	28,73,115	37.52%	-
Shobhana Ramachandhran	2,96,931	3.88%	0.13%
Nitya Kalyanee Investment Limited	1,21,429	1.59%	-
R Haresh (On Behalf of Sundaram Trust)	62,372	0.81%	0.21%
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

Promoter name	As at 31 March 22		
	No. of shares held	% of share Holding	% Change during the year
T.V Sundaram Iyengar & Sons Pvt Ltd *	-	-	-27.73%
Sundaram Industry limited *	-	-	-9.79%
R Naresh	1,44,656	1.89%	-
TVS Mobility Private Limited *	28,73,115	37.52%	37.52%
Shobhana Ramachandhran	2,87,051	3.75%	-
Nitya Kalyanee Investment Limited	1,21,429	1.59%	-
R Haresh (On Behalf of Sundaram Trust)	46,320	0.60%	-
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

* During the previous year, consequent to a master family arrangement given effect to through the Hon'ble NCLT, shareholding in the Company by T V Sundaram Iyengar & Sons Private Limited and Sundaram Industries Limited are vested in the Name of TVS Mobility Private Limited.

14.4 Rights, preferences and restrictions attached to shares

Equity shares - The Company has one class of equity shares having a par value of Rs. 10/- each. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Each shareholder also has a residual interest in the assets of the Company in proportion to their shareholding.

(All amounts are stated in Rupees in Crores unless otherwise stated)

14.5 The Company does not have any outstanding shares issued under options.

14.6 The Company does not have any bonus share issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date (31st March, 2023).

15. Other equity

Reserves and surplus

Particulars	As at 31.03.2023	As at 31.03.2022
Securities premium	**0.93**	**0.93**
General reserve	**31.01**	**31.01**
Capital reserve	**0.01**	**0.01**
Reserve on amalgamation	**0.46**	**0.46**
Surplus		
Opening balance	778.84	763.48
Profit for the year	70.12	41.57
Dividends paid	-12.48	-22.97
Remeasurement of DBO through Other Comprehensive Income	1.35	-3.24
Closing Balance	**837.83**	**778.84**
Gains on Equity instruments through Other Comprehensive Income		
Opening Balance	155.87	37.05
Fair Valuation of Investments (net of taxes)	0.78	118.82
Closing Balance	**156.65**	**155.87**
Gains on cash flow hedge instrument through Other Comprehensive Income		
Opening Balance	10.02	**-**
The effective portion of gains and loss on hedging instruments in a	-4.21	**10.02**
cash flow hedge (net of taxes)	**5.81**	**10.02**
Closing Balance		
Total	**1032.70**	**977.14**

Nature and purpose of other reserves

Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Capital reserve represents reserve of capital nature taken to this head under the erstwhile GAAP.

Reserve on amalgamation represents reserve created as a result of amalgamation

Surplus / Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Equity Instrument through Other Comprehensive Income represents the fair value gain/loss which is not routed through statement of P&L.

Cash flow hedge instrument through Other Comprehensive Income represents the fair value gain/loss which is routed through statement of P&L.

16 (a) Borrowings - Non current

Term loans

Particulars	As at 31.03.2023	As at 31.03.2022
Secured		
From Banks	**362.68**	**416.17**
Less: Amount Transferred to Current Maturities	-44.37	-53.75
Total	**318.31**	**362.42**

(All amounts are stated in Rupees in Crores unless otherwise stated)

Additional Information:

Details of Security for Secured Loans:

a) Term Loan Availed from HDFC Bank: This is repayable over 5 years including 12 months of moratorium with an interest rate of 9% p.a,cross currency swap and interest rate swap at interest rate of 1.4% p.a. Loan is secured by exclusive charge on plant and machinery.

b) Term Loan availed from HDFC Bank: This is repayable over 5 years with an interest rate of 6.4% p.a., cross currency swap and interest rate swap at interest rate of 1.4% p.a. Loan is secured by exclusive first charge on the Specific Fixed Assets/ Immoveble property.

c) Term Loan Availed from Axis Bank: This is repayable over 8 years including 36 Months of Moratorium with an average interest rate of 7.8% p.a Loan is secured by first charge over specific plant and machinery or unencumbered land and building.

d) Term Loans from Axis/HDFC Banks are covered by Cross Currency Swaps.

e) Term Loan from State Bank of India: This is repayable over 6 years including 12 months of moratorium with an average interest rate of 7.7% p.a. Loan is secured by first charge over plant and machinery located at Vellaripatti Village, Madurai.

f) CCECL Demand Loan from State Bank of India: This is repayable over 1.5 years including a 6 months moratorium with an average interest rate of 7.40 % p.a. Loan is secured by extension of exclusive first charge on Current Assets. This loan has been closed during the current year.

16(b): NET DEBT RECONCILIATION

Changes in Liability arising from Financing activities.

Particulars	As at 31.03.2022	Cash Flows		As at 31.03.2023
		Receipts	Payments	
Current Borrowings	236.00	132.64	50.00	318.64
Non-current Borrowings	362.42		44.11	318.31
Total	**598.42**	**132.64**	**94.11**	**636.95**

Particulars	As at 31.03.2021	Cash Flows		As at 31.03.2022
		Receipts	Payments	
Current Borrowings	95.77	140.23		236.00
Non-current Borrowings	102.63	313.54	53.75	362.42
Total	**198.40**	**453.77**	**53.75**	**598.42**

17. Other Financial Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Security deposit	12.90	87.04
Total	**12.90**	**87.04**

18. Provisions

Particulars	As at 31.03.2023	As at 31.03.2022
18(a) Non Current provisions		
Gratuity	-	0.84
Compensated absences	12.28	11.67
(a)	**12.28**	**12.51**
18(b) Current provisions		
Gratuity	0.79	3.03
Compensated absences	1.05	1.52
Warranty (Refer Note 36)	9.53	8.71
(b)	**11.37**	**13.26**

(All amounts are stated in Rupees in Crores unless otherwise stated)

19. Deferred Tax Liability (Net)

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Tax Liability		
a) On Account of Depreciation on Property, Plant, Equipment	32.22	26.19
b) On account of timing Differences in Recognition of Expenditure	-4.46	(2.36)
c) On Account of Amortisation of Right of Use Assets	0.61	(0.59)
d) On account of Ind AS fair value adjustments	42.70	43.30
Total	**71.07**	**66.54**

20. Other non current liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Government Grant (Capital Subsidy)	0.12	0.15
Deferred Income	0.08	3.53
Total	**0.20**	**3.68**

21. Borrowings (Current)

Particulars	As at 31.03.2023	As at 31.03.2022
Secured		
(a) Loans repayable on demand from Banks	249.12	87.25
Current Maturities of long Term Borrowings	44.37	53.75
Unsecured		
(a) Loans repayable on demand from banks	25.15	45.00
(b) Commercial paper	-	50.00
Total	**318.64**	**236.00**

Additional Information:

a. Details of Security for Secured Loans

Working Capital facilities availed from State Bank of India are secured by a first charge on the entire Current Assets of the Company viz Raw Materials, Semi-finished Goods, Finished Goods, Stores, Spares, Trade Receivables, and Other Current Assets.

b. Details of Unsecured loans

Cash credit facility availed from HDFC bank at interest rate of 7.75% p.a.

Cash credit facility availed from Axis bank at interest rate of 8.85% p.a.

22. Trade payables

Particulars	As at 31.03.2023	As at 31.03.2022
i) total outstanding dues of Micro and Small Enterprises (Refer Note 42)	2.11	5.36
ii) total outstanding dues of creditors other than Micro and Small Enterprises (Refer Note 37 for Related Parties)	393.11	403.87
Total	**395.22**	**409.23**

Trade Payables ageing schedule

Particulars	As at 31 March 2023						
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises*		2.09	0.02	-	-	-	2.11
Others	44.95	276.08	71.88	0.06	0.01	0.13	393.11
Disputed Dues - Micro and Small Enterprises							- -
Disputed Dues - Others							-
Total							**395.22**

Particulars	As at 31 March 2022						
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises*		5.36		-	-	-	5.36
Others	30.78	287.27	85.58	0.03	0.08	0.12	403.87
Disputed Dues - Micro and Small Enterprises							-
Disputed Dues - Others							-
Total							**409.23**

* Total outstanding dues of micro and small enterprises

Note: Where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled pertains to GRIR/SRIR balance

23. Other financial liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Capital creditors*	20.22	21.92
Interest accrued but not due on borrowings	2.11	2.46
Unpaid dividends	3.01	4.18
Deposits Repayable in one year	72.00	-
Other creditors	109.16	123.50
Total	**206.50**	**152.06**

*Includes ₹ 2.72 Crores (PY - 1.48) of dues to Micro and Small Enterprises (Refer Note 42)

24. Other current liabilites

Particulars	As at 31.03.2023	As at 31.03.2022
Advances from customers	6.00	3.99
GST Payable	10.44	12.10
Statutory payables	5.85	5.91
Total	**22.29**	**22.00**

25. Revenue from operations

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Sale of Manufacturing Goods	2,853.66	2,453.00
Other Operating Revenue	11.73	9.06
Total	**2,865.39**	**2,462.06**

25.1. Reconciliation of contracted price and net sales

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Contracted price of sale of Manufactured Goods	3,055.33	2,612.48
Contracted price of sale of Traded Goods	1.17	0.32
Other Sales	3.52	3.78
Less: Discount and Commission	(206.36)	(163.58)
Total	**2,853.66**	**2,453.00**

25.2. Contract Asset and Liabilities

The Company has recognized the Following revenue related contrac assets and liabilities

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Contract Assets	**-**	-
Contract Liabilities	**6.00**	**3.99**

25.2.Revenue disaggregation basis geography has been included in segment reporting Refer Note 35.

26. Other income

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Interest income on lease (net)	0.51	0.47
Interest - Others	3.44	2.88
Exchange Rate Fluctuation gain (Net)	-	1.73
Interest income from Bank Deposits	0.00	-
(a)	**3.95**	**5.08**
Profit on sale of Assets	0.05	0.02
Provision no longer required	-	0.82
Miscellanous Income	3.87	-
(b)	**3.92**	**0.84**
Total (a) + (b)	**7.87**	**5.92**

(All amounts are stated in Rupees in Crores unless otherwise stated)

27. Cost of materials consumed

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Opening Stock	491.82	234.87
Add : Purchase	1,649.61	1,826.57
Total	**2,141.43**	**2,061.44**
Less Closing Stock	419.04	491.82
Cost of Materials consumed	**1,722.39**	**1,569.62**

28. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Opening Stock of Finished goods &Traded goods	238.40	131.49
Opening Stock of Work in progress	43.25	31.25
Closing Stock of Finished goods & Traded Goods	262.99	238.40
Closing Stock of Work in progress	41.26	43.25
(Increase) / Decrease in Finished goods & Traded Goods	(24.59)	(106.91)
(Increase) / Decrease in Work in progress	1.99	(12.00)
Total (Increase) / Decrease in Stock	**(22.60)**	**(118.91)**

29. Employee benefit expenses

(a) Salaries and wages	255.83	248.79
(b) Contributions to -		
(i) Superannuation Fund	0.84	0.91
(ii) Gratuity fund contributions *	2.61	2.42
(iii) Provident Fund and other funds	13.89	13.74
(c) Remuneration to Whole time directors	10.66	6.72
(d) Staff welfare expenses	17.51	13.31
Total	301.34	285.89

* Excludes Actuarial Gain/Loss on account of Gratuity.

30. Finance costs

Interest expense	38.40	30.38
Other borrowing cost (inlcuding letter of credit and bill discounting charges)	-	0.37
Total	**38.40**	**30.75**

31. Other expenses

Processing Charges/Outsourcing Charges	89.83	89.03
Consumption of Stores & Spares	69.99	58.63
Power & Fuel	129.01	112.17
Repairs to building	2.53	3.29
Repairs to machinery	26.27	20.63
Repairs Others	0.26	0.26
Insurance	10.24	7.63
Rates & taxes	5.73	4.99
Telephone & Internet Charges	0.95	0.99
Travelling Expense	12.23	5.84
Exchange Rate Fluctuation Loss (Net)	1.46	-
Bank charges	4.68	2.65
Advertisement and sales Promotion	93.19	76.25
CSR Activities (Refer Note 43)	1.18	2.77
Freight Out	109.59	109.90
Provision for Doubtful Advances	2.68	-
Provision for Bad Debts	0.70	-
Bad debts	-	1.36
Assets condemned	0.01	-
Commission to non Whole time directors	0.90	0.68
Director's sitting fees	0.15	0.14
Variable/ short term Lease rentals	25.90	21.34
Audit Fees - (Refer Note 44)		
a) Audit fees	0.28	0.28
b)Others	0.02	0.04
Donation	0.06	0.06
Consultancy	22.95	12.61
Warranty Claims - (Refer Note 36)	9.84	6.60
C and F Commission	17.55	14.70
Other expenses	9.19	9.25
Total	647.37	562.09

(All amounts are stated in Rupees in Crores unless otherwise stated)

32. Income Taxes

(a) Reconciliation of effective tax rates

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarised below:

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit before taxes	91.29	56.94
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	22.98	14.33
Items leading to difference in Effective Rate compared to Statutory Rate:		
Other Impacts due to permanent allowances/disallowances as per IT Act	1.15	0.70
Effect of tax rate change	-	-
Effect of other carried forward temporary differences		0.24
Others	0.14	0.10
Tax Reversal of earlier years	3.09	-
Tax Expense as per P&L	**21.17**	**15.37**

Tax Charged to Other Comprehensive Income	Year ended 31-Mar-23	Year ended 31-Mar-22
Net loss/(gain) on remeasurement of Defined Benefit Plans	(0.46)	1.09
Fair value gains on equity instruments	0.61	(34.06)
Deferred gains / (losses) on cash flow hedges	1.42	(3.37)
	1.57	(36.34)

(b) Income tax assets (Net) consists of:

Particulars	As at 31.03.2023	As at 31.03.2022
Advance Tax	388.92	226.64
Provision for Tax	-366.71	(211.63)
Total	**22.21**	**15.01**

33. Details of Earnings Per Share

Profits for the Year	70.12	41.57
Number of Equity Shares (Nos.)	76,57,050	76,57,050
Face Value of Shares (In Rupees)	10	10
Basic and Diluted Earnings per Share (In Rupees)*	**91.58**	**54.29**

* There are no potential dilutive equity shares

34. Employee benefit Liabilities

- Contribution to Provident Funds

The Company has recognised and included in Note no. 29 “Contributions to Provident Fund and other funds” expenses towards the defined contribution plan as under:

Contribution to Provident fund (Government)	13.89	13.74

- Contribution to Superannuation Funds

The Company has recognised and included in Note no. 29 “Superannuation Fund” expenses towards the defined contribution plan as under:

Contribution to Superannuation Fund (Government)	0.84	0.91

(All amounts are stated in Rupees in Crores unless otherwise stated)

- Compensated Absences

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Present value of defined benefits obligations (DBO) 1	13.33	13.19
Fair value of the plan assets (FVA)	-	
Net assets/liabilities recognised in balance sheet	(13.33)	(13.19)
Employer direct benefit payments	(3.57)	(2.53)
Defined benefits cost included in P&L	3.72	6.76
PVO Unfunded scheme		
Current	1.05	1.52
Non Current	12.28	11.67
Projected Benefit Obligation		
Summary of actuarial assumptions	13.33	13.19
Discount rate	7.32%	7.22%
Expected rate of plan assets	0.00%	0.00%
Salary escalation rate	4.00%	4.00%
Attrition rate	5.00%	5.00%

- Gratuity

Present Value of Defined Benefits	39.34	35.93
Service cost	2.46	2.47
Interest cost	2.67	2.46
Actuarial (gain)/loss	(3.05)	2.20
Benefits paid	(4.80)	(3.72)
Project benefit obligation at the end of the year	36.62	39.34
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	35.47	36.53
Interest income	2.53	2.50
Employers contribution	3.87	-
Benefits paid	(4.80)	(3.72)
Actuarial gain/(loss)	-1.24	0.16
Fair value of plan assets at the end of the year	35.83	35.47
Amount recognised in balance sheet		
Present value of projected benefit obligaiton at the end of the year	36.62	39.34
Fair value of plan assets at the end of year	35.83	35.47
Funded staus amount of liablity recognised in balance sheet	0.79	3.87
Non Current Liability (Assets)	-	0.84
Current Liability (Assets)	0.79	3.03

