TVS EUROGRIP

REF:TSL:SEC:2022/239

August 27, 2022

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 Sirs

Sub : Annual General Meeting (AGM) Notice and Annual Report 2021-22

Ref : Regulation 30, 34(1) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30, 34(1), 36 and all other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following

a) Notice to shareholders to convene 39th Annual General Meeting of the Company to be held on 21st September, 2022 through Video Conference (VC) / Other Audio Visual Means (OAVM) and

b) Annual Report for the financial year 2021-22.

The Notice convening 39th Annual General Meeting and the Annual Report for the year ended 31st March, 2022 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

K. Narayanan

K Narayanan
General Manager – Secretarial &
Compliance Officer

Encl : as above

TVS SRICHAKRA LIMITED

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

NOTICE

Notice is hereby given that the 39th Annual General Meeting (AGM) of the Company will be held on Wednesday, the 21st September, 2022 at 10.00 A.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business.

ORDINARY BUSINESS

1. Adoption of Audited Standalone and Consolidated Financial Statements

   To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

   RESOLVED THAT the audited standalone along with consolidated financial statements of the Company including Balance Sheets as at 31st March, 2022 and the Statements of Profit and Loss and Cash Flow Statement for the year ended on that date, together with the Reports of the Board of Directors and Auditors’ thereon, be and are hereby considered, approved and adopted.

2. Declaration of Dividend

   To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

   RESOLVED THAT a dividend of Rs.16.30 (Rupees Sixteen and paise thirty only) per share (163%) for the year ended 31st March, 2022 on 76,57,050 equity shares of Rs.10 each fully paid-up of the Company, be and is hereby declared for payment to the shareholders of the Company whose names appear in the Register of Members as at the close of business hours on 5th September, 2022.

3. Appointment of a Director retiring by rotation

   To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

   RESOLVED THAT Mr. P Srinivasavaradhan (DIN : 08701214), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation.

4. Re-Appointment of Statutory Auditors

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

   RESOLVED THAT pursuant to the provisions of Sections 139 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 and from time to time in force), M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, Firm Registration No.003990S/ S200018, Chennai, be and is hereby re-appointed as the Statutory Auditors of the Company to hold office for a term of five (5) years beginning from the conclusion of this (39th) Annual General Meeting (AGM) till the conclusion of the 44th AGM of the Company to be held during the year 2027, on such terms and remuneration as may be mutually agreed upon between the said Auditors and the Board of Directors of the Company, plus Goods and Services Tax, and reimbursement of travelling and out-of-pocket expenses incurred by them in connection with the said audit.

   RESOLVED FURTHER THAT anyone of the Directors or Chief Financial Officer or Company Secretary of the Company be and are hereby severally authorised to take necessary steps, deeds, matters and things in this connection and complete all the formalities in this regard.

SPECIAL BUSINESS

5. Ratification of remuneration payable to the Cost Auditor of the Company

   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 and from time to time in force), the remuneration of Rs. 1,25,000/- (Rupees one lakh twenty five thousand only), in addition to reimbursement of travel and out-of-pocket expenses, payable to Dr. I Ashok, Practicing Cost Accountant, (Membership No. 11929), who was appointed as Cost Auditor of the Company for the financial year 2022-23 as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified.

By Order of the Board

Place : Madurai

Date : June 24, 2022

SHOBHANA RAMACHANDHRAN

Managing Director

(DIN: 00273837)

SHAREHOLDERS INFORMATION

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and 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, Circular No. 202/2021 dated 8th December, 2021 and circular No.2 and 3 dated 5th May, 2022 issued by Ministry of Corporate Affairs (MCA) and all other relevant circulars issued from time to time (Collectively referred to as the "MCA Circulars"), MCA has permitted the holding of the Annual General Meeting ("AGM")/ Extra-ordinary General Meeting ("EGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical attendance of the shareholders to the AGM venue is not required and AGM be held through VC or OAVM. Hence, shareholders can attend and participate the ensuing AGM through VC/OAVM. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. Pursuant to the provisions of the Act, a shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a shareholder of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders 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 shareholders can join the AGM through VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation in the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

4. Institutional / corporate shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body resolution / authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf 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. Pursuant to SEBI Circular No. 62 dated May 13, 2022 Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Shareholders whose names appear on the Register of Members / list of beneficial owners as received from the Depositories as at the close of business hours on 12th August, 2022 and who have registered their email address with the Company / Depositories. Shareholders may note that the Notice and Annual Report 2021-22 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. Shareholders 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.

E-VOTING FACILITY

8. 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 Circulars issued by the MCA, the Company is providing facility of remote e-voting and e-voting to its shareholders in respect of the business 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 shareholder 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.

9. The remote e-voting period would commence on Friday, 16th September, 2022 (9.00 AM) and end on Tuesday, the 20th September, 2022 (5.00 PM).

   During the above period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 14th September, 2022, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting after 5.00 PM on Tuesday, 20th September, 2022. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.

10. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 14th September, 2022. 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 (14th September, 2022) only 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 shareholders 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 12th August, 2022. Any person, who acquires shares of the Company and becomes a shareholder after despatch of the Notice, but holding shares as on the cut-off date for remote e-voting i.e. 14th September, 2022, may obtain the login Id and password by sending a request to yuvraj@integratedndia.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 shareholders who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

11. The shareholders 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.

12. Shareholders can opt for only one mode of voting, i.e., either by remote e-voting or e-voting. In case shareholders 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.

13. 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

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

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

16. 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 submit his report of the total votes cast in favour or against, if any, to the Chairman / Managing Director / Chief Financial Officer / Company Secretary of the Company.

17. 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 Limited / National Stock Exchange of India Limited, Mumbai.

18. Updation of Shareholders' Details:

Shareholders holding shares in electronic form

SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders are requested to submit their PAN to the Depository Participant(s) (DP) with whom they are maintaining their demat accounts.

Shareholders 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.

Shareholders holding shares in physical form

Shareholders, holding shares in physical form, are requested to notify / send the following to the Registrar and Share Transfer Agent (Integrated Registry Management Services Private Limited) of the Company:-

- any change in their address / bank mandate.
- particulars of their bank account, in case they have not been sent earlier
- Permanent Account Number (PAN)
- nomination in Form SH-13, in duplicate, as provided under Section 72 of the Companies Act, 2013, in case they have not been sent earlier.
- share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account.

The Securities and Exchange Board of India (SEBI) had 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 shareholders are therefore requested to initiate necessary steps to dematerialise your shares, which are held in physical form.

Shareholders who have not yet registered their e-mail addresses and mobile numbers are requested to update the said details in the records of the relevant depositories (National Securities Depository Limited / Central Depository Services (India) Limited) through their depository participants (Or) may contact the Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, Kences Towers, 2nd Floor, No 1, Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017, Telephone: 91-44-28140801-803, e-mail yuvraj@integratedindia.in

19. As per Regulation 40 of the SEBI LODR Regulations, as amended, securities of listed companies can be transferred / transmitted only in dematerialized form and there is a restriction on physical transfer of shares. Hence, shareholders who are holding shares in physical form are requested to convert their holdings in dematerialization mode.

20. A statement showing additional information about the Director 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 (SS2), issued by the Institute of the Company Secretaries of India.

21. The Explanatory Statement pursuant to Section 102 of the Act, which sets out details relating to Special Business at the meeting, is annexed hereto.

BOOK CLOSURE, DIVIDEND PAYMENT AND TAX ON DIVIDEND

22. Pursuant to the provisions of Section 91 of the Act, the Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 6th September, 2022 to Wednesday, 21st September, 2022 (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.

23. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders, 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 compliance with TDS requirements, shareholders 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

    A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit duly signed and filled-in all respects, a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to TSLDIVIDEND2022@eurogriptyres.com; latest by 5.00 P.M. (IST) on 14th September, 2022.

    Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

    Non-resident shareholders 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 TSLDIVIDEND2022@eurogriptyres.com. The aforesaid declarations and documents need to be submitted by the shareholders latest by 5.00 P.M. (IST) on 14th September, 2022.

    In case of the shares are held by Clearing Member / Intermediaries / Stock Brokers on behalf of the beneficial owners, TDS on dividend declared if any, 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 will have to provide a declaration along with detailed list of beneficiaries to the Company on or before 14th September, 2022 (Record date), to enable the Company to process 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)

24. Shareholders who have not encashed / claimed their dividend amount for a period of seven (7) consecutive years, the said unclaimed dividend amount will 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 is due for transfer and the same shall be transferred to IEPF Authority, during fourth week of November, 2022.

25. Shareholders who have not encashed their dividend for the financial year 2015-16 and upto 2020-21, 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. As per SEBI notification, shareholders who have not encashed dividend for a period of seven (7) consecutive years, their shares have to be transferred to IEPF Authority. Accordingly, those shareholders who have not encashed dividend upto the financial year 2013-14, their shares had already been transferred to IEPF Authority, during November, 2021.

27. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the shareholders 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

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The shareholders at the thirty fourh (34th) Annual General Meeting ("AGM") of the Company held on 23rd August, 2017, had approved the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, Firm Registration No.003990S/ S200018, as Statutory Auditors of the Company, to hold office till the conclusion of the thirty ninth (39th) AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 25th May, 2022, proposed the re-appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, Firm Registration No.003990S/ S200018 as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of thirty ninth (39th) AGM till the conclusion of forty fourth (44th) AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act. The Board recommends the Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

Item No. 5

The Board, on the recommendation of the Audit Committee, at its meeting held on 25th May 2022, appointed Dr. I Ashok, Practicing Cost Accountant, holding Membership No. 11929, as Cost Auditor of the Company and fixed a sum of Rs.1,25,000/- (Rupees one lakh and twenty-five thousand only) as remuneration payable to him, for the financial year 2022-23, subject to ratification by the shareholders of the Company.

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

None of the Directors or Key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in Item No.5.

Accordingly, the Board recommends the ordinary resolution, as set out in Item No.5, for ratification of the remuneration payable to the Cost Auditor by the Shareholders of the Company.

This Explanatory Statement together with the accompanying Notice may be regarded as a disclosure under Regulation 36 of SEBI LODR Regulations and Secretarial Standard on General Meetings (SS2), issued by the Institute of the Company Secretaries of India.

The Board recommends the ordinary resolution set out at item no.5 of the accompanying notice for approval of the shareholders.

By Order of the Board

Place : Madurai
Date : June 24, 2022

SHOBHANA RAMACHANDHRAN
Managing Director
(DIN 00273837)

Annexure to Item No.: 3 of the Notice

Details of the Director seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS2)

Name of the Director	Mr. P. Srinivasavaradhan
Director Identification Number (DIN)	08701214
Age	59 years
Qualification	B.E.
Nature of Expertise in specific functional areas	He headed the business as President of TVS Srichakra Limited. He has more than 30 years of industrial experience in Research & Development, Operations, Projects and International Marketing.
Terms and Conditions of Appointment / Re-appointment	Re-appointment as a Non-executive Director, liable to retire by rotation
Remuneration / professional fees last drawn (including sitting fees, if any)	As mentioned in the Corporate Governance Report
Remuneration proposed to be paid	As per existing terms and conditions approved by the shareholders at the Annual General Meeting held on 16.9.2020
Date of first appointment on the Board	13th August,2020
Shareholding in the Company	800 Shares
Relationship between Directors inter se	NIL
Number of Board meetings attended	Nine (9)
List of Directorships held in other Companies including Listed Entities, if any	SI Air Springs Private Limited TVS SIRIUS Controls Private Limited
Member / Chairman in the Committees of the Board	NIL

Note: For other details such as the number of meetings of the Board / Committee attended during the year, remuneration drawn in respect of the above Director, please refer to the Corporate Governance Report, which forms part of the Annual Report.

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

The remote e-voting period begins on Friday, 16th September, 2022 at 9.00 A.M. and ends on Tuesday, 20th September, 2022 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The shareholders, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 14th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 14th September, 2022.

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

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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. 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 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/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 Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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

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

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 ‘Shareholder/ Member’ 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 eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 121047 then user ID is 121047001***

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

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

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

c) How to retrieve your 'initial password'?

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

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

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

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

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

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.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.

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

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

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

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to baluoogeetha@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to 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 shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

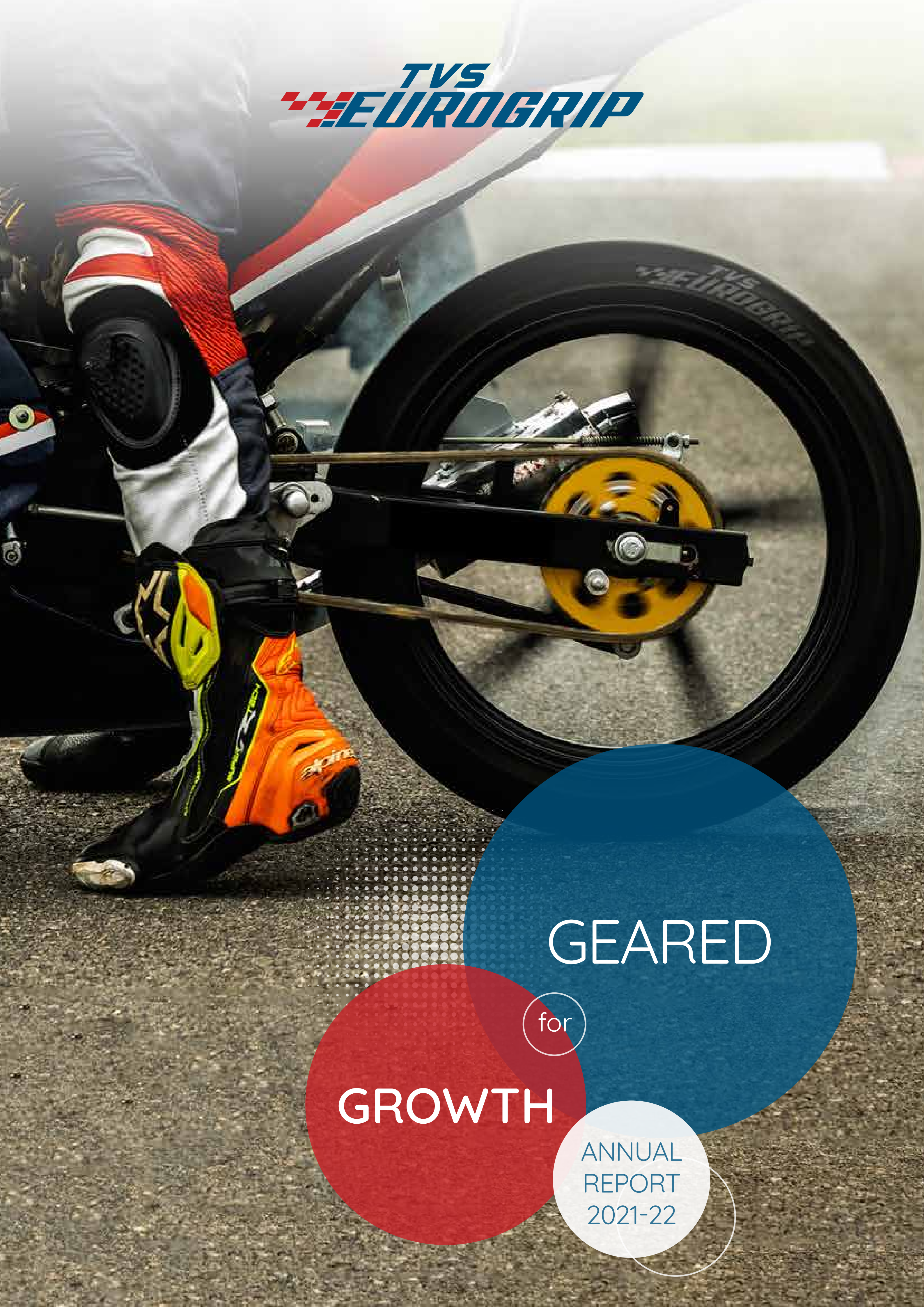
INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at agm.questions@eurogriptyres.com. The same will be replied by the Company suitably.

6. 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 from 15th September, 2022 (9:00 A.M. IST) to 17th September, 2022 (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.

7. Members who do not wish to speak during the AGM but have queries, may send their queries by e-mail to agm.questions@eurogriptyres.com mentioning their name, DP ID and Client ID/folio number, PAN, mobile number, from 15th September, 2022 (9:00 A.M. IST) to 17th September, 2022 (5:00 P.M. IST). These queries will be replied to by the company suitably by email.

TVS EUROGRIP



GEARED for GROWTH

ANNUAL REPORT 2021-22

CONTENTS

BEHIND THE SCENES

Stills from our latest TV commercial.

CORPORATE INFORMATION

Board of Directors	R. Naresh Executive Vice Chairman Shobhana Ramachandhran Managing Director M. S. Viraraghavan H. Janardana Iyer V. Ramakrishnan Rasesh R Doshi V Anantha Nageswaran (Till 24.1.2022) 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 Chairman 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

Registered Office	TVS Building 7-B West Veli Street Madurai 625 001 Tamil Nadu
Plant Location	**Madurai** Vellaripatti Village, Melur Taluk, Madurai 625 122 Tamil Nadu Narasingampatti Village Therkutheru, Melur Taluk Madurai 625 122 Tamil Nadu **Uttarakhand** Plot No. 7, Sector - 1, IIE, SIDCUL Pant Nagar 263 153 Rudrapur Tehsil - Kichha, Uttarakhand
Administrative 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 600017 Tamil Nadu Tel: 044 28140802 - 803 email: corpserv@integratedindia.in

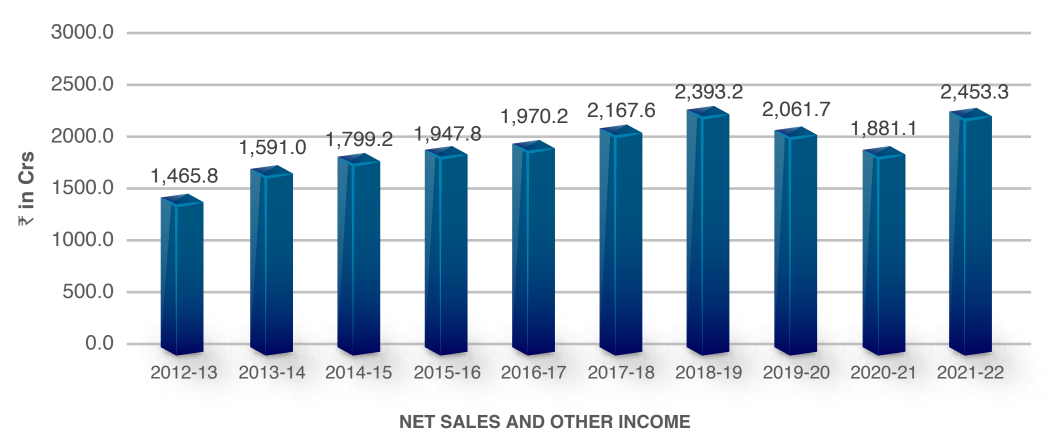
BRUNCH & BIKING

A social event designed to provide two-wheeler riders with a community riding experience. While experiencing the joy of riding, the riders participating in Brunch & Biking came together to promote a social cause. TVS Eurogrip conducted two Brunch & Biking rides at Bhubaneshwar and Bengaluru in FY 21-22. We spread awareness on COVID vaccination through the first 2 editions of Brunch & Biking.

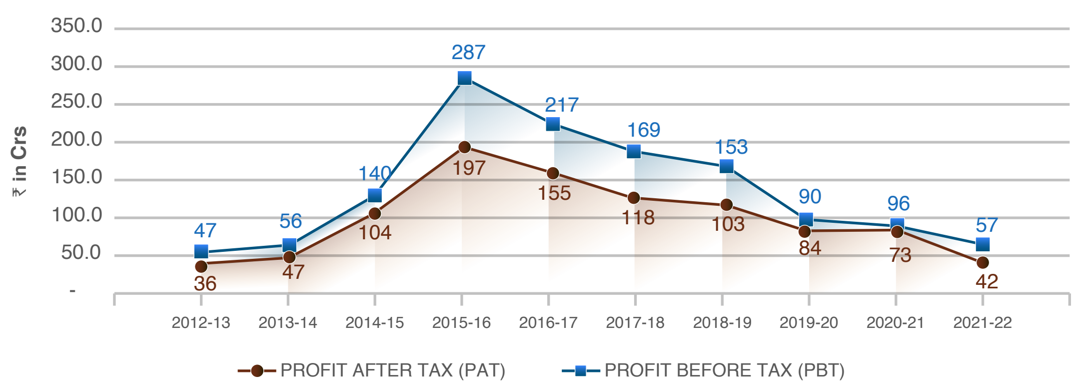
FINANCIAL HIGHLIGHTS - STANDALONE

FINANCIAL HIGHLIGHTS - STANDALONE

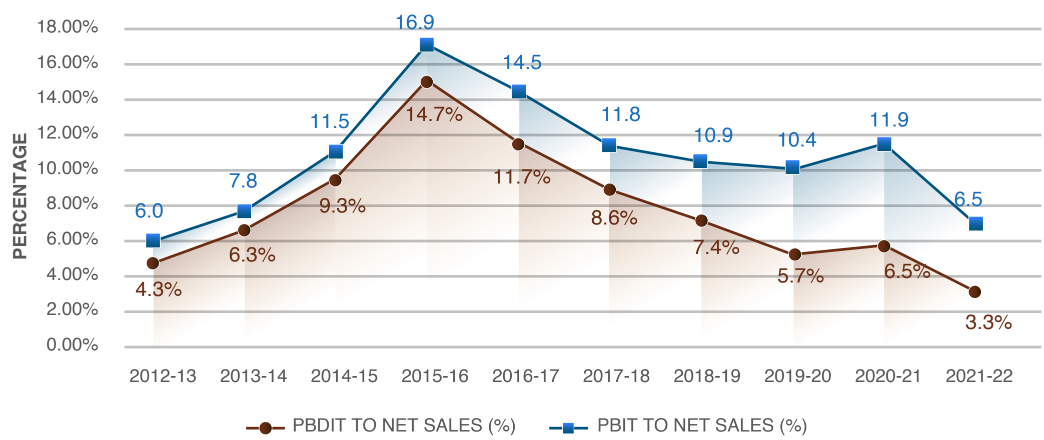
REVENUES



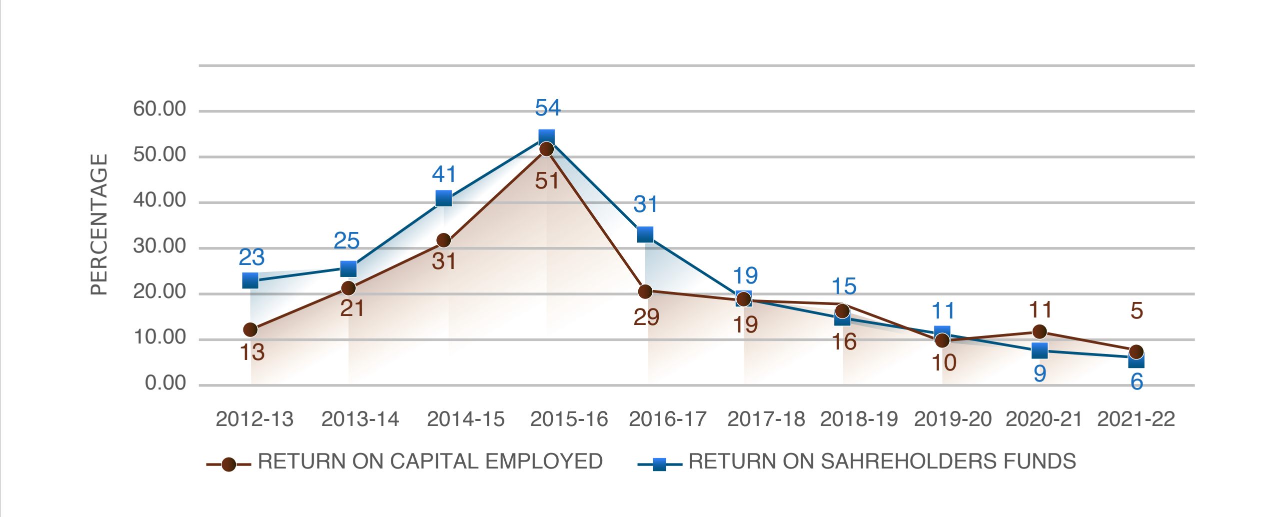
PROFITABILITY



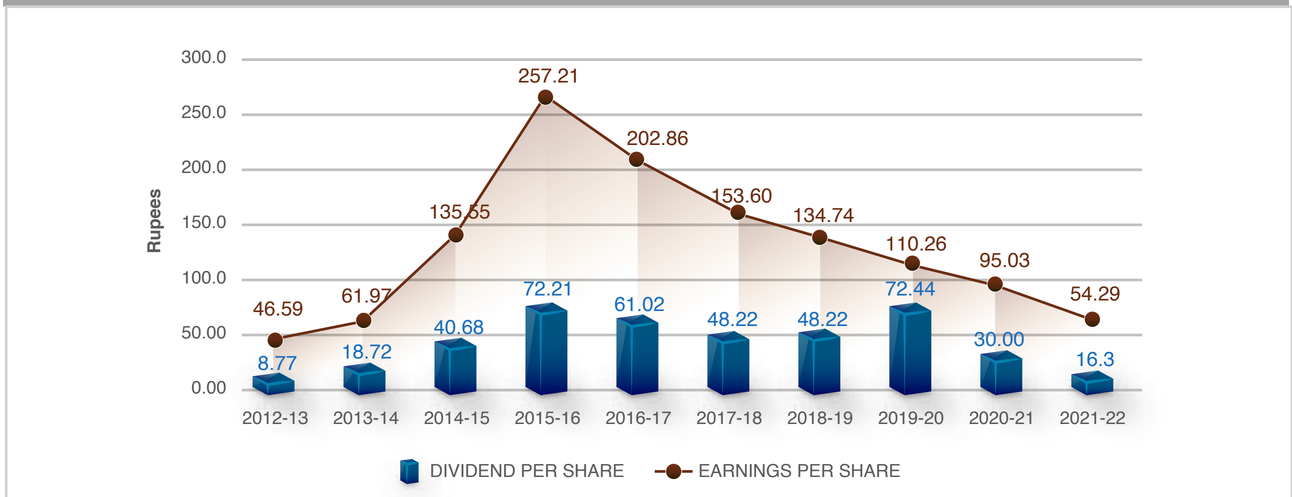
OPERATING MARGINS



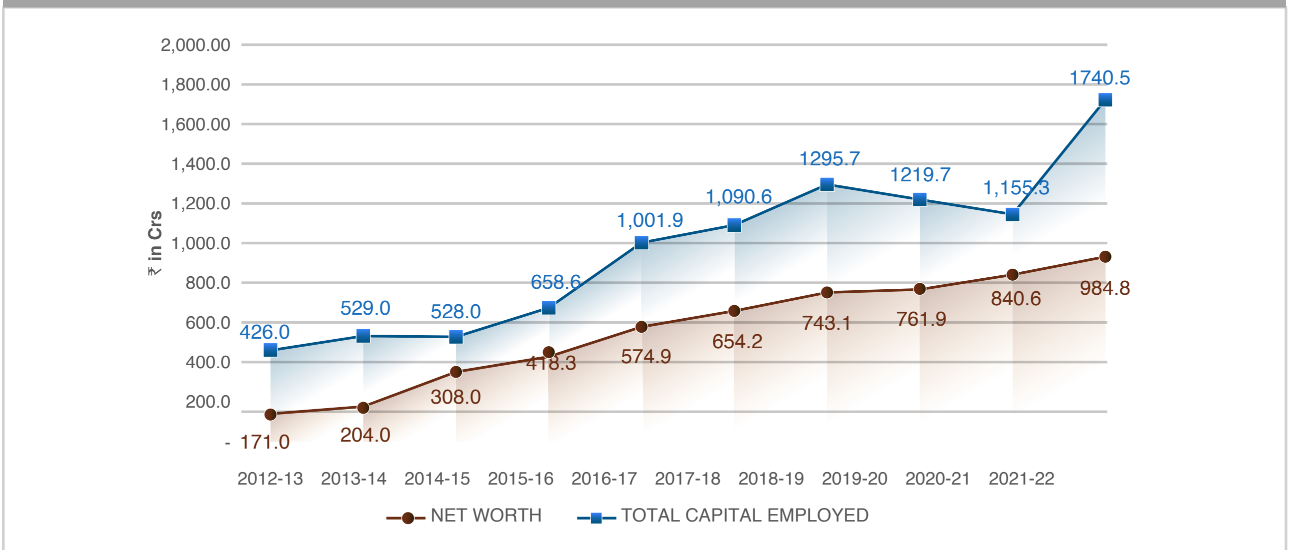
RETURN ON FUNDS EMPLOYED



EPS & DPS (IN ₹)



FUNDS EMPLOYED



TEN YEAR PERFORMANCE AT A GLANCE - STANDALONE

Rupees in Crores

	Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
A. OPERATING RESULTS	NET INCOME(EXCLUDING ED AND DISCOUNTS)&&	1,465.7	1,590.9	1,799.1	1,947.8	1,970.2	2,167.6	2,393.2	2,061.7	1,881.1	2,453.3
	PROFIT BEFORE DEPN. INT. & TAX	128.6	123.8	209.3	345.1	292.5	267.2	270.6	223.4	228.6	164.8
	PROFIT BEFORE INT. & TAX	104.4	100.1	169.4	302.7	236.8	198.9	187.8	125.7	127.5	87.7
	PROFIT BEFORE TAX (PBT)	47.2	55.9	139.5	287.0	216.7	169.2	153.3	89.8	96.5	56.9
	PROFIT AFTER TAX (PAT)	35.6	47.4	103.7	197.0	155.3	117.6	103.2	84.4	72.8	41.6
	DIVIDENDS $	5.7	12.2	25.8	45.9	38.8	30.6	30.6	46.0	23.0	12.5
	DIVIDEND TAX $	0.9	2.0	5.2	9.4	7.9	6.3	6.3	9.4	-	-
	PROFIT AFTER DIVIDEND	28.9	33.1	72.6	141.7	108.6	80.7	66.2	29.0	49.8	29.1
B. FINANCIAL STATUS	NET FIXED ASSETS	216.0	250.0	283.0	403.1	568.7	621.2	656.1	694.8	689.5	894.0
	INVESTMENTS	19.0	19.0	32.0	87.3	89.4	110.6	150.3	153.1	162.9	319.9
	NET CURRENT ASSETS	190.6	260.0	186.8	86.2	260.3	274.3	405.0	371.8	303.0	526.7
	SHARE CAPITAL	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6
	RESERVES AND SURPLUS	163.0	196.0	300.0	410.6	567.3	646.6	735.5	754.3	832.9	977.1
	NET WORTH	171.0	204.0	308.0	418.3	575.0	654.3	743.2	762.0	840.6	984.8
	LOAN FUNDS	233.0	304.0	204.0	130.7	306.6	308.5	412.7	336.3	198.4	598.4
	DEFERRED TAX LIABILITY (NET)	23.0	22.0	15.0	27.6	36.8	43.3	55.5	33.0	29.6	66.5
	TOTAL CAPITAL EMPLOYED #	426.0	529.0	528.0	658.6	1,001.9	1,090.6	1,295.7	1,219.7	1,155.4	1,740.5
C. KEY RATIOS	PBDIT TO NET SALES (%) *	6.0	7.8	11.5	16.9	14.5	11.8	10.9	10.4	11.9	6.5
	PBIT TO NET SALES (%) *	4.3	6.3	9.3	14.7	11.7	8.6	7.4	5.7	6.5	3.3
	PBT TO NET SALES (%) *	0.2	3.5	7.6	13.9	10.6	7.2	6.0	3.9	4.9	2.1
	PBIT TO AV. CAPITAL EMPLOYED (%)	13.2	20.7	31.4	51.4	28.5	19.0	15.7	10.0	10.7	6.1
	RETURN ON AVERAGE NET WORTH (%)	22.8	25.3	40.5	54.2	31.3	19.1	14.8	11.2	9.1	4.6
	EARNINGS PER SHARE (Rs.)	46.5	61.9	135.5	257.2	202.9	153.6	134.7	110.3	95.0	54.3
	DIVIDEND PER SHARE (Rs.) #$	8.7	18.7	40.6	72.2	61.0	48.2	48.2	72.4	30.0	16.3
	DIVIDEND PAY OUT (%) #$	18.8	30.2	30.0	28.1	30.1	31.4	35.8	65.7	31.6	30.0
	BOOK VALUE PER SHARE (Rs.)	222.7	265.9	402.2	546.3	750.9	854.5	970.5	995.1	1,097.8	1,286.1
	DEBT EQUITY RATIO (NO. OF TIMES)	1.3	1.4	0.6	0.31	0.5	0.4	0.5	0.4	0.2	0.6

*Excluding other income
#Including dividend tax
$ to be Approved by Shareholders in AGM
&& Figures from 2011-12 have been regrouped/reclassified in accordance with IND AS Disclosures
Previous years figures have been regrouped to conform to the Current classification.
Reclassified

BOARD'S REPORT

Dear Members,

The Board of Directors submit the report of the business and operations of your Company (hereinafter referred as "Company" or "TVS Srichakra") along with the audited financial statements, for the financial year ended March 31, 2022. The consolidated performance of the Company and its subsidiaries has been referred to, wherever required.

RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS

₹ in Crores

Particulars	Standalone		Consolidated	
	Year ended 31st March 2022	Year ended 31st March 2021	Year ended 31st March 2022	Year ended 31st March 2021
Sales & Other Income	**2453.28**	1881.14	2534.66	1944.42
Profit before finance cost and depreciation	167.53	228.83	173.30	233.86
Less: Finance Cost	**30.75**	31.00	31.60	32.05
Depreciation	**77.07**	101.14	79.81	103.81
Profit after finance cost and depreciation	**59.71**	96.69	61.89	98.00
Less: Exception items	**2.77**	0.23	2.77	0.23
Profit before taxation	**56.94**	96.46	59.12	97.77
Less: Provision for				
Income tax	**14.79**	30.29	15.66	30.66
Deferred tax	**0.58**	(6.59)	0.14	(6.71)
Profit after tax	**41.57**	72.76	43.32	73.82
Profit/ (Loss) attributable to the Non-Controlling Interest	-	-	(0.15)	(0.10)
Profit/ (Loss) attributable to the owners	-	-	43.47	73.92
Surplus brought forward from Previous Year	**763.48**	686.91	745.04	667.29
Re-measurement of post-employment benefit obligation (net of tax)	**(3.24)**	3.81	(3.27)	3.83
Dividend paid	**(22.97)**	-	(22.97)	-
Dividend Tax paid	-	-	-	-
Impact of IND AS 116 - Lease Rentals	-	-	-	-
Balance carried to Balance Sheet	**778.84**	763.48	762.27	745.04

During the year under review, your Company's focus was on developing the aftermarket and increasing market share, consolidating and increasing its presence with OEMs - particularly in the premium segments and building its presence in the export markets. With this in mind, numerous branding activities were initiated in all major markets.

Your Company also showcased its Research and Development capabilities with OEMs and other customer segments, in order to expand the range and reach towards fulfillment of its objectives.

Your Company has successfully designed, developed, produced, and tested tyres for vehicles used in competitive racing. Your Company continues to stress the importance of application of contemporary technology in its new product development program. Various modernization initiatives were initiated and are being implemented in the Company's manufacturing facilities, targeted at enhancing agility and flexibility, to meet dynamic and evolving market requirements.

Towards the end of the year, your Company, like others, was impacted by the onset and brisk spread of COVID 19 pandemic. Timely efforts taken by the Company, backed by consistent and continuous review of the various metrics and measures announced by the Government, helped the Company to tide over the situation as best as possible and restart the operations in a safe mode and in a phased manner.

Standalone Performance

During the year under review, on standalone basis, your Company recorded a net revenue from operations of ₹2447.36 crores, an increase of 30.47% over last year.

The Company achieved a net profit of ₹41.57 crores during the current year, representing a decrease of 42.87% compared to last year.

Consolidated Performance

On a consolidated basis, your Company registered a turnover of ₹2528.20 crores, an increase of 30.37%. The Company's consolidated net profit stood at ₹43.32 crores as against the previous year's net profit of ₹73.82 crores, a reduction of 41.32%.

Highlights of performance of subsidiaries and their contribution to the overall performance of the Company

TVS Srichakra Investments Limited (TSIL), a wholly owned subsidiary of your Company recorded a net loss of ₹0.28 crores (previous year net loss of ₹0.88 crores).

TVS Sensing Solutions Private Limited (TSSPL), a wholly owned subsidiary of TSIL recorded a net operational turnover of ₹80.61 crores during the year under review, showing an increase of ₹17.56 crores compared to the previous year. TSSPL recorded a EBITDA of ₹7.61 crores as against ₹6.67 crores for the previous year.

Fiber Optic Sensing Solutions Private Limited (FOSSPL), a subsidiary of TSSPL recorded a net operational turnover of ₹0.87 crore. FOSSPL also made an EBIDTA of ₹(1.47) crore during the year and its accounts have been consolidated with that of TVS Srichakra Limited.

Subsidiary/associate companies

The audited accounts of the following subsidiary companies have been consolidated with the Company as on 31st March, 2022.

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

During the year, your Company had invested ₹3.50 Crores by subscribing to 2,85,271 equity shares of Rs.10/- each, at a premium of Rs.112.69 per share in TVS Srichakra Investments Limited (the wholly owned subsidiary).

The consolidated financial statements of the Company for the year ended 31st March 2022 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 www.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 their request. The financial statements of the subsidiary companies are also available on the website of the Company at www.tvseurogrip.com.

Awards & Recognition

Your Company was certified for Occupational Health & Safety Standard ISO 45001. This is in addition to the Certification of Quality (IATF 16949) & Environmental (ISO 14001) Management Standards.

Challenges due to Pandemic

The COVID-19 pandemic continued to pose serious challenges thereby disrupting business across the globe. The first three months of FY 2022 were affected by the pandemic. Your company, through concerted efforts, implemented several well-being initiatives for employees such as vaccination programmes by setting up camps, enabling work from home, conducting sessions on creating healthy work-life balance and various awareness measures.

Your company continues its growth story in business operations with proper governance duly catering to the needs of all stakeholders. Your company has periodically assessed the impact of COVID-19 on business performance and disclosed to the extent possible, the impact in its quarterly results, in line with the directions of SEBI.

Dividend

The Company has a robust track record of rewarding its shareholders with a generous dividend pay-out. For the Financial Year 2021-22, the Board has recommended a dividend of ₹16.30 (163%) per equity share.

The Dividend recommendation is in accordance with the Dividend Distribution Policy of the Company, annexed as part of the Annual Report and also available at the Investors section of the Company's website at

https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/DIVIDEND-DISTRIBUTION-POLICY.pdf

The dividend which will result in a total pay out of ₹12.48 crores, if approved at the ensuing Annual General Meeting, shall be paid to the eligible members within the prescribed timelines.

Transfer to Reserves

The Company does not propose to transfer any amount to general reserve in respect of financial year 2021-22.

Deposits

The 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 2021-22.

Related Party Transactions

The Policy on Related Party Transactions has been uploaded on the website of the Company at https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/Related-Party-Transactions-Policy.pdf

During the financial year ended March 31, 2022, 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 the 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 the Audit Committee and the Board.

During the year under review, there has been no materially significant Related Party Transactions 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

The Board has constituted a Risk Management Committee pursuant to Regulation 21 of SEBI (LODR) Regulations. The risk in the current business environment is changing rapidly as well as dynamically, including the dimensions of cyber security, information security, business continuity, data privacy and large deal execution. Your Company have deployed a robust risk management framework, which helps to proactively identify, prioritize, and mitigate risks.

The Risk Management Committee has formulated a risk management policy covering a framework for internal and external risks faced by the Company including the risks mentioned above. The Committee also coordinated its activities with other committees as per the framework laid down by the Board of Directors.

Material changes & commitments affecting the financial position between the end of 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.

Business activities

Overall, the Industrial Relations in all our manufacturing units has been harmonious and cordial. Both production and productivity were maintained at desired and satisfactory levels throughout the year in all plants. During the year the Company has joined hands with four-time IPL champions Chennai Super Kings as the Principal Sponsor for three years.

Capital Expenditure and Expansion Project	During the year under review, the Capital Expenditure for FY 2021-22 was ₹120.07 Crores.
Finance	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, 2022 was ₹4.89 Crores. Your Company has listed its Commercial Paper for ₹75 crores in BSE Ltd in October 2021 and ₹100 Crores in January 22 and ₹50 crores in March 22. Out of above Company has redeemed & repaid ₹75 crores in January 2022 & ₹100 crores in March 22.
Change in nature of business	There has been no change in the nature of business of the Company during the year under review.
Composite Scheme of Amalgamation and Arrangement - TVS Group	A memorandum of family arrangement was executed between the TVS family for aligning the ownership of shares in various companies/business with the management of the respective companies, as is currently being done. In terms of the scheme and pursuant to the NCLT order dated 6th December 2021, Sundaram Industries Private Limited (SIPL) got merged with TV Sundram Iyengar & Sons Private Limited (TVSS). Further to that, 21,23,115 shares held by TVSS in TSL and 7,50,000 shares held by SIPL in TSL aggregating to 28,73,115 shares have been vested in/transferred to TVS Mobility Private Limited. Consequently, TVS Mobility Private Limited became the promoter of TVS Srichakra Limited and included in the promoter category.
Share capital	There is no change in the capital structure of the Company and the paid-up capital of the Company is ₹7,65,70,500 comprising of 76,57,050 equity shares of ₹10 each fully paid up.
Issue of equity shares with differential rights	The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

Human resources management

TVS Srichakra promotes a collaborative, transparent and participative organization culture, duly rewarding merit and sustained high performance.

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 up to the date of the 39th 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

The Company has not issued shares to the employees of the Company under any scheme (sweat equity or stock options).

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. The Company adheres to Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI), in letter and spirit.

Our Corporate governance report for fiscal 2022 forms part of this Report.

Board diversity

The 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

An annual calendar of Board and Committee Meetings for the fiscal 2022 was circulated in advance to the Directors. The Board of Directors met 9 (nine) times during the year ended 31st March, 2022. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report, forming 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 We affirm 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 Company has received necessary declaration from Independent Directors under Section 149(7) of the Act and SEBI (LODR) Regulations (including statutory re-enactment(s) thereof for the time being in force) that they meet the criteria of independence laid down in Section 149 (6) of the Act and SEBI (LODR) Regulations.

Board Evaluation

As per the provisions of the Act and SEBI (LODR) Regulations, the evaluation process for the performance of the Board, its Committees and individual Directors was carried out internally. The evaluation process inter alia comprises of 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

All new Independent Directors inducted into the Board are oriented through periodic presentations on business strategy and updates on the performance of the Company. This apart, various programmes are 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 KMP

Director liable to retire by rotation

As per the provisions of the Act, Mr P. Srinivasavaradhan, (DIN: 08701214), Director of the Company, whose office is liable to retirement at the ensuing AGM, being eligible, seeks reappointment. Based on performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends his reappointment. The notice convening the 39th Annual General Meeting sets out the details

Resignation

Dr. V. Anantha Nageswaran resigned as an Independent Director of the Company with effect from 25th January, 2022 due to his personal priorities and other interest and there are no material reasons for his resignation. The Board of Directors placed on record its sincere appreciation for the rich contribution made by him during his tenure of association as an Independent Director.

Key Managerial Personnel

Mr. P. Srinivasan, Company Secretary resigned on 15th September 2021. Consequently Mr. V. R. Venkatakrishnan was appointed as Company Secretary with effect from 1st March, 2022.

Committees of Board

Audit Committee

The Audit Committee comprises of 4 (four) members. The Chairman of the Committee is an Independent Director. The Committee met 9 (nine) times during the year. The Committee comprises of Mr H. Janardana Iyer, as Chairman, Mr M. S. Viraraghavan, Mr Rasesh R Doshi & Mr S. Ravichandran as members. The Company also 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 Committees were approved by the Board.

Vigil Mechanism/Whistle Blower Policy

Over the years, your Company has established a reputation of doing business with integrity and displays zero tolerance towards any form of unethical behaviour. “Whistle Blower Policy” (WBP) is the vigilance mechanism instituted by the Company to report concerns about unethical behaviour in compliance with the requirements of the Act and SEBI LODR Regulations and provides adequate safeguard against victimization of persons who use such mechanism. The whistle-blower policy is 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 detail about this policy are available in the Corporate Governance Report.

Managerial Remuneration

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

Internal Financial Controls and its adequacy

The 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.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of onetime settlement with any Bank or Financial Institution

Reporting of Frauds by Auditors

During the year under review, none of the Statutory Auditors, Internal Auditor, Cost Auditor and Secretarial Auditor have reported to the Audit Committee, under Section 143 (12) of the Act, any instances of fraud committed against the Company by its officers or employees.

Annual Return

In accordance with the Act, the annual return in the prescribed format is available at www.tvseurogrip.com.

Secretarial Standards

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

Listing on Stock Exchanges

The 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 2021-22 to the stock exchanges, where its equity shares are listed.

Investor Education and Protection Fund (IEPF)

During the year, the Company has transferred the unclaimed and un-encashed dividends of ₹26,49,120/-. Further 6,620 shares on which dividends were 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:

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

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

The Directors 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.

The Directors had prepared the annual accounts on a going concern basis;

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

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

Audit reports and Auditors

● The Auditors' Report for fiscal 2022 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.

● The Secretarial Auditors' Report for fiscal 2022 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as Annexure 4 to the Board's Report.

● The Auditor's certificate confirming compliance with conditions of corporate governance as stipulated under SEBI (LODR) Regulations, for fiscal 2022 is attached to the Corporate Governance Report.

Auditors

Statutory Auditors

Under Section 139 of the Act, and the Companies (Audit and Auditors) Rules, 2014 made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the provisions of the Act. In line with the requirements of the Act, M/s PKF Sridhar and Santhanam LLP, Chartered Accountants, (Firm Registration No. 003990S / S200018) was appointed as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of the 34th AGM until the conclusion of 39th AGM of the Company for the Financial Year 2021-22.

The Statutory Auditors have confirmed that they satisfy the independence criteria required under the Act.

M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, (Firm Registration No. 003990S/ S200018) will complete their present term on conclusion of 39th AGM as per Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014. M/s PKF Sridhar & Santhanam LLP have expressed their intention to seek reappointment as Statutory Auditor of the Company on conclusion of the present term vide their letter dated 14th May, 2022 addressed to the Audit Committee and to the Board of Directors of the Company.

The Board of Directors of the Company at its meeting held on 25th May, 2022 on the basis of the recommendations of the Audit Committee, recommended for the approval of the Members, the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, as the Statutory Auditors of the Company, for a period of 5 (five) consecutive financial years from the conclusion of 39th AGM till the conclusion of the 44th AGM for the Financial Year 2026-27 on a remuneration, terms and conditions as may approved by the Board.

The proposal for appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai as Statutory Auditors of the Company is listed as an item in the Notice convening the forthcoming Annual General Meeting of the Company, for necessary approval of the shareholders.

Cost Auditors

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, Practicing Cost Accountant, is appointed as Cost Auditor of the Company for the Financial Year 2022-23 by the Board, based on the recommendation of the Audit Committee, as required under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time. A resolution seeking Members' ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 39th AGM and the same is recommended for your consideration and ratification.

A Certificate from Dr. I. Ashok, Cost Accountant, has been received to the effect that his appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

Secretarial Auditor

Mr N Balachandran, Practicing Company Secretary, is appointed as Secretarial Auditor of the Company for the Financial Year 2022-23, as required under Section 204 of the Act and Rules thereunder.

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.

The 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, Mr. V. Ramakrishnan and Mr. Rasesh R Doshi. The Committee, inter alia, monitors the CSR activities.

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 our CSR Activities is appended as an Annexure 5 to the Board's Report. The Company undertakes CSR initiatives in compliance with Schedule VII to the Act.

During the Financial year 2021-22, the Company spent the entire budgeted CSR spend of ₹2.77 crores. 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 Report (BRR)

The SEBI (LODR) Regulations mandate the inclusion of the BRR as part of the Annual Report of top 1,000 listed entities based on market capitalization. In compliance with the said Regulations, we have integrated BRR disclosures into our 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 in an unprecedented challenging year. We owe our success to their dedicated hard work, perseverance, loyalty and commitment to the organization.

We thank the Governments across all States where we have our operations. We thank the Government of India and its Ministries, the Central Board of Direct Taxes, the Central Board of Indirect Taxes and Customs, GST Authorities, the Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, Depositories and other Government agencies for their support and look forward to their continued support in the future.

For and on behalf of the Board

R Naresh
Executive Vice Chairman
DIN: 00273609
Madurai
June 24, 2022

Shobhana Ramachandhran
Managing Director
DIN: 00273837

HEAVY DUTY PERFORMANCE

Backhoe loader tyres designed for heavy-duty performance in the most challenging conditions.

ANNEXURES 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 subsidiaries/associate companies/jointventures

Part A: Subsidiaries

Information in respect of each subsidiaries to be presented with amount

₹ in Crores

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	46.41	27.61	(3.13)
Total Assets	54.00	55.06	3.80
Total Liabilities	0.67	25.34	6.93
Investments	28.85	5.51	-
Turnover	0.29	81.60	0.88
Profit before Taxation	(0.28)	4.40	(1.96)
Provision for Taxation	-	0.92	(0.49)
Profit after Taxation	(0.28)	3.47	(1.47)
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 of the Company as on 31st March, 2022
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

Place: Madurai
Date: June 24, 2022

B RAJAGOPALAN
Chief Financial Officer

Place: Chennai
Date: June 24, 2022

R NARESH
Executive Vice Chairman
DIN: 00273609

V R VENKATAKRISHNAN
Company Secretary
Membership No. A13302

Place: Madurai
Date: June 24, 2022

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

T V BALASUBRAMANIAM
Partner
M.No. 027251

Place: Chennai
Date: June 24, 2022

ANNEXURE 2 TO BOARD'S REPORT

FORM AOC 2

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

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

1) Details of contracts or arrangements or transactions not at arm's length basis.

   All transactions entered into by the Company during the year with related parties were on a arm's length basis.

2) Details of material contracts or arrangement or transactions at 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

B Rajagopalan
Chief Financial Officer

V R Venkatakrishnan
Company Secretary
Membership No. A13302

Disclosure pursuant to Rule 5(1) of the 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	54.72	(16.88)
2	Ms. Shobhana Ramachandhran Managing Director	54.72	(23.26)
3	Mr. M S Viraraghavan	1.98	(28.32)
4	Mr. H Janardana Iyer	1.98	(29.15)
5	Mr. V. Ramakrishnan	1.37	(24.79)
6	Mr. Rasesh R Doshi	2.05	(26.40)
7	Dr. V Anantha Nageswaran (Resigned on 25th January, 2022)	1.00	(32.24)
8	Ms. S.V.Mathangi	1.31	(27.72)
9	Mr. S. Ravichandran	1.95	(28.08)
10	Mr. P. Srinivasavaradhan	1.40	(29.08)
11	Mr. B. Rajagopalan Chief Financial Officer	NA	30.40
12	Company Secretary Mr. P Srinivasan (Upto 15th September, 2021)	NA	$
13	Mr. V R Venkatakrishnan (With effect from 1st March, 2022)	NA	$

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

iii) The percentage increase in the median remuneration of employees in the financial year - 8.79%

iv) The number of permanent employees on the rolls of Company - 2689

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 & 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 2021-22 was 1.55%. Percentage increase in the managerial remuneration for the year was - 9.40%

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
Phone no.: 22670412, Cell: 9444376560

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2022

[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 31.03.2022 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 31.03.2022 according to the provisions of:

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

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

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

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

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

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

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

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

(VI) Other laws specifically applicable to the Company

a) Public Liability Insurance Act, 1991,

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

c) Energy Conservation Act, 2001,

d) Consumer Protection Act, 1986,

e) Legal Metrology Act, 2009,

f) Trade Marks Act, 1999,

g) Patents Act, 1970,

h) Designs Act, 2000,

i) Indian Boilers Act, 1923

j) Special Economic Zones Regulations

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

(I) The Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India as notified by the Ministry of Corporate Affairs, effective 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 / sweat equity.

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.**: A5113** C P No**: 3200**
UDIN Number**: A005113D000521057**

Place: Chennai
Date: 23/06/2022

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

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.

Signature: sd/-
Name**: N Balachandran**
Designation: **Practising Company Secretary**
M No.**: A5113** C P No**: 3200**
UDIN Number**: A005113D000521057**

Place: Chennai
Date: 23/06/2022

ANNEXURE 5 TO BOARD'S REPORT

The Annual Report on CSR Activities to be included in the Board's Report for the Financial Year 2021-22

1. Brief outline on CSR Policy of the Company.

The CSR Policy of the Company it to carry out the programs and 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.

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	Managing Director	4	4
2	Mr. Rasesh R Doshi	Independent Director	4	4
3	Mr. V. Ramakrishnan	Independent Director	4	4

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

https://www.tvseurogrip.com **- Investor Relations - Board - Corporate Social Responsibility**

4. Provide the details 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 (attach the report) **- Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any **- NIL**

6. Average net profit of the Company as per Section 135(5) **- ₹113.50 Crores**

7. a) Two percent of average net profit of the company as per section 135(5) **- ₹2.27 Crores**
   b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years **- NIL**
   c) Amount required to be set off for the financial year, if any **- NIL**
   d) Total CSR obligation for the financial year (7a+7b-7c) **- ₹2.27 Crores**

8. (a) CSR amount spent or unspent for the financial year:

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

(b) Details of CSR amount spent against ongoing projects for the financial year - NIL
(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(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. State/ District	Amount spent for the project (₹ in Crores).	Mode of implementation - Direct (Yes / No).	Mode of implementation - Through implementing agency.	
							Name.	CSR registration number.
1.	Health Care	Sch. VII(i)	Yes	Madurai, Tamil Nadu	0.11	No	Arogya Welfare Trust	CSR00001641
2.	Rural Development	Sch. VII(ii)	Yes	Madurai, Tamil Nadu	0.33	No	Arogya Welfare Trust	
3.	Promotion of Education	Sch. VII(ii)	Yes	Madurai, Tamil Nadu	0.11	No	Arogya Welfare Trust	
4.	Health care and education	Sch. VII(i) & (ii)	Yes	Madurai, Tamil Nadu	0.05	No	Arogya Welfare Trust	
5.	Health Care and Rural Development	Sch. VII(i) & (x)	Yes	Madurai, Tamil Nadu	0.10	No	Arogya Welfare Trust	
6.	Covid - 19 Relief Measures	Sch. VII(i)	Yes	Madurai, Tamil Nadu	0.62	Yes	Govt. Rajaji Hospital, Madurai	N.A.
7.	Covid - 19 Relief Measures	Sch. VII(i)	No	--	1.25	Yes	Tamil Nadu Govt.	N.A.
8.	Health Care Project	Sch. VII(i)	No	Nilgiris, Tamil Nadu	0.16	No	Rotary Club of Nilgiris Charitable Trust	CSR00003496
	Total				**2.73**			

(d) Amount spent in Administrative Overheads - 0.04

(e) Amount spent on Impact Assessment, if applicable - Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - 2.77

(g) Excess amount for set off if any

Sl. No.	Particular	Amount (₹ in Crores)
(i)	Two percent of average net profit of the Company as per Section 135(5)	2.27
(ii)	Total amount spent for the Financial Year	2.77
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.50
(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)]	0.50

9. (a) Details of Unspent CSR amount for the preceding three financial years - NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) - NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - NIL

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

R Naresh
Executive Vice Chairman
DIN: 00273609
Place: Madurai
Date: June 24, 2022

Shobhana Ramachandhran
Chairperson CSR Committee /
Managing Director
DIN: 00273837

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:

Your Company -

● continuously strive to improve Green power usage from renewable energy sources. The Green power usage for FY 2021-2022 has increased to 68% of the total power consumption from 44% of last year.

● is in the process of installing roof top solar in our Madurai factory building roofs and expect to get commissioned by June 2022.

● is increasing the usage of Biomass fuels to reduce the usage of coal.

● is continuously working on energy conservation initiatives to reduce Specific Power Consumption (SPC) and Specific Fuel Consumption (SFC)

● is continuously working on waste reduction programmes with Cross Functional Team (CFT) approach using systematic problem-solving process

B. TECHNOLOGY ABSORPTION:

1. Efforts made towards technology absorption

   a) Developed over 40 products for European market which includes widest and lowest aspect ratio tyres, using cross ply technology.

   b) Indigenous efforts has resulted in filing of over 30 patents of which 16 patents are published and 1 patent is granted.

   c) Established joint collaboration work with leading Educational University to enhance capability on Multi Body Dynamics and Tyre mechanics.

   d) Through our R&D efforts, an innovative product with Low Rolling Resistance and thus energy efficient was developed to meet the needs of emerging EV segment.

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

   a) R&D activity initiated by our Company led to launch of 25 new products in standard Cross ply technology in both Indian and Asian market.

   b) With our continued focus on OE segment, we received over 10 New Product Approvals from our OE customers.

   c) Upgradation of process equipment to cater to next generation high performance tyre development and also various initiatives made to improve productivity in various In-process by debottlenecking.

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

4. Expenditure on Research & Development

₹ in Crores

a.	Capital	13.23
b.	Recurring	19.71
c.	Total	32.94
d.	Total R&D expenditure as a percentage of Total Turnover	1.35%

C. Foreign Exchange Earnings & Outgo

₹ in Crores

Exports Earnings	332.04
Outgo	477.02

PRODUCT TESTING IN EUROPE

Expert riders in Milan test our off road tyres in the most stringent conditions.

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. Domestically, the company is a supplier of tyres to all leading two and three wheeler vehicle manufacturers (OEM). The company sells substantial volumes in the domestic replacement market through a nationwide network of depots, distributors and retailers. The company also accesses international markets with sales to more than 70 countries worldwide across all the 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 under different conditions.The product range includes two and three wheeler tyres, and a range of off highway tyres including industrial pneumatic tyres, farm and implement tyres, floatation and other multi-purpose tyres. The company's tyres are designed to global standards and are sold under the brand names of "TVS Eurogrip" and "TVS Tyres".

Global Economy & Outlook

The calendar year (CY) 2021 was impacted by the outbreak of the second wave of the pandemic. Availability of multiple vaccines accompanied by an aggressive vaccination program undertaken by the central and state governments mitigated large scale infection. However, the pandemic left an indelible mark on the global economy and affected every country.

Multilateral institutions project the recovery will, in all probability, be slow and uneven. The World Economic Outlook Report published by the International Monetary Fund (IMF) has pegged global growth at 3.6% in CY 2022.

Advanced economies are expected to witness subpar growth at 2.4%, whereas emerging and developing economies are expected to grow at 4.4%. The World Bank has pegged world economic growth rate at 2.9%. Geo political tensions, rising inflation and supply chain disruptions are the major factors contributing to the subdued growth.

In the mid-year report the United Nations (UN) reduced their forecast for global GDP growth from 4.0% to 3.1%. According to the UN, EU, US and China are expected to grow by 2.7%, 2.6% and 4.5% respectively. Major reasons attributed to the downward revision are attributable to the Russia – Ukraine conflict and possible future waves of pandemic.

The war in Ukraine has resulted in an inflationary trend worldwide in fuel, food, fertilizer, energy and commodity prices. The long term impact of the current geopolitical situation is expected to result in increased defense spending, fragmentation of payment systems, currency volatility, and changes in foreign exchange reserves. However, easing of supply demand imbalance, increased vaccination and mitigation of economic disruptions will ease the outlook over the course of the year. *(source: IMF, World Bank, UN)*

Indian Economy & Outlook

During Financial Year (FY) 2021-22, the Indian economy grew by 8.7% taking the economy above the pre-pandemic level. Different global agencies have predicted GDP growth of India ranging from 6.9% (IMF) to 8.8% (Moody's).

A significant point to note is that India's growth is expected to be superior to China, the BRICS nations and the advanced economies. Index of Industrial Production (IIP) recorded a 11.3% growth in FY 2021-22 for the full fiscal against a 8.4% contraction in the previous year.