Expense recognised in statement of profit or loss		
Service cost	2.46	2.47
Interest cost	2.67	2.45
Interest income	(2.53)	(2.50)
Net gratutity cost	2.61	2.42
Actual return on plan asset	1.28	2.67
Loss / (Gain) recognised		
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO		-
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	(0.24)	(0.08)
Actuarial (Gain)/Losses due to Experience on DBO	(2.82)	2.28
Return on Plan Assets (Greater)/Less than Discount rate	1.24	(0.16)
Components of defined benefit losses (gains) recognised	**(1.82)**	2.04
Summary of actuarial assumptions		
Discount rate	7.32%	7.22%
Expected rate of plan assets	7.22%	7.22%
Salary escalation rate	4.00%	4.00%
Attrition rate	5.00%	5.00%

Discount rate - based on prevailing market yeilds of Indian governement securitires as at the balance sheet date for estimated term of obligations expected rate of retun on plan assets - expectation of the average long term rate of retun expected on investment of the funds druing the estimated terms of the obligations salary escalation rate - estimates of future salary increases considered taken into account the inflation, seniority, promotion and other relevant factors contributions. The expected cash flows over the next few years are as follows:

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Within 1 year	2.95	3.54
2 to 5 years	11.45	12.16
6 to 10 years	11.23	11.42
more than 10 years	10.99	12.23

Mortality - Indian Assured Lives Mortality (2012-14) Ultimate

Sensitivity analysis of significant actuarial assumption

Particulars - Gratuity	31-Mar-23	
	% inc/dec in DBO	Liability (Rs. in Crores)
Discount Rate + 100 basis points	-6.55%	34.22
Discount Rate - 100 basis points	7.42%	39.33
Salary growth rate + 100 basis points	7.29%	39.28
Salary growth rate - 100 basis points	-6.54%	34.22
Attrition Rate + 100 basis points	1.40%	37.13
Attrition Rate - 100 basis points	-1.54%	36.05
Mortality Rate 10% Up	0.05%	36.63

Particulars - Gratuity	31-Mar-22	
	% inc/dec in DBO	Liability (Rs. in Crores)
Discount Rate + 100 basis points	-6.73%	36.70
Discount Rate - 100 basis points	7.66%	42.36
Salary growth rate + 100 basis points	7.50%	42.30
Salary growth rate - 100 basis points	-6.69%	36.71
Attrition Rate + 100 basis points	1.46%	39.92
Attrition Rate - 100 basis points	-1.62%	38.71
Mortality Rate 10% Up	0.05%	39.37

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Interest rates risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Salary risk

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

(All amounts are stated in Rupees in Crores unless otherwise stated)

Demographic risks:

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

35. Segment reporting

The Company has identified manufacture and sale of tyres as the only reportable segment taking into account the different risks and returns, the organization structure and the internal reporting systems. Accordingly disclosure of segment-wise information is not applicable under Ind AS 108 - Operating Segments.

Entity wide disclosures required by the Ind AS 108 are as detailed below.

I. Revenue From Customer

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Outside India	368.42	346.51
With in India	2,485.24	2,106.49
Total	**2,853.66**	**2,453.00**

II. Non Current Asset

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Outside India	-	-
With in India	1,405.42	1,257.96
Total	1,405.42	1,257.96

III. There are two customers contributes more than 20% of Company's revenue.

36. Movement in provision for product warranty

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening Balance	8.71	8.73
Add: Provided during the year	9.84	6.60
Less: Claims made	(9.02)	(6.62)
Closing Balance	9.53	8.71

The estimated provision takes into account historical information frequency and average cost of warranty claims and the estimated future incidence of claims.

37. Related party and transactions

a) Related parties and their relationship

The related party where control/joint control/significant influence exists are subsidiaries, joint ventures and associates. Key managerial personnel are those persons having authority and responsibility in planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or otherwise. Key management personnel include the board of directors and other senior management executives. The other related parties are those with whom the Company has had transaction during the years 2022-23 and 2021-22 as follows:

Entity with significant influence and its subsidiaries, associates and joint venture

- TVS Mobility Private Limited (holds more than 10% shareholding) w.e.f Feb'22
- TVS Supply Chain Solutions Limited (formerly knownc as TVS Logistics Services Limited)
- "TVS SCS Global Freight Solutions Limited (formerly known as TVS Dynamic Global Freight Services Limited)"
- TVS Auto Bangladesh Limited
- SI Air Springs Private Limited (formerly known as Firestone TVS Private Limited)
- TVS Automobile Solutions Private Limited
- TVS Automotives (Private) Limited
- White Data Systems India Pvt. Ltd.,
- Sundharams Private Limited
- T V Sundram Iyengar & Sons Private Limited upto Feb'22
- Sundaram Industries Private Limited
- TVS Lanka Private Limited
- KI Mobility Solutions Private Limited
- TVS Argomm Private Limited

Subsidiaries

- TVS Srichakra Investments Ltd.,
- TVS Sensing Solutions Pvt. Ltd.
- Fiber Optic Sensing Solutions Pvt. Ltd.

Associates

- VanLeeuwen Tyres & Wheels B.V.Holland

Key Management Personnel/ Relative of KMP's

- Sri R Naresh, Executive Vice Chairman
- Ms Shobhana Ramachandhran, Managing Director
- Sri R Haresh (Chairman/Director, M/s TVS Sensing Solutions Private Limited)

Independent / Non-Executive Directors

- Sri M S Viraraghavan
- Sri H Janardana Iyer
- Sri V Ramakrishnan
- Sri Rasesh R Doshi
- Sri V Anantha Nageswaran (till 25th Jan 2022)
- Ms. S. V. Mathangi
- Sri. S. Ravichandran: Non-Independent Non-Executive Director
- Sri. P Srinivasavaradhan: Non-Independent Non-Executive Director

b) Related party transaction and balance as at reporting period

Transactions for the year and balance as at Mar 31, 2023 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Subsidiaries	Key Management Personnel	Independent / Non-Executive Directors
Purchases*	2.67	0.04	-	-
Sales	34.96	-	-	-
Receipt of Services	46.03	-	-	0.94
Lease rent paid	0.02	0.42	0.07	-
Salaries and other benefits #	-	-	5.50	0.07
Sitting fees	-	-	-	0.15
Commission	-	-	5.16	0.90
Issue of right issues of equity shares	-	-	-	-
Amount Receivable	**9.88**	0.15	-	-
Amount Payable	**3.98**	-	5.16	0.90

Note: Investment in Associate has been fully provided for in the books
*The value of 0.04 crores excludes 0.03 crores in transit.
#0.07 crores towards exgratia relating to the period when the director was earlier in employment.

Transactions for the year and balance as at Mar 31, 2022 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Subsidiaries	Key Management Personnel	Independent / Non-Executive Directors
Purchases	3.99	0.23	-	-
Sales	23.83	-	-	-
Receipt of Services	45.43	-	-	0.90
Lease rent paid	0.02	0.18	0.07	-
Salaries and other benefits	-	-	5.09	-
Sitting fees	-	-	-	0.14
Commission	-	-	1.63	0.67
Issue of Equity Shares at premium against OCD (including interest due) due from Subsidiary	-	3.50	-	-
Amount Receivable	11.41	-	-	-
Amount Payable	8.88	-	1.63	0.67

Note: Investment in Associate has been fully provided for in the books

c) Remuneration paid to Key managerial Personnel

Particulars	As at 31-Mar-23	As at 31-Mar-22
Short-term Employee Benefits	10.14	6.20
Post- Employee Benefits*	0.52	0.52
Total	**10.66**	**6.72**

* Excludes Gratuity, as the same is considered on acturial valuation basis for the Company as whole.

38. Financial instruments

a. Derivative financial instruments

(i) Forward and option contract

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).The Company manages its foreign currency risk by using foreign currency forward contracts.When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. The counterparties for these contracts are generally banks or financial instutions. The details of outstanding forward contracts as at March 31, 2023 and March 31, 2022 are given below:

Particulars	Currency	March 31, 2023	March 31, 2022
Forward contracts (Sell)	USD EURO	54588.49 7388408.33	7104840.00 8184150.00
Forward contracts (Buy)	USD EURO	1500000.00 0.00	3123006.00 0.00
Cross currency swap (CCS) - Loans Outstanding	EURO	35876540.70	39177861.23
Gain/(loss) mark to market in respect of forward contracts and loans outstanding	Rupees in Crores	6.71	14.24

All open forward exchange contracts mature within three to nine months from the balance sheet date.

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at Mar 31, 2023 was as follows:

Particulars	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
Asset			
Investment in Others	-	-	254.64
Investment in Subsidiary and Associate	65.40	-	-
Employee advances	3.46	-	-
Security Deposits	46.66	-	-
Deposit with Bank	0.06	-	-
Trade Receivables	193.38	-	-
Cash and Bank Balances	10.55	-	-
Accrued income	2.44	-	-
Derivative Asset	-	-	6.71
Liabilities			
Loans from Banks and Commercial paper	636.94	-	-
Interest accrued but not due	2.11	-	-
Security Deposits	84.90	-	-
Trade payables	395.22	-	-
Capital Creditors	20.22	-	-
Other Creditors	109.16	-	-
Unpaid Dividends	3.01	-	-

(All amounts are stated in Rupees in Crores unless otherwise stated)

The carrying value and fair value of financial instruments by each category as at Mar 31, 2022 was as follows:

Particulars	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
Asset			
Investment in Others	-	-	254.47
Investment in Subsidiary and Associate	65.40	-	-
Employee advances	3.16	-	-
Deposits with Bank	0.06		
Security Deposits	24.85	-	-
Trade Receivables	225.04	-	-
Cash and Bank Balances	9.06	-	-
Accrued income	3.08	-	-
Derivative Asset			14.24
Liabilities			
Loans from Banks and Commercial paper	598.42	-	-
Interest accrued but not due	2.46	-	-
Security Deposits	87.04	-	-
Trade payables	409.23	-	-
Capital Creditors	21.92	-	-
Other Creditors	123.50	-	-
Unpaid Dividends	4.18	-	-

Details of financial assets pledged as collateral:

Carrying amount of financial assets as at Mar 31, 2023 and 2022 that the Company has provided as a collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at 31-Mar-23	As at 31-Mar-22
Fixed Deposits*	0.06	0.06

*included in security deposit.

c. Fair value measurement of financial instruments measured at fair value on recurring basis:

The carrying value and fair value of financial instruments by each category as at Mar 31, 2022 was as follows:

Particulars	As at 31-Mar-23		
	Level 1	Level 2	Level 3
Assets			
Investment in Others	-	253.02	1.62
Derivative Asset	-	6.71	-

Particulars	As at 31-Mar-22		
	Level 1	Level 2	Level 3
Investment in Others	-	252.85	1.62
Derivative Asset on ECB Loan Swap	-	14.24	-

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

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

Level 3 - Unobservable outputs for the assets and liabilities

d. Interest income/(expense), gain/(losses) recognised on financial assets and liabilites

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
(a) Financial assets at amortised cost		
Interest income on bank deposits	0.00	0.00
Interest income on loans	1.05	0.72
(b) Financial liabilities at amortised cost		
Interest expenses on borrowings from banks, others and overdrafts	38.40	30.75
(c) Financial asset at FVTPL		
Net gain/(losses) on fair valuation on derivative financial instruments	1.89	0.85
(d) Financial asset at FVTOCI		
Net gain/(losses) on fair valuation on derivative financial instruments	(5.63)	13.39
Net gain/(losses) on fair valuation of investments	0.17	152.88

39. Financial risk management

The Company has exposure to the following risks from its use of financial instruments

39.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Credit risk is managed by the entity. Considering the credit risk assessment made by the management and based on past history, provision / write off for receivables amounting to Rs.0.70 crores (PY 1.36 crores) has been made under the simplified approach

39.2 Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	As at 31-Mar-23	As at 31-Mar-22
Long term borrowings		
- Upto 1 Year	44.37	53.75
- 1 to 3 Years	318.31	362.42
Short term borrowings		
- Upto 1 Year	274.27	182.25
Trade Payable		
- Upto 1 Year	395.22	409.23
Security Deposits from Customer		
- Upto 1 Year	72.00	0.00
- 1 to 3 Years	12.90	87.04
- More than 3 Years	-	-
Capital creditors		
- Upto 1 Year	20.22	21.92
Other Financial Liabilities		
- Upto 1 Year	114.28	130.14
Total	**1251.57**	**1246.75**

(All amounts are stated in Rupees in Crores unless otherwise stated)

The following table details the Company's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	As at 31-Mar-23	As at 31-Mar-22
Fixed Deposits with Banks		
- 1 to 3 Years	0.06	0.06
Trade Receivables		
- Upto 1 Year	193.38	225.04
Advance to Employees		
- 1 to 3 Years	3.46	3.16
Security Deposits		
- 1 to 3 Years	40.33	19.03
Other Financial Assets		
- Upto 1 Year	15.48	23.14
Unpaid Dividend		
- Upto 1 Year	3.01	4.18
Cash & Cash Equivalents		
- Upto 1 Year	7.54	4.89
Investment in Unquoted Shares		
- Upto 1 Year	-	-
- More than 3 Years	320.04	319.87
Total	**583.30**	**599.37**

The Company has access to committed credit facilities as described below, of which Rs.150.73 cr were unused at the end of the reporting period (as at March 31, 2022 Rs.242.75 cr). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Bank Credit facility, reviewed annually:	As at 31-Mar-23	As at 31-Mar-22
Current borrowings - secured	249.12	87.25
Current borrowings - unsecured	25.15	45.00
Commercial paper - which is also from the limit	-	50.00
Total used	274.27	182.25
Amount unused	150.73	242.75

39.3 Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency exchange risk and interest rate risk

39.3.1 Commodity Price Risk - The primary commodity price risks that the Company is exposed to include rubber prices that could adversely affect the value of the Company’s financial assets or expected future cash flows.

39.3.2 Foreign currency risk management - The Company imports raw materials from outside India as well as make export sales to countries outside India. The Company is, therefore, exposed to foreign currency risk principally arsing out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against firm purchase commitment and receivables.

39.3.2.1 The carrying amounts of the Company’s foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Balance as at 31-Mar-23

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
Trade Receivables (Assets)			
USD	82.18	26,50,832	21.78
EUR	89.46	34,35,669	30.74
Trade Payables (Liabilities)			
USD	82.19	35,76,196	29.48
EUR	89.49	2,177	0.02

Balance as at 31-Mar-22

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
Trade Receivables (Assets)			
USD	75.26	65,73,227	49.47
EUR	83.43	38,06,467	31.76
Trade Payables (Liabilities)			
USD	76.33	17,85,732	13.63
EUR	85.76	43,059	0.37

39.3.2.2 Foreign currency sensitivity analysis

The Company is principally exposed to foreign currency risk against USD & EURO. Sensitivity of profit or loss arises mainly from USD & EURO denominated receivables and payables. As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and EURO-INR currency pair, sensitivity of profit/(loss) only on outstanding foreign currency denominated monetary items at the period end is presented below:

The Company's foreign currency sensitivity analysis at the end of the reporting period expressed in INR, are as follows:

Particulars	31-Mar-23		31-Mar-22	
	USD	EUR	USD	EUR
Impact on Receivables due to +/- 5% Change in Currency Rates	1.09	1.54	2.47	1.59
Impact on Payables due to +/- 5% Change in Currency Rates	1.47	0.00	0.68	0.02

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

39.3.2.3 Forward foreign exchange contracts

It is the policy of the Company to enter into forward exchange contracts based on the net exposures for the future periods evaluated on a monthly basis, considering both existing exposures and potential forecast transactions

39.3.3 Interest rate risk management

The Company is exposed to interest rate risk because of borrowal of short term funds at floating interest rates.