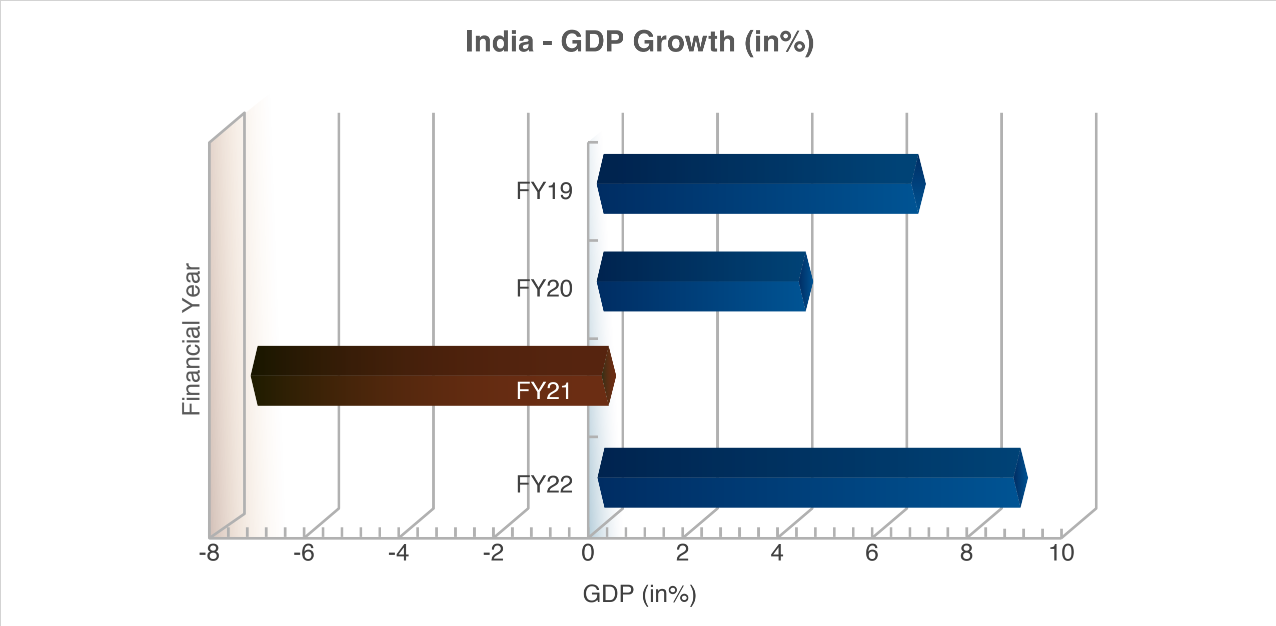


Fig.1: GDP growth - India

Projected GDP growth rate 2022 (%)	
World Output	3.6
USA	3.7
Euro Area	2.8
China	4.4
India	8.2
Advanced Economies	3.3
Emerging & Developing Asia	5.4
source: IMF, April 2022	

Fig.2: Projected GDP growth rate 2022

In the current uncertain situation of geopolitical tensions and expected further waves of the pandemic, a few factors would contribute to the high growth forecast for India. Amongst the factors (i) strong economic fundamentals, (ii) growth-enhancing policies and schemes, (iii) increased infrastructure spending with multiplier effects on employment, and, (iv) large vaccinated population containing subsequent infection waves.

However, rising inflation is a concern and monetary intervention by the regulator is expected to tame inflation over the course of the year. Domestic consumption is expected to be stable and discretionary spends are likely to increase. On the whole the Indian economy is poised to maintain a growth rate of 9.2% (source: Government of India, IMF, Moody's)

The automobile, ancillary and tyre industries are likely to improve volumes, but inflation related headwinds could impact margins.

Global Automobile Industry

Global motor vehicle production grew by 3.25% (source: Knoema) during CY'21 from 79 million vehicles to 83 million vehicles. Passenger car production showed a marginal growth of 3% (57 million vehicles) over the previous year while commercial vehicles production grew by 6% (23 million vehicles). Overall, motor vehicle sales grew by 5% worldwide during CY'21. However, sales volumes are yet to reach pre-covid levels.

Commercial vehicle sales have reached 97% of pre-covid level volume while passenger car sales are lagging behind and the total volumes sold are at 88% of pre-covid sale. Electric vehicles recorded a growth of 164% selling 11.28 million units in CY'21 against 6.87 million during CY'20. Global automobile sales are likely to grow by 8% for the next five years and reach 100 million units. The global semiconductor shortage is expected to have impacted sale of 9.6 million units during CY'21 and is likely to impact volumes in CY'22. The Russia-Ukraine conflict, covid containment measures in China and supply chain issues are likely to dampen growth.

Global motorcycle sales reached 58.6 million units during 2021 and recorded an 8.5% recovery from 2020 (source: motorcyclesdata.com). Revenue from two-wheeler sales world-wide was USD 119.33 billion with Asia-Pacific contributing to 66% of industry revenue.

Two-wheeler sales are likely to grow at 8.4% CAGR (source: fortunebusinessinsights.com) through 2029 with increased adoption of EVs. During 2021, two-wheeler EV sales reached 10 million units and is likely to touch 30 million units by 2028. High fuel cost and post-covid preference for individual mobility are likely to encourage adoption of EVs in the near future. Artificial Intelligence (AI), Internet of Things (IoT) and Blockchain technologies are expected to make vehicles safer and more energy efficient.

Indian Automobile Industry & Outlook

India ranks among the top five automobile markets in the world. The Indian automobile industry contributes to 7.1% of GDP and accounts for 49% of manufacturing GDP (source: Deloitte Touche Tohmatsu). India's relatively young population, rising middle class and FDI inflow of USD 30.8 billion as investments in the automobile sector over the past two decades have been driving this growth (*source: IBEF*).

The pandemic and its after effects crippled the auto industry in FY 2020-21 and 2021-22. However, the outlook for FY 2022-23 is positive. Passenger car volumes are likely to grow between 13 - 17%, LCV 15%, M&HCV 10% and two-wheelers at 10%. Production and sales trends are shown below (*source: SIAM, Economic Times*).

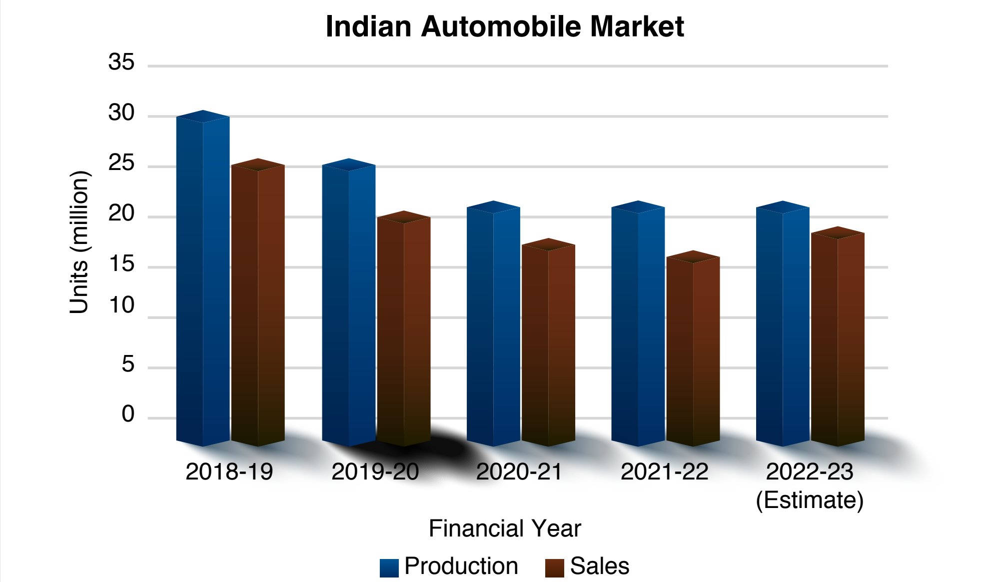


Fig. 3: Production and Sales - 2018-2023

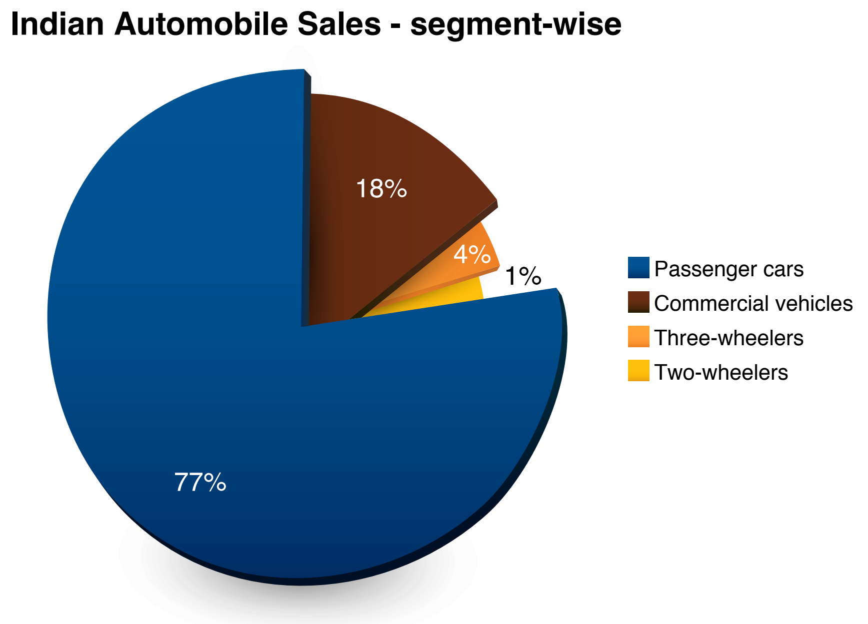


Figure 4: Segment-wise sales - India

Table 1: Product segment-wise sales 2019 – 2022 & estimate 2022-23

Segment (million units)	2019-20	2020-21	2021-22	2022-23 (Estimate)
Passenger cars	2.77	2.71	3.07	3.50
Commercial vehicles	0.72	0.57	0.71	0.84
Three-wheelers	0.64	0.22	0.26	0.40
Two-wheelers	17.42	15.12	13.47	15.00
Total	21.54	18.62	17.51	19.74

EV sales market in India showed robust growth during FY 2021-22. 231,338 electric two-wheelers (464% Y-o-Y growth) and 17,802 cars (257% Y-o-Y growth) were sold during the past year (source: Autocarindia.com).

The automobile sector is expected to play a crucial role in India's aspirations to become a USD 5 trillion economy.

Opportunities for growth in the domestic automobile industry are attributable to: (i) Electric Vehicles, (ii) Government's Atmanirbhar scheme to encourage domestic production, (iii) Production Linked Incentives, (iv) Extension of FAME-II scheme up to end March 2024 and (v) Increasing customer demand.

The two wheeler market however has been adversely impacted by price increases, arising from increased raw material costs, introduction of enhanced safety and emission norms and covid shutdowns during the past year. The segment is likely to grow by 10% during FY '22-23. The first two months of the current year has seen a sale of 3.47 million units and growth trends are positive. The relaxation in lock-down, re-opening of educational institutions and flexible work options are likely to result in release of pent up demand. However, the effects of inflation, higher interest rates and supply chain disruption may dampen growth (*source: motorcyclesdata.com*).

The overall trend seems to be positive.

At a macro level, geopolitical tensions, the semiconductor shortage and supply chain issues are likely to limit the growth of the Indian automobile industry during FY 2022-23

Global Tyre Industry (*Source: Smithers.com,businesswire.com*)

Globally, tyre sales volumes were at 2.27 billion units during CY'21 with an annual revenue of USD 264 billion. The industry is estimated to grow at CAGR 3.2% and reach USD 280 billion by 2024. In the long run, the total volume of the industry is likely to touch 2.67 billion units by 2027 with a CAGR of 2.8%.

Five key trends that are likely to affect the industry for the next five years include: (i) global economic growth, increase in global vehicle parc, shifting of demand to developing economies and adoption of high performance premium tyres - all are expected to drive volumes, (ii) Replacement demand is likely to be steady, (iii) innovations such as low rolling resistance tyres, weight reduction and aerodynamics will be emphasized, (iv) fuel efficiency, durability and use of predictive analytics, expansion of e-commerce and consequent retail rationalization will affect the industry and (v) sustainability, zero-waste and defects, reduction in material usage will gain traction. Web based sales in the after market are still in its early stages.

Indian Tyre Industry, Outlook & Company Performance

The Indian tyre industry achieved a volume of 182 million units during FY 2021-22 (*source: imarcgroup.com*). After two years of demand contraction and slowdown in the auto industry, tyre demand witnessed a recovery during FY'21-22. The overall demand is likely to grow to 222 million units by 2027 at 3.6% CAGR. 55% of market demand came through the replacement market. Three wheeler and commercial vehicle demand registered growth while two wheeler volumes shrunk.

Major contributor to volume (in terms of number of tyres sold) continues to be two and three wheeler tyres and passenger car tyres, accounting for 91% of unit sales.

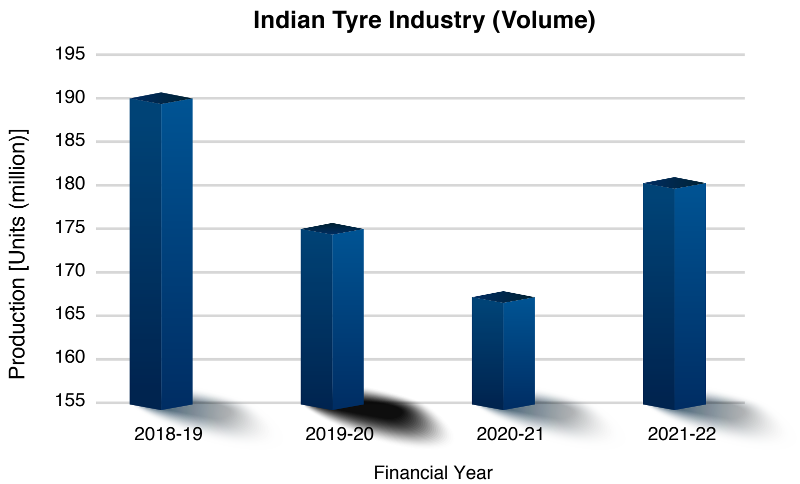


Figure 5: Indian tyre industry volume

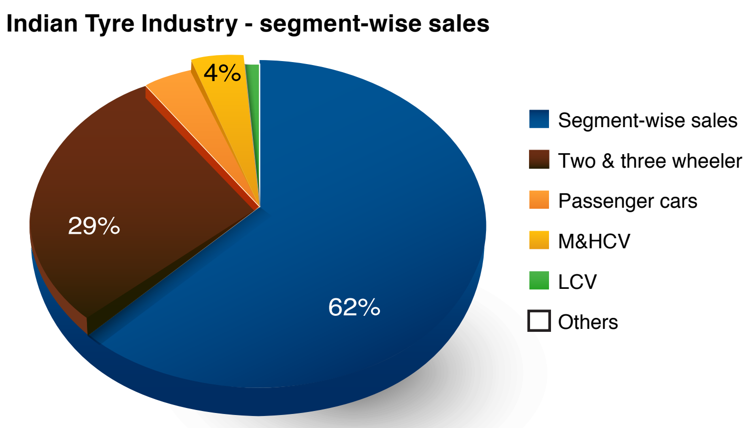


Figure 6: Indian tyre industry - segment share

The tyre industry is expected to grow in FY 2022-23. Increase in OE demand and stable replacement volumes should drive growth. However, this growth in the tyre industry could be dampened by margin pressures due to rise in input prices.

Indian tyre exports recorded a 55% growth during FY'22 with value of exports growing to ₹18,277 crores from ₹11,759 crores in FY'21. Export of Two-wheeler and OHT tyres recorded growth of 64% and 50% respectively during FY'22. The export market outlook remains positive and is expected to grow during the next year. Overall, more than ₹20,000 crores of capital expenditure into vehicle manufacturing is expected in the next five years to cater to the growing domestic and export markets. The tyre industry is poised for positive growth in the short to medium term.

COMPANY INITIATIVES DURING 2021-22

A. Overall

During 2021-22, your company sustained market share to remain the leader in the OEM segment despite intense competition gained share in the replacement market.

Your company recorded better than industry performance in the OEM market despite increased competition. More than 60 new customers were added in the E-scooter segment. Your company achieved a significant market share in the growing E vehicle two and three wheeler segment.

B. Product Development

Your company introduced increased range for the European market which includes wide and low aspect ratio tyres, using cross ply technology. Continuing with this initiative, your company is introducing more products during FY'23 covering off road, sport, adventure and custom cruiser models. These products address the popular motorcycles in these markets

Product development initiatives are aligned with your company's aspiration to become a global two-wheeler specialist.

New fitment creates opportunities for comfortable riding experience for new customers and enhance customer retention. This provides opportunities to increase market share in the replacement market. The rapid growth of EVs makes it imperative to address this category of vehicles given the potential of this market. Your company has specifically launched products targeted at electric two-wheelers.

C. Market and Channel Development

Your company has strengthened the distribution network and now covers 640 districts across India serviced through 600 distributors. Through this network, more than 50,000 tyre retailers are served.

Your company was a pioneer in digitizing the primary and secondary sales channels completely with billing and loyalty apps for distributors, retailers and influencers (mechanics). It has developed a distribution management system, 'MITRA', enabling mapping of retailers to distributors thus enabling last mile sales visibility and connectivity. Additionally, retailers are provided the facility to directly place their orders on their mapped distributors through the 'Eurogrip Connect' mobile application (app). More than 20,000 retailers use this application. Digitizing the distribution chain has created opportunities for directly engaging with the trade and collecting real-time data on sales, supplies and market activities.

The e-commerce initiative of your company has witnessed a 20% growth in search and online traffic volumes during the year. Consumers predominantly research online and purchase offline. This is fast becoming a hygiene factor in the industry. Currently, about 1% of sales are completed through e-commerce. This channel is poised for rapid growth in future.

Your company has launched a category first 'WhatsApp' based warranty application that makes it extremely convenient to service any warranty issues if and when they arise. This initiative also fosters direct engagement with end customers and helps to build a database of end users.

On the whole, your company has established an "omni channel" (physical + digital) distribution network with end-to-end digitization and opportunities to engage with the direct customer.

D. Raw material trends

Natural Rubber and crude derivatives like synthetic rubber, carbon black, polybutadiene rubber and other rubber chemicals are the essential raw materials used for tyre manufacturing. Led by global demand, crude oil witnessed 50% surge in price over 2020-21. Geo-political unrest towards year end further led to a price rally and the exit price in Mar'22 hovered around $112/barrel, a huge 250% increase from FY21. Natural Rubber production in India grew by 8% and consumption grew by 13% Y-o-Y. Heavy rainfall and prolonged COVID 19 impact in Kerala during the peak production season of July to December ensured prices remained high throughout the year. Natural rubber prices went up by 20% over FY21. International prices of natural rubber have also shown an increasing trend. (*source: moneycontrol.com*)

The year saw a significant increase in the overall raw material cost. The supply chain remains a bottleneck and requires tight inventory management. Crude oil derivatives required for the tyre industry were in short supply and prices increased sharply due to crude oil price volatility. The war in the West has resulted in increased economic uncertainty across global markets with extreme variation in input prices. Prices of all petrochemical products, steel and metals have been all-time highs. Acute shortage of coal due to the ban on exports by Indonesia coupled with the power crisis in China in Q3 meant prices skyrocketed by 400% followed by a marginal reduction in Q4. Both natural rubber and crude prices are controlled by the external environment and are, therefore, beyond reasonable control of the management.

However, the company explored new sources, worked extensively with strategic partners, entered into long term contracts for inputs to protect price volatility and maintained adequate inventory to ensure regular material availability. High prices of natural rubber and crude derivatives are expected to keep margins under check.

E. Capacity expansion

During the year, your company has undertaken a brown field expansion in the Madurai plant for doubling OHT tyre production capacity. The project is in the final stages of completion and will help increase the company's share in this segment. The project focuses at producing and supplying a range of tyres to address global markets

Your company has also doubled the capacity of two-wheeler radial tyres through productivity improvement and addition of balancing equipment.

F. Technology, Research & Development

Technology continues to be a cornerstone of your company. During 2021-22, your company undertook several technological initiatives described below :

1. Setting up of a satellite technical center for off highway tyre technology in Israel.
2. Industry Academia Partnership with Sastra University to research on multi-body dynamics and tyre mechanics. Such partnerships enable fast tracking of technological development and opportunities for filing new patents.
3. Modernization of a state-of-art test track with dry and wet grip test tracks specifically designed to test motorcycles and scooters.
4. Your Technical Centers in Milan, Italy and Madurai, India worked together to develop and launch a range of premium tyres (e.g., Bee Connect, Bee City, Bee Sport) for the European, Southeast Asian and India markets.
5. Your Company's research focus has been in the development of Low Rolling Resistance (LRR) tyres for OEMs with focus on developing sustainable technologies and reducing carbon footprint. Your company was successful in launching a Low Rolling Resistance tyre suiting the needs of Electric Vehicle Segment.
6. Your Company's focus on developing cutting edge technologies has resulted in filing of 30 patents of which 16 patents are published and 1 patent has been granted.

Statistical methods are being adopted for continuous process improvement, maintaining consistency and reducing inherent variability in production processes to deliver products that can perform to expectations, consistently.

Your company is working continuously on warranty complaints reduction with periodic reviews and action to eliminate repeated complaints. Horizontal deployment across sites is underway to transfer learnings and improve products and processes to exceed customer expectations and improve the brand image.

G. OPPORTUNITIES

The impact of COVID has been quite severe in India although there has been a recovery. In the medium term, economic growth will be further supported by the Government's favorable policies and higher spending on critical areas such as infrastructure, health care, rural development, recovery in manufacturing and service industry. The two-wheeler industry will also benefit from the increased localized mobility requirements and increasing farm income, thereby increasing demand from the rural sector.

India, in spite of being the largest manufacturer of two wheelers in the world, has the lowest penetration at 110 per 1000 people v/s an average of 240 per 1000 people in South East Asian countries. Two wheeler penetration has increased, but opportunities to further grow exist.

India has a favorable demographic profile with a median age of 28.4 years compared to a median age of 37.4 years in both China and the USA. This 'demographic dividend' is expected to be a driver of mobility. Urbanization of India's population is growing and is expected to reach 36.2% by 2025 - on a larger population base, warranting need for more vehicles and providing an opportunity. It is expected by 2050 that more than 60% of India would live in urban spaces. This rapid urbanization would create demand for quick transportation, which is expected to be fulfilled through growth of scooters and motorcycles.

India is also becoming a global base for the manufacture and export of two-wheelers, with export demand from the Middle East countries and recovery from traditional markets in South Asia, West Africa and Latin America. Exports serve as one of the key demand drivers for this sector. Your Company, as the dominant OE player in this space will naturally benefit from this growth.

There is increasing thrust by the Government for adoption of environmental friendly EVs. This has led to most existing two wheeler manufacturers planning to launch EVs in India. Your Company has developed a specially formulated electric vehicle tyre (ETORQ) which promises superior performance for electric vehicles. The greening of the fleet over time will result in robust sales of e-2W, and your Company, as the dominant OE player, will benefit.

The rapid growth of high quality roads across India will add to the demand for vehicles.

H. CHALLENGES

Volatility in input prices, availability of raw materials, combined with surplus capacity in the industry are impacted prices and is likely to compress margins.

Geo-political tensions and accompanying high fuel prices are likely to compress margins.

Retail inflation is likely to dampen consumer sentiment for tyre replacement.

I. RISK MANAGEMENT

1. Effect of Lockdowns and COVID:

In terms of volumes, the first quarter was impacted by the severe lockdowns that gradually improved over the year. Lockdowns impacted the use of vehicles and the sales of tyres severely.

2. Volatility of Input Prices:

Prices of rubber and petroleum products, raw materials for tyre manufacturing, have been hardening leading to a significant increase in costs, forcing companies to pass these on to customers.

3. Immediate term impact of EVs:

There has been some uncertainty for both consumers and manufacturers of automobiles over the demand and supply of traditional two wheelers due to the rapid adoption of electric vehicles. This may lead to consumers deferring their purchase plans, which could have short term impacts.

4. Capacity Overhang in Market:

Reduced OEM demand accompanied by the addition of new tyre manufacturing capacities has resulted in the industry's capacity utilization being lower than the near past. This could impact the performance of the company.

J. Energy

On the energy front, power costs were reduced through energy conservation initiatives and optimizing the power mix. Key specific fuel consumption parameters were improved at both the plant sites. Renewable energy in the form of wind power accounts for substantial energy consumption at the company's Madurai plant. Additionally, roof top solar plants have been installed. Overall, renewable energy sources contributes to 68% of power consumption, contributing to the sustainability measures adopted by your company.

K. Quality Assurance

Your company continues to be a preferred supplier for key OEMs. Your company is consistently rated at the highest levels by customers. The initiatives taken by your company are likely to cascade into new customers and increases the company's opportunity to gain higher market share in the replacement market.

Employees are motivated to involve in continuous quality improvement through Kaizen, QCC and Suggestion Schemes. Your company has been recognized for its kaizen and poka yoke practices by winning the Platinum and Gold trophy on five occasions in competitions conducted by the Confederation of Indian Industries (CII). Continuous process and profit improvement initiatives encourage cost efficiencies and innovation crucial to sustaining profitability in a competitive market.

L. Environment, Occupational Health & Safety

The company's Occupational Health Safety and Environment (OHSE) Policy covers the manufacturing plants of the company and scope extends to employees, contractors, suppliers and customers. The policy also addresses compliance to legal, statutory, regulatory and customer specific requirements related to OHSE. Your company continues to implement initiatives to address environmental issues. A few representative initiatives are summarized below:

• Zero Liquid discharge in the Madurai plant through waste water treatment. Additionally, steam boilers are fitted with Electro Static Precipitators to reduce particulate emission. These initiatives enable your company to maintain ambient air quality far below the prescribed norms thus and contribute to the surrounding environment significantly.

• Green power usage for FY 21-22 has increased to 68% of the total power consumption. Solar panels are being installed on factory building roofs at Madurai plant, which will increase the green power usage substantially.

• Coal is being replaced progressively by biomass fuels thus reducing pollution levels.

• Energy conservation initiatives to reduce SPC and SFC are being pursued. Additionally, waste reduction initiatives are being implemented through a CFT approach.

The above initiatives were recognized by the Tamilnadu Pollution Control Board, which awarded the "Green Champion Award" to your company during 2021 for contribution to water conservation, adopting non-conventional energy utilization, creating Awareness on E-Commute and rejuvenation of Water bodies.

M. Awards And Recognition

Your company was recognized for its efforts on quality assurance, sustainability, environment and energy management initiatives. List of awards and certifications obtained by your company during the year is summarized below:

Winner of Platinum and Gold awards by CII for Kaizen and Pokayoke initiatives adopted by the company.

Winner of 'Green Champion Award' from Tamilnadu Pollution Control Board for water conservation and renewable energy initiatives

Occupational Health & Safety Management System (ISO 45001)

Energy Management System (ISO 50001)

Quality Management System (ISO 9001/ IATF 16949)

Environmental Management System (ISO 14001).

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 the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios.

Sl. No	Ratio	Current Period	Previous Period	% Variance	Explanation for Variance
1	Debt Equity Ratio	0.61	0.24	157	Increase in borrowings mainly to fund - pertaining to capital expansion projects.
2	Return on Equity Ratio	4.55	9.08	-49.84	Lower profitability in the current year
3	Net Profit Ratio	1.70	3.88	-56.21	Higher raw material cost not fully passed on to customers
4	Return on Capital Employed Ratio	6.45	11.61	-44.42	• Decrease in EBIT compared to previous year. • Capital Employed also includes the investment in the expansion which is yet to result in sales. • Increase in fair value of investments
5	Trade Payable Turnover Ratio	5.27	4.07	0.30	This is due to both increase in prices as well as inventory holding in the current period.
6	Return on Investment	152.91%	4.13%	3598.53%	Change in fair value of investments

The company's revenue from operations increased from ₹ 1875.83 Crores in the previous year to ₹ 2447.36 Crores in the current year, an increase of 30.5% over the previous year. The company's profit before tax declined from ₹ 96.46 crores to ₹ 56.94 crores, a decrease of 41% year on year, due to unprecedented increase in raw material prices. Your company has increased its borrowings from ₹ 198 Crores in the previous year end to ₹ 598 crores during the current year end, to fund increased working capital and capacity expansion during the year.

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.

TVS EUROGRIP IN RACING

TVS Eurogrip was the technical partner for the TVS One Make Championship for the 3rd year in a row.

REPORT ON CORPORATE 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, 2022.

I. CORPORATE GOVERNANCE PHILOSOPHY

The Company strongly believes in establishing and being committed to highest standards of corporate governance in all its operations, to increase its operational efficiency and to ensure long term value creation for all its stakeholders. The Company constantly endeavors to operate in a fair, transparent and ethical manner and holds itself accountable and responsible to the society where it belongs and operates. The Company considers it imperative to abide by the laws and regulations of the land in letter and spirit.

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

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

The Company's Governance structure comprises of the Board of Directors and the 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, thus ensuring sustainable growth.

II. BOARD OF DIRECTORS

The Board of Directors play a pivotal role in ensuring that the Company's business practices are sound and ethical and that its resources are optimally utilized, thereby ensuring sustainable growth. The Board of Directors operate 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

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

2. Board of Directors

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

3. Size and Composition of the Board

As at 31st March, 2022, 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 per cent of the 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 and Mr. S Ravichandran and Mr. P Srinivasavaradhan are Non-Executive and Non-Independent Directors.

Thus the composition of the 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

The 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

The Board comprises of qualified members 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 Directors of the Company are given below:

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

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

6. Availability of information to Board members

The Board has unrestricted access to all Company-related information, including that of employees. Information is provided to the Board members on a continuous basis for their review, inputs and approval. The 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 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 / Re-appointment of Directors

Pursuant to SEBI (LODR) Regulations, the following information of a director who is proposed to be appointed/ re-appointed 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

The 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 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 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 28th January, 2022, with the attendance of all Independent Directors and without the presence of Non-Independent Directors.

The following items were discussed in the meeting:

- Evaluation performance of the Executive Vice Chairman of the Company.
- Evaluation of the performance of the Board of Directors as a whole and Non-Independent Directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the company management and the Board so as to ensure that the Board is performing the duties effectively and reasonably.

10. Board Meetings

a) Scheduling and selection of agenda items for Board meetings

The Company, in consultation with the Directors, 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 in 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 2021-22, 9 (Nine) Board Meetings were held on 22.4.2021, 25.5.2021, 15.6.2021, 29.7.2021, 6.8.2021, 25.10.2021, 11.11.2021, 28.1.2022 and 12.2.2022. The gap between two meetings did not exceed 120 days.