Interest rate sensitivity analysis If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's Profit for the year ended March 31, 2023 would decrease/increase by Rs.1 Cr; as against Rs.3 Cr for the year ended March 31, 2022.

39.4 Other Risk - COVID-19

a. Financial Assets measured at fair value amounting to Rs.261.36 crores (PY- Rs 268.71 Crores) and measured at amortised cost amounting to Rs.321.94 crores (PY- Rs 330.66 Crores) have been considered for the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19.

b. The Company has specifically evaluated the potential impact with respect to certainty of collections from its customers.

c. Since the Company closely monitors the financial strength of its customers & investments on a continuing basis and assesses actions such as changes in payment terms, no provision is deemed necessary in purview of COVID-19.

40. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium, general reserve and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of borrowings and related covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by fund attributable to Equity Shares Holders. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31-Mar-23	As at 31-Mar-22
Interest-bearing loans and borrowings	639.05	600.88
Less: cash and cash equivalents	(7.54)	(4.89)
Net debt	631.51	595.99
Equity Capital	7.66	7.66
Other Equity	1,032.70	977.14
Total capital	1,040.36	984.80
Gearing ratio	0.61	0.61

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it provide for a strong financial strength to meet the Company's growth needs and meet borrowing related capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022.

41. Commitments and Contingencies

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Estimated amount of contract remaining to be executed on capital account	84.97	43.47
b) Letter of Credit opened by Company's Bankers	47.62	58.77
c) Excise duty and service tax under dispute	19.00	9.95
d) Sales Tax under dispute	11.52	8.28
e) Provident Fund	5.03	4.00
f) Customs	2.50	1.64
g) GST	1.93	0.41
h) Other Matters	0.86	0.93

42. Due to micro and small enterprises

Particulars	As at 31-Mar-23	As at 31-Mar-22
Principal amount due to a suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end*	4.83	6.84
Interest due to suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the Micro and Small Enterprises Act beyond the appointed day during the year	0.46	0.34
Interest paid, other than under Section 16 of Micro and Small Enterprises Act, to suppliers registered under the Micro and Small Enterprises Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of Micro and Small Enterprises Act, to suppliers registered under the Micro and Small Enterprises Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under Micro and Small Enterprises Act, for payments already made**	0	0
Futher interest remaining due and payable for earlier years #	0	0

* Includes principal amount due to capital crediors Rs. 2.72 Crs (PY 1.48 Crs) ** Aggregate Interest to be payable for current year Rs.17,411 (PY 34,873)
# Aggregate Interest to be paid for earlier years Rs.35,163 (PY Rs.90)

43. Contribution to corporate social responsibilities

Sec 135 of companies act 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on corporate social responsibility (CSR) Activities. The Company is expected to spend Rs.1.66 crores in compliance to this requirement. A sum of Rs.1.28 crores has been spent during the current year towards CSR acitivities as explained below.

CSR Expenditure	Year ended 31-Mar-23	Year ended 31-Mar-22
Amount required to be spent under section 135 of the Companies Act, 2013	1.66	2.29
Amount spent during the year on:		
i) Construction/acquisition of an asset	-	-
ii) Purposes other than (i) above	1.28	2.77
Surplus of amount spent in the year	0.10	0.48
Previous year surplus adjusted in current year*	0.48	-
Shortfall at the end of the year	-	-
Reason for shortfall	-	-
Nature of CSR activities	**	-
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

*The surplus spend in previous year for CSR expenditure has been adjusted to the extent of Rs. 0.48 crores as per Sec.135(5).
** Activities focused on Education, Intellectual & Skill development, Health care & Sanitation, Covid-19 relief measures, Women empowerment, Livelihood Enhancement, Strengthening Village level Organisation, Disaster Management, Ensuring environmental sustainability, Conservation and maintenance of natural resources and Protection of natural heritage, sports, arts and cultures.

44. Details of Auditor's Remuneration

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
a) Statutory Audit	0.28	0.28
b) Taxation	-	-
c) GST Audit	-	-
d) Certification	-	0.03
e) Towards reimbursement of expenses	0.02	0.01
Total	0.30	0.32

45. Depreciation & Amortisation

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Depreciation on Property, Plant and Equipment (Refer Note 3)	78.46	67.98
Amortisation of Intangible Assets (Refer Note 4)	4.12	2.86
Amortisation of Right of Use Assets (Refer Note 5)	5.86	6.23
Total	88.44	77.07

46. Exceptional Item - In the PY, Company has initiated a Voluntary Retirement Scheme for its employees. Under this scheme, the Company has received and approved applications for a sum of Rs.5.49 crores in the current year (Rs.2.77 crores) in the previous year.

47. Previous year figures: Previous year's figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification.

48. Quarterly returns filed with Banks and Financial Institutions: The amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

49. Relationship with Struck off Companies: Where the Company has any transactions with companies struck off under sec.248 of companies act 2013 or sec 560 of companies act 1956.

Name of struck off companies	Nature of transactions with struck off Company	Share Held	Balance outstanding (in face value)
KS MORAKA AND SONS PVT LTD	Shares held by struck off companies	50	500
MUSASONS PRIVATE LTD	Shares held by struck off companies	1	10

50. Utilisation of borrowings from Banks and Financial Institutions: Terms loans taken during the year have been put to use for the purpose for which these were obtained.

51. The implementation of the Code on Social Security, 2020 is getting postponed. The Company will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.

52. The Board of Directors of the Company recommended a dividend of Rs.32.05 (PY 16.30) per equity share of Rs.10/-each (I.e.) for the year ended March 31st 2023, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

53. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

54. Other notes

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

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

iii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered, disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as, search or survey or any of the relevant provisions of the Income Tax Act, 1961

iv) The Company has in respect of the investments made, complied with no of layers as defined under section 2(87) of the Companies act,2013.

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

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

vii) The Company has complied with the requirements of section 123 of the Companies Act 2013 in respect of the final dividend for previous year paid during the year and the interim dividend declared and paid in the current year.

Shobhana Ramachandhran
Managing Director
DIN: 00273837

R Naresh
Executive Vice Chairman
DIN: 00273609

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

B Rajagopalan
Chief Financial Officer

Place: Madurai
Date: 23rd May 2023

Chinmoy Patnaik
Secretary
Membership No: A14724

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRE3592

(All amounts are stated in Rupees in Crores unless otherwise stated)

54. Ratios

Sr. no	Ratio	%/ Times	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current Ratio	**Times**	Current Assets	Current Liabilities	1.05	1.31	19.75%	
2	Debt Equity Ratio	**Times**	Total Debt	Total shareholder equity	0.61	0.61	0.00%	
3	Debt Service Coverage Ratio	**Times**	Earning available for debt service (Net Profit after taxes + Finance cost+Depreciation and amortization expense adjustments like loss on sale of Fixed assets etc.)	Debt Service = Interest & Lease Payments + Principal Repayments	2.40	1.65	45.66%	Better Profitabiity compare to last year
4	Return on Equity Ratio	**Percentage**	Profit after Tax	Average Shareholders Equity	6.92%	4.55%	52.04%	Better Profitabiity compare to last year
5	Inventory Turnover Ratio	**Times**	Revenue from Operations	Average inventory	3.68	4.05	9.03%	
6	Trade Receivable Turnover Ratio	**Times**	Revenue from Operations	Average Accounts Receivable	13.70	10.76	27.25%	Factoring of Receivable and improved collections in current year
7	Trade Payable Turnover Ratio	**Times**	Purchases	Average Accounts Payable	4.10	5.27	22.16%	
8	Net Capital Turnover Ratio	**Times**	Revenue from Operations	Average Working Capital	18.56	11.92	55.78%	Better Inventory and receivables turnover ratios reduced the working capital requirements.
9	Net Profit Ratio	**Percentage**	Profit after tax	Revenue from Operations	2.45%	1.69%	44.94%	Better Profitabiity compare to last year
10	Return on Capital Employed Ratio	**Percentage**	EBIT	Capital Employed (Tangible net worth + Total debt + Deferred Tax Liability)	7.96%	6.45%	23.32%	
11	Return on Investment	**Percentage**	Net return on investment	Opening carrying value of investment	0.07%	152.91%	99.96%	No major change in fair value of investments in current year.

Shobhana Ramachandhran
Managing Director
DIN: 00273837

R Naresh
Executive Vice Chairman
DIN: 00273609

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

B Rajagopalan
Chief Financial Officer

Chinmoy Patnaik
Secretary
Membership No: A14724

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRE3592

Place: Madurai
Date: 23rd May 2023


11
TVS

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of TVS Srichakra Limited

Report on the Audit of the Consolidated Financial Statementst

Opinion

We have audited the accompanying consolidated financial statements of TVS Srichakra Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2023, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit, consolidated total comprehensive income, their consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

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

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

Key Audit Matter	Description	Our Response
Revenue Recognition	In respect of holding Company, The Company recognizes revenue of sale of products on the following basis: **i. OE Manufacturers:** Revenue is recognized only on delivery being made at the OE factory site. Price variance for the change in input costs is adjusted through debit / credit notes on the same after being approved by the concerned OE.	Our audit procedures included verification of existence, completeness, accuracy and cut-off for the sales transactions. ● Our tests included performance of an understanding and evaluation of the internal controls over the revenue recognition and a validation of relevant controls.

Key Audit Matter	Description	Our Response
	ii. After Market: Sales to dealers in the after-market segment is accounted on dispatch being effected from the depots. Credit notes for schemes and discounts are estimated and accounted in the period when the sales revenue is recorded itself as a reduction from the revenue recognized. Actual credit notes issued are adjusted against such provisions made on a periodical basis. Considering: ● the magnitude and high volume of sales transactions carried out, and ● estimation involved in price variance accounting as well as accruals for discounts and schemes. Revenue recognition represented a key audit matter in the audit	● The tests further covered the proper recognition of revenue through testing of samples of sales transactions, obtaining appropriate supporting evidence with specific attention to key contractual terms that regulate the various performance obligations. ● Our audit procedures included analytical review of sales transactions and accounting of revenue. ● Our audit procedures included the accounting for discounts, rebates and schemes in accordance with the underlying policies and schemes ● It also extended to performing confirmation procedures over trade receivables with the objective of validating trade receivable balances, testing samples of credit notes and year-end accruals. ● Evaluating the disclosures made with requirements under the Accounting Standards and the Companies Act, 2013

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' report Management Discussion and Analysis Report (MDA), Report on Corporate Governance, Financial Highlights and Business Responsibility and Sustainability Report (BRSR) but does not include the consolidated financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the aforesaid reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of the Management and Those Charged with Governance 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 give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary companies which are companies incorporated in India have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company and its Subsidiaries as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and its Subsidiaries none of the directors of the Holding Company and its Subsidiaries is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to adequacy of the internal financial controls over financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 45 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer (a) Note 42 to the consolidated financial statements in respect of such items as it relates to the Group.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The management of holding Company and its subsidiary companies has represented that, to the best of their knowledge and belief, as disclosed in Note 56 to the Financial Statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or its subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management of the holding Company and its subsidiary companies has represented, that, to the best of it's knowledge and belief, as disclosed in Note 55 to the Financial Statements, no funds have been received by the holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiary companies shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company and one of the Subsidiary Company during the year in respect of the same declared for the previous year and the interim dividend declared and paid by one of the subsidiary Company in the current year are in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

h) With respect to the matter to be included in the Auditor's report under section 197(16) of the Act: In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company and its subsidiaries, where applicable to its directors is in accordance with the provisions of Section 197 of the Act.

The remuneration paid to any director by the Holding Company and its subsidiaries, where applicable, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

T V Balasubramanian
Partner
M. No: 027251
UDIN: 23027251BGWNRF3455
Place: Madurai
Date: 23rd May 2023

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of TVS Srichakra Limited ("the Company") on the consolidated financial statements as of and for the year ended 31 March 2023.

As required by Paragraph (xxi) of Companies (Auditor's Report) Order (CARO), there have been no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements.

Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date on the consolidated financial statements of TVS Srichakra Limited

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of TVS Srichakra Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

T V Balasubramanian
Partner
M. No: 027251
UDIN: 23027251BGWNRF3455
Place: Madurai
Date: 23rd May 2023

CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet as at 31.03.2023

(All amounts are stated in Rupees in Crores unless otherwise stated)

	Particulars	Note	As at 31.03.2023	As at 31.03.2022
I.	**ASSETS**			
1.	**Non-current assets**			
	(a) Property, Plant and Equipment	**3**	856.77	659.00
	(b) Capital work-in-progress	**3**	113.58	209.34
	(c) Investment Property	**4**	23.56	23.89
	(d) Intangible assets	**5**	22.06	17.05
	(e) Intangible assets under development	**5**	31.25	16.25
	(f) Right of Use Asset	**6**	2.41	8.27
	(g) Financial Assets			
	(i) Investment in Associate	**7**	-	-
	(ii) Other Investments	**7**	254.64	254.47
	(iii) Loans	**8**	0.77	1.50
	(iv) Others	**9**	44.06	22.47
	(h) Income tax assets (net)		22.84	14.91
	(i) Deferred tax Asset (Net)	**10**	2.60	-
	(j) Other non-current assets	**11**	16.46	7.14
2.	**Current assets**			
	(a) Inventories	**12**	778.94	812.99
	(b) Financial Assets			
	(i) Trade receivables	**13**	220.52	239.56
	(ii) Cash and cash equivalents	**14(a)**	12.55	8.72
	(iii) Bank balances other than (ii) above	**14(b)**	3.01	4.18
	(III) Loans	**15**	0.75	-
	(iv) Others	**16**	15.53	23.23
	(c) Other Current Assets	**17**	33.29	36.11
	TOTAL ASSETS		2,455.59	2,359.08
II.	**EQUITY AND LIABILITIES**			
1.	**Equity**			
	(a) Equity Share capital	**18**	7.66	7.66
	(b) Other Equity	**19**	1,026.52	963.14
	(c) Non-Controlling Interest		(0.48)	(0.31)
	Liabilities			
2.	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**20**	324.26	363.42
	(ii) Other financial liabilities	**21**	12.90	87.04
	(b) Provisions	**22(a)**	12.49	12.74
	(c) Deferred tax liabilities (Net)	**23**	71.07	63.91
	(d) Other Non-current liabilities	**24**	0.20	3.72
3.	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**25**	337.81	246.27
	(ii) Trade payables			
	a) total outstanding dues of Micro and Small Enterprises Refer Note 46)	**26**	3.69	5.89
	b) total outstanding dues of creditors other than Micro and Small Enterprises	**26**	409.51	411.26
	(iii) Other financial liabilities	**27**	210.92	156.02
	(b) Other current liabilities	**28**	24.52	22.85
	(c) Provisions	**22(b)**	14.52	15.47
	TOTAL EQUITY AND LIABILITIES		**2,455.59**	**2,359.08**

Significant Accounting Policies & Notes to Financial Statement **1-57**

Shobhana Ramachandhran
Managing Director
DIN: 00273837

R Naresh
Executive Vice Chairman
DIN: 00273609

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

B Rajagopalan
Chief Financial Officer

Chinmoy Patnaik
Secretary
Membership No: A14724

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRF3455

Place: Madurai
Date: 23rd May 2023

Consolidated Statement of Profit and Loss for the year ended 31.03.2023

(All amounts are stated in Rupees in Crores unless otherwise stated)