Details of Director's 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 9th September, 2021 with the details of number of other Directorships and Committee memberships / Chairmanships as on 31st March 2022 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	9	Yes	3	5	-	-
Ms. Shobhana Ramachandhran DIN 00273837	MD	9	Yes	-	10	1	1
Mr. M S Viraraghavan DIN 00249874	NE-I	9	Yes	-	-	-	-
Mr. H Janardana Iyer DIN 02688787	NE-I	9	Yes	-	3	2	3
Mr. V. Ramakrishnan DIN 00002931	NE-I	9	Yes	-	-	-	-
Mr. Rasesh R Doshi DIN 00538059	NE-I	9	Yes	-	3	-	2
Dr. V Anantha Nageswaran @ DIN 00760377	NE-I	6	Yes	-	-	-	-
Ms. S.V. Mathangi DIN 02596421	NE-I	9	Yes	-	-	-	-
Mr. S Ravichandran DIN 01485845	NE	7	Yes	-	7	1	6
Mr. P Srinivasavaradhan DIN 08701214	NE	9	Yes	-	2	-	-

* Includes Private Limited companies @ Resigned w.e.f., 25th January, 2022 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 10 (Ten) Public Limited Companies
- Serve as an Independent Director in more than 7 (Seven) Listed Companies
- Is a member of more than 10 (Ten) Committees
- Is a Chairman of more than 5 (Five) 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 listed entities.

c) Details of Directorship and 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 Committee 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	Dr. V Anantha Nageswaran*	-	-
8	Ms. S.V. Mathangi	-	-
9	Mr. S Ravichandran	-	-
10	Mr. P Srinivasavaradhan	-	-

* Till 25th January, 2022

11. Access to information and updation to 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 tabled during the Board Meetings.

In addition, the Board reviews the following information

- Declarations made by the 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. Materially significant related party transactions

All transactions entered into with Related Parties as defined under the Act and SEBI (LODR) Regulations, during the financial year 2021-22 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 has been made in the notes to the Financial Statements.

The 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:

₹ in Crores

Type of Service	2021-22
Audit Fees	0.37
Others	0.05
Total	0.42

III. COMMITTEES OF THE BOARD

The 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.

The 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 Committee meetings are sent to the respective Members individually and circulated at the next Board meeting for their noting.

During the financial year 2021-22, the Board has accepted all the recommendations made by its Committees.

1. Audit Committee

The 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 SEBI (LODR) Regulations.

a) Composition, names of Members and Chairman

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

The Audit Committee consists of the following members:

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

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

As per Regulation 18 (1) (d) of the SEBI (LODR) Regulations, the Chairperson of this Committee shall be present at the Annual General Meeting of the Company. Accordingly, the Chairman of the Audit Committee was present at the last AGM held on 9th September, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

b) Roles and responsibility 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. Recommending 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 the statutory auditors.

4. Reviewing, 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. Reviewing, with the management, quarterly financial statements before submission to the Board for approval

6. Reviewing, 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, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance and effectiveness of audit process

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

The Committee may make 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 ₹1 crore per transaction.

In case any transaction involving any amount not exceeding rupees one crore is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and the director or concerned officer shall indemnify the Company against any loss incurred by the Company.

8(a) All related party transactions shall require prior approval of the Audit Committee

Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.

9. Scrutiny of inter-corporate loans and investments

10. Valuation of undertakings or assets of the Company, wherever it is necessary

11. Evaluation of internal financial controls and risk management systems

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

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

14. Discussion with internal auditors of any significant findings and follow up there on.

15. Reviewing 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. Discussion 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. To look 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.

18. To review the functioning of the Whistle Blower Mechanism.

19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

21(a) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

22. Review 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.

23. Such other roles and responsibilities as may be defined by the applicable laws.

c) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information

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

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management

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

4. Internal Audit Reports relating to internal control weaknesses and

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

6. Statement of deviations.

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

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

d) Subsidiary Companies

The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary companies.

e) Internal Controls and Governance Processes

Reviewing 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.

Oversee and review the functioning of a vigil mechanism and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

f) Particulars of the meetings and attendance by the members of the Audit Committee are given below:

As per Regulation 18 (2) (a) of the SEBI (LODR) Regulations, the Committee shall meet at least four times in a year and not more than 120 days shall elapse between two meetings. Accordingly, in the Financial Year 2021-22, the meetings of the Audit Committee were held on the following days 22.4.2021, 24.5.2021, 14.6.2021, 29.7.2021, 6.8.2021, 25.10.2021, 11.11.2021, 27.1.2022 and 12.2.2022. In the meetings held on 25.10.2021 & 11.11.2021, Mr. S Ravichandran alone was not present. All members of the Committee were present for all the meetings.

Senior Management Personnel were also invited to the meetings.

2. Nomination and Remuneration Committee (NRC)

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

a) Composition, names of Members and Chairman

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

The Company Secretary acts as the Secretary of the NRC

As per Regulation 19 (3) of the SEBI (LODR) Regulations, the Chairperson of this committee in his/her absence, shall appoint / authorise any other member of the Committee to attend the General Meeting of the Company. Accordingly, Chairman of the NRC was present was present at the last AGM held on 9th September, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

b) Roles and responsibility of Nomination and Remuneration Committee

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

2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

3. Devising a policy on diversity of Board of Directors;

4. Identifying 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. Whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.

6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

7. Specify 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, the NRC shall evaluate 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. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- 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) The particulars of meetings and the attendance by the members of the NRC are given below:

As per Regulation 19 (3A) of the SEBI (LODR) Regulations, the Committee shall meet at least once in a year. Accordingly, in the Financial Year 2021-22, the Nomination and Remuneration Committee meetings were held on 22.5.2021 and 22.10.2021. All the members of the Committee attended all the meetings.

d) Performance Evaluation

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

Broad Performance indicators based on which the Annual Evaluation was carried out is listed below:

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

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, the 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 is 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 reproduced below which is also available at https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/Remuneration-Policy.pdf

i. Board Diversity

It will be the endeavor of the Company to attract people to be on the Board as Directors from variety of backgrounds which are appropriate to the business interests of the Company.

ii. Criteria for selection of Non-Executive Directors

1. The Non-Executive Directors shall be of high integrity with relevant expertise and experience to have a diverse Board with Directors having expertise in the various fields.

2. In case of appointment of Independent Directors, the NRC shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

3. The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Act.

4. The NRC shall consider the following attributes / criteria whilst recommending to the Board the candidature for appointment as Director.

- Qualification, expertise and experience of the Directors in their respective fields;
- Personal, Professional or business standing
- Diversity of the Board

5. In case of re-appointment of Non-Executive Directors, the Board shall, take into consideration the performance evaluation of the Director and his engagement level.

iii. Remuneration of Non-Executive Directors

The non-executive directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- A non-executive director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- A non-executive director will also be entitled to receive commission on an annual basis of such sum as may be approved by the Board on the recommendation of the NRC;
- The total commission payable to the Directors shall not exceed 1% of the net profit of the Company;
- The Commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

In addition to the above, non-executive director shall be compensated for services rendered by such Director which are professional in nature and in the opinion of NRC such Director possesses requisite qualification for the practice of the profession.

Apart from receiving Directors Remuneration, none of the Non-Executive Directors have any pecuniary relationships or transactions vis-a-vis the Company except Mr. P Srinivasavaradhan, who has been paid a consultancy fee of ₹90 lakhs during the year, which was approved by the shareholders at their meeting held on 16th September, 2020.

iv. Criteria for selection / appointment of Executive Director

For the purpose of selection of the Managing Director, the NRC shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and qualifications as laid down under the Act or other applicable laws.

v. Remuneration of Executive Director

1. At the time of appointment or re-appointment, the Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director within the overall limits prescribed under the Act.

2. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

3. The remuneration of the Managing Director is broadly divided into fixed and variable component. The fixed compensation shall comprise salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise of commission.

4. In determining the remuneration (including the fixed increment and commission) the NRC shall consider the following:

a) The relationship of remuneration and performance benchmarks is clear;

b) Balance between fixed and commission payment reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

c) Responsibility required to be shouldered by the Managing Director and the industry benchmarks and the current trends;

d) The Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs

vi. The remuneration payable to Key Managerial Personnel (other than Executive Director), Senior Management and other employees ("Executive") shall consist of

1. Fixed Compensation

An Executive shall have a fixed compensation which will be a function of his responsibility, accountability, span of control and overall impact on the business.

2. Variable Compensation

The Variable Compensation of an Executive will be paid based on performance for the year and that of the Company in the fiscal under consideration and shall be in addition to the Fixed Compensation. It is proposed that this will be up to a maximum of 60% of the Fixed Compensation. The performance rating of an Executive will be based on the extent, one fulfills his / her Key Performance Indices (KPI's) as has been discussed and agreed to between the Manager and the Executive at the beginning of the fiscal. The decision to pay the Variable Compensation will be based on the achievement of the Company's acceptable threshold business and financial parameters as may be decided by the Management and the decision to increase, decrease or abrogate the Variable Compensation in part or in full is solely vested with the Management.

3. Other benefits, Provident Fund, Termination of Employment and separation compensation

3.1 Non-monetary benefits

Senior Management will be entitled to benefits such as Company car / leasing car facility, Fuel reimbursement and Driver reimbursements as per Company policy. Other entitlements include subsidised medical hospitalization health care policy in line with defined limits, currently at ₹1 lakh per family per annum (for the coverage term). An Executive is also entitled to land telephone, cell and data card as per defined limits covered under the Company's Personnel policies.

3.2 Provident Fund, Superannuation & Gratuity

Executives are also entitled to Provident Fund, Superannuation (for executives who joined till end 2012) and gratuity facility as per the terms of the Law in force currently.

3.3 Termination of Employment and separation compensation for Executives

All Executives are entitled to a separation compensation of 3 months of their salary (excludes the Variable Compensation) either way.

4. Authority to decide on any deviation from the Policy

Any deviation from the policy can be only decided by the Managing Director and shall be final and binding.

vii. Implementation of the Policy

The Nomination and Remuneration Committee shall take suitable steps to issue guidelines, procedures and such other steps as may be considered appropriate from time to time, for effective implementation of this Policy.

viii. Remuneration Paid to Non-Executive Directors

The details of remuneration (₹ In Lakhs) paid to Non-Executive Directors and their shareholding is as follows:

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

Mr M S Viraraghavan (a) 2.10 (b) 10.08 (c) 12.18 (d) 900, Mr H Janardhana Iyer (a) 2.10 (b) 10.08 (c) 12.18 (d) Nil, Mr V. Ramakrishnan (a) 1.70 (b) 6.72 (c) 8.42 (d) Nil, Mr. Rasesh R Doshi (a) 2.50 (b) 10.08 (c) 12.58 (d) Nil, Dr. V Anantha Nageswaran (a) 0.60 (b) 5.52 (c) 6.12 (d) Nil, Ms S.V. Mathangi (a) 1.30 (b) 6.72 (c) 8.02 (d) Nil, Mr S Ravichandran (a) 1.90 (b) 10.08 (c) 11.98 (d) 5, Mr P Srinivasavaradhan* (a) 1.90 (b) 6.72 (c) 8.62 (d) 800

*In addition, consultancy fee of ₹90 Lakhs paid vide shareholders resolution passed at their meeting held on 16th September, 2020.

ix. Remuneration Paid to Executive Directors

Particulars of remuneration paid to Executive Vice Chairman and Managing Director during the financial year 2021-2022:

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

Ms. Shobhana Ramachandhran (a) Managing Director (b) 335.55# (c) Nil (d) Nil (e) 335.55; Mr. R Naresh (a) Executive Vice Chairman (b) 172.80 (c) 162.75 (d) Nil (e) 335.55

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 (SRC).

a) Composition, names of Members and Chairman

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

The Company Secretary acts as the Secretary of the 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, shall attend the Annual General Meeting / General Meeting of the Company. Accordingly, Chairman of the SRC was present at the last AGM held on 9th September, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

b) Roles and responsibilities of SRC shall include

1. The 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. Such other roles and responsibilities as may be defined by the applicable laws.

During the year, no complaints were received from the security holders of the Company. All queries received during the financial year 2021-22 were duly redressed and no queries were pending for resolution on this date.

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 by the members of the SRC:

As per Regulation 20 (3A) of the SEBI LODR Regulations, the Committee shall meet at least once in a year. Accordingly, during the financial year 2021-22, SRC met on 22.10.2021, in which all the members were present.

4. Corporate Social Responsibility (CSR) Committee

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

a) Composition, names of Members and Chairman

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

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

b) Roles and responsibilities of CSR Committee shall include

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

2. To ensure effective implementation and monitoring 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 by the members of the CSR Committee:

During the financial year 2021-22, CSR Commitee met on 21.4.2021, 14.6.2021, 5.8.2021, and 11.2.2022 in which all the members of the Committee were present.

5. Risk Management Committee (RMC)

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

a) Composition, names of Members and Chairman

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

The Company Secretary acts as the Secretary of the Committee.

b) Roles and responsibilities of RMC

- Monitoring and reviewing of the risk management plan and
- Such other functions as it may deem fit including cyber security.
- In addition to the above, other mandatory enhanced role and responsibilities 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.
- Ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.

- Monitor and oversee 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.
- The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any applicable) subject to review by RMC.
- Coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.
- Such other functions, roles 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 the attendance by the members of the RMC:

As per Regulation 21(3A) of the SEBI LODR Regulations, the Committee shall meet at twice in a year. Accordingly, in the financial year 2021-22, the meetings of the Committee were held on 25.3.2022 and 31.3.2022. All members of the Committee were present for all the meetings.

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 is as follows

A

Year - 2018-19

Date of Meeting:
11th September 2019

Time of Commencement:
10:30 AM

Location:
Lakshmi Sundaram Hall,
15-A Gokhale Road,
Madurai 625002

B

Year - 2019-20

Date of Meeting:
16th September 2020

Time of Commencement:
10:00 AM

Location:
Madurai, (meeting held via Video Conferencing / Other Audio Visual Means (VC/OAVM)

C

Year - 2020-21

Date of Meeting:
9th September 2021

Time of Commencement:
10:00 AM

Location:
Madurai, (meeting held via Video Conferencing / Other Audio Visual Means (VC/OAVM)

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

a) In the Annual General Meeting held for the Financial Year 2018-19, no special resolution was passed.

b) In the Annual General Meeting held for the Financial Year 2019-20, no special resolution was passed.

c) In the Annual General Meeting held for the Financial Year 2020-21, no special resolution was passed

d) During the financial year 2020-21, two special resolutions were passed through Postal Ballot which was relating to re-appointment of Mr. R Naresh as Executive Vice Chairman and Ms. Shobhana Ramachandhran as Managing Director. Postal ballot was carried out as per the provisions of Section 108, 100 and all other applicable provisions of the Act, read with the Rules framed thereunder, read with the Circular no.14/2020 dated 8/4/2020 and circular no.17/2020 dated 13/4/2020 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 from 16.6.2020**
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	No. of votes invalid	% of votes invalid
		1	2	3 = {(2)/(1)} *100	4	5	6 = {(4)/(2)} *100	7 = {(5)/(2)} *100		
PROMOTER & PROMOTER GROUP	E-VOTING	3473561	3041854	87.57	3041854	0	100.00	0.00	0	
	POLL (Not applicable)		0	0.00	0	0	0.00	0.00	0	
	Postal Ballot		0	0.00	0	0	0.00	0.00	0	
INSTITUTION	E-VOTING	529401	441085	83.32	413888	27197	93.83	6.17	0	
	POLL (Not applicable)		0	0.00	0	0	0.00	0.00	0	
	Postal Ballot		0	0.00	0	0	0.00	0.00	0	
PUBLIC	E-VOTING	3654088	25517	0.70	24332	1185	95.36	4.64	0	
	POLL (Not applicable)		0	0.00	0	0	0.00	0.00	0	
	Postal Ballot		0	0.00	0	0	0.00	0.00	0	
		7657050	3508456	45.82	3480074	28382	99.19	0.81	0	

Resolution No. 2	**Re-appointment of Ms Shobhana Ramachandran as Managing Director for a further period of five (5) years from 25.8.2020**
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	No. of votes invalid	% of votes invalid
		1	2	3 = {(2)/(1)} *100	4	5	6 = {(4)/(2)} *100	7 = {(5)/(2)} *100		
PROMOTER & PROMOTER GROUP	E-VOTING	3473561	3041854	87.57	3041854	0	100.00	0.00	0	
	POLL (Not applicable)		0	0	0.00	0	0.00	0.00	0	
	Postal Ballot		0	0	0.00	0	0.00	0.00	0	
INSTITUTION	E-VOTING	529401	441085	83.32	413888	27197	93.83	6.17	0	
	POLL (Not applicable)		0	0	0.00	0	0.00	0.00	0	
	Postal Ballot		0	0	0.00	0	0.00	0.00	0	
PUBLIC	E-VOTING	3654088	25517	0.70	24334	1183	95.36	4.64	0	
	POLL (Not applicable)		0	0	0.00	0	0.00	0.00	0	
	Postal Ballot		0	0	0.00	0	0.00	0.00	0	
		7657050	3508456	45.82	3480076	28380	99.19	0.81	0	

No special resolution is proposed to be conducted 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 (Rules) 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 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, as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Company has transferred 6,620 equity shares, in respect of which dividend has not been claimed by the shareholders for seven consecutive years from the financial year ended 31st March, 2014, to the Investor Education and Protection Fund Authority (IEPF Authority) during the financial year 2021-22. 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 31/3/2022 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).

As required by SEBI directions, shareholders are requested to furnish details of bank account number and 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, 2015 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
31.03.2015	23.09.2015	29.10.2015	26.11.2022
31.03.2016	17.02.2016	13.03.2016	10.04.2023
31.03.2016	21.03.2016	16.04.2016	14.05.2023
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

V. GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting to be held in FY 2022-23

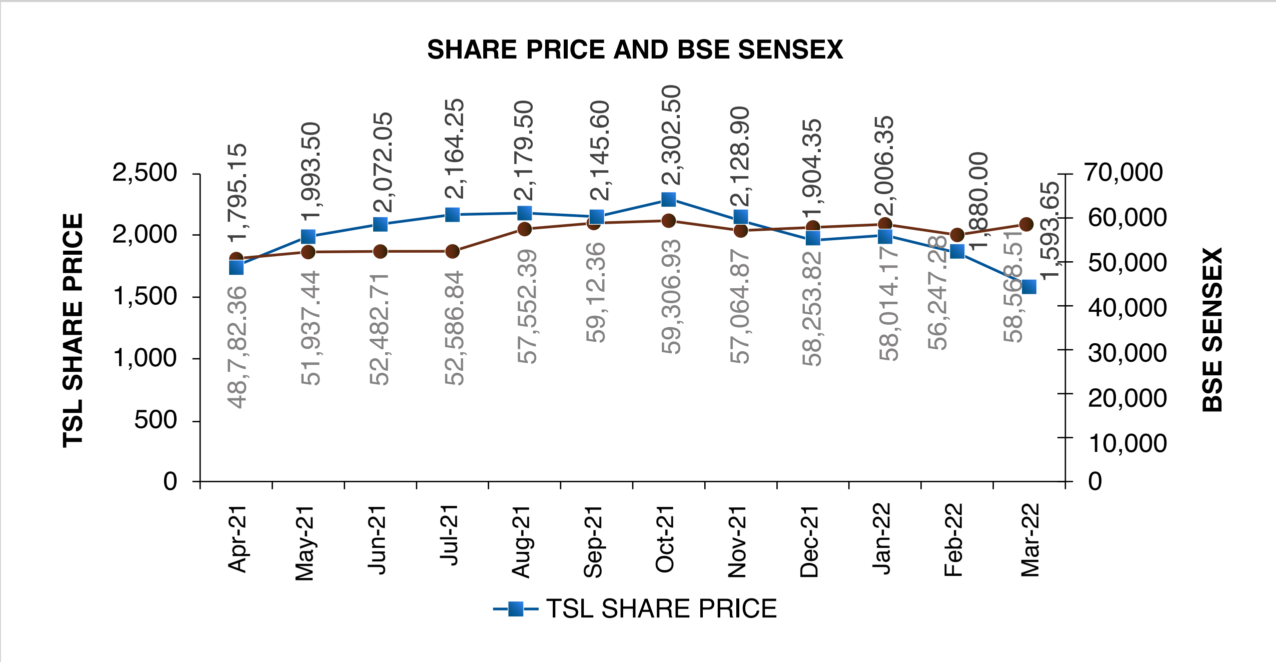
a)	**Annual General Meeting, Date, Time and Venue**	Date: 21st September, 2022 Day: Wednesday Time: 10.00 AM Mode: Video Conference (VC) / Other Audio Visual Means (OAVM)
b)	**Financial Year**	1st April to 31st March
	Financial reporting for the quarter ending	Financial calendar 2022-23 (tentative)
	30th June 2022	Before 14th August, 2022
	30th September, 2022	Before 14th November, 2022
	31st December, 2022	Before 14th February, 2023
	31st March, 2023	Before 30th May, 2023
c)	**Dividend Payment date**	The dividend, if declared at AGM, will be paid on or after 26th September, 2022
	Book Closure Dates	From 6th September, 2022 to 21st September, 2022 (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 2021-22 were duly paid to the above Stock Exchanges and to the Depositories.	

2. Market price data- high, low during each month in last financial year

₹ Rupees

Month	BSE Ltd (BSE)		National Stock Exchange of India Ltd (NSE)	
	High	Low	High	Low
April 2021	1872.00	1647.50	1871.00	1644.05
May 2021	2065.00	1771.05	2069.00	1769.60
June 2021	2130.90	1906.70	2131.35	1911.40
July 2021	2390.00	2000.00	2394.00	2053.30
August 2021	2322.00	2009.70	2324.50	2007.90
September 2021	2259.35	2064.00	2265.00	2052.10
October 2021	2588.00	2120.05	2590.00	2121.45
November 2021	2440.85	2006.70	2445.00	2011.30
December 2021	2210.00	1948.00	2224.70	1945.00
January 2022	2229.35	1903.65	2238.10	1903.80
February 2022	2088.75	1771.55	2184.00	1742.30
March 2022	1879.85	1580.00	1978.00	1579.95

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. Their address is:

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 2021-22 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:

- On a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 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, certifying the issuance of share certificates within 30 days from the date of lodgement of transfer.

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.

As per SEBI CIRCULAR - SEBI / HO / MIRSD / MIRSD_RTAMB / P / CIR / 2022 / 8 dated 25.1.2022, Form ISR 4 has to be submitted by the shareholder / legalheir / claimant for requests such as duplicate, transmission, sub division, consolidation, transposition etc., Company has been complied with the above.

Shareholders are, requested to correspond with the Share Transfer Agent for transfer / transmission of shares, 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	29328	97.26	1792226	23.40
501 - 1000	488	1.62	353840	4.62
1001 - 2000	169	0.56	246972	3.23
2001 - 3000	62	0.21	153319	2.00
3001 - 4000	25	0.08	85977	1.12
4001 - 5000	17	0.06	77229	1.01
5001 - 10000	22	0.07	156848	2.05
10001 and above	42	0.14	4790639	62.57
Total	**30153**	**100.00**	**7657050**	**100.00**

7. Dematerialization of shares and liquidity

Out of the 41,83,489 shares held by persons other than promoters, 38,18,548 shares have been dematerialized as on 31st March, 2022 accounting to 91.31%

The Company has already achieved 100% of promoter group's shareholding in dematerialized form consisting of 34,73,561 equity shares of face value of ₹10/- each.

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

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

8. Credit Rating

The Company has obtained rating from the following agency:

Nature of Instrument/Bank facilities	Rating agency	Rating assigned with outlook
Fund-based working capital limits	India Ratings & Research	IND AA-/Stable/IND A1+
Non-Fund-based working capital limits	India Ratings & Research	IND AA-/Stable/IND A1+
Term loans	India Ratings & Research	IND AA-/Stable
Short-term loan	India Ratings & Research	IND A1+

9. Code of Conduct

The 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, 2022. 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, the 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 the Audit Committee in exceptional cases. During the year, no person was denied access to the Audit Committee and no instance was reported under this policy.

The Whistle Blower Policy of the Company is available at https://tvseurogrip.com/wp-content/uploads/investor-relations/POLICY/WHISTLE-BLOWER-POLICY.pdf

11. Sexual Harassment at Workplace

During the year under review, the Company has not received any complaints in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. 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 - Nil
- Number of complaints pending as on end of the Financial Year - Nil

12. Prevention 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 are governed by the said Code. An annual declaration was taken from the Directors and designated persons, as at the end of the year.

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

13. Subsidiary Companies

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

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

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

14. Disclosure of Accounting Treatment

The Company while preparing Financial Statements for the year 2021-22 has followed all relevant Accounting Standards as notified by the Companies (Indian Accounting Standards) Rules, 2015

15. Risk Management

The 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 are managed by combining a robust price forecast mechanism by fine tuning the procurement policies. The Company has been effectively managing its securities to mitigate the after effects of such volatility. In respect of Foreign Exchange price fluctuations, the Company has a well-defined Board approved Hedging Policy. The 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 Village, Melur Taluk, Madurai District, Pin 625 122
ii) Narasingampatti Village, 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, Uttarkhand

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. V. R. Venkatakrishnan, Company Secretary,
TVS Srichakra Limited, 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 in 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 our Company at www.tvseurogrip.com.

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

In the Financial Year 2021-22,

- There were no instances of non-compliances 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.

22. Compliance with mandatory / non-mandatory requirements

The 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 Directors of Companies by SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report as an Annexure.

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

2. CEO and CFO certification

The 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, 2022. The certificate is enclosed with this report as an Annexure.

3. Auditors' Certificate on Corporate Governance

The 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 2021-22 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:

a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief

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 into 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 the 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
Chennai
Date: June 24, 2022

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Madurai
Date: June 24, 2022

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 the compliance to the Code of Conduct of the Company, during the year ended 31st March, 2022.

Madurai
Date:June 24, 2022

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 18th March 2022.

2. We have examined the compliance of conditions of Corporate Governance by TVS Srichakra Limited ('the Company') for the year ended 31st March 2022, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

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

Auditor's Responsibility

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

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

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

Opinion

7. Based on the procedures performed by us and to the best of our information, according to the explanations provided to us and the representation made by the management, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2022.

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: 22027251ALQWHI6089
Place: Chennai
Date: June 24, 2022

CERTIFICATE ON NON DISQUALIFICATION OF DIRECOTORS 2021-22

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, 2022 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 Affairsor 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.

Signature: sd/-
Name: **N. Balachandran**
Designation: Company Secretary in Practice
Membership No.: A5113 CP No.: 3200
UDIN No: A005113D000363911

Place: Chennai
Date: 23.05.2022

turning for good

TVS Eurogrip conducted tyre health check-ups in cities across the country, this was an exclusive activity for 5000+ delivery partners.

BUSINESS RESPONSIBILITY REPORT

Introduction

TVS Srichakra Limited (TSL/Company) is a Company listed in the bourses of BSE Ltd and National Stock Exchange of India Ltd.

TSL presents its Business Responsibility Report (BRR) for the Financial Year 2021-22. The report provides an overview of the initiatives taken by the Company from an environmental, social and governance perspective.

Section A - General Information about the Company

<table>
<tr><td>1.</td><td>Corporate Identity Number (CIN)</td><td colspan="4">L25111TN1982PLC009414</td></tr>
<tr><td>2.</td><td>Name of the Company</td><td colspan="4">TVS Srichakra Limited</td></tr>
<tr><td>3.</td><td>Registered address</td><td colspan="4">TVS Building, 7-B West Veli Street, Madurai 625 001</td></tr>
<tr><td>4.</td><td>Website</td><td colspan="4">www.tvseurogrip.com</td></tr>
<tr><td>5.</td><td>E-mail Id</td><td colspan="4">Sec.investorgrievances@eurogriptyres.com</td></tr>
<tr><td>6.</td><td>Financial Year reported</td><td colspan="4">2021-22</td></tr>
<tr><td rowspan="5">7.</td><td rowspan="5">Sector(s) that the Company is engaged in (industrial activity code-wise)</td><td colspan="2">Code</td><td colspan="2">Description - As per National Industrial Classification 2008</td></tr>
<tr><td colspan="2">Section C</td><td colspan="2">Manufacturing</td></tr>
<tr><td colspan="2">Division 22</td><td colspan="2">Manufacture of Rubber & Plastic Products</td></tr>
<tr><td colspan="2">Group 221</td><td colspan="2">Manufacture of Rubber Products</td></tr>
<tr><td colspan="2">Class 2211</td><td colspan="2">Manufacture of Rubber Tyres & Tubes; Retreading and Rebuilding of Rubber Tyres</td></tr>
<tr><td>8.</td><td>List three key products / services that the Company manufacture / provides (as in Balance Sheet)</td><td colspan="4">Manufacture and sale of Automotive Tyres, Tubes and related products</td></tr>
<tr><td>9.</td><td colspan="5">Total number of locations where business activity is undertaken by the Company
i) Number of International Locations (Provide details of major 5) Nil.
ii) Number of National Locations
The Company has two manufacturing locations in India - Madurai (Tamil Nadu) and Rudrapur (Uttarakhand). Additionally, the Company undertakes its business activities in India through a network of depots and sales offices in 48 locations.</td></tr>
<tr><td rowspan="3">10.</td><td colspan="5">Markets served by the Company</td></tr>
<tr><td>Local</td><td colspan="2">State</td><td>National</td><td>International</td></tr>
<tr><td>√</td><td colspan="2">√</td><td>√</td><td>√</td></tr>
</table>

Section B - Financial Details of the Company

1.	Paid up Capital (INR in Crores) (as on 31st March, 2022)	7.66
2.	Total Turnover (INR in Crores) (for FY 2021-22)	2453.28
3.	Total Profit After Taxes (INR in Crores) (for FY 2021-22)	41.57
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)(for FY 2021-22)	6.67%
5.	List of activities in which expenditure in 4 above has been incurred. The major activities in which the above CSR expenditure has been incurred includes - Model Village Promotion - Preventive Health Programmes / Covid 19 / Medical Consultation and Therapies - Tools for Effective Governance - Essential Infrastructure Promotion Projects - Village Knowledge Center - Study Circle, Vocational Training - Children with Special Abilities - Mental Wellbeing - Medical Consultation and Therapies - Maintenance of Community Infrastructure	

Section C - Other Details

1.	Does the Company have any Subsidiary Company / Companies?
	Yes. Company has three subsidiaries, namely (i) TVS Srichakra Investments Limited (ii) TVS Sensing Solutions Private Limited (iii) Fiber Optic Sensing Solutions Private Limited
2.	Do the Subsidiary Company / Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
	Subsidiary Companies do not participate in the BR initiatives of the Company. At present all the BR initiatives are undertaken at Company level.
3.	Do any other entity / entities (e.g. suppliers, distributors etc) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? (Less than 30%, 30-60%, more than 60%)
	No. At present all the BR initiatives are undertaken at Company level.

Section D - BR Information

1. Details of Director / Directors responsible for BR

a) Details of the Director / Director responsible for implementation of the BR policy / policies

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

* Chairperson

b) Details of the BR Head

Sl. No.	Particulars	Details
1	DIN	NA
2	Name	Mr B Rajagopalan
3	Designation	Chief Financial Officer
4	Telephone No.	0452 2443300
5	E-mail ID	Rajagopalan.b@eurogriptyres.com

2. Principle-wise (as per NVGs) BR policy / policies

a) Details of compliance

Sl. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Certain policies are available in Company's website - www.tvseurogrip.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have inhouse structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y		Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

*Wherever possible, policies are in compliance with specific regulations like Energy Management System (ISO 50001), Occupational Health & Safety Management System (ISO 45001), Quality Management System (ISO 9001/ IATF 16949) and Environmental Management System (ISO 14001)

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities

i) Fossil free Nano Filler usage in the Tyre components implemented in all sizes,

ii) Low Rolling Resistance tyres for Auto (3 - Wheeler) launched in EV segment and Export segment,

iii) Developing domestic raw material suppliers for import substitution for Resins, Butyl Rubber, Etc.,

iv) Developing process with lower fossil energy efficient ones.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.,) per unit of product (optional)

• We continuously strive to improve Green power usage from renewable energy sources. The Green power usage for FY 2021-22 has increased to 68% of the total power consumption from 44% of last year.

• We are in the process of installing Roof top solar in our Madurai factory building roofs and expect to get commissioned by June 2022.

• We are increasing the usage of Biomass fuels to reduce the usage of coal.

• We are continuously working on energy conservation initiatives to reduce SPC and SFC

• We are continuously working on waste Reduction programmes with CFT approach using systematic problem-solving process

3. Does the Company have procedure in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so

The Company believes in sustainable sourcing and most of our raw material suppliers have minimum ISO 9001 certification and around 80% of our manufactured raw materials are sourced from suppliers who have ISO 14001. Order terms & conditions stipulate regarding adherence with various regulatory requirements including environment protection. Our supply chain, focus on activities to improve performance of our products and services including transportation which are environment friendly.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

The Company has developed local vendors for execution of activities like servicing and maintenance of machines, mould repair, engineering jobs correction etc and supplies of consumables which are required in the operations (other than Raw materials). It also avails services of locals for both incoming material and outgoing product handling, vehicles for inter plant and warehouse movement of goods.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof, in about 50 words or so

Cured tube scrap is sent for recycling. Work-in-progress (WIP) compounds not meeting specified requirements are reworked with parent compound. Dust collector black and chemicals are used in non-critical products. About 10-12% recycled input is available in the final product. As regards rejected finished goods, Company sells scrap to authorised recyclers who converts them to usable materials (tyres, scrap fabric, trimmings, waste oil etc.). Effluent and sewage waste are treated mechanically where solid waste is powdered and disposed to authorised agency for re-cycling while wastewater is fed to RO plant for DM and fed to boilers.

Principle 3: Businesses should promote the wellbeing of all employees

The health of its employees is a vital area of care and concern for the Company. Employee well-being is ensured through provision of regular medical check-ups and other benefits such as providing Group Medical Insurance and personnel accident policy for employees, in accordance with medical needs.

The Company has instituted processes and mechanisms to ensure that issues relating to sexual harassment are effectively addressed.

1. Please indicate the total number of employees - 2689

2. Please indicate the total number of employees hired on temporary/contractual/casual basis - 3510

3. Please indicate the Number of permanent women employees - 19

4. Please indicate the Number of permanent employees with disabilities - Nil

5. Do you have an employee association that is recognized by management - Yes.

6. What percentage of your permanent employees is members of this recognized employee association? - 80%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year - Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training, in the last year?

   A. Permanent Employees - 100%

   B. Permanent Women Employees - 100%

   C. Casual / Temporary / Contractual Employees - 100%

   D. Employees with disabilities - Not Applicable

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders?

Yes. The policies of the Company provides the approach for identifying and engaging with stakeholders that include shareholders, customers, employees, suppliers, communities, civil society, media and the Government.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

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 interest are attended to and all their concerns are addressed.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Stakeholders Relationship Committee oversees and reviews all matters connected with share transfers, duplicate share certificate, and other issues pertaining to shares. The committee also looks into the redressal of investors' grievances pertaining to transfer of shares, non-receipt of Annual Reports, non-receipt of dividends etc., The Company, as a matter of policy, disposes investor complaints within a span of three days.

All the queries and complaints, if any, received during the financial year ended 31st March, 2022 were duly redressed satisfactorily and no queries were pending for resolution on this date and there were no unresolved complaints for other stakeholders.

As regards other stakeholders, 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 to ensure that stakeholder priorities and interest are attended to and all the concerns are addressed.

Over the years the Company has been involved in a number of community – focused activities under CSR, in the areas of health, education, environment and preservation of the Country's rich culture and heritage. Particularly, promoting preventive and general health care, sanitation and provision of safe drinking water; education by providing financial assistance to deserving educational institutions, meritorious and needy students, including special education and employment enhancing vocation skills; and gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company has Policies on Human Rights applicable to its employees and its value chains. Further, the Company has adopted policies like Policy on prevention of sexual harassment at work place. There is no gender disparity and child and forced labour is strictly prohibited.

2. How many stakeholder complaints have been received in the past financial year and what percent were satisfactorily resolved by the Management

There were no complaints on violation of human rights

Principle 6 - Business should respect, protect and make efforts to restore the environment

1. Does the policy relate to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes. Your company Occupational Health Safety & Environment (OHSE) Policy covers the manufacturing plant of the company and scope extends to employees, contractors, suppliers and customers. Also the policy address compliance to legal, statutory, regulatory and customer specific requirements related to OHSE.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.,

Yes, the company continues to have initiatives to address environmental issues. The Madurai factory are equipped with Electro Static Precipitators (ESP) in Boilers, to reduce particulate matter in ambient, Zero Liquid Discharge (ZLD) waste water treatment plants. The company is continuously driving to utilise increased share of green power, the power from renewable energy increased to 68% of total consumption. The company in the process of installing Roof top solar plants in our Madurai factory building roofs and expect to get commissioned by June 2022.

3. Does the Company identify and assess potential environmental risks?

Yes. 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 Program (EMP) are initiated are continuous ongoing activities.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Yes. We continuously strive to improve Green power from renewable energy sources. The Green power usage for FY 2021-22 has increased to 68% from 44% of last year. We are in the process of installing Roof top solar in our Madurai factory building roofs.

We maintain Zero Liquid discharge in our factory premises throughout the year through operation and maintenance of the wastewater treatment plants and evaporators efficiently

We maintain ambient air quality within approved norms always. Our operating steam boilers are equipped with ESP to reduce particulate emission significantly, much below the norms.

We have valid consent orders from TNPCB to comply Air and Water Act for Hazardous waste disposal authorisation.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc., Y/N. If yes, please give hyperlink for web page etc.,

Yes, Details are provided in Annexure 6 to the Directors' Report

6. Are the Emission / Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, within the permissible limits.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year

Nil

Principle 7 - Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with.

Yes. Major associations in which the Company is a member is given below:

- Confederation of Indian Industry (CII)
- Automotive Tyre Manufacturer Association (ATMA)

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No. If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, inclusive Development Policies, Energy security, Water, Food Security, sustainable Business Principles, others)

The Company advocates matters which are for the advancement or improvement of public good.

Principle 8 - Business should support inclusive growth and equitable development

1. Does the Company have specified programmes / initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof

Yes.

The Company has constituted a Corporate Social Responsibility Committee (CSR). Based on the CSR Committee's recommendation, the Board has approved a CSR Policy. The Company undertakes various programmes and projects in pursuance of the CSR policy. Details of the policy and the programmes undertaken are given in the CSR Report forming part of the Board's Report.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / Government structures / any other organization?

CSR programmes / projects of the Company are run by in-house team and external NGOs/implementing agencies

3. Have you done any impact assessment of your initiative?

The project activities are periodically reviewed by the CSR Committee. The impact environment as per CSR Policy Rules is not applicable to our Company. However, reports are sought from the implementing agencies to understand the impact of the initiatives.

4. What is your company's direct contribution to community development projects? Amount in INR and the details the projects undertaken

Details are given in Annexure 5 to Board's Report. During the financial year 2021-22, the Company has spent ₹2.77 Cr on CSR initiatives.

5. Have you taken steps to ensure that this Community development initiative is successfully adopted by the Community? Please explain in 50 words or so

The Company's CSR projects have been primarily focused on skill development, health care projects, education & livelihood enhancement projects and disaster management.

All these projects have achieved its objectives in terms of adoption by the Community

The Company has taken steps to conduct employee engagement and well-being programs like International Women's day, Founder's Day celebration, National safety week celebration, Quality month celebration etc.,

Principle 9 - Business should engage with and provide value to their customers and consumers in a responsible manner

1. What percentages of customer complaints / consumer cases are pending as at the end of financial year?

Consumer case - 1

Customer complaints - 2

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so

Nil

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

Nil

B Rajagopalan
Chief Financial Officer
Place: Chennai
Date: June 24, 2022

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS - 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 2022, 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 2022, 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. • 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.

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 Report (BRR) 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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 2022 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 2022;

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.

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: 22027251AJOLPG8628
Place: Chennai
Date: 25th May 2022

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 2022.

(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, has 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 at the year-end, written confirmations have been obtained or subsequent goods receipts / utlisation 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, except in respect of investments into a subsidiary and in another company. 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 ₹11.35 crores made to two suppliers (who are non related parties), in the earlier years.

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 while the period of repayment of the principal 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 overdues

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 ₹11.35 crores 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 2022 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 2022, 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	Amount demanded (₹ in Crores)	Amount paid under protest (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending
Central Excise/ Customs Act	Excise Duty	0.04	-	Various periods	Dy. Commissioner
		0.20	-	Various periods	Jt. Commissioner
		8.95	-	2012-13	Commissioner of Central GST & Excise (Appeals), Madurai
		0.52	-	2017	High Court
	Customs Duty	3.79	-	2013-14	Customs, Excise & Service Tax Appellate Tribunal
		0.85	0.07	2013-14	Addl Director General (Adjn)
Goods & Service Tax Act	GST	0.09	0.04	2017-18	Assistant Commissioner
		0.01	0.00*	2017-18	First Appellate Authority
		0.10	0.01	2018-19	Jt. Commissioner (Appeals)
		0.03	-	2019-20	Asst State Tax officer
Central Sales Tax Act; Tamil Nadu value Added Tax Act	Sales Tax, VAT, CST	12.19	1.17	Various periods	Asst. Commissioner
		0.05	-	Various periods	Dy. Commissioner
		0.04	0.02	Various periods	Dy.Commissioner (Appeals)
		0.56	0.16	Various periods	Jt. Commissioner (Appeals)
		14.20	13.30	2010-2016	The Appellate Dy Commissioner (CT)
The Employees Provident Funds And Miscellaneous Provisions Act, 1952	Provident Fund	4.00	-	2012-14	High Court, Chennai

* Includes amount paid under protest of ₹13,032

(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 in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, 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, except for the sums received from bank close to the year end and pending to be utilised as at the balance sheet date.

(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.

(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
Membership No: 027251
UDIN: 22027251AJOLPG8628
Place: Chennai
Date: 25th May 2022

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 2022 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 2022, 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: 22027251AJOLPG8628
Place: Chennai
Date: 25th May 2022

LOADER TYRES

Wheel loader tyres built to handle heavy lifting.

STANDALONE BALANCE SHEET

Standalone Balance Sheet as at 31.03.2022

(All amounts are stated in Crores of Rupees unless otherwise stated)

	Particulars	Note	As at 31-03-22	As at 31-03-21
I.	**ASSETS**			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	**3**	644.61	609.53
	(b) Capital work-in-progress	**3**	207.92	42.44
	(c) Intangible assets	**4**	16.92	2.77
	(d) Intangible assets under development	**4**	16.25	20.23
	(e) Right of Use Asset	**5**	8.27	14.50
	(f) **Financial Assets**			
	(i) Investments	**6**	319.87	162.90
	(ii) Others	**7**	22.25	30.45
	(g) Income tax assets (net)	**32(b)**	15.01	4.11
	(h) Other non-current assets	**8**	6.88	29.83
2	**Current assets**			
	(a) Inventories	**9**	800.38	416.10
	(b) Financial Assets			
	(i) Trade receivables	**10**	225.04	232.45
	(ii) Cash and cash equivalents	**11(a)**	4.89	2.97
	(iii) Bank balances other than (ii) above	**11(b)**	4.18	4.31
	(iv) Others	**12**	23.14	21.22
	(c) Other Current Assets	**13**	33.93	23.15
	TOTAL ASSETS		**2,349.54**	**1,616.96**
II.	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share capital	**14**	7.66	7.66
	(b) Other Equity	**15**	977.14	832.94
2	**Liabilities**			
(i)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**16(a)**	362.42	102.63
	(ii) Other financial liabilities	**17**	87.04	82.63
	(b) Provisions	**18(a)**	12.51	7.74
	(c) Deferred tax liabilities (Net)	**19**	66.54	29.61
	(d) Other Non-current liabilities	**20**	3.68	4.12
(ii)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**21**	236.00	95.77
	(ii) Trade payables			
	a) total outstanding dues of Micro and Small Enterprises (Refer Note 42)	**22**	5.36	1.95
	b) total outstanding dues of creditors other than Micro and Small Enterprises		403.87	282.15
	(iii) Other financial liabilities	**23**	152.06	133.73
	(b) Other current liabilities	**24**	22.00	26.08
	(c) Provisions	**18(b)**	13.26	9.95
	TOTAL EQUITY AND LIABILITIES		**2,349.54**	**1,616.96**

Significant Accounting Policies & Notes to Financial Statement **1-54**

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

R Naresh
Executive Vice Chairman
DIN: 00273609
Place: Madurai
Date: 25th May, 2022

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: Chennai
Date: 25th May, 2022

Venkatakrishnan V R
Secretary
Membership no: A13302
Place: Madurai
Date: 25th May, 2022

T V Balasubramanian
Partner
Membership No: 027251
Place: Chennai
Date: 25th May, 2022

Standalone Statement of Profit and Loss for the year ended 31.03.2022

(All amounts are stated in Crores of Rupees unless otherwise stated)

	Particulars	Note	Year ended 31-03-22	Year ended 31-03-21
I.	Revenue from operations	25	2,447.36	1,875.83
II.	Other income	26	5.92	5.31
III.	**Total Income (I + II)**		**2,453.28**	**1,881.14**
IV.	**Expenses:**			
	Cost of materials consumed	27	1,569.62	982.89
	Purchase of Stock-in-trade		1.76	0.39
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	28	(118.91)	23.73
	Employee benefits expense	29	285.89	254.34
	Finance costs	30	30.75	31.00
	Depreciation and Amortisation	45	77.07	101.14
	Other expenses	31	547.39	390.96
	Total expenses		**2,393.57**	**1,784.45**
V.	Profit before exceptional items and tax (III-IV)		59.71	96.69
VI.	Exceptional items	46	2.77	0.23
VII.	Profit before tax (V - VI)		56.94	96.46
VIII.	Tax Expense:			
	(1) Current Tax		14.79	30.29
	(2) Deferred Tax	32	0.58	(6.59)
IX.	Profit for the year (VII-VIII)		41.57	72.76
X	Other Comprehensive Income			
	A. Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurement of the post-employment benefit obligations		(4.33)	5.10
	(ii) Fair value gains on equity instruments		152.88	3.97
	(iii) Income tax relating to items that will not be reclassified subsequently to profit or loss		(32.97)	(3.21)
	B. Items that will be reclassified subsequently to profit or loss			
	(i) Deferred gains / (losses) on cash flow hedges		13.39	-
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		(3.37)	-
XI	Total Comprehensive Income for the year (IX+X)(Comprising Profit and Other Comprehensive Income for the year)		**167.17**	**78.62**
XII	Earnings per equity share			
	- Basic & Diluted (FV - ₹10 per share)	33	54.29	95.02

Significant Accounting Policies & Notes to Financial Statement **1-54**

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

R Naresh
Executive Vice Chairman
DIN: 00273609
Place: Madurai
Date: 25th May, 2022

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: Chennai
Date: 25th May, 2022

Venkatakrishnan V R
Secretary
Membership no: A13302
Place: Madurai
Date: 25th May, 2022

T V Balasubramanian
Partner
Membership No: 027251
Place: Chennai
Date: 25th May, 2022

Standalone Statement of Cash Flows for the year ended March 31, 2022

(All amounts are stated in Crores of Rupees unless otherwise stated)

	Particulars	Year ended 31.03.2022		Year ended 31.03.2021	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before tax		56.94		96.46
	Adjustments for :				
	Depreciation	77.07		101.14	
	Interest expense	30.75		31.00	
	Interest received	(3.35)		(5.27)	
	Provisions no longer required	(0.82)			
	Loss/(Gain) due to Exchange rate Fluctuations	(1.73)		0.92	
	Advances Written off / provided	-		3.00	
	Profit from Sale of Assets	(0.02)		(0.04)	
	Ind AS Adjustment - Leases	-		-	
	Bad Debts written off / provided	1.36		0.88	
	Unrealized changes in Fair Value			9.07	
	Assets Condemned	-		0.13	
			103.26		140.83
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**160.20**		**237.29**
	Adjustments for :				
	Trade Receivables	6.86		(36.45)	
	Other Receivables	31.84		70.06	
	Inventories	(384.28)		(5.59)	
	Trade and other payables	147.76		108.89	
			(197.82)		136.91
	OPERATING PROFIT AFTER WORKING CAPITAL CHANGES		**(37.62)**		**374.20**
	Cash Generated From Operations		(37.62)		374.20
	Direct taxes paid		(25.69)		(25.13)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**(63.31)**		**349.07**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Property, Plant & Equipment	(281.58)		(95.91)	
	Proceeds from disposal of assets	0.02		0.04	
	Investments Purchased	(4.10)		(53.79)	
	Interest received	3.35		5.27	
	Movement in Bank deposits with original maturity of more than 12 months	0.13		5.15	
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**(282.18)**		**(139.24)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Interest paid	(29.65)		(31.00)	
	Proceeds/ (Repayment) from short term borrowings	140.24		(156.22)	
	Proceeds/(Repayment) of long term borrowings	259.79		(21.25)	
	Dividend & Dividend tax paid	(22.97)		-	
	NET CASH FLOW FROM FINANCING ACTIVITIES: (C)		**347.41**		**(208.47)**
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**1.92**		**1.36**
	OPENING CASH AND CASH EQUIVALENTS		**2.97**		**1.61**
	CLOSING CASH AND CASH EQUIVALENTS (Refer Note 11(a))		**4.89**		**2.97**

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
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

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Executive Vice Chairman
DIN: 00273609
Place: Madurai
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B Rajagopalan
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Place: Chennai
Date: 25th May, 2022

Venkatakrishnan V R
Secretary
Membership no: A13302
Place: Madurai
Date: 25th May, 2022

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
Place: Chennai
Date: 25th May, 2022

Standalone Statement of Changes in Equity as at March 31, 2022

(All amounts are stated in Crores of Rupees unless otherwise stated)

(a) Equity share capital

Particulars	Amount
Balance as at March 31, 2020	**7.66**
Changes in equity share capital due to prior period Errors	-
Restated Balance as at March, 31,2020	**7.66**
Changes in equity share capital during the year	-
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**

(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, 2020	**0.01**	**0.93**	**31.01**	**0.46**	**686.91**	-	**35.01**	**754.33**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2020	**0.01**	**0.93**	**31.01**	**0.46**	**686.91**	-	**35.01**	**754.33**
Other Comprehensive income for the year	-	-	-	-	3.81	-	**2.04**	**5.85**
Dividends including Dividend Distribution Tax	-	-	-	-	-	-	-	-
IND AS 116 - Transferred to Reserve					-	-	-	-
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	72.76	-	-	**72.76**
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)
IND AS 116 - Transferred to Reserve					-	-	-	-
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**
Significant Accounting Policies & Notes to Financial Statement			**1-54**					

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

R Naresh
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Firm Registration No:003990S/S200018

T V Balasubramanian
Partner
Membership No: 027251
Place: Chennai
Date: 25th May, 2022

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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, 2022 were approved by the Board of Directors and authorized for issue on May 25,2022.

2. Significant Accounting Policies

a) Basis of preparation

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) 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. GAAP comprises Indian Accounting standards ("Ind AS") as specified in section 133 of the Act read together with rule 4 of Companies (Indian Accounting Standard) Rules 2015 and relevant amendment Rules issued thereafter to the extent applicable, pronouncements of regulatory bodies applicable to the Company, guidelines issued by SEBI and other provisions of the Act. 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, 2022 have been prepared in accordance with Ind AS as notified above.

c) Changes in Accounting Standards

There were no material amendments to the Accounting Standards which were applicable from this financial year.

d) Changes in Accounting Standards that may affect the Company after 31st March 2022

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 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

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 106 - 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.

The Company does not expect these amendments to have any significant impact in its financial statements.

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 lessee 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 (less than ₹50 lakhs).

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 current financial year.

The economy has been impacted during the previous and current year on account of COVID-19.

The Company has also assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its investments, financial and non-financial assets and impact on revenues and costs.

The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets.

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 not 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.

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.

Derecognition of financial asset

Financial assets are derecognized when the contractual right to cash flows from the financial asset expires or the financial asset is transferred, and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of Derecognition) and the consideration received (including any new asset obtained less any new liability Assumed) shall be recognized in the statement of profit and loss (except for equity instruments designated as FVTOCI).

Impairment of financial asset

Trade receivables, investments in debt instruments that are carried at amortized cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses for their respective financial asset

a) Trade receivable

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rate reflecting future economic conditions. In this approach, assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

b) Other financial assets

Other financial assets are tested for impairment and expected credit losses are measured at an amount equal to 12 month expected credit loss. If the credit risk on the financial asset has increased significantly since initial recognition, then the expected credit losses are measured at an amount equal to life-time expected credit loss.

iii. Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognized at fair value plus any transaction cost that are attributable to the acquisition of financial liability except financial liabilities at fair value through profit and loss which are initially measured at fair value.

Subsequent measurement

The financial liabilities are classified for subsequent measurement 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.

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.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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 in the following cases which are based on technical estimates.

Estimated useful life in years

Particulars	Useful life
Plant and Machinery other than generator sets	20 years
Electronics	6 years
Moulds / trolleys / weighing balance / drums / PCI stand / Storage stand / motor / pump	6 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 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.

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 are 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, 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. 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 company to the lessors are discounted to its 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, 2022

Particulars	Gross Block				Depreciation				Net Book Value	
	As at April 1, 2021	Additions during the year	Deletions during the year	As at March 31, 2022	As at March 31, 2021	For the year	Disposals	As at March 31, 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**

The following table presents the changes in PPE during the year ended March 31, 2021

Particulars	Gross Block				Depreciation				Net Book Value	
	As at April 1, 2020	Additions during the year	Deletions during the year	As at March 31, 2021	As at March 31, 2020	For the year	Disposals	As at March 31, 2021	As at 31 March, 2021	As at 31 March, 2020
Freehold Land	42.47	0.36	-	42.83	-	-	-	-	42.83	42.47
Building	224.56	16.62	-	241.18	29.43	9.93	-	39.36	201.82	195.13
Plant and Machinery	471.01	53.95	0.54	524.42	194.19	56.05	0.54	249.70	274.72	276.82
Furniture and Fittings	16.89	0.86	-	17.75	3.86	1.71	-	5.57	12.18	13.03
Vehicles	1.71	0.21	0.33	1.59	0.75	0.19	0.24	0.70	0.89	0.96
Office equipment	21.70	2.51	0.32	23.89	10.67	4.48	0.32	14.83	9.06	11.03
Others (electrical)	172.58	2.33	-	174.91	86.96	19.92	-	106.88	68.03	85.62
Total	**950.92**	**76.84**	**1.19**	**1,026.57**	**325.86**	**92.28**	**1.10**	**417.04**	**609.53**	**625.06**
Capital work in progress	37.38	15.83	10.77	42.44	-	-	-	-	42.44	37.38
Total Gross Block	**988.30**	**92.67**	**11.96**	**1,069.01**	**325.86**	**92.28**	**1.10**	**417.04**	**651.97**	**662.44**

1. Effective 1st April 2021, the Company has extended the estimated useful life of certain plant and machineries to 20 years on three shift basis instead of single shift basis, based on a technical evaluation carried out. Depreciation cost has decreased by Rs.24.54 Crores due to the revision in useful life during the current year.

2. 'The amount of borrowing cost capitalised during the year ended March 31, 2022 is ₹ 3.79 Crores (March 31, 2021 - ₹ 0.40). The rate used to determine the amount of borrowing cost eligible for capitalisation was 3.03% (PY- 8.10%), based on the effective interest rate of identified borrowings.

(All amounts are stated in Rupees in Crores unless otherwise stated)

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.

4. Intangible assets

The following table presents the changes in PPE 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 March 31, 2022	As at March 31, 2021	For the year	Disposals	As at March 31, 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
NPD	-	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**

The following table presents the changes in Intangible Assets during the year ended March 31, 2021

Particulars	Gross Block				Amortisation				Net Book Value	
	As at April 1, 2020	Additions during the year	Deletions during the year	As at March 31, 2021	As at March 31, 2020	For the year	Disposals -	As at March 31, 2021	As at 31 March, 2021	As at 31 March, 2020
Computer software	15.71	1.35	-	17.06	11.63	2.66	-	14.29	2.77	4.08
Total	**15.71**	**1.35**	-	17.06	11.63	**2.66**		**14.29**	**2.77**	**4.08**
Intangible assets under development	10.80	12.31	2.88	20.23	-	-	-	-	20.23	10.80
Total	**26.51**	**13.66**	**2.88**	**37.29**	**11.63**	**2.66**	-	**14.29**	**23.00**	**14.88**

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 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**

Particulars	As at 31st March 2021				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	22.03	15.99	2.80	1.62	42.44
Projects temporarily suspended	-	-	-	-	-
Total	**22.03**	**15.99**	**2.80**	**1.62**	**42.44**

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		6.93			6.93
Manufacturing Enhancement project		21.61			21.61
TSL 2		160.75			160.75
TSL 3		6.50			6.50
Total	-	**195.79**	-	-	**195.79**

Ageing of Intangible assets under development

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**

Particulars	As at 31s March 2021				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	20.06	0.17	-	-	20.23
Projects temporarily suspended	-	-	-	-	-
Total	**20.06**	**0.17**	-	-	**20.23**

Completion schedule for Intangibles for which Completion is overdue or has exceeded its cost compared to its original plan:

Particulars	As at 31st March 2022				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
TSL 1	-	8.89	-	-	8.89
TSL 2	-	7.36	-	-	7.36
Total	-	**16.25**	-	-	**16.25**

(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 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**

Gross Block at Cost			
As at 1st April 2020	23.35	-	23.35
Additions during the year	0.72	2.47	3.18
Deductions for the year			
As at 31st March 2021	**24.07**	**2.47**	**26.54**
Depreciation			
As at 1st April 2020	5.84	-	5.84
Charge for the year	6.18	0.02	6.20
Deductions for the year	**-**	**-**	-
As at 31st March 2021	**12.02**	**0.02**	**12.04**
Net Block			
As at 31st March 2021	**12.05**	**2.45**	**14.50**

B. Movement in Lease Receivable (Net of Liabilities):

Particulars	Amt
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

As at 1st April 2020	**1.46**
Lease payments during the year	0.26
As at 31st March 2021	**1.72**
- Non Current	1.72
- Current	-

C. Amounts recognized in statement of profit and loss:

Expense/(Income)	As at 31.03.2022	As at 31.03.2021
Depreciation expense of Right of Use Assets	6.23	6.20
Expense relating to short-term leases	21.34	15.24
Interest income on Net lease receivable	(0.47)	(0.43)
Total recognized in Statement of Profit and Loss	**27.10**	**21.01**

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 31.03.2022	As at 31.03.2021
Less than 1 year	(1.30)	0.24
Between 1 and 2 years	-	(1.96)
Between 2 and 5 years	-	-
More than 5 years	-	-
Total	**(1.30)**	**(1.72)**

(All amounts are stated in Rupees in Crores unless otherwise stated)

6. Investments (Non-current Financial Assets)

Particulars	As at 31.03.2022	As at 31.03.2021
Investment in equity of others - Unquoted		
Subsidiary:		
TVS Srichakra Investments Ltd 69,23,736 fully paid up equity shares (PY - 66,38,465 shares) of ₹10 each	65.40	61.90
Associate:		
Van leeuwen Tyres and wheels BV 15,000 fully paid up equity shares (PY - 15,000 shares) of EURO 1 each	0.09	0.09
Others:		
Sai Regency Power Corporation Private Limited 2,25,000 fully paid up equity shares (PY - 2,25,000 shares) of ₹10 each	0.22	0.22
Mytrah Vayu (Manijra) Private Limited 16,20,140 fully paid up equity shares (PY - 10,10,840 shares) of ₹10 each	1.61	1.01
Coromandel Electricity Company Limited 10,000 fully paid up equity shares (PY - 10,000 shares) of ₹10 each	0.01	0.01
TVS Automobile Solutions Private Limited 9,11,741 fully paid up equity shares (PY - 9,11,741 shares) of ₹10 each	252.85	99.98
Total	**320.18**	**163.21**
Less: Provision for diminution in value of investments	(0.31)	(0.31)
Total	**319.87**	**162.90**

Aggregate amount of unquoted investment	320.18	163.21
Aggregate amount of impairment in the value of investment	(0.31)	(0.31)

7. Other Non-current Financial Assets

Particulars	As at 31.03.2022	As at 31.03.2021
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	3.16	2.75
Security Deposits	19.03	27.64
Total	**22.25**	**30.45**

8. Other non current assets

Particulars	As at 31.03.2022	As at 31.03.2021
Capital advance	6.88	27.51
Gratuity - excess value of plan assets over obligation	-	0.60
Total	**6.88**	**29.83**

9. Inventories

Particulars	As at 31.03.2022	As at 31.03.2021
Raw material and components	491.82	234.87
Work in progress	43.25	31.25
Finished goods*	237.34	131.07
Stock in trade	1.06	0.42
Stores and spares	26.91	18.49
Total**	**800.38**	**416.10**

*The company has wrtten down inventory by Rs.Nil (PY ₹2.22 crores) which is included as part of cost of materials consumed. **Includes stock in transit of ₹36.7 Crores (PY - ₹28.67 Crores)

Refer to Note 16 (a) and Note 21 for details of pledge and securities of Inventories provided for borrowings

10. Trade receivables

	As at 31.03.2022	As at 31.03.2021
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured (Refer Note 40 for Related Parties)	225.04	232.45
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	0.82
	225.04	**233.27**
Less:Allowance for doubtful receivables	-	0.82
Total	**225.04**	**232.45**

(All amounts are stated in Rupees in Crores unless otherwise stated)

Trade Receivables ageing schedule

Particulars	Not Due	As at 31 March 2022					
		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	158.23	66.42	0.31	0.05	0.02	0.01	225.04
(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	-	-	-	-	-	-	-
Total	158.23	66.42	0.31	0.05	0.02	0.01	**225.04**
Less: Allowance for Trade Recivables							
Net Trade Receivable							**225.04**

Particulars		As at 31 March 2021					
(i) Undisputed Trade receivables - considered good	210.56	19.42	0.42	1.85	0.20		232.45
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	0.58	0.24	-	-	-	0.82
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Total	**210.56**	**20.00**	**0.66**	**1.85**	**0.20**	-	233.27
Less : Allowance for Trade Recivable							(0.82)
Net Trade Receivable							**232.45**

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 31.03.2022	As at 31.03.2021
11(a) Cash and Cash Equivalents			
a) Balance with banks			
(i) in Current accounts		4.70	2.94
(ii) Cash on Hand		0.19	0.03
	(a)	**4.89**	**2.97**
11(b) Other bank balances			
(i) Unpaid dividend		4.18	4.31
	(b)	**4.18**	**4.31**

12. Other financial assets

Particulars	As at 31.03.2022	As at 31.03.2021
Accrued Income		
Considered Good	3.08	24.22
Credit Impaired	3.00	
Less: Provision for Doubtful Advances	(3.00)	(3.00)
	3.08	21.22
Derivative Asset	14.24	-
Security Deposits	5.82	-
Total	**23.14**	**21.22**

13. Other current assets (Unsecured, Considered good)

Particulars	As at 31.03.2022	As at 31.03.2021
(a)Advance other than capital advance:		
Other Advances:		
Advances to suppliers	10.57	17.26
	10.57	**17.26**
(b) Others		
Balance with service tax and sales tax authorities	0.07	0.07
Prepaid expenses	20.90	5.45
Lease prepayments	1.67	0.37
Others	0.72	-
	23.36	**5.89**
Total (a) + (b)	**33.93**	**23.15**

(All amounts are stated in Rupees in Crores unless otherwise stated)

14. Equity share capital

Particulars	As at 31.03.2022	As at 31.03.2021
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 2021-22	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66

FY 2020-21	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66

14.2 Shareholding more than 5% of the shares of the company

Name of the Company	Number of shares	Number of shares
*T.V. Sundram Iyengar & Sons Private Limited (CY-Nil%, PY-28%)	-	2,123,115
*Sundaram Industries Private Limited (CY-Nil%, PY-10%)	-	750,000
*TVS Mobility Private Limited (CY-38%, PY-Nil%)	2,873,115	-

* During the 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.