	Particulars	Note	Year ended 31.03.2023	Year ended 31.03.2022
I.	Revenue from operations	29	2,984.97	2,542.90
II.	Other income	30	9.17	6.46
III.	**Total Income (I + II)**		2,994.14	2,549.36
IV.	**Expenses:**			
	Cost of materials consumed	31	1,789.12	1,612.98
	Purchase of Stock-in-trade		4.18	5.17
	Changes in inventories of finished goods, Stock-in-Trade & Work-in-progress	32	(24.92)	(120.22)
	Employee benefits expense	33	318.94	301.43
	Finance costs	34	39.63	31.60
	Depreciation and Amortisation	49	91.54	79.81
	Other expenses	35	668.72	576.70
	Total expenses		**2,887.21**	**2,487.47**
V.	Profit before exceptional items and tax (III-IV)		106.93	61.89
VI.	Exceptional items	50	5.49	2.77
VII.	Profit before tax (V - VI)		101.44	59.12
VIII.	Tax Expense:			
	(1) Current Tax		20.58	15.66
	(2) Current Tax (Previous years)	36	(3.09)	
	(3) Deferred Tax		6.13	0.14
IX.	Profit for the year (VII-VIII)		77.82	43.32
	(Profit) / Loss attributable to non-controlling Interest		(0.17)	(0.15)
	Profit for the year attributable to owners		77.99	43.47
X.	Other Comprehensive Income			
	A Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurement of the post-employment benefit obligations		1.75	(4.34)
	(ii) Fair value gains on equity instruments		0.17	152.89
	(iii) Income tax relating to items that will not be reclassified subsequently to profit or loss		0.17	(32.98)
	B Items that will be reclassified subsequently to profit or loss			
	(i) Deferred gains / (losses) on cash flow hedges		(5.63)	13.39
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		1.42	(3.37)
XI.	Total Comprehensive Income for the year (IX+X)(Comprising Profit and Other Comprehensive Income for the year)		**75.70**	**168.91**
	Total Comprehensive Income attributable to non-controlling Interest		(0.17)	(0.14)
	Total Comprehensive Income attributable to Owners		75.87	169.05
XII.	Earnings per equity share	37		
	- Basic & Diluted (FV - ₹10 per share)		101.85	56.77

Significant Accounting Policies & Notes to Financial Statement **1-57**

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Chief Financial Officer

Chinmoy Patnaik
Secretary
Membership No: A14724

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRF3455

Place: Madurai
Date: 23rd May 2023

Consolidated Statement of Cash Flows for the year ended March 31, 2023

(All amounts are stated in Rupees in Crores unless otherwise stated)

	Particulars	Year ended 31-Mar-23		Year ended 31-Mar-22	
A	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before tax		101.44		59.12
	Adjustments for:				
	Depreciation	91.54		79.81	
	Interest expense	39.63		31.60	
	Interest received	(4.14)		(3.53)	
	Provisions no longer required	(0.76)		-	
	Loss/(Gain) due to Exchange rate Fluctuations	1.66		(1.73)	
	Advances Written off / provided	2.68		0.03	
	Profit from Sale of Assets	(0.05)		(0.02)	
	Bad Debts written off / provided	0.89		0.09	
	Unrealized changes in Fair Value	-			
	Assets Condemned	0.01			
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		131.46		106.25
	Adjustments for:		232.90		165.37
	Trade Receivables	18.91		5.78	
	Other Receivables	(28.62)		31.70	
	Inventories	34.05		(387.46)	
	Trade and other payables	(26.24)		148.85	
	OPERATING PROFIT AFTER WORKING CAPITAL CHANGES		(1.90)		(201.13)
	Cash Generated From Operations		231.00		(35.76)
	Direct taxes paid		231.00		(35.76)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(25.40)		(26.38)
			205.60		(62.14)
	CASH FLOW FROM INVESTING ACTIVITIES:				
B	Purchase of Property, Plant & Equipment	(207.40)		(285.20)	
	Proceeds from disposal of assets	0.05		0.02	
	Investments Purchased	-		(0.61)	
	Interest received	4.14		3.53	
	Movement in Bank deposits with original maturity of more than 12 months	1.17		0.13	
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)				
			(202.04)		(282.13)
	CASH FLOW FROM FINANCING ACTIVITIES:				
C	Interest paid	(39.63)		(30.52)	
	Proceeds of term loans	7.50		313.54	
	Repayments of term loans	(54.91)		(51.40)	
	Proceeds / (Repayments) of Commerical paper	(50.00)		50.00	
	Movement in working capital loans	149.79		89.66	
	Dividend & Dividend tax paid	(12.48)		(22.97)	
	NET CASH FLOW FROM FINANCING ACTIVITIES: (C)				
			0.27		348.31
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)				
	Opening cash and cash equivalents		3.83		4.04
	Closing cash and cash equivalents [refer note 14(a)]		8.72		4.68
			12.55		8.72

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'

Refer Note 20(b) for Net debt reconciliation

Significant Accounting Policies & Notes to Financial Statement **1-57**

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Membership No: 027251
UDIN: 23027251BGWNRF3455

Place: Madurai
Date: 23rd May 2023

Consolidated Statement of Changes in Equity as at March 31, 2023

(All amounts are stated in Rupees in Crores unless otherwise stated)

a) Equity Share Capital

Particulars	Amount
Balance as at March 31, 2021	**7.66**
Changes in equity share capital due to prior period Errors	-
Restated Balance as at March, 31,2021	**7.66**
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**7.66**
Changes in equity share capital due to prior period Errors	-
Restated Balance as at March, 31,2022	**7.66**
Changes in equity share capital during the year	-
Balance as at March 31, 2023	**7.66**

b) Other Equity

Particulars	Reserves and Surplus					Debt instruments through OCI	Equity Instrument through OCI	Cash flow hedge through OCI	Total equity attributable to equity holders of the Company	Non Controlling Interest	Total Equity
	Capital Reserve	Securities Premium Account	General Reserve	Amalgamation Reserve	Retained Earnings						
Balance as at March 31, 2021	**0.11**	**0.93**	**33.47**	**0.46**	**745.04**	-	**37.06**	-	**817.07**	**(0.17)**	**816.90**
Changes in accounting policy or prior period errors	-	-	-	-	-		-	-	-	-	-
Restated balance at March 31, 2021	**0.11**	**0.93**	**33.47**	**0.46**	**745.04**	-	**37.06**	-	**817.07**	**(0.17)**	**816.90**
Other Comprehensive income for the year	-	-	-	-	(3.27)	-	118.82	10.02	125.57	0.01	125.58
Dividends					(22.97)				(22.97)		(22.97)
IND AS 116 - Transferred to Reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	43.47				43.47	(0.15)	43.32
Balance as at March 31, 2022	**0.11**	**0.93**	**33.47**	**0.46**	**762.27**	-	**155.88**	**10.02**	**963.14**	**(0.31)**	**962.83**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance March 31, 2022	**0.11**	**0.93**	**33.47**	**0.46**	**762.27**	-	**155.88**	**10.02**	**963.14**	**(0.31)**	**962.83**
Other Comprehensive income for the year	-	-	-	-	1.31	-	0.78	(4.21)	(2.13)		(2.13)
Dividends	-	-	-	-	(12.48)		-	-	(12.48)	-	(12.48)
IND AS 116 - Transferred to Reserve	-	-	-	-	-		-	-	-	-	-
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	77.99		-	-	77.99	(0.17)	77.82
Balance as at March 31, 2023	**0.11**	**0.93**	**33.47**	**0.46**	**829.09**	-	**156.66**	**5.81**	**1,026.52**	**(0.48)**	**1,026.04**

Significant Accounting Policies & Notes to Financial Statement 1-57

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T V Balasubramanian
Partner
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UDIN: 23027251BGWNRF3455

1. Corporate Information

TVS Srichakra Limited ('TSL' or 'the Holding Company') is a public limited Company domiciled and incorporated in India having its registered office at TVS Building, 7-B West Veli Street, Madurai 625001. The Holding Company's shares are listed and traded on Bombay Stock Exchange and National Stock Exchange in India. The Holding Company is engaged in the business of two-wheeler, three-wheeler and other industrial tyre manufacturing.

The Consolidated financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorized for issue on 23rd May, 2023.

2. Significant Accounting Policies

a) Basis of preparation and Consolidation

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

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

The Consolidated financial statements comprise the financial statements of TVS Srichakra Limited (the holding Company), its subsidiaries TVS Srichakra Investments Limited, TVS Sensing Solutions Private Limited (formerly known as ZF Electronics TVS (India) Private Limited) & Fiber Optic Sensing Solutions Private Limited (FOSS) (the holding Company and its subsidiaries together is referred to as the "Group").

TVS Sensing Solutions Private Limited, a subsidiary of the Company has subscribed 90% of equity shares of M/s Fiber Optic Sensing Solutions Private Limited. Accordingly, the Company has become the subsidiary of TVS Srichakra Limited w.e.f. 8th August 2019.

The Financial Statements of the parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating Intra-group balances, Intra-group transactions and unrealised profits or losses in accordance with Ind AS 110 – "Consolidated Financial Statements". The deferred tax to be recognised for temporary differences arises from elimination of profits and losses resulting from intra group transactions.

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

b) Statement of Compliance with Ind AS

The Consolidated Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow together with notes for the year ended March 31,2023 have been prepared in accordance with Ind AS as notified above.

c) Changes in Accounting Standards

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

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 16 - Proceeds before intended use

The amendment clarifies that an entity shall deduct from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability.

Ind AS 116 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

None of these amendments had any significant effect on the group’s financial statements.

d) Changes in Accounting Standards that may affect the Group after 31st March 2023

1. New Accounting Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 20, MCA amended certain existing Ind ASs on miscellaneous issues through the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

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

ii. Ind AS 1 - Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting - Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

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

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

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

The Group is in the process of evaluating the impact of the above amendments which is not expected to have any material impact on the financial statements of the Group. It may be noted that we expect there would be a change in Accounting policies section of the financial statements as the standard would require presentation of 'material accounting policies' as against 'significant accounting policies' disclosed so far.

e) Functional and Presentation Currency

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

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

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

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

Critical Judgments in applying accounting policies

i. Classification of investment in TVS Automobile Solutions Private Limited

The Holding Company holds investments in equity shares of TVS Automobile Solutions Private Limited ("TVS ASPL"). In the opinion of the management, TVS ASPL is not considered to be an associate of the Holding Company. Accordingly, the investment in their shares have been designated as investment at FVTOCI.

ii. Lease

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Assumptions and Key Sources of Estimation Uncertainty

i. Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the group engages third party qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 2(x).

ii. Provisions for liabilities and charges

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

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

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

iv. Employee Benefits - Defined Benefit Obligations (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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

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

The economy has been impacted during the previous year on account of COVID-19.

The Group experienced a significant business resurgence this year compared to the COVID-19-impacted period last year. In order to determine any potential effects on the group, the group will continue to closely monitor any significant changes to future economic conditions as a result of COVID-19.

g) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any noncontrolling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

h) Financial Instruments

i. Financial Assets - Investments

Financial assets comprise of investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognized initially at Fair value plus transaction costs that are attributable to the Acquisition of the financial asset (In case of financial assets recorded at FVTPL, transaction costs are recognized immediately in statement of profit and loss). Purchase or sales of financial assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

i. Financial assets measured at amortized cost:

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

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

a) Trade receivable

b) Other financial assets

ii. Financial asset at FVTOCI

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and the contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognized in other comprehensive income.

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

iii. Financial asset at FVTPL

All fair value changes are recognized in the Statement of Profit and loss.

Derecognition of financial asset

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

Impairment of financial asset

Trade receivables, investments in debt instruments that are carried at amortized cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses for their respective financial asset

a) Trade receivable

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

b) Other financial assets

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

ii. Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

The financial liabilities are classified for subsequent measurement into following categories

- at amortized cost
- at fair value through the statement of profit and loss

Financial liabilities at amortized cost

The Group is classifying the following under amortized cost;

a) Borrowings from banks
b) Borrowings from others
c) Lease liabilities
d) Trade payables
e) Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Financial liability at Fair Value through statement of profit and loss

Financial liabilities held for trading are measured at FVTPL.

De-recognition of financial liabilities

A Financial liability is de-recognized when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

iv. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / other expenses. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet Date.

v. Cash flow Hedges

The Group designates certain foreign exchange forward contracts / other derivative instruments as cash flow hedges to mitigate the risks of foreign exchanges exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

vi. Offsetting of financial assets and liabilities

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

vii. Reclassification of financial assets

In Case of any reclassification, the group applies the reclassification prospectively an does not restate any previously recognized gains, losses (Including impairment gains, or losses) or interest.

i) Share capital and Dividend to Shareholders

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

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

j) Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation (except in case of freehold land which is not depreciated) and where applicable, accumulated impairment losses. Cost includes expenditure that is directly attributable to acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

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

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

Subsequent costs

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

Depreciation

Depreciation is recognized in the Statement of profit and loss under straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Assets costing Rs.5000 or below acquired during the year considered not material are depreciated in full retaining Rs.1 per asset. The Useful life has been considered in line with schedule II except where based on technical estimates.

Estimated useful life in years:

Class of Assets	Useful life
Tangible (Owned Assets):	
Building - Temporary structures - Factory - Other than factory buildings	3-5 years 10 years 30-60 years
Plant and Machinery other than generator sets	10-20 years
Electronics	6 years
Moulds / trolleys / weighing balance / drums / PCI stand / Storage stand / motor / pump	6 years
Furniture and Fixtures	10 years
Office Equipment	2-5 years
Vehicles	8-10 years

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

k) Intangible assets

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

Research costs are expensed as incurred. Development expenditures on an individual project / New Product Development are recognised as an intangible asset when the Group can demonstrate:

The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

a. Its intention to complete and its ability and intention to use or sell the asset

b. How the asset will generate future economic benefits

c. The availability of resources to complete the asset

d. The ability to measure reliably the expenditure during development

Subsequent expenditure

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

Amortization of intangible asset with finite useful lives

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

Estimated useful life:

a) Software License is amortised over 5 years

b) New Product Development is amortised over 6 years

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

l) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) and that is not meant for use by the Group. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties are depreciated using the straight-line method over their estimated useful life.

The useful life of Investment properties - Buildings have been estimated at 30 years. The useful life has been determined based on technical evaluation performed by management expert. Based on management's estimate, the residual value has been considered as NIL.

m) Impairment of Non-financial assets

The carrying amount of the Group's non-financial asset, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing the value in use and its fair value less cost to sell, 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 risk specific to asset. For impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows into continuing use that are largely independent of cash inflows of other assets or group of assets (the cash generating unit).

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of cash generating unit are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or group of units on a pro rata basis.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

n) Leases

At the inception of a contract, the Group assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement date, discounted using the Group's incremental borrowing rate.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value (less than Rs. 50 lakhs). The Group recognizes the lease payments associated with these leases as an expense over the lease term.

o) Inventories

Inventories consisting of stores and spares, raw materials, work in progress, and finished goods are valuedat the lower of cost (determined using Weighted average method) and net realizable value. Cost comprises the fair value of consideration for the purchase and all directly attributable costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated cost necessary to make the sale.

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

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

p) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements. Provisions and contingent liability are reviewed at each balance sheet date.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

q) Revenue recognition

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

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

Considering the general terms of sales, there is no significant financing element included in the sales consideration. Revenue from lease rentals is recognized on time proportionate basis. In case of uncertainty in realization of the lease rentals, recognition of such income is deferred.

Subsidies on export and other incentives

Government Subsidies and incentives, in the nature of Business Support Subsidy and RODTEP (Remission of Duties or Taxes on Export Products) are recognized when there is a reasonable assurance that the condition attaching to the incentive would be complied with and incentives will be recognized. Government grant received relating to assets are treated as Deferred Revenue and are recognized over the period in which the economic benefit is expected from such assets.

r) Employee benefits

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

i. Defined contribution plan (including Provident fund)

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

ii. Defined benefit plan (gratuity)

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

iii. Short term benefits

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

iv. Compensated absences

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

s) Finance Income and expense

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

Finance expense comprises interest expense on loans and borrowings, bank charges, unwinding of discount on provision, fair value losses on financial asset through FVTPL that are recognized in the statement of profit and loss.

t) Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the respective Company in the group which are outstanding during the period, other than borrowings made specifically towards purchase of qualifying asset. The amount of borrowing costs that the Group capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

u) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date.

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

(i) The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss

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

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

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

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

Deferred taxation arising on investments in subsidiaries and associates is recognized except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation on temporary differences arising out of undistributed earnings of the equity-method accounted investee is recorded based on the management's intention. If the intention is to realize the undistributed earnings through sale, deferred tax is measured at the capital gains tax rates that are expected to be applied to temporary differences when they reverse. However, when the intention is to realize the undistributed earnings through dividend, the Investor Company's share of the income and expenses of the equity-method accounted investee is recorded in the statement of profit and loss after considering any taxes on dividend payable by equity-method accounted investee or deferred tax is set up in the books if the tax liability is with the Company.

v) Foreign Currency Transactions and balances

Transactions in foreign currencies are initially recognized in the financial statements using exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in statement of profit and loss for determination of net profit or loss during the period.

w) Earnings per share

Basic Earnings Per Share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the group by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the group after adjusting impact of dilution shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

x) Fair value measurements

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

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

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

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

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

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

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

Level 3 - Unobservable outputs for the assets and liabilities

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

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

Fair values have been determined for measurement and/or disclosures purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting period. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(ii) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date except trade receivables which do not contain a significant financing component (determined in accordance with Ind AS 115 Revenue from Contracts with Customers) are measured at undiscounted invoice price (i.e., transaction price) and not at fair value. However, in respect of such financial statements, fair value generally approximates the carrying amount due to the short-term nature of such assets. This fair value is determined for disclosure purpose or when acquired in a business combination.

(iii) Lease Security Deposits

Any lease deposits paid by the Group to the lessors are discounted to their fair value and thereafter accounted on amortised cost method over the lease period.

(iv) Derivatives

The fair value of forward exchange contracts is based on quoted price. Fair value reflects the credit risk of the instrument and includes adjustments to take account of the credit risk of the Group and the counter party when appropriate.

(v) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flow discounted at the market rate of interest at the reporting date. For leases, the applicable rate of interest is determined by reference to incremental borrowings rate.

y) Current and non-current classification

An asset is classified as current if:

(a) it is expected to be realized or sold or consumed in the Group's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realized within twelve months after the reporting period; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

z) Segment Reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems to the chief operating decision maker. The Holding Company's business activity falls within a single reportable business segment, viz, Automotive Tyres, Tubes and Flaps. Geographical segments are considered as India and rest of the world. Subsidiaries' revenues and assets do not meet the criteria for reportable segment as prescribed in the standards. Non-Reportable segments have not been disclosed as unallocated reconciling item in view of materiality.

aa) Warranty

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

(All amounts are stated in Rupees in Crores unless otherwise stated)

3(a) Property, plant and equipment

The following table presents the changes in PPE during the year ended March 31, 2023

Particulars	Gross Block				Depreciation				Net book value	
	As at April 1, 2022	Additions during the year	Deletions during the year	As at 31 March, 2023	As at 31 March, 2022	For the year	Disposals	As at 31 March, 2023	As at 31 March, 2023	As at 31 March, 2022
Freehold Land	46.02	2.93	-	48.95	-	-	-	-	48.95	46.02
Building	263.53	60.60	-	324.13	53.12	13.62	-	66.73	257.40	210.41
Plant and Machinery	616.80	195.51	0.96	811.34	297.15	49.67	0.97	345.86	465.48	319.64
Furniture and Fittings	19.07	2.69	0.07	21.69	8.04	1.87	0.07	9.84	11.85	11.03
Vehicles	2.17	0.13	-	2.30	0.85	0.26	-	1.12	1.18	1.32
Office equipment	26.26	1.46	0.17	27.56	18.70	2.97	0.17	21.50	6.06	7.56
Others (electrical)	184.27	15.44	0.01	199.70	121.25	12.61	0.01	133.85	65.85	63.02
Total	**1,158.12**	**278.76**	**1.21**	**1,435.67**	**499.11**	**81.00**	**1.21**	**578.91**	**856.77**	**659.00**
Capital work in progress	209.34	173.92	269.68	113.58	-	-	-	-	113.58	209.34
Total Gross Block	**1,367.46**	**452.68**	**270.89**	**1,549.25**	**499.11**	**81.00**	**1.21**	**578.91**	**970.35**	**868.34**

The following table presents the changes in PPE during the year ended March 31, 2022

Particulars	Gross Block				Depreciation				Net book value	
	As at April 1, 2021	Additions during the year	Deletions during the year	As at 31 March, 2022	As at 31 March, 2021	For the year	Disposals	As at 31 March, 2022	As at 31 March, 2022	As at 31 March, 2021
Freehold Land	43.60	2.42	-	46.02	-	-	-	-	46.02	43.60
Building	246.68	16.84	-	263.52	40.74	12.37	-	53.11	210.41	205.94
Plant and Machinery	542.77	74.02	-	616.79	258.95	38.20	-	297.15	319.64	283.82
Furniture and Fittings	18.65	0.42	-	19.07	6.23	1.81	-	8.04	11.03	12.42
Vehicles	1.71	0.59	0.13	2.17	0.76	0.22	0.13	0.85	1.32	0.95
Office equipment	24.58	1.68	-	26.26	15.36	3.34	-	18.70	7.56	9.22
Others (electrical)	174.91	9.36	-	184.27	106.88	14.37	-	121.25	63.02	68.03
Total	**1,052.89**	**105.33**	**0.13**	**1,158.10**	**428.92**	**70.31**	**0.13**	**499.10**	**659.00**	**623.98**
Capital work in progress	42.61	179.22	12.49	209.34	-	-	-	-	209.34	42.61
Total	**1,095.50**	**284.55**	**12.62**	**1,367.44**	**428.92**	**70.31**	**0.13**	**499.10**	**868.34**	**666.59**

Note:

1. 'The amount of borrowing cost capitalised during the year ended March 31, 2023 is ₹ 1.04 Crores (March 31, 2022 - ₹ 3.79). The rate used to determine the amount of borrowing cost eligible for capitalisation was 1.44 % (PY- 3.03%), based on the effective interest rate of identified borrowings.

2. For UKD the amount of borrowing cost capitalised during the year ended March 31, 2023 is ₹ 0.98 Crores.The rate used to determine the amount of borrowing cost eligible for capitalisation was 7.67%, based on the effective interest rate of identified borrowings.

3. Refer note 20 and 25 for details on pledges and securities of property, plant and equipment provided for borrowings.

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

(All amounts are stated in Rupees in Crores unless otherwise stated)

4. Investment Properties

(i) Carrying Amount of Investment Properties

Particulars	As at 31.03.2023	As at 31.03.2022
Gross Carrying Amount		
Opening Gross Carrying Amount / Deemed Cost		
- Freehold Land	17.80	17.80
- Buildings	9.14	9.14
- Borewell	0.01	0.01
	26.95	**26.95**
Additions	-	-
Disposals	-	-
Closing Gross Carrying Amount	**26.95**	**26.95**
Accumulated Depreciation		
Opening Accumulated Depreciation	3.06	2.73
Depreciation Charge (Buildings and Borewell)	0.33	0.33
Closing Accumulated Depreciation	**3.39**	**3.05**
Net Carrying Amount	**23.56**	**23.89**

(ii) Fair Valuation of investment properties

Investment properties	34.47	30.44

(iii) Estimation of Fair value

The Company obtains independent valuations of its invetsment properties annually.

The best evidence of fair value is the current prices in an active market for similar properties.

Where such information is not available the Company considers information from variety of sources including:

a. Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjuested to reflect those differences

b. Discounted cash flow projections based on reliable estimates of future cash flows

c. Capitalised income projections based upon a properties estimated net market income and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by Registered Valuers (under IBBI) Mr. Ram Dass, for Madurai and Mr. Kishore K Vikamsey, for mumbai property.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transaction and industry data.

All resulting fair value estimates for investment properties are included in level 3.

(All amounts are stated in Rupees in Crores unless otherwise stated)

5. Intangible assets

The following table presents the changes in PPE during the year ended March 31, 2023

Particulars	Gross Block				Amortisation				Net book value	
	As at April 1, 2022	Additions during the year	Deletions during the year	As at 31 March, 2023	As at 31 March, 2022	For the year	Disposals	As at 31 March, 2023	As at 31 March, 2023	As at 31 March, 2022
Computer software	18.40	1.65	-	20.06	15.91	1.25	-	17.17	2.89	2.49
NPD	16.05	7.71	-	23.76	1.49	3.10	-	4.59	19.17	14.56
Total	**34.45**	**9.36**	**-**	**43.81**	**17.40**	**4.35**	**-**	**21.76**	**22.06**	**17.05**
Intangible assets under development	16.25	15.00	-	31.25	-	-	-	-	31.25	16.25
Total	**50.70**	**24.36**	**-**	**75.06**	**17.40**	**4.35**	**-**	**21.76**	**53.31**	**33.30**

The following table presents the changes in Intangible Assets during the year ended March 31, 2022

Particulars	Gross Block				Amortisation				Net book value	
	As at April 1, 2021	Additions during the year	Deletions during the year	As at 31 March, 2022	As at 31 March, 2021	For the year	Disposals	As at 31 March, 2022	As at 31 March, 2022	As at 31 March, 2021
Computer software	17.35	1.06	-	18.41	14.51	1.41	-	15.92	2.49	2.85
NPD		16.05	-	16.05	-	1.49		1.49	14.56	-
Total	**17.35**	**17.11**	**-**	**34.46**	**14.51**	**2.90**	**-**	**17.41**	**17.05**	**2.85**
Intangible assets under development	20.23	12.07	16.05	16.25	-	-	-	-	16.25	20.23
Total	**37.58**	**29.18**	**16.05**	**50.71**	**14.51**	**2.90**	**-**	**17.41**	**33.30**	**23.08**

Note: 1. The Group has availed the deemed cost exemption in relation to the intangible on the date of transition i.e. 1st April 2015 and hence the carrying amount (net block) as per previous GAAP on that date has been considered as Gross Block Refer below the Gross Block Value.

(All amounts are stated in Rupees in Crores unless otherwise stated)

Ageing for Capital work in progress
CWIP ageing schedule

Particulars	As at 31st March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	94.27	8.53	2.40	8.38	113.58
Projects temporarily suspended	-	-	-	-	-
Total	**94.27**	**8.53**	**2.40**	**8.38**	**113.58**

Particulars	As at 31 March 2021				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	184.28	10.91	7.57	0.08	202.84
Projects temporarily suspended	0.38	1.76	3.37	0.99	6.50
Total	**184.66**	**12.67**	**10.94**	**1.07**	**209.34**

CWIP completion schedule for which Completion is overdue or has exceeded its cost compared to its original plan:

i) Projects in progress

Particulars	To be completed in.....				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 1	-	1.89	-	-	1.89
Manufacturing Enhancement project	-	16.97	-	-	16.97
TSL 2	18.84	-	-	-	18.84
TSL 3	6.29	-	-	-	6.29
TSL 4	8.11	-	-	-	8.11
TSL 5	0.76	-	-	-	0.76
TSL 6	0.37	-	-	-	0.37
Total	**34.38**	**18.85**	-	-	**53.23**

Ageing of Intangible assets under development

Particulars	As at 31s March 2023				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	22.71	8.54	-	-	31.25
Projects temporarily suspended	-	-	-	-	-
Total	**22.71**	**8.54**	-	-	**31.25**

Particulars	As at 31s March 2022				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.39	1.86	-	-	16.25
Projects temporarily suspended	-	-	-	-	-
Total	**14.39**	**1.86**	-	-	**16.25**

Completion schedule for intangibles for which completion is overdue or has exceeded its cost compared to its original plan

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 2 - OHT	30.51	-	-	-	30.51
TSL 3 - Others	0.74	-	-	-	0.74
Total	**31.25**	-	-	-	**31.25**

(All amounts are stated in Rupees in Crores unless otherwise stated)

6. Right of Use Assets

A. Movement in Right of Use Assets:

Particulars	Plant & Machinery	Land & Buildings	Total
Gross Block at Cost			
As at 1st April 2022	24.07	2.47	26.54
Additions during the year			
Deductions for the year			
As at 31st March 2023	**24.07**	**2.47**	**26.54**
Depreciation			
As at 1st April 2022	18.22	0.05	18.27
Charge for the year	5.85	0.01	5.86
Deductions for the year	-	-	
As at 31st March 2023	**24.07**	**0.06**	24.13
Net Block			
As at 31st March 2023	**0.00**	**2.41**	**2.41**

Particulars	Plant & Machinery	Land & Buildings	Total
Gross Block at Cost			
As at 1st April 2021	24.07	2.64	26.71
Additions during the year			
Deductions for the year			
As at 31st March 2022	**24.07**	**2.64**	**26.71**
Depreciation			
As at 1st April 2021	12.02	0.15	12.17
Charge for the year	6.20	0.07	6.27
Deductions for the year	-	-	
As at 31st March 2022	**18.22**	**0.22**	**18.44**
Net Block			
As at 31st March 2022	**5.85**	**2.42**	**8.27**

B. Movement in Lease Receivable (Net of Liabilities):

As at 1st April 2022	**1.30**
Lease payments during the year	0.25
Rebates received	-
Adjustment	(1.55)
As at 31st March 2023	**0.00**
- Non Current	-
- Current	0.00

As at 1st April 2021	**1.72**
Lease payments during the year	0.24
Rebates received	(0.66)
As at 31st March 2022	**1.30**
- Non Current	-
- Current	1.30

C. Amounts recognized in statement of profit and loss:

Expense/(Income)	As at 31.03.2023	As at 31.03.2022
Depreciation expense of Right of Use Assets	5.86	6.23
Expense relating to short-term leases	25.90	21.34
Interest income on Net lease receivable	-	(0.47)
Total recognized in Statement of Profit and Loss	**31.76**	**27.10**

D. Exposure to future cash flows:

The Company has taken some plant & machinery on lease and following are the undiscounted contractual cash flows of lease liabilities (Net of receivables):

Maturity Analysis	As at 31.03.2023	As at 31.03.2022
Less than 1 year	(0.00)	(1.30)
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
More than 5 years	-	-
Total	**(0.00)**	**(1.30)**

(All amounts are stated in Rupees in Crores unless otherwise stated)

7. Investments (Non-current Financial Assets)

Particulars	As at 31.03.2023	As at 31.03.2022
Investment in equity of others - Unquoted		
Associate:		
Van leeuwen Tyres and wheels BV	0.09	0.09
15,000 fully paid up equity shares (PY - 15,000 shares) of EURO 1 each		
Less: Provision for diminution in value of investments	(0.09)	(0.09)
Total Investment in Associate	**0.00**	**0.00**
Others:		
Sai Regency Power Corporation Private Limited	0.22	0.22
2,25,000 fully paid up equity shares (PY - 2,25,000 shares) of ₹10 each		
Myrtah Vayu Manijra private limited	1.61	1.61
16,20,140 fully paid up equity shares (PY - 10,10,840 shares) of ₹10 each		
Coromandel Electricity Company Limited	0.01	0.01
10,000 fully paid up equity shares (PY - 10,000 shares) of ₹10 each		
TVS Automobile Solutions Private Limited	253.02	252.85
9,11,741 fully paid up equity shares (PY - 9,11,741 shares) of ₹10 each	-	-
Total	**254.86**	**254.69**
Less: Provision for diminution in value of investments	(0.22)	(0.22)
Total	**254.64**	**254.47**

Aggregate amount of unquoted investment	254.95	254.78
Aggregate amount of impairment in the value of investment	(0.31)	(0.31)

8. Financial Assets - Loans

Particulars	As at 31.03.2023	As at 31.03.2022
Unsecured, Considered Good: Loans	0.77	1.50
Total	**0.77**	**1.50**

9. Other Non-current Financial Assets

Particulars	As at 31.03.2023	As at 31.03.2022
Deposits with banks with maturity period more than 12 months	0.20	0.20
(held as lien by bank against bank guarantee)		
Advances to employees	3.46	3.16
Security Deposits	40.40	19.11
Total	**44.06**	**22.47**

10. Deferred Tax Asset (Net)

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Tax Liability	-	-
a) On Account of Depreciation on Property, Plant, Equipment	(0.66)	-
b) On account of timing Differences in Recognition of Expenditure	0.01	-
c) On Account of Amortisation of Right of Use Assets	-	-
d) On account of Ind AS fair value adjustments	-	-
c) On account of carried forward tax losses/tax credits	3.25	-
e) On account of others	-	-
Total	2.60	-