14.3 Disclosure of shareholding of promoters and percentage of change during the year.

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	144,656	1.89%	-
TVS Mobility Private Limited*	2,873,115	37.52%	37.52%
Shobhana Ramachandhran	287,051	3.75%	-
Nitya Kalyanee Investment Limited	121,429	1.59%	-
R Haresh(On Behalf Of Sundaram Trust)	46,320	0.60%	-
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

Promoter name	As at 31 March 21		
	No. of shares held	% of share Holding	% Change during the year
T V Sundram Iyengar & Sons Private Limited*	2,123,115	27.73%	NIL
Sundaram Industries Limited*	750,000	9.79%	
R Naresh	144,656	1.89%	
TVS Mobility Private Limited*	-	-	
Shobhana Ramachandhran	287,051	3.75%	
Nitya Kalyanee Investment Limited	121,429	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 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

(All amounts are stated in Rupees in Crores unless otherwise stated)

14.4 Rights, preferences and restrictions attached to shares

Equity shares – The company has one class of equity shares having a par value of R.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Each shareholder also has a residual interest in the assets of the Company in proportion to their shareholding.

14.5 The Company does not have any outstanding shares issued under options.

14.6 The Company does not have any bonus share issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date (31st March, 2022).

15. Other equity

Reserves and surplus

Particulars	As at 31 March 2022	As at 31 March 2021
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	763.48	686.91
Profit for the year	41.57	72.76
Dividends paid	(22.97)	-
Remeasurement of DBO through Other Comprehensive Income	(3.24)	3.81
Closing balance	**778.84**	**763.48**
Gains on Equity instruments through Other Comprehensive Income		
Opening Balance	37.05	35.01
Fair Valuation of Investments(net off Taxes)	118.82	2.04
Closing Balance	**155.87**	**37.05**
Gains on cash flow hedge instrument through Other Comprehensive Income		
Opening Balance	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge (net of taxes)	10.02	-
Closing Balance	**10.02**	-
Total	**977.14**	**832.94**

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

(All amounts are stated in Rupees in Crores unless otherwise stated)

16(a) Borrowings - Non current

Term loans

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
From banks	**416.17**	**159.73**
Less: Amount Transferred to Current Maturities	-53.75	-57.10
Total	**362.42**	**102.63**

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.

b. Term Loan Availed from HDFC Bank: This is repayable over 5 years with an average interest rate of 6.4% p.a Loan is secured by exclusive charge on the specific immovable/fixed asset

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.

16(b): NET DEBT RECONCILIATION

Particulars	31-Mar-22	31-Mar-21
Cash and Cash Equivalents	4.89	2.97
Current Borrowing (Working Capital Loan)	(182.25)	(38.67)
Non-Current Borrowing plus Current maturities of long term debt*	(418.63)	(161.09)
Total	**(595.99)**	**(196.79)**

*Includes Accrued Interest

Particulars	Other Assets	Borrowings		Total Net borrowings
	Cash and Cash Equivalents	Current Borrowing (Working Capital Loan)	Non - Current Borrowing plus current maturity of long term debt*	
Net (debt)/Cash and Bank Balances as at 1st April 2021	**2.97**	**(38.67)**	**(161.09)**	**(196.79)**
Cash Flows				
Increase/(Decrease) in cash and Bank Balances	1.92	-	-	1.92
Borrowings	-	(45.00)	(313.54)	(358.54)
Repayment/Receipt	-	(98.58)	57.10	(41.48)
Interest expense	-	(16.64)	(13.74)	(30.38)
Interest paid	-	16.64	12.64	29.28
Net (debt)/Cash and Bank Balances as at 31st March 2022	**4.89**	**(182.25)**	**(418.63)**	**(595.99)**

*Includes Accrued Interest

Particulars	Other Assets	Borrowings		Total Net borrowings
	Cash and Cash Equivalents	Current Borrowing (Working Capital Loan)	Non - Current Borrowing plus current maturity of long term debt*	
Net (debt)/Cash and Bank Balances as at 1st April 2020	**1.61**	**(194.89)**	**(142.80)**	**(336.08)**
Cash Flows				
Increase/(Decrease) in cash and Bank Balances	1.36	-	-	1.36
Borrowings	-	-	(37.00)	(37.00)
Repayment/Receipt	-	156.22	18.71	174.94
Interest expense	-	(8.82)	(13.14)	(21.96)
Interest paid	-	8.82	13.14	21.96
Net (debt)/Cash and Bank Balances as at 31st March 2021	**2.97**	**(38.67)**	**(161.09)**	**(196.79)**

*Includes Accrued Interest

17. Other Financial Liabilities

	As at 31 March 2022	As at 31 March 2021
Security deposit	87.04	82.63
Total	**87.04**	**82.63**

18. Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
18(a) Non Current provisions		
Gratuity	0.84	-
Compensated absences	11.67	7.74
(a)	**12.51**	**7.74**
18(b) Current provisions		
Gratuity	3.03	-
Compensated absences	1.52	1.22
Warranty (Refer Note 36)	8.71	8.73
(b)	**13.26**	**9.95**

19. Deferred Tax Liability (Net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred Tax Liability		
a) On Account of Depreciation on Property, Plant, Equipment	26.19	25.14
b) On account of timing Differences in Recognition of Expenditure	(2.36)	(3.02)
c) On Account of Amortisation of Right of Use Assets	(0.59)	(1.74)
d) On account of Ind AS fair value adjustments	43.30	9.23
Total	**66.54**	**29.61**

20. Other non current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred Government Grant (Capital Subsidy)	0.15	0.18
Deferred Income	3.53	3.94
Total	**3.68**	**4.12**

21. Borrowings (Current)

	As at 31 March 2022	As at 31 March 2021
Secured		
(a) Loans repayable on demand		
from Banks*	87.25	38.67
from other parties	-	-
Current Maturities of long Term Borrowings	53.75	57.10
Unsecured		
(a) Loans repayable on demand		
from banks	45.00	-
(b) Commercial Paper	50.00	-
Total	**236.00**	**95.77**

*Net of debit balance in Cash credit account against loan repayable on demand (CY - ₹ 70.24 Crores) (PY - ₹ 6.33 crores)

Additional Information:

a. Details of Security for Secured Loans

Working Capital facilities availed from State Bank of India are secured by a exclusive 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,both present and future.

b) Short Term Loans are taken at an Interest rate ranging from 4% to 7% per annum.

22. Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
i) total outstanding dues of Micro and Small Enterprises (Refer Note 42)	5.36	1.95
ii) total outstanding dues of creditors other than Micro and Small Enterprises (Refer Note 37 for Related Parties)	403.87	282.15
Total	**409.23**	**284.10**

Trade Payables ageing schedule

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**

Particulars	As at 31 March 2021						
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises*		1.95		-	-	-	1.95
Others	10.04	233.35	36.24	0.75	0.78	0.97	282.15
Disputed Dues - Micro and Small Enterprises							-
Disputed Dues - Others							-
Total							284.10

* Total outstanding dues of micro and small enterprises
Where no due date of payment is specified in that case disclosure shall be from the date of the transaction.
Unbilled pertains to GRIR/SRIR balances

23. Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Capital creditors*	21.92	11.72
Interest accrued but not due on borrowings	2.46	1.36
Unpaid dividends	4.18	4.31
Other creditors	123.50	116.34
Total	**152.06**	**133.73**

*Includes ₹ 1.48 Crores (PY - Nil) of dues to Micro and Small Enterprises (Refer Note 42)

(All amounts are stated in Rupees in Crores unless otherwise stated)

24. Other current liabilites

Particulars	As at 31 March 2022	As at 31 March 2021
Advances from customers	3.99	8.54
GST Payable	12.10	13.12
Statutory payables	5.91	4.42
Total	**22.00**	**26.08**

25. Revenue from operations

Particulars	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
Sale of products (Net of Commissions & Discounts)	2,438.30	1,870.97
Other Operating Revenue	9.06	4.86
Total	**2,447.36**	**1,875.83**

26. Other income

Particulars	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
Interest income from Bank Deposits	-	0.54
Interest income on lease (net)	0.47	0.43
Interest - Others	2.88	4.30
Exchange Rate Fluctuation gain (Net)	1.73	-
(a)	**5.08**	**5.27**
Profit on sale of Assets	0.02	0.04
Provision no longer required	0.82	-
Miscellanous Income	-	-
(b)	**0.84**	**0.04**
Total (a) + (b)	**5.92**	**5.31**

27. Cost of materials consumed

Particulars	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
Opening Stock	234.87	210.31
Add: Purchase	1,826.57	1,007.45
Total	**2,061.44**	**1,217.76**
Less Closing Stock	491.82	234.87
Cost of Materials consumed	**1,569.62**	**982.89**

28. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
Opening Stock of Finished goods &Traded goods	131.49	159.52
Opening Stock of Work in progress	31.25	26.95
Closing Stock of Finished goods & Traded Goods	238.40	131.49
Closing Stock of Work in progress	43.25	31.25
(Increase) / Decrease in Finished goods & Traded Goods	(106.91)	28.03
(Increase) / Decrease in Work in progress	(12.00)	(4.30)
Total (Increase) / Decrease in Stock	**(118.91)**	**23.73**

29. Employee benefit expenses

Particulars	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
(a) Salaries and wages	248.70	217.73
(b) Contributions to -		
(i) Superannuation Fund	0.91	0.93
(ii) Gratuity fund contributions *	2.51	2.54
(iii) Provident Fund and other funds	13.74	12.61
(c) Remuneration to Whole time directors	6.72	8.43
(d) Staff welfare expenses	13.31	12.10
Total	**285.89**	**254.34**

* Excludes Actuarial Gain/Loss on account of Gratuity.

(All amounts are stated in Rupees in Crores unless otherwise stated)

30. Finance costs

Particulars	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
Interest expense	30.38	30.60
Other borrowing cost (inlcuding letter of credit and bill discounting charges)	0.37	0.40
Total	**30.75**	**31.00**

31. Other expenses

Particulars	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
Processing Charges/Outsourcing Charges	89.03	78.21
Consumption of Stores & Spares	58.63	44.83
Power & Fuel	112.17	77.29
Repairs to building	3.29	3.01
Repairs to machinery	20.63	15.99
Repairs Others	0.26	0.03
Insurance	7.63	8.31
Rates & taxes	4.99	3.56
Telephone & Internet Charges	0.99	1.03
Travelling Expense	5.84	3.68
Exchange Rate Fluctuation Loss (Net)	-	2.25
Bank charges	2.65	1.36
Advertisement and sales Promotion	76.25	22.26
CSR Activities (Refer Note 43)	2.77	2.75
Freight Out	109.90	80.91
Provision for Doubtful Advances	-	3.00
Provision for Bad Debts	-	0.88
Provision for diminution in value of investment	-	0.22
Bad debts	1.36	
Assets condemned	-	0.13
Commission to non Whole time directors	0.68	0.95
Director's sitting fees	0.14	0.13
Variable/ short term Lease rentals	21.34	15.24
Audit Fees - (Refer Note 44)		
a) Audit fees	0.28	0.25
b)Others	0.04	0.16
Donation	0.06	0.05
Consultancy	12.61	11.90
Warranty Claims - (Refer Note 36)	6.60	5.71
Advance written off	-	-
Other expenses	9.25	6.87
Total	**547.39**	**390.96**

(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-22	Year ended 31-Mar-21
Profit before taxes	56.94	96.46
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	14.33	24.28
Items leading to difference in Effective Rate compared to Statutory Rate :		
Other Impacts due to permanent allowances/disallowances as per IT Act	0.70	0.81
Effect of tax rate change	-	-
Effect of other carried forward temporary differences	0.24	(1.38)
Others	0.10	(0.01)
Tax Expense as per P&L	**15.37**	**23.70**

Tax Charged to Other Comprehensive Income for		
Net loss/(gain) on remeasurement of Defined Benefit Plans	1.09	(1.28)
Fair value gains on equity instruments	(34.06)	(1.93)
Deferred gains / (losses) on cash flow hedges	(3.37)	-
	(36.34)	(3.21)

(b) Income tax assets (Net) consists of:

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Advance Tax	227.68	216.79
Provision for Tax	(212.68)	(212.68)
Total	**15.01**	**4.11**

33. Details of Earnings Per Share

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Profits for the Year	41.57	72.76
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)*	54.29	95.02

* There are no potential dilutive equity shares

34. Employee benefit Liabilities

- Contribution to Provident Funds

The Company has recognised and included in Note no. 29 “Contributions to Provident Fund and other funds” expenses towards the defined contribution plan as under:

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Contribution to Provident fund (Government)	13.74	12.67

- Contribution to Superannuation Funds

The Company has recognised and included in Note no. 29 “Superannuation Fund” expenses towards the defined contribution plan as under:

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Contribution to Superannuation fund (Government)	0.91	0.93

(All amounts are stated in Rupees in Crores unless otherwise stated)

- Compensated Absences

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Service cost	3.93	2.87
Interest cost	0.56	0.58
Actuarial (gain)/loss	2.28	(2.01)
Project benefit obligation at the end of the year	13.19	8.96
Non Current Liability (Assets)	11.67	7.74
Current Liability (Assets)	1.52	1.22

Loss / (Gain) recognised		
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	(0.03)	(0.34)
Actuarial (Gain)/Losses due to Experience on DBO	2.31	(1.67)
Return on Plan Assets (Greater)/Less than Discount rate	-	-
Components of defined benefit losses (gains) recognised	**2.28**	**(2.01)**

- Gratuity

Present Value of Defined Benefits	35.93	35.65
Service cost	2.47	2.34
Interest cost	2.46	2.46
Actuarial (gain)/loss	2.20	(1.84)
Benefits paid	(3.72)	(2.68)
Project benefit obligation at the end of the year	39.34	35.93
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	36.53	31.71
Interest income	2.50	2.33
Employers contribution	-	3.93
Benefits paid	(3.72)	(2.68)
Actuarial gain/(loss)	0.16	1.24
Fair value of plan assets at the end of the year	35.47	36.53
Amount recognised in balance sheet		
Present value of projected benefit obligaiton at the end of the year	39.34	35.93
Fair value of plan assets at the end of year	35.47	36.53
Funded status amount of liablity recognised in balance sheet	3.87	(0.60)
Non Current Liability (Assets)	0.84	(0.60)
Current Liability (Assets)	3.03	-

Expense recognised in statement of profit or loss		
Service cost	2.47	2.34
Interest cost	2.46	2.46
Interest income	(2.50)	(2.33)
Net gratutity cost	2.43	2.48
Actual return on plan asset	2.67	3.56
Loss / (Gain) recognised		
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	(0.08)	(1.54)
Actuarial (Gain)/Losses due to Experience on DBO	2.28	(0.31)
Return on Plan Assets (Greater)/Less than Discount rate	(0.16)	(1.24)
Components of defined benefit losses (gains) recognised	2.04	(3.08)
Summary of actuarial assumptions		
Discount rate	7.22%	7.19%
Expected rate of plan assets	7.22%	7.19%
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-22	Year ended 31-Mar-21
Within 1 year	3.54	2.62
2 to 5 years	12.16	11.62
6 to 10 years	11.42	10.05
more than 10 years	12.23	11.64

Mortality - Indian Assured Lives Mortality (2012-14) Ultimate

Sensitivity analysis of significant actuarial assumption

Particulars - Gratuity	31-Mar-22	
	% inc/dec in DBO	Liability (₹ 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

Particulars - Gratuity	31-Mar-21	
	% inc/dec in DBO	Liability (₹ in Crores)
Discount Rate + 100 basis points	-8.01%	32.79
Discount Rate - 100 basis points	9.26%	38.95
Salary growth rate + 100 basis points	9.26%	38.95
Salary growth rate - 100 basis points	-8.13%	32.75
Attrition Rate + 100 basis points	1.55%	36.20
Attrition Rate - 100 basis points	-1.73%	35.03
Mortality Rate 10% Up	0.06%	35.67

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.

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Exports	346.51	219.85
Domestic	2,091.79	1,651.12
Total	**2,438.30**	**1,870.97**

36. Movement in provision for product warranty

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Opening Balance	8.73	8.85
Add: Provided during the year	6.60	5.71
Less: Claims made	(6.62)	(5.83)
Closing Balance	**8.71**	**8.73**

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 2021-22 and 2020-21 as follows:

Entity with significant influence and its subsidiaries, associates and joint venture

- T V Sundram Iyengar & Sons Private Limited (holds more than 10% shareholding) (till Feb'22)
- Sundaram Industries Private Limited (till 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)

(All amounts are stated in Rupees in Crores unless otherwise stated)

- TVS Automobile Solutions Private Limited
- Aparajitha Corporate Services Private Limited
- TVS Automotives (Private) Limited
- White Data Systems India Pvt. Ltd.,
- Sundharams Private Limited
- TVS Mobility Private Limited (holds more than 10% shareholding)

Subsidiaries

- TVS Srichakra Investments Ltd.,
- TVS Sensing Solutions Pvt. Ltd.
- Fiber Optic Sensing Solutions Pvt. Ltd. (incorporated on 8th August 2019)

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
- P. Vijayaraghavan- Non-Independent Non-Executive Director (Till 8th July, 2020)
- Sri H Janardana Iyer
- Sri V Ramakrishnan
- Sri Rasesh R Doshi
- Sri V Anantha Nageswaran (till 25th Jan 2022)
- Ms.Mathangi (Appointed wef 01st April 2020)
- Sri.Ravichandran - Non-Independent Non-Executive Director (Appointed wef 13th Aug'20)
- Sri.P Srinivasavaradhan - Non-Independent Non-Executive Director (Appointed wef 13th Aug'20)

b) Related party transaction and balance as at reporting period

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
Purchase of Goods	3.99	0.23	-	-
Sale of goods	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 right issues of equity shares	-	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

Transactions for the year and balance as at Mar 31, 2021 were as follows:

Particulars	Entity with significant influence and its subsidiaries, associates and joint venture	Subsidiaries	Key Management Personnel	Independent / Non-Executive Directors
Purchase of Goods	2.32	0.06	-	-
Sale of goods	9.65	-	-	-
Receipt of Services	19.76	-	-	0.57
Lease rent paid	-	0.18	0.06	-
Salaries and other benefits	-	-	3.12	-
Sitting fees	-	-	-	0.13
Commission	-	-	5.30	0.95
Interest income on OCD	-	0.62	-	-
Issue of Equity Shares at premium against OCD (including interest due) due from Subsidiary	-	51.85	-	-
Amount Receivable	5.36	0.20	-	-
Amount Payable	6.50	0.02	5.30	0.95

Note: Investment in Associate has been fully provided for in the books

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, 2022 and March 31, 2021 are given below:

Particulars	Currency	As at 31-Mar-22	As at 31-Mar-21
Forward contracts (Sell)	USD	71,04,840	1,74,82,438
	Euro	81,84,150	44,608
Forward contracts (Buy)	USD	31,23,006	17,09,814
	Euro	-	11,09,090
Cross currency swap (CCS) - Loans Outstanding	EURO	3,91,77,861	-
Gain/(loss) mark to market in respect of forward contracts and loans outstanding	Rupees in Crores	14.24	(0.28)

All open forward exchange contracts mature within three to nine months from the balance sheet date.

(All amounts are stated in Rupees in Crores unless otherwise stated)

b. Financial instruments by category

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	-	-
Security Deposits	24.85	-	-
Deposit with Bank	0.06		
Trade Receivables	225.04	-	-
Cash and Bank Balances	9.07	-	-
Accrued income	3.08	-	-
Derivative Asset	-		14.24
Liabilities			
Loans from Banks	598.42	-	-
Interest accrued but not due	2.46	-	-
Security Deposits	87.04	-	-
Trade payables	409.23	-	-
Capital Creditors	21.92	-	-
Other Creditors	123.5	-	-
Unpaid Dividends	4.18	-	-

The carrying value and fair value of financial instruments by each category as at Mar 31, 2021 was as follows:

Particulars	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
Asset			
Investment in Others	-	-	101.00
Investment in Subsidiary and Associate	61.90	-	-
Employee advances	2.75	-	-
Deposits with Bank	0.06		
Security Deposits	27.64	-	-
Trade Receivables	232.45	-	-
Cash and Bank Balances	7.28	-	-
Accrued income	21.22	-	-
Liabilities			
Loans from Banks	198.40	-	-
Interest accrued but not due	1.36	-	-
Security Deposits	82.63	-	-
Trade payables	284.10	-	-
Capital Creditors	11.72	-	-
Other Creditors	116.34	-	-
Unpaid Dividends	4.31	-	-

Details of financial assets pledged as collateral:

Carrying amount of financial assets as at Mar 31, 2022 and 2021 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-22	As at 31-Mar-21
Fixed Deposits* *included in security deposit.	0.06	0.06

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-22		
	Level 1	Level 2	Level 3
Assets			
Investment in Others	-	252.85	1.62
Derivative Asset	-	14.24	-

Particulars	As at 31-Mar-21		
	Level 1	Level 2	Level 3
Assets	-		
Investment in Others	-	99.98	1.02

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-22	Year ended 31-Mar-21
(a) Financial assets at amortised cost		
Interest income on bank deposits	-	0.54
Interest income on loans	0.72	0.86
(b) Financial liabilities at amortised cost		
Interest expenses on borrowings from banks, others and overdrafts	30.75	31.00
(c) Financial asset at FVTPL		
Net gain/(losses) on fair valuation on derivative financial instruments	0.85	-
(d) Financial asset at FVTOCI		
Net gain/(losses) on fair valuation on derivative financial instruments	13.39	-
Net gain/(losses) on fair valuation of investments	152.88	3.97

39. Financial risk management

The company has exposure to the following risks from its use of financial instruments

39.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Credit risk is managed by the entity. Considering the credit risk assessment made by the management and based on past history, provision / write off for receivables amounting to Rs.1.36 crores (PY 0.82 crores) has been made under the simplified approach

(All amounts are stated in Rupees in Crores unless otherwise stated)

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-22	As at 31-Mar-21
Long term borrowings		
- Upto 1 Year	53.75	57.1
- 1 to 3 Years	362.42	102.63
Short term borrowings		
- Upto 1 Year	182.25	38.67
Trade Payable		
- Upto 1 Year	409.23	284.1
Security Deposits from Customer		
- 1 to 3 Years	87.04	10.63
- More than 3 Years	NIL	72.00
Capital creditors		
- Upto 1 Year	21.92	11.72
Other Financial Liabilities		
- Upto 1 Year	130.14	122.01
Total	**1246.75**	**698.86**

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-22	As at 31-Mar-21
Fixed Deposits with Banks		
- 1 to 3 Years	0.06	0.06
Trade Receivables		
- Upto 1 Year	225.04	232.45
Advance to Employees		
- 1 to 3 Years	3.16	2.75
Security Deposits		
- 1 to 3 Years	19.03	27.64
Other Financial Assets		
- Upto 1 Year	23.14	21.22
Unpaid Dividend		
- Upto 1 Year	4.18	4.31
Cash & Cash Equivalents		
- Upto 1 Year	4.89	2.97
Investment in Unquoted Shares		
- Upto 1 Year	-	-
- More than 3 Years	319.87	162.9
Total	**599.37**	**454.3**

The Company has access to committed credit facilities as described below, of which Rs.242.75 cr were unused at the end of the reporting period (as at March 31, 2021 Rs.331.33 cr). The Company 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-22	As at 31-Mar-21
Amount used	182.25	38.67
Amount unused	242.75	331.33

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-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

Balance as at 31-Mar-21

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
Trade Receivables (Assets)			
USD	72.44	31,84,546	23.06
EUR	84.54	19,44,992	16.44
Trade Payables (Liabilities)			
USD	74.15	35,51,897	26.33
EUR	87.65	2,125	0.02

39.3.2.2 Foreign currency sensitivity analysis

The Company is principally exposed to foreign currency risk against USD & EURO. Sensitivity of profit or loss arises mainly from USD & EURO denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR and EURO-INR currency pair, sensitivity of profit/(loss) only on outstanding foreign currency denominated monetary items at the period end is presented below:

The Company's foreign currency sensitivity analysis at the end of the reporting period expressed in INR, are as follows:

Particulars	31-Mar-22		31-Mar-21	
	USD	EUR	USD	EUR
Impact on Receivables due to +/- 5% Change in Currency Rates	2.47	1.59	1.15	0.44
Impact on Payables due to +/- 5% Change in Currency Rates	0.68	0.02	1.32	-

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, 2022 would decrease/increase by Rs.3 Cr; as against Rs.1 Cr for the year ended March 31, 2021

39.4 Other Risk - COVID-19

a. Financial Assets measured at fair value amounting to Rs.268.71 crores (PY- Rs 101 Crores) and measured at amortised cost amounting to Rs.330.66 crores (PY- Rs 353.30 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-22	As at 31-Mar-21
Interest-bearing loans and borrowings	600.88	199.75
Less: cash and cash equivalents	-4.89	-2.97
Net debt	595.99	196.78
Equity Capital	7.66	7.66
Other Equity	977.14	832.94
Total capital	984.8	840.6
Gearing ratio	**0.61**	**0.23**

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 2022 and 31st March 2021.

41. Commitments and Contingencies

Particulars	As at 31-Mar-22	As at 31-Mar-21
a) Estimated amount of contract remaining to be executed on capital account	43.47	169.71
b) Letter of Credit opened by Company's Bankers	58.77	87.96
c) Excise duty and service tax under dispute	9.95	9.71
d) Sales Tax under dispute	8.28	8.28
e) Provident Fund	4.00	4.00
f) Customs	1.64	0.85
g) GST	0.41	0.09
h) Customs duty on goods lying at Bonded warehouse	0.93	0.08

42. Due to micro and small enterprises

Particulars	As at 31-Mar-22	As at 31-Mar-21
Principal amount due to a suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end	5.36	1.95
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	0.34	0.04
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	-	-

*Total Interest payable as at 31st March'22 amounts to ₹34,873 (PY - ₹290).

43. Contribution to corporate social responsibilities

Sec 135 of companies act 2013, requires company to spend towards corporate social responsibility. The company is expected to spend ₹2.29 crores in compliance to this requirement. A sum of ₹2.77 crores has been spent during the current year towards CSR acitivities as explained below. Balance amount to be spent is Rs.Nil.

CSR Expenditure	Year ended 31-Mar-22	Year ended 31-Mar-21
Amount required to be spent under section 135 of the Companies Act, 2013	2.29	2.75
Amount spent during the year on:		
i) Construction/acquisition of an asset		
ii) Purposes other than (i) above	2.77	2.75
Amount unspent	-	-

44. Details of Auditor's Remuneration

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
a) Statutory Audit	0.28	0.25
b) Taxation	-	-
c) GST Audit	-	0.07
d) Certification	0.03	0.03
e) Towards reimbursement of expenses	0.01	0.06
Total	0.32	0.41

45. Depreciation & Amortisation

Particulars	Year ended 31-Mar-22	Year ended 31-Mar-21
Depreciation on Property, Plant and Equipment (Refer Note 3)	67.98	92.28
Amortisation of Intangible Assets (Refer Note 4)	2.86	2.66
Amortisation of Right of Use Assets (Refer Note 5)	6.23	6.2
Total	77.07	101.14

46. Exceptional Item - In the current year, Company has instituted a Voluntary Retirement Scheme which is open until May 2022. Under this scheme, the company has received and approved applications for a sum of ₹2.77 crores as at the year end. In the previous year, a product liability claim in USA was settled for ₹22.16 crores of which ₹21.93 crores was recovered from insurance and the difference of ₹0.23 crores has been shown as exceptional item.