11. Other non current assets

Particulars	As at 31.03.2023	As at 31.03.2022
Capital advance	16.35	7.03
Others		
Deposits with Government authorities	0.11	0.11
Total	**16.46**	**7.14**

12. Inventories

Particulars	As at 31.03.2023	As at 31.03.2022
Raw material and components	434.95	499.62
Work in progress	43.61	44.57
Finished goods*	265.51	240.23
Stock in trade	2.18	1.59
Stores and spares	32.69	26.98
Total**	**778.94**	**812.99**

*The Company has written down inventory by Rs.2.25 Crores (PY Nil) which is included as part of cost of materials consumed.
**Includes stock in transit of Rs.42.61 Crores (PY - Rs. 36.7 Crores) Refer to Note 20 and Note 25 for details of pledge and securities of Inventories provided for borrowings

13. Trade receivables

Particulars	As at 31.03.2023	As at 31.03.2022
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	221.13	239.56
(Refer Note 41 for Related Parties)		
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	0.32	0.53
	221.45	**240.09**
Less:Allowance for doubtful receivables	0.93	0.53
Total	**220.52**	**239.56**

Trade Receivables ageing schedule

Particulars	As at 31 March 2023						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	177.54	42.74	0.24	-	-	-	**220.52**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	0.19	0.04	-	**0.23**
(iii) Undisputed Trade Receivables - credit impaired	-	0.08	0.38	0.08	0.06	0.01	**0.61**
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	0.09	-	-	**0.09**
Total	**177.54**	**42.82**	**0.62**	**0.36**	**0.10**	**0.01**	**221.45**
Less: Allowance for Trade Recivables	-	0.08	0.38	0.36	0.10	0.01	0.93
Net Trade Receivable	**177.54**	**42.74**	**0.24**	-	-	-	**220.52**

Particulars	As at 31 March 2022						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	170.81	66.28	0.37	0.07	0.02	0.01	**239.56**
(ii) (ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) (iii) Undisputed Trade Receivables - credit impaired	-	-	0.02	0.12	0.07	0.32	**0.53**
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	**-**
Total	**170.81**	**66.28**	**0.39**	**0.19**	**0.09**	**0.33**	**240.09**
Less: Allowance for Trade Recivables	-	-	0.02	0.12	0.07	0.32	0.53
Net Trade Receivable	**170.81**	**66.28**	**0.37**	**0.07**	**0.02**	**0.01**	**239.56**

Note: Where no due date of payment is specified, ageing computed based on the date of transaction.

(All amounts are stated in Rupees in Crores unless otherwise stated)

14. Cash and bank balances

Particulars	As at 31.03.2023	As at 31.03.2022
14(a) Cash and Cash Equivalents		
a) Balance with banks		
(i) in Current accounts	11.39	8.50
(ii) Cash on Hand	1.16	0.22
(a)	**12.55**	**8.72**
14(b) Other bank balances		
(i) Unpaid dividend	3.01	4.18
(b)	**3.01**	**4.18**

15. Loan- Current Financial Asset

Particulars	As at 31.03.2023	As at 31.03.2022
Unsecured, considered good	-	-
Advances to employees	0.02	-
Loan	0.73	-
Total	0.75	-

16. Other financial assets

Particulars	As at 31.03.2023	As at 31.03.2022
Accrued Income		
Considered Good	2.48	3.08
Credit Impaired	3.00	3.00
Less: Provision for Doubtful Advances	(3.00)	(3.00)
	2.48	**3.08**
Derivative Asset	6.71	14.33
Security Deposits	6.34	5.82
Total	**15.53**	**23.23**

17. Other current assets (Unsecured, Considered good)

Particulars	As at 31.03.2023	As at 31.03.2022
(a)Advance other than capital advance:		
Other Advances:		
Advances to suppliers - Considered Good	15.05	11.44
Advances to suppliers - Credit Impaired	-	0.17
Less: provision for doubtful advances	(2.68)	(0.17)
	12.37	**11.44**
(b) Others		
Balance with Government Authorities	1.97	0.47
Prepaid expenses	18.56	21.64
Lease prepayments	-	1.67
GST Input Tax Credit (Net) available for set-off/refund	-	0.06
Others	0.39	0.83
	20.92	**24.67**
Total (a) + (b)	**33.29**	**36.11**

18. Equity share capital

Particulars	As at 31.03.2023	As at 31.03.2022
Authorised (1,00,00,000 equity shares at Rs.10 each)	10.00	10.00
Issued, Subscribed and fully paid up (76,57,050 equity shares at Rs.10 each)	7.66	7.66
Total	**7.66**	**7.66**

18.1 Reconciliation of number of shares in the beginning and at end of the year

FY 2022-23	Number of shares	Amount
Balance as at the beginning of the year	76,57,050	7.66
Balance as at the end of the year	76,57,050	7.66

FY 2021-22	Number of shares	Amount
Balance as at the beginning of the year	76,57,050	7.66
Balance as at the end of the year	76,57,050	7.66

(All amounts are stated in Rupees in Crores unless otherwise stated)

18.2 Shareholding more than 5 % of the shares of the Company

Name of the Company	As at 31.03.2023	As at 31.03.2022
*TVS Mobility Private Limited (CY-37.52, PY - 37.52%)	28,73,115	28,73,115

18.3 Disclosure of shareholding of promoters and percentage of change during the year

Promoter name	As at 31 March 23		
	No. of shares held	% of share Holding	% Change during the year
T V Sundram Iyengar & Sons Private Limited*	-	-	
Sundaram Industries Limited*	-	-	
R Naresh	1,44,656	1.89%	
TVS Mobility Private Limited*	28,73,115	37.52%	
Shobhana Ramachandhran	2,96,931	3.88%	0.13%
Nitya Kalyanee Investment Limited	1,21,429	1.59%	-
R Haresh(On Behalf Of Sundaram Trust)	62,372	0.81%	0.21%
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

Promoter name	As at 31 March 22		
	No. of shares held	% of share Holding	% Change during the year
T V Sundram Iyengar & Sons Private Limited*	-	-	-27.73%
Sundaram Industries Limited*	-	-	-9.79%
R Naresh	1,44,656	1.89%	-
TVS Mobility Private Limited*	28,73,115	37.52%	37.52%
Shobhana Ramachandhran	2,87,051	3.75%	-
Nitya Kalyanee Investment Limited	1,21,429	1.59%	-
R Haresh(On Behalf Of Sundaram Trust)	46,320	0.60%	-
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

* During the previous year, consequent to a master family arrangement given effect to through the Hon'ble NCLT, shareholding in the Company by T V Sundram Iyengar & Sons Private Limited and Sundaram Industries Limited are vested in the name of TVS Mobility Private Limited.

18.4 Rights, preferences and restrictions attached to shares:

Equity shares - The Company has one class of equity shares having a par value of Rs. 10/- each. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Each shareholder also has a residual interest in the assets of the Company in proportion to their shareholding.

18.5 The Company does not have any outstanding shares issued under options.

18.6 The Company does not have any bonus share issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date (31st March, 2023).

(All amounts are stated in Rupees in Crores unless otherwise stated)

19. Other equity

Reserves and surplus

Particulars	As at 31.03.2023	As at 31.03.2022
Securities premium	**0.93**	**0.93**
General reserve	**33.47**	**33.47**
Capital reserve	**0.11**	**0.11**
Reserve on amalgamation	**0.46**	**0.46**
Surplus		
Opening balance	762.27	745.04
Profit for the year	77.99	43.47
Dividends paid	(12.48)	(22.97)
Remeasurement of DBO through Other Comprehensive Income	1.31	(3.27)
Closing Balance	**829.09**	**762.27**
Gains on Equity instruments through Other Comprehensive Income		
Opening Balance	155.88	37.06
Fair Valuation of Investments (net of taxes)	0.78	118.82
Closing Balance	**156.66**	**155.88**
Gains on cash flow hedge instrument through Other Comprehensive Income		
Opening Balance	10.02	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge (net of taxes)	(4.21)	10.02
Closing Balance	**5.81**	**10.02**
Total	**1,026.52**	**963.14**

Nature and purpose of other reserves

Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Capital reserve represents reserve of capital nature taken to this head under the erstwhile GAAP.

Reserve on amalgamation represents reserve created as a result of amalgamation

Surplus / Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Equity Instrument through Other Comprehensive Income represents the fair value gain/loss which is not routed through statement of P&L.

Cash flow hedge instrument through Other Comprehensive Income represents the fair value gain/loss which is routed through statement of P&L.

20. Borrowings - Non current

Term loans

Particulars	As at 31.03.2023	As at 31.03.2022
Secured		
From Banks	371.19	418.59
Less: Amount Transferred to Current Maturities	(46.92)	(55.17)
Unsecured		
From banks	-	
From others	-	
Total	324.26	363.42

Additional Information:

Details of Security for Secured Loans:

A) Term Loan Availed from HDFC Bank: This is repayable over 5 years including 12 months of moratorium with an average interest rate of 7.8% p.a Loan is secured by exclusive charge on plant and machinery. This loan has been closed during the current year

B) Term Loan availed from HDFC Bank - This is repayable over 5 years with an interest rate of 6.4% p.a., cross currency swap and interest rate swap at interest rate of 1.4% p.a. Loan is secured by exclusive first charge on the Specific Fixed Assets/ Immoveble property.

C) Term Loan Availed from Axis Bank: This is repayable over 8 years including 36 Months of Moratorium with an average interest rate of 7.8% p.a Loan is secured by first charge over specific plant and machinery or unencumbered land and building

D) Term Loans from Axis/HDFC Banks are covered by Cross Currency Swaps.

E) Term Loan from State Bank of India - This is repayable over 6 years including 12 months of moratorium with an average interest rate of 7.3% p.a. Loan is secured by first charge over plant and machinery located at Vellaripatti Village, Madurai.

F) CCECL Demand Loan from State Bank of India - This is repayable over 1.5 years including a 6 months moratorium with an average interest rate of 7.40 % p.a. Loan is secured by extension of exclusive first charge on Current Assets. This loan has been closed during the current year

G) Term Loan I availed by subsidiary Company from HDFC Bank (TVS Sensing solutions private limited) with sanctioned amount of INR 4.50 Crores is repayable in 5 years including 12 months moratorium. Loan of INR 3 Crores was availed during the year 2019-20. Loan is primarily secured by factory land & building and plant and machinery of the Company.

H) Term Loan II availed by subsidiary Company from ICICI Bank (TVS Sensing solutions private limited) with sanctioned amount of INR 6 Crores is repayable in 8 quarterly instalments. Loan is primarily secured by a pari passu first charge on movable fixed assets of the Company. The Loan was repaid during the current Year

I) Term Loan III availed by subsidiary Company from ICICI Bank (TVS Sensing solutions private limited) with sanctioned amount of INR 8.50 Crores is repayable in 5 years including 1 year moratorium. Loan is primarily secured by movable fixed assets of the Company.

20(b): NET DEBT RECONCILIATION

Changes in Liability arising from Financing activities.

Particulars	As at 31.03.2022	Cash Flows		As at 31.03.2023
		Receipts	Payments	
Current Borrowings	246.27	149.79	58.25	337.81
Non-current Borrowings	363.42	7.50	46.66	324.26
Total	**609.69**	**157.29**	**104.92**	**662.06**

Particulars	As at 31.03.2021	Cash Flows		As at 31.03.2022
		Receipts	Payments	
Current Borrowings	102.84	143.43		246.27
Non-current Borrowings	105.05	309.77	51.40	363.42
Total	**207.89**	**453.20**	**51.40**	**609.69**

(All amounts are stated in Rupees in Crores unless otherwise stated)

21. Other Financial Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Security Deposits	12.90	87.04
Other liabilities	-	
Derivative Asset / Liability Account	-	-
Other liabilities	-	
Total	**12.90**	**87.04**

22(a). Provisions

Particulars	As at 31.03.2023	As at 31.03.2022
22(a) Non Current provisions		
Gratuity	0.19	1.05
Compensated absences	12.30	11.69
(a)	**12.49**	**12.74**
22(b) Current provisions		
Gratuity	1.05	3.26
Compensated absences	1.05	1.52
Warranty (Refer Note 40)	12.42	10.69
(b)	**14.52**	**15.47**

23. Deferred Tax Liability (Net)

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Tax Liability		
a) On Account of Depreciation on Property, Plant, Equipment	32.22	27.00
b) On account of timing Differences in Recognition of Expenditure	(4.46)	(3.18)
c) On Account of Amortisation of Right of Use Assets	0.61	(0.59)
d) On account of Ind AS fair value adjustments	42.70	43.30
c) On account of carried forward tax losses/tax credits	-	(2.47)
e) On account of others	-	(0.15)
Total	71.07	63.91

24. Other non current liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Government Grant (Capital Subsidy)	0.12	0.19
Deferred Income	0.08	3.53
Interest accrued but not due on borrowings	0.00	
Total	**0.20**	**3.72**

25. Borrowings (Current)

Particulars	As at 31.03.2023	As at 31.03.2022
Secured		
(a) Loans repayable on demand		
from Banks*	265.74	96.10
Current Maturities of long Term Borrowings	46.92	55.17
Unsecured		
(a) Loans repayable on demand		
from banks	25.15	45.00
(b) Commercial paper	-	50.00
Total	337.81	246.27

Additional Information:

a. Details of Security for Secured Loans

Working Capital facilities availed from State Bank of India are secured by a first charge on the entire Current Assets of the Company viz Raw Materials, Semi-finished Goods, Finished Goods, Stores, Spares, Trade Receivables, and Other Current Assets.

b. Details of Unsecured loans

Cash credit facility availed from HDFC bank at interest rate of 7.75% p.a.

Cash credit facility availed from Axis bank at interest rate of 8.85% p.a.

26. Trade payables

Particulars	As at 31.03.2023	As at 31.03.2022
i) total outstanding dues of Micro and Small Enterprises (Refer Note 46)	3.69	5.89
ii) total outstanding dues of creditors other than Micro and Small Enterprises (Refer Note 41 for Related Parties)	409.51	411.26
Total	**413.20**	**417.15**

Trade Payables ageing schedule

Particulars	As at 31 March 2023						
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises*	-	3.44	0.17	0.00	0.01	0.07	3.69
Others	44.95	289.54	74.68	0.18	0.01	0.15	409.51
Disputed Dues - Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
Total	44.95	292.98	74.85	0.19	0.02	0.22	413.20

Particulars	As at 31 March 2022						
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises*		5.82	-	0.02	-	0.05	5.89
Others	30.78	293.14	86.87	0.15	0.09	0.23	411.26
Disputed Dues - Micro and Small Enterprises							-
Disputed Dues - Others							-
Total	30.78	298.96	86.87	0.17	0.09	0.28	417.15

* Total outstanding dues of micro and small enterprises
Where no due date of payment is specified in that case disclosure shall be from the date of the transaction.
Unbilled pertains to GRIR/SRIR balances.

27. Other financial liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Capital creditors*	21.07	22.44
Interest accrued but not due on borrowings	2.14	2.47
Unpaid dividends	3.01	4.18
Deposits Repayable in one year	72.00	-
Other creditors	112.70	126.93
Total	**210.92**	**156.02**

*Includes ₹ 2.72 Crores (PY - 1.48) of dues to Micro and Small Enterprises (Refer Note 46)

28. Other current liabilites

Particulars	As at 31.03.2023	As at 31.03.2022
Advances from customers	7.35	4.23
Deferred Governement Grant (capital subsidy)	0.04	0.02
GST Payable	10.44	12.10
Statutory payables	6.63	6.44
Other payables	0.05	0.06
Total	**24.52**	**22.85**

29. Revenue from operations

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Sale of products (Net of Commissions & Discounts)	2,972.22	2,531.57
Other Operating Revenue	12.75	11.33
Total	2,984.97	2,542.90

(All amounts are stated in Rupees in Crores unless otherwise stated)

29.1. Reconciliation of contracted price and net sales

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Contracted price of sale of Manufactured Goods	3,170.09	2,686.42
Contracted price of sale of Traded Goods	4.96	4.95
Other Sales	3.53	3.78
Less: Discount and Commission	(206.36)	(163.58)
Total	**2,972.22**	**2,531.57**

29.2. Contract Asset and Liabilities

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Contract Assets	-	-
Contract Liabilities	7.35	4.23

29.3.Revenue disaggregation basis geography has been included in segment reporting Refer Note 39.