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: The company's search based on publicly available database on struck off companies did not reveal any transactions with such companies.

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 except for the amount received close to the year end which are yet to be utilised.

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 ₹16.3 per equity share of Rs.10/·each (I.e.) for the year ended March 31st 2022, 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

(All amounts are stated in Rupees in Crores unless otherwise stated)

54. Ratios

S.no	Ratio	%/ Times	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current Ratio	**Times**	Current Assets	Current Liabilities	1.31	1.28	2.24%	
2	Debt Equity Ratio	**Times**	Total Debt	Total shareholder equity	0.61	0.24	157.46%	Increase in borrowings mainly to fund - pertaining to capital expansion projects.
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	1.65	2.18	24.27%	
4	Return on Equity Ratio	**Percentage**	Profit after Tax	Average Shareholders Equity	4.55%	9.08%	49.84%	Lower profitability in the current year.
5	Inventory Turnover Ratio	**Times**	Revenue from Operations	Average inventory	4.02	4.54	11.35%	
6	Trade Receivable Turnover Ratio	**Times**	Revenue from Operations	Average Accounts Receivable	10.70	8.74	22.47%	
7	Trade Payable Turnover Ratio	**Times**	Purchases	Average Accounts Payable	5.27	4.07	29.58%	This is due to both increase in prices as well as inventory holding in the current period.
8	Net Capital Turnover Ratio	**Times**	Revenue from Operations	Average Working Capital	11.85	13.96	15.15%	
9	Net Profit Ratio	**Percentage**	Profit after tax	Revenue from Operations	1.70%	3.88%	56.21%	Lower profitability in the current year.
10	Return on Capital Employed Ratio	**Percentage**	EBIT	Capital Employed (Tangible net worth+Total debt+Deferred Tax Liability)	6.45%	11.61%	44.42%	• Decrease in EBIT compared to previous year. • Capital Employed also includes the investment in the expansion which is yet to result in sales. • Increase in fair value of investments."
11	Return on Investment	**Percentage**	Net return on investment	Opening carrying value of investment	152.91%	4.13%	3598.53%	Change in fair value of investments.

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

R Naresh
Executive Vice Chairman
DIN: 00273609
Place: Madurai
Date: 25th May, 2022

B Rajagopalan
Chief Financial Officer
Place: Chennai
Date: 25th May, 2022

Venkatakrishnan V R
Secretary
Membership no: A13302
Place: Madurai
Date: 25th May, 2022

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
Place: Chennai
Date: 25th May, 2022

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS - CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of TVS Srichakra Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of TVS Srichakra Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2022, 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 2022, 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	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. • 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.

Information Other than the Standalone 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 Report (BRR) 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 2022 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 2022 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 44 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 41 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 Group Company has represented that, to the best of their knowledge and belief, as disclosed in Note 55 to the Financial Statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management of the Group Company 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 company 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 shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is 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 and one of the Subsidiary Companies 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

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: 22027251ASOLVQ2144
Place: Chennai
Date: 25th May 2022

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 2022.

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 2022, 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 2022, 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: 22027251ASOLVQ2144
Place: Chennai
Date: 25th May 2022

AFRO EUROPEAN ODYSSEY

TVS Eurogrip associated with a global adventure rider through his Afro-European Odyssey.
A journey of over 56000 kms covered on our Protorq Extreme tyres.

CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet as at March 31, 2022

(All amounts are stated in Rupees in Crores unless otherwise stated)

	Particulars	Note	As at 31-03-22	As at 31-03-21
I.	**ASSETS**			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	3	659.00	623.97
	(b) Capital work-in-progress	3	209.34	42.61
	(c) Investment Property	5	23.89	24.22
	(d) Intangible assets	4	17.05	2.85
	(e) Intangible assets under development	4	16.25	20.23
	(f) Right of Use Asset	6	8.27	14.54
	(g) Financial Assets			
	(i) Investments	7	254.47	101.00
	(ii) Loans	8	1.50	1.23
	(iii) Others	9	22.47	30.77
	(iv) Income tax assets (net)		14.91	4.20
	(h) Other non-current assets	10	7.14	30.15
2	**Current assets**			
	(a) Inventories	11	812.99	425.53
	(b) Financial Assets			
	(i) Trade receivables	12	239.56	245.43
	(ii) Cash and cash equivalents	13(a)	8.72	4.68
	(iii) Bank balances other than (ii) above	13(b)	4.18	4.31
	(iv) Others	14	23.23	22.30
	(c) Other Current Assets	15	36.11	24.32
	TOTAL ASSETS		**2,359.08**	**1,622.34**
II.	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share capital	16	7.66	7.66
	(b) Other Equity	17	963.14	817.07
	(c) Non-Controlling Interest		(0.31)	(0.17)
2	**Liabilities**			
(i)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	18	363.42	105.05
	(ii) Other financial liabilities	19	87.04	82.63
	(b) Provisions	20a	12.74	7.95
	(c) Deferred tax liabilities (Net)	21	63.91	27.43
	(d) Other Non-current liabilities	22	3.72	4.18
(ii)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	23	246.27	102.84
	(ii) Trade payables	24		
	a) To Micro and Small Enterprises (Refer Note 45)	24	5.89	2.67
	b) Others	24	411.26	289.56
	(iii) Lease Liabilities	25	-	0.04
	(iv) Other financial liabilities (other than those specified above)	26	156.02	136.46
	(b) Other current liabilities	27	22.85	27.58
	(c) Provisions	20b	15.47	11.39
	TOTAL EQUITY AND LIABILITIES		**2,359.08**	**1,622.34**
	Significant Accounting Policies & Notes to Financial Statement	1-56		

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

B Rajagopalan
Chief Financial Officer
Place: Chennai
Date: 25th May, 2022

R Naresh
Executive Vice Chairman
DIN: 00273609
Place: Madurai
Date: 25th May, 2022

Venkatakrishnan V R
Secretary
Membership no: A13302
Place: Madurai
Date: 25th May, 2022

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
Place: Chennai
Date: 25th May, 2022

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are stated in Rupees in Crores unless otherwise stated)

	Particulars	Note	For year ended 31-03-22	For year ended 31-03-21
I	Revenue from operations	28	2,528.20	1,939.21
II	Other income	29	6.46	5.21
III	**Total Income (I + II)**		**2,534.66**	**1,944.42**
IV	**Expenses:**			
	Cost of materials consumed	30	1,612.98	1,014.05
	Purchase of Stock-in-trade		5.17	2.75
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	31	(120.22)	24.51
	Employee benefits expense	32	301.43	266.95
	Finance costs	33	31.60	32.05
	Depreciation and amortization expense	48	79.81	103.81
	Other expenses	34	562.00	402.30
	Total expenses		**2,472.77**	**1,846.42**
V	Profit before exceptional items and tax (III-IV)		61.89	98.00
VI	Exceptional items	49	2.77	0.23
VII	Profit before tax (V - VI)		59.12	97.77
VIII	Tax Expense:			
	(1) Current Tax		15.66	30.66
	(2) Deferred Tax	35	0.14	(6.71)
IX	Profit for the year (VII-VIII)		43.32	73.82
	(Profit) / Loss attributable to non-controlling Interest		(0.15)	(0.10)
	Profit for the year attributable to owners		43.47	73.92
X	Other Comprehensive Income			
	A Items that will not be reclassified subsequently to profit or loss			
	(i) Remeasurement of the post-employment benefit obligations		(4.34)	5.12
	(ii) Fair value gains on equity instruments		152.89	3.97
	(iii) Income tax relating to items that will not be reclassified subsequently to profit or loss		(32.98)	(3.22)
	B Items that will be reclassified subsequently to profit or loss			
	(i) Deferred gains / (losses) on cash flow hedges		13.39	-
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		(3.37)	-
XI	Total Comprehensive Income for the year (IX+X)(Comprising Profit and Other Comprehensive Income for the year)		**168.91**	**79.69**
	Total comprehensive income attributable to non-controlling interest		(0.14)	(0.10)
	Total comprehensive income attributable to owners		169.05	79.79
	Earnings per equity share			
XII	- Basic & Diluted (FV - ₹10 per share)	36	56.77	96.54

Significant Accounting Policies & Notes to Financial Statement **1-56**

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

R Naresh
Executive Vice Chairman
DIN: 00273609
Place: Madurai
Date: 25th May, 2022

B Rajagopalan
Chief Financial Officer
Place: Chennai
Date: 25th May, 2022

Venkatakrishnan V R
Secretary
Membership no: A13302
Place: Madurai
Date: 25th May, 2022

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
Place: Chennai
Date: 25th May, 2022

Consolidated Statement of Cash Flows for the year ended March 31, 2022

(All amounts are stated in Rupees in Crores unless otherwise stated)

	Particulars	Year ended 31.03.2022		Year ended 31.03.2021	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit before tax		59.12		97.77
	Adjustments for :				
	Depreciation	79.81		103.81	
	Interest expense	31.60		32.05	
	Interest received	(3.53)		(4.84)	
	Loss/(Gain) due to Exchange rate Fluctuations	(1.73)		2.37	
	Advances Written off / provided	0.03		3.03	
	Profit on Sale of Assets	(0.02)		(0.04)	
	Bad Debts written off / provided	0.09		0.93	
	Unrealized changes in Fair Value	-		9.09	
	Assets Condemned	-		0.13	
			106.25		146.53
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		165.37		244.30
	Adjustments for :				
	Trade Receivables	5.78		(38.95)	
	Other Receivables	31.70		15.53	
	Inventories	(387.46)		(4.90)	
	Trade and other payables	148.85		110.30	
			(201.13)		81.98
	OPERATING PROFIT AFTER WORKING CAPITAL CHANGES		(35.76)		326.28
	Cash Generated from Operations		(35.76)		326.28
	Direct taxes paid		(26.38)		(18.93)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(62.14)		307.35
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Property, Plant & Equipment	(285.20)		(97.54)	
	Proceeds from disposal of assets	0.02		0.04	
	Investments Purchased	(0.61)		(4.20)	
	Interest received	3.53		4.84	
	Movement in Bank deposits with original maturity of more than 12 months	0.13		5.01	
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(282.13)		(91.85)
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Interest paid	(30.52)		(32.05)	
	Proceeds/(Repayment) from short term borrowings	143.43		(158.59)	
	Proceeds/(Repayment) of long term borrowings	258.37		(24.16)	
	Dividend & Dividend tax paid	(22.97)		-	
	NET CASH FLOW FROM FINANCING ACTIVITIES: (C)		348.31		(214.80)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**4.04**		**0.70**
	OPENING CASH AND CASH EQUIVALENTS		**4.68**		**3.98**
	CLOSING CASH AND CASH EQUIVALENTS [Refer Note 13(a)]		**8.72**		**4.68**

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 18(b) for Net debt reconciliation
Significant Accounting Policies & Notes to Financial Statement **1-56**

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

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Date: 25th May, 2022

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Firm Registration No:003990S/S200018

T V Balasubramanian
Partner
Membership No: 027251
Place: Chennai
Date: 25th May, 2022

Consolidated Statement of Changes in Equity as at March 31, 2022

(All amounts are stated in Rupees in Crores unless otherwise stated)

a) Equity Share Capital

Particulars	Amount
Balance as at March 31, 2020	**7.66**
Changes in equity share capital due to prior period Errors	-
Restated Balance as at March, 31,2020	**7.66**
Changes in equity share capital during the year	-
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**

b) Other Equity

Particulars	Reserves and Surplus					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, 2020	**0.11**	**0.93**	**33.47**	**0.46**	**667.29**	**35.02**	-	**737.28**	**(0.07)**	**737.21**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at March 31, 2020	**0.11**	**0.93**	**33.47**	**0.46**	**667.29**	**35.02**	-	**737.28**	**(0.07)**	**737.21**
Other Comprehensive income for the year	-	-	-	-	3.83	2.04		5.87	-	**5.87**
IND AS 116 - Transferred to Reserve	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings from Profit & Loss	-	-	-	-	73.92			73.92	(0.10)	**73.82**
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 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**

Significant Accounting Policies & Notes to Financial Statement **1-56**

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

R Naresh
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T V Balasubramanian
Partner
Membership No: 027251
Place: Chennai
Date: 25th May, 2022

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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, 2022 were approved by the Board of Directors and authorized for issue on May 25, 2022.

2. Significant Accounting Policies

a) Basis of preparation and Consolidation

The consolidated financial statements have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain financial instruments and long term employee benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. GAAP comprises Indian Accounting standards ("Ind AS") as specified in section 133 of the Act read together with rule 4 of Companies (Indian Accounting Standard) Rules 2015 and relevant amendment Rules issued thereafter to the extent applicable, pronouncements of regulatory bodies applicable to the Group, guidelines issued by SEBI and other provisions of the Act. 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.

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 31,2022 have been prepared in accordance with Ind AS as notified above.

c) Changes in Accounting Standards

There were no material amendments to the Accounting Standards which were applicable from this financial year.

d) Changes in Accounting Standards that may affect the Group after 31st March 2021

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 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

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 106 - 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.

The Company does not expect these amendments to have any significant impact in its financial statements.

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 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 current financial year. The economy has been impacted during the previous and current year on account of COVID-19. The Group has also assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its investments, financial and non-financial assets and impact on revenues and costs.

The Group has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets.

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 not 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.

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 plus any transaction cost that are attributable to the acquisition of financial liability except financial liabilities at fair value through profit and loss which are initially measured at fair value.

Subsequent measurement

The financial liabilities are classified for subsequent measurement 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.

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 asset 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 ₹5000 or below acquired during the year considered not material are depreciated in full retaining ₹1 per asset. The Useful life has been considered in line with schedule II except in the following cases which are based on technical estimates.

Estimated useful life in years:

Particulars	Useful life
Plant and Machinery other than generator sets	20 years
Electronics	6 years
Moulds / trolleys / weighing balance / drums / PCI stand / Storage stand / motor / pump	6 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 ₹50 lakhs). The Group recognizes the lease payments associated with these leases as an expense over the lease term. In the comparative period, leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases.

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 are 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, 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. 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 its 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. Property, plant and equipment

The following table presents the changes in PPE during the year Mar 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	205.93
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	0.96
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**	**1,158.09**	**428.92**	**70.31**	**0.13**	**499.10**	**659.00**	**623.97**
Capital work in progress	42.61	179.22	12.49	209.34	-	-	-	-	209.34	42.61
Total Gross Block	**1,095.50**	**284.55**	**12.62**	**1,367.44**	**428.92**	**70.31**	**0.13**	**499.10**	**868.34**	**666.58**

Schedules to Balance Sheet as on 31st March, 2022

(All amounts are stated in Rupees in Crores unless otherwise stated)

The following table presents the changes in PPE during the year Mar 31, 2021

Particulars	Gross Block				Depreciation				Net book value	
	As at April 1, 2020	Additions during the year	Deletions during the year	As at 31 March, 2021	As at 31 March, 2020	For the year	Disposals	As at 31 March, 2021	As at 31 March, 2021	As at 31 March, 2020
Freehold Land	43.24	0.36	-	43.60	-	-	-	-	43.60	43.24
Building	230.06	16.62	-	246.68	30.58	10.16	-	40.74	205.93	199.48
Plant and Machinery	487.97	55.37	0.54	542.77	201.65	57.85	0.54	258.95	283.82	286.32
Furniture and Fittings	17.75	0.89	-	18.65	4.43	1.80	-	6.23	12.42	13.32
Vehicles	1.90	0.22	0.34	1.71	0.89	0.21	0.24	0.76	0.96	1.01
Office equipment	22.26	2.57	0.31	24.58	11.03	4.57	0.32	15.36	9.22	11.23
Others (electrical)	172.58	2.33	-	174.91	86.97	19.92	-	106.88	68.03	85.61
Total	975.76	78.36	1.19	1,052.89	335.55	94.51	1.10	428.92	623.97	640.21
Capital work in progress	37.48	16.07	10.94	42.61	-	-	-	-	42.61	37.48
Total Gross Block	**1,013.24**	**94.43**	**12.13**	**1,095.50**	**335.55**	**94.51**	**1.10**	**428.92**	**666.58**	**677.69**

Note: 1. Effective from 1st April 2021, the Holding Company has extended the estimated useful life of certain plant and machineries to 20 years on three shift basis instead of single shift basis, based on a technical evaluation carried out. Depreciation cost has decreased by ₹24.54 Crores due to the revision in useful life during the current year.

2. 'The amount of borrowing cost capitalised during the year ended March 31, 2022 is ₹ 3.79 Crores (March 31, 2021 - ₹ 0.40). The rate used to determine the amount of borrowing cost eligible for capitalisation was 3.03% (PY- 8.10%), based on the effective interest rate of identified borrowings.

3. Refer note 18 and 23 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. Intangible assets

The following table presents the changes in Intangible Assets during the year Mar 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**

The following table presents the changes in Intangible Assets during the year Mar 31, 2021

Particulars	Gross Block				Amortisation				Net book value	
	As at April 1, 2020	Additions during the year	Deletions during the year	As at 31 March, 2021	As at 31 March, 2020	For the year	Disposals	As at 31 March, 2021	As at 31 March, 2021	As at 31 March, 2020
Computer software	15.99	1.39	-	17.35	11.85	2.69	-	14.51	2.85	4.14
Total	15.99	1.39	-	17.35	11.85	2.69	-	14.51	2.85	4.14
Intangible assets under development	10.80	12.31	2.88	20.23	-	-	-	-	20.23	10.80
Total	**26.79**	**13.70**	**2.88**	**37.58**	**11.85**	**2.69**	-	**14.51**	**23.08**	**14.94**

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.

(All amounts are stated in Rupees in Crores unless otherwise stated)

Capital Work in Progress (CWIP)

CWIP ageing schedule

Particulars	As at 31 March 2022				
	< 1year	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**

Particulars	As at 31 March 2021				
	< 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	20.44	11.69	1.82	1.62	35.57
Projects temporarily suspended	1.76	4.30	0.98	-	7.04
Total	**22.20**	**15.99**	**2.80**	**1.62**	**42.61**

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.....				
	< 1year	1-2 years	2-3 years	More than 3 years	Total
TSL 1	-	6.93	-	-	6.93
Manufacturing Enhancement project	-	21.61	-	-	21.61
TSL 2	-	160.75	-	-	160.75
TSL 3	-	6.50	-	-	6.50
Total	-	**195.79**	-	-	**195.79**

Ageing of Intangible assets under development

Particulars	For year ended 31-03-22				
	< 1year	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**

Particulars	For year ended 31-03-21				
	< 1year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	20.06	0.17	-	-	20.23
Projects temporarily suspended	-	-	-	-	-
Total	**20.06**	**0.17**	-	-	**20.23**

Completion schedule for intangibles for which completion is overdue or has exceeded its cost compared to its original plan

Particulars	To be completed in....				
	< 1year	1-2 years	2-3 years	More than 3 years	Total
TSL1	-	8.89	-	-	8.89
TSL 2	-	7.36	-	-	7.36
Total	-	**16.25**	-	-	**16.25**

(All amounts are stated in Rupees in Crores unless otherwise stated)

5. Investment Properties

(i) Carrying Amount of Investment Properties

Particulars	As at 31.03.2022	As at 31.03.2021
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	2.73	2.40
Depreciation Charge (Buildings and Borewell)	0.33	0.33
Closing Accumulated Depreciation	**3.06**	**2.73**
Net Carrying Amount	**23.89**	**24.22**

(ii) Fair Valuation of investment properties

Investment properties	30.44	29.23

(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, adjusted 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.

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 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**

(All amounts are stated in Rupees in Crores unless otherwise stated)

Particulars	Plant & Machinery	Land & Buildings	Total
Gross Block at Cost			
As at 1st April 2020	23.35	0.17	23.52
Additions during the year	0.72	2.47	3.19
Deductions for the year			
As at 31st March 2021	**24.07**	**2.64**	**26.71**
Depreciation			
As at 1st April 2020	5.84	0.05	5.89
Charge for the year	6.18	0.10	6.28
Deductions for the year	-	-	-
As at 31st March 2021	**12.02**	**0.15**	**12.17**
Net Block			
As at 31st March 2021	**12.05**	**2.49**	**14.54**

B. Movement in Lease Receivable (Net of Liabilities):

Particulars	Plant & Machinery	Land & Buildings	Total
As at 1st April 2021	**1.71**	**(0.04)**	**1.67**
Lease payments during the year	0.24	0.04	0.28
Finance Cost accrued during the year	-	0.00	0.00
Rebates received	(0.66)	-	(0.66)
As at 31st March 2022	**1.29**	**0.00**	**1.29**
- Non Current	-	-	**-**
- Current	1.29	-	**1.29**

Particulars	Plant & Machinery	Land & Buildings	Total
As at 1st April 2020			
Opening Adjustments (on transition)	1.46	(0.12)	1.34
Finance Cost accrued during the year	-	(0.01)	(0.01)
Lease payments during the year	0.25	0.09	0.34
As at 31st March 2021	**1.71**	**(0.04)**	**1.67**
- Non Current	1.71	-	1.71
- Current	-	(0.04)	(0.04)

C. Amounts recognized in statement of profit and loss:

Expense/(Income)	For year ended 31-03-22	For year ended 31-03-21
Depreciation expense of Right of Use Assets	6.27	6.28
Expense relating to short-term leases	21.21	15.14
Interest income on Net lease receivable	(0.47)	(0.43)
Interest expense on Lease Liabilities	0.00	0.01
Total recognized in Statement of Profit and Loss	**27.01**	**21.00**

D. Exposure to future cash flows:

Maturity Analysis	For year ended 31-03-22	For year ended 31-03-21
Less than 1 year	(1.29)	0.29
Between 1 and 2 years	-	(1.96)
Between 2 and 5 years	-	-
More than 5 years	-	-
Total	**(1.29)**	**(1.67)**

7. Investments (Non-current Financial Assets)

Particulars	As at 31-03-22	As at 31-03-21
Investment in equity of others - Unquoted		
Associate:		
Van leeuwen Tyres and wheels BV 15,000 fully paid up equity shares (PY - 15,000 shares) of EURO 1 each	0.09	0.09
Others:		
Sai Regency Power Corporation Private Limited 2,25,000 fully paid up equity shares (PY - 2,25,000 shares) of ₹10 each	0.22	0.22
Mytrah Vayu (Manijra) Private Limited 16,20,140 fully paid up equity shares (PY - 10,10,840 shares) of ₹10 each	1.61	1.01
Coromandel Electricity Company Limited 10,000 fully paid up equity shares (PY - 10,000 shares) of ₹10 each	0.01	0.01
TVS Automobile Solutions Private Limited 9,11,741 fully paid up equity shares (PY - 9,11,741 shares) of ₹10 each	252.85	99.98
Total	**254.78**	**101.31**
Less: Provision for diminution in value of investments	(0.31)	(0.31)
Total	**254.47**	**101.00**

Aggregate amount of unquoted investment	254.78	101.31
Aggregate amount of impairment in the value of investment	(0.31)	(0.31)

8. Loans - Non-current Financial Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good*:		
Loans	1.50	1.23
Total	**1.50**	**1.23**

* There are no advances with significant increase in risk or credit impaired

9. Other financial asset - Non-current Financial Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Deposits with banks with maturity period more than 12 months (held as lien by bank against bank guarantee)	0.20	0.20
Deposits with Government authorities	0.03	0.13
Advances to employees	3.16	2.75
Security Deposits	19.08	27.69
Total	**22.47**	**30.77**

10. Other non current assets

Particulars	As at 31.03.2022	As at 31.03.2021
Capital advance	7.03	27.84
Others		
Gratuity - excess value of plan assets over obligation	-	0.60
Deposits with Government authorities	0.11	-
Others	-	1.71
Total	**7.14**	**30.15**

11. Inventories

Particulars	As at 31.03.2022	As at 31.03.2021
Raw material and components	499.62	240.82
Work in progress	44.57	32.41
Finished goods*	240.23	132.75
Stock in trade	1.59	1.01
Stores and spares	26.98	18.54
Total**	**812.99**	**425.53**

*The Company has written down inventory by ₹1.7 Crores (PY ₹3.84 Crores) which is included as part of cost of materials consumed.
**Includes stock in transit of ₹38.73 Crores (PY - ₹30.87 Crores)
Refer to Note 18 (a) and Note 23 for details of pledge and securities of Inventories provided for borrowings

(All amounts are stated in Rupees in Crores unless otherwise stated)

12. Trade receivables

Particulars	As at 31.03.2022	As at 31.03.2021
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	239.56	245.43
(Refer Note 40 for Related Parties)		
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	0.53	1.26
	240.09	**246.69**
Less:Allowance for doubtful receivables	0.53	1.26
Total	**239.56**	**245.43**

Trade Receivables ageing schedule

Particulars	As at 31-03-22						
	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	68.28	0.37	0.07	0.02	0.01	**239.56**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(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	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired							-
Total	170.81	68.28	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							**239.56**

Particulars	As at 31-03-21						
	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	221.31	21.51	0.52	1.89	0.20	-	**245.43**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.00	0.01	0.11	0.11	0.21	**0.44**
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired							-
Total	**221.31**	**21.51**	**0.53**	**2.00**	**0.31**	**0.21**	**245.87**
Less : Allowance for Trade Recivables		**0.00**	**0.01**	**0.11**	**0.11**	**0.21**	0.44
Net Trade Receivable							**245.43**

(All amounts are stated in Rupees in Crores unless otherwise stated)

13. Cash and bank balances

Particulars	As at 31.03.2022	As at 31.03.2021
13(a) Cash and Cash Equivalents		
a) Balance with banks		
(i) in current accounts	8.50	4.63
(ii) Cash on Hand	0.22	0.05
(a)	**8.72**	**4.68**
13(b) Other bank balances		
(i) Unpaid dividend	4.18	4.31
(b)	**4.18**	**4.31**

Balances in deposits accounts subject to lien in favour of banks for obtaining bank guarantee/letter of credits

14. Other financial assets

Particulars	As at 31.03.2022	As at 31.03.2021
Accrued Income		
- Considered Good	3.08	21.22
- Credit Impaired	3.00	3.00
Less: provision for doubtful advances	(3.00)	(3.00)
	3.08	21.22
Security Deposits	5.82	-
Derivative Asset	14.24	-
Others	0.09	1.08
Total	**23.23**	**22.30**

15. Other current assets (Unsecured, Considered good)

Particulars	As at 31.03.2022	As at 31.03.2021
(a)Advance other than capital advance:		
Other Advances:		
Advances to suppliers - Considered Good	11.44	17.68
Advances to suppliers - Credit Impaired	0.17	0.14
Less: provision for doubtful advances	(0.17)	(0.14)
	11.44	**17.68**
(b) Others		
Balance with Government authorities	0.47	0.18
Prepaid expenses	21.64	5.99
Lease prepayments	1.67	0.37
GST Input Tax Credit (Net) available for set-off/refund	0.06	-
Others	0.83	0.10
	24.67	**6.64**
Total (a) + (b)	**36.11**	**24.32**

(All amounts are stated in Rupees in Crores unless otherwise stated)

16. Equity share capital

Particulars	As at 31.03.2022	As at 31.03.2021
Authorised (1,00,00,000 equity shares at ₹10 each)	10.00	10.00
Issued, Subscribed and fully paid up (76,57,050 equity shares at ₹10 each)	7.66	7.66
Total	**7.66**	**7.66**

16.1 Reconciliation of number of shares in the beginning and at end of the year

FY 2020-21	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66

FY 2019-20	Number of shares	Amount
Balance as at the beginning of the year	7,657,050	7.66
Balance as at the end of the year	7,657,050	7.66

16.2 Shareholding more than 5 % of the shares of the company

Name of the Company	Number of shares	Number of shares
*T.V. Sundram Iyengar & Sons Private Limited (CY-Nil%, PY-28%)	-	2,123,115
*Sundaram Industries Private Limited (CY-Nil%, PY-10%)	-	750,000
*TVS Mobility Private Limited (CY-38%, PY-Nil%)	2,873,115	-

*During the 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

16.3 Disclosure of shareholding of promoters and percentage of change during the year.

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	144,656	1.89%	-
TVS Mobility Private Limited*	2,873,115	37.52%	37.52%
Shobhana Ramachandhran	287,051	3.75%	-
Nitya Kalyanee Investment Limited	121,429	1.59%	-
R Haresh(On Behalf Of Sundaram Trust)	46,320	0.60%	-
R Haresh	945	0.01%	-
R Dinesh	45	0.00%	-

Promoter name	As at 31 March 21		
	No. of shares held	% of share Holding	% Change during the year
T V Sundram Iyengar & Sons Private Limited*	2,123,115	27.73%	NIL
Sundaram Industries Limited*	750,000	9.79%	
R Naresh	144,656	1.89%	
TVS Mobility Private Limited*	-	-	
Shobhana Ramachandhran	287,051	3.75%	
Nitya Kalyanee Investment Limited	121,429	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 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

(All amounts are stated in Rupees in Crores unless otherwise stated)

16.4 Rights, preferences and restrictions attached to shares:

Equity shares - The company has one class of equity shares having a par value of ₹10/- each. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Each shareholder also has a residual interest in the assets of the Company in proportion to their shareholding.

16.5 The Company does not have any outstanding shares issued under options.

16.6 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, 2022).

17. Other equity

Reserves and surplus

Particulars	As at 31.03.2022	As at 31.03.2021
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**
Retained Earnings		
Opening balance	745.04	667.29
Profit for the year	43.47	73.92
Final Dividends paid	(22.97)	-
Remeasurement of DBO through Other Comprehensive Income	(3.27)	3.83
Closing balance	**762.27**	**745.04**
Gains on Equity instruments through Other Comprehensive Income		
Opening Balance	37.06	35.02
Fair Valuation of Investments(net off Taxes)	118.82	2.04
Closing Balance	**155.88**	**37.06**
Gains on cash flow hedge instrument through Other Comprehensive Income		
Opening Balance	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge (net of taxes)	10.02	-
Closing Balance	10.02	-
Total	**963.14**	**817.07**

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.