30. Other income

Particulars		Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Interest income from Bank Deposits		-	-
Interest income on lease (net)		0.51	-
Interest - Others		3.63	3.53
Exchange Rate Fluctuation gain (Net)		-	1.73
Other		-	-
	(a)	**4.14**	**5.26**
Profit on sale of Assets		0.05	0.02
Miscellaneous Income		4.22	0.87
Provision no longer required		0.76	0.31
	(b)	**5.03**	**1.20**
Total (a) + (b)		**9.17**	**6.46**

31. Cost of materials consumed

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Opening Stock	499.62	240.82
Add: Purchase	1,724.45	1,871.78
Total	**2,224.07**	**2,112.60**
Less Closing Stock	434.95	499.62
Cost of Materials consumed	**1,789.12**	**1,612.98**

32. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2023
Opening Stock of Finished goods &Traded goods	241.81	133.76
Opening Stock of Work in progress	44.57	32.41
Closing Stock of Finished goods & Traded Goods	267.69	241.82
Closing Stock of Work in progress	43.61	44.57
(Increase) / Decrease in Finished goods & Traded Goods	(25.88)	(108.06)
(Increase) / Decrease in Work in progress	0.96	(12.16)
Total (Increase) / Decrease in Stock	**(24.92)**	**(120.22)**

(All amounts are stated in Rupees in Crores unless otherwise stated)

33. Employee benefit expenses

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
(a) Salaries and wages	270.95	262.28
(b) Contributions to -		
(i) Superannuation Fund	0.96	1.02
(ii) Gratuity fund contributions *	2.81	2.69
(iii) Provident Fund and other funds	14.58	14.37
(c) Remuneration to Whole time directors	10.66	6.72
(d) Staff welfare expenses	18.98	14.35
Total	**318.94**	**301.43**

*Excludes Actuarial Gain/Loss on account of Gratuity.

34. Finance costs

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Interest expense	39.52	31.22
Other borrowing cost (inlcuding letter of credit and bill discounting charges)	0.11	0.38
Total	**39.63**	**31.60**

35. Other expenses

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Processing Charges/Outsourcing Charges	93.97	91.29
Consumption of Stores & Spares	70.21	58.83
Power & Fuel	130.38	113.29
Repairs to building	2.90	3.44
Repairs to machinery	27.08	21.27
Repairs Others	1.14	0.97
Insurance	10.77	8.06
Rates & taxes	5.87	5.18
Telephone & Internet Charges	1.03	1.06
Travelling Expense	13.85	6.80
Exchange Rate Fluctuation Loss (Net)	1.66	-
Bank charges	4.68	2.77
Advertisement and sales Promotion	93.19	76.25
CSR Activities (Refer Note 47)	1.18	2.77
Freight Out	109.99	110.17
Provision for Doubtful Advances	2.68	0.03
Provision for Bad Debts	0.89	0.09
Bad debts	0.46	1.46
Assets condemned	0.01	-
Commission to non Whole time directors	0.90	0.68
Director's sitting fees	0.18	0.17
Variable/ short term Lease rentals	25.56	21.21
Audit Fees - (Refer Note 48)		
a) Audit fees	0.39	0.37
b)Others	0.10	0.05
Donation	0.06	0.06
Consultancy	23.75	13.18
Warranty Claims - (Refer Note 40)	10.74	7.33
C and F Commission	17.64	14.70
Tooling expenses	0.37	0.70
Contract Labour Charges	4.90	2.84
Other expenses	12.19	11.68
Total	**668.72**	**576.70**

(All amounts are stated in Rupees in Crores unless otherwise stated)

36. Reconciliation of effective tax rates

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarised below:

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Profit before taxes	101.44	59.12
Enacted tax rates in India	Refer Note Below	Refer Note Below
Expected tax expense/(benefit)	26.23	15.97
Items leading to difference in Effective Rate compared to Statutory Rate:		
Other Impacts due to permanent allowances/disallowances as per IT Act	0.47	0.80
Effect of tax rate change		-
Effect of other carried forward temporary differences	(0.14)	(1.03)
Tax losses for earlier period to the extent on which deferred tax asset was (created)/reversed	0.89	(0.10)
Others	(0.73)	0.16
Tax Reversal of earlier years	(3.09)	
Tax Expense as per P&L	**23.62**	**15.80**

Tax Charged to Other Comprehensive Income for	Year ended 31-Mar-23	Year ended 31-Mar-22
Net loss/(gain) on remeasurement of Defined Benefit Plans	(0.44)	1.08
Fair value gains on equity instruments	0.61	(34.06)
Deferred gains / (losses) on cash flow hedges	1.42	(3.37)
Total	**1.59**	**(36.35)**

Note: The Taxation Laws (Amendment) Ordinance 2019 inserted S.115BAA under Income Tax Act, 1961 which provides domestic companies with a non-reversible option to opt for lower tax rate of 22% provided they do not claim certain deductions. In the earlier year, on evaluating the options, the Holding Company and its two subsidiaries (TVS Srichakra Investments Ltd and Fiber Optic Sensing Solutions Private Limited) have adopted the new tax structure. Tax Rate applicable for TVS Sensing Solutions Private Limited is 25.75%.

37. Details of Earnings Per Share

A reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income taxes to the income before taxes is summarised below:

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Profits for the Year	77.99	43.47
Number of Equity Shares (Nos.)	76,57,050	76,57,050
Face Value of Shares (In Rupees)	10	10
Basic and Diluted Earnings per Share (In Rupees)*	101.85	56.77

*There are no potential dilutive equity shares

38. Employee benefit Liabilities

- Contribution to Provident Funds

The Company has recognised and included in Note no.32 “Contributions to Provident Fund and other funds” expenses towards the defined contribution plan as under:

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Contribution to Provident fund (Government)	14.58	14.37

(All amounts are stated in Rupees in Crores unless otherwise stated)

- Compensated Absences

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Present value of defined benefits obligations (DBO) 1	13.63	13.46
Fair value of the plan assets (FVA)	0.40	0.35
Net assets/liabilities recognised in balance sheet	(13.23)	(13.09)
Employer direct benefit payments	(3.57)	(2.53)
Defined benefits cost included in P&L	3.76	6.76
PVO Unfunded scheme		
Current	1.05	1.52
Non Current	12.30	11.69
Projected Benefit Obligation	13.35	13.21
Summary of actuarial assumptions		
Discount rate	7.32% to 7.54%	7.22% to 7.33%
Expected rate of plan assets	0% to 7.54%	0% to 7.33%
Salary escalation rate	4% to 5%	4.00%
Attrition rate	5.00%	5.00%

- Gratuity

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Reconciliation of opening and closing balances at the present value of the defined benefit obligation (gratuity)		
Present Value of Defined Benefits	41.15	37.51
Service cost	2.64	2.64
Interest cost	2.80	2.57
Actuarial (gain)/loss	(2.97)	2.19
Benefits paid	(4.91)	(3.76)
Project benefit obligation at the end of the year	38.71	41.15
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	36.84	37.75
Interest income	2.63	2.58
Employers contribution	4.14	0.12
Benefits paid	(4.91)	(3.76)
Actuarial gain/(loss)	(1.23)	0.15
Fair value of plan assets at the end of the year	37.47	36.84
Amount recognised in balance sheet		
Present value of projected benefit obligaiton at the end of the year	38.71	41.15
Fair value of plan assets at the end of year	37.47	36.84
Funded status amount of liability recognised in balance sheet	1.24	4.31
Gratuity Liability / (Asset) - Holding Company (Non Current)	-	0.84
Gratuity Liability / (Asset) - Holding Company (Current)	0.79	3.03
Gratuity Liability / (Asset) - Subsidiary Company (Non Current)	0.19	0.21
Gratuity Liability / (Asset) - Subsidiary Company (Current)	0.26	0.23

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Expense recognised in statement of profit or loss		
Service cost	2.64	2.64
Interest cost	2.80	2.57
Interest income	(2.63)	(2.58)
Net gratuity cost	2.81	2.63
Actual return on plan asset	1.40	2.75

Actuarial Loss / (Gain) recognised	Year ended 31-Mar-23	Year ended 31-Mar-22
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	(0.12)	(0.13)
Actuarial (Gain)/Losses due to Experience on DBO	(2.86)	2.33
Return on Plan Assets (Greater)/Less than Discount rate	1.23	(0.15)
Components of defined benefit losses (gains) recognised	**(1.75)**	**2.04**
Summary of actuarial assumptions		
Discount rate	7.32% to 7.54%	7.22% to 7.33%
Expected rate of plan assets	7.32% to 7.33%	6.86% to 7.22%
Salary escalation rate	4.00%	4.00%
Attrition rate	5.00%	5.00%

Discount rate - based on prevailing market yeilds of Indian governement securitires as at the balance sheet date for estimated term of obligations expected rate of retun on plan assets - expectation of the average long term rate of retun expected on investment of the funds druing the estimated terms of the obligations salary escalation rate - estimates of future salary increases considered taken into account the inflation, seniority, promotion and other relevant factors contributions. The expected cash flows over the next few years are as follows:

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Within 1 year	6.49	2.72
2 to 5 years	23.61	12.35
6 to 10 years	22.65	10.73
more than 10 years	23.22	11.64

Mortality - Indian Assured Lives Mortality (2012-14) Ultimate

Sensitivity analysis of significant actuarial assumption

Particulars - Gratuity	31-Mar-23	
	% inc/dec in DBO	Liability (Rs in Crores)
Discount Rate + 100 basis points	-6.55%	36.17
Discount Rate - 100 basis points	7.42%	41.57
Salary growth rate + 100 basis points	7.29%	41.51
Salary growth rate - 100 basis points	-6.54%	36.17
Attrition Rate + 100 basis points	1.40%	39.23
Attrition Rate - 100 basis points	-1.54%	38.11
Mortality Rate 10% Up	0.05%	38.71

Particulars - Gratuity	31-Mar-22	
	% inc/dec in DBO	Liability (Rs in Crores)
Discount Rate + 100 basis points	-6.73%	38.38
Discount Rate - 100 basis points	7.66%	44.30
Salary growth rate + 100 basis points	7.50%	44.23
Salary growth rate - 100 basis points	-6.69%	38.40
Attrition Rate + 100 basis points	1.46%	41.75
Attrition Rate - 100 basis points	-1.62%	40.48
Mortality Rate 10% Up	0.05%	41.17

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Interest Rates Risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(All amounts are stated in Rupees in Crores unless otherwise stated)

Salary Risk

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

Demographic Risks

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

39. Segment reporting

The Group has identified the following reportable segment taking into account the different types of products produced and services rendered, different risks and returns, the organization structure and the internal reporting systems: (i) Tyres & Tubes (ii) Others

(I) Information about revenue from segments:

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Tyres & Tubes	2,853.66	2,453.00
Others	118.56	78.57
Total	**2,972.22**	**2,531.57**

Information about net profit/(loss) from segments: (PBT)a	Year ended 31-Mar-23	Year ended 31-Mar-22
Tyres & Tubes	91.29	56.94
Others	10.15	2.18
Total	**101.44**	**59.12**

(II) Geographical Breakup of Revenue through sale of products is as under:

Tyres & Tubes	Year ended 31-Mar-23	Year ended 31-Mar-22
Exports	368.42	346.51
Domestic	2,485.24	2,106.49
Total	**2,853.66**	**2,453.00**

Others	Year ended 31-Mar-23	Year ended 31-Mar-22
Exports	19.88	11.97
Domestic	98.68	66.60
Total	**118.56**	**78.57**

(III).Non Current Asset

Tyres & Tubes	Year ended 31-Mar-23	Year ended 31-Mar-22
Outside India	-	-
With in India	1,391.00	1,234.29
Total	1,391.00	1,234.29

(All amounts are stated in Rupees in Crores unless otherwise stated)

(IV)There are two customers contributes more than 20% of Company's revenue.

40. Movement in provision for product warranty

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Opening Balance	10.69	9.99
Add: Provided during the year	10.74	7.33
Less: Claims made	(9.02)	(6.63)
Closing Balance	12.42	10.69

The estimated provision takes into account historical information frequency and average cost of warranty claims and the estimated future incidence of claims.

41. Related party and transactions

a) Related parties and their relationship

The related party where control/joint control/significant influence exists are subsidiaries, joint ventures and associates. Key managerial personnel are those persons having authority and responsibility in planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or otherwise. Key management personnel include the board of directors and other senior management executives. The other related parties are those with whom the group has had transaction during the years 2022-23 and 2021-22 as follows:

Entity with significant influence and its subsidiaries, associates and joint venture

- TVS Mobility Private Limited (holds more than 10% shareholding) w.e.f Feb'22
- TVS Supply Chain Solutions Limited (formerly knownc as TVS Logistics Services Limited)
- TVS SCS Global Freight Solutions Limited (Formerly known as TVS Dynamic Global Freight Services Limited)
- TVS Auto Bangladesh Limited
- SI Air Springs Private Limited (formerly known as Firestone TVS Private Limited)
- TVS Automobile Solutions Private Limited
- TVS Automotives (Private) Limited
- White Data Systems India Pvt. Ltd.,
- Sundharams Private Limited
- T V Sundram Iyengar & Sons Private Limited upto Feb'22
- Sundaram Industries Private Limited
- TVS Lanka Private Limited
- KI Mobility Solutions Private Limited
- TVS Argomm Private Limited

Associates

- VanLeeuwen Tyres & Wheels B.V.Holland

Key Management Personnel/ Relative of KMP's

- Sri R Naresh,Executive Vice Chairman
- Ms Shobhana Ramachandhran, Managing Director
- Sri R Haresh (Chairman/Director, M/s TVS Sensing Solutions Private Limited)

(All amounts are stated in Rupees in Crores unless otherwise stated)

Independent / Non-Executive Directors

- Sri M S Viraraghavan
- Sri H Janardana Iyer
- Sri V Ramakrishnan
- Sri Rasesh R Doshi
- Sri V Anantha Nageswaran (till 25th Jan 2022)
- Ms. S V Mathangi
- Sri S Ravichandran - Non-Independent Non-Executive Director
- Sri. P Srinivasavaradhan - Non-Independent Non-Executive Director

b) Related party transaction and balance as at reporting period

Transactions for the year and balance as at Mar 31, 2023 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Key Management Personnel & Relatives of KMP's	Independent / Non-Executive Directors
Purchases	2.80	-	-
Sales	34.96	-	-
Receipt of Services	46.03	-	0.94
Lease rent paid	0.04	0.07	-
Salaries and other benefits #	-	5.50	0.07
Sitting fees	-	0.01	0.16
Commission	-	5.16	0.90
Reimbursement of expenses	0.10	-	-
Amount Receivable	9.88	-	-
Amount Payable	4.08	5.16	0.90

Note: Investment in Associate has been fully provided for in the books
#Rs.0.07crores towards ex-gratia relating to the period when the director was earlier in employment

Transactions for the year and balance as at Mar 31, 2022 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Key Management Personnel & Relatives of KMP's	Independent / Non-Executive Directors
Purchase of Goods	4.18	-	-
Sale of goods	23.83	-	-
Receipt of Services	45.43	-	0.90
Lease rent paid	0.04	0.07	-
Salaries and other benefits		5.09	-
Sitting fees		0.01	0.14
Commission		1.63	0.67
Amount Receivable	11.41		
Amount Payable	8.88	1.63	0.67

Note: Investment in Associate has been fully provided for in the books

42. Financial instruments

a. Derivative financial instruments

(i) Forward and option contract

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).The Group manages its foreign currency risk by using foreign currency forward contracts.When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. The counterparties for these contracts are generally banks or financial instutions. The details of outstanding forward contracts as at March 31, 2023 and March 31, 2022 are given below:

Particulars	Currency	Year ended 31-Mar-23	Year ended 31-Mar-22
Forward contracts (Sell)	USD Euro	54,588 73,88,408	71,04,840 81,84,150
Forward contracts (Buy)	USD Euro	15,00,000 -	31,23,006 -
Cross currency swap (CCS) - Loans Outstanding	Euro	3,58,76,541	3,91,77,861
Gain/(loss) mark to market in respect of forward contracts outstanding	Rupees in Crores	6.71	14.24

All open forward exchange contracts mature within three to nine months from the balance sheet date.

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at Mar 31, 2023 was as follows:

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
Asset			
Investment in Others	-	-	254.64
Loans	1.52	-	-
Employee advances	3.46	-	-
Security Deposits	46.74	-	-
Deposit with Bank & Government authorities	0.20	-	-
Trade Receivables	220.52	-	-
Cash and Bank Balances	15.56	-	-
Accrued income	2.48	-	-
Derivative Assets	-	-	6.71
Liabilities	-	-	-
Loans from Banks	662.07	-	-
Interest accrued but not due	2.14	-	-
Security Deposits	84.90	-	-
Trade payables	413.20	-	-
Capital Creditors	21.07	-	-
Other Creditors	112.70	-	-
Unpaid Dividends	3.01	-	-

(All amounts are stated in Rupees in Crores unless otherwise stated)

The carrying value and fair value of financial instruments by each category as at Mar 31, 2022 was as follows:

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
Asset			
Investment in Others		-	254.47
Loans	1.50	-	
Employee advances	3.16	-	
Security Deposits	24.90	-	
Deposit with Bank & Government authorities	0.23	-	
Trade Receivables	239.56	-	
Cash and Bank Balances	12.90	-	
Accrued income	3.17	-	
Derivative Assets		-	14.33
Liabilities		-	
Loans from Banks	609.69	-	
Interest accrued but not due	2.47	-	
Lease Liability		-	
Security Deposits	87.04	-	
Trade payables	417.15	-	
Capital Creditors	22.44	-	
Other Creditors	126.93	-	
Unpaid Dividends	4.18		

Details of financial assets pledged as collateral:

Carrying amount of financial assets as at Mar 31, 2023 and 2022 that the Group has provided as a collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at 31-Mar-23	As at 31-Mar-22
Fixed Deposits	0.20	0.20

c. Fair value measurement of financial instruments measured at fair value on recurring basis:

Particular	As at 31-Mar-23		
	Level 1	Level 2	Level 3
Assets			
Investment in Others	-	253.02	1.62
Derivative Asset	-	6.71	-

Particular	As at 31-Mar-22		
	Level 1	Level 2	Level 3
Assets		252.85	1.62
Investment in Others	-	14.33	-

Level 1 - Unadjusted quoted prices In active market for identical assets and liabilities
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 - Unobservable outputs for the assets and liabilities

d. Interest income/(expense), gain/(losses) recognised on financial assets and liabilites

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
(a) Financial assets at amortised cost		
Interest income on bank deposits	0.00	0.00
Interest income on loans	1.05	0.72
(b) Financial liabilities at amortised cost		
Interest expenses on borrowings from banks, others and overdrafts	39.63	31.60
(c) Financial asset at FVTPL		
Net gain/(losses) on fair valuation on derivative financial instruments	1.89	0.85
(d) Financial asset at FVTOCI		
Net gain/(losses) on fair valuation on derivative financial instruments	(5.63)	13.39
Net gain/(losses) on fair valuation of investments	0.17	152.89

43. Financial risk management

The Group has exposure to the following risks from its use of financial instruments

43.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Credit risk is managed by the entity. Considering the credit risk assessment made by the management and based on past history, provision / write off for receivables amounting to Rs.1.35 crores (PY 1.55 crores) has been made under the simplified approach

43.2 Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group’s remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Particulars	As at 31-Mar-23	As at 31-Mar-22
Long term borrowings		
- Upto 1 Year	46.92	55.17
- 1 to 3 Years	318.31	363.42
- 1 to 5 Years	5.96	
Short term borrowings		
- Upto 1 Year	290.90	191.10
- 1 to 3 Years	-	
Trade Payable		
- Upto 1 Year	412.98	417.15
- 1 to 5 Years	0.22	
Security Deposits from Customer		
- Upto 1 Year	72.00	
- 1 to 3 Years	12.90	87.04
- More than 3 Years	-	
Capital creditors		
- Upto 1 Year	21.07	22.44
Other Financial Liabilities		
- Upto 1 Year	117.85	133.58
Total	**1,299.10**	**1269.90**

The following table details the Group's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(All amounts are stated in Rupees in Crores unless otherwise stated)

Particulars	As at 31-Mar-23	As at 31-Mar-22
Fixed Deposits with Banks		
- 1 to 3 Years	0.20	0.20
Trade Receivables		
- Upto 1 Year	220.52	239.56
Loans		
- Upto 1 Year	0.75	
- 1 to 3 Years	0.77	1.50
- 1 to 5 Years		
Advance to Employees		
- 1 to 3 Years	3.46	3.16
Security Deposits	-	
- 1 to 3 Years	40.40	19.11
Other Financial Assets		
- Upto 1 Year	8.82	8.90
- 1 to 5 Years		
Unpaid Dividend		
- Upto 1 Year	3.01	4.18
Cash & Cash Equivalents		
- Upto 1 Year	12.55	8.72
Investment in Unquoted Shares		
- Upto 1 Year	-	
- More than 3 Years	254.64	254.47
Deposit with Government authorities		
- 1 to 3 Years	-	0.03
Total	**545.12**	**539.83**

The Group has access to committed credit facilities as described below, of which Rs.150.73 cr were unused at the end of the reporting period (as at March 31, 2022 Rs.242.77 cr). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Unsecured bank overdraft facility, reviewed annually and payable at call:	As at 31-Mar-23	As at 31-Mar-22
Limit from banks	FOR TSL & TVSS 446.50 Cr	FOR TSL & TVSS 446.50 Cr
Actual Uitlized		
Current borrowings - Secured	265.74	96.1
Current borrowings - Unsecured	25.15	45
Commmercial Paper - which is also from the limit	0	50
Total Used	290.89	191.1
Unused	155.61	255.40

43.3 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency exchange risk and interest rate risk

42.3.1 Commodity Price Risk - The primary commodity price risks that the Group is exposed to include rubber prices that could adversely affect the value of the Group's financial assets or expected future cash flows.

42.3.2 Foreign currency risk management - The Group imports raw materials from outside India as well as make export sales to countries outside India. The Group is, therefore, exposed to foreign currency risk principally arsing out of foreign currency movement against the Indian Currency. Foreign currency exchange risks are managed by entering into forward contracts against firm purchase commitment and receivables.

42.3.2.1 The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Balance as at 31-Mar-23

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
Trade Receivables (Assets)			
USD	82.18	31,48,705	25.86
EUR	89.46	38,51,369	34.40
GBP		-	-
Trade Payables (Liabilities)			
USD	82.19	37,68,459	30.97
EUR	89.49	3,67,312	3.24

Balance as at 31-Mar-22

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
Trade Receivables (Assets)			
USD	75.26	67,08,166	50.49
EUR	83.43	40,16,505	33.51
GBP	99.31	468	
Trade Payables (Liabilities)			
USD	73.32	18,48,343	13.55
EUR	87.69	2,05,669	1.80
GBP			

43.3.2.2 Foreign currency sensitivity analysis

The Group is principally exposed to foreign currency risk against USD & EURO. Sensitivity of profit or loss arises mainly from USD & EURO denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and EURO-INR currency pair, sensitivity of profit/(loss) only on outstanding foreign currency denominated monetary items at the period end is presented below:

The Group's foreign currency sensitivity analysis at the end of the reporting period expressed in INR, are as follows:

Particulars	31-Mar-23		31-Mar-22	
	USD	EUR	USD	EUR
Impact on Receivables due to +/- 5% Change in Currency Rates	1.29	1.72	2.52	1.68
Impact on Payables due to +/- 5% Change in Currency Rates	1.55	0.16	0.68	0.09

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

43.3.2.3 Forward foreign exchange contracts

It is the policy of the Group to enter into forward exchange contracts based on the net exposures for the future periods evaluated on a monthly basis, considering both existing exposures and potential forecast transactions

43.3.3 Interest rate risk management

The Group is exposed to interest rate risk because of borrowal of short term funds at floating interest rates.

Interest rate sensitivity analysis

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's Profit for the year ended March 31, 2023 would decrease/increase by Rs.1.00 Cr; as against Rs.3.05 Cr for the year ended March 31, 2022.

43.4 Other Risk - COVID-19

a. Financial Assets measured at fair value amounting to Rs.261.36 Crores (PY - Rs. 268.71 Crores) and measured at amortised cost amounting to Rs.290.48 Crores (PY - Rs. 285.42 crores) have been considered for the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19.

b. The Group has specifically evaluated the potential impact with respect to certainty of collections from its customers.

c. Since the Group closely monitors the financial strength of its customers & investments on a continuing basis and assesses actions such as changes in payment terms, no provision is deemed necessary.

44. Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium, general reserve and all other equity reserves attributable to the equity holders of the group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of borrowings and related covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by fund attributable to Equity Shares Holders. The group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31-Mar-23	As at 31-Mar-22
Interest-bearing loans and borrowings	662.07	609.69
Less: cash and cash equivalents	(12.55)	(8.72)
Net debt	**649.52**	**600.97**
Equity Capital	7.66	7.66
Other Equity	1,026.04	962.83
Total capital	**1,033.70**	**970.49**
Gearing ratio	**0.63**	**0.62**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it provide for a strong financial strength to meet the Group's growth needs and meet borrowing related capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022.

45. Commitments and Contingencies

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Estimated amount of contract remaining to be executed on capital account	84.97	47.29
b) Letter of Credit opened by Company's Bankers	47.62	58,77
c) Excise duty and service tax under dispute	19.00	9.96
d) Sales Tax under dispute	14.81	8.32
e) Provident Fund	5.03	4.00
f) Customs	2.50	1.65
g) GST	1.93	0.41
h) Other Matters	1.66	0.93

46. Due to micro and small enterprises

Particulars	As at 31-Mar-23	As at 31-Mar-22
Principal amount due to a suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end*	6.41	7.07
Interest due to suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end	0.16	0.08
Principal amounts paid to suppliers registered under the Micro and Small Enterprises Act beyond the appointed day during the year	3.19	3.21
Interest paid, other than under Section 16 of Micro and Small Enterprises Act, to suppliers registered under the Micro and Small Enterprises Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of Micro and Small Enterprises Act, to suppliers registered under the Micro and Small Enterprises Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under Micro and Small Enterprises Act, for payments already made	0.08	-
Futher interest remaining due and payable for earlier years	0.09	0.07

* Includes principal amount due to capital crediors Rs. 2.72 Crs (PY 1.48 Crs) ** Aggregate Interest to be payable for current year Rs 0.08 Crs (PY 34,873)

47. Contribution to corporate social responsibilities

Sec 135 of companies act 2013, a group, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on corporate social responsibility (CSR) Activities. The group is expected to spend Rs 1.66 crores in compliance to this requirement. A sum of Rs 1.28 crores has been spent during the current year towards CSR acitivities as explained below.

CSR Expenditure	Year ended 31-Mar-23	Year ended 31-Mar-22
Amount required to be spent under section 135 of the Companies Act, 2013	1.66	2.29
Amount spent during the year on:		
i) Construction/acquisition of an asset		
ii) Purposes other than (i) above	1.28	2.77
Surplus of amount spent in the year	0.10	0.48
Previous year surplus adjusted in current year*	0.48	-
Shortfall at the end of the year	-	-
Reason for shortfall	-	-
Nature of CSR activities	-	-
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

* The surplus spend in previous year for CSR expenditure has been adjusted to the extent of Rs. 0.48 crores as per Sec.135(5). ** Activities focused on Education, Intellectual & Skill development, Health care & Sanitation, Covid-19 relief measures, Women empowerment, Livelihood Enhancement, Strengthening Village level Organisation, Disaster Management, Ensuring environmental sustainability, Conservation and maintenance of natural resources and Protection of natural heritage, sports, arts and cultures.

48. Details of Auditor's Remuneration

Particulars	For year ended 31-03-22	For year ended 31-03-21
a) Statutory Audit	0.39	0.37
b) Taxation	0.02	0.01
c) GST Audit	-	
d) Certification	0.00	0.03
e) Towards reimbursement of expenses	0.03	0.01
f) Other servicecs	0.05	
Total	0.48	0.42

49. Depreciation & Amortisation

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Depreciation on Property, Plant and Equipment (Refer Note 3)	81.00	70.31
Amortisation of Intangible Assets (Refer Note 5)	4.35	2.90
Amortisation of Right of Use Assets (Refer Note 6)	5.86	6.27
Depreciation on Investment Property (Refer Note 4)	0.33	0.33
Total	**91.54**	**79.81**

50. Exceptional Item

In the PY, Holding Company has initiated a Voluntary Retirement Scheme for its employees. Under this scheme, the holding Company has received and approved applications for a sum of Rs.5.49 crores in the current year (Rs.2.77 crores in the previous year).

51. Additional Disclosure in respect of Subsidiaries

Particulars	Parent	Subsidiary	Subsidiary	Subsidiary	Non Controlling Interests	Total
Name of the Entity	TVS Srichakra Limited	TVS Srichakra Investments Limited	TVS Sensing Solutions Private Limited	Fiber Optic Sensing Solutions PvtLtd		
Whether Indian or Foreign	Indian	Indian	Indian	Indian		
Extent of Holding by Parent	NA	100%	100%	100%		
Net Asset	946.54	54.35	38.12	(4.83)	(0.48)	1,033.70
Net Asset as a % of Consolidated Net Asset	91.57%	5.26%	3.69%	-0.47%	-0.05%	100.00%
Share in Profit or Loss	69.16	1.03	9.51	(1.71)	(0.17)	77.82
Share in Profit or Loss as a % of Consolidated Profit or Loss	88.87%	1.33%	12.22%	-2.19%	-0.22%	100.00%
Share in Other Comprehensive Income	(2.07)	-	(0.05)	-	-	(2.12)
Share in Other Comprehensive Income as a % of Consolidated Other Comprehensive Income	97.43%	-	2.57%	-	-	100.00%
Share in Total Comprehensive Income	67.09	1.03	9.46	(1.71)	(0.17)	75.70
Share in Total Comprehensive Income as a % of Consolidated Total Comprehensive Income	88.63%	1.36%	12.50%	-2.25%	-0.22%	100.00%

52. Previous year figures: Previous year's figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification.

53. Quarterly returns filed with Banks and Financial Institutions: The amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

54. Relationship with Struck off Companies: The Holding Company's and its subsidaries search based on publicly available database on struck off companies did not reveal any transactions with such companies except as detailed below.

Name of struck off companies	Nature of transactions with struck off Company	Share Held	Balance outstanding (in face value)
KS Moraka And Sons Pvt Ltd	Shares held by struck off companies	50	500
Musasons Private Ltd	Shares held by struck off companies	1	10

55. The implementation of the Code on Social Security, 2020 is getting postponed. The Group will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.

56. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

57. The Board of Directors of the holding Company recommended a dividend of Rs. 32.05 (PY 16.30) per equity share of Rs.10/- each for the year ended March 31st 2023, subject to the approval of shareholders at the ensuing Annual General Meeting of the holding Company.

For TVS Srichakra Limited

Shobhana Ramachandhran
Managing Director
DIN: 00273837

R Naresh
Executive Vice Chairman
DIN: 00273609

B Rajagopalan
Chief Financial Officer

Chinmoy Patnaik
Secretary
Membership No: A14724

Place: Madurai
Date: 23rd May 2023

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

T V Balasubramanian
Partner
Membership No: 027251
UDIN: 23027251BGWNRF3455

TVS
EUROGRIP

TVS SRICHAKRA LIMITED

CIN: L25111TN1982PLC009414

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