18a: Borrowings - Non current

Term loans

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
From banks	418.59	165.84
Less: Amount Transferred to Current Maturities	(55.17)	(60.79)
Total	**363.42**	**105.05**

Additional Information:

Details of Security for Secured Loans:

a). Term Loan Availed from HDFC Bank by holding company which is repayable over 5 years including 12 months of moratorium with an interest rate of 7.8% p.a.. Loan is secured by exclusive charge on Plant and Machinery.

b.) Term Loan Availed from HDFC Bank by holding company which is repayable over 5 years with an interest rate of 6.4% p.a.. Loan is secured by exclusive charge on the specific immovable/fixed asset

c.) Term Loan Availed from Axis Bank by holding company which 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 by holding company which 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 by holding company which 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.

g)Term Loan availed by subsidiary company from HDFC Bank (TVS Sensing Solutions Private Limited) is repayable in 5 years including 12 months moratorium. Loan of ₹ 3 Crores was availed during the previous year. Loan is primarily secured by factory land & building and plant and machinery.

h) Term Loan availed by subsidiary company from ICICI bank (TVS Sensing Solutions Private Limited) is repayable in 8 quarterly instalments. Loan is primarily secured by a pari passu first charge on movable fixed assets.

18b: NET DEBT RECONCILIATION

Particulars	31-Mar-22	31-Mar-21
Cash and Cash Equivalents	8.72	4.68
Current Borrowing (Working Capital Loan)	(191.10)	(42.05)
Non - Current Borrowing plus Current maturities of long term debt*	(418.59)	(167.23)
Total	**(600.97)**	**(204.60)**

*Includes Accrued Interest

Particulars	Other Assets	Borrowings		Total Net borrowings
	Cash and Cash Equivalents	Current Borrowing (Working Capital Loan)	Non - Current Borrowing plus current maturity of long term debt*	
(Net debt)/Cash and Bank Balances as at 1st April 2021	4.68	(42.05)	(167.23)	(204.60)
Cash Flows				
Increase/(Decrease) in cash and Bank Balances	4.04	-	-	4.04
Borrowings	-	(45.00)	(313.54)	(358.54)
Repayment/Receipt	-	(104.05)	63.26	(40.79)
Interest expense	-	(16.97)	(14.25)	(31.22)
Interest paid	-	16.97	13.17	30.14
(Net debt)/Cash and Bank Balances as at 31st March 2022	**8.72**	**(191.10)**	**(418.59)**	**(600.97)**

*Includes Accrued Interest

(All amounts are stated in Rupees in Crores unless otherwise stated)

Particulars	Other Assets	Borrowings		Total Net borrowings
	Cash and Cash Equivalents	Current Borrowing (Working Capital Loan)	Non - Current Borrowing plus current maturity of long term debt*	
(Net debt)/Cash and Bank Balances as at 1st April 2020	3.98	(200.64)	(151.82)	(348.48)
Cash Flows				
Increase/(Decrease) in cash and Bank Balances	0.70	-	-	0.70
Borrowings	-	-	(37.00)	(37.00)
Repayment/Receipt	-	158.61	21.59	180.20
Interest expense	-	(9.14)	(13.86)	(23.00)
Interest paid	-	9.12	13.86	22.98
(Net debt)/Cash and Bank Balances as at 31st March 2021	**4.68**	**(42.05)**	**(167.23)**	**(204.60)**

*Includes Accrued Interest

19. Other Financial Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Security deposit	87.04	82.63
Total	**87.04**	**82.63**

20. Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
20(a) Non Current provisions		
Gratuity	1.05	0.18
Compensated absences	11.69	7.77
(a)	**12.74**	**7.95**
20(b) Current provisions		
Gratuity	3.26	0.18
Compensated absences	1.52	1.22
Warranty (Refer Note 39)	10.69	9.99
(b)	**15.47**	**11.39**

21. Deferred Tax Liability (Net)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Liability		
a) On Account of Depreciation on Property, Plant, Equipment	27.00	26.02
b) On account of timing Differences in Recognition of Expenditure	(3.18)	(3.02)
c) On Account of Amortisation of Right of Use Assets	(0.59)	(1.74)
d) On account of Ind AS fair value adjustments	43.30	9.23
c) On account of carried forward tax losses/tax credits	(2.47)	(2.29)
e) On account of others	(0.15)	(0.77)
Total	**63.91**	**27.43**

22. Other non current liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Government Grant (Capital Subsidy)	0.19	0.24
Deferred Income	3.53	3.94
Total	**3.72**	**4.18**

23. Borrowings (Current)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
(a) Loans repayable on demand		
from Banks*	96.10	42.05
from other parties	-	-
Current Maturities of long Term Borrowings	55.17	60.79
Unsecured		
(a) Loans repayable on demand		
from banks	45.00	-
(b) Commercial Paper	50.00	-
Total	**246.27**	**102.84**

*Net of debit balance in Cash credit account against loan repayable on demand (CY - ₹ 70.24 Crores) (PY - ₹ 6.33 crores)

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

c. Short Term Loans are taken at an Interest rate ranging from 4% to 7% per annum.

24. Trade payables

Particulars	As at 31.03.2022	As at 31.03.2021
i) To Micro Small and Medium Enterprises (Refer Note 45)	5.89	2.67
ii) Others - (Refer Note 40 for Related Parties)	411.26	289.56
Total	**417.15**	**292.23**

Trade Payables ageing schedule

Particulars		As at 31-03-22					
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises	-	5.82	0.00	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							**417.15**

		As at 31-03-21					
	Unbilled	Not Due	< 1year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises	-	2.55	0.05	0.02	0.03	0.02	2.67
Others	10.04	239.15	37.70	0.77	0.83	1.07	289.56
Disputed Dues - Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
Total							**292.23**

25. Lease liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Lease Liabilities	-	0.04
Total	**-**	**0.04**

26. Other financial liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Capital creditors*	22.44	12.16
Interest accrued but not due on borrowings	2.47	1.39
Unpaid dividends	4.18	4.31
Other creditors	126.93	118.60
Total	**156.02**	**136.46**

*PY Includes ₹ 1.24 Crores of dues to Micro and Small Enterprises

27. Other current liabilites

Particulars	As at 31.03.2022	As at 31.03.2021
Advances from customers	4.23	9.19
Statutory payables	6.44	14.74
GST Payable	12.10	3.62
Deferred Government Grant (Capital Subsidy)	0.02	0.03
Others	0.06	-
Total	**22.85**	**27.58**

28. Revenue from operations

Particulars	For year ended 31-03-22	For year ended 31-03-21
Sale of products (Net of Commissions & Discounts)	2,516.87	1,933.16
Other Operating Revenue	11.33	6.05
Total	**2,528.20**	**1,939.21**

29. Other income

Particulars	For year ended 31-03-22	For year ended 31-03-21
Interest income from Bank Deposits	-	0.72
Interest - Others	3.53	4.12
Exchange Rate Fluctuation gain (Net)	1.73	-
(a)	**5.26**	**4.84**
Profit on sale of Assets	0.02	0.04
Miscellanous Income	0.87	0.16
Provision no longer required written back	0.31	0.17
(b)	**1.20**	**0.37**
Total (a) + (b)	**6.46**	**5.21**

30. Cost of materials consumed

Particulars	For year ended 31-03-22	For year ended 31-03-21
Opening Stock	240.82	216.18
Add : Purchase	1,871.78	1,038.69
Total	**2,112.60**	**1,254.87**
Less Closing Stock	499.62	240.82
Cost of Materials consumed	**1,612.98**	**1,014.05**

31. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	For year ended 31-03-22	For year ended 31-03-21
Opening Stock of Finished goods &Traded goods	133.76	162.52
Opening Stock of Work in progress	32.41	28.16
Closing Stock of Finished goods & Traded Goods	241.82	133.76
Closing Stock of Work in progress	44.57	32.41
(Increase) / Decrease in Finished goods & Traded Goods	(108.06)	28.76
(Increase) / Decrease in Work in progress	(12.16)	(4.25)
Total (Increase) / Decrease in Stock	**(120.22)**	**24.51**

(All amounts are stated in Rupees in Crores unless otherwise stated)

32. Employee benefit expenses

Particulars	For year ended 31-03-22	For year ended 31-03-21
(a) Salaries and wages	262.28	228.70
(b) Contributions to -		
(i) Superannuation Fund	1.02	1.05
(ii) Gratuity fund contributions *	2.69	2.69
(iii) Provident Fund and other funds	14.37	13.14
(c) Remuneration to Whole time directors	6.72	8.43
(d) Staff welfare expenses	14.35	12.94
Total	**301.43**	**266.95**

*Excludes acturial gain/loss on account of gratuity

33. Finance costs

Particulars	For year ended 31-03-22	For year ended 31-03-21
Interest expense	31.22	31.64
Other borrowing cost (inlcuding letter of credit and bill discounting charges)	0.38	0.41
Total	**31.60**	**32.05**

34. Other expenses

Particulars	For year ended 31-03-22	For year ended 31-03-21
Processing Charges/Outsourcing Charges	91.29	80.10
Consumption of Stores & Spares	58.83	44.94
Power & Fuel	113.29	78.31
Repairs to building	3.44	3.07
Repairs to machinery	21.27	16.44
Repairs Others	0.97	0.57
Insurance	8.06	8.57
Rates & taxes	5.18	3.77
Telephone & Internet Charges	1.06	1.10
Travelling Expense	6.80	4.19
Exchange Rate Fluctuation Loss (Net)	-	2.37
Bank charges	2.77	1.44
Advertisement and sales Promotion	76.25	22.29
CSR Activities (Refer Note 46)	2.77	2.75
Freight Out	110.17	81.13
Provision for Doubtful Advances	0.03	3.03
Provision for Bad Debts	0.09	0.93
Assets condemned	-	0.13
Bad debts	1.46	-
Commission to non Whole time directors	0.68	0.95
Director's sitting fees	0.17	0.14
Variable Lease rentals	21.21	15.14
Audit Fees - (Refer Note 47)		
a) Audit fees	0.37	0.34
b)Others	0.05	0.21
Donation	0.06	0.05
Consultancy	13.18	12.28
Warranty Claims - (Refer Note 39)	7.33	6.28
Tooling expenses	0.70	0.34
Contract labour charges	2.84	2.04
Other expenses	11.68	9.39
Total	**562.00**	**402.30**

(All amounts are stated in Rupees in Crores unless otherwise stated)

35. 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	For year ended 31-03-22	For year ended 31-03-21
Profit before taxes	59.12	97.77
Enacted tax rates in India	Refer Note Below	Refer Note Below
Expected tax expense/(benefit)	15.97	24.61
Items leading to difference in Effective Rate compared to Statutory Rate :		
Other Impacts due to permanent allowances/disallowances as per IT Act	0.80	0.80
Effect of tax rate change	-	-
Effect of other carried forward temporary differences	(1.03)	(1.53)
Tax losses for earlier period to the extent on which deferred tax asset was (created)/reversed	(0.10)	(0.10)
Others	0.16	0.17
Tax Expense as per P&L	**15.80**	**23.95**

Tax Charged to Other Comprehensive Income for	For year ended 31-03-22	For year ended 31-03-21
Net loss/(gain) on remeasurement of Defined Benefit Plans	1.08	(1.29)
Fair value gains on equity instruments	(34.06)	(1.93)
Deferred gains / (losses) on cash flow hedges	(3.37)	-
Total	**(36.35)**	**(3.22)**

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%.

36. Details of Earnings Per Share

Particulars	As at 31.03.2022	As at 31.03.2021
Profits for the Year	43.47	73.92
Number of Equity Shares (Nos.)	7,657,050	7,657,050
Face Value of Shares (In Rupees)	10	10
Basic and Diluted Earnings per Share (In Rupees)*	56.77	96.54

* There are no potential dilutive equity shares

37. 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	As at 31.03.2022	As at 31.03.2021
Contribution to Provident fund (Government)	14.37	13.14

- Compensated Absences

Particulars	As at 31.03.2022	As at 31.03.2021
Service cost	3.96	2.91
Interest cost	0.58	0.59
Actuarial (gain)/loss	2.24	(1.99)
Project benefit obligation at the end of the year	13.21	8.99
Non Current Liability (Assets)	11.69	7.77
Current Liability (Assets)	1.52	1.22

(All amounts are stated in Rupees in Crores unless otherwise stated)

- Gratuity

Particulars	As at 31.03.2022	As at 31.03.2021
Present Value of Defined Benefits	37.51	37.16
Service cost	2.64	2.47
Interest cost	2.57	2.57
Actuarial (gain)/loss	2.19	(1.90)
Benefits paid	(3.76)	(2.79)
Project benefit obligation at the end of the year	41.15	37.51
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	37.75	32.87
Interest income	2.58	2.43
Employers contribution	0.12	4.04
Benefits paid	(3.76)	(2.79)
Actuarial gain/(loss)	0.15	1.21
Fair value of plan assets at the end of the year	36.84	37.75
Amount recognised in balance sheet		
Present value of projected benefit obligaiton at the end of the year	41.15	37.51
Fair value of plan assets at the end of year	36.84	37.75
Funded staus amount of liablity recognised in balance sheet	4.31	(0.24)
Gratuity Liability / (Asset) - Holding Company (Non Current)	0.84	(0.60)
Gratuity Liability / (Asset) - Holding Company (Current)	3.03	-
Gratuity Liability / (Asset) - Subsidiary Company (Non Current)	0.21	0.18
Gratuity Liability / (Asset) - Subsidiary Company (Current)	0.23	0.18
Expense recognised in statement of profit or loss		
Service cost	2.64	2.47
Interest cost	2.57	2.57
Interest income	(2.58)	(2.43)
Net gratutity cost	2.63	2.61
Actual return on plan asset	2.75	3.61
Summary of actuarial assumptions		
Discount rate	7.22% to 7.33%	6.86% to 7.19%
Expected rate of plan assets	6.86% to 7.22%	6.86% to 7.19%
Salary escalation rate	4.00%	4.00%
Attrition rate	5.00%	5.00%

Actuarial Loss / (Gain) recognised	As at 31.03.2022	As at 31.03.2021
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain)/Losses due to Financial Assumption changes in DBO	(0.13)	(1.55)
Actuarial (Gain)/Losses due to Experience on DBO	2.33	(0.35)
Return on Plan Assets (Greater)/Less than Discount rate	(0.15)	(1.21)
Components of defined benefit losses (gains) recognised	**2.04**	**(3.11)**

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	As at 31.03.2022	As at 31.03.2021
Within 1 year	3.74	2.72
2 to 5 years	12.74	12.35
6 to 10 years	11.91	10.73
more than 10 years	12.23	11.64

Mortality - Indian Assured Lives Mortality (2012-14) Ultimate

Sensitivity analysis of significant actuarial assumption

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

Particulars - Gratuity	31-Mar-21	
	% inc/dec in DBO	Liability (Rs in Crores)
Discount Rate + 100 basis points	-6.88%	33.46
Discount Rate - 100 basis points	7.83%	38.75
Salary growth rate + 100 basis points	7.68%	38.69
Salary growth rate - 100 basis points	-6.85%	33.47
Attrition Rate + 100 basis points	1.50%	36.47
Attrition Rate - 100 basis points	-1.66%	35.33
Mortality Rate 10% Up	0.05%	35.95

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Interest rates risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Salary risk

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

Demographic risks

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

(All amounts are stated in Rupees in Crores unless otherwise stated)

38. 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

Information about revenue from segments :

Particulars	For year ended 31-03-22	For year ended 31-03-21
Tyres & Tubes	2,438.30	1,870.97
Others	78.57	62.19
Total	**2,516.87**	**1,933.16**

Information about net profit/(loss) from segments: (PBT)	For year ended 31-03-22	For year ended 31-03-21
Tyres & Tubes	56.94	96.46
Others	2.18	1.31
Total	**59.12**	**97.77**

Geographical Breakup of Revenue through sale of products is as under:

Tyres & Tubes	For year ended 31-03-22	For year ended 31-03-21
Exports	346.51	219.85
Domestic	2,091.79	1,651.12
Total	**2,438.30**	**1,870.97**

Others	For year ended 31-03-22	For year ended 31-03-21
Exports	11.97	5.66
Domestic	66.60	56.53
Total	**78.57**	**62.19**

39. Movement in provision for product warranty

Particulars	For year ended 31-03-22	For year ended 31-03-21
Opening Balance	9.99	9.53
Add: Provided during the year	7.33	6.28
Less: Claims made	(6.63)	(5.82)
Closing Balance	**10.69**	**9.99**

The estimated provision takes into account historical information frequency and average cost of warranty claims and the estimated future incidence of claims.

40. 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 2021-22 and 2020-21 as follows:

Entity with significant influence and its subsidiaries, associates and joint venture

- TV Sundram Iyengar & Sons Private Limited (holds more than 10% shareholding) (till Feb'22)
- Sundaram Industries Private Limited (till 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
- Aparajitha Corporate Services Private Limited
- TVS Automotives (Private) Limited
- White Data Systems India Pvt. Ltd.,
- Sundharams Private Limited
- TVS Mobility Private Limited (holds more than 10% shareholding)

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 P. Vijayaraghavan- Non-Independent Non-Executive Director (Till 8th July, 2020)
- Sri H Janardana Iyer
- Sri V Ramakrishnan
- Sri Rasesh R Doshi
- Sri V Anantha Nageswaran (till 25th Jan 2022)
- Ms.Mathangi (Appointed wef 01st April 2020)
- Sri.Ravichandran - Non-Independent Non-Executive Director (Appointed wef 13th Aug'20)
- Sri.P Srinivasavaradhan - Non-Independent Non-Executive Director (Appointed wef 13th Aug'20)

b) Related party transaction and balance as at reporting period

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 Rental Paid	0.04	0.07	-
Salaries & 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

Transactions for the year and balance as at Mar 31, 2021 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	2.42	-	-
Sale of Goods	9.65	-	-
Receipt of Services	19.76	-	0.57
Lease Rental Paid	0.02	0.06	-
Salaries & Other Benefits	-	3.12	
Sitting Fees*	-	0.00	0.13
Commission	-	5.30	0.95
Amount Receivable	5.36	**-**	**-**
Amount Payable	**6.50**	**5.30**	**0.95**

*Sitting fees paid to KMP ₹38,000

Note: Investment in Associate has been fully provided for in the books

41. 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, 2022 and March 31, 2021 are given below:

Particulars	Currency	As at 31-03-22	As at 31-03-21
Forward contracts (Sell)	USD	7,104,840	17,482,438
	Euro	8,184,150	44,608
Forward contracts (Buy)	USD	3,123,006	1,709,814
	Euro	-	1,109,090
Cross currency swap (CCS) - Loans Outstanding	Euro	39,177,861	-
Gain/(loss) mark to market in respect of forward contracts outstanding	Rs in Crores	14.24	(0.28)

All open forward exchange contracts mature within three to nine months from the balance sheet date.

(All amounts are stated in Rupees in Crores unless otherwise stated)

b. Financial instruments by category

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	-	-	14.24
Liabilities	-	-	-
Loans from Banks	609.69	-	-
Interest accrued but not due	2.47	-	-
Security Deposits	87.04	-	-
Trade payables	417.15	-	-
Capital Creditors	22.44	-	-
Other Creditors	126.93	-	-
Unpaid Dividends	4.18	-	-

The carrying value and fair value of financial instruments by each category as at Mar 31, 2021 was as follows:

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI
Asset	-	-	-
Investment in Others	-	-	101.00
Loans	1.23	-	-
Employee advances	2.75	-	-
Security Deposits	27.69	-	-
Deposit with Bank & Government authorities	0.33	-	-
Trade Receivables	245.43	-	-
Cash and Bank Balances	8.99	-	-
Accrued income	22.30	-	-
Liabilities			
Loans from Banks	207.89	-	-
Interest accrued but not due	1.39	-	-
Lease Liability	0.04	-	-
Security Deposits	82.63	-	-
Trade payables	292.23	-	-
Capital Creditors	12.16	-	-
Other Creditors	118.60	-	-
Unpaid Dividends	4.31	-	-

Details of financial assets pledged as collateral:

Carrying amount of financial assets as at Mar 31, 2022 and 2021 that the Group has provided as a collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at 31.03.2022	As at 31.03.2021
Fixed Deposits	0.20	0.20

c. Fair value measurement of financial instruments measured at fair value on recurring basis:

Particular	As at 31.03.2022		
	Level 1	Level 2	Level 3
Assets			
Investment in Others	-	252.84	1.63
Derivative Asset	-	14.24	-

Particular	As at 31.03.2021		
	Level 1	Level 2	Level 3
Assets			
Investment in Others	-	99.98	1.02

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	For year ended 31-03-22	For year ended 31-03-21
(a) Financial assets at amortised cost		
Interest income on bank deposits	0.00	0.72
Interest income on loans	0.72	0.86
(b) Financial liabilities at amortised cost		
Interest expenses on borrowings from banks, others and overdrafts	31.60	32.05
(c) Financial asset at FVTPL		
Net gain/(losses) on fair valuation on derivative financial instruments	0.85	-
(d) Financial asset at FVTOCI		
Net gain/(losses) on fair valuation on derivative financial instruments	13.39	
Net gain/(losses) on fair valuation of investments	152.89	-

42. Financial risk management

The Group has exposure to the following risks from its use of financial instruments

42.1 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 for receivables amounting to Rs 1.56 Crores (PY - Rs 0.93 Crores) has been made under simplified approach."

42.2 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.

(All amounts are stated in Rupees in Crores unless otherwise stated)

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 31.03.2022	As at 31.03.2021
Long term borrowings		
- Upto 1 Year	55.17	60.79
- 1 to 3 Years	363.42	105.05
Short term borrowings		
- Upto 1 Year	191.10	42.05
Trade Payable		
- Upto 1 Year	417.15	292.23
Lease Liability		
- Upto 1 Year	0.00	0.04
Security Deposits from Customer		
- 1 to 3 Years	87.04	10.63
- More than 3 Years	-	72.00
Capital creditors		
- Upto 1 Year	22.44	12.16
Other Financial Liabilities		
- Upto 1 Year	133.58	124.30
Total	**1269.90**	**719.25**

The following table details the Group's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	As at 31.03.2022	As at 31.03.2021
Fixed Deposits with Banks		
- 1 to 3 Years	0.20	0.20
Trade Receivables		
- Upto 1 Year	239.56	245.43
Loans		
- 1 to 3 Years	1.50	1.23
Advance to Employees		
- 1 to 3 Years	3.16	2.75
Security Deposits		
- 1 to 3 Years	19.08	27.69
Other Financial Assets		
- Upto 1 Year	23.23	22.30
Unpaid Dividend		
- Upto 1 Year	4.18	4.31
Cash & Cash Equivalents		
- Upto 1 Year	8.72	4.68
Investment in Unquoted Shares		
- Upto 1 Year	-	-
- More than 3 Years	254.47	101.00
Deposit with Government authorities		
- 1 to 3 Years	0.03	0.13
Total	**554.13**	**409.72**

The Group has access to committed credit facilities as described below, of which ₹242.77 cr were unused at the end of the reporting period (as at March 31, 2021 ₹327.95 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:		
Amount used	182.26	42.05
Amount unused	242.77	327.95

42.3 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-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	0.00
Trade Payables (Liabilities)			
USD	73.32	18,48,343	13.55
EUR	87.69	2,05,669	1.80

Balance as at 31-Mar-21

Particulars	Exchange Rate	Amount in Foreign Currency	Amount in INR (crores)
Trade Receivables (Assets)			
USD	72.44	3,184,883	23.07
EUR	84.54	2,054,725	17.37
GBP	99.24	476	0.00
Trade Payables (Liabilities)			
USD	74.15	3,688,067	27.34
EUR	87.65	128,723	1.13
GBP	102.70	7,327	0.08

42.3.2.2 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	As at 31.03.2022		As at 31.03.2021	
	USD	EUR	USD	EUR
Impact on Receivables due to +/- 5% Change in Currency Rates	2.52	1.68	1.15	0.87
Impact on Payables due to +/- 5% Change in Currency Rates	0.68	0.09	1.37	0.06

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.

42.3.2.3 Forward foreign exchange contracts

It is the policy of the Group to enter into forward exchange contracts to cover specific foreign currency payments and receipts 100% of the exposure generated.

42.3.3 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, 2022 would decrease/increase by ₹3.05 Cr; as against ₹1.04 Cr for the year ended March 31, 2021.

42.4 Other Risk - COVID-19

a. Financial Assets measured at fair value amounting to ₹268.71 Crores (PY - ₹101 Crores) and measured at amortised cost amounting to ₹285.42 Crores (PY - ₹308.73 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.

43. 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 31.03.2022	As at 31.03.2021
Interest-bearing loans and borrowings	612.16	209.28
Less: cash and cash equivalents	(8.72)	(4.68)
Net debt	**603.44**	**204.60**
Equity Capital	7.66	7.66
Other Equity	963.14	817.07
Total capital	970.80	824.73
Gearing ratio	**0.62**	**0.25**

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 2022 and 31st March 2021.

44. Commitments and Contingencies

Particulars	As at 31-03-22	As at 31-03-21
a) Estimated amount of contract remaining to be executed on capital account	47.29	177.89
b) Letter of Credit opened by Group's Bankers	58.77	87.96
c) Excise duty and service tax under dispute	9.96	9.71
d) Sales Tax under dispute	8.32	8.61
e) Provident Fund	4.00	4.00
f) Customs	1.65	0.85
g) GST	0.42	0.09
h) Income Tax under dispute	0.01	1.93
i) Customs duty on goods lying at Bonded warehouse	0.93	0.08

45. Due to micro and small enterprises

Particulars	As at 31-03-22	As at 31-03-21
Principal amount due to a suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end	5.89	3.91
Interest due to suppliers registered under the Micro and Small Enterprises Act and remaining unpaid as at year end	0.08	0.08
Principal amounts paid to suppliers registered under the Micro and Small Enterprises Act beyond the appointed day during the year	1.30	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*	0.00	0.00
Futher interest remaining due and payable for earlier years	0.08	0.07

*Total Interest payable as at 31st March '22 amounts to ₹68,256.

Note: Out of ₹3.91 crores of MSE payable previous year, ₹2.67 crores relates to Trade Payables & ₹1.24 crores relates to Capital Creditors

46. Contribution to corporate social responsibilities

Sec 135 of companies act 2013, requires group to spend towards corporate social responsibility.The group is expected to spend ₹2.29 crores in compliance to this requirement. A sum of ₹2.77 crores has been spent during the current year towards CSR acitivities as explained below. Balance amount to be spent is ₹Nil.

CSR Expenditure	For year ended 31-03-22	For year ended 31-03-21
Amount required to be spent under section 135 of the Companies Act, 2013	2.29	2.75
Amount spent during the year on:		
i) Construction/acquisition of an asset	-	-
ii) Purposes other than (i) above	2.77	2.75
Amount unspent	-	-

47. Details of Auditor's Remuneration

Particulars	For year ended 31-03-22	For year ended 31-03-21
a) Statutory Audit	0.37	0.34
b) Taxation	0.01	0.01
c) GST Audit	-	0.06
d) Certification	0.03	0.03
e) Towards reimbursement of expenses	0.01	0.11
Total	**0.42**	**0.55**

48. Depreciation & Amortisation

Particulars	For year ended 31-03-22	For year ended 31-03-21
Depreciation on Property, Plant and Equipment (Refer Note 3)	70.31	94.51
Amortisation of Intangible Assets (Refer Note 4)	2.90	2.69
Amortisation of Right of Use Assets (Refer Note 6)	6.27	6.28
Depreciation on Investment Property (Refer Note 5)	0.33	0.33
Total	**79.81**	**103.81**

49. Exceptional Item - In the Current year, the Holding Company has instituted a Voluntary Retirement Scheme which is open untill May'2022. Under this scheme, the Holding Company has received and approved applications for the sum of ₹2.77 Crores as at the year end.

In the previous year, a product liability claim in USA was settled for ₹22.16 crores of which ₹21.93 crores was recovered from insurance and the difference of ₹0.23 crores has been shown as exceptional item."

50. 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 Private Limited		
Whether Indian or Foreign	Indian	Indian	Indian	Indian		
Extent of Holding by Parent		100%	100%	90%-w.e.f 8th Aug		
Net Asset	**890.86**	**53.33**	**29.73**	**(3.12)**	**(0.31)**	**970.49**
Net Asset as a % of Consolidated Net Asset	91.79%	5.50%	3.06%	-0.32%	-0.03%	100.00%
Share in Profit or Loss	**41.74**	**(0.28)**	**3.48**	**(1.47)**	**(0.15)**	**43.32**
Share in Profit or Loss as a % of Consolidated Profit or Loss	96.36%	-0.66%	8.04%	-3.40%	-0.34%	100.00%
Share in Other Comprehensive Income	**125.59**	**-**	**(0.00)**	**-**	**-**	**125.59**
Share in Other Comprehensive Income as a % of Consolidated Other Comprehensive Income	100.00%		0.00%			100.00%
Share in Total Comprehensive Income	**167.33**	**(0.28)**	**3.48**	**(1.47)**	**(0.15)**	**168.91**
Share in Total Comprehensive Income as a % of Consolidated Total Comprehensive Income	99.07%	-0.17%	2.06%	-0.87%	-0.09%	100.00%

51. Previous year figures: Previous year's figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification.

52. Quarterly returns filed with Banks and Financial Institutions: The amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

53. Relationship with Struck off Companies: The Holding company's and its subsidaries search based on publicly available database on struck off companies did not reveal any transactions with such companies.

54. The implementation of the Code on Social Security, 2020 is getting postponed. The Group will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.

55. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

56. The Board of Directors of the holding company recommended a dividend of ₹16.30 per equity share of ₹10/·each (i.e.163%) for the year ended March 31st 2022, subject to the approval of shareholders at the ensuing Annual General Meeting of the holding company.

Shobhana Ramachandhran
Managing Director
DIN: 00273837
Place: Madurai
Date: 25th May, 2022

B Rajagopalan
Chief Financial Officer
Place: Chennai
Date: 25th May, 2022

R Naresh
Executive Vice Chairman
DIN: 00273609
Place: Madurai
Date: 25th May, 2022

Venkatakrishnan V R
Secretary
Membership no: A13302
Place: Madurai
Date: 25th May, 2022

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
Place: Chennai
Date: 25th May, 2022

